MEMORANDUM

N° 163/2015 | 09/10/2015

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SUMMARY

UBER DRIVES EXPANSION INTO LAGOS

Uber Technologies is negotiating cheaper deals for new vehicles with Kia Motors to boost its number of drivers fivefold in the Nigerian city of Lagos, Africa's biggest, to 3,000 by the end of next year.

The US car-booking company has signed agreements with the South Korean car maker and Lagos-based Access Bank to reduce the down payment required for new vehicles to 95,000 naira ($470) from almost 200,000 naira, with the balance payable over four years, said Uber sub-Saharan Africa GM Alon Lits.

"Since we launched in Lagos just over a year ago, more than 600 job opportunities have been created using the application," Mr. Lits said. "That's really just the beginning. We feel that the number can be well over 3,000 by the end of 2016."

Uber, which connects drivers with passengers via its smartphone application in more than 300 cities, was seeking partnerships that would reduce costs for new drivers as the company expanded in Africa, Mr. Lits said. Founded in 2009, Uber does not own vehicles or employ drivers, and existing taxi companies in cities including Johannesburg and Cape Town have protested at what they consider to be unfair competition.

Challenges facing Uber in Lagos, the first sub-Saharan African city to have the service outside SA, include congested traffic and poor mapping quality, according to Mr. Lits.

Another is that a relatively small proportion of Nigerians know how to operate a smartphone well enough to manage the trips, Ebi Atawodi, GM for Uber Lagos, said. "The smartphone module is usually what trumps people," Ms Atawodi said.

While Nigeria had 148.5-million active mobile-phone subscriptions as of July, according to the Nigerian Communications Commission, fewer than 10% are for smartphones. Nigeria is Africa's most populous country with more than 170-million people, of which about 21-million live in Lagos.

To tackle the issue of mapping, Uber was working with other technology companies on ways to direct drivers without access to conventional directions, Mr. Lits said. "Unlike in more developed markets, you often don't have an address where the driver will be able to get turn-by-turn directions."

Uber's growth in Lagos could match the speed of take-up in SA, according to Mr. Lits.

The company's drivers in Africa's most industrialised economy have taken passengers on more than 2-million journeys this year.

"Lagos is three times the size of greater Johannesburg," he said, referring to its population. "It's a huge opportunity here." (Bloomberg 03-10-2015)

CABO VERDE WILL HAVE DIRECT SHIPPING ROUTE TO PORTUGAL

German shipping company MTL and Alphasea – Agência de Navegação have set up a partnership to provide a direct and regular shipping service between Cabo Verde (Cape Verde) and Portugal, according to Cape Verdean news agency Inforpress.

John Trabulo, director of Alphasea, said Cabo Verde was "a market we know well" and added that this new connection would allow orders from Portugal and Europe bound for the archipelago to arrive more quickly.

Trabulo said that this new connection aims to "meet the needs of the Cape Verde market in an exclusive, consistent and regular way," and gave assurances that the deadline for the delivery of orders "will not exceed seven days."

The first shipment took place on 18 September, bound for the islands of São Vicente and Santiago, and the next one is due to arrive in São Vicente and Santiago on Wednesday and Thursday, respectively, after leaving the ports of Leixões and Lisbon in Portugal, on 1 and 2 October.

MTL Maritime Transport + Logistik GmbH & Co. is a German shipping company with extensive experience in shipping containers, vehicles, machinery and bulk cargo. (07-10-2015)

LESOTHO FERTILE GROUND FOR INSTABILITY, SADC WARNS

The chairperson of the ongoing Southern African Development Community (SADC) Commission of inquiry, Justice Mpaphi Phumaphi has warned that Lesotho remains a fertile ground for instability. Phumaphi was quoted on Tuesday as saying that the fragility of the political situation in the country was due to the different positions held by parties active in Lesotho.

Justice Phumaphi said Lesotho's capability to provide employment relies with government, but blamed limited opportunities for ecent political tensions.

So because the cake is small, everybody wants to put his or her hand in it, he said.

He said it was shocking that a small country like Lesotho could accommodate 23 political parties vying for the same opportunities.

Lesotho , a mountanous kingdom of 1. 8 million people has been mired in politcal uncertainties since last year culminating in the killing of a prominent former army general whose assassination is being investigated by SADC.(APA 06-10-2015)

PORT MANAGERS FROM CABO VERDE AND RECIFE, BRAZIL, SIGN TECHNICAL COOPERATION AGREEMENT

Port companies Enapor – Portos de Cabo Verde and Porto do Recife Tuesday signed a technical cooperation agreement in the Brazilian city of Recife, the state capital of Pernambuco, reported daily newspaper Diário de Pernambuco.

The document provides, among other things, for commercial, technical and scientific exchange in the areas of port activity and maritime transport.

