

MEMORANDUM

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SOUTH AFRICA'S ECONOMY DROPS INTO THIRD PLACE IN AFRICA

SA's struggling economy is now not even the second-largest in Africa anymore, says KPMG, citing data from the International Monetary Fund (IMF) that suggests Egypt has overtaken SA — mainly due to the rand's slump.

SA has been known as the continent's second-largest economy since Nigeria rebased its gross domestic product (GDP) data in early 2014.

However, KPMG said the IMF World Economic Outlook (WEO), released in mid-April, provided more sobering GDP statistics for SA.

"Not only did the multilateral organisation suggest that the South African economy would grow by a mere 0.6% this year, but also that the country is now only the third-largest economy on the continent behind Nigeria and new silver medallist Egypt."

Nigeria's rebasing exercise about two years ago revealed that the oil-dependent economy was almost twice as big as previously thought.

The country's National Bureau of Statistics (NBS) ensured greater measurement of the informal sector, the inclusion of 46 industries from a previous 33, as well as methodological changes to measuring activity in the service sector.

Backward adjustments to GDP indicated that Nigerian GDP in dollar terms surpassed SA's in 2011. By the end of 2015, Nigeria's GDP was measured at \$490bn compared with SA's estimated \$313bn.

SA recorded a decline in the dollar value of its economy during 2012-15 because of slowing real growth (in local currency terms) as well as a depreciation in the value of the rand.

The South African currency weakened from an average of R8.20/\$ during 2012 to an average of R12.74/\$ in 2015 — a depreciation of more than 50%. As a result, the nominal dollar value of SA's GDP declined by an average of almost 7% a year over the past four years.

In the meantime, Egypt's nominal dollar GDP expanded by an average of 7.5% a year during 2012-15. The Egyptian pound's depreciation during 2012-15 was at a notably slower pace than the rand's.

Since early in 2011, the Central Bank of Egypt (CBE) has tightly managed the pound, resulting in a milder depreciation compared with the free-floating rand. This contributed to Egyptian GDP eclipsing its South African counterpart during 2015.

"Were it not for the rand's slump, SA would not have surrendered its second place during 2015," the KPMG report said.

Looking ahead, the IMF WEO has not ventured any guesses as to the trajectory of Egypt's GDP in dollar terms from 2016 onwards.

While the country's local currency GDP is forecast by the multilateral organisation, there is significant uncertainty as to the short- and medium-term trajectory for the Egyptian pound. As a result, converting local currency GDP projections for Egypt to dollar equivalents is rather challenging.

Business Monitor International (BMI) has, however, made some exchange rate assumptions and its data point to SA being unable to retake the continent's second-place position anytime soon.

"Admittedly, SA remains the continent's most developed economy, and has a more diversified economic base than the Egyptian economy. However, its fall from first and now second place among the continent's giants is of great concern, especially as this development is largely attributed to weakness in the rand that, in turn, has largely been as a result of domestic issues."

On Wednesday morning the rand was at R15.16 to the dollar, R17.26 against the euro and at R21.91 against the pound. (TMG Digital 11-05-2016)

NIGERIA TO REJUVENATE WAR AGAINST INDISCIPLINE

Nigeria's Minister of Information and Culture, Alhaji Lai Mohammed, has said the government will soon rejuvenate the War Against Indiscipline with a massive, nation-wide campaign, tagged "Change Begins With Me."

The minister stated this on Friday in Lagos when he paid a working visit to the headquarters of the Guardian Newspaper.

Many have approached us over what they consider the distorted values in our society.

They are worried about the erosion of values, widespread indiscipline, dwindling integrity, poor attitude to work, etc.

They say it is time for the government to launch another War Against Indiscipline, WAI.

Well, let me use this opportunity to announce that we are in the process of launching a massive, nation-wide campaign, tagged "Change Begins With Me" which is a rejuvenated War Against Indiscipline," he said.

Mohammed said that the essence of the campaign would be to make Nigerians to realise that the change they so much desire would start with them.

In launching the campaign, Mohammed said that his ministry was planning to hold a Summit on National Rebirth, Values and Ethics in July.

Mohammed noted that the federal government considered the media as partners and had been taking extra steps in forging a closer relationship with them. (APA 07-05-2016)

UNESCO PARTNERS WITH ALWAYS BRAND TO EMPOWER 110,000 NIGERIAN GIRLS

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) has said will collaborate with P and G's ALWAYS brand to empower 110,000 Nigerian girls and women through education by 2019.

