PRESIDENT'S ADVISORY COUNCIL ON
DOING BUSINESS IN AFRICA (PAC-DBIA)

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MEETING

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WEDNESDAY
SEPTEMBER 26, 2018

The PAC-DBIA met in Room 430,
Eisenhower Executive Office Building, 1650
Pennsylvania Avenue, Washington, DC, at 9:30
a.m., Jay Ireland, Chair, presiding.

PAC-DBIA

JAY IRELAND, President and CEO, GE Africa, Chair
LAURA LANE, President of Global Public Affairs,
UPS, Vice Chair
KIMBERLY BROWN, CEO, Amethyst Technologies
KEVIN KACERE, President and CEO, Insta-Pro
International
BARBARA KEATING, President, Computer Frontiers,
Inc.
BILL KILLEEN, Chairman and CEO, Acrow Bridge
ANDREW PATTERSON, President for Africa, Bechtel
Overseas Corporation
FRED SISSON, CEO, Synnove Energy
PETER SULLIVAN, Managing Director and Head of
Public Sector Group for Africa, Citi
ANDREW TORRE, Regional President for Central
Europe, Middle East & Africa, Visa Inc.
BOB WETTA, President and Chief Executive
Officer, DSC Dredge LLC
SEAN WILCOCK, Chief Commercial Officer, APR
Energy LLC
DOW WILSON, President and CEO, Varian Medical
Systems
RAHAMA WRIGHT, Founder and CEO, Shea Yeleen
U.S. GOVERNMENT

WILBUR L. ROSS, Secretary, U.S. Department of Commerce

GILBERT KAPLAN, Under Secretary for International Trade, U.S. Department of Commerce

SKIP JONES, Deputy Assistant Secretary for Middle East and Africa, U.S. Department of Commerce

AMBASSADOR JEFFREY GERRISH, Acting President and Chairman, Export-Import Bank of the United States

BROCK BIERMAN, Acting CEO, Millennium Challenge Corporation

C.D. GLIN, President and CEO, U.S. African Development Foundation

THOMAS HARDY, Director of Public Affairs and Congressional Relations, U.S. Trade and Development Agency

ROBERT PEREZ, Acting Deputy Commissioner, U.S. Customs and Border Protection, Department of Homeland Security

STEPHANIE SULLIVAN, Principal Deputy Assistant Secretary for African Affairs, U.S. Department of State

CHERYL ANDERSON, Deputy Assistant Administrator for the Bureau for Africa, U.S. Agency for International Development

ERIC MEYER, Deputy Assistant Secretary for Africa and the Middle East, U.S. Department of the Treasury

DAVID SHORT, Deputy Assistant Secretary for Aviation and International Affairs, U.S. Department of Transportation

WORKU GACHOU, Managing Director for Africa, Overseas Private Investment Corporation

BENNETT HARMAN, Deputy Assistant U.S. Trade Representative for Africa, Office of the U.S. Trade Representative
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CHAIR IRELAND: Good morning, everybody. I'll call the session to order. I'll give a few opening remarks. Obviously this is our last meeting for this iteration of the PAC-DBIA. And we're going to focus in on our trip that we took in the end of June/July. And then on the recommendations from that trip.

Just from a standpoint from our perspective in the private sector, Mr. Secretary, thanks for your support and your team's support and the government's support around the trip. We had four countries we visited that things went very well with the exception of showers in Kenya and airplane rides from Ethiopia. But other than that, it was a very good trip.

I think one of the key things is the focus that we had talked about when we wrapped up in Accra was the U.S. government's support of the private sector across Africa as we try to work together in bringing more business to a number of
American companies. And I thought I'd just give a couple of anecdotes from the last week and a half, which I think still underscores the importance of doing that.

I met with President Kenyatta in Kenya last week when I was in Nairobi. And you know, again he's got a number of initiatives tied in with the Chinese. He very much supports and is supportive of the U.S. business and activities in Kenya. But again, the financing issue becomes an issue for all the countries, especially as now they're looking at debt ceilings, et cetera.

The second one is yesterday -- No, Tuesday, I was in -- Oh yes, that was yesterday. I was in New York at the U.N. meetings and we had the Chamber of the U.S.-Africa Business Center which I also co-chair, had a session with the President of Ghana. And he sat there with a bunch of American businesses around, and this was after our trip, and talked to us about how China was approaching them. And he hasn't seen anything from the United States. And I wanted to
kind of challenge him on the MCC compact and a few things, but I didn't think it was quite the appropriate thing. But that just shows the focus that we need to do to continue to push. And more importantly, continue to publicize and be proactive from that standpoint to make sure that people know where support is coming from.

And then the third one, and you were speaking in Ghana and you talked quite a bit about the Chinese and all, which was very supportive. But it's not just the Chinese and we are right -- We, being GE, are right now in a battle in Iraq, and some of you may have seen it in the newspapers, for a $10 to $15 billion power order and we're battling against the government of Germany who's coming in very supportive of our competitor. And so it's not just -- it's not just the Chinese, it's also the Europeans.

And I think again, a lot of the recommendations around financing and what we can do will really continue to focus in on what the U.S. government can do tied in with the private
sector. So I think this very apropos and very
good timing from that standpoint. And I look
forward to having all of the recommendations be
presented. So thank you.

Laura, you want to --

VICE CHAIR LANE: Before we begin,
just one other housekeeping order. It's
important that when you're speaking, the red
light will come on. It's important that you turn
it off after you're speaking so that it doesn't
affect the next person being able to speak the
way the microphone system is set up. So if I
have to interject, I'll remind you. But we want
to be able to capture all of this on a recording.
And it's important that we follow the guidelines
that we've been given on that.

I want to begin by saying thank you,
Jay and Mr. Secretary and Under Secretary Kaplan.
I'm really pleased to be back here with the rest
of the council. We had what Jay introduced was a
phenomenal trip that was really enlightening and
really helped us see a lot of the challenges and
opportunities that exist on the continent.

And Mr. Secretary, we're very pleased to be providing you with the report from that fact-finding trip, as well as the important recommendations coming out of it. Because we think it's going to provide some really concrete additional steps that can be taken beyond the ones that we specifically took during the trip.

And so this wasn't just a trip to go and see. This was a trip where we went and made things happen and we're building on them going forward. And so we're going to begin with going through specific aspects of the trip. And I really look forward to having the input from the council members on many of the observations we saw on the ground. As well as providing you, Mr. Secretary, with the good recommendations for going forward.

And finally, thank you for your leadership in bringing this to the attention of the President, keeping the momentum going. And making this something that is going to produce
some concrete results for U.S. investment and export opportunities across the continent.

MR. KAPLAN: Thank you, Laura. I was honored on behalf of Secretary Ross to lead the council members on the first three stops of the historic trip to Ethiopia, Kenya, Cote d'Ivoire, and Ghana. Before I introduce the secretary who will highlight the significant outcomes of the trip, I'd just like to note that I believe it was an exciting experience for us all and a real adventure. I valued the time that I spent with all the PAC-DBIA members. Your commitment to the council and to the work of advancing the U.S. commercial relationship with Africa was evident throughout our journey. We thank you for it.

It is now my privilege to introduce the Secretary of Commerce, Wilbur Ross. In this role, he serves as the principal voice of business in the Trump administration ensuring that U.S. entrepreneurs and businesses have the tools they need to create jobs and economic opportunity.
The former chairman of W.L. Ross & Company, Secretary Ross has over 55 years of investment banking and private equity experience. The secretary on behalf of President Trump administers the council and has a very keen interest in leveraging the work of the PAC-DBIA to help even trade and investment relationships between the United States and African countries.

We at the Department of Commerce are very fortunate to have a leader at the helm with the character, experience, and intellect as Secretary Ross. Secretary Ross?

SECRETARY ROSS: Well thank you, Gil for that very kind introduction. And thank you, Jay and Laura for leading the PAC-DBIA for the past two years. And to all the members of the council, for the time you've devoted to improving the business prospects in Africa for many other American companies and their workers.

Thanks also to the individuals from the federal enterprise who are engaged in these efforts. After all the work you have done over
the past two years, PAC-DBIA has proven to be a successful model of collaboration between the public and private sectors. You have created tangible and lasting results. And we pledge to continue the progress you have made.

Successes come through your dedication to civic service and the central component of our democracy. Successes also come through your commitment to being on the ground in Africa in developing the recommendations we will be discussing today. I look forward to those deliberations.

Last year as you remember, I asked the council to identify the most pressing challenges American companies face when approaching competing and operating in African markets. In response, you've produced a clear and insightful report that led to the trip to Ethiopia, Kenya, Cote d'Ivoire, and Ghana.

I know there's a lot more to do, but you should take pride in the fact that your devotion to this cause has already yielded
beneficial results for many people who are not even aware of the work you've done. For example, across the four countries visited on the two week trip, $1 billion of commercial deals and government engagements were signed. To put that into perspective, total U.S. exports to the four countries in all of 2017 were only $2.5 billion. So the trip continues to pay dividends.

Last month during the state visit to Washington, the Kenya President, Uhuru Kenyatta, another $850 million of deals were signed with Kenya alone. That included a $500 million project to develop an integrated nationwide information and telecommunications network for the government of Kenya.

Another major achievement of the trip was the signing of the memorandum of understanding with the governments of Ethiopia, Kenya, and Ghana. I think the only reason there wasn't one with Cote d'Ivoire is the government failed the night the group was leaving there. So it was a little bit of a difficult circumstance.
But we are developing a similar MOU with Côte d'Ivoire.

These agreements identify priority projects upon which American companies can build. They also provide the U.S. government with the guidance needed to support those projects. Furthermore, the MOUs address barriers that hinder U.S. investment and trade in each of the countries visited. Eliminating these barriers will not only help all U.S. companies interested in expanding in Africa, but the indigenous firms located in those countries, allowing them to grow with an improved business plan. When those companies add employees and wealth to their societies, our companies can grow with them. These MOUs have set a new precedent for our bilateral commercial engagements in Africa.

To reflect what was heard repeatedly in all of the countries that were visited, that there was a steadfast preference to do business with American companies. African business executives, government officials, and ordinary
citizens prefer to work with Americans due to our transparency, our customer service, the durability and reliability of our products, the dedication to local skill development in employment, and a common cultural heritage.

They also expressed a desire to address the challenges that American companies face in Africa. Such as corruption, poor infrastructure, and the inequitable business practice of competitors. They’re prepared to work with us to resolve those obstacles and we’re ready to work with them.

Finally, thank you Under Secretary Kaplan for your outstanding leadership and the manner in which you led the PAC-DBIA delegation throughout Africa. Thank you also for your dedication to following through on the initiatives that were stated on the ground in Africa and by the PAC-DBIA.

By the time I joined you in Ghana, I was astonished by the amount of buzz that had been generated by the trip and by how much had
already been accomplished. With that, I look forward to the discussions about the report and its recommendations. Thank you.

