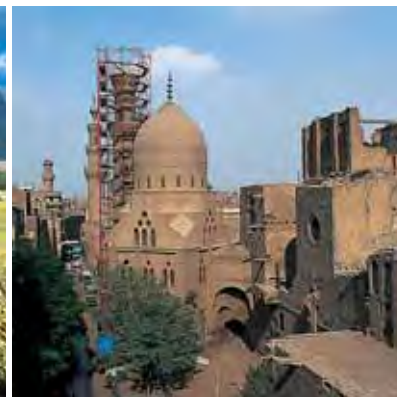


# A K D N

A G A K H A N D E V E L O P M E N T N E T W O R K



E C O N O M I C D E V E L O P M E N T • S O C I A L D E V E L O P M E N T • C U L T U R E





# A K D N

*“Development is sustainable only if the beneficiaries become, in a gradual manner, the masters of the process. This means that initiatives cannot be contemplated exclusively in terms of economics, but rather as an integrated programme that encompasses social and cultural dimensions as well. Education and skills training, health and public services, conservation of cultural heritage, infrastructure development, urban planning and rehabilitation, rural development, water and energy management, environmental control, and even policy and legislative development are among the various aspects that must be taken into account.”*

HIS HIGHNESS THE AGA KHAN,  
SPEAKING AT THE  
PRINCE CLAUS FUND'S  
CONFERENCE ON CULTURE  
AND DEVELOPMENT, AMSTERDAM,  
7 SEPTEMBER 2002.



ON 11 JULY 2007, GOLDEN JUBILEE CEREMONIES MARKED HIS HIGHNESS THE AGA KHAN'S FIFTIETH YEAR AS THE 49TH HEREDITARY IMAM (SPIRITUAL LEADER) OF THE ISMAILI MUSLIM COMMUNITY. THE AKDN, CREATED UNDER HIS LEADERSHIP, AND A NUMBER OF ITS PRE-EXISTING INSTITUTIONS TOGETHER SERVE PEOPLE OF ALL FAITHS AND ORIGINS. AT LEFT, HIS HIGHNESS REVIEWS CONSTRUCTION WORK AT AN AGA KHAN ACADEMY.

# A K D N COUNTRY LOCATIONS



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### **Aga Khan Trust for Culture**

Aga Khan Award for Architecture

Aga Khan Historic Cities Programme

Education and Culture Programme

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## INTRODUCTION



### LEFT TO RIGHT:

A COMMUNITY HEALTH WORKER PROVIDES INSTRUCTION ON FOOD HYGIENE TO FAMILIES IN DHAKA, BANGLADESH.

AKDN PROVIDES EARLY CHILDHOOD EDUCATION IMPROVEMENT PROGRAMMES IN RURAL SINDH, PAKISTAN.

IN ZANZIBAR, AKDN AGENCIES WORK TO IMPROVE EARLY CHILDHOOD EDUCATION, STIMULATE ECONOMIC DEVELOPMENT AND PRESERVE AND REHABILITATE THE OLD STONE TOWN, A WORLD HERITAGE SITE.

THE MENARA MESINIAGA TOWER IN KUALA LUMPUR, WHICH RECEIVED THE AGA KHAN AWARD FOR ARCHITECTURE IN 1995, IS THE RESULT OF ARCHITECT KENNETH YEANG'S 10-YEAR QUEST FOR ENVIRONMENTALLY SOUND DESIGN STRATEGIES.

**T**he Aga Khan Development Network is a group of private, international, non-denominational agencies working to improve living conditions and opportunities for people in specific regions of the developing world. The Network's organisations have individual mandates that range from the fields of health and education to architecture, rural development and the promotion of private-sector enterprise. Together they collaborate in working towards a common goal – to build institutions and programmes that can respond to the challenges of social, economic and cultural change on an ongoing basis. This brochure introduces the Network's principal agencies and provides an overview of their activities and goals.

