MEMORANDUM

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SUMMARY

IMF CAUTIONS AFRICA OF DEBT TRAP

African nations need to find the right balance when pursuing infrastructure projects to avoid falling into deeper debt traps, according to David Lipton, first deputy MD of the International Monetary Fund (IMF).

"Infrastructure projects can be very successful in supporting growth if countries pick the right projects and carry them out in an efficient fashion," he said in a interview in Nairobi, on Tuesday.

"Mistakes or inefficiencies can leave a country with more debt than benefits, so it's important to strike that balance."

The Washington-based lender warned last week that sub-Saharan African nations needed to contain their fiscal deficits, otherwise they might be vulnerable if external financing became more expensive.

African countries from Ghana to Mozambique have approached the IMF for assistance since the start of last year as high borrowing costs shut them out of international capital markets. Budget and current-account shortfalls have widened after the global slump in commodity prices led to a plunge in government revenue among raw-material exporters.

"Many countries have recently overcome problems with debt and it's important they don't develop new debt problems," he said.

Mr Lipton said Kenya had to balance efforts to quicken economic growth with the need to narrow its budget shortfall. Kenya's fiscal gap will probably widen to 8.7% of gross domestic product in the year through June, from 7.8% in the previous fiscal year, according to government forecasts. Economic growth will probably rise to 6% this year, from 5.6% last year.

The IMF last month cancelled a mission to Mozambique after it discovered the authorities had failed to disclose about $1bn of debt, and said that it changed the fund's assessment of the coal-producing nation's macroeconomic outlook.

Nigeria should find a way to promote competition and diversification, Mr. Lipton said. The nation relied on crude for about 70% of state revenue and 90% of export earnings in 2014. Economic growth will probably slow to 2.3% this year from 2.8% last year, which was the lowest rate in 16 years, according to IMF forecasts. (Bloomberg 12-05-2016)

EU CLARIFIES POSITION ON AID TO MOZAMBIQUE

The ambassador of the European Union in Mozambique has clarified the organization's position on aid to Mozambique, saying the necessary conditions for continuing disbursement through budget support are not in place.

The EU was clarifying details of a report by the {African Press Agency} on Wednesday which claimed that although the organization was withholding aid to Mozambique it would still be involved in social projects aimed at improving the quality of life of Mozambicans.

In a statement to APA Thursday, the EU Ambassador Sven Khun said for the G14 partners, at present, the necessary conditions for continuing the disbursement of aid through budget support are not in place.

Ambassador Khun said the EU was in close consultation with its partners as it assesses the eventual impacts on the general conditions regulating bilateral support to Mozambique, notably the stability of the macro-economic policy framework and sound political, economic and financial management governance.

He professed the EU's readiness to support decisive action by the Mozambican government to overcome its fiscal challenges and regain the trust of its partners.

Reports about Mozambique's relations with its partners come weeks after strong international criticism of the government for lack of transparency over an undisclosed $1.4billion debt.

The United States government earlier this month said it was reconsidering its aid to Mozambique, barely days after suspending support following the scandal.

The United Kingdom government had also announced it was suspending financial support to the country. (APA 19-06-2016)

BOLLORÉ OPENS NEW MOVIE THEATRE IN CAMEROON

Vivendi-Canal +, a subsidiary of the French investment and industrial holding group, Bolloré has announced the opening of its first movie theatre and concert hall in Yaoundé, Cameroon on May 14.

The facility known as Canal Olympia will be housed in the precinct of Yaoundé I University campus.

The president of Vivendi-Canal+, Vincent Bolloré announced in April after a meeting with President Paul Biya the opening of modern movie theaters and concert halls throughout Cameroon.

Cameroon's last movie theatre closed in January 2009.(APA 12-05-2016)

IN ITS RACE TO CATCH UP, RWANDA RISKS A PROPERTY BUBBLE

When property consultant Simon Ethangatta set up in Rwanda’s capital in 2011, the view from his office was of tin shacks overlooked by modest suburban homes on the wooded hillsides.

Now, some of the slums have made way for mirror-glass office blocks while smart houses spring up beyond in Kigali districts that were once littered with corpses during the 1994 genocide.

"It’s changing so fast," said Mr. Ethangatta, a Kenyan. "These guys are so ambitious."

