

# MEMORANDUM

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## **11 YEARS OF UNINTERRUPTED PUBLICATION**

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## DJIBOUTI ACQUIRES FUNDS FOR GALE-LE-KOMA GEOTHERMAL PROJECT

The Djiboutian Geothermal Energy Development Office has obtained a \$27M grant to develop the Gale-Le-Koma geothermal project. The support came from [Kuwait Development Fund](#). The grant was approved a week ago. It will be utilized for the drilling of 10 wells. These will be eight production boreholes and two re-injection boreholes as well as a geothermal power plant with a capacity of 15MW by 2021.

This agreement was signed mainly as a result of two weeks of intensive work between the KFD and ODDEG officials. The officials focused on the financial and technical evaluation of the Gale-Le-Koma geothermal project in Lake Assal.

The Gale-Le-Koma geothermal project was launched in October 2016 by the president of Djibouti [Ismail Omar Guelleh](#). This project has been fully funded by the government and will be executed by the ODDEG. Since then the country has acquired two drilling rigs capable of drilling more than 2km deep and greatly strengthening the training of its human skills.

These results are in line with the expectations of a whole country. It is therefore possible to carry out a feasibility study for the construction of a geothermal power station with a capacity of 15MW in its first phase. This will reach 50MW in its final phase.

ODDEG also stated that the signing of the loan agreement to finance this project shows clearly how much in such a short time this courageous bet of the Djiboutian government was a real success.

Reports by the media stated that the Djiboutian president had announced plans to develop clean energy. The clean energy would be accessible to all citizens among the priorities of the energy road map in the country's new five-year plan.

The President also said that the country's energy independence will be based on renewable energies especially [geothermal energy](#) whose potential is estimated at more than 1,000MW. (CRO 27-07-2017)

## NIGERIA FOCUSES ON MINING, AGRICULTURE TO ENHANCE ECONOMIC DEVELOPMENT

Nigeria has resolved to focus on mining and agriculture to enhance rapid economic development, Acting President Yemi Osinbajo said.



Osinbajo made the pledge in Argungu while inaugurating the N10 billion WACOT Rice Mill in Argungu Emirate of Kebbi state in northern Nigeria.

He said the investment by the private sector in agriculture was a sign of support to the priority accorded food production by the current administration.

Osinbajo commended investors in the WACOT Mill for establishing Africa's largest single line rice processing mill.

The Acting President said the government would sustain its support to the private sector “being the engine room for development and employment opportunities”.

He enjoined WACOT to fulfil its pledge to train and engage 5,000 rice farmers as well as improve their economic status.

Gov. Atiku Bagudu of Kebbi state said his regime had encouraged the increase of rice yield from two tonnes per hectare to 11 tonnes per hectare.

He said collaboration between state and private sector had contributed to the improvement of food production and food security.

He, however, urged the Federal Government to sustain its support to small and large scale farmers for increased agricultural production.

The rice firm would process 120,000 metric tonnes per annum as well as employment of 3,500 workers, while 50,000 farmers would be engaged to provide paddy to the company. (APA 02-08-2017)

## **RWANDA SIGNS DEAL FOR CONSTRUCTION OF BUGESERA INTERNATIONAL AIRPORT**

Rwanda has signed Concession Agreement with the Engineering, Procurement and Construction (EPC) contractor for the construction and operation of Bugesera International Airport.

Kigali is being positioned to become a nerve center for business, travel, and shipping in the sub-region, and the Government of Rwanda has taken a concrete step toward becoming a transportation hub for the East African region.

James Musoni, Minister of Infrastructure, signed the agreement on behalf of the Government of Rwanda while Manuel Mota, Chief Executive Officer of [Monta-Engil](#) signed on behalf of the Engineering, Procurement and Construction (EPC) contractor

The US\$700mn Bugesera International Airport project is designed to be executed across 4 phases. Phase I will involve approximately 27 months of construction – at an estimated cost of US\$400mn. the construction work on phase I is expected to be completed by 2019, at which point the airport will be able to accommodate 1.8 million passengers annually.

Through the development of Bugesera Airport Rwanda has an ambitious strategic Vision 2020 which aims to transform the country into a knowledge-based, middle-income country by the end of the decade – as well as the country’s Economic Development and Poverty Reduction Strategy (EDPRS).

However, the Bugesera International Airport project is designed and is being implemented with an aim of generating socio-economic development in Bugesera, Kigali, and other parts of the Eastern Province.

The airport will further sustain the development of the aviation sector by backstopping the growth of RwandAir with new facilities and training opportunities. The project is expected to provide approximately 2,000 jobs for local residents.

In the development of the project, ALSF provided assistance to the Government of Rwanda. Additionally, the provisions of legal advisers have also supported the government in its negotiations between project partners in the Concession Agreement for the construction and development of the Airport. The coordination of legal efforts has also been instrumental in ensuring the signing, first of a Project Development Agreement and Joint-Venture Agreement between the Rwandan government and investor, and subsequently of the Concession Agreement.

“We have anticipated this project for close to 10 years, all the while relying largely on local expertise,” said Emmanuel Rugambwa, a Strategic Investment Analyst at the Rwanda Development Board. “When we approached the ALSF, they swiftly helped us procure the required expertise to structure the project such that it attracts private capital. Since then, we’ve had many banks express interest in joining the project. The ALSF grant also includes a capacity building component which ensures that the procured

experts will train Rwandans to monitor the project's development, as well as to structure future projects in a similar manner," he added.

On completion, the project is designed to ease the air traffic load which is currently being experienced at Kigali International Airport which is the nearest to Kigali's central business district in Kanombe, 10 km east.

TPS, a British engineering firm, was in 2009 employed by the Rwandan government to design and carry out a feasibility study to develop a new airport in Nyamata village in Bugesera, 40 km south of Kigali. Phase I of Bugesera Airport is designed to handle one million passengers and 150 million tonnes of cargo annually from 2015 to 2025. However, subsequent phases will follow with higher passenger and cargo capacities.