### ORIGINS

A number of the Network's components were originally created in the late-nineteenth century by Sir Sultan Mahomed Shah, grandfather of the present Aga Khan and predecessor as Imam of the Shia Imami Ismaili Muslims. The agencies were established to meet the needs of the Ismaili Community in South Asia and East Africa. Today, under the leadership of the present Imam, the Network's institutions have grown beyond that geographical core, increasing in size



and the scope of their work, and have been brought into a system to create the Aga Khan Development Network. The Network maintains political neutrality in all the countries in which it operates, and its services are open to people of all faiths and origins. The fulcrum of the Network's activities, however, remains the Ismaili Community – its traditions of volunteer service, self-reliance, generosity and the leadership of the hereditary Imam.

In the Ismaili tradition, the Imam's responsibilities involve not only the interpretation of matters of faith for the Ismaili Community, whose members now live in more than 25 countries spanning the industrialised and developing worlds, but also the relationship of that faith to conditions in the present. For the Aga Khan this has led to a deep involvement with development, as a process grounded in the ethics of Islam, in which economic, social and cultural factors converge to determine the quality of life. The institutions that the Aga Khan has founded since 1957, when he was designated by his grandfather to succeed him as Imam, reflect this sense of development as a complex process. While all the agencies work in specific fields, they also work to identify ways in which their efforts can interact so as to mutually reinforce one another.

**LEFT TO RIGHT:**

IN AREAS OF TAJIKISTAN WHERE AKDN WORKS, FOOD SECURITY ROSE FROM 15 TO 70 PERCENT OVER 10 YEARS.

TO HELP REVITALISE THE FINANCIAL SERVICES SECTOR, AKFED RE-CAPITALISED THE DIAMOND TRUST BANK, KENYA, AS PART OF A REGIONAL NETWORK COVERING BANKING, INSURANCE AND PROPERTY DEVELOPMENT.

AT AGA KHAN UNIVERSITY'S MEDICAL COLLEGE, 50 PERCENT OF THE MEDICAL STUDENTS AND 44 PERCENT OF THE TEACHING FACULTY ARE WOMEN.

AKDN AGENCIES OFFER AGRICULTURAL EXTENSION SERVICES TO HELP EAST AFRICAN FARMERS GROW, PROCESS, PACKAGE AND MARKET THEIR PRODUCE FOR EXPORT.

HIS HIGHNESS THE AGA KHAN AND PRESIDENT HAMID KARZAI OF AFGHANISTAN AT THE "BACK TO SCHOOL" LAUNCH IN KABUL.

THE AGA KHAN MEETS PRIME MINISTER AG HAMANI (RIGHT), RELIGIOUS LEADERS AND LOCAL DIGNITARIES, IN TIMBUKTU, MALI

PRESIDENT PERVEZ MUSHARRAF AND THE AGA KHAN AT THE AGA KHAN UNIVERSITY'S 2000 GRADUATION CEREMONIES.



## VOLUNTEERING

The Network's institutions share common characteristics. Many initiatives originally came to exist through the energy, dedication and skill of volunteers, and both volunteers and professional staff are essential to the functioning of Network agencies today. The agencies draw upon the talents of people of all faiths, and work to enhance the competence of their staff on an ongoing basis.

The different sectors of the Network also share common principles. Whether in health, education, architectural revitalisation or industrial development, Network organisations seek to reach people without access to services, complementing but not substituting the efforts of government and other providers.

Network agencies function through the participation of local people at all levels – in defining services needed, providing them and evaluating their effectiveness. Their mandates are both urban and rural. Network organisations are present not only in many of Africa and South Asia's expanding cities but also in rural, often remote, areas. Enabling people in rural areas to create the services they need and to have access to the opportunities they want is a particular focus.

## RIGOROUS CRITERIA

Network projects are required to meet rigorous criteria for impact, management and organisational development. Often initiated and always supported by the communities they serve, these projects aim to develop viable institutions and programmes that can become self-sustaining. By building explicit institutional objectives into its projects, the Network aims to build permanent capacities for services in developing societies. This institution-building aim is served by links established between Network organisations, both

within and across sectors. It is also furthered by partnerships with organisations outside the Network, both in the North and South.