To the government, this is proof of Rwanda’s dramatic recovery in the two decades since 800,000 ethnic Tutsis and moderate Hutus were butchered by Hutu extremists.

But the pace of change — part of a Vision 2020 plan to turn one of world’s poorest states into a middle-income country by the end of the decade — is starting to reveal the risks of going too far, too fast.

As imports are sucked into a nation dependent on farming, foreign aid and modest mineral exports, the Rwandan currency has fallen, some banks are turning cautious on property lending and economic growth — while still strong — has slipped.

All this is threatening to take the shine off President Paul Kagame, a former rebel who masterminded the revival but has drawn criticism from Rwanda’s tiny domestic opposition as well as foreign governments for changing the constitution. This could allow Mr. Kagame, who has already effectively run the country for more than 20 years, to stay in power until 2034.

"If people start to question whether he can deliver, there will be trouble," said one Kigali-based diplomat.

Appetite for imports

The authorities dismiss such worries and point to the record of change. In the past decade, the economy grew at an average rate of 8% a year, one of the fastest in Africa.

This week, hundreds of foreign visitors are attending the World Economic Forum on Africa in Kigali, where four international hotels — two Hiltons, a Marriott and a Radisson — will open in the next three months.

Hundreds of new homes are coming on the market worth $500,000 each — a huge sum for a country where most of the 11-million population are subsistence farmers and the per capita income is just $730, far short of the $1,045 that the World Bank defines as middle income.

The appetite for cars, household appliances and smartphones from an emerging middle-class is adding to the import bill, just as mineral exports have been hit by a downturn in global commodity prices, shrinking dollar income.

Rwanda's franc weakened 11% against the dollar in 2015 and the central bank expects a further 8% drop this year. Foreign currency reserves are under pressure, with one diplomat saying they were worryingly low and sufficient to pay for just 3.2 months of imports. The central bank does not publish timely reserve figures.

"Rebuilding reserve buffers will be critical to enhance the country's resilience to future shocks," the International Monetary Fund (IMF) wrote in January.

In a report in April, it said growth remained robust at 6.9% in 2015 but cited a "significant loss" of commodity export revenues among challenges facing the land-locked country.

Rapid growth in commercial credit, much of it to fund housing and construction, has also raised the fear of a bubble.

Central bank governor John Rwangombwa said he was watching lending levels for signs of overheating.

"For now we don't see any big challenge because the performance of these loans is still fair," he said, adding that nonperforming loans — where borrowers are significantly behind with repayments — stood at 6.2% of total lending in December, a slight decrease from 2013.

Tight control

But if a bubble were to burst, this could shake the social compact of rising living standards that has maintained Mr. Kagame's grip on power since his rebel army marched into Kigali in 1994.

Diplomats said a referendum vote last year that approved the constitutional change was pushed through with limited debate and the government offered too little room for opposition.

"It's a very tightly controlled regime. Anybody steps out of line, it's prison — or worse," another Western diplomat said.

"The Kagame lustre has definitely worn thin."

Two former senior military officers have been sentenced to up to 21 years in jail on charges of inciting the public to cause an insurrection and links with exiled critics of the president.

Rwanda has denied any involvement in attacks on exiles, including a former spy chief who was killed in 2014 in SA, but have called them traitors who should expect no forgiveness or pity.

Mr. Kagame himself points out that the constitutional change won 98% backing in the referendum.

"If some people seek to stay in power when their people don't want them — and it has happened, I've seen it in Africa — that will always end in a disaster," he said earlier this year.

"Is it the same case with Rwanda? I'm telling you no."

While the nation still depends on aid for about 40% of its annual budget, officials say the economy remains on track.

Credit handed out by Rwandan banks, led by Bank of Kigali, the largest domestic lender, rose 26% year-on-year in December, much of it in the form of mortgages.

Some people are less sanguine than Mr. Rwangombwa about the rise in mortgages, which estate agents say typically charge a hefty 17% annual interest and usually account for 70% of a property's value.

The Independent, a weekly business magazine, reported that 100 small hotels closed last year after failing to repay bank loans. Some bankers have grown wary of bricks and mortar.

"We are being very careful about lending to the construction sector," one senior executive at a foreign-owned bank said, asking not to be named for fear of offending the government. (Reuters 12-05-2016)

CHINA DONATES MALARIA DRUGS TO CAR

The Chinese ambassador to the Central African Republic, Ma Fulin, on Thursday donated to the minister of Planning and International Cooperation, Felix Moloua, a consignment of medicines valued at CFA 60 million for children suffering from malaria.

