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Africa Trade Strategy 2000



Department of Foreign Affairs
and International Trade

Ministère des Affaires étrangères
et du Commerce international

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Africa Trade Strategy 2000

Dept. of Foreign Affairs
Min. des Affaires étrangères

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FOREWORD

Africa Trade Strategy

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for International Trade

It is my great pleasure to provide you with the Africa Trade Strategy. With its concrete approach, it will help you turn the principles of trade with Sub-Saharan Africa into practical realities. It is my hope that this strategy will become one of the most valuable tools you will use to trade in the most overlooked, yet promising, economic region in the world.

This publication is one of many efforts we are undertaking to help Canadian companies compete successfully and take maximum advantage of trade and investment opportunities in Sub-Saharan Africa. The additional resources that we are providing to this project will also help achieve this goal.

It is important to enhance Canada's image as a valuable trade and investment partner and to foster strong support for closer economic and commercial co-operation with Sub-Saharan Africa. Our leading role in the new economy can shape our future commercial relationship with this emerging economic region.

Africa presents some unique challenges in terms of developing and strengthening trade and business linkages. The Africa Trade Strategy is an important element in our long-term strategic goals aimed at helping Africa reduce poverty levels and become integrated into the global economy. Expanding trade, increasing market access and strengthening investment protection are mutually beneficial; we can accomplish them together – in partnership.

A handwritten signature in dark ink, appearing to read 'Pierre S. Pettigrew', with a long horizontal stroke extending to the right.

Pierre S. Pettigrew
Minister for International Trade

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Africa Trade Strategy

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1. The Sub-Saharan Africa Trade Strategy



The question that sparked this trade strategy is fairly simple: How can we improve the performance of Canadian industry in a region offering many opportunities and needs that match Canadian industry capabilities?

Our Strengths and Potential...

- 1) Canadian products, services, and capabilities are well matched to Africa's needs;
- 2) Canadians are well regarded in Africa; this, combined with the capacity to work in both French and English, gives Canadian firms a comparative advantage over their competitors;
- 3) Some Canadian companies are already successfully exporting their products or consulting services to, or investing in, Africa, making the continent an important and growing business partner relative to other emerging markets that have a higher profile or receive more dedicated trade support resources;
- 4) Much of Africa is growing economically and looking outward, generating higher demands for imported products and services, joint ventures, and investment; and
- 5) Return on investment on African projects is relatively high; official U.S. statistics show return on investment for U.S. firms in Africa (excluding South Africa) averaging 29% over the period 1990-1997, higher than anywhere else including Asia or Latin America.

These facts should lead Canadian business to be more active in Africa, but other factors have historically dissuaded many Canadians from considering Africa. The dominant image remains one of poverty and conflict: Africa is seen as a region where only high-risk corporate adventurers—after gold, diamonds, or oil—have a chance to succeed.

With This Trade Strategy . . .

Once the varied nature of this huge continent is realized, its emerging opportunities profiled, and a co-ordinated strategy delineated, Canadian business will be poised to participate in the lucrative emerging markets of Sub-Saharan Africa. The Trade Commissioner Service of the Department of Foreign Affairs and International Trade (DFAIT) has recently launched some important initiatives to help Canadian companies take advantage of opportunities in the region.

The International Monetary Fund forecasts that Africa's overall gross domestic product should grow by 5% in 2000, an improvement from 3.1% in 1999.

The Case for an Africa Trade Strategy: Emerging Africa

Market Size

In a globalizing marketplace, ignoring frontier markets is a perilous strategy. Over the last few years it has been countries in Sub-Saharan Africa, not Asia or Latin America, that have led the world in percentage economic growth. In 1997, 20 countries reached or surpassed 5% growth, with global leader Mozambique averaging 10% since that year. The International Monetary Fund forecasts that Africa's overall gross domestic product (GDP) should grow by 5% in 2000, up from 3.1% in 1999. Africa's total exports in 1998 were a significant \$124 billion, with non-oil exports increasing 5% per year since 1994. Imports of goods and services are well over \$100 billion per year, at approximately a 75:25 goods to services ratio.

Recent events further illustrate the economic strength of the region's largest economy, South Africa. Disciplined fiscal management has wrestled the budget deficit firmly below 3%, and it continues to fall. International bond rating services Moody's and Standard & Poor's have recently given an "investment grade" rating to South African government bonds, decreasing the cost of international borrowing and paving the way for global bond funds to add South African sovereign debt to their portfolios.

South Africa recently finalized a trade deal with the European Union, after four years of tough negotiations, and it continues to expand its trade links with Brazil and other MERCOSUR (South American Common Market) countries. Despite sluggish gold prices, the Johannesburg Stock Exchange provided tremendous returns to investors during 1999, illustrating the diversity of the economy. And projected South African GDP growth for 2000 is now estimated to reach and perhaps surpass 3.5%.

Existing Canadian Presence

In addition to a strong presence on the continent by Canadian engineering and service firms, based on long-standing CIDA (Canadian International Development Agency) activity in Africa, fully 50% of all mining exploration in Africa is carried out by Canadians. Other more recent sectors of activity for Canadian firms in Africa include oil and gas, telecommunications, electricity generation and transmission, and wood processing. As well, small and medium-sized firms (SMEs) have recently moved into West Africa in many sectors unrelated to traditional CIDA-supported activities.

Canada has also been instrumental in the development of various regional and Africa-wide structures with significant business potential. Among these are the Regional (West African) Stock Exchange, the RASCOM (African Network for Satellite Communications), and the UPDEA (African Union of Electricity Producers) Regional Training Institute, all based in Abidjan.

Sub-Saharan Africa (SSA) includes all nations south of Morocco, Algeria, Tunisia, Libya, and Egypt. The use of the generic term "Africa" in this report is synonymous with Sub-Saharan Africa unless otherwise stated.



Improving Market Conditions

From a Canadian perspective, recent trends are also encouraging. Two significant long-term investments by Canadian mining firms in Tanzania (Barrick Gold) and South Africa (Placer Dome) at the close of the 1990s are only the most visible evidence of growing Canadian interest. In West Africa, Hydro-Québec International beat out other foreign competitors and became the lead strategic partner in the privatization of the SENELEC, Senegal's power producer.

Banking and Finance

In many former colonies, the local banking system is tied directly to the banks of the former colonial power; this can result in a loss in confidentiality to the advantage of competitors from the parent country. Canadian firms face strong competition from European firms that have access to their own export credit agencies and to the local branches of national banks, often with favourable terms. Canada's Export Development Corporation (EDC) supported \$509 million worth of transactions in 31 African markets during 1999, up from \$356 million in 1998. In Sub-Saharan Africa, EDC's most active markets were Côte d'Ivoire, Ghana, Kenya, South Africa, and Tanzania. In contrast, Canadian chartered banks have shown little interest in participating in the African market.

