



Casablanca Finance City Your Gateway to Africa

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About CFC Authority

CFCA, formerly Moroccan Financial Board, is a public-private partnership dedicated to positioning Casablanca as a regional financial center and a premier gateway into African markets for multinationals, financial institutions and professional services firms. CFCA is empowered by law with the overall management and promotion of Casablanca Finance City.

Contact

For general inquiries call :
+212 (0) 5 20 30 03 80/81
Email: contact@cfca.com

Editorial

Bridging international and regional financing to robust investment opportunities, Morocco has emerged as a gateway to Africa. The rapidly urbanizing continent and its growing middle class open new and wider markets. Casablanca Finance City resides at this essential juncture, fostering investment partnerships in Greater North West Africa.

CFC's financial ecosystem is empowered by Morocco's deep understanding of African trends and its historic role as a bridge between the north and the global south.

Morocco's King Mohammed VI embarked on a four-nation tour of West Africa for the third consecutive year. The tour, which began on May 20th, 2015 and has continued into June, covered Senegal, Cote d'Ivoire, Gabon, and Guinea-Bissau and was culminated in the signing of numerous bilateral trade agreements.

Two major partnerships with Senegal and Cote d'Ivoire portray the countries' shared vision to develop African economies in a South-South framework: in Senegal, an agreement was signed with APIX, the Agency for the Promotion of Investments and Large-scale Projects and in Cote d'Ivoire, CEPICI Investment Promotion Centre in Côte d'Ivoire.

CFC leverages these business and financial solutions in a consolidated platform. Dr. Frannie Léautier, CEO of Mkoba Private Equity and former World Bank Executive, recognizes the promising value added CFC has for the region.

In this edition's interview, she emphasizes its strength as a one-stop-shop, offering expertise and driving financial integration.

This role as a financial hub has brought CFC international praise. In 2014, the Middle East Capital Markets Summit & Awards recognized it as the Best Financial Centre in the MENA region. In May 2015, CFC was awarded the "Africa Economy Builders' Grand Prize" in recognition of its «performance and contribution to the development of Africa».

With Chinese Telecom leader Huawei joining our platform, Casablanca Finance City's ecosystem now even extends to the Asian continent. By facilitating investment in Africa for companies such as Huawei, CFC is exhibiting both an economic advantage and a commitment to secure sustainable development. Nurturing this transformation is critical to Africa's growth.

I wish you an inspiring read and we are glad to assist you with your potential investment endeavors on the continent.

Best wishes,

Said Ibrahimi,
Chief Executive Officer of CFCA



Casablanca Finance City Authority signed MoUs with investment promotion agencies of Senegal and Cote d'Ivoire

As part of the King Mohammed VI four-nation tour of West and Central Africa, Casablanca Finance City Authority signed MoUs with investment promotion agencies of Senegal and Cote d'Ivoire, respectively CEPICI and APIX, to support companies with the CFC status in their investment projects in these countries.

Source: Casablanca Finance City Authority

Morocco's Attijariwafa takes 24% stake in Ivory Coasts SIB

Morocco's Attijariwafa Bank has acquired an additional 24% of shares in Ivory Coast's Societe Ivoirienne de Banque (SIB) from the Ivorian state, bringing its total stake to 75%. Attijariwafa Bank has subsidiaries in Tunisia, Senegal, Mauritania, Mali, Cameroon, Gabon and Congo Brazzaville, as well as branches in Europe.

Source: Reuters

Equity Group buys 79% stake in DR Congo's ProCredit Bank

Equity Group has entered into an agreement to acquire 79% of the issued share capital of ProCredit Bank Congo, a leading player in the Democratic Republic of Congo's small business sector. The USD 60 million deal, which is subject to regulatory approval in Kenya and the DRC, marks the first big step in a plan to enter ten new countries in ten years. ProCredit is the seventh largest bank by assets in DRC with total assets exceeding USD 200 million, net assets of USD 25 million and a customer base of over 170,000.

