MEMORANDUM

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11 YEARS OF UNINTERRUPTED PUBLICATION
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SUMMARY

EU RELEASES ADDITIONAL AID AS CRISIS IN DEMOCRATIC REPUBLIC OF CONGO'S KASAÏ WORSENS

Additional aid of €5 million will help expand the EU humanitarian response to eight Congolese provinces affected by conflict.

The European Commission has announced additional humanitarian aid of €5 million to help scores of people in urgent need of assistance in the Democratic Republic of Congo's conflict-torn provinces of Kasaï.

This funding brings EU humanitarian assistance to the most vulnerable people in the Democratic Republic of Congo to almost €28 million since the beginning of the year.

"*The European Union is extremely concerned by the current humanitarian crisis in Kasaï, causing horrible suffering to so many people. The funding we provide today will help for the very first time in this region our humanitarian partners to respond to the most urgent needs of those affected by the conflict. But ultimately, it is only by laying down arms and restoring peace that all those caught in this conflict will be able to return home and rebuild their lives,"* said Commissioner for Humanitarian Aid and Crisis Management Christos **Stylianides**.

The situation in the Kasaï has been increasingly deteriorating over the last months, with now 8 provinces and 2.6 million people affected by conflict.

Over 1.3 million people are currently internally displaced, with some 35 000 new cases reported during May alone. Since the beginning of the year, an average of 8 000 people per day have been displaced.

The EU funding announced today will help meet the most urgent needs of these internally displaced persons, the majority of whom are women and children. It will help respond to their protection needs, provide lifesaving assistance including water and sanitation, shelter, health and food assistance. It will also enhance humanitarian partners' logistics capacity in a country where access is often problematic due to poor infrastructure and high insecurity. It is estimated that the EU-funded interventions would reach approximately 200,000 beneficiaries.

Background

The DRC is one of the poorest countries in the world. Despite its abundance in natural resources, it is ranked 176th out of 188 in the 2016 Human Development Index. Its complex humanitarian crisis is characterised by violent armed conflicts, but also by malnutrition, epidemic outbreaks and vast numbers of forcibly displaced people.

Some 3.7 million people currently live displaced within the country, which also hosts more than 460 000 refugees with an ongoing influx of people fleeing the conflict in South Sudan.

Since August 2016, a complex emergency quickly developed in the Kasaï, causing additional forced displacement, and drastically worsening the food security situation in the affected provinces. According to the World Food Programme, 42% of the population in Kasaï are currently not meeting their food needs.

The EU has been providing humanitarian assistance to the Democratic Republic of Congo since 1994. Over the last past 5 years, more than €200 million have been allocated to provide humanitarian assistance to the most vulnerable. An amount of €620 million in development funding has also been allocated for the period 2014-2020, focusing mainly on health, environment and sustainable agriculture, infrastructure, as well as governance and the rule of law.

The Commission also operates a dedicated humanitarian air service called 'ECHO Flight', which guarantees safe and fast transports of humanitarian personnel and supplies to remote locations in DRC. (EC 05-07-2017)

CABO VERDE GOVERNMENT WANTS TO REDUCE RELIANCE ON EXTERNAL SUPPORT

Cabo Verde (Cape Verde) continues to need support from international partners 42 years after the country's independence, the Cape Verdean prime minister said on Tuesday, reaffirming his commitment to an economy that is less dependent on foreign funding.

Ulisses Correia e Silva, who received the diplomatic representatives and international organisations present in the country, thanked them for the support given to the country's growth and development since independence on 5 July, 1975.

The prime minister said at the end of the hearing he had told international partners the country is focusing "strongly" on investment, attracting tourism, trade and "changing the profile" of the Cape Verdean economy "to stop it being so dependent on external transfers and to start exporting more."

The meeting also served for the head of the Cabo Verde government to present the fourth World Forum on Local Power, which Cape Verde hosts in October, to the international partners. The event is expected to bring local representatives from all over the world to the country.

At the meeting, the Prime Minister presented the representatives of the diplomatic missions and consular posts with a general outline of Cabo Verde's foreign policy, focusing on economic diplomacy and strengthening the partnership with the European Union (EU).

"The archipelago has a history of trade, investment and tourism relations that it wants to strengthen with the European Union, which is why we want to adopt the existing partnership with new areas of investment, employment and growth," he said.