Almost all of our competitors from other OECD (Organization for Economic Co-operation and Development) countries have access to equity capital through development financial institutions, such as the Britain's Commonwealth Development Corporation (CDC), Germany's Investment and Development Company (DEG), the Netherlands' Development Finance Company (FMO), and the United States' Overseas Private Investment Corporation (OPIC). Canadian exporters that have done substantial business in Sub-Saharan Africa have repeatedly called for Canada to establish her own development financial institutions to help them compete in developing markets.

Trade Data

Canadian bilateral merchandise trade with Sub-Saharan Africa peaked in 1998 at over \$2.1 billion, dropping slightly in 1999 to \$1.8 billion. (These statistics do not capture the whole story, however, as they miss much transit trade, especially in West Africa, where significant exports from Canada are routed through Europe and are not counted in direct-export statistics.) Canadian exports comprise a mix of primary commodities (e.g., wheat and wood pulp) and, increasingly, high-value manufactured products (e.g., aircraft and parts, machinery, motor vehicles, and mining equipment). The terms of merchandise trade remain in Africa's favour, with a Canadian trade deficit of about \$580 million. However, this excludes Canadian exports of services and consulting,

Canada's Export Development Corporation (EDC) supported \$509 million worth of transactions in 31 African markets during 1999, up from \$356 million in 1998.

which total at least \$500 million and significantly reduce the overall trade deficit with Sub-Saharan Africa.

The African Renaissance

Since macroeconomic and political reforms began sweeping the continent in the late 1980s—gathering steam with the 1994 election of Nelson Mandela in South Africa and strengthened by the transition to civilian rule in Nigeria in 1999—a growing number of African countries have made significant strides on the economic front. This “African Renaissance” is unevenly distributed and remains incomplete, but the foundations are definitely in place.

Botswana, Mauritius, and Namibia stand out as leading lights of the African Renaissance, given their economic performance and good governance over many years. For others, a solid start has been made in privatizing state industries and reforming arcane regulatory and tax systems. As well as taking various steps toward economic liberalization, good governance, increased transparency, and more disciplined fiscal frameworks and monetary policy, a number of states significantly improved their business climate during the 1990s. Here, Ghana, Côte d’Ivoire, Mali, Mozambique, Senegal, Tanzania, and Uganda are leading the way. The vast majority of African states are also members of the Multilateral Investment Guarantee Agency (MIGA), offering further protection to foreign investment. And the revitalization of the African Development Bank and various capital markets, plus the growth in private sector-structured finance options, have buttressed the financial environment.

The "African Renaissance" is unevenly distributed and incomplete, but the foundations are definitely in place.

Adapting to the Competition

Until recently, business patterns in Sub-Saharan Africa reflected the colonial history of the sub-continent. French companies were most active in Central and West Africa, while British firms were prominent in Eastern and Southern Africa. This situation is rapidly changing. France is now entertaining growing diplomatic and business relations with countries outside its traditional sphere, while Spain, South Africa, the United States, and others are aggressively pursuing business all over the continent, often based on inroads by national contractors.

Canada has few large-scale contractors in Africa; however, we can use our increasing presence in South Africa to penetrate other regions. In West and Central Africa, the capacity of Canadian firms to do business in French makes them attractive potential partners for South African firms interested in Francophone countries. The American Africa Growth and Opportunity Act should spark increased interest of U.S.A. firms in Africa. Canadian firms should be able to profit from this by using their NAFTA connections to negotiate new partnership ventures with U.S.A. firms which are expanding their African operations.



Specific Opportunities

As in any large market, business possibilities are greater in some regions and sectors than in others. Chapters 3 and 4 provide an introduction to African regional markets and priority sectors, respectively. Priority sectors are based on the collective assessment of DFAIT's trade staff who are resident in these markets and the trade staff of the Africa Bureau in Ottawa. Detailed information on markets is available from DFAIT's Infoexport Web site at www.infoexport.gc.ca and other resources listed in Chapter 6. For a complete listing of all Canada's overseas trade representatives, including those in Sub-Saharan Africa, exporters can download a copy of *The Canadian Trade Commissioner Service - Our Offices Abroad 1999-2000* from the InfoExport Web site at www.infoexport.gc.ca/directory-e.asp.

The Trade Commissioner Service in Sub-Saharan Africa

DFAIT's trade commissioners are the delivery arm for the trade promotion and international business development efforts overseas of various government departments and the business community. Trade commissioners in Ottawa and trade personnel at Canadian missions across Sub-Saharan Africa play a leading role in trade and investment development, and in trade policy formulation for their specific markets.

Canadian trade commissioners, locally engaged commercial officers, and honorary consuls cover most of the region, actively promoting Canadian goods and services, disseminating information about international business opportunities, and promoting joint ventures and investment.

Trade offices are located in the following countries*:

- Burkina Faso
- Cameroon
- Côte d'Ivoire
- Ethiopia
- Gabon
- Ghana
- Guinea
- Kenya
- Mali
- Mozambique
- Niger
- Nigeria
- Senegal
- South Africa
- Tanzania
- Zambia
- Zimbabwe

For more information on countries not listed here, please visit the InfoExport Web site at www.infoexport.gc.ca. Firms must register with the WinExports database to access trade commissioner services: 1-800-551-4946.

**Some countries do not have any resident Canadian trade staff, while others are served only by part-time staff. Potential exporters should make sure they contact the responsible office far in advance of any potential prospecting trips or market research needs.*

*For a complete listing of all Canada's overseas trade representatives, exporters can download a copy of **The Canadian Trade Commissioner Service - Our Offices Abroad 1999-2000** from the InfoExport Web site at www.infoexport.gc.ca/directory-e.asp.*

Trade officials in Ottawa are in place to help new and experienced Canadian companies that have researched and selected their target markets. Their work complements that of officials in International Trade Centres across Canada, in other federal departments, and in provincial or territorial governments who help prepare Canadian firms to become export-ready. A listing of the trade personnel in DFAIT's Africa Bureau can be found in Chapter 6.

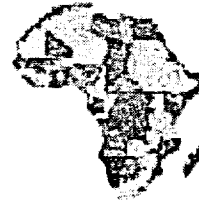
Six Core Services of the Trade Commissioner Service

The Trade Commissioner Service offers six core services to help Canadian companies penetrate overseas markets. However, not all the services listed below are available in every Sub-Saharan market:

- *Market Prospects*
- *Key Contacts Search*
- *Visit Information*
- *Face-to-Face Briefings*
- *Local Company Information*
- *Troubleshooting/Advocacy*

Remember to notify the Canadian mission of your visit at least two weeks before your arrival. Also, note that not every African country has a resident Canadian trade official.





2. A Strategic, Regional Approach to Sub-Saharan Africa

This trade strategy for Sub-Saharan Africa was designed to, among other things:

- help Canadian companies compete successfully and take maximum advantage of trade and investment opportunities in that region;
- focus Trade Commissioner Service efforts on responding to Africa's emerging opportunities; and
- show how Canadian companies can work with the Trade Commissioner Service and its expanding network of partnerships with other federal and provincial government departments, agencies, industry associations, and the private sector.

