

# MEMORANDUM

N° 16/2017 | 30/01/2017

More than 1,811 Daily Memoranda issued from 2006 to end of 2016, with 21,732 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 4,000 European Companies, as well as their business parties in Africa.

Should a reader require a copy of the Memoranda, please address the request to [fernando.matos.rosa@sapo](mailto:fernando.matos.rosa@sapo) or [fernando.matos.rosa@skynet.be](mailto:fernando.matos.rosa@skynet.be).

## 11 YEARS OF UNINTERRUPTED PUBLICATION

### SUMMARY

Africa's Top Diplomat to be Chosen at Upcoming Africa Summit	Page 2
World Bank and UK finance reconstruction of roads in Mozambique	Page 3
US AIDS program in Africa: 'massive entitlement' or biggest success of 50 years?	Page 4
Mozambican company prepares to export lemons to Dubai	Page 5
Africa's private sector stands to lose from Brexit	Page 5
American group General Electric continues to invest in Angola	Page 7
Signs of hope in Lake Chad basin where 11 million need humanitarian aid	Page 7
China-Portuguese Speaking Countries Cooperation Fund will be based in Macau in 2017	Page 8
African states to discuss mass withdrawal from International Criminal Court	Page 9
Angola's National Water Plan costs US\$110 billion	Page 10
UK court bars Nigeria Shell claims	Page 10
Cabo Verde creates fund for water supply and sanitation works	Page 11
AU to mull Morocco's bid to rejoin bloc and anger at the ICC	Page 12
Electricity production in Guinea-Bissau will be studied	Page 13
Africa starting to rely on own financing for infrastructure	Page 13
Alpha Condé élu président de l'UA	Page 15
Tanzania facing challenge in finding an investor for mineral smelter plant	Page 15
Communications from the International Monetary Fund	Page 16

## AFRICA'S TOP DIPLOMAT TO BE CHOSEN AT UPCOMING AFRICA SUMMIT

The five-way contest for the African Union's top job is a packed field, with four foreign ministers and a U.N. special envoy.

Current AU Commission Chairwoman Nkosazana Dlamini-Zuma, of South Africa, took the job in 2012. She is on borrowed time after heads of state extended her four-year term by six months over indecision about her successor.

That person is to be chosen by African heads of state as they meet next week at for this year's summit AU headquarters.

"It's a very important job," said analyst Liesl Louw-Vaudran of the Pretoria-based Institute of Security Studies. "The chairperson of the commission has to really run the day-to-day workings of the commission in Addis Ababa, formulate policy, carry it out. There are eight commissioners that range from peace and security to social affairs, et cetera. There are about, over 2,000 staff, not that big, but the chairperson really is the only pan-African position that we have."

### Pan Africa

Switching to a pan-African perspective will undoubtedly be a shift for the four current foreign ministers, Botswana's Pelonomi Venson-Moitoi, Chad's Moussa Faki Mahamat, Equatorial Guinea's Agapito Mba Mokuy and Kenya's Amina Mohamed.

But analyst and open society advocate Jeggan Grey-Johnson says leading the AU commission requires the chairperson to rise above borders and advocate for the entire continent, and sometimes, even against the interests of the powerful leaders who put him or her in the job.

"The ideal candidate would be one that we know is relatively independent, hasn't been tainted by either their reputation that they've had in previous positions, whether it's minister, whether it's prime minister, whether it's a special envoy or whatever, that has not been captured by the legacy of the loyalties that they might have had to their presidents when they were actually serving at their pleasure," he told VOA in Johannesburg.

"...The fact that the assembly of the heads of state sometimes can be quite unreasonable, some of the things that they want to do, and it would be good to maybe have a chairperson who for once, also might stand up to the assembly in a reasonable manner."

### Candidates debate

All five candidates, who include Senegal's Abdoulaye Bathily, the U.N. Special Representative for Central Africa, appeared to embody this ideal during a well-attended debate at AU headquarters in December.

Each spelled out a list of ambitious and expansive priorities, which included: building peace and security, improving the situation of African youth and of women, increasing employment opportunities, finding a more stable way to finance the AU, adjusting to the challenges of climate change, and fighting the HIV epidemic and the African migration crisis.

This is the first time such a debate has happened, and regardless of the victor, politics and international studies professor Cheryl Hendricks of the University of Johannesburg says it alone is significant.

"I think it's a very good thing for the people of Africa," she said. "Before, nobody knew who the candidates were, if you weren't part of the (inner) circle. We are all now following these various candidates, we are all commenting on them, even though what we say may not influence how our heads of state vote, at least we are all having our say, and I think that is commendable."

VOA News asked all three AU watchers who they thought the winner would be.

Each gave a well-reasoned argument, and a completely different answer in which no single candidate emerged. And each acknowledged the realpolitik of the AU commission, the post informally rotates among the five regions of Africa, and each African head of state is naturally seeking to promote his or her region.

Furthermore, the heads of state will choose the commissioners, and the scramble for those eight high-level spots could also be a game of geographical musical chairs that could shift the balance for the top job.

“But you know, you never know with the AU,” Louw-Vaudran said. “It’s a secret vote, heads of state make that decision, there’s a lot of give and take on various issues. And so, it’s very difficult to guess who’s going to win this race.” (Voice of America)

## WORLD BANK AND UK FINANCE RECONSTRUCTION OF ROADS IN MOZAMBIQUE



The World Bank and the United Kingdom’s Department for International Development (DFID) will support the second phase of reconstruction of roads in the southern province of Gaza, Mozambique, a project with an estimated cost of US\$170.5 million, announced the Mozambican Minister of Public Works, Housing and Water Resources.

