

MEMORANDUM

N°162/2016 | 22/08/2016

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SENEGAL: JUNE EXPORTS TO WAEMU DECLINE TO NEARLY CFA5BN

Senegal's exports to countries of the West African Economic and Monetary Union (UEMOA) experienced a CFA4.8 billion decline (about \$8,160 million) in June 2016 compared to the previous month, the Directorate for Forecasting and Economic Studies (DPEE) disclosed Friday. DPEE estimates these exports at CFA34 billion against CFA38.8 billion in May 2016.

"They accounted for 28.6% of the total value of export of goods for June 2016, being the same level as the previous month", DPEE said.

The share of products exported to Mali, Senegal's main destination for exports in the UEMOA region, decreased from 50.6% to 42.3% over the period, suffering a loss of 8.3 percentage points.

Cement is the main product exported to Mali with a share estimated at 46.7% in June 2016 against 41.7% the previous month.(APA 19-08-2016)

NEW DFID HEAD DIVIDES UK AID COMMUNITY OVER TRADE FOCUS

Six weeks after the historic Brexit vote, the U.K. development community is still piecing together what aid will look like under Prime Minister Theresa May, who has promised a new, more trade-focused [Department for International Development](#).

Many breathed a sigh of relief last week when May publicly [confirmed](#) her government's commitment to spending 0.7 percent of gross national income on aid — [dispelling](#) rumors that the aid budget worth 11 billion pounds (\$14.6 billion) is on the chopping block. But anxieties rose again when the new head of DfID, Priti Patel, [reportedly](#) met with officials of the U.K.'s new Department for International Trade to discuss how aid commitments could be leveraged to negotiate trade deals with emerging countries.

A source close to Patel said the U.K.'s aid cooperation offers "excellent access to foreign leaders," which can be used to broker trade deals at a time when Britain's post-Brexit trade outlook is still uncertain.

Patel, a vocal proponent for leaving the European Union, emphasized in her first statements in the new role her intention to use aid to "tackle the great challenges of our time: poverty, disease and the causes of mass migration, while helping to create millions of jobs in countries across the developing world — our trading partners of the future."

What DfID appointment and new PM's voting record tell us about 'May-era aid'

The U.K.'s new prime minister has said little about how her new government will manage foreign aid. Devex delves back into May's voting record to look for clues.

Aid practitioners are divided over Patel's trade focus. Some think trade rhetoric could sway aid skeptics by offering post-Brexit damage control, while others ask whether bartering aid for trade is even legal. Still some [wonder](#) if a pivot toward trade is a positive early step toward the U.K.'s new [cross-government aid strategy](#), which aims to spend more aid through other departments such as the Ministry of Defence, the Department of Health and the Foreign & Commonwealth Office.

"We've seen the aid strategy push a lot of aid money to other departments, and we want to see a cross government approach to development that has tax, trade, migration policy working together," Charlie Matthews, head of policy at [ActionAid International](#) told Devex.

If she proves an unlikely advocate for DfID, Patel's pro-Brexit past could help cement support for aid. Matthews said she felt Patel's widely reported statements about "scrapping" DfID were "sensationalized," and pointed out that an emphasis on trade "can be a really good thing, it just depends on how it's done" and how Patel uses "her place at the cabinet table."

"This is a big opportunity for Patel in that sense."

Out of the frying pan, into the fire

Patel arrives at DfID only months after the launch of the new cross-government aid strategy, which has seen departments with little to no experience in development tasked with spending one of the most

scrutinized aid budgets in the world — unaccustomed to some of the international regulations and accountability standards that come with aid.

The as-yet unpublished briefs of DfID's [new ministerial team](#) will likely contain some clues about how the department will work with their trade-focused counterparts, for instance one minister could be given the role of trade liaison, Matthews pointed out, which would be a first for a DfID minister and likely signal a more meaningful shift.

In order for DfID to replicate its success in other parts of government, Aly-Khan Jamal, partner at [Dalberg Global Development Advisors](#), said Patel must address a fundamental difference in the way these departments will approach aid.

"DfID has a great legacy for being a very delivery-centric organization," he said. "Even though it doesn't do a lot of delivery itself, it has built an industry that does, [the Foreign and Commonwealth Office] on the other hand does much more on policy and government-to-government engagement, not so much on delivery of programs at all, it's just not their role," he said.

Jamal explained that in order to implement aid well, departments must "bring their strengths to the table," and in the case of those offices that are new to aid, government officials shouldn't expect departments to develop overnight "more delivery capabilities and ability to understand how to measure the impact of programs, because that may not necessarily be the best way."

"It's of prime importance that Priti Patel start to articulate how it's all going to hang together, rather than let it organically figure itself out," he said.

