



Commonwealth Business Council eNewsletter

July 2008

"Tackling climate change is an urgent priority. One where we have positive work to build on: sharing experiences, disseminating best practice, building capacity ... it is great to see the Commonwealth Business Council playing such an important role" - Lord Mark Malloch Brown, Minister for Africa, Asia and the UN

Testimonials

Euro-IB Ltd

CBC events are informative, well organised and well attended by hands on business people looking to grow internationally. CBC membership has helped us build invaluable business contacts in India and develop new relationships. Interaction with CBC has also helped us to develop a better understanding of strategic country issues including government policy effects on the business environment. The Council has helped us with introductions to senior policy makers and market players with common interests. As a small merchant bank these opportunities have been beneficial in developing our business.

CBC Events

Banking and Financial Services Forum - London

Participants from over twenty countries including Finance Ministers, Central Bank Governors, private sector leaders and representatives of multilateral agencies joined CBC's annual Banking and Financial Services Forum in London on 26 June. The theme of the Forum, "New Financing Tools for Developing Economies" introduced new financial instruments for consideration by developing countries as they plan strategies to underpin long-term sustainable growth. The Forum was addressed by Ministers from Ghana, South Africa and the United Kingdom. The Hon Kwadwo Baah-Wiredu, Minister of Finance, Ghana and Mr Jabulani Moleketi, Deputy Minister of Finance, South Africa respectively highlighted the importance of new modes of financing to meet shortfalls in development financing and working to achieve financial inclusion for those outside the formal financial system. Ms Kitty Ussher, MP, Economic Secretary to the Treasury, drew attention to the potential to enhance financial sector linkages between developed and developing economies.

Specific tools and strategies presented included: the development of regional bond markets; policy choices and technology for financial inclusion; carbon finance; Islamic finance; sovereign debt and the securitisation of remittances. Following the Forum's recommendations, further work will be pursued by CBC on bond markets and carbon finance in Africa. The Forum was sponsored by DFID, UK, Standard Bank and ZIPP International Payments plc.

Photo: Left to Right; Mrs Joana Jacinto David General Manager and Board Member, Central Bank of Mozambique, Vijay Kumar, CEO, ZIPP International plc, Mark Napier, CEO, FinMark Trust, Ms Ann Grant, Vice Chairman, Standard Chartered

UK-India Business Leaders Forum - London

On the 19th of June 2008 the Commonwealth Business Council in partnership with the UK - India Business Council and UK Trade and Investment held the UK- India Business Leaders Forum at the RAC, London, sponsored by Lloyds TSB. Speaking at the forum were business leaders from both the UK and India, KV Kamath, President CII and Group CEO, ICICI Bank Ltd, and Peter Sands, Group Chief Executive, Standard Chartered plc, discussed whether the UK is missing out on Indian growth? Both speakers agreed that yes the UK is missing out. Peter Sands pointed out the UK's share of Indian trade had fallen, both speakers concurred that this was a strange state of affairs given the 2 countries shared history.

While the speakers agreed that much good work has been done to reduce the barriers to trading and investing in India more work is needed. It was agreed that while large international companies, affectionately termed the 'Big Boys' would not suffer too badly from this as their influence and capital allow them a certain leeway, UK companies that really suffer are the SME's as they place their trust in UK based financial and legal advisors who are currently restricted in their operations in India. These restrictions seriously affect SME's as they rely on these advisors when considering 'going international', if they are not present in India they can not advise on the Indian Market and resultantly, SME's rarely go to India. A possible solution offered by panelist Suhel Seth was partnerships between Indian and UK companies, Deepak Puri, pressed this point by arguing that joint ventures with local partners were the best vehicle by which to access the Indian market. Taking a slightly different perspective Stuart Stoter suggested that some barriers were 'in the mind' and perception was perhaps India's greatest problem; the persistent but slowly changing belief that India is only for outsourcing has held back UK - India business interaction at SME level. In response the Indian panelists were keen to highlight, India as one of the world's fastest growing economies is open for business, and that UK companies should come and operate there.

Global Energy Crisis Roundtable - London

Across the world, nations are suffering increasingly from the energy crisis; the solution requires the convergence of developed economies and emerging markets. To promote the required response the CBC on the 10th of June 2008 held a round table event with the Indian minister of Science & Technology and Ocean Development, Hon. Kapil Sibal, addressing the key global issue of energy.

At the meeting the Hon. Kapil Sibal emphasised the solution to climate change is not going to come solely from commerce and investment but also technological development. However success can only be ensured if this research and development occurs within the low cost markets such as India, in order to drive down the cost of manufacturing. Kapil Sibal made it clear that the new mantra for the energy sector must be 'manufacture locally and market globally'.

In the renewable energy arena China is attempting to dominate wind power and has been extremely aggressive in the provision of production capacity. The minister suggested while India does currently receive large amounts of investment from the global market, in wind energy, it should strive to further develop its solar sector. India's geographic position and climate coupled with the declining cost of manufacturing, the key component of solar panels could make it a leader in this field.

