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A better investment climate

The Shell Foundation was among the founder members of a pioneering new \$550 million facility designed to help lower the cost of doing business in Africa and to promote a better investment climate across the continent.

Officially launched by British Prime Minister Tony Blair, the Investment Climate Facility for Africa, is a public-private partnership funded by companies, bilateral and multilateral donors, which will work in close partnership with African governments and regional organisations.



The UK government announced it would be contributing \$30m over three years, making Britain the first country to make a financial commitment to the facility. Meanwhile, the Shell Foundation and Royal Dutch Shell committed a combined total of US\$2.5m over five years along with other companies such as Anglo American.

The Investment Climate Facility (ICF) is an African initiative that was recommended by the Commission for Africa and supported by this year's summit of the Group of Eight industrialised nations in Scotland, which Tony Blair hosted as the president.

It is being established as an independent trust, with a functioning secretariat in South Africa responsible for the day-to-day work and will be governed by a board of trustees, most of whom will be African. Issues such as obstacles to cross-border trade and the simplification of regulations affecting small businesses will be tackled in a practical, business oriented way designed to bring visible results.

Commenting on the launch of the new facility, Kurt Hoffman, director of the Shell Foundation, said: "The ICF's commitment to being a public-private partnership that is both business-led and features close co-operation with African governments, is what really sets it apart.

"This approach should allow the insights of those who best understand the business environment in Africa to be combined with the knowledge and policy role of local government to create the conditions for enterprise growth – and through that the sustained reduction of poverty."

Hilary Benn, Britain's International Development Secretary, added that if Africa is to achieve the 7% growth necessary to meet the key Millennium Development Goals of halving the number of people in poverty by 2015, the business environment must improve.

The original Story can be found at: <http://www.shellfoundation.org/index.php?newsID=318>