

## **RICHARD CARTER FCA**

P.O.Box 15243, Nairobi 00509, Kenya

Tel: +254 733 633 606 (mobile)

E-mail: Richard@mwambasolutions.com

### **PROFILE**

Experience of (a) project finance, SME finance including long term and structured trade finance, venture capital and project portfolio management; and (b) private sector development, institutional transformation and financial services sector reform. Service with the Commonwealth Development Corporation focussed initially on tropical agriculture development, and latterly on local development finance institutions and SME development. Extensive experience of operating in Africa. Experience of restructuring and change management. Good interpersonal and communication skills.

### **CAREER DEVELOPMENT**

<b>MWAMBA BUSINESS SOLUTIONS LTD, Nairobi – Managing Director</b>	<b>2004 - Date</b>
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Providing consultancy services throughout East Africa focussed particularly on the Small and Medium sized Enterprise (SME) sector, including project and development finance, private sector development, SME 'Access to Finance' issues, and the transformation of financial institutions.

#### **Finance Director, Kenya Markets Trust**

**2012 to date**

Part time Finance Director with a remit to develop the financial management function, with a particular focus on procurement processes; develop the financial strategy; develop annual business plans; provide leadership and mentoring to the finance department; develop the Trust's reporting structures; provide support to the management team to articulate the long term strategic vision and establish key strategic partnerships; and provide advice on agricultural finance. KMT works to improve the efficiency of market systems, particularly with respect to agricultural value chains and micro services, to benefit the poor.

#### **SME Resident Advisor to Diamond Trust Bank**

**2009 - 2011**

Team Leader with a team of 5 specialists, this was a two and a half years assignment under the IFC AMSME programme. Specific responsibilities included:

- management of the programme;
- the provision of advice with respect to organisational reform of the Diamond Trust Bank (Kenya, Uganda, Tanzania). Organisational reform included a review of and changes to the organisational structure; and the establishment and staffing of a Product Development department fully integrated into the management and regional structures of the Group, together with the introduction of operational procedures for product development and management;
- enhanced staff performance management with the development and implementation of job descriptions and balanced scorecards throughout the Group covering approximately 900 staff, together with implementation of a training programme for all staff on the new performance management system. Delivery of the training programme was combined with "Training the Trainers" to enable the HR departments in Kenya, Uganda and Tanzania to take over ownership of the programme;
- the development and delivery throughout the Group of an SME Business training programme targeting relationship and branch managers in Kenya, Uganda and Tanzania. Delivery of the training programme included training of the DTB SME Business training team established in the Group Credit Risk department, to enable them to take ownership and future responsibility for continuation of the training programme;
- SME product development (both assets and liabilities); and
- the introduction of credit scoring and the automation of SME credit processes.

IFC noted that this was the most successful project to date under the AMSME programme.

#### **Board representation**

During the period 2005 – 2008 I was a member of the 3 person Finance Committee (i.e. credit committee) of the Grofin East Africa Fund, Kenya – GEAF focuses on the SME market, providing risk capital without collateral between US\$50,000 and US\$1million. I sat on the boards of two banks specialising in the SME sector, Bank of

Africa (Uganda) Ltd and BOA Bank Tanzania Ltd during 2006-2009, and am currently on the following Boards or committees:

- Programme Investment Committee of the Financial Sector Deepening Trust, Kenya.
- Investment Committee, Pan African Housing Fund
- Board member, GA Life Assurance, Kenya.

Previous board positions have included the following sectors: venture capital, leasing, insurance, development banks, hospitality, power generation, tropical agriculture (including plantation agriculture, tree crops and smallholders), agricultural processing and livestock.

