



## Grant Thornton spreads wings in Africa

By Tebagano Ntshole

**GABORONE** - Accounting and auditing firm, Grant Thornton has expressed its confidence on the local economy saying it will rebound in line with the global economy.

Speaking in a press conference last Friday, the Global chief executive officer of Grant Thornton Mr Ed Nusbbaum said his organisation which has 30 000 employees worldwide recognises the role Botswana plays in the sub-Saharan region.

He said given the level of economic activity in the country and the continent, his firm, operating in 95 countries, would continue to make investments and spread its wings on the African continent.

Mr Nusbbaum said when investing in a country, they look for availability of skilled personnel meaning high quality accountants and business advisors.

The country should further have a strong business community and credit should be easily available.

There should also be a strong political environment that guarantees security for the investments and the Grant Thornton employees.

The firm has 130 employees locally, most of them chartered accountants and auditors.

Mr Nusbbaum said his organisation has offices in a number of African countries among them Egypt, Guinea, Kenya, Morocco, South Africa, Tunisia, Uganda, Namibia and Zambia.

He said their goal is to have people who could help the Botswana

economy prosper adding they do this by providing necessary training.

“We have clients from different industries and help them to navigate the complex business world,” he said, adding that they are looking at expanding to Nigeria and Zimbabwe.

Grant Thornton Botswana Managing Director Mr Jay Ramesh has been appointed chairman of the Sub-Saharan Africa Regional Council tasked with monitoring Grant Thornton’s expansion programme.

The firm is also looking at developing links with China and India taking advantage of the strong brand and reputation Grant Thornton has built in Botswana and internationally.

Although the two countries (China and India) were affected by the global economic recession, their economies did not suffer the same impact as the western countries did and were able to recover quickly and further with China becoming Africa’s biggest investment partner.

Talking about the global economy, Mr Nusbbaum said it has shown signs of recovery, propelled by strong growth in China and India, although recovery is still fragile in the United States.

He said African countries are vulnerable to the movement of commodity prices, adding however, their economies have shown signs of recovery with better availability of credit and commodity prices have also started to pick.

“Availability of credit has enabled

business in Botswana to prosper and improve,” he said.

Mr Nusbbaum said the recession had affected their operations as the business climate changed.

He said during the last year, there were few mergers and acquisitions, an area where the firm provides advisory services and the number of initial public offerings in the stock market was also reduced.

He said the recession has led to a declining confidence in financial services, adding it was important to come up with measures that would improve financial transparency.

People also invested in derivatives they did not understand, and Mr Nusbbaum said there is need for them to find real value of assets they invest in adding that corporate governance needs to be improved and this is where Grant Thornton will focus on.

Talking about the impact on the local economy, Mr Ramesh said although a number of diamond cutting and polishing industries faced difficulties, only one was liquidated but fortunately it has been taken over by another company and resumed operations.

A number of diamond cutting and polishing companies are Grant Thornton clients and Mr Ramesh said most have solid foundation and their lines of credit are good hence were able to weather the storm.

He said investment in Botswana has been made attractive by government’s development expenditure saying it has enabled the non-minerals sector to register growth during a time when



Mr Nusbbaum briefing the media on the current global business climate during his visit to Botswana last week. He said the reason why Grant Thornton Botswana is doing well is because the government has provided a conducive environment. Photo: Godfrey Mqose

the minerals sector was facing difficulties. “Our leaders’ financial prudence has enabled the country to pull during tough economic times. We are now on the road to recovery,” he said. BOPA