UNESCO Regional Director, Mr. Benoit Sossou, made this known during graduation ceremony of the first 7,500 Non-formal Education learners who had completed their Basic Literacy program under the UNESCO-Always project.

Mr Sossou on Friday in Abuja stated that the learners were part of the 15,000 non-formal learners targeted in FCT.

He said the collaboration was aimed at accelerating and underpinning national efforts to achieve the Education For All (EFA) goals.

Also, to support a total of 110,000 illiterate girls and women to acquire basic literacy, numeracy and life and vocational skills, he added.

Ms Nada Dugas, Director, Always Communications at P&G said that the collaboration with UNESCO was along the brands mission to empower girls through education.

At Always, we believe that education is key and that girls should not miss out school because of menstruation or for any other reason.

Always is there for the Nigerian girls for almost 25 years, providing great feminine protection products that help them stay in school during their period.

And bringing puberty education lessons in schools to about one million girls aged 11-13 every year, for the past 5 years, she added.(APA 07-05-2016)

ZIMBABWE PLAN TO CONVERT HALF ITS EXPORT EARNINGS INTO RAND AND EUROS ABANDONED

Zimbabwe's central bank has abandoned a plan to convert half of its export earnings into rand and euros as it explores ways to ease a shortage of dollars.

On Tuesday, the institution said it would now require 50% of export earnings to be transferred to a Reserve Bank of Zimbabwe account. The central bank would then immediately credit the same amount, plus a 5% "export incentive," into an authorised bank account for the exporting company.

Zimbabwe, which abandoned its own currency in 2009 because of hyperinflation, trades mainly in US dollars, while the rand, euro, Botswana pula, yen, yuan and Indian rupee are also legal tender. The move comes as demand for cash has led to shortages in an economy struggling to attract investment as it recovers from a decade-long decline.

It marks a reversal from last week, when the central bank said it would try to ease demand for dollars by converting 40% of foreign-exchange receipts from exports to rand and 10% to euros. The regulator also limited cash withdrawals and unveiled plans to print "bond notes" with face values ranging from \$2-\$20, drawing scorn from critics as signaling a return to the local currency.

The new notes amount to "play money" and the measures suggest Zimbabwe is "edging closer to the brink of a new currency crisis", NKC African Economics analyst Gary van Staden said on Tuesday. "That could herald significant instability in the country. As the cash shortages spark panic, there are new signs that ailing President Robert Mugabe may not see out his current term let alone be prepared to start a new one in 2018. "

The start of state-sanctioned seizures of white-owned commercial farms in 2000 by black subsistence farmers deprived of land during colonial rule slashed exports of crops ranging from tobacco to roses, triggering a near decade-long recession.

The local currency was abandoned as inflation soared, triggering other problems for Zimbabwe. As the dollar strengthened against currencies such as the rand, imports became cheaper, causing plants in Zimbabwe to shut down and cut local production.

Exporters being paid in currencies other than the dollar will be able to deposit all of their earnings directly into their bank accounts, without placing half in a central bank-controlled account, the bank said on Tuesday. The 5% incentive bonus applies to all earnings from any currency, it said. (Bloomberg 11-05-2016)

EGYPT'S AGRICULTURAL EXPORTS UP BY 5.4 PERCENT IN FIRST QUARTER OF 2016

Egypt's agricultural exports increased by 5.4 percent during the first quarter of 2016 compared to the same period a year earlier, Tareq Qabil, Trade and Industry Minister said on Saturday.

Speaking at the Food Africa exhibition held in Egypt, Qabil noted that total value of agricultural exports during the first quarter of 2016 reached \$720 million up from \$683 million during the first quarter of 2015.

He added that the total export value rose to \$280 million in March this year, compared to \$239 million in February and \$201 million in January of the same year.

Over 240 companies and 350 businessmen from all over the globe participated in the two-day exhibit, which is largest specialized exhibition of food and agricultural crops in Africa, said Qabil.

Egypt exported 364,000 tons of fruits and vegetables in January 2016, state-owned Al Ahram reported in February citing a report issued by the Egyptian Ministry of Agriculture.

The report, issued by the Central Administration for Agricultural Quarantine, said that the total Egyptian fruit exports in January 2016 reached 252,143 tons, while vegetable shipments totaled 112,509 tons.

The main vegetables exported during the said period were potatoes, onions, while grapes and strawberries topped the list of Egypt's fruit exports.