Ulisses Correia e Silva also acknowledged the need to strengthen the country's diplomatic activity in the United Kingdom, the main market for tourists, and stressed the intention of having "active political participation" in the Economic Community of West African States (ECOWAS) with "an effective presence" in the organisation's positions. (05-07-2017)

AFRICA TO LAUNCH SINGLE AIR TRANSPORT MARKET IN 2018

Africa plans to have a single air transport market by 2018 , David Kajange, the Head of the Transport and Tourism Division at the African Union (AU) has announced.
Over 40 countries are expected to be signatories by then. So far, 20 African countries out of 55 have subscribed to the African single air market.
Mr. Kajange, was speaking during the ongoing 29th AU summit, which is underway in Ethiopia's capital, Addis Ababa.
The single air transport market is one of the goals of AU's Agenda 2063, aiming to connect Africa through aviation and other transport infrastructure to achieve integration and boost intra-Africa trade. The single air transport market also aims to boost African nations' tourism, economic growth and economic development.
"Africa became the most expensive air transport market in the world because of individual nations' policies and regulations that hinder air connectivity," said David Kajange.
According to Euroavia International, a firm specializing in consulting services for airports and aviation industry, air transport in Africa is on average twice as expensive as the world average.
Since 1980s, an African Open Skies vision has been there, culminating in the adoption of the Yamassoukro Decision of African Heads of States of November 14, 1999.
Between 2004 and 2014, an increasing business and tourism sector and growing middle class, the market share of African airlines has dropped dramatically despite sustained economic growth on the continent. The loss of market share by African airlines has been estimated by the AU to have been from 60% to below 2%.
Meanwhile the AU is mediating to resolve potential electoral disputes in the Democratic Republic of Congo (DR Congo) and Gabon. Minata Samate Cessouma, Commissioner for Political Affairs at the AU, said that, resolving electoral disputes is at the heart of ensuring welfare of the continent's youth.(CRO

PORT OF MAPUTO, MOZAMBIQUE, RECEIVES US$800 MILLION IN INVESTMENTS SINCE 2003

The Maputo Port Development Company (MPDC) has invested US$800 million since 2003 to increase the capacity and efficiency of the port, which currently processes 40 million tonnes of cargo, the company's chief executive said on Tuesday in Maputo.

Osorio Lucas, speaking at a conference organised by Standard Bank, said the port now has capacity to receive ships of up to 85,000 tonnes, after it recently completed dredging works that increased the depth of the access channel to 14.3 metres.

The CEO of the MPDC noted that the company has focused on increasing cargo handling capacity and port efficiency, even in the worst phase of the economic crisis that has ravaged the country in recent years.

Lucas also said that the profitability of Mozambique's port infrastructure is affected by the competitiveness of factors that influence operating costs, such as roads and human resources.

The chief executive of the MPDC pointed to the increase in toll charges on the road between Mozambique and South Africa, which affected freight transport, as a measure that may hold back the use of Mozambican ports by neighbouring countries.

The management of the port of Maputo was delivered until 2033 to the Maputo Port Development Company, a private Mozambican company that resulted from a partnership between the state-owned Portos e Caminhos-de-Ferro de Moçambique (49%) and Portus Indico (51%), made up of Grindrod of South Africa, DP World of Dubai and the company Mozambique Gestores. (05-07-2017)

DEEP TROUBLE SOUTH AFRICAN MINING IS IN CRISIS

The industry faces tough times, made worse by foolish policies
At the start of a 4am shift, gold miners scan their fingerprints and squeeze into tiny "mantrap" turnstiles, designed to prevent thieves from slipping through. Then they pile into cages and descend nearly three kilometres (2 miles) underground at Sibanye Gold's Driefontein mine. A warren of increasingly narrow tunnels leads to the reef, where miners blast a rock face rich with gold. It is gruelling work. Deep in the bedrock, the air feels as hot and humid as a tropical jungle.
Most of the world's deepest (and historically richest) gold mines are clustered some 70km (40 miles) south-west of Johannesburg. The deeper they go, the more expensive and difficult the work of extracting the ore. Most mines are mature (Driefontein is 65 years old), and the cost of extracting the gold may soon exceed its value. Illegal miners known as "*zama-zamas*" ("taking chances") are another problem, undeterred by the extreme depths and high-tech security. At Sibanye's nearby Cooke mine, a recent wildcat strike had the unexpected side-effect of flushing out 461 *zama-zamas* who were being abetted by legitimate miners. Nash Lutchman of Sibanye estimates that roughly 3.5-4% of gold production across all of the company's operations is lost to illegal miners. Industry wide, they pilfer some 20 billion rand (about $1.5bn) a year. Sibanye's tactical response team has faced gunfire and even grenades in chasing after *zama-zamas*. "We are fighting a depressing war," Mr. Lutchman says. "It's really eating into the business."

