

NWX-DEPT OF COMM-ITA

Moderator: Joe Holecko
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9:00 am ET

Coordinator: Thank you all for standing by and welcome to today's conference call. Your lines will be open at the beginning of the conference for roll call and then we will be muting the phone lines, which your lines will be placed on listen only until the question and answer portion of our call. At which time, you will be prompted to press star one on your touch tone phone.

Please ensure that your line is unmuted and please record your name so that I may introduce you to ask your question. Our conference is being recorded, and if you have any objections you may disconnect at this time. I will now turn the conference over to our host Mr. Joe Holecko. Sir, you may proceed.

Joe Holecko: Thanks very much. All right, good morning everyone and thanks for joining us. I'd like to ask that we just go around and all of our members of the Council as well as any of our interagency colleagues with a speaking role. If we could just do a roll call very quickly to see who we have on the call.

Good morning. (Rhonda White) from (unintelligible).

Jack Leslie Jack Leslie from Weber Shandwick.

((Crosstalk))

Bill Killeen: Bill Killeen from Acrow Bridge.

Dow Wilson: Dow Wilson from Varian Medical Systems.

Kimberly Brown: Kimberly Brown, Amethyst Technologies.

Ed Mathias: Ed Mathias from the Carlyle Group.

((Crosstalk))

Denise Johnson: Denise Johnson from Caterpillar.

Diane Hoskins: Diane Hoskins from Gensler.

Jay Ireland: Jay Ireland from GE.

Andrew Patterson: Andrew...

((Crosstalk))

Oren E. Whyche-Shaw: Oren Whyche-Shaw from the U.S. Agency for International
Development.

Peter Barlerin: This is Peter Barlerin from the Department of State.

Laura Lane: Hi, this is Laura Lane from UPS.

Joe Holecko: Great. Is there anyone we missed?

Man 2: Yes. (Unintelligible) from U.S. Customs.

Bennett Harman: Bennett Harman from U.S.TR.

Takreem El-Tohamy : I'm not sure if you heard me earlier, Takreem from IBM.

Joe Holecko: All right, last call, anyone else? Great, with that...

Mimi Almayehou: Hi, this is Mimi Almayehou from Black Rhino Group. Not sure if you heard me earlier.

Joe Holecko: Yes, thanks. Good morning Mimi.

Andrew Torre: And Andrew Torre from Visa. I'm not sure if you heard me earlier either.

Joe Holecko: Great. Thank you Andrew. All right. With that, I'd like to go ahead and turn it over to Holly Vineyard from the Department of Commerce.

Holly Vineyard: Thank you. Thank you very much Joe, and to your team for making all of the organizational efforts to get us together for this call today. We're here at a very exciting moment.

Last night, the president confirmed Wilbur Ross to be our next Secretary of Commerce. And we expect his swearing in will happen imminently. So, unfortunately, he's not able to join this call with us today, but we're very helpful that we will have him on board any moment now.

It gives me great pleasure to have the chance to introduce Ken Hyatt, who's our acting Under Secretary for the International Trade Administration. Ken comes to us with a regional as well as sectoral expertise. And I think he's great for being able to talk to us about how we are going forward with this very exciting advisory council, for doing business in Africa.

We're very pleased to see this great response that we had to the federal register to put together the new president's advisor council in doing business in Africa. And I really appreciate the time and the expertise that you all bring to bear for this effort.

I'm also very happy to announce that we have a new DAS for Africa and the Middle East. Skip Jones is with us here today as well. And so without further ado, I'd like to turn this over to Ken Hyatt.

Ken Hyatt: Great, great. Good morning all. It's great to be here with such a distinguished and diverse group of individuals from the private sector. I look forward... I know some of you, and I look forward to getting a chance to meet you all in person at the next council meeting.

As you heard, there are colleagues from other U.S. agencies on this call. And it is our shared work to support you as we work to enhance commercial engagement in Africa. And like me and like the team that is sitting around the table here at commerce, we're eager to hear from you and work closely with you to develop innovative ways to strengthen the ties between the U.S. and Africa by improving project sector connections.

You know, there's been success all ready from PAC-DBIA, the U.S. Africa roadshow. Our engagement in involving supply chain efficiency. We're

working currently to launch the U.S.-Nigeria Commercial Dialogue. And these are all recommendations and the result of PAC-DBIA recommendations.

So, I know that we're all interested in receiving this letter and then working to see what we can implement and how we can implement going forward. I heard most of the colleagues on the call, but I hope that we have... I heard Oren Whyche-Shaw from U.S.AID, I heard Peter Barlerin from the state department, and Drew Quinn from the National Security Council may or may not be on the call. But we'll sort of work that over the next, the little bit.

As Holly said, Wilbur Ross was confirmed last night and we expect the swearing in at some point today. And he would have liked to have been here. But, you know, as I was going back through his testimony he talked explicitly about Africa.

And I'm quoting here, "It's almost impossible to imagine ignoring such a large continent with such rapid growth to it, with such strategic importance and potentially such economic importance. There's clearly a role for us to play in Africa."

And you know, we are, we will work with you to help realize that. And I think everyone on this call recognizes the opportunities that are in Africa. And also, the competition in Africa, the competition that we're facing.

I'm a long-term private sector person and I sort of start with a core view around we have to compete and we have to work to win. Lots of countries are there. Saudi Arabia, Malaysia, Turkey, India, Japan, and most notably China who have filled a vacuum.

And it's again our share challenge I think to do what we can to help the U.S. private sector realize opportunities that are in Africa lead to exports, lead to good American jobs going forward. So, I look forward to working with you. I will deliver the letter you are deliberating to the secretary within the next couple of days, right, as soon as I'm able to meet him assuming swearing in today.