During the late 1990s, Sub-Saharan Africa usually outpaced higher-profile markets such as India and Russia as a Canadian merchandise export destination. Trade in services and two-way investment are showing steady improvement as well. Despite this, Sub-Saharan Africa remains an unknown region for most Canadian companies.

Therefore, a first goal of this trade strategy is to raise the profile of Africa for internationally oriented Canadian businesses and explain the real nature of its markets and opportunities. Second, specific efforts are being directed toward facilitating the entry of export-ready SMEs that are new to these markets, by helping them plan and execute a sustainable business strategy for Africa, especially in the field of merchandise exports. Third, the trade strategy recognizes the need to protect and build upon the accomplishments of Canadian firms already active in these markets—these firms face increasing competition and a complex and evolving business environment.

Business itself has helped clarify the obstacles to increasing private sector linkages with Sub-Saharan Africa. It has identified specific irritants—including the difficulty of accessing adequate trade and investment financing—through informal contacts, client surveys, and formal reports such as the October 1998 findings of the Regroupement des entreprises pour l'Afrique.

Trade and Development

Government of Canada initiatives outside the Trade Commissioner Service and its specific trade promotion efforts are also supporting the long-term development of Africa. These initiatives range from debt relief and public sector capacity building for

During the late 1990s, Sub-Saharan Africa usually outpaced higher-profile markets such as India and Russia as a Canadian merchandise export destination.

• better governance, policy formulation, and regulatory reform, to education and human resource development, poverty alleviation, and the "Human Security" agenda. CIDA and Canadian Official Development Assistance will remain significant players in our relationship with Africa for the foreseeable future. Canadian businesses need to keep abreast of business opportunities that result from CIDA's programming in Africa.

• **A Regional Approach**

• Sub-Saharan Africa is made up of of nearly 50 countries, representing a quarter of the world's states and encompassing many peoples, languages, political systems, and economic trends. In spite of Africa's vast size, it is possible to discern similarities within its regions, wherein neighbouring states frequently share official or business languages, legal traditions, and one or more sectors of opportunity. Accordingly, a market development approach which recognizes Africa's different regions makes good business sense.

• Such a regional approach is also suggested by the fact that, on their own, many African countries represent very small markets that are not attractive enough to generate sustained Canadian interest. Furthermore, Africa's own nascent regionalization efforts support a regional market development approach. An example is West Africa, where Nigeria and other countries are quickly strengthening intra-regional ties, developing common transport and energy infrastructure, eliminating internal tariffs and negotiating a common currency. These developments are leading to a regional market that European and American firms are increasingly targeting. There are existing currency unions in three sub-regions, and ongoing negotiations that could lead to one or two more common currency zones (e.g., the West African Zone is to include Nigeria, Ghana, and the eight-member West African Monetary Union: Côte d'Ivoire, Benin, Burkina Faso, Guinea Bissau, Mali, Niger, Senegal, and Togo, which have recently agreed on a common exterior tariff). There is also momentum toward the establishment of sub-regional free trade areas, increasingly integrated regional stock markets, and gradually improving intra-African transportation infrastructure.

• DFAIT recognized these incipient trends and, in the mid-1990s, introduced its Southern and Eastern Regional Action Plan (SEARAP) to co-ordinate trade promotion and support activities among relevant federal and provincial agencies. By 2000, this model had been extended to incorporate West and Central Africa, becoming the Sub-Saharan Africa Regional Action Plan (SSARAP) and resulting in a reorganized trade development unit (GGTT) responsible for the entire region.

• **Africa Trade Strategy Objectives**

• Africa presents some unique challenges in developing and strengthening trade and business linkages. Unlike trade plans for established export markets, a trade strategy with Africa is closely linked to longer-term strategic goals of Canadian foreign policy aimed at helping Africa reduce poverty levels and integrate into the global economy. An eco-

Recently, DFAIT reorganized and combined its entire trade development resources for Sub-Saharan Africa. This new unit (GGTT) illustrates the strong commitment to effective regional trade development.



nomically buoyant Africa raises the living standards of Africans, reduces the level of conflict and forced migration, and increases Africa-Canada business linkages and opportunities. Larger issues such as debt relief play an important role in making Africa a stronger business partner over the long term.

At the same time, a trade strategy must address the business-specific challenges offered by a tiered emerging market dominated by South Africa but including over 40 less developed countries. It must also take into account the limited resources that the Trade Commissioner Service has available to cover such a large and diverse territory. Lastly, the strategy must be responsive to changes in market trends and Canadian company needs, necessitating a review and reissue on a biennial basis.

With these issues in mind, a unique set of four overall objectives are presented in this trade strategy for Sub-Saharan Africa.

1) Image Building: Marketing Africa and Canada

Africa is crowded out of the emerging market spotlight by places such as China or Latin America. In addition, Africa has a highly negative public image in Canada, with high-profile events such as war, famine, and floods casting a long and lingering shadow over the entire continent.

Conversely, Canada's good reputation across Africa is not fully comprehended by Canadian business and thus not employed to its potential. Despite a positive development partner tradition and reputation across Africa, Canada and its companies and capabilities are often overshadowed by aggressive American, British, French, German, Italian, Japanese, and, increasingly, Chinese, Malaysian, and South African firms, supported by national and regional marketing and project finance programs (see Appendix A).

It is therefore crucially important to raise Canada's image as a valuable trade and investment partner and to foster strong support for closer economic and commercial co-operation with Sub-Saharan Africa. This can be accomplished in the following ways:

◆ By increasing the frequency of official visits from key emerging African economies, as well as by increasing the presence of Canadian leaders, senior officials, and business representatives related to Africa with a combination of trade-show, sector-specific, "Africa Direct"-type (inward), and "Team Canada" -type (outward) approaches:

- The Trade Commissioner Service will aim for at least one minister-led, sectorally focussed trade mission to Sub-Saharan Africa in each of the top three priority sectors within the next two years;
- There will be more inward trips of African decision makers and business

*Objective:
Image Building*

*Africa's profile in
Canada must be
raised.*

*And more
advantage has to
be taken of
Canada's positive
image across the
continent.*

people to showcase what Canadian business can offer, and programs will be specifically designed to introduce suppliers (supported by export financing) to them.

◆ By closely monitoring economic developments in Sub-Saharan Africa, and disseminating information and market intelligence to the Canadian business community using a full range of communications channels, including the International Business Opportunities Centre, various Internet mechanisms, and relevant trade associations:

□ The Trade Commissioner Service will use new methods of analyzing project proposals by international financial institutions (IFIs) and development institutions to help alert Canadian companies about upcoming contracts for goods and supplies, which make up fully 60% of the value of development-related IFI projects;

□ The procurement offices of industrial groups in regional centres (including the three regional hubs: Johannesburg, Abidjan, and Nairobi) will be actively monitored and supplied with Canadian leads.