CHAIR IRELAND: Thank you, Mr. Secretary. We are going to go through now the presentation of the trip summaries and then into the recommendations, so we've got quite a few. And so we'll keep it moving along. The first one will be about Ethiopia, with Fred Sisson. Here you go.

MR. SISSON: Thank you, Jay. Mr. Secretary, the council was warmly greeted by the Ethiopian government when we arrived. We see significant opportunities as we went through the trip. We saw significant opportunities for U.S. businesses in Ethiopia, especially given its growth rate and the young population that exists there. Even though the government is encouraging private sector investment, one of the things that we did pick up was that there is some skepticism within some in the government around private sector investment and controls from the controls
the government will have over private sector investment. We believe that good partnerships will overcome these.

The two MOUs that were signed in Ethiopia were a great base for starting to establish a long-term partnership with the government of Ethiopia, as well as establishing new business in Ethiopia. The MOUs were signed around the strategic projects in Ethiopia, as well as the Power Africa 2.0 objectives. Coming from the energy sector, we're encouraged by both of these. And we look forward to participating in Ethiopia.

CHAIR IRELAND: Thanks, Fred. Tom Hardy?

MR. HARDY: Thank you, Jay and thank you, Mr. Secretary. It's a pleasure to be here. Thinking back on the trip, I think it was so fortuitous that the business council identified Ethiopia. But at times, it's going through kind of a political and economic renaissance. And to be on the ground at the beginning stage was
important I think for not only the U.S. government, but U.S. companies to see it. As USTDA, we're encouraged by what Ethiopia is doing. The efforts they are taking to encourage private sector investment to privatize state owned enterprises. And we are jumping at that opportunity even since returning from the visit.

We just recently concluded a project in a geothermal power project for 50 megawatts with a private Ethiopian company. And are continuing to work with the Ethiopians in the aviation sector, as well as further expansion of energy. And I think that the visit that we spent -- the time we spent in Ethiopia really has spurred us to recognize opportunities that exist, not only for the companies on this council, but for U.S. businesses across the country. Thank you, Jay.

CHAIR IRELAND: Thank you, Tom. Eric?

MR. MEYER: Thank you, Jay. As others here, we welcome Prime Minister Abiy's commitment
to making Ethiopia's economy more dynamic and welcoming for private sector investors. We see this as an important window of opportunity for engaging in Ethiopia. Moving forward, a strong macroeconomic reform and business climate framework will be important to sustaining growth, addressing the current debt burden, and increasing space for private sector grown and investment in Ethiopia.

Of course, financial sector modernization and reform are similarly important and we saw this on the trip with the discussions around the shortages and foreign exchange availability. And this is going to be critical to attracting investors in supporting productive and job creating firms in Ethiopia.

So going forward, Treasury is deepening its policy dialogue with Ethiopia. And we are engaging the government regarding potential for technical assistance to support the government's reform goals in a number of these areas. And we will look forward to continuing
that dialogue. Thank you.

CHAIR IRELAND: Thanks, Eric. Bennett Harman?

MR. HARMAN: Good morning. We were pleased to hear that the Ethiopian government during the trip signaled a renewed -- Okay. We were pleased to hear that during the trip, the Ethiopian government signaled an interest in renewing their WTO session process. The WTO session process is fundamentally domestic reform process because it requires undertaking significant changes and market opening. But those trade liberalizing reforms would in fact advance significant long-term benefits to Ethiopia's economy. So we think it's very important that they pursue that. Thank you.

CHAIR IRELAND: All right, thank you. We'll now move on to Kenya, my home for the last 7-1/2 years. And we'll hear what you guys are going to do. So Kimberly?

MS. BROWN: Excuse me. Good morning.

Thank you, Jay. Good morning. Thank you,
Secretary Ross, Under Secretary Kaplan, and Laura.

The fact-finding trip to Kenya included a series of meetings with the President of Kenya, numerous cabinet secretaries, and Kenya business leaders. President Kenyatta demonstrated a strong commitment to attracting U.S. business investment in Kenya. He held several meetings, supported the signing of the MOU, and also announced progress towards launching the Kenya airways nonstop flight to New York.

Highlights of this trip included the MOU, which focused on increasing U.S. private sector participation and priority infrastructure development and other projects intended to achieve the goals of President Kenyatta's Big Four Agenda.

Kenya has annual economic growth of 5 to 6 percent and President Kenyatta's Big Four Agenda provides the potential for increased U.S. business investment in Kenya, particularly in
infrastructure housing, healthcare, and agriculture.

During the meeting between Under Secretary Kaplan and Kenya's Cabinet Secretary for Agriculture, the two agreed to explore ways to support agriculture development, cooperation to enhance food security in Kenya, which is a priority area of the Big Four Agenda. Also the MOU signed by Under Secretary Kaplan and Kenya's Treasury Cabinet Secretary provides a roadmap of framework for driving U.S. private sector participation and investment in all of the Big Four priority areas.

And specifically, the MOU lays out a new overarching level of collaboration between the two countries to ensure transparent and timely procurement in accordance with applicable laws, support for commercial advocacy for U.S. businesses, technical assistance for U.S. businesses pursuing priority projects, and consideration by the U.S. government for prioritizing the financing requests for these
projects. Thank you.

CHAIR IRELAND: Thanks, Kimberly.

SECRETARY ROSS: Thank you, Kimberly for that presentation. I recall that in selecting the countries for the fact-finding trip, Kenya was ranked highest by the PAC-DBIA as a potential destination. And there was a good reason for that ranking. In my view, the Kenyatta administration's commitment to our bilateral commercial relationship could not have been more clearly demonstrated during the trip.

As Kimberly noted, President Kenyatta himself met with Under Secretary Kaplan and other members of the delegation twice in two days. The director from President Kenyatta to his cabinet allowed us to finish and sign the MOUs before the delegation left the country. President Kenyatta presided over the signing of $100 million in commercial deals and engagements. And just last month when President Kenyatta came to Washington to meet with President Trump, he took time to meet with myself, other members of the
administration, and with a large group of U.S. business executives.

The Kenyatta administration is seeking a greater American business presence in Kenya. The PAC-DBIA trip may well be a turning point in American business activities with Kenya. The MOU with Kenya provides us with a mechanism to work with the Kenya government on improving their business and contracting practices. It allows us to address barriers to American trade and investment. It will also provide opportunities for American companies to work the U.S. government on winning public procurement award.

Given the initial success with Kenya, we're pursuing similar MOUs with other countries. The Commerce Department hopes to work with Kenya to promote business opportunities for American companies that will come from the opening of direct flights from Nairobi to New York at the end of October.

Finally, in the fall of 2019, Commerce Department will host a major trade promotion
event called Discover Global Markets. The focus will be on new business opportunities in Africa and the Middle East. Kenya will be highlighted as being a great market opportunity at that event. Thank you.

CHAIR IRELAND: Thank you, secretary.

Barbara, do you have comments?

MS. KEATING: Thanks, secretary and to all the leadership of the PAC-DBIA. I really appreciated it on this trip. I found that the leadership really helped us in many ways.

I have two main comments. One is that I have been working on Africa for over 30 years. And the last 20 have been in some advisory role to our government on doing work in Africa. And I would like to say that in terms of the reception of the groups, we used to sit in back rooms in the Commerce Department. And I find that the elevation of Africa to the level of the White House is very insightful and where it needs to be. And so I thank the current administration for this.
The second point is that when we go to Africa, we meet other companies, countries as teams. They come in as teams. They have their government, the private sector, and their civil society together -- working together. In the past, the private sector has gone in alone. And so I really find from this trip that there was a concerted effort for us to work together as a team. And I think that's very important. And I really felt that on this trip. And it has opened other things for us as well and to engaging with the government. Thank you.

CHAIR IRELAND: Thanks, Barbara. I think those are great points. We're now going to turn to Cote d'Ivoire. Even though we spent a day or two there and have recommendations and then the government changed the next day, I think there will still be apropos. So we'll turn to Andrew.

MR. TORRE: Thanks, Jay and Mr. Secretary. I'm happy to share our highlights and reflections on behalf of the council on our fact-
finding trip to Cote d'Ivoire under Secretary Kaplan who had a delegation of representatives from nine U.S. government agencies and 27 business leaders from 16 U.S. companies. We were greeted warmly by President Ouattara, his administration, the U.S. embassy, and local and Ivorian business community.

We had a full agenda during the two days in Abidjan. And one of the things that certainly bears out of that is that there's a strong mutual desire to strengthen U.S. Cote d'Ivoire bilateral ties. During the visit, Under Secretary Kaplan and Sharjah Safari Booker presided over a public signing ceremony for three deals.

The first was the U.S. Trade and Development Agency signed a grant agreement with a Ivorian company, the U.S. African Development Foundation and Bechtel formalized the partnership. And on behalf of Visa, I signed a memorandum of understanding with the Ministry of Finance for a government wide partnership to
bring millions of Ivorians into the formal financial system.

The PAC-DVIA also met with officials from the African Development Bank and we learned more about their priorities including High Five Priority Areas. The U.S. Trade and Development Agency and the AFDB signed an MOU that will strengthen collaboration on procurement, specifically in the areas of transparency, efficiency, and training.

As a council, we summarized our findings in three key take-aways. The first was around regional leadership. It's certainly not a coincidence that Cote D'Ivoire was selected as the first francophone country that the council visited. It's a natural entry point for U.S. companies trying to gain a foothold in an increasingly important region. And we believe more should be done to formalize the U.S. Cote d'Ivoire partnership.

The second is around infrastructure.

The Ivorian government highlighted public-private
partnerships as the preferred model for infrastructure development. The U.S. government, AFDB, and the U.S. private sector should partner with the Ivorian government to identify other viable frameworks to secure investment, financing, and implementation opportunities.

And finally, the third is around global value change. Cote d'Ivoire continues to be very focused on the production of raw agricultural goods such as cashews and cocoa. And there's a real opportunity for U.S. companies to partner with Cote d'Ivoire to both expand industrial and technological production in agriculture. And also pursue other means to diversify their economy including through technology. Thank you.

CHAIR IRELAND: Thanks, Andrew. Under Secretary Kaplan?

MR. KAPLAN: Thank you, Andrew for that great readout. I want to take a moment to echo Secretary Ross' statements regarding the effectiveness of the Memorandum of Understanding
the council recommended. And to provide the
council with an update on Cote d'Ivoire following
the trip.

While we were working with our
interagency colleagues represented here at
today's meeting, to determine and prioritize
followup for all of the fact-finding trip
countries, an immediate followup for Cote
d'Ivoire has been the start of negotiations of an
MOU between the government of the United States
and the government of the Cote d'Ivoire.