Phase II of the airport project will incorporate building a second runway to approximate the capacity of the largest world airports. The airport is also designed to provide leisure, hotels and conference facilities. It is further hoped a free trade zone will be created in the area which will spur economic development. (CRO 25-07-2017)

### **CHINESE FIRM FUNDS CFA53B CONGO CASHEW NUT PROJECT**

Chinese Company Clets Industry Ltd will invest 53 billion CFA francs in the production of cashew nuts in Loudima in Niari district in southern Congo, APA learned on Thursday from the Congolese Ministry of Agriculture.



According to the same source, the 60-year lease contract for the exploitation of more than 22 thousand hectares for the production of cashew nuts, was signed on Wednesday in Brazzaville between the Congolese Minister of Agriculture, Henri Djombo, and Guo Li of the Chinese company CELTS Industry Ltd.

Through the signing of this agreement, Guo Li said his company "intends to make the Congo, in a few years, a cashew exporter, through its future agro-industrial complex of fruit production and processing."

It is in the context of "producing and consuming Congolese products" that this contract of lease has been signed", Minister Henri Djombo said, while assuring all that the contract provides for "all environmental security and protection mechanisms." (APA 02-08-2017)

### **CONGO-BRAZZAVILLE SETS SIGHTS ON BECOMING ECOTOURISM DESTINATION**

Travelers landing at Maya-Maya airport in the Republic of Congo are greeted by the sort of sights one might find in a European city, with plexiglass walkways connecting the boarding wings and the main hall. A large sign pointing towards Brazzaville welcomes you at the exit. Outside, the city buzzes with the

sounds of traffic and pedestrian conversation, day and night. Just a drive away sits the second largest rainforest in the world.

Rich in natural and cultural landmarks like these, Congo-Brazzaville is pinning hopes to diversify its oil-dependent economy on tourism. Commodities currently make up about 60 percent of the country's economic output, so the government is courting foreign investments, pitching its appeal to international visitors and starting the hard work of building the tourism sector domestically.

The government's strategic plan estimates it will need [\\$31 million](#) to overhaul the sector over the next five years and raise tourism's contribution to the gross domestic product from its current 3 to 10 percent by 2021, according to the country's tourism minister. The fund hopes to attract domestic and international investment to improve rural infrastructure, host multisectoral training programs and build renewable energy at tourist sites.

If successful, Congo-Brazzaville could become a model of how tourism can help foster sustainable development. Tourism advocates have long argued that, done right, the sector can create jobs and spur economic growth, while simultaneously promoting conservation and local cultures.

[Q&A: UNWTO secretary-general on exploring Africa's sustainable tourism opportunities](#)

The United Nations World Tourism Organization is working to help countries expand their tourism sectors as a means to develop. During a recent forum in Brazzaville, Congo, Devex spoke to UNWTO secretary-general about how to make African nations more appealing destinations.

However, the challenges remain plenty. Tourism is an aggregation of services that need to operate seamlessly to create a memorable experience for visitors. Currently, limited air connectivity, few tourism operators, untrained human resources and a strict visa regime limit progress. The government hopes that a blend of renewed political will, private investment and community engagement will prevail.

Initial indications are promising. Earlier this month, the Congolese Ministry of Tourism and Leisure partnered with the [United Nations World Tourism Organization](#) and the [United Nations Development Programme](#) to host the country's first-ever national tourism forum. Guests from as far as China, Switzerland and Turkey, as well as several African ministries of tourism, private tour companies, international investors and the [World Bank](#) participated in the two-day event.

"For a long time, Congo remained pretty much unknown in the tourism industry," Rémy Poliwa, a France-based international tourism and hotel development consultant, told Devex on the sidelines of the Brazzaville meetings.

Now, perhaps that will change.

### **The potential**

Tourists who visit Congo-Brazzaville are richly rewarded for venturing into this little-known destination. This country of 5 million is home to the second largest river in the world, the Congo, and the world's second largest rainforest, Ozdala-Kokoua National Park. The country's remote northwest region is also said to house 80 percent of the world's wild chimpanzee populations, more than 515 birds species, along with thousands of forest elephant, forest buffalo, spotted hyenas, and lowland gorillas. More than 10 percent of these forests are also designated as protected areas as a means of preserving the natural habitat of its inhabitants.

Tourism can also be good for local residents, experts have long argued. Sustainable tourism has the potential to drive economic growth and development in Africa, while creating jobs and promoting the preservation of local cultures and societies. In recognition of that, the United Nations declared 2017 the [Year of Sustainable Tourism for Development](#).

Tourism has the potential to vastly improve lives and livelihoods in the communities in which it operates. But in the International Year of Sustainable Tourism for Development, experts tell Devex it needs an industry-wide effort.

In 2016, less than 5 percent of the 1.2 billion travelers who crossed international borders visited Africa, according to the [World Tourism Market Barometer](#) published earlier this month by UNWTO. The continent takes a similarly small slice of the worldwide economic benefits. Travel and tourism generates \$3.2 billion dollars daily and creates 1 in 10 jobs worldwide, according to the World Travel and Tourism Council's 2017 [Travel & Tourism Economic Impact](#) report.

Until recently, countries in Central Africa such as Cameroon, Equatorial Guinea, Gabon and the Republic of Congo, could rely on oil to finance their budgets. But falling commodity prices have renewed interest in tourism and other sectors. Tourism is "the oil that never runs out," UNWTO Secretary-General Taleb Rifai told Congo's President Denis Sassou Nguesso when they met in Brazzaville on July 17.

Minister of Tourism and Recreation Arlette Soudan-Nonault believes the country can become a top ecotourism destination in Africa. It already has lodging, restaurants, road access to each region of the country, and general hospital in each area, as well as relative security.

