

MEMORANDUM

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EU ANNOUNCES €77 MILLION IN HUMANITARIAN AID FOR THE HORN OF AFRICA FOR 2016

With the Horn of Africa continuing to face a multitude of crises from recurrent cycles of conflict to natural disasters, affecting millions of people, the EU has announced €77 million in humanitarian aid for the region in 2016.

The Horn of Africa region is hosting some 1.7 million refugees. More than half a million live in Kenya. EU Commissioner for Humanitarian Aid and Crisis Management, Christos **Stylianides**, made the announcement during his visit to Kenya today, where he visited the Dadaab refugee camp, the largest in the world, hosting over 350 000 people.

"Today I travelled to Dadaab, where the first Somali refugees found shelter from conflict and hunger 25 years ago. I witnessed the immense needs of families whose lives have been changed forever. These people rely on our humanitarian assistance. I was also touched by the hospitality shown by the Kenyan people. No country can cope alone with the provision of essential services to so many refugees. We need to strengthen the resilience of both forcibly displaced populations and host communities".

Out of the €77 million announced today, €17 million will go towards life-saving and emergency aid for the most vulnerable in Kenya. This will include food, health care, water, sanitation and hygiene, shelter, protection and education in emergencies.

Background

A significant number of people in the Horn of Africa are affected either by forced displacement, or by food insecurity and malnutrition – or in many cases, both. The region is also home to some 1.7 million refugees, mostly from South Sudan and Somalia.

The €77 million in EU humanitarian aid announced today for 2016 will help respond to the most pressing needs of the displaced populations, in the areas of nutrition, health, water and sanitation, shelter and protection. It will also help improve disaster preparedness and resilience.

With €29 million, Somalia will be the main aid recipient, followed by Ethiopia (€25 million) and Kenya (€17 million).

Country/Thematic	Total in EUR
Somalia	29 000 000
Ethiopia	25 000 000
Kenya	17 000 000
Uganda	5 000 000
Djibouti	500 000
Disaster Risk Reduction (regional)	500 000

Kenya is one of the main recipient countries for refugees in the region and in Africa. It hosts close to 600 000 refugees. 183 000 of these have sought refuge in Kakuma, located in the northwest of the country. The majority come from neighbouring South Sudan and Somalia. Refugees in Kenya predominantly depend on humanitarian assistance, as they are not allowed to work for a living.

In addition, over 1 million people, mostly in arid regions, are food insecure. The situation is expected to worsen following the extreme weather phenomenon 'El Niño' currently affecting the region.

Last month, the EU announced €79 million in assistance for the Greater Horn of Africa, including Kenya, to help deal specifically with the consequences caused by El Niño. (EC 21-01-2016)

EGYPT, CHINA SIGN 21 MOUS ON INFRASTRUCTURE, ENERGY

Egypt's President Abdel Fattah al-Sisi and China's Xi Jinping signed on Thursday a cooperation deal involving 21 Memorandum of Understanding (MoUs) at al-Qubba Presidential Palace.

The deals, announced by both presidents in a press conference, cover several fields, most notably Chinese financing and contribution to Egypt's planned New Administrative Capital, as well as energy.

Xi arrived in Egypt on Wednesday on the second leg of a Middle East tour that signals China's push for greater influence in a region that provides vital oil supplies.

The acting Chinese ambassador in Cairo announced on Tuesday that the two sides were expected to sign agreements on projects worth \$10 billion.

On Thursday, Sisi and Xi also unveiled a maquette of the second phase of a Chinese industrial zone in Suez.

The Central Bank of Egypt also signed on Thursday with China to receive a \$1 billion to shore up its foreign reserves.(APA 21-01-2016)

S/AFRICA: REGIONAL SECURITY TOPS SADC TROIKA TALKS

South African President Jacob Zuma will lead the country's official delegation to the extraordinary summit of the Southern African Development Community's Double Troika gathering in Gaborone, Botswana on Monday, diplomatic sources have said Saturday.

According to the Ministry of International Relations and Cooperation, the gathering will consider the political and security situation in the SADC [Southern African Development Community] region, paying particular attention to the situation in the Kingdom of Lesotho.

Deputy President Cyril Ramaphosa will take part in the summit in his capacity as the SADC-appointed facilitator working on the political and security situation in Lesotho, the ministry said.

The South African delegation will also include International relations and Cooperation Minister Maite Nkoana-Mashabane, Defence and Military Veterans Minister Nosiviwe Mapisa-Nqakula as well as State Security Minister David Mahlobo.

South Africa is participating in the meeting in its capacity as the outgoing chair of the SADC Organ on Politics, Defence and Security Cooperation.(APA 16-01-2016)

EU HUMANITARIAN AID TO THE HORN OF AFRICA

The Horn of Africa continues to face a multitude of crises – from natural disasters, including the El Niño phenomenon, to conflict – with consequences for millions of people.

The Horn of Africa continues to face a multitude of crises – from natural disasters, including the El Niño phenomenon, to conflict – with consequences for millions of people. Increasing food insecurity is causing forced internal displacement across the region. Millions need additional humanitarian assistance, especially in Somalia and Ethiopia.