The chairman of the Port of Recife, Olavo de Andrade Lima, called the document an “activities protocol” and the Consul of Cabo Verde (Cape Verde) in Recife, Ricardo Galdino, said the idea was to transform Cabo Verde into a Pernambuco business platform for Africa and for Europe and the United States.

The signing of the technical cooperation agreement took place on the sidelines of the Seminar on Business and Investment Opportunities in Cabo Verde in Pernambuco, in which participating businessmen and representatives of the government of Cabo Verde visiting the northeastern Brazilian state in search of business partnerships.

In addition to taking part in the seminar, the Cape Verdean businesspeople who travelled to Recife will visit local industries and make a technical visit to the Pólo do Agreste, an textile industrial hub in the cities of Caruaru, Toritama and Santa Cruz do Capibaribe. (07-10-2015)

NIGERIAN FIRMS EASE ACCESS TO LABOUR MARKET FOR UNEMPLOYED YOUTHS

A year ago, computer science graduate Tolulope Komolafe was among the millions of young Nigerians unable to find full-time work.

Her only income came from tutoring teenagers in maths and science, for which she earned about 5,000 naira ($25) a month.

Fortunately, she was able to live with her brother in their Lagos home and avoid having to survive on her meagre income.

Ms Komolafe, 25, now works for Andela, a Lagos-based company that trains computer programmers and developers for four months before outsourcing them to work remotely on projects in other countries in a four-year programme.

Although she sits in Andela's office, Ms Komolafe's current project involves developing software for a US firm.

Andela is part of a new wave of firms that ease access to the labour market for young Nigerians. The firms are small but their role could be crucial. Nigeria has 170-million inhabitants and is the world's fastest-growing country.

"I was scared. I thought I wasn't going to be able to get a job because I thought that only happened to people whose parents knew someone influential," said Ms Komolafe of her two years of graduate unemployment before joining the programme last August.

It's a well-founded concern. The National Bureau of Statistics said 28% of Nigerians aged between 25 and 34 were jobless in the second quarter of this year, rising to 49% for 15-to 24-year-olds.

President Muhammadu Buhari says he wants to diversify away from reliance on oil, which creates few local jobs, towards agriculture and entrepreneurship.

An International Monetary Fund report said sub-Saharan Africa needs to create jobs at an unprecedented rate to absorb a growing labour force. Experts fear mass underemployment could cause social problems and increase the risk that young people will turn to radical groups.

Nigerians are particularly at risk. In July, the United Nations said that by 2050, Nigeria, the world's seventh most populous country, would overtake the US to become the third biggest.

"Half of my friends are unemployed. It's a huge problem ... People are desperate," Ms Komolafe said.

Bootcamp

Like others on the Andela programme, she was short-listed after replying to an advert and first completed a two-week training "bootcamp".

Andela charges its Western clients a fee in exchange for labour in a region where wages are relatively low.

The company's selection system means it will not dent Nigeria's unemployment anytime soon. Only about 70 people have been selected from more than 12,000 applicants since it began last year.

But co-founder Jeremy Johnson, who teamed up with Nigerian entrepreneur Iyinoluwa Aboyeji, said Andela-trained programmers will eventually set up their own firms and create employment. He aims to train 100,000 developers in the next decade.

"We're helping to equip people with the skills necessary to succeed in the digital economy," said Ebun Omoni, who helps to oversee training.

The streets outside Andela's offices are a reminder of Nigeria's challenges. Youths dart through traffic to sell everything from plantain chips to bootleg DVDs in an attempt to keep up with the rising cost of living.

Jobs portal

Opeyemi Awoyemi, senior vice-president and co-founder of Nigerian jobs portal Jobberman, says schools fail to equip people with workplace skills so firms cannot find qualified candidates.

In March, Jobberman rolled out a web portal with Microsoft to help visitors identify jobs, prepare applications and improve interview techniques. Accessing the portal, however, requires paying for internet time, something not all can afford.

The need for workplace skills is the driving force behind West Africa Vocational Education (WAVE), a company that is a hybrid between a careers service and an employment agency.

WAVE trains young adults in time-keeping, conflict resolution, management and team communication through lessons and role-playing before a two-week placement with businesses it uses as partners. In some cases this leads to a job.

"We can't kid ourselves and focus on Africa rising for a few," said WAVE CEO and co-founder Misan Rewane, who described youth unemployment as a time bomb.

The non-profit entity charges participants 10,000 naira ($50) upfront, although some receive a loan to defer the fee until they have been paid. It takes a third of the trainee's first month's pay, and the same sum from the employer.

WAVE mainly partners with hotels and restaurants because the industry needs entry level workers, Ms Rewane said.

However, like Andela, a limited few may acquire skills but it is not a process that will lead to mass employment. Some 200 people have been trained in two years and the average starting salary for those who find jobs is 37,000 naira ($188) per month.

