

WELCOME TO THE EXPORT-IMPORT BANK OF THE UNITED STATES AFRICA UPDATE October 2009

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, direct loans, and export credit insurance.

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

HIGHLIGHTS:

- Upcoming Events
- June sub-Saharan Africa Advisory Committee Meeting
- June Business Development Trip to Nigeria, South Africa and Angola
- June 2009 BAFT Conference
- August Business Development Trip to Kenya and South Africa
- Nigerian Banking Sector Volatility
- Corporate Council on Africa's (CCA) 2009 U.S.-Africa Business Summit
- Ex-Im Bank Bids Farewell to Member of the Board of Directors, J. Joseph Grandmaison
- Ex-Im Bank welcomes Executive Vice President and Chief Operating Officer, Alice Albright
- Recent Transactions

UPCOMING EVENTS

November 2-3, 2009 Trade Finance Solutions for Exporters and Lenders
And

January 11-12, 2010: This seminar helps exporters and lenders learn about trade services they can offer their customers to raise profits and minimize commercial and political risks.

Ex-Im Bank Headquarters, 811 Vermont Ave. NW, Washington, DC 20571

For more information, please visit: <http://www.exim.gov/seminars/>

November 4, 2009: Sub-Saharan Africa Advisory Committee (SAAC) Meeting at 9:30 AM

Ex-Im Bank Headquarters, 811 Vermont Ave. NW, Washington, DC 20571

Agenda items include a discussion with Deputy Assistant for the United States Trade Representative Constance Hamilton on U.S. trade policy and SSA.

Special Note: If attending, please RSVP barbara.ransom@exim.gov or (202) 565 - 3525 as soon as possible. Seating is limited. Photo ID is required.

EXPORTS LIVE! Learn how local businesses successfully grew their sales with government solutions. This unique trade event is specially designed for small and medium-sized businesses wanting to start or grow their international sales.

Registrations and Details: http://www.export.gov/exports_live/

CHICAGO, IL - Tuesday, Nov. 10th

Fairmont Chicago
Gold Room (2nd Floor)

LOS ANGELES, CA - Monday, Nov. 16th

Hyatt Regency Century Plaza
Olympic Ballroom (Plaza Level)

SEATTLE, WA - Tuesday, Nov. 17th

Washington State Convention & Trade Center
Ballroom 6A (Level Six - South)

DETROIT, MI - Friday, Dec. 11th

Detroit Marriott at the Renaissance Center
Mackinac Ballroom (Level 5)

JUNE SUB-SAHARAN AFRICA ADVISORY COMMITTEE (SAAC) MEETING

Ex-Im Bank hosted the second SAAC meeting of FY2009 on June 3, 2009. This was the first SAAC meeting with our new Chairman and President, Fred P. Hochberg, and he opened the meeting underscoring Ex-Im Bank's continued commitment supporting U.S. exports to Africa.

Jed Diemond, Senior International Economist of the South Africa & Southern African Customs Union (SACU) Desk at the U.S. Department of Commerce, discussed recent U.S.-Africa trade trends. He noted that total U.S. trade with sub-Saharan Africa (SSA) increased 28%. U.S. exports increased by 29.3% to \$18.6 billion driven by growth in machinery, vehicles and parts, wheat, non-crude oil, aircraft and electrical machinery (including telecommunications equipment). South Africa, Nigeria, Angola, Benin, and Ghana were the top five destinations for U.S. products in 2008.

However, he did note that for the first time since 2002, first quarter trade in SSA declined in comparison to the first quarter of the previous year. Although U.S.-SSA trade still remained positive, it had declined compared to the previous year because of the global crisis. Total U.S.-SSA trade dropped 50%, but the decline in exports was much less than the 22% drop in U.S. total exports to the world. Many SSA economies are still showing limited positive growth despite the crisis which may explain why trade with the region has not fallen as sharply as to other areas of the world.