Natural disasters and food insecurity

In Somalia, El Niño has triggered higher than usual rainfalls in the south with around 150 000 people facing floods at the end of 2015. At the same time, the weather phenomenon is linked to drought in the north, where over 340 000 people are in urgent need of assistance. In a fragile context, such as in Somalia, even small-scale natural hazards can have a devastating effect.

In Ethiopia, the number of food insecure people has increased from 2.9 million at the beginning of 2015 to over 10 million currently. Rates of acute undernutrition are well above emergency thresholds in many parts of the country. Meanwhile, the response to this situation is hindered by an important shortage of nutrition supplies. In the worst affected areas in the northern, central and eastern regions of the country, hundreds of thousands of livestock deaths have been reported.

Refugees

Some 1.7 million refugees live in the Horn of Africa, predominantly in Ethiopia and Kenya. A majority of the refugees are from Somalia and South Sudan. They are often women and children - including unaccompanied minors - who are particularly vulnerable. Most refugees are in need of immediate life-saving assistance and rely almost entirely on humanitarian aid. Around two million people have also been internally displaced in the region, with Somalia, Kenya and Ethiopia being the most affected.

The crisis in Yemen has also had an impact on the region. Over 30 000 people have entered Djibouti from Yemen, and nearly 30 000 more, a majority of whom are returning Somalis, who have left Yemen for Somalia. This is putting an additional strain on those countries, which have an extremely low capacity to absorb the large influx of refugees and/or returnees.

EU humanitarian aid to the region

The EU is one of the largest donors in the Horn of Africa, having provided over €1 billion in humanitarian aid since 2011.

For 2016, the EU will provide €77 million in humanitarian assistance in the region. The support will mostly cover the needs in the areas of food, nutrition, health, water, sanitation and hygiene, shelter, protection and education in emergencies.

This comes in addition to the [El Niño](#) related support of €79 million announced in December last year for the Greater Horn of Africa (Djibouti, Eritrea, Ethiopia, Kenya, Somalia, Sudan and Uganda). (EC 21-01-2016)

SADC RECOMMENDS SUSPENSION OF LESOTHO

The Extra Ordinary Southern African Development Community (SADC) Double Troika Summit which met in Gaborone on Monday has recommended the suspension of Lesotho from the regional block activities until it sort out its political mess, APA learnt here.

While SADC Executive Secretary, Dr. Stergomena Tax, says a full communiqué will be released at a later stage.

Source said that the decision was taken after Lesotho refused to accept a report of the Commission of Inquiry that investigated the death of former Lesotho army commander Maaparankoe Mahao.

SADC has decided to suspend all its activities in Lesotho until the bloc meets in August.

The meeting was attended by South African President Jacob Zuma and his deputy Cyril Ramaphosa, the facilitator on the Lesotho Crisis, Mozambique President Filipe Jacinto Nyusi, Swaziland Prime Minister Barnabas Sibusiso Dlamini and Zimbabwean Vice President Phelekezela Mphoko.

Leaders of the six SADC countries have been holding talks with Lesotho Prime Minister Pakalitha Mosisili. (APA 18-01-2016)

CHINA WANTS MACAU TO BE A FINANCIAL PLATFORM FOR PORTUGUESE-SPEAKING COUNTRIES

The central government of China will continue to support Macau so that the Special Administrative Region can become a clearing platform for the renminbi between China and the Portuguese-speaking countries, said Yao Jian, Deputy Director of Central Government Liaison Office in Macau.

Speaking at a seminar on the promotion of services in renminbi to the Portuguese-speaking markets, Yao Jian noted the role of cooperation between financial institutions in Macau and Portuguese-speaking

countries and said that the eight Portuguese-speaking countries could play an important role in President Xi Jinping's, "One Belt, One Road" initiative.

Yao said China wants Macau not only to be an economic and trade contacts platform with Portuguese-speaking countries and a world centre for tourism but also a financial platform for the promotion of services in the Chinese currency.

At the seminar, the Deputy Director of the Bank of China (BOC), Wang Jun said the BOC already has services in renminbi with 35 banks from six Portuguese-speaking countries representing 7.6 billion renminbi in 2015, an increase of 15 percent compared to 2014. (21-01-2016)

TANZANIA: TIGO PAYS USD 2.1 MILLION TO CUSTOMERS

Tigo Tanzania has announced another quarterly payment of USD \$ 2.1million (Tshs 4.4 billion) to its 4.6 million Tigo Pesa users, the seventh time in a row that the company is distributing profit to its mobile financial services users.

Speaking at a press conference in Dar es Salaam, Tigo Tanzania Head of Finance and Risk for Mobile Financial Services Obedi Laiser said cumulatively, the company has paid its mobile financial services users a total of US \$ 16. 5 million (Tshs 35.5 billion) quarterly payments since September 2014.

The payment is generated from profit accruing in the Tigo Pesa Trust accounts held with major commercial banks in Tanzania, Laiser said.

