

# MEMORANDUM

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## **EU SYRIA TRUST FUND: NEW ASSISTANCE PACKAGE TO SUPPORT SYRIAN REFUGEES AND HOST COMMUNITIES CROSSES €1 BILLION MARK**

**Today, the EU Regional Trust Fund in Response to the Syrian Crisis adopted new projects totalling €275 million. These projects will support refugees and their overstretched host communities in Turkey, Lebanon, Jordan, Iraq, the Western Balkans, and Armenia.**

Projects will focus on education, health care, support of local community, social inclusion, gender equality. The newly adopted assistance package brings the current overall volume of the EU Trust Fund up to over €1 billion which was the goal set by President **Juncker** on 23 September 2015 at the Informal meeting of the European Council on migration and in the Communication on Managing the Refugee Crisis.

The EU High Representative for Foreign Affairs and Security Policy / Vice-President of the Commission, **Federica Mogherini** said: *"We are giving a lifeline to millions of Syrians inside the country and across the region, helping create a future for Syrian refugees and host communities. By enabling girls and boys to access quality education, we are helping to prevent a lost generation of children whose lives have been devastated by the Syrian conflict. It is a moral duty, and it is also the smartest investment we can do in the security, stability and prosperity of our own region. So, ultimately, it is an investment in our own future."*

EU Commissioner for European Neighbourhood Policy and Enlargement Negotiations **Johannes Hahn** commented: *"Thanks to the EU Trust Fund, children in Jordan, Lebanon and Turkey are able to go to school and have access to safe spaces for non-formal education, protection and psycho-social care. Syrian students whose studies were disrupted by the war are receiving scholarships to attend Jordanian, Lebanese, and Turkish universities. Through vocational training and job fairs, Syrian refugees and host communities are improving their chances on the employment market. The EU will continue to respond to the needs arising from the Syria conflict, as testified by the fact that more than €1 billion is being channelled to improve lives via this Trust Fund"*.

The EU Trust Fund Board meetings brought together the European Commission, EU Member States and representatives of Turkey, Lebanon, Jordan, Iraq and the World Bank to support Syrian refugees in the region.

The new €275 million aid package focusses on better access to livelihoods, healthcare, education and protection services. It includes the following actions:

### **€126.5 million assistance package for Turkey:**

- o **€105 million** to enhance the resilience of Syrians under temporary protection and host communities. Access to vocational training, income and employment generation and Turkish language courses are the primary focus.

- o **€11.5 million** for improved access to health care for refugees and host communities.

- o **€10 million** to enhance the skills of refugees and capacity building of local authorities in Turkey.

**€90 million programme for education in Lebanon, Turkey and Jordan** invested in the future of refugee children and young people affected by the Syrian crisis. The focus is on further improving access to education for the next school year, especially in Lebanon with an allocation of €58 million, and on offering protection from violence, abuse and exploitation. The action will also support certified non-formal education opportunities and enhanced psycho-social support.

**€25 million programme to support vulnerable women and girls in Iraq, Jordan, Lebanon and Turkey.** This will recognize the important role of women in promoting peace and security, and the need to safeguard the rights, protection and specific needs of women and girls. In Iraq, maternal and childcare facilities built with the support of the EU Trust Fund are now in place.

**€21 million programme to help Serbia manage the migration/refugee crisis along the Balkan route** to strengthen the operational capacity of the Serbian authorities to provide adequate accommodation facilities, living conditions and services in order to effectively respond to the needs of migrants/refugees and asylum seekers.

**€10 million programme for Jordan's public health system** to ensure increased access to and

quality of secondary and tertiary healthcare for Jordanian and Syrian refugees.

**€3 million programme to support Syrian refugees in Armenia** by enhancing access to health and psychosocial services, improving housing conditions, increasing access to economic opportunities, and by facilitating the integration of schoolchildren and students.

## Background

Since its establishment in December 2014, an increasing share of the EU's resilience support to help Syria's neighbouring countries is provided through the crisis. The Trust Fund reinforces the integrated EU aid response to the crisis and primarily addresses longer term resilience and early recovery needs of Syrian refugees and overstretched host communities and their administrations in neighbouring countries such as Jordan, Lebanon, Turkey and Iraq. The Trust Fund is a key instrument to deliver the EU's pledges for the crisis made at the London conference on Syria in 2016 and the Brussels conference in April 2017, and also underpins the special EU Compacts agreed with Jordan and Lebanon to assist them in the protracted refugee crisis.

Last week, the Trust Fund welcomed an additional €1.2 million contribution from Poland. The current overall volume of the EU Trust Fund now exceeds €1 billion with contributions from 22 Member States, the EU and Turkey. The Trust Fund is open to other donors.

Including the new decisions, the Fund's budget for a total of €1 billion has been allocated to concrete assistance programmes for refugees and host communities in the region. These programmes support basic education and child protection, training and higher education, better access to healthcare, improved water and waste-water infrastructure, as well as support to resilience, economic opportunities and social inclusion. The scope of the Fund also includes support to internally displaced persons in Iraq fleeing from the interlinked Syria/Iraq/Da'esh crisis, and to provide support in the Western Balkans to non-EU countries affected by the refugee crisis. (EC 20-06-2017)

[EU Regional Trust Fund in Response to the Syrian Crisis](#)

[Factsheet: EU Regional Trust Fund in Response to the Syrian Crisis](#)

## ANGOLA'S CIMENFORT INAUGURATES CLINKER KILN

The start-up of the first clinker kiln will mean that Angola's Cimenfort will no longer need to import the product, which it has done since the cement plant was inaugurated in 2012, Angolan Industry Minister Bernarda Martins said in Catumbela, Benguela province on Monday.

According to Angolan news agency Angop, Paul Marcius Ang, director-general of Cimenfort, said that this second phase costing US\$30 million has doubled installed capacity from 700,000 tonnes/year (28 million bags of cement) to 1.4 million tonnes/year.

He said the plant was designed for three phases, the first to produce 700,000 tonnes, inaugurated on August 22, 2012, the second to double production capacity (1.4 million tonnes, which began on Monday) and the third and final phase to set up the clinker mill, which may be extended until 2019.