Lingering concerns

Some in the development community struggle to divorce Patel from her previous campaigns against aid, but hesitate to criticize the new chief in the runup to DfID's soon-to-be-released [aid reviews](#). The Civil Society Partnership Review, which sources in the aid community believe is due out any day now, will outline DfID's strategy for engaging civil society organizations, including the instruments by which it delivers aid through civil society.

One U.K.-based charity executive, speaking on the condition of anonymity to preserve working relationships with the U.K. government, told Devex, "Considering the sensitivity of the upcoming [Civil Society Partnership Review] no national or international NGO is going to be frank with you about the disappointment we all felt with naming Priti Patel secretary of state."

"It was a challenging appointment, is the word I would use," he said, pointing to her previous statements about aid, and in particular to Patel's role as a frequently cited government source during a [long-running media audit](#) of charity CEO salaries in 2012 and 2013. Patel helped compile figures and criticized executive salaries in excess of 100,000 pounds per year in the charity sector. She said the numbers should call "into question how charitable funds are spent."

Still the source believed the U.K.'s 0.7 commitment is safe under the current government — at least for the time being.

"I think we all assume the same thing, I don't think [May] is going to repeal 0.7 in the next couple of years, but this certainly opens the door for a new Conservative manifesto to reduce aid significantly over the next four-10 year period, I would be very surprised if that didn't happen," he said.

The DfID effect

Even those concerned about Patel's views acknowledge that DfID has a history of converting past, aid-wary government officials who have been put in charge of the department.

"Having been given a very substantive cabinet brief, Patel may actually start to feel more positively and realize, that as a politician it's not actually in her own interests to do down her own department and brief," the charity executive said.

"A number of secretaries have come in with a lot of skepticism about DfID programs and left their brief much more positive and I think we all hope that that happens with Priti Patel," he said.

In the early days of Justine Greening's tenure at DfID, for example, many expressed concern amid [reports](#) that the Conservative Member of Parliament didn't want the job.

But as years passed, Greening developed a reputation as a tenacious advocate for aid, particularly for its importance in advancing the roles of women and girls in the developing world.

"I don't think anyone would doubt today [Greening's] level of commitment to aid and her belief that aid works," Matthews said.

Likewise, when Conservative MP Andrew Mitchell took the helm at DfID, many in the aid community were surprised at the appointment, given Mitchell's lack of experience in the development field. Despite his background, Mitchell was instrumental in reaching the United Nation's 0.7 percent pledge for aid spending and remains a bipartisan advocate for aid.

Both the aid reviews, and details about the new development ministerial team roles — due anytime now — will shed some light on Patel's next steps and how DfID's trade cooperation will look in practice. (Devex 04-08-2016)

TANZANIA MULLS \$3.5BN OIL TRADE HUB

Tanzania's Minister for Industry, Trade and Investments, Charles Mwijage says his government is contemplating the constructing of a \$3.5 billion oil trading hub in the region of Tanga, north of the capital Dar-es Salaam with a view to supplying fuel to East and Central Africa.

The government says the idea comes following neighboring Uganda's proposed crude oil export pipeline this year.

The Tanga region has great potential to become a major oil trading hub in East Africa due to its strategic geographical position with a natural deep sea port, ample area for construction of big storage tanks and railway connection.

"We have big opportunity for oil trading and the most ideal place in the East African region is Tanga which should be an oil trading hub" Minister Mwijage reportedly said during the launch of the second furnace at the Tanga Cement Company at Pongwe on Friday.

The government official said the construction of the facility in Tanga would ease freight charges for oil transportation.

Mwijage said the proposed infrastructure would cut prices for oil products and hence attract market in the East and Central African region especially in DR Congo, Burundi and Rwanda as well as other neighboring countries.

The minister said an oil trading hub would enable the establishment in Tanzania of a government bonded stock or floating stocks as strategic reserves which may influence price movements in favour of the country.

The East African nation has a huge reserve of natural offshore gas.

Three oil firms operating in Uganda, London-listed Tullow Oil, France's Total and China's CNOOC have all agreed to participate in the construction of the pipeline, with building work scheduled to start in June next year. (APA 19-08-2016)

KENYA: CHINESE-BUILT HIGHWAY DELIGHTS KENYANS, STIMULATES BUSINESS



Before the Kenyan government mooted plans to expand Thika Road in 2009, commuters would waste hours on traffic gridlock.

Many commuters wished for the day the road would be traffic jam-free so that they would cut down on time and fuel.

Since completion of the 50km highway that links Nairobi and the satellite town of Thika, residents living along the road, which has since acquired the name of Thika Super Highway, have reported changed fortunes.

Dominic Ombura, a poultry farmer who left his native land in Kisii in western Kenya for greener pastures, said he has since dropped thoughts of abandoning his business because of the snarl-ups that were a common feature along the old road.