South Africa's mining industry is shrinking. At its peak in 1980, mining accounted for a fifth of the country's GDP; the number now stands at 7.3%. High costs, low commodity prices, labour strife and falling productivity have all taken their toll. Mines have shed 70,000 jobs over the past five years. More cuts are coming. AngloGold Ashanti, a gold-mining giant, last week announced plans to lay off 8,500 workers, a third of its South African workforce, at mines that are now deemed unprofitable. At Sibanye, many of the *zama-zamas* are former miners who return to work underground for powerful syndicates.

Mining firms are also being hurt by government policies. A new mining charter introduced last month by South Africa's mining minister, Mosebenzi Zwane, would force companies to ensure that at least 30% of their shares are in black hands, up from the current minimum of 26%. Under the new charter, companies would be required to maintain this level of black ownership regardless of whether black investors sell out.

They would also have to pay out at least 1% of their turnover each year to their black shareholders. Had this rule been in effect in 2016, black shareholders would have received 5.8bn rand out of the total of 5.9bn rand paid out as dividends to all mining shareholders, leaving pension funds and the like with practically nothing, notes the Chamber of Mines of South Africa, an industry body.

The industry's top brass remain mostly white; workers toiling in the mines are nearly all black. The government claims to be outraged about this; perhaps this explains why it drafted the new rules in such a hurry, without bothering to consult mining firms properly. Whereas South Africa's first-ever mining charter, introduced in 2004 and revised six years later, was the product of extensive talks with the industry, the new rules are simply handed down from on high.

They are also hard to understand. The Chamber of Mines has gone to court seeking to block the charter, calling it "so confusing and confused, and so contradictory in its core provisions", that it has left mining companies and legal experts perplexed. The chamber's CEO, Roger Baxter, argues that the new rules would deter investment and put up to 100,000 mining jobs at risk. The charter's release triggered a sell-off of South African mining stocks. A drawn-out legal battle is looming, which means more uncertainty.

South Africa is already a tough sell. In a 2016 survey of attractiveness to mining investors, the Fraser Institute, a free-market think-tank, ranked South Africa 74th of 104 mining jurisdictions, well behind neighbouring Botswana (19th), Namibia (53rd) and many other African countries. Meanwhile South Africa dipped into a recession last quarter, and official unemployment has reached a 14-year high at 27.7%.

Adding to the confusion are differing messages from Mr. Zwane and other senior members of his party, the African National Congress (ANC), which is deeply divided as it prepares to elect new leaders in December. The charter is championed by President Jacob Zuma and his supporters, who have backed populist policies under the guise of "radical economic transformation", perhaps to distract public attention from a growing mountain of corruption scandals. The deputy president, Cyril Ramaphosa, a former union leader turned businessman who is seeking to succeed Mr. Zuma, leads a separate faction that has called for the new charter to be reconsidered. The policy uncertainty will probably only end with change at the top.(Econ 04-07-2017)

CABO VERDE CENTRAL BANK AWARDS CONSTRUCTION OF NEW HEADQUARTERS

The new headquarters of the Bank of Cabo Verde (BCV) will solve current logistical and security problems and will be an architectural and tourist landmark in the country, the governor of the central bank said on Tuesday in Praia.

The new headquarters, costing an estimated 17 million euros, will be located in the neighbourhood of Achada de Santo António, the most populated in the city of Praia and the location of buildings such as the National Assembly, the Portuguese Embassy and the representation of the United Nations in Cabo Verde.

The new headquarters, construction of which was awarded to a Spanish-Cape Verdean consortium, will consist of three buildings, two with a single floor, which will be the location of the bank's vault and areas for destruction of money and social facilities and one with six floors for offices.

At the tendering session, the governor pointed out that the continual need to strengthen the BCV's institutional capacity is not compatible with the logistical and security constraints faced by the regulatory and supervisory authority.

Construction of the new headquarters will be financed through the central bank workers' Pension Fund, for staff who began working before 1993 and assigned to the Bank of Cabo Verde under leasing arrangements.

The construction of the new headquarters of the central bank of Cabo Verde goes back to 1992, when the land was purchased, with five engineers from the Bank of Portugal later collaborating in drawing up architectural and technical plans for the building. (05-07-2017)

IDB APPROVES OVER $1BN FOR DEVELOPMENT PROJECTS

The Jeddah-based Islamic Development Bank (IDB) has approved over $1 billion to support development projects in member countries and in Muslim communities in non-member countries, the Saudi Press Agency (SPA) reported.