Tigo Tanzania became the first telecom company in the world in 2014 to share profit generated from its mobile money Trust Account in the form of a quarterly distribution to its customers.

The revenue share model is in line with the Tanzanian central bank (Bank of Tanzania-BOT) which allows the country's mobile operators to increase e-money deposits and mobile money transactions through new loyalty incentives.

"This profit share is payable to all Tigo Pesa users including individual customers, retail agents and our business partners each based on the e-value they have stored in their Tigo Pesa wallets," Laiser stated.

He added: "We are really excited to be announcing this profit share distribution for the seventh successive time. The payment underlines Tigo Tanzania's commitment to provide financial access to our customers and to promote financial inclusion in the country through our Tigo Pesa services."

According to the BOT, Tanzania has aims at attaining a 50% national financial inclusion of its population by 2016. The East African country has an estimated population of 45 million people.(IT News Africa 18-01-2016)

NIGERIA TO COMMERCIALISE 1,250 SCIENTIFIC PRODUCTS

Nigeria's Minister of Science and Technology Ogonnaya Onu has said that the Federal Government has concluded plans to commercialise its over 1, 250 scientific products produced from 30 of its incubation centres, including the Federal Institute of Industrial Research (FIRO) in Lagos.

Onu told members of the Nigerian Association of Small Scale Industrialists (NASSI) in his office in Abuja on Monday that the only way Nigeria could leapfrog its technology development was for Nigerians to also patronise made-in-Nigeria products.

Nigeria's This Day newspaper report quoted the minister as saying that "if it had not been NASSI, the level of unemployment in this country would have been more than what we presently have. So we want to thank you specifically for this again."

According to him, the country's currency is under serious pressure because virtually everything is imported into this country and that this propensity to consume must stop if Nigeria must move forward as a nation.

"We would not only adopt existing technologies, we would also develop new ones. We would leave commercialisation for NASSI and other private sector players, and only concern ourselves with reserve and development.

"Our 30 incubation centres across Nigeria have over 1, 000 products ready for commercialisation; FIIRO in Lagos has over 250 products ready for commercialisation. We want to build a strong, resilient economy where the naira would be at par with other strong currencies," he said.

In his remark, the leader of the group, Ezekiel Essien, urged the minister to graciously see to it that NASSI is represented in the membership of all the boards and parastatals of the ministry.

He appealed to government to intervene by compelling banks to grant soft loans to entrepreneurs at reasonable interest rate to industrialists, who have invested in plants and other forms machineries, adding that funding to expand is a big problem confronting the sector. (APA 12-01-2016)

PALACE OF JUSTICE IS "A GIFT" FROM CHINA TO GUINEA-BISSAU

The Palace of Justice of Guinea-Bissau, built and paid for by the Chinese government, is "a gift" to the people of Guinea and its government, the Chinese ambassador in the country said last weekend.

Ambassador Huang Hua, who made the statement during a visit to the new building with the Prime Minister of Guinea-Bissau, Carlos Correia, said the Palace of Justice would benefit the Guinean people and contribute to the strengthening the rule of law in both countries.

The construction of the Palace of Justice, with a floor area of 10,000 square metres, was funded by China and its construction contract awarded to the China Jiangsu Construction Corporation, Ltd, a large state-owned company specialised in construction and public works both in China and abroad.

Also as part of bilateral cooperation, Chinese engineers began preparing construction of more than 200 social houses and the installation of a 36-kilometre solar lighting network in Bissau. (19-01-2016)

FEMISE: "TWO DECADES AFTER BARCELONA, RETHINKING THE EU-MED PARTNERSHIP"

FEMISE (Forum euroméditerranéen des instituts de sciences économiques) has announced that its annual conference this year will take place in Athens, Greece, on 13-14 February, 2016. This year's theme will be: "Two decades after Barcelona, rethinking the EU-Med Partnership".

"This topic is particularly crucial as the EU-Med region celebrates 20 years since Barcelona while still facing many economic, social and political challenges", FEMISE said.

FEMISE adds: "Twenty years after the Barcelona Process, the EU-Med countries are still searching for ways to bring the two sides of the Mediterranean closer".(EC)

NIGERIA EYES ICT INVESTORS FROM CHINA, BELARUS

Nigeria's Minister of Communications Technology Adebayo Shittu has said his trip to China and the Republic of Belarus was to woo investors to the country's Information, Communication, Technology (ICT) sector.

A statement by the minister's Special Assistant on Media, Victor Oluwadamilare on Friday in Abuja, said that the trip would afford him the opportunity to attend an international conference on space technology in Belarus with a view to improving the nation's cyber space and the telecoms sector.

It added that the trip also coincided with the award of a Carrier Spectrum Management (CSM) contract to NigComSat by the Republic of Belarus.

The statement noted that aside from attending the conference, Shittu would also pay a working visit to the town of Fxichang, where he is expected to meet with leading telecommunications' players in China.

