THE PRESIDENT'S ADVISORY COUNCIL ON DOING BUSINESS IN AFRICA

Recommendation Report
April 8, 2015

The President's Advisory Council on Doing Business in Africa (PAC-DBIA) is a national advisory committee established to advise the President through the Secretary of Commerce on matters related to strengthening commercial engagement between the United States and Africa. Members receive no compensation for their efforts on the Council. This report was prepared by the private sector members of the Council. The views expressed in this report do not necessarily reflect those of the Administration or individual members of the Council.

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Dear Mr. President,

The President's Advisory Council on Doing Business in Africa is pleased to present our recommendations on how to strengthen the commercial engagement between the United States and Africa. We do so in an encouraging time for business interests in Africa. Average economic growth across Africa was 4.7 percent per annum from 2000 to 2014, making Africa the second fastest growing region globally after Asia.

Africa's growth is about much more than just resources. Three sectors contributed more to growth from 2007 to 2013 than resources, namely wholesale and retail trade (22 percent of real GDP growth); agriculture (21 percent); and transportation and telecom (12 percent). Resources meanwhile contributed just 11 percent of growth in this period.

Africa's growth is widespread. Twenty-eight of the top 30 economies recorded positive growth from 2000 to 2013, and 11 of the top 30 averaged rates above six percent per annum over that period. For companies focused on a few key countries, the top ten economies account for 80 percent of economic growth – these include six in Sub-Saharan Africa: Nigeria, South Africa, Angola, Kenya, Ethiopia and Ghana; and four in North Africa: Egypt, Algeria, Morocco and Libya.

U.S. companies are participating in Africa's growth. Over the last decade, trade between the United States and Africa has grown at a healthy rate of seven percent per annum. By 2013, U.S. merchandise trade with Africa totaled US$86 billion, with U.S. imports from Africa (US$51 billion) outweighing U.S. exports to Africa (US$35 billion). Over the last decade, U.S. companies have invested US$10 billion into African countries, second only to US$11 billion from the United Kingdom.

The successes of U.S. companies in Africa bolster the statistics. Over 400 companies generate more than US$1 billion in revenue in Africa, and many are American companies such as IBM, Hewlett-Packard, General Electric, General Motors, Proctor & Gamble and Ford. Indeed, for many of the members of this Council, Africa is an important region. For example, since 2000, Africa has been the fastest growing region for GE. Black & Veatch has delivered critical human infrastructure projects in over twenty countries spanning their 40-plus year history working throughout Africa. Over the past 20 years, Bloomberg has provided news, media, analytics, and critical trading infrastructure in Africa and has plans to double staff on the continent. Walmart is increasing its investment in Africa, announcing plans to open 63 new stores in five countries by December 2016.

We applaud the President's efforts to increase U.S. engagement with Africa across sectors and countries. In particular, we applaud the outcomes of the U.S.-Africa Business Forum of 2014, which led to more than US$33 billion in commitments, including US$7 billion in financing to promote U.S. exports and investment, US$12 billion in additional funding for Power Africa, and US$14 billion in commitments from American corporations.

Yet, competition among global multinationals is growing on the continent, illustrated most starkly by looking at trade statistics. In 2001, the U.S. share of Africa's trade was 13 percent, the highest level of any country, well ahead of China's share at the time of 3 percent. The U.S. share in Africa's trade has since declined to 7 percent in 2013, and has been well overtaken by China's share, which has grown to 14 percent over the same period. Moreover, the Chinese have announced plans to reach US$400 billion in bilateral trade by 2020. While we agree with your 2014 statement that "the more the merrier" economic participants on the continent, our aspiration – which led to our recommendations – is for U.S. companies to be best positioned to build lasting partnerships and capture trade and investment opportunities, leading to jobs in the United States and African countries.

To help achieve this vision, the Council puts forward eight recommendations:

1. Capital Markets: Support capacity building activities for African financial regulators, exchanges, and financial market participants through training programs, partnerships, and knowledge sharing. For example, this could be enhanced through funding of the existing U.S. Securities and Exchange Commission technical assistant program.

2. Institutional Investment: Mobilize more capital from institutional investors by launching an investor roadshow and creating an investor toolkit.

3. Trade Facilitation: Provide assistance to African countries during implementation of the World Trade Organization Trade Facilitation Agreement. Emphasize automation, global best practices and harmonization through interagency coordination and partnership with the private sector.

4. Cold Chain Development: Optimize the perishable supply chain through analysis and training programs that enable technological improvements to cold chain, storage, and packaging facilities, thereby reducing post-harvest food loss.

5. U.S.-Africa Infrastructure Center: Enhance the ability of U.S. companies to compete for major infrastructure projects with a dedicated U.S.-Africa Infrastructure Center. Use the Center to compile a database of forthcoming infrastructure projects in Africa and provide a focal point for U.S. interagency coordination to enhance U.S. competitiveness in African infrastructure projects.

6. Healthcare Infrastructure: Allow more flexibility in existing U.S. Government healthcare assistance for Africa for broader healthcare infrastructure needs in Africa; expand the use of healthcare public-private partnerships; and focus efforts to help U.S. small- and medium-sized businesses pursue opportunities in this sector.

7. Manufacturing and Services: Initiate government-to-government dialogues, including with Regional Economic Communities (such as the East African Community), to address localization barriers to trade by developing approaches that promote market access for

U.S. manufacturing and services companies in Africa and industrialization in African countries.

8. <u>Perception of Doing Business</u>: Improve the perception of doing business in Africa and highlight trade opportunities by publicizing success stories and best practices, developing unique marketing partnerships and platforms, and creating an online Doing Business in Africa toolkit.

Several of the council's recommendations are intended to reduce the friction of doing business with African partners or markets. Others suggest how to more effectively marshal U.S. Government resources to support U.S. companies as they compete and position for business opportunities. If these recommendations are acted upon together, along with the extension and enhancement of the African Growth and Opportunity Act (AGOA) and the U.S. Export-Import Bank, U.S. companies will move into the leading competitive position in Africa, poised to greatly enhance U.S.-Africa business relations.

Thank you for establishing this Council and for your leadership to strengthen U.S.-Africa commercial engagement.

Sincerely,

Dominic Barton
Chair

Karen Daniel
Vice Chair

Recommendations on Investment and Access to Capital

Deep, transparent, and accessible capital markets are vital to supporting economic growth, rising consumer demand, productive innovation, and political stability. Robust capital markets will allow countries to move beyond short-term, volatile capital flows by attracting longer-term investments that strengthen a country's economic stability by providing a more resilient foundation for capital flows. The need for robust capital markets is a focal point for many governmental, multilateral, and international institutions. However, given the fragmented nature of these constituents and the level of risk associated with the region, the investment capacity of institutional investors remains limited among stringent capital allocation decision processes.

