

Benefit Corporation (B-Corp) for Africa Initiative

Draft concept note - June 2015

I. Background:

In April 2010, state of Maryland, the first in the Nation, signed into law a legislation titled Benefit Corporations (B-Corp), a new class of corporation founded to create a material positive impact on society and environment to meet higher standards of accountability and transparency. Up to date, over 30 states including New York and Californian have enacted B-Corp. legislation.

Maryland State Senator Jamie Ruskin, the author of the B-Corp legislation recalls that vision, "When America began, the states chartered corporations for public purposes, like building bridges. They could earn profits, but their legitimacy flowed from their delegated mission." As it began then, America has to continue to reach out more to the world than ever by expanding its original vision. America led the world's economy for such reason and has to maintain that leadership in today's modern world as well.

In today's one village world, economy next door is economy in Africa or elsewhere. That is how close we have become. We are our brother's keepers in all aspects of socio economic ties. Africa's presence in the global market is felt more. The US is recognizing that fact as well. A mutual Community based commerce can bring a remedy to such challenge. Globalization has to retain the DNA of human economy. International business models should come with more than commodity or profit. Time is calling for businesses that significantly advance social and economic development. A new generation of commerce inspired by a bottom up social dynamics is a necessity.

II. The Africa-America B Corps Initiative (B-Corp for Africa):

Developed in partnership between the US-Africa Diaspora Business Council (USADBC) and the Council Fire, B-Corp for Africa aims to establish an infrastructure to support the growth of the B Corporation movement in the USA linked to the business in Africa who aspire and work to reach the US market. It will facilitate trade opportunities between and amongst African and American B Corporations for the purposes of leveraging the power of business to achieve economic success and solve social and environmental problems in the two countries and beyond.

Using a systematic and viral approach, B-Corp for Africa brings together strategic players to educate, build and drive innovative ways to use market forces and the power of business to solve the most urgent problems of our time. In order to achieve these goals, our strategy for 2015 – 2018 focuses on:

- a) Building an Infrastructure: Create institutional frameworks to educate potential businesses, associations, governments and other stakeholders on the benefits of the B-Corp model.
- b) Creating a Community: Facilitate and support the creation of a strong, diverse and growing community of thousands of B Corps in Africa and the USA that work together.
- c) Leveraging the Market: Create trading opportunities within the B-Corp communities in Africa and the USA, inclusive of B-Corps in major buyers' value chain, both in the public and private sectors, through multi-faceted means including the use of trade agreements such as AGOA.
- d) Funding the Movement: Facilitate the flow of impact capital toward the B-Corps communities in both Africa and the USA and contribution to the impact investment industry.
- e) Advancing Public Policy: Drive the promotion of public policymaking and favorable regulatory frameworks to support B-Corps in Africa and the USA.
- f) Growing an Academic Foundation: Unleash African and USA scholarly talent and the development of empirical knowledge on B-Corps and the movement.
- g) Fostering Opinion Leaders: Grow broader awareness and commitment of key audiences regarding the B-Corps movement and its associated positive economic, social, and environmental systemic changes.

III. Actions:

To accomplish B-Corp for Africa goals and strategies, USADBC and Council Fire, along with other select partners, shall take the following actions in 2015:

1. Establish a strategic business plan confirming mission, goals, strategies and actions.
2. Identify and secure funding to support infrastructure-building & implementation
3. Secure public support from key members of the US Congress, African governmental entities, embassies, trade organizations and the like.
4. Conduct other public events to grow awareness, galvanize support and build network for B-Corp for Africa, its mission and goals, and the B-Corps construct more generally.

IV. Planned Events and Programs:

1. Washington DC, USA:

- a) 2nd US-Africa Diaspora Business Forum B-Corp for Africa inaugural.....Oct. 2015
- b) US Congressional Briefing – Presentation to the US Congress.....Nov. 2015
 - Co-sponsors – Congressman Chis Van Hollen and Congressman Mike Honda and
 - Date – October 2015 (tentative date)
 - Selected speakers to be invited
 - Nobel-Laureate Muhammed Yonus
 - Professor Jeffery Sachs, Advisor to UN General Secretary
 - MD. State Senator Jamie Raskin
 - Michael H. Shuman, Author on Local Economy
- c) National Press Club, (Press Conference 1) - Providing Press Briefing..... Nov., 2015
- d) VIP & Stakeholders Reception.....Nov., 2015
- e) African Market Place, Annual African Cultural Festival.....Jun., 2016

2. Addis Ababa, Ethiopia:

- a) African Union Briefing- the African Union & ECA.....Jan., 2016
- b) B-Corp Business Forum & Conference.....TBD
- c) US-African Trade Mission & ExpoTBD

V. Chief Organizers:

1. US-Africa Diaspora Business Council (USADBC) – www.usadbc.org
Founded and launched in 2014, USADBC aims to present the Blessed Coffee model as a vital business model that can inspire the US-African diaspora business community to follow suit and establish similar businesses that advance US-Africa cultural and economic ties for development in Africa, and here in our American communities. USADBC aims to provide information, build capacity and infrastructure for the growing US-African Diaspora Business Communities. In June 2014, USADBC held its first Annual US-Africa Diaspora Business Forum and printed high-end color magazine and distributed it to the US-African Diaspora Communities nation.
2. Council Fire - www.councilfire.org
Council Fire, a Maryland-based organization, recognized as a key advisor to businesses, non-profits and government organizations that are leading the way to a more sustainable world. Council Fire has the privilege to work with some of the best and most innovative organizations in the world and our projects are having tremendous positive economic, environmental and social impacts on behalf of our clients and our communities. Of course, we also "walk the walk" in our own corporate activities

VI. Benefit Corporation Models, advancing US-Ethiopia Trade

1. Diaspora Business in the US

a) Blessed Coffee (www.blessedcoffee.us):

Blessed Coffee, a pioneering socially responsible business model for US-Ethiopia trade, we have conceived, developed and introduced, which is geared towards development in coffee growing regions as well as in communities in the US where Blessed Coffee is sold. It is as an alternative business model for the aspiring US-Africa Diaspora Entrepreneurs to encourage them to follow suit and establish businesses that advance US-Africa cultural and economic ties for development in Africa, and here in our American communities.