Source: Business Daily

Crystal Ventures launches IPO of MTN Rwanda stake

Rwandan investment firm Crystal Ventures has launched an initial public offering (IPO) of its 20% stake in domestic cellco MTN Rwandacell. The company is aiming to raise around USD 40.6 million from the local bourse listing with the funds set to be invested in the energy sector. MTN Rwanda will become the third company to be listed on the Rwanda Stock Exchange (RSE), which began trading in February 2011.

Source: TeleGeography

Mansard acquires 60% of Penman Pensions Limited

Mansard Insurance plc, a member of AXA Group acquired 60% of Penman Pensions Limited. This is aimed at consolidating its position as one of Nigeria's leading non-bank financial services groups. With this acquisition, Mansard Insurance extends its subsidiaries to four, having already made significant inroads into the asset management, health insurance and property segments through its wholly owned subsidiaries,

Source: Thisdaylive

AXA has completed the acquisition of a 7.15% stake in Africa Re

AXA has completed the acquisition of a 7.15% stake in African Reinsurance Corporation («Africa Re»), the leading reinsurance company in Africa, for a total consideration of USD 61 million. Established by the member states of the African Union and the African Development Bank (ADB) in Cameroon, Africa Re provides services across the continent, including AXA's targeted African markets, such as Nigeria and Egypt.

Source: AXA Group

Abraaj raises USD 1.3bn for African investment funds

Emerging markets private equity group Abraaj has raised more than USD 1.3bn for two funds investing in Africa, the largest amount amassed for direct deals across the continent. Abraaj, which manages USD 7.5bn of assets, has deployed USD 3bn to date across Africa.

Source: Financial Times

Buyout firm ECP seeks further USD 750 Million for African deals

The buyout firm, Emerging Capital Partners, is seeking USD 750 million as it pursues further deals. The funds will be sought in the next 12-18 months from development agencies, sovereign wealth and pension funds and family wealth offices. Acquisitions made with the additional funds would take ECP's assets to USD 3.25 billion. The Washington-based firm holds stakes in 15 companies and has invested in 45 countries since it was set up in 2000, targeting chiefly financial services, power and water, telecommunications and consumer goods.

Source: Bloomberg

National Bank buys stake in Ivory Coast financial services firm

National Bank of Canada has bought a 20.9% stake in NSIA, a financial services firm based in the Ivory Coast. NSIA is a big player in French-speaking Africa, operating in 12 countries and with assets totalling more than €1.2-billion. It is the leading insurance group in the region and is the third-largest bank in the Ivory Coast.

Source: The Globe and Mail

French renewable energy Company, Global EcoPower, acquires Nova Power

Global EcoPower (GEP), a French renewable energy developer, has acquired 100% of Morocco-based Nova Power in an all-share deal. The first payment is capped at a value of €13.5 million with the second payment to be based on the performance of Nova Power. The transaction will allow GEP access to overseas markets with Nova active in West and North Africa and the Middle East.

Source: Ventures Africa

Atlas Mara in talks to buy stake in Banque Populaire du Rwanda

The investment company Atlas Mara Limited is in exclusive discussions to invest approximately USD 22.5 million in Banque Populaire du Rwanda (BPR), which, if successfully concluded, will result in Atlas Mara owning 45% of BPR. Following this transaction, Atlas Mara intends to merge BPR with BRD Commercial Bank Ltd., the Rwandan bank Atlas Mara acquired in 2014 in order to create Rwanda's largest bank by branch locations and second largest bank by assets.

Source: The New York Times





Overview

The Democratic Republic of Congo (DRC) is located in Central Africa and covers 2,345,409 km², which makes it the 2nd largest country in Africa by area and the 11th in the world. It borders the Republic of the Congo, the Central African Republic, and South Sudan to the north, Uganda, Rwanda, Burundi and Tanzania to the East, Zambia and Angola to the south and the Atlantic Ocean to the west. As of 2013, its population was estimated at 67.5 million people, 42% of which is urban. Natural resources include cobalt, copper, niobium, tantalum, petroleum, diamonds, and gold. DRC is an active member of key regional economic communities in the continent, including the African Union, the Southern African Development Community (SADC), and Common Market for Eastern and Southern Africa (COMESA).

