

Commercial Finance- Marketing to the African Marketplace

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Commercial Finance- Marketing to the African Marketplace explores the involvement of the U.S. Export-Import Bank with financing programs to Sub-Saharan African Countries. One of the world's last ginormous emerging marketplaces is underserved by United States' entrepreneurs.
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The U.S. Export-Import Bank is committed to providing financing for American exports to many countries in Africa. There are substantial opportunities for American companies to sell to the South African countries that in 2006 purchased over 12 Billion dollars of U.S. exports.

The market opportunities in Africa are ginormous. With a total market size of over 400 billion dollars and a population of over 680 million people, the continent is hungry for food, housing, energy, transportation products, health products and services, and sanitation facilities.

{bot_wrgoogle}In the health care market there is an enormous need for quality pharmaceuticals. Fake drugs are a problem in Africa. Similarly, quality health care services are lacking. The large African health market is in need of companies to distribute medicines and other health related consumer products and essential prevention and treatment products.

In the telecommunications market there is a great need for increased mobile phone services. There is also a need for pre-paid text messaging services; eventually, Africa will catch up to the internet/computer revolution.

The water market presents new opportunities as cities grow faster than the water infrastructure can expand. There is an urgent need for devices to abate pollution caused by industrialization, agricultural runoff and lack of sanitation services. In these areas, high tech inventions that are relatively inexpensive to sanitize water will create social and health benefits for millions of people.

In national energy markets Africa is a century behind the times. Kerosene is the main fuel source for lighting. Firewood is the primary fuel source for cooking in urban and rural markets. There is a tremendous need for solar powered LED lighting, high tech home cook stoves and alternative cleantech energy sources.

The Export-Import Bank of the United States is the official export credit agency of the United States. Their mission is to assist in financing the export of U.S. goods and services to international markets. They provide working capital guarantees to U.S. companies in the form of pre-export financing. They also provide export credit insurance and loan guarantees to facilitate transactions. They also provide buyer financing. A select number of U.S Banks partner with the Ex-Im Bank to provide working capital loans, accounts receivable financing, bridge loans and long term financing. For more information regarding the Ex-Im Bank visit their website.

The bottom line: With a willing U.S. seller and a credit-worthy African buyer, the United States Export-Import Bank is anxious to help facilitate exports to the vast Sub-Saharan African marketplace.

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