I encourage you to work with our interagency colleagues, Joe Holecko as your Designated Federal Officer point of contact to make everything work. But thank you in advance for contributions. Look forward to working with you going forward.

And I don't know if Drew is here. And if Drew is not here, maybe we should go to Oren, but I don't know. Drew are you on the call? Then maybe we go to Oren. And I understood you were going to say a few words as well. So, again, to the companies on the call, we stand ready to work with you to realize these opportunities.

Oren Whyche-Shaw): Thank you Ken. And thank you Department of Commerce and PAC-DBIA for giving me the opportunity to speak to such distinguished private sector leaders.

The U.S. Agency for International Development is deeply committed to having a positive impact of Africa's future. While simultaneously promoting U.S. interests and advancing the continents integration into the global community. We have been fortunate to have had strong support for the work of the agency and the recognition of AIDS positive impact on economic, social, and humanitarian efforts throughout the world and specifically in Africa.

We appreciate all the recommendations that the PAC-DBIA has made. And I would like to specifically address energy availability briefly, and trade facilitation. The electrify Africa act passed both houses of congress unanimously across both parties in the signed inter law in February 2016.

Power Africa has supported private sector companies to bring electricity to 8.8 million homes and businesses. That's approximately 44 million people who have access to electricity today, who did not have access in 2013.

Many in this group, in the PAC-DBIA, are familiar with that success. All told, power Africa has now forged partnerships with over 130 private sector companies, development organizations, and technical institutions.

In the trade facilitation arena, we have partnered with the private sector to advocate for reduction in the time and cost to trade across the continent to our trade and investment hubs. And to implement the world trade organization's trade facilitation agreement through the global alliance trade facilitation. This work is good for Africa. This work is good for U.S. business.

We look forward to further discussions and strong private sector partnerships in the near future. And the PAC-DBIA affords us a strategic platform to do so. Thank you.

Joe Holecko: Great. And now we'll hear from Peter Barlerin. Peter are you on the line?

Peter Barlerin: Thanks. Yes, I'm here. Can you hear me?

Joe Holecko: Yes.

Peter Barlerin: Yes, thanks very much for giving me the opportunity to speak. Unfortunately, I'm not going to be able to stay on, but I have my colleagues here who are going to listen in and take notes. We really appreciate the role of PAC-DBIA. And the work that's been done so far to date. And it's nice to hear all these familiar voices on the phone. And I really look forward to seeing you soon.

You've been strong and great partners for American companies, yourselves obviously also. But for American companies interested in getting to know Africa and to do business in Africa.

I think it's a plain and hard fact that U.S. firms are really not taking advantage of the opportunities that exist in Africa thus far. I note that like the previous year in 2016, U.S. exports to Africa declined significantly and we're a small fraction of what the EU and China exports for example, to the continent.

So, in that regard, I mean we can't force... we can lead a horse to water, but you can't make him drink. We really want to try to find ways to encourage new companies to get interested in exporting to Africa and doing business with Africa. And I really want to thank the council for your recommendations past and going forward.

I would say that corruption remains a big concern in many countries as reflected in the world banks doing business report. And we've seen over the course of the previous year, significant increases in the successes of African countries followed by somewhat of a leveling off.

In terms of African exports to the United States oil and mineral dependent countries like Nigeria, South Africa, Angola, and the DRC have seen their export revenues go down significantly. But, I think those are going to be coming back up as commodity prices rise.

And it's not to be overlooked that although exports to Africa fell significantly over the last two years. There are a number of countries that are pretty dynamic, growing in the 6% to 8% range, like Cote d'Ivoire, Ethiopia, Kenya, and Rwanda, that are growing rapidly. And are enjoying a growing middle class that are markets for the United States and other countries.

So, just want to say thank you again for allowing me to participate and note that we're really still very optimistic about the dynamism of Africa's young entrepreneurs. And note that throughout sub-Saharan Africa, the private sector is leading sustainable growth. And U.S. companies like yourselves, can develop profitable relationships with this dynamic sector. So, thank you very much.

Joe Holecko: All right, thanks Peter. I just wanted to check one last time to see if we had Drew Quinn on the line. Okay, unfortunately, I guess he's not able to join us. If we're able to get him later, maybe we'll integrate him into the call.

So, at this point I'd just like to turn it over to the Chair, Jay Ireland. Jay, the floor is yours.

Jay Ireland: Okay, thanks so much. Hello everybody and welcome to the Council. As you know, this is the second iteration if you will of the Council. There's a number of us that were served on the first PAC-DBIA over the last three years. And look forward to continuing our efforts.

And to the new people on the committee, welcome. We look forward to working with you and continuing our efforts in promoting trade and exports and economic growth in Africa and to Africa. So, we look forward to that.

I want to thank you for taking the time and effort that will be required over the next few years in this. It is a rewarding experience and I believe that it does make a difference. As I look forward to really taking this to the next level.

I think you all know about Africa and I want to preach to the choir. The growth potential, et cetera, you heard from Ken also about the competitive aspect as well and... which is also changing here on the continent as we speak. And even though there is a lot of press and talk about falling economic activity in some of the resource countries, there is a lot of growth as you just heard from Peter and some of the other countries.

But I could still tell you that there's still a lot of growth even in Nigeria, Angola, South Africa, the ones that are struggling the most from a standpoint of economic growth. I think it's, the infrastructure needs are huge across all of the businesses that we are in.

And I think that we, as a group as well as businesses can find a lot growth and a lot of value in Africa. So, I look forward to working with the U.S. government and all of you, into really promoting that. And moving us forward.