**Consulting assignments undertaken** – A summary is given as an Annex.

<b><i>PTA BANK, Nairobi</i></b>	<b><i>2002 - 2004</i></b>
<p>The Comesa trade &amp; development bank, PTA Bank offers project and structured trade finance throughout the COMESA region, ranging from Ethiopia and Sudan to Zimbabwe. Major difficulties led to restructuring in 2001.</p>	
<b>Director, Credit Facilities and Business Development</b>	<b>2004</b>
<p>With a department of 12, responsible for all credit facilities – long term loans and structured trade finance – and business development. New business target for the year of US\$110 million. Exceeded targets and developed a pipeline of new business.</p>	
<b>Director of Portfolio Management</b>	<b>2002 - 2003</b>
<p>Responsibility for the distressed portfolio of US\$160m, with a major focus on recoveries and turn-arounds, balanced by maintaining relationships with the better clients. Reorganised the department and achieved targets for reducing arrears and improving ratios, with extensive travel throughout the COMESA region.</p>	
<b><i>INDEPENDENT CONSULTANT and INTERIM MANAGER</i></b>	<b><i>1999 - 2002</i></b>
<b>Corporate Advisor, Swaziland Industrial Development Company</b>	<b>2000 - 2002</b>
<p>AMSCO (UNDP) assignment to prepare a Strategic Plan and implement change management, including corporate restructuring, for this development finance institution suffering from loss of its traditional market.</p>	
<b><i>COMMONWEALTH DEVELOPMENT CORPORATION</i></b>	<b><i>1986 - 1999</i></b>
<p>A UK Statutory Corporation with a Balance Sheet of £1.7 billion headquartered in London, CDC provided long term loans and equity investment in emerging markets with the objective of promoting economic development.</p>	
<b>General Manager, Development Finance Co. of Uganda</b>	<b>1998 – 1999</b>
<p>Appointed by CDC Financial Markets to turn around DFCU, a loss-making development finance institution with a staff of 32 and a portfolio of US\$25 million in equities, SME venture capital investments and long term loans.</p>	
<ul style="list-style-type: none"> <li>• Developed and implemented a Strategic Plan to turn around the business: restructuring; wider range of financial products; more rigorous initial client selection; deeper relationship with premium clients.</li> <li>• Focussed the company on client service. Appointed a competent Ugandan management team; installed new IT and management systems.</li> <li>• Identified areas for cost cutting: Reduced costs despite unbudgeted redundancy costs &amp; increased salaries.</li> <li>• Re-established corporate profile in the market, changing the image from one of slow bureaucracy to a more dynamic image of being client orientated, and successfully restored company morale.</li> <li>• Exceeded profitability targets, converting a 1997 loss of US\$3.9 million to a profit of US\$0.4 million.</li> <li>• Conducted smooth hand-over to a commercial banker as CEO.</li> </ul>	
<b>Chairman, Uganda Leasing Company</b>	<b>1998 - 1999</b>
<p>The company, with a balance sheet of US\$12 million and staff of 10, was cash starved and unable to write new business, paralysed by shareholder disagreements on financial and management strategy.</p>	

- Devised a strategy and implemented this through complex negotiations with shareholders.
- Achieved objective of bringing the leasing company in to DFCU as a wholly owned subsidiary, with DFCU therefore taking clear control of policy and providing future funding.

### **Interim Country Director, Tanzania**

**1996 - 1997**

Appointed by CDC to take over at short notice as interim Country Manager in Tanzania, where the office administration was in confusion and corporate relationships disrupted.

- Streamlined office procedures to improve efficiency.
- Repaired the damaged corporate image.
- Cleaned up the portfolio; re-established contacts with Tanzania Government ministers and the local business community in preparation for hand-over to substantive Country Manager.
- As a non-executive director of the Tanzania Venture Capital Fund, represented CDC on the Board of this innovative equity fund. As one of the early CDC Africa VCFs, this fund provided much of the learning experience that led on to the establishment of the Fedha and Acacia venture capital funds in Tanzania and Kenya respectively, and finally Aureos.

### **Director, Tanzania Development Finance Limited**

**1996 – 1999**

Appointed by CDC as a Director of TDFL, a loss-making DFI with a staff of 66 and a portfolio of US\$25 million. With major problems at senior management level, identified a Banker to take over as General Manager and recommended him to the shareholders. Conducted one-to-one negotiations with the incumbent GM to persuade him to stand down and take-up a role as non-executive Chairman.

### **Senior Financial Analyst, CDC Financial Markets, London**

**1995 - 1996**

- Managed the acquisition of a leasing company in Zambia. Led the negotiations in London that achieved a highly satisfactory purchase price.
- Appraised and implemented an innovative trust fund that routed US\$30 million in loans to the Zimbabwe private agricultural sector.
- Carried out a review of a merchant bank in Ghana. Recommended a strategy accepted by CDC.

### **Technical support, Zimbabwe & Zambia**

**1994 - 1995**

Provided support to the Zambia office (5 months) and Zimbabwe office (4 months). The Zimbabwe office responsibilities included Botswana (livestock project) and Namibia (table grapes for export).

