

# WELCOME TO THE EXPORT-IMPORT BANK OF THE UNITED STATES AFRICA UPDATE January 2008

Welcome to the *Ex-Im Bank Africa Update*, a publication of the Export-Import Bank of the United States ([Ex-Im Bank](#)).

Ex-Im Bank is an independent U.S. government agency that helps finance the export of U.S. goods and services primarily to emerging markets throughout the world by providing loan guarantees and export credit insurance.

This e-mail publication highlights the Bank's activities and continued commitment to expand trade with sub-Saharan Africa.

## HIGHLIGHTS:

- FY 2007 Ex-Im Bank Sub-Saharan Africa Results
- Ex-Im Bank Conducts Trade Mission to Nigeria Focusing on the Transport Sector
- Ex-Im Bank Extends Coverage Terms and Reduces Exposure Fees in Selected Countries in Sub-Saharan Africa
- Ex-Im Bank Sponsors the Second Annual African Bankers Seminar in Washington, D.C.
- Ex-Im Bank Participates in the Corporate Council on Africa's U.S.-Africa Infrastructure Conference in Washington, D.C. and the Africa Business Summit in Cape Town, South Africa
- Ex-Im Bank's 2007 Sub-Saharan Africa Advisory Committee Holds its Final Meeting of the Fiscal Year and Appoints New Members for 2008
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## **FY 2007 Ex-Im Bank Sub-Saharan Africa Results**

In FY 2007, Ex-Im Bank authorized 127 transactions totaling approximately \$434 million in 18 sub-Saharan African countries. This includes the estimated amount of the Bank's working capital guarantee transactions that were made available to support U.S. exports to Sub-Saharan Africa (SSA), which in FY 2007 totaled 20 transactions and approximately \$48 million in authorizations.

It should be noted that in FY 2006, U.S. exports to SSA were \$12.1 billion and Ex-Im Bank covered \$532 million or 4.4 % of the exports. In FY 2007, exports to SSA are expected to reach \$14.1 billion, and Ex-Im Bank covered \$434 million, or 3.1% of the exports. Worldwide, Ex-Im Bank historically covers approximately 1.0% of U.S. exports.

## **Ex-Im Bank Conducts Trade Mission to Nigeria Focusing on the Transport Sector**

On November 12<sup>th</sup>-13<sup>th</sup>, Ex-Im Bank conducted a trade mission with U.S. manufacturers focused in the transport sector to Lagos, Nigeria. The objective of this trade mission was to provide selected U.S. manufacturers of heavy equipment, trucks, vessels and aircraft the unique opportunity to meet one-on-one with pre-qualified Nigerian companies interested in purchasing their products. The delegation was comprised of 11 U.S. manufacturers and six U.S./international financial institutions with a total of 23 representatives visiting the market.

The U.S. manufacturing companies participating in the trade event included Bell Helicopters, Boeing, Case/New Holland, Caterpillar, Cessna Aircraft, Dredging Supply Company, Inc., Ellicott Dredges, Freightliner LLC., International Truck and Engine, Mack Trucks, and Raytheon's Beechcraft. Lenders attending the event included BNP Paribas, Commerzbank, HSBC Securities, M&T Bank, RZB Financial and Sovereign Bank. Ex-Im Bank was represented by J. Joseph Grandmaison, member, board of directors; Robert A. Morin, vice president, Transportation Division; and Ricardo Michel, International Business Development Officer.

Working in conjunction with the U.S. Foreign Commercial Services office in Lagos, 75 Nigerian companies were vetted/pre-qualified as prospective buyers to meet with the U.S. exporters. In total, over 140 meetings were scheduled for the one day. Following these official meetings, a general reception was held to provide Nigerian companies that were unable to meet earlier in the day with an opportunity to meet with the U.S. delegates to discuss their transactions.

In addition to the U.S. financial institutions, eight Nigerian financial institutions were invited to participate in the trade mission. These Nigerian banks represented institutions with whom Ex-Im Bank has established a Special Delegated Authority facility, are utilizing the facility and who are specifically interested becoming active in the transportation sector.