"The minister will also attend the launch of Belitersat1 satellite in the country, which would afford him the opportunity to sell Nigeria's vast potentials in the sector to investors all over the world," the statement added. (APA 15-01-2016)

GOVERNMENT ISSUES DEBT TO CAPITALISE BANCO DE DESENVOLVIMENTO DE ANGOLA

The government of Angola has approved a special issue of Treasury Bonds worth 27,4 billion kwanzas (US\$175.2 million dollars) in order to capitalise Angolan state development bank Banco de Desenvolvimento de Angola (BDA), according to a presidential order.

The special issue, in local currency, has an amortisation period of 24 years and pays an interest rate of 5 percent.

In 2013 the BDA was the seventh largest Angolan bank, among more than 20 operating in the country, but ended that year with equity below the required 10 percent (solvency ratio), forcing the Angolan State, the bank's sole shareholder, to increase capital from 4 billion kwanzas to 36.1 billion kwanzas.

The chairman of the BDA, Manuel Neto Costa, later said there had been another capital increase of the bank in July 2014, which allowed it to close that year's accounts with a solvency ratio (ratio of equity and liabilities) of 13.8 percent.

The BDA will now have capital of over 150 billion kwanzas (US\$959 million), as envisaged in the new organic statute which came into force in 2014 under the restructuring plan for the bank, which is responsible for over 6 percent of all loans in the country. (19-01-2016)

INTERVIEW WITH PATRICK GOMES, SECRETARY GENERAL ACP

The Cotonou Agreement is coming to an end in 2020 and the planning of what will be our relationship with the ACP countries has already started. The Africa Department is responsible within the EEAS for the political aspects of the relationship between EU and ACP and it has been very active, together with the colleagues from DG DEVCO and other services of the Commission, in preparing the public consultation now running.

We thought it would be interesting to know where the ACP stands regarding post-Cotonou and no better placed person than the recent chosen Secretary-General of the ACP Patrick Ignatius Gomes to elucidate us. PI Gomes – as he is known – kindly accepted to speak with us and talked at length about his reforming agenda for the group, the perspectives of the future, south-south and north-south cooperation

and what ACP expects from its European partners. Some of the messages were pretty explicit, other you could feel them between the lines. A worth reading.

Q – My first question would be about the ACP group. It is 40 years old, very visible in Brussels, undoubtedly, but according to many observers less so in other places like New York or Geneva. Why is that so, why does it not appear as a bloc outside Brussels, what are its strengths and its shortcomings?

PG – Indeed, the principal interlocutor with the ACP Group is the EU through the unique Agreement underpinning a comprehensive model of political, economic, social, cultural and trading relations between 79 developing and the 28 developed EU countries. So visibility in Brussels is obvious. Additionally, the ACP is very visible in Geneva as a central pillar of the G90, which comprises the ACP Group, the African Group and the LDC Group. The 2013 WTO Bali Ministerial Declaration on the Trade Facilitation Agreement benefitted from the influence and pivotal role of the ACP.

Visibility in Brussels comes from extensive engagements with European organisations; EEAS being the more recent. The rationale of our existence was the challenge of Lome's negotiations that brought us together, initially 46 countries, to increase our bargaining power. Major focus has been on many trade and development issues but a political discourse is on-going through the Joint ACP-EU Council of Ministers.

Our strength as ACP lies in a) our representational capacity and advocacy role for 79 developing countries; b) the convening authority, access and influence for consensus-building on policy and governance mechanisms to enable member states achieve their integration into the global economy; and c) information-sharing and exchange of good practices on development cooperation issues as well as capacity building for strong institutions.

Three shortcomings are the limited systematised knowledge on trade and development policies and lessons learnt on successes (like Mauritius being transformed from raw sugar exporter to now a services-centred middle income country) as well as failures. There is a significant amount of accumulated knowledge within the ACP Secretariat but it is not readily accessible – this must change. Secondly, dealing with too wide an agenda of complex issues and not consistently linking to political dialogue and thirdly, too much reliance on “aid” as if that is the primary factor for poverty eradication.

The shift now is to emphasise a role as a Knowledge Management hub with a catalytic role globally. We were in Addis Ababa at the Global Conference on Financing for Development (FfD). The ACP's position paper showed development finance to be multi-dimensional. While consolidating what we have already gained both in Brussels and Geneva in the WTO we are optimising multilateral engagements, mainly through south-south & triangular cooperation.

The strength of the ACP group was seen most recently at the COP21 meeting, where the 2015 Paris Climate Change Agreement was arrived at by combined efforts of the ACP and EC as catalysts of what became the “high ambition coalition”. It was sparked by the joint announcement by the EC and ACP, that: “EU and 79 African, Caribbean and Pacific countries join forces for ambitious global climate deal”. This was a game-changer. We had brought together Ministers of Papua New Guinea and the Republic of Gabon, among others for a joint press briefing with the ACP and EC. This is tangible and timely proof of how the 79 and 28 can be catalysts of global change.

The ACP with other development organisations could enhance the messages that we want to convey. What are those messages? First message is – development is more than aid. Secondly, the fight against poverty cannot be adequately addressed without structural transformation of our economies. Structural transformation entails ACP countries going beyond trade as mainly exports of primary commodities, although earnings from exports are critical. We're looking at enabling value-addition in the entire commodity production, marketing and consumption process. This requires capacity building and adequate governance mechanisms in policy formulation, implementation and evaluation. Here the EDF Intra-ACP strategy plays a key role.