### **CDC Country Director, Malawi**

**1992 - 1994**

Appointed by CDC as Country Director in Malawi, a country going through a period of political turmoil and with consequently a difficult investment climate, where CDC had a high profile as the largest foreign investor. Managed the Investment Portfolio of £55 million, being a member of the boards of many of the larger companies in the country including the largest hotel chain in Malawi, commercial property, the national power distributor, and agribusiness (where CDC had direct ownership and management of tobacco and tea estates, and was a pioneer in coffee and sugar smallholder outgrower development). As a Board member of Indebank, gained exposure to local DFIs and smaller projects.

### **Investment Analyst, London**

**1986 - 1992**

- Provided financial analysis (covering finance, marketing and management structures) of a variety of project proposals, including caustic soda (Kenya), smallholder sugar (Kenya), pineapple & banana plantations (Cote d'Ivoire), cotton (Mozambique), sugar (Mozambique, Guyana), tea (Cameroon), agricultural seeds (Cote d'Ivoire), low cost housing (Vanuatu), a fertiliser plant (Bangladesh) and development bank (Pakistan).
- Two year secondment to the Fiji Islands office. My personal portfolio included responsibility for and Board membership of coffee, cocoa and livestock projects in Vanuatu. Participated in a detailed study on behalf of the Ministry of Agriculture of smallholder agriculture potential in the Solomon Islands as part of a team including a sociologist and smallholder specialist. The study involved extensive travel in the islands of Guadalcanal and Malaita, frequently on foot or by motorised canoe, visiting and staying with local

communities to explain the options (cocoa was the most attractive crop under local conditions) and discussing some of the social and cultural implications of a commercial smallholder development which would conflict with local land tenure traditions.

<b>EDM SCHLUTER &amp; Co, Kenya</b>	<b>1980 - 1986</b>
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Responsible for regional supervisory visits and management control systems in Zaire (now DRC) and Tanzania for this firm of commodity traders. Operations in Zaire/DRC were focussed on the export of smallholder coffee and papaine, and poultry production. Responsibilities involved regular visits to Zaire/DRC over a period of 5 years with considerable internal travel, developing management systems and providing training and capacity building to the local management teams in Kivu, and finally in Kinshasa.

<b>DELOITTE HASKINS &amp; SELLS, LONDON</b>	<b>1976 - 1980</b>
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Joined from University after 7 months of travel in Africa, training under the Institute of Chartered Accountants.

#### **Qualifications & Education**

Fellow of the Institute of Chartered Accountants in England and Wales (FCA)  
University of Durham, England, BA Modern History

#### **Professional Development**

4 week management programme at Ashridge Management College, UK  
4 weeks CDC Venture Capital course  
Euromoney Structured Trade Finance course  
Corporate Governance Certificate, Kenya 2010

#### **Languages**

Good working knowledge of French.  
Basic Swahili.

## **Assignments undertaken – 2004/12**

### ***Development of a 5-year strategic business plan for Private Sector Operations, African Development Bank (2013)***

Development of the 5-year AfDB Private Sector Operations (PSO) Business Plan 2013-17 in the context of rapidly evolving economic dynamics in Africa and the wider world, working closely with the PSO senior management team and other departments within the Bank, taking into account the Bank's long term strategy, private sector development strategy and PSO policies.

### ***Due diligence of a commercial bank in Burundi (Norfund - 2013)***

Provided financial services sector expertise to a combined team from Norfund and a private equity fund looking to invest in the bank.

### ***Diagnostic and restructuring study of PTA Bank, Kenya (DFC - 2012)***

Team Leader for this diagnostic study of PTA Bank (the Eastern and Southern African Trade and Development Bank, Nairobi). Detailed review of strategy, which a specific remit to consider and recommend new strategic initiatives; diagnostic review and development of the Organisation Design, with a view to improving organisational efficiency, expanding the footprint in the COMESA region and resourcing new strategic initiatives; diagnostic study of the portfolio of project and structured trade finance investments, internal policies and procedures, and HR issues including a detailed skills assessment.

### ***Due diligence review, financial services, Zimbabwe (Summit Development Group - 2012)***

Member of a team carrying out a due diligence review of a commercial bank which focuses on both the corporate and SME sectors. Recognising the fragility of both the financial services sector and the wider business sector in Zimbabwe, the team considered options for expansion and a more targeted focus on the SME sector.