### **The many varieties of tourism**

Leaders in Brazzaville are thinking beyond just ecotourism. The Minister of Health and Population Jacqueline Lydia Mikolo said she is working to lay the groundwork for medical tourism.

“The principal objective is to improve the health system for the people of Congo, but also [push] this new tourist medical destination,” Mikolo told the tourism forum.

Other African nations such as Tunisia, Egypt and South Africa have done this successfully so far. They are [most well regarded for medical tourism](#) in Africa, known for conducting invasive procedures such as plastic surgery, joint replacements, and dental treatments by skilled professionals for a fraction of the price paid in Western countries.

Benoit Kountchou of [Benoit Tourisme Voyage](#), a Congolese tourism operator based in France, urged the government to consider even more options: Hosting large sporting events, international forums and conferences.

### **Toward a strategy**

Tourism encompasses everything from travel booking, transportation, and accommodation to food and beverage and handicrafts. In Africa, the links between these sectors tend to be weak, according to the [2017 Economic Development in Africa Report](#) by the [United Nations Conference on Trade and Development](#).

A key part of the strategy will be to improve that interconnectedness. Two-thirds of international travelers in sub-Saharan Africa originate from Africa, illustrating the need to streamline visa requirements, expand air connectivity, and make currency conversions among African currencies more fluid, according to an UNCTAD [report](#).

Congo-Brazzaville’s tourism today is dominated by foreign-owned airlines, tour operators, travel agencies and hotel chains, which could complicate efforts to link them to local firms, the report said. As part of the national strategy, the tourism ministry plans to strengthen national capacities by regulating the sector and developing a national communications strategy to support local companies.

Other sorts of infrastructure will also need improvements. The report noted that affordable and extensive internet connectivity, as well as financial infrastructure, are key to competitiveness.

Branding is another perpetual challenge. Rifai explained how a tendency to generalize the continent can limit interest in African tourism. The Republic of Congo, for example, is often confused with its better-known and volatile neighbor, the Democratic Republic of Congo.

Rifai said adequate communication can help change perceptions. The minister of tourism said she plans to rebrand the hashtag #DestinationCongoBrazzaville as part of the ministry’s digital strategy. To increase visibility, [the ministry](#) has also created [two websites](#) dedicated to tourism.

However, the minister is also pushing the local population to engage. “Many times we believe that it’s up to the minister to create interest for the country, but this is not the case,” Soudan-Nonault explained.

“Instead we need you [the Congolese] to develop your own businesses as tour operators and others to work in conjunction with us.”

### **Sustainable payoffs**

Some of the first changes toward a sustainable tourism sector may need to come at home. With skills development programs included in the national strategy, the hope is to create more middle-income jobs in urban and rural areas. The national tourism plan includes natural habitat preservation, programs for environmental protection and land research and development.

If tourism is to create jobs, Soudan-Nonault acknowledged the need for better skills training. The ministry intends to implement a national multisector capacity building training module and conducting regular audits of how the efforts are proceeding. UNWTO pledged to adopt a local school and help develop a curriculum to professionalize the skills of those working in the sector.

The government hopes a recently-adopted [Congo Basin Blue Fund](#) will also help. The 12-country wide fund is meant to finance regional conservation projects via loans, grants, or subsidies for ecotourism, irrigation and drainage in savannah areas, renewable energy and improved river transport. Launched at the latest climate negotiations in Marrakech in March, the fund will seek support from the [Green Climate Fund](#), as well as the private sector through public-private partnerships.

Congo-Brazzaville already has at least one unique ecotourism structure in operation. [Ozdala National Park](#) wildlife is managed by [African Parks](#), a NGO that works in partnership with governments to take direct responsibility for the long-term management and rehabilitation of wildlife and protected areas across the continent. Ozdala is protected by African Parks' "[eco-guards](#)" who camp out for two weeks at a time in the forest to prevent poaching.

"We are showing to the world and to the Congolese people that we have a strong touristic potential but only if its regulated properly," Soudan-Nonault said.(DEV 02-08-2017)

## CAR, SOUTH AFRICA SIGN MINING COOPERATION AGREEMENT

South Africa's Mineral Resources Minister Mosebenzi Zwane on Wednesday evening signed a memorandum of understanding (MoU) with his counterpart in the Central African Republic (CAR), Leopold Mboli Fatran, to strengthen mining cooperation between the two countries.



The agreement was signed in the presence of the head of state, Faustin Archange Touadera, and CAR will benefit from South Africa's expertise in mine exploitation and exploration. Bangui will also learn good practices in mining laws reform, while building capacity for its human resources in the mining sector.

Mining cooperation with South Africa dates back to the days of former president François Bozize, when Faustin Archange Touadera was prime minister and Leopold Mboli Fatran was mines minister.

Before the CAR crisis, South Africans had mining companies in the country, such as De Beers, which exploited diamonds in the east of the country, whereas others in the west were investing in the oil exploration.

Due to the insecurity prevailing in the CAR, many mining areas are still under the control of armed groups. (APA 03-08-2017)

## SOMALIA'S IMPOSSIBLE FIGHT AGAINST CHOLERA



Cholera treatment centre

Ahmed Hussein's perfectly white teeth seem too big for his mouth; his upper arms look like they belong to a little boy, not a 23-year-old man.

Propped up on an iron bed, Hussein laughs and says he always was slim. But he is clearly malnourished. Hussein arrived at Mogadishu's Bandir Hospital a day earlier with his mother and two sisters, all suffering from acute watery diarrhoea: a tell-tale sign of cholera. A nurse at the hospital told IRIN she believed the whole family got sick from the same water source.

This is Somalia's worst cholera outbreak in five years. So far, 71,663 cases have been counted, including more than 1,098 deaths, according to Doctor Ghulam Popal, the World Health Organization representative. In July, when Hussein was admitted, 5,840 cases of acute watery diarrhoea were reported at Bandir Hospital alone.