◆ By challenging, where possible, the negative portrayal of Africa in the media so that Canadian companies, the financial community, and the general public will seriously consider the region as a business or investment destination:

□ Where time and resources permit, trade officers can engage in an informal outreach and promotion program in Canada; this can include speaking engagements, informal meetings, and helping companies already successful in Africa to arrange inward visits by business and investment groups.

2) Expanding Two-way Trade and Market Access

A vibrant African private sector is critically important for long-term African socio-economic development and poverty alleviation, as well as for Canadian prosperity and global stability objectives. This requires sustained global liberalization and integration efforts that take account of Africa's economic strengths and weaknesses. Expanding trade, increasing market access, and strengthening investment protection is a mutually beneficial two-way street, accomplished via a multitude of methods:

◆ By focussing trade promotion and support efforts on priority markets and sectors that conform to Canada's strengths and Africa's growth points (including the provision of market reports and planning for targeted trade missions and trade shows), and gearing up trade support resources to match these requirements:

□ The Trade Commissioner Service is increasing its Canada-based staff in

*CABSA,
CIDA-INC,
and PEMD
are programs
designed for
Canadian SMEs
going global.*



Sub-Saharan Africa by three people in 2000;

- A new commercial officer has been hired in Lagos, Nigeria;
- One additional trade desk officer will be added to the Africa Bureau in Ottawa;
- Overall, the budget for Sub-Saharan Africa trade and investment development will be increased, and additional financial resources will be made available to trade offices in Africa;
- New market studies will incorporate a regional approach when appropriate.
- ◆ By working with like-minded African states and trade officials in bilateral relationships and multilateral forums to strengthen international investment protection and trade regimes and decrease specific impediments to exporting to Africa;
- ◆ By promoting mutually beneficial direct investment, strategic alliances, and joint ventures (including technology transfer) in areas of Canadian expertise through:
 - Working with the Canadian Alliance for Business in South Africa (CABSA) to foster mutually beneficial joint ventures that can lead to exports and technology transfers to South Africa. CABSA also has representatives in Canada as a point of first contact, and good regional linkages in Southern Africa;
 - Working with CIDA's Industrial Cooperation Division (CIDA-INC) to increase applications for African projects and adapt the program to regional initiatives;
 - Ensuring that the Program for Export Market Development (PEMD) takes into account the market realities and higher prospecting costs of Sub-Saharan Africa.
- ◆ By co-operating with the Trade Facilitation Office Canada in helping African diplomatic missions, investment promotion agencies, and exporters to increase their profile in North America.
- ◆ By co-ordinating efforts, promoting African opportunities, and sharing knowledge with other relevant federal, provincial, and territorial departments and agencies responsible for trade and investment promotion;
- ◆ By actively promoting a regional strategy for doing business in Africa that takes advantage of Canada's natural comparative advantages including bilingualism and multiculturalism through:

*Objective:
Expanding Trade*

Exports to Sub-Saharan Africa doubled between 1994 and 1998. Trade development resources are being redeployed to build on this momentum.

- Promoting multi-country African visits by incoming Canadian businesses and business delegations;
- Evaluating the potential of working with the United States to build west coast, central region, and Atlantic coast trade missions of African visitors to North America, jointly organized by U.S. government agencies or the U.S. Corporate Council on Africa, and Trade Commissioner Service staff abroad;
- Further developing the key trade hub offices (Abidjan, Johannesburg, and Nairobi) and their ability to support and co-ordinate trade services in their respective regions.

These overarching trade strategy objectives related to exports and joint ventures are complemented by regional and sectoral overviews that follow in Chapters 3 and 4; they are designed to maximize Canadian capabilities in a number of Sub-Saharan Africa economic priority sectors.

*Objective:
Mobilize the
Private Sector*

3) Mobilizing the Private Sector

A national private sector constituency for Africa would strengthen business linkages. It might also find ways to address the financing gap faced by Canadian firms relative to their competitors working in the developing world.

Africa needs a strong national private sector constituency in Canada, like those of other regions (e.g., the China Canada Business Council). Such an organization would allow companies to learn from other successful firms about how to do business in Africa, what services and programs are available, etc. It would also provide government with a main contact point for private sector and trade issues related to Africa. Following the lead of many Quebec-based businesses active in Africa, this goal can be cultivated:

◆ By promoting the idea of a national private sector-led organization to become the focal point for African business and trade development, awareness building, and co-operation, and helping regional groups to co-ordinate at a national level;

- Up to \$50 000 will be available from DFAIT for project proposals from Canada-Africa business associations, especially those with a national focus.

Joint ventures and foreign direct investment in Africa lead to increased Canadian exports and business opportunities. Such investment also plays a key role in African development and poverty alleviation, and for this reason most countries actively seek it. A key objective of this trade strategy is to increase Canadian company awareness about access to investment and financing, especially in support of equity participation in economically viable projects. Part of this strategy aims to ensure that Canadian companies are aware of IFI project financing and that more Canadian companies bid more often on these projects.

Canadian commercial banks rarely lend to African-related ventures. Until the continent is perceived as less politically risky and economically constrained, this lack of a large



domestic pool of investment capital limits the ability of Canadian business to pursue the range of frontier and privatization opportunities offered by contemporary Africa. Canadian companies need help to locate and mobilize appropriate sources of finance and investment to remain active in Africa, and this is especially true for SMEs.

Africa presents some unique challenges in this regard, as its private and public sectors do not always have the internal financial resources without IFI or development institution involvement.

Africa, like other parts of the developing world, frequently suffers from a shortage of investment capital, since its relative remoteness from major financial markets, and perceived greater riskiness, make African projects inherently less attractive than projects in the developed world. Moreover, while most African projects are very profitable, projects which are highly developmental frequently can offer only a low real rate of return. Funding for such "below market" investments is not available from normal commercial lending institutions, such as commercial banks. Lending and equity capital for such projects comes mainly from IFIs and development financial institutions. Since there is no Canadian development financial institution at present, Canadian exporters must rely on foreign-based institutions.

In Sub-Saharan Africa, the Trade Commissioner Service can help:

- ◆ By supporting Canadian business efforts to expand and deepen market presence through investments in Sub-Saharan Africa, especially via joint ventures with partners that can access alternative sources of financing;
- ◆ By developing and delivering tailored mechanisms to address the financing needs of Canadian SMEs, thus encouraging greater penetration of Sub-Saharan Africa by smaller and more specialized firms that are ready for these markets (a list of private sector financing options can be found in Appendix A, including comments on the suitability of each for SMEs);
- ◆ By monitoring, maximizing, and leveraging the economic benefits of activities in other areas, including those of multilateral development banks (especially the African Development Bank and IFI hubs like London, Paris, and Washington, D.C.), Canadian bilateral development assistance projects, or provincial and municipal government linkages.
- ◆ By developing ways to transfer knowledge about the African marketplace to new-to-market firms. An example might be through seminars, such as African Development Bank and World Bank seminars, where successful firms could share successful practices with would-be bidders. This approach might be particularly suited to SMEs and trading houses.
- ◆ By advising Canadian exporters on available sources of capital.