After more than a decade of political instability, DRC has been witnessing positive gradual changes over the past few years with new political institutions established at the various levels of government, as well as new administrative divisions for the provinces throughout the country. The country held a successful constitutional referendum in 2005 and finally settled into a stable presidential democratic republic. Re-elected for a second term, President Joseph KABILA is leading the country since 2001.

After an economic downturn in 2009 that brought the growth rate down to 2.8% due to the global financial crisis, the DRC posted an annual average economic growth rate of 7.4% during the 2010-2013 period, and of 8.7% in 2014, both of which are well above the average in Sub-Saharan Africa. This performance was driven by the robust extractive industries and by favorable trends in commodity prices. Public investments have also helped stimulate economic growth. Inflation rate has stood at 1% since 2013 as a result of the implementation of prudent fiscal and monetary policies. The country's FDI inflows amounted to 2 billion USD in 2013, which is expected to increase in the coming years thanks to a number of investment projects launched by Asian countries at the top of which comes China. The mining sector attracts most of the investments, followed by the telecommunications sector. DRC's large domestic market and strategic geographical location at the center of the African continent are great encouragements of further investments in the country.

The financial system offers considerable potential, given the country's demographics and economy. It is dominated by the banking sector, which experienced rapid growth between 2011 and 2013: 20 commercial banks, a development bank (Sofide), a fund for the promotion of industry, two institutional investment agencies (Sonas and INSS), 127 co-operative savings institutions and 100 microfinance institutions.

The DRC's economic outlook looks very positive. The economic growth is expected to reach 8% in the medium term, thanks to increased investment and growth in the extractive industries, the contribution of public works and the tertiary sector. The government is committed to improve the economic governance, the transparency in the extractive industries (forestry, mining, and oil sectors) and the business climate to restore investor confidence and encourage foreign direct investments.

General information

Capital city	Kinshasa
Official languages	French
Area	2,345,409 km ²
Population (2015)	67 513 677
Currency	Congolese Franc
Time zone	UTC + 1 and UTC +2

Macroeconomic indicators

GDP (Current USD)	32.7 billion
GDP (Current PPP)	54.6 billion
GDP per capita (Current USD)	484

GDP composition by sector 2014

Agriculture	40.4%
Industry	23.0%
Services	36.6%
GDP growth rate	8.5%
Inflation 2013	1.6%
Unemployment rate	8%
Labor force	26.7 million
Corruption Perceptions Index 2014	154/175
Country risk assesment	D
S&P credit ratings	B
Human Development Index	0.34 (186/187)

Monetary Data

Total reserves (incl. gold)	1.68 billion
Central bank lending rate	2% (since Nov 2013)
Currency conversion rate	\$ 0.0011
Bank account penetration	5%

Natural Ressources

Oil production	20,000 Barrels per day (2013)
Oil (proved reserves)	180 million barrels
Gas (proved reserves)	35 Billion cubic feet

Trade / FDI

Imports (USD)	\$ 9.8 billion (2014)
Exports (USD)	\$ 10.1 billion (2014)
FDI- Net inflows	1.7 billion

Infrastructure

Roadways	153,497 Km
Paved roadways	2,794 Km (1.8% of total roadways)
Railways	4,007 Km
Airports	198 (2013)

National account

Budget balance (%GDP)	-5.6%
Current account balance (% GDP)	-9.3%
Gross Public debt (% GDP)	20.7%





Focus: Agricultural and Mining Resources

The Democratic Republic of Congo is a country with significant natural resources. Agriculture is the mainstay of the economy, accounting for 40% of the GDP in 2014 and employing 70% of the labor force. The main cash crops are coffee, palm oil, cotton, sugar, tea and cocoa. Food crops include cassava, plantains, maize, groundnuts and rice. The country's arable land is estimated at 80 million hectares, yet only 10 percent of that is currently utilized.

The DRC also possesses 128 million hectares of forest (50 percent of Africa's forest) and a river system that could provide hydroelectric power to the entire continent. Indeed, it has more than 100GW of hydropower potential, most of which refers to Congo River.

DRC has \$24 trillion worth of untapped deposits of raw mineral ores, including the world's largest reserves of cobalt and significant quantities of diamonds, gold and copper. The primary resources extracted in the DRC include cobalt, diamonds, gold, copper, and oil.