Ang said that Angola is currently in a position to start exporting cement, bearing in mind that the country has an installed capacity of 8 million tonnes, against an annual consumption requirement of 6 million tonnes. (20-06-017)

## COMESA, EU SIGNS AGREEMENTS WORTH €68M TO REDUCE COSTS OF CROSS BORDER TRADE

The European Union has signed two Financing Agreements for a total amount of 68 million Euros to finance implementation of two programmes in the COMESA region. These are; Trade Facilitation programme (53 million Euros) and Small Scale Cross-Border Trade programme (15 million Euros).



The Ambassador of the European Union to Zambia and Representative to COMESA, H.E. Alessandro Mariani, and COMESA Secretary General, Sindiso Ngwenya, signed the two agreements.

The funds are part of the COMESA specific envelope of 85 million euros provided by the European Union under the 11<sup>th</sup> European Development Fund (EDF) Regional Indicative Programme for the East African, Southern African and Indian Ocean (EA-SA-IO) region signed in June 2015 for the period 2014 – 2020.

The trade facilitation programme is meant to reduce the cost of doing business and moving goods in the COMESA region. The programme has identified five key priority areas for support, namely; monitoring and resolution of Non-Tariff Barriers (NTBs); implementation of the World Trade Organization – Trade Facilitation Agreement; coordinated border management and trade and transport facilitation along selected corridors and border posts.

Others are the implementation of harmonized, science based Sanitary and Phyto-sanitary (SPS) and Technical Standards and support to trade negotiations/promotion covering trade in services, free movement of persons and trade negotiations.

The beneficiaries of the programme will primarily be the Member States of COMESA and the private sector/traders in the COMESA/Tripartite region, with the COMESA Secretariat playing a coordination and facilitation role.

The programme on small-scale cross-border trade aims at increasing the formalization of informal cross-border trade and enhancing trade flows leading to higher incomes for small-scale cross border traders.

This is being done through simplifying the Certificates of Origin, Customs document and addressing harassment of small scale cross border traders at the borders. The programme has identified five key areas of support. These include the implementation of specific trade facilitation rules and instruments at selected border areas, so as to reduce the cost and time for crossing borders by small-scale traders;

The others are the reduction of corruption, bribery and harassment (including gender-based violence) at selected border areas; support to Cross-Border Traders Associations (and similar business associations), so as to effectively defend the interests of traders and deliver good quality support services; data collection/management/dissemination and research on ICBT, so as to increase evidence based knowledge and inform trade policy-making processes at national and regional level; and the building/upgrading of border infrastructures at selected border areas.

The beneficiaries of the programme will be primarily small-scale traders (in particular women traders) regularly crossing borders in the COMESA/tripartite region to sell and buy goods, as well as the associations who represent them and defend their interests(Comesa 30-05-2017)

## BANK OF MOZAMBIQUE INTRODUCES MINIMUM LIQUIDITY RATIO FOR THE BANKING SECTOR

The Bank of Mozambique's Monetary Policy Committee has decided to introduce a minimum liquidity ratio, setting it at 25%, "as a percentage of short-term commitments invested in liquid assets," the central bank said in a statement released on Monday in Maputo.

"This alert indicator fills the existing gap in the current prudential indicators for monitoring and controlling the liquidity of the banking system," said the statement on the central bank's website.

The central bank also reported that the Committee also decided to keep the MIMO rate at 21.75%, the marginal lending rate at 22.75% and deposit rate at 1.25% and the reserve requirement ratio for liabilities in local and foreign currency at 15.50%.

These decisions stem from the need to strengthen "prudence in the conduct of monetary policy" in view of the prospects for greater economic activity in the second half of the year, the increase in fiscal risk and future adjustments in administered prices.

In a meeting with the press to announce these decisions, the Governor of the Bank of Mozambique, Rogério Zandamela, said that the inflation rate is expected to be 14% this year, compared to 25% registered in 2016.

Zandamela highlighted the "prospects of greater dynamism of economic activity in the second quarter of 2017," noting that until May, expected appreciation of the currency led gross international reserves to reach US\$2.2 billion. (20-06-2017)

## TANZANIA FORCED TO EMBRACE SEED PATENTS OR RISK LOSING DEVELOPMENTAL AID

Agribusiness companies are taking advantage of Tanzania's desperate need for aid to push a development plan that will allow them to dominate the country's agriculture sector and plunge farmers into debt. A similar plan led to a suicide epidemic among Indian farmers in recent years.



A woman works a field near the Tanzanian town of Arusha

A "development assistance" initiative launched five years ago by the G8, an inter-governmental political forum of the world's most industrialized nations that consider themselves democracies, is holding Tanzania hostage to the benefit of agribusiness and the detriment of small-scale Tanzanian farmers. The [New Alliance for Food Security and Nutrition](#) (NAFSN), founded by the G8 in 2012 to ostensibly end hunger and poverty [for 50 million people](#), has forced the Tanzanian government to amend its laws to drastically favor agribusiness and seed companies if it wishes to continue receiving developmental assistance aid. Monsanto, [one of the NAFSN's partners in Tanzania](#), is set to benefit from these changes to Tanzania's laws.

The NAFSN [is funded](#) by the EU, the U.S., the UK, the World Bank and the Bill & Melinda Gates Foundation. The alliance had secured [approximately \\$3.7 billion](#) in private sector investment in signatory countries in Africa as of June 2012, a figure which is said to have since expanded, though no new figures have been released.

While the NAFSN was supposed to benefit small-scale farmers, local farming organizations [were shut out of negotiations](#), while agribusiness lobbyists had unprecedented access to those drafting the requirements of signatory countries seeking developmental assistance. Tanzania's government, which

administers one of the world's [least developed countries](#), was desperate for the aid. Due to this economic pressure, the Tanzanian legislature obliged.

[Per the new legislation](#), foreign commercial investors would be given faster and easier access to agricultural land in the African nation, as well as strong protections for “intellectual property rights,” e.g., seed patenting. Patented seeds, largely the products of behemoth seed companies like Monsanto and Syngenta, often pop up in neighboring farms that use traditional seeds via cross-pollination, a phenomenon that [has been used by Monsanto](#) and similar companies to sue small-scale farmers for “stealing” their intellectual property.