Canadian companies need help to locate and mobilize appropriate sources of finance and investment to remain active in Africa, and this is especially true for SMEs.

4) Integrating Africa into the New Economy

“The digital revolution has unleashed an unprecedented wave of technological change. Used responsibly, it can greatly improve our chances of defeating poverty,” argues Kofi Annan, Secretary-General of the United Nations. Canada is a world leader in both the development and application of the technology that drives the new Sub-Saharan African on-line, knowledge-based economy. In fact, Canada is ahead of the United States in per capita measures of Internet penetration into the home and consumer utilization of many e-commerce functions. As Africa is relatively “unwired” but willing to leapfrog technologies to fill the many critical gaps in its telecommunications and IT infrastructure, it is an eminently suitable market and partner for Canada. Our objective should be to assist Africa's full engagement with the new economy and its digital revolution:

*Objective:
Africa in the New
Economy
Canada's leading
role in the new
economy can
positively shape
our future
commercial
relationship with
Sub-Saharan
Africa.*

- ◆ By developing a thorough network of on-line resources and e-commerce applications among African posts to both showcase Canada's leading edge in the field and to highlight Africa's opportunities as they materialize;
- ◆ By working with relevant Canadian trade associations, entrepreneurs, venture capital firms, and training institutions to build Africa's capabilities to integrate and employ this technology;
- ◆ By promoting an education and knowledge agenda in Africa, initially by establishing a Knowledge 2000 Task Team to co-ordinate government and industry initiatives in South Africa with a mandate to promote wealth-creating activities in education and training in Africa:
 - This may include developing a Canadian Learning Centre as part of the strategic follow-up to the March 2000 Learning and Technology mission to South Africa. An inward mission to Canada is also under consideration;
 - In the longer term, a Learning and Technology Mission to West Africa may be organized.
- ◆ By developing direct Internet links to Canadian universities and colleges in all our missions in Africa

Taken together, these four overall objectives or themes go beyond what is typically understood to be trade development. But trade development with Africa will require a unusual measures until the day when most of Africa is growing rapidly and Canadian business people routinely consider Africa as one of their normal export or investment markets.





3. Regional Market Dynamics

Lead Economies: South Africa and Nigeria

Sub-Saharan Africa contains two powerhouse economies, one actual, one potential. South Africa is certainly the dominant economy in Africa, with a GDP of over US\$130 billion and sophisticated manufacturing and financial sectors. Nigeria with its 110 million people, vast oil reserves, democratic transition, and economic restructuring could finally take its place as an engine of growth for West Africa within the next three to five years.

South Africa is the only market in Sub-Saharan Africa that registers a section in *Opening Doors to the World: Canada's International Market Priorities 2000* which can be found at: <http://www.dfait-maeci.gc.ca/tna-nac/doorsworld/menu-e.asp>

South Africa remains Canada's top trading partner in Sub-Saharan Africa. In 1999, Canadian merchandise exports to that market totalled \$235 million, 24.2 percent below the 1998 level. Canada has extended the General Preferential Tariff to South Africa since 1994. In 1999, Canada imported \$487 million from South Africa. This represents a decrease of 5.2 percent over 1998. Two-way investment remains modest, but Canadian direct investment in South Africa reached over \$400 million in 1998, increasing by a further \$520 million in the first nine months of 1999. Inward investment from South Africa has also risen in recent months to over \$350 million, directed mostly at mining operations.

The Trade and Investment Co-operation Agreement (TICA) concluded in September 1998 provides a framework for enhanced dialogue on bilateral and multilateral trade and investment matters. It establishes a Consultative Group, led at the level of senior officials, which will meet every 18 months. The Consultative Group will review trade and investment opportunities and address market access difficulties that may be raised by either party. The TICA also establishes a framework for further training of South African trade-policy specialists. The TICA consultations will provide a forum in which to enhance cooperation on multilateral issues and learn first-hand about developments that could affect Canadian trade and investment interests in South Africa. These consultations are even

A SYNOPSIS OF THE SOUTH AFRICAN ECONOMY

Population: 43 million

Literacy Rate: 82% (67% for Africans)

GDP: US\$130 billion Est. 2000 GDP Growth: 3.5%

Structure of Economy (% share of 1998 GDP):

Agriculture 4.5%

Manufacturing 24%

Other Industry 15% (includes Mining at 8%)

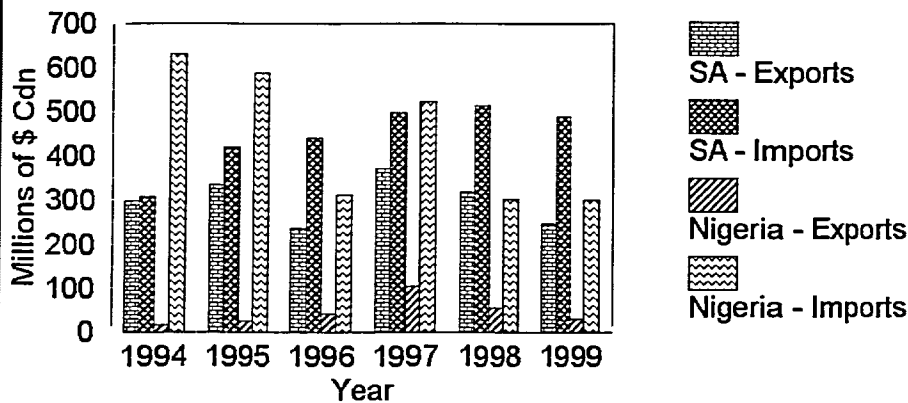
Services 56%

Note: Although the mining sector does not dominate the South African domestic economy like it once did, mining and its related industries still account for a large proportion of formal sector employment and export earnings. Gold exports alone make up nearly 20% of export earnings.

more valuable given the resumption of WTO [World Trade Organization] negotiations on agriculture and services and South Africa's ongoing trade talks with the EU [European Union] and neighbours in the Southern African Development Community.

Canada has also signed a FIPA [foreign investment promotion and protection agreement] with South Africa. Discussions are ongoing regarding the entry into force of this agreement.

SA & Nigeria Trade with Canada



South Africa: Gateway to Sub-Saharan Africa

South Africa—with just 5% of the continent's population—accounts for 40% of Africa's industrial output, 25% of its GDP, over 50% of its electricity production, 45% of its mineral production, and 40% of its phone lines. This economic dominance, combined with its established business culture and its excellent physical and financial infrastructure, explains why South Africa is used by foreign companies as a gateway to Africa.

Given the importance of the South African market and its world-class infrastructure, Canada maintains its only independent trade office in Africa in the dynamic commercial centre of Johannesburg. The Canadian High Commission Trade Office is responsible for South Africa (and neighbouring countries Lesotho, Mauritius, Namibia, and Swaziland), but is becoming a hub for Canadian business working elsewhere in Sub-Saharan Africa for three main reasons:

- For many companies South Africa is a bridgehead to Sub-Saharan Africa;
- South African companies make good partners for doing business in other parts of Africa including Francophone West Africa, where Canadian and South African firms can effectively join forces, building on French language capability and market knowledge and on South African trade financing;
- South Africa has a critical mass of banking, IFIs, and development institutions that provide financing for African-related projects.