"A lot of these young people have come out of school systems that have short-changed them," said Ms Rewane, expressing her fear that a lack of broad skills could hold back future generations of Nigerian job seekers.(BD 03-10-2015)

MOZ ECONOMIC GROWTH "TO SLOW DOWN IN 2016"

A unit of the South African-based Standard Bank has said the growth rate of Mozambique's Gross Domestic Product, (GDP) is expected to slow down to 5.5 percent in 2016 while inflation should be above the government forecast of 5.6 percent.

The government recently released the State Budget proposals and the Economic and Social Plan for 2016, which will soon be up for parliamentary discussion, with projected GDP growth of 7.8 percent, which is closer to our forecasts only in the less likely scenario, with the most likely scenario indicating growth of 5.5 percent, read the bank's statement sent to APA on Tuesday.

The document said analysts led by chief economist of the bank, Fàusio Mussa, noted that figures from the National Statistics Institute indicate that GDP slowed to 6.7 percent in the first quarter to 5.9 percent in second quarter, reflecting growth of 6.3 percent in the first half of this year.

With regard to prices, analysts at Standard Bank said there was the risk of inflation being higher than the 5.6 percent forecast for 2016 due to the fragility of the metical and the need to increase some of the administratively set prices that have remained unchanged for a long period of time.(APA 06-10-2015)•

GOVERNMENT GRANTS CONCESSION OF EUCALYPTUS FORESTS TO ANGOLA SOVEREIGN FUND

Fundo Soberano de Angola (Angola Sovereign Fund – Fsdea) will take over the concession of existing eucalyptus plantations in the provinces of Benguela, Huambo and Huila, according to a presidential order cited by Portuguese news agency Lusa.

The move is based on the "high economic potential of the eucalyptus plantations" located in those three provinces, which are still the responsibility of the Ministries of Agriculture, Transport and Industry.

The partnership agreement for conservation, management and sustainable exploration of that eucalyptus production area, now approved by the Angolan government, involves a company part owned by Fsdea, which will take on the management of the plantation.

The order explains the new concession based on "the need to preserve, manage and sustainable operate those plantations, both for reasons of economic rationality and environmental protection, as well as, from an industrialisation point of view, enabling the emergence of various activities, including power generation."

An audit by Deloitte showed that on 31 December 2014, 37 percent of the fund's investment portfolio was applied in Europe, investments in Africa had a weight of 34 percent, North America 18 percent, and the remaining 11 percent was applied elsewhere.

The Angola Sovereign Fund was created by the government in 2012 with an initial allocation of US$5 billion, which has already been fully transferred by the state, namely through revenues from oil exports. (08-10-2015)

KENYAN TECH HUB TAKES WEB TO SCHOOLS

As a big black case is wheeled across a potholed playground and into a corrugated iron classroom at Lighthouse Grace Academy, a school on the outskirts of Nairobi, 18 pairs of six-year-old eyes light up.

The schoolchildren have been testing the contents of the case — a Kio Kit — so they know it contains all kinds of technological treats.

The kit’s innovative technology has been designed and assembled by BRCK, a Nairobi technology company that wants to solve a big conundrum in Africa: how to provide digital educational content in a one-size-fits-all manner that is durable, affordable, easy to use and accessible in remote locations.

Within minutes each child is holding a seven-inch tablet, wearing headphones and watching a literacy video made by a local educational content developer, Know Zone.

The only sound is of rote learning from the class next door; the contrast in how the two groups are studying could not be starker.

Afterwards, class teacher Josephine Boke tests the pupils on spellings of words in the video.

"Kudos boy. Kudos girl," Boke gives a thumbs-up as the children answer correctly.

Juliana Rotich, BRCK director, outlines the potential demand for a tech innovation such as Kio Kit: "The United Nations says that in Africa there are 410-million schoolchildren and by 2050 that number will be 800-million." The vast majority have little access to the internet.

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THE heart of the Kio Kit ("Kio" is Swahili for mirror) is the eponymous BRCK device, an award-winning, rugged modem and WiFi router roughly the size of a brick, that includes an eight-hour battery for when there is little or no power and connectivity.

The Kio Kit contains a BRCK router with educational content included that complies with Kenyan education standards but is open-source so anyone, including schools, can replace, adapt and add to it.

The lid of the case contains antennas to help improve connectivity, while the base, where the kit’s 40 tablets are stored, also acts as a wireless charging station.

Each tablet offers up to eight hours of continuous use. The kit can recharge within four hours from mains electricity or solar panels. Updates to installed content is done by users downloading it to their kit. But in remote areas where internet access is absent or prohibitively expensive, updates must be made by a technician in person.

Since launching the device a year ago, BRCK has sold about 2,500 in 54 countries, "even in places we weren’t aiming at, like Europe and the US, people have bought them", says Erik Hersman, CE and co-founder. Hersman, a technology addict raised in Sudan and Kenya, is speaking in a drab office block off one of Nairobi’s most congested roads, where he and his colleagues have created an entrepreneurial tech hub regarded as among the most innovative in Africa.