We recommend the following actions to strengthen African capital markets and improve the private sector's ability to mobilize institutional capital for investments within the region:

- Provide technical assistance through the U.S. Securities and Exchange Commission to help African countries create strong securities markets with comprehensive regulatory and legislative frameworks, and identify opportunities for private sector technical assistance and partnership.

- Increase institutional investment in the region by developing tools and outreach events for institutional investors to address the misperceptions and knowledge gaps of operating in the region and to mitigate the various risks associated with deploying capital. These tools should include:

    - An investor roadshow to exchange best practices, to present key infrastructure opportunities, and to showcase investor risk principles; and

    - An investor toolkit including a counterpart database, knowledge from the U.S. Foreign Commercial Service, and essential market and regulatory information to help navigate existing information asymmetries.

Recommendations on Trade and Supply Chain Development

Nothing defines a commercial relationship more fundamentally than the movement of goods and services across a supply chain. Governments have a role in creating the right conditions to improve investment and trade via supply chain efficiencies. Addressing existing barriers that add time and cost to the movement of products – particularly agricultural or perishable products – could unlock immense economic opportunity in both the United States and Africa.

The United States has an opportunity to adopt a leadership role to ensure the World Trade Organization (WTO) Trade Facilitation Agreement enters into force and is implemented in a timely and complete manner. To foster support and adoption for this Agreement, the Council recommends the U.S. Government:

- Prioritize systems automation and technology adoption related to the processing and release of cargo across borders;
- Work with the private sector to identify and promote international standards and global best practices;
- Support outcomes across Africa that focus on regional harmonization of technologies, policies and procedures; and
- Establish an interagency committee to coordinate U.S. trade facilitation assistance, considering recommendations of private sector organizations.

For agricultural goods in particular, focus on cold chain food storage and movement will attract investment, improve speed to market and prevent food waste. To achieve these results, the Council recommends the following supporting actions from the U.S. Government:

- Conduct an analysis of the current state of supply chains and the marketing of perishable foods in Africa;
- Develop risk-mitigating programs to incentivize private sector investment;
- Expand the Special American Business Internship Training (SABIT) or similar program into Africa;
- Develop, through the Department of Commerce's Commercial Law and Development Program (CLDP), a technical assistance program aimed at implementing legal reforms to harmonize laws and regulations impacting the successful operation of the agricultural supply chain in Africa;
- Prioritize U.S. Department of Agriculture activities in Africa, with particular focus on the challenges associated with meeting USDA protocol for proper cold chain treatment and storage; and
- Organize, through U.S. Trade and Development Agency, a reverse trade mission of representatives from Africa to the United States to review U.S. cold chain best practices and standards.

Recommendations on Infrastructure

Africa's infrastructure gap of US$2.6 trillion presents an enormous opportunity for U.S. and African public and private sectors to work together in partnership to solve foundational needs. To make this partnership sustainable and mutually beneficial, U.S. Government support for a focused mechanism for driving action and ensuring broad U.S. company participation in African infrastructure development is critical. Similarly, support can be provided to address the weaknesses in the healthcare systems that make Africa vulnerable to pandemics and restrain its growth with best practices in policy and technology from the U.S. and globally. Finally, the U.S. Government can work with its counterparts to find common ground on developing local African manufacturing and export platforms. To realize these objectives, the Council recommends the following:

- Create a forward-deployed U.S.-Africa Infrastructure Center, with a presence in both Washington and the African continent, to ensure maximum decision-making and programmatic authority and to align business resources with government resources to identify, vet, prioritize, and develop a unified approach to compete for critical projects.

- Increase the flexibility and impact of existing U.S. Government assistance to Sub-Saharan Africa to increase primary care capacity, strengthen the healthcare system, develop innovative public-private partnerships that leverage global best practices, and to highlight the importance of energy and power generation to healthcare systems.

- Initiate government-to-government dialogues, including with Regional Economic Communities (such as the East African Community), to address localization barriers to trade by developing approaches that promote market access in Africa for U.S. manufacturing and services companies and industrialization in African countries.

Recommendations on Marketing and Outreach

Perception is a critical component in business decision-making. Although there are real risks to doing business in Africa, there are also tremendous opportunities across nearly all elements of the U.S. business community. Many American business leaders are unaware of the potential Africa holds to expand their businesses and increase profitability. Perception issues are exacerbated by limited understanding of how to navigate the business landscape and engage in strategic investments and opportunities using an approach that accounts for regional, cultural, and other differences across the continent. As a result, most American businesses interested in doing business in Africa often struggle to find market data and to develop a clear understanding of African consumer markets.

The U.S. Government is well positioned to address the issue of perception and to help U.S. companies overcome the knowledge barrier on how to do business in Africa. We recommend the U.S. Department of Commerce, in collaboration with Trade Policy Coordinating Committee, take the following actions:

- Collect and disseminate case studies and best practices;
- Establish unique partnerships between the government and the private sector to promote the Doing Business in Africa initiative; and
- Develop and disseminate a Doing Business in Africa toolkit.

Overview of the President's Advisory Committee on Doing Business in Africa

President Obama issued Executive Order No. 13675 on August 5, 2014, directing the Secretary of Commerce to establish the President's Advisory Council on Doing Business in Africa. The Advisory Council is charged with providing information, analysis, and recommendations to the President, through the Secretary of Commerce, that address the following:

- Creating jobs in the United States and Africa through trade and investment;
- Developing strategies by which the U.S. private sector can identify and take advantage of trade and investment opportunities in Africa;
- Building lasting commercial partnerships between the U.S. and African private sectors;
- Facilitating U.S. business participation in Africa's infrastructure development;
- Contributing to the growth and improvement of Africa's agricultural sector by encouraging partnerships between U.S. and African companies to bring innovative agricultural technologies to Africa;
- Making available to the U.S. private sector an accurate understanding of the opportunities presented for increasing trade with and investment in Africa;
- Developing and strengthening partnerships and other mechanisms to increase U.S. public and private sector financing of trade with and investment in Africa;
- Analyzing the effect of policies in the United States and Africa on U.S. trade and investment interests in Africa;
- Identifying other means to expand commercial ties between the United States and Africa; and
- Building the capacity of Africa's young entrepreneurs to develop trade and investment ties with U.S. partners.

U.S. Secretary of Commerce Penny Pritzker established the President's Advisory Council on Doing Business in Africa in accordance with the provisions of the Federal Advisory Committee Act (FACA), as amended, 5 U.S.C. App. She appointed fifteen members to the Advisory Council on November 5, 2014.

The members of the Advisory Council are organized into four subcommittees: Investment and Access to Capital; Trade and Supply Chain Development; Infrastructure; and Marketing and Outreach. Recommendations are developed at the subcommittee level and then deliberated and adopted by all members as consensus advice.