Cholera is an acute disease that can kill within hours if left untreated. Waterborne, it thrives in unsanitary conditions.

After nearly three decades of continuous conflict, Somalia has a barely existent government with no public health system and 800,000 people driven into unsanitary settlements by drought and insecurity – perfect conditions for cholera to thrive.

"[The] WASH infrastructure in Somalia is totally collapsed due to the absence of the government," explained Hassan Ahmed Ali, a Water Sanitation and Hygiene expert with the Norwegian Refugee Council, a development agency.

### **Unknown scale**

The extent of Somalia's cholera crisis is likely to be a good deal worse than the official numbers suggest. There are no health clinics or hospitals for 400,000 displaced people clumped in settlements along the two main arterial roads that feed into Mogadishu.

Ali of the NRC believes many people, not counted in the statistics, will have died before they could reach treatment. Neither are the cases counted in the swathe of territory controlled by the jihadist group al-Shabab, which is battling the government.

Compounding the effects of the war, three consecutive seasons of drought have served to tip Somalia into an even deeper food crisis. More than 6.2 million people – over half the population – need aid. That vulnerability increases their susceptibility to cholera.

### **Rules and regulations**

"Unless the systems are strengthened, we can only save lives. Long-term social well-being cannot be achieved," said Mahboob Ahmed Bajwa, the head of WASH for the UN's children's agency, UNICEF.

"Systems" refers both to the federal government's loose relationship with the decentralised states, and the country's generally pitiful infrastructure.

National institutions are weak. In the absence of government, all water supply is privatised and unregulated. These profit-driven companies do not overly concern themselves with cleanliness or quality, despite the obvious risks.

Doctor Lul Mohamed, head of paediatrics at Bandir Hospital, points to the problem of open defecation, and to the lack of controls that allows what toilets are available to be built right next to wells.

The Ministry of Energy and Water Sources is creating new regulations to tackle contamination. But the bill has to go to parliament and will take at least three months to pass into law, according to Omar Shurie, an advisor to the ministry.

Besides the infrastructural deficiencies, recruiting qualified health workers and paying them regularly is yet another of the seemingly endless tasks on Somalia's to-do list. Doctor Mohamed, for example, does not receive a government salary. She earns money lecturing at a university in the city, only working at Bandir out of a sense of duty.

### **Stronger response**

Despite the magnitude of the current food crisis and the cholera outbreak, the response of the humanitarian community and the generosity of the Somali diaspora have built a better ability to cope compared to previous disasters.

"Aid works, and it is critical that we continue providing this support throughout the remainder of 2017"

In 2011, drought led to a famine in which 250,000 people died from hunger and related diseases, including cholera.

“The drought in 2016/17 was worse than the previous one [in 2011] but the impact was [not as severe] due to improved overall capacity to respond,” said Doctor Abdinasir Abubakar, head of the WHO’s Communicable Disease Surveillance and Response.

“Similarly, the cholera outbreak could have been worse if appropriate preparedness and response interventions had not been implemented.”

According to Thomas Lay, humanitarian director of Save the Children: “This collective effort has resulted in a positively different situation than we saw at the same point in the 2011 drought.

“Aid works, and it is critical that we continue providing this support throughout the remainder of 2017.”

### **What lies ahead?**

Over the past few weeks, the trend in acute watery diarrhoea and cholera has been declining, with some regions having no new cases.

Doctor Abubakar is confident: “The risk of another wave of cholera outbreak is high, but the preparedness and response capacities have been scaled up.”

However, there is little resembling a long-term silver lining here.

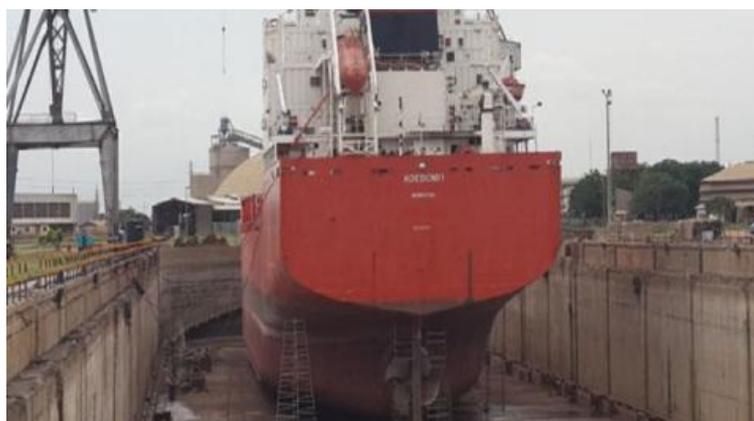
The WHO has warned that although the current rains have brought drought relief, the ensuing floods are now expected to increase the number of cholera cases.

Two-year-old Mohamed Yusuf is lifeless, but not dead. His brown eyes are glazed and unfocused, rolled back into bony sockets. His mother brought him to Bandir a day ago with acute watery diarrhoea. Now he’s hooked up to an IV line and rehydrating.

Her son splayed across her lap, Mohamed’s mother looks more angry than sad, batting flies off his angular face. He is getting better, but the endless war and cycle of drought mean the conditions that caused his illness are unlikely to improve anytime soon.(DEV 01-08-2017)

## **GHANA: TEMA SHIPYARD TO BUILD OFFSHORE STORAGE FACILITY**

Ghana’s shipyard in Tema is billed to construct the next Floating Production Storage Offshore (FPSO) ship for oil production in the country.



Minister of Transport, Mr. Kweku Ofori Asiama announced on Thursday during the opening of a three-day review conference held in the Central Region’s main coastal city of Elmina, some 140 km southwest of the capital Accra.

He said the government has developed a strategy to build the capacity of the engineers who would construct the facility in collaboration with some foreign counterparts.