"The highway has been a blessing to me because I deal with perishable commodities like poultry meat that need to be delivered speedily lest they go bad," Ombura said.

Most of Ombura's clients are in Nairobi, and the hustle of going through traffic jam daily carrying meat and eggs is not difficult to imagine.

"There's this day that I'll never forget, there was an accident near Utalii College which paralysed activity on the road for 10 hours, we were trapped in the jam from 5 a.m. until late in the evening," he recalled.

"One of my major clients is a fast food joint in the Central Business District and that day I was delivering over 100 chicken to them. You can imagine the loss I incurred since they were forced to buy from someone else," he added.

Josephine Wambugu said the infamous traffic snarl-ups that existed before completion of the highway almost made her lose her job with a bank based in Nairobi.

"There were days I would report to work at 11 a.m. instead of the stipulated time of 8 a.m. even if I left my house at 4 a.m.," she said.

Wambugu was forced to relocate and rent a house near the city in order to keep her job, but upon completion of the highway, she moved back to Thika.

"Unlike before, I spend less than 20 minutes from my house to the office. The super highway is an idea that saved many people," she told Xinhua.

The involvement of the Chinese in mega infrastructure projects in Kenya has been on the increase. The Thika super highway was constructed by Chinese firms SinoHydro Corporation, China Wu Yi and Sinopec Shengli Oilfield.

Thika super-highway was one of the major projects that showcased the close China-Kenya relationship, which has continued to grow on the back of converging interests in infrastructure, innovation and natural resources.

Chinese companies are preferred by the Kenyan government because of their competitive pricing, workmanship and their ability to complete the projects according to schedule or even ahead of time.

Apartment buildings have also mushroomed along the highway as people take advantage of the changed circumstances.

Peter Kang'aru said if it were not for the super highway, his small piece of land in Roysambu would still be lying idle.

"After completion of the highway, I seized the golden opportunities that came with the road and constructed and put up two bedroom apartments from which I earn a cumulative amount of 1,000 U.S. dollars per month," he said.

Six years ago, the then two-lane traffic-clogged road was not ideal for investment.

Its upgrading changed the landscape of the area, eased access and spurred property development.

The highway has boosted business growth and helped expand the Kenyan economy. It has helped link Kenya to Ethiopia, a major regional economy with about 80 million people.

The Thika super highway currently serves as a main cargo route and an important metropolitan, regional and international transit link and is part of the classified international A2 trunk road, which originates in Nairobi City Center and extends to Moyale, Ethiopia.

The road also acts as a main artery for various satellite towns and economic hubs that lie along and near the corridor, including Ruaraka, Kasarani, Kiambu Town, Githurai, Ruiru, Juja and Thika. (Xinhua)

BOTSWANA ISSUES INT'L DROUGHT APPEAL THROUGH SADC



Botswana has submitted a request for \$83 million donor funding through the recently launched Southern African Development Community's Humanitarian Appeal for its relief program targeting people left worse off as a result of prolonged drought.

Mmegi newspaper reported on Friday that the appeal is made as officials acknowledged that the severity of the crisis left by El-Nino was more than the government can cope with.

According to the paper, Botswana and South Africa were absent from the list of ten countries which last month were in need of relief aid.

President Ian Khama – as South African Development Community (SADC) chair last month launched the \$2.4 billion appeal for international relief to countries in the region afflicted by drought.

According to the newspaper report officials were lamenting what they called the worst drought in the region in 35 years which had left a deep funding gap and forced the government to request inclusion in the SADC appeal.

It is estimated that at least 57,000 people are in need of relief aid stemming from the drought in Botswana, especially in rural areas.

The paper quoted Economic and Financial Policy Secretary in the Finance Ministry, Taufila Nyamadzabo as saying that the government's drought relief program would be inadequate and needed to be strengthened by outside assistance.

"The government is struggling with the financial constraints we are facing and thus would not cover all that is required to deal with the situation" Nyamadzabo said.

“This has meant prioritization. If donors can help, we can cover needs that are not under the budget currently,” Nyamadzabo added. (APA 19-08-2016)

ECONOMIST FORECASTS ANGOLAN ECONOMY WILL GROW 1.3 PCT IN 2016



The growth forecast for Angola’s economy in 2016 by the Economist Intelligent Unit (EIU) is more generous than the figure included in the proposed revision of the State Budget Law for 2016, according to a report released last Saturday.

While the Angolan government has lowered its forecast from 3.3% to 1.1% of gross domestic product (GDP), the EIU says growth should be 1.3%, the same rate officially announced in mid-July for the current year.

In its latest report on Angola the EIU estimates the country’s economy will grow at an average rate of 2.7% in the period between 2016 and 2020, with a maximum of 3.5% in 2018 and a minimum of 1.3% this year.