Tebabu Assefa and Sara Mussie, the founders of Blessed Coffee, are a husband and wife team of native Ethiopians are both community activists and social entrepreneurs. They live in Takoma Park, MD with their children Yared and Helena. The White House, in 2012, recognized their efforts and honored Tebabu Assefa as Champions of Change, among other 14 leaders in American Diaspora communities with roots in the Horn of Africa.

b) Qmem (www.blessedcoffee.us):

Qmem, a family recipes and organic locally grown spices and ingredients is a privately held social enterprise focused on trade instead of charity. It is founded with the vision to improve the living standards for socially disadvantage single mothers in Ethiopia by empowering them to produce quality Ethiopian spices for the global market.

Stefanos Ghebrehawariat and Dawit Kahsai, the founders of Qmem are members of the Ethiopian diaspora with strong ties to Sweden and USA. Collectively they have over 38 years of professional experience with non-for profits and government agencies in the US, Sweden and Ethiopia.

2. US Business expanding to Africa

a) Ethiopia Sustainable Economic Initiative (ESEI):

Commercial Aquaponics facility developed as US social business venture that aims to transfer US technology and knowhow to Ethiopia. It is presented as model for global partnership between NGO's and for profit business intends to engage in the development of constructive socially beneficial enterprise, focused upon the management and optimization of key natural resources of: Water/Food/Energy

ESEI will be the first of its kind to be registered under the Benefit Corporation philosophy in both the USA and in Ethiopia. ESEI is a pioneering model intended as an alternative to traditional approaches. ESEI will contribute to US-Africa trade and provide local social and economic development benefits. The ESEI model is a bold and innovative approach that will enhance Ethiopia's reputation as a socially and technologically progressive member of the international community.

3. African Business embracing B-Corp

a) Loyal Microfinance Institute (LMI):

Subsidiary of Rosetta Trading PLC, an Ethiopian based, multi-million dollar company with investment in real estate, import-export trade and the financial sector. LMI will be the first Africa based enterprise to embrace the philosophy of Benefit Corporation.

VI. Strategic Partners:

1. American Sustainable Business Council (ASBC) - www.asbcouncil.org

ASBC operates under IRS code 501(c)(4). Its advocates for policy change at the federal and state level that supports a more sustainable economy. The Council spans a growing network of business associations

across the United States, which in turn represents over 200,000 businesses and 325,000 business executives, owners, investors, and others.

2. MicroVenture Support (MVS) - www.microventuresupport.com

MVS is developed to address the issue of global poverty through innovative and cooperative application of strategic investment, hands-on operating support, and engagement of capital markets. MVS develops the business management capacity of all micro entrepreneur partners, and then invests time, expertise and capital in select microbusinesses. We support and invest in those micro enterprises that have the potential to grow into sustainable profitable enterprises.

3. Global Youth Innovation Network (GYIN) - www.gyin.org

GYIN has established the basis of an effective networking, mentorship, knowledge sharing, and collaboration platform for both poor urban and rural youth entrepreneurs. By capitalizing on this innovative idea and taking into account the wishes and desires of many rural young women and men, we recognized the need to provide a continuous “space” by establishing a platform now known as GYIN. It seeks to develop evidence-based, sustainable, scalable, and cost-effective agribusiness, entrepreneurship, and leadership programs and policies that address the root causes of youth unemployment, while increasing the opportunities young people have to obtain a decent job or start a successful business.

4. Capitol Food Ventures (CFV) - www.capitolfoodventures.com

CFV is a boutique global business advisory and investment firm based in Washington, DC. We work with existing food and agriculture firms in the private sector - with what we call 'small food enterprises'. These are legally registered food and agriculture companies that are currently earning revenues and looking to expand their operation or address some other business need. This can be anywhere from human resources and internal management of operations to defining key markets and crafting messages for their customers to addressing key financial management gaps that lead to financing.

5. Hybrid Consulting Services

Hybrid Consulting Services (HCS) is specialized in supporting Entrepreneurship Development, small-medium business start-ups, and to already established businesses, specially geared towards the US-African Diasporas. Based in Northern Virginia USA, HCS provides its services to the US-African Diaspora that wish to start-up a business and or expand businesses in their respective communities within the United States and/or in their countries of origin.

HCS is the successor of Integrated Consulting Services (ICS), The Netherlands. Over many years, ICS supported the immigrant entrepreneurs residing in the Netherlands in the start-up and successful operation of businesses in the Netherlands and also in the immigrants' country of origins.

Services Provided

HCS provides specific services in areas of:

- Entrepreneurship Training & Coaching
- Market Research – Local & International
- Feasibility Studies
- Business Plan Preparation
- Financial Analysis and Planning
- Financing Sources