The other thing I'd like to say is, as you know, you've seen the recommendations from the prior Council, some have been enacted as you already heard. And we're going to enact those as we go forward and work with them.

But also, it would be great on this time, is to really focus in on some of the areas that we'll be talking about shortly. And really drive some real accountable actions that we can all take to really continue to further our efforts for the African continent as far as the growth goes.

So, with that, I'm going to turn it over to Laura who will work with, and talk about the subcommittees. But again, I thank all of you for working on this with us. And look forward to meeting those of you I do not know, which aren't many. And again, hopefully hosting many of us on a trip here in Africa as well. So, Laura.

Laura Lane: Thank you Jay. Let me just start by saying how much I really look forward to partnering with you on the Council. Because you and GE have always demonstrated this really genuine commitment to Africa. And so, I will say it, we are very fortunate to have you at the helm of this council.

I'm also really excited about the opportunity to work alongside all of the really impressive executives who've been appointed to serve, you know, companies large and small and across all these multiple sectors. As many of you know, UPS is a new member of the Council. And from our perspective we see a lot of opportunities to advance the commercial interests of all the companies that are increasingly seeing Africa as a promising growth market.

And finally, I really look forward to working in partnership with the commerce department and with all the Africa experts that we have across the U.S. government. So that we can work together to underscore the importance of the U.S. relationship with Africa.

Just by way of brief personal introduction. At UPS I head the global team of public affairs professionals, advancing the interest of our company around the world. And that does include the African continent.

Prior to that, I directed the day to day advocacy efforts of Citigroup's international government affairs. And before that, represented Time Warner in

advancing the company's international interests. I've also worked in government. So, including as a U.S. trade negotiator and as a Foreign Service Officer.

And Africa has been of tremendous importance to me both personally and professionally. Given my time as a Foreign Service Officer at the American Embassy in Kigali, Rwanda during the time of the genocide.

And while that was clearly a life changing part of my past, today I see Africa and the continent as a place of incredible opportunity. And in fact, I'm going to share with you all I was able to finally turn the page on a new chapter with Rwanda for me personally when I was able to return to the country last year.

To be part of the UPS launch of a new drone service that delivers blood to clinics across the country. Helping to save the lives of many of the woman who might otherwise have died due to postpartum hemorrhaging.

And so, I really look forward to working with everyone to identify opportunities for all of us to make that difference in Africa. Through the contributions of our products, our services, and most importantly our ideas on good policies to advance.

We're going to turn next to the next part of the agenda, the subcommittee reports. Where each chair is being asked to give a read out of the work of their respective subcommittee. And I want to just note up front that Martin Richenhagen as a CEO and president and chairman of AGCO Corporation and chairman of the council's trade integration subcommittee, he was unable to join the call today, so I'll be delivering that report in his absence.

So, let's go ahead and start by turning the floor over to the energy subcommittee chair, Miss Mimi Almayehou, the managing director of Black Rhino Group and executive advisor in chair, Blackstone Africa infrastructure. And forgive me, Mimi, if I butchered your last name, it's a beautiful last name.

Mimi Almayehou: Thank you, Laura. You're not the first, so no worries about that. Greetings everyone from Dakar, Senegal.

I have the pleasure of chairing this energy committee. I think I may seem a little bit bias, but I strongly believe this is one sector where the U.S. and African countries can really benefit tremendously from an increased engagement.

There are over, as you all know, 600 million Africans that have no access to electricity. And the U.S. is also home to some of the most advanced technologies in this space.

And in addition, there are a lot of American financial and strategic investors, particularly currently whom the African energy space, I believe represents a tremendous opportunity. And lucky for us, I think there's also been bipartisan support for programs such as Power Africa, which have increased the level of support to U.S. developers including Black Rhino, exploring investments in the energy sector.

So, I want to thank also, everyone in the committee. I understand from my colleague Patrick, on our side there's been a lot of input from all of you on the committee. That has put forward a very robust, as Jay said, list of actual action items. Some of which are referenced in the agreed paragraph that appears in

the energy section. But I think it can, you know, further be elaborated as the work of the subcommittee going forward.

Therefore, the agreed language as a priority of the committee is the following. And I was told that I'm reading this as written. I believe you have it in front of you. And there's a lot of input behind this.

As U.S. trade with African countries continues to rise and American companies increasingly look to secure business opportunities throughout the continent. Energy availability and energy reliability in particular will play a center role in determining what U.S. African investments and partnerships are more successful.

The U.S. government, through Power Africa and other initiatives, has and can continue to contribute to positive energy sector of one. And transformation underway in multiple African countries.

By helping to improve regulatory regimes and public utilities to incentivize investments in energy, championing many grid systems in rural areas. And promoting measures to lower the cost of energy, particularly in regions of high economic growth. American companies will be able to turn opportunity into bottom line again.

And at this point, I would like to introduce the next person on the finance committee chair, Fred Sisson, I hope I'm not butchering your last name, Synnove Energy.

Fred Sisson: Thank you Mimi. No, you actually got the name right on. I'm actually presenting the finance committee's readout on behalf of our chair, Peter

Grauer from Bloomberg who wasn't able to make the meeting because of a conflict.

So, hopefully I'm representing the subcommittee's views. As I was pretty involved in the discussions around it. Generally, the objective of the finance committee was really to make it easier for U.S. products and services to find African customers.

Generally, the biggest constraint for the, for U.S. products and services, making it into the African customer's hands, is linked to financing activities. Capital markets within many of these nations are fairly new. Although there's strong economic growth in these areas, these countries have enthusiastic banks and the beginnings of an understanding of a finance sector, but they often need help in resources.