In addition, seeds that are not patented – i.e., all seeds traditionally used by Tanzanian farmers – are now forbidden from being sold or even given to friends or family, threatening the centuries-old tradition of seed exchanges that have kept costs down for farmers. Michael Farrelly of the Tanzania Organic Agriculture Movement (TOAM) [told Mondiaal Nieuws](#) that “Eighty percent of the seeds are being shared and sold in an informal system between neighbors, friends and family. The new law criminalizes the practice in Tanzania.”



An organic seed shop in Morogoro, Tanzania. Shops like this one will soon be outlawed under the terms of a poverty-reduction initiative which critics say helps big agribusiness, and hurts farmers

If Tanzanian farmers break the new law barring seed exchange, they face a minimum prison sentence of 12 years, a \$230,000 fine, or both. Considering that the average wage in Tanzania is less than \$2 a day, the punishment seems rather draconian, considering the nature of the “crime.”

However, the new laws themselves are likely illegal under international law, as Article 9 of [the International Treaty on Plant Genetic Resources for Food and Agriculture](#) (ITPGRFA), also known as the “Seed Treaty,” states that no law should “limit any rights that farmers have to save, use, exchange and sell farm-saved seed/propagating material.” But affected Tanzanian farmers will likely be unable to make a viable court case against the new legislation due to their limited economic resources.

[Farrelly argued](#) that these recent actions show that the NAFSN’s lofty promises to help end poverty come with a catch. “In practice, it means that the fifty million people that the New Alliance wants to help can escape from poverty and hunger only if they buy seeds every year from the companies that are standing behind the G8.”

The Bill & Melinda Gates Foundation, one of the NAFSN’s funding partners, is particularly well-known for pushing the interests of big agribusiness on small-scale farmers in developing countries, as evidenced by one of the Gates Foundation’s [“most successful” initiatives](#) – the introduction of genetically modified (GM) cotton to India. Despite [the promise that GM cotton would increase yields](#), this turned out not to be the case and Indian farmers who adopted the GM crops became trapped by debt, as their disappointing yields left them unable to pay for the expensive seeds and chemicals needed to cultivate GM plants. This debt slavery soon led to one of [the largest suicide epidemics in global history](#), with 300,000 Indian farmers having committed suicide over the last 20 years. Despite this travesty, Monsanto and other companies, such as [Cargill](#) and [Dow Chemical](#), have benefited handsomely from India’s “green revolution,” seeing the value of their stocks skyrocket. The Gates Foundation itself has financially benefited as well due to its [multi-million dollar investments in all three companies](#).

If the new laws being forced on Tanzania are any indication, the African nation may soon follow in India’s footsteps. (Mint Press News 13-06-2017)

## **MORE THAN 3,300 DEAD IN CONGO IN EIGHT MONTHS OF VIOLENCE**

The Roman Catholic church reports that fighting between security forces and tribal militias causes 1.3-million to flee their homes

More than 3,000 people have been killed in eight months of spiralling violence in the Democratic Republic of Congo's troubled central region of Kasai, a report by the Roman Catholic church says.

According to figures compiled by the church and listed in a report by the papal envoy, a copy of which was seen by AFP on Tuesday, some 3,383 people have died in violence between security forces and a tribal militia.

The peacekeeping mission, the United Nations Organisation Stabilisation Mission in the Democratic Republic of the Congo (Monusco), had previously spoken of "more than 400 dead" while about 1.3-million people are estimated to have fled their homes in the Kasai provinces.

The papal envoy's note, June 19, said that 20 villages have been "completely destroyed", 10 of them by the Congo's armed forces (FARDC), four by the tribal militias and six by unidentified forces. It mentioned 30 mass graves, while Monusco has spoken of 42.

The violence began last year when Kamwina Nsapu, a tribal chieftain in territory near the southern border with Angola, openly challenged the authority of President Joseph Kabila's government, provoking a crackdown by security forces.

Nsapu was killed in a police operation in August 2016, but his armed followers fight on in the belief he is still alive, because he was buried by the regime without respect for traditional rites accorded leaders of his stature, which would have opened the way to a rightful succession.

Last February, Monusco accused the Kamwina Nsapu militia of "atrocities ... including the recruiting and use of child soldiers," but also condemned "a disproportionate use of force" by the FARDC.

Two western experts sent to investigate the conflict by UN secretary-general António Guterres went missing in March and their bodies were found in a shallow grave by peacekeepers a fortnight later. The government blamed the tribal militia for their murders. (AFP 20-06-2017)

## **RUBIES FROM MOZAMBIQUE SOLD AT AN AUCTION IN SINGAPORE**

A new auction of rubies mined in Mozambique held in Singapore allowed Montepuez Ruby Mining, Lda to obtain revenues of US\$54.8 million, said the company, which is a partnership that is 75% owned by Gemfields and the remaining 25% by Mozambique's Mwiriti. Lda.

The price reached an average of US\$61 per carat, with 895,848 carats being purchased out of just over one million put up for sale by the company, which has a mining concession in Cabo Delgado, northern Mozambique.

This was the eighth Mozambican ruby auction by the company since June 2014, with accumulated revenues of US\$280 million.

This sale will net the Mozambican state US\$5.48 million as a result of levying the production tax, which is currently 10%, according to the Mozambican press.

London-based Gemfields is currently being disputed by Chinese group Fosun International through Fosun Gold and Pallinghurst Resources, which have submitted bids to buy the company.

Pallinghurst Resources, whose proposal was announced on 19 May, is, however, already the main shareholder of Gemfields, holding a direct shareholding of 47.09% of the company's capital. (20-06-2017)

## **SADC APPROVE R40M GRANTS TO MADAGASCAR, SEYCHELLES**

SADC has approved to give R20 million each to Madagascar and Seychelles to help the two island nations improve their participation in regional and international trade.

The grants were approved by the SADC trade related facility (TRF) programme steering committee, during its seventh meeting held in Gaborone last month.

