

MEMORANDUM

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NEW BRIDGE IN KENYA COLLAPSES AFTER PRESIDENT INSPECTS IT



Kenya's President Uhuru Kenyatta mounts the new bridge to inspect it on 14 June 2017

Under construction by a Chinese company, a bridge in Kenya has mysteriously collapsed less than a fortnight after President Uhuru Kenyatta (pictured) came to inspect it. Campaigning hard for re-election, the president visited Busia County on 14 June, saying the \$11.5m Sigiri Bridge, expected to be complete next month, would transform people's lives by making it easier to cross the treacherous River Nzoia.

But 12 days later on 26 June one end of the 50-m-long central span broke off from the landward span and crashed to the ground, injuring a number of workers, reports Kenya's *Daily Nation*.



Sigiri Bridge in Budalang'i Constituency collapsed on 26 June 2017

The contractor is reported to be China Overseas Construction and Engineering Company (COVEC). Work began in 2015.

COVEC said it had done nothing wrong.

"We adhered to all the set standards before and during the construction of the bridge," COVEC's project manager [told](#) the newspaper, adding: "We have experienced engineers and we are equally baffled by what happened."

The project manager also insisted 20 people were injured, not 27 as reported.

The government has now suspended construction of the bridge pending a probe into the cause of the collapse, and police are investigating the possibility of foul play.

Infrastructure Principal Secretary John Mosonik said that the Kenya Rural Roads Authority had "dispatched a team of top Engineers to site to investigate the cause of the failure".



President Uhuru Kenyatta is briefed by COVEC officials on the new bridge on 14 June 2017

The bridge in Budalang'i Constituency will link the communities of Bunyala North and Bunyala South, which are just 3km apart across the river, while to drive between the two requires a 100-km road journey.

Crossing the river is dangerous. In 2014, 11 people trying to cross died when their boat capsized.

After the collapse the area's MP, Ababu Namwamba, said: "The dream for the Sigiri Bridge still lives on. Nothing will dampen this spirit." feed)

As the collapse became politicised in the run-up to the 8 August election, Namwamba said authorities could not rule out "economic sabotage", and he referred to vandalism targeted at Kenya's new, Chinese-built standard gauge railway.(CGR 30-06-2017)

GERMANY PUSHES DEVELOPMENT FOR UPCOMING G20 SUMMIT

The German government has expanded the agenda of next month's G-20 Summit to include development issues that go well beyond the usual subject matter when the world's richest countries meet. Climate change, global health, partnerships with African countries and the 2030 Agenda for Sustainable Development will be up for discussion as Germany chairs the meeting in Hamburg on July 7-8.

Analysts see the move as an encouraging push to elevate development issues, a trend that began several years ago but has accelerated under Germany's year-long chair of the G-20. German officials have said [the agenda](#) is designed to reflect what Chancellor Angela Merkel's government sees as the most critical development challenges, as well as issues that do not receive enough global attention.

Those issues fall broadly into three categories — resilience, sustainability and responsibility. They also contain several specific goals, including improving pandemic preparedness, using digital technology to empower women and girls and improving access to financial services for the world's poorest people.

Germany has used the past months to try to build interest around those issues among other G-20 governments, with an eye to possible commitments emerging from the Hamburg summit. Commitments could range from a restatement of efforts to pursue the 2030 Agenda to a vow to fight climate change to specific financing pledges for disease surveillance systems.

Still, experts are tempering expectations, cautioning that the summit may not be the best forum for setting a global development agenda, particularly in a year when the proceedings may be overshadowed by the presence of United States President Donald Trump. Germany will have to sustain its lobbying well beyond the meeting itself to have a longer impact on global priorities, they said.

A longer agenda

Though traditionally a forum for leaders from the world's largest economies to hash out financial and economic issues, development concerns have come to play a more prominent role at recent summits. At the Seoul meeting in 2010, the G-20 introduced the [Development Consensus for Shared Growth](#), which set a framework for how members could help spur economic growth in low-income countries.

During last year's meeting in Hangzhou, China, the G-20 committed to an [Action Plan](#) around the 2030 Agenda for Sustainable Development, which included pledges of new investments in infrastructure and commitments to improve financial inclusion and ease the global remittances system.

"You can see the agenda has been growing from presidency to presidency," said Axel Berger, who heads the G-20 Policy Research Group at the [German Development Institute](#). The German government "put a lot of issues that are not in the strict sense related to economic issues on the agenda."

The importance of these actions comes not just from any specific activities but in the fact that they have won G-20 support.

"When it comes to globalization, managing the global economy, managing the global commons, if the G-20 doesn't put its weight behind something, the chances of it happening are slim," said Rohinton Medhora, the president of the [Centre for International Governance Innovation](#), a non-partisan Canadian think tank.

Lower expectations

Experts warn, though, not to expect too much, in part because of the personalities involved this year. A recent G-7 Summit in Italy in May, they point out, was dominated by stories of discord between Trump and the other leaders.