So, in that way, the paragraph that we've crafted really focuses on how finance can facilitate U.S. products and services more easily penetrating these different markets for different purchases. So, in that light, let me actually just read word for word, the finance committee's paragraph. And then we'll move beyond.

There are substantial opportunities for U.S. businesses to export products and services. However, gaps in finance can harm the competitive positioning. American companies would benefit from U.S. agencies and nongovernmental organizations partnering with local African banks to create risk pooling programs to support export financing.

Local banks are often more familiar and better able to address local risk, a lack liquidity to participate in large infrastructure products. Creating platforms linked with U.S. products and services to help African small businesses gain

access to capital to create a substantial marketplace for U.S. products and services.

To support capital formation, the Department of Commerce can facilitate technical assistance programs in Africa to develop electronic capital markets. The Department of Commerce and the U.S. Trade and Development Agency should continue to organize trade and reverse trade missions that are co-funded by qualified U.S. private sector firms. And focus on the promotion of U.S. products and services that fit within the funding programs above.

On that note, I'd like to introduce the next subcommittee readout and chair, Andrew Patterson.

Andrew Patterson: Thank you. I'm Andrew Patterson, the regional president for Bechtel. One of the things that Bechtel's looked at recently is really if you want to be doing business in Africa, is needing to have a permanent presence. I mean GE, prime example of the effort they've done over the years of being based here in Nairobi.

So, we've actually decided to open up a corporate office here. I think that's going to be a key element to U.S. companies really supporting the market, looking at infrastructure projects and working together with the local government, local contractors, as well as working together with U.S. government.

So, I think that's one of the things that the committee really needs to be looking at, is how we can encourage you as a company to actually be based here. Instead of just flying in and flying out.

The Africa market, as we all know, is enormous. They have a need of over 90 billion a year in infrastructure projects alone. And when you look at the infrastructure projects, from the rail supports, the highways, and even looking at what Mimi's group is, power and energy.

Those are all the backbones of the infrastructure that's needed to really grow the market to where people will think it's going to go, and ultimately will go. And without getting those base infrastructures in and up to high quality standards, it's going to be very hard for that big content to get to the potential it needs and address some of the issues that they have.

There is no doubt we all know the aggressive approach from the Chinese. I mean they are working, spending the time, building relationships, being on the ground. And they work very closely with their governments, as well as the individual companies spending the energy here.

So, it's not just what we say is the Chinese government, it is Chinese companies coming in and working. And I think as U.S. companies, we need to be looking at the same thing, as looking at investing and spending those resources.

And if we're able to work together with the U.S. governments or agencies, and really look at how we can help contribute to this, we will be positioning for that economic growth. And that's (unintelligible) talk about the infrastructure side, it's really if we don't get into it now, our technologies, our equipment, our standards won't be the basis of what the African market and the individual countries will know.

And they'll be looking to other countries and other standards. Which will ultimately put us behind. I think that's quite critical as we look forward.

So, I'm new to the PAC-DBIA, I'm looking forward to working together with everyone. I'm looking forward to leading the infrastructure committee and working with the other committees. Because really, they're all tied together on building U.S. presence and supporting the economic growth of the African continent. As well as the economic growth of the U.S. and those companies.

But I look forward to our next meeting. And when we're going to be sitting in one place and actually able to work through these things. On that note, I'll turn it over to the technology subcommittee, with (Jehiel Oliver).

Jehiel Oliver: Thanks Andrew. And it's my pleasure, as tech subcommittee chair to discuss with participants on the call what recommendations we've come up with in the last few months. And also, thank the staff representatives for the fantastic work they've been doing in moving the conversation forward.

What excites me most about the technology committee is that there's so much overlap with the other committees. Specifically, the technology can be used as a sort of glue or support mechanism to bring all of these recommendations together.

As we all know, technology provides the digital infrastructure for improved decision making and transparency and process improvement. And the best example of this in our work is how we connect farm equipment to the cloud to improve asset output. And similar to (unintelligible) other industries.

In areas like energy, one of the biggest challenges at least in Nigeria is an effective, an efficient bill collection. And this touches on your point, Andrew. Just under half of the energy consumed in the country isn't collected on.

Which creates some real challenges for power distribution companies to scale and meet that growing demand that we all discussed in Nigeria.

And the digitization of these collection efforts, through the mobile block chain innovations can really help solve many of these issues. And in fact, there are companies already operating in these areas. Companies like PosiTech born out of Silicon Valley addressing these issues. And this cuts across the recommendations just mentioned.

So, with digital infrastructure being discussed, has proven to be quite the landing ground for variety of U.S. goods and services entering into the African marketplace. And this was the thinking that fueled many of the recommendations from the technology committee.

The agreed upon language coming out the technology committee is as follows. Africa represents a huge potential market for U.S. firms. To identify and promote technology infused solutions that transform lives and spark new business opportunities in areas such as agriculture, energy, transportation, healthcare, financial services, education, and government.

However, only 26% of Africa's population is connected to the internet. This is holding back people who want to become the consumers of U.S. goods and services.

The U.S. government can support widespread access to internet connectivity and (unintelligible) infrastructure. And urge African government counterparts to ensure open and competitive policy and regulatory frameworks that support new technologies, electronic capital markets, and initiatives to enable greater access to financial services including T-Mobile.

So, with that, I'd now like to turn it back over to Laura Lane for the Trade Integration subcommittee.

Laura Lane: Thanks Jehiel. As I mentioned, I'm delivering the report on behalf of the CEO of AGCO, Martin Richenhagen, who chairs the trade integration subcommittee. And the subcommittee members include AGCO, Bechtel, IBM, Shea Yeleen, and UPS.