In 2013, the government added measures to strengthen environmental protection to its policy documents and is committed to enhance the transparency in the extractive industries.

Bilateral Relations with Morocco

- Trade Agreements
- General Agreement on economic, scientific, cultural and technical cooperation
- Memorandum of Understanding for the promotion and development of handicrafts sector
- Protocol agreement for a cooperation between ministries of foreign affairs of Morocco and DRC
- Memorandum of Understanding on cooperation in the health sector
- Convention on the health evacuations, training and research.
- Air Transport Agreement
- Agreement on maritime cooperation
- Agreement on cooperation in the field of public service.



CFC Community events



CFC community breakfast: February 25th, Casablanca

As part of Casablanca Finance City Authority's (CFCA) marketing and development strategy, CFCA conducted a survey among members to learn more about their needs, expectations and visions. The survey results were used as a means to strengthen CFC's ecosystem and value proposition. CFC invited its members to the breakfast event hosted at CFCA headquarters on Wednesday, February 25th, where the organization presented the study's key insights and CFCA's action plan. The study was conducted by a leading consulting firm.



Conference Africa 2.0: May 19th, Casablanca

CFCA hosted a conference on "Africa 2.0: Digitalization opportunities and challenges on the continent", on Tuesday May 19th. The panelists addressed current and upcoming trends regarding digitalization in Africa by stressing untapped opportunities. The discussion tackled risks, challenges, and different ways to fully leverage the digital transformation.

International events



Africa CEO Forum: March 16th - 17th, Geneva

CFCA participated in the AFRICA CEO FORUM, which, since 2012, has brought together business leaders from English, French, and Portuguese Speaking countries throughout Africa. It has become a place of exchange between the most emblematic public and private sector decision makers on the continent.



City week: March 24th - 25th, London

Casablanca Finance City was a speaker at the City Week 2015 forum held in London. Representatives from across the global financial services sector, including senior politicians, regulators, and financial practitioners, attended the International Financial Services Forum. The representatives debated the challenges faced in restoring growth. CFC also hosted a dedicated panel on "How can companies leverage the African business potential." A high-level Moroccan financial delegation and international company executives discussed CFC's platform as a springboard for investment on the continent.



Africa Economy Builders Award: April 30th, Abidjan

CFC participated in the 5th edition of the Africa Economy Builders Award held Wednesday, April 30th, in Abidjan. The event was marked by dedications to major figures from the Africa and Diaspora business world who have distinguished themselves by the quality and the exemplary nature of their contribution to the development of our continent.



IFC/EMPEA Conference: May 12th-13th, Washington

CFC took part in IFC's 17th Annual Global Private Equity Conference in association with EMPEA, attended by over 875 delegates from more than 60 countries. This year's conference centered around the theme, "Unlocking the Power of Private Equity in Emerging Markets."



The International Economic Forum of the Americas and the International Pension Conference of Montreal : June 8th - 11th, Montreal

CFC led a high-level delegation to attend the International Economic Forum of the Americas and the Montreal International Conference on Retreat in Montreal. This visit was an opportunity to discuss issues related to pension management around the world. It was also a chance for attendees to get in touch with the major players in the financial center of Montreal and strengthen cooperation between Casablanca Finance City Montreal as a financial center.



CFC was invited to speak at the 18th Arab-German Business Forum, on June 8-10, in Berlin. The trade between Germany and Arab Countries has more than doubled to reach 50 billion euros in 2014. 600 high-level experts and decision makers from Germany and the Arab World discussed the business and economic German-Arab favorable climate.



CFC participated as a speaker at the Fund Forum Africa 2015. The event held in London on June 22nd-24th, 2015 and was an opportunity to hear from a Panafrican group of CEOs and Directing Managers to evaluate the investment and business potential in the continent.



CFC was invited to speak at the event hosted in Paris by CMS Bureau Francis Lefebvre, a leading business law firms. The event will take place on June 25th and is entitled "New opportunities, new partnerships in a booming continent" . A wide range of cross-industry issues will be discussed.