The ecosystem that has evolved here began seven years ago with nonprofit organisation Ushahidi ("testimony" in Swahili), which Hersman, Rotich and two friends developed to map reports of violence after Kenya’s elections left more than 1,300 dead.

The crowdsourcing tools they have created have been used by aid agencies, marketers, the media and asset monitors on 90,000-plus occasions in 150 countries.

In 2010 Hersman founded iHub, a tech innovation space. Here, young tech innovators can be mentored and network with venture capitalists looking to invest in African start-ups.

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BRCK is the team’s main for-profit venture, launched in 2013 with $172,000 raised through crowdsourcing. A formal round of funding last year brought in $1.2m and BRCK hopes to close a second round of $3m funding shortly.

Turnover is "small but growing", Hersman says, considering the BRCKs cost only $250 each.

As well as BRCK, Ushahidi and iHub, the team has developed m:lab, a mobile technology incubator aiming to foster innovation and scaling-up of mobile application technologies in east Africa. Building a hardware development centre is among its projects.

"We’re a demonstration that Africans can be producers of technology as well as consumers," Rotich says.

The Kio Kit came about because education content developers were knocking on BRCK’s door, hoping it could serve communities that are remote, poor or both. They included Nairobi digital content provider eLimu, which had developed resources to put on tablets, its founder Nivi Mukherjee explains.

She became president of BRCK Education, a subsidiary set up to bring together techies and teachers to find a way to provide tablets in a way that schoolchildren anywhere could use. The result: the Kio Kit.

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SCHOOLS have been testing the kit: "Many of the children and teachers had never used a computer, let alone a tablet," says Mark Kamau, who leads BRCK's user experience team.

Early tweaks included colour-coding buttons and headphones, and making sure the tablets could withstand dust, water and being dropped 70cm on to concrete.

The cost of a complete Kio Kit has been kept to a sum that BRCK Education believes will be affordable to schools. The venture involved linking up with tech partners such as Intel, Mozilla and JP-IK, a Portuguese company.

Intel's global sales head Brian Gonzalez says BRCK Education is innovative "because it addresses the biggest challenge we have in education, which is access for all".

The company has kept the cost down to $5,000 for a complete kit. It is working with a local bank on developing loans and is marketing to companies with corporate and social responsibility budgets.

The African Wildlife Foundation and the European Council of International Schools have signed up.

Toby Shapshak, editor of the African edition of Stuff, the tech and electronics magazine, says the Kio Kit is "revolutionary … it is a hardware, software, connectivity and content solution all in one case".

Rotich says BRCK Education has the potential to expand BRCK's profitability "substantially" because of the ability to scale it up, to "take it from just a hardware start-up to a big company of note".

Its versatility means BRCK is working on new uses. It could be adapted for other sectors, Mr Gonzalez says, such as healthcare or financial services: "All that would vary is the content."

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BRCK has almost doubled its staff to 35 and expects this to grow. Its new office in the iHub building will be five times the size of its current premises.

"We are a business and we want to keep growing," Hersman says, as he inspects work at the new site. "Indeed, we don't believe we can become too big."(FT 06-10-2015)

EMIRATES INTRODUCES BOEING 777 TO DUBAI-ENTEBBE ROUTE

Emirates airlines, has upgraded its services to Uganda with the deployment of larger Boeing 777- on the daily Dubai to Entebbe route, APA learnt on Tuesday.

The Boeing 777 which started flying on 1st October has replaced the Airbus A330-200 that was being used on the route, and increases the total number of seats across all cabin classes by 12 percent, offering eight private suites in First Class, 42 lie-flat seats in Business Class and 216 seats in Economy Class.

Emirates Country manager Jaber Mohamed says this is a reinforcement of their commitment to Uganda and offering travelers world class products and services.

The Boeing 777 is the backbone of the Emirates fleet and very popular with customers.(APA 06-10-2015)

GOVERNMENT OF ANGOLA ISSUES DEBT IN FOREIGN CURRENCY IN ITS DOMESTIC MARKET

The government of Angola will issue Treasury Bonds in foreign currency worth up to US$2 billion, under an executive order signed by the finance minister, Armando Manuel.

The order stipulates that the issuance of government bonds, paid in foreign currency, is reserved for "public expenditure funding" and the "2015 financial year."

Earlier this week, the Reuters news agency reported that the government of Angola had cancelled the issuance of Eurobonds in the amount of US$1.5 billion due to the current economic conditions and had not established any new timetable for future issues.

The agency cite a ministry source as saying that “our partners recommended that we should not continue with the launch of this debt issue at this time.”