Members of the President's Advisory Committee on Doing Business in Africa

Dominic Barton
Global Managing Director, McKinsey & Company (*Chair*)

Karen Daniel
Executive Director and Chief Financial Officer, Black & Veatch (*Vice Chair*)

Walé Adeosun
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J.P. Bilbrey
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Melissa Cook
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Peter Grauer
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Jay Ireland
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Martin Richenhagen
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David Storch
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President and Chief Executive Officer, Varian Medical Systems

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Subcommittees of the President's Advisory Council on Doing Business in Africa

I. Investment and Access to Capital

Edward Mathias, The Carlyle Group (Chair)
Walé Adeosun, Kuramo Capital Management
Melissa Cook, African Sunrise Partners
Peter Grauer, Bloomberg L.P.
Jay Ireland, GE Africa
Kevon Makell, SEWW Energy
David Storch, AAR Corp.
Dow Wilson, Varian Medical Systems

II. Trade and Supply Chain Development

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III. Infrastructure

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IV. Marketing and Outreach

Rahama Wright, Shea Yeleen (Chair)
J.P. Bilbrey, The Hershey Company
Shelley Broader, Walmart
Teresa Clarke, Africa.com
David Storch, AAR Corp.

Recommendation Annexes

The Council has provided detailed background information and research to support their recommendations in the attached annexes.

Annex I: Capital Markets Technical Assistance Program
Annex II: Promoting Institutional Investment
Annex III: Trade Facilitation
Annex IV: Cold Chain Development
Annex V: U.S.-Africa Infrastructure Opportunities
Annex VI: Perception of Doing Business in Africa

One important component of attracting investment and access to capital is the presence of strong and robust capital markets. As members of the Council, we are pleased to offer our views on enhancing Africa's capital markets landscape, providing investors and African governments a prime opportunity to expand efforts to this vital region and boost U.S. investment opportunities. In so doing, we recommend that the government continue to engage closely with industry to develop an action plan to promote investment and access to capital through the development and strengthening of existing capital markets in Africa. This recommendation is consistent with the Council's goal of promoting broad-based economic growth in the United States and in Africa by encouraging U.S. companies to trade with, and invest in Africa, while also furthering the goals of the Administration's June 2012 Strategy Toward Sub-Saharan Africa.

Capital markets are the mechanism for issuing and trading long-term financial securities, including equity securities such as common stock, debt securities such as debentures, and convertible bonds. Government bonds and other public sector securities such as Treasury bills are also issued and traded on capital markets. The structure of a capital market is generally comprised of three major components. The first is the primary capital market, for new capital issues by governments, firms and other institutions. Next is the secondary market for the exchange and trading of securities that have already been issued. The third is the derivatives market, which serves the exchange of securities created by exchanges and others and whose value is derived from the underlying securities.

Capital markets play three main roles. First, through the primary market for new issues of equity and debt, long-term funds can be raised by governments and companies with funds from investors and financial institutions. The secondary market provides a way for investors to trade (purchase and sell) securities and to effectively manage their portfolios. Finally, derivatives markets provide mechanisms for trading future and contingent claims, based on the values of the underlying assets.

By way of example, the U.S. capital market is widely seen as the most liquid, transparent, efficient and competitive financial market in the world. Underpinning this capital market is a regulatory regime that promotes the goals of investor protection, fair and orderly markets and facilitation of capital formation. The U.S. has a robust legislative and regulatory framework governing our capital markets, with securities and derivatives regulators with the expertise necessary to effectively design policy and conduct market surveillance. This expertise is particularly important in this day and age where markets are growing and evolving, valuing vibrant competition and the open embrace of technology by market participants.

African Capital Markets

Deep, transparent, and accessible capital markets are a vital element of the financial sector. As a vehicle for long-term investment finance and for diversification of fuding sources, capital markets strengthen the overall economy and render it more resilient in the face of economic shocks. African financial markets are often dominated by banks, but capital markets are slowly developing and are beginning to play an increasingly important role. At this time, there are many gaps in knowledge of capital markets in Africa whereby additional research and assessments are warranted.

According to African Development Bank research, the development of capital markets in Africa tends to show an evolutionary process with various stages characterized by type of regulatory system, trading method and the scope for market participation. The majority of the primary markets in Africa started with no formally laid down rules and regulations and trading activities were based on interpersonal relationships. Formal markets were then established, motivated by the desire of traders to diversify sources of investment funds and by the need of governments to establish a formal market to float their debt securities. The formalization and revitalization process saw changes in the regulatory framework, trading system and composition of market investors.

The African capital markets are undergoing a significant change that, over time, will facilitate an increased interest in the trading of all types of financial instruments throughout the continent. Progress is slow but steady. There are 29 exchanges in Africa which offer trading in securities and derivatives. The largest is the Johannesburg Stock Exchange (JSE) followed by the Nigerian Stock Exchange (NSE). While over-the-counter derivatives trading is sporadic throughout the continent perhaps because of the concern about how the rule of law will be implemented in a default scenario, nations seem to be moving toward a legal solution under English law and the creation of central counterparty clearing houses.

Most important from an investment and access to capital standpoint is the fact that most African countries do not have debt issuance and trading venues, which critically limits the distribution of bonds in each country. It is this type of a platform that moves beyond short-term capital flows by attracting long-term investment by providing the necessary avenue for African governments to fund necessary infrastructure and other development projects.

In many African countries, the current capital markets regulatory and governance framework tends to be limited and fragmented. African securities regulators and central banks are actively seeking knowledge and expertise to enhance their capital markets, but obtaining the monetary, human capital, and expertise resources are often times a barrier. While there are several stock exchanges in Africa, outside of South Africa, Nigeria and Kenya, liquidity is extremely low. Additionally, the existence of alternative trading venues is quite limited and, as mentioned above, most countries do not have the bond issuance and trading platforms that are necessary for investment and access to capital.

Technical Assistance

The Council recommends strengthening and enhancing the U.S. Securities and Exchange Commission's (SEC) and private sector engagement in Africa via the provision of technical assistance. Securities commissions and exchanges are increasingly requesting the expertise and experience of SEC staff and private sector experts in dealing with market development, surveillance and enforcement issues.

Utilizing a faculty of senior SEC and industry officials, and seasoned practitioners, the SEC has a formal technical assistance program that provides training to regulatory officials all over the world (as well as other stakeholders). The SEC's technical assistance program also includes assessments that provide specific and confidential written reports to foreign securities counterparts that identify problem areas and make recommendations for addressing the weaknesses. Many of these missions are host paid by the requesting government authorities or are funded by an outside entity such as USAID, a not-for-profit entity such as the Financial Services Volunteer Corp (FSVC), the African Development Bank, or other organization.