So that's where you see a commodity moving across the value chain. Yes that is happening in the programmes of the CTA (Joint ACP-EU Centre for Technical Cooperation on Agriculture and Rural Development, Wageningen), which is an important joint institution that is managed with the EU. The work of the CTA needs to be accompanied by policy actions and investments that can structurally transform economies and enhance value with more earnings remaining within countries to promote

attractive jobs for young men and women. Small economies have to pursue economies of scale and export high quality niche products in clusters.

The Caribbean rum and spirits sector is a very successful example of Intra-ACP development cooperation between the public and private sector. Value addition also requires improvements in productivity and efficiency in governance structures and the means to encourage domestic resource-mobilisation. This point is emphasized in the Addis Ababa Action Agenda (AAAA). Now, domestic resource mobilisation sounds like you are imposing more taxes. That leads to asking why middle-income countries lack financial resources for development. The large quantity of illicit financial flows from developing countries helps to explain that deficiency.

This issue is among our strategic policy domains. We will identify mechanisms and promote institutions for improved public sector management and tax monitoring so that investment capital and domestic capital formation effectively serve development purposes. The Illicit Finances that are lost to the developing countries don't vanish in thin air but invariably end up in banks and other financial schemes in developed countries. There are in fact two sides to illicit financial flows: The means by which to prevent or reduce the losses and the mechanisms to recover assets. We can clearly address this in collaboration with Europe under our Cotonou Agreement in regard to good governance and corruption. This is on our agenda with like-minded groups such as Global Financial Integrity (GFI).

The Ambassadorial Working Group on Future Perspectives identified the rule of law and good governance as an important plank in our programmes. We have, therefore, to look at good governance as the basic foundation to reduce and remove corruption. That will also require, of course, addressing policies on investment that generate structural changes in ACP economies. An example is: Botswana and the diamond industry showing how a negotiated agreement ensures that a high degree of returns remains within the economy. This principle of beneficiation is to be emulated in dealing with access to the extractive sector of ACP economies. Success in this area will bring us close to the abolition of aid dependency – a goal to which the ACP is firmly committed.

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Q – If I may ask, what is the added value of the ACP because everything that you are telling me could have been done by the regional groupings (Africa, Caribbean and Pacific) separately?

PG – Rather than speculate, I prefer to deal with historical experiences as have been cited. By doing things separately and individually the countries minimise the benefits of common policies, good and proven practices for institutional change and development. But as a grouping they do, because they share information and capacity with each other. Such actions continuously strengthen the regional pillars of ACP where common interests are concerned.

The added value is that the ACP grouping provides a contractual framework to share knowledge from the different regions and record the best practices and the successes. The added value in ACP mining industries, for example, can be derived from an understanding of what Botswana has been able to do. Lessons are shared by crafting out of success stories what is useful for policy-making and with the capacity that you have to build in your country – institutional capacity and resources-related capacity. The strength lies in the fact that we can share experiences across the Member States; of course in collaboration with the regional organisations. An important initiative on our part is the Inter-regional Organisations Co-ordinating Committee, which is jointly chaired by the Secretary-General with one of the regional organisations. It hasn't functioned as well as we wanted it to, but we are working hard on this. It is being resuscitated with a wider scope than development finance. Regionalism has become terribly important and that's why our fortieth anniversary celebration was on the comparative assessment of regional integration processes.

Q – Let me shift slightly to the internal life of the ACP because you are now in your new role as Secretary-General of the ACP group but you were previously the Chair of the Ambassadorial

Committee on Future Perspectives. Speaking with some of the people that worked previously here it was not difficult to detect some simmering tension between the Secretariat and the Committee of Ambassadors, in the sense that the former's staff felt kind of being in a straightjacket with the Ambassadors pulling the strings. You've come from the fox hole to the henhouse, if I may say so [laughs], so does it make it an easier relationship?

PG – The term straightjacket seems exaggerated. The Committee of Ambassadors has authority to monitor the Council's decisions and make proposals for subsequent decisions. This has a useful sub-committee structure, chaired by Ambassadors. If the sub-committees do not function at the strategic policy-making level but get into the minutia of managing and administration, roles can be confused. The secretariat is to implement policy decisions and manage efficiently and effectively the human, financial, organisational and physical resources so as to achieve the goals and objectives of the organisation.

The internal life is an area receiving attention that can be best addressed later. Already, we are seeing more effective Ambassadorial presence and participation ensuring that policy and strategic issues are addressed. This is happening as in the case of formulating an Intra-ACP Strategy for the 11th EDF; for an Issues Paper on COP21 and Climate Change; or preparations for the WTO 10th Ministerial Council being held in Kenya from 15-18 December 2015.

Q – The subject of post-Cotonou in an interview with you would need to be raised. Both the Committee of Ambassadors and the Eminent Persons Group (EPG) are reflecting about the future. At what stage are you regarding this reflection? What is the ACP going to propose post-2020? Is there a willingness to keep an agreement like Cotonou as it is or do you prefer a new version pointing into different directions?