[Germany's 'Marshall Plan with Africa'](#)

Germany's development ministry has released an ambitious, private-sector oriented "Marshall Plan" to re-write the country's engagement with the African continent. The proposal comes as Germany prepares to take a stronger lead in shaping donor policy ahead of hosting the G-20 summit.

"Chancellor Merkel has emphasized that they can only work on consensus," said Heike Spielmans, the managing director of the [Association of German Development and Humanitarian Aid NGOs](#). "Looking at all the heads of state meeting there nowadays, it's unlikely there will be enormous positive changes coming with the G-20 summit."

The G-20's rotating leadership could limit progress, too. Like all chairs, Germany only holds the presidency for a year — a short window to try to build a global consensus around any issue. Although there will be a push to emerge from Hamburg with commitments, Berger said it is just as important to sustain interest once the summit ends.

"It doesn't make sense to put a topic on the agenda, launch a couple of nice initiatives, but see that they are not being carried forward to the next presidency," he said.

Continuity after the upcoming summit may depend on Germany's continued lobbying, particularly with Argentina, which holds the chair next. Germany will remain part of a G-20 leadership troika, which includes the host government, as well as the immediate past and future chairs. Germany, for example, retained the focus of last year's host, China, on Agenda 2030 as part of its own presidency.

Emerging alliances

As one hedge against the political uncertainty, Berger said the German government has done a better job than previous presidencies of attempting to build support among civil society organizations, think tanks and other actors.

The run-up to the summit has traditionally included specific meetings for labor leaders, civil society organizations, think tanks, women's and youth groups, and the business community. It offers an opportunity for those advocates and organizations to try to influence the outcomes of the summit, though their previous impact has been somewhat muted by governments that were not interested in engaging with them.

"The German government made a huge effort to have a serious dialogue with these processes and these stakeholders," Berger said, with an eye toward recruiting allies who can continue pushing the agenda after the summit ends.

Even if no consensus emerges on the leadership level, Medhora said there are also important opportunities to build alliances on the sidelines of the meeting. He pointed to the possibility of a collaboration on climate change, for instance, that does not necessarily involve the U.S., following Trump's announcement this month to withdraw from the Paris Agreement on climate change. There could also be opportunities to spur investments in Africa, broadening the proposed [Compact with Africa](#) beyond just a European initiative.

"It's not that what the G-20 as a group does doesn't matter," he said. "But one of the things these summits provide is room for smaller groups to convene." (DEV 30-06-2017)

BOTSWANA'S NON-MINING GDP INCREASES BY 5.6 PERCENT

Botswana's non-mining gross domestic product increased by 5.6 percent in the first quarter of 2017 compared to 3.7 percent in the corresponding period in the previous year, figures from Statistics Botswana showed on Sunday.



The increase was mainly due to Trade, Hotels and Restaurants, particularly the wholesale sub-industry. Trade, Hotels and Restaurants contributed 20.9 percent to GDP while mining's contribution stood at 17.6 percent.

The report said the increase of 5.4 percent in the real value added of the Finance and Business Services industry was mainly due to the rise in the value added of Business Services and Real Estate by 8.4 and 6.2 percent, respectively.

It said a decrease in the real mining value added of 28.9 percent was due to the closure of BCL copper/nickel mine during the fourth quarter of 2016.

In the quarter under review, copper/nickel production was zero due to the provisional liquidation of the BCL mine in October 2016. (APA 02-07-2017)

MACRON IN MALI FOR DIPLOMATIC PUSH ON SAHEL ANTI-JIHAD FORCE

French President Emmanuel Macron arrived in Mali on Sunday to boost Western backing for a regional anti-jihadist force, with France urging greater support for the Sahel region amid mounting insecurity.

The so-called "G5 Sahel" countries south of the Sahara — Burkina Faso, Chad, Mali, Mauritania and Niger — have pledged to fight jihadists on their own soil with instability and Islamist attacks on the rise. Macron is joining these nations' heads of state in Bamako for a special summit where France's backing for the force will be announced, with a likely focus on providing equipment.

Based in Sevare, central Mali, the 5,000-strong G5 Sahel force aims to bolster 12,000 UN peacekeepers and France's own 4,000-member Operation Barkhane, which is operating in the region.

Macron is also looking to extra backing from Germany, the Netherlands, Belgium and the United States — which already has a drone base in Niger — beyond a pledge of 50 million euros (\$57.2 million) made by the European Union.

Serge Michailof, a researcher at the Paris-based IRIS institute, described the EU contribution as "a joke" given the EU's "very deep pockets" and the poverty of the Sahel countries.

"This force is going to cost \$300-400 million (262-350 million euros) at the very least," he told AFP.

Chadian President Idriss Deby has said his country cannot afford to mobilise large numbers of troops simultaneously for the UN peacekeeping mission and also in the new force.

Deby and Macron are due to meet on the margins of the Bamako summit to discuss the financial issue, according to the French presidency. Chad's military is widely viewed as the strongest of the five Sahel nations.

Al-Qaeda's Mali branch, meanwhile, offered a reminder of the jihadists' threat, with the release of a proof-of-life video of six foreign hostages.