Lastly, Mr. Diemond noted that growth estimates continued to shift downwards on a monthly basis but still remained relatively positive. Even with the worsening of the global economic crisis in 2008, SSA's economic growth was increasing at 5.4% representing the first time in 45 years that SSA's growth exceeded 5% for five straight years. According to the World Bank, growth was broad-based, touching many sectors. In the first quarter of 2009 growth slowed to 1.5%, according to the International Monetary Fund (IMF). While there is a significant slowdown, it still remains positive compared to a global contraction of 1.3%. But, SSA most likely will experience negative growth in 2009, as the economic contraction was more severe than expected, reducing demand for SSA's exports, having a negative effect on aid flows, and decreasing the accessibility of trade finance.

Regional Director Rick Angiuoni followed with a business development update and Chair Wayne Ramus presented a SSA Pilot Africa Program which would be an export stimulus effort for SSA countries based on four elements: more competitive foreign content rules, enhanced financing terms, specialized credit underwriting for Africa, and a dedicated pilot program champion.

JUNE BUSINESS DEVELOPMENT TRIP TO NIGERIA, SOUTH AFRICA AND ANGOLA

Rick Angiuoni and Benjamin Todd travelled to Nigeria, South Africa and Angola in the first half of June 2009. In Nigeria, Ex-Im Bank participated in an Agricultural Workshop in Lagos led by the U.S. Embassy. Together with our Department of Commerce (DOC), U.S. Department of Agricultural (USDA), U.S. Agency for International Development (USAID), Overseas Private Investment Corporation (OPIC) and U.S. Trade and Development Agency (USTDA) colleagues, Ex-Im Bank presented on the financing of agricultural capital equipment and met one-on-one with buyers and banks interested in purchasing U.S. agricultural

equipment. We also met with numerous buyers and banks, and gave a two-hour seminar to approximately 40 Nigerian buyers organized by the Nigerian-American Chamber of Commerce.

We then had a short stop in South Africa where we led a brief seminar, organized by the DOC, on our policies and initiatives to 19 South African importers. We also had discussions with NedBank, Wesbank, Development Bank of Southern Africa (DBSA) and various buyers.

Angola was our final destination with the purpose of continuing our engagement of that market on the heels of our \$120 million Angolan Banking Facility (ABF) announcement in April 2009. With the help of the Angola-U.S. Chamber of Commerce, U.S. Ambassador to Angola Dan Mozena, Ex-Im Bank, OPIC, HSBC and M&T Bank presented to over 160 Angolan buyers and banks on the financing opportunities available to Angolan buyers of U.S. goods and services. Ex-Im Bank also met with each bank in the ABF and provided a day long training for them. Duane Lambeth, credit officer at Ex-Im Bank, provided valuable input in Angola – this in addition to her fluent Portuguese!

JUNE 2009 BAFT CONFERENCE

Director Grandmaison attended the successful Banker's Association for Finance and Trade (BAFT) 2nd Africa Bank-to-Bank Forum in Nairobi, Kenya from June 30 to July 1, 2009. On July 1st he gave the keynote address titled, "Building Bridges with Africa." While in Nairobi, Director Grandmaison met with a number of Kenyan Banks; discussed Ex-Im Bank products, programs and policies; and discussed ways that Ex-Im Bank and the Kenyan banking sector can forge a closer relationship.

AUGUST BUSINESS DEVELOPMENT TRIP TO KENYA AND SOUTH AFRICA

Rick Angiuoni and Benjamin Todd visited Kenya and South Africa in August 2009 to participate in the 7th Annual African Growth and Opportunity Act (AGOA) Forum in Nairobi and follow-up on numerous business prospects.

Ex-Im Bank's "Financing Renewable Energy" workshop at the AGOA Forum was well attended and positively received. Rick Angiuoni moderated the panel and explained that Ex-Im Bank can now offer 18-year financing on renewable energy and water projects.