The reconstruction works cover 190 kilometres of roads damaged during the floods that ravaged the country between 2012 and 2013. The government of Mozambique will contribute US\$42.5 million and the World Bank and DFID will provide US\$113 million and US\$15 million, respectively.

The funds in question will allow the second phase of reconstruction of roads to begin next February, and the work is expected to take 18 months.

Mozambican news agency AIM reported that the first stage involved emergency repairs between 2014 and 2015.

After the Director General of the National Roads Administration, Marco dos Anjos and contractors signed the contracts, Minister Carlos Bonete Martinho recalled that the first phase cost US\$15 million.

The minister said he expected the work carried out in the second phase to have the necessary quality to withstand the weather and the World Bank representative, Kulwinder Singh Rao, said the funding is intended to improve roads and bridges, and strengthen the management and administration skills of the road sector.

The four contractors selected to carry out the work are Chinese companies Zhongmei Engineering Group, Ltd, China Henan International Cooperation Group Co., Ltd. (CHICO), Portugal’s Mota-Engil and the Swiss company SBI International Holdings. (27-01-2017)

## US AIDS PROGRAM IN AFRICA: 'MASSIVE ENTITLEMENT' OR BIGGEST SUCCESS OF 50 YEARS?

Fifteen years ago, there was no shortage of ways to measure the growing scale of the HIV crisis here. It was visible in the country's spiraling death toll and its overburdened hospitals, in the sputtering proclamations from the country's president and health minister claiming that HIV drugs were "poison," and in their recommendations of a treatment of rest and good diet.

But for David Clark, a South African doctor and HIV researcher, there was perhaps no starker measure of the epidemic's destructive path than the rapid growth of the massive cemetery hugging one of Johannesburg's major highways, where he watched new graves shoot up like wildflowers and the soil become pockmarked with dozens of gaping holes – a queue of newly dug graves waiting to be filled. "The weekly advance of that cemetery in those years was absolutely tangible," says Mr. Clark, now CEO for southern Africa at the Aurum Institute, which works on HIV treatment and prevention in the region. "You could see the march of those gravestones visibly every time you passed."

A decade and a half later, however, South Africa, once ground zero for the disease, has become one of the world's great HIV success stories. The disease now accounts for less than one-third of all deaths in the country, down from half in 2005, and life expectancy has climbed by nearly a decade. In a brisk turnaround from its denialist days, the country also now has by far the largest public antiretroviral treatment program in the world, serving more than 3 million people.

And the country owes those successes at least in part to a massive George W. Bush-era aid program known as the President's Emergency Plan for AIDS Relief (PEPFAR), which since 2003 has funneled more than \$72 billion into the fight against HIV globally, and nearly \$5 billion into South Africa alone.

### Think you know Africa? Take our geography quiz.

Although PEPFAR has attracted significant criticism over the years – much of it around the moralizing bent of some of its early funding provisions – it is nearly universally regarded, even by detractors, as a turning point in the AIDS epidemic here.

"It's not every day in global health where a program gets to essentially say they've turned the tide on an epidemic, and that's what PEPFAR has done," says Sharonann Lynch, HIV and TB policy adviser for Doctors Without Borders' access campaign. "When PEPFAR was announced, you didn't have anyone talking about ending AIDS – and now that's exactly what the US and other governments have committed to. They can see it in sight."

It is, says Clark, "the single most important health care intervention in the world in the past 50 years."

### Provocative questions

But the Trump Administration has expressed divergent views about the program, leaving beneficiaries across the continent uncertain about its future at a crucial junction in the global fight against HIV. During Rex Tillerson's confirmation hearing for secretary of State, for instance, he called PEPFAR "one of the most extraordinarily successful programs in Africa." But in a questionnaire about US-Africa policy distributed by Trump's transition team to the State Department earlier this month and later obtained by The New York Times, Trump officials appeared to express concern over the size and scope of PEPFAR going forward.

"Is PEPFAR worth the massive investment when there are so many security concerns in Africa?" the questionnaire asked. "Is PEPFAR becoming a massive, international entitlement program?"

For the Trump team, the provocative framing of those questions may simply have been an attempt to boldly challenge assumptions about the utility of America's aid programs in Africa.

But for many living and working in the epidemic's heart, the queries felt simplistic – at times, even condescending. If PEPFAR was saving millions of lives, what did it mean, they wondered, to ask if the investment was "worth" it?

"We have made incredible progress, but now we must be very careful not to reverse it," says Linda-Gail Bekker, president of the International AIDS Society and a professor of medicine at the University of Cape Town in South Africa. "If we turn our backs now, we're going to look back in 15 years and ask how, just when we were beginning to claw our way out of this tragedy, we let it slip away."

Casting PEPFAR as an entitlement program, meanwhile, struck many here as far too narrow.

"This disease knows no borders, so to look at PEPFAR as an entitlement program that only benefits Africans [and other direct PEPFAR beneficiaries] would be a huge mistake," says Olive Shisana, a South

African scientist who has directed several HIV research organizations and projects. “We live in an integrated world. Bringing an end to HIV benefits the health of the US as well.”

That perspective, she adds, obscures the work that African activists, researchers, and governments have done over the past decade to push PEPFAR to become more collaborative, responsive not just to the interests of politicians in Washington, but also those living in the eye of the storm.

In the early days of the program, for instance, PEPFAR often seemed to approach AIDS as “a moral issue as much as a public health issue,” says Kikonyogo Kivumbi, executive director of the Uganda Health and Science Press Association, a network of LGBT health activists.

In line with the social conservatism of George W. Bush Administration, early PEPFAR regulations stipulated that one-third of all PEPFAR money spent on HIV prevention efforts must go to teaching abstinence, and forced recipient organizations to sign an anti-prostitution pledge.

“You were telling people how they had to behave if they wanted to live,” Mr. Kivumbi says.