In this linking process, the Ismaili Community's geographical spread and cultural diversity act as a powerful stimulus. Its presence in North America and Europe, as well as in Africa and Asia, has created a unique bridge between the developed and developing worlds that is one of the Network's greatest strengths.

### CREATING ENABLING ENVIRONMENTS

The Aga Khan Development Network seeks to strengthen the role of the private sector in the developing world. In its approach to the development process, support for private-sector initiatives has intrinsic importance. The private sector can be especially effective in cooperation with governments that foster what the Aga Khan has called an "enabling environment" – favourable legislative, regulatory and fiscal structures. In all areas of social, economic and cultural development, building enabling environments is one of the Network's foremost goals. This goal has been served in recent years through the establishment of formal agreements with countries where Network institutions operate. Such agreements have been signed with a number of governments in Asia and Africa.

### FUNDING

Development models require time to demonstrate their effectiveness and to enable local communities to take full responsibility for their own future development. AKDN agencies therefore make a long-term commitment to the areas in which they work, guided by the philosophy that a humane, sustainable environment must reflect the choices made by people themselves with regard to how they live

THE AGA KHAN AND PRESIDENT HOSNI MUBARAK DISCUSS PROJECTS TO REVITALISE THE HISTORIC DARB AL-AHMAR DISTRICT OF CAIRO.

PRESIDENT PUTIN AND THE AGA KHAN DISCUSS DEVELOPMENT INITIATIVES IN CENTRAL ASIA.

THE AGA KHAN AND NELSON MANDELA MEET DURING THE LAUNCH OF AKDN ACTIVITIES IN MOZAMBIQUE.





AN ORNAMENTAL DETAIL FROM THE FATIMID PERIOD FOUND IN THE MOSQUE OF AL-HAKIM, CAIRO.

SIR SULTAN MAHOMED SHAH BECAME THE 48TH HEREDITARY IMAM AND THE THIRD AGA KHAN AT THE AGE OF EIGHT. HE WAS IMAM TO THE ISMAILI COMMUNITY FOR 72 YEARS.



in harmony with their environment. Sustainability is therefore a central consideration from the outset.

In recent years, the Network has expended an annual average of US\$ 300 million for non-profit activities. These funds and additional disbursements in support of Network agencies are generated in a variety of ways, including endowment funds, user fees and grants. Funding is provided by the Imamate and by the Ismaili Community as well as by international and local donor agencies. Equity investments in economic development activities are also funded by the Imamate as well as by partners from both the private and public sectors.

## THE IMAMAT

The Network's origins are in the tradition of service observed by the Shia Imami Ismaili Muslims, generally known as the Ismailis. They belong to the Shia branch of Islam. The other, larger branch is comprised of Sunni Muslims. During its long history, the Ismaili Community has come to include peoples from many different cultural traditions, and cultural diversity continues to characterise the community today. The Ismailis now live mainly in Central and South Asia, East Africa, the Middle East, Europe and North America.

In common with other Shia Muslims, the Ismailis affirm that after the death of the Prophet Muhammad (Peace be upon him), his cousin and son-in-law Ali was designated the first Imam, or spiritual leader. They believe that this spiritual leadership, known as the Imamate, continues through the hereditary line of Ali and his wife Fatima, the Prophet's daughter. According to Shia doctrine and tradition, succession to the Imamate is by designation. It is the absolute prerogative of the Imam to appoint his successor from amongst any of his male descendants.

## THE FATIMID PERIOD

Historians conventionally divide Ismaili history into several broad periods. The achievements of the Fatimid Empire dominate accounts of the early period, roughly from the beginnings of Islam in the seventh century through to the eleventh century. Named after the Prophet's daughter Fatima, the Fatimid Dynasty created a state that stimulated the development of art, science and trade in the Mediterranean Near East over two centuries. Its centre was Cairo, founded by the Fatimids as their capital.