CFC participated in The Paris Europlace Financial Forum on 7th-8th July. The event brings together global financial leaders and more than a thousand international attendees including institutional investors, corporates issuers, insurers, bankers, asset managers, as well as French, European and International market Authorities.

UPCOMING NEWS



CFC will organise a round table meeting at 'Les Rendez-vous de Septembre' in Monte-Carlo on September 12-17, 2015. The international Reinsurance congress is a high level meeting where major players in the Reinsurance market meet annually to discuss pressing issues and new opportunities.



Culture Section

The latest African Cultural News

Africa Design Days 2015, Casablanca and Rabat

The ONA Foundation and Africa Design Award organized Africa Design Days 2015, a unique event honouring a wide range of African designers. The first historical edition of Africa Design Days was held in Morocco and co-organized by Hicham Lahlou Designer and ONA Foundation. This event is a vision for Africa that goes beyond highlighting the creative power of talents in the continent; it is an ambitious challenge that seeks to place Africa in the heart of the global design scene. More than 40 international designers came from more than 10 African countries, including Morocco. This event, organised in the framework of Africa Design Award, has the strategic aim to position Morocco as a design locomotive in Africa. CFC is one of the sponsors of the ongoing events from May 17 th to July 19th 2015.

1:54, a Contemporary Art Fair dedicated to Africa

Europe's leading art fair dedicated to Contemporary African Art made its New York debut from 15–17 May 2015. A reference to fifty-four countries that constitute the African continent, the title of 1:54 establishes the parameters of the fair's ethos: as a platform that strives to represent multiplicity and showcase the diversity of contemporary African art and cultural production on an international stage.

1:54 NY was held at Pioneer Works, an industrial building in Brooklyn dedicated to the nurturing and showcasing of art. 1:54 London takes place at Somerset House, a historic building and major cultural arts centre in the heart of London.

The "African" Viennese biennale

The 56th International Art Exhibition entitled All the World's Futures, curated by first African curator Okwui Enwezor, is open from Saturday, May 9th to Sunday, November 22th, 2015 at the Giardini della Biennale and at the Arsenale. The exhibit is organized by la Biennale di Venezia chaired by Paolo Baratta.

The awards ceremony and the inauguration took place on Saturday May 9th, 2015. Ghanaian sculptor El Anatsui has been recognized for his outstanding contributions to art. Best known for creating unique sculptures using recycled waste, he was awarded Saturday the Golden Lion award for Lifetime Achievement in Venice. CNN said this edition of the biennale was "all about Africa."

Upcoming News

Photomed Casablanca

Photomed is a yearly photography festival that celebrates Mediterranean countries.
8-31 October, 2015

1:54, a Contemporary Art Fair dedicated to Africa

Somerset House, London
15-18 October, 2015

The Bamako Encounters

The 10th Edition of the Bamako Encounters, the African Biennale of Photography, is a Pan-African Exhibition showcasing 39 artists. The exhibition « Telling Time » will take place in Bamako.
October 31 - December 31, 2015



Questions to

Dr. Frannie Léautier



Dr. Frannie Léautier is Partner and Chief Executive Officer of Mkoba Private Equity, a fund created to support small and medium enterprises in Africa.

Before this position, Dr. Léautier was the Executive Secretary of the African Capacity Building Foundation (ACBF).

She has had a rich career in the private sector and in international development as she served as Vice President of the World Bank and Head of the World Bank Institute (2001-2007).

She also served as Chief of Staff to the President of the World Bank (2000-2001).

What do you think of the economic and financial potential of Africa, more specifically in the GNWA region?

I have worked in different regions in the world and had a corporate role at the World Bank where I could see the institution's entire investment portfolio. When it comes to African companies, I quickly realized they were not contributing to development the way they could have and that there was a massive opportunity in the continent. Hence the Mkoba Private Equity Fund I started in 2014, based on very strong macroeconomic fundamentals.

First, we have a large continent with over a billion people - a number projected to grow. That means a big market, mostly underserved and growing. The continent has proximity to big export markets: North Africa is very close to Europe, Eastern Africa is very close to the Middle East and Asia, and on the West coast, Latin and Northern America are not far. Consequently, so as a continent, Africa reaches and serves the whole world.