In furtherance of this recommendation, the Council proposes enhancing the current U.S. Government initiatives in this area by also encouraging outside private entity participation. The Council contemplates that both of these technical assistance avenues would focus on market development, the launching of new platforms and investment vehicles,[1] and specifically address ways to expand and provide access to data across the continent and beyond. In addition to private sector engagement, we would like to see continued engagement by the SEC, in collaboration with the U.S. Department of Commerce, in this area. This includes the following bipartite proposal:

- **SEC Technical Assistance Program Funding.** The SEC's program does not have a direct line of financial support – thus, an African government with limited resources would need to fund the program itself. Alternatively, another entity, such as USAID or the FSVC could fund the program, but they too have limited resources. Therefore, the Council suggests focusing on ways to fund technical assistance. The Council is supportive of reinstituting a USAID-SEC interagency agreement to provide direct funding.[2] Alternatively, funding could be accomplished via budget allocation at the agency or by the SEC accepting private sector philanthropic funding for these programs. In lieu of the latter, the private sector should be encouraged to donate funds to a not-for-profit such as the FSVC or similar organization to be utilized for SEC technical assistance to specific African countries.

- **Private Sector Entity Technical Assistance through Country Visits and Sharing Expertise.** For example, this can be accomplished by providing seminars on fixed income issuance, secondary markets trading, alternative trading venues, market structure, etc. As part of this initiative, the Council also recommends exploring possible public-private partnerships whereby companies with capital markets expertise could do an

[1] For example, in response to the need for a more transparent, liquid and efficient bond market in Nigeria, Bloomberg and FMDQ OTC PLC launched the Bloomberg E-Bond trading and market surveillance system, a new electronic trading system for Nigerian government bonds for participants in Nigeria's N12 trillion (US$73 billion) fixed income market. The Bloomberg E-Bond system provides a complete, consolidated marketplace for Nigerian government bonds, offering market participants a robust and flexible set of tools supporting the full trade workflow. Further, the African Development Bank recently collaborated with Bloomberg to launch an African Bond Index to create a transparent and objective benchmark for sovereign debt in Africa.

[2] The Council notes that the precedent for this agreement exists already (unfortunately, however, in recent years this collaboration has dissipated). Thus, the Council recommends that the agreement be reinstated for funding and enhanced collaboration on the continent.

integrated program to help African regulators and companies build and enhance capital markets. The private sector is in a perfect position to deliver trends and expertise to African governments, act like government consultants, and could even set up formal training centers and programs.[3]

- **Provide Better Access to Information**. We recommend that any technical assistance program include education on the need for timely, consistent, accurate, accessible disclosure of financial and other information and the importance of appointing a responsible contact person for investors in corporate and sovereign securities.

One aspect to overcome is that the capital markets in Africa are often treated as if they are homogenous in terms of development and integration. However, the markets across Africa range from very developed to nascent. This is why the Council recommends focusing first on countries with an existing framework that could benefit from enhancements and then moving on to countries where a framework would need to be built. For example, it would make sense to continue to develop markets in Nigeria, Kenya, Angola, Ghana, Mauritius, Rwanda, Tanzania, Uganda and Zambia first, and then move onto others where a framework must be built.

Impact

It is the view of the Council that this recommendation would lead to positive results related to broader, deeper and more transparent local capital markets with legislative, regulatory and enforcement frameworks in place. It would bring increased access to capital for governments issuing bonds as well as companies. The issuance of bonds hinges on a more open government[4] with access to data. In addition, bond issuance can open corporate culture in the case of corporates. Importantly, this would provide a mechanism for institutional investment, a vital component of investment and access to capital, and this is consistent with the Council's

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[3] For instance, a corollary program in the world of journalism is Bloomberg's Media Initiative Africa, which aims to increase the pipeline of skilled financial journalists and analysts, embracing a data-driven journalism culture across Africa. If well trained, the contribution that financial journalists can make as continental informers, educators and watchdogs is significant. Bloomberg has collaborated with a consortium of pre-eminent journalism schools and top business schools across three key African markets to deliver a highly innovative, integrated and practical world-class executive training program that is firmly rooted in African market realities.

A public sector example is in the young leaders space with the President and USAID's Young African Leaders Initiative (YALI). Through YALI, the United States is investing in the next generation of African leaders, and has committed significant resources to enhance leadership skills, bolster entrepreneurship, and connect young African leaders with one another, with the United States, and with the American people. This includes accelerated outreach to young Africans and scaled up programs to train and support aspiring business and civic leaders across the continent.

[4] For example, please see the work of the International Budget Partnership and its Open Budget Survey 2012 (Survey). The Survey ranks countries according to transparency and open government. According to the Survey, budget transparency can help attract cheaper international credit with lower spreads between borrowing and lending rates and higher credit ratings. In addition, it states that opacity in fiscal matters can undermine fiscal discipline, and transparency and public participation can shine light on leakages and improve efficiency in public expenditures and foster equity by matching national resources with national priorities.

recommendations in this area. Finally, a stronger capital market opens doors for the banking sector via securitization and fosters competition between banks and capital markets. The Council would also like to stress that the impact of this recommendation is not limited to Africa. This recommendation provides a genuine and tangible opportunity to create jobs in the United States too, particularly through the development of new markets in Africa in the early stages.

The Council urges your Administration to assess and build upon existing programs to best match the goal of enhanced capital markets in the context of investment and access to capital. We also encourage you to continue support for programs at all levels of government to help increase investment and access to capital that, in turn, spurs innovation, creates jobs, and nurtures entrepreneurship. We suggest that the Department of Commerce continue to provide interagency leadership on promoting investment and access to capital programs, including the SEC initiatives referenced above. Commerce is uniquely positioned to leverage resources to raise awareness about federal programs, collaborate with other federal agencies and departments, and partner with states to help accelerate investment and access to capital that, as a result, can help grow investment and access to capital in Africa.

As U.S. companies and institutions strive to expand their footprint in Africa by securing business deals that increase U.S. exports and develop critical infrastructure projects, one of the barriers to success is access to reliable capital. Africa's economic growth is impacted by its underdeveloped infrastructure (leading to issues in power generation, water services, and communications and broadband access). Collectively, these barriers limit opportunities to engage in trade and curtail U.S. export opportunities.

Investor Roadshow

The lack of access to capital is primarily due to perceptions and knowledge gaps concerning investment opportunities in Africa; real risks linked to governance; lack of infrastructure to support business growth; and the capital to fund major infrastructure projects that promise economic development. Multiple U.S. Government agencies and other institutions such as the World Bank and Africa Development Bank are trying to provide this funding, but this type of capital is limited and is not always agile enough to be deployed for long-term projects. To fill this gap, there needs to be more sources of flexible private capital. The Council recommends that the U.S. Department of Commerce addresses this dilemma by developing a public-private partnership with expert institutional investors to discuss best practices for reducing risk and increasing investor confidence in order to develop a business climate that will organically attract capital. This initiative could also help fund other critical infrastructure projects which would enable economic growth.