### ***Restructuring and Business Plan for Tanzania Investment Bank (DFC - 2012)***

Team Leader, with a team of four. Reflecting the decision to establish a commercial bank subsidiary and transform the parent company into a development finance institution, the assignment included a review of the business case for each of the two proposed businesses, with recommendations; development of modalities to separate the existing business between the two institutions; development of a detailed group organisational design with recommendations of skills required and appropriate staffing levels; development of organisational structures including job descriptions for senior positions, and a review of staff regulations, terms of service, code of conduct; a review of corporate governance issues, with recommendations as appropriate; a review of the existing IT infrastructure, with recommendations for the delivery of IT services to the parent DFI and the banking subsidiary; a review of legal issues relating to the transfer of staff, customers and assets to the new subsidiary; and the preparation of legal documentation for the incorporation and licensing of the commercial bank subsidiary, and the licensing of the parent company as a Development Finance Institution.

### ***Annual Review of the FinMark Trust, South Africa (DFID - 2012)***

Conducted an Output to Purpose review of the FinMark trust, with a particular focus on the strategy of the Trust and issues relating to regional financial integration in the SADC area. My role was to provide specialist financial sector knowledge, working with a DFID economist.

### ***Development of governance structures, Kenya Markets Trust (Adam Smith International - 2011/12)***

Development of a draft governance structure, procurement guidelines, investment cycle guidelines, ethics policy, and environmental policy. KMT works to improve the efficiency of market systems, particularly with respect to agricultural value chains and micro services, to benefit the poor.

### ***Review of governance and financial management, East African Community, Tanzania – 2011***

Carried out a detailed assessment of EAC progress against issues raised by the previous Fiduciary Risk Assessment; review of Governance structures, with recommendations for action; review of progress made under on-going consultancy inputs to enhance internal audit and procurement processes. A subsequent assignment included the development of a two year programme of continued support; with a separate contract for monthly monitoring of programme progress.

***Aberdare Hills Golf Course – 2011 ongoing***

Retained to develop a business plan for this US\$60 million development in the Rift Valley, with responsibility for business planning and raising the required equity and debt finance. A 2<sup>nd</sup> phase will comprise commercial and light industrial space.

***Strategic Reviews of the Financial Sector Deepening Trust, Tanzania – 2010 and 2011***

Team Leader, charged with carrying out two “Output to Purpose” reviews of FSDT for the years 2009/10 and 2010/11, with a remit to assess the extent to which FSDT has addressed its Mission and achieved its targets, and to make recommendations on future strategic direction. The purpose of FSDT is to increase the capacity of private sector providers to deliver financial services to poor people, particularly women and those living in rural areas, on a sustainable basis.

***Preparation of a feasibility study for DrumNet, Kenya - 2009***

Assignment on behalf of the Financial Sector Deepening Trust, Kenya, to carry out a feasibility study into the viability of converting DrumNet into a commercially driven corporate entity. Funded to date by major international NGOs, DrumNet provides an internet platform to link smallholder farmers with agro-input suppliers, buyers and financial institutions.

***Establishment of a Revenue Authority, and taxation reform, Burundi – 2008/9***

Team Leader for the assignment, managing a team of 5 other specialists to design a framework for the establishment of a Revenue Authority of Burundi (RAB), taking into account Burundian treaty obligations with respect to implementation of the Common External Tariff of the East African Community, and plans for the introduction of a Value Added Tax. The assignment included preparation of a draft law for implementation of the RAB; preparation of initial documentation for a semi-autonomous revenue authority including organisational structures, job descriptions, staff regulations, terms of service, code of conduct; preparation of an implementation plan and budget for Customs Reform, the introduction of VAT, the automation of the Customs and Taxation departments, and the establishment of the RAB – with an indicative budget of US\$18 million over 3 years covering institutional, customs, taxation and IT reform. Over the two years following establishment of the RAB national tax revenues increased 50% to US\$409million.

***Movenpick Resort, Arusha, Tanzania – 2008/09***

Retained to prepare a full Business Plan to secure funding for the 252 room Movenpick Resort (US\$55 million) and a 100 room business hotel (US\$10 million) at Usa River, near Arusha.

***Administrative Barriers to Business, Sudan - 2008***

Member of a 5 person team investigating administrative barriers to business entry at State level, on behalf of IFC (FIAS), with particular responsibility for issues relating to taxation and customs. This assignment required extensive travel in Northern Sudan.