The expansion of the Angolan economy should occur, according to the government, through an increase in agricultural production, but the EIU believes that this view is too optimistic considering poor infrastructure and the limited capacity of the distribution chain.

The remaining non-oil sectors should continue to have a poor performance, so almost everything is focused on the oil sector, the main source of foreign currency and tax revenues, in addition to diamonds.

The publication, noted that the proposed budget review for 2016 is based on an oil price of US\$41 per barrel, compared to US\$45 in the original version, and therefore per capita GDP should fall for the third consecutive year.

In 2016-2020, some sectors such as transport, industry, trade and services, will expand relatively quickly but the EIU says investments outside the oil sector are expected to remain low due to a lack of reforms, despite the adoption of a new investment law.

The EIU highlights that local authorities claim the law reduces paperwork but adds that other contextual costs remain in place as well as the concerns of businesses with regard to late payments, in particular in the execution of public works. (22-08-2016)

BOTSWANA MOBILISES NATION AS ELECTRONIC VOTING BECKONS

Botswana Agriculture Minister Patrick Ralotsia, who is also Member of Parliament for Kanye village in the south of the country, has urged people in his area to be ready for the electronic voting system that is set to be used in general elections slated for 2019, state-run Daily News reported Friday.

Parliament has since endorsed the Electoral Amendment Bill which seeks to improve efficiency of the electoral process through the use of electronic voting machine.

Ralotsia is quoted as saying that the use of such a device comes up with some benefits such as enhancing the efficacy and management of the electoral process as well as speeding up the voting process that would spare constituents time for opportunity costs.

He reportedly said the use of electronic voting holds the possibility of increasing the ease of voting for citizens who would be susceptible to harsh or unfavourable weather conditions when using the manual system of voting that attract long queues.

Ralotsia is further quoted as saying that ideally, voters gain a better voting experience at the polls, are more confident that their vote will be correctly counted, and are able to vote more easily and efficiently.

He said the electronic voting system is potentially able to increase voter turnout, reduce costs, increase voter confidence, renew interest in the political system and voting, and ensure the most democratic process possible. (APA 19-08-2016)

TANZANIA: TITLE DEEDS TO BE ISSUED ELECTRONICALLY



The Minister for Land, Housing and Human Settlement development, Mr. William Lukuvi has said the ministry is set to electronically issue title deeds.

He said the ministry was also updating its systems so as to enable title deeds and other documents on land be prepared and issued within short time.

He said once effected, the system would make it easy for land owners to apply for and get title deeds and other document from where they live without the need to travel to the ministry headquarters.

Speaking to a group of Bukoba municipality residents who are facing some sort of land conflicts, Mr Lukuvi said the electronic system will be launched next Friday.

He said the new system will be temper free and curtail land officers who were preying on unsuspecting title deed seekers.

“Under this new system land officers will have no access to particulars contained in the title deed if they don’t have password to enter into the system,” he said.

Meanwhile, Mr. Lukuvi has cancelled a title deed to land given to a UK investor, George Rogers, at Nyanga ward within Bukoba Municipality.

He also directed the Immigration Department to investigate if the Briton was in the country legally.

He said the title deed has been withdrawn because it was obtained without following the lied down procedures. (The Citizen 18-06-2016)

BOTSWANA SHOOTS STRAYING ZIMBABWE CATTLE TO CONTROL FMD

Botswana’s Minister of Defence, Justice and Security Shaw Kgathi on Friday said that his country has started to implement ‘shoot to kill policy’ on cattle from neighbouring Zimbabwe that stray across the border as part of an effort to curb the outbreak of Foot and Mouth Disease (FMD).

Speaking on the state run television BTV Kgathi said he and his Zimbabwean counterpart recently held a meeting in which an agreement was reached that straying cattle from Zimbabwe be shot.

Kgathi told Bobirwa village residents near the eastern borders between the countries that they should inform their relatives in Zimbabwe about the latest development.

“Tell your relatives in Zimbabwe that should their cattle cross into Botswana they would be shot on the

spot. As we speak, we have some cattle that strayed into Botswana recently and I have ordered that they be shot and their carcass be burnt immediately,” said Kgathi.

He added that the latest move is aimed at ensuring that farmers from the two countries will take care of their cattle and ensure that they do not cross the border. (APA 19-08-2016)

HUAWEI TRAINING CENTRE CREATES OPPORTUNITIES FOR ANGOLA IN INFORMATION TECHNOLOGY



Angola is one of only seven African countries where Chinese group Huawei has created training centres, which, according to researcher Benjamin Tsui are an opportunity for these countries to acquire knowledge in information technology.

Tsui, in a study for the China-Africa Research Initiative, at US Johns Hopkins University, argues that the involvement of telecommunications groups such as Huawei “can help improve infrastructure and cultivate local staff through transfer of knowledge and technology.”