New Members

Interactive Lunch with new Commonwealth Secretary General - London



Brad Koen, Managing Director & Head of Global Markets, Standard Bank



KV Kamath, President CII and Group CEO, ICICI Bank Ltd



Delegates at the Forum

Cru Investment Management.

Cru Investment Management was founded to offer a more relevant approach to the investment needs of the private client, majoring on absolute returns. This approach is based on an analysis of likely future returns from any asset and the skill of any investment specialist manager of that asset to add further returns. We aim to deliver returns ahead of cash and to seek to do so over periods of at least five years. We aim not to leave our clients at the mercy and vagary of stock markets. Instead we seek to combine a variety of assets and investment approaches to deliver, over the long term, positive returns on a consistent basis.

Bank of London and The Middle East.

Bank of London and The Middle East plc (BLME) is a fully Sharia'a compliant wholesale bank in the heart of the City of London. BLME is managed by a quality team bringing together a combination of highly experienced international financiers and leading experts in Islamic finance. BLME was incorporated in August 2006 and received FSA authorisation in July 2007. Since authorisation, BLME has provided innovative Sharia'a compliant finding for our diverse client base. The majority of our Corporate Banking client base is located in the UK, US and Europe.

On June 6th, the CBC held an interactive lunch for CBC members and members of the diplomatic corps in London with guest of honour the newly appointed Commonwealth Secretary General H.E. Mr Kamallesh Sharma. Mr Sharma addressed the gathering on how governments and the private sector could work together to meet the challenges of globalisation for Commonwealth countries.

The Secretary General reconfirmed the commitment to partnership between the CBC and the Commonwealth Secretariat, to enhance trade and investment, and complimented the CBC for its focus on critical and current topics such as e-health.

Mr Sharma's address was a wide-ranging discussion of globalisation within the Commonwealth and its effects on development. He highlighted the importance of the ongoing World Trade negotiations and the potential impact their completion could have on the developing members of the Commonwealth. On a similar track, the Secretary General argued for more support from the developed economies of the Commonwealth for the emerging economies to achieve a greater level of prosperity.

Mr Sharma indicated his support for the Youth Programmes of the Commonwealth, arguing that future growth and progress will depend on the ability to inspire a generation of entrepreneurs, from all member states of the Commonwealth. He stated that while entrepreneurs cannot be 'taught', skills can be, and urged that an environment which encourages aspiration should be developed

Dr Mohan Kaul's Address at Commonwealth Forum - Berlin

On Friday the 23rd of May 2008 Dr Mohan Kaul, Director General of the Commonwealth Business Council addressed the Commonwealth Forum in Berlin. The event was held in coordination with British Chamber and the Wirtschaftsrat der CDU. In attendance were Ambassadors and embassy representatives from countries including Nigeria, Uganda, Mozambique, Malta, Malawi, India and many others.

Dr Kaul addressed the conference on, Commonwealth and Business Opportunities: prospects and challenges. He started by highlighting the quite phenomenal economic growth in many commonwealth countries, pointing out that 20 commonwealth nations are growing at well above the global economic growth rate of around 5%. Dr Kaul argued that with commonwealth trade set to reach 4.5 Trillion Dollars by 2025 it was an opportunity not to be missed and that Commonwealth nations represent ideal investment locations as they share the English language, similar Legal, Accounting and Political Institutions and relatively standard patent law and business practices. He demonstrated the opportunities, with examples from Malawi, Uganda, Nigeria, Canada, Trinidad & Tobago, Malta and Singapore.

Dr Kaul continued by suggesting that, not only are Commonwealth nations good destinations for investment in themselves but that they can serve as gateways to even wider markets. For example South Africa is the regional economic power. South African outward investment increased by almost 5 times between 2005 -2006 up from 20,000 million to 100,000 million. South Africa is now the dominant source of investment in SADC countries overtaking Germany, the UK and US.

Finally Dr Kaul reminded the conference that the Commonwealth contains India, one of the fastest growing economies in the world, and that as an investment destination and investor it represents a hugely powerful economic force in the world. In fact India has recently become one of the few countries that invests more than is invested in it. In Africa alone, Indian trade soared from \$965 million in 1991 to \$30 Billion in 2007/08.

Launch of Green Oorja Program - New Delhi

Leading UK companies participated in the '2008 Technology Day' on the 11th May, held in New Delhi, India. The Commonwealth Business Council (CBC) along with British Petroleum (BP) and others launched a major new clean technology initiative called Green oorja in cooperation with the Indian Ministry of Science and Technology. The program is aimed at combating climate change and reducing Green House emissions in India, through the development and commercialisation of key renewable energy technologies and conservation techniques, in partnership with the private sector.

Green Oorja intends to strengthen the already strong culture of innovation and technological development present in India by ensuring that information is shared between relevant partners and a sufficient level of investment is provided for continued advancement.

