



2003 marked the Corporate Council on Africa's (CCA) most successful year to date. As a testament to this, CCA has reached its highest number of members ever; the next company to join will take us to 200 paid corporate members, collectively representing more than eighty percent of all U.S. private investment in Africa.

Our membership has increased over 100% since 1999.

There is more and more desire to invest in Africa, even if actual new investment by U.S. businesses is slower to follow. CCA is working to expand incentives for U.S. private investment in Africa, while emphasizing the need for the African private sector to be the best possible partner. CCA carries out this mandate by engaging in trade policy issues, helping develop partnerships between U.S. and African businesses, working with key economic communities throughout Africa, and working to improve U.S. financing opportunities for private sector investment in Africa.

This issue of *The African Journal* is dedicated to financing and is designed to complement CCA's first major conference on increasing private capital flows to Africa. The Wall Street-based conference is expected to attract hundreds of potential new financiers for Africa. By increasing available financing for investment in Africa, U.S. businesses will be able to significantly expand operations on the continent in the years to come. ●

Stephen Hayes, *President*
The Corporate Council on Africa

CCA Leadership Team:

Stephen Hayes, *President*—cca@afriacncl.org
Anita Henri, *Vice President and Legal Counsel*—ahenri@afriacncl.org
Robert C. Perry, *Director of Programs*—rperry@afriacncl.org
Tim McCoy, *Director of Overseas Programs*—tmccoy@afriacncl.org
Victor Barnes, *Director, The HIV/AIDS Initiative*—vbarnes@afriacncl.org
Mbayang Diouf Diop, *Chief Financial Officer*—mdiouf@afriacncl.org
Serene Irani, *Development Director*—sirani@afriacncl.org
Neel Lattimore, *Director of the Coalition for AIDS Relief in Africa (CARA)*—nlattimore@afriacncl.org
Nischal Patel, *South Africa International Business Linkages (SAIBL)*
Program Manager—npatel@afriacncl.org
Sonya Penn, *Manager of Communications and Public Relations*—spenn@afriacncl.org
Sasha Resnick, *West Africa International Business Linkages (WAIBL)*
Program Manager—sresnick@afriacncl.org

The founder of the *Africa Journal* is Abdoulaye W. Dukule who is a contributing editor and from whom The Corporate Council on Africa purchased all rights.

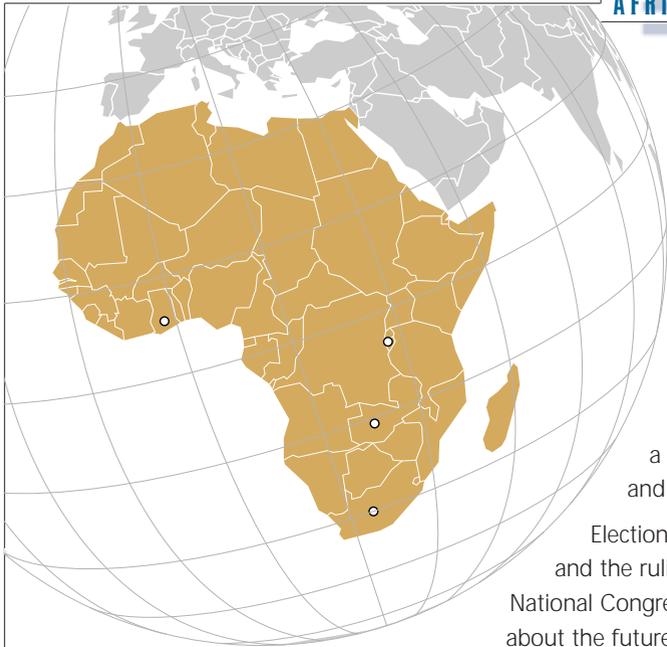
IN THIS ISSUE...

Africa Watch By Sungani Mwale	3
Feature Story The Importance of Credit Ratings for Africa By Carl Adams	4
News AGOA Private Sector Session Showcases Successes, Challenges in U.S.-Africa Trade	9
CCA Update	10
Business & Economy AltX: The Newest Development in a New Economy By Tony Carroll U.S. Investment in Angola: Structure, Incentives and Obstacles By Martina Fernandes Mining in Africa By Barrett Hightower	12
Finance CCA works to Increase Capital Flows to Africa By Stephanie Sheridan	18
Corporate Philanthropy Noel Group Hopes To Create "A New Way of Life" For AIDS Orphans In Africa By Rebecca Syens	19
HIV/AIDS A Private Sector Approach to Fighting AIDS in Africa By Robert A. Lindsay	20
Membership at a Glance	21
Africa On the Hill Lugar Praises Libya Announcement to End WMD Program	22
USG & International Institutions OPIC Invests in Africa By Tim Harwood	23
NGOs Business Works in Rural Mozambique By Mara Neville	24
Africare Africare/Rwanda Partners with Youth to Fight HIV/AIDS By Jean-Baptiste Ntakirutima and Jennifer Mboyane	25
Op-Eds Expanding Capital Flows to Africa Through Risk Mitigation By Mahesh Kotecha	26
Culture Congo: The Heart of African Music By Peter Gulliver	28
Travel Botswana and Namibia Versus Mars By Nomvimbi Meriwether	29
CCA Members, Board of Directors & Executive Committee	31



Editor: Sonya Penn
spenn@afriacncl.org

Assistant Editor: Stephanie Sheridan
ssh Sheridan@afriacncl.org



< By Sungani Mwale >

GHANA

Although it is one of the younger African stock exchanges, the Ghana Stock Exchange is outperforming even then most robust stock exchanges in the world today. Trading began on its floors in November 1990, and last year the Ghana stock exchange was the best performing stock market in the world out of 61 markets surveyed. According to Databank Financial Services, Ltd, Ghana's Stock Exchange reported an index on return of 144% in U.S. dollars and 157% in local currency terms. In 2002 and 2003 the African stock markets on average outperformed the markets across the globe but have received almost no publicity mainly because the markets are regarded as relatively undersized and negligible. Underlying this impressive performance are the successful economic policies that have been set forth by the government of President J.A. Kufour. Positive effects have been realized in terms of improved foreign reserves, declining inflation, falling interest rates and the recently acquired sovereign ratings of B+ awarded by Standard and Poors on September 4, 2003. With a total market, the Ghana Stock Exchange is emerging as a force to reckon with in the financial world.

SOUTH AFRICA

This year marks the 10 year anniversary of the New South Africa. This country has made great strides since its transition from apartheid in 1994. Still, a lot remains to be done and the future is uncertain.

Elections will be held in April and the ruling party, the African National Congress (ANC), is optimistic about the future of this southern African economic giant. Amidst escalating crime and unemployment rates, the ANC has managed to maintain a strong hold on the political scene. During the last election they accumulated 66% of the national vote; they are expected to retain control in this year's election. The opposition parties contend that the electorate is ready for an alternative to the ANC and have begun to form coalitions. Both camps, however, are resolved that the most important issue is to strive for a more unified South Africa.

ZAMBIA

Zambia's President Levy Mwanawasa is proposing to change the implementation procedure for privatization programs proposed by the IMF. If Zambia continues on its privatization plans, it is in line for enhanced Highly Indebted Poor Country (HIPC) status. This would result in the cancellation of half its

\$6.5 billion external debt. The president criticized the privatization plans, stating that they have contributed to high levels of poverty, loss of employment and asset stripping. In addition, these IMF recommendations do not make exceptions for large-scale catastrophic events, such as Zambia's recent period of famine. He stressed that this IMF restructuring tool must be revisited and revised as it is placing immeasurable strain on the government and its people.

BURUNDI

The National Liberation Forces, the last rebel army in Burundi, is showing signs that it may be ready to compromise. The group has agreed to meet President Domitien Ndayizeye to improve their relationship with the government. The National Liberation Forces initially rejected the new government, but amidst threats of sanctions by regional leaders the two sides have decided to meet in London. This is a step forward in the effort to establish a more unified leadership. Burundi's civil war erupted in October 1993 after the assassination of President Apostolic Nuncio Michael Courtney. A ceasefire accord was signed in December 2002, beginning the peace process. ●

Sungani Mwale is currently working with The Corporate Council on Africa.

International Business and Education Conference: A Focus on Water Management

June 16, 2004 • Worcester Polytechnic Institute, Worcester, MA

The conference will focus on challenges posed to water management both in the U.S. and internationally, with particular focus on Africa. Plenary sessions and workshops will address issues related to water reuse, desalination and water resources protection. Speakers will represent public, private and education interests.

For more information contact Arthur Gerstenfeld (ag@wpi.edu) or Creighton Peet (cpeet@wpi.edu) or visit <http://www.wpi.edu/News/Conf/NEABC/>.



THE IMPORTANCE OF AFRICA

< By Carl Adams >

Ratings are symbols and benchmarks that help order our awareness of relative conditions, dangers and opportunities in our environment. Ratings provide efficient references for attributes, characteristics and qualities of people, societies and situations that we encounter daily.

The lettered rating symbols of the international credit rating agencies are familiar to those working in the debt and loan sectors of global capital markets. Such ratings offer an efficient communication bridge between investors and public policy makers as shorthand for risk discrimination. Higher ratings indicate less risk for stakeholders, denoting levels of liberalization, social welfare and strength of civil society. As such, these ratings offer critical markers of a country's state of financial market infrastructure development and the security of investor and trading activities.

This article addresses ratings provided by three major, for-profit international rating agencies: Fitch Ratings, Moody's Investors Service and Standard & Poors. Their ratings focus on financial condition assessments, primarily the risk of default by debt and loan instruments in the public and private capital markets. The ratings are opinions only— they do not recommend specific action by investors, traders/intermediators, custodians, trustees or issuers of rated securities. The ratings are neither audit nor accounting



CREDIT RATINGS FOR



initiatives, and they do not recommend any regulatory, supervisory or oversight action by private or public sector actors interested in the performance of a rated security or loan. Simply put, ratings are defined as opinions by the rating agencies of an instrument (bond, note, loan, etc) to perform and of the investor in that instrument to be allowed to benefit from ownership of the performing instrument without restriction or interference according to the contractual terms of the instrument's documentation.

On the leading edge of globalization—with all of its technology, data/information content, legal jurisdiction dynamics and the challenges of “virtual” money and

capital to a traditional nation-state - ratings by international agencies are key symbols in a unique financial language of structural change in the established capital markets. This role offers an important advantage to Africa and its countries: ratings of financial risk for each country can provide shorthand for investors to “discover” the opportunities of Africa and compare risks across borders. A rating also makes clear to African governments and their people that nations that avoid accountability, high ethics, and respect for human rights accrue no special advantage.

Outside of the financial arena, countless organizations and institutions use ratings to quantify risk. This can be confusing. The critical point is to understand and

Fitch Ratings is a leading global rating agency committed to providing the world's credit markets with accurate, timely and prospective credit opinions. John Knowles Fitch founded Fitch ratings, initially as a publishing company. In 1924, Mr. Fitch introduced the now familiar “AAA” to “D” ratings scale to meet the growing demand for independent analysis of financial securities. Fitch's has experienced rapid growth since 1989 through a number of mergers and acquisitions. Fitch Ratings is a wholly owned subsidiary of Fimalac, S.A., an international business support services group headquartered in Paris, France. Fitch Ratings currently has 1,200 employees.

Standard and Poor's is the result of a 1941 merger between Poor's Publishing and Standard Statistics. Henry Varnum Poor's vision of 1860 remains that of the company; he was a leader in establishing the financial information industry on the principle of “the investor's right to know.” Today, more than 140 years later, Standard & Poor's is the pre-eminent global provider of independent highly valued investment data, valuation, analysis and opinions and is still delivering on that original mission. Standard and Poor's was acquired by the McGraw-Hill Companies, a NYSE listed public publishing company, in 1966. Standard and Poor's currently has 5,000 employees.

Moody's Investors Service is among the world's most respected, widely utilized sources for credit ratings, research and risk analysis. The firm publishes market-leading credit opinions, deal research and commentary that reach more than 3,000 institutions and 20,000 subscribers around the globe. Moody's, founded by John Moody at the turn of the 20th century, was formally incorporated in 1914, and by 1924 was rating nearly 100% of the U.S. Bond market. Moody's is owned by Moody's Corporation, a NYSE Listed public company. Moody's currently has 2,100 employees.

acknowledge the purpose and application of the rating, making sure that your interpretation of its meaning is correctly aligned with the characteristics that are important to your own position and conduct. In short, a rating is only useful if the user understands what the rating assesses.

The sovereign debt ratings of international agencies emphasize financing discrimination, and especially private sector financing risk discrimination. The ratings of the three major agencies hold great value and resonance in the marketplace because of their longstanding relationship with the private sector. It is important to note that although the focus of agency ratings are on debt and loan risk, such ratings also influence the more important drivers of sustained development: commercial trade, foreign direct investment (FDI), equity investment, portfolio trading and prices. Recognizing that the private sector is the primary driver of development, credit ratings are crucial.

Each international agency rates the risk of default for instruments issued by governments, country financial institutions and corporations operating in each country. Public and private sector bodies pay rating agencies to be rated. Agencies also sell their opinions and supporting research to investors, agents and third parties who need informed, independent opinions. Rating agencies offer to go beyond assessing risk of default. Other ratings include terms and tenor of capital market instruments, contract covenant language, seniority structures, accounting principles, market "best practices", management assessments and general rules for

governance.

The country's sovereign debt rating indicates the country's degree of risk for savings and investment relative to other countries'.