“President Nana Akufo Addo wants the next FPSO to be constructed here in Ghana therefore we as a ministry are feverishly preparing towards that vision”, the minister said amidst applause from the participants who were drawn from various transport institutions in the country.

According to him, since Ghana discovered oil in commercial quantity in the 2007, the country has imported its three FPSO facilities from Singapore, costing the country millions of dollars.

FPSO Nkrumah which was named after Kwame Nkrumah, the first President of Ghana was followed by FPSO Atta Mills named after late President John Evans Atta Mills.

The latest one FPSO Agyekum Kufuor was named after former President John Agyekum Kufour.

The Tema shipyard was sold to Malaysian investors in the 1990s for over \$6 million but the late President Mills in 2010 refunded the money and returned it to the state.

It is currently being managed by the Ghanaian state. (APA 03-08-2017)

## **SOES SUCH AS ESKOM AND SAA MAY BE BIGGEST THREAT TO SOUTH AFRICA**

SA's debt-laden state-owned companies may represent the single-biggest risk to the country's economy, according to Nedbank CEO Mike Brown.

The assets, which include power utility Eskom and South African Airways (SAA), have been "mismanaged over an extended period of time", Brown said in a phone interview from Johannesburg on Wednesday. Their underperformance may spur more credit downgrades for the country, which in turn could increase Nedbank's cost of funding by about five basis points, he said.

SAA, which has been losing money since 2011 and surviving on R19.1bn worth of state-backed guarantees, recently asked the government for R10bn as part of a recapitalisation plan. That's on top of a R2.2bn injection for the airline in July to repay a loan.

Eskom, which is embroiled in a corruption scandal, almost triggered an acceleration in its R350bn worth of debt for having a qualified opinion on its latest annual financial statements, according to Nomura International.

If SA's local-currency debt is downgraded, "it will be very bad for the South African economy, and the already weak growth rates will be even weaker", Brown said. While the country's banks are well-prepared to deal with such an event, "our challenge would be growing earnings at the rate we've targeted", he said.

Moody's Investors Service, which said this week that the Reserve Bank may come under increasing political pressure, was due to review SA's credit rating on August 11.

Moody's cut its rating of SA's foreign-currency debt to one level above junk after President Jacob Zuma fired finance minister Pravin Gordhan at the end of March, replacing him with someone who previously oversaw state-owned companies. S&P Global Ratings and Fitch Ratings also downgraded the country's foreign-currency debt to junk.

A recession in SA has already affected Nedbank's earnings. The lender said in a statement on Wednesday that its first-half profit declined 3.7% due, in part, to its home market's economic malaise. Rival Barclays Africa said on Friday that its total first-half income declined for the first time since 2009, amid heightened political and policy uncertainty and weak business and consumer confidence.

Eskom did not immediately respond to e-mailed questions on whether it had been close to a debt acceleration. (Bloomberg 02-08-2017)

## **US ANNOUNCES NEW \$137M HUMANITARIAN RELIEF FOR ETHIOPIA**

The United States on Thursday announced more than \$169 million in a new humanitarian assistance to support drought-stricken people in Ethiopia and Kenya.



The US Embassy in Addis Ababa said in a statement that this additional funding, including nearly \$137 million to Ethiopia and nearly \$33 million to Kenya, brings the total U.S. humanitarian contribution the two countries to over \$458 million in 2017.

With this new funding, the United States is scaling up emergency food assistance, while providing specialized nutrition supplies to treat malnourished children, and also furnishing safe drinking water and essential health services.

In Ethiopia, this assistance includes a contribution of more than 111,000 metric tons of relief food aid for approximately three million people.

In Kenya, the United States is also providing support for refugees who have fled drought and conflict in their own countries, in addition to Kenyans affected by the drought, the statement said.

An estimated 7.8 million people require urgent humanitarian assistance throughout Ethiopia.

An estimated 2.6 million people are acutely food-insecure, and malnutrition is on the rise as drought conditions persist in Kenya.

The United States is one of the largest donors of humanitarian assistance in Ethiopia and Kenya, and the biggest single humanitarian donor in the world. (APA 03-08-2017)

## MAURICE : CONSTRUCTION D'UNE LIGNE FERROVIAIRE A 560 MILLIONS DE DOLLARS



Signature du contrat à Ebène, Maurice. A g. Sateev Seebaluck, directeur de Metro Express Ltd, et à dr. Rajeev Jyoti, chef du pôle ferroviaire de Larsen and Toubro.

L'île Maurice démarrera, en septembre, le plus grand chantier de son histoire, la construction d'une ligne ferroviaire baptisée Metro Express. Le contrat de construction a été signé lundi 31 juillet, entre le gouvernement mauricien et la firme indienne Larsen and Toubro, qui a décroché ce projet à 560 millions de dollars. Une première livraison est prévue en septembre 2019.

Le Metro Express est pour l'heure un projet urbain. D'un coût de 560 millions de dollars, ce système de transport reliera les cinq villes du pays, Curepipe, Vacoas, Rose-Hill, Beau-Bassin et Port-Louis, situées le long d'un couloir de 26 kilomètres. Traverser ce corridor est actuellement un casse-tête quotidien pour

les voyageurs en raison de la saturation du réseau et de la concentration des activités économiques dans cette partie de l'île.

Le tracé du Metro Express comprendra 19 stations où circuleront 18 trains de fabrication espagnole (CAF). Une livraison partielle, de Rose-Hill à Port-Louis (la capitale), est prévue pour septembre 2019 alors que la livraison complète est programmée pour septembre 2021.

### **30% des voyageurs utiliseront le Metro express**

Selon les projections du ministère des Infrastructures publiques et du Transport, 30% des voyageurs mauriciens utiliseront ce service, soit 53 800 par jour. Mais la capacité maximale sera de 160 000 par jour dans les deux directions.