Commerce is in a unique position to fill this demand for smart, impactful investments by bringing strategic corporate partners to the table to exchange best practices of corporate responsibility with African financial leaders. This could help create an environment that improves governance and attracts the necessary private equity and long-term financing capital to fund more business opportunities for U.S. companies. Moreover, Commerce can integrate governance principles into the finance model for large infrastructure projects. Many infrastructure-focused initiatives could benefit from this approach, including Power Africa and Trade Africa.

In order to meet the goals of helping African countries establish a business climate that reduces actual risk, increases investor confidence and attracts private sector investment in infrastructure, the Council recommends an Investor Roadshow that integrates the following elements:

- An exchange of best practices for reducing risk to encourage African countries to adopt practices that will enhance business development and access to capital. The first part of the forum could include presentations by African country officials on the current business climate in their countries to inform U.S. financers and exporters of the actual business climate to dispel misperceptions;

- In-depth presentations by African officials on key infrastructure development projects to inform U.S. financial firms and exporters of specific business opportunities. This creates an opportunity for a tangible and transactional aspect that could lead to business deals;

- Roundtable discussions between African officials and U.S. companies on the infrastructure projects in relation to best practices for reducing risk. The roundtables could showcase the real life application of investor risk principles, rather than to discuss them in the abstract. This makes it possible to pinpoint precisely which specific investment principles are missing, and demonstrate to African officials the impact of implementing these best practices on attracting the financing to execute critical infrastructure projects.

Investor Toolkit

One of the most challenging aspects of doing business in Africa is the relative lack of information on counterparts and on the complexities inherent in the business environment. In more developed markets, there exists a wealth of information on counterparts, e.g., credit scores, business filings, tax records, etc. There are also established ways of setting up and doing business, e.g., information agents who can assist with various filings and legal requirements.

In Africa, most of these formal mechanisms are not yet in place. U.S. companies and investors looking to do business have to access informal or highly specialized channels to evaluate counterparts and business models. There exist several data sources that identify “bad actors” but none that help with positive recommendations (or even neutral listings).

We recommended creating an “Investor Toolkit” with several attributes that would considerably lower the cost of doing business in Africa for U.S. companies. The key component of the tool should be an online database or website of validated counterparts in selected markets in Africa. Such a database would be based on in-country assessments of certain information on counterparts, such as: evidence of a physical address, validated bank information, and personal background checks. Over time, such a database or website could become a clearinghouse for matching parties by the type of project. For example, a U.S. auto parts manufacturer could be matched with a validated African auto parts importer.

We recommend drawing upon the considerable knowledge of the U.S. Foreign Commercial Service personnel in to create the toolkit, with additional contributions from the private sector. The Networking with the U.S. (NUSA) program, a business service providers directory, could serve as a model. It is currently only available in Nigeria, and the Council recommends expanding its use across additional markets in Africa, including Kenya and South Africa, and eventually all markets in which the U.S. Foreign Commercial Service operates. The costs of such a program could be offset by registration fees, as is the case with the NUSA program.

The Investor Toolkit should also provide market information by country, such as required registrations and regulatory information, case studies, and sample contracts.

A guiding principle of the President's Advisory Council on Doing Business in Africa is to provide recommendations on how to strengthen the commercial relationship between the United States and Africa. Nothing defines a commercial relationship more fundamentally than the movements of goods and services across a supply chain and governments have a role in creating the right conditions to improve investment and trade. Below is a discussion of opportunities to better facilitate trade, not just with the United States, but on the African continent as well.

The PAC-DBIA applauds the United States for being among the first countries to ratify the World Trade Organization (WTO) Trade Facilitation Agreement (TFA). The United States should continue take a leadership role in ensuring that the TFA enters into force in 2015 and is implemented in a timely and complete manner. With the next WTO ministerial occurring in Kenya in December 2015 (the first ever WTO ministerial in Africa), the African continent has the chance to show global leadership on trade facilitation bringing the TFA into force in advance of the ministerial.

In taking this action, the U.S. government has demonstrated that it understands the important role that trade facilitation plays in economic growth and places a priority on driving efficiencies that reduce cost and time in the supply chain. According to a recent World Economic Forum report, "reducing supply chain barriers to trade could increase global GDP by nearly 5 percent and trade by 15 percent." Specifically with regards to Sub-Saharan Africa, countries in the region could see increases in GDP up to 12 percent - with a 65 percent increase in exports and a 55 percent increase in imports – if they are able raise their performance in border administration and transport and communications infrastructure halfway to global best practices.

The WTO TFA represents a unique and concrete opportunity to attain these goals, to examine existing trade, and to address specific barriers to the import and export of goods. It has the potential to unlock growth not only of two-way trade between the United States and Africa, but also intra-African trade. The Administration has a strong policy platform to advocate for quick ratification of the Agreement by member countries. In particular, we see great potential in these four aspects of trade facilitation:

- Systems Automation
- International Standards and Global Best Practices
- Regional Harmonization
- Coordination with the Private Sector

Systems Automation

The TFA rightly focuses on measures that increase predictability and ensure certainty in the movement of goods, characteristics that favor investment and foster economic growth. Indeed the Council is particularly optimistic regarding measures related to availability of information, release and clearance of goods and border agency cooperation.

This Council wishes to emphasize the important role that automation can play in building speed and transparency in the supply chain. According to an OECD study, "Where matters concern overall trade costs, measures to harmonize and simplify documents and the use of automated processes are the greatest contributors for low income countries..."

The PAC-DBIA recommends that, in assisting with implementation of the TFA in Africa, it should be the policy of the United States to prioritize automation and the adoption of information technologies. Efforts should focus on electronic payment systems, use of the internet for the publication of information, advanced data processing of cargo for appropriate risk identification and release, and the establishment of single window platforms.

International Standards and Global Best Practices

The TFA encourages members to adopt relevant international standards related to customs formalities and to participate in the preparation of such standards. As such, the PAC-DBIA recommends that the Administration formalize a process to work with the private sector to identify and promote best practices of particular relevance to U.S.-Africa trade and, where gaps exist, promote the establishment of international standards. In addition, we encourage the coordination of international investment to further the development of global standards on trade facilitation.

Regional Harmonization

The Council wishes to express our appreciation for the Administration's work to bring together the trade ministers of the East African Community (EAC) to Washington, DC to sign a Cooperation Agreement Among the Partner States of the East African Community and the United States of America on Trade Facilitation, Sanitary and Phytosanitary Measures, and Technical Barriers to Trade (the "U.S.-EAC Cooperation Agreement"). This agreement shows the commitment the United States has to the economic development of Africa and complements existing U.S. policy, such as the Africa Growth and Opportunity Act (AGOA), which we trust will be renewed by Congress this year.