As can be expected in the field of green technology, there is considerable Government, corporate and academic interest in the programme from all over the world. In this multi-country initiative the CBC has already secured the formal support of British Petroleum (BP), Tata International, The Indian Institute of Technology (Bombay), Bird & Bird, The Carbon Trust and the Indian Government (Technology Development Board, Ministry of Science & Technology) as core founding partners of the program.

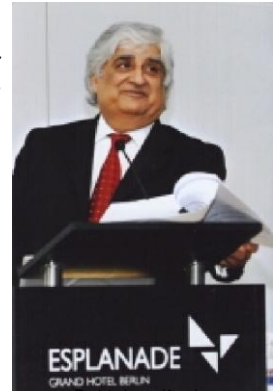
The first and immediate aim of the program is to draw up a comprehensive map of clean energy eco- system in India. This will include investigating the current research capabilities across all sectors and identifying organisations or institutions currently undertaking clean energy development. A study of the Indian market to identify its needs will be simultaneously undertaken and organisations actively seeking to bring foreign technology into the market will be identified. The research will be presented at a major conference on Clean Energy that will be organised later in the year 2008.



H.E. Kamallesh Sharma and Dr Mohan Kaul



Guests at the Lunch



Dr Mohan Kaul



Delegates at the Berlin Forum



Commonwealth News

Pakistan's Re-admission to the Commonwealth

Pakistan was re-admitted to the Commonwealth on 12 May 2008 following a meeting in London of the Commonwealth Ministerial Action Group. The Group commended the holding of parliamentary elections in Pakistan on 18 February and the transition to a democratically elected government and the positive steps taken by the Government of Pakistan to fulfill its obligations in accordance with Commonwealth fundamental values and principles.



CBC strongly welcomes this news. Pakistan's active participation in the Commonwealth is of mutual benefit and recognises its role both as a founder and the second largest member. Pakistan is a country in the midst of rapid economic development, its economy having grown at a rate of over 7% annually for the last 4 years and estimated to grow by 6% in 2008, still amongst the fastest in Asia. The market offers a diverse range of investment possibilities, particularly in the energy, communications, manufacturing, information technology and real estate sectors.

CBC has recently been working with the Overseas Investors Chamber of Commerce & Industry, the Pakistan Business Council, the Pakistan Institute of Corporate Governance amongst others as well with SAARC bodies in Islamabad such as the SAARC Chamber, the SAARC Energy Centre and the South Asian Federation of Exchanges (SAFE) to strengthen awareness of and participation in Pakistan and South Asia's growth and potential For further information contact arif.zaman@cbcglobal.org

Upcoming Events

India UK Trade and Investment Flows Report: 2 July 2008

On the 2nd of July 2008 the Commonwealth Business Council in partnerships with the UK- India Business Council and the UK Trade and Investment will launch the INDIA UK Trade & Investment Flows Report at the Institute of Directors.

Launch of Business Action Against Corruption: 4 July 2008

CBC is delighted to announce a \$5m funding package for Business Action Against Corruption (BAAC), awarded by the Governance and Transparency Fund, DIFID. HE Ephraim Inoni, Prime Minister of the Republic of Cameroon on, will inaugurate the programme.

Africa Business Forum: 3-4 July 2008

The Africa Business Forum 2008 will be held in London on 3rd-4th July prior to the G8 Summit in Japan. The ABF is an annual event convened by Commonwealth Business Council (CBC) and Business Action for Africa (BAA) and enables business and government leaders to come together and discuss the progress in promoting growth and development in Africa.

This year to tie in with the ABF, IC publications, Publishers of African Business and New African and the CBC are pleased to announce the inaugural CBC – African Business Awards. The Awards are to take place on the 3rd of July and will be held at the Grosvenor House Hotel.

Events Calendar

UK India Trade and Investment Flows Report Launch

2nd July 2008

London ,UK

[Africa Business Forum](#)

3-4 July 2008

London, UK

Africa Investment Forum

September 2008

Durban, South Africa

New Staff

Sam Goonetillake, Membership Development Manager

Sam Goonetillake who is originally from Sri Lanka joins the CBC as Membership Development Manager and brings a wealth of experience to the role with over 20 years of international commercial experience.

Sam has previously worked for FT Conferences, Reed Exhibitions, IATA Events and more recently has worked as an Independent Marketing Consultant devising and implementing event and sponsorship sales and marketing strategy globally for a number of clients.

Over the past 3 years Sam has additionally spearheaded a charity helping children through education in Sri Lanka providing funding for education and equipment to over 10,000 children. Sam who is married with 4 children is also involved with other UK charities and enjoys any spare time with his family.

New Membership Brochure

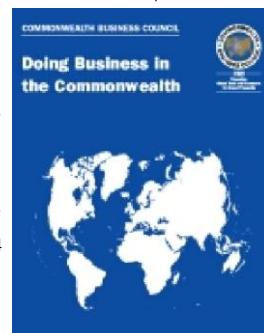


Photo Gallery



Left to Right; Madhava Chandra, Sharmila Prabhu,
Richard Laing



Left to Right; Brian Hanrahan, H.E. Annan Arkyin Cato