According to the Chinese diplomat the donation demonstrates the good ties binding his country and the CAR.

Minister Felix Moloua welcomed the donation, describing it as China's contribution to his government's efforts to strengthen CAR's health system and reverse the rate of deaths from malaria due to lack of care.

In addition to the drug gift, Chinese doctors are presently deployed in health facilities around Bangui.(APA 12-05-2016)

BEAC ALLOTS CFA9 BILLION FOR CAR RECOVERY

The Bank of Central African States (BEAC) has allocated an aid package of CFA9.2 billion to the new government of the Central African Republic, the Finance and Budget Minister announced in Bangui on Thursday.

According to the Chairman of the BEAC Board of Directors, Henri-Marie Dondra, the fund was released upon the request of the CAR during a working mission to Yaoundé, Cameroon on May 2, 2016.

The BEAC Board of Directors had given the nod after examining Bangui's request from the perspective of the acute social and security situation in the country and also the progress of talks with the International Monetary Fund (IMF).(APA 12-05-2016)

NIGERIA'S RELIANCE ON CHINESE CASH TO RESCUE ITS CURRENCY GETS SHORT SHRIFT

Strategists are criticising Nigeria's latest plan to rescue its currency — this time by relying on Chinese cash.

On a visit to Beijing last month, President Muhammadu Buhari signed a currency agreement aimed at encouraging trade with China and reducing Nigeria's demand for dollars to relieve pressure on its dwindling foreign reserves.

While the deal, details of which are still being negotiated, helps China's push into Africa's largest economy, it will buy Nigeria a few months, at most, before it is forced to follow the lead of other oil exporters and devalue, according to Citigroup and Bank of America.

The naira-yuan swap agreement is "very unlikely" to relieve pressure on the naira or Nigeria's reserves, says Andrew Howell, a New York-based frontier-markets strategist at Citigroup, the world's biggest foreign-exchange trader. "The market wants to see a clear path towards achieving a sustainable exchange rate, where supply and demand for foreign exchange are balanced."

Nigeria has held the naira at 197-199 to the dollar since March last year, even as oil revenue and export earnings plummeted and other crude producers from Angola to Russia let their currencies weaken. Reserves have fallen 29% since mid-2014 to the lowest in more than 10 years as the central bank's capital controls slowed foreign investment to a trickle.

While the level of devaluation implied by naira forward contracts has dropped as Mr. Buhari resists calls to let the currency weaken, they still predict a 37% decline in the next year. With the economy set to expand this year at the slowest pace since 1999, according to the International Monetary Fund, Mr Buhari last week signed off on a record budget that leaves the government with a deficit of 2.2-trillion naira ($11bn).

Oil rebound

The recent rebound in oil prices has not helped: Nigeria needs to produce 2.2-million barrels a day and sell them at $38 a barrel to meet its fiscal targets. Production slumped to 1.7-million barrels in April, the lowest since 1994, because of militant attacks on oil facilities in the Niger delta. The country relied on oil and gas for about 70% of government revenue and 90% of export earnings in 2014.

Details of the currency swap agreement, such as its size, maturity and exchange rate, have yet to be announced, making it hard for investors to have faith in the accord.

The People’s Bank of China did not respond to faxed questions and Isaac Okorafor, a spokesman for the Abuja-based Central Bank of Nigeria, declined to comment when contacted by phone.

Beijing has signed several bilateral currency swaps in the past eight years, including with South Korea, Malaysia and Argentina, in a push to let the yuan trade more freely.

SA, which took on a 30-billion yuan ($4.6bn) three-year swap in April 2015, is the only African country to have agreed such a deal with China. Nigeria and China are considering a swap of about 20-billion yuan, Lagos-based newspaper ThisDay reported last month, citing unidentified sources in the Nigerian president’s office.

Black market

Mr. Buhari and central bank governor Godwin Emefiele claim that letting the naira drop would hurt Nigerians by raising prices in a country that imports the bulk of its finished goods. Most businesses are forced to use the black market exchange rate, which trades about 60% weaker than the official rate, at 320 to the dollar. That is boosting inflation, which accelerated to 12.8% in March, the highest in almost four years.