According to the report, Egypt's imports of vegetables amounted to 1,135 tons, while the volume of imported fruits reached 38,867 during the same period.(APA 07-06-2016)

S/LEONE REGULATOR TO SCRAP ROAMING CHARGES FOR MRU COUNTRIES

The head of Sierra Leone's telecommunications regulator has announced plans to scrap roaming charges for the three member countries of the Mano River Union (MRU).

Momoh Konteh, Chairman of the National Telecommunications Commission (NATCOM), was speaking on Saturday at the opening of the fifth Consumer Parliament organized by the commission to discuss issues affecting the telecom sector.

He said the decision was due to take effect in the "coming months," according to reports.

Mr. Konteh however did not give details about the plan.

The two-day consumer parliament session which is ongoing in Koidu Town, the headquarters of the Diamond-rich Kono District, brings together representatives of the country's three operators, internet services providers, consumers and government representatives.

As part of his opening statement, Minister of State East, Karamo Kabba, called on operators to improve on their services in the remote eastern part of the country.

Other issues raised by speakers at the first day of the conference include frequent drop calls and high charges on data services.

Major decisions are expected to be taken at the end of the conference with regards the telecom sector in Sierra Leone.(APA 07-06-2016)

COFFEE CONFLICT IS BREWING IN ETHIOPIA

In the birthplace of coffee, a conflict is brewing over who gets Ethiopia's best beans.

The government of this East African country wants hard dollars to build infrastructure, and so it has ambitious targets to increase coffee exports, capitalising on world-wide demand for its high-end arabica beans.

But Ethiopians, Africa's top coffee consumers, want to keep the beans at home. With urban incomes rising, Ethiopian drinkers increasingly want better stuff.

"In most cases, the domestic price is higher than international prices," said Fikru Amenu, an official at the Ethiopian Coffee and Tea Development and Marketing Authority, speaking at the World Coffee Conference here in March.

"We are just trying to convince (the traders) to export, because of the harder currency."

The bean is believed to have originated in the Ethiopian region of Kaffa, discovered by a goat herder named Kaldi whose goats became energetic after eating the beans.

Coffee plays a key role in cultural and social life: around half of Ethiopia's entire crop is consumed domestically, according to the US Department of Agriculture.

But it is also an economic lifeline: coffee is the country's top export, and it raises up to a third of the country's foreign exchange, the department says.

Ethiopia is counting on beefed-up coffee exports to fund projects, including a light-rail system in the capital and a dam on the Nile River.

In the financial year ending this July, the government hopes to increase the foreign exchange raised from coffee exports to about \$880m, a jump of nearly 13% from last year, Mr Amenu says.

To do that, he says, traders will need to export at least 206,000 tons of beans, up 12% from the previous year, and shift some to higher-price specialty grades.

World prices for beans have fallen more than 10% over the past year.

The government already restricts the domestic market. Only lower-quality beans — broken or damaged by moisture or insects — can stay in Ethiopia. A coffee trader flouting the rules faces a fine of more than \$2,000 and up to five years in jail.

The efforts have partly paid off for the government. The US Department of Agriculture forecasts exports this season could rise to record levels, while the effect of local restrictions could push consumption down slightly this year.

But Ethiopia has struggled to increase the overall harvest. Farmers are mostly small holders using basic agricultural methods. This season, the crop is expected to be nearly stagnant at 390,500 tonnes, according to the US Department of Agriculture forecast, although a drought due to El Niño could push production down.

To truly increase export volumes, Ethiopians would have to drink substantially less coffee.

It is a target many say is nearly impossible.

"If you tell an Ethiopian not to drink coffee, no one will listen to you," says Wondwossen Meshesha, the operations manager at Tomoca Coffee, a family-owned roasting business and cafe chain famous for its macchiatos and fresh-roasted beans.

Five years ago, the 63-year-old company had just one café, a narrow shop in the central piazza in Addis Ababa, Ethiopia's capital.

The business was roasting about a ton of coffee a day, says Mr. Meshesha.

Now, Tomoca has six cafés dotted around Addis and roasts 10 times as much as it used to, he said.

"We needed to wait a long time for (Ethiopians) to develop their own purchase power," says Mr. Meshesha.

Over the past decade, Ethiopia has become one of Africa's fastest-growing economies, averaging more than 10% growth a year, according to the World Bank.

But the rapid growth has been accompanied by a crackdown on dissent and the country's political opposition.

The economic growth has fuelled a proliferation of coffee shops in Addis Ababa and roadside coffee stalls outside the capital.