- Moussa Cissé, the Malian country co-chair from Mali's Ministry of Energy and Water, emphasized that Mali has a big challenge concerning renewable energy. The Malian government has a 15-year plan to exploit their renewable potential and the plan stresses solar and bio-energy, but financing is difficult.
- John Mudany, CFO of KenGen, noted Kenya has significant energy demand, but little supply despite the vast amounts of renewable potential. KenGen has a 2030 target to exploit geothermal, hydro and wind potential, but needs affordable, reliable and profitable power to be responsible to their shareholders. Mr. Mudany also noted that KenGen needs \$1.6 billion to reach their 2030 energy targets, but borrowing costs have increased greatly resulting in a decrease in investment.

- Steve Everhart, Associate Dean at American University in Cairo, told the story of a successful bio-energy project in Cairo, Egypt. He noted that the market in SSA for these projects is large as the feedstock is largely agricultural waste, and that USTDA, Ex-Im Bank and OPIC are critical for these types of projects to succeed.
- John Moran, Chief of Staff at OPIC, noted how Ex-Im Bank, TDA and OPIC work together and that renewable energy and SSA are priorities of OPIC. He described OPIC's various policies and projects in place to assist renewable energy for SSA at OPIC.

While in Nairobi, we followed-up with Kenyan Banks on how to deepen our relationship and met with a number of businesses about how Ex-Im Bank can assist in their financing of U.S. capital goods and services.

Following Nairobi, we traveled to Johannesburg, South Africa, where we revisited a number of leads generated by our quick June trip. Together with the DOC, we visited many of South Africa's large banks, Transnet, Eskom, and gave an Ex-Im 101 presentation to the U.S. – South Africa Chamber of Commerce.

NIGERIAN BANKING SECTOR VOLATILITY

During the summer of 2009, the Nigerian banking sector entered into a period of crisis. In response, the Central Bank of Nigeria (CBN) audited Nigeria's banks and intervened in nine of the 24 banks. Despite the volatility, Ex-Im Bank remains committed to Nigeria through our Nigerian Banking Facility, which was renewed again this past week. Ex-Im Bank staff is closely monitoring the situation and, if you have questions, feel free to contact our staff.

CORPORATE COUNCIL ON AFRICA'S (CCA) 2009 U.S.-AFRICA BUSINESS SUMMIT

From September 29th to October 1st, CCA held its 2009 U.S.-Africa Business Summit and Ex-Im Bank was pleased to play a central role in this successful event. Ex-Im Bank Chairman and President Fred P. Hochberg moderated the opening financing plenary, "Africa Looking Beyond the Global Financial Crisis." Thomas Gibian, CEO and Managing Director of Emerging Capital Partners; Russell Loubser, CEO of the Johannesburg Stock Exchange; and Saki Macozoma, Chairman of Stanlib, participated on this panel.

Rick Angiuoni, Regional Director for Africa at Ex-Im Bank, made a presentation during an agribusiness workshop titled "Mechanisms and Opportunities for Agricultural Finance and Insurance." This was moderated by Diane Willkens, President and CEO of Development Finance International, Inc., and other workshop participants included Nabil Fawaz, Sector Leader of Multilateral Investment Guarantee Agency at the World Bank Group; Michele Kennedy-Kouadio, Senior Marketing Specialist at the U.S. Department of Agriculture's Foreign Agricultural Service; Vipul Prakash, Senior Manager for the Global Agribusiness Department at the International Finance Corporation; and James Williams, Director of Insurance at OPIC.

David Fiore, Senior Loan Officer for the Transportation Division at Ex-Im Bank participated in the African Airlines Modernization workshop. Heather Pederson, Director of International Operations at the Boeing

Company moderated the panel and Mr. Fiore was joined by Susan McDermott, Deputy Assistant Secretary for Aviation & International Affairs at the U.S. Department of Transportation; and Ihsane Mounir, Vice President of Sales for Africa, Latin America, and the Caribbean for Boeing Commercial Airplanes.

Ex-Im Bank had a booth at the trade show which saw significant traffic. We were able to talk to numerous banks, exporters and buyers about our products and answer questions on both our products and policies.