But over time, activists in both the US and Africa pushed back against the stipulations, with the restrictions eventually ending. “We fought a long fight to contest those kinds of exclusions,” he says, adding that the program is better for it. (Recent research has shown that the \$1.4 billion spent by PEPFAR on abstinence education, for instance, almost universally failed to reduce HIV prevalence. PEPFAR’s most recent description of its work, meanwhile, claims “we will work to leave no population at greatest risk behind.”)

In recent years PEPFAR has largely pivoted toward bulking up local health systems in AIDS-affected countries and training local personnel.

Sisonke Msimang, a South African writer and activist who previously ran the HIV and AIDS program at the Open Society Foundation for Southern Africa, says the Trump Administration’s views on PEPFAR “aren’t entirely wrong ... the development paradigm is broken,” and needs rethinking, in part because of the imbalance in power relationships that aid may foster.

African governments must ask themselves difficult questions, she says, about how they can grow more self-sufficient in funding and developing HIV treatments and prevention strategies. That’s a process that will require both “better and bolder activism from above – from African and US governments – and from below, from African people,” she says. (Christian Science Monitor 23-01-2017)

## **MOZAMBICAN COMPANY PREPARES TO EXPORT LEMONS TO DUBAI**

Mozambican company Jacarandá Agricultura Norte, Lda. will start planting lemon trees with a view to exporting lemons to Dubai, the United Arab Emirates, said the company’s manager, Abílio João Chipupure.

The company will initially prepare 10 hectares of land it has in Erati, Nampula province, to plant lemon trees, an area which may be expanded if the lemon export business proves to be profitable.

Chipupure said that the contract to be signed with the importer from Dubai is almost complete, with only technical details yet to be established, such as arrangements for packaging and shipping the product.

Jacarandá Agrícola Norte, Lda. is a company established with capital from South America, since 2010, and is focused on banana production in the Eráti district, in an area of 50 hectares.

In 2016, the district government provided the company with an area of over 100 hectares to produce maize and soy for animal feed and livestock and where it plans, in time, to build a meat processing unit.

In 2010 the company started planting bananas in the district, which are exported to the Middle East, Europe and some African countries. (27-01-2017)

## **AFRICA’S PRIVATE SECTOR STANDS TO LOSE FROM BREXIT**



Working with the private sector was long thought the antithesis of development, but the global narrative is changing.

Small-scale wins of providing clean water or building schools in remote villages are being replaced by the wish to make deeper structural changes to African economies by funding business opportunities. And the main drivers of this approach are the UK and the European Union (EU). In 2014, the UK Department for International Development (DFID) overhauled its development policies to engage more with business and increasingly target private sector investment.

In June 2015, DFID invested an extra £735m in its development finance institution, the CDC Group, which specialises in private sector funding, marking Britain's first capital injection into the institution for two decades. Beyond this, the UK contributes approximately 10% of its total aid budget through the EU. The UK's commitment to spending 0.7% of gross national income target on aid makes it one of the few leading EU economies to meet this UN target. Post-[Brexit](#), the EU will lose not only this substantial contribution, perhaps forcing it to scale back on development funding, but also the UK's leadership role on development policy, and more specifically its current focus on private sector development.

The UK is also one of the leading shareholders in the European Investment Bank (EIB), the world's largest public lending institution. Two-thirds of the EIB's total lending in the African, Caribbean and Pacific (ACP) regions and the EU's Overseas Countries and Territories (OCTs) goes to the private sector.

This includes loans to the financial sector to enhance access to finance for small and medium-sized enterprises (SMEs), larger-scale operations with corporates, public-private partnerships and project finance initiatives. In 2015 the Bank invested almost €1.1bn (\$1.17bn) in over 35 projects in the ACP regions and the OCTs.

The real post-Brexit question is whether the UK will keep its stake in the EIB. Its loss would reduce the bank's base capital by 16%. Under the 11th European Development Fund (2014–20), the EU seeks to mobilise over €600m to improve the business environment and the development of regional value chains in the ACP countries.

The UK is currently committed to contributing just over 14% (€4.5bn) of the overall budget (which totals €30.5bn). The UK's overall contribution is therefore significantly greater than this single programme. This underscores the substantial contribution Britain makes to the EU's development funds, especially in the context of the allocation of resources directed towards private sector development.

### **Leveraging relationships**

The allocation of private sector resources will be an important aspect of the post-Brexit reality. The UK will have an opportunity to cut red tape and streamline funding processes.

However, the changing focus of UK development policy puts the private sector emphasis in doubt. The UK secretary of state for international development, Priti Patel, has said the UK will "leverage" aid commitments in order to [negotiate trade deals](#), essentially using aid to develop trade.

This flies in the face of the progressive approaches to private sector development advocated in recent times. The EU's private sector trajectory, on the other hand, seems as though it is here to stay. It is an integral part of the current EU–Africa legal framework, the Cotonou Agreement, and seems not to be shifting in the EU's plans for this agreement post-2020, when it expires. (African Business 27-01-2017)

## AMERICAN GROUP GENERAL ELECTRIC CONTINUES TO INVEST IN ANGOLA

US group General Electric will continue to invest in Angola, where it is involved in projects worth over US\$1 billion, said CEO Jeffrey R. Immelt, at the end of an audience granted by the Angolan President. Jeffrey Immelt said that the group is involved in projects in the energy production sector, public lighting, transport and solutions for healthcare. Power production, he said, would eventually have an installed capacity of 1.5 gigawatts.

He said that the meeting with the Angolan president served to update information about the projects that General Electric is developing in Angola, especially in the sectors of energy and transport.

This year a batch of locomotives of 100 ordered by Angola is due to be delivered, under a memorandum signed in February 2013 in Chicago, after the first 15 were delivered to the management companies of Luanda, Lobito and Moçâmedes railroads.