As part of the trade mission, during the luncheon program Ex-Im Bank's J. Joseph Grandmaison and Robert Morin, along with Larry Farris, senior foreign commercial services officer, presented awards to six Nigerian companies that have made significant use of Ex-Im Bank's facilities and are successfully servicing their obligations. The following were the recipients of the award: Earthcare Nigeria, Drilllog Petro Dynamics, Ltd., Roadmarks Ltd, H.S. Petroleum, Coscharis Motors, Ltd. and Aero Contractors Co.

Director Grandmaison also conducted a press briefing for Nigerian print, radio and television media, discussing Ex-Im Bank's recent changes to the coverage policy (opening medium and long-term for the public sector) and the reduction of the Bank's exposure fees for Nigeria, resulting from the recent improvement in the country's OECD risk rating.

### **Ex-Im Bank Extends Coverage Terms and Reduces Exposure Fees in Selected Countries in Sub-Saharan Africa**

In October 2007, Ex-Im Bank approved the following changes to its Country Limitation Schedule:

- **Mozambique** - Now open to support short-, medium- and long-term transactions in the public sector.
- **Rwanda** - Now open to support medium-term transactions in the private sector.
- **Nigeria** - Now open to support short-, medium- and long-term transactions in the public sector. In addition, now also open for long-term transactions in the private sector.

#### Organization of Economic Cooperation and Development (OECD) upgrades Nigeria's country risk rating from 7 to 6

Economic progress in Nigeria has not gone unobserved by the international community, as demonstrated by the most recent Nigerian Sovereign rating by Standard and Poor's and Moody's. Further substantiation of this success is evident by the fee level upgrade recently agreed upon by the OECD. This upgrade will result in significant savings for Nigerian customers purchasing U.S. goods with assistance from Ex-Im Bank, through a reduction in the exposure fees charged for Nigerian transactions.

"We are pleased to report that Ex-Im Bank has reduced the exposure fee for Nigerian transactions. Nigeria has earned these favorable terms," Grandmaison added.

Grandmaison offered an example of how the fee reductions will affect Ex-Im Bank financing for Nigerian purchases: a bank-guaranteed transaction with a five-year term now will have a one-time exposure fee of 7.66 percent, down from 9.96 percent, a savings of 230 basis points.

All of these actions reflect Nigeria's strengthening external and macroeconomic position due to the country's reform program and higher oil prices, Grandmaison said.

"Overall budget surpluses have emerged, reserves have increased, and gross domestic product (GDP) growth has been robust," he said. "Paris Club debt relief has reduced Nigeria's annual debt servicing requirement to one percent of GDP. And Nigeria has obtained sovereign credit ratings from Standard & Poor's and Fitch."

Ongoing financial management will be needed, and Nigeria will have to meet the challenges inherent in political transition, budget negotiations, the government's pursuit of large-scale investments, and the country's dependence on the oil and gas sector, according to Grandmaison.

For a complete listing of the Ex-Im Bank's coverage for all sub-Saharan African countries, please visit the Africa Portal at [http://www.exim.gov/products/special/africa/afr\\_cls.cfm](http://www.exim.gov/products/special/africa/afr_cls.cfm)

## **Ex-Im Bank Sponsors the Second Annual African Bankers Seminar in Washington, D.C.**

From September 12-14th, Ex-Im Bank hosted its second annual African Banker's Seminar, entitled, "Working with African Lenders". This year's format focused on establishing the foundation of credit underwriting and transaction analysis.

The first day's agenda was conducted by various member organizations from BAFT (Bankers Association for Finance and Trade) and PEFCO (Private Export Funding Corporation) and provided the attendees with in depth instructions on how U.S. financial institutions approach transaction underwriting and analysis. The following two days were facilitated by Ex-Im Bank staff and focused on the Ex-Im Bank products, methodologies and standards. This event also provided the attendees with ample opportunity to meet with Ex-Im Bank senior management and staff.

The classroom style training event was attended by representatives from 13 African financial institutions from seven different countries along with eight U.S. financial institutions with significant interest in Africa.

## **Ex-Im Bank Participates in the Corporate Council on Africa's U.S. Africa Infrastructure Conference in Washington, D.C. and the Africa Business Summit in Cape Town, South Africa**

### **U.S. Africa Infrastructure Conference**

On October 9th-10th, the Corporate Council on Africa (CCA) sponsored its 2007 Infrastructure Conference, bringing together ministers of planning and development from a number of African countries, as well as experts in infrastructure development

and financing from both the United States and Africa. The goal of the conference was not only to showcase and promote sustainable private/public partnerships, but also to address trade and export challenges created by inadequate infrastructure on the African continent.