Pensé d'abord comme une solution pour alléger la circulation routière, cette ligne ferroviaire est désormais considérée comme un projet visant à moderniser l'économie de Maurice. «Le Metro Express permettra à Maurice de passer à un nouveau palier économique, » explique Pravind Jugnauth, Premier ministre et ministre des Finances.

### **Un projet à 560 millions de dollars**

[La construction d'une ligne ferroviaire](#), une solution envisagée depuis 30 ans, a fait l'objet de plusieurs études ayant fini dans un tiroir, en raison de son coût prohibitif et des doutes sur sa viabilité économique.

Mais aujourd'hui, un geste de New Delhi envers son petit frère de l'Océan indien va permettre sa mise en chantier. L'Inde accorde à Maurice 275 millions de dollars de don. Le reste du financement sera puisé d'une ligne de crédit de 500 millions de dollars négociée avec New Delhi, remboursable sur 20 ans à un taux d'intérêt fixe de 1,8%. La principale contrepartie connue pour l'heure est l'attribution du contrat de construction à une société indienne.

### **Un lauréat indien**

Le contrat a été décroché par Larsen & Toubro préféré à Afcons, l'autre candidat indien. Le choix du constructeur a été effectué par l'agence étatique Singapore Corporation Enterprise, dont les services ont été retenus par Port-Louis pour veiller à la viabilité économique du Metro Express.

Le PDG de Larsen & Toubro, S.N.Subrahmanyam a présenté ce projet comme son plus grand chantier en Afrique, avec pour ambition d'en faire «*une vitrine pour l'Afrique* » a-t-il annoncé à Jeune Afrique. «Tout le bataillon de Larsen & Toubro sera à Maurice pour ses travaux », promet pour sa part Sanjay Singh, ingénieur du groupe. (JA 02-08-2017)

## **ETHIOPIA: YEAR-ON-YEAR INFLATION RISES TO 9.4 PERCENT**

Ethiopia's year-on-year inflation rose to 9.4 percent in July from 8.8 percent in the preceding month, the country's main statistics agency said in a statement on Thursday.



During July, there was increase in prices of cereals that led to the rise in food and general inflation, the Ethiopian statistic Agency said.

Moreover, there was a rise in the prices of fruits during the month under review.

On the other hand, oils and fats, vegetables, pulses, potatoes and other tubers witnessed a decline in their prices, the agency's statement noted. (APA 03-08-2017)

## **NIGERIA LOOKS TO 'WHITE GOLD' FOR ECONOMIC RECOVERY**

Rising rice production is one of the few positives of Nigeria's recession, which is the west African country's worst in 25 years.

Hamisu Haruna and his men are bent over, turning the earth under a relentless sun. The work is hard in this impoverished part of northern Nigeria but the harvest will be good.

"In the last two years my yield has jumped to 35 bags of rice against the 20 I was getting in previous years," Haruna, who is in his 40s with craggy features and a wooden hoe over his shoulder.

"Rice farming has greatly improved. I have had better yield and better price in the market," he told AFP at his farm at Dawakin Tofa, on the outskirts of Kano.

Rising rice production is one of the few positives of Nigeria's recession, which is the west African country's worst in 25 years.

Today about 5.7 million tonnes of rice being are produced every year -- three times as much as a decade ago.

"We are now living a white gold revolution," said Francis Nwilene, the Nigeria director of the AfricaRice research centre.

"People understand that oil is not something Nigeria can depend on anymore."

The potential is undeniable. But despite having vast tracts of fertile land, Nigeria -- the largest consumer of rice in Africa -- is also one of the world's biggest importers of the food staple.

In the Kano region, the GreenPro factory shifted from specialising in flour and poultry to white cereals four years ago.

"Rice processing is by far more profitable than flour and chicken feed," said production manager Salisu Saleh.

"Rice is a major food staple in our society which only few can live without."

In a sign of rice's paramount role in Nigerian society, a "Jollof price index" -- named after a popular savoury fried rice dish -- was launched by an advisory firm in June to measure food inflation.

### **Uncompetitive**

With domestic demand approaching 7.8 million tonnes per year, almost a quarter of Nigeria's rice comes from abroad, mainly India and Thailand.

Rice is shipped through the Lagos port or by road from neighbouring Benin, which shares nearly 800 kilometres (500 miles) of porous borders.

"Smuggling is a major issue which discourages local production," explained Nwilene.

The government has said it believes Nigeria can be self-sufficient in rice production within a couple of years and is trying to plug gaps from cheaper imports.

Small-scale farmers, who make up the majority of the rice producers, face numerous challenges, not least access to land.

Production facilities are also inefficient and costs high, while there are not enough ways for farmers to commercialise their products.

With fertilisers and machinery, Haruna estimates he could farm "four times the current field".

"I have a large farm but I can only cultivate a fraction because of my limited resources," he explained.

To boost local production, Abuja banned rice imports by land in 2015 and launched an ambitious aid programme overseen by the central bank targeting some 600,000 farmers.

In the arid north, new irrigation systems that allow farmers to harvest twice a year instead of just once during the rainy season have been introduced.

### **Dangote invests**

Nigeria's economic crisis has provided a boost for rice.

As global oil prices hover around \$50 a barrel, the country needs to reduce costly imports and boost exports to increase government revenue.

Faced with a severe shortage of foreign currency, Abuja has severely restricted access to dollars -- necessary to pay for imports -- and has repeatedly talked up the merits of local agriculture, which accounts for 24 per cent of GDP.

The rush for "white gold" is now attracting some of the country's biggest names in agribusiness.

Nigerian tycoon Aliko Dangote, who made his fortune in cement, announced at the start of this year that he wanted to invest several billion dollars in three northern states -- Jigawa, Zamfara, Sokoto -- to establish commercial rice farms and build a dozen processing factories.