The locomotives for Angola are being built in General Electric Transportation facilities in Erie, Pennsylvania. (27-01-2017)

## SIGNS OF HOPE IN LAKE CHAD BASIN WHERE 11 MILLION NEED HUMANITARIAN AID



Families staying in the back of this church in Yola are from Michika, Madagali and Gwosa, some of the areas worst hit by Boko Haram attacks in Adamawa and Borno states.

More than 7 million people living in West Africa's Lake Chad basin are surviving on just one meal a day, a U.N. official warned.

With millions of Nigerians displaced from their homes, a regional crisis is brewing. U.N. Humanitarian Coordinator for the Sahel Toby Lanzer said that international help is crucial for people living in Cameroon, Chad, Niger and Nigeria, and to prevent a deadly hunger crisis.

"I wish I had good news, but I don't," Lanzer said at a news conference. "When it comes to the humanitarian situation we are faced with 11 million people in desperate need of humanitarian aid, 7.1 million of them are severely food insecure. What it really means is people are living on the edge."

It is not as dire than the November warning issued by U.N. humanitarian coordinator Peter Lundberg that up to 75,000 Nigerian children could die from malnutrition. That may be because the situation is slowly improving in Nigeria, the main cause of the regional crisis. Adrian Ouvry, Mercy Corps' regional humanitarian program adviser, recently visited some of northeastern Nigeria's displacement camps. He returned feeling cautiously optimistic.

"Crisis levels of malnutrition are being overcome," he told Humanosphere. "These places are not out of the woods, but they getting better."

More food is being distributed in the region. The number of people receiving food aid grew by 350 percent in the past five months, according to the U.N. Yet, the 2.25 million people who got food aid in December represent less than half of the total need in the country. The Humanitarian Response Plan for 2016 received only 44 percent of the needed funding.

Ouvry credited the International Committee of the Red Cross and Doctors Without Borders for accessing some of the hardest-to-reach communities. It is crucial because the situation is not uniform across the region. It is suspected that there may be famine in the town of Bama, an area cut off from humanitarian assistance.

“We still don’t really know what is going on there, but when we finally get access we will probably see there have been pockets of famine,” said Ouvry.

The Islamist terror group Boko Haram is the main source for the region’s insecurity. Bama is situated on the front lines of the fight between Boko Haram and the Nigerian military. The successful effort to push back the group stagnated in recent months.

Those gains allowed humanitarian assistance to reach more people in recent months, Lanzer said. It also helped groups get a better sense of the needs on the ground. More than 1.6 million people from Adamawa, Borno and Yobe states are displaced from their homes. Another 2.5 million people are living as refugees in neighboring countries.

Ouvry visited displacement camps in Dikwa and Ngala, home to nearly 150,000 people. People there told him that they do not feel safe enough to leave the town to collect firewood. The camps are not always safe, either. The Nigerian air force [accidentally](#) struck a camp in Rann last week killing at least 236 people.

“The fact that the Nigerian army were very quick to apologize and admit it was a mistake is a silver lining in the terrible incident,” said Ouvry.

Amid the challenges are opportunities. Improved security and access mean programs can start helping to rebuild communities and ensure people get back to their normal lives. Mercy Corps is looking to programs that would support job creation through reconstruction and provide seed support for farmers. The camps provide the opportunity to reach a lot of people in a small area, but the ultimate goal is to get people home.

“We’d rather have the challenge to reach people over a wider area who can get back on their feet and facilitate themselves, rather than have them sitting in the camp,” said Ouvry.

He, like Lanzer, said that the international community needs to do more to support the humanitarian needs in the region. And also pointed to the lack of funds as detrimental to the effort. Opportunity is on the horizon with the announcement of a donor conference for the region slated to take place on Feb. 24 in Oslo, Norway.

“We hope that with the leadership of Norway, Germany, Nigeria and the support of the UN, we can convince many member states to go to Oslo and make statements of political support and also, we hope, material support, that will allow the agencies to do their work to save lives, as well as give people a hand up,” he said. (Humanosphere 26-01-2017)

## CHINA-PORTUGUESE SPEAKING COUNTRIES COOPERATION FUND WILL BE BASED IN MACAU IN 2017



The installation of the headquarters of the Fund for Development Cooperation between China and the Portuguese-speaking Countries in Macau “is imminent,” said on Wednesday in Macau the executive member of the Macau Trade and Investment Promotion Institute (IPIM), Glória Batalha Ung.

Ung said that the process of transfer of the office of the Fund is subject to “administrative procedures and licenses” but stressed that it should be completed in 2017.

The official also said that the transfer of the headquarters of the Fund’s headquarters from Beijing to Macau will make it easier for local companies to obtain information on the Fund, the demand for funding for their projects and the development of the markets of Portuguese-speaking countries in cooperation

with companies from China, while providing support to businesses in the Portuguese-speaking countries to participate in the “One Belt, One Road” initiative.

Ung, who was speaking to an audience of over 250 representatives of trade associations and local companies, said that all these factors will help to enhance the role of Macau as a financial services platform for economic and trade cooperation between China and Portuguese-speaking countries.

He said that even before the official installation of the headquarters of the Fund in Macau, IPIM already offered services to forward applications from local businesses, help in receiving documents and providing clarification as needed.

The Fund for Development Cooperation between China and the Portuguese-speaking Countries, announced in November 2010 by the then Prime Minister Wen Jiabao at the 3rd Ministerial Conference of Forum Macau, has an initial budget of US\$1 billion. (26-01-2017)

## AFRICAN STATES TO DISCUSS MASS WITHDRAWAL FROM INTERNATIONAL CRIMINAL COURT



The International Criminal Court.