PG – At this stage, the ACP group has not formulated details of a definitive position for negotiating a successor Agreement. In principle we favour a legally binding compact with mutual responsibilities and obligations but clearly pointing in new directions of the global arena in which we intend to work! It should be an agreement with the entire group that unequivocally and consistently stated its intention to remain united as a group. We are interested in more than just a Declaration to work together with the EU and within the present framework we can profoundly review and overhaul provisions and take account of the SDGs. How much we change and recast will be based on negotiating memoranda by 2017/18.

We see the process first as highlighting the ACP situated in the context of the SDGs: 2020 and beyond. This is the new ACP, repositioned and reorganised internally with a Secretariat less dependent for core administrative costs on the EDF. To arrive at that will require various income streams. One of them would be an Endowment or Trust Fund. Also we plan to work more closely with the RECs to assist with project management services. Before formal engagement on the post-Cotonou negotiations, the Summit of Heads of State and Government in Papua New Guinea on 30 May to 1 June 2016 would have set out the parameters of our new direction and Action Plan. A phased implementation process will consolidate the "acquis" from Lomé to Cotonou.

This will be instructive as an example of a unique North-South relationship that contains a wealth of knowledge on trade negotiations and development cooperation. That partly explains the positive reception given to us in discussions with UN agencies, that are supportive of an ACP presence in the UN system as a hub for south-south and triangular co-operation among developing countries. So, going forward requires a critique of what's been there and is intrinsic, or did not function as we wanted it to and what needs to be changed. Effective collaboration has been achieved through the ACP-EU Joint Council, for instance, on major issues, such as the post-2015 Development Agenda that was agreed at the 39th Session of the ACP-EU Council on 19-20 June 2014 in Kenya.

Post Cotonou will allow us to identify issues and topics for joint positions or those on which we have different views and why. This is a mature partnership. We did not have a joint statement for the FfD Conference in Addis Ababa for instance, because at that time a common position on illicit financial flows and what agency globally should be competent on taxation matters was ambiguous. Now, the universality of the SDGs and Agenda 2030 will reinforce how ACP and the EU can join forces on sustainable development in the three pillars of economic, social and environmental needs. I would like us to see post-Cotonou as a coherent process, starting with informed and open reflections, refining, deepening the quality of the "acquis": the principle of joint management, the principle of developed and developing countries working together, policy coherence and principled positions on common values.

The ACP group is deeply concerned about justice and human rights. So is Europe but cultural diversity, historical conditions and principles in the United Nations Charter on Fundamental Freedoms also have to be borne in mind. We will bring to a post-Cotonou agreement, social, political and organisational capital to address global, continental and regional issues of the 21st century. The Eminent Persons Group (EPG) is playing a role here. Their report has benefited from consultations across the six regions and will give an external aspect to reflections that the Ambassadorial Working Group presented and was approved by the ACP Council.

Much emphasis is placed on how, and in what strategic policy domains, can we bring an added value of ACP countries working more closely in sharing their experiences with each other, optimising accumulated experience for transformation of economies, rich with natural resources that by and large have historically served the developed world at the expense of developing countries. That's the south-south dimension that is being pursued vigorously amongst our membership.

Q – You have very eloquently gone through the advantages for the ACP group to renew the Cotonou agreement but what do you think is the interest for the EU to have a new agreement? What can the ACP give to the EU because you have been speaking about south-south cooperation very enthusiastically but what about north-south co-operation?

PG – The ACP provides enormous access by the EU to a bloc of 79 developing countries! The ACP group is important to the EU as it builds its role as a global leader and a bridge-builder in an increasingly multipolar world. The historic COP21 Agreement in Paris is an excellent example, whereby the long-standing ACP-EU partnership went a long way to facilitate a joint position, which in turn sparked the necessary momentum which led to a global agreement on climate change. The potential is always there but we have to be more proactive in drawing down on it.

It seems to me, it is politically important from the EU side to have a structured relationship with a diversified group of 79 countries among which is the whole of sub-Saharan Africa. Europe also has economic and commercial interest to be cohesively organised and present in the South where competition from emerging economies has become stronger for access to raw materials, opportunities for investment and to supply expanding markets of ACP economies.

Political capital is often “drawn down”, for example, for candidacy in UN bodies such as the non-permanent membership in the Security Council and in UN specialised agencies. The access that Europe has to 79 countries is a great plus that Europe has benefitted from. When one speaks of economic and commercial benefits, the balance of trade with the ACP favours the EU in billions of Euros.

Q – But can't Europe have it directly without the ACP group?

PG – If you go individually, you will increase the risk of uncertainty of the overall number that supports a particular cause. Having individual country support carries less moral weight or reduces the impact of an exercise of “soft power” by which the EU can speak with a bloc of countries. It is not either-or but complementarity and proportionality.

Q – Europe complains that it has not received sufficient support from the ACP group when it needed in New York...