Ex-Im Bank Chairman and President James H. Lambright took part in the workshop activities over the two day event. On October 9<sup>th</sup>, Chairman Lambright served as a panelist during a workshop session entitled “Supply Chain Assurances.” This workshop focused on practical solutions to supply chain challenges faced in operating in Africa such as managing operation and financial risks, training and capacity building etc.

The following day, Chairman Lambright addressed the audience during the morning plenary session entitled “Financing Infrastructure Development in Africa.” In light of the evolving infrastructure project financing landscape in Africa, Chairman Lambright addressed opportunities for U.S. organizations to work with Ex-Im Bank and increase their lending activities in Africa.

#### U.S.-Africa Business Summit

On November 13<sup>th</sup>-16<sup>th</sup>, in Cape Town, South Africa, Ex-Im Bank participated in the Corporate Council on Africa’s 6<sup>th</sup> biennial U.S.-Africa Business Summit. More than 800 leaders from the public and private sectors from the United States, Africa and other continents convened at the Cape Town Convention Centre for this summit. This event provided Ex-Im Bank the opportunity to meet with companies and officials from countries throughout the continent interested in doing business with the U.S. Ex-Im bank was represented by J. Joseph, Grandmaison, member board of directors; Kenneth Tinsley, SVP Credit and Risk Management; John Richter, regional director, Africa and Ricardo Michel, international business development officer.

The Summit featured six plenary sessions focusing on important timely issues facing business leaders on both sides, including a discussion between U.S. business leaders and an African head of state; energy and power; the impact of Chinese investment in Africa; health; finance and African stock exchanges. Summit delegates also attended several of the 36 workshops offered. Workshop topics included telecommunications, tourism, bio-fuels, and many more.

As part of the summit activities, J. Joseph Grandmaison presented at a plenary session entitled “Financing Investment in Africa.” In addition to Director Grandmaison, the audience was addressed by H.E. Ramakrishna Sithanen, deputy prime minister and minister of finance and economic Planning, Republic of Mauritius; H.E. Mandisi Mpahlwa, minister of trade and industry, Republic of South Africa; Mr. Arnold Ekpe, CEO, Ecobank Transnational Inc.; and Mr. Ndewirwa. N. Kitomari, CEO, SVM Financial Services.

## **Ex-Im Bank's 2007 Sub-Saharan Africa Advisory Committee Holds its Final Meeting of the Fiscal Year and Appoints New Members for 2008**

The 2007 Sub-Saharan Africa Advisory Committee convened its final meeting of the fiscal year on October 10, 2007. The meeting began with a panel discussion on China's development strategy. Panelists included moderator James H. Lambright, Ex-Im Bank chairman and president; Witney W. Schneidman, president, Schneidman & Associates International, and director, Africa-China-U.S. Trilateral Dialogue Study; Daeman Harris, vice president, Middle East and Africa, U.S. Chamber of Commerce; and Anthony Carroll, vice president, Manchester Trade, Ltd. Also participating in the discussion were members of Ex-Im Bank's SAAC, U.S. exporters, and African public and private sector representatives.

From this discussion the following themes were noted:

- China-Africa trade is growing much faster than U.S.-Africa trade.
- Greater engagement by U.S. companies is required in Africa and Ex-Im Bank needs to "double its efforts" to get more U.S. companies to Africa.
- U.S. and Africa should hold China accountable for leveling the playing field by observing World Trade Organization (WTO) rules and the OECD (Organization for Economic Cooperation and Development) rules.

The members also discussed the sub-Saharan Advisory Committee's letter in the Annual Competitiveness Report which laid out the broad issues challenging the further expansion of the U.S. commercial interest in Africa. The items raised in this letter were incorporated into the 2007 recommendations and Congressional report.

The SAAC members were also updated on the Competitiveness Working group and upcoming business development activities in the region. Director Grandmaison and Chairman Lambright recognized the SAAC members with certificates and John Richter presented gifts for their service and thanked them for a job well done. Eight out of ten members will be leaving the committee.