The facility is a mechanism for financial and technical support given to SADC member states to help them implement commitments made under the regional Protocol on Trade and Economic Partnership Agreement (EPA) between the European Union and the SADC EPA group.

SADC has approved the funding for Madagascar to strengthen border agency capacity by developing and implementing guidelines for border agency coordination.

SADC also wants Madagascar to improve the One-Stop-Shop for exporters through technical assistance towards its efficient operation and capacity building.

A one-stop shop is a company or a location that offers a multitude of services to a client or a customer.

SADC has also asked Madagascar to develop and implement a national trade promotion strategy; stakeholder capacity development; market research to identify tourism opportunities in the SADC region, especially targeting South Africa; and undertaking a number of trade promotion activities.

As for Seychelles, part of the money will help the country build its capacity in the application of the Automated System for Customs Data system.

This system is earmarked to improve the country's functionality for valuation, risk assessment and cargo tracking and automation of the excise tax system, especially for domestic producers of excisable products.

The funds will also cover Seychelles' development of a national legal framework and capacity building for trade remedies, particularly investigations related to anti-dumping.

Several countries have already signed financing agreements with the SADC secretariat to release the funds to the two islanders.

These are Lesotho, Malawi, Mauritius, Swaziland and Zambia.

Botswana, Namibia, Mozambique, Tanzania and Zimbabwe are however yet to sign financing agreements.

According to SADC communications department these countries are currently reviewing their financing agreements under the Facility and are all expected to have their contracts finalized by the end of June 2017.

The overall objective of the Trade Related Facility is to improve the participation of SADC Member States in regional and international trade in order to contribute to sustainable development in the SADC region. (SADC 12-06-2017)

## **XTRACT RESOURCES GROUP HIRES TWO COMPANIES TO MINE GOLD IN MANICA, MOZAMBIQUE**

Explorator Limitada, a subsidiary of the Xtract Resources group, has hired Omnia Mining and the Moz Gold Group to mine alluvial gold deposits in the mining concession it owns in Manica, in central Mozambique, the group announced in a statement in London.

The group said in a statement that the two contractors had "experience" in the exploration of alluvial deposits and were already operating in the Manica area.

The contract signed with the two companies establishes annual processing of a minimum of 2.64 million tonnes of alluvial material.

Based on a price of US\$1250 per ounce of gold, starting in November the group expects monthly revenue of US\$165,000. (20-06-2017)

## **UGANDA HOSTING DONOR SUMMIT TO RAISE \$8B FOR REFUGEES**

This week, Uganda welcomes U.N. Secretary-General Antonio Guterres and other high-level international guests and donors for the two day Refugee Solidarity Conference (Thursday 6/22 and



Friday 6/23). The conference in Kampala hopes to raise \$8 billion to support refugees in Uganda for the next four years.

At the border separating Uganda from South Sudan, exhausted women and children arrive daily, hungry and dehydrated. Aid workers give them fortified biscuits.

Uganda hosts 1.2 million refugees from at least five African countries. Nearly one million have fled the conflict in South Sudan, and most have arrived in the past year. The local food supply is stretched to the limit.

The U.N. World Food Program was forced to cut food rations to refugees last month, says WFP country representative El Khidir Daloum.

"Yes, we have been forced to reduce the distribution for the month of May by 50 percent, but that is mainly due to the physical availability of food and arrival of food in the country," he said.

Funding is also inadequate.

The United Nations and 57 other aid organizations working in northern Uganda, appealed for \$1.4 billion to provide food and shelter this year, but only 18 percent of the funds has been received.

Amnesty International researchers visited the refugee settlements in Uganda and Deputy Regional Director Michelle Kagari says the refugees have already suffered greatly.

"There is one woman who has nine children, her and her children witness their father being killed, not to mention the trauma of fleeing the Equatoria's," she said. When they arrived in Uganda, because there is no capacity for them to get additional support, she is now supposed to build a shelter herself, find food for the children, deal with the trauma of the children."

Uganda is known for its progressive approach to refugees, there are no refugee camps, but settlements where refugees build round mud huts and get small plots of land to farm. They are also allowed to work in Uganda.

But the massive influx from South Sudan, as many as 2,000 people a day during the past year, is taking a toll on the host communities.

Uganda is hosting this week's Refugee Solidarity Summit in an urgent plea for help says Uganda State Minister for Refugees Musa Ecweru.

"A district that was supposed to host 300,000 people is now hosting 600 to 700,000 people. In that district, they are competing for trees that are used as fuel for energy," said Ecweru. "They are competing for drugs that are supposed to be used by the host communities in the health centers. ... So there are so many things that are under pressure, so we want the international community to support us and lift the pressure."

Food security is a particular concern given the hunger and famine in South Sudan and drought in East Africa.

At the Maaji refugee settlement 25-year-old Jennifer Fonne is eight months pregnant and struggling to have two meals a day.

"As you can see, children are crying here because of hunger, we are not getting anything to buy for our children food. As I have three children, but food is not enough for us. We are just eating green vegetables, but no proteins," she said.

Back at the border, the scene is the same. More families arrive, sweating in the scorching heat, carrying their belongings.

The government says Uganda will not shut its doors to people in need, but the country cannot bear this burden alone.(VoA 19-06-2017)

## **"ETHIOPIA IS AN ATTRACTIVE COUNTRY FOR INVESTORS"**

EHPEA, the Ethiopian association for growers and exporters, has 140 members who produce and export fruit, vegetables and flowers. Yemishrach Berhanu, responsible for the promotion of the association, indicates they are present at various fresh produce fairs to promote their members' products. They also participated in the Macfrut in Rimini. "We promote strawberries, avocados, mangoes, pineapple, herbs, beans and various other fruits and vegetables."



Yemisrach Berhanu (right) during Macfrut 2017.

She continues: “Besides, we want to emphasise that Ethiopia is an attractive country for investors. There are various interesting projects, and the government supports those financially as well. Interest rates are low, so there are plenty of reasons to ask for some information. An area of 1,000 hectares has been set apart for investors.”

