



EU-AFRICA INVESTMENT FORUM

Presentation by Prof. Michelet Montina, President of US-African and European Business Group

His Excellency Ambassador of Democratic Republic of Congo Mr. Oscar Matondo

His Excellency Ambassador of Ivory Coast Mr. Charles Darius

African and European Businessmen here present Ladies and Gentlemen

Welcome to the EU-Africa & US Business and Investment Forum

I have taken for granted that EU-Africa Investment Forum will make a great impact in Africa, and I hope it will inspire the most creative and talented African and European businessmen here today to turn their business ideas into strong enterprises in Africa.

A special thanks to His Excellency, Ambassador of Democratic Republic of Congo Mr. Oscar Matondo, and Honourable Ambassador of Ivory Coast Mr. Charles Darius for having accepted our invitation to be our Guest Speakers at the opening of EU-Africa Investment Forum.

Let me also thank European and African businessmen for joining us today, a testament to your personal commitment to help African people to turn their visions into realities.

Distinguished Participants

Companies in Africa have great difficulty in gaining access to sources of financing and the need today is to look for solutions and set up Guarantee Fund to ease access to financing for small and medium sized enterprises based in Africa.

Credit Guarantee Programs in Africa could address several barriers to loan access by Small and Medium-sized Enterprises for the creation of wealth and jobs in Africa. These barriers include:

- 1) The high transaction cost
- 2) The perception of high degree of risk in lending to Small and Medium-sized Enterprises
- 3) The lack of traditional collateral as often required by financial institutions.

Ladies and Gentlemen

Small and Medium-sized Enterprises are generally one of the main drivers of the economic recovery because they contribute substantially to GDP and account for a large number of jobs for local people. Access to financial sources is important for the operations of firms, especially for newly established which don't have sufficient collateral and reliable financial records to ascertain that they represent acceptable credit risk.

It is imperative to set up programs to provide financing mentorship services to Small and Medium sized Enterprises or individuals wanting to start their own business, but who cannot provide the required security to access commercial bank loans.

Ladies and Gentlemen

The mentorship program will help for the development of the business plan by facilitating the engagement of a mentor to assist in terms of monitoring and evaluation during the loan period by periodically visiting and verifying performance, employment creation and any other issues that occur such as cash flow problems and other non-compliance to the loan agreement.

Credit Guarantee Programs in Africa can operate in a relationship of trust and confidence among the parties involved in the system (the Guarantor, the financial institutions, and the Borrowers).

I believe that trust and confidence derive not only from our ability to pay calls on guarantee, but from a vision that can share with our brothers and sisters in Africa. Behind this vision is our philosophy of service, the best way to help Small and Medium-sized Enterprises is not to take their losses, but to do business with them in a manner that benefit both.

I am very confident that Governments in Africa have the capacity to develop innovative solutions not only for business purposes but for the greater good for our continent. I am very passionate about the possibilities of Africa and its future, and I want to be part of it all.

Ladies and Gentlemen

Let me welcome you once again and invite Honourable Ambassador of Democratic Republic of Congo Mr. Oscar Matondo to make his opening remarks.

Thank you very much and may God bless Africa!

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