The clip posted Saturday by Nusrat al-Islam wal Muslimeen, also known as the Group to Support Islam and Muslims, includes elderly Australian surgeon Arthur Kenneth Elliott and Frenchwoman Sophie Petronin.

Elliott was abducted in January 2015 in Djibo, Burkina Faso, where he and his wife had run the district's sole medical clinic since 1972. Petronin was abducted in late 2016 in the northern Malian town of Gao. In the video, the hostages are separately introduced by a narrator, who says that so far there have been no negotiations for their release.

Macron visited Gao in northern Mali in May, his first foreign visit as president outside Europe, and promised French troops would remain "until the day there is no more Islamic terrorism in the region". France intervened to chase out jihadists linked to Al-Qaeda who had overtaken key northern cities in Mali in 2013.

That mission evolved into the current Barkhane deployment launched in 2014 with an expanded mandate for counter-terror operations across the Sahel.

The new Sahel force will support national armies trying to catch jihadists across porous frontiers, and will work closely with Barkhane.

Operations across Burkina Faso, Niger and Mali, all hit with frequent jihadist attacks, will be co-ordinated with French troops, a source in the French presidency told AFP earlier this week, while help would be given to set up command centres.

While weighing up the challenges of the G5 Sahel operation, analysts frequently compare it with the Multinational Joint Task Force battling Nigerian jihadist group Boko Haram in the Lake Chad region, composed of troops from Benin, Cameroon, Chad, Niger and Nigeria.

Despite heavy initial criticism, that force "has succeeded in a part of its mission, which is to reduce the territory controlled by Boko Haram and limit its actions," said Rinaldo Depagne from the International Crisis Group, a non-governmental organisation that works on conflict resolution.

However, the G5 Sahel force has supplementary challenges in the weak armed forces of Burkina Faso and Mali, while Chad and Niger are already engaged on multiple fronts, he added.

The three-nation border of Liptako-Gourma will become a "laboratory" for Burkina Faso, Mali and Niger where French forces will aim to work in tandem with these nations, before bringing Chad and Mauritania into the mix, Depagne predicted. The G5 Sahel force's top commander, Malian general Didier Dacko, has said that at first each country's contingent would operate on its own soil, gradually becoming more focused on their mutual borders. (AFP 02-07-2017)

BUHARI IS ON LIFE SUPPORT

Nigeria's ailing President Muhammadu Buhari is currently on life support, according to a report by the Daily Nation quoting the Ekiti State Governor Ayo Fayose.



In a report on Thursday the newspaper quoted Governor Fayose as saying President Buhari has been admitted at the West-End London hospital where he has been on life support since June 6.

He claimed the Nigerian government's bid to allay the fears of citizens about the state of health of Mr Buhari was misleading.

The government currently led by caretaker President Yemi Osinbajo has not reacted to Fayode's sensational claims.

Buhari has been receiving medical treatment at a UK hospital since he flew out of Nigeria on May 9.

Fayose, a staunch critic of Mr. Buhari made it clear that although he wish the Nigerian leader would recover from his ailment, it would be a miracle if he survives.

"Verifiable facts from London and within the ruling All Progressives Congress (APC) confirmed that the president's health status has worsened and could only be revived through a miracle from God" Fayose was quoted saying on Wednesday.

The governor of Ekiti State in the south-west of Nigeria claimed Mr. Buhari's wife Aisha was recently denied access to her husband when she had travelled to London to see him.

"Only three Nigerians who are part of the president's cabal are allowed access to Buhari. I will keep their identities for now" Fayose claimed.

The 75-year-old Buhari released a recorded message in his native Hausa language last Sunday wishing his compatriots well during festivities marking the end of the Muslim holy month of Ramadan.

It was in response to claims on social media that Mr. Buhari was suffering from speech impairment and brain damage. (APA 29-06-2017)

PWC HOTELS OUTLOOK 2017-2021: AFRICA'S HOTEL SECTOR REMAINS RESILIENT

According to PwC Southern Africa's Hospitality and Gaming Industry Leader, Pietro Calicchio, Africa's hotel sector has remained resilient in the face of strong economic headwinds. PwC's 7th edition of the [Hotels Outlook: 2017-2021](#) features information about hotel accommodation in South Africa, Nigeria, Mauritius, Kenya, and Tanzania. PwC has also taken a closer look at Ghana and Ethiopia as emerging hotel markets.



Dar Es Salaam, Tanzania

The hospitality sector in South Africa is poised for further growth in the next five years, strengthened by inbound travellers amid a difficult and volatile economic climate. The report projects that South African hotel room revenue will grow by 10.1% in 2017 to R17.5b. Overall hotel room revenue for South Africa is expected to expand at a 9.3% compound annual rate to R24.8b in 2021 from R15.9b in 2016.

The outlook for 2017 is positive with an increase in the number of international visitors to South Africa expected. Domestic tourism is also

anticipated to increase by 2.2% in 2017.

"One of the positive outcomes for the hotel market in South Africa was the amendment of visa requirements that required foreign visitors from certain countries to provide biometric data in person. International visitor numbers to South Africa rebounded significantly in 2016 with a 12.8% increase as compared to the 6.8% decrease in 2015," Calicchio comments.