South Africa and Nigeria are Canada's two largest trading partners in Sub-Saharan Africa, but the trade is decidedly different. Nigeria does not yet compare as an export market with South Africa, but this may change over the next few years as the economy is restructured and revitalized, and confidence in its business and financial systems is restored.

Regionalizing Markets

South Africa (a destination market and a gateway to Africa) and Nigeria (potentially fulfilling the same role in West Africa) illustrate the positive regionalization efforts underway across Sub-Saharan Africa. After many false starts in the 1960s-1990s period, and despite the ongoing regional strains in the Southern African Development Community (SADC) around the conflict in the Democratic Republic of Congo, there is momentum building for closer regional linkages. There are plans for implementing free trade areas in SADC, East Africa Co-operation (EAC), and the Common Market for Eastern and Southern Africa (COMESA)—COMESA includes a countdown clock on its Web site for its Free Trade Area deadline of October 2000. There are also plans for expanding currency unions in West Africa and for narrow functional co-operation in sectors such as power, water, capital markets, and food security. Regionalization, it has been argued, might be a first step for those liberalizing economies that are getting stronger but are not yet strong enough to fully tackle the challenges of globalization.

West Africa - Stretching from Senegal in the west to Nigeria in the east, West Africa is home to over 200 million people in 15 countries. As mentioned above, it is increasingly organizing itself along regional lines. Nigeria is the dominant economy of the Economic Community of West African States (ECOWAS), but Côte d'Ivoire, Ghana, and Senegal have demonstrated stronger economic management records and growth over the last few years. Burkina Faso, Mali, and Niger have attracted considerable Canadian mining interest as they have improved their regulatory and business climates, and there are interesting opportunities outside the mining sector as well.

Central Africa - Central Africa is a region of relatively few, mostly small countries linked together by a mostly shared French language tradition and tremendous natural resources reserves. These countries are Cameroon, Chad, Central African Republic, Gabon, Congo, Democratic Republic of Congo, and Equatorial Guinea. They represent a mix of opportunities, but particularly oil and gas exploration and development—some Canadian companies are already working on the World Bank-funded Chad-Cameroon Pipeline Project—and mining. Cameroon is the main economic hub for this region of nearly 80 million people, at least while the conflict in the Democratic Republic of Congo continues.

Southern and Eastern Africa - From South Africa to Kenya and Uganda in the north and to Angola in the west, this huge region is actually a number of overlapping sub-regions, international organizations, and regionalization initiatives. For instance, EAC links Kenya, Tanzania, and Uganda, but all three are also members of COMESA, and Tanzania is a member of the SADC. All three organizations are pushing ahead with various economic integration schemes including shared currencies, free trade, common tariffs, etc. However, for the first time in 30 years, regional efforts are progressing and may, in the next 10 years, create a co-ordinated regional trading bloc comprising South Africa and a group of emerging "African Lion" economies that represent over 200 million people, a growing middle class market, and tremendous export potential.

There are plans for implementing free trade areas in SADC, EAC, and COMESA — COMESA includes a countdown clock on its Web site for its Free Trade Area deadline of October 2000.



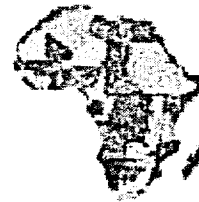
4. Sub-Saharan Africa - Sector Analysis by Country

Market Potential for Selected Countries

H=High M=Medium L=Low

Country	Sector Market Potential	Mining	Oil & Gas	Energy	Telecoms	Transportation	Services	Forest products	Housing & building materials	Agriculture	Environment	Information Technology
Angola		M	H	M	M	M	L	L	M	M	M	M
Botswana		H	L	H	H	H	H	L	M	M	L	H
Burkina Faso		M	L	H	H	M	H	L	M	H	L	H
Cameroon		H	M	H	L	H	H	H	H	M	M	H
Congo (DRC)		H	M	H	M	M	H	H	H	H	H	H
Côte d'Ivoire		H	H	H	M	H	H	M	M	H	H	H
Ethiopia		M	L	M	M	M	L	L	M	M	M	M
Gabon		M	M	H	M	M	H	H	L	L	M	H
Ghana		H	L	H	H	H	H	L	H	L	L	H
Kenya		L	L	H	H	H	H	L	H	M	H	H
Mali		H	L	H	H	H	H	L	H	H	H	L
Niger		H	L	H	H	H	H	L	M	M	M	H
Nigeria		L	H	H	H	H	H	L	H	H	M	H
Mauritius		L	L	L	H	M	M	L	M	M	M	M
Mozambique		H	M	H	H	H	M	M	H	H	M	H
Namibia		H	L	H	H	H	M	L	L	L	L	M
Senegal		M	M	H	H	H	H	L	H	M	H	H
South Africa		H	L	H	H	H	H	L	L	M	M	H
Sudan		L	M	M	M	L	L	L	M	L	L	M
Tanzania		H	M	H	H	M	M	L	H	L	M	H
Uganda		L	L	H	H	H	M	L	M	H	M	M
Zambia		M	L	M	M	M	L	L	M	M	L	M
Zimbabwe		H	L	H	H	H	M	M	H	H	M	H

5. Africa 2015: Looking Ahead for Emerging Opportunities



Cutting Poverty in Half by 2015

The year 2015 has special meaning for many poorer countries. The United Nations has established 2015 as a target to accomplish some very challenging tasks: reducing by half the proportion of the global population living in dire poverty, halting and reversing the spread of AIDS, ensuring all children complete primary school, and eliminating the gender gap at all levels of education.

Many African countries have taken this project to heart, initiating plans like Ghana's "Vision 2020" that parallel these objectives at a national level. Within a decade or two, if current positive economic trends continue, parts of Africa will have experienced considerable growth and invested heavily in those sectors fundamental to sustainable development and poverty reduction. This means that certain exciting opportunities related to infrastructure, privatization, and utilities that are available today or in the next few years will no longer be open in a decade or so.

Looking ahead with an optimistic eye, sustainable peace in areas such as Angola, Democratic Republic of Congo, Eritrea-Ethiopia, and Sierra Leone will increase business opportunities tremendously. All three countries have the natural resources available to support economic development and diversification. With the end of conflict, refugees can be repatriated and emigrants may return, bringing with them skills and capital to help rebuild economies. Areas of instability across borders will disappear, and productive resources can be ploughed back into the economy instead of into military pursuits.

Consider this fact: Angola has maintained very strong economic growth even during the recent resumption of its civil war. If peace were to stick, this oil, diamond, and agriculturally rich country could become an economic powerhouse and breadbasket for the region. Canadian business has to remain alert to changes in the economic and political landscape of Africa over the next few years as conflicts decline and opportunities replace them.