While many of Africa's highly indebted, low-income countries have high-risk ratings, several countries earn ratings comparable to countries that receive substantial foreign investment.

For example, the sovereign debt rating for

Botswana, rated A2 by Moody's and A+ by S&P, versus the rating for the sovereign debt of **Japan**, rated Aa2 and AA-, respectively. Additionally, the recent assignments for **Ghana** of a B+ rating by S&P and a B rating by Fitch Ratings compare quite favorably with sovereign debt ratings for **Brazil** and for **Indonesia**.

The rating process considers a variety of factors. All important organs of a government, including executive, legislative and judicial branches and the central monetary authorities, cooperate in the process of a rating assignment. Ratings agencies consider the local private sector, and its processes including those related to accounting. They consider the integrity of the civil society, and the development conditions, including public welfare, education, and human capital development. Further, the role and function of the police and

military services is also included in rating calculation.

While an excellent gauge, a sovereign debt rating is not a perfect indicator of risk vis-à-vis trade, FDI, and commercial viability in the country. Ratings are not a substitute for thorough due diligence and old-fashioned homework on a business risk proposal and its returns. There is danger in over generalization by reference to the sovereign debt rating. Although the **U.S.** is rated AAA/Aaa/AAA, there are many investments and exposures to business risk in the U.S. that are certainly not "gilt edge" as a triple-A implies. Sovereign debt ratings assess a government and marketplace, not every investment in a country.

Ratings also address both the macro conditions of the country and the micro situations for companies operating there. This affords the rating agencies

	S & P Benchmark Ratings	Fitch's Benchmark Ratings	Moody's Benchmark Ratings
Investment Grade ↑	AAA	AAA	Aaa
	AA+	AA+	Aa1
	AA	AA	Aa2
	AA-	AA-	Aa3
	BBB+	BBB+	Baa1
	BBB	BBB	Baa2
	BBB-	BBB-	Baa3
Non Investment Grade ↓	BB+	BB+	Ba1
	BB	BB	Ba2
	BB-	BB-	Ba3
	B+	B+	B1
	B	B	B2
	B-	B-	B3
	CCC+	CCC+	Caa1
	CCC	CCC	Caa2
	CCC-	CCC-	Caa3
	CC	CC	Ca
	C/D	C/D	C
D	D	C	

an opportunity to provide independent comment of forces in the economy and on-the-ground in the country that are both positive and risky. Rating agencies' reports typically include observations of accounting practices, legal enforcement and commercial codes behavior. They also note security and law and order conditions, respect for private ownership rights, rule and respect for law and commercial obligations. Rating agencies must hold strong opinions on corporate and public. The rating evaluations must assess the competence of regulators, the taxation process, fiscal integrity, supervision and licensing of essential services, as well as adherence to codes of ethics in the business and public sectors. However, these ratings are not regulations. The agencies are not agents of, or accountable to any government including the U.S. government. Rating agencies are not accountants nor do they provide police services for audit, fraud or honesty and trust. However, they are in a unique position to comment on such practices in a given country.

As stated, sovereign debt ratings are an essential piece of information for the attraction of international investment. Reducing real and perceived barriers to investment inflows to African countries is a certain and achievable expectation from any rating assignment, whether the assigned rating is high or low. It is not only the actual assigned rating that markets may use for risk discrimination, but also the process of obtaining a rating assignment. The independent seal of recognition attributed to a country is also essential for attracting private sector interest.

The assignment of a sovereign debt rating by the international agencies is a

sure step towards unlocking the power of the private sector to the benefit of any country in Africa. For this reason, the Commission on Capital Flow to Africa explicitly recommends that "all African countries should be encouraged to seek a sovereign credit rating by an international credit rating agency" (June 2003, pp 21-22). Private sector involvement - spurred by the existence of a country's sovereign debt rating - will make a huge difference for favorable and sustainable development. The international agencies' ratings are

bridges to the private sector's awareness of African countries, and they are the comparative shorthand for risk among global alternatives. ©

Carl Adams is the Executive Director of the Financial Standards Foundation. He is a Senior Advisor for Risk Management to the International Capital Markets Department of the International Monetary Fund, the National Intelligence Council of the U.S. Government, Oxford Analytica Ltd, Standard & Poor's, and Moody's Investors Service. Mr. Adams is currently Co-Chairman of the Risk Steering Committee of The Bond Market Association; he is Chairman of the RMA (Risk Management Association) New York Chapter; and he is a Senior Director of the Capital Markets Credit Analysts Society.

African Sovereign Credit Ratings *

Country	S&P	Moody's	Fitch
Benin	B+ stable	not rated	not rated
Botswana	A stable	A2 stable	not rated
Cameroon	B stable	not rated	B stable
Cape Verde	not rated	not rated	B+ stable
Egypt	BB+ stable	Ba1 stable	BB+ stable
Gambia	not rated	not rated	B- stable
Ghana	B+ stable	not rated	B positive
Lesotho	not rated	not rated	B+ positive
Malawi	not rated	not rated	CCC+ stable
Mauritius	not rated	Baa2 stable	not rated
Morocco	BB stable	Ba1 negative	not rated
Mozambique	not rated	not rated	B stable
Senegal	B+ stable	not rated	not rated
South Africa	BBB stable	Baa2 positive	BBB- positive
Tunisia	BBB stable	Baa2 stable	BBB stable
AfDBank	AAA stable	Aaa stable	AAA stable
EADBank	not rated	not rated	B- stable

Recent rating actions:

- Lesotho assigned first-time rating by Fitch in September 02
- The Gambia assigned first-time rating by Fitch in November 02
- Tunisia upgraded one notch by Moody's in April 03
- South Africa upgraded one notch by S&P in May 03
- Malawi assigned first-time rating by Fitch in May 03
- Mozambique assigned first-time rating by Fitch in July 03
- African Development Bank raised to AAA by S&P in July 03
- Cape Verde assigned first-time rating by Fitch in August 03
- Ghana assigned first-time rating by S&P in Sept03 and by Fitch in Dec03
- Cameroon assigned first-time rating by Fitch in Sept03 and by S&P in Nov03
- Benin assigned first-time rating by S&P in Dec03

The ratings shown are senior unsecured long-term foreign-currency ratings.
Source: Global Investment Advisors, Inc

Emirates Ad

AGOA Private Sector Session Showcases Successes, Challenges in U.S.-Africa Trade

On December 8-9, 2003, the Corporate Council on Africa (CCA) and the AGOA Steering Committee convened the Private Sector Session of the Third *U.S.-Sub-Saharan Africa Trade and Economic Cooperation Forum*. The Session attracted more than 500 participants representing the public and private sectors and featured no fewer than 100 speakers, 16 workshops, five plenary sessions and two networking receptions.

During the Session's closing plenary, the following recommendations and observations were adopted by Session participants:

- AGOA has scored successes in several key sectors, namely textiles and apparel; automotive; and some processed foods. AGOA has encouraged positive political reform and increased foreign investment in some countries.
- AGOA's full potential cannot be realized unless Africans take control of their own development. Handicaps that must be overcome include insufficient infrastructure; too few incentives for investment; lack of capital; weak macroeconomic policies; low levels of technical know-how; and poor governance.
- AGOA traders are still utilizing too few product categories. Countries benefiting most from AGOA are clustered in East and Southern Africa; West African countries appear to lag behind in the non-energy sectors.
- Open trade, in conjunction with well-crafted assistance policies, is essential to realizing AGOA goals and incorporating Africa into the global trading system.
- Capacity building is an essential area for improvement under AGOA; AGOA preferences are meaningless if African traders are unable to take advantage of them.
- New U.S. security measures affect AGOA traders. Port security and increased regulations by U.S. Customs and Border Protection can hinder trade. U.S. regulation of fresh agriculture products is an indirect barrier to U.S.-Africa trade. On the positive side, new U.S. security regulations may result in increased international trade transparency and heightened port security.
- China's full entrance into the WTO and the sunset of the Multifiber Agreement cause great concern for African apparel exporters. However, some believe AGOA producers will continue to supply mid-tier buyers and niche markets since U.S. importers may value diverse sourcing, reserving a place for African production.
- Price alone does not determine sourcing decisions. Increasingly, sourcing decisions are based primarily on speed, quality and product diversity.
- Transshipment is proving a significant problem for AGOA traders. Non-AGOA countries are shipping through Africa to both avoid quotas and tariffs and skirt security requirements.
- The prospect of U.S.-Africa Free Trade Agreements evoked some debate. Supporters view FTAs as more stable and permanent arrangements allowing Africans to export to the U.S. Critics fear that Africa is not ready for FTAs with the U.S. because African markets would be overwhelmed by U.S. goods, potentially ruining local industry. Asymmetrical FTAs, whereby measures are not entirely reciprocal, are a suggested intermediate solution.



Alan P. Larson, Undersecretary of State for Economic, Business, and Agricultural Affairs addresses private and public sector participants at the 2003 AGOA Forum Private Sector Session.

potentially ruining local industry. Asymmetrical FTAs, whereby measures are not entirely reciprocal, are a suggested intermediate solution.

- Trade under AGOA is still limited to only a few product categories.
- The African handicraft sector must move up on the economic agendas of African governments and the donor community. The IFC Small and Medium Scale Unit and Micro-financing Division should examine financial instruments for artisans.
- Participants agreed that the AGOA III legislation pending before the U.S. Congress should be extended. Additional suggestions included:
 1. Improve upon capacity building in all trade-related areas.
 2. Provide more technical assistance in agriculture, including in sanitary and phyto-sanitary criteria.
 3. Streamline and improve Category 9 benefits for handicrafts.
 4. Extend third-country apparel benefits. The majority of participants supported some form of an extension as well as quota phase-out.

This was the third time that CCA and the AGOA Steering Committee organized the AGOA Forum Private Sector Session. Previous Sessions were held in Philadelphia and Mauritius. ●

CCA in 2004

2004 will see increased activity from the Corporate Council on Africa in a wide variety of areas and sectors. CCA has organized task forces to address issues and plan conferences in these fields.

CCA's 2004 Task Forces convene to plan upcoming industry and country-specific events.

Financing Capital Flows to Africa—

This is an ongoing task force that has planned the first *Increasing Capital Flows to Africa Conference* scheduled for February 26, 2004 in New York City. It will also plan a subsequent conference in Ghana for a larger African audience.

Nigeria Task Force—CCA is moving its engagement with Nigeria to a significantly higher level in 2004. It will partner with the Nigerian Economic Summit Group to plan an annual bilateral *U.S.-Nigeria Economic Conference*. The task force will organize the conference in cooperation with the Council on Foreign Relations.

Angola Task Force —CCA is working closely with the U.S.-Angola Chamber of Commerce, led by Ambassador Paul Hare, to design a program that begins to strengthen the private sector in Angola through partnerships with U.S. companies. This task force will examine the possibility of a trade mission as well as a U.S.-Angola Conference, focusing on economic and trade relations.

Tourism in Africa—This task force is helping to plan the *CCA Conference on Tourism in Africa* scheduled for October 2004 in the U.S. CCA aims to develop this important sector for greater U.S. investment and involvement in African tourism. CCA

will continue to work in cooperation with the African Travel Association and the African Wildlife Foundation.

Agricultural Investment in Africa—

This task force will help plan a conference to discuss agribusiness investment opportunities in Africa and policies to promote increased agricultural trade between the U.S. and Africa.

Energy, Oil and Gas Planning

Group—This planning group will meet regularly to monitor events in Africa affecting U.S. energy supplies. The group will help plan a workshop at the Africa-based *U.S.-Africa Energy Ministerial Conference* scheduled for April 2004, and will also serve as the planning body for CCA's annual *U.S.-Africa Energy Conference* scheduled for late 2004 in Houston.

In addition to these planning groups, CCA has convened a number of task forces that meet on a regular basis to provide a forum for CCA members to discuss policy issues that affect the investment and business climate in Africa. These working groups include:

HIV/AIDS Initiative Advisory Group

— This group will provide ongoing advice and direction to CCA's HIV/AIDS Initiative for Africa. The Initiative seeks to engage CCA's members in the design, development and implementation of workplace policies and prevention education programs for HIV/AIDS in their African workforce. Policy and program design and evaluation are fundamental components of the Initiative, and the Advisory Group will be critical in guiding CCA in these and other essential aspects of this new initiative.

Southern Africa Task Force—CCA is working closely with the South African

government and neighboring countries to develop a more active business exchange between the U.S. private sector and southern African businesses. This task force will examine ways to increase trade and partnerships with the region, and to maintain a consistent dialogue between key economic players of the region and those in the U.S.

Equatorial Guinea Working Group —

This group meets regularly to monitor developments in Equatorial Guinea.