The U.S.-EAC Cooperation Agreement is an excellent start to a U.S. policy of addressing barriers to efficient supply chains across borders. Working with stakeholders, policymakers identified and addressed specific issues in order to foster growth and streamline trade. Initiatives such as this not only build economic ties with the United States, but also help to build capacity in the region by strengthening economic ties across the regions.

This Council recognizes the value of this model and recommends the United States seek similar outcomes in other regions of Africa in order to harmonize technologies, policies and procedures. In particular, the USAID Alliance facility – the mechanism through which the United States is offering assistance for TFA implementation – should include regional harmonization objectives, and should work to leverage other international investment with the same goals.

Coordinated Strategy and Private Sector Collaboration

The PAC-DBIA encourages the Administration to establish an interagency committee to coordinate U.S. trade facilitation assistance. We urge such a committee to consider the recommendations of private sector organizations with regard to trade facilitation.

The Department of Commerce is leading the U.S.-EAC Commercial Dialogue, the central platform for public-private sector engagement under the Trade Africa Initiative, which is focused on trade facilitation and supply chain development. Under the Commercial Dialogue, Commerce together with the business community informs policy efforts in these areas and supports the business community in leading and implementing global best practice exchanges with government partners. It is imperative that trade assistance is informed and aligned by private sector priorities and complemented by private sector initiatives.

The private sector has a unique vantage point in identifying burdens and disruptions to current and potential supply chains. As such, we strongly recommend that the Administration include the private sector in the strategic discussion on trade facilitation and seek its counsel in the assessment of needs at the local level.

For large and small businesses alike, the barriers to efficient supply chains and the benefits of facilitation are manifold. For example operators may choose to avoid an inefficient port entirely, opting for a long-haul “workaround” that, in addition to cost, jeopardizes the shelf-life of perishable items. The misclassification of an imported intermediate good may lead to higher tariffs which, in turn, make a final product less cost-competitive. Also, unclear or fluctuating policies reduce the certainty of on-time delivery, acting as a passive disincentive to increased business.

The conclusion of the WTO TFA was a great accomplishment in building global economic growth. Similarly, the agreement is an opportunity for the United States to deepen its economic relationship with Africa. Recognizing that effective implementation will require considerable political will and effort on the part of the Africans, the PAC-DBIA believes that public-private sector collaboration (in both the United States and Africa) on specific priorities, combined with a clear, coordinated inter-agency strategy that aligns resources across the government to drive results and maximize outcomes, will lead to greater gains for U.S. and African businesses alike.

As part of the Doing Business in Africa campaign, we appreciate that the Administration has created the President's Advisory Council to help further the objective of advancing commercial ties between the United States and Africa. More specifically, the charter of this Council specifically asks for analysis and recommendations, "contributing to the growth and improvement of Africa's agricultural sector by encouraging partnerships between U.S. and African companies to bring innovative agricultural technologies to Africa."

Indeed, the members of the PAC-DBIA believe that unlocking the potential of Africa's agricultural sector would spur significant economic growth on the continent, help local farmers supply their food market and offer new possibilities to satisfy global demand for agricultural products. For U.S. companies this will be an opportunity to demonstrate how their technologies ranging from food processing to warehousing and transportation can play a part in this growth.

Recognizing that the U.S. government has conducted significant work around the world in this area, this Council recommends that your Administration approaches the agricultural supply chain with renewed vigor and with a particular focus on Africa. We believe that if implemented, the recommendations outlined in this letter will yield a more holistic strategy that will drive results.

Building a robust agricultural supply chain poses a particular challenge. Solutions risk being developed in isolation, without being aligned with broader developments in infrastructure, transportation, energy and irrigation. Similarly, projects can be defined too narrowly, focusing on just one product or neglecting existing consumer demand. In addition, addressing issues at just a continental, or even regional, level can prevent consideration of specific impediments at ground level.

A key driver in food market productivity is minimizing food waste. According to the Food and Agriculture Organization (FAO), almost one third of all food produced globally is lost or wasted every year. Countries in sub-Saharan Africa have been found to lose as much as 36 percent of their harvested food, up to 94 percent of these losses are to due inefficient supply chains during harvest, processing and distribution.

Improvements in cold chain and food storage solutions could significantly reduce food waste, increase agricultural exports and help develop local and regional supply chains for all food, including grains and perishables (vegetables, fruits, dairy, fish and meat). Without effective food transport and treatment infrastructure, large sections of agricultural products will be excluded from regional trade, not to mention export overseas.

This Council conducted interviews with representatives from a variety of sectors including transportation and logistics, retail, food production and agriculture and found that trade of perishable items is hindered by certain delays and choke points in the supply chain.

- Poor logistics service can lead to time-consuming workarounds.

- Lack of adequate transport and treatment facilities can mean products must be shipped by air instead of by sea, making them more expensive, adding costs that diminish competitiveness.

- Without full consideration for the market demand for different food products, opportunities can be lost as a result of misplaced investment, increased spoilage and limited consumer choice.

Specifically this Council recommends:

- An analysis of the current state of supply chains and the marketing of perishable foods in Africa. Working with all stakeholders both in the United States and Africa, this study should include:

    - Analysis of supply and demand for grains and perishables, both on the African continent and in the United States.

    - Analysis of supply chains currently in operation to determine where bottlenecks and barriers to trade exist, where improvements can be made and opportunities for U.S. companies to participate in improving market efficiency.

    - Collect best practices for cold chain development, strategies to mitigate post-harvest loss and accepted procedures to participate in international markets.

- Development of risk-mitigating programs to incentivize private-sector investment and adoption of solutions identified in the report.

- The establishment of a program by the U.S. Department of Commerce, similar to the Special American Business Internship Training (SABIT) program, aimed at establishing cold chain practices and standards.

- A technical assistance program organized by the U.S. Department of Commerce's Commercial Law Development Program (CLDP) aimed at implementing legal reforms to harmonize legislation and regulations that may impact the successful operation of the agricultural supply chain.

- Focused attention on Africa within the U.S. Department of Agriculture (USDA), including an analysis of African imports of perishable food and the challenges associated with meeting USDA protocol for proper cold chain treatment and storage.

- Reverse trade missions organized by the U.S. Trade and Development Agency for representatives from Africa to visit the United States to review U.S. cold chain practices and standards.

We believe these actions will identify efficiencies along the supply chain for all products and enable new distribution opportunities across the continent by addressing perishable loss through a combination of:

- A renewed focus on current market conditions that lead to the loss of perishable items
- An examination of current supply chains that work, but require costly workarounds
- A diligent focus and examination on areas of high need.

The PAC-DBIA appreciates the Administration’s commitment to revitalizing trade on the African continent.