Visits from China and India increased in 2016 as a result of the relaxation in the visa requirements, travellers from China to South Africa increased by 38% and India recorded a 21.7% increase. Of non-African countries, the UK is still the largest source of visitors to South Africa at 447,840 in 2016.

Of the African countries, the largest number of foreign visitors to South Africa in 2016 came from Zimbabwe at two million, followed by Lesotho at 1.8m and Mozambique at 1.3m. In addition, visits from East and Central Africa also rose by 11.2% in 2016.

It is promising to note a growing number of new hotels planned for the South African market over the

next five years. The overall number of available rooms is expected to increase at a 0.9% compound annual rate, thereby adding 2,700 rooms over this period.

Nigeria is expected to be the fastest-growing market from a revenue perspective over the next five years with a projected 14.7% compound annual increase in revenue, benefitting from an improving economy, continued growth in domestic tourism, and expansion in the number of available rooms. South Africa is projected to be the next-fastest growing market with a 9.3% compound annual increase in room revenue, most of which will be generated by rising average room rates and continued but moderating growth in tourism.

The emergence of peer-to-peer inventory from entities such as Airbnb has bolstered growth in non-hotel accommodation. Ongoing growth in the peer-to-peer sector over the next few years will make the market more competitive, which may limit room-rate growth for hotels.

The revenue for the five markets as a group is forecast to rise at an 8.7% compound annual rate to R59.2b in 2021 from R39b in 2016.

Hotel accommodation: South Africa – Nigeria – Mauritius – Kenya – Tanzania

Overall, room revenue in South Africa rose 12.2% to R15.8 billion in 2016, the biggest increase since 2013. Over the past five years, the occupancy rate has risen, surpassing the 60% level and reaching 61.2% in 2016. This gain has stimulated interest and a number of new hotels are expected to open in the next five years. Five-star hotels have had the highest occupancy rates in the market at 79.3% in 2016. Room revenue for five-star hotels is expected to expand at an 11.4% compound annual rate to R4.2 billion in 2021 from R2.4 billion in 2016.

The hotel sector in Cape Town flourished in 2016 as it is the dominant tourist destination in the country. Over the next five years, 55% of all the rooms expected to be added in South Africa will be in Cape Town. Durban's hotel market attracts more tourists than Johannesburg, but fewer than Cape Town. Although Durban benefitted from the pick-up in tourism in 2016, a weak business market held back overall growth.

Elsewhere on the African continent, a number of initiatives have taken place to promote tourism and positively impact the hotel market. The hotel market in Nigeria rebounded in 2016 with a 5.2% increase in total revenue.

In 2016 the number of tourists to Mauritius increased by 10.8%. The hotel market has benefitted from an increase in direct flights and government investments in tourism. Room revenue increased by 15.3% in 2016 due to the 9% increase in guest nights together with an increase in average room rates.

The tourist market in Kenya rebounded in 2016 following four years after decline. The government has introduced a number of initiatives to boost tourism. Hotel room revenue is projected to grow at 6.2% compounded annually to 2021. Over the last year, tourism increased in Tanzania despite the imposition of an 18% VAT on tourism services.

Calicchio adds: "Many destinations have invested in improving and promoting the quality of their tourism offering and are reaping the benefits. In addition, we are seeing the impact of technological disruption play a part over the past year in certain countries."

Outlook: South Africa 2017-2021

The number of available rooms is projected to rise at a 0.9% compound annual rate to 63,900 in 2021 from 61,200 in 2016. Guest nights are forecast to increase at a 1.8% compound annual rate to 15m in 2021 from 13.7m in 2016, with occupancy increasing to 64.3% in 2021 from 61.2% in 2016.

Outlook: Nigeria – Mauritius - Kenya - Tanzania

A number of projects in Nigeria have been delayed or postponed in the wake of the recent economic uncertainty. An 18-month moratorium was placed on hotel construction in Mauritius in November 2015. “Consequently we now expect a smaller expansion in the number of available rooms that we predicted in last year’s Outlook report,” Calicchio adds. Nevertheless, there is still a lot of activity in the market for new hotels which will continue to expand overall hotel capacity.

Nigeria is projected to be the fastest-growing market from a revenue perspective over the next five years. This is mainly due to an improved economy, continued growth in domestic tourism, and expansion in the number of available rooms. Overall hotel room revenue is expected to expand at a 14.6% compound annual rate to \$517m (R7.6b) in 2021 from \$261m (R3.8b) in 2016.

Mauritius is projected to be the slowest-growing of the five countries, with a 6.2% compound annual increase in room revenue. While there is a moratorium on new projects in place in the near term and relatively few rooms expected to be added through 2021, growth in the non-hotel inventory will ease pressure on average room rates.

In Kenya, the number of available rooms is projected to increase from 18,600 in 2016 to 21,000 in 2021. Total room revenue is forecast to rise by 7.5% compounded annually. Tourism is the largest industry in Tanzania, accounting for more than 17% of GDP. Total room revenue is expected to rise to \$371m (R4.6b) in 2021 from \$224m (R3.3b) in 2016.