The projects cover electricity, water, sewage, industry, housing, telecommunications, agriculture, education and health.

The IDB board of directors approved $24.1 million to help Lebanon's health care projects serve Lebanese citizens and displaced Syrians.

The bank approved $102.8 million to Burkina Faso to help it increase thermal power generation to 1,221 gigawatts by 2020 and increase citizens' access to electricity to 60 percent. The IDB allocated $165.4 million to Mali for the construction of a 100-megawatt thermal power plant.

It approved $135.14 million to Oman to expand Al-Rasil Industrial City.

The bank approved $108.26 and $273 million to Bangladesh and Turkmenistan for housing and telecom projects, respectively.

Cameroon and Guinea obtained $53.71 million and $15.4 million, respectively, to support agriculture and water supply projects.

The IDB provided $105.6 million to Egypt for solar energy projects to provide sustainable and clean energy and minimize fuel imports. It approved $28 million and $83.8 million to Jordan and Turkey to fund a 49.5-megawatt wind energy project and a health care complex, respectively.

The IDB, in the context of its support to Muslim communities in non-member countries, approved grants worth $1.2 million for rehabilitation, training, school, health and accommodation projects in Bosnia and Herzegovina, Fiji, Kenya, Malawi, Somalia and South Africa.

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US URGES SWAZILAND TO REVIEW TERRORISM LAW AS PRECONDITION FOR AGOA READMISSION

The United States has asked Swaziland to redefine ‘Terrorism Act’ before it could be reconsidered for the African Growth Opportunity Agreement (AGOA).

This was stated by Prime Minister Banarbas Dlamini when giving feedback to Senate Portfolio Committee in Parliament during the debate of the Suppression of Terrorism Amendment Bill No. 10 of 2010 on Wednesday.

The premier said during the discussion of the bill with the Americans and the International Labour Organisation (ILO) it transpired that the initial definition needed to be reviewed.

“We requested the Attorney General to come up with a new definition after the Americans expressed dissatisfaction about the definition. While we were concerned with national interest, the Americans differed as they felt that the tern ‘national interest’ was very broad,” he said.

The head of government circulated a document that proposes the new definition to be ‘act of terrorism’ where it was said that the new definition will ensure that the provision is not unduly stretched to cover activities which are not otherwise terrorist acts.

Senate President Ngoma Gamedze cautioned senators that it was okay to agree on certain things but there was a need to not create an impression that they were only just stamping what had already been decided by the Americans. (APA 05-07-2017)

CONSTRUCTION OUTLOOK IN SOUTH AFRICA IS 'MODERATE'

In real terms, the South African construction industry's forecast-period (2017–2021) outlook is moderate compared to its review-period (2012–2016) performance, according to Timetric

This is a result of economic slowdown, poor investor sentiment, high unemployment and a weak currency, which will weigh on construction spending.

The industry's output value in real terms is expected to rise at a compound annual growth rate (CAGR) of 1.57 per cent over the forecast period, down from 2.67 per cent during the review period.

Over the forecast period, industry growth is expected to be supported by investment in transport and logistics infrastructure, and energy construction projects, as well as the expansion of low-cost residential buildings.

Government efforts to balance supply and demand for social housing will drive demand for the construction of new residential units. Urbanization will continue to generate demand for residential and infrastructure development.

According to Stats SA, the total value of recorded building plans passed in the country grew by 6.0 per cent in nominal terms, increasing from ZAR101.4bn (US$7.9bn) in 2015 to ZAR107.5bn (US$7.3bn) in 2016. Moreover, the total value of buildings reported as complete grew by 8.3 per cent in nominal terms from ZAR56.7bn (US$4.4bn) in 2015 to ZAR61.4bn (US$4.2bn) in 2016.

In line with the national development plan and medium-term strategic framework, in its 2017 budget, the government announced plans to invest ZAR947.2 (US$62.2bn) on public-sector infrastructure over the Medium-Term Expenditure Framework (MTEF) period.

To meet the demand from the country's lower- and middle-income groups, the government is developing various affordable housing projects in South Africa; accordingly, the DHS is undertaking the Human Settlements Housing Program in the country. The program involves the construction of 1.6 mn affordable housing units by 2019.

The government is investing in road infrastructure projects to improve the country's transport network,. Accordingly, the government announced plans in its 2017 budget to spend ZAR135.5bn (US$8.9bn) on road infrastructure over the next three years.

The South African construction industry's growth will be driven by government plans to increase the share of renewable energy in terms of total installed electricity capacity, and encourage investment in renewable energy infrastructure. Under the updated Integrated Resource Plan (IRP), the government aims to increase the share of renewable energy in total installed electricity capacity from 16.2 per cent in 2016 to 22.3 per cent in 2020 and 46.3 per cent by 2030.