Development of critical infrastructure projects that expand access to energy, water, transportation, healthcare and communications services will be critical to the proliferation of strong economic ties between the U.S. and nations of Africa. The Council has drawn upon its collective expertise, and the experience of thought leaders around the world, to identify the following pressing issues that offer strong opportunities to strengthen the economic engagement between the United States and Africa:

- Ensuring that U.S. companies are competitive in their efforts to win work on infrastructure projects in Africa, help our partners throughout Africa to meet their development needs, and create competitive, high-paying jobs in the United States;

- Including healthcare as a key infrastructure component that can foster significant opportunities to increase trade and economic development while allowing African countries to invest in health systems that increase critical access to primary care services, diagnosis, and treatment to improve overall population health;

- Tackling the rise of forced localization policies that limit U.S. companies' access to Africa's markets, reduce competition and quality and inhibit the development of supply chains that ultimately reduce FDI over the long term.

Create a U.S. - Africa Infrastructure Center

According to McKinsey, more than US$2.6 trillion of investment is needed to bridge Africa's infrastructure gap. Identifying, vetting, and prioritizing the enormous number of infrastructure projects can be daunting for large, sophisticated U.S. companies, and can be almost impossible for SMEs. As previously identified by the President's Export Council, infrastructure development in Sub-Saharan Africa is a priority for the region and has called for additional government resources to be directed toward the effort to help U.S. companies succeed in this market. To that end, the members of the PAC-DBIA recommend the creation of a forward-deployed U.S.-Africa Infrastructure Center, with a presence in both Washington and on the African Continent, to ensure maximum decision-making and programmatic authority. This Center would be business driven but would work in coordination with key U.S. Government Agencies and Embassy staff who would be co-located with and detailed to the Center.
The Center would seek to align business resources with government resources to identify, vet, prioritize, and develop a unified approach to compete for critical projects. This coordination would include activities such as:

- Ensuring that U.S. Government support and engagement is deployed in key infrastructure markets in Africa to create a better climate for U.S. companies, including a focus on transparency, capacity building, and training on standards and lifecycle cost procurement.
- Ensuring early U.S. involvement in target markets through feasibility studies, legal services, pre-tender advocacy and expressions of U.S. interest in identified projects by U.S. Government officials.

- Highlighting the capabilities and value proposition of U.S. companies and the availability of U.S. financing -- including strategies for risk reallocation.
- Identifying policy and regulatory barriers to project development and execution.

A key feature of the Center would be a coordinated template, highlighting and providing guidance for both government and private sector engagement across the full life of infrastructure projects, from inception through execution and deployment. Other activities we see the Center supporting would include:

- Development of MOUs with African governments and regional economic organizations to develop infrastructure pilots in targeted markets;
- Deployment of a standards attaché for the region;
- Expansion of USTDA lifecycle cost programs; and
- Construction of teams (TEAM USA) to assist local governments to develop solutions to their long-term infrastructure needs and respond to crisis situations, such as natural disasters, or other critical events.

We recommend the Departments of Commerce and State, the U.S. Export-Import Bank, the U.S. Trade and Development Agency and the Overseas Private Investment Corporation participate in the Center. We also envision the support of the U.S. Chamber, with its policy strength and business community network across the United States, as well as its close relationships with the American Chambers of Commerce across Africa and the Corporate Council on Africa with its presence on the Continent, as the preferred private sector groups to lead business participation in the Center.

Prioritize Strengthening Healthcare Infrastructure in Sub-Saharan Africa

Healthcare infrastructure remains a key area with significant opportunities to increase trade and economic development while allowing African countries to invest in health systems that increase critical access to primary care services, diagnosis, and treatment and improve global population health. The current funding mechanism for government assistance and public-private partnerships (PPPs) lacks the flexibility to establish sustainable healthcare infrastructure in Africa. As a result of this roadblock, many African countries are unable to benefit from effective and readily available primary care services and treatment modalities to address the global leading cause of death, non-communicable diseases. To address these critical issues, the PAC-DBIA offers the following recommendations:

- **Provide Flexibility with Appropriated Funds to Increase Primary Care Capacity and Health System Strengthening**: Significant resources are allocated annually to fight HIV/AIDS and acute healthcare emergencies such as Ebola. The current funding legislation allows the Administration flexibility to deploy these funds towards investing in broad health system infrastructure development that would allow U.S. agencies to identify gaps in healthcare access that would specifically address need based on region and population health. Allocating funds towards developing a skilled workforce in preventive healthcare, diagnosis, and treatment will protect existing healthcare infrastructure investments and advance global population health. Strengthening health systems in urban and rural settings will improve coordination of care, increase efficiency, and reduce mortality rates from non-communicable diseases. The PAC-DBIA recommends the Administration direct the agencies administering the appropriated funds to invest in multipurpose infrastructure that could both address the immediate Ebola crisis and also address the long term healthcare infrastructure in Africa. These localized needs should be identified through partnerships with key African government and public health officials. This would provide U.S. firms greater opportunity to provide the needed healthcare infrastructure for the affected countries.

- **Develop Innovative Public-Private Partnerships**: Pursue the creation of the forward-deployed U.S.-Africa Infrastructure Center as recommended by the Council to work with key African countries and the Africa Regional Economic Cooperation groups to increase investment, infrastructure development, efficiencies, and quality of healthcare through improvements to and expansion of simplified healthcare and energy private-public partnerships (PPPs). These efforts would include implementing uniform PPP policy using international standards, instituting disease-focused PPPs, developing PPP models targeting smaller health facilities in urban and rural areas to alleviate referral system inefficiencies, and developing new rural healthcare facilities to address primary healthcare (preventative, immunizations, pre-/post-natal care) and to reduce maternal and infant mortality in rural areas. This policy framework will also facilitate small- and medium-sized enterprise (SME) participation in PPPs, particularly in areas where health systems and energy needs intersect. Learning from global best practices will aid in the acceleration of project development and reducing risk.

- **Prioritize energy infrastructure development as a key component in health system strengthening**: Expanding healthcare infrastructure requires access to sustainable, efficient energy capacity and must therefore be considered when allocating resources toward small and large-scale urban/rural development. We recommend USAID and relevant foreign assistance programs apply flexibility to appropriated healthcare funds to meet the concurrent energy capacity needs and work with the various public and private partners of the Power Africa Initiative, as well as SMEs, to identify and bridge these gaps.

Establish Manufacturing and Services Dialogues with Sub-Saharan Africa

As African countries work to create jobs, expand their manufacturing and services bases and develop export platforms for value added products and services, they are increasingly looking to put in place localization barriers to trade. Forced localization requirements have a number of adverse impacts including, but not limited to: reducing competition and quality; raising costs for the African countries procurement of goods and services; excluding U.S. companies and discounting the total value proposition of U.S. companies' participation in the market; and inhibiting the development of supply chains and ultimately reducing FDI over the long term. These concerns however do not diminish the reasonable aspirations of African governments and workers to fully integrate Africa into global value chains across multiple sectors of the economy. U.S. policy must find new ways to support these aspirations.