After the President, Prime Minister,
and Vice President of Cote d'Ivoire heard of the
MOUs we signed in Ethiopia and Kenya and intended
to sign in Ghana, they approached us about
signing an MOU with Cote d'Ivoire. This desire
on the part of the government of Cote d'Ivoire
for the MOU falls in line with its overarching
message during the trip, Cote d'Ivoire is open
for business.

Like the other three MOUs we signed
with Ethiopia, Kenya, and Ghana, the MOU we are
finishing with Cote d'Ivoire will be constructed around a simple exchange. The host government intends to make available to the U.S. government, information such as a list of priority projects in the sectors targeted in the MOU. And the U.S. government then intends to promote awareness of these projects with U.S. companies that might be interested in participating.

Adding to this, the U.S. government intends to form deal teams to provide information to qualified companies regarding availability of potential financing, grants, advocacy, and other forms of U.S. government resources to help make U.S. company bids for projects more attractive. In return, the U.S. government is asking the host government to focus on improvements in the business conditions or "enabling environment" so that U.S. companies are not dissuaded from participating in these development projects by host government imposed barriers or policies. The MOU is expected to focus on agriculture, transportation, and energy.
To finish the MOU, we are in the process of seeking advice from our industry trade advisory committees and interagency partners and are in ongoing discussions with the government of the Cote d'Ivoire. We also plan to reach out to the PAC-DBIA and the Trade Associations for input. We look forward to finishing this shortly. Thank you.

CHAIR IRELAND: Thanks, Gil. Brock?

MR. BIERMAN: Yes. Thank you, Mr. Chairman, Mr. Secretary. My team and I want to congratulate you on a successful trip across the continent including visits to MCC partner countries; Cote d'Ivoire and Ghana. Your recommendations to strengthening the ties and commercial ties to the continent are thoughtful, well-written, and focused. And we are very pleased in the keen interest of the PAC members in our compact during the round table we held. And we hope that U.S. businesses do indeed leverage our investments with their own.

As we previewed during the stop in
Cote d'Ivoire, I am pleased to announce that we have signed a partnership agreement with Bechtel to develop a national infrastructure master plan with MCC eligible countries in Africa. And Andrew and I actually signed that MOU this morning just across the hall. This innovative public-private partnership will leverage MCCs deep sector infrastructure experience on the continent with Bechtel's global experience and expertise, integrated master plan, development, and implementation. We are looking forward to working with Bechtel to develop this product and assess how infrastructure master planning can catalyze a private sector investment in MCC partner countries. Thank you.

CHAIR IRELAND: Thanks Brock. That's great news to hear. Andrew, you want to make a comment? Are you going to speak French now?

MR. PATTERSON: Unfortunately my French is not that good. I wanted to follow up on some of the comments that came back to us and feedback from this trip to demonstrate how
significant these trips can have. We got a --

The government of Cote d'Ivoire that
we had been talking to over the last couple of
years, reached out to us and said we really want
to restart our conversations around a major
infrastructure project that's worth over $2
billion there that's connected to two economic
ports. So I went back into country the week
after that trip. And the reception has
significantly changed from what we had previously
had from them.

Before it was, yes we want American
companies. Oh yes, let's talk again. This was
significant engagement to the point where the
Prime Minister who had just gotten back from
China that morning, understood that I was in town
and made room in his schedule. And pulled
together his key people to talk about this
project to demonstrate. And they were very clear
that they want to be able to show clear
engagement with U.S. companies, especially
following that trip. They also mentioned that
the MOU was something that they were very focused on and excited to talk about. And hoped to sign that soon. And that we would encourage that to be concluded and we think that would be great to support U.S. companies there.

As Jay mentioned, it's not just the east that are in Africa. There's strong competitions from of course, the French there, but the Turkish and other parts of Europe. And these type of MOUs and these types of engagements make a significant difference. A fact that will continue to look to expand our presence in Africa in looking in setting up a subregional office. And potentially we'd set this up in Cote d'Ivoire.

CHAIR IRELAND: Thanks, Andrew. For Ghana, Bob Watta please.

MR. WATTA: Thank you, Jay. IBM's Takreem El-Tohamy, who unfortunately at the last minute could not join us, prepared the following summary:

The PAC-DBIA delegation led by
Secretary Ross met Ghana government leaders, participated in a U.S./Ghana business forum and signed MOUs. Secretary Ross signed a G2G MOU outlining priority projects for U.S. companies wishing to do business in Ghana. And providing a forum for addressing any trade barriers that would limit U.S. companies abilities for taking advantage of these opportunities.

USTDA executed a grant agreement to conduct a feasibility study to bring American private sector expertise from the renewable energy sector to Ghana. IBM was pleased to execute an MOU with the Ministry of Lands to help the government explore and develop relevant Blockchain capabilities and use cases for land registration.

From our time in Ghana, we felt that U.S. investment was welcome and saw great opportunities for U.S. companies. However, some challenges remain. Looking at trade facilitation, as Ghana continues to implement USAID in custom and border protection
recommendations to improve U.S. processes, U.S. companies still seek swifter action to modernize transactions.

In energy and mining, Ghana is making significant progress which makes it a great interest to U.S. companies. Council members understand that mining industries are capital intense and require long-term commitments. However, we hope that when it comes to policy, Ghana looks to the U.S. as a model to enable global competition.

Looking at procurement, we heard commitments to reform practices and bolster anti-corruption efforts. The government is appointing an independent special prosecutor. And is also looking to develop an electronic procurement registry and a web platform for inquiries. These tools can be helpful for U.S. companies looking to enter and compete in Ghana.

I'll close with technology more broadly. It was exciting to hear Ghana's Vice President speak highly of his trip to Silicon
Valley. He said that technology developed by
U.S. companies like Blockchain can help to drive
economic transformations. This creates
opportunities for IBM and U.S. companies broadly.

Thank you.

CHAIR IRELAND: Thanks, Bob. Bob
Perez from Customs and Border?

MR. PEREZ: Thank you, Jay. Thank
you, Mr. Secretary. Good morning, folks. It's
my pleasure to be here and represent Secretary
Nielsen and Customs and Border Protection. And
speak to our interests, our ongoing support and
gratitude that the folks that went on the trip
were able to meet with our team in Ghana. So
that we could showcase a little bit of what we've
been doing by way of CBPs investment. Not just
there, but really throughout the region for some
time.

I think most of you know and
appreciate the national security mission of
Customs and Border protection is one of a
complicated fine balance of both border security,
but also economic security. Enabling and facilitating trade in a way that could further strengthen international trade. Not just here of course, but when we're engaging with our international partners to help them find a path to not only border management and better border management, but the skill sets and the institutionalization of modern trade practices. Both by way of not only technological modernization but processes, policies, laws, and the like. And so again, we were just grateful to have the opportunity to showcase that to the group when they were there.

Our ongoing commitment is unwavering. You know, as you alluded to in your opening comments Jay, I think it's unquestionable. Certainly I think this group understands, but I want to share with you on behalf of CBP and DHS that the strategic importance of ongoing investment, again not just in Ghana, but throughout the sub-Sahara region is something we truly appreciate. And we're going to continue to
look for those opportunities to make a
difference, alongside our interagency partners
who work with us hand in hand to again, help
folks along in these regions to really build a
21st Century international trade construct.

So again, my pleasure to be with you
all today. And to continue to invest our efforts
in all the good work that the PAC-DBIA has done.
So thank you, Jay.

CHAIR IRELAND: Thank you very much.
We had a hard time figuring out who from our
group would talk about customs. But we finally
figured out that Laura would probably be the
best.

VICE CHAIR LANE: So I have to say
just picking up from what Mr. Perez said, it's
really rare when a highly technical policy issue
like customs modernization gets the priority
attention that it really does deserve. And I
really need to commend the Secretary of Commerce
and Under Secretary Kaplan for making this a
priority issue. Because that's how U.S.
companies are going to be able to export more and get into markets across Africa.

And Ghana was a great example of how a country had recognized the central importance of customs modernization to not only strengthening its development opportunities, but also positioning itself as a gateway to more regional integration. And so in all the meetings that we had with the government of Ghana, they repeatedly touted how important customs modernization was for its own market's emergence as a gateway to West Africa and ECOWAS, the Economic Community of West African States.

And so we had the opportunity to meet with the Deputy Commissioner of Ghanaian customs to really understand how they were moving to implement the WTO trade facilitation agreement. And that agreement -- that's a readymade blueprint for customs modernization. But was exciting is after that meeting, we had follow-on discussions with the Minister of Trade. And I think every customs official in Ghana saying what
more can we do to partner with the U.S. government because we want to be the best in West Africa on being an example to other countries of why customs modernization is so important.

And so in our April recommendation, we had said it was really important for companies to get that birds eye view about what was happening with respect to customs modernization in the continent. And then getting a better understanding of where greater partnership could occur. And we accomplished that on this trip.

And I'm really excited about the fact that since this trip, because of the attention that this administration has given this issue, we've had significant follow-on discussions not just with the government of Ghana, but all the other countries that we visited saying let's partner more together. And what's powerful is it's a public-private partnership. So we're working with CBP and other companies that are involved in logistic space to make sure these processes are powerful ones to drive U.S.
exports. And address some of the things that keep us out of these markets, which is the corruption challenges at the borders.

And so this was a powerful way to end the trip and recognize the central importance of customs modernization across the continent. And so I really have appreciated the partnership with CBP in particular, because that makes all the difference in the world. Thank you.

CHAIR IRELAND: Thank you, Laura.

Next time, could you have a little more enthusiasm when you speak? Yes, yes. Mr. Secretary, my comments earlier on the President of Ghana, I neglected to mention that they had just received a $2.5 billion line from China EXIM, which obviously they're going to look to enable a lot of infrastructure projects.

That wraps up our country trip portion of the meeting. Is there any other comments that anyone wants to make before we move to the recommendations of the PAC-DBIA? Okay, all right. Laura, I turn it over to you.
VICE CHAIR LANE: So in terms of some of the specific recommendations, we wanted to start out with financing because in every single market, that was clear as one of the fundamental issues that we needed to strengthen the tools that companies had to use across the U.S. government spectrum. And so we were really honored. And I think it was so helpful to have Peter Sullivan from Citi with us because the perspectives that Citi and Mr. Sullivan were able to bring were so helpful in a lot of the discussions with the government. So I thought we'd start with you, Peter.

MR. SULLIVAN: Great. Thank you, Laura. I'd also like to express my appreciation to Secretary Ross and Under Secretary Kaplan for all your leadership and support of the PAC-DBIA and its work.

Africa has become a highly competitive region really due to its massive potential and growth. Now is the time to develop and execute a focused U.S. strategy that leverages our
advantage in the resources to not only be competitive in the region, but to really be a leading force on the continent.

PAC-DBIA's fact-finding mission, you know, helped crystalize our collective thinking on this strategy. As Laura said, financing risk mitigation was the top of the agenda for many of the meetings. And our recommendations are based on the outcomes of those meetings, as well as the years of experience in many of the principles that impact DBIA who operate and compete in Africa.

