



IN THIS ISSUE:

[Maresca Visits Iraqi Kurdistan; BHF Proposes Program to Attract Investment](#)

[Contact Meetings on Development Financing in Zurich and Geneva](#)

[Local Entrepreneurs Approaching BHF to Replicate Generic Medicines Project](#)

[Cattai to Chair International Advisory Board](#)

[Scherrer Presentation at Notre Dame University](#)

[Maresca Presentation at Zurich ISF](#)

[Staff Movements](#)

[The International Context for Private Sector Investment in Developing Countries](#)



Season Greetings

From all of us at the BHF

Maresca Visits Iraqi Kurdistan; BHF Proposes Program to Attract Investment

BHF President John Maresca visited Iraqi Kurdistan during the week November 2-8, with a view to shaping a possible program for promotion of investment in the region, in cooperation with the UNDP Office for Iraq and the Board for Investment of the Kurdistan Regional Government. Kurdistan is an autonomous region under the new Iraqi constitution, the area is reasonably secure, and the re-



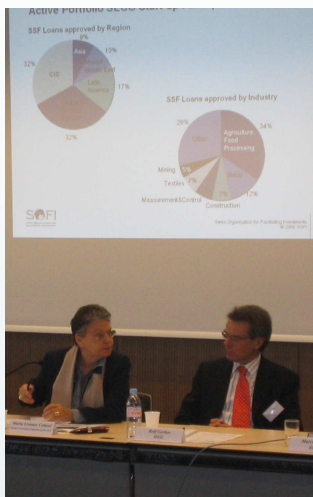
Maresca (right) with Herish Muharrem (center), Chairman, Board for Investment of Iraqi Kurdistan and Asif Hussein-Naviatti, head of UNDP for Northern Iraq, in Mr. Muharrem's office

gional government is actively seeking to attract foreign investment. Many investment opportunities exist, and investors will have the possibility to use their presence in Iraqi Kurdistan as a base for programs in the rest of Iraq, when it becomes secure. While in Erbil, the regional capital, Maresca met with Herish Muharrem, Chairman of the Kurdistan Board for Investment, and a wide range of civic and business leaders, banks and entrepreneurs.

Enroute to Erbil, Maresca had informal discussions with UN and other officials and diplomats in Amman, Jordan, concerning the situation in Iraq and possible approaches to economic development when the situation in the country is secure. On November 22, Maresca made a presentation to the Commission on Business in Society at the world headquarters of the International Chamber of Commerce, in Paris, on investment opportunities in Iraqi Kurdistan.

Contact Meetings on Development Financing in Zurich and Geneva

The BHF sponsored two meetings, in Zurich and Geneva on October 31 and November 1, on the subject of “Project Financing for Developing Countries.” The meetings featured presentations of programs available for such financing by DEG (Deutsche Investitions- und Entwicklungsgesellschaft), SOFI (Swiss Organization for Facilitating Investments) and SIFEM (Swiss Investment Fund For Emerging Markets). Both meetings were well attended by companies, banks and specialized agencies which are interested in such financial services. The initiative was well received by the participants, one of whom said “it was the best such meeting I have ever attended.”



The Zurich meeting was held at the headquarters of the International Chamber of Commerce, Switzerland, whose President welcomed the participants to the organization’s headquarters. The meeting in Geneva was held at BHF headquarters, and was facilitated by Maria Livanos Cattai, former Secretary General of the International Chamber of Commerce and Chair of the BHF’s International Advisory Board.

Maria Cattai, former Secretary General of the ICC, facilitator of the Geneva meeting, with Rolf Gerber, First Vice President of DEG

To open each of these meetings BHF President Maresca framed the issue by recalling the overall international context and reminding participants that “those of us who are benefiting from globalization must all realize that it is essential that the process of globalization not leave some countries behind.” Private sector development is the key to job and wealth creation, Maresca said, adding that the BHF is experimenting and looking for new approaches for financing private sector projects in developing countries.

(See full text of Maresca’s remarks on the Back Page of this Newsletter.)

(Click [here](#) to see the full Contact Meeting report.)

Local Entrepreneurs Approaching BHF to Replicate Generic Medicines Project

The BHF has been contacted by local entrepreneurs in several developing countries, inquiring as to whether the organization is prepared to replicate its Afghan generic medicines production project in other countries. The BHF’s position is favorable to considering such replications, provided there is a demonstrated market need for generic medicines in the country concerned, an energetic and reputable local entrepreneur who is ready to invest in such a project, and other business requirements can be met. All such project possibilities will be reviewed by the BHF to determine whether business and other conditions warrant a new project.