Calicchio adds: “The hotel market in each country is affected by both the local and global economy, with some countries being more dependent on foreign visitors than others. We are also seeing certain local governments continuing to invest in infrastructure and implementing other plans to unlock the substantial potential that this industry has to bring.” (Hospitality News 28-06-2017)

AU MINISTERS TO DISCUSS PEACE AND SECURITY, OTHER BURNING ISSUES

The 31st ordinary session of the Executive Council of the African Union will discuss peace, security, refugee crises among other issues, a senior official of the continental body said on Thursday.



Briefing journalists, AU Commission secretary general Mourad Ben Dhiab said the session of the executive council, comprising foreign ministers of member states and which precedes the AU summit slated for next Monday in Addis Ababa, begins on Friday.

“The Executive Council will discuss development of infrastructure, energy, tourism in the continent and exchange views to improve them, as well as financial and administrative issues of the Union to ensure it is a self-financing organization.”

Next Monday’s AU Assembly of heads of state is expected to draw heads of state and government from all 55 member states.

The summit when it gets under way on 3rd July, 2017 will discuss peace and security with the focus on its earlier decision to silence the guns in Africa by 2020. It will also focus on the issue of displaced persons, which as a result of ongoing conflicts is a serious problem in east and West Africa.

The current chairperson of the African Union, President Alpha Conde of Guinea, will present a paper on strategic issues of the continent, while President Abdelaziz Bouteflika of Algeria will report on combating terrorism and violent extremism.

According to Dhiab, the President of Niger Mahamadou Issoufou will report on the Continental Free trade Area, while King Mohammed VI of Morocco will report on Migration in Africa. Other heads of state and government, including from Serra Leone will also present papers at the summit. (APA 29-06-2017)

KENYA AND UGANDA COMMIT TO THE STANDARD GAUGE RAILWAY



Transport CS James Macharia and his Ugandan counterpart Monica Azuba Ntege during the signing of the SGR agreement

The plan means that as Kenya's SGR is extended from Naivasha to Malaba through Kisumu, construction of the line in Uganda will start from Malaba in what is believed to be a measure to ensure viability.

Kenya and Uganda have restated their commitments to see the ongoing construction of the Standard Gauge Railway (SGR) reach Kampala.

In a joint communication, Uganda's minister for Works and Transport Monica Azuba Ntege and Kenya's Cabinet Secretary for Transport James Macharia said the commitment to build the railway is intact as earlier agreed.

The plan means that as Kenya's SGR is extended from Naivasha to Malaba through Kisumu, construction of the line in Uganda will start from Malaba in what is believed to be a measure to ensure viability.

"The bank [Exim] has emphasised the need for joint development of the SGR together with the government of Kenya to achieve viability; in particular the synchronisation of the construction timelines of Naivasha-Kisumu-Malaba in Kenya and Malaba-Kampala in Uganda," said the ministers in a statement. The statement revealed Kenya is yet to secure funds for the construction of the Kisumu-Malaba stretch, adding that Kenya "has committed to fast track securing of financing.

[READ: Uhuru seeks more billions for SGR](#)

The communication also revealed Uganda has pledged to ferry most of its goods through the rail to Mombasa port.

"The Republic of Uganda has committed to ensure that at least 80 per cent of all cargo destined for Uganda will be transported by the SGR. The details of the mechanisms will be discussed."(Daily Nation 25-06-2017)

NIGERIA ISSUES ULTIMATUM TO TAX DEFAULTERS

Nigeria's Acting President Yemi Osinbajo on Thursday issued a nine-month grace period for tax defaulters to regularise their status or face criminal prosecution for defaulting.



Osinbajo made the ultimatum in Abuja while inaugurating the Voluntary Assets and Income Declaration Scheme (VAIDs).

The scheme which comes into effect on July 1, 2017 and lasts until March 31, 2018 would specifically target defaulters who had not declared their taxable incomes and assets, those who don't pay at all, and those who had been underpaying or under remitting.

It would cover all federal and state taxes such as companies' income tax, personal income tax, petroleum profit tax, capital gains tax, stamp duties and tertiary education tax.

"It will be supported by an executive order, which I will sign into law today to offer a once in a life time opportunity to those in default to regularise their tax affairs" Osinbajo added.

He said in exchange for full and honest declaration, tax evaders will receive immunity from prosecution, forgiveness of penalty and interest that is due on unpaid taxes.

"They will also get the full assurance that all information provided will remain confidential' Osinbajo declared.

Nigeria will employ 7,500 community tax liaison officers for this purpose.

The launching of the scheme follows 15 months of research by the Ministry of Finance on tax evasion and illicit financial flows in Nigeria which loses billions of dollars every year to defaulters. (APA 29-06-2017)

ETHIOPIAN PM INAUGURATES AFRICA'S 'LARGEST' CARGO TERMINAL

Ethiopia's Prime Minister Hailemariam on Thursday inaugurated the country's newest cargo terminal, built at a cost of €110 million.