Demand for the beans is so strong that Ethiopians would drink all their own coffee if they could, says James Kanagwa, the Ethiopia country representative for Pan-African lender Ecobank.

"It isn't in the interests of the government to encourage domestic consumption," says Mr Kanagwa, sitting in his office overlooking several bustling construction sites.

"Where will the foreign currency come from if they have nothing to export?"

While demand for specialty coffee is creating a market for Ethiopian beans, the push to export also comes as coffee countries face steep competition.

Currency devaluations in the world's largest arabica producers have pushed farmers to export beans. Coffee exports in Brazil — the world's biggest producer — hit record levels and pushed world prices down as the country's currency fell more than 30% against the dollar last year.

Ethiopia is also competing against other African producers such as Kenya and Tanzania to export premium beans.

But people in those countries drink tea — and reserve their coffee for exports.

Without gains in production and with steady competition at home, Ethiopia's answer may not be in exporting more coffee but simply charging more.

Some premium beans, sourced directly from farmers, can command three times the New York market price.

Those prices come with a set of standards not all farmers can meet and a workload not all can afford, says Takele Mammo, general manager of the Yirgacheffe Coffee Farmers Cooperative Union.

Mr. Mammo says the union tries to focus on exports.

But even he says it is hard to suppress Ethiopian demand for the country's best-tasting beans. "If there was a chance of consuming coffee, the right coffee, Ethiopians would go for that," says Mr. Mammo. "If you tell my Mum not to drink coffee, (she will) choose not to eat." (WSJ 06-05-2016)

DISCUSSIONS ON ETHIOPIA'S RENAISSANCE DAM CONTINUE IN ADDIS

The tripartite national committee on Ethiopia's Renaissance Dam has convened in Addis Ababa to seek consensus on the technical studies for the dam, said Egypt's Water Resources and Irrigation Minister Mohamed Abdel Aaty on Saturday.

During a phone call to a talk show on privately-owned TV channel Dream 2, Abdel Aaty noted that there is no harm in conducting technical studies for the dam, and any disagreements that arise from such studies can be resolved through dialogue.

The minister added that once the studies have been completed, he will take part in efforts to transform them into an agreement between the nations involved.

In related news, legal expert Mosa'ed Abdel Aaty said that he met with the minister for consultations on the Nile water issue, and that Ethiopia's dam project was among the topics discussed.

During an interview on privately-owned TV channel Al-Ghad, the expert said that the minister is objective and transparent in his approach to the dam, and is quite open about the potential negative impact on Egypt.

He also said that negotiations have focused on various measures and legal procedures aimed at preventing Ethiopia from reducing Egypt's share of Nile water.

Meanwhile, former Foreign Minister Nabil Fahmy commented on the meetings between Egypt, Sudan and Ethiopia, which concluded on Tuesday, saying that the committee started its work late.

Fahmy said that the official Ethiopian stance is not positive, which is cause for concern, since the issue of Nile water is a matter of national security for Egypt.

Ethiopia is determined to build the dam, although the safety and environmental impact of the dam have not yet been studied," said Fahmy.

He added that Egypt made a big mistake when it decided that negotiations on the project should be political, since the Ethiopian dam represents a clear violation of international law.

One consequence of this approach, he said, is that those countries who might be harmed by the project were not provided with the technical drawings for the dam.(APA 07-05-2016)

RUSSIAN OIL FIRM DELIVERS FIRST LNG SHIPMENT TO EGYPT

The Russian state-owned oil company Rosneft on Saturday said it delivered its first Liquefied Natural Gas (LNG) shipment in line with a contract signed with Egyptian Natural Gas Holding Company (EGAS) in 2015.

Egypt's petroleum ministry signed last August two agreements with Rosneft to provide Egypt with 24 LNG shipments over the next two years.

Rosneft said in a statement that the cargo delivery arrived in the Ain Sukhna port in the context of the Master LNG Supply and Purchase Agreement signed in August 2015 with EGAS.

Egypt relies heavily on natural gas to operate power plants used in homes and factories.

Last July, Rosneft and EGAS signed a Term Sheet for Rosneft's future supplies of LNG to EGAS. (APA 07-05-2016)

CHINA'S EMBRACE OF HARMONY MAKES IT A GOOD AFRICAN FIT

With the spate of negative publicity China has endured over time, it seems appropriate to try to reframe our understanding and thinking about East Asian culture. Having had the opportunity to work directly under C-level East Asian leadership in the past eight years in Africa, I have come to learn a lot more about their rich and ancient culture. This was very enlightening, especially given the negative image of China that is currently portrayed, perhaps in some cases with reason. Away from the politics, this is a highly intellectual culture, one with a depth and history equal to none.

