

**Remarks for DAS Susan Page's Participation in the Africa-Texas
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- Like many in the Obama Administration, I believe in Africa's promise and am committed to helping Africa realize its vast potential. As we move into the second decade of the 2^{1st} century, no other continent in the world has as much untapped economic and commercial potential. From Cape Town to Cairo and from Lagos to Lilongwe, opportunities are to be found everywhere for those who seek them.
- During his speech in Ghana, July 2009, President Obama made it clear we intend to pursue a development strategy that provides opportunities for more people in Africa.
- Two cornerstones of the U.S. strategy for Africa's economic development have been the Millennium Challenge Corporation's compacts or grant agreements and the African Growth and Opportunity Act (AGOA) providing trade benefits to 40 African nations.
- Despite the success of these programs, we have to do more to reverse Africa's current economic situation.
- We must work to revitalize Africa's agricultural sector, which employs more than 70 percent of Africans directly or indirectly.
- The Administration's new \$3.5 billion food security program will focus on providing critical tools to African farmers to build local capacity to end hunger and expand production.
- We cannot, however, do this alone. African governments must also play their part in reducing corruption, improving their regulatory environments, and adopting more pro-growth economic policies.

- Despite these challenges, there are grounds for optimism and there are good reasons why we should be actively and aggressively engaged in Africa's economic and commercial future.
- Fuelled largely by high commodity prices for much of the past decade, Africa's economy as a whole has grown at a higher rate than the world in general since 2001.
- While such growth has tended to be concentrated in those nations with generous natural resource endowments, reforms and relatively good governance in many countries have helped solidify these gains.
- In its *Doing Business 2010 Report*, the World Bank ranked Rwanda the world's top global reformer with successful reforms achieved in seven of 10 business regulatory categories.
- Liberia was ranked the second fastest reformer in Africa, lauded for easing procedures for business start-up. , Mauritius broke into the top 20 in overall ease of doing business (out of 183 countries ranked worldwide).
- Others, such as Mozambique, Namibia, Botswana, Ghana, Tanzania and Cape Verde achieved high growth rates throughout the decade in large part because of generally sound policy frameworks.
- However, Africa should not be satisfied with these achievements. If Africa is to break out of its cycle of poverty, it is vital that African nations attract business and investors.
- Some people think that economic growth can be generated by development assistance from USAID and other donors. While development assistance is important to Africa, it will not result in sustained economic growth or the creation of new jobs, new capital and new industries -- that role falls to the private sector.
- I firmly believe it is worth doing. For those who get involved in Africa the rewards can be great.

In my view, the sectors with the greatest prospects include:

- **Agriculture**: With an area of approximately 12 million square miles, Africa possesses vast amounts of underutilized arable land. With appropriate infusions of technology and expertise, Africa's food production and agricultural exports could improve markedly.
- With the U.S. Government's Global Hunger and Food Security Initiative, significant investment opportunities in irrigation, fertilizers, seed development and rural credit will likely emerge and in turn, assist African states involved to take better advantage of opportunities under AGOA.
- **Infrastructure**: Infrastructure is another growth area. Construction and rehabilitation of Africa's physical infrastructure is a critical need and a high priority in a number of countries. American investors and businesspeople are likely to find opportunities in the areas of transportation, housing, irrigation, electricity and waste removal over the next decade. A number of OPIC and USTDA supported infrastructure projects are either underway or on the drawing board, such as power generation in Liberia, Togo and Kenya. The infrastructure sector is virtually wide open.
- **Minerals**: Oil and natural gas exploration have seized the spotlight in recent years, but mining remains a key investment area in Africa, which possesses 88 percent of the world's diamond reserves, 73 percent of the platinum and 40 percent of the gold. Other materials are found in abundance, including chromium, silver, copper, and cobalt.
- **Telecommunications**: Telecommunications is perhaps the most active and important growth sector on the continent. This industry is expanding rapidly as African consumers demand more and better communications services. Since Africa ranks at or near the bottom worldwide in the number of landlines, cellular subscriptions and internet users, the industry seemingly has nowhere to go but up.
- **Healthcare**: Healthcare is one of the continent's most pressing needs. Infant mortality, life expectancy and a variety of other health-related quality of life measures remain extremely low. Africa is also the continent hardest hit by HIV/AIDS. With international agencies such as the UN, the USG program PEPFAR and private sources like the Gates Foundation committing substantial resources to the sector, there are numerous opportunities for investors in health services.

- **Climate Change Mitigation:** In the aftermath of Copenhagen, opportunities should emerge for investment and training/capacity building programs to conserve and protect African forests to offset the impact of deforestation. Sustainable forestry and agricultural management investments could mitigate carbon emissions, and promote increased carbon sequestration and natural carbon sinks.
- **Renewable Energy Resources:** Investment opportunities are emerging in the development of a low-carbon future for Africa in solar, wind, geothermal, hydro-, and bio-fuel resources consistent with climate change goals. Possible solar technologies including passive solar heating and photovoltaic systems. Geothermal investments, both large and small scale, could yield extremely efficient sources of energy utilization.
- **Fostering Growth and development in these sectors is a priority for the Administration.**

CONCLUSION

- The time is NOW to do business in Africa. We will continue to work to build greater trade capacity in Africa and provide assistance to new industries.
- Strengthened trade policies will enable African businesses to tap more effectively into existing markets and create new ones with technology and innovation.
- The Bureau of African Affairs and our Embassies throughout Africa are committed to working with U.S. businesses and investors, to transform Africa's potential into investment, profits and sustained economic growth.

Thank you.