And so, let me go ahead and read Martin's statement. Dear PAC-DBIA members and staff representatives. Dear U.S. government friends and to all of those listening, good morning. I apologize for not being able to deliver my remarks in person regarding the extensive work done by the trade facilitation subcommittee. And he's going to thank me for agreeing to share my remarks with you all.

Our subcommittee worked extensively, not just on identifying obstacles to trade with and within Africa, but in highlighting solutions that could be implemented in the near future. Without reinventing the wheel, or coming up with ideas without funding to support them.

For instance, the WTO trade facilitation agreement that was ratified just last week on February 22nd, would be a formidable tool to use fully implemented. This agreement seeks to expedite the movement, release, and clearance of goods across borders.

It's fully implemented. The TFA would reduce trade cost, reduce the time needed to import and export goods. Boost trade and create millions of jobs.

Some of the TFA's provisions worth mentioning include improvements in the availability and publication of information about cross border procedures and

practices. Improved appeal rights for traders, reduced fees and formalities connected with the import and export of goods. Faster clearance procedures and enhanced conditions for freedom of transit for goods.

In this context, it's important to support countries in need of assistance to reach the level of full implementation. And this is where the U.S. government can play a critical role in supporting the countries that need help to reach that level.

Similarly, the United States has only one free trade agreement with any of the countries on the African continent. And that's with Morocco. In light of recent declarations by the administration to put greater emphasis on bilateral agreements, there's no better time than now to push Africa on the front stage. To foster greater trade collaboration with countries that represent truly formidable markets.

Last but not least, we emphasize again, the importance of cross border trade and the need to keep supporting the breakdown of self-imposed barriers that block, delay, or increase the cost of the transit of goods through customs. Africa is comprised of 54 countries, not all of which are large markets.

The creation and successful operation of regional markets can raise the attractiveness of smaller countries. And open them to small and medium sized enterprises that are the backbone of job creation.

Africa's been waiting for a long time to see more U.S. commercial engagement. Now is the time to make it happen. And the more we wait, the more we will see other countries take advantage of the opportunities. Making it harder for U.S. companies to work in with and for Africa. Thank you from Martin.

And I'm just going to briefly add to his comments. The subcommittee is really focused on the policies that take time, cost, and complexity out of trade. And so, we see lots of opportunities to bring down trade transaction costs in Africa. By really automating the customs procedures, minimizing those burdens, some documentation requirements, and making customs regulations more transparent.

Focusing on just those sets of issues could really unleash a lot of market opportunities for those companies operating in Africa. And engaged in that cross-border trade. So, really excited because we've got some tremendous momentum with the WTO trade facilitation agreement finally having gotten across the finish line.

And so, there's a lot of possibilities that I think we as a subcommittee and as a larger group can really advance and further progress with. So, and let me now turn it over to Dow Wilson of Varian Medical Systems to provide the skills development subcommittee report?

Dow Wilson: Thanks Laura. Just briefly, you know, clearly in terms of the problem here as we all sell product into Africa. One of the big challenges along with other technical and financing and infrastructure issues is the development of a good workforce to support the development. This is a primary obstacle that many of us have.

For example, in my business, if we sell a, you know, cancer treating accelerator we need physicians for this, technicians, nurses to support such equipment. This is just one example.

And the U.S. government has an opportunity across industries to close these kind of skill gaps, help bolster U.S. competitiveness. And realign locational and technical training to match our needs.

Last year, we made a number of recommendations in this area. Including bolstering existing U.S. government training programs, refocusing efforts on market needs. We recognize the USTDA's expertise in this area. And recommend that additional resources be provided for training.

And we specifically looked at some of the workforce skill gaps in healthcare and directive USAID to prioritize development initiatives there. To improve collaboration across agencies. And to work with governments to develop curricula. And then we also tried to leverage successful private sector training initiatives to develop training PPP's.

As we look forward, you know, I think our recommendations for the PAC-DBIA will focus on strengthening skill and development by the following. One, expand the focus beyond healthcare to specific industries to identify training initiatives with the highest potential impact.

Two, increase collaboration between U.S. government and African governments to enhance curricula to match current market needs. Three, continue our productive dialogue with USTDA to expand education and technical training programs in Africa. That's, I think, been a good thing going. And we want to continue to expand that.

And four, collaborate with the Department of Labor and Education and develop locational and technical training curricula's. And best practices that can be applied to African markets.

Again, just with a note that along with financing technology, there's several other issues we have still at development. And it continues to be an issue. And one that we think we can work on together to help solve.

Thanks. And with that, I'll turn it back over to Jay.

Jay Ireland: Thanks Dow, appreciate it. So, now we have one formal vote that we'll be taking and will be... and it's on these, the letter to President Trump. As this is the first meeting that we've had. And then we were also put in place, if you will, prior to the election.

We thought it would be a good thing to highlight to the president, some of the issues that we see, some of the things that you guys mentioned in each one of the subcommittees. And as you can see on the letter to him, that we talk about the potential of Africa, the issues in Africa, some of the things that we feel that we can add value to. Obviously, as I said, the subcommittee reports will be attached and appended to the letter.

And then also, about the competition that we face. And then hopefully that recommending that we have the Secretary of Commerce or his designee join us on a fact-finding mission to some African countries that we feel will be most beneficial to continue to enhance U.S., Africa interactions.

So, I'm not going to read the letter. I think you all have it. I am opening it up for deliberation now. So, when you do want to speak, could you please state your name and organization as we go forward when you contribute, okay? So, I will now turn it back over to all of you for anyone that would like to make a comment.