## 2008 Sub-Saharan Advisory Committee Members

On November 20, 2007, the Board of directors of Ex-IM Bank approved the following individuals as committee members of the 2008 Sub-Saharan Advisory Committee:

### Returning members:

DENNIS DUBOIS (Chair), Sovereign Bank, Boston, Massachusetts  
Representing Banking

Mr. Dubois is currently senior vice president and director of International Trade Banking, Global Solutions Group, Sovereign Bank. He has over 25 years of banking experience with Fortune 1000, middle market companies, asset-based borrowers, multinational corporations, government and financial institutions. In his position at Sovereign he manages the International Trade Banking Group. He previously managed U.S. sales and marketing of trade finance products for Bank of America and also held numerous other high level management, sales and marketing positions in multinational corporate finance, as well as in international cash management.

Mr. Dubois received his M.A. in Economics and a Bachelor's degree from the University of Helsinki, Finland.

MARK E. CHIAVIELLO, Standard Bank Group, Ltd, New York, New York  
Representing Banking

Mr. Chiaviello has been involved in Africa for over 20 years. He is currently a director at Standard Bank, Africa's largest financial institution, with the responsibility for promoting foreign direct investment, trading relationships and donor flows from the United States to Africa. Prior to joining Standard Bank in 2006, Mr. Chiaviello spent nine years at Deutsche Bank running their South African equity business in America. In the 1980's, Mr. Chiaviello spent over two years as a Peace Corps volunteer in Botswana where he worked with the Ministry of Commerce and Industry. He is presently involved with The Corporate Council on Africa, Africa Society and the National Association of Peace Corps Volunteers. Mr. Chiaviello received a MBA in International Finance from Columbia Business School in New York in 1993.

### New members:

VERNON D. DARKO, EquipXp, LLC, Houston, Texas  
Representing Small Business

Mr. Darko is president and CEO of EquipXP, LC headquartered in Houston, Texas and he has been involved in the global trading industry for more than 15 years. He is a strong advocate for opening doors to global trading. He hosted the first annual U.S. Global Finance Forum for Projects, Development, Trade and Capital Equipment. He also hosts a semi-annual Global Marketplace Workshop which offers answers to

questions asked by those aspiring to enter into the global marketplace. Mr. Darko is the author of "Think, Act, Breathe Global and Grow Your Business." This book, scheduled for release in November 2007, gives 13 insights on how to successfully grow your export business.

Prior to his current position with EquipXp, he served as board vice-chairman for Trans Atlantic Corporation, and continues to serve on the Africa Committee with Greater Houston Partnership.

Mr. Darko received his Bachelor of Science degree in Business Administration with an emphasis on international business from Lee University in Cleveland, Tennessee. He continued his post-baccalaureate studies at the University of Houston in Houston, Texas, with a concentration in Marketing.

BRUCE FULLERTON, Africair, Inc., Miami, Florida  
Representing Small Business

Mr. Fullerton is president of Africair, Inc. and he has been involved in Africa for over 20 years. His business efforts are primarily devoted to overseeing the marketing and distribution of Cessna Aircraft Company's and Bell Helicopter's aircraft and products in 41 countries throughout Africa. Mr. Fullerton also oversees all operations of distributorship for Thielert Aircraft Engines for the entire continent of Africa. In addition, Mr. Fullerton has overseen fixed base operations, charter operations, maintenance facilities, and transport for a major oil company in Africa. Mr. Fullerton possesses a thorough knowledge of aviation operations in Africa as a result of his overall experience from these varied business ventures.

Mr. Fullerton is a graduate of Pittsburg Institute of Aeronautics. He joined Africair, Inc. in 1984 as Sales Manager and became President in 1994. Mr. Fullerton holds an FAA Pilot license with multi engine and instrument privileges and an FAA Airframe and Powerplant license.

AMBASSADOR JOSEPH HUGGINS, The Huggins Group, Fairfax, Virginia  
Representing Trade Finance

Ambassador Joseph Huggins is the founder, president and chief executive officer of The Huggins Group (THG). The firm advises U.S. companies interested in trade and investment opportunities in Africa in the areas of infrastructure, capital markets, and eco-tourism. He has also consulted with the Bill & Melinda Gates Foundation on their Global Library Initiative in Botswana. Prior to his current position, Ambassador Huggins had a long and distinguished Diplomatic career serving in senior positions in the former Soviet Union, Kenya, Guinea, Togo, and Jordan. In his last overseas assignment from January 2003 to July 2005, he served as Ambassador to the Republic of Botswana and the Secretary of State's Special Representative to the Southern Africa

Development Community, a political and economic organization comprised of 14 countries in southern Africa.