The researcher makes a number of recommendations to the governments of countries where the Chinese group is present, including the establishment of partnerships with schools and universities, providing training programmes and internships and also with local telecommunications companies. Creating incentives for foreign companies to set up training centres and more flexible labour legislation are other recommendations made by US researchers.

The Director of Huawei in Angola, James Yang said in 2015 the subsidiary of the Chinese group had already given telecommunications training to over 800 Angolan technicians, having created more than 500 jobs since it entered the Angolan market in 2006.

Huawei is considered a market leader in Angola, where its results increased between 15% and 20% in 2015, according to the director of the subsidiary, which has an exclusive contract with the country’s largest telecom operator, Unitel.

In Mozambique, the Huawei group is also preparing training in information and communication technologies as part of a project called “Mozambican Seeds for the Future” in collaboration with the Ministry of Labour, Employment and Social Security, the vice president of the group, Guo Tian Min, said recently in Maputo.

In all the African countries, Huawei provides training to about 12,000 students per year, establishing the aims, within the framework of social responsibility, of knowledge transfer and hiring of skilled local labour.

Benjamin Tsui said the focus on African workers, who make up about 60% of the Huawei’s workforce in Africa, was also justified by the rapid expansion of the information technology industry in these countries, the knowledge of local realities, lower costs than bringing Chinese workers and also by legal incentives for local hiring.

Angola, one of the telecommunications markets with greatest growth in recent years in Africa, also attracted another Chinese group from the sector, ZTE, which launched with Movitel, another Angolan operator in the country, the fourth-generation network (4G). (22-08-2016)

TANZANIAN AIRLINE URGES TAX WAIVER ON NEW ROUTES

Tanzania's Precision Air director of ground handling, Christine Cyprian has called on the government to exempt airlines from paying landing charges on new routes in order to encourage airlines to fly to the country.

Cyprian made the suggestion when launching their first flight to Mozambique's northern city of Pemba on Friday, saying landing charges were high especially on routes that had few travelers.

She asked the government to either reduce or remove the taxes until the routes can attract many travelers.

"For this flight, ATR72-500, we are normally charged more than \$920 a flight every time we land. The amount is high taking into consideration the fact that the route has few customers" she said.

She also advised the government to improve aviation infrastructure and increase competition in ground handling services.

"We need to have more than one ground handling company to improve efficiency" she said adding that Precision Air will be providing three flights a week from Dar es Salaam to Pemba via Unguja. (APA 19-08-2016)

ZIMBABWE 'RIPE FOR A POWER GRAB' AS PROTESTS SPREAD



Zimbabwe's economy is running out of cash. Its worst drought in decades is aggravating financial collapse. The ruling party is riven by infighting. And a marriage counselor turned social-media hero is mobilising thousands of workers to paralyse the country.

These are just some of the challenges encircling President Robert Mugabe, at 92-years-old the world's oldest head of state. He has cracked down on opponents, dialed up anti-Western rhetoric and threatened anyone who steps out of line.

This month, the government moved to increase surveillance of social media and cellphone operators and raised prices for mobile data following orders from the regulator. The army said it is on high alert for cyberterrorism, which it says aims to destabilise the government.

But with protests now spreading to some of Zimbabwe's rural areas that have traditionally been Mugabe strongholds, the growing scale of the challenges has prompted former party officials, Western diplomats and political opponents to question how much longer the man who led Zimbabwe's independence war — and ruled this southern African nation for 36 years — can stay in power.

"What you have is highly incendiary conditions in Zimbabwe.... [It's] ripe for a power grab," said Charles Laurie, head of Africa at political-risk firm Verisk Maplecroft.

On Monday, the leaders of 18 opposition parties — among them a former prime minister, vice president and finance minister — will meet in Harare with the aim of forming a coalition to challenge Mugabe in the 2018 elections. But without a clear constitutional path for replacing the president before then, it is unclear what will happen should he die or be forced to step aside.

Although not formally on the agenda, the recent upheaval — and uncertainty over a potential successor to Mugabe — are likely to come up at a summit of southern African leaders in Swaziland that starts next week.

Political chaos in Zimbabwe would risk unsettling a region struggling with the downturn in commodity prices and China's economic slowdown. SA, which hosts more than a million Zimbabwean immigrants, is

bowing under near-record unemployment and a further influx of cheap labour could reignite antifoigner tensions just as the opposition is rising to the ruling ANC.

Mugabe has survived crises by cutting unexpected deals with rivals and ruthlessly quelling dissent. "It's always easy to call the end of Mugabe too early," Laurie said.