Yemishrach says Ethiopian companies export much to Europe. “Important buyers are Germany and the Netherlands. The UK is also a major buyer. We are planning to export even more in the future, and the government supports us in that. The great thing is that we produce year-round, and so we always have supply. Europeans are mostly interested in snap peas and fine beans.” (EHPA 13-06-2017)

### **ETHIOPIAN AIR SAID TO PLAN \$3 BILLION DEAL FOR AIRBUS A350S**

[Ethiopian Airlines Enterprise](#) plans to buy 10 of [Airbus SE](#)'s newest A350 wide-body jets in a transaction worth more than \$3 billion at advertised prices, according to people familiar with the plan.

The deal is set to be announced this week at the Paris Air Show, according to the people, who asked not to be named as the order negotiations are private. Ethiopian will take the mid-sized A350-900 version of the plane, which has a list price of \$311 million, according to one person.

Sub-Saharan Africa's largest carrier already has an order for 12 -900 variants, though it has also been looking at the stretched -1000, as well as [Boeing Co.](#)'s rival 777-8, Chief Executive Officer Tewolde Gebre Mariam said last year.

Ethiopian Air wants more wide-body aircraft to help extend a hub-based business model that relies on transferring lucrative inter-continental travelers via its home base in Addis Ababa to and from destinations across Africa.

The airline didn't respond to repeated calls and emails seeking comment. A spokesman for Airbus said it doesn't comment on discussions with customers.

Ethiopian is separately weighing an order for Bombardier Inc.'s Q400 turboprop and C Series single-aisle jet against models from [Embraer SA](#), it said [in May](#). (Bloomberg 18-06-2017)

### **DRC SEEKS JOINT CHINESE-SPANISH OFFER TO CONSTRUCT INGA 3 DAM**

The Democratic Republic of Congo has announced its decision to [consult Chinese and Spanish](#) bidders of the Inga 3 dam project to join forces and submit a joint bid.

The request will further delay the huge project that has been planned for around 30 years.

The government had said it would award the contract by the end of last year with an aim to launch construction this year. In the running for the deal are two consortiums, one led by the Chinese Three Gorges Corporation and another grouped under Spanish construction company ACS.

The Congolese government agency handling the project ADPI asked the two consortiums to present a single offer that would be suitable for both parties but did not set a deadline for starting to produce electricity. In September last year the agency said it wanted electricity production to start in 2021. The Inga 3 dam project is expected to complement two ageing power stations built between 1972 and 1982 on the Inga falls of the Congo River 260km downstream from the capital Kinshasa and is projected to generate 4,800MW of power, equivalent to the output of three third-generation nuclear reactors, in a country where less than 10% of the population has access to electricity. South Africa has signed an option to buy 2,500MW of power, with much of the rest planned for mining groups in Katanga in the south east which suffers from chronic electricity shortages. The [World Bank](#) last July froze planned disbursements of a \$73.1m grant aimed at funding technical assistance, saying the country had taken the project in a different strategic direction than had been agreed. The political climate in the area has also proven as inductive for business ventures in the country.(CRO 16-06-2017)

## **TURKEY REAFFIRMS ITS COMMITMENT TO AFRICA**

The Turkish government has reaffirmed its commitment to the African continent through economic and political partnerships.

The European country also wants to advance on an economic cooperation model with Africa that is based on a “win-win” scenario rather than a zero sum game that produces winners and losers.

Trade between Turkey and Africa is experiencing rapid growth and has reached U\$16,8 billion in 2016. This figure shows that commerce with Africa has increased fourfold in comparison to its 2003 trade indicators.

Turkey has been struggling to penetrate the African market because it’s not a member of the European Union.

“We are also seeking to contribute to the implementation of African Union’s Agenda 2063 blueprint for economic development by organizing thematic ministerial meetings on areas such as business and agriculture in conjunction with forums that bring together Turkish and African businessmen,” Turkey’s minister of foreign affairs, Mevlüt Çavuşoğlu said through the Turkish Embassy to Namibia.

While working to advance its bilateral ties with African countries, Turkey is also establishing a sound cooperation mechanism with the African Union.

The Turkish-African relations boomed from 2008 when the African Union declared Turkey as a strategic partner, and the first ever Turkey-Africa Cooperation Summit was held in Istanbul.

The summit initiated a steady and sustainable collaboration process leading to the second Turkey – Africa Cooperation Summit held in Equatorial Guinea in 2014. A third summit is scheduled to take place in Istanbul in 2019.

Çavuşoğlu said along with the strengthening and diversification of bilateral relations with African countries as well as institutional ties with the African Union, Turkey recently decided to rename its “Opening Policy to Africa” by a more befitting concept, namely “Turkey’s Africa Partnership Policy”.

Çavuşoğlu added that he wishes to underscore the resoluteness of Turkey’s political will to work with Africa. He said Turkey’s determination is reflected through the strong interest of President Recep Erdoğan who attaches utmost importance to Africa.

Over the last decade as first Prime Minister and then as President, Erdoğan has paid more than 30 visits to 23 African countries in total – a record number of visits for a non-African leader. The country also hosted numerous Heads of State from African countries in 2016.

The visits of the Heads of State of Ethiopia, Guinea, Sierra Leone and Somalia to Turkey in the first half of the current year continued to provide visibility at home and abroad to their African policy, according to Çavuşoğlu.

“He not only visits African nations and receives their leaders in Turkey but also encourages businesses, universities, NGOs, research centers and ordinary citizens to engage in mutually empowering relations. He builds mutual trust, confidence and benefit for all so that all issues are addressed in an open and candid manner,” he said.

Çavuşoğlu added that Africa is undergoing immense change with positive transformation fuelled by the hard work, resilience and perseverance of Africans young and old who are determined to turn the page of poverty. He said they have every reason to believe that Africa’s future looks promising.

“In fact, we can see the positive momentum reflected through reduced geopolitical risks, sustained stability, economic growth, expanding trade, enhanced welfare and better living conditions across the Continent. Challenges to peace and security still exist. But they can certainly be overcome.”(Southern Times 29-05-2017)

#### **FRANCISTOWN OIL STORAGE FACILITY IN BOTSWANA TO COST US\$58.7M**

The expansion of the oil storage facilities in Francistown in Botswana is set to cost US\$58.7m as [Botswana Oil Limited](#) (BOL) seeks to buffer up supply security in the petroleum industry.