We have proposed several recommendations pertaining to finance that cut across three main themes. The first theme is really deployment of financial resources of the U.S. government in support of U.S. trade and investment close. The provision of financing and risk mitigation is critical in effectively competing and leveling the playing field in Africa. Our recommendations with regards to a fully functioning EXIM Bank, the passage of the
BUILD Act, and the provision of USD liquidity addresses this need. Shortly, my colleagues from Insta-Pro and Bechtel will expand on the essential nature and application of these resources.

The second theme highlights the opportunities to leverage the resource of the U.S. government through the close collaboration with the private sector. Collaborative deal structuring as evidenced by OPICs work in the region brings to the floor our nation's technical, financial, and operational strengths. This partnership should also be extended to the work with MCC in leveraging its compact to realize associated trade and investment opportunities. And I'm very happy to hear about the MOU with Bechtel. So it's a perfect example.

Following onto the third and final theme is really about creating a better enabling, transparent, and competitive environment for U.S. businesses in Africa. The collab approach needs to be extended to developing the technical and
financial capabilities and capacities within Africa. The U.S. private sector can work with U.S. Treasury, USTDA, and the likes of African Development Bank to develop more liquid local markets, better regulatory regimes, and more transactions.

We look forward to further discussion engagement on these proposed recommendations, but first let me call my colleagues from Insta-Pro and Bechtel to comment on the recommendation, particularly pertaining to employment of financial resources. Thank you.

VICE CHAIR LANE: So Andrew, let's turn it over to you first.

MR. PATTERSON: Thank you. Clearly the financing is critical to any of these projects going forward on the impacts of what U.S. companies can do. And being able to come up with innovative and creative financing solutions is going to be key to the success of U.S. companies operating in Africa, especially competing against our competition from the likes
of China and Turkey that are also being very aggressive in their approaches to that. Having the right tools in our toolbox is also key so re-highlighting the benefits of having U.S. EXIM fully engaged will help U.S. companies compete and be able to build our footprint in Africa. And deliver on our value proposition that is well recognized by these countries.

On recommendation number two around tapping into around some of the concessional and commercial financing, I've been able to bring the whole package of when we look at a project for road infrastructure, an oil pipeline, or a port, to be able to tie in MCC or USTDAs, USAID program for training into that would bring a more compelling offer to that. And I think looking at how to be able to put together those deal teams that's going to be able to tie in those agencies to bring a better value proposition is going to be a key step that can help U.S. companies.

We're looking forward very much to working with MCC in Africa. And I think that
will be a great step of creating a foundation for
future work in these countries. And potentially
working with USAID -- sorry, to MCC.

And finally, on the BUILD Act, we
support that and we think that it's a great
program or a great step to broaden OPICs ability
to bring different types of financing including
equity. And to be involved in different parts of
the project.

VICE CHAIR LANE: Kevin?

MR. KACERE: Thank you, Laura and
Secretary Ross. To put in context my comments, I
feel like our company, Insta-Pro International,
represents smaller, privately held U.S.
manufacturers. And I appreciate you having us on
the council. And also what's unique is that we
target the private sector; small to medium
targets quite often in the private sector of
Africa is growing.

And our pipeline in Africa is very
significant. Opportunities are there. The
greatest challenge for us is access to capital
for our customers, to put those purchases in
place. By and large, by far, our biggest hurdle.  
And whether it's Ethiopia and looking for FOREX
and waiting in line potentially for years, to
being in Kenya and being faced with 150 percent
collateral requirements to purchase our
equipment, deals stop.

And so, we are very much a proponent
of promoting EXIM as a solution for us. We
compete against the Chinese every day, Secretary.
And we win on equipment quality, know how,
support. But when financing comes as part of the
package, it's tough to compete with. And so we
would encourage, not only supporting EXIM and
reauthorizing it, but in encouraging it to grow.
Encouraging creative financial solutions.
Encourage more aggressiveness in the approach.

And with these signed MOUs, it's a
great opportunity to jump in and work through
creative risk mitigation processes that make our
side comfortable, as well as bringing in these
foreign governments that we now have this
momentum. So let's get after that.

And secondly, I want to talk about
OPIC as well. I'm pleased to see the BUILD Act is progressing. And we've had plenty of conversations with OPIC. But with our customer set, the requirement of requiring 25 percent U.S. ownership stops projects in its track with OPIC. And creating the flexibility to fund different projects that don't require U.S. ownership of those customers that we have in Africa, will create opportunities for us in turning those opportunities into orders. Thank you very much.

VICE CHAIR LANE: So on this trip, it was so valuable to have the broad contingent of U.S. government agency representatives with us to be able to see firsthand, some of the challenges that we were facing on the financing side. And so I wanted to engage a few of the folks around the table, beginning with Mr. Brock Bierman from the Millennium Challenge Corporation.

MR. BIERMAN: I appreciate your recommendations to advance blended finance
solutions by combining MCC grants and private
finance to increase the scale of targeted
development projects. My team is currently
developing models by which MCC can work more
closely with OPIC to blend compact funding with
private funding. As you recommend, MCCs recently
granted regional authority is in fact a good
opportunity to apply creative blending financing
solutions.

MCCs collaboration with AFDB in
financing off-grid energy solutions in Benin,
which we announced during the PAC-DBIA trip, is
just that. Bringing MCC grant financing
alongside both debt and equity financing. Thank
you.

VICE CHAIR LANE: Thanks. Let's turn
to Eric Meyer from the Treasury Department.

MR. MEYER: Great. Thank you, Laura.

We agree that access to financing in foreign
exchange are critical for starting and growing a
business in Africa. Successfully breaking down
those obstacles ultimately depends on a
foundation of strong fundamentals. For example, the best, most sustainable solutions to access foreign exchange will emerge by focusing on the fundamentals of market-based mechanisms for purchasing foreign exchange. One-off approaches will generally not lay the foundation necessary for broadening and deepening the trade and investment relationship.

More broadly and as Peter noted, most African countries need to enhance capacity and develop deeper and well-regulated financial markets. Achieving these objectives requires long-term sustained reform commitment by African governments. Treasury is supporting these efforts through our ongoing policy engagement and our technical assistance activities in a number of African economies.

Africa currently represents a large share of our technical assistance work. And we anticipate continuing to work with African and other partners to improve and strengthen public financial management, to enhance and develop debt
markets, to build out more prudent financial regulations, to improve and make more efficient revenue generation, and to strengthen local financial systems against the abuse for money laundering and terrorist financing. And we're committed to continuing these efforts across the region. Thank you.

VICE CHAIR LANE: I want to turn it over to Mr. Worku Gachou from OPIC to provide some additional thoughts. You had a fantastic team on the trip with us --

MR. GACHOU: Great.

VICE CHAIR LANE: -- and it was valuable to have them with us.

MR. GACHOU: Thanks so much, Laura and Jay. I want to first start off by thanking the PAC members for their time and effort that they put into the council. I also want to recognize Secretary Ross and Under Secretary Kaplan and the great staff with the Department of Commerce for the support that they've provided the council.

OPIC notes and welcomes the council's
recommendation to push for the BUILD Act. And
wanted to thank Citi, Bechtel, and Insta-Pro for
their leadership in this particular section.
This legislation recognizes America's ability to
be a strong, innovative leader in using financial
tools that foster economic growth and stability
in frontier emerging markets.

The BUILD Act with its new
flexibility, new modernized tools, and higher
maximum contingent liability allows more
financing offers to form American firms. By
creating this new institution, we will help
address the world's massive development needs and
drive economic growth while advancing important
U.S. foreign policy issues and our
competitiveness. At a time when investments in
these emerging markets are inundated by state-
directed efforts with China, our U.S. model
offers alternatives for advancing development in
a manner that's financially sound and adheres to
high standards and that avoids debt traps.

We appreciate the council's
recommendation. I'm excited to share the news that this afternoon, the House representatives is scheduled to vote on the BUILD Act included in a larger comprehensive piece of legislation. And should it pass this House this afternoon, we expect quick Senate consideration. So you guys are already influencing policy here, so thank you.

VICE CHAIR LANE: So on this trip, the importance of EXIM Bank came in strong and clear. There may have been a lot of political debate in Washington, D.C., about what role the bank should play. On this trip, we know we need a very strong institution in EXIM. And I want to turn it over to Ambassador Gerrish for some additional comments.

AMBASSADOR GERRISH: Thank you, Laura. And thanks to the council for its fine work and leadership in strengthening the U.S. commercial ties with Africa. EXIM appreciates the council's recognition of the importance of financing and doing business in Africa, and the importance of a
fully functioning EXIM bank. There is perhaps no other region in the world where government supported financing is as critical, and EXIM has a productive history there.

Before discussing Africa, I would like to address a larger point in the reports financing recommendation calling for EXIM to return to full functionality. EXIM Bank is America's official export credit agency. We continue to provide short and medium-term financing in support of U.S. exporters and their workers. However, the bank has not had a quorum of its Board of Directors since July 2015, for over three years.

Without a quorum, EXIM cannot authorize financing above $10 million, which prevents the bank from providing long-term financing for U.S. exports. These projects are worth billions of dollars in sales and support hundreds of thousands of jobs throughout the United States. This hurts the competitiveness of U.S. exporters, as well as the thousands of small
and medium sized businesses in their supply chains.

Meanwhile, foreign export credit agencies have taken advantage of EXIM's situation by enticing companies to shift production to their countries in exchange for government bank financing with little or no restrictions. The result has been the loss of opportunities and jobs in our country.

EXIM is working with the administration and Congress to enable the bank to return to fully supporting our exporters including for projects in Africa. Africa remains an important region for business opportunities and job creation for American exporters. EXIM has a congressional mandate to support U.S. exports to Sub-Saharan and Africa. And throughout its history, EXIM has been active across the entire continent.

Given that the level of U.S. exports to the continent has declined since 2014, we want to be as supportive and helpful as possible. In
fact U.S. exports to Africa have declined by 42 percent from a high of $38 billion in 2014 to $22 billion in 2017. By comparison, Chinese exports to the continent totaled $94.7 billion in 2017.

This is where EXIM can undoubtedly help. Over the last 10 years, EXIM has provided approximately $10 billion in financing to Africa in support of U.S. exports. Currently, we have more than $11.2 billion in export transactions for Africa sitting in our pipeline just waiting for us to get a quorum of our Board of Directors. And we see strong opportunities in Ethiopia, Kenya, Mozambique, South Africa, Angola, Cameroon, Nigeria, and Ghana.

EXIM fully supports your efforts in advancing U.S. commercial interest across the continent. Thank you for inviting me to join you today to be part of this conversation. The people of EXIM look forward to continuing our collective work to showcase to Africa that the best products in the world are made by American hands.
VICE CHAIR LANE: We want to open it for discussion now. Does anyone want to add to this portion of the report's recommendation portion?