Last week, Fitch Ratings downgraded Angola’s credit rating from “BB-” to “B+” a cut that highlighted the effect the drop in oil prices has had on the economy. (08-10-2015)

NEED A LOAN? HAND OVER YOUR CELLPHONE

Before receiving a small loan in Tanzania that started two businesses, Martin Mathews didn’t meet bank officials, show his ID or call anyone about his funding needs. His cellphone stats were all one lender needed.

Jumo, the microfinancing unit of Cape Town-based AFB, analysed the 25-year-old’s mobile usage and predicted he was likely to repay the debt.

The company builds a picture of its customers from thousands of data points in calling records, ranging from who they’ve phoned to airtime and data purchases and other mobile transactions.

The information it collects has helped it increase lending to almost 1-million loans a month of less than $200 across eight African countries, says Jumo MD Johan Bosini.

"What makes us different? We make credit decisions based entirely on mobile network data," he adds.

"How many calls you make, who are you calling, when you’re calling, how much airtime are you using, where are you topping up, what kind of phone you have, whether you SMS or not. We have 10,000 variables for any individual."

Bosini’s company is a part of a growing trend of financial technology start-ups in emerging markets such as Africa, India and China that are taking business away from traditional banks in the areas of credit, savings and insurance.

They use the one piece of infrastructure they can count on: cellphones, and reduce expenses by going directly to the consumer for loans and deposits, without branches.

Jumo’s approach differs from many other microfinance institutions that would do the traditional banking checks or rely on community information in the absence of paperwork or documents, says Thecla Mbongue, a research analyst at technology research and advisory firm Ovum.

"This is an innovative way of targeting lower income segments, especially in Africa, where a lot of people are unbanked and earn informally," she says.

"They wouldn’t qualify for loans in a traditional bank because they can’t produce statements or bills."

Jumo’s market is entrepreneurs who need capital, as little as a few dollars, to get businesses rolling such as Mathews’s cashew sales and chip wagon.

In the early days after Jumo started in 2012, more than half of loans weren’t repaid, Bosini says. The company doesn’t chase defaulters and lends off its own balance sheet because "no bank was crazy enough to give us the money in the first place’’, he says.

Now, the nonperforming loan rate is down to 4% after the firm tightened its analysis of customer risk.

It has 3.5-million users in SA, Kenya, Tanzania, Ghana, Zambia, Mauritius, Uganda and Rwanda.

Jumo operates in the ether like the digital wallets that are offered by PayPal, PayTM Mobile Solutions in India and Alibaba Group in China.

At the same time, customers can withdraw cash through an agent such as a convenience store.

"We’ve done 30c loans profitably,’’ Bosini says. "It’s all about getting your costs and administration paper thin." Interest rates are risk-based, varying between countries, but start at 10%, he says. "It is changing as we learn more through the data."

Jumo is popular with its mobile partners because it brings them about$10m a year in revenue, Bosini says. Bharti AirTel, MTN and Millicom International Cellular increase income per customer through a $1-$2 fee on each transaction as e-wallet deposits bounce around the system, he says.

Regulators like the inclusive aspect of the service because it’s available on the simplest cellphones, handsets used by 70%-90% of the target market, he says.

Jumo taps the part of the population that isn't formally educated, often neglected by banks, even though the percentage of educated Africans is increasing at a much slower rate than the poor and unschooled segment, Bosini says.
Jumo will start to take deposits in Ghana and Zambia by mid-2016 and is preparing to secure the approvals needed to offer those services and to sell insurance, Bosini says. "We are happy to be regulated," he adds.
The company is also considering Indonesia, where the leading mobile network owned by Telekomunikasi Selular has 160-million customers.
Not all risks were eliminated since work by Jumo's code writers tightened the loan-loss rate.
A scam artist once studied its loan-approval patterns for several months, using 30 different SIM cards to generate data sets and deciphering the lender's algorithms.
He fleeced the company of $30,000 in one day — and then he vanished.
"We're still looking for him,'' Bosini says. "We want to offer him a job.'' (Bloomberg 29-09-2015)

UGANDA: USAID BOOSTS WFP WITH $9MN FOR REFUGEE SUPPORT

The United Nations World Food Programme (WFP) has received a contribution of US$9 million from the United States Agency for International Development (USAID) to provide food assistance for more than 320,000 refugees living in Uganda.

“This generous contribution has arrived just in time, as a funding shortfall was threatening to force WFP to reduce rations for refugees, including the new South Sudanese arrivals,” said acting Country Director Michael Dunford.

“Those cuts will not be necessary now, and we are extremely grateful to USAID for its lifesaving support for people fleeing conflict in neighbouring countries and seeking refuge in Uganda.”

Dunford said WFP will use the funding received through USAID's Office of Food for Peace, to purchase more than 13,000 metric tons of cereals and beans within Uganda for more than 300,000 refugees.

The support will also allow WFP to provide cash to 20,000 refugees in areas where markets are able to meet the demand.