"Nigeria runs a persistent trade deficit with China," says Oyin Anubi, a London-based economist at Bank of America. "Unless China is willing to take more naira than it needs to buy Nigerian crude, which it doesn’t tend to do in big quantities, then Nigeria’s deficit in foreign exchange, whether yuan or dollars, is likely to continue."

Investors are shunning Nigerian stocks and bonds until there is a devaluation, says Mr. Howell at Citi, who predicts the central bank will be forced to let the currency depreciate to 226 per dollar by the end of 2016. Investors who still hold Nigerian assets are reluctant to sell as they would struggle to the buy foreign-exchange needed to exit the country, he says.

Nigerian equities have dropped 10% this year, the most in Africa after Zambia’s. The Nigerian Stock Exchange all share index has lost more than 25% since Mr. Buhari was sworn into office at the end of May last year.

Local-currency government bonds have lost 6% in dollar terms, the only debt not to have gained among 31 emerging markets monitored by Bloomberg, aside from Egypt and Mexico.

While Mr. Buhari may use a swap with China to try and delay a devaluation, it will not give him much respite, JPMorgan Chase says. The deal may simply increase the nation’s trade deficit with China, which ran to $15bn in 2015.

"It’s unlikely to have any meaningful impact in the short term," says Yvette Babb, a sub-Saharan Africa strategist at the New York-based lender, which forecasts an exchange rate of 240-260 to the dollar by year-end. "A swap has limited ability to influence the structural mismatch between supply and demand."
(Bloomberg 12-05-2016)

BENIN BANS TIMBER EXPORTS

The Beninese government has introduced an indefinite ban on timber exports until further notice, a senior member of the cabinet confirmed on Thursday.

The Senior Minister and Secretary General of the Government told a press conference in Cotonou that the ministers of Home Affairs, and Transport have been notified to take all necessary measures to enforce the ban.

Pascal Koupaki who was presenting the report of Wednesday's weekly Council of ministers' meeting however pointed out that the government was temporarily lifting a moratorium on the marketing of wood nationally.

This is aimed at relieving the actors operating in this job-creating and income-generating sector which is poorly organized, the cabinet minister said.

He pointed out that the felling of timber for use in the country is authorized only on a provisional basis.

On Benin's education sector, which is considered in very bad shape, the council is putting together a technical committee tasked with the implementation and monitoring of reforms of the schooling system.

The committee is responsible for defining government policies regarding vocational training with a view to strengthening young people's access to the labour market.

The committee has 45 days to submit to the government the outcome of its engagement.

The council of ministers, presided over by President Patrice Talon, has finally decided to build a Knowledge and Innovation Free Zone" whose mission is to boost research and innovation with a view to creating more jobs.

To that end, a steering committee was established to finalize within 30 days the legislative framework of the proposal and the regulatory and tax scheme of the desired free zone.

It will further reflect on the location, mission and objectives, mode of operation and management of the agency in charge of the free zone and the strategies to adopt to raise international and external financial resources.(APA 12-05-2016)

BCEAO: 2015 PROFIT TOPS CFA49 BILLION

The Central Bank of West African States (BCEAO) realized a bumper turnover of CFA49.440 (about $84,048 million) by the end of the 2015 fiscal year, APA can report from the institute in Dakar on Thursday.

This result amounted to CFA31.278 billion in 2014, representing a significant increase of 58 percent (1 FCFA equivalent to 0.0017 dollar).

The total balance sheet of the central bank is at CFA13, 439.020 billion against CFA12,160.855 billion in 2014 (signifying over 11%).

Gold assets increased by 3 percent to CFA780.079 billion against CFA760.464 billion in 2014.

For their part, foreign currency went up by 6 percent, reaching CFA5,998.380 billion.

During the period under review, BCEAO's receivables on credit institutions recorded an increase of 28 percent, from CFA2,565,454 billion in 2014 to CFA3295.979 billion a year later.

By contrast, receivables on national treasuries evolved by only 3 percent to CFA779.261 billion.

Notes and coins in circulation amounted to CFA5863.004 billion (over 12%).

Net interest income (difference between interest products and interest burden) rose from CFA137.370 billion in 2014 to CFA154.340 billion in 2015 (over 12%).

Commissions rose by 8 percent to CFA51.801 billion against CFA48.068 billion in 2014.