AGOA Planning Group—

This group will be comprised of U.S. private sector representatives involved with issues and business related to the African Growth and Opportunity Act. ●

Upcoming CCA Events

February 2004

February 26
 CCA Financing Conference
 New York, NY

March 2004
 March 22-24
 CTIA Wireless 2004
 Atlanta, GA

June 2004
 CCA Annual Gala Dinner
 Washington, DC

Summer 2004
 CCA Increasing Capital Flows to Africa Conference
 Accra, Ghana

Fall 2004

2004 Africa Travel & Tourism Trade Show and Conference

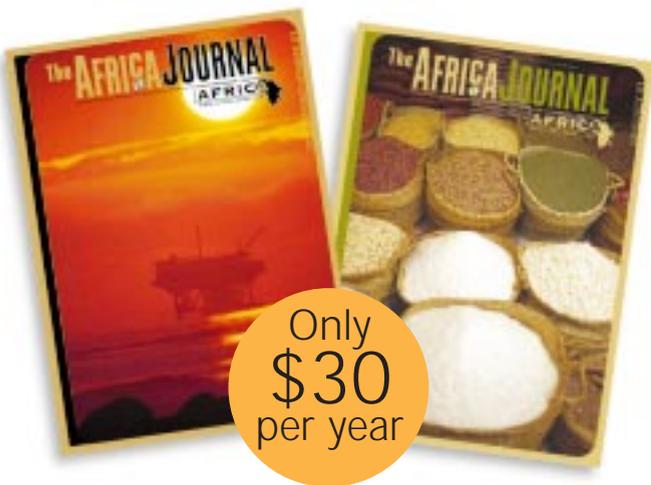
CCA Oil & Gas Forum
 Houston, TX

For additional information on upcoming events visit CCA's website at www.africacncl.org.

SUBSCRIBE TODAY

The **AFRICA** JOURNAL

The Africa Journal offers you
A unique perspective on U.S.-African affairs



- U.S.-Africa business development and investment news
- Access to current economic, political and social matters between the U.S and Africa

Published bi-monthly in Washington, DC, The Africa Journal brings you innovative coverage of important issues facing your industry.

Contact the Communications Department at
The Corporate Council on Africa (CCA)
for subscription and advertising information at:
Phone: (202) 835-1115
E-mail: cca@afriacncl.org
website www.afriacncl.org

THE CORPORATE COUNCIL ON
AFRICA
WWW.AFRIACNCL.ORG

ADVERTISE!

The leading publication
linking the U.S. and African
business communities

Gain rare access to leaders in
key industries

Advertising with The Africa Journal provides points of contact to a well-connected market, including consumers and policy makers worldwide. Our audience includes CCA corporate members; members of the United States Congress; U.S. government agencies; United Nations representatives; African embassies in the U.S.; U.S. embassies in Africa; global organizations; international media covering Africa; foundations and a host of NGOs engaged in Africa. Circulation also includes distribution at prominent CCA events.

Be a part of investing in the
future of Africa

For a full list of CCA members
please see inside back cover

Contact CCA's Communications Department at
(202) 835-1115 or cca@afriacncl.org for ad
deadlines, placement and payment information.

Advertisements are available in the following
formats:

Double Spread—14.5" X 10"

Single Full Page—6.5" X 9.5"

Half Page Horizontal—6.5" X 4.75"

Half Page Vertical—3.25" X 9.5"

Quarter Page—3.25" X 4.5"

Business Card—3.25" X 2.3/8"

AltX: The Newest Development in a New Economy < By Tony Carroll >

South Africa has undergone enormous political change since the end of apartheid ten years ago. The emergence of a peaceful political transition was the African equivalent to the fall of the Berlin Wall only a few years prior. Not only was this transition of epoch proportions in global political terms, it has also underscored the capacity for good will and forgiveness of South Africa's historically disadvantaged people.

Despite enormous tasks in reforming government and meeting the social needs of the now enfranchised electorate, the governments of Nelson Mandela and Thabo Mbeki have pursued market based policies that would be the pride of even conservative economists. GDP growth rates have averaged just under 3% with little fluctuation. Government

fiscal expansion has been kept within manageable terms and monetary policy is so tightly monitored that currency overvaluation has become a bigger problem than hyper inflation or inconvertibility. Millions of black South Africans now have water, electricity and houses. While governance issues still present a problem at all levels, the federal government has not hesitated to appoint special investigatory bodies to examine the role of high ranking officials—often to the chagrin of ANC leadership.

Post Apartheid Success

Concomitant with this political transition has been the emergence of a black business class. Across South Africa, black entrepreneurs are seen opening businesses, serving as bank officials and providing

business services of all types. In ten years the influence of black businesses has mushroomed. Nowhere is this change more evident than in the emergence of a new cadre of black business executives filling the shoes of the immigrant Oppenheims and Bernardos of 100 years ago. The new names of South Africa business include such figures as Patrice Motsepe of ARM, Tokyo Sexwale of Mvelaphanda

Holdings and Cyril Ramaphosa of MCI/Johannic/MTN.

Although the emergence of a black business class has been noteworthy, it is not pervasive. South Africa has the second highest level of economic inequality in the world after Brazil, and black equity ownership is still abysmally low. Despite comprising 85% of South Africa's population, blacks hold only 1% of the combined equity of companies listed on the Johannesburg Stock Exchange (JSE). Moreover, with the failure of such black empowerment ventures as New Africa Investments Limited and Thebe Holdings, black equity ownership has fallen by 50% in five years. Black South Africans express frustration that they continue to be marginalized from the country's economy and the small circle of black business persons who have contacts with government and big business.

Black Empowerment and New Venture Finance

In an effort to deepen and accelerate South Africa economic transformation, President Mbeki launched its Black Economic Empowerment Initiative (BEE). BEE addresses a host of measures to foster economic activity among its historically disadvantaged communities including procurement preferences, training incentives and, most controversially, transfer of equity ownership. This last equity transfer program came to the immediate attention of South Africa's large mining sector. While mining contributes only 17% of South Africa's GDP, the sector is a large employer and contributes mightily to South Africa's balance of payments.

Under BEE and attendance legislation, up to 25% of a company's equity would have to be held among

CTIA WIRELESS 2004
 March 22-24, 2004
 Georgia World Congress Center
 Atlanta, GA, USA

Live wireless. Work wireless. Be wireless.
Welcome the Wireless Generation.

CTIA WIRELESS 2004 is the most important technology event you will attend this year. This global event draws attendees from dozens of different industries in more than 80 countries around the world, serving every aspect of wireless—providers, users, developers, buyers and manufacturers.

This is an excellent opportunity for African delegates and companies to develop business contacts worldwide and to identify and select appropriate U.S. products to distribute in their region.

Register Online Today at
www.ctiawireless2004.com

historically disadvantaged groups within ten years. Companies unable to achieve these thresholds could lose their mining licenses. The Ministry of Mines and Energy and the umbrella Chamber of Mines have been negotiating the modalities of BEE implementation and much has been achieved. However, a sticking point was identifying the means for historically black communities to purchase equity stakes without resulting in dilution. As a result, many fear that South African firms will choose either to delist from the JSE or devise mechanisms to circumvent or at least delay BEE requirements to await a more favorable political climate.

When the South African government took its BEE plans to industry in South Africa and abroad, many opined that there was a need to create a means to finance new ventures with black equity rather than just buy into mature or "Blue Chip" mining or manufacturing firms. Typically in the mining sector, a junior company will undertake initial exploration activity and only bring in a major company once proven reserves are identified. Canada and Australia's dominance in mineral exploration is in large part due to the existence of flexible and risk oriented exchanges. Even in staid London, the AIM exchange has attracted hundreds of new ventures due to its flexible rules, moderate disclosure requirements and comparative low cost.

AltX

The AltX was the outgrowth of such criticism and some hard thinking by JSE leadership. The JSE, founded in the 1880s, is the oldest stock exchange in the world. While the JSE's volume ranks in the world's top twenty exchanges, its annual turnover is less than one day's transactions on the New York Stock Exchange.

Although the JSE has been trying to grow its development capital and venture capital boards, listing requirements and transactional fees were viewed as overly restrictive to small and medium sized (and historically black) enterprises (SMEs). In response, in October 2003, the JSE launched the AltX. This exchange will provide opportunities for investors in a range of small cap companies. These SMEs will be able to raise funds via IPO or secondary offerings, widen their investor base and ascertain the value by reference pricing to a market determined mechanism.

Advantage of an AltX listing include: no requirement for a profit history, low share capital requirement of R2 million (about \$260,000 vs. R25 million on the JSE's main board) and a reduced listing fee. However, the listing company must appoint a JSE designated advisor to help shepherd the company through the due diligence and prospectus preparation process. The process is estimated to take six to eight weeks, although this appears highly optimistic. Details for using an AltX listing can be found at www.AltX.co.za.

As of end of 2003, only three companies had shown an interest in using an AltX listing. A widely stated reason for the slow uptake is the relative cost. In a recent *Business Day*

article, Mxolisi Lindie, National Policy Director of the Black Management Forum identified some major costs: "a small company is required to have a designated adviser; these advisers do not come cheap." Other costs he cited include employing a financial director, auditors, lawyers and transfer agents, printing prospectus and other documents, and marketing and advertising.

Notwithstanding these obstacles, the JSE and the South African government should be applauded for spawning a new approach to capital financing in South Africa. It is hoped that as Africa continues its economic and political integration, the AltX can emerge as an important instrument in Africa's development. ©

Tony Carroll is the Managing Director of Manchester Trade Ltd.

International Workforce Integration and Training Experts.



Phambili Strategies & Solutions knows the value of investing time and resources into a company's most valuable asset - its people. And in the global marketplace, the ability to mobilize and synchronize a diverse workforce can make the bottom line difference.



PHAMBILI STRATEGIES & SOLUTIONS

Corporate Headquarters
Suite 268 Dunkeld West Centre, 281 Jan Smuts Avenue,
Dunkeld West, Gauteng, 2196, Johannesburg, South
Africa/Tele/Fax: +27 11 341-0042 phambiliss@netactive.co.za and
wrenner13@comcast.net

1100 17th Street, NW, Suite 1100, Washington, DC 20036 USA, Tel:
202-263-3531 / 703-243-3002 Fax: 202-835-1117
kedi_phambili_jm@africaand.org

U.S. Investment in Angola: Structure, Incentives and Obstacles

< By Martina Fernandes >

Angola offers political stability and numerous opportunities for U.S. Investment

A key element in U.S. policy towards Angola is increasing commerce between the two countries. President Bush recently declared Angola an AGOA beneficiary, confirming the U.S. intent to improve commercial relations with Angola. The U.S. Administration is confident that Angola is moving forward from three decades of civil war, through the reconstruction of devastated economic and social infrastructure, to a more stable and profitable future. Although American investment in the country outside of the oil and gas sector is limited, this preferential trade access is an incentive offering competitive advantage to U.S. investors in other sectors. Top U.S. competitors for investment in Angola include Portugal, Brazil, South Africa, China and Norway; all of these countries are already engaged in reconstructing Angola's infrastructure. There are opportunities for U.S. businesses to expand into almost every sector of the Angolan economy. In order to gain a significant share of the Angolan market, American companies should work with the government to promote progressive changes in Angola, invest in priority sectors such as agriculture, fisheries, construction and infrastructure, and industry, and most importantly establish partnerships with domestic and foreign companies that are successfully engaged in the country and have a greater knowledge of the investment climate.

Incentives for U.S. Investment

Angola is an AGOA beneficiary in part because the Angolan government is in the process of drafting a new constitution and laws governing the



framework for political parties. The government has also shown interest in creating an attractive investment climate by establishing practical new procedures and legal guarantees, and increasing transparency by publishing an independent diagnostic of the oil sector finances. Investment incentives, established to facilitate and strengthen private sector partnerships for U.S. investors in Angola also include the:

1) Law on Incentives and Tax Benefits for Private Investment, which regulates the procedures, types and modalities for the granting of incentives and tax benefits within the framework of the law on private investment in Angola; **2) New Law on the Bases of Private Investment**, which among other things guarantees security and protection of investment; **3) Cabinet's approval of the New Land bill**, whose regulation of land ownership in Angola will revitalize the agricultural sector while giving indirect foreign access to the land; **4) Liberalization of Foreign Exchange**; **5) application of new customs tariffs**; **6) Achievement of AGOA Eligibility**; **7) Reopening of dialogue between Angola and the IMF** (in December 2003 an IMF technical team went to Angola to help the National Bank of Angola analyze the country's external debt); and **8) Establishment of an economic reform program** promoting private sector involvement in infrastructure construction, specifically in telecommunications, transport and roads, health infrastructure, energy and water.

Obstacles to U.S. investment in Angola

Angola's development depends on the rehabilitation of infrastructure and the creation of jobs. Furthermore, the revival of Angola's agricultural sector would promote development in other industries by supplying raw materials and creating jobs for a large number of unskilled Angolans. Unfortunately, with the exception of Coca-Cola Africa, U.S. companies are reluctant to make major investments in Angola outside of the oil and gas sector. While the country offers potential for agribusiness, incentives such as AGOA and a new Land Law may not be strong enough to promote U.S. investment in Angola in the area of agriculture. U.S. businesses still largely believe that the risk of diversifying investment in the country is higher than the potential returns.

Recent Investment Initiatives

Agriculture and Fisheries

Angola shows great potential in the agriculture and fishery industries. Its 1,600 kilometer coastline is abundant with tuna, shellfish, sardines and mackerel, and the climate and 5-8m ha of arable land offer excellent conditions for agricultural production. American businesses can profit by investing in government projects designed to revive these sectors.

Angola already has fishing cooperative agreements with the European Union, Russia and some Asian countries.

Example of Investments Included

- The International Coffee Organization (ICO) will provide \$8 million to fund a pilot scheme to rehabilitate the coffee sector by resettling coffee farmers and helping them establish new farms. Angola produced 4 million bags of coffee annually before 1975.

- Based on the results of a feasibility study completed by Louisiana-based F.C. Schaffer and Associates Inc., the Angolan Ministry of Agriculture, Industry and Planning in conjunction with the Governor of Benguela plan to rehabilitate and expand the sugar factory at Dombe Grande in Benguela province. Privatization of the factory will follow.