Meanwhile, Group CEO Ethiopian Airlines Tewolde Gebremariam has said the new cargo terminal, which is the largest in Africa, will put Ethiopian among the 10 world's best airlines in cargo and logistics services.

Speaking on the occasion of the inauguration ceremony, the Ethiopian prime minister called on other African airlines to join hands with Ethiopian airlines to address bottlenecks of the air cargo industry in the continent.

According to the premier, the new cargo terminal will have an immense role in boosting the country's export of footwear, leather and pharmaceuticals, as well as horticultural produce.

Built on 40,000 square meters of land, the new cargo terminal has facilities such as dry cargo terminal warehouse, perishable cargo terminal with cool chain storage, office building, apron area which accommodates five additional big freighter aircraft and a large truck parking apron.

It is also fitted with different climate chambers for the storage and handling of temperature-sensitive products such as fresh agricultural products, pharmaceuticals, life science products, among others.

The new terminal will raise Ethiopian's cargo and logistics services to an annual 1 million tonnes.

Ethiopian cargo and logistics services operate eight dedicated freighters to 39 global freighter destinations in Africa, the Gulf, the Middle East, Asia and Europe.

The airliner has recently won 'Cargo Airline Award for Network Development' at Brussels; 'African Cargo Airline of the Year' award. (APA 29-06-2017)

SOUTH AFRICA'S PROPERTY MARKET AFFECTED BY ONGOING RECESSION

South Africa's [property market](#) has been on a steady decline for some years now. Property economists in the country have attributed this to the ongoing recession.

According to FNB's house price index, there is a growth of 4.7%. This is below inflation and as a result may force sellers to sell their houses at a loss.

For instance, a person who bought a house in 2001 and sold the house now could make a sizeable profit of anything up to 50 or 60%. However, a person who bought a house last year and was selling it now would be making a loss.

According to John Loos, one of FNB's economists, with the lower demand to buy property, houses stayed on the market longer. The fact that most that sellers refused to lower their asking price for fear of making a loss is also proving to be problematic.

Loos said that the stagnant economy, coupled with the ongoing social tension in the country does not bode well for the future as it will create political and economic instability.

Another economist, Professor Bonke Dumisa, said sellers were holding on to their properties for longer in the hope that they would get a better price. He said they had become reluctant to sell. He further advised people to buy as the prices would be relatively lower, owing to the low demand and oversupply of houses.

However, gated estates seem unaffected by the economic times, a fact Dumisa attributes to their being generally well off.

Keith Wakefield, of Wakefields estate agents, said the property industry was not immune to what happened in the economy; house volume sales were down.

Wakefield said the downturn in the economy would make it harder for people who wanted to buy property to get loans for bonds, even though the banks were keen on supplying them.

Sellers should have realistic prices. Just as well, since people with overpriced homes who failed to take into consideration the current market-related prices would incur difficulties and may be forced to drop the price eventually. (CRO 30-06-2017)

SOUTH SUDAN: 16,000 TEACHERS TO RECEIVE \$40 INCENTIVE THIS WEEK

South Sudan's Ministry of General Education says almost half of the primary schools across the country have met the requirements for each of their teachers to receive \$40 as a monthly incentive, reports said on Thursday.



The incentives will be paid through a project known as IMPACT, funded by the European Union to enable teachers remain in the profession.

In a statement issued on Thursday, the ministry says funds have been approved for 1,479 schools, where more than 16,000 teachers work regularly.

The project targets 30,000 teachers in more than 3,000 schools countrywide.

The statement says incentives can only be released to schools where there is sufficient assurance of operation and that teachers receiving the incentives are regular.

It says the first payment will begin this week while the project will continue for the next eighteen months. Schools that have access to their local banks would have the money paid to their accounts, and would then pay their teachers in presence of witnesses.

The statement says the Head Teacher and School Governing Representatives will sign to confirm teachers have been teaching while teachers will sign to confirm receiving the money.

For schools that do not have a bank branch within reasonable distance, the project will arrange to deliver the money.

Under the project, teachers will be paid two months' worth of incentives at a time.

The ministry and partners say the program will be supported by strong accountability mechanisms to ensure only teachers who are working and regularly attending schools will be paid (APA 29-06-2017)

CONSTRUCTION BEGINS ON US\$ 6M ICT INNOVATION CENTRE IN RWANDA

Construction works has begun on an [ICT innovation](#) centre in Rwanda that costs a whopping US\$ 6m. The launch took place at Integrated Polytechnic Regional Centre (IPRC)-Kigali.

The US\$ 6m facility is being constructed through support from the [Korea International Cooperation Agency](#) (KOICA).

The mega project is set to enhance innovation, provide consultation services on ICT policies, business and job creation through ICT incubation.

Rwanda Development Board (RDB)'s Chief Executive Officer, Clare Akamanzi, explained that the centre is vital to the country since it will be a cross sector enabler of accelerated growth to achieve their transformational vision.

"Rwanda placed ICT at the centre of its policies as a cross sector enabler of accelerated growth to achieve the country's transformational vision," Akamanzi said.

