February 26, 2020

The President of the United States The White House 1600 Pennsylvania Avenue, NW Washington, DC 20500

Mr. President:

The members of the third term of the President's Advisory Council on Doing Business in Africa (PAC-DBIA or Council) have prioritized the Council's work in order to achieve tangible outcomes consistent with our mandate and the tasks we have been given by the Secretary of Commerce on your behalf. These priorities are supported by recent observations regarding U.S.-Africa commercial relations we have gathered in discussions among ourselves and in various fora with U.S. and African Government officials. To that end, the Council has aligned on the following initiatives:

- Driving implementation of select PAC-DBIA 2.0 recommendations through sectoral working groups such as procurement, financing, technology and digital economy, skills development, and trade facilitation building on the work that has already been done.
- Providing input to the Prosper Africa strategy in response to specific U.S. interagency requests.
- Incorporating new perspectives on the Council's work, such as a focus on promoting commercial opportunities for women entrepreneurs and small businesses and encouraging more U.S. trade and investment from and to Africa; and engaging with key stakeholder bodies including the African Union and the Organization of African First Ladies for Development.
- Promoting U.S.-Africa trade and investment as ambassadors of successful American firms that have navigated African markets, including such outputs as the "Keys to Success" report, convening Council Members and African leaders, and other promotional activities.

In support of the above initiatives, the PAC-DBIA makes the following <u>recommendations</u> for the U.S. government to pursue in 2020:

- The Administration should organize a PAC-DBIA fact-finding trip to Africa in 2020, led by Secretary of Commerce Wilbur Ross and accompanied by heads of other key agencies critical to the implementation of the Prosper Africa initiative. The trip should be organized in conjunction with the Corporate Council on Africa's U.S.-Africa Business Summit in Marrakech, Morocco, June 9-12, and include a visit to at least one additional country in the region.
- The Administration, with PAC-DBIA participation and support, should host a formal engagement with African heads of state in 2020 and begin making preparations to host a formal United States-Africa Heads of State Summit next year.

Regarding engagements with African heads of state, we have frequently heard that African leaders are eagerly seeking more opportunities for high-level interactions with their U.S. government counterparts. Many of America's competitors host head of state-level events regularly. Russia recently hosted its first African heads of state summit, and both China and Japan hold them annually. The U.S. Government has hosted two such summits, one in 2014 and one in 2016, which generated enthusiasm. Over the course of the PAC-DBIA's current term, the Council should work with the Administration to begin planning a third summit and institutionalize the cadence of these engagements with African Heads of State. As an important step that would build momentum towards a full-scale summit, the Council encourages the Administration to leverage upcoming multilateral fora that draw significant senior African government participation, such as the U.N.

General Assembly in September and the Spring and Fall IMF/World Bank meetings, to hold smaller-scale roundtable meetings with African Heads of State in attendance. PAC-DBIA members would welcome the opportunity to participate in these events.

As part of the effort to enhance senior U.S. official engagement with African counterparts, and to inform additional PAC-DBIA recommendations, the Council should undertake a fact-finding trip to Africa before July 2020, when presidential election activities may begin to preclude senior-level Administration participation. This trip should be led by Secretary Ross in partnership with key Prosper Africa agency leadership. The trip should have a focused scope in terms of destinations and duration, e.g., two countries in one week, and should seek to coincide with a major event to maximize participation. We seek U.S. government input on realistic parameters and participation.

Beyond the above recommendations, one of the initiatives the Council would like to pursue is incorporating new areas of focus to carry out its mandate. One new area of focus would be promoting resources and opportunities for women entrepreneurs and small and medium-sized businesses, recognizing the importance of these actors to the economy and in the growth of bilateral commercial relationships. Facilitating trade and investment for women entrepreneurs in particular supports Administration efforts such as the Women's Global Development and Prosperity initiative, while also enhancing supply chain networks for U.S. and African firms alike as they look to expand their business into new markets. Another perspective to incorporate is trade and investment from Africa into the United States as part of American supply chains. This focus would align with the two-way approach of Prosper Africa, and take fuller advantage of the potential insights of PAC-DBIA members, given that the Council's focus so far has been primarily on U.S. business activity in Africa. Two-way commercial transactions not only strengthen mutual access to markets and supply chains but also cater to future potential trade agreements, especially after the expiration of the African Growth & Opportunity Act (AGOA). We view the African Union and Organization of African First Ladies for Development as two important groups of multi-lateral stakeholders to engage in these efforts.

Additionally, since part of the tasking for this term of the PAC-DBIA is to support implementation of past Council recommendations, we believe that the PAC-DBIA should establish sectoral working groups, beginning with recommendations related to public procurement, financing, technology and digital economy, skills development, and trade facilitation. These sectoral working groups can work in tandem with the implementation of Prosper Africa. For example, the financing working group can coordinate with in-country deal teams, the Commerce Department, and other relevant agencies to provide a well-rounded perspective into the challenges faced by companies over the life-cycle of a deal, from origination to completion and payment. Furthermore, given the recent announced intention to negotiate a comprehensive free trade agreement with Kenya, strong U.S. government engagement on the African Continental Free Trade Area and continued attention to our past recommendation to incorporate the private sector on these matters seem particularly timely.

Per the original tasking we received from Secretary Ross in August 2019, PAC-DBIA members are prepared to provide input and suggestions on the budding Prosper Africa strategy. However, this effort depends on substantive groundwork by the U.S. interagency with a level of detail that can drive impactful feedback from the Council and at an early enough stage that feedback can be incorporated into the development of the strategy. Relatedly, PAC-DBIA members are prepared to serve as examples of companies that have successfully entered African markets to encourage and guide other U.S. companies interested in doing the same. This will be done through such deliverables as the PAC-DBIA's "Keys to Success" report, as well as other public engagements with the private sector hosted by the U.S. Government, such as the Discover Global Markets forum.

The purpose of this letter is to clarify the Council's priority tasks and drive action where possible to achieve concrete results by the end of the Council's term. We welcome your feedback and suggestions on the

suggested initiatives and recommendations and look forward to continuing our work with you and Secretary Ross to strengthen the U.S.-Africa commercial relationship.

Sincerely,

Farid Fezoua Co-Chair Laura Lane Co-Chair

Laura Lare

Susan Silbermann Vice Chair