Construction & Infrastructure Investment

The Angolan government announced plans to reconstruct the infrastructure in the power, transportation and communications sector. Examples of foreign and domestic investments include:

- Angola plans to invest \$500 million to rehabilitate the National Electricity Company hydropower stations. The government has also allocated \$200 million to repair the nation's six dams. Most importantly, the government intends to create a national electricity grid to link its three regional electricity sectors to neighboring countries. This would establish a foundation for Angola to become a regional electricity exporter. The Angolan government is also repairing roads, airstrips and bridges.
- Portuguese companies that are well established in Angola's construction sector include Soares da Costa, Teixeira Duarte, and Mota & Ca.
- The Brazilian Odebrecht group has held a strong presence in Angola for several years. Recently, the Brazilian company signed a contract to renovate the Biopio gas and thermal power stations. The company is also building the 520-megawatt Capanda hydroelectric dam in Malange, 190 miles east of Luanda. The Capanda projects will double Angola's electricity generating capacity.
- The Russian-owned Alrosa diamond company has proposed a

hydroelectric project on the Chicapa River. The project would provide power for the company's \$40 million investment in diamond mining infrastructure.

- The European Union (EU) is investing approximately \$9 million in projects to rehabilitate the road linking Lubango and Namibe.

Industrial Investment

The rehabilitation of Angola's industrial sector is a major priority of the government, international organizations and foreign companies. Examples of efforts and investments include:

- Coca Bottling Luanda opened a \$36 million bottling factory in Bengo Province.
- The Chinese company, Guangdong Overseas Construction Corporation (GOCC), announced plans to invest \$7.2 million to build the first motorcycle assembly plant in Angola.
- According to the Industrial Development Agency (IDIA), set up in 1995, Chevron Texaco is collaborating with IDIA on the promotion of a 2,345 hectares industrial park in Cabinda. Other industrial parks will be developed in the suburb of Viana (8000 hectares) and Benguela (214 hectare) near Lobito, which is Angola's deepest port in commercial terms.
- The Angolan government has approved a \$21.7 million foreign investment project to produce fruit juices as well as bottled water and spirits.
- Portuguese Delta Cafe is rehabilitating Angola's main coffee factory.

After 15 years of dormancy, The Liangol factory resumed coffee processing in 2000.

Conclusion

In 2002, the Angolan economy grew by 15% thanks to a booming energy sector. Numerous U.S. companies have already begun to capitalize on the opportunities presented by the changes in Angola. However, many more opportunities exist for mutually beneficial partnerships between the U.S. and Angola. The growth of the non-oil sector has lagged behind; Angola continues to be dependent on imports and food aid for about half of its cereal requirements. Investment opportunities' meeting the country's needs fall within the following sectors: agriculture, fisheries, construction and infrastructure, and industry. U.S. investors can reduce the risks associated with investing in Angola by engaging in projects where international financial organizations, such as the Overseas Private Investment Corporation and the Export-Import bank, are involved. Foreign and domestic investors can also lobby for structural, legal and regulatory changes. Furthermore, like the Portuguese and Brazilians, U.S. firms should select viable Angolan partners to explore equity participation in projects, debt for equity swaps and commodity barter arrangements. ●

IMPORT U.S. EQUIPMENT TO AFRICA

NATIONWIDE EQUIPMENT
Serving The Construction Industry Worldwide Since 1983

Specializing In:

- Dozers • Loaders • Excavators
- Backhoes • Tipper Trucks
- Graders • Log Skidders
- Compactors • Water Trucks
- Swamp Buggies • LowBoy Trailers
- Bitumen Sprayers • Asphalt Plants
- Paving Equipment

EX-IM Financing

904-925-2500
 sales@nwe-usa.com • www.nationwideequipment.com

Mining in Africa: Limitless opportunities, but governments and companies must achieve delicate balance < By Barrett Hightower >

Africa is the birthplace of humankind; it is also the birthplace of mining. The oldest known mine in the world, located on a Swaziland iron site, was operated 45,000 years ago. However, while Africans have used iron, and even gold and copper, since time immemorial, the continent's modern mineral story really began with the diamond rush in South Africa at the turn of the twentieth century. In short order, large scale mining in Africa was occurring simultaneously with major shifts in the global economy and politics. This era was overwhelmingly defined by imperialism, the rapid rise of banking and industrial monopolies, and capital exports.

In the beginning, African mining was based primarily on diamonds and gold, highly concentrated in the south. During the 1930s, the industry began to attract significant new investment and shifted to the exploitation of industrial minerals, especially copper, and the development of mining outside of southern Africa.

Today, Africa produces more than 60 mineral and metal products and is a major producer of some of the world's most important minerals and metals. Amazingly, though much of the continent remains unexplored, it is estimated that Africa holds roughly 30% of the world's mineral reserves.¹

South Africa, Ghana, Zimbabwe, Tanzania, Zambia and the Democratic Republic of Congo (DRC) dominate the African mining industry. Smaller economies, such as Angola, Sierra Leone, Namibia, Zambia and

Botswana, rely heavily on mining for forex earnings.²

The African mining industry has complex undertones and connotations.

Diamonds, tanzanite, and other gems are known sources of terrorist and rebel

funding. Rebel groups can mine-or force others

to mine-and use proceeds towards illicit gain. Sierra Leone fell victim to a rebel force, the Revolutionary Front, in 1991, when it swept in from Liberia and took control of the diamond fields. The gems fields of West Africa are most vulnerable to violent takeover. When gems are alluvial, or in the soil, as they are in much of West Africa, rebels can easily take over and operate. Unfortunately, operations require little more than a shovel or snorkel, and transport and smuggling is easy because of the small concealable nature of the precious stones.³

Still, the presence of lootable resources is not necessarily a catalyst for political disorder; it can only aid the process. Alluvial fields can be safeguarded, and controlled effectively by joint public-private partnerships (these were effective even in Sierra Leone for most of its history). In a number of cases, like Botswana, gems are truly a valuable resource for the state building process.⁴

Botswana's state run industry has fueled a country that is now the wealthiest and most transparent in Africa. Mining accounts for 34% of Botswana's GDP



DFI's mv Anya, off-coast of Namibia

and one-half of tax revenues. Diamonds were discovered in Botswana in 1968, two years after independence, and since then, the country's minerals have fueled one of the world's fastest growing economies. Botswana has achieved a sovereign credit rating of A stable from Standard & Poor and A2 stable by Moody's, and is ranked among the most transparent countries in the developing world. Botswana's mines, producing roughly 25 million carats of diamond annually, are jointly owned by DeBeers and the Government of Botswana.

The mining industry has also played a large role in South African history and development. Intensive mining of high-value commodities, including diamonds, and later, gold and coal, launched South Africa's industrialization. At present, South Africa is recognized as having the world's largest reserves of chrome, gold, vanadium, manganese and PGMs. Extraction continues to boom-and dominate, as the country's largest industry sector. Each year, South Africa produces approximately 55 minerals from over 700 mines and quarries and exports mineral commodities to as many as 87 countries.⁵

¹ Mebendi: Information for Africa. <http://www.mbendi.co.za/>.

² Ibid.

³ Snyder, Richard, "Does Lootable Wealth Breed Disorder? A Political Economy of Extraction Framework," University of Illinois and Urbana-Champaign. <https://upload.mcgill.ca/rgchr/snyderpaper.pdf>.

⁴ Ibid.

⁵ "Blending Mining, Community Needs," Business Day South Africa, 4 November 2003.

South Africa's mining sector is influenced by a complex past. Unlike most other countries, South African mineral rights were traditionally owned by private individuals rather than the state. Efforts to transfer these rights back to the government are only recent. These efforts, combined with the country's new Minerals and Petroleum Resources Development Act, represent an important push to change the image, as well as some of the beneficiaries, of the industry. As the second largest employer of unskilled workers after agriculture, the mining industry is uniquely positioned to propel South Africa's human capital growth.

Botswana's state-run diamond industry is a model for developing countries looking to natural resources extraction for a jumpstart. And the South African government's bold reclaiming of mining rights is an intriguing example for other countries shrugging off similar colonial legacies. For all countries engaged in large scale mining, the major challenge is integrating benefits for local communities into the long chain of mining activities. There is precedent for both governments and mining companies taking up this torch. In fact, most mining companies are now integrating corporate social responsibility into their operations. Careful, cooperative management of natural resources in a way that impacts greater good is, in a nutshell, the ultimate challenge of development.

Diamond Fields International Ltd.

CCA member Diamond Fields International Ltd. (DFI) is an international exploration and mining company pursuing diamond and nickel opportunities. DFI's corporate strategy focuses on maximizing cash flow from its Namibian marine diamond concessions and exploring and developing its international diamond

and nickel projects. In addition to its operations in Namibia, DFI's investment in Africa includes projects in Sierra Leone and Madagascar.

In 2003, DFI sold 14,727 carats of diamonds recovered from the Marshall Fork marine concessions located in Luderitz Bay, off-coast Namibia. The market for Diamond Fields' marine diamonds is strong. September and October 2003 sales of these gems totaled 2,585 carats, securing an average price of US\$145.62 per carat.

Also in November 2003, DFI acquired approximately 90% of a private company controlling six million acres of prospective nickel and diamond properties in Madagascar, making DFI one of the largest landholders in the country. According to DFI President and CEO Gregg Sedun, "This further investment confirms our belief that Madagascar offers a favorable geological and political environment for mineral exploration and mine development as well as confirming our optimism in the future of nickel itself."

In West Africa, DFI has acquired a 100% interest in exploration rights in concessions in Sierra Leone. Sierra Leone boasts some of the largest gem-quality diamonds ever discovered, and since joining the Kimberley Process in 2001, has again become an attractive region for diamond exploration.

FY2004 holds strong prospects for DFI. Significant cash flow from the resumption of diamond mining activities in Namibia will be directed towards expanding the company's current diamond resource base and funding future diamond and nickel exploration projects.

Placer Dome Inc.

CCA member Placer Dome Inc. (PDG) is the sixth largest gold mining company in the world, pursuing quality assets in gold, copper and silver. PDG has

interests in 18 mines in seven countries. The company is traded on the New York, Toronto and Australian Stock Exchanges, as well as Euronext-Paris.

Placer Dome owns 50% of the massive South Deep gold mine in South Africa, renowned as one of the greatest mines of the southern hemisphere and currently undergoing significant expansion and modernization.

PDC is not only one of the largest companies in the world, it is also foremost among multinationals fighting HIV/AIDS. The company's Care Project in South Africa, originally geared towards assisting displaced miners and their families to find new employment, has expanded to provide HIV/AIDS programs for current employees of South Deep. The \$5 million project (the Canadian Government shares the cost to the tune of \$2 million) is strong testament to the fact that social responsibility is a rising priority of international business.

Placer Dome's African region also manages the North Mara mine in Tanzania. At the time of this acquisition, Managing Director and Chairman of East African Gold Mines, Geoff Stewart said, "Placer Dome is a natural fit to acquire East African Gold Mines. Their history of managing in developing areas and their focus on sustainable mineral production ensures the efforts we put into this region will be continued and improved. The foundation for a long-life mine is in place and the project will benefit from having a well-capitalized major to further develop it."

In the third quarter of 2003, Placer Dome recorded a quarterly gold production exceeding one million ounces for the first time in its history. The company attributed the record-breaking production primarily to the better than expected performance of the North Mara mine in Tanzania.●

Barrett Hightower is a research analyst for the Corporate Council on Africa.

CCA works to Increase Capital Flows to Africa < By Stephanie Sheridan >

Across Africa, sentiment is growing that economic growth must come from the private sector. Echoing this sentiment, international investors are acknowledging the growing potential for profitable investments in Africa.

With the proper background information, contacts and follow-through, foreign direct investment in Africa provides opportunity for seasoned investors to make a lasting impact on the financial development of the continent. For the past few years, the Corporate Council on Africa (CCA) has witnessed a growing interest among the U.S. and African private sectors for business partnerships. In June 2003, as part of the *U.S.-Africa Business Summit*, CCA presented a number of workshops focused on financing. In 2002, CCA and the Institute for International Economics, together with the Council on Foreign Relations and the Joint Center for Political and Economic Studies, assembled a high-level Commission on Capital Flows to Africa. James A. Harmon, former chairman of the U.S. Export-Import Bank, chaired the commission. In conjunction with the 2003 *U.S.-Africa Business Summit*, the Commission launched a report entitled, *A Ten Year Strategy for Increasing Capital Flows to Africa*.

Given the positive reaction to these programs, CCA initiated an ongoing program that will result in new or increased financing for businesses in Africa and work toward strengthening existing financial systems on the continent. The key objectives of the financing program are to reach out to the U.S. financial sector to assist businesses operating in Africa in identifying U.S. financial sources. A CCA Financing Task Force was assembled to further these interests.

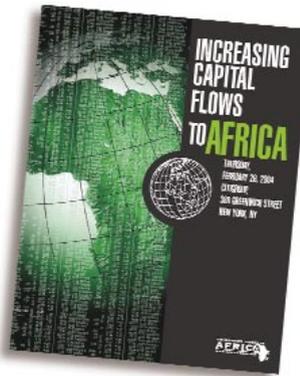
The Financing Task Force is comprised of representatives from financial institutions dedicated to developing networks and criteria for investment in Africa. The task

force's first official public event is the February 26th conference entitled *Increasing Capital Flows to Africa*. The conference will provide a forum for interested financiers to learn about opportunities in Africa based on regional and country-specific background and projects.