Revenues (equivalent of turnover for an ordinary company) consolidated to 11 percent at the end of the year under review, standing at CFA209.180 billion against CFA188 billion a year earlier.

Maintenance costs for banknotes and coins in circulation they were well controlled, decreasing by 6 percent to CFA29.725 billion against CFA31.610 billion in 2014.

General expenses rose slightly by 3 percent, standing at CFA116.620 billion against CFA113.227 billion in 2014.

In total, the general operating expenses of the BCEAO moderately increased by 10 percent to CFA179.410 billion against CFA162.844 billion in 2014.(APA 12-05-2016)

AIRTEL AND FACEBOOK TO BRING BASIC INTERNET SERVICES TO NIGERIANS

Bharti Airtel Africa, a leading telecommunications service provider with operations in 17 countries across Africa, today announced that it has launched Free Basics in Nigeria in partnership with Facebook.

Nigerians with an Airtel mobile connection will be able to access all the services that are available through Free Basics without paying extra for data charges or rental. Free Basics provides basic mobile websites and services for free to people around the world and demonstrating the value the internet can provide.

Free Basics will launch in Nigeria with more than 85 free services dedicated to health, education, jobs, and finance. To date, Facebook estimates that its connectivity efforts, which include Free Basics, have brought more than 25 million people online who wouldn't be otherwise.

Airtel Africa will also be offering Facebook Flex in Nigeria, which allows people to access a version of Facebook without data charges. This initiative is part of Facebook's commitment to bringing people online and reducing affordability barriers.

Christian de Faria, MD and CEO of Airtel Africa said, "We're pleased to take this big step forward in our partnership with Facebook, bringing more people online in Africa's most populous country and helping to further narrow the digital divide. This builds on our vision of using our widespread 3G network to help improve lives and communities by empowering them with access to digital content and services that are tailored to their needs."

Segun Ogunsanya, Managing Director and Chief Executive Officer of Airtel Nigeria commented: "Today marks a significant milestone in our nation's drive towards deepening digital connectivity and enhancing mobile broadband access for millions of Nigerians in line with the key objective of Nigeria's National Broadband Plan (NBBP). It is our belief that this partnership, the first of its kind in Nigeria, will create a plethora of opportunities for millions of Nigerians, empowering them to connect to their dreams, realize their full potentials, and succeed in their professional and personal endeavors."

Airtel Africa has worked with Facebook since 2014 in enhancing accessibility to the internet in an affordable manner through the launch of Free Basics in Zambia, Kenya, Malawi, Ghana, Seychelles and Rwanda. With the launch of Free Basics in Nigeria, millions more people will have the ability to access basic services.

Chris Daniels, Vice President of Internet.org at Facebook, said: "Bharti Airtel Africa has been an important partner in bringing connectivity and access to people across Africa. Our partnership has played a key role in helping bring digital content and services to people and communities in growing countries."

Ime Archibong, Director of Global Product Partnerships at Facebook, added: "We've spent time with the developer community here in Nigeria to understand how we can help people here build and create for their communities, and by bringing Free Basics to Nigeria we hope to provide another platform for developers to bring relevant services to people free of charge. At launch, we have more than 85 services included in Free Basics and hope to spur more development to bring relevant, basic services to Nigerians."

Archibong continued: "We believe that local entrepreneurs and developers will be the ones to meet the needs of their immediate community, and we are working with developers to know how we can support them in doing so. Together, Facebook and the developer, entrepreneur and non-profit communities in Africa can still do so much more, and we will continue to invest in technology and partnerships to help people realise the benefits of connectivity."(IT News Africa 11-05-2016)

WORLD BANK SUPPORTS TOURISM IN CABO VERDE WITH LOAN OF US$5 MILLION

The World Bank approved a loan of US$5 million to Cabo Verde (Cape Verde) to develop and increase the competitiveness of the tourism sector in the archipelago, the World Bank said in a statement issued in Washington.

The statement said that the tourism sector in Cabo Verde has potential to be the main driver of economic growth, whilst offering many opportunities for diversification and connection to the private sector.

Louise Cord, director of the World Bank for Cabo Verde, Senegal, Gambia, Guinea-Bissau and Mauritania, is quoted in the statement as saying, “the sector is one of the priorities of the strategy that the World Bank is developing with the newly elected officials” in Cabo Verde.