African countries are considering a co-ordinated withdrawal from the International Criminal Court if it is not reformed to address what they see as its bias against the continent, according to a document seen by Reuters.

Almost a third of the ICC's 124 members are African, and a withdrawal by a large number of them would cripple a court that has yet to fulfill hopes that it would ensure perpetrators of war crimes and genocide never go unpunished.

Three African countries last year signalled their intention to quit what is the world's first permanent global war crimes court, saying it unfairly singles out crimes in Africa for prosecution.

Fifteen years old this year, the ICC has only ever charged Africans, including the presidents of Kenya and Sudan, although it is at present investigating crimes in Eastern Europe, the Middle East and South America.

The document, circulated in draft form among senior African Union officials ahead of the organisation's summit next week, sets out a "withdrawal strategy" for member states to follow if reform demands are not met.

It calls for "fair and transparent" international justice that is free of "double standards", and advocates the "regionalisation" of international law, a reference to proposals for an African war crimes court.

States targeted by the ICC should have the right to request a prosecution be postponed, the document suggests. A senior official confirmed the draft was genuine. Most of the proposed reforms would need the backing of two-thirds of ICC members.

The court's failed prosecution of Kenyan President Uhuru Kenyatta two years ago sparked continent-wide protests that culminated in South Africa, Gambia and Burundi announcing last year that they would withdraw.

The ICC's chief prosecutor Fatou Bensouda on Thursday called on members to back the tribunal and held out the hope that Gambia, her home country, would rethink its decision to quit.

She told Reuters states contemplating withdrawal were trying to shield themselves from justice. The court's defenders have always said its focus on Africa reflects the continent's greater incidence of serious war crimes and the weakness of its judicial systems.

Despite strong backing from most Western countries, the ICC has been powerless to deal with some of the world's gravest conflicts, including the Syrian civil war, now in its sixth year. (Reuters 28-01-2017)

### ANGOLA'S NATIONAL WATER PLAN COSTS US\$110 BILLION

Angola expects to spend US\$110 billion on the implementation of the National Water Plan (PNA) a document approved on Wednesday by the Council of Ministers with an implementation deadline of 2040, the Secretary of State for Water said in Luanda.

Luís Filipe da Silva said that many of the actions foreseen in the PNA are already underway, including construction of the Lauca hydroelectric plant (Malanje) and expansion of the Cambambe dam (Kwanza Norte).

The Secretary of State, quoted by Angolan news agency Angop, said that the financial programming of this plan must undergo regular reviews every five years, for specific adjustments.

The PNA is a document that defines, among other things, the guidelines and strategies for the management of water resources, establishing planning scenarios and measures and actions in the short, medium and long term for the water sector in Angola.

The Council of Ministers also approved at the same meeting the Regulation on Transgressions of the National Statistical System that requires different institutions in the country and individuals to provide information to the National Statistics Institute (INE) and the delegates of the INE organs, under pain of fines ranging from 500,000 to 5 million kwanzas.

The director general of the INE, Camilo Ceita, stated that the regulation is intended to overcome the situation in which companies or individuals refuse to provide information to the INE, providing partial information or after the institute needs it. (26-01-2017)

### UK COURT BARS NIGERIA SHELL CLAIMS



Seeking justice: Nigerian tribal king Emere Godwin Bebe Okpabi, seen in this 2016 picture in London, says his community is disappointed at their case against Shell having been blocked by the High Court in London.

A British court has blocked pollution claims against Anglo-Dutch energy company Shell by more than 40,000 Niger Delta residents demanding action over decades of oil spills.

Members of the Ogale and Bille communities had applied for the case to be heard in Britain, arguing they could not get justice in Nigeria.

But on Thursday, the High Court in London said it did not have jurisdiction in the case.

"Our community is disappointed, but not discouraged by this judgment," King Emere Godwin Bebe Okpabi, ruler of the Ogale Community, said.

"This decision has to be appealed, not just for Ogale, but for many other people in the Niger Delta who will be shut out if this decision is allowed to stand. Shell is simply being asked to clean up its oil and to compensate the communities it has devastated," he said.

The firm's lawyer, Peter Goldsmith, told Judge Peter Fraser during a hearing in November that the cases concerned "fundamentally Nigerian issues", and should not be heard in London.

You can never ... defeat Shell in a Nigerian court. The truth is that the Nigerian legal system is corrupt. However, Daniel Leader from legal firm Leigh Day, representing the claimants, responded that the spills had "blighted the lives of ... thousands". He said they had "no choice" other than to seek legal redress in London.

Goldsmith also argued that the case involved Shell's Nigerian subsidiary SPDC, which runs a joint venture with the Nigerian government.

The lawyer claimed that the case was aimed at establishing the high court's jurisdiction over SPDC, opening the door for further claims.

Leigh Day had argued that Shell was "ultimately responsible for failing to ensure that its Nigerian subsidiary operates without causing environmental devastation".

"At the moment, these communities have no choice — they have to take them to court to get them to act," Leader said earlier.

Okpabi told AFP in an interview in November: "Shell is Nigeria and Nigeria is Shell."

"You can never, never defeat Shell in a Nigerian court. The truth is that the Nigerian legal system is corrupt," he claimed.

Holding up a plastic bottle containing contaminated water from his community in Nigeria, the tribal king said "my people are drinking this water".

"There are strange diseases in my community — skin diseases, people are dying sudden deaths, some people are impotent, low sperm count."

SPDC claims the main sources of pollution in Ogale and Bille are "crude oil theft, pipeline sabotage and illegal refining".