Emerging Sectors for the Next Decade

1) Education - Social spending on education in Africa has been under fiscal pressure for many decades, but it is accepted that the development of human capital is crucial to ensure beneficial integration into the global economy. New initiatives related to increasing access to basic and technical education - especially via the application of new technologies - will provide opportunities for Canadian educational institutions, technology

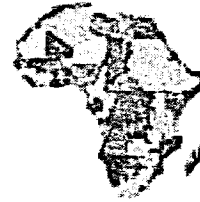
The United Nations has set a goal of cutting poverty in half by 2015.

providers (especially in the fields of wireless data and voice communications, and “learnware” or software development), and distance education specialists.

2) Culture - Cultural exports and linkages with Africa are already established. It is not unusual to watch Canadian-made television programs dubbed into African languages in parts of Africa. Given the low penetration rate of television, let alone computers and the Internet, there will be considerable growth in the broadcast media, as African consumers demand more and better choice of imported cultural products, including books and music.

3) Tourism - Already a significant player in the economy of many African states, tourism still has much potential to generate more employment and visitors in a sustainable manner. Opportunities range from transportation products and services (including airport improvement and airline management services), through construction and natural resource management, to investments in the hospitality industry and provision of world-class telecommunications and IT management systems.

Already a significant player in the economy of many African states, tourism still has much potential to generate more employment and visitors in a sustainable manner.



6. Contacts and Resources

SUB-SAHARAN AFRICA TRADE (GGTT) - OTTAWA

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Weinstein, Ted - Trade Commissioner (613) 944-6586
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Senegal, Sierra Leone, Togo
e-mail: paul-andre.gagnon@dfait-maeci.gc.ca

SUB-SAHARAN
AFRICA TRADE
(GGTT) - OTTAWA

Government and IFI Web Sites

<i>Government and IFI Web Sites</i>	DFAIT's Africa Page	www.dfait-maeci.ca/africa	
	InfoExport - Trade Commissioner Service	www.infoexport.gc.ca	
	International Business Opportunities Centre (IBOC)	www.iboc.gc.ca	
	Canadian International Development Agency (CIDA)	www.acdi-cida.gc.ca	
	CIDA-Industrial Co-operation Division (INC)	www.acdi-cida.gc.ca/inc	
	MERX - Open Bidding Service	www.merx.cebra.com	
	Industry Canada	strategis.gc.ca	
	African Development Bank	www.afdb.org	
	IPANet (privatization information from MIGA)	www.ipanet.net	
	International Finance Corporation (IFC)	www.ifc.org	
	News and Business Information Sites		
	<i>News and Business Information Sites</i>	Mbendi Information for Africa	www.mbendi.co.za
		Jeune Afrique	www.jeuneafrique.com
Strategies		www.scorpian-strategies.com	
Africa News Online		www.africanews.org	
New Africa		www.newafrica.com	
	Zone Franc Web site of West African Economic and Monetary Union (UEMOA)	www.izf.net	



Glossary of Acronyms

AfDB	African Development Bank
CABSA	Canadian Alliance for Business in South Africa
CIDA	Canadian International Development Agency
COMESA	Common Market for Eastern and Southern Africa
DFAIT	Department of Foreign Affairs and International Trade
EAC	East Africa Cooperation (Kenya, Tanzania, Uganda)
ECOWAS	Economic Community of West African States
EDC	Export Development Corporation
FDI	Foreign Direct Investment
FIPA	Foreign Investment Promotion & Protection Agreement
GDP	Gross Domestic Product
IFIs	International Financial Institutions
MIGA	Multilateral Investment Guarantee Agency (World Bank)
OECD	Organization for Economic Cooperation and Development
PEMD	Program for Export Market Development
SADC	Southern African Development Community
SAP	Structural Adjustment Programme (of WB/IMF)
SME	Small- and Medium-sized Enterprises
TICA	Trade and Investment Cooperation Agreement
UN	United Nations

Appendix A - Canadian Firms and Their Access to Private Sector Financing Sources in Africa

The following table of private sector financing sources for project development underlines the near-absence of readily accessible Canadian equity or equity support services. Without access to an operating Canada-based equity fund, the only access for project equity in emerging countries is through funds primarily designed for other countries' firms. These foreign firms are typically larger than Canadian firms normally interested in doing business in Africa.

By far the largest number of Canadian firms targeting Africa are SMEs. The table below demonstrates the low level of funding directed to SMEs, as well as the difficulties they face in developing and bringing projects to fruition through the sole use of existing sources. For the above reasons, developing Canadian sources of financing is necessary to achieve greater Canadian private sector participation in Africa.

While every effort has been made to ensure the accuracy of this information (as of March 2000), the financing environment changes quickly and this information should be used as a guide to further research.

<i>Name of Fund/Institution</i>	<i>Geographic Distribution</i>	<i>SME Access</i>	<i>Type of Services</i>
Direct Project Financing by Regional Development Banks			
Banque ouest-africaine de développement (BOAD)	Regional headquarters in Lomé, Togo, with national antennas in each member country	<i>Average</i> Loans in Communauté française de l'Afrique (CFA) francs only, which obviates foreign exchange risk.	Mid- to long-term loans, equity participation
Development Bank of Southern Africa	Headquartered in Johannesburg; considers projects in Southern Africa	<i>Very limited</i>	Mid- to long-term loans and equity participation
Preferential Trade Area (PTA) Bank (COMESA)	15 COMESA countries are members plus AfDB; based in Nairobi	N/A	Direct loans, equity (rare), and contingent liability financial facilities

Name of Fund/Institution	Geographic Distribution	SME Access	Type of Services
Direct Project Financing by Multilateral Institutions			
<p>International Finance Corporation (IFC) www.ifc.org www.ifc.org/abn</p> <p>Most experienced agency catering to foreign direct investment in developing countries. Follows IFI rules regarding environmental and social requirements. IFC contribution can be as low as \$100,000 US. Local approval for total project costs of up to \$ 5 million US. 25 % maximum participation.</p>	<p>All of Africa; regional representation in Côte d'Ivoire, Cameroon, South Africa, Nigeria; local offices in Ghana, and Senegal</p>	<p><i>Average. SMEs may experience difficulty in providing the detailed information required by IFC.</i></p>	<p>Project equity, lending, debt, equity, guarantees, syndication, foreign exchange risks, placements and advisory services</p>
<p>African Development Bank (AfDB) Private Sector Department www.afdb.org</p>	<p>All of Africa, including Northern Africa, from headquarters in Côte d'Ivoire</p>	<p><i>Limited. Delays may cause management and operational problems to SME promoters.</i></p>	<p>Term lending, equity, quasi-equity, guarantees, loan syndication, guaranteed share price issue</p>
<p>Commonwealth Development Corporation www.cdc.co.uk</p>	<p>All of Africa; regional offices in Côte d'Ivoire and Kenya</p>	<p><i>Limited. Normally supports projects in the US\$5-50 million range, with up to 25% participation.</i></p> <p>Interested in supporting Canadian firms, including SMEs, in entering emerging markets, especially in forestry and mining.</p>	<p>Equity and quasi-equity</p>
<p>Netherlands Development Finance Corporation (FMO)</p>	<p>Less-developed countries</p>	<p>N/A</p>	<p>Loans (90%), equity, guarantees, administration of business programs related to business development</p>