But now the president faces a growing public challenge from a protest movement personified by Evan Mawarire, a Pentecostal pastor who until this year was doling out relationship advice to a congregation of 60 people in the capital, Harare.

In April, Mawarire posted a video on Facebook in which he recorded himself lamenting the downfall of his country while dissecting the colours of a Zimbabwean flag. The video sparked a social-media movement under #ThisFlag and on July 6, a "stay away" called by Mawarire shut much of the capital as workers stayed home and schools closed for the day. A week later, the pastor's call for a nationwide strike led to his arrest. He was released after thousands of supporters held a vigil outside the courthouse and has since left for the US, where he says he is meeting exiled Zimbabweans and planning his next move.

A few days later, a group of influential veterans of Zimbabwe's national liberation war denounced the president's "dictatorial tendencies." They vowed to no longer support Mugabe in future elections and instead threw their weight behind Vice President Emmerson Mnangagwa, a liberation-war hero and longtime party leader.

The political backlash comes as Zimbabwe's economy is sliding toward its biggest crisis since 2009, when hyperinflation forced it to effectively adopt the US dollar as its national currency.

For the past two months, the government has been late in paying its military, police and other public employees, whose wages consume more than 80% of official spending. On payday, long lines form at Zimbabwean banks, which have restricted the amount of cash that can be withdrawn. The central bank said lenders at the end of May had enough dollars to cover just 4% of deposits. On July 26, daily volume at the Zimbabwe stock exchange dropped to \$105, down from about \$1m at its peak.

Meanwhile, an El Niño-induced drought has left some 4-million Zimbabweans, among them 40% of the rural population, with insufficient food, the US Agency for International Development said.

The economic challenges are exacerbating a power struggle within the ZANU-PF party. It pits Mugabe's 51-year-old wife Grace and her supporters against Mnangagwa and his backers. The divisions spilled into the open at the ZANU-PF headquarters on July 27, when Mugabe met with war veterans who had expressed their loyalty to the president. Addressing the gathering, Provincial Affairs Minister Mandi Chimene called for Mnangagwa's ouster.

In a sometimes-erratic speech, Mugabe skipped over the attack on his vice president. Instead, he spelled out his response to dissenters: "If you interfere with our politics you are courting trouble."

That night, police arrested two senior members of the veterans group that issued the critical statement. Mawarire, the pastor, said his movement is not backing a candidate to succeed Mugabe and he has no plans to seek political office. "We know exactly what we don't want," he said. He said there is a risk that the country's security services will step into the void. "There is that worry that we could end up with something that is worse or the same."

Others, meanwhile, warn that it is too early to call Mugabe's demise. "He's been in power for 36 years," said Temba Mliswa, a former ZANU-PF provincial chairman. "He's learned the art of managing people." (WSJ 22-08-2016)

SONANGOL SUSPENDS WORKS AT THE LOBITO REFINERY IN ANGOLA

Angolan national oil company, Sonangol, has suspended building work at the Lobito Refinery and the Ocean Terminal of Barra do Dande to reassess the project, the state company said in a statement issued Friday in Luanda.

The document adds that these projects are of paramount importance for the country, but Sonangol considers the measure a necessity due to the new reality facing Angola, particularly in the oil sector, which requires a thorough review of its development, phasing and financing.

The public company pledged to continue to meet its contractual obligations to date and reiterated its commitment to a sustainable fuel supply to the Angolan market, taking into account improved efficiency and the company's cost structure.

The Lobito Refinery, which was due to occupy an area of 3,805 hectares, was expected to be completed in 2018, after the first stone was laid in 2012 with an estimated cost of US\$5.6 billion.

The refinery is designed to process 200,000 barrels of oil per day and produce fuels such as gasoline, diesel, jet fuel (Jet A1) and other derivatives.

In February 2015 Sonangol announced completion, this year, of the Barra do Dande Sea Terminal, costing US\$1 billion, but in March said the work would be concluded in 2017. (22-8-2016)

US DONATES FOOD, OTHERS WORTH \$47.46MN TO MALAWI

The United States government on Friday announced a food and financial donation to Malawi worth \$47.46million to assist people in need of humanitarian relief.

Malawi is one of several countries in Southern Africa affected by prolonged drought.

USA envoy to Malawi, Virginia Palmer, said in the capital Lilongwe that the donation is in response to the Malawi Vulnerability Assessment Committee (MVAC) report that 6.5 million Malawians are in need of food assistance to alleviate suffering through March 2017.

"We will continue to assist the country to break the cycle of food insecurity by providing assistance to honor the commitments in New Alliance for Food Security and Nutrition," she said.

She said the UN World Food Program (WFP) and other International organizations will receive and distribute the donation which includes 14,200 metric tons of maize, 10,900mt of beans and 6,120 mt of Vitamin A and D-fortified vegetable oil as well as \$7million to support the cost of distributing part of the maize.