Singaporean giant Olam, which already owns one of the country's largest rice farms in Nasawara state, is running at full capacity processing 105,000 tonnes of rice a year.

"Demand is high. Rice is a real business opportunity for Nigerians and will create thousands of jobs," said Ade Adefeko, Olam's vice-president of private sector and government relations (Times Live 02-08-2017)

### **CAMEROONIAN ECONOMIST TAKES OFFICE AS UNECA EXECUTIVE SECRETARY**

The new Executive Secretary of the United Nations Economic Commission for Africa (UNECA), Vera Songwe, on Thursday officially took office and is set to meet with Ethiopian Prime Minister Hailemariam Desalegn, among other dignitaries in Addis Ababa.



According to a statement circulated by UNECA in Addis Ababa, the Cameroonian economist and banking executive is the first woman to ever serve in the office.

Ms. Songwe, who arrived in Addis Ababa Wednesday night, was appointed earlier this year by United Nations Secretary General António Guterres, and takes over from former Executive Secretary Carlos Lopes.

Ms. Songwe will also meet with Foreign Minister Workneh Gebeyehu and other high-level officials, including the Ambassador of Cameroon, Jacques Alfred Ndoumbe-Eboule, who is also the dean of the diplomatic corps in Ethiopia.

Ms. Songwe has been working as the International Finance Corporation's regional director for Africa covering West and Central Africa since 2015. She was also a non-resident Senior Fellow at The Brookings Institute: Global Development and Africa Growth Initiative (since 2011).

She brings to the position a longstanding track record of policy advice and results-oriented implementation in the region, coupled with a strong strategic vision for the region.

Ms. Songwe was previously Country Director for Senegal, Cape Verde, The Gambia, Guinea Bissau and Mauritania at the World Bank (2012-2015), Adviser to the Managing Director of the World Bank for Africa, Europe and Central Asia and South Asia Regions (2008-2011) and Lead Country Sector Coordinator (2005-2008).

On Friday, she will meet Ethiopia's Finance and Economic Cooperation Minister, Abraham Tekeste, and the African Union Deputy Chairperson Thomas Kwasi Quartey, among other dignitaries. (APA 03-08-2018)

### **7,000 GUINEAN ELEMENTARY SCHOOL TEACHERS GET TRAINING**

The Guinean Minister of Pre-university Education and Literacy, Ibrahima Kalil Konaté, has initiated the training of 7,000 elementary teachers, before the new school year starts on 15 September.



According to our sources, the 7,000 teachers will be trained for a month by 476 trainers, under the supervision of 229 officials, in French, Mathematics and Professional Practice.

“We realized that children could not easily validate their school year, meaning every year there is repetition of grades and drop-outs. We carried out an evaluation of all the teachers, and realized that there was a notable weakness, especially in French,” one of the officials explained.

On 5 June 2017, the Guinean educational authorities published the results of the entry examination in the 7th grade. According to statistics, the pass rate for the Elementary Studies Certificate (ex-Grade 7 entry exam) was estimated at 63.14 percent.

Unlike in previous years, the Guinean government has decided to set the official start of classes on 15 September 2017 throughout the country. (APA 03-08-2017)

### **NIGERIA: NEITI SEEKS TRANSFER OF OIL REVENUE SAVINGS TO SOVEREIGN WEALTH FUND**

The Nigeria Extractive Industries Transparency Initiative (NEITI) on Wednesday called for the transfer of all the country's oil revenue savings into the custody of the Nigeria Sovereign Investment Authority (NSIA).

In an Occasional paper “the case for a robust oil savings fund for Nigeria”, NEITI stated that its position was informed by the transparency rating of the NSIA by the global Sovereign Wealth Institute.

The watchdog organisation that made this call in a statement yesterday said that the NSIA had scored 9 out of 10 on the Sovereign Wealth Institute's transparency index, the highest score by any African Sovereign Wealth Fund.

The NEITI Occasional paper recalled that the Nigeria Sovereign Wealth Fund was set up in 2011 to build a savings base, develop infrastructure and provide stabilisation in times of economic stress for the country. The fund was structured into three components – the Future Generations' Fund 40%, Nigeria

Infrastructure Fund 40% and 20% for the Stabilization Fund and started off with a seed capital of one billion dollars (\$1bn) in 2012. In November 2015 and March 2017, the government transferred additional \$500 million into the fund bringing the total savings to \$1.5 billion.

NEITI, however, observed that while these savings were significantly below projected transfers to the NSIA, it was satisfied that the funds under the management of the Authority have not been depleted unlike the other oil savings accounts – The Excess Crude Account and 0.5% Stabilization Fund.

According to NEITI, “the NSIA Act (2011) is an improvement on the legislations for the ECA and the 0.5% Stabilisation Fund in terms of comprehensiveness, transparency and accountability.

While the ECA and the 0.5% stabilisation fund were established each by a single clause in broader (fiscal) legislations, with no specific governance, transparency or accountability requirements, the NSIA is a comprehensive legislation with extensive corporate governance and management provisions in line with global principles and best practices.”

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The NSIA law emphasises professionalism and technical expertise of both management and members of the NSIA board with clearly defined reporting requirements and accountability relationships between the management, Board, and Council.

NEITI noted that while the NSIA made N192billion return on its investments, the Excess Crude Account and the 0.5% Stabilisation Fund recorded zero returns on investment.

NEITI expressed concerns that unlike the Sovereign Wealth Fund, the Excess Crude Account and the Stabilisation Funds have suffered all kinds of abuses over the years thus undermining the objectives for which they were set up. The NEITI Fiscal Allocation and Statutory Disbursement Audit report released in 2013 had revealed that while N109.7 billion was transferred into the Excess Crude Account for the period 2007 to 2011, the sum of N152.4 billion was withdrawn from the account. As at May 31, 2017, the account had an outstanding sum of N29.02 billion.