MS. ANDERSON: Maybe this is the right moment for USAID. I just wanted to say that we are committed to continuing our work that supports U.S. business opportunities in Africa, including in financing, as well as the other areas identified in the report. And in fact, we're making a pivot to do that more effectively and more deliberately including through the trade and investment hubs that we have on the continent through our Power Africa work. And also among other areas, our Feed the Future Agriculture work.

So you know in general, our aim is to help our partner countries in Africa move to the self-reliance that will make them better partners for U.S. companies. So we appreciate the findings and the recommendations in the report. And we will continue to see how we can support
them through our programs, as well as through our presence in Africa. Thanks.

MR. KILLEEN: I just wanted to add to what Jeffrey had before. And that is, without EXIM Bank, my company, which is a medium sized company manufacturing bridges, we would not be doing the work that we're doing currently in Zambia. We've hired quite a few people doing projects or welding at our factory. And it's all because of the support that EXIM Bank has given us. So I just wanted to say that EXIM is a very important facet to closing transactions around the African continent.

VICE CHAIR LANE: Let me turn it over to you, Jay.

CHAIR IRELAND: Yes, thanks. I would like to comment on this. I think a few things. Number one, the week after our trip concluded, Ray Washburne who's the CEO of OPIC followed on with a trip to Zambia, Kenya, and South Africa. I met with him in South Africa that week. And you know, as he says we're open for business.
And he was looking for a lot of potential financing, both small companies, as well as funds and obviously large deals as well. They've been a big supporter of a number of our projects. So that was very good.

And I think the other big thing that is part of the recommendation is utilizing the DFIs that the U.S. government supports, the African Development Bank, the World Bank, and making sure that we, the private sector, understand what's available there and what we can do to work with them to finance a lot of our projects as well. And I think with the people that are in those -- the U.S. government representatives in those institutions can really help drive that as we had a good meeting in Abidjan around that. So I think that's another key thing.

And then I'll hop onto the EXIM of course as well. I think it's absolutely critical and to give you an example, right in 2015 when they lost their ability to fund bigger deals
because of the quorum, we had a billion dollar
deal in locomotives in Angola that was going to
be financed by EXIM. And then of course we
couldn't get it done because of the quorum issue.
And we turned and the Export Development of
Canada supported us. So we were still able to
sell U.S. locomotives, 65 percent -- or 40
percent content -- U.S., but thanks to the
Canadians. So they do help us now and then, just
in your other discussions.

So anyway, I think this is absolutely
critical. Again, marshaling the Build Act and
all we can do in financing because that will get
us on a better playing field versus other
governments. Thank you.

SECRETARY ROSS: Along the lines of
finding at least temporary possible alternatives
while we're waiting for EXIM, the CEO of the
European Bank for Reconstruction came to visit me
the other day. They are very eager to support
American companies in Africa, particularly Sub-
Saharan Africa. So I don't know if that's
already on your radar screen, but if it isn't, it should be. He's very eager to do business.

MR. MEYER: So I know that President Suma did meet with you, Secretary Ross. Just for the companies here, the European Bank for Reconstruction and Development is currently active in Northern Africa and parts of the Middle East. But they don't have authorization at the moment to operate in Sub-Saharan Africa, but definitely in places like Morocco and Tunisia and Egypt, they stand as a very good resource for helping American companies invest and secure financing.

VICE CHAIR LANE: Any other comments? I think we'll turn over to the next area of priority in our report, which focused on public procurement. And I have to say, being on this trip, it was pretty stunning to see all of the Chinese projects underway. And the recognition that all of us had that if American companies were involved in those projects, they'd turn out better in a more cost-effective way and last a
whole heck of a lot longer. And so public procurement opportunities across Sub-Saharan Africa became a real focus of attention for many of us on the council. And so I wanted to turn it over to Bill Killeen of Acrow Bridge to open up this aspect of the report's recommendations on public procurement.

MR. KILLEEN: Thank you, Laura, and thank you, Secretary Ross and Under Secretary Kaplan and also Jay. I'm supposed to talk about three out of the four, but because Mr. Tohamy is not here, I'll be doing all four of these.

So starting with recommendation one, it's make the private sector public procurement expertise available to the U.S. government. It was identified during the trip that deeper dialogue and information sharing between the U.S. and private sector and relevant U.S. agencies concerning Africa, public procurement would result in more productive project outcomes.

To support and encourage U.S. firms to pursue public procurement in Africa, we recommend
more consistent, thoughtful consultation with the private sector in the core elements of the competitive tender process, as well as the various stages of the project development cycle resulting from direct and unsolicited proposals.

The recommended consultation should include private sector guidance and training of Foreign Commercial Service and political econ officers in preparation for their postings within Africa. Some of the training can be conducted by corporate entities or trade and business associations. Training can also be present and opportunity -- or present an opportunity for cross-fertilization of ideas between public and private entities with genuine collaboration resulting in a greater percentage of successful opportunities.

The second recommendation is support direct or unsolicited proposals in addition to competitive tenders for American companies. African public procurement often involves large projects requiring structured financing and a
diverse array of stakeholders and project inputs. Size and complexity of these projects and the lengthy time horizons, which is typically three to six years, required for their development and implementation often rendered them inappropriate for standard tender procurement processes.

We recommend that the USG offer a particular focus in the public procurement guidance training and diplomacy for direct and unsolicited proposals, whereby U.S. firms are able to directly offer African governments proposals for projects that address key local government initiatives. And since Acrow first began to look at the opportunities on the African continent in '99, I could say about 90 percent of our projects that we've done over there now have been through direct unsolicited programs.

Number three, continue U.S. government programming and advocacy focus on transparency and rule of law in support of best value procurement. Lack of clarity and transparency in public procurement processes undermines the
ability of African governments to realize best value in project outcomes because such practices have the effect of limiting participation from the private sector.

The USTDA has implemented many programs through its global procurement initiative that promote transparency and predictability in the procurement procedures. These programs need to be extended beyond the USTDA's scope to include diplomatic advocacy exercised consistently at ambassadorial levels. If small and medium sized businesses sense lack of clarity, they'll choose not to participate and gravitate elsewhere. As a medium size business, Acrow, we often have to review what is -- where are our best opportunities? And if we see a lack of transparency, we usually do go elsewhere.

And then the final one, which is for Mr. Tohamy, this is recommendation four. We recommend that the Department of Commerce builds a user-friendly, modern platform of procurement opportunities and insights to help U.S. companies
to bid and win. PAC-DBIA heard multiple times on this trip that one of the main reasons U.S. firms are not winning projects in Africa is because they are not competing.

One way to encourage more interest is to better share information. A platform could be built in phases and move towards being fully automated. Commerce could partner with State, mainly its clearing house and other agencies, to better coordinate efforts across the government. They could collect and share public sector opportunities from multilateral development banks and others.

Adding pre-tender insights from the commercial officers and information from export gov and other financing resources could help businesses of all sizes to mitigate, perceive the natural risk. If automated, it would not require new work load for the embassy officers. Instead the platform would make their role more efficient and smart, bridging the gap between opportunities and U.S. business interests.
And lastly, to better engage small businesses, USAID should collaborate with government agencies such as OPIC, SBA, Commerce, and USTDA to host a series of dialogues on investment and export opportunities. These could help create use cases to better serve the needs of small and medium businesses. With the steps above, we can imagine a user friendly platform, web and mobile accessible, conversational and self-service experience that provides immediate answers around opportunities and suggested next step actions. This will allow more U.S. companies to enter, compete with the opportunities on the African continent. And that's it, Laura.

VICE CHAIR LANE: Thank you. Mr. Secretary, would you like to add some comments?

SECRETARY ROSS: Thank you, Bill, for presenting these recommendations on behalf of the council. As to recommendation number one, the suggestion for training our Foreign Service officers on business development issues prior to
their being deployed in Africa, it seems like a
worthy idea. I'll ask Under Secretary Kaplan to
see how we can use it to improve our current
Commercial Service training program.

You've also suggested that we use
trade and business associations for training
government officials working outside of Foreign
Service. Our country desk officers at the
Commerce Department could benefit from this type
of perspective since they work closely with our
Commercial Service officers in foreign countries
on business development issues.

Recommendation number two regarding
unsolicited proposals, we recognize the reality
in Africa that shady competitors often circumvent
public tenders as a way to win contracts. We
need to address this in a thoughtful yet direct
manner.

U.S. government promotes transparency
and open competition in public procurement. We
provide significant technical assistance to
countries to foster best contracting practices,
but some projects are not subject to an open bidding process. Every country has its own procurement laws guiding the sole sourcing of awards. If a U.S. company or consortium is pursuing a project in accordance with the host country's laws, the Commerce Department is prepared to fully support their bid.

Contrary to common belief, our Advocacy Center is not restricted to public tenders. We can try to get private business as well. Public procurement does account for the majority of our advocacy cases, but we do provide services for unsolicited proposals that are approved through the same application process a company would undertake in a general tender situation. Furthermore, the MOUs we've negotiated are designed to support U.S. companies pursuing projects regardless of whether they are a public tender or an unsolicited proposal.

Recommendation number four, finally regarding the development of a new online tool for collecting and disseminating foreign
procurement opportunities, this is a good idea
and should be applied more broadly even than just
to Africa over time. I'm happy to designate a
team from Commerce to work with our colleagues at
State, USAID, and other agencies to work on
putting the ideas into motion. Thank you for
these thoughtful suggestions.

VICE CHAIR LANE: Can we turn it over
to the Department of State to Ms. Sullivan?

MS. SULLIVAN: Thanks very much,
Laura. I'm pleased to represent Secretary Pompeo
here today, and I congratulate all the
participants for this tremendous public-private
initiative, which is music to our ears and also
to the Assistant Secretary, newly-confirmed,
Tibor Nagy. He and Secretary Pompeo are in New
York at the U.N. General Assembly having
discussions with heads of state and other members
of foreign delegations from Africa in which the
trade and investment features as our very first
talking point in all of our memos.

The Department of State appreciates
all of the excellent recommendations and the
plans to -- and we plan to refer to them as
useful guide posts and suggestions to improve
economic growth and opportunities for U.S.
business on the continent. Our embassies,
including Foreign Commercial Service and economic
affairs officers, welcome the opportunity to
better understand the practical dimensions of
private sector engagement in Africa. We would
appreciate having additional details on how
proposed private sector training would be
structured and targeted.

Finally, I'd like to add my personal
thanks for your participation in the portion of
the trip in Ghana, as I'll be going out to Ghana
as the U.S. Ambassador in December and look
forward to continued strong collaboration. Thank
you.

VICE CHAIR LANE: Let me turn it over
to Mr. Hardy.