Rwanda is working towards moving from a low-income agriculture-based economy to a knowledge-based and service oriented economy and the partnership with KOICA will help strengthen the technological capabilities of Rwanda through training in ICT technologies and support to business start-ups.

ICT is an enabler not only in improving services but indeed the quality of life; it is also a catalyst for transforming the country. That is why Korea has engaged itself in the development of ICT in Rwanda.

The construction of the project is set for completion in June 2018.

KOICA endeavours to combat poverty and support the socio-economic growth of partner countries, it also establishes and strengthens friendly ties with developing countries. (CRO 29-06-2017)

CORRUPTION TEARING S/AFRICAN AIRWAYS APART

Cabin crew from the cash-strapped South African Airways have blamed corrupt practices at the national airliner as a major cause of its failure to balance its financial books, APA has learnt.



According to the crew members, who held a press conference on Wednesday to air their grievances after failing to convince formal channels to look into the issue of corruption at the world class airliner, they had no choice but to go public with their complaints.

The members of the South African Cabin Crew Association (SACCA), which represents 1,300 South African Airways (SAA) cabin crew, slammed government for failing to act on reports revealing more than US\$138.5 million in tender irregularities at SAA.

Speaking to journalists in Pretoria, union treasurer Gift Bilankulu said this was despite the matter being brought to the attention of former Finance Minister Pravin Gordhan as well as his successor, incumbent Malusi Gigaba.

“This was brought to the attention of the SAA management, the board, former finance minister (Gordhan) and current minister (Gigaba). We received no response. Hence we are giving this information to the media. We have no other choice,” she said.

Bilankulu said the information was based on several investigative reports, including from Ernst Young auditors, that had been commissioned by the national airliner itself to probe the irregularities.

She said the SAA management has failed to act on issues related to payments to companies without valid contracts and without supply chain management prescripts being followed.

“The Board of SAA in its entirety has failed to execute their responsibilities in line with Section 51 of the (Public Finance Management Act) in that they failed to hold the executive accountable for contravening SAA Supply Chain Management Policies,” she added.

The union listed at least 34 contracts that it said were red-flagged by the investigation reports.

On the question of their allowances, Bilankulu said the crew was told the national carrier had no money to meet their demand for a US\$170 daily meal allowance for international flights. The denial led to the union embarking on a strike in April, and yet money was being milked from SAA through irregular spending, she added.

SACCA president Zazi Nsibanyoni-Mugambi said the national carrier was making money and flights were always fully booked, but the money was lost “through looting and corruption.”

She said the SACCA now intended to lay corruption charges with the police against SAA’s top executives, including acting chief executive Musa Zwane, and chief financial officer Phumeza Nhantsi, in connection with the irregularities.

SAA spokesperson Tlali Tlali was not immediately available for comment. (APA 29-06-2017)

BONDHOLDERS GET TOUGH WITH MOZAMBIQUE OVER DEBTS

A group of key Mozambique bondholders laid down terms to the embattled government ahead of restructuring talks, calling on it to revoke guarantees on loans taken on by two state-owned companies. Mozambique, which defaulted on its only Eurobond in January, should also liquidate the two firms — ProIndicus and Mozambique Asset Management (MAM) — as well as a third, tuna-fishing company Ematum, the so-called Global Group of Mozambique Bondholders said.

It was the first response from bondholders to an audit of Mozambique's debts by Kroll LLC, commissioned by the country's attorney-general and released on June 24. The corporate investigations firm said the three companies failed to account for about a quarter of \$2bn of state-backed loans they took on in the past five years.

"It is evident that there is no basis — in either Mozambican or English law — for the Mozambique government to honour the purported guarantees of the ProIndicus and MAM loans," the bondholders' statement read.

"Disavowal of those purported guarantees and the liquidation of ProIndicus, MAM and Ematum is the appropriate restructuring that needs to take place to clean up the system, to insulate the government balance sheet from further liabilities and to restore access to external financing at the lowest cost to Mozambique."

Antonio do Rosario, CE of the three companies, did not immediately respond to an e-mail requesting comment.

The bondholders' group, which is advised by former IMF official Charles Blitzer, was set up in 2016 by investors holding the bulk of the bonds, including Franklin Templeton and New York-based hedge funds Greylock Capital Management LLC and NWI Management LP. Some of its members have since changed.

The group refused to start formal restructuring talks with Mozambique and its adviser, Lazard, until the audit was published and they had seen an outline of a new bailout programme between the government and IMF. The Washington-based lender halted funding to Mozambique in 2016 when it discovered the existence of the ProIndicus and MAM loans, which the government had kept secret.

The \$727m Eurobond, due in January 2023, has rallied from a low of US55c in mid-January to US73c. Sentiment towards the country has improved thanks to a 19% rise in the metical against the dollar in 2017, making Mozambique's foreign debts cheaper to service, and an increase in coal exports. Investors said they were also encouraged by an Eni SpA-led consortium signing off on a \$7bn gas project last month.

These developments have improved Mozambique's capacity to pay down its debts over the next five years by \$850m, the bondholders said.