Appendix A - Canadian Firms and Their Access to Private Sector Financing Sources in Africa (con't)

Name of Fund/Institution	Geographic Distribution	SME Access	Type of Services
Investment Funds (existing or under development)			
Framlington Asset Management (U.K.) www.framlington.com www.framlington.co.uk West Africa Growth Fund, based in Abidjan	Regional offices in Abidjan and Cairo; headquartered in London	<i>Average</i> Typically invests in project expansion and not greenfield projects	Invests in private and semi-private firms through equity participation, quasi-capital. IFC, World Bank, and African Development Fund (ADF) are stakeholders.
The AIG African Infrastructure Fund	Based in Washington, D.C.	N/A	To be determined
The Southern Africa Infrastructure Fund	Based in Washington, D.C., with office in Johannesburg	N/A	To be determined; co-financed by AfDB
Modern Africa Growth and Investment Company (MAGIC)	Headquartered in Abidjan	<i>Not suitable</i>	Direct equity investment fund
Southern Africa Enterprise Fund	Based in Johannesburg; covers all Southern Africa	N/A	
FAGACE	Based in Niamey, Niger; covers Niger, Burkina Faso, Centrafrique, Côte d'Ivoire, Rwanda, Senegal, Togo, and Mali	<i>SMEs are a focus, especially with regard to goods and services production.</i>	Equity participation in local and regional entities
Commercial Banks			
HSBC	Throughout Africa through representation offices	N/A	Syndication
COBACI (ex Barclay's Bank)	Regional headquarters in Abidjan	<i>Average</i>	Trade financing as well as equity participation; IFC is a stakeholder.
Ecobank	Largest West African network	<i>Good</i>	Mostly trade financing limited appetite for project financing
Standard Chartered Bank and ABN AMRO are other examples.			

Name of Fund/Institution	Geographic Distribution	SME Access	Type of Services
Guarantees			
Multilateral Investment Guarantee Agency (MIGA) www.miga.org www.ipanet.net www.privatizationlink.com	Headquartered in Washington D.C., with regional offices in Lomé, Togo, and elsewhere	Good	Guarantees against political risk due to fund transfers, expropriation, breach of contract, armed and civil conflicts
FAGACE	Based in Niamey, Niger; covers Niger, Burkina Faso, Centrafrique, Côte d'Ivoire, Rwanda, Senegal, Togo, and Mali	N/A	Mid- and long-term guarantees, interest rate subsidies to lower credit costs
GARI (part of the Banque Ouest Africaine de Développement (BOAD))	Based in Lomé, Togo	N/A	Similar to MIGA's
Export Development Corporation	Ottawa, Canada, with regional offices	Has a team dedicated to SMEs	Similar to MIGA's, plus trade finance, etc.
Credit Guarantee Insurance Corporation of South Africa	Based in Johannesburg	N/A	Similar to MIGA's
Associated Services			
Africa Project Development Facility	Based in Washington, D.C., with offices in Abidjan, Nairobi, Johannesburg, and Harare	Good	Provides services for business plan development, from inception to the presentation to financing bodies
CIDA's Industrial Cooperation Programme (CIDA-INC)	Hull, Québec	For firms with annual business volume above \$1 million/year	Funds various training and joint venture expenses, with the exception of direct investment equity or other participation
Africa Management Services Company (AMSCO) www.icds-amsco.com	All Africa; based in Amsterdam, with regional offices in Ghana, Côte d'Ivoire (Abidjan), and Zimbabwe	Good	Local replacement manager training; provides UN tax-free status to expatriate management
National Professional Training Funds e.g., Fonds de développement de la formation professionnelle (FDFP)	Usually one per country	Good	Funds professional training through a corporate tax based on salary expenditure
EB@S European/ACP Business Assistance Scheme	Based in Brussels; regional office in Abidjan ebas@aviso.ci	New entity (established January 2000) N/A (accessible only to Africa-based partner)	Training and advisory services

Nom du fonds/institution	Portée géographique	Accès pour les PME	Type de services
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Garanties			
Agence multilatérale de garantie des investissements (AMGI) www.miga.org www.ipanet.net www.privatizationlink.com	Siège social à Washington, avec des bureaux régionaux à Lomé, au Togo, et ailleurs.	Bon	Garanties contre les risques politiques liés aux transferts de fonds à l'expropriation, aux ruptures de contrat, aux conflits armés et civils
FAGACE	Établi à Niamey, au Niger, couvre le Niger, le Burkina Faso, la République centrafricaine, la Côte-d'Ivoire, le Rwanda, le Sénégal, le Togo et le Mali.	Inconnu	Garanties à moyen et à long terme, bonification d'intérêts pour abaisser les coûts du crédit
GARI (fait partie de la Banque ouest-africaine de développement).	Établi à Lomé, au Togo	Inconnu	Semblable à l'AMGI
Société pour l'expansion des exportations (SEE) www.edc-see.ca	Ottawa, Canada, avec des bureaux régionaux	A une équipe spécialisée pour les PME.	Semblable à l'AMGI, plus financement du commerce extérieur, etc.
Credit Guarantee Insurance Corporation of South Africa	Établie à Johannesburg	Inconnu	Semblable à l'AMGI
Services Connexes			
Africa Project Development Facility	Établi à Washington, avec des bureaux à Abidjan, Nairobi, Johannesburg et Harare.	Bon	Fournit des services d'élaboration de plans d'affaires, depuis les premières étapes jusqu'à la présentation aux organismes de financement.
Programme de coopération industrielle de l'ACDI PCI-ACDI	Hull, Québec	Pour les entreprises dont le chiffre d'affaires annuel dépasse 1 million de dollars par année.	Finance diverses dépenses de formation et de coentreprises, sauf la participation directe au capital ou d'autres formes de participation.
Africa Management Services Company (AMSCO) www.icds-amSCO.com	Toute l'Afrique Établie à Amsterdam, avec des bureaux régionaux au Ghana, à Abidjan, au Zimbabwe.	Bon	Formation de gestionnaires locaux, les gestionnaires étrangers sont exonérés d'impôt puisqu'il s'agit d'un programme financé en partie par les Nations Unies.
Fonds de formation professionnelle nationaux p. ex. Fonds de développement de la formation professionnelle (FDFP).	Habituellement un par pays	Bon	Finance la formation professionnelle par une charge sociale basée sur la masse salariale.
EB@S European/ACP Business Assistance Scheme	Établi à Bruxelles, bureau régional à Abidjan ebas@aviso.ci	Nouvelle entité constituée en janvier 2000 - Inconnu (accessible uniquement au partenaire africain)	Formation et services consultatifs