During the 14th edition of the Botswana Resource Sector conference in Gaborone, the [Minister of Mineral Resources](#), Green Technology and Energy Security, Sadique Kebonang stated that, BOL is working on the funding model for the Francistown facility whose construction will be followed by another facility in Gantsi.

“We are currently working on the funding models for the infrastructure with the Francistown one estimated to cost about US\$58.7m,” said Sadique Kebonang. “There are also plans to build a pipeline from South Africa to Botswana. All these are opportunities for banks to fund these projects,” he added. In August 2016, BOL appointed an Engineering Procurement Construction Management contractor for the Francistown expansion project which aims to deliver an additional 60 million litres to the current 30 million litres capacity.

However, the concept designs have already been completed and work is progressing on the detailed engineering designs. The completion date for the depot is scheduled for November 2018.

On the other hand, the Ghanzi project is yet to commence, though land for the planned depot has already been identified.

Nonetheless, BOL is engaging the [National Oil Company of Namibia](#) and prospective investors on coastal storage in a bid to diversify oil imports routes given that the State owned oil company BOL is considering securing coastal storage facilities in Mozambique and South Africa.

In the meantime, BOL has stored petroleum products in Matola, Mozambique as part of security of supply and the development of alternative routes and source.

Developments have also been made on the construction of the much-anticipated 160 million-litre Tshele hills oil storage facility in Kgatleng. According Willie Mokgathe, BOL’s Chief Executive Officer, construction of the access road and the road over the rail bridge is now complete.

The project is being implemented by the Department of Energy in the Ministry of Mineral Resources, Green Technology and Energy Security.

The project is made up of two phases, which are the construction of the tank farm and staff housing while the second phase will include infrastructure including power connection, fencing, water and a road as well as rail spur.(CRO 16-06-2017)

## **IVORY COAST AND GHANA TO CREATE JOINT COCOA BODY**

West African neighbours Ivory Coast and Ghana, the world's top cocoa producers, are to set up a joint industry body, according to a document to be signed by the heads of their marketing boards on Friday.

The Ghana-Cote d'Ivoire Sustainable Cocoa Initiative will, among other things, aim to set farmer prices that will discourage cross-border smuggling and enhance collaboration between the two countries' cocoa marketing departments.

Between them the two countries grow around 60 percent the world's cocoa -- about 2.5 million tonnes a year --- but differing policies between the two countries have often led their farmgate cocoa prices to diverge, encouraging smuggling.

The new body will include members of Ivory Coast's Coffee and Cocoa Council and Ghana's Cocobod according to the document, which was drafted during a meeting between officials from the two regulators in Ghana's capital, Accra.

"Both countries agreed to establish a new institution with Ghana and (Ivory Coast) as the nucleus. This institution is expected to attract new members as it grows," it stated.

The document was due to be signed by the heads of the CCC and Cocobod later on Friday.

Ivory Coast and Ghana have been hit hard this season as cocoa futures prices have fallen by around a third since last year owing to a bumper crop in the region.

The price drop has pushed the two countries, which are often viewed as staunch rivals, to pledge to work together and introduce policies that will help them have a greater influence on world cocoa prices. (BD 13-06-2017)

## **ETHIOPIAN AIRLINES TO INAUGURATE NEW STATE-OF-THE-ART CARGO TERMINAL**

Africa's largest cargo operator, Ethiopian Airlines, announced the inauguration of its state-of-the-art Cargo Terminal-II will take place during the Second ICAO Global Air Cargo Development Forum, which Ethiopia will host on June 27 – 29.

Covering a total area of 150,000 square metres, the new cargo terminal includes facilities such as a dry cargo terminal warehouse, a perishable cargo terminal with cool chain storage, fully automated with latest technology ETV (elevating transport vehicle), G+2 office building, apron area which accommodates five additional big freighter aircraft, sufficient truck parking apron as well as employees canteen and wash rooms. The terminal is also fitted with different climate chambers for storage and handling of temperature sensitive products such as fresh agricultural products, pharmaceuticals, life science products, etc.

Group CEO Ethiopian Airlines, Tewolde GebreMariam, remarked: "Infrastructure development being one of the four pillars of our fast, profitable and sustainable growth strategic roadmap, Vision 2025, we have been making massive investments in infrastructure projects to modernise and expand our cargo facilities at a total cost of USD 150 million. The new Cargo Terminal-II combined with our existing Terminal-I will give us a total tonnage capacity of around 1 million per annum, which is the largest in the continent of Africa. Moreover, upon completion of the second phase, which adds 600,000 tonnes annual uplift capacity, Ethiopian Cargo and Logistics Services will have one of the world's largest cargo terminals; a capability equivalent to cargo terminals in Amsterdam's Schiphol, Singapore's Changi, or Hong Kong. This investment and the resulting massive cargo facilities along with the six modern B-777F fleet and 2 B-757F will create adequate air cargo transporting capacity for the fast growing export and import demand of the continent, which is essential in the socio-economic development of African countries."(New Era 12-06-2017)

## PETROLE ET GAZ : LE SENEGAL, FUTUR ELDORADO ?



Le navire de forage Atwood Achiever, de la société Kosmos Energy, au large des côtes sénégalaises

Depuis les récentes découvertes de gisements d'hydrocarbures et l'annonce de l'entrée en production de plusieurs complexes en 2012, le pays se rêve en petit émirat. Mais attention aux lendemains qui déchantent ...

Dakar apparaît désormais sur la carte pétrolière du continent. Depuis 2014, [les compagnies internationales ont multiplié les découvertes d'hydrocarbures au pays de la Teranga](#), dont la principale richesse du sous-sol connue jusque-là était le phosphate.