The project, to be carried out over five years, aims to help the government and the private sector to benefit from economic opportunities generated with the growth of tourism in the country, including types of accommodation and attractions available to visitors. (13-05-2016)

SOUTH AFRICAN LEADER TO GET NEW JET

The South African government would soon acquire a new presidential jet for President Jacob Zuma to replace an old aircraft, Defence Minister Nosiviwe Mapisa-Nqakula confirmed on Thursday.

The current presidential plane is known to breakdown often, forcing the government to charter expensive aircraft for the presidential trips, the minister explained, denying that the new presidential jet will cost US$267 million of taxpayers’ money.

Addressing the media ahead of her budget vote debate in the National Assembly in Cape Town, Mapisa-Nqakula said the amount of US$267 million was an invention of the media and not her office.

She said requests for expressions of interest had been put out but the slow response of the industry meant that the ministry would now lease an aircraft, pending the end of the acquisition process.

“We will buy one but it will not be for President Jacob Zuma but for any sitting president regardless of political party,” Mapisa-Nqakula said, brushing aside any suggestion that Zuma had demanded the new aircraft.

The South African National Defence Force had a responsibility to ensure the safety of its commander-in-chief and the deputy president when transporting them, she said.

The minister also said the acquisition of the aircraft would be handled responsibly and with sensitivity to the fact that many ordinary South Africans were starving.(APA 12-05-2016)

NIGERIA’S REFUSAL TO DEVALUE NAIRA IS ‘NOT SENSIBLE’

Investec Asset Management, which has about $1bn invested in Nigeria, says the country’s refusal to devalue its currency and relax import controls "is not a sensible policy".

Nigerian President Muhammadu Buhari has resisted calls from investors and the International Monetary Fund to devalue the naira, which has officially been pegged at 197-199 per dollar since March 2015. The black-market exchange rate, which most businesses have been forced to use, is roughly 320 per dollar. Foreign-exchange trading restrictions and import curbs have led to shortages of goods from petrol to milk.

"We need the political will to accept that a market-set exchange rate works better," Hendrik du Toit, Investec Asset Management's CEO, said at the World Economic Forum on Africa in Kigali, Rwanda on Wednesday. "Ultimately, the government is going to be ahead of the curve, or it's going to be forced."
On Wednesday, Nigerian vice-president Yemi Osinbajo told a conference in Lagos that the country needed a "substantial review" of its foreign-exchange policies, including further consideration about devaluing the naira. Africa's largest economy is growing at its slowest rate since 1999 as oil revenue declines due to a plunge in crude prices and the lowest production in more than 20 years.
"The shortages of dollars are distorting the economy, distorting economic activity and ultimately therefore leading to all sorts of speculation, unproductive activity and a complete misunderstanding of the risks," Mr. du Toit said. "All I know is it's coming," he said of the possibility of a devaluation.
(Bloomberg 11-05-2016)

ANGOLA'S HAS ESTIMATED POPULATION OF 25.78 MILLION

The Angolan population is estimated to total 25,780,000 people, according to the final data of the General Population and Housing Census conducted in 2014, said Thursday in Luanda the director general of the National Statistics Institute (INE).
Camilo Ceita also said that of that number 13,280,000 are women, representing 52 percent of the total, and 12.49 million are men, equivalent to 48 percent.
In turn, the population employed in Angola amounted to 5.44 million people, with 3.0 million of them males, with the employment rate for men on the date of data collection standing at 46.6 percent and for women at 34.1 percent.
The Population and Housing Census was conducted from 16 to 31 May 2014. (13-05-2016)

MALAWI: NORWAY LAUNCHES €400,000 CULTURAL FUND

Royal Norwegian Embassy in collaboration with Humanist Institute for Co-operation with Developing Countries (HIVOS) has launched a Cultural and Arts Fund worth €48, 313 to strengthen the cultural sector in Malawi.

This will last for a period of three years between 2016 and 2018.

Norway's envoy to Malawi, Kikkan Haugen said Friday in the capital Lilongwe during the launch that the fund will help the country promote and conserve its culture.

Culture is a valuable resource which Malawi and its people need to develop and showcase at both national and international Cultural Forums, she said.

Hivos Regional Director for Southern Africa, Tanja Lubbes Ghuza said Malawi is one of the countries in Southern Africa region endowed with a rich culture which unfortunately has not been fully exploited.