The second major conference will take place in the summer of 2004 in Accra, Ghana. The Accra conference is designed to provide a venue for interested entrepreneurs operating in Africa to learn about various sources of U.S. capital. A trade show will accompany the conference, which is expected to draw over 1,000 participants. Ghana was chosen as a strategic location for the conference due to its stable government and economy.

The Financing Task Force consists of three subcommittees, each with an appointed chairman, that discuss issues relating to equity, debt and trade finance/working capital. Each subcommittee has outlined long term goals and strategies to enable their committee and CCA members to most effectively increase capital flows to Africa. The overall goal is to provide creative ways for the greater financial community to address the need for increased foreign investment in Africa.

CCA aims to provide tangible results towards increasing African financial markets' implementation of international standards of regulation. By providing a forum for exchange between the leading world economy and those economies needing practical guidance, CCA member companies will have the chance to capitalize on the underinvested African market. Increased exposure through the CCA Financing Program will help reverse the dangers of risk through encouraging



the appropriation of much needed capital to necessary investments across Africa.

The CCA Task Force includes representatives from the following entities:

- Citigroup
- UNDP
- MIGA
- Export-Import Bank of the United States of America
- Overseas Private Investment Corporation
- United States Treasury Department
- HSBC Equator Bank
- Bank of New York
- M & T Bank
- United Bank of Africa
- UBS International Inc.
- Databank Ltd.
- Doley Securities
- Emerging Markets Partnership
- Modern Africa Fund Managers
- Zephyr Management, L.P.
- Merrill Lynch
- Africa Millennium Fund
- Structured Credit International Corporation
- LiquidAfrica Holdings
- O'Melveny & Myers, LLP
- LeBoeuf, Lamb, Green & MacRae
- Ngarurh Investment Group
- AfricaGlobal Group
- eStandards Forum ©

Stephanie Sheridan works in CCA's Membership Department.

For more information please contact F. Sese Gadzekpo at Corporate Council on Africa at fgadzekpo@africacncl.org or 202-835-1115. To access "A Ten Year Strategy for Increasing Capital Flows to Africa" please visit www.africacncl.org.

Noel Group Hopes To Create “A New Way of Life” For AIDS Orphans In Africa

< By Rebecca Syens >

“Where our directions are led by our values.” That simple motto has been guiding Wisconsin-based Noel Group since it was launched nearly two decades ago from the basement of its founder. Since its rather humble beginnings, Noel Group has become one of leading travel insurance providers and also provides assistance and business to business services for corporate clients throughout the world. The company now has more than 800 employees in 20 locations worldwide. Despite its business success, the company, under the leadership of its founder John Noel, has remained committed to giving back to the global communities it serves.

“Companies have social responsibilities that go well beyond the traditional role of providing jobs and generating profits,” says John Noel. “I firmly believe that the business community has the capacity to solve the social and economic problems faced by billions of people who have been left behind by the prosperity of the past 50 to 60 years.”

For more than a decade, Noel Group has been actively involved in initiatives that support victims of the AIDS pandemic. Today, working with a global coalition of partners, Noel Group is championing an innovative project called Nyumbani Village International (NVI). NVI is focused on creating intergenerational, self-sustaining communities that will provide a home for orphans and elders who have lost parents/adult children to the AIDS pandemic.

Each village will include a large area of arable land dedicated to produce food for the village and cash crops to produce revenues. Other economic enterprises will provide additional support and occupations for the

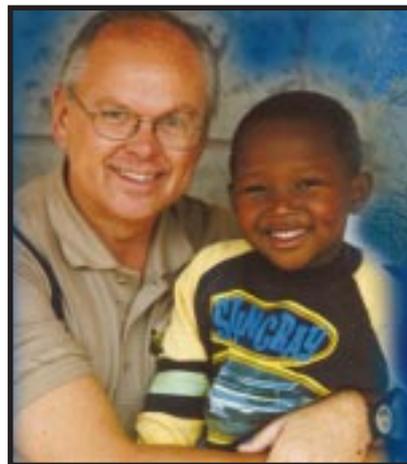
village's residents. The village will also constitute a “resource center” for the surrounding communities to support capacity building and improvement of public health and educational structures. Each will not only provide for the basic needs of the HIV/AIDS-affected residents, but also will help alleviate the disease's psychosocial stigma and provide a safe haven, characterized by acceptance and respect.

With the full support of the Government of Kenya, eight regional villages are in planned, which will serve as a pilot project for other such self-sustaining, multigenerational villages throughout Africa. The vision is to create many of intergenerational, self-sustained communities in Africa and to provide a new home for AIDS orphans and elders who have been abandoned.

“Our vision is that the Nyumbani Village will become the antithesis of how the abandoned children and elders are now living in abject poverty,” Noel said. “They will have a clean house, food in their stomach, educational opportunities and a family environment in which to live. They will grow up with values they have never felt. It will be a new way of life for them.”

The support for the Nyumbani Village initiative continues to grow. Those lending their support and expertise include UNICEF, the United Nations Office of Project Services, and the Art Center College of Design. Nyumbani Village is also working with USAID, the Global Business Coalition on HIV/AIDS, the World Travel & Tourism Council, the Government of Kenya, and others from public and private sectors.

Why did a travel insurance and service company based in rural Wisconsin take on such an enormous project halfway around the world? For John Noel and his wife Patty, the answer rests in their



John Noel with a young boy at a Nyumbani Village.

commitment to helping children in need, wherever that commitment may take them.

“The looming orphan crisis resulting from the AIDS pandemic has the potential to become the greatest child abandonment in the history of humankind,” Noel said. “We have to do more, and we have to do it with a sense of urgency and resolve.”

“Today, there are an estimated 13 million AIDS orphans, a number expected to double by the end of this decade. Certainly we have a moral obligation to respond. The Nyumbani Village concept is one of the most promising models out there. Beyond food and shelter, it provides a framework for instilling the values and skills these children will need to lead productive lives.” ●

Rebecca Syens works for the Noel Group. For additional information on the Nyumbani Village International can be found at www.nyumbanivillage.org.

About Noel Group: Noel Group (www.noelgroup.com) and its affiliated companies provide integrated customer service, travel insurance and assistance services for corporate and individual consumers in 70 countries. Noel Group's flagship company is Travel Guard International (www.travelguard.com), the nation's leading provider of travel insurance.

A Private Sector Approach to Fighting AIDS in Africa

Collaboration with business community crucial to fighting AIDS epidemic in Africa

< By Robert A. Lindsay >

It would be no underestimation to say that the AIDS epidemic in Africa is the greatest obstacle to the continent's development.

What makes AIDS such a potent threat is the fact that its sufferers are more likely than not to be the very people - the young and productive - who would drive Africa's development. According to the latest figures from UNAIDS, ten million people aged 15-24 in sub-Saharan Africa are living with HIV.

This figure is set to rise and will not peak until the end of this decade, but the consequences of AIDS are already being felt by businesses and organizations in Africa. Absenteeism is increasing, as employees succumb to AIDS themselves or are forced to look after sick relatives, leaving companies with a shortfall in skills and knowledge, not just manpower.

But the arguments for businesses playing a leading role in the fight against AIDS are more than simply economic. For those companies, like Coca-Cola, with a longstanding presence on the continent, Africa's people are much more than just a workforce and another market. The rapid spread of AIDS is alarming for everyone committed to Africa's future prosperity.

For Coca-Cola, Africa's largest private sector employer, this is especially relevant. We operate in all 54 countries on the continent and our products are at the heart of almost every community.

Coca-Cola's HIV/AIDS Workplace Program

Since November 2000, we have run a comprehensive healthcare program for our employees and their families. This incorporates a prevention and awareness course, which all employees and their dependants have now completed, and voluntary counseling

and testing. Antiretroviral drugs (ARVs) are available free of charge.

In September 2002, working in partnership with our independent bottlers, we extended this program, where necessary, to cover the 60,000 employees of these companies and their spouses and children (300,000 people), making ours the biggest employee healthcare program in Africa.

Now, one year down the road, 57% of our bottlers' employees have completed education programs and some have started treatment with ARVs. Through our partnership with the pharmaceutical manufacturers, and with the assistance of organizations like PharmAccess International, we are working to open up accelerated channels of supply to the hardest hit communities.

Community Action

Of course, the contribution of business in Africa to solving the AIDS crisis is not limited to these immediate duties to employees and their families. For many companies, Coca-Cola is one example, the resources at our disposal - in terms of communications expertise and distribution infrastructures - often surpass those of the health and education ministries of the countries in which we operate. These resources can provide further opportunities for business to contribute to the fight against AIDS, reaching out beyond employees and their families to populations at large.

The Coca-Cola distribution network, one of the largest in Africa, has assisted a number of organizations to distribute educational materials and contraceptive devices to rural communities. Coca-Cola advertising space - on billboards, radio and television - is regularly donated for awareness-raising campaigns and one of our communications specialists has been



Coca-Cola employees in Ghana commit to the fight against HIV/AIDS

seconded to UNAIDS.

For other companies seeking to fashion their own guidelines on work-place best practice for HIV/AIDS programs, a useful port of call is the International Labour Organisation (www.ilo.org) which recently outlined its templates for action at a conference in Geneva.

Undeniably, Coca-Cola has seen the greatest success when it has worked in partnership with civil society, local government and grassroots NGOs to reach out to employees' communities. Community action is vital to break the cycle of stigma, fear and discrimination.

In partnership with our independent bottlers and these organizations, we have undertaken to roll out an AIDS program of unprecedented scope. Our commitment to see it succeed across the continent is unstinting, but we recognize that we cannot fight alone and we will continue to harness opportunities for collaboration and coordination with others. ☉

Robert A. Lindsay is president of The Coca-Cola Africa Foundation. The Coca-Cola Africa Foundation (TCCAF) is the philanthropic arm of The Coca-Cola Company in Africa. It manages and funds the company's community work and is located in Swaziland, where Coca-Cola is spending \$5 million per annum on HIV/AIDS programs.

For additional information, please visit the website at www.aidsprogramsinafrica.coca-cola.com.

O'Melveny & Myers LLP

O'Melveny & Myers LLP is among the world's largest and most preeminent law firms. With over 900 attorneys in 13 offices around the world, the practices cover a broad range of legal matters. Staff members include former Executive Branch and Capitol Hill policy makers; the former Vice President and General Counsel to the World Bank; former members of U.S. Attorneys' offices and the staff of the U.S. Securities and Exchange Commission; and recognized experts in private equity, public finance, financial institutions, corporate, securities, entertainment, bankruptcy and tax law.

O'Melveny & Myers LLP represents participants in a range of cross-border capital markets transactions and financings, mergers and acquisitions, and joint venture transactions. The firm counsels international and domestic buyers and sellers, investment banks and other financial advisors, joint venturers, commercial banks, note purchasers and other lenders, in both outbound and inbound international transactions. It is active in counseling multinational corporations in connection with restructurings, reorganizations and spin-offs of their assets or operations.

O'Melveny & Myers LLP's attorneys have been actively engaged in advising African governments regarding privatization initiatives and the development of new regulatory regimes for restructured markets in various infrastructure sectors. Attorneys have represented private investors and governmental agencies in connection with the privatization of telecommunications, water, power, oil and gas, mining and other sectors. Lawyers have also represented OPIC in connection with the organization and capitalization of private equity funds as well as in connection with loans and loan guaranties to private borrowers.

For additional information, contact Phil Isom at 212-408-2400.

Samuels International Associates, Inc.

Samuels International Associates, Inc. (SIA) is a diversified international consulting firm specializing in government relations, business, trade and investment matters.

SIA professionals have in-depth Washington experience and are able to tailor services in lobbying, information gathering and analysis, and strategic planning.

SIA has experience in Africa that enables the firm to provide on-the-ground support to American firms seeking to take advantage of new commercial opportunities. That experience includes local market research, devising and implementing investment strategies and dealing with tariff and other commercial barriers to entering African markets.

SIA has the capacity to advise governments, regional trade organizations and multilateral institutions on trade policy harmonization and liberalization, strategies for trade negotiations, and alternative approaches to economic growth and expansion. Clients have included the World Trade Organization, the Inter-American Development Bank and individual governments. In addition to its professional staff, SIA uses the resources of a large number of technically experienced associates to work with client governments and international organizations.

SIA has provided services to the Government of Angola since 1993; conducted Trade Policy Reviews for the WTO in Zambia, Uganda, Mozambique, Tanzania and Madagascar; and currently advises the Government of Nicaragua in its negotiations with the U.S. for a Central America Free Trade Agreement (CAFTA).

For additional information contact Michael Samuels at (202) 223-7683 or masamuels@samuelsinternational.com

World Alliances, Inc.

World Alliances, Inc. is a minority-owned international marketing and management consulting company based in Charlotte, North Carolina. It provides services to assist small and medium enterprises (SME's) with the rapid establishment or upgrade of marketing and sales plans.

"You're in business to serve a customer need," says Derek Hansen, founder of American Capital Access, speaking in the *Wall Street Journal*. "If you're not sensitive to customers, don't know who your customers are, how to reach them and, most of all, what will convince them to buy your product or service, get help."

World Alliances, Inc. works with SME management teams to build marketing plans that lead to competitive advantage for small business owners who want a process for creating customers, in significant enough numbers and fast enough to make their businesses successful and profitable. World Alliances, Inc. uses core competencies developed by its founder in fourteen years of creating and managing alliance and business partnerships for IBM, including: market analysis; market strategy; development of sales collateral; and facilitated marketing planning workshops.