The first claim was brought on behalf of 2,335 individuals from the Bille kingdom, who are mostly fishermen who claim their environment has been blighted by oil spills. The second claim was brought on behalf of the 40,000 members of the Ogale community, who say they have suffered repeated oil spills since at least 1989. (AFP 27-01-2016)

## **CABO VERDE CREATES FUND FOR WATER SUPPLY AND SANITATION WORKS**

The government of Cabo Verde (Cape Verde) plans this year to create a fund to finance water supply and sanitation infrastructure, the Minister of Agriculture and Environment announced on Wednesday in Praia.

Gilberto Silva, who was speaking on the sidelines of a seminar between the Ministry responsible and a delegation of the United States Environmental Protection Agency (EPA), said that the fund, which should be set up within six months, already has 4.5 million euros granted by Luxembourg under the 4th Indicative Cooperation Programme (PIC) signed by the two countries in 2016.

"But of course we need more internal and external resources and therefore we are discussing with our partners their involvement in this option understanding the context we are now facing," said the minister, who projected that 70 billion escudos (US\$680 million) would be needed to finance projects over 20 years.

The delegation of the EPA is in Cabo Verde until Friday for meetings with local authorities connected to the water and sanitation sector and share knowledge related to the management of revolving state funds.

The minister, quoted by Portuguese news agency Lusa, said that Cabo Verde wants to have a revolving fund, based on the experience of implementation of the Water and Sanitation Fund (FASA), created three years ago to manage the resources made available to the archipelago by the United States under the second compact of the Millennium Challenge Account (MCA).

The Millennium Challenge Corporation (MCC), a US institution for official development assistance, has partnered with the EPA to provide technical assistance to national institutions in the establishment of a sector fund for water and sanitation. (26-01-2017)

## AU TO MULL MOROCCO'S BID TO REJOIN BLOC AND ANGER AT THE ICC



Marrakech, Morocco

The AU will mull a divisive bid by Morocco to rejoin the bloc at a summit next week at which stagnating South Sudan peace efforts will also top the agenda. The AU's 54 member states will gather in Addis Ababa on Monday for a packed two-day meeting in which they will also have to elect a new chairperson — after failing to do so at a summit six months ago.

Analysts say the election is likely to be complicated by fractures over key issues, such as membership of the International Criminal Court (ICC) and whether Morocco should be allowed back in, after quitting the bloc 33 years ago in protest at its decision to accept Western Sahara as a member. It announced its intention to rejoin last July. Morocco's King Mohammed VI has since been criss-crossing the continent lobbying for support.

"Morocco's economic expansion on the continent is important for it ... the AU has become more and more relevant so Morocco realises it cannot drive an agenda on the continent without being in the AU," said Liesl Louw-Vaudran, a consultant with the Institute for Security Studies (ISS) in Addis Ababa. The membership of affluent Morocco could also be a boon for the AU, which lost a key financier in late Libyan dictator Muammar Gaddafi and has long sought financial independence. Currently, foreign donors account for some 70% of its budget, according to the ISS. However, Louw-Vaudran highlights that "it is still not a done deal", with heavyweights, such as Algeria and SA lobbying hard against the move. Both have long supported the fight for self-determination by Western Sahara's Polisario independence movement. Morocco maintains that the former Spanish colony, which it annexed in 1975, is an integral part of the kingdom.

"The question now is whether Morocco's reintegration means Western Sahara will now be excluded. This is where there are very clear divisions in the AU," said Senegal-based political analyst Gilles Yabi. Another issue which has divided leaders on the continent is growing anger with the ICC. Burundi, SA and Gambia decided late last year to pull out of the court, claiming it unfairly targets African nations. Others, such as Kenya, have threatened to follow suit, while Botswana and Senegal have argued in favour of the court.

Fragmented regional interests are likely to make it harder for one of five candidates from Kenya, Senegal, Chad, Botswana and Equatorial Guinea to win a two-thirds majority and be elected chairperson of the AU commission. Half the bloc abstained from a vote in July last year with many claiming the candidates suffered from a "lack of stature".

Kenya's foreign minister Amina Mohamed, Chad's former prime minister Moussa Faki Mahamat and Senegal's veteran diplomat Abdoulaye Bathily are the newcomers and front-runners in the race. They are vying to replace SA's Nkosazana Dlamini-Zuma who is credited with advancing women's issues, but is seen to have dropped the ball on peace and security.

Rwanda's President Paul Kagame has been tasked with overhauling a lumbering bloc weighed down by bureaucracy, and is set to present his first report on suggested reforms during the summit. As usual

several crises on the continent will be on the agenda, such as turmoil in Libya, radical Islamism in Mali, Somalia and Nigeria, and ongoing political tensions in the Democratic Republic of Congo.

One of the most pressing is the conflict in South Sudan, where ethnic violence continues with no solution in sight. Tens of thousands have died since war broke out in 2013 and more than 3.1-million have been displaced. A 4,000-strong regional protection force mooted at the last AU summit has been mired in delays and disputes as South Sudan's government insists the force is no longer needed.

"There hasn't been a sense of urgency to save lives and get this force up and running. I think it is just South Sudan fatigue — they are out of any ideas of how to solve this," said Louw-Vaudran.

The summit comes after several shake-ups on the international stage: the election of US President Donald Trump and a new head of the UN, Antonio Guterres, who will be at the summit. Louw-Vaudran said even though it wasn't an official agenda item, the Trump presidency — whose vow to put America first has raised fears of how it will approach its relationship with Africa — will be a hot topic. The US is one of the main contributors to the fight against al-Shabaab in Somalia, and the AU mission in Somalia has already been hit by funding cuts from the EU. (AFP 27-01-2017)

### **ELECTRICITY PRODUCTION IN GUINEA-BISSAU WILL BE STUDIED**

The feasibility of hydroelectric power production in Guinea-Bissau, which is so far non-existent, will be evaluated in new studies, the Organization for Gambia River Enhancement (OMVG) said in a statement on Tuesday.