MR. HARDY: Sure. Thank you, Laura.

And I want to thank the business council for
continuing its support of the USTDA's Global Procurement Initiative.

As you all know, our competitors' solutions don't match the quality nor longevity of American-made solutions. And many times, these low cost procurement models have delivered such poor results that African governments end up needing to start over with their procurement process and falling further into the debt trap of concessional financing. And that's why the U.S. Trade and Development Agency launched its Global Procurement Initiative to help officials in emerging markets understand how to use best value procurement practices to obtain quality infrastructure and to level the playing field for American companies.

On our trip to Ethiopia, many of you will remember that Ethiopia Electric Power launched a procurement manual that is going to transform the way that EEP conducts its procurements based on best value, and that was accomplished through USTDA's Global Procurement
Initiative. And we look forward to seeing the results of that.

Further, in direct response to the PAC-DBIA's recommendations, we've also launched an initiative in Kenya focused on best value bringing over, in the near future, procurement officials from across Kenya to do a deeper dive into how they can transform their procurement models to better incorporate best value determinations into their procurement practices. We also concluded a new partnership with African Development Bank in a way that we can help them ensure that they're using best value determinations in their lending processes.

We continue to welcome the recommendations on priority markets and sectors and project opportunities across Africa from the PAC-DBIA and companies across the country. And we welcome your input and information sharing on both understanding the challenges facing the private sector across the continent, but also the opportunities that can be achieved through
helping countries make better informed investment
decisions that are based on quality, not simply
the lowest cost offer. And I would note in both
competitive tenders, as well as direct and
unsolicited proposals we're interested in. Thank
you.

VICE CHAIR LANE: Before we open it up
to broader discussion, I think all of us in the
council would be remiss if we didn't say a
special thanks to all of the embassies that
welcomed us, to the Department of State and the
Department of Commerce and the Foreign Commercial
Service, the econ officers, and the entire
mission team. We had some of the best meetings,
the best briefings because of the long hours and
hard work that those embassy teams put in.

And so I want to underscore something
that Bill said. It's critically important that
we have the assets on the ground in our embassies
overseas to be able to advance American econ and
business interests. And so it's not training,
but also having enough officers on the ground.
Having been an econ officer myself at the beginning of my career, I know the important role that we can play.

And I wanted to let you know that we will be following up with a letter that will be signed by over 100 trade associations representing companies across the United States of America to Secretary Pompeo underscoring the critical importance of the role of the Foreign Commercial Service and the Foreign Service officers in the econ function for the tremendous role they play. They'll make a difference in Sub-Saharan Africa, and they make a difference around the world. We need more of them well-trained in the issues that are critically important to us.

I want to open it up though now for additional discussion. And let me turn it over to Dow to begin with, from Varian.

MR. WILSON: Thank you. I just wanted to weigh in a little bit on this recommendation number two about providing direct and -- support
for direct and unsolicited proposals, in addition to competitive tenders. It's already been said that we think very strongly that the model of the U.S. Kenya MOU is really an outstanding one as we think about implementation of this proposal. That MOU permits U.S. government and Kenya -- U.S. companies to present direct proposals to the Kenyan government. It's a distinct competitive advantage, and we'd love to see that added to other MOUs across the continent. It's a capability competitors in China and Europe, many of them, already have in many places, they have that ability. And this would be a great way to implement that recommendation. Thank you.

VICE CHAIR LANE: Let me turn it over to Barbara Keating.

MS. KEATING: Thanks. I would also like to weigh in a couple of the recommendations. One on the training recommendation, I find that that would be very useful to us as we are starting to use the Advocacy Center, and we look forward to that approach. And it's our first
time in doing so. So we look forward to working
with them, but we also understand that there
needs to be more training in terms of what they
can actually offer us and what they can do in
those things spread across the continent.

The other piece, I am actually very
happy to hear that unsolicited proposals and
public-private partnerships will also fall under
the Advocacy Center. I think that we're finding
it as a tool for our intellectual property that
those kinds of avenues seem to be better avenues
for us often. And we also need the support of
our government on those applications. So thank
you.

VICE CHAIR LANE: For a final comment,
Sean Wilcock from APR Energy.

MR. WILCOCK: Yes, thank you. From
our side at APR Energy, I think using the U.S.
government and having their support is critical
in all the business that we've done in Africa.
We have a simple business model. We generate
electricity, and we get paid, or we hope to get
paid. We've done a significant amount of projects in Africa successfully. We've done over 30 -- we've put over 35 plants into Africa. We work very closely with Jay and his team at GE. And we've been reasonably successful.

The U.S. government programs and advocacy is of critical importance. And we ensure that we have engagement at every level on every project. As Andrew said, it's critical that we have the right tools in the toolbox in order for us to move forward. We lean on the Millennial Challenge Corporation. We use the USAID. And we use the U.S. Commerce muscle as much as we can, and it benefits us.

As a U.S. company, we're bound to follow ethical practices. We lead by example because it's the right thing to do. No doubt there are occasions where procurement practices do not follow the ethical routines. And on those cases, we usually end up losing business. This results in loss of U.S. jobs, and it also discourages U.S. investment and engagement.
So my point is this, I cannot emphasize enough the importance of U.S. engagement to strengthen ethical procurement and the practices that we have in Africa. And reaching out to the U.S. Commerce is critical. And I want to thank the Department of Commerce for their support. And I appreciate the recommendations that were put forward in this report.

VICE CHAIR LANE: Thank you. In the interest of time, we're going to continue through on to the next report recommendation. And it's one obviously near and dear to my heart, which is trade facilitation. I think on this trip, everyone saw that each of these countries want greater U.S. engagement in all of their economies. And the fundamental fact of it is that everything begins and ends at the borders, and getting border processes right is critically important.

From that perspective, the council made recommendations in the April report
suggesting that we expand the CBP border security 
management programs to other willing countries 
and even to the level of the regional economic 
communities. We think the next step should be 
taking that very important coordination effort in 
partnership with the private sector to support 
the implementation of reforms working with CBP, 
USTDA, and the Foreign Commercial Service, and 
USTR to include the importance of these issues in 
all trade-related discussions.

We also recommend that USTR in 
partnership with the private sector encourage, to 
the extent possible, the very high standards that 
we regularly set on customs issues as part of -- 
as the African Union develops its African 
Continental Free Trade Area. It would be a 
missed opportunity if they lowered tariffs but 
goods got continually stopped at the borders 
because the processes weren't modern and 
efficient and corruption-proof.

Finally, the excitement from visiting 
Ethiopia and their recognition that they need to
be part of the WTO and saying they wanted to accelerate their process for a session was an important one. And we think it's a great opportunity for us to partner with the Ethiopian government to ensure that they have the technical assistance that they need to meet the very high standards that the WTO will set. And maybe even beyond, make them a pilot and an example like Ghana is in West Africa, make them an example for their part of the region.

And so a lot of exciting opportunities coming out of our trip. And some good recommendations in the report in terms of how we further facilitate trade. I'd love to have Mr. Hardy pick up from there and comment on this important issue.

MR. HARDY: Sure. Thank you, Laura. This is a critical issue obviously for U.S. companies, but it's also an area that the U.S. Trade and Development Agency can play, I think, an important role. While we were in Ghana, USTDA launched the West Africa Customs Modernization
Trade Facilitation Program focused on reverse
trade missions. And we share your excitement
with the Deputy Commissioner and what he and the
customs authority in Ghana has done to really
transform the customs processes.

And under this West Africa Program, we
recognize that it's not just Ghana. And you had
talked about it, it's inter-trade, but it's also
intra-trade within Africa. And we're now going
to be including Nigeria customs officials into
this event, bringing a delegation over at the
beginning of 2019, recognizing it's not a good
idea to bring delegations to FedEx or UPS any
time during the Christmas seasons.

So we thank you. We appreciate all
the work that the U.S. company is doing. And
also Customs and Border Protection, the work that
you're doing in Ghana and that partnership. But
it's just the beginning of USTDA's program. In
all of the four countries, we saw firsthand the
limitations that trade facilitation is placing on
the ability to move goods, products, and just
generally support economic development.

And one of the core areas of USTDA's program is transportation infrastructure. And I think that's something that we're going to see increasing investment in Africa given to where we have been is looking at how can we help build out the infrastructure to ensure products move quickly and smoothly across the continent. So thank you, Laura, for your leadership on the trade facilitation.

VICE CHAIR LANE: Thanks, Tom. Let me turn it over to USTR, to Mr. Harmon.

MR. HARMAN: Thanks, Laura. Just to add that USTR is certainly willing to help promote U.S. best practice border processes in our engagements with African officials, whether at the bilateral, regional, or continental level. It would be hard to overstate the importance of trade facilitation for the progress in the region for all the reasons that you articulated that I won't repeat. Thank you.

VICE CHAIR LANE: For a final comment,
let me turn it over to Mr. Sisson.

MR. SISSON: Thank you, Laura. I'd like to read a comment on behalf of IBM's El-Tohamy.

IBM appreciates the U.S. government efforts in this space and supports recommendations that Laura shared and continue to have the U.S. government advance American companies' views on modern trade facilitation.

Regional economic communities are asking for just that. For example, COMESA has reached out to IBM for education on blockchain to help them with border management. Blockchain is one example of advanced technologies that can accelerate customs modernization. Blockchain's smart contracts, inherent transparency, and mutable distributed ledger could help advance PAC objectives to improve U.S.-Africa commercial relationship. Modern customs are critical for improved trade facilitation.

VICE CHAIR LANE: Now I'd like to move to the next section of our report, which is with
respect to global value chains and ask Rahama Wright of Shea Yeleen for her comments.

MS. WRIGHT: Thank you, Laura. I would be remiss if I did not first start by thanking personally Giancarlo and Ashley and all the interagency members and the delegation members. Because I tore my ACL right before the trip and so I went on the trip with a cane, and I was hobbling around West Africa. And honestly, I could not have done it without all of your support.

So with that, during the trip we heard from the private sector and the public sector about the need for creating value-added products in African countries. In Cote d'Ivoire, we heard about chocolate making. And in Ghana, we heard about their One Village, One Factory initiative. Enabling the growth of global value chains means that countries can have access to necessary inputs for more domestic production, and that leads to better jobs and also leads to growing in new markets.
With that, we have two short-term recommendations on global value chain. The first recommendation is for the Department of Commerce, working with private sector and the U.S. embassies, to select a priority list of African countries to engage in bilateral discussions with a focus on global value chain. So the purpose of this recommendation is to facilitate further information gathering between key government officials, interagency members, and the private sector. This will lay the groundwork to promote high regulatory and legal standards supporting national and regional policies.

The second recommendation is for the Department of Commerce, aligned with USTR and with other U.S. agencies to work with African countries, and both the government officials and the private sector, to really understand that having local content restrictions can sometimes be prohibitive in terms of growing their economies. The intent of local content restrictions is to protect local industry and
create jobs. But sometimes these industries reduce capacity and access to raw materials.