According to CCA's AGOA Guide, a shortage of private sector financial entities operating in Africa sometimes makes obtaining financing difficult." Services provided by World Alliances, Inc. can be used to improve the competitiveness of small businesses vying among themselves for limited private sector financing. Estimates developed in World Alliances, Inc. marketing planning workshops by small businesses, partners, and stakeholders serve to create business plans that clearly articulate the need for and support long-term and short-term financing.

For additional information, please visit www.worldalliances.com or contact Bob Rogers at +1.704.503.6615



Lugar Praises Libya Announcement to End WMD Program

Monday, December 22, 2003

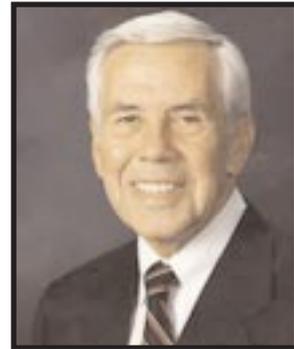
U.S. Senate Foreign Relations Chairman Dick Lugar praised Libya's renouncement of their weapons of mass destruction program. He also praised the diplomatic efforts by the US and UK that brought it about.

"Since September 11, 2001, the United States has been engaged in a global war against terrorism. A major focus of this war has been to make certain that all weapons and materials of mass destruction are identified, continuously guarded and systematically destroyed. A minimum standard of victory in the war is preventing terrorists from obtaining weapons or materials of mass destruction. This war proceeds in a world awash with nuclear, chemical and biological weapons and materials stored principally in the United States and Russia.

"Libya has been among the nations possessing such a program and it has

not previously been forthcoming to the world about it. I welcome the announcement that Libyan Leader Qadhafi has pledged to open Libya's weapons programs to international weapons inspectors and to dismantle Libya's weapons of mass destruction. Libya has, over the past several months, taken a number of steps that reflect its desire to become a responsible member of the international community, beginning with the settlement of the Pan Am bombing claims. Controlling weapons of mass destruction is a key to fighting global terrorism and this important step by Libya sets an example for other nations. Libya's action can demonstrate that cooperation with the international community to reduce threats of weapons proliferation can have immediate and significant benefits.

"I congratulate President Bush and his national security team for their persistence in pursuing this action. The



Dick Lugar
U.S. Senate Foreign Relations Chairman

world looks forward to Libya fulfilling its pledge and for other nations with weapons of mass destruction to follow in its path."

Lugar is the co-author of the Nunn-Lugar Cooperative Threat Reduction program that has been eliminating weapons of mass destruction in the former Soviet Union for the last 12 years. •



Africare

"I regard Africare as one of America's greatest gifts to Africa"

—Nelson R. Mandela, Honorary Chairman of Africare

Reach out to Africa by reaching out to Africare

For 33 years, Africare has worked side by side with farmers, with village health workers and with government officials directly responsible for health and agriculture programs. We have learned that we can play a major role in increasing agriculture production and lessening the burden due to the HIV/AIDS crisis in Africa — with your support.

We invite you to visit our Web site, www.africare.org or email us at development@africare.org.

You may also call us at 202-462-3614 and ask for the Office of Development. We accept checks, MasterCard and Visa. Your contribution is tax deductible. Thank you.



Africare House
440 R Street, N.W.
Washington, D.C. 20001
cfc #0303

OPIC Invests in Africa <By Tim Harwood >

Positive economic news about Africa often seems difficult to come by, but the experience of the Overseas Private Investment Corporation (OPIC) on the continent indicates a growing ability to absorb U.S. investment, to the benefit of both American companies and local African economies.

One of the first stepping stones to sustained economic growth—anywhere—is a financial infrastructure that is transparent and capable of providing investors access to the kind of long-term capital that enables economies to grow quickly. OPIC dedicated substantial resources in 2003 to the establishment of just such institutions in Africa. The agency's board of directors approved a \$125 million guaranty facility to support Citibank's lending efforts throughout sub-Saharan Africa at the start of the year, and a \$100 million loan toward the creation of a \$200 million co-lending facility at year's end, by which OPIC, a U.S. small business and a leading South African bank will make loans to projects in the region.

In addition, OPIC and the African Trade Insurance Agency (ATI), a World Bank-supported export credit agency, concluded a memorandum of understanding also intended to facilitate increased levels of private investment in Africa. OPIC President and CEO Dr. Peter Watson said the investment vehicles would in particular help the region overcome the current mismatch between opportunities to provide medium- to long-term loans to emerging local companies in the region and the lack of banking capital in sub-Saharan Africa. "Access to long-term capital among entrepreneurs in sub-Saharan Africa is at odds with the vitality and capability they possess," he observed.

A second imperative for unleashing Africa's vast entrepreneurial energy is ensuring the availability of skilled human capital. This is indeed a diffuse challenge, comprising everything from the provision of quality health care to the transfer of skills, particularly in new technologies.

Recognizing that need, OPIC last year approved a groundbreaking project that will provide treatment for HIV-positive homeowners in South Africa, enabling them to keep their homes by guarantying banks against the risk of defaulted mortgage payments. The project stands to help at least 350,000 South Africans obtain new mortgages and keep their homes.

OPIC will provide a \$250 million loan to Housing for HIV Inc., a joint venture between New York-based Shared Interest and South Africa's Home Loan Guaranty Company (HLGC). Proceeds from the investment pool will be used to purchase medication for HIV-positive homeowners in South Africa who hold mortgages from banks that are guaranteed by HLGC. Treatment and education for affected homeowners will be provided through additional agreements with South African clinics.

Thirdly, the agency has worked hard in the last year to bolster Africa's physical infrastructure—another necessary ingredient for any healthy economy.

OPIC, at CCA's US-Africa Business Summit last summer, signed a statement of common objectives with a consortium working to rehabilitate an existing rail and port system that would enable Malawi, Mozambique and Zambia to reduce the cost of transporting petroleum and much-needed food, as well as exports. The project, called the Nacala Port and Railway Initiative, is intended to rehabilitate the Nacala railway corridor

between Mozambique and Malawi, and refurbish the deep-water port of Nacala in Mozambique. OPIC will provide \$29.6 million in financing to the project.

In truth, these few projects represent only a fraction of the \$1.2 billion in financing and political risk insurance OPIC is currently providing to 42 projects in sub-Saharan Africa. This, however, is just a start for putting African economies on the road to sustained growth. But these projects demonstrate clearly that the elements for success reside as much in Africa, and in as bountiful a supply, as anywhere else. We are confident that their success will demonstrate to other investors the wisdom of investing in Africa. Simply, returns are there to be made; deeply capable entrepreneurial skill is there to be tapped.

Encouragingly, a World Bank report issued in December forecasts economic expansion of 3.2 percent for sub-Saharan Africa this year, reflecting economic reforms on the continent, firmer commodity prices and increased import demands from Europe. In its long-term forecast—to 2015—the Bank sees regional economic expansion averaging 3.7 percent annually, which, combined with slowing population growth, will mean a 1.5 percent annual increase in incomes per head.

The challenge which continues to face all of us dedicated to making Africa's inconsistent successes a consistently upward trend, is to turn Africa's human, financial and physical infrastructure into an engine of economic growth that transcends perceived risks to assume its rightful place among international markets. ●

Tim Harwood is OPIC's Communications Officer.

Business Works in Rural Mozambique < By Mara Neville >

As part of its strategy to help build businesses that will create jobs and boost incomes in poor rural communities, an "innovation fund" created by TechnoServe recently awarded a total of US\$250,000 in grants to seven enterprises in Mozambique. By the end of 2004, it's projected that these businesses will create income for 7,943 rural residents, paying US\$748,000 in wages to employees and purchases to smallholders. By the fifth year of operation, these businesses will provide US\$2.5 million a year and directly benefit 15,820 employees and smallholders.

TechnoServe worked with Mozambique's National Confederation of Business Associations and Ministry of Agriculture to promote its new "Rural Enterprise Innovation Grant" initiative (REIG). Ninety-two applicants from all regions of the country responded with business plans. Seven winners were selected by an advisory board of Mozambican business leaders and NGOs — from Africare, the Mozambican Association for the Development of Women, the Community Development Foundation, CETA Construction and Services, GAPI and Rural Consult.

To determine their potential for creating jobs and increasing incomes in rural communities, the advisory board assessed each applicant's business plan and proposed management team; the competitive environment and the market; and the business's financial projections, including monies paid to suppliers, salaries and wages, number of employees and suppliers, profits generated, and taxes paid. TechnoServe also required all REIG winners to put up a minimum of 10% of the funds necessary to implement any business startup or new product rollout, up to a maximum of 90% if it was determined that the enterprise had the resources.

TechnoServe's REIG initiative was funded by the U.S. Department of Agriculture through its monetization program.

(TechnoServe is receiving additional funding from the U.S. Agency for International Development to provide business support services to successful applicants.) A snapshot of the winners:

COTA Manica, led by a female managing director (who is also a veterinarian), will build Mozambique's first cattle-raising facility, in Manica Province. In addition to establishing a standard for high-quality meat production that can be replicated throughout Mozambique, COTA Manica will provide training and inputs to 375 local farmers who raise cattle, as well as a market for surrounding communities' cattle.

Africa Naturally, Lda., based in Sofala Province, is the first Mozambican company to use natural plant products to produce marketable and exportable cosmetics, soaps, candles and paper. Africa Naturally will expand its product line and begin exports to the U.S. and Europe, employing or sourcing raw materials from 289 local residents.

Mocit/Citrum, led by two cousins with decades of experience in fruit, now owns and manages two former state-owned citrus farms in Maputo Province. In less than a year, large tracts of neglected citrus trees were rehabilitated and 15,000 cartons of high-quality Star Ruby grapefruits were harvested and exported. Citrum will diversify its tropical fruit line to produce high-value dried bananas for local and regional markets, a move that will create 233 jobs.

Waluru, Lda. is managed by a team with 30-plus years of experience and already exports chilies and baby corn to Europe. Waluru will establish Mozambique's first fresh produce out grower business in fresh vegetables. Based in Manica Province, the business will provide training, seeds and other



Citrum workers put freshly harvested StarRuby grapefruits through an initial washing process.

inputs to six local producers, thus guaranteeing a sustainable supply of high-quality vegetables, and will employ 160 local residents.

SERVIR Mocambique, S.A.R.L., based in remote Niassa Province, currently processes sunflower oil. Servir will become the first Mozambican business to diversify into essential oil production, becoming the first business in Mozambique to do so. Servir already has a South African buyer willing to buy all of the company's production. The new product line will create 50 jobs for local residents and a market for 600 smallholders.

Flora Mocambique, in Maputo Province, will develop the region's first diversified flower farm, focusing initially on the production of "leather leaf," a filler used in most flower bouquets. Here, too, a South African buyer has committed to purchase the company's entire first-year production. The business will create 85 local jobs - most will be filled by women.

Optima Industrial, Lda., a sunflower oil producer in Manica Province, purchased 700 tons of sunflowers from local farmers in 2003. Optima will now diversify into soy processing, supplying local markets with cheaper edible oil and high-value cakes for animal feed. ©

Mara Neville is the Manager of Communications for TechnoServe.

For more information contact Mara Neville, TechnoServe/US, at mneville@tns.org or Leslie Johnston, TechnoServe/Mozambique, at leslie.johnston@tvcano.co.mz.

Africare/Rwanda Partner with Youth to Fight Against HIV/AIDS

< By Jean-Baptiste Ntakirutima and Jennifer Mboyane >

Half of all new worldwide HIV infections are in people between the ages of 15 and 24. According to the United Nations Population Fund, many young people do not receive enough information or training to inform their sexual choices. In most African countries sex is still a taboo subject. The lack of dialogue combined with young people's feelings of invincibility, make them a prime target for HIV/AIDS. Youth need safe spaces where they can talk about HIV/AIDS and related issues, they need access to elders and professionals to whom they feel comfortable approaching for guidance, and they need to be equipped with life skills in order to make healthy choices as they mature.

Since October 2001, Africare has provided a continuum of AIDS-related services to communities in Gikongoro Province, Rwanda. The goal of Africare's AIDS program is to reduce rates of HIV transmission among young people and provide care to those already infected and affected by the disease. HIV/AIDS has reached crisis proportions in Rwanda. Due to the pandemic, Rwanda's orphan population is growing at an alarming rate, overwhelming traditional extended family coping mechanisms. The 1994 genocide and flight of Rwandans into neighboring countries contributed to the crisis by increasing the number of rapes and destroying health networks. It is estimated that, at present, over 300,000 orphans and vulnerable children are living in child-headed households.

Gikongoro is one of the poorest of Rwanda's 12 provinces, and most likely has an HIV prevalence rate higher than the national estimate of 13.5%. Africare is targeting its HIV/AIDS program in this province toward young people aged 14 to 24, along with their parents, local authorities, schools, local community-

based organizations and anti-AIDS clubs. The project aims to raise HIV/AIDS awareness and support prevention and care activities within the semi-urban and rural communities in Gikongoro Town and Karaba Districts.



Snapshots from Africare's Youth Center in Gikongoro Province.