The remainder of the donation which is \$26.06 will support agriculture recovery and nutrition activities, she said.(APA 19-08-2016)

ZAMBIA'S LUNGU FACES BATTLE TO RESTORE ECONOMIC GROWTH



Zambia's newly re-elected President Edgar Lungu faces an uphill battle to revive an economy reeling from a slump in copper prices, with a free-falling currency and widening budget deficit.

After winning last week's disputed vote, Lungu moved to assure supporters that a new government will work to improve the welfare of Zambians grappling with high inflation and rising food prices.

A drop in copper prices of almost one-third from their peak in February 2011 has resulted in thousands of job losses in the mining industry, where most companies are owned by foreign, notably Chinese investors.

The crisis saw some companies suspend production, dealing a further blow to the southern African country's top export.

"The new government needs to work hard to restore economic growth," said Oliver Saasa, the chief executive of business consultancy Premier Consult.

Saasa believes that Lungu, who first took office in January 2015 after the death of president Michael Sata, had been restricted by policies of his late predecessor.

"A government policy shake-up is needed in order to turn things around and inspire confidence in the system," he told AFP.

"We cannot always rely on copper, the economy needs to diversify." Zambia previously enjoyed a stellar period of growth, peaking at 10.3% in 2010.

But the falling copper price has put the economy "under intense pressure", according to the International Monetary Fund (IMF).

In 2015 the country recorded gross domestic product (GDP) growth of 3.2% — its lowest since 1998 — and the rate is forecast to slip to around 3.0% this year.

The turbulent times saw the government in April mulling an emergency loan from the IMF, but no request has yet been finalised.

Although his poll victory is being challenged in court by his main rival, Hakainde Hichilema, the Patriotic Front leader has vowed to hit the ground running. "For the next five years, it will be total work, there will be no honeymoon," Lungu told supporters at a rally shortly after his re-election last week.

The budget deficit is swelling — from 4.6% of GDP in 2015 it is projected to hover above 8.0% this year.

Adding to his woes is the state of the kwacha currency, which has weakened by 80% in two years against the US dollar, making it one of the worst performers in Africa in 2015 and pushing the inflation rate above 20%. Zambia's economic problems are compounded by poor access to basic services, with electricity cuts still lasting up to four hours a day, compared to eight hours in June.

The crippling power shortages, which have hindered growth and investment, were triggered by an ongoing regional drought. Low water levels in Lake Kariba hobble the hydropower that supplies much of the country's electricity.

For ordinary Zambians, life has become a daily struggle.

Households, even in the capital Lusaka, have turned to firewood and coal for cooking, filling the skyline with plumes of dark smoke. But for many, a lack of jobs and soaring food prices are their most serious concerns.

"The biggest worry I have now is the high cost of living," said Morgan Zulu, who voted for Lungu in the election.

"Prices for almost everything in the country have gone up... the government to be formed should help reduce the cost of living." According to the World Bank, 60% of the population lives below the poverty line. (AFP 21-08-2016)

SEMI-INDUSTRIAL AND ARTISANAL DIAMOND MINING TARGETTED FOR REGULATION IN ANGOLA

Angolan national diamond company Endiama is drafting regulation for semi-industrial and artisanal diamond mining in order to legalise businesses that are already in operation, said the Director for Geology.

Luis Kitamba said a few days ago in Dundo that there are over 50 companies in these conditions and said that drafting regulations responds to a request from the provincial government of Lunda Norte, intended to end clashes between security forces and companies with diamond concessions.

The regulations, the director told Angolan news agency Angop, allow the inclusion of young people in the businesses and to overcome the inadequacy of the process of granting licenses for artisanal mining, in terms of supervision of tax collection and combatting illegal diamond prospecting and trafficking, as the beneficiaries are nomadic.

The Endiama director, who was speaking at a multidisciplinary conference on the implementation of the Mining Code, said 13 semi-industrial diamond cooperatives had been approved, four of which in that province and fifty cases relating to artisanal mining. (22-08-2016)

NETHERLANDS PLEDGES RELIEF TO FOOD INSECURE TANZANIA

The Netherlands has pledged relief to Tanzania, saying it would continue providing the country with capacity development on agriculture and food security.

Deputy Head of Mission, Hinke Nauta made the announcement late on Friday in the Tanzanian capital, Dar es Salaam stressing that agriculture and food security has gained more attention because the Netherlands and Tanzania have longstanding cooperation on the sector.

The diplomat bade farewell to 50 Tanzanians who have been selected under the Netherlands Fellowship Programme (NFP) to go for studies in Holland and are expected to depart within the next few days to attend courses on agriculture and food security.

"Your challenge is to ensure that you make impact to organizational and country level after you come back to Tanzania," she said.