There is a lot of potential to contribute to the national revenues if fully utilized thereby helping to alleviate poverty among people, she said.

Malawi's Director of Culture, Elizabeth Gomani-Chindebvu commended the Norwegian government for the support to strengthen culture and arts in the country.(APA 13-05-2016)

NASPERS TAKES VIDEO STREAMING SERVICE TO DOZENS OF AFRICAN COUNTRIES

Naspers unit Showmax has expanded its video streaming services into 36 African countries where it aims to lure viewers with a mix of local and international content, the company said on Friday.

Naspers's video-on-demand service was launched in August last year ahead of global competitor Netflix's entry into SA in January, setting up a race for the rest of the continent.

Showmax has expanded into Ethiopia, Kenya, Tanzania, Senegal and Mauritius and plans to offer content in the Swahili language spoken widely in eastern Africa as well as shows from Nigeria's film industry.

Showmax's head of products, Barron Ernst, said in a statement that low download speeds and the high cost of access were significant hurdles for internet-based services in Africa, but the company had designed its application to download content and view it later while offline.

The company said it was hoping to capitalise on the rapid uptake of smartphones and improving telecommunications infrastructure on the continent.

"The growth potential of the African market is huge, and we're not the only internet TV service looking to meet that demand," said Mr. Ernst. (Reuters 13-05-2016)

MOZAMBIQUE GOVERNMENT WANTS TO INCREASE FINANCIAL INCLUSION OF THE POPULATION

The government of Mozambique plans for 35 percent of adults, by 2022, to have access to a bank account at a formal financial institution and that 75 percent of districts will offer banking services, according to a newly approved strategy paper.

The document – National Strategy for Financial Inclusion (2016/22) -sets out global goals to be achieved during the reporting period as well as the actions to be undertaken by different actors in the financial system.

Among the goals contained in the document are aims to ensure that 55 percent of the population will have a point of access to formal financial services within five kilometres of their residence or place of work and ensure that 35 percent of the population adult has access to an account at a formal financial institution.

According to Mozambican news agency AIM the level of financial inclusion in Mozambique remains relatively low, despite the diversity of financial institutions.

Mozambique has an adult population of about 14.2 million, 656 branches of credit institutions, 17,855 agents of electronic money institutions, 1576 ATMs and 22,052 points of sale (POS), 118 insurance company delegations, of which 45 are border counters, but this is still insufficient to meet the needs of the population and businesses.

By the end of 2015, 87 of the 158 districts had a banking branch, 98 had ATMs, 147 had POSs and 122 had agents of electronic money institutions. (13-05-2016)

UGANDAN AND TANZANIAN LEADERS MEET OVER OIL PIPELINE

President Yoweri Museveni and his Tanzanian counterpart John Magufuli have been holding bilateral talks over a proposed oil pipeline from the Albertine Region in Western Uganda to Tanga in Tanzania.

Details of Thursday's meeting released by State House on Friday claimed President Magufuli had welcomed Uganda's choice of Tanzania for the transportation of her crude oil.

It was the first meeting by the two leaders since landlocked Uganda last month picked Tanzania over Kenya for the route of a proposed oil pipeline.

The proposed pipeline which will run between Kabaale in the Ugandan district of Hoima and Tanga inside Tanzania, stretching some 1,400km, is found to be more cost-effective than another alternative route inside Kenya.

Uganda is expected to start exporting oil by 2020.

The Tanzanian leader said the decision to construct the pipeline through his country was the right one given that the cost of the project would be cheaper going by the physical gravitational flow as Tanga is downhill, making the use of pumping machines unnecessary.

He added that it will also be easy for Tanzania to construct a pipeline to join the Tanga pipeline since Lake Tanganyika has traces of carbon materials and the area around it is well secured with highlands.

The two leaders agreed to speed up the project and look for construction designs.

The meeting between the two presidents was the first since Uganda announced that it had opted for Tanzania over Kenya for the exportation route of its oil to the Indian Ocean.

The conclusion which was based on analysis of all routes involved, after feasibility studies was revealed during the 13th Northern Corridor Integration Projects Summit-NCIP in Kampala towards the end of last month.

Kenya was also another option which was subsequently abandoned by Uganda because it was seen as not cost-effective.(APA 13-05-2016)

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