The organisation launched a tender for feasibility, environmental impact and engineering studies, among others, for the installation of a 20-megawatt hydroelectric power station in the Saltinho area, on the Corubal River in central Guinea-Bissau.

The work will support the final tenders for the work that part of the OMVG strategy, a network that includes the production of energy and interconnection in four countries: Gambia, Guinea-Bissau, Guinea and Senegal, according to a statement quoted by Portuguese news agency Lusa.

The studies for the Saltinho area have the technical and financial support of the African Development Bank (through the Sustainable Energy Fund), the United Nations Fund for Industrial Development, the Economic Community of West African States (ECOWAS) and the Austrian Development Bank.

The studies are expected to be awarded in April, also according to the statement from OMVG.

The Organization for Gambia River Enhancement was established on 30 June, 1978 in Kaolack (Senegal) by Senegal and Gambia in order to manage the river that covers an area of 289,000 square kilometres, and Guinea-Conakry and Guinea-Bissau joined in 1981 and 1983, respectively. (27-01-2017)

### **AFRICA STARTING TO RELY ON OWN FINANCING FOR INFRASTRUCTURE**



Self-reliant: A construction worker carries stones as he works at a landscaping section of the Mombasa-Nairobi standard-gauge railway near Emali in Kenya. African funds are increasingly funding infrastructure projects on the continent.

Africa, short of new roads, ports and power stations, is increasingly leaning on its own sovereign investment funds to help fix its infrastructure gap.

The funds, which have about \$150bn between them according to research firm Preqin, are offering co-investment opportunities and guarantees to attract foreign capital.

About 600-million Africans, or half the continent's population, still lack reliable power, according to a panel discussion at last week's World Economic Forum in Davos.

Consultancy McKinsey has estimated investment in African infrastructure is so poor it needs to double to \$150bn a year. But while investors are queuing up to finance overhauls of transport and energy infrastructure in the West, they have largely bypassed Africa, still considered the preserve of development agencies or specialist funds.

Africa is still viewed in some circles as a difficult investment, hampered by corruption, war and political risk.

Now home-grown sovereign wealth funds are seeking to change this perception and kick-start projects themselves.

Morocco's \$1.8bn Ithmar Capital state fund is seeking to raise \$1bn-\$2bn from infrastructure specialists and other sovereign funds for its Africa green infrastructure fund. It will focus on clean energy and water projects and is cosponsored by the World Bank.

"Energy is probably the biggest impediment to the development of the continent," said Tarik Senhaji, Ithmar's CE, said. "The energy cost is so high you can't develop anything else.

"A lot of the sovereign funds and pension funds we are speaking to are extremely interested in infrastructure — the question is how do you bring the risk perception of Africa down so they can co-invest with us?" Senhaji said. It is early days. In 2016, three Africa-focused infrastructure funds raised \$665m, according to Preqin — just 1% of the total \$61.2bn raised by 54 infrastructure funds globally. Yet, the 15%-20% returns that are on offer in Africa are higher than the 8%-12% offered in developed markets.

"If people haven't invested in the region before, they probably perceive more risk than there actually is," said Adrian Mucalov, a director in the energy business at Actis, an emerging markets investor that has invested over \$3.5bn in Africa.

### **Biggest challenge**

Fund managers say the biggest challenge may not in fact be raising capital, but finding investable projects. Public-private partnerships (PPPs) between government agencies and private companies are underused, accounting for only 4.5% of African infrastructure projects by value between 2000 and 2014, McKinsey estimates.

That compares with 8.6% for a group of emerging markets.

But there are examples of sovereign funds stepping in. Angola's sovereign fund, FSDEA, has just committed \$180m to a new deep-sea port project using a PPP structure.

"PPPs are very difficult to carry out because you're talking about two different parties with two different views," FSDEA chairman Jose Filomeno dos Santos said.

In early 2015, another sovereign fund, Senegal's Fonsis, partnered with Meridiam, an infrastructure fund manager, to develop a solar farm.

Meridiam, which raised €300m for its Infrastructure Africa Fund in 2015, targets greenfield investments in transport, power generation and public buildings such as hospitals and universities via PPPs.

Meridiam's West Africa director, Mathieu Peller, said governments needed to focus on a limited number of essential projects. "There is a huge pipeline of projects that are difficult for foreign investors to assess," he said.

Sovereign funds are also trying to tap local pension fund capital. The long-term nature of infrastructure investments tends to suit pension funds, which need a steady income to fund payments to retirees.

Canada's pension funds provide a guide, having invested in everything from the Port of Melbourne to British high-speed rail lines. And African pension pools are growing quickly — Nigeria's local pension market is expanding by \$5bn a year — but they can be prevented from investing in domestic infrastructure bonds because of the issuer's weak credit rating.

To tackle this, Nigeria's Sovereign Investment Authority, has announced a tie-up with local currency guarantee firm GuarantCo to enhance the credit quality of Nigerian infrastructure bonds. (Reuters 26-01-2017)

## ALPHA CONDE ELU PRESIDENT DE L'UA



Le président guinéen Alpha Condé a été élu ce lundi, président en exercice de l'Union africaine (UA) lors du 28 eme sommet de l'organisation continentale

Candidat de l'Afrique de l'ouest à ce poste, il remplace son homologue tchadien, Idriss Deby Itno. Investi président de la République de Guinée depuis le 21 décembre 2010, le nouveau président en exercice de l'UA 79 ans, est un universitaire émérite.

Il a dispensé des cours à la Faculté de droit et sciences économiques de Paris I Panthéon Sorbonne pendant plus de dix ans.

Sous le thème "Tirer pleinement profit du dividende démographique en investissant dans la jeunesse", le sommet de l'UA) se tient comme principal enjeu la réintégration du Royaume du Maroc, trente-trois ans après l'avoir quittée.

