

TWIN
GLOBALSEPTEMBER 26TH, 2018
MUSEUM OF
CONTEMPORARY ART

Emerging Africa

INTRODUCTION

Our vision for TWIN Global 2018 was to explore horizons – within ourselves, our community, and across the globe. In the morning during the plenary sessions, we heard from multiple perspectives on global development, with speakers discussing the view from countries like China & Bangladesh and how changes in these countries will impact the world.

In the afternoon, TWINians continued the discussion on Horizons of Global Development in intimate breakout sessions. Wendy Tyrell facilitated an insightful and moving discussion on investment in Sub-Saharan Africa between our panelists, Karim Shariff and Euler Bropleh, both of whom have deep personal and business connections on the African continent.

“Africa was emerging 100 years ago, and still will be emerging in 30 years.”

Panel Highlights

KARIM SHARIFF

FOUNDER & MANAGING PARTNER, MAJLIS INVESTMENT MANAGEMENT

"I wanted to live the rest of my life and do more with less, have fewer things but more purpose."

Karim was born in Tanzania and his family later immigrated to Canada as refugees. He discussed how his family's humble beginnings shaped his passion for entrepreneurialism, remarking that people could lift themselves into prosperity through persistence, team-work, and humility.

After a harrowing experience being held hostage in India, Karim emerged with a new view on life, purpose and legacy. Out of this experience, Karim spent a year raising money, determined to return to the Middle East, India and Asia region to start investing in situations that create jobs and opportunity. He started his own investing firm for small businesses in Africa, particularly family-owned businesses. He found that there are often labor shortage issues related with family-owned businesses, given the businesses are often passed from generation to generation. But as countries develop and grow, more of the younger generation are

drawn to urban areas, leaving a significant talent & labor deficit at home.

Karim discussed that many of these family businesses are cash rich, but don't necessarily know how to expand their businesses successfully beyond their communities into different geographies. Karim's investment firm seeks to bridge generational 'divorces' by purchasing stakes in the family businesses. Some of his success stories include an e-commerce platform focused on solutions for women, and an entrepreneur distributing basic goods via scooters in low-income communities.

EULER BROPLEH

MANAGING DIRECTOR, VESTEDWORLD

Euler's purpose for his investment firm also stemmed from wanting to give back to his community. Born in Liberia, Euler lived through the country's civil war, then came to the US to study law. In his studies, Euler saw that African countries historically developed at a much slower pace of change than other countries due to their heavy reliance on foreign aid, which often crippled the domestic economy. Therefore, Euler's company VestedWorld focuses on providing companies with the financing they need to produce domestic value that stays within the country and drives a virtuous cycle in the economy. Rather than taking technology or business model risks, VestedWorld looks to adapt traditional 'sure-thing' models for industries that can propel the growth of the country.



For example, Euler referenced the tomato processing industry in Nigeria, a country that is the 14th largest grower of tomatoes, but is also the biggest importer, indicating a gap in Nigeria's capability to process raw tomatoes into tomato goods. To bridge that gap, Euler's firm invested in the first domestic tomato processing factory in Nigeria, which is working with farmers to increase productivity and yield.

Key Themes ▶▶▶

Investment is About Relationships and Risk

"The challenge with money is humans are conditioned to think things are going to work out."

Euler and Karim touched on the importance of knowing the people behind the business and the investments. For both, that process includes doing due diligence, careful vetting of candidates and mitigating risk. Specifically, Euler uses the framework of FIERCE to mitigate risks in fraud, instability, expropriation, regulations, currency and enforcement of contracts. For Karim, values defining meaning, so his risk alignment is based around value alignment. Often enough, Karim noted that people have an instinct about other people – how their values, history and relationships shape their ability to work under stress. The most valuable business partners aren't the ones boasting their ability to make money, but those with a solid plan to make back money, given the many stumbling blocks in building a business.