There is a lot that we can learn from history. Confucius wrote in 500BC: "Study the past if you would define the future."

He also said, "when the wise man points at the moon the fool stares at the finger".

When we go back in history and compare western Christianity with eastern Taoism, there are fundamental differences in the outlook on life that still resonate today through the world-view of these two regions. In Taoism, there is a need for balance and harmony, and the human is viewed as a whole that must live in harmony with nature. The Christian viewpoint is filled with extremes: good and evil, body and soul, the freedom of one from the other. This points to an inherent difference in the one searching for harmony in unity, while the other is swaying between extremes.

Throughout its history, the West was driven by an "outward" approach that manifested in the need to set out and conquer new worlds. The East was mainly driven by an "inward" approach to maintaining harmony and focusing on the Asian continent rather than setting out to conquer new worlds. This culminated in the development of a circumscribed world-view set to maintain harmony, which could be more appropriate in a globalised world.

Examples of how these two world-views applied to their external environments can be found at various times in their histories. When Admiral Zheng He (1371-1433) set out from China with an impressive 300 ships and 28,000 crew including doctors, public servants and scholars, his sole aim was to demonstrate the power and prestige of the emperor. His instructions were clear: to spread the goodwill of the emperor far and wide and to treat all people with kindness. This East Asian approach had as its primary aim to give more than it received and so obtain the allegiance of the countries the admiral visited. This was known as the start of the tribute system.

Almost 100 years later, when Vasco da Gama (1460-1524) set out, the fleet was far less impressive, consisting of only four ships and 170 crew. The aim of the voyage was completely different: Da Gama's trips were driven by individual initiative, with a determination to find a direct sea route to the Spice Islands, greed for goods and slaves, and a plan to colonise and enslave. There was no goodwill or kindness.

When it came to warfare, the two worlds also manifested in two different approaches. On the one side, there was Sun Tzu (400BC-320BC), for whom making war was the last resort and should be viewed as an option only when all others were exhausted.

His closest western equivalent, Carl Von Clausewitz (1780-1831), looked at this problem from a completely different viewpoint. The aim for him was "total victory", at all cost. Pre-emption of conflict versus total victory in conflict. This was recently reflected when President Barack Obama admitted that the biggest mistake of his presidency was that there was no strategy for what to do with Libya once the dust had settled. The list is long of how the two worlds developed differently, with different outlooks on politics and business.

Through an outward approach driven by conflict and victory, the West achieved liberty. Through subtle management, a soft hand and a longer-term vision, the East aimed at securing harmony.

The West tends to highlight the lack of freedom in the East, whereas the East readily points out that the West neglects the value of harmony. Summed up, the West wants to be in the driver's seat, while the East allows things to develop.

Western and Eastern cultures were shaped in very different ways. As early as 2,000 years ago, the East learned during the warring states period what devastating effect such conflict can have. For that reason, we still do not see China flexing its muscles in the same way as the US, openly taking positions in the international arena in terms of whether it should go to war or not. In the United Nations Security Council, China is usually the voice of reason and moderation, preferring not to act too hastily. We hardly ever see China take a strong position or even condemn other nations.

A good example of this shrewd approach to international politics, which aims to avoid offending where possible, is China's island-building spree in the South China Sea. There are various competing claims to existing islands by the Philippines, Malaysia, Vietnam, Taiwan and China. Instead of simply occupying the islands, as it could, the Chinese have simply built their own. All the US could do was send a guided missile destroyer to the area, with no effect. The fool staring at the finger?

Our perception of China in Africa is skewed, based on fear that China will become the new imperialist power on the continent. But the Chinese foreign affairs ministry has gone out of its way to promise that China will not take that route.

China is also readjusting its development assistance to Africa to move away from natural resources and infrastructure, diversifying to help African countries become more self-sufficient.

It announced recently that it would invest \$60bn over a three-year period to build infrastructure, develop local talent and bolster inadequate business funding, accelerate industrialisation and agricultural modernisation and promote independent and sustainable development in Africa. This compares with the \$12bn that the US has put forward for its Power Africa initiative.

