

Africa, Business Destination Time Magazine

"Warren Buffett is based in Nebraska," says Ekpe. "It's not where you are. It's what you do."

Togo is like much of West Africa — small, poor and an occasional producer of sensational soccer players—but for the bank. Lomé, Togo's capital, is home to Ecobank, a 21-year-old pan-African retail and corporate bank that, according to CEO Arnold Ekpe, employs 11,000 people in 620 branches in 26 countries, with a balance sheet of \$8 billion.

Unlike a lot of other banks, Ecobank is expanding. It has opened 200 branches since 2006 and aims to set up in three more countries by June. What's more, it actually makes money: annual profits were up 47%, to \$191 million, in 2007 and up 32%, to \$104 million, for the third quarter of 2008 alone, the latest period for which figures are available. Even more extraordinary, it is managing to raise money in the "crunched" capital markets — \$700 million since August.

Ecobank's success is not an isolated blip, and aid is no longer Africa's main source of foreign income. Africa is becoming a business destination.

In 2006, according to the Organization for Economic Cooperation and Development, foreign investment in Africa reached \$48 billion, overtaking foreign aid for the first time.

"The private sector is the key driver," wrote Nellor, "and financial markets are opening up." War is down. Democracy is up. Inflation and interest rates are in single digits. Terms of trade have improved. Crucially, said Nellor, "growth is taking off." The IMF puts Africa's average annual growth for 2004 to '08 at more than 6% — better than any developed economy — and predicts the continent will buck the global recessionary trend to grow nearly 3.3% this year.

The World Bank says the percentage of Africans living on \$1.25 a day or less dropped from 59% to 51% from 1996 to 2005 and has decreased further since.

"Africa offers more opportunity than any place in the world." [I SECOND THAT]

" Ecobank CEO Ekpe says part of the explanation for China's zeal for Africa is a new way of looking at Africans. "[The Chinese] are not setting out to do good," he says. "They are setting out to do business. It's actually much less demeaning."

Look back at the African growth figures once more. Compare them with this year's forecasts for the developed world. Who's the basket case now?

Conclusions

Near term its a very tricky landscape but this is the last convergence Trade going and the catalyst is the Mobile Phone and the access to the internet which are all within spitting distance