Following the Fatimid Period, the Ismaili Muslims' geographical centre shifted from Egypt to Syria and Persia. Their centre in Persia, Alamut, fell to Mongol conquerors in the thirteenth century. After this event, the Ismailis lived for several centuries in dispersed communities, mainly in Persia and Central Asia but also in Syria, India and elsewhere.

## THE NINETEENTH AND TWENTIETH CENTURIES

In the 1830s, Aga Hassanaly Shah, the 46th Ismaili Imam, was granted the honorary hereditary title of Aga Khan by the Shah of Persia. In 1843 he left Persia for India, which already had a large Ismaili community. Born in Bombay, the second Aga Khan died in 1885, only four years after assuming the Imamate. He was succeeded by the present Aga Khan's grandfather, Sir Sultan Mahomed Shah, who became the 48th hereditary Imam and the third Aga Khan at the age of eight. Sir Sultan Mahomed Shah was Imam for 72 years, a critical period in the modern history of the Ismaili community. His leadership played a crucial role in enabling the Community to adapt to historical change, notably through the transformation of its institutions. During this period, centrally administered medical facilities, schools, housing societies and cooperative banks were created, mainly on the South Asian subcontinent and in East Africa.



A FATIMID DETAIL FOUND IN THE MOSQUE OF AL-SALIHIIYA IN CAIRO.

AGA KHAN III AND THE BEGUM AGA KHAN, GRANDSONS PRINCE KARIM AND PRINCE AMYN AGA KHAN, WITH MEMBERS OF THE ISMAILI COMMUNITY IN 1953.





THE DIAMOND JUBILEE HIGH SCHOOL FOR GIRLS IN MUMBAI HAS BEEN SERVING THE COMMUNITY SINCE 1947. ALMOST ALL OF THE GIRLS EDUCATED HERE GO ON TO FURTHER STUDIES.

Many of them still exist today as parts of the Aga Khan Development Network.

Sir Sultan Mahomed Shah also played an important role in the political evolution of the subcontinent and was a delegate to the Round Table conferences in London in the 1930s. From 1937 to 1939, he was the President of the League of Nations. His elder son, Prince Aly Khan, served as Pakistan's Ambassador to the United Nations. The present Aga Khan, His Highness Prince Karim Aga Khan, the 49th hereditary Imam of the Shia Imami Ismaili Muslims, also has an important diplomatic role.

Other members of the Aga Khan's family have maintained this tradition of service in international affairs. His uncle, the late Prince Sadruddin Aga Khan, was United Nations' High Commissioner for Refugees, United Nations' Coordinator for Assistance to Afghanistan and United Nations' Executive Delegate of the Secretary General for a humanitarian programme for Iraq, Kuwait, and the Iraq-Iran and Iraq-

LEFT TO RIGHT: PORTRAIT OF SIR SULTAN MAHOMED SHAH, AGA KHAN III, TAKEN AS PRESIDENT OF THE LEAGUE OF NATIONS, 1937.

PRINCE ALY KHAN SERVING AS PAKISTAN'S AMBASSADOR TO THE UNITED NATIONS IN 1958.

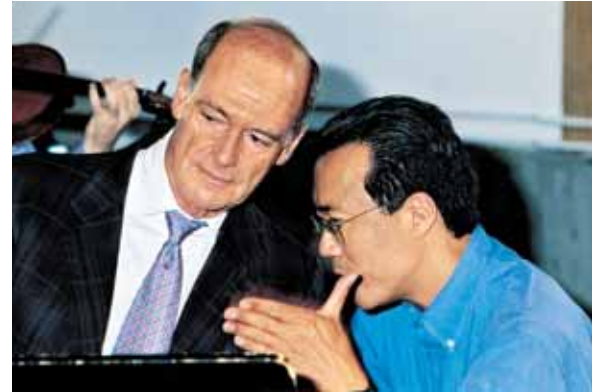
HIS HIGHNESS PRINCE KARIM AGA KHAN DISCUSSES RURAL DEVELOPMENT ISSUES WITH FARMERS DURING A VISIT TO THE HUNZA VALLEY, PAKISTAN, IN 1987.

