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WHITE PAPER SHOWCASES SUCCESSFUL BUSINESS TO BUSINESS PARTNERSHIPS IN AFRICA

*Partnerships Crucial to Navigating Local Business Climates and Seizing Investment Opportunities
CEO Recommendations for Forming and Executing Partnerships Highlighted*

NEW YORK – Today, the Initiative for Global Development (IGD) and Dalberg Global Development Advisors released a white paper showcasing business-to-business (B2B) partnerships in Sub-Saharan Africa. The paper, [*Business-to-Business Partnerships: Recommendations for Expansion Across Africa*](#), is the first of its kind to profile successful partnerships and includes recommendations for entering, structuring, implementing and ending partnerships from CEOs of leading global multinational companies.

“This white paper is a key resource for companies looking to use B2B partnerships to expand their operations in Africa,” said Jennifer Potter, President & CEO of the [Initiative for Global Development](#). “The recommendations will help firms successfully set-up and execute partnerships to take advantage of Africa’s many investment opportunities while promoting local economic development that reduces poverty.”

When expanding to new markets in Africa, companies often look to partner with local, African firms to navigate local business climates. Compared with other emerging markets, the diversity between economies, cultures and regulatory environments across Africa’s 54 countries makes cross-border expansion a more complex process. CEOs recommend spending time and resources to build relationships and gather information on the ground before entering new markets to gain the most accurate and up-to-date market information.

U.S. and African CEOs identified ways in which their core business activities contribute to local economic development, including the introduction of new goods or services and developing the local workforce through employee training, thus raising living standards for low-income people. For local partners, exposure to global standards, business strategies and intellectual capital can increase their competitiveness and contribute to company growth and expansion. Foreign partners can increase their local credibility by demonstrating commitment to the communities in which they operate.

“We knew that partnerships would be critical to our success in Africa so we are setting up a number of local offices to engage and build relationships with distributors throughout the continent,” stated Brady Southwick, Vice President and Managing Director, Cummins Africa. “We have made large upfront investments with longer-term payback horizons to acquire local knowledge and build local talent.” Cummins estimates that it may take a few years before the company makes a return on the money it is investing in training programs to increase availability of skilled labor in anticipation of future growth.

In addition to partnering for the long term, CEOs also recognized the importance of starting with a clear understanding of each partner’s goals and maintaining open channels of communication. This helps partnerships weather unexpected challenges or opportunities that arise in Africa’s dynamic markets.

“After previous experiences when we entered partnerships with companies that did not share our long-term vision, Loita group has developed particular criteria that we use to mitigate risk by ensuring vision

and strategic fit,” said N. Justin Chinyanta, CEO of Mauritius-based investment banking firm Loita Group. “We now look for mutual cultural understanding, history of long term commitments, invested resources on the ground, reputation and ethics.”

“The CEOs interviewed for this white paper draw on lengthy experience developing and maintaining partnerships in Africa,” said James I. Mwangi, Partner at [Dalberg Global Development Advisors](#). “Their recommendations will enable foreign firms entering new markets and local African companies to maximize the benefits of partnerships.”

The majority of executives interviewed for the white paper are members of the [Initiative for Global Development’s Frontier 100 network](#), a group of leading African, South Asian, U.S. and European business executives working to increase investment and reduce poverty in Africa. The white paper was released during the Frontier 100 Forum, which convened Frontier 100 CEOs and multinational corporation executives and investors to share insights about opportunities for investment in Africa and leveraging partnerships in business expansion.

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About the Initiative for Global Development

[The Initiative for Global Development](#) (IGD) is a global alliance of business leaders united by a common vision of reducing global poverty through increased economic development and investment in frontier countries.

Frontier 100, a program of IGD, connects successful CEOs operating in frontier and emerging markets with leading CEOs from the United States and Europe to catalyze business growth that increases opportunity for people in developing countries.

[Dalberg Global Development Advisors](#) is a strategic consulting firm exclusively focused on raising living standards around the world and addressing global challenges.

The Frontier 100 Forum is supported by Premier Sponsor Citigroup.

Notes to Editors:

Interviews with Frontier 100 CEOs are available upon request.

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