Jack Leslie: Jack Leslie.

Jay Ireland: Okay, Jack.

Jack Leslie: Hi there. Thanks, it's Jack Leslie, I'm a new member. Though I know I think a number of you. And I'll just first say I think the letter makes a very, very strong case for business opportunities in Africa and I fully support it.

But, and I know there's probably not a great appetite on this call to wade in the controversy. But I really feel compelled to express a concern about the White House budget on major cuts in foreign assistance. Oren pointed out at the beginning of this call, foreign assistance does have a real impact on the business climate in Africa. Whether it's in energy as you know, Jay, or in agricultural assistance.

And I would have mentioned this in the earlier phases, I know the staff was drafting this. But as you all know, this is kind of an issue that's more recently come to the floor.

So, if it's possible, I'd like to have some language to that effect. It can be positive language about the important benefit of spending less than 1% of the budget on foreign assistance. But if there is no consensus, Jay, I'd at least like to be on the record of having raised that issue.

Jay Ireland: Okay, all right. Thanks Jack. I'm not sure. We'll see how the vote goes, et cetera. Anyone else?

Bill Killeen: Bill Killeen.

Andrew Patterson: This is Andrew.

Jay Ireland: All right, Bill, why don't you go ahead. And then Andrew.

Bill Killeen: Okay. Just specifically, Jay, about the finance section. We seem to be avoiding the topic of the reauthorization of EXIM Bank within that paragraph. And I'm wondering if there's good reason for that. Because personally, I'm finding that competitors from Europe if anything are working with reinvigorated EXIM support banks. And here we are basically paralyzed right now.

So, should be we adding something about the reauthorizing EXIM bank into the finance section. Because I think it's great that we use these small African banks as is outlined in that paragraph. But it's still an important cog for me at least in the wheel to be able to walk into a government agency and say that we have the support of EXIM Bank USA to provide guarantees.

Jay Ireland: Okay.

Fred Sisson: Jay, I could... this is Fred from Synnove Energy. I can maybe help answer that?

Jay Ireland: Yes, please do.

Fred Sisson: EXIM was actually one of the items that came up early on in the conversation with reference to this paragraph. But we decided that given that we don't know the objectives of Secretary Ross and the new administration around EXIM. Because EXIM is a bit contentious, there's... some in congress don't support it, others do. There's been some indications of support coming from the new administration.

We thought that it would be more important to focus on the objectives as opposed to a specific agency. And then allow us time to cure what the feedback is related to that agency.

Bill Killeen: Okay. Well, that adds a lot of clarity, Fred. Thank you.

Jay Ireland: Okay, thanks Fred. Andrew, yes, I think you had your...

Andrew Patterson: Yes, thank you, thanks Jay. So, I'm reading through the letter again. I mean, it really hits all the key points, and I think it's overall a positive letter. On the first paragraph when we talked about the few unsaturated markets left in the world, I'm wondering if it's... reading again, if it's worth highlighting the point that not only (unintelligible) there's no real regional companies that are up to the standards.

So, the African nations are forced to turn to international markets. So, if you go into Asia, you go into Latin America, especially in Europe, there are all these regional local players that can actually deliver on any one of these key things, where this is a major gap for them.

So, I was wondering if it's worth strengthening the message up. So, there isn't the regional support, so they're forced, or they're really looking for the support of other international companies to come in and help out.

Jay Ireland: Okay, okay. Any comments on that specific comment? Yes, Andrew. I guess from my perspective, again Jay Ireland, I think you do make a point. I don't know if I fully agree with you, but based on experience here in some of the areas. And I think it's more around, again, highlighting what we can do from a U.S. potential into the, you know, the demographic aspect of what Africa provides.

So, I think you make a good point. I think it's something that we should talk about in each one of the subcommittees. As, you know, we look at in some cases, partnering with some of those companies as well to strengthen them and or increase our footprint.

Laura Lane: Jay, this is Laura. Can I just add a comment to the one that Jack made at the very outset?

Jay Ireland: Yes.

Laura Lane: I would just... Jack, I want you to know, I mean UPS completely agrees, you know, that... about the critical importance of foreign aid funding. And in fact, we're members of the U.S. Global Leadership Coalition. It really does do a lot of advocacy work on the importance of U.S., the U.S. providing meaningful aid to countries overseas.

And the value that that brings across a number of fronts, cultural, you know, societal, economic, as well as from a full military-security perspective. And so, stating that complete agreement about that importance.

The thinking was that maybe as we do our fact-finding mission, we can come back then and say here's where targeted funding needs to be allocated. Because, you know, advocating for blanket aid sometimes without the specificity of the targeted programs that would be supported, you know, undercuts the arguments for why that aid is so essential.

So, I think specifically in the area of trade facilitation where there's so many countries that really need that technical assistance to really bring their customs processes to that higher standard. And being able to provide that, those

concrete examples of where a commitment of U.S. funding and technical assistance could make that difference to grow U.S. exports and support job creation and economic development I think would be very powerful.

And so, from my thinking, I thought the opportunity would come down the road, to talk about the specific areas where additional U.S. funding support and technical assistance could come to play. Woven into the specific work of each of the subcommittees.

So, we're going to make the broader case, you know, through some of the other advocacy efforts we're doing. But in the context of this council, I think it'd be valuable to give the specific examples as we develop them.

Jahiel Oliver: This is Jahiel from Hello Tractor. And I wanted to piggyback off of Laura's remarks and also speak to Jack's comments. Because we, Hello Tractor wholeheartedly agreed with that position. And have benefited from (unintelligible). Foreign assistance, if you think about some of these markets in sub-Saharan Africa and the substantial de-risking that needs to take place for companies small and large to thrive. Foreign assistance often times plays that role.