Certainly, there are many complaints that can be made about China's approach, but on the other side of the coin, Africa shares similarities with East Asian culture. Here, too, the group is considered more important than the individual. This world-view has developed in a similar circumscribed manner as in the East.

In general, China suits Africa better as a partner, and the capacity of China to adapt its strategy and pay a sort of "tribute" to Africa on the investment side will buy more friends than enemies.

Doing business with the Chinese tends to be less prescriptive and patronising than with the West. The Chinese deliberately refrain from lecturing. And it can be more efficient, with decision-making unconstrained by cumbersome western administrative systems. China is here to stay and it is a formidable opponent to traditional interests in Africa. (BD 05-05-2016)

EGYPT: 5 BANKS HOLD OVER HALF OF BANKING SECTOR'S TOTAL PROFITS

Over half, 54.6 percent, of the total profits of banks operating in the Egyptian market are held by the National Bank of Egypt (NBE), the Commercial International Bank (CIB), Banque Misr, Qatar National Bank (QNB) Al-Ahli, and HSBC Egypt as of the end of December 2015, according to the Central Bank of Egypt (CBE).

The CBE said in a recent report that the net profit of the banks operating in Egypt reached EGP 35.882bn (1\$=8.78EGP) as of the end of December 2015.

These profits were realised between January 2015 and the end of December 2015 for private banks, and between early July 2015 and the end of the year for public banks.

According to the CBE, these five banks made profits amounting to EGP 19.6bn.

The NBE achieved profits of EGP 5.1bn; the CIB achieved EGP 4.7bn; Banque Misr achieved EGP 4.1bn; QNB Al-Ahli achieved EGP 3.2bn; and HSBC achieved about EGP 2.5bn.

The profits of the 10 largest banks operating in Egypt amounted to EGP 26.779bn, about 74.63 percent of the banks' total profits.

The value of the net interest achieved by banks operating in the Egyptian market amounted to EGP 65.789bn as of the end of December 2015. Of this total, EGP 46.329bn or 70.42 percent were in the 10 largest banks and EGP 33.097bn or 50.307 percent were in the five largest banks, according to the CBE.(APA 09-05-2016)

CONSTRUCTION WORKS ON BURKINA'S 8TH GOLD MINE BEGIN

Construction work by the Canadian company Endeavour Mining on Hounde mine, the eighth gold mine in Burkina Faso begins through the course of May, APA can report from officials Monday. Endeavour Mining is investing a budget of about CAF200 billion francs in the construction of the mine.

The Burkina Faso currently has nine industrial operating mines including seven specialized gold extraction (Essakane, Semafo, Youga, Inata, Bissa, Somita, Karma), one zinc collection (Perkoa) and a manganese extraction (Tambao).

The construction works will last 18 months and the first gold is expected to be produced by late 2017.

The construction of the mine will generate between 500 to 600 direct jobs and 4,000 to 5,000 indirect jobs.

The company is expected to produce 190, 000 ounces of gold per year for a period expanded in ten years.

During the first four years, the average production is expected to reach 235,000 ounces on an annual basis.

The operating license is valid for 20 years and may be renewed for additional periods of five years by the Burkinabe government.

Endeavour Mining in March also purchased the gold mine of Karma in the North of the country from True Gold, whose production will begin by next May.

In addition Burkina Faso, Endeavour Mining is operating in West African countries like Ivory Coast, Mali and Ghana.(APA 09-05-2016)

AFRICA'S TIES WITH ASIA SET TO GROW STRONGER

Zimbabwean President Robert Mugabe recently concluded an official visit to Japan. While in Tokyo, both Mugabe and Japanese Prime Minister Abe Shinzo expressed dissatisfaction with the structure of the United Nations Security Council. Both believe major reforms are necessary, and that the number of permanent members needs to increase.

This is an issue Tokyo has been pushing for some time, although of course, Shinzo wants Japan to be the council's newest permanent member. Mugabe was able to secure some economic assistance, totalling about \$5m and promises of Japanese investment in future.

Multiple media organisations including the Guardian and the Japan Times, framed Mugabe's visit to Tokyo as a Japanese attempt to counter Chinese influence in Africa.

Pretty much everyone knows Beijing and Tokyo don't always see eye to eye, to put it mildly. They have long-standing disagreements over history and maritime territory. In particular, Beijing feels the Japanese state has not sincerely apologised for its colonial-era annexation of Manchuria and other territories, and its wartime atrocities, such as the infamous Rape of Nanjing. In addition, Beijing and Tokyo both believe they own a small collection of uninhabited rocks in the East China Sea, respectively referred to as the Diaoyu or Senkaku islands.