WAYNE A. RAMUS, GE Healthcare, Waukesha, Wisconsin

Representing Commerce

Mr. Ramus is vice president, GE Capital Markets Corporate based with the GE Healthcare business, a division of the General Electric Company. He has over 30 years manufacturing and banking experience specializing in sales programs and financing for buyers in emerging and developing markets. He has held various marketing, finance and sales financing positions at GE Healthcare since 1981 including roles with the International Division, Financial Services and Global Funding Operation. He has worked extensively with Ex-Im Bank financing and on special initiatives including the Medical Equipment Program.

Mr. Ramus received his MBA and Bachelor of Arts in Political Science from the University of Wisconsin, and is a graduate of the GE Financial Management Program.

ANGELA L. RANKIN, Electrolux Major Appliances, Pittsburgh, Pennsylvania

Representing Commerce

Mrs. Rankin has over 15 years of international business experience and is currently the credit manager of Electrolux Major Appliances-International Division. She is responsible for all accounts receivables while extending credit facilities to the Middle East, Far East, Europe, Asia and Africa. She has been involved with key distributors in Africa for over 10 years. She travels to Africa at least every two years to promote business relations while extending credit facilities for projects in Ghana, Nigeria, Congo and Sierra Leone. She has created and presents credit and collection seminars to customers in numerous countries.

Mrs. Rankin is currently a member of the National Association of Credit Managers. She received her Bachelors Degree in Business Administration in 1995 from the University of Houston.

DAVID M. ROEBUCK, PE, Armentrout Roebuck Matheny Consulting Group, PC, Athens, Georgia - Representing Commerce

Mr. Roebuck is the president and co-founder of Armentrout Roebuck Matheny Consulting Group, an engineering, architecture and construction management firm based in Athens, Georgia which recently entered its twentieth year in business. He is responsible for all of the firm's international projects and has developed and managed projects in Africa, South America, Eastern Europe and the Caribbean. He recently completed work on an Ex-Im Bank-funded industrial project feasibility study in Sub-

Saharan Africa and has been involved with projects there since 2000. Mr. Roebuck is a structural engineer registered in six states and a Certified Construction Manager. He holds a Bachelor of Civil Engineering Degree (with honor) from Auburn University and a Master of Science in Civil Engineering degree from the University of Alabama at Birmingham.

MARYSUE K. SHORE, Global Business Strategies, Washington, DC  
Representing Trade Finance

Ms. Shore is president of Global Business Strategies, and brings a depth of experience in Africa. She served for over three years as senior advisor to the president and as director of african affairs at the Overseas Private Investment Corporation (OPIC) where she helped focus its activities on investment opportunities in Africa. In addition, she worked closely with other government agencies, members of Congress and the White House to support economic growth and development in Africa. While at OPIC, she assisted to normalize relations with Libya. She holds a Master's degree in International Business from the Thunderbird School of Global Management and a Bachelor's degree with honors in Business Management and in Spanish from the College of St. Thomas in St. Paul, Minnesota. She has completed coursework in international finance and marketing at the Universidad de San Luis in Madrid, Spain and is proficient in Spanish, French and Portuguese. Ms. Shore is a member of the President's Trade Advisory Committee on Africa. On April 15, 2002, she was formally adopted as a member of the Maasai tribe of Kenya.

BERT UBAMADU, Fairmont Capital Strategy Group, Washington, DC  
Representing Trade Finance

Mr. Ubamadu is the managing director of Fairmont Capital Strategy Group LLC., a strategic advisory firm focused on assisting African companies and financial institutions source debt and equity financing for transactions in Africa as well as assisting international companies. He has over 15 years of global emerging market project development, structuring and finance experience. He previously worked at Ex-Im Bank where he structured and documented multimillion dollar project finance, structured finance and trade finance transactions in Africa and other emerging markets. Mr. Ubamadu has also worked for Marriott International, Inc. where he helped develop hotel projects in Europe, the Middle East and Africa.

Mr. Ubamadu is an Advisory Board Member of the National Council of Minorities in Energy. He received his law degree from the University of California at Berkeley's Boalt Hall School of Law and holds a Masters degree from the Harris School of Public Policy at the University of Chicago.