This contribution brings USAID's 2015 WFP support to refugees in Uganda and extremely vulnerable populations in Karamoja to an estimated US$26 million.

Uganda currently hosts more than 490,000 refugees, mostly from the Democratic Republic of Congo (DRC), South Sudan and Burundi.

Roughly two-thirds of the refugees in Uganda depend on WFP to meet their basic food needs.

WFP's assistance for refugees is closely coordinated with the government of Uganda through the Office of the Prime Minister, the United Nations High Commissioner for Refugees (UNHCR) and NGOs. (APA 06-10-2015)

CHAIRMAN OF ANGOLA'S ENDIAMA'S PROPOSES MORE COMMERCIAL PROMOTION OF DIAMONDS

Poor promotion is leading to people around the world buying fewer diamonds, said the chairman of Angola's national diamond company Endiama Tuesday in the city of Saurimo in the Angolan province of Lunda Sul.

Carlos Sumbula, who had received British members of parliament (MPs) who paid a visit to the Sociedade Mineira da Catoca (Catoca Mining Company), called for diamond producers to unite in order to streamline the promotional campaigns for precious stones, “so that people feel motivated to buy.”

The chairman of Endiama also mentioned the Luaxe project, which requires an estimated investment of US$1 billion dollars for an annual production of 10 million carats of diamonds a year, noting that condition were being established for the project to be launched.

“We formed teams in Angola and Russia who are working to meet the guidelines of the Angola government, in particular as regards the entry into operation of this major project, which has changed the global network of kimberlites,” he said, cited by Angolan news agency Angop.

The Catoca Mining Society is a diamond mining, exploration, recovery and marketing company, which was set up to explore the first Angolan kimberlite site.

In addition to diamond mining in the provinces of Lunda Norte and Lunda Sul, studies indicate the existence of diamonds in the provinces of Moxico, Bié, Malanje, Kwanza Sul and Kuando Kubango. (08-10-2015)

AFRICA’S RICHEST MAN SOLIDIFIES FUTURE

Africa’s richest man is pushing to dominate its market for cement, the material at the heart of the continent’s infrastructure boom.

All that stands in his way is the world’s biggest cement maker, a flood of low-priced imports, the threat of slowing growth in contracts for dams, ports and roads and a slump in the most-traded emerging-market currencies to a record low.

It is not stopping Aliko Dangote.

"Africa’s future growth is intrinsically linked to cement," he told dignitaries, including Zambian President Edgar Lungu, earlier this month as he opened a new factory on the outskirts of Ndola, Zambia’s third-largest city. The material is "the most basic input into building infrastructure".

The plant will help bring Dangote Cement’s total production capacity to 43-million tonnes by the end of this year, within striking distance of the African capacity of market leader LafargeHolcim — which runs its own Zambia factory about 30km from the plant Dangote was opening.

Dangote Cement, which has expanded capacity fivefold in the past four years, plans to almost double potential output, to 80-million tonnes, Mr Dangote says. The Ndola plant is one of five factories he is opening this year across sub-Saharan Africa, including two in the LafargeHolcim strongholds of Cameroon and Zambia.

Africa has become one of the world’s fastest-growing regions for the building material as rapid urbanisation and spending on transport, power and shipping boost demand. Significant projects under construction include Ethiopia’s $4bn hydropower dam on the Blue Nile River and a $13bn railway that will link the Kenyan port of Mombasa with the Rwandan capital of Kigali via Uganda.

With 50-million tonnes a year of cement capacity, LafargeHolcim is the largest producer in Africa. Domestic producers also must compete with cheap imports from countries including Pakistan, according to Bloomberg Intelligence analyst Sonia Baldeira.

"Dangote is rapidly expanding its footprint across sub-Saharan Africa," says Pabina Yinkere, head of research at Lagos-based Vetiva Capital Management. "Many of the cement plants within the region are old and ageing. Their efficiency has fallen, so with its new plants it will be able to compete strongly," he says.

The additional production from Mr. Dangote’s new factories is already having an effect on local cement markets. In Senegal, the company says it provides more than 30% of all cement sold in the country, where it opened its first plant in January.

In Zambia, cement prices have fallen about 20%, a result of Dangote’s push against LafargeHolcim, says Sipho Phiri, who chairs a firm planning to build a $180m hydropower project in the west of the country.

The project will need about 20,000 tonnes of the material so the price drop makes a significant reduction to his capital investment, he says.

And none of it will come from Lafarge Zambia.

"They were taking advantage of their monopoly," says Mr. Phiri.

"People including myself, as a matter of principle, will only buy Dangote cement. I'm emotional about it."

Lafarge Zambia CEO Emmanuel Rigaux rejects Mr. Phiri's claims that the company had taken advantage of its position. "We've been growing with Zambia. We were the first really big construction company to go ahead with a very large investment. We were the first to see the potential that Zambia had."