AS THE UNITED NATIONS HIGH COMMISSIONER FOR REFUGEES, PRINCE SADRUDDIN AGA KHAN ADDRESSES THE GENERAL ASSEMBLY IN 1966.



Turkey border areas. The Aga Khan's brother, Prince Ayn, entered the Department of Economic and Social Affairs of the United Nations Secretariat following his graduation from Harvard University in 1965. Since 1968, Prince Ayn has been closely involved with the governance of the principal development institutions of the Imam.

The Aga Khan's eldest child and daughter, Princess Zahra, who graduated from Harvard University in 1994 with a BA Honours Degree in Third World Development Studies, has coordination responsibilities relating to specific social development institutions of the Imam and is based at the Aga Khan's Secretariat. His eldest son, Prince Rahim, who graduated from Brown University, USA, in 1995, has similar responsibilities in respect to the Imam's economic development institutions. His second son, Prince Hussain, who graduated from Williams College and Columbia University, in the USA, is also based at the Aga Khan's Secretariat and is involved in the cultural and social activities of the Network.



PRINCE AMYN AGA KHAN AND CELLIST YO-YO MA CONFER AT A MASTER CLASS HELD AS PART OF THE AGA KHAN MUSIC INITIATIVE IN CENTRAL ASIA.

LEFT TO RIGHT: PRESIDENT BILL CLINTON AND THE AGA KHAN CONFER AT THE WHITE HOUSE CONFERENCE ON CULTURE AND DIPLOMACY.

PRINCE RAHIM AGA KHAN VISITING AN AKFED SITE IN THE IVORY COAST. PRINCESS ZAHRA AGA KHAN SPEAKS WITH STUDENTS AND TEACHERS AT AGA KHAN UNIVERSITY.

THE AGA KHAN AND PRINCE HUSSAIN VISIT DARB AL-AHMAR, CAIRO, WHERE A WIDE RANGE OF SOCIO-ECONOMIC INITIATIVES AUGMENTED WORK ON THE CREATION OF AL-AZHAR PARK.





## AGA KHAN FUND FOR ECONOMIC DEVELOPMENT (AKFED)



**T**he only for-profit institution which is part of the Aga Khan Development Network, AKFED carries out AKDN's activities in economic development. Its network of companies and financial institutions are grouped by sector of activity under Industrial Promotion Services, Tourism Promotion Services, Financial Services, Aviation Services and Media Services. The Fund operates more than 90 separate project companies, employs over 30,000 people and has revenues of US \$1.5 billion.

AKFED's affiliates are located in East Africa, West Africa, South Asia and Central Asia. In addition to bringing financial backing to investment projects, AKFED takes a hands-on approach to developing human resources, particularly management, technical, marketing and financial expertise.

AKFED grew out of financial institutions founded by the Aga Khan's grandfather, Sir Sultan Mahomed Shah, between 1930 and 1960. The present Aga Khan enlarged and expanded the scope of these institutions; AKFED was formed in 1984 in order to bring them together under a single umbrella, enabling each to benefit from a common heritage and development ethos.

The Fund concentrates on socially responsible, technologically appropriate, economically viable and environmentally sensitive development for the benefit of as wide a population base as possible. It is distinguished by its hands-on management of companies and its strong equity participation in, and consequent long-term commitment to, the countries in which it operates.



ROSHAN, THE GSM MOBILE PHONE COMPANY THAT AKDN LAUNCHED IN 2003, HAS INVESTED OVER US\$ 160 MILLION IN AFGHANISTAN, EXPANDING TO OVER 45 URBAN CENTRES AND 100 SMALLER COMMUNITIES. THE NUMBER OF SUBSCRIBERS HAS GROWN TO OVER ONE MILLION IN THREE YEARS.