And in the develop markets you have early stage investment, you have (unintelligible) that step in to help de-risk that market and do the exploratory look. But in sub-Saharan Africa, in many instances that capital isn't available. And foreign assistance has done a great job of stepping in and creating that enabling environment.

And so, we also wanted to endorse those comments. Because from a small business perspective, that type of funding is critically important. And if you think about the role small businesses play, they create that foundation for the

larger businesses to step in and really expand on that early exploratory work. So, it almost makes an exponential effect. And then a flat, you know, development dollars are applied correctly.

Jay Ireland: Okay, anyone else?

Jack Leslie: Jack Leslie.

Jay Ireland: Yes, go ahead Jack.

Jack Leslie: So, I just, I wanted to respond to that. And Laura, I know we share the same position on this. Liz Schroyer at GLC is a good friend. And you may know I chair USAID's Advisory Committee On Voluntary Foreign Aid.

So, it was probably forward on conclusion that I make this remark. I take your point about now having a blanket sort of endorsement of all foreign assistance. And it will be very helpful after a trip to point out specific areas. I'm concerned about the timing frankly. I don't know when the trip will take place, but this is moving and will move fairly quickly through Congress.

And, you know, I think what I'd look for if it's possible, and again if it's not I understand. But is some general acknowledgement in the letter that foreign assistance is an important part, especially in Africa, of the United States role and of creating better business climates.

Mimi Almayehou: Hi, this is Mimi Almayehou from Black Rhino. And I would definitely support Jack Leslie's point on this as well. I know a couple years ago, the commerce department commercial officer's funding was cut. And the African Development Bank, for example, where I used to be a U.S. Chair on there, lost their Commercial Officer.

And it took a while to get that funding back. And to get those people into place. And I think, you know, the United States is already starting from a very low point of 1% of its budget going to foreign assistance.

So, I think there would be a way to phrase that. And, you know, without really highlighting one program. Or rather to say that, you know, we strongly support a very strong, you know, foreign assistance diplomacy to make the commercial (unintelligible) and buying that, you know, better for the United States.

And the timing, as Jack said, it's being discussed right now. So, I think if we were to wait for trade mission or something to gather more stuff on this, we might (unintelligible) about.

Ed Mathias: Jay, it's Ed Mathias. I mean, I wonder if we ought to really be sure what our mission is. Which is not to kind of deal with these broad problems, it's really to focus on Africa. And I think if we drift away, that raises some issues. And it sort of weakens our arguments.

Jay Ireland: Okay, yes. Anyone else?

Fred Sisson: Jay, this is Fred. Yes, this is Fred Sisson again. You know, one of the things that we need to be careful of is within the body of the letter we're talking about our U.S. market share. As compared to EU exports, Chinese exports, and then U.S. exports.

One of the... if we're including trade assistance, you know, we're using that on the backbone of past success. It may seem that it contradicts with the, with what I'm seeing in the letter. Although I see the need and I, And Synnove

benefits from the effects of trade assistance. When you're reading this letter though, it may not be apparent that it was successful.

Laura Lane: Hey Jay, it's Laura. What do you guys think about this then? To try to weave in all the different ideas that have been put forward. What about in the fourth paragraph, the one that begins commercial engagement, where we add in commercial engagement with sub-Saharan Africa. Including robust, diplomatic, and development programs, is a strategic prior opportunity for the United States. That is too significant to ignore.

Or through robust diplomatic and development programs. It then refers to the three-pronged approach that you have to have of diplomacy, plus development, targeted programs. Plus, commercial and engagement. And those three legs of the stool provide that stability from which we can grow.

Bill Killeen: I like that Laura, this is Bill Killeen.

Mimi Almayehou: Yes, I like that.

Laura Lane: Okay. I'll send that over in a, you know, in a typed way.

Jay Ireland: Yes, we need to... I mean from the process standpoint of this meeting, we need to vote on the letter. So, we will vote on the letter with that change, is that something that... can I hear like a yes or no? Is that... or from whoever's

Group: Yes.

Mimi Almayehou: With Laura's language.

Jay Ireland: All right. So, Laura, I will... all right, okay. Good. All right. So, before we get to that, any other comments or discussion?

Kimberly Brown: Yes. Kimberly Brown, Amethyst Technologies. Good morning. The one thing, so in the letter we are laying out some of the priorities that are, you know, preventing U.S. businesses from being more successful in Africa. But we haven't mentioned many concrete opportunities.

So, for example, looking at skills development, what type of opportunities do we think are available for U.S. companies? That's, you know, the one comment I have in general throughout the document, is that it doesn't list, you know, the potential benefits of the program to specific industries.

Jay Ireland: The letter does not, I agree. Typically the way on the committee is over the last committee is we would have those, some of those specific opportunities within the report that we make after, through that. This is not just a report but also, you know, the letter as well. I don't know, Dow, if you want to... you mentioned a few in your comments. So, I don't know if you want to...

Dow Wilson: Yes, Jay, that is the way we did it last time. You know, there was... some of this has just kind of been interest of keeping it a little bit shorter. But, you know, in a case of healthcare, whether it's training for nurses to read intensive care monitors, you know, physician training for specialty equipment.

These are some areas where we've had, you know, some really good collaboration with U.S. Government. And would like to see that continue and extend to title industries. But that we really kind of kept it, we kept it short in that.

Jay Ireland: Right. I think that's part of it. Is balancing between making sure that we don't, you know, lose sight based on how long it might be. But I think it's better that we bring in a lot of the opportunities specifically in the report that we'll provide as well, versus just this letter.