In particular, U.S. companies bring a unique value proposition to Sub-Saharan Africa that distinguishes them from other foreign competitors. This value proposition includes investment, technology transfer, training, education, capacity building, services, high quality products, corporate social responsibility, financing and high global standards in ethics, labor, environmental, health and safety business practices.

Recognizing the importance of U.S. economic relations with Sub-Saharan Africa and building on the Administration's successful August 2014 engagement with African leaders, we recommend that the U.S. Government initiate manufacturing and services dialogues with key African countries and/or the African Union (AU) or the African Regional Economic Communities (RECs) as well as the private sector to develop approaches that promote market access and manufacturing in both U.S. and African markets. The dialogue should include, but not be limited to, discussion of best practices in the following areas, as alternatives to localization barriers elements for discussion and evaluation:

- Attracting foreign direct investment with a favorable climate for business;
- Promoting regional integration, including through bilateral investment treaties, to create sufficient size and scale of markets and opportunities;
- Pursuing a skills agenda;
- Assisting SMEs and facilitating entrepreneurship; and
- Engaging in supply chain development.

The PAC-DBIA fully supports the Administration's efforts to increasing U.S. investment in Sub-Saharan Africa and creating more jobs in the United States. To best ensure that U.S. companies are competitive in their efforts to win infrastructure projects in Africa, the establishment of a U.S.-Africa Infrastructure Center is critical. Furthermore, the inclusion of healthcare infrastructure development in the U.S.'s overall Sub-Saharan Africa economic strategy will accelerate the continent's upswing towards solid economic and workforce development while providing new and vast market opportunities for a U.S. SMEs. Last but not least, to best ensure that U.S. investments are economically sound and sustainable for all concerned parties, localization barriers to trade must be addressed. At the same time, African countries legitimate interests in expanding manufacturing and services and creating jobs must be addressed and supported. The PAC-DBIA is committed to working with the Administration in its efforts to successfully implement its overall trade and investment agenda in Sub-Saharan Africa.

Perception is a critical component in business decision-making. The U.S. Chamber of Commerce Africa website states that the "the biggest obstacles to economic engagement across Africa are the unknown and perceived risks." Although there are real risks to doing business in Africa, there are also tremendous opportunities. The McKinsey Global Institute reports that there are more than 400 companies around the world whose Africa-based revenues exceed US$1 billion. Additionally, Africa's spending is growing, set to rise from US$860 billion in 2008 to US$1.4 trillion in 2020. Despite this significant progress, many American business leaders are unaware of the potential Africa has for business success. The U.S. International Trade Administration reports that exports to Africa are only 1.6 percent of total U.S. global exports.

American businesses are not taking advantage of the vast opportunities available throughout the African continent due to pervasive negative perceptions. Influential reports like the 2014 Corruption Perceptions Index published by Transparency International can heighten the perception of risks. The report ranks anti-corruption on a scale of 0 to 100, and not a single African country scored better than 56. Most African countries score in the 30s and 40s, ranked as some of the most corrupt in the world. Such reports disproportionately focus on the challenges and perpetuate negative perceptions that hinder U.S. business engagement.

Perception issues are further compounded by the fact that there is little understanding of how to navigate the business landscape and how to engage in strategic investments and opportunities using an approach that accounts for regional, cultural, and other differences across the continent. As a result, most American businesses interested in doing business in Africa often struggle with access to market data and may not develop a clear understanding of the African consumer market.

The U.S. Government is well positioned to address the issue of perception and to help U.S companies overcome the knowledge barrier. The Council recommends the following actions to change misperceptions about doing business in Africa and to inform a broader segment of the U.S. business community about the market opportunities in Africa:

Collect and Publicize Case Studies and Best Practices

- Place a series of blogs and op-eds in trusted business and finance publications in key markets;
- Highlight business success stories via social media, webinars, and conferences;
- Collaboration with business schools, Historically Black Colleges and Universities (HBCUs), and the Minority Business Development Agency (MBDA) to develop research projects on businesses in Africa; and
- Use networking groups through events and social media like Linkedin.

Forge Creative Partnerships between the Government and the Private Sector and Leverage Unique Multipliers

- Returned Peace Corps Volunteers: Tap into the expertise of more than 60,000 Returned Peace Corps Volunteers (RPCVs) who have served in 46 African countries since 1961, and the 3,060 current volunteers serving in 26 African countries who will return home within the next 24 months. The program could link RPCVs, trade associations, U.S. Export Assistant Centers, local trade offices, and American businesses interested in doing business in Africa. Much like the Small Business Administration SCORE program which connects former executives to small businesses, this program could match businesses to RPCVs who can provide insight based on their service in Africa. Additionally, RPCVs currently receive one year of noncompetitive eligibility (NCE) hiring status with the federal government upon successful completion of service. We recommend extending this benefit to the private sector through a public-private partnership that places RPCVs in businesses interested in expanding to Africa. RPCVs can be placed in strategic roles to help companies design and execute Africa business plans.

- African Diaspora: Leverage the experiences and connections of the African Diaspora living in America. The U.S. Census Bureau reports that foreign-born Africans account for about 4 percent of the American population. This demographic can be a resource and partner in engaging dialogue. We recommend facilitating town hall meetings that bring together businesses, community members of the African Diaspora, and government officials. These exchanges can help to deepen cultural respect, sensitivity, and understanding while communicating business opportunities in Africa.

- Media Companies: Connect with media companies to develop advertising campaigns focused on African countries and leveraging celebrities as spokespersons or brand ambassadors for investing and doing business in Africa.

Develop and Disseminate a Doing Business in Africa Toolkit

The toolkit can be an online resource housed on the Doing Business in Africa website, export.gov, and the U.S. Chamber of Commerce Africa website. We recommend the inclusion of the following tools and resources:

- Comprehensive overview of all trade services provided by the U.S. government
- Guidance on the best points of entry to do business in Africa
- Vetted business partner listings
- Timely market and consumer data
- List of U.S. Export Assistance Center in the United States and Foreign Commercial Service locations in Africa with contact information, including for permanent local staff Personalize contact information with photos of staff and links to social media platforms
- A list of business service providers in Africa
- Business cases and success stories based on top industries
- Testimonials from companies doing business in Africa

- Import information including travel time from various African countries to ports of call in the United States
- List of African countries cleared to do business in
- Raw material sourcing information
- Frequently Asked Questions
- Interactive maps of sourcing opportunities
- Mapping component for companies to view the resources available to them in a specific African country
- An interactive database that shows where small and medium-sized enterprises are sourcing and recommendations on where to source from in Africa

Access to, and availability of information, resources, strategic partnerships, and understanding of the global marketplace are key components of successful trade engagement with Africa. Therefore, addressing the perception issue and developing a toolkit can facilitate and improve trade between the United States and Africa.