Les pionniers de l'or noir au Sénégal sont des juniors, ces compagnies anglo-saxonnes de taille petite ou moyenne et spécialisées dans l'exploration, comme [l'américain Kosmos Energy](#), découvreur du [mégagisement gazier sénégal-mauritanien de Grand-Tortue](#), ou encore le britannique Cairn Energy, qui a mis au jour les ressources pétrolières de Sangomar Profond et exploite les sites de Rufisque Offshore et de Sangomar Offshore.

Mais, signe du bon potentiel du pays, ces compagnies sont suivies depuis quelques mois par des majors : le français Total a pris pied début mai sur le champ Rufisque Offshore Profond (ROP), et le britannique BP s'est associé à Kosmos en décembre 2016 pour le développement de Grand-Tortue. Quant au chinois CNOOC, il a planté fin mars son drapeau sur le permis AGC Profond, à cheval sur les eaux sénégalaises et bissau-guinéennes.

### Du gaz et du pétrole

À ce jour, les réserves d'hydrocarbures dans la région, établies par les géologues de ces compagnies, sont principalement gazières – 700 milliards de mètres cubes de gaz à Grand-Tortue, le plus important gisement d'Afrique de l'Ouest. Des poches de 473 millions de barils de pétrole brut ont aussi déjà été mises au jour. Dakar devrait produire dès 2021 ses premiers barils d'or noir, avec une moyenne de 100 000 à 120 000 barils par jour (b/j) prévue par Cairn Energy.

Quant à la première usine de liquéfaction de gaz naturel, installée par Kosmos et BP sur une barge flottante à la frontière maritime sénégal-mauritanienne, à 8 km au large de Saint-Louis, elle pourrait débuter en 2022, avec une production de 227 milliards de mètres cubes sur trente ans. Cela représenterait une contribution estimée par la compagnie à près de 30 milliards de dollars (27 milliards d'euros) au PIB de chacun des deux pays.

Les découvertes, bien qu'importantes, sont loin de placer le Sénégal dans le peloton de tête des producteurs d'or noir du continent

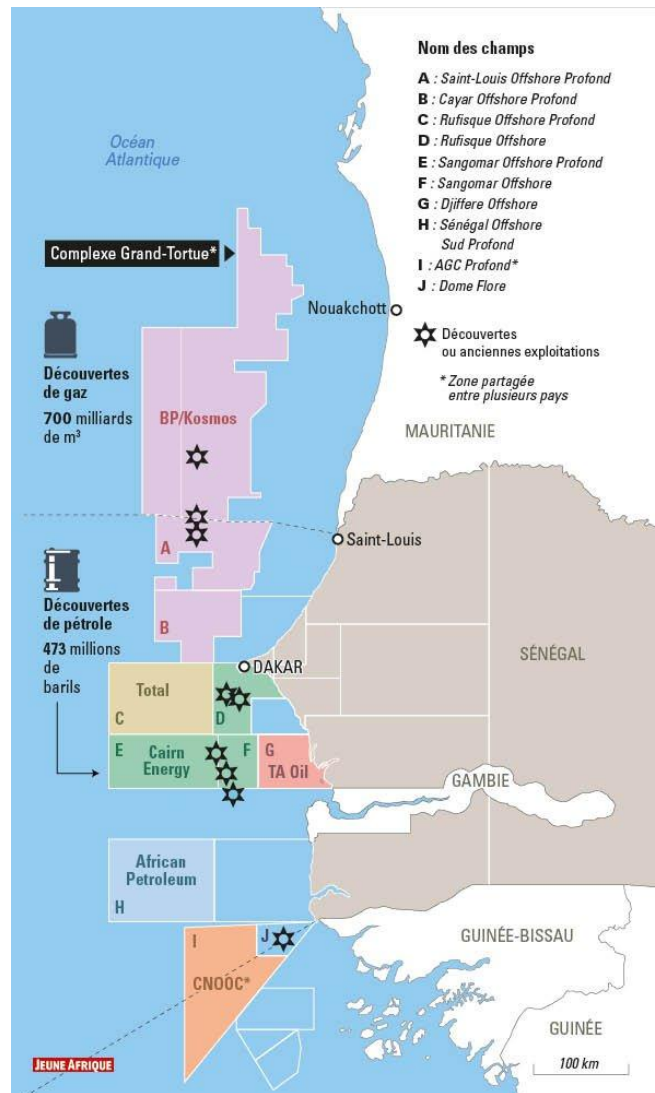
Ces revenus suffiront-ils à combler les immenses attentes des Sénégalais en matière d'emploi, de santé, d'éducation, de services (eau, électricité, assainissement) et d'infrastructures ? Rien n'est moins sûr.

D'abord, les découvertes, bien qu'importantes, sont loin de placer le Sénégal dans le peloton de tête des producteurs d'or noir du continent : en 2015, le Nigeria a produit 2,4 millions de b/j (24 fois ce que le Sénégal atteindrait avec les gisements de Cairn) et dispose de réserves de gaz de 5 100 milliards de mètres cubes de gaz – soit plus de 7 fois ce qu'a trouvé Kosmos à Grand-Tortue, dont seulement une partie est située en territoire sénégalais.

Même si d'autres grandes découvertes peuvent être annoncées dans les prochains mois, il y a encore bien du chemin à faire. Pour les spécialistes, l'industrie pétrolière sénégalaise pourrait ressembler dans

une dizaine d'années à celle du Tchad (78 000 b/j en 2015), qui a commencé l'extraction en 2004, ou au mieux à celle du Ghana (environ 145 000 b/j), mais pas à celles des géants que sont le Nigeria, l'Angola ou l'Algérie, ni même à celle de pays producteurs expérimentés comme le Gabon ou le Congo.

Les gisements sénégalais sont principalement gaziers et en eau profonde. Or les technologies de liquéfaction sont beaucoup plus difficiles à maîtriser que celles de l'extraction de pétrole brut. Les projets gaziers similaires en Angola ou au Nigeria en sont la preuve : leur entrée en production a été presque à chaque fois repoussée du fait de problèmes techniques.