Dow Wilson: Yes.

Jay Ireland: Okay. Any other comments before we move to a vote? All right, great. Well, thanks everybody for your contribution. So, the letter with the amendment on the fourth paragraph that Laura...

Laura Lane: Do you want me to read it, Jay?

Jay Ireland: Yes, why don't you read that? I hope you wrote it down so it...

Laura Lane: I did. In fact, I typed it so that it can immediately go to the staff people that have to add it in.

Jay Ireland: Okay.

Laura Lane: So, commercial engagement with sub-Saharan Africa complimented by robust diplomatic and development programs is a strategic opportunity for the United States that is too significant to ignore.

Jay Ireland: Great. Okay, so that will be included for what we vote on. So, I move now for a vote to adopt the PAC-DBIA recommendation. I need a second.

Laura Lane: I second.

Jay Ireland: Okay. So, PAC-DBIA members, if you agree with this recommendation, please say aye.

Group: Aye.

Jay Ireland: Okay, great. Thank you. Any nays? Okay, thank you. I hereby announce the recommendation adopted by the council. So, we'll get that letter to the staff and then get it out to the President. And to the Secretary. Okay, great.

We'll now move to additional business for general discussion. And I'll open it up. I'm not going to kick off anything. I want to know if anybody has anything they'd like to discuss on what we want to do or think about. So, let me... the floor is open.

Fred Sisson: This is Fred Sisson from Synnove. Even though the finance committee within the letter didn't mention EXIM, EXIM is now coming under, has been viewed favorably. And I believe they're starting to reconstitute the board or directors.

I think our timing is, could be good to reach out to try to see if there's opportunities for the council to get involved with EXIM. To help steer them in the right direction for promoting trade in Africa. Do you think that that's a possibility?

Jay Ireland: I don't see any reason why it couldn't be a possibility. Does anybody have any? Mimi, maybe from your prior experience, I know it wasn't EXIM, but what do you think from your...

Mimi Almayehou: Yes. I don't think it's not a possibility. I think we should definitely look into it.

Jay Ireland: Okay. I think that's a good point Fred, we'll definitely think about how we do that. And again, I think one of the things as you guys know, is that the committee is formed under, I'm not specific all of the legal aspects of it. But there are things that we can do within the meetings that have to be announced, et cetera.

But then at the other points, especially as companies we can also weigh into certain areas. Unless there's someone on the call that knows more around the process or legality of doing something like that. Any of the government people?

Joe Holecko: Hi Jay, this is Joe Holecko. You know, obviously, the purpose of the Council is to make recommendations. So, I think, you know, we have an upcoming staff reps meeting, we can kind of see what some of the avenues there are for approaching that.

And then we can kind of explore that as we work forward. And then keep the members informed about some of the potential ways we can do that. So, there are certainly different avenues we can explore, you know, to that end.

Jay Ireland: Okay. I do believe both the discussion of EXIM and the discussion on, you know, the development agencies, et cetera, are an important one to continue on a go forward basis.

Joe Holecko: I don't (unintelligible) that, but we'll have an EXIM representative at the next staff reps meeting as well. So, they are engaged in this process and certainly will be part of the discussion.

Mimi Almayehou: Do you know if OPIC will be also involved in the discussion?

Joe Holecko: We've certainly reached out to them. And, you know, we've had representatives of theirs at meetings before. So, we'll go ahead and we can reengage with them as well. And try to see if we can get some representation at the next meeting.

Mimi Almayehou: Thank you.

Jay Ireland: Joe, what would be helpful with, you know, what would be helpful would be from the perspective of the agencies. Versus what we did the last time would be who will attend and who will be, not just attend but also participate. So, if you could put that together for... and send a note out or something, that'd be great.

Joe Holecko: Yes, absolutely.

Jay Ireland: All right, great, thanks. Okay, anything else, additional business. Okay, all right, great. All right, so now we'll move to next steps. You know, I think we look forward to hearing from the U.S. government about a fact-finding trip.

Hopefully also, on our next meeting when that might be, is in person with everyone would be great. So, hopefully the secretary or the designate as well as someone from the white house. Which is basically what happened last time as some of you know. So, we'll look forward to hearing from them as we go forward.

You know, I do want to thank everyone for their effort, especially the staff. Excuse me, the staffs and putting together the recommendations, the letters, et cetera. You guys are the backbones for what we get to do. And I think it's great.

I really look forward to working with all of you. I'm entering my seventh year here. And I will be running GE Africa. And I can tell you that I've really seen a difference in the last six years from a standpoint of the focus and really the dynamism of the potential here in Africa.

We are going through, as you know, a cycle especially in the resource countries. But that doesn't mean that the long-term potential and the long term impacts aren't still going to be needed. And when you look at that, it's really infrastructure, it's really all of the things that we talk about. Financing, infrastructure, technology, skills development. It all is important, because if we don't get this right we're going to lose a major opportunity.

And as many of you know, I've been an advocate for Africa, for U.S. businesses to come to Africa. And I think the point of this committee is to help build out processes and some kind of opportunities for other businesses, when they see the ability of, how do I approach Africa? What can I do? So, hopefully we can come up from some good ideas on that as well.

So, again, I want to thank you all. And I look forward to getting together with some of you. I'm sure we'll see you around the circuits, the circuits of conferences, et cetera, and meeting with all of you. And look forward to our next meeting. So, thank you very much.

Joe Holecko: Great, thanks Jay.

Jay Ireland: Meeting's adjourned.

Joe Holecko: Yes.

Fred Sisson: Thank you Jay.

Coordinator: That does conclude today's conference call. You may now disconnect and have a great rest of your day.

END