"The combination of the improved economic trajectory and an appropriate response to the findings of the Kroll report provides a path for Mozambique to re-establish credibility in the international financial markets," they said.

The IMF is sending a team to Mozambique next month to discuss the Kroll report and assess the economy. It said the probe was an "important step toward[s] greater transparency regarding the loans" but it noted the "information gaps". (Bloomberg 30-06-3017)

BOTSWANA BANS EXPORT OF DONKEY PRODUCTS

Botswana's government has moved to crack down on the multibillion-dollar trade in donkey skins following a spate of killings of the animals across the country fuelled by soaring demand from China. Export licences for donkeys and their products have been suspended indefinitely, the Ministry of Agricultural Development and Food Security said in a statement late on Wednesday.

Many thousands of donkeys have been slaughtered in Botswana and in other developing countries in recent years and their skins sold to China for use in traditional medicine.

Donkeys are being killed in growing numbers to feed demand from China where the skins are used to make a natural medicine believed to be a sexual stimulant with anti-ageing properties.

Bans have led to a flourishing illegal trade in donkey skins and have caused prices to soar

Hooves also contain the supposedly medicinal gelatine, while the meat, consumed in parts of China, is believed to be more nutritious than beef and is enjoyed in burgers and stews.

Botswana is the sixth African country to impose restrictions on donkey exports, following Niger, Senegal, Mali, Burkina Faso and Gambia. Zimbabwe turned down an application to build a donkey abattoir, while Ethiopia closed its only functioning donkey abattoir after residents complained about the smell.

But the bans have led to a flourishing illegal trade in donkey skins and have caused prices to soar. Farmers in Botswana have been urged to closely monitor their donkeys to prevent thefts as well as to report suspicious exchanges of live animals.

Animal rights groups say the docile beasts of burden are often cruelly bludgeoned to death before being skinned in backyards and clandestine abattoir.

The industry is said to be worth billions of dollars and China is increasingly looking to Africa to satisfy demand after its own donkey population sharply dropped.

Donkey numbers in China have nearly halved from 11-million in the 1990s to 6-million in 2013, according to official statistics. (AFP 28-06-2017)

CONGO SKIPS INDEPENDENCE DAY PARADE AMID SECURITY THREATS

The Democratic Republic of Congo will not hold its annual independence day military parade on Friday because of security concerns, an adviser to President Joseph Kabila said on Thursday.

The DRC's independence day parades, held each of the past three years, are usually festive events that mark the end of Belgian colonial rule in 1960 and have been used to show off the Central African country's latest arms acquisitions.

But rising militia violence, a growing humanitarian crisis and a spate of prison breaks have unsettled Africa's largest copper producer in recent months, adding to an already tense political climate.

Kabila refused to step down at the end of his mandate in December, increasing instability and raising fears of a backslide to the civil wars of the turn of the century that killed millions.

Kabila's deputy chief of staff, Jean-Pierre Kambila, said there would be no military parade on June 30 "for security reasons", but did not elaborate. He said Kabila would probably still give a televised speech.

The parade was also cancelled in 2012 and 2013 during the country's war to suppress the M23 rebellion.

Thousands of inmates have escaped from jails this year, including about 4,000 from the main high-security prison in Kinshasa last month. In response, the police and the army have set up night-time checkpoints in Kinshasa's business district of Gombe. Reports said later on Thursday there was gunfire at a jail in the Matonge neighbourhood of Kinshasa.

Meanwhile, fighting between government forces and a local militia in the central Kasai region has killed more than 3,300 people and forced 1.3-million to flee their homes since August.

Opponents accuse Kabila, who has been in power since 2001, of deliberately delaying the next presidential election in order to cling to power, but the government says the delays are due to a slow voter registration process and financing shortfalls. (Reuters 29-06-2017)

UNICEF LAUNCHES AFRICA'S FIRST DRONE-TESTING CORRIDOR IN MALAWI

Malawi and Unicef launched an air corridor on Thursday to test the effectiveness of drones in humanitarian emergencies and other development uses, the first project of its kind in Africa.

Land-locked Malawi, which suffers periodic crop failures and is prone to floods, is frequently in need of food and other aid, and limited road access in many of its rural areas makes it difficult to get help to needy communities.

"Drone technology has many potential applications ... One that we have already tested in Malawi is to transport infant blood samples to laboratories for HIV testing," Unicef Malawi resident representative Johannes Wedenig said at the launch in Kasungu, 100km from the capital, Lilongwe.

The test corridor is centred at the Kasungu Aerodrome, with a 40km radius, and focuses on three areas of operation: generating aerial images of crisis situations; using drones to extend Wi-Fi or cellphone signals across difficult terrain in emergencies; and delivering low-weight emergency supplies.

"The launch of the testing corridor is particularly important to support transportation and data collection where land transport infrastructure is either not feasible or difficult during emergencies," Malawian minister of transport Jappie Mhango said. (Reuters 29-06-2017)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, Corporate Council on Africa, CIP- Confederation of Portuguese Enterprises, Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABC- Netherlands Africa Business Council, SwissCham-Africa and other organisations.

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



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