Cattai to Chair International Advisory Board

Maria Livanos Cattai, former Secretary General of the International Chamber of Commerce, has been elected to Chair the BHF's International Advisory Board. Ms Cattai is a long-time supporter and advisor of the BHF, and most recently acted as facilitator of a meeting the BHF convened on "Project Financing for Developing Countries." (see article above).

Scherrer Presentation at Notre Dame University

BHF Project Manager Brigitte Scherrer was invited to give a presentation at an international conference entitled "Peace Through Commerce: Partnerships as the New Paradigm" at Notre Dame University in South Bend, Indiana, November 12-14.

The conference brought together academics, business people, NGO's and government officials to explore the characteristics of successful partnerships, to promote private sector engagement in peace building activities and to encourage new and more effective partnerships. The conference was convened by the Association to Advance Collegiate Schools of Business (AACSB) International, the United Nations Global Compact, the Center for Ethics and Religious Values in Business, and Notre Dame's Kroc Institute for International Peace Studies.

Ms. Scherrer's presentation was entitled "Producing Generic Medicines in Afghanistan: Opportunities and Challenges of a Multistakeholder Partnership" and drew on the BHF experience in working with the public and private sectors in post-conflict countries. Ms. Scherrer's presentation will be the basis for a paper on this subject, which will be available at the beginning of next year.

Maresca Presentation at Zurich ISF

Ambassador Maresca made a presentation at the International Security Forum (ISF) in Zurich on October 28 as a member of the panel discussing post-conflict reconstruction. Maresca outlined the essential role of private sector reconstruction, as part of the peace-building process, and noted lessons the BHF has learned in undertaking economic development projects in such areas.

Staff Movements

Brigitte Scherrer left the BHF at the end of November to pursue other career opportunities. The BHF staff express our appreciation to her for her contributions to our work, and wish her well.

The International Context for Private Sector Investment in Developing Countries

“At the BHF, we have been studying and experimenting with how businesses, with their motivation and interests, can more effectively participate in economic development in the areas that need it most -- the world’s poorest countries, post conflict states and developing areas in general.

“From an overall perspective, those of us who are benefiting from the process of globalization should all recognize that these poor or undeveloped areas must not be left out of the process of globalization or they will become problems for the developed world, just as Afghanistan or Somalia became problems. At the same time, these countries and places can offer opportunities for business in certain circumstances, where growth rates can be high and where some specific business sectors can be profitable.

“Businesses naturally hesitate to invest in these regions because of the risks involved. But these risks can be mitigated through partnerships with entities that bring special qualities and experience to the table. Often the range of possibilities for risk sharing through investment partnerships is simply not known to companies. In putting together investment projects, we at the BHF have joined with a number of partner organizations that have made our projects possible, and on the basis of this experience we concluded that it would be useful to organize meetings like this one to display the kinds of services that are available, and to inform businesses about how they work. Financing for projects is a very special problem in high risk areas, especially for local entrepreneurs, but here again partnering can ease the problem.

“The BHF is very much an action-oriented organization, so from our perspective we hope this meeting will be the beginning of a process that will lead to the creation of new projects and new concepts. The BHF is ready to work with a variety of partners to manage projects and to negotiate agreements. In short, the BHF will fill in whatever is needed to make a worthwhile project a reality.

“At the BHF we believe that economic development starts with a simple equation: people need jobs. Give a head of a household, whether a man or a woman, a job, and they can usually take care of most of their other problems. And they are much more likely to stay out of trouble, too. The private sector is the engine of job creation and wealth creation, and so private sector investment is badly needed in these poor countries. The BHF wants to help the private sector to invest and do business where jobs are needed most, so we look forward to discussing with you the specific areas of your interest.

“What we will talk about here today is what is currently available, and it is important to know this. But we also need to think about what can be done to improve the situation. We are the first to recognize that the currently existing instruments are insufficient to lift poor countries and poor people out of poverty while also permitting business profitability. So we are constantly looking for new ideas, and new types of instruments, which may help us to move in this direction. We welcome your ideas, and look forward to our discussions.” — From opening statement by BHF President Maresca at Contact Meeting, October 31 and November 1.”