Whenever Tokyo does something Africa-related, headlines tend to conjure up grand narratives about the Sino-Japanese rivalry coming to Africa. One blogger even worried that changes to Article 9 of Japan's pacifist constitution would result in China-Japan proxy wars in Africa — harking back to good old Cold War binaries. Given the academic and media attention paid to Chinese engagement with Africa and the generally frosty relations between Beijing and Tokyo, it's not that surprising, therefore, that media analyses often stress geopolitical competition as a driving force in East Asia-Africa interactions.

However, this narrative misses a far more interesting trend towards greater multilateralism in Africa-Asia, as opposed to China-Africa, relations. Writing in 2014, Dr Sven Grimm, then director of Stellenbosch University's Centre for Chinese Studies, noted that African leaders, media and policy makers generally had a "myopic" perspective of Asia.

Chinese engagement dominates, but other Asian actors are also significant in Africa. Japan, South Korea and India are all important in terms of aid, trade, and diplomacy, and poorer developing states, such as Malaysia, Thailand and Vietnam are all present on the African continent.

According to Grimm, Malaysian investment, especially in the energy sector, occasionally topped Chinese investment, and total trade between Africa and Thailand was higher than the continent's trade with Russia.

Also, while China has outright banned the sale of ivory, Vietnam remains a top destination for poached horns and tusks.

Given China's slowing economy and declining demand for raw materials, this year will likely see more African multilateral engagement with Asia as a continent — if African policy makers seek it out — rather than the Beijing-centrism of previous years. This trend is already evident in diplomatic exchanges.

Recently, Vietnamese President Truong Tan Sang wrapped up his Africa tour in which he visited Mozambique and Tanzania and pledged to increase trade with the latter to \$1bn by 2020. Another interesting trend is for some leaders, such as Rwanda's Paul Kagame, to exalt the late Lee Kuan Yew, who was instrumental in Singapore's economic transformation. In particular, Kagame emphasises Lee's "development first, democracy later" approach to development.

Multilateral engagement with Asia as a region rather than just, or primarily, China is better for African long-term growth and stability. (BD 04-05-2016)

EGYPT: TOURISM FIGURE FOR MARCH DROPS BY 47.2 PERCENT

The number of tourists visiting Egypt fell by 47.2 percent in March compared to the same month last year, the official statistics agency said Monday.

It said the tourism industry continues to suffer the consequences of a 2015 Russian plane disaster above Egypt's Sinai.

The Central Agency for Public Mobilisation and Statistics (CAPMAS) attributed its findings to the decline in the number of Russian tourists by 99.2 percent since the tragedy believed to be a terrorist attack.

Last October, a chartered flight operated by Russian airline Metrojet disintegrated midair 23 minutes after takeoff from Egypt's Sharm el-Sheikh Airport as it headed to St. Petersburg, killing all 224 passengers and crew on board.

Moscow suspended all flights to Egypt pending an investigation into the crash. The U.K. followed suit, halting all flights to and from Sharm el-Sheikh.

Last week, the Egyptian government adopted an urgent plan to revive the ailing tourist industry by

attracting ten million tourists into Egypt by the end of 2017.

The majority of tourists visiting Egypt from western European countries in March came from Germany, while Saudi Arabia ranked on top of Middle Eastern countries sending holidaymakers to the country.

Egypt's tourism industry, a vital source of foreign currency, has been hit hard since the plane crash.

The country had already been struggling to recover from economic problems and a shortage of foreign currency reserves since the 2011 uprising that toppled former president Hosni Mubarak.(APA 09-05-2016)

MOROCCAN MONARCH BEGINS CHINA TRIP

King Mohammed VI of Morocco begins an official visit to China on Wednesday according to the Ministry in charge of protocol in a statement on Monday.

The Moroccan monarch will meet with Chinese President, Xi Jinping before the two leaders chair signing ceremony for a series of bilateral agreements, the statement added.

King Mohammed VI will also meet with several senior Chinese officials and will also launch a strategic partnership between his kingdom and China.

China and Morocco have maintained friendly ties for decades.

In terms of economic relations, the volume of trade between the two countries reached \$3.43 billion in 2015, signifying a slight 1.7 percent drop compared with the previous year.

China exported goods worth \$2.9 billion to Morocco and imported from the Maghreb kingdom goods and services valued at \$530 million.