SERENA HOTELS, LIKE THIS ONE IN ISLAMABAD, PROVIDE A SHOWCASE FOR LOCAL CRAFTS AND ARCHITECTURAL TRADITIONS.

FACING PAGE: FRIGOKEN, ONE OF AKFED'S EAST AFRICAN PROJECT COMPANIES, ASSISTS 25,000 KENYAN FARMERS GROW, PROCESS, PACKAGE AND MARKET THEIR BEANS TO EUROPEAN MARKETS.

## FINANCIAL SERVICES (FS)



WITH AKFED'S HELP, MANY FINANCIAL INSTITUTIONS THAT BEGAN AS SMALL COOPERATIVE SOCIETIES HAVE EVOLVED INTO SOME OF THE MORE IMPORTANT BANKS AND INSURANCE COMPANIES IN THE DEVELOPING WORLD.

**A**KFED provides support to a number of developing countries through shareholdings in a number of banking, insurance and property companies, in East Africa and Central and South Asia.

Many of AKFED's financial service institutions began as cooperative societies founded in the first half of the twentieth century by the Aga Khan's grandfather and predecessor, Sir Sultan Mahomed Shah Aga Khan. Under the present Aga Khan's direction, these institutions have evolved, growing into banks and general and life insurance companies.

### BANKS

AKFED has investments in a variety of institutions in the banking sector. They include a controlling interest in Habib Bank Limited (HBL), Pakistan's largest private bank, which was acquired through a government privatisation programme in 2004.

The Bank, which was incorporated in 1941 in Bombay, became the first commercial bank to be established in Pakistan in 1947, and is currently the leader in the corporate banking market. HBL has over five million retail customers and total assets of over US\$ 8.5 billion. A pioneer in the introduction of new products such as automated teller machines and other consumer services in the Pakistani market, HBL has more than 1,400 branches and is present in 25 countries across five continents.

In India, the Development Co-operative Bank was created through an amalgamation of two small cooperative societies. In the mid-1990s, it was converted into a commercial bank operating as Development Credit Bank Limited (DCB). AKFED, which had facilitated the growth of the cooperative

bank, is the largest shareholder in DCB, which today operates 63 branches in eight states across the country.

AKFED is the founder and lead shareholder in Kyrgyz Investment and Credit Bank (KICB), which was opened in 2001 as the largest commercial bank in the Kyrgyz Republic. KICB focuses on the corporate sector and on medium and long-term finance that will both contribute to the growth of the banking industry and stimulate entrepreneurial activity.

In Bangladesh, AKFED is the majority owner of Industrial Promotion and Development Company, which is a leading provider of corporate finance and lending services to major businesses and projects in that country.

Diamond Trust Bank was founded in the 1930s in Kenya to help recycle local savings into loans for home building and small businesses. Today it has operations in Tanzania and Uganda and offers a range of retail banking products as well as innovative business products such as asset finance.

## INSURANCE

The Jubilee Insurance Group (originally established in the 1930s and 1940s) operates on a regional basis in Kenya, Tanzania and Uganda. The company offers general insurance as well as life and medical insurance. It is listed on the Nairobi Stock Exchange. Insurance operations in Pakistan are conducted through two publicly-listed companies: New Jubilee Insurance, the country's third largest insurance firm, offers general insurance services. New Jubilee Life offers life and pension products.

In 2004, microfinance activities operated by AKFED were transferred to the Aga Khan Agency for Microfinance.



IN PAKISTAN, AKFED PARTICIPATED IN THE PRIVATISATION OF HABIB BANK LIMITED, PAKISTAN'S SECOND LARGEST BANK. THE BANK HAS 1,400 BRANCHES IN 25 COUNTRIES.