Membre fondateur de l'OUA, le Maroc entendait ainsi protester contre l'admission de la République arabe sahraouie démocratique (RASD) proclamée par le Front Polisario et soutenu par l'Algérie.

Les 54 chefs d'État membres de l'institution panafricaine se pencheront également sur la désignation du nouveau président de la Commission de l'UA pour succéder à la Sud-africaine, Nkosazana Dlamini-Zuma.

Cinq candidats sont en lice pour la succession de la présidente sortante de la Commission de l'UA (APA 30-01-2017)

## TANZANIA FACING CHALLENGE IN FINDING AN INVESTOR FOR MINERAL SMELTER PLANT



The government has said that the process of finding an investor to invest in a smelter processing plant in the country has proved to be challenging as the amount of ore produced in the country is small.

In view of this, the government is looking for potential African countries including DRC Congo who could also process their minerals in the country.

According to the Ministry of Energy and Minerals commissioner Mr. Ali Sameja, while speaking to journalists in Dar es Salaam, the government could benefit from tax if the ore exported to Germany and China between 50,000tons to 60,000tons is processed in the country.

“We have been encouraging investors to invest in this project, but the challenge is the amount of ore we produce annually is not viable and that’s why we are looking for business from other countries including DRC Congo, Ghana, Mozambique among others,” he said.

He said that currently Buzwagi and Bulyankhulu mines export their gold ore for processing to extract other minerals including copper, bronze, silver outside the country.

He noted that Geita and North Mara Mines do not face the same challenge because their rocks don’t have the same concentration unlike the two mines.

Explaining, he said that Buzwagi produces between 25,000 and 30,000 tons annually like Bulyankhulu which has been posing a challenge in finding an investor especially taking into consideration that the former is about to close its operation in 2020.

In view of this, he said that they are currently in talks with other African countries to process their minerals in Tanzania and encourage investors to invest in the smelter plant.

He noted that they expect the tons to increase to at least 150,000 tons annually when other African countries also process in the country making the business profitable.

He said that the processing plant is expected to not only increase government revenues through tax but also create employment for Tanzanians.  
(APA 30-01-2017)

## COMMUNICATIONS FROM THE INTERNATIONAL MONETARY FUND

Angola - <http://www.imf.org/en/News/Articles/2017/01/24/PR1721-Angola-IMF-Executive-Board-Concludes-2016-Article-IV-Consultation>

Benin, Côte d'Ivoire, Mali, Niger, Senegal, Togo - <http://www.imf.org/en/News/Articles/2017/01/24/PR1718-Niger-IMF-Executive-Board-Approves-US-134-04-Million-under-ECF-Arrangement>

Cameroon, Central African Republic, Chad, Gabon - <http://www.imf.org/en/News/Articles/2017/01/25/SP012517-Standing-with-Central-African-Republic>

Central African Republic - <http://www.imf.org/en/News/Articles/2017/01/25/PR1722-Central-African-Republic-Statement-by-IMF-Lagarde-at-the-Conclusion-of-a-Visit>

Egypt - <http://www.imf.org/external/mmedia/view.aspx?vid=5287405917001>

Egypt - <https://www.imf.org/en/Publications/CR/Issues/2017/01/18/Arab-Republic-of-Egypt-Request-for-Extended-Arrangement-Under-the-Extended-Fund-Facility-44534>

Ghana, Republic of Mozambique, Zimbabwe - <http://www.imf.org/en/News/Articles/2017/01/27/TR012617-Transcript-IMF-Press-Briefing>

Kenya, South Africa - <http://www.imf.org/en/News/Articles/2017/01/16/tr01162017-Press-Briefing-On-Update-Of-The-World-Economic-Outlook>

Morocco - <http://www.imf.org/en/News/Articles/2017/01/27/PR1725-Morocco-IMF-Executive-Board-Concludes-2016-Article-IV-Consultation>

Niger - <http://www.imf.org/en/News/Articles/2017/01/27/PR1726-Niger-IMF-Executive-Board-Concludes-2016-Article-IV-Consultation>

Sierra Leone - <http://www.imf.org/en/News/Articles/2017/01/24/PR1716-Sierra-Leone-Implements-the-IMF-s-Enhanced-General-Data-Dissemination-System>

Uganda - <http://www.imf.org/en/News/Articles/2017/01/28/PR1727-Uganda-Statement-by-IMF-Managing-Director-Christine-Lagarde-at-the-Conclusion-of-her-Visit>

Uganda - <http://www.imf.org/en/News/Articles/2017/01/27/sp01272016-Becoming-the-Champion-Ugandas-Development-Challenge>

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

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



[www.acp.int](http://www.acp.int)



[www.aheadglobal.hu](http://www.aheadglobal.hu)



[www.bcafrica.co.uk](http://www.bcafrica.co.uk)



[www.camaratenerife.com](http://www.camaratenerife.com)



[www.ccafrica.ca](http://www.ccafrica.ca)



[www.corporatecouncilonafrika.com](http://www.corporatecouncilonafrika.com)



[www.elo-online.org](http://www.elo-online.org)



[www.helafrican-chamber.gr](http://www.helafrican-chamber.gr)



[www.htcc.org.hu](http://www.htcc.org.hu)



[www.norwegianafrican.no](http://www.norwegianafrican.no)



[www.nabc.nl](http://www.nabc.nl)



[www.swisscham-africa.ch](http://www.swisscham-africa.ch)

Fernando Matos Rosa

[fernando.matos.rosa@sapo.pt](mailto:fernando.matos.rosa@sapo.pt)  
[fernando.matos.rosa@skynet.be](mailto:fernando.matos.rosa@skynet.be)