***Kipande Road Development, Kenya – 2008/09***

Retained to develop the business proposal and raise required funding to develop 2,400 kiosks on Kipande Road in Nairobi, together with 6 office blocks and a hotel on Kijabe Street – total value US\$100 million. Working with Planning Systems Services Ltd in Kenya and the ARUP Group in UK, the development will help to integrate the kiosk vendors into the formal economy, and will include rehabilitation of a stretch of the heavily polluted Nairobi river.

***Residential apartments developments – 2008/09***

Retained to develop the business proposal and raise all required funding to develop 2 complexes of residential apartments in Kampala (US\$3 million) and Kigali (US\$4.8 million) respectively, working closely with the architects and project promoter.

***Leldet Ltd, Nakuru - 2008***

Developed detailed financial projections and assisted in securing financing for this specialist agricultural seeds company requiring working capital.

***Office Development, Nairobi - 2008***

Assignment to develop the Business Plan and secure the necessary funding for an office park development at Wilson Airport in Nairobi, working closely with the architects, project manager and promoter.

***St. Andrew's School, Kenya - 2007***

Developed a Business Plan for establishment of a Sixth Form college, and raised the necessary finance from a regional Development Finance Institution.

***FSDK – A Warehouse Receipt System for Grain in East Africa - A Feasibility Study - 2007***

Team Leader on this assignment to carry out a feasibility study for the introduction of a Warehouse Receipts System for grain that would make the farmer-to-market value chain more efficient and would facilitate the provision of credit to the agricultural sector, and in particular to smallholder farmers. A Warehouse Receipts System was later established on the basis of the feasibility study.

***DFID - Financial Sector Deepening Trust, Kenya – 2007***

Team Leader, charged with carrying out a strategic review of FSD as it completes the first 3 year Strategic Plan, with a remit to make recommendations on future strategic direction. The purpose of FSDK is to increase the capacity of private sector providers to deliver financial services to poor people, particularly women and those living in rural areas, on a sustainable basis.

***DFID/Danida - Private Sector Development Strategy, Kenya – 2007***

Member of the Team charged with preparation of an Implementation Plan for the PSDS, with particular responsibility for (a) design of the Implementation Plan relating to “Access to Capital” for MSMEs; and (b) design of the financial management system.

***Preparation of a Strategic Plan and Business Plan for WorldSpace Africa – 2006***

Prepared a Strategic Plan for WorldSpace Africa Ltd, a subsidiary of the U.S. based WorldSpace, which broadcasts satellite radio throughout Africa. Subsequently prepared a Business Plan for the company.

***Vipingo Ridge Golf Course Kenya - 2006,***

Prepared a Business Plan for this development north of Mombasa, including two golf courses of international standard with a phased development of residential units.

***Commercial Property Portfolio – 2005/06***

Appointed by Actis as interim Investment Manager for East Africa Properties, a portfolio of A Grade commercial properties in Nairobi, Kampala and Dar es Salaam. After 18 months handed the portfolio over to the Property Fund established by Actis and headquartered in Johannesburg.

***European Union – MSME Private Sector Development, Kenya – 2006***

Team Leader for this study to develop a €6.5million programme for intervention in support of the micro end of MSME development.

***EcoGen Windfarms Ltd, Kenya – 2005/06***

Provided business planning for EcoGen Wind Farms Ltd, established to develop commercial wind power generation projects in Kenya and the East African region. The initial project was a 60MW wind power project on the Kinangop in Kenya. With a total cost of approximately US\$60 million, the bulk of the financing was to be provided by Danida under a concessional mixed credit, with Global Green Energy of Denmark (a specialist wind power investor) providing equity as joint venture partners. The project was subsequently sold to the Aeolus Group of the Netherlands.

***Essential Oils processing and trading business, Kenya - 2005***

Assisted this growing business to develop a Business Plan, and then to raise trade finance facilities for expansion. Rapid expansion of the company resulted in a partial buy-out by a large UK company within two years on very favourable terms for the owner/management team, who continue to run the business.

***Pharmaceutical Plant, Tanzania – 2004/5***

Developed a Business Plan for this greenfield US\$6.0 million project requiring US\$3.1 million in loan finance. Identified possible financiers, and negotiated credit facilities with a bank in Belgium. Subsequently joined the Board.