Activities

By constructing a youth center in the Gikongoro Province, Africare has provided a safe space for young people to discuss reproductive health issues freely and openly. Pastor Auxile Kirenga remarks that "Africare assists many young people on choosing the 'right' behavior and attitudes towards becoming sexually active before marriage." Discussions at the center focus on the reality of HIV/AIDS within Rwandese society, sexually transmitted infections, condom negotiation and use, personal attitude and responsible behavior, gender, sex and sexual violence. A peer education model is used to attract and motivate the youth. Peer Educator Francoise Kamanzi testifies that as a result of Africare's training she has "abstained from sex and waited for her partner to marry her. I am happy to have made that choice." The youth center provides a forum where fun and open dialogue are synchronized. Africare has recruited a team of two counselors and one lab technician to provide voluntary counseling and testing (VCT) services. The youth center's activities are extended out into the community through a mobile cinema program that makes appearances in remote villages and at sporting events. Mary Nyirafaranga, a local mother, expresses

that she "appreciates efforts made through the mobile cinema because adults are not left on their own to deal with these issues."

Lessons Learned

Africare has found that young people appreciate and internalize health prevention messages better when in safe spaces, freely sharing with their peers. The VCT service is a crucial component of the program, as it allows young people to find out if they are HIV-infected and helps them make informed choices about their future. More importantly, youth are persuaded to overcome the stigma associated with infection and illness. Emmanuel Sinzibiramuka, who is living with AIDS, testifies that "the information we get from Africare helps us to behave with dignity and live longer. We in turn help to disseminate preventative messages throughout our villages." ●

Jean-Baptiste Ntakirutima is the Program Officer and Jennifer Mboyane is the HIV/AIDS Communication Specialist. Photo credits: Alan Alemian, East/West Anglophone Regional Director. For additional information on Africare and its programs, visit Africare's website at www.africare.org.

Expanding Capital Flows to Africa Through Risk Mitigation

< By Mahesh Kotecha >

External capital flows to Africa are currently about \$20 billion per annum, coming roughly equally from the official and the private sectors. Less than 1% of global foreign direct investments and less than 5% of the investment in developing countries goes to Africa, with the bulk going to only three countries: South Africa, Angola and Nigeria. To achieve a more rapid growth and reduction in poverty will require massive capital inflows, which can only be achieved with greater use of financial guarantees and insurance to mitigate serious political, commercial and credit risks. Though a beginning has been made in this respect, much more needs to be done.¹

Benefits of Risk Mitigation: Risk mitigation, especially via full or partial guarantees or insurance, can provide many benefits: longer term financing, potentially lower costs, a diversification of funding sources, fixed or floating rates of interest, an ability to segment and allocate risks and to reduce exchange risks through local currency financings, etc. Risk mitigation can foster both equity and debt inflows, including trade finance, housing and mortgage finance, commercial bank loans, bond issues, long term foreign direct investment, portfolio investment, infrastructure and municipal finance, etc.

Limited Availability of Risk Mitigation in Africa: Capital flows are hampered by worries about risk—both perceived and real. While ratings and

investor education can address perceptions or risk, the very real risks can only be reduced with sustained, long-term efforts. To attract capital in the interim requires mitigation of real risks on a transactional basis. The enormous power of risk mitigation has yet to be fully deployed in Africa. Structured Credit International Corp. (SCIC) estimates that political risk guarantees provided to African projects from such institutions as the Overseas Private Investment Corporation (OPIC) and the Multilateral Investment Guarantee Agency (MIGA) total about \$1 billion and that credit risk guarantees from IDA, African Development Bank, and private sector participants probably total another \$1 billion². The extent of risk mitigation is thus a fraction—probably not higher than 10%—of the total capital flows of about \$20 billion annually, substantially lower for example than in the U.S. municipal and the international structured finance markets.³

Increasing Risk Mitigation Capacity: One way to increase the level and use of risk mitigation capacity is to attract triple-A rated monoline guarantors.⁴ They can participate in a non-investment grade country only if the participation of a bilateral or a multilateral institution or internal enhancements to the transaction's structure can raise the transaction rating to investment grade level before the monoline's guarantee. However, traditional rating approaches are a serious hindrance. For "single risk" deals, S&P and to a lesser extent Moody's may not credit "tranche" the

debt. This means that even with a multilateral or bilateral partial guarantees the transaction would probably not achieve an investment grade rating before the monoline guarantee. Future-flow, project finance and international public finance transactions could all be viewed as "single risk" deals. A \$200 million Johannesburg municipal government bond or an Angolan oil export deal in which the IFC takes the first \$50 million or more of first loss would be such a single risk deal. Thus, the issue would remain either unrated or non-investment grade before the guarantee. While the rating agencies' approach is understandable, it is markedly different from their willingness to permit credit tranching in securitizations with diversified pools of receivables (not single risks) and drastically limits the possibility of debt issues with tranches supported by both official and private guarantors. Another serious hindrance is the disinclination of bilateral and multilateral institutions that dominate as advisors on African financings to depart from the more traditional commercial bank executions to the more powerful (cheaper and longer-term) capital market executions using a monoline or a multiline guarantee. Africans must seek better (if expensive) investment banking advice for greater and cheaper finance.

The Imperatives: The full potential of guarantees and insurance to increase capital flows by several billion dollars annually can only be harnessed if: (i) bilateral guarantors take greater risks in Africa, dipping down to counties rated as

¹ The New Partnership for Africa's Development (NEPAD) has estimated the resource gap as \$65 billion per annum, assuming a required investment rate of 33%, a savings - investment gap of 18-20% and a net resource gap of about 12% of GDP.

² MTN (Uganda) in 1998 used a SIDA financial guarantee on a series of medium term notes totaling the equivalent of \$7 million, placed entirely in the Uganda debt capital market. The purpose of the financing was to extend cell phone coverage to rural areas. SIDA is now collaborating with DFID and other bilateral agencies to set up a company called GuarantCo, which will extend guarantees for the financing of infrastructure projects, primarily in Africa. IDA, the World Bank's soft loan window, in December 1998 provided its first partial risk guarantee in Africa for a \$223 million financing for the Azito Power Project in Cote d'Ivoire. The transaction took only four months to complete and the guarantee fee was 75 basis points per annum. The Bujagali Power Project in Uganda is also expected to receive an IDA guarantee when it finally goes forward. IFC has provided a handful of guarantees totaling some \$20 million in Cameroon, Cote d'Ivoire, Senegal and for a regional project for Coca Cola SABCO (pty) Ltd. to expand soft drink production and distribution in Mozambique and East Africa. In addition, IFC can purchase the junior tranche of an asset backed financings, such as the Kiwane transaction in South Africa, which used a collateralized loan obligation structure to finance corporate loans.

³ The extent of third party guarantees varies in the international capital markets over time but in the municipal bond markets in the US it has been as high as 50% or more and in the asset backed securities market it has been as high as 25% or more.

low as B3/B- rather than limiting themselves (as OPIC generally does) to countries rated BB or better; (ii) multilateral institutions adjust internal guidelines to generate additional guarantee capacity through limited additional leverage for guarantees as opposed to loans, treating guarantees at no riskier - and possibly less risky — than loans, e.g., by reducing the one-to-one hit against IDA country allocations in the case of guarantees; (iii) private guarantors and insurers enter into African financings in partnership with

visionary bilateral and multilateral institutions offering innovative cover for mezzanine and subordinated risks that the private sector cannot take; (iv) the rating agencies place greater credence than currently on the “halo” effect associated with risk mitigation in Africa, allowing them to accept even limited credit tranching and (iv) substantially more dedicated, Africa-based risk mitigation capacity provided through public - private partnerships by such entities as ATI, Afrexim and GuarantCo. Mahesh Kotecha, is President of

Structured Credit International Corp. (SCIC), a New York based financial advisor to emerging market financial institutions. Mr. Kotecha served on CCA's Commission on Capital Flows and was formerly an Adjunct Senior Fellow at the Council on Foreign Relations, where he directed a Roundtable on Capital Flows to Africa. This article is a summary of a paper prepared for the Commission. Mr. Kotecha would like to acknowledge research assistance provided for this paper by Sharon Ryan, Senior Financial Advisor, SCIC. ●

Sources of Risk Mitigation for African Financings			
	Bilateral	Multilateral	Private Sector
Political risks	OPIC, EXIM Bank and other export credit agencies (ECAs) offering guarantees	MIGA, World Bank, IDA, African Development Bank, ATI	AIG, Sovereign Risk, Lloyds, Zurich Re, etc.
Commercial risks	OPIC, SIDA, DFID, FMO, DEG	World Bank, IDA, IFC, (A/B loans), ATI	MBIA, AMBAC Assurance Corp., Financial Security Assurance (FSA) XL Capital Assurance (XLCA), Emerging Africa Infrastructure Fund
Limitations	Subject to national interests of donor country; limited capacity; complexity given multiple sources	Generally non-standard, complex, time consuming and costly, given low leverage ¹	Difficult to attract; often subject to investment grade ratings before the guarantee; costly

¹ World Bank, African Development Bank and ATI have a leverage of 1:1 whereas IFC and MIGA have leverage of 4:1, though leverage had different meaning for lenders such as World Bank, IFC and African Development Bank and guarantors such as MIGA and ATI. For the former, leverage can be defined broadly as the ratio of loans to the sum of capital (paid in plus callable) plus unimpaired reserves whereas for the latter it can be defined broadly as the ratio of guarantee liabilities to claims paying resources.



The First African Yellow Pages launched for the Washington Metropolitan Area

African Yellow Pages (AYP) is the premier marketing publication to targets the large African community in the Washington Metropolitan area reaching a market of over 200,000. AYP is published annually and free to the consumer.

AYP will include a comprehensive list of African owned businesses, professional service providers and organizations as well as information pertinent to each country in Africa. Distribution includes African Embassies, US Government agencies, retail outlets, grocery stores, African, and African-American institutions.

Companies and institutions that advertise in the African Yellow Pages include Emerging Market Partnership, State Farm Insurance, DaimlerChrysler Corporation, Ghana Airways, WorldSpace Corporation, the US Department of Commerce's Minority Business Development Agency, the Governments of South Africa, Namibia, Rwanda, and Djibouti. For more information, visit our web site at www.theafricanyellowpages.com or call (202) 537-1288

Congo: The Heart of African Music < By Peter Gulliver >

The Democratic Republic of Congo (DRC) has long been at the center of Africa's vibrant music scene. The DRC's modern music industry began in the Belgian colonial era. During this period, starting in the 1930s and 1940s, most locally-produced professional music was performed for the colony's European elites. Music ensembles of this era often played tunes inspired by the then popular mambo and son styles emanating from Cuba. The Cuban music, itself inspired by African rhythmic themes transported to that island by its African-descended population, found an eager audience in Congo's growing cities.

The first local recordings were produced by three labels run by Greek expatriates, Ngoma, Olympia, and Opika, in the 1940s. These albums consisted primarily of Cuban hits played by local artists. During the 1950s two African labels, Loningisa and Veve, began recording more local music. Congolese bands transposed Cuban rhythms from the Cuban-favored piano to the guitar. The guitar assumed a growing role as the dominant melodic and harmonic instrument in Congolese music: the most popular bands of the 1970s and 1980s would feature three to five guitars, all playing different but interlocking parts. Vocalist began to sing in Lingala, the composite *lingua franca* of Congo's differing tribes and regions. By Congo's independence in 1960, a flourishing indigenous music culture was present in its capital of Kinshasha.

Post-independence Congo featured a dynamic music culture. Joseph Kabasele, otherwise known as Le Grande Kalle, ushered in independence with the hit

"Independence Cha Cha," inaugurating the great years of Kinshasha's music industry. Groups formed and reformed throughout the coming decades, creating a dynamically changing music environment centered around pivotal figures such as Kalle, mentioned above, Nicolas "Dr. Nico" Kasanda, a guitarist, Luambo "Franco" Makiadi, band leader of Ok Jazz, and vocalist Papa Wemba.

During the 1960s, 70s, and 80s, when the Congolese music scene was at its most vibrant, the country was suffering under the increasingly despotic rule of Mobutu Sese Seko. The dictator controlled all aspects of Congolese life, stifling all forms of dissent, even going so far as to proclaim and enforce a national dress code for all government employees and businessmen. However, he never sought to impose controls on Congo's thriving musicians, as long as they stayed out of politics.

Congo's music seized the international scene in the latter part of the twentieth century. The guitar-based "soukous" style, became popular in many cities in the 1980s. Originally centered in the large Congo exile communities in Brussels and Paris, soukous groups have been formed in other major international cities such as New York, San Francisco and London. Papa Wemba himself emigrated to Paris and was active in two different groups during the 1980s and 1990s.

Congolese music has also contributed to the popular culture in other African nations. The Tanzanian dance band Maquis Original was founded in Lubumbashi, in eastern Congo, in the 1970s. Maquis Original is an integral part of Dar es Salaam's thriving dance

music culture. Dar's music culture is primarily found in the city's suburbs. It is marked by the same type of continual upheaval and constant changing of groups evidenced in Kinshasha's own scene, though its music is focused far more on dance styles than the pop-like guitar sounds of its neighbor to the west. Congo's musicians have also found work and influence in Kenya, a country known for its diverse music scene, sometimes referred to as the most varied in Africa. Many Congolese performers moved to Kenya during the 1980s, a time of growing disintegration in Congo. This period also coincided with Europe's embrace of African music. Located in Kenya, a relatively prosperous and advanced African nation, Congolese bands were well-positioned to both perform for that country's large expatriate and tourist populations while making use of its recording industry for export. Congolese performers remain prevalent in Kenya today, though many of them now sing in Swahili rather than Lingala.