## MEDIA SERVICES (MS)



MAJORITY-OWNED AND RUN BY KENYANS, THE NATION MEDIA GROUP IS ONE OF THE LEADING MEDIA COMPANIES IN EAST AFRICA.

AKFED HAS INVESTED IN THE AVIATION SECTOR IN WEST AFRICA.



The Nation Media Group, founded in 1960, has its origins in Kenya's *Taifa* and *Nation* newspapers, which were set up to provide independent voices during the years just preceding the country's independence. The Aga Khan's long association with the newspapers was institutionalised in 2003, when AKFED became the largest of the Group's shareholders.

Operations include a growing number of English and Kiswahili national newspapers, a regional weekly, and radio and television stations. In recent years, the Group has expanded its operations into Uganda and Tanzania.

The Group has six principal divisions. Nation Newspapers includes the daily and Sunday *Nation* and *Taifa* newspapers, the weekly *Coast Express*, and a regional weekly, *The East African*. The Nation Broadcasting Division operates *Nation TV* and *Nation FM* radio. The Group includes Monitor Publications Limited (Uganda), which publishes the daily and Sunday *Monitor* and operates *Monitor FM* radio.

In Tanzania, Mwananchi Communications Limited publishes *Mwananchi* and has invested in *Radio Uhuru*. The Group encompasses Nation Marketing and Publishing Limited and the Nation Carriers Division.

## AVIATION SERVICES (AS)

AKFED has made investments in the aviation services sector, including a stake in Air Burkina, as part of a plan designed to ensure the long-term viability of the airline. In the coming years, AKFED will make additional investments in this sector.

## INDUSTRIAL PROMOTION SERVICES (IPS)



IPS was set up in 1963 to encourage and expand private enterprise in countries in sub-Saharan Africa and South Asia. Over 70 industrial projects have been launched since the group's inception, falling into the categories of food and agro-industries, printing and packaging, metal products and textiles. As governments look increasingly to the private sector to provide services, AKFED is building infrastructure projects in telecommunications, water and sewerage, and power generation.

Knowledge of local conditions and rigorous management standards has made IPS's national affiliates attractive partners for foreign investors. Industrial companies operate in Afghanistan, Burkina Faso, the Ivory Coast, the Democratic Republic of Congo, Kenya, Mali, Pakistan, Senegal, Tajikistan, Tanzania and Uganda. IPS currently invests in over 50 project companies in the developing world. It also has an extensive social programme, ranging from child care to sanitation.



ALLPACK IN KENYA MANUFACTURES HIGH-QUALITY CORRUGATED CARTON PACKAGING FOR THE GROWING HORTICULTURAL TRADE.

IN THE IVORY COAST, ANOTHER AKFED COMPANY PRODUCES POLYETHYLENE FILM AND INJECTION-MOULDED PRODUCTS.

WHEN COMPLETED, THE US\$ 26 MILLION PAMIR ENERGY PROJECT WILL PROVIDE CLEAN, RENEWABLE HYDROELECTRIC POWER TO A REGION WHICH HAS BEEN WITHOUT ADEQUATE ELECTRICITY OR HEAT SINCE THE END OF SOVIET DIESEL FUEL SUBSIDIES IN 1992.





## INVESTING IN INDUSTRY

Examples of investment projects include an agriculture-based industry, Sosuco, which was acquired under the Burkina Faso privatisation programme. Sosuco farms its own sugar-cane plantations and operates the country's largest sugar refinery.



Allpack in Kenya manufactures polypropylene bags and corrugated carton packaging for a range of exports including horticultural products as part of AKFED's East African regional printing and packing activities. Production of plastic packaging in West Africa provides packaging for the food and cosmetics industries. AKFED companies also produce household utensils, corrugated sheets for roofing, window frames and wire products. Other companies produce fishnets and pharmaceuticals.

UGANDA FISHNET MANUFACTURERS, AN AKFED COMPANY, MAKES NYLON NETS FOR LAKE VICTORIA'S FISHERMEN.