PG – Those complaints are of the past, I would hope. A position in favour of the EU was arrived at by dialogue and negotiation. In retrospect, that regrettable incident appeared without proper diplomatic preparation and came across as taking for granted our New York-based missions. At stake also was an issue of fundamental principle. Since the United Nations Charter speaks of the membership as countries, is Europe seeing itself as a country? Or is it a supranational entity? That was important to clarify and to know exactly what was being sought for the Union of 28 countries.

Q – The question here is not if Europe is interested in a relationship with ACP countries. The question is whether the best path to that relationship is through the ACP group or not. That is the question that Europe is debating at this stage...

PG – One ought to first ask what the relationship aims to achieve and then explore possible “paths”. One “path” has been dynamic and adaptable to changing conditions but has weaknesses to be addressed. It is what would be the comparative advantages of bilateral contacts instead of an Agreement with the ACP group of states, and vice versa. Up to now, a better alternative to the present framework has not been proposed or elaborated, as far as I know. However, what we would like to see in our political

dialogue is not an orchestrated discussion – but advocacy together on issues: on questions of migration, climate change or illicit finances, for example. There needs to be real commitment to the partnership from both sides – not just when it suits the interests of one party.

On trade relations, when we see the TTIP and EU's pronouncements that can be detrimental to our trade relations and the multilateral trading system, we have to question our principal interlocutor on the adherence to provisions for "prior consultation" in the Cotonou Agreement. Is it not contradictory to discard a treaty obligation for a development "round of trade negotiations" in favour of mega "pluri-lateral" agreements that amount to a new protectionism?

We are concerned about the political drift that Europe is taking as increasingly witnessed by an anti-immigrant atmosphere and xenophobic actions. There is much that is fragmenting Europe. We remain committed to Europe as a great project in economic and political integration with values of justice, unity in diversity and respect for human rights, to which the ACP subscribes. We have to fight poverty to achieve a "decent life for all" and for sustainable livelihoods for people in ACP countries. This is being done embedded in values that we consider important to Europe and that we share as common to all humanity. (Africa Yeeas 20-01-2016)

NAMIBIAN GOVT CLARIFIES MORATORIUM ON MARINE PHOSPHATE MINING

An 18-month moratorium on marine phosphate mining on Namibia's seabed that was issued by the Ministry of Fisheries and Marine Resources in September 2013 is still in force, because it was never lifted.

It was never lifted was all that the permanent secretary in the Fisheries ministry, Moses Maurihungirire, was prepared to say to the media on Monday when asked about the ongoing scuffle between the government and mining companies vying to exploit large quantities of marine phosphate deposits in the Atlantic Ocean.

This came after an announcement by Lev Leviev Namibia Phosphate that it will go ahead with plans to set up a plant at Lã¼deritz to test the feasibility of mining marine phosphate, at the southern harbour.

Lev Leviev Namibia Phosphate has signed a memorandum of understanding with Israel Chemicals, a Tel Aviv based multinational to set up a fertilizer manufacturing industry in Namibia.

The Ministry of Mines and Energy has listed more than 46 sites off the Namibian coast for exploration of industrial minerals from the seabed.

However Fisheries Minister, Bernard Esau has been resolute in his opposition to phosphate mining, having been quoted on numerous occasions arguing that the Namibian government will not rush in permitting mining activities before proper scientific studies are conducted.

The minister has argued that marine phosphate exploitation was never done anywhere in the world, and that there is little information available about its long-term effect on the marine environment.

Lev Leviev Namibia Phosphate and Namibian Marine Phosphate have been granted mining permits by the government to exploit marine phosphate in the Namibian waters at Lã¼deritz and Walvis Bay.

Others such as the New Zealand's Chatham Rock Phosphates and Gecko Phosphate (Pty) Ltd have been putting pressure on the government to lift a ban on phosphate mining on the country's seabed. (APA 18-01-2016)

CREDIT LINE FROM CHINA FOCUSES ON WATER AND ENERGY SECTORS IN ANGOLA

About half of China's Credit Line (CCL) granted to Angola will be used in 34 projects in the field of energy and water, particularly the rehabilitation and strengthening of the water supply system to Cabinda costing US\$209 million.

Of the US\$5.2 billion granted to Angola by China the energy and water sector will receive US\$2.1 billion for construction of 34 projects that will provide jobs to over 42,000 people.

The construction sector will feature 33 projects worth US\$1.6 billion and 55 education projects will receive US\$373 million.

The province of Luanda, with 18 projects will receive about one-fifth of the total investment (US\$1 billion), followed by Huambo province, with US\$776 million and 12 projects.

The information is included in the Angolan government document on the work to be undertaken by Chinese companies under the CCL, which estimates around 365,000 jobs will be created.

The document, to which Portuguese news agency Lusa had access, includes a list of 37 Chinese companies "recommended to the Angolan market." (22-01-2016)

KENYA AIRWAYS INKS DEAL TO SELL REDUNDANT AIRCRAFT TO U.S. AIRLINE

National carrier Kenya Airways announced on Wednesday that it has entered into a sale agreement with US based airline Omni Air International for two of its Boeing 777-200 ER aircraft.