Investing Local for Sustainable Growth

"The old ways aren't going to work."

Euler and Karim both discussed the importance of creating prosperous local economies not reliant on foreign aid,

but on domestic talent and capital to create long term value and sustainable economic growth. Many times, that means applying learnings and best practices from the west, or adjacent industries and adapting them to the fit the needs of the business for Africa. This can mean connecting family-owned farms in Africa to sprawling corporate farms in California to learn how to increase yield, or teaching students to code to prepare them for a technology-based economy.

Deviating from the traditional aid model for Africa also means fundamentally changing the model of education – teaching students collaboration and creativity through experiential learning instead of traditional subjects. Ultimately, those vital skills that empower team-work, drive, and resiliency will be the key to building economic stability & sustainability from the ground up.

Insights and Implications ▶▶▶

Africa is a "phenomenal land of opportunity."

The population of the African continent is growing by 11 million people every year. The average age of the population is 19 years old, and 70% of the people are under 30. There is tremendous opportunity for the continent and its diverse peoples to leapfrog the traditional path to development and own the future. Government, businesses and activists look to jumpstart the economy from one based on agriculture, to manufacturing and information, and the injection and application of exponential technologies will be the key to unlocking long-term economic and social growth. For example, many countries will skip the need for the centralized grids that have held for decades in the west, and leapfrog directly to the distributed grid with power generated from renewable sources.

Investors also see Africa's huge potential for growth. Global giants like Unilever, Kellogg and Nestle's interest in emerging markets have spiked, as these markets pave the pathway to new consumers and demographics. However, a key challenge for these multinational companies have been understanding and designing products for local

needs. Euler's firm seeks to bridge this gap by investing and building business that are financially & strategically attractive, especially those that have a local expertise that may be attractive to big brands.

Globalization Brings Threats and Opportunities

"Globalization will occur but there has to be more opportunity for people; if there aren't, the threats are going to move in the other direction."

The social, political, and economic upheaval in our past decade illustrate the impact of globalization around the world. Globalization has led to previously unimagined wealth and empowerment for many, but also war, suffering and extremism for others. Businesses, government, and activists all have a stake in the developing world's future, and it's only through collaborating and dialoguing with a diverse and visionary coalition of leaders that countries can create opportunities to educate and empower its peoples, particularly the youth.

The Path Forward

"Brilliance is everywhere but opportunity is only somewhere."

Talent is everywhere, opportunity is not. Opportunities must be carefully grown and cultivated. Euler and Karim shared their work in paving the road to the future for Africa and empowered us to think more deeply about what it means to be responsible and compassionate members of a global society. It means thinking outside our own worlds and reaching across continents, joining hands with governments, non-profits, entrepreneurs and investors to build something new and sustainable. It means understanding that nobody owns innovation – innovation and brilliance is everywhere, but must be harnessed and empowered through education, collaboration and financial support to actually enable development. Thanks to innovations in technology and business models the opportunity has never been greater to re-imagine and impact development in Africa.

Special thanks to our panelists Karim Shariff and Euler Bropleh for a great discussion, and Wendy Tyrell for her insightful facilitation.



About The World Innovation Network

The World Innovation Network (TWIN) is an invitation-only community of innovation and growth leaders from across sectors and geographies. In addition to other activities, TWIN convenes annually for a summit in Chicago from 25 countries and all sectors: business, government, non-profit, the arts, academia, defense. Our group includes leaders at the most senior levels of their organizations, as well as select individuals making differentiated impact around the world.

For more information, visit www.twinglobal.org



About Clareo

At Clareo our mission is to help businesses adapt and grow. We help leaders adapt their businesses and create new ways to grow in rapidly changing markets. Together, we build the plans and capabilities that deliver results. Our clients choose Clareo when they want bold new ideas fueled by a network of leading global experts. Working alongside our clients, we create compelling strategies that lead to action.

To find out more, visit www.clareo.com.