The paper further revealed that between 2005 and 2015, the sum of \$201.2 billion accrued to the Excess Crude Account, but \$204.7billion was withdrawn from the same account. In other words, outflows were 102% of inflows.

The NEITI Occasional paper noted that the relevant laws that prescribed the condition for disbursement of the 0.5% Stabilisation Fund and the Excess Crude Account did not specify how the funds should be withdrawn and allocated.

According to the Report, “The inherent pitfalls in this arrangement became glaring in a recent report by the National Economic Council Committee on the ECA, where it noted that the President of Nigeria, the Federation Accounts Allocation Comm Federation Accounts Allocation Committee (FAAC) and the CBN were listed at various times as approving authorities for withdrawals from the ECA”.

These indiscriminate withdrawals, the Paper argued pointed to the fact that Nigeria has no prudent and robust oil revenue savings scheme for purposes of generational equity.

NEITI advised Nigeria to learn from resource-rich countries like Norway. It explained that Norway transfers all oil revenues into its Sovereign Wealth Fund called the Government Pension Fund Global and then proceeds to disburse only the amount needed to finance any deficit in its budget (Norway’s budget is based on non-oil revenue).

From a modest ‘seed capital’ of less than \$310 million in 1996, the total asset value of the Norway’s sovereign wealth fund is currently \$922 billion.

The NEITI Occasional Paper, therefore, recommended that the \$95 million currently in the Stabilization Fund and the \$2.3 billion in the Excess Crude Account should be transferred into the Sovereign Wealth Fund as investment savings. NEITI also renewed its advice to the government to ensure constant savings whether oil prices are high or low. It underlined the need for regular payouts from the investments proceeds, as stipulated in the NSIA Act, to compensate beneficiaries especially the three tiers of government for their sacrifice in saving for the rainy day.

The NEITI Occasional Paper further suggested that government should also delink its expenditure (budget) from oil revenues and pursue prudent macro-economic policies capable of shifting attention to the non-oil sectors.

Finally, NEITI urged the FGN and the States to speedily resolve the litigation before the Supreme Court to ensure that remittances are made into the fund without interruptions. (CRO 26-07-2017)

### **CONSTRUCTION OF MOAMBA-MAJOR DAM IN MOZAMBIQUE WILL BE COMPLETED, MINISTER SAYS**

The Moamba-Major dam in the southern Mozambican province of Maputo is a project that will be completed, said Minister Carlos Bonete, speaking on the sidelines of the Third Coordinating Council of the Ministry of Public Works, Housing and Water Resources.

The minister, quoted by Mozambican news agency AIM, said the government's idea is to continue to seek resources through public-private partnerships, since, he added, "Moamba-Major has to be made." The project schedule indicates that the dam should start operating in 2019, but, given the current situation, the date for completion of the work is not known.

Construction of this dam in the bed of the Incómati river basin was suspended following the corruption case in Brazil known as Lava Jacto, which involved several construction companies, such as Andrade Gutierrez, which was the contractor of the Moamba-Major project.

The Brazilian National Bank for Economic and Social Development announced in October 2016 the suspension of the financing of 25 projects executed by Brazilian companies in foreign countries, which included Angola and Mozambique.

In October 2016, the Brazilian ambassador to Mozambique, Rodrigo Soares, said his country would honour its promise to finance the construction of the Moamba-Major dam, despite the fact that Brazilian projects in Mozambique and other countries were being re-evaluated.

The Moamba-Major dam, whose foundation stone was laid in 2014, will have capacity to store 760 million cubic metres of water, control the flow of the Incomati river, increase water supply to the cities of Maputo, Matola and Ressaon Garcia and have a power plant to produce 15 megawatts of electricity.

The construction of this dam has an estimated cost of US\$466 million and Brazil had promised to provide 320 million dollars. (03-08-2017)

### **BRITISH AMERICAN TOBACCO SOUS LE COUP D'UNE ENQUETE POUR CORRUPTION EN AFRIQUE**



Dans un rapport publié le 19 juillet 2017, l'OMS estime que le tabagisme va exploser en Afrique ces dix prochaines années. Le fabricant de tabac British American Tobacco a annoncé ce mardi faire l'objet d'une enquête concernant ses pratiques en Afrique de la part de l'organisme chargé de lutter contre la délinquance financière au Royaume-Uni, le Serious Fraud Office (SFO).

L'affaire avait éclaté en novembre 2015 quand la *BBC* avait diffusé un reportage accusant British American Tobacco (BAT) de payer des pots-de-vin à des responsables de la lutte anti-tabac en Afrique de l'Est, dont deux personnes liées à la convention-cadre de l'Organisation mondiale de la santé (OMS). Ce mardi 1er août, le groupe écrit dans un bref communiqué avoir « été informé que le SFO avait désormais ouvert une enquête formelle (sur) des allégations de mauvaises pratiques ». Un porte-parole a déclaré à l'*AFP* que cette affaire portait sur les activités du groupe en Afrique.

Le SFO a, de son côté, confirmé qu'il « enquêtait sur des soupçons de corruption dans la conduite des activités de BAT, ses filiales et des personnes associées ».

Le groupe, qui dit vouloir coopérer avec le SFO, avait indiqué la semaine dernière mener sa propre enquête sur de possibles mauvaises pratiques, sans plus de précisions.

#### « Le prix à payer pour faire des affaires en Afrique »

En 2015, après le reportage de la *BBC*, le cigarettier britannique, qui possède entre autres les marques Lucky Strike, Dunhill, Kent et Rothmans, avait démenti toute accusation. La chaîne avait eu accès à une centaine de documents confidentiels, et avait interviewé Paul Hopkins, un ancien employé de BAT qui avait travaillé 13 ans pour la compagnie au Kenya. Ce dernier avait révélé qu'il payait des pots-de-vin. La BAT lui avait dit que c'était le prix à payer pour faire des affaires en Afrique, avait-il assuré.

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