Lafarge Zambia is doubling capacity at its Lusaka plant in a €200m project as it seeks to capitalise on growing demand in Zambia and the Democratic Republic of the Congo. Increased competition and lower prices will not change its plans, Mr. Rigaux says.

Lafarge, which last month completed a merger with Switzerland's Holcim to form the world's biggest cement maker, said last February it planned to increase sub-Saharan Africa capacity to more than 30-million tonnes by 2017 from 20-million tonnes. The combined company had about 50-million tonnes of capacity on the continent at the end of last year.

"Africa is a fast-growing region with huge construction needs supported by demographic trends and growing urbanisation," LafargeHolcim says.

The company "is well positioned to serve the continent's construction needs from its existing strong supply network in cement with facilities in 15 countries" in Africa.

The speed and scale of new investments in Africa's natural resource-based economies may falter as commodity prices fall and growth slows in China, the biggest consumer of materials from copper to iron ore.

A gauge tracking 20 of the most-traded emerging-market currencies fell 0.7% on Monday to a record low, making it harder for those countries to pay for imported materials.

The market slump has not changed Dangote Cement's expansion plans, Carl Franklin, the company's head of investor relations, says. "We don't think that short term. Africa will be building for decades."

In countries including Tanzania, cheap imports, including from China, are weighing on prices and threatening margins for local producers. SA in May imposed antidumping duties on the material coming from Pakistan. The issue continues to challenge producers on the continent, Ms Baldeira says.

Even so, the two biggest cement producers in Africa are not the only ones expanding. Johannesburg-based PPC is building new plants in the Congo, Zimbabwe and Ethiopia, and has started production in Rwanda.

Heidelberg Cement of Germany added 2.9-million tonnes of capacity in Africa last year, its biggest growth region. The company's pending takeover of Italcementi may double its market share in the Middle East and Africa, according to data compiled by Bloomberg Intelligence, and Heidelberg Cement predicts that cement demand will expand 50% by 2020 in the sub-Saharan region.

"Capacity is not enough to meet demand in these countries," Ms Baldeira says. "When we think about the future of the world demand for cement in the next 10 years, Africa will be a big driver." (Bloomberg 26-09-2015)

KENYAN BANKER WINS PRESTIGIOUS BANKING AWARD

The chief executive officer of Kenya's Equity Group Holdings, Dr. James Mwangi was recognized as the 2015 Ai40 CEO of the Year at this year's 8th Annual Africa Investor (Ai) CEO Investment Summit, recently held in New York.

During the Summit, Equity Bank was named the 2015 Best Performing Ai40 Company.

The Bank emerged top from a shortlist of companies that included Commercial International Bank (Egypt), Kenya Commercial Bank, Safaricom, Stanbic IBTC Bank (Nigeria), SABMiller, Mauritius Commercial Bank among others, a statement issued in Nairobi on Tuesday disclosed.

Ai40 Investors' indices capture the top 40 largest and most liquid publicly-traded stocks across Africa, ranking them by market capitalization and by liquidity, as measured by the average daily value traded in US dollars.

Dr. Mwangi scooped the top title from a list of CEOs that included Hisham Ezz Al-Arab, Chairman and Managing Director of the Commercial International Bank, Bob Collymore, CEO, Safaricom, Yinka Sanni, CEO, Stanbic IBTC Bank, Joshua Oigara, CEO, Kenya Commercial Bank, Albert Essien, CEO, Ecobank, Alan Clark, CEO, SABMiller and Mohamed Benchaâboun, CEO, Banque Centrale Populaire.

The Ai CEO Investment Summit, held in association with the IFC and the World Bank Group Trade and Competitiveness Global Practice in advance of the Annual Meetings, is an annual CEO business forum designed to facilitate action, to highlight and address project-specific investment climate challenges and to shed light on Africa's investment success stories.

The awards are linked to the Africa investor (Ai) Index Series and are the only pan-African awards designed to recognize Africa's best performing stock exchanges, listed companies, investment banks, research teams, regulators, socially responsible companies and sovereign wealth and pension fund investors.(APA 06-10-2015)

BPI'S ASSETS IN ANGOLA AND MOZAMBIQUE MAY BE SPLIT OFF AS NEW COMPANY

The African assets of Portugal's Banco BPI are expected to be merged into a new company that will be completely independent of the bank, said Fernando Ulrich, the chairman of BPI, on the sidelines of BPI Senior award ceremony, held Tuesday in Lisbon.

"This solution, designed to meet the requirements of the European Central Bank, was proposed and approved by the Board for a few days ago and if we have made that proposal it's because we believe in it," said the banker.

The transfer of 50.1 percent of Banco de Fomento Angola, of 30 percent of Mozambique's BCI and 100 percent of BPI Moçambique to a new company is the solution put forward by Ulrich's team to solve the problem of BPI's excessive exposure to Angola and which, by imposition of the ECB must be overcome by the end of March.