A sample of the report can be viewed, and the full report can be bought here. (African Review 20-06-2017)

MANGANESE DEPOSITS CONFIRMED IN BOTSWANA

Canadian-based Giyani Gold Corporation announced on Monday that its regional surface mapping and sampling programme currently underway in the Kanye Basin in Botswana has confirmed multiple deposits of manganese.

The company's president Wajd Boubou said many of the deposits in Kanye are located within favourable geological horizons, similar to that at Kgwakgwe Hill in the Kanye Basin manganese deposit where the company has recently reported 60 manganese oxide.

The company's geologists have reported multiple occurrences of visible manganese in an area that extends around 70 kilometres to the north east and 50km to the east of Kgwakgwe Hill reaching the border with South Africa and within a short distance from Gaborone, the capital of Botswana.

"This proximity to major infrastructure gives our project yet another significant logistical advantage," Boubou said.

He noted that it was "worth noting that our geological team has discovered several old, small scale, manganese mines during this phase of sampling." (APA 03-07-2017)

SOUTH AFRICA: ANC GIVES GOVERNMENT SIX MONTHS TO ESTABLISH STATE BANK

ANC delegates have given the government an ultimatum to ensure that a state bank is up and running within six months.

This comes a week after Post Bank filed its application for a commercial banking licence with the Reserve Bank.

Telecommunications Minister Siyabonga Cwele said party delegates wanted the bank set up as soon as possible, but "the ball was in the court of the Reserve Bank".

"They want it tomorrow. The key thing is, we want it tomorrow too … there is no one that does not want it. Let's give a chance to the Reserve Bank," he said.

"I am quite confident that the Reserve Bank is professional enough. It is able to process the application in an expeditious manner.

"We can't say tomorrow. We don't want a short cut. We want it to be done properly but expeditiously," Cwele said.

Yesterday, commissions heard heated calls for the establishment of the state-owned bank in the form of the Post Bank, which the ANC resolved to do more than 10 years ago.

Insiders said delegates demanded that the bank be given a developmental agenda aimed at providing services to South Africans who are excluded from the commercial banking sector.

The minister revealed that the government had met the Reserve Bank's deadline to submit the banking application licence last week, and said it hoped for an outcome soon.

"We had specific requirements we had to heed within 12 months and submit a final application. The deadline was July 4 to the Reserve Bank. We met that deadline. We submitted on June 27," he said.

Cwele said the Post Bank was one step closer to being registered as a commercial bank.

The government established the bank's controlling company earlier this year and appointed the inaugural board to get the bank off the ground.

Cwele said the government had worked to comply with the Reserve Bank while at the same time his department was working with National Treasury to amend the Banking Act to allow a state-owned company to operate a bank.

"In short we have done all that is required," Cwele said, adding that the government was not cutting any corners.

We are not trying to create another FNB or Absa or any other commercial bank. Our target market is that section which is unbanked

Cwele said the growing calls for the establishment of the Post Bank proved there was a need for it in the South African economy and vowed to shield the bank from any political pressure.

"Interference is bad. All we have to do as a shareholder is to give (the bank) a mandate.

"The mandate is that this bank must serve those who are unbanked and must not lend recklessly, so that it is sustainable.

"Once you have done that, leave it to the board and the management. Define your mandate upfront and let the professionals do it," he said.

Cwele said scepticism from the banking sector on the state-owned bank was unwarranted.

"You see, I know there is jitteriness in the banking sector. I have repeatedly said we are not trying to create another FNB or Absa or any other commercial bank. Our target market is that section which is unbanked," he said.(BD 04-07-2017)

300 VACHES ET UN MILLION DE DOLLARS, ROBERT MUGABE AMUSE LES CHEFS D'ETATS DE L'UA

Le président Robert Mugabe lors d'un discours à Masvingo, en décembre 2016

Coutumier des excentricités, le président zimbabwéen s'est une nouvelle fois fait remarqué lors de l'ouverture du 29ème sommet des dirigeants africains ce lundi à Addis-Abeba.

Au milieu des discours solennels et des minutes de silence, il y a parfois des instants déroutants. Ce lundi 03 juillet, lors de l'ouverture du 29ème sommet des chefs d'État et de gouvernement de l'Union Africaine (UA), Robert Mugabe en était l'acteur principal.