So through commercial officers working with in-country partners, they can specifically highlight investments that American firms are making to broaden local engagement. And also show how American firms are employing locally and adding to the value and supply chain. In short, the U.S. government can demonstrate the advantages of working with U.S. companies.

VICE CHAIR LANE: Thank you. Let me turn it over to Under Secretary Kaplan for additional comments.

MR. KAPLAN: Thank you, Laura. We really second the comments made by Rahama Wright. Another theme from the fact-finding trip was the desire on the part of African governments in the countries we visited for increased manufacturing. They see manufacturing as key to their economic growth and prosperity.

Sub-Saharan African countries, with the exception of South Africa, are not by and
large industrialized. As a result, the majority of exports are unprocessed raw materials. This reliance on commodities makes it difficult for countries to execute growth plans for the future because of the vulnerability of their economies to external market shocks. We saw the consequences of this pattern recently across Sub-Saharan Africa, but particularly in oil-based economies like Angola and Nigeria in 2016.

There is also a tremendous need for jobs in Sub-Saharan Africa, and almost every leader we met said that they had to find a way to create more employment for young people coming into the workforce. To remove these vulnerabilities, these countries are seeking, and the U.S. government supports, economic diversification and manufacturing. One key to this diversification and industrialization is access to global value chains, both in terms of access to inputs, as well as to markets for value-added production. I spent the majority of my career working on policies to create
manufacturing, so I was particularly fascinated by the recommendation this council put forward to promote global value chains.

On the first recommendation, I agree that the U.S. government, through the Department of Commerce, should encourage the harmonization and simplification of documents, streamlining of border procedures, and automation of processes. Also trade facilitation is an essential element of global value chains. And I'm encouraged to see not only the recommendation on global value chains, but the preceding recommendation on trade facilitation.

On your second point, we agree the Department of Commerce should align with key regulatory agencies to coordinate regulatory cooperation work with a focus on using a risk-based approach in the development of these regulations. We often see that upstream firms supplying intermediate inputs to destinations in Africa have a duplicate production process to comply with conflicting standards or incur
burdensome certification procedures multiple
times for the same product.

The Commerce Department is the
appropriate agency for organizing dialogues with
our African counterparts and the U.S. private
sector for increasing international regulatory
cooperation. I also support the recommendation
suggestion to focus on key sectors. And I'd like
to put forward agricultural processing as one of
those key sectors.

In your second recommendation, you
raise another key element, local content
restrictions. The outsourcing of materials
inherent in global value chains can seem to run
counter to national development plans focused on
sourcing materials locally to spur job creation.
However, local content requirements often reduce
the competitiveness of local companies if
products sourced locally are neither even
available, nor able to be produced at globally
competitive rates. Global value chains work
because they give local companies the ability to
export value-added product to more countries, capitalizing on comparative advantage.

While the Commerce Department and our interagency colleagues already highlight the economic disadvantage of local content restrictions in our policy engagements with African countries, we need to work on expanding the understanding that capacity building, technology transfer, and corporate social responsibility by American companies are forms of adding local value to production. American companies and investors are world leaders in bringing these skill sets to the countries in which they do business.

Finally, a skilled work force is also another byproduct of U.S. company participation and investment and critical to global value chains. So I'm encouraged again to see the council's next recommendation on workforce development.

VICE CHAIR LANE: Thank you, Under Secretary Kaplan. In the interest of an on-time
delivery of the meeting, we're going to move
straight to the next section of the report, and I
want to turn it over to Andrew Torre of Visa to
talk about our technology and digital economy
recommendations.

MR. TORRE: Thanks, Laura. I'm
pleased to present the council's recommendation
on technology and digital economy. As we've all
heard during the course of the readouts on the
council's mission throughout Africa, there are
abundant opportunities for U.S. businesses in
technology. There's significant demand from both
the public and private sector in Africa. Our
recommendation therefore is intended to
facilitate U.S.-Africa partnership on the
evolution of open, competitive, and enabling
regulatory environments that encourage sustained
investment, innovation, and trade.

So what's the problem we're trying to
solve? Africa has produced a generation of world
class entrepreneurs that need digital technology
in order to be able to scale their businesses.
They want to build businesses using the best available software, hardware, and digital infrastructure. And that often means partnering with U.S. companies. Unfortunately trade barriers and regulation often stand in the way.

African startups operate in a fragmented space that hovers between the formal and informal economies, and African small and medium-sized enterprises serve a customer base that too often lacks the digital resources, technology, digital finance, and payment services. U.S. technology companies offer solutions to many of these problems, but to do so, we must overcome public policies that tilt the competitive playing field.

In this report, we make two complementary recommendations. The first recommendations is to broaden -- the first recommendation is to broaden the mandate of government-to-government engagements to better serve the technology industry and commit to high standard principles for digital trade with our
African partners. We included a dozen foundational policy principles in the report. And I'd like to highlight just a few.

The first is to commit to cross-border data flows and do not require onshoring, data localization, or other local content requirements. The second is to maintain a level playing field that enables domestic and international companies to compete on the basis of the value and functionality that they provide. And third, we need to think in terms of ecosystems, platforms, and aim for interoperability inviting innovators to develop new capabilities and preventing the fragmentation and inefficiencies that tend to result from closed systems.

The second recommendation echoes something that Laura was talking about earlier, which is to resource embassies on the continent with personnel dedicated to technology and digital economy issues. In addition to hearing from Washington, it is equally important to have
boots on the ground working with U.S. companies that can identify and respond to and avert policies that undercut U.S. technology exports. In this regard, PAC-DBIA members would be pleased to provide resources and educational materials to the Foreign Service Institute and other training organizations to ensure that these digital attaches are fluent in the relevant issues.

On behalf of the council, we look forward to your partnership to implement the recommendations that will drive economic growth, increase trade, and grow U.S. technology exports to Africa. Thank you.

VICE CHAIR LANE: Let me ask Under Secretary Kaplan to add some of this thoughts.

MR. KAPLAN: Thank you. African countries are at a unique juncture in their development where they are starting to embrace technology as a means to drive economic growth. I agree with the PAC-DBIA analysis. We need to help our African partners get this piece right, which is why I'm encouraged by your
recommendation on technology and digital economy. Many of the principles you recommended are already included in our dialogues such as intellectual property rights and local content requirements, but not in the context of technology, and that's an important qualifier.

          Given that U.S. companies are the world leaders in technology, I want to ask for your continuing contributions in the technology dialogue. You state 12 principles the U.S. Department of Commerce should promote in its dialogues. But we would ask you to give us more specifics as to exactly how we should implement these principles in the technology area. Or, as you suggest, we could develop a new dialogue between the Department of Commerce and the U.S. private sector to focus on digital trade so that we are promoting the policies that best align with the evolution of technology being pursued by U.S. industry.

          On your second recommendation on expanding the Digital Attache Program, I'm glad
to hear of our digital attache officers' value to
the U.S. private sector and thank you for your
support. I don't think we can commit right now
to increasing the number of digital attaches
deployed in Africa, but we can commit to
providing additional training to our current
Commercial Service officers on digital trade.

Similar to the first recommendation on
public procurement, I'd like to ask the U.S.
private sector to help us develop the curriculum
for this training in order to ensure it addresses
the areas of critical need for the U.S.
technology industry. Thank you.

VICE CHAIR LANE: Let me turn it over
to OPIC to Worku Gachou.

MR. GACHOU: Sure, thank you. The
continued development of Africa's technology and
digital economy is key to advancing U.S.
commercial interests on the continent. As the
council highlighted, U.S. engagement is essential
to develop policies that are conducive to the
growth of the economies, to promote global best
practices, and to position U.S. companies to be a partner of choice.

Supporting Africa's technology and digital economy in Africa has become a recent priority of OPIC. As Jay noted, OPIC's president/CEO Ray Washburne traveled to the region this summer and launched the Connect Africa initiative. With the Connect Africa initiative, OPIC has committed $1 billion over the next three years to support information and communication technologies -- in the communication technologies sector, as well as other projects that support and enhance connectivity on the continent.

For example, OPIC recently financed a $100 million deal to Africell to support its expansion of mobile telecommunication networks in Uganda, Sierra Leone, the Democratic Republic of the Congo, and Gambia. By continuing to invest in projects like Africell, the U.S. will be a strong partner in Africa's digital revolution. OPIC looks forward to doing more to support the
growth of Africa's technology sector through its
Connect Africa initiative.

VICE CHAIR LANE: For a final comment,
let me turn it over to Ms. Kimberly Brown of
Amethyst Technologies.

MS. BROWN: Thank you, Laura. So I'm
presenting on behalf of IBM's El-Tohamy who
wanted to add to the record that IBM strongly
supports these recommendations and appreciates
U.S. government support. As the U.S. government
seeks to advance sound technology policies with
their African counterparts, we urge everyone to
remember that what works for one country or
region will not necessarily work for another.

For example, IBM has worked closely
with the European Union to ensure the GDPR
addresses privacy concerns without undermining
innovation. However, we do not agree with every
aspect of it. We would rather see African
nations following an American approach to privacy
and data protection. The U.S. has a proven track
record of relying on collaborative public-private
approaches like its NIST cybersecurity framework, rather than government mandates.

We hope that such a collaborative approach could be exported to Africa. This would provide U.S. companies with a technology policy environment that recognizes differences among industries in their use of data, allows for the legitimate business uses of personal data, empowers consumers to make informed choices, and enables cross border data flows. With such a policy environment, U.S. companies could succeed.

Thank you.

VICE CHAIR LANE: Let's now move over to the important issue of workforce development. And let me turn it over to Mr. Dow Wilson.

MR. WILSON: Thank you, Laura, Mr. Secretary, and Mr. Under Secretary. It's my pleasure to present the PAC-DBIAs recommendations on workforce deployment.

First of all, let me just say that it was a chorus in terms of the countries we visited on the recognition that lack of skilled workers
limits exports. You know, whether it's training for an x-ray machine, a linear accelerator that we make, a value-added supply chain, or a big infrastructure project, the lack of skilled workers restricts the market.

Second of all, I think it was also resoundingly clear that the countries recognize Brand USA for education and training. It's a competitive advantage that we have. And in nearly every situation and every conversation, it was what can you do as U.S. companies, as U.S. government, to help us in training and education?

So a couple of things. You know, one, we thought it would be very good to take stock of all the existing training programs, U.S. government and private sector, that we have. It might be kind of a big ask, especially on the private sector side. But some leveling the playing field in terms of what's out there, especially from medium and small companies in the U.S. don't really know what training programs they can access.
And then your recommendation centered around enhancing Brand USA by developing training hubs. It was clear that the brand remains strong, but other countries are certainly attempting to take our place by fostering stronger ties for education and training on the continent.