For Ulrich's solution to go ahead Angolan businesswoman Isabel dos Santos, the second largest shareholder of BPI, with 18.6 percent, has to approve the operation, you has to have a two thirds majority as stipulated in the Portuguese Companies Act for such decisions. (08-10-2015)

AFRICAN GROWTH OPPORTUNITY IS A TWEET AWAY

The African business landscape is evolving at a rapid pace. Africa has always been a mobile centric hub, and with operators about to launch $30 smartphone handsets, the perfect storm is rapidly approaching.

According to the latest Ericsson Mobility Report, African Smartphone penetration will be sitting at 70% by 2020. This increased accessibility to intelligent devices will mean that marketers will need to build integrated campaigns with mobile as a channel in mind.

Moreover, social media has changed the fundamentals of doing business in Africa. Not only has it connected business owners directly to consumers, but it has democratized information and news as well as personalized messaging. Consumers are now looking for direct engagement with brands and instant gratification.

Now is the time for Africa to seize the opportunities presented by mobile as a channel as well as social media like Twitter to cultivate innovation and growth. In Africa, businesses recognize the possibilities of Twitter, to not only build relationships with customers and influence their decisions, but also to reach them directly through the growing mobile imperative. According to a Nielsen report, more than 45% of African Twitter users find Twitter helpful to stay up to date with a brand, whilst over 60% of African Twitter users are discovering new brands through Twitter.

The uptake of advertising on Twitter in Africa has been far reaching. On average globally, Twitter's engagement rates on Promoted Tweets fall between 1-3%. Africa is beating this average across all markets and the uptake of Twitter Ads is highest in South Africa, Tanzania and Kenya.

But what differentiates Twitter? Firstly, the reach of Twitter Ads is organic in nature. In other words, any Promoted Tweet that is further Retweeted or shared organically, is not paid for and can grow exponentially. The key is to stick to the rule of thumb of content is king. Secondly, SMBs can reach over 200 countries and territories through the recent expansion of the Twitter Self-Service Ads platform. This translates to broader target audience reach and further expansion prospects. This is also exciting news for Africa's burgeoning mobile market.

A good example of a brand that has achieved great success in Africa is Airtel. Their tactic of using localized content and providing regular product updates has allowed them to penetrate a variety of African countries. Engagement with followers is also integral in Africa. Aromat Kenya effectively engages with followers in a visual and participative manner.

Success in the use of social media in Africa is evident in the way African businesses are using Retweets and hashtags. There is however still huge potential for African brands to invest in original content and a develop a unique identity.

With the African growth potential for business reaching a tangible peak, businesses wishing to reach consumers are looking to Twitter as a marketing tool as they venture into the unknown and engage in mobile space. The traditional carrot and stick approach no longer works and direct engagement with humanized content is the key in reaching today's social savvy audiences. Brands are ultimately building their identity and individual voice on Twitter and developing a long term relationship with their followers.

(IT News Africa 06-10-2015)

AFRICA FACES CHALLENGES OF SUSTAINING GROWTH – WORLD BANK REPORT

Sub-Saharan African countries are continuing to grow, albeit at a slower pace, due to a more challenging economic environment, according to new World Bank projections released here on Tuesday.

The World Bank disclosed that growth will slow in 2015 to 3.7 percent from 4.6 percent in 2014, reaching the lowest growth rate since 2009.

These latest figures are outlined in the World Bank's new Africa's Pulse, the twice-yearly analysis of economic trends and the latest data on the continent.

The 2015 forecast remains below the robust 6.5 percent growth in GDP which the region sustained in 2003-2008, and drags below the 4.5 percent growth following the global financial crisis in 2009-2014.

"Overall, growth in the region is projected to pick up to 4.4 percent in 2016, and further strengthen to 4.8 percent in 2017. Sharp drops in the price of oil and other commodities have brought on the recent weakness in growth," said the report.

The report noted that other external factors such as China's economic slowdown and tightening global financial conditions weigh on Africa's economic performance.

"The end of the commodity super-cycle poses an opportunity for African countries to reinvigorate their reform efforts and thereby transform their economies and diversify sources of growth. Implementing the right policies to boost agricultural productivity, and reduce electricity costs while expanding access, will improve competitiveness and support the growth of light manufacturing," said Makhtar Diop, World Bank Vice President for Africa in a statement issued in Nairobi.

According to Africa's Pulse, several countries are continuing to post robust growth. For instance, it says Cote d'Ivoire, Ethiopia, Mozambique, Rwanda and Tanzania are expected to sustain growth at around 7 percent or more per year in 2015-17, spurred by investments in energy and transport, consumer spending and investment in the natural resources sector. (APA 06-10-2015)

Fernando Matos Rosa

fernando.matos.rosa@sapo.pt
fernando.matos.rosa@skynet.be