A 93 ans, le pas fragile mais la voix assurée, le président zimbabwéen s'est avancé pour faire un don. « J'avais offert 300 têtes de bétail à la fondation de l'UA, mais ils ne savaient pas quoi en faire. J'ai donc décider de les vendre aux enchères, et de reverser l'argent », a expliqué le doyen des dirigeants du continent. Robert Mugabe s'est alors lancé dans une minutieuse description de la vente, assurant que les bêtes existaient bien en chair et en os, que cela avait été contrôlé, et qu'elles ne cessaient « de meugler en soprano et en alto », provoquant les rires de ses pairs. Montant récolté : un million de dollars.

Plus qu'anecdotique, la vente des vaches se voulait symbolique pour le héros de l'indépendance zimbabwéenne qui en a profité pour appeler à « trouver des méthodes novatrices pour le financement de l'UA ». Il a ainsi vigoureusement défendu l'idée d'une souveraineté financière de l'UA, sans laquelle l'organisation ne pourra « jamais accomplir sa mission ».

Le financement de l'UA au centre du sommet

La question est au cœur de ce 29ème sommet. Adoptée en janvier dernier, la réforme de l'organisation panafricaine portée par Paul Kagamé prévoit en effet la mise en place d'une taxe de 0,2% sur les importations en Afrique afin que l'UA gagne son indépendance financière – aujourd'hui, plus de 75% de son budget dépend des donateurs étrangers. Mais une partie des États membres fait preuve de réticence. Depuis janvier, seuls dix pays ont aujourd'hui intégré cette taxe dans leur législation nationale.

Robert Mugabe est coutumier des sorties remarquées. Il avait notamment multiplié les sorties retentissantes lorsqu'il était présent en exercice de l'UA, aimant les diatribes anti-occidentales et tenant des discours fleuves. Au Zimbabwe, englué dans une grave crise économique, les festivités fastueuses organisées pour ses anniversaires sont régulièrement l'objet de critiques. (JA 03-07-2017)

TANZANIA'S GOVERNMENT A STEP CLOSER TO TOTAL CONTROL OVER NATURAL RESOURCES

Tanzania approved two laws that enable the government to renegotiate contracts with mining and energy companies, as the state seeks a greater share of revenue from natural resources.

The bills, which deal with state sovereignty over mineral wealth and contracts containing "unconscionable terms," were approved by parliament on Monday, legislator Peter Kafumu said in a text message.

The Tanzania Chamber of Minerals and Energy, the main industry lobby group that has opposed the new laws, said the implications of the bills were "vast."

"There are many areas that the three bills touch on," chamber executive secretary Gerald Mturi said by phone on Tuesday from Dar es Salaam, the commercial capital. "The industry is going to be affected big time."

Tanzanian President John Magufuli is overhauling the country's mining industry as the government targets doubling its contribution to GDP to 10% by 2025.

In March, he banned mineral exports and ordered an audit to identify loopholes that he said result in income losses. In May, the president fired mines minister Sospeter Muhongo after a probe found mineral shipments had been understated.

The East African nation is the continent's third-biggest gold producer, with companies including AngloGold Ashanti and Acacia Mining extracting the metal, and also produces copper, iron, zinc and diamonds. It holds about 55-trillion cubic feet of natural gas reserves that are being developed for export by companies including Statoil and BG Group.

Acacia arbitration

Last month, Magufuli accused Acacia of operating illegally in the country and of failing to pay billions of dollars of taxes.

On Tuesday, Acacia said notices had been filed in Tanzania to refer the disputes to arbitration. "Acacia remains of the view that a negotiated resolution is the preferable outcome to the current disputes and the company will continue to work to achieve this," Acacia said in a statement. However, serving arbitration notices are "necessary to protect the company", it said.

Acacia said the government wants to continue talks with Toronto-based Barrick Gold, Acacia's majority-owner, so it won't be part of the discussions. Any resolution reached will be subject to approval by Acacia and the company will work to support Barrick. The news release made no mention of any changes to Tanzanian law.

Shares decline

Barrick has nothing further to add to the Acacia statement, spokesperson Andy Lloyd said by e-mail. Acacia fell 0.5% at 3.12pm in London on Tuesday, while Barrick dropped 1.9% in Toronto.

"The Magufuli government clearly feels emboldened by its recent and very public spat with Acacia Mining and is assuming that the industry will accept the new terms as proposed by the two bills passed," Ahmed Salim, a vice-president at risk consultancy Teneo Strategy in Dubai, said in an e-mailed response to questions.

Parliament enacted the Natural Wealth and Resources Contracts (Review and Re-Negotiation of Unconscionable Terms) Act and the Natural Wealth and Resources (Permanent Sovereignty) Act.