Of these 50 fellows, 39 are going for Master degree courses while the remainder would take short courses.

Since the early 1970s, at least 5,000 Tanzanian mid-career professionals have been awarded scholarships to study in the Netherlands.

The NFP for Tanzania focuses on the priority sectors in the economic cooperation between the country and the Netherlands, namely energy, infrastructure, agriculture, financial services and private sector development. (APA 19-08-2016)

SOUTH AFRICA: LOCAL CONDITIONS FORCE BASIL READ TO LOOK FOR MORE PROJECTS IN AFRICA

Construction company Basil Read is on the lookout for prospects on the rest of the continent, as the local construction sector remains subdued.

In its interim results statement, the company said it expected the challenges to put pressure on its margins and liquidity position in the second half of the year, but that it was committed to maintaining a healthy order book.

"While we remain committed to the South African market, we are cautiously exploring opportunities across sub-Saharan Africa. With two sizeable contracts — the St Helena airport project and the Olifants River water resource development project — winding down in 2016, maintaining our order book is key.

"Equally important is ensuring our overhead cost base is continually aligned to our operating divisions," the company said.

In the six months to end-June 2016, Basil Read said the value of its order book was R10.4bn, which was "above target" but slightly lower than the prior year's level of R10.7bn. Profit after tax fell to R34.4m from R41.6m while headline earnings per share (HEPS) increased to 48.92c from 37.13c in the year-earlier period.

In the first half of its financial year, Basil Read disposed of SprayPave at a loss of R33.8m. "With the closure of Matomo substantially complete, this concludes the sale or closure of noncore assets started as part of the restructuring in late 2014," the company said.

Other construction companies set to release results this week include Aveng and Murray & Roberts.

At 4.40pm, Basil Read's share price was down 1.67% to R2.95, valuing the company at about R395m. (BD 22-08-2016)

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, HTCC - 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 - Corporate Council on Africa (USA), ELO,HTCC ,NABA,NABC (by posting selected news) and SwissCham-Africa to their Members.



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CCA President and CEO Named AAI 2016 U.S. Business Leader

Corporate Council on Africa (CCA)(one of the Memorandum's supporting organisations) President and CEO, Stephen Hayes will be honored by the Africa-America Institute with the AAI 2016 U.S. Business Leader Award at the AAI 2016 Annual Awards Gala.

Mr. Hayes was selected in recognition for his dedicated leadership and strategic contributions to the growth and strengthening of U.S.-Africa Business Relations. Under his direction, CCA's work and initiatives have had a domino effect, transforming nascent policy and private sector engagement into greater and broader U.S. engagement with Africa. The award appropriately comes on the eve of President Barack Obama's Second U.S.-Africa Business Forum.

"There is no greater honor than those from peers, especially when those peers are so highly regarded as is the Africa-America Institute, an organization that has been a leader in building US-Africa relations through education," said Hayes. "I am deeply appreciative, genuinely surprised and humbled that they would bestow this honor on me. Of course it is really an honor for the Corporate Council on Africa as our contributions over the years have always been through a team effort of staff and board."

In his 17-year tenure as president, Stephen Hayes has led CCA to become fully engaged in a wide range of economic and political issues affecting commerce between the U.S. and Africa. Mr. Hayes'

personal dedication to African growth, development and prosperity through business and investment is evident in his work, which has garnered several awards. To date, Mr. Hayes and CCA are the only individual and entity in the United States to have been awarded the two highest awards given by the U.S. Government for international economic leadership. In 2008, Mr. Hayes was awarded the Ron Brown Award for International Leadership, the highest individual award possible from the United States Department of Commerce; and in 2015, under Hayes' leadership, the Corporate Council on Africa was presented with the President's "E" Award for Excellence in Export Service. The Award, presented by the United States Department of Commerce, was initiated by President John F. Kennedy in 1963. In addition to these awards, Mr. Hayes has also been honored by the Africa Chamber of Commerce of the U.S.; the Transnet Foundation, South Africa's largest foundation chaired by Bishop Tutu; and the United Nations Development Programme. He has also been honored for his leadership by Senegal and Kenya.

The AAI 2016 Annual Awards Gala will take place on Tuesday, September 20, 2016 in New York City during the opening week of the 71st United Nations General Assembly and the Second U.S.-Africa Business Forum. The Africa-America Institute is the premier U.S.-based international organization that works to increase the capacity of African individuals and institutions through higher education initiatives, leadership development, professional workforce training, convening activities, program implementation and management.

Other accepted honorees include: AAI 2016 African Business Leader Award: Mr. Aliko Dangote, President and CEO, Dangote Group; and AAI 2016 Distinguished Alumnus Award: Mr. Sunil Benimadhu, Chief Executive, Stock Exchange of Mauritius.

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