Civil war, unrest, and economic stagnation have bled Congo over the last decade, leading to a stagnation of its local music industry. However, the legacy of Congolese music lives on, both in Africa and on other continents, continually refreshed by Congolese immigrant communities and appreciated by a growing number of listeners worldwide. As peace and growth come to Congo over the next decade, the local music scene will undoubtedly revive, continuing to add to the global culture. ●

Peter Gulliver is an independent consultant who has worked on energy issues in Africa.

Botswana and Namibia Versus Mars

< By Nomvimbi Meriwether >

There's been a lot of talk about Mars lately. Everywhere, beautiful, clear digital pictures of Mars have been in the news. As a result, there has been resurgence in interest in space exploration.

But, you don't have to go to Mars to experience excitement and see amazing landscape. You can see intriguing, surreal, yet spell-binding scenery...right here on earth...at a fraction of the cost.

How? You can take a trip to Botswana and/or Namibia. All you need is initiative and a sense of adventure...an affordable ticket for a 15+ hour airline flight...and one to two weeks to enjoy the journey of a lifetime.

What Do Botswana and Namibia Have to Offer?

The kaleidoscope of landscapes in Botswana and Namibia will blow your mind. For most tourists, this region is a well-kept secret. You will be astonished by the scenery of the Swakop River Valley. You'll witness huge rectangular boulders, weighing tons, tediously stacked on top of one another—with some sitting askew and others toppled on their edges. This unusual setting is aptly named: "The Giant's Playground". You will see the remains of the earth's largest meteorite at the "Hoba Impact Site" near the town of Grootfontein, and if you are willing to travel underground you can find the world's largest underground lake, through the entrance of the dubiously named "Dragon's Breath Cave".

The rugged landscape of the great "Fish River Canyon" in southern Namibia fits right into the "Mars-on-earth" scenario. This barren wonderland is the second largest canyon on earth, behind the U.S.'s

Grand Canyon, and it offers a challenge to those interested in escorted, several-day-long hikes.

There are the ever-changing colors of the Sand-Dune No. 45 of Sossusvlei (the highest in the world, at 1,200 feet). And, let us not overlook the awesome silhouette of the Ondundozonananandana Mountains of Namibia. The sensational "Keetmanshoop's Quiver Tree Forest" and the "Petrified Forest of Khorixas" add to the list of places to visit.

You can experience countless miles and endless days in the deserts of Botswana and Namibia, soaking up the desolation of human nothingness.

There are even destination sites in Botswana and Namibia that rival the traditional safari hot-spots of *South Africa, Tanzania* and *Kenya*. Botswana and Namibia feature some of Africa's most attractive game-rich areas. Yet they attract relatively few tourists.

Governments of these two countries view themselves as good custodians of the natural environment and have preserved it well for discerning travelers.

Botswana and Namibia are superb travel destinations for those seeking unusual adventure and fascinating scenery, off-the-beaten track.

So, if you want



to enjoy some of the most startling wonders of our solar system...right now, right here on earth (courtesy of The Almighty and Mother Nature, of course), then take a hard look at Namibia and Botswana. ☉

Nomvimbi Meriwether is a Tourism and Travel Consultant for Meticulous Tours. For additional information on tours to Africa contact her at telephone number (301) 983-6664 or e-mail address meticuloustours@meticuloustours.com, or visit the website www.meticuloustours.com.

SPECIALISTS ON SOUTH AFRICA

Tour Operator, Event and Destination Management Consultancy

Nomvimbi Meriwether, President, from Soweto, South Africa

CUSTOMIZED ITINERARIES
TRAVEL ARRANGEMENTS
EVENT DESIGN AND DECORATION
INCENTIVE TRAVEL
SPECIAL NEEDS AND THEME TOUR DESIGN
PROMOTION AND PRESENTATION OF ARTS AND CRAFTS



TRADE MISSIONS
PRODUCT AND SERVICE PROMOTION
CONFERENCE AND MEETING PLANNING
SEMINARS AND SPEAKERS
PUBLIC RELATIONS
MARKET RESEARCH, PLANNING AND EXECUTION

For more information contact:

Meticulous Tours

9213 Pegasus Ct., Potomac, MD 20854-1661
Tel: 301-983-6664 or 1-866-827-6151 Fax: 301-983-6994
E-mail: meticuloustours@meticuloustours.com
Website: www.meticuloustours.com



New, Bold & Proud

NEW LOGO NEW AIRCRAFT NEW LOOK

Successfully flying as one of the leading African carriers for over 57 years, Ethiopian Airlines today takes yet another significant step forward in modernizing its visual image with a new logo and a new look.

Proudly displaying the green, yellow and red of the national colors, and highlighting the feather symbol of flight, the modernized logo is bold and yet graceful with clean,

contemporary lines. The design symbolizes simplicity, pride and elegance. The feather motif, minimalist in style, signifies dynamism in its upward swing, while the airline's name is in large lettering expressing pride and confidence.

The fresh new look keeps faith with the past while, at the same time, announces the dawn of a new era. The corporate identity is thus both retained and reinforced in a way that clarifies the airline's

personality and generates renewed interest, awareness and confidence.

The upgrading of Ethiopian's image is paralleled by major fleet expansions as announced earlier this year, with acquisition of 12 new aircraft – six Boeing 767-300ERs and six Boeing 737-700s – the first scheduled for immediate delivery.

AFRICA'S LINK TO THE WORLD

Ethiopian
የኢትዮጵያ

Visit us on-line at www.ethiopian.com

Ethiopian Airlines: New York Office Tel: 212 867-0095 or toll-free 800 445-2733 E-Mail: nycsm@ethiopianairlines.com

Services to Abidjan, Accra, Addis Ababa, Amsterdam, Bahar Dar, Bamako, Bangkok, Beijing, Beirut, Brazzaville, Bujumbura, Cairo, Copenhagen, Dar es Salaam, Dire Dawa, Djibouti, Douala, Dubai, Entebbe, Frankfurt, Harare, Hargeisa, Hong Kong, Jeddah, Johannesburg, Kano, Karachi, Khartoum, Kigali, Kilimanjaro, Kinshasa, Lagos, Lilongwe, Lomé, London, Luanda, Lusaka, Mumbai, Nairobi, Ndjamena, New Delhi, New York, Riyadh, Rome, Tel Aviv & Washington, D.C.

CCA MEMBERS, BOARD & EXECUTIVE COMMITTEE

EXECUTIVE COMMITTEE

Frank Fountain
Chairman

Ken Evans
Vice Chair

James Andrews
Secretary

Stephen Cashin
Member-at-Large

Maurice Tempelman
Chairman Emeritus

Stephen Hayes
President

Larry Bailey
Treasurer

Jack Edlow
Member-at-Large

Sharon Pratt
Member-at-Large

BOARD MEMBERS 2003 - 2004

James Andrews
Halliburton

Larry Bailey *
LDB Consulting, Inc.

Tony Barclay
Development Alternatives, Inc.

William Bucknam
Moving Water Industries Corporation

Stephen Cashin
Modern Africa Fund Managers, LLC

Judith Chambers
Emerging Market Solutions

Marjorie Chorlins
Motorola

Alex Cummings
Coca-Cola Africa

Jack Edlow
ERL Services

Ken Evans
Exxon Mobil Corporation

Frank Fountain
DaimlerChrysler

Jon Glassman
Northrop Grumman

Stephen Hayes *
The Corporate Council on Africa

Richard Herold
BP

Edward Kim Jaycox
AIG African Infrastructure
Fund/Emerging Markets Partnership

Frank Kennedy
HSBC Equator

George Kirkland
ChevronTexaco

Carl Masters
GoodWorks International, LLC

Deborah Orsini
Management Systems International

Steve Park
ConocoPhillips

Gregory Pensabene
Anadarko Petroleum Corporation

Sharon Pratt
Pratt Consulting, LLC

Richard Reising
Archer Daniels Midland Company

Earl Reynolds
Devon Energy

Maurice Tempelman
Lazare Kaplan International Inc.

J.C. Watts
J. C. Watts & Companies

William Wilson
Synterra Partners

Van Yeutter
Cargill Incorporated

Earl Young
Jean-Raymond Boule Corporations

*Ex-Officio

THE CORPORATE COUNCIL ON AFRICA MEMBERS

3M
AABWA
ABB Vetco International
Abbott Laboratories
Academy for Educational Development
Access Bank
ACDI/VOCA
Acrow Corporation
Afras Limited
African Wildlife Foundation
Africare
Akin, Gump, Strauss, Hauer & Feld, LLP
AllAfrica Global Media
Allied International Marketing Corp.
Amerada Hess Corporation
American Global Data Exchange Corp.
(AGDE Corp.)
American International Group, Inc.
Anadarko Petroleum Corporation
Anjelo Mida, Inc.
Apax Partners, Inc.
Archer Daniels Midland Company
Ayat P.L.C.
Baker & Hostetler LLP
Banro Corporation
BearingPoint
Bell Helicopter
Bing & Company, Inc.
BKSH & Associates
Black & Veatch
B-M Communications, LLP
Boeing Company
Booz Allen Hamilton
BP
BTI TransAg Industries, LLC
Burlington Resources
Caldwaller, Wichersham and Taft
Cameron Division Cooper Cameron
Corporation
Cargill Inc.
Carrernation.com
Caterpillar Incorporated
Chemonics
ChevronTexaco
CHF International
Cinergy Global Power - Africa Ltd.
Citigroup Inc.
City Express Bank, Plc
Cliveden & Pierre, Ltd
C-Me/ASAP Show
CMS Energy
Coca Cola

Cohen & Woods International
Compact Manifolds, Inc.
Computer Frontiers Inc.
ConocoPhillips
Conscious & Connected International,
Ltd.
Cyberplus
DaimlerChrysler AG
De Villiers Inc.
Development Alternatives, Inc.
Devon Energy
Doley Securities, Inc.
Eastman Kodak Company
ECI Africa
Emerging Market Solutions
Emerging Markets Partnership
EnCana Corporation
EnterpriseWorks Worldwide
ERL Services
Ethiopian Airlines
Evergreen Helicopter, Inc.
Exxon Mobil Corporation
Fayus Enterprises
First World International, LLC
Fluor Daniel, Inc.
Futures Group
General Electric Company
General Motors
George Forrest International
Global Industries Ltd.
Goldwyn International Strategies
GoodWorks International
Grupo Valentim Amoes
GTECH Corporation
Guardian Scientific Africa, Inc.
Gulfstream Aircraft Incorporated
Halliburton
Harris Corporation
Helz Oil
HSBC Equator
Hughes Capital Management
Human Resources Development
Institute, Inc.
IDEAS Inc.
Intels Group
InterAir South Africa
International Community Development
Company (ICDC)
International Herald Tribune
International Trade & Exhibitions (ITE)
Group plc
International Trade Development
Corporation

International Truck and Engine
Corporation
J.D. Stark & Associates
Jean Raymond Boule
Johnson & Johnson
Kaiser-Aluminum
Kenya Airways
KRA Corporation
Kroll
Law Offices of Ade Awojobi
Lazare Kaplan International
LDB Consulting, Inc.
LeBoeuf, Lamb, Greene & MacRae
Lehman Brothers
Life-Line Solutions, LLC
Living Water International
Loop Capital Markets International
MacQuarie
Magana Flowers (K) Ltd.
Management Systems International
(MSI)
Manatt, Phelps & Phillips
Manchester Trade/CTD America
MandT Bank
Marathon Oil Company
Marriott International Inc.
May Farms
Mayer, Brown, Rowe & Maw
McDermott Inc.
Merck & Co., Inc.
Meticulous Tours
Metrica, Inc.
Microsoft
Minority Business Development Agency
Missouri Office of International
Marketing
Modern Africa Fund Managers, LLC
Monsanto Company
Motorola
Moving Water Industries Corporation
MPRI
Nathan Associates
Nationwide Equipment Company
New Jersey Commerce & Economic
Growth Commission
Ngarurh Investment Group
Noel Group
Northrop Grumman
Occidental Petroleum
Of African Descent
Old Mutual
O'Melevy & Myers LLP
Oracle

PANAPRESS
PEER Consultants PC
Pegasus Energy c/o The Ballard Group
PennWell Corporation
Pfizer, Inc.
Phambill Strategies & Solutions
Piper Rudnick, LLP
Placer Dome
Pratt Consulting
Prince George's County Economic
Development Corporation
Quintessence
Raytheon
RedMed
ResourceLinc.Com
SAIC
Samuels International Associates, Inc.
Schaffer AfricaGlobal Group
Schneidman & Associates International
Shell Int'l Exploration and Production
Inc.
Sigma One Corporation
Solar Outdoor Lighting
South African Airways
Starcel Communication Group Ltd
State of Illinois Commerce Department
Structured Credit International
Corporation
Sunoco, Inc.
Synterra Partners
Tangalos Consulting LLC
Technoserve
The Riverview Group
The Services Group Inc.
Transocean Offshore Deepwater
Drilling Inc.
Tyson Food Inc., International Group
United Bank for Africa Plc
Vanco Energy Company
Verizon Federal Network Systems
ViaSat
Washington Post Company
Watts and Company
Worcester Polytechnic Institute
World Alliances, Inc.
World Cocoa Foundation
World Initiative for Soy in Human
Health
Worldspace Corporation
Zephyr Management L.P.

**Your spirit warms
our fuel-injection pumps.**



DaimlerChrysler Corporation proudly supports the Corporate Council on Africa.
Best wishes for your continued success.



DODGE

dodge.com

CHRYSLER



chrysler.com



jeep.com

Brands of DaimlerChrysler Corporation

Chrysler, Jeep and Dodge are registered trademarks of DaimlerChrysler Corporation.