The former allows the government to dissolve existing contracts deemed prejudicial to the interests of Tanzanians, while the latter prohibits the involvement of foreign courts or tribunals in disputes between the government and investors, and compels companies to process minerals within the country rather than exporting them as raw materials.

Legal counsel

Mining companies operating in Tanzania will have to "extensively" engage legal counsel to determine what impact the laws will have, said Lisa Brown, a risk analyst at Rand Merchant Bank in SA.

"The ownership and control over natural resources by the government does bring about concerns about accountability," she said. "There are other concerns around the provisions that earnings from the mining sector must be locally banked and whether forcing mining companies to do beneficiation in Tanzania is fair."

The acts become law once Magufuli has assented to them. A third bill that seeks to amend Tanzania's Mining and Petroleum Act will be debated by lawmakers on Tuesday, Kafumu said. (Bloomberg 04-07-2017)

TURKEY SUPPORTS SCIENTIFIC RESEARCH IN NAMIBIA

The Turkish Cooperation and Coordination Agency on Wednesday donated a vehicle to support scientific research at Namibia's Gobabeb Research and Training Centre.

The agency's representative Abdulkadir Abukan said his organisation is "very impressed by the work being done at Gobabeb."

"We are especially happy to be able to assist, in this way, in the work being done to help train the next generation of Namibian scientists," he said.

Gobabeb, situated in the red dunes of the Namib Desert, offers both international and Namibian students and scientists the opportunity to work in one of the foremost dryland research centres in the world.

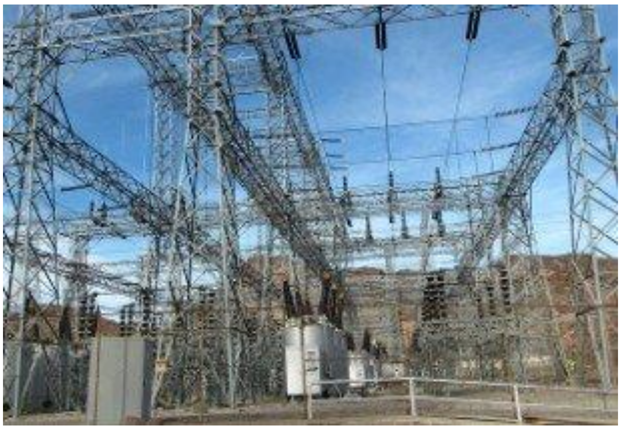
Gobabeb executive director Gillian Maggs-Kölling said the vehicle "is the perfect vehicle for the research station."

"It is agile enough to transport our researchers into the difficult sand-sea terrain of the Namib, but is also large enough to carry equipment and six passengers at a time," she said.

The 2016 Global Humanitarian Assistance Report named Turkey as the most generous country for humanitarian aid in the world having donated almost $6 billion internationally. (APA 05-07-2017)

EFACEC WINS INTERNATIONAL CONTRACT TO BUILD POWER PLANTS IN GUINEA-BISSAU

The leading Portuguese energy and power solutions provider Efacec has received an international contract worth US$11.14mn for the construction of two power substations in Bor, the capital of Guinea-Bissau, in order to double the electrical capacity of Bissau



The new power plant is aimed at enhancing power generation capacities in Guinea-Bissau to meet the growing demand of electricity in the country

The international public tender was promoted by the Guinea-Bissau's public sector company Eletricidade e Aguas da Guine-Bissau (EAGB).

In addition to build the two substations, the contract also includes the construction of a 6.2km-long line to link the new thermal power station.

Efacec announced that its role in building the new infrastructure will be a key step in making Bissau's electrification double than the currently installed electricity output, with providing electricity to a large number of population in the country.

The construction of the new power stations are expected to improve the living standard of the citizens, thereby making a significant contribution to the socio-economic development of west Africa's tropical country.

The two substations, with 30 by 10kV capacity, to be built in Bor and Bra regions, and the energy evacuation system, with a 63kV capacity, are a precondition for the execution of the second module from Bissau's electrical project that includes the construction of a power plant with a 100MW capacity at Bor.

Efacec produces products for power transmission and distribution, such as adapters, service, high and medium voltage switchgear and automation gear for the energy, environmental, industry and railway sectors.

With footprints in international markets as Spain, Central Europe, the US, Latin America, Brazil, Maghreb, southern Africa and India, Efacec also develops solution for electrical mobility like energy charging system.(AR 19-06-2017)

BOTSWANA: DIAMOND MINE'S SECRETIVE FINANCIAL SYSTEMS RAISE EYEBROWS

A new report by the Natural Resource Governance Institute (NRGI) has raised the red flag over Debswana's secretive financials relating to the sale of diamonds, APA learnt here Monday.