## INFRASTRUCTURE DEVELOPMENT

AKFED's first investment in the power sector, the Azito energy project in the Ivory Coast, has been followed by two other energy projects, Tsavo Power in Kenya, and the acquisition, under the Malian privatisation programme, of Energie du Mali, an energy water facility. The Azito power facility, a

FILTISAC PRODUCES AND EXPORTS JUTE AND POLYPROPYLENE SACKING. IT IS QUOTED ON THE ABIDJAN STOCK EXCHANGE.



288-megawatt project, is the largest private-sector power plant in sub-Saharan Africa. It was developed and operated by ABB, Electricité de France and IPS. The financing of the US\$ 225 million private infrastructure project was provided by shareholders and loans from international and bilateral development agencies and commercial banks, including the International Development Association (IDA) and The World Bank.

## NEW VENTURES

In an ambitious and innovative US\$ 26 million investment, AKFED joined forces with the International Finance Corporation (IFC), in 2002, to develop a new electricity generation and distribution project in a remote eastern province of Tajikistan. The project will boost the region's dangerously inadequate electricity supply, improve health conditions, reduce environmental degradation and contribute toward the region's economic recovery.

In Uganda, AKFED is leading the US\$ 500 million, 220 megawatt Bujagali Hydro Power Project, which will help address severe shortages of electric power in the region.

In telecommunications, AKFED has brought GSM mobile services to Afghanistan, a country where fixed lines were decimated by the years of conflict. The phased initiative has installed quality telecommunications throughout the country. In Tajikistan, AKFED has invested in GSM operators, spurring expanded coverage and lower prices.

An IPS venture-capital company based in Canada, which invests in medium-sized industrial projects, also provides manpower and technical links for the other IPS companies in the developing world. IPS Switzerland acts as a focal point and technical clearing house for IPS companies. It also mobilises support for enterprises that are capable of contributing to the development of national and regional economies.



THE 288-MEGAWATT AZITO POWER FACILITY, WHICH WAS DEVELOPED BY AKFED, THE SWISS-SWEDISH COMPANY ABB AND ELECTRICITÉ DE FRANCE, PROVIDES 30 PERCENT OF THE ENERGY NEEDS OF THE IVORY COAST.

THE NETWORK MANAGEMENT CENTRE IN KABUL IS PART OF THE STATE-OF-THE-ART GSM WIRELESS NETWORK SET UP IN AFGHANISTAN.





## TOURISM PROMOTION SERVICES (TPS)



**A**KFED promotes tourism by building and managing hotels, resorts and lodges that contribute to economic growth in an environmentally and culturally sensitive manner. Operating under the brand name Serena, TPS owns and manages hotels in East Africa and Asia.

TPS's mandate is to realise tourism's potential in selected areas of the developing world. Tourism that promotes awareness of the environments of developing countries and improves appreciation of their cultural traditions can help protect those environments and traditions.

TPS's first hotel ventures were established in the 1970s in Kenya, where Serena safari lodges and hotels have come to be recognised as leaders for the quality of their services, architecture and ecological responsibility. AKFED's involvement in East African tourism extends to Tanzania, where safari lodges and luxury tented camps have been

THE SERENA HOTELS UNDERTAKE TO PROVIDE INTERNATIONAL STANDARDS OF SERVICE WHILE RESPECTING ENVIRONMENTAL CONCERNS. THE AMBOSELI SERENA SAFARI LODGE (ABOVE) WAS AWARDED A GREEN GLOBE COMMENDATION AND AN ASTA ENVIRONMENTAL AWARD FOR ITS REFORESTATION EFFORTS.

THE ZANZIBAR SERENA INN, ONCE A DILAPIDATED AND UNDERUSED ADMINISTRATIVE BUILDING, HAS BEEN TRANSFORMED INTO AN ELEGANT HOTEL THAT DRAWS TOURISTS AND MUCH-NEEDED FOREIGN CURRENCY TO THE ISLAND.