EX-IM BANK BIDS FAREWELL TO MEMBER OF THE BOARD OF DIRECTORS, J. JOSEPH GRANDMAISON

Ex-Im Bank bid farewell to Member of the Board, Joseph Grandmaison as his second term expired this past July. In addition to his day-to-day duties as a member of Ex-Im Bank's board of directors, Mr. Grandmaison oversaw the SSA portfolio and was instrumental in its success. During his tenure at Ex-Im Bank, Mr. Grandmaison played an active role in establishing Ex-Im Bank's \$1 billion Nigerian Bank Facility; \$120 million Angolan Bank Facility; greatly expanded Ex-Im Bank's SSA portfolio; and travelled extensively to the region participating in business and ministry meetings, and Ex-Im Bank workshops. Director Grandmaison will be missed as he was a tireless advocate of Africa both within and outside of Ex-Im Bank.

EX-IM BANK WELCOMES ALICE ALBRIGHT

We welcome Alice Albright as the Executive Vice President and Chief Operating Officer at Ex-Im Bank. Because of her vast work experience in Africa, she has also been asked by Chairman Hochberg to lead Ex-Im Bank's SSA portfolio.

Alice Albright joins Ex-Im Bank with a 24-year career in international finance in the private and nonprofit sectors.

From 2001 to 2009, she served as the Chief Financial and Investment Officer for the GAVI Alliance, an international public-private partnership dedicated to improving childhood immunization rates in the poorest countries. During her tenure at GAVI, she worked on introducing innovative mechanisms to enhance how vaccines and immunization services are financed in the poorest countries.

Prior to joining GAVI, Ms. Albright worked as a banker with a focus on emerging markets and held positions at the Carlyle Group, JP Morgan, Bankers Trust Company and Citicorp.

Ms. Albright graduated from Williams College and received her MA from the School of International and Public Affairs at Columbia University. Ms. Albright is a Chartered Financial Analyst.

SELECTED RECENT AUTHORIZATIONS

Cape Verde

- Ex-Im Bank issued a medium-term guarantee to Espirito Santo Bank for the purchase of \$2 million worth of heavy construction equipment. The buyer, Tecnicil - Sociendade de Imobiliaria e Construcoes, S.A., sourced the equipment from a number of exporters including Bigge Crane and Rigging, Co. from San Leandro, CA; Cifa U.S. LLC from Franksville, WI; and Grove U.S. LLC from Shady Grove, PA.

Mauritania

- Using an Ex-Im Bank Short-Term Insurance Policy, Reliable Industries, Inc. exported \$270,000 of industrial machinery and equipment to Tasiast Mauritanie Limited, SA.

Mozambique

- Transportes Lalgy, Lda. purchased \$100,000 of new, used and rebuilt parts for trucks, heavy equipment and automobiles from Peter Batarse Enterprises, Inc. The exporter is covered by an Ex-Im Bank Short-Term Insurance Policy.

Nigeria

- M&T Bank lent Japaul Oil & Maritime Services PLC \$5 million for the purchase of mining machinery and equipment from Mequon, Wisconsin's Telsmith Inc. This purchased was backed by an Ex-Im Bank Medium-Term Guarantee.

South Africa

- With a Working Capital Loan Guarantee, U.S. Cosmeceutechs, LLC was able to export \$1.3 million of skin care products to their South African buyer. BB&T acted as lender of record on the transaction.

Zambia

- Frontier SPRL bought \$170,000 of fork lifts, heavy equipment and spare parts for construction vehicles and HVAC systems from the Connell Company which is covered by an Ex-Im Bank Comprehensive Short-Term Multi-buyer Insurance Policy.

We invite you to visit the enhanced Africa Portal directly at www.exim.gov/africa.
In addition, you may link to this portal from Ex-Im Bank's main website at www.exim.gov.

If you have any questions, please e-mail them to eximafrika@exim.gov.

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<http://www.exim.gov/lists/subscribe.cfm>.