Also, Africa has 60% of the unused arable lands in the world, with abundant underground water sources. Therefore, in terms of climate change and opportunity to feed the world, Africa is a promising continent.

On the political front, the continent is changing in two ways. First, it is more peaceful. There are fewer, regionally contained conflicts. Second, there are overall more democratic transitions. For instance, Nigeria, one of the largest countries of the continent, just had peaceful elections and Côte d'Ivoire, one of the biggest West African economies, has reached stability.

In addition, there are opportunities for cross-border investments. Morocco has been able to develop a regional presence in the banking and financial sector, and in renewable solar energy. In Nigeria, Dangote is becoming the leader in cement at a regional scale.

All these regional giants are able to serve a large continent. Yet, there is still a considerable potential because the countries are still underserved in banking - that is why mobile banking is having a massive response. In terms of insurance, again, there are big opportunities in Africa. Companies like Saham in Morocco clearly understood the potential.

Finally, we have the fastest and highest growing countries. Among the top ten fastest growing economies, seven are in Africa.

Therefore, it is not difficult to see the scope of such a potential. Investors know this: last year, 4 billion US dollars were raised in private equity funds for Africa and this year we have already reached half of this amount. So one can imagine that 2015 is going to be a great year for private equity in Africa.

Tell us about your success story in Africa with Mkoba Private Equity Fund.

With Mkoba Private Equity Fund, the idea was to focus on providing expansion capital to small and medium enterprises, which accounts for 80% of companies in Africa and the Middle East. They are really the workforce of the economy, yet the access to the capital is limited. We created this fund to drive these businesses' growth to these companies, delivering critical services in agribusiness, financial services, and mobile businesses. We also cover health services, education services, transport, and innovative ideas that allow technologically driven productivity gain. All these areas are growth enhancing and opportunity expanding. We focus on countries that have been underserved in the past in the Eastern coast of Africa and Central Africa - Kenya, Tanzania, Rwanda, Mozambique, and DRC. Of course, Kenya is not underserved. We launched our fund in April 2014 and we are raising \$150 million US dollars. We inject a million to fifteen million dollars into these small and medium companies to help them raise their productivity levels.



Questions to

Dr. Frannie Léautier

We also support their reporting and accounting systems: that allows the market to identify them, and they can start exploring traditional financing alternatives, like banks and other investment vehicles.

What are your views on the CFC initiative?

I was very fortunate to be on a panel in Abidjan with Mr Said Ibrahimi, CEO of Casablanca Finance City Authority. We both got an award as African Economy Builders. I was eager to learn more about the new initiatives in Casablanca. There are great opportunities for financial integration in Africa. Regarding the capital market, we have more than 50 economies and we cannot have a capital market in each country so we need a regional market and I think that the ability to have Casablanca, Johannesburg, and Nairobi to drive the local capital needs and opportunities is essential. Not only Casablanca is close to Europe, but it is also located in a very stable country that can attract more financial opportunities into the continent.

This integration not only provides opportunities for capital to scale, but also cross-listings to actually build domestic capital markets in countries that don't have very strong capital markets.

The other key driver is the one-stop shop for investment. Casablanca Finance City is able to provide a comprehensive ecosystem for investors. They do not need to be running around in ten different places to look for the different types of services they need; they will find the lawyer, the accountant, and every service they need in one place.

You have been to Morocco several times, what do you like most about it?

I have been to Morocco five times. I am always amazed by the dynamism of Marrakesh.

The incredible diversity and dynamism of the major cities reminds me how Morocco has been able to balance tradition with modernity.

You can see it in the architecture, and you can see it in the way people dress and eat.

At the Clinton Global Initiative Middle East and Africa [that took place in Marrakech on May 5th-7th] we had a very interesting conversation about the importance of culture, because culture is about who you are and if you are proud of who you are, then you can achieve a lot.

Consequently, this ability to modernize while building on its own culture and tradition is really a key factor about Morocco that is visible when you go there.

Then there is democracy, more women in power, we saw a number of women in senior position in Morocco, on the panels, so it was good to see that.

Finally, people make you feel comfortable, and that is priceless

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*Casablanca Finance City
is able to provide
a comprehensive ecosystem
for investors*

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