Des réserves bientôt exploitées

### Du mauvais côté du continent

Ensuite il faudra trouver des débouchés à l'international pour cette production, le marché local du gaz étant limité. Si l'Asie – et en premier lieu la Chine – est la première zone cliente de cette source d'énergie plus verte, ce marché est loin d'être facile d'accès. « Il faudra encore du temps pour jauger la qualité de ces réservoirs situés en eau profonde et établir un schéma de commercialisation.

Le pays se trouve du mauvais côté du continent pour approvisionner la Chine, contrairement au Mozambique, par exemple, où de très larges réservoirs de gaz ont eux aussi été mis au jour ces dernières années, [ou même à l'Égypte](#), qui dispose d'un marché local plus attrayant et est aux portes de l'Europe », résume le directeur de l'exploration d'une major occidentale. Celui-ci considère le pays comme encore trop risqué pour que sa compagnie y investisse les sommes massives nécessaires à la construction d'infrastructures gazières.

« La commercialisation du gaz est plus complexe que celle du pétrole. Contrairement à ce qui se passe pour le pétrole, il n'y a pas un marché mondial du gaz. Il faut réussir à intégrer trois grands marchés régionaux (nord-américain, européen, et asiatique, celui en plus forte croissance), avec chacun sa

logique et ses prix », explique de son côté Francis Perrin, président de Stratégies et Politiques énergétiques.

Même si elle a fait une découverte, une compagnie peut très bien plier bagage faute de rentabilité. À Dakar, beaucoup s'imaginent que l'eldorado est à portée de main, une impression renforcée par le débat sur la bonne gouvernance et la transparence de ce secteur. Mais selon Mamadou Faye, le directeur général de la société nationale Petrosen, il faut raison garder.

« Pour certains enthousiastes, la manne pétrolière va permettre à chacun de recevoir des millions de francs CFA ! Pourtant, en dépit du volume des réserves d'hydrocarbures annoncées, rien n'est acquis, car la rentabilité – liée à la qualité du gisement, aux coûts d'exploitation et aux cours mondiaux – doit être vérifiée. Même si elle a fait une découverte, une compagnie peut très bien plier bagage faute de rentabilité », prévient-il.

Et de pointer le faible nombre d'emplois créés par le secteur des hydrocarbures – seulement 5 000 pour Grand-Tortue –, à la différence des secteurs clés de l'économie sénégalaise, comme l'agriculture, l'agro-industrie, mais aussi la pêche. Le Sénégal devra d'ailleurs impérativement veiller aux impacts socio-environnementaux de l'exploitation d'hydrocarbures pour ne pas compromettre cette dernière activité, premier poste d'exportation du pays, qui génère plus de 100 000 emplois directs et indirects et qui a rapporté en devises 204,43 milliards de F CFA (312 milliards d'euros) en 2016.

En effet, les champs gazéifères de Saint-Louis et de Cayar (tous deux compris dans le complexe de Grand-Tortue) sont situés à proximité des deux principaux ports de pêche des villes du même nom, et des organisations traditionnelles de pêcheurs sont inquiètes.

### **Favoriser le développement des PME**

« Il faut considérer les hydrocarbures comme une manne pour financer le développement des autres secteurs, notamment ceux qui sont tournés vers l'exportation et sont générateurs d'emplois, de valeur ajoutée, estime Boileau Loko, représentant-résident du FMI au Sénégal. En effet, non seulement le pétrole et le gaz sont de faibles créateurs d'emplois, mais ils sont aussi non renouvelables. Il faudra poursuivre les réformes favorisant un environnement des affaires propice à l'investissement privé dans les secteurs agricole, industriel et des services. »

Si l'économie sénégalaise veut tirer le meilleur parti de ses hydrocarbures, il est également essentiel que l'État favorise la naissance d'un tissu de PME spécialisées, encore embryonnaire. Pour ce faire, le 3 août 2016, le chef de l'État, Macky Sall, a créé le Comité d'orientation stratégique du pétrole et du gaz (COS-Petrogaz), dirigé par Ousmane Ndiaye, une figure historique de Petrosen, chargé d'accompagner la montée en puissance du secteur.

S'appuyant sur l'exemple du Ghana, l'universitaire camerounais Achille Ngwanza, spécialiste du droit extractif, préconise en outre un dispositif institutionnel, législatif et fiscal permettant aux entreprises sénégalaises de répondre aux besoins des grandes compagnies internationales. « Il est crucial d'avoir une institution consacrée au suivi des obligations de contenu local (favorisant les sociétés et l'emploi locaux), pendant la durée de vie des contrats, mais aussi en amont et en aval. La loi ghanéenne stipule, par exemple, que pour tout projet il faut l'implication d'un cabinet d'avocats du pays », fait-il valoir.

Outre de futurs ingénieurs, le Sénégal ne devra pas oublier de former de bons techniciens

Le succès d'une politique de contenu local est aussi intimement lié à une stratégie offensive de formation. Les ministères de l'Enseignement supérieur, de l'Éducation nationale et de la Formation professionnelle travaillent, en collaboration avec l'Institut français du pétrole (IFP) et certaines compagnies présentes au Sénégal, dont le groupe Total, à la création d'un institut de formation préparant aux métiers des hydrocarbures.

Outre de futurs ingénieurs, le Sénégal ne devra pas oublier de former de bons techniciens, qui font souvent cruellement défaut dans les pays subsahariens. Seul un effort massif dans ce domaine permettra de préparer les chantiers d'extraction, mais aussi et surtout les étapes de transformation et de distribution. Les installations de la Société africaine de raffinage (SAR), en activité depuis 1963, sont aujourd'hui vétustes, et il va être crucial de la relancer si elle est amenée à s'approvisionner avec le pétrole brut local.

La formation d'ingénieurs et de techniciens rendra possible également la production d'électricité à partir du gaz local, permettant d'abaisser le prix du kilowattheure, actuellement parmi les plus chers d'Afrique de l'Ouest, ce qui handicape lourdement le développement industriel du pays.



Le secteur pétrolier sénégalais en est encore à ses balbutiements. Bien accompagné, il pourrait, dans une dizaine d'années, provoquer un réel essor industriel, mais on en est encore loin. Les autorités ne devraient pas tout miser sur lui.(JA 12-06-2017)

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