Chinese exports to the Kingdom consist mainly of textile products, household appliances, industrial equipment, tea and general merchandise, while phosphate fertilizers and seafood forms the lion's share of Moroccan exports to China.(APA 09-05-2016)

UKRAINE OFFERS TO INVEST \$1 BILLION IN NIGERIA'S AJAOKUTA STEEL COMPANY

The Ukrainian Ambassador to Nigeria, Valeriy Aleksandruk, has said that his country is ready to invest one billion dollars into Ajaokuta Steel Company in order to revive the plant.

This is according to a statement by Alex Okoh, Head, Public Communications, Bureau of Public Enterprises (BPE) in Abuja on Thursday.

The statement said that the ambassador made the disclosure when he paid a courtesy call on the Acting Director General of the BPE, Vincent Akpotaire.

It also stated that Aleksandruk said that the Ukrainian company that built the plant -Tiajpromexport (TPE) – had presented a proposal to the Federal Government to that effect.

He said that the steel company has a lot of potentials which his country wanted to take advantage of and that already, meetings were on with relevant people in Nigeria for the realisation of the planned takeover of the plant.

Aleksandruk emphasised that Nigeria has a very good relationship with Ukraine especially in areas of trade and investments adding that there was a big Nigerian community in his country.

He, however, added that Ukraine was ready to “open a new page in its relationship with Nigeria” and pledged to assist the Bureau in its training needs to become a foremost privatisation agency in Africa.

The statement said that Akpotaire in his response, said that the Bureau would review the proposal by the Ukrainian government.

He said it would also review that of Morgan Stanley, the multinational financial services firm that would provide the one billion dollar investment before taking any further steps.

He added that the Federal Government was desirous to get the Ajaokuta Steel Company Limited and the Nigerian Iron Ore Mill Company (NIOMCO) Itakpe running.

Akpotaire urged the Ukrainian Government to invest in other sectors of the Nigerian economy, especially in developing the downstream of the steel sector that would service several sectors including the automobile sector. (Premium Times 05-05-2016)

JAPAN APPROVES \$11M TO UPGRADE MAURITANIA PUBLIC HEALTH SCHOOL

The Japanese government has approved an \$11 million grant to finance improvement works on the National School of Public Health in Nouakchott, APA can report Monday from the Mauritanian capital. The grant will mainly go into the construction of a three-storey teaching block, provide required equipment and build a sanitation system.

The grant agreement was sealed by the Mauritanian minister of Economy and Finance, Moctar Ould Diay, and the Japanese Ambassador in Mauritania, Hisatsugu Shimizu.

During the signing ceremony, Ould Diay recalled that his country has already benefited from considerable supports from Japan to implement projects in such vital areas as health, education, hydropower, fishing, communication and the environment.

He observed that this latest funding will give impetus to Mauritania's efforts aimed at improving the country's health system.

Ould Diay hailed the ties of cooperation binding Nouakchott and Tokyo together, relations that have deepened and diversified over the years.

For his part, Mr. Shimizu said that the project, being financed by his country is the first of other training programs targeting health technicians.

According to him, this project will contribute to improving the performance of the medical staff and the advancement of medical services in Mauritania.(APA 09-05-2016)

EGYPT UNVEILS BODY TO MANAGE PROPOSED CAPITAL CITY PROJECT

Egypt on Monday unveiled a body which will be responsible for building the country's new capital city. The proposed new capital will be located between Cairo and the Suez Canal region.

Named the Administrative Capital City for Urban Development, the company is a trustee with the sole propose of managing the proposed administrative capital city project.

The body's maiden assembly on Monday was presided over by Ahmed Weshahy.

The body comprised a board of directors of 13 members, namely three members from the New Urban Community Authority, six expertise and four representatives of the Armed Forces.

The new capital of Egypt is a large-scale project announced by Housing minister Mostafa Madbouly during the Egypt Economic Development Conference (EEDC) held on 13 March 2015.

The proposed yet unnamed city is to be located 45 kilometers (28 miles), east of Cairo and just outside the Second Greater Cairo Ring Road in a currently largely undeveloped area halfway to the seaport city of Suez.

According to the plans, the city would become Egypt's new administrative and financial capital, which will house government departments and ministries, as well as foreign embassies.

Covering a total area of 700 square kilometres (270 sq m), it would be built to hold a population of five million people, although this could rise to an estimated seven million.(APA 09-05-2016)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, and other organisations.

The Memorandum is also made available by AHEAD-GLOBAL, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) to their Members.



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