DEBSWANA

The report noted that while Debswana appears to have good corporate governance structures in general, the rules describing how the company operates are less clear than those of most other state-owned enterprises evaluated in the RGI.

Describing Debswana as Botswana's most significant diamond mining enterprise, the report said the company does not disclose the transfers of funds to the government and details relating to the sale of diamonds.

"Furthermore, while the company provides much information in its annual reports, our researchers could not find the core financial details that analysts require to provide effective independent oversight of the company," says the report.

The report stated that Debswana has a failing score, but can improve its performance by improving annual reports.

Debswana is a joint venture between the government of Botswana and De Beers. (APA 03-07-2017)

GHANA TARGETS 1M TONNES OF COCOA THIS YEAR

Ghana's Cocoa Board is poised to achieve a target of buying 1 million tonnes of cocoa this year, the Board Chairman, Mr. Hackman Owusu-Agyeman, has said.

GHANA COCOA BOARD

Speaking during a courtesy call on the Okyehene, Osagyefo Amoatia Ofori Panin, at Kyebi in the Eastern Region, Agyeman noted that it due to innovations put in place by the new management and board to boost crop yields.

He said that sooner than later, the board would achieve its target of 1 million tonnes, a feat that has eluded the nation for the past eight years.

Ghana produces one of the best cocoa beans in the world and it is a leading exporter of the cash crop, which is one of the mainstays of the economy.

Agyeman explained that although the board inherited some challenges, the management would surmount them to make the target a reality. (APA 04-07-2017)

BOTSWANA TO CHAIR SACU

Botswana is the next chair of the Southern African Customs Union (SACU) and will take over from Swaziland whose year-long tenure ends on July 15, APA learnt here on Tuesday.

The decision was made at the recently ended 5th Summit of SACU Heads of State and Government where the leaders congratulated President Ian Khama on his election as new chairperson of the five-member customs union.

Botswana will chair the customs union until 14 July 2018 when a new chair is expected to take over.

The just-ended summit, which was held in Swaziland, considered, among other issues, the report of the SACU Council of Ministers on progress made on implementation of a roadmap to reinvigorate the customs union's work programme that was endorsed by heads of state and government in November 2015 in Windhoek, Namibia.

SACU is the world's oldest customs union and comprises Botswana, Lesotho, Namibia, South Africa and Swaziland. It was formed in 1910. (APA 04-07-2017)

S/AFRICAN GOV'T PUMPS MILLIONS INTO S/AFRICAN AIRWAYS

The South African government has pumped US$170 million into its cash-strapped South African Airways to enable the airline to pay its debt back to Standard Chartered Bank, thereby avoiding a default, the National Treasury has said.

The Treasury said on Monday that a default by the airline would have triggered a call on the guarantee, leading to an outflow from the National Resources Fund and possibly resulting in elevated perceptions of risk related to the rest of SAA's guaranteed debt.

The payment was done in terms of section 16 of the Public Finance Management Act (PFMA), Treasury said.

The legislation states that the finance minister can authorise the use of funds to defray expenditure of an exceptional nature which is currently not provided for and which cannot, without serious prejudice to the public interest, be postponed to a future Parliamentary appropriation of funds.

The due process laid out in the legislation will be followed after this development to inject the funding to keep SAA afloat in the air.

“Improving the financial positions of the airline through recapitalisation has been on government’s agenda for a while as outlined in the February 2017 Budget.

“Several options are being explored and an update will be provided during the Medium Term Budget Policy Statement in October 2017.

“Given the nature of the problems at SAA, Section 16 of the PFMA had to be used as the last resort,” the Treasury said, adding that the government will do everything to ensure that the airline's turnaround strategy is implemented. (APA 04-07-2017)

FRANCOPHONE WEST AFRICA BUSINESS FORUM

Save the date!
From the 29th of October till the 4th of November a trade delegation from Mali, Niger and Burkina Faso (and possibly other West African countries) will visit the Netherlands. The mission will focus on the Water, Energy and Logistics sectors.

On the 1st of November a Business Forum with fascinating speeches, panel-discussion, workshops and match-making will be held in the Royal Tropical Institute in Amsterdam. On the 2nd of November the group will split up for company visits per sector.

Please contact maloe.dereuver@nabc.nl if you wish to organise one of the sector workshops, take part in the match-making, or invite the delegation for a company visit.

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