The deal follows approval from its board, marking the start of the implementation of its redundant fleet disposal turnaround strategy.

Kenya Airways announced its intention to sell the B777-200 fleet in November 2014 as it sought to reorganise its fleet, as part of its turnaround strategy.

"I am pleased that we have reached this milestone. Although we announced our intention to rationalise our fleet in line with our current position more than a year ago, it has taken a while to find a good home for our B777-200.

"We are now satisfied with this sale and will make other important announcements on fleet rationalisation soon," said Kenya Airways Group Managing Director and CEO Mbuvi Ngunze on Wednesday.

Riding on Project Mawingu, an ambitious expansion plan headed by its former Chief Executive Titus Naikuni that included purchase of new aircraft to modernise its fleet, KQ has been pushed into losses in recent years with the airline's debt standing in excess of Sh130 billion at one point last year.

Late last year, the airline said sale of redundant aircraft had become part of its turnaround strategy, amid its hopes that the move would help it cut costs and improve its prospects.

Besides the fleet rationalisation plan, the airline's broader strategy involves cutting on operational costs, enhancing worker productivity, and improving its pricing to attract new customers in the face of stiff competition from peers.

RECOVERY SIGNS

The airline showed signs of recovery last year with a significant reduction in its operational losses despite recording a loss after tax of Sh11.9 billion for the six months ending September 2015, compared to a net loss of Sh10.5 billion in 2014.

KQ executives at the time said the airline had made significant savings through cost containment and rationalisation of its operations.

The two sold aircraft will leave for their new home in the next two months after Kenya Airways completes their exit preparation, the airline said in its statement.

The disposed aircraft are part of a fleet delivered new from Boeing to Kenya Airways between 2004 and 2007.

"The first one will be transferred by the end of January," the airline noted, adding that the two aircraft sold were operated on its long haul scheduled routes especially to Asia and Europe.

Omni Air International is a privately owned and managed United States air carrier which provides worldwide passenger charter operations.

It says in its website that as part of its lease programme it provides aircraft, "complete crew, maintenance and insurance to a diverse customer base including tour operators, scheduled and charter airlines, cruise lines, corporations (shuttles and incentive programs), sports teams, alumni groups, and global government agencies."

The two sold aircraft KQ said are currently configured with 28 business and 294 economy seats. (The Nation 13-01-2016)

NAMIBIA: UNSC POOR WITHOUT AFRICA

The President of Sierra Leone, Ernest Bai Koroma said Friday that the United Nations Security Council is poorly represented without what he called Africa's rightful place in the body. He was speaking at the opening of a one-day summit of the African Union Committee of Ten (C-10) Heads of State on the Reform of the United Nations in Windhoek, Namibia.

President Koroma claimed Africa must continue to relentlessly promote, advance and canvass for the Ezulwini Consensus and Sirte Declaration to ensure that the world body is truly equitably representative in the 21st century and beyond.

The Ezulwini Consensus is the African Union's position on international relations demanding a more representative and democratic UN Security Council, in which Africa, like all regions of the world is fully represented.

The Sirte Declaration is in principle an affirmation of the Ezulwini Consensus.

The Sierra Leonean leader argued that the reform of the world body, especially the UN Security Council (UNSC) will benefit the global community.

The Security Council is definitely poorer without Africa's representation in its permanent membership category and its associated rights.

We want to kick that poverty out of the Security Council by our presence, we want to introduce and consolidate greater democracy in the Security Council, and we want the council to become truly reflective of the aspirations of all the continents of the world" Koroma, who chairs the C-10 said.

He said Africa is demanding reform in the United Nations Security Council not only to redress the injustice of being the only continent without a permanent representation in that topmost global decision making body, but mainly because it shall be good for the world.

He described the Windhoek C-10 as another milestone in our resolve and commitment to relentlessly pursue the objectives of the Ezulwini Consensus and Sirte Declaration. (APA 15-01-2016)

NATIONAL BANK OF ANGOLA INCREASES SALES OF FOREIGN CURRENCY TO COMMERCIAL BANKS

Retail banks operating in Angola were able to buy foreign currency in the amount of US\$187 million from the National Bank of Angola throughout the week of 11-15 January, according to a statement issued by the Angolan central bank.

Sales of foreign currency, which appear in weekly reports on developments in money and foreign exchange markets, were only US\$7.5 million in the first week of 2016 and US\$135.1 million in the last week of 2015, the lowest figures in the last three months.

Sales in the second week of January were at an average exchange rate of 156.388 kwanzas per dollar, unchanged from the previous week.

The BNA reported that the sale of foreign currency in the last week “was essentially allocated to cover priority transactions,” namely US\$122.2 million dollars to cover general requirements of commercial banks.

There was also a record of US\$6.6 million in foreign exchange for travel operations and remittances abroad and US\$58.2 million for coverage of transactions worth less than US\$20,000. (19-01-2016)

Fernando Matos Rosa

The Memorandum is supported by the Chamber of Commerce Tenerife, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, NABA - Norwegian-African Business Association and other organisations.

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