It's therefore essential to maintain the strong U.S. reputation in Africa. So we would repurpose U.S. government facilities such as embassies to serve as training hubs, where both U.S. government and U.S. private sector training activities could take in place in the kind of hopes of enhancing Brand USA in promoting the image of a united U.S. investment in Africa.

And let me just say on behalf of our own company, you know, we worked very well with USTDA in making some education and training available to further the cause of curing cancer in some of these countries. And it's been a huge assist and something that, you know, we really didn't leverage for many, many years because we
didn't know about it. And I think fairly typical mid-size company issue. And with that, let me turn it over to Mr. Hardy from USTDA to comment.

                  MR. HARDY: Thank you, Dow. And before I start, let me begin by thanking Secretary Ross and Under Secretary Kaplan for leading this trade mission. I think it was a fantastic visit. And I appreciate your leadership and that of your whole team that facilitated this. And also Jay and Laura for kind of being the fearless leaders, making us think differently, highlighting really the impact that we can have together on supporting a more vibrant African partnership with the United States.

                  Thank you, Dow. I think you're absolutely right. Across Africa, there's a lack of highly skilled, highly trained users required to support -- to utilize U.S. exports in the IT medical systems, construction equipment, transportation. And the visit was eye opening both as to the lack -- the opportunities, but
also a great opportunity to deploy U.S. solutions  
to do that.

    It was wonderful to travel to Uganda.  
Although it wasn't part of the official trip, Dow  
and our teams went to Uganda and concluded an  
agreement with the Ministry of Health in the  
Uganda Cancer Institute. It's fundamentally  
going to transform cancer treatment in East  
Africa and provide the training for medical  
technicians to use Varian's equipment.  

And as many of you here know, USTDA  
also concluded a training program with Ethiopian  
Airlines at the very beginning of the program,  
working with Sabre travel solutions to support  
them in a competitive bid process. But using  
U.S. solution to increase the travel security and  
throughput across the African continent. And  
that's really where the U.S. Trade and  
Development Agency sees the best opportunity for  
us is working in cooperation with the Advocacy  
Center where U.S. companies are facing strong  
competition from foreign -- foreign competition.
Where USTDA can step in providing training grants, providing that high technical expertise training that will better enable our partners in Africa to utilize U.S. solutions and focusing on quality infrastructure.

So with that, I want to thank the PAC-DBIA again, Jay, Laura, for your leadership on this. Thank you.

VICE CHAIR LANE: I'm going to now turn it over to Andrew Patterson for the final aspect of the report with respect to MOU implementation. Andrew?

MR. PATTERSON: Great. Thank you. Clearly, MOUs have been discussed throughout this conversation and really the impacts of the MOUs. We can provide testimony to that on the Kenya MOU. I've been able to position for a significantly large expressway project there and the ICT Center -- on the technology side also leapfrogged on that. Those are clear demonstrations on what these MOUs can do.

The African nations especially see the
U.S. government and U.S. businesses when they come together as a more impactful solution. And when we have the support of the U.S. government for these umbrellas under the MOUs, they provide opportunities for us to showcase our technologies and position us to provide solution that our competition has been doing and been doing it very successfully.

As part of the MOU, a key element of it which we talked about earlier is the financing. And providing those financing solutions to these projects and providing our products is critical. There is three recommendations coming out of that. And the first one was the U.S. Department of Commerce to work with industry associations liaison between U.S. government and businesses to support the implementation.

I think part of that process is highlighting the MOUs and the opportunities to come into that. I think a lot of businesses may not know those opportunities. And when Commerce
can step up and show what these opportunities are, I think these MOUs can be more impactful.

Additionally is for the Commerce Department to work with U.S. companies and the foreign government on tracking and following up on those MOUs. So it's not just we signed it once and then we walked away. It's really looking at the implementation and tracking that progress and getting feedback from the private sector on what is working and what is not working.

Which would ultimately go into recommendation number three, which is looking at further MOUs in other countries that are strategic where there's strong U.S. business interests and where those MOUs can make an impact. And getting the feedback from one and two recommendations, we'll be able to help structure further MOUs in the right places.

And additionally to all we've -- I think it's important to look at the framework of how those MOUs will work in these countries.
What works in Kenya may be a slightly different structure that works in Ghana. And I think that's important as we look at those going forward.

I think the overall recommendations are excellent. And I'd just like to say from a PAC member being involved over the last two years and being involved with the one U.S. government working with U.S. private sector has made a significant impact. It's being seen on the continent. And we've seen it personally as a business. But really the countries are seeing a different type of engagement. And I think the PAC-DBIA is a testimony to that, the effort that's been put into it, a lot of hard work by Skip and the team. And we appreciate it, Under Secretary and Secretary Ross for all your support. Thank you.

VICE CHAIR LANE: Mr. Secretary, can I turn it over to you?

SECRETARY ROSS: Sure. Well thank you, Andrew, for your presentation. And thank
you to the members of the council for addressing this topic. The MOUs themselves, as you know, were recommended by the council in its report last April. So I'm happy to receive your input on how the memoranda that were signed and others that we're working on with other countries can best be implemented.

I'll speak to your first two recommendations together. The Department of Commerce and USTR are already in the process of reaching out to the Industry Trade Advisory Committees to solicit advice on how to best utilize the MOUs. We have requested their guidance in dealing with the non-tariff barriers that U.S. companies face with the African countries with whom we have signed agreements. We will use this advice as the basis of working with the governments to improve their business practices. We also intend to tap into business and trade associations and, of course, the PAC-DBIA for the same guidance.

Regarding your third recommendation,
I'm pleased to report that we are working on two additional MOUs with African countries right now, Cote d'Ivoire, as you heard earlier, and Tunisia, which you may or may not be aware of. We'll receive input from the private sector to assure that these MOUs actually provide benefit to American companies.

The MOU model continues to prove its value for increasing U.S. business presence and competitiveness in African markets. These agreements provide us with a good mechanism for bilateral commercial engagement. My team at the Commerce Department is working with our U.S. government partners and the private sector to identify additional countries with which to negotiate and sign MOUs. Thank you.

VICE CHAIR LANE: Jay, let me turn it over to you now for the adoption of the report.

CHAIR IRELAND: Yes. Thank you, everybody. Thanks for a great morning.

Secretary Ross, thanks for your time, as well as members of the private sector and government.
So I'm going to ask if there's any objections to adopting the council's report? Speak now or forever hold your peace. Okay. So I move to adopt the report. Do I have a second?

VICE CHAIR LANE: I second.

CHAIR IRELAND: Okay. And a voice vote please. All in favor?

(Chorus of aye.)

CHAIR IRELAND: Any opposed? All right. Okay.

Secretary Ross, closing comments?

SECRETARY ROSS: Well let me start by saying how impressed I am with the breadth of knowledge contained in the report. To the PAC-DBIA members, thank you again for the commitment you made to produce such thoughtful recommendations. We are committed to turning your ideas into action. You exemplify what is required of a successful participatory democracy. It is based on results and not bureaucratic inertia.

Thank you also to the Commerce
Department team that's been working with the PAC-DBIA during the current term of your charter. The first teleconference was held in August 2017. There were three meetings held here at the EOB. And to top it off, we did what seemed to be the improbable. We put out boots on the ground in Africa.

Ashley Bubna and Giancarlo Cavallo are the designated federal officers for the PAC-DBIA. They have worked nonstop since the beginning of this journey in 2016, guiding the PAC-DBIA members, your staff representatives, and the U.S. government interagency team through the planning and flawless execution of our activities and events.

Finally, for their guidance and leadership, I want to thank Skip Jones, our Deputy Assistant Secretary for Africa and the Middle East, and Fred Stewart, Director of the Office of Africa.

Thank you, everyone, for being instrumental in creating such a successful
endeavor. So back to you, Jay.

VICE CHAIR LANE: So, Mr. Secretary,

I just want to thank you for your leadership.
And I just want to echo what Andrew said. This
one government approach has made all the
difference. And I think if we continue the
momentum from the fact-finding trip, implementing
these recommendations, there's no stopping
American businesses in terms of their exports and
opportunities across the Sub-Saharan continent.

I want to close though on a very
personal note and say just how much I have
admired and appreciated working alongside Jay
Ireland. As many of you know, he's retiring.
His depth of knowledge, his nuanced understanding
of Africa, and his incredible dedication to
helping every company be able to expand across
the continent has made him the perfect chair of
this council. And I was really proud to serve by
your side. You inspired me, and we need to take
that inspiration and keep the momentum going
forward. So thank you, Jay.
CHAIR IRELAND: Thank you, Laura, and thank you, everyone. I'll look you up for a recommendation. I just want to close on a couple things. Again, Giancarlo and Ashley, thanks so much. I was glad to see you got some sleep in the last month or two. They did an unbelievable job on the trip, all of the logistics, et cetera, as you guys know.

I think as I -- you know, this is our second -- for me, it was the second term of the PAC-DBIA. And the first one was really gaining a general understanding of Africa for the government, as well as the businesses. And we visited Nigeria and Rwanda. This one obviously was developing recommendations, which we have plenty of, and you know where we visited.

But I think if you think about it, we've been to six countries. And one of the things in the last 7-1/2 years in Africa that I've learned is Sub-Saharan Africa especially is -- and all of Africa is a relationship continent. You do business through relationships. It's not
transactional like we're used to doing business here or in Europe or anywhere else. And the relationships are important.

And as I think about what the PAC-DBIA has been able to do, there are a number of people that were on both the first iteration and then this iteration is to continue to drive relationships with the governments and private sectors and countries in Africa. And I think the followup of all of the recommendations we have, not just here for the U.S. government, but also for what we want to do on the countries and making sure, especially in the MOUs, that we're holding them accountable and making sure that they're following up as well.

So all I would do is recommend that we continue the relationship building across Africa, as well as here across the U.S. government and the private sector.

And finally, it's been my privilege to really chair this council over the last few years -- two years and really get to know everyone.
And I -- I feel like I'm preaching to the choir
for passion for Africa. And just from a personal
standpoint, I took this job in 2011. I had never
been to Africa, and I just thought it would be a
great opportunity. I caught the bug.

This is going to be the -- this will be the continent of growth in the next decade.
And the only way that we are all going to be able to take advantage of that is to invest now, work with them now. And I think this group of PAC-DBIA, combination of government and private sector will help all of us -- help their growth, as well as help the economic growth of all of our companies.

So thanks again for all your support, and I really enjoyed it and hope to see you around. Thanks.

Meeting adjourned.

(Whereupon, the above-entitled matter went off the record at 11:33 a.m.)
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In the matter of: Doing Business in Africa
President's Advisory Council

Before: US DOC ITA

Date: 09-26-18

Place: Washington, DC

was duly recorded and accurately transcribed under my direction; further, that said transcript is a true and accurate record of the proceedings.

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