MEMORANDUM

N°169/2016 | 31/08/2016

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SUMMARY

FOREX CRUNCH HITS NIGERIAN BUSINESSES

Nigerian businesses are struggling to get hold of foreign exchange even after the central bank devalued the currency in June to attract investment from abroad, according to the West African country’s main manufacturers’ lobby group.

Many factory owners can still only access the hard currency they need for importing equipment and raw materials on the black market, where dollars are more expensive than on the official one, said Frank Jacobs, president of the Manufacturers Association of Nigeria.

"I don’t think there are any more dollars in the system since the devaluation," he said. Central bank governor Godwin Emefiele let the naira float on June20 after a peg he imposed in early 2015 caused foreign investors to flee, starved local businesses of foreign exchange and sent the economy to the brink of recession. While the currency has since weakened 35% to 315.25/$ on the official market, it trades at about 410/$ on the street and foreigners have been reluctant to start buying naira stocks and bonds.

The central bank’s decision last week to make banks allocate at least 60% of the foreign exchange they sell to manufacturers and importers of raw materials was "excellent", said Jacobs, chairman of Jacobs Wines.

Jacobs is confident the government will also ease a ban on importers of goods ranging from glass to toothpicks from accessing foreign exchange from banks.

He has met vice-president Yemi Osinbajo and spoke to Emefiele last week to persuade them to reduce a list of41 prohibited items that was announced in June 2015.

The bans had shut factories and cut thousands of jobs, Jacobs said.

They were "making progress" in talks with officials, he said. "I’m very hopeful that before the end of the year they’ll say something about the 41 items. Around 60 of our factories have closed in the last year. And we’re blaming it on the list of 41 items and the high cost of foreign exchange." Emefiele, who became governor in 2014, introduced the rules as part of capital controls to protect the naira as the price of oil crashed. He argued that, as well as protecting Nigeria’s foreign reserves, the restrictions would boost manufacturers by curbing demand for imports and forcing Nigerians to buy local products. Instead, the sector went into recession in 2015 and contracted 7% in the first quarter of 2016.

The 41 items included "essential raw materials" that factories could only buy from abroad, Jacobs said. "Our members affected by the ban are going to the parallel currency market. It’s the only place they can buy dollars from." Investors have blamed the central bank’s policies for afflicting the wider economy, which shrank 0.4% in the first quarter. Output dropped in the second quarter too, according to all 13 analysts surveyed ahead of the statistics office’s release of the data on Wednesday. The median estimate is for a contraction of 1.6%.

Jacobs said Nigeria’s manufacturers were further hampered by power cuts. It has become worse in the past year, he said, despite President Muhammadu Buhari’s pledge to double electricity generation by 2019.

Nigeria, with 180-million people, produces about one-tenth of the electricity of SA, which has a population of 55-million.

Power plants have been hit as militant attacks on pipelines reduce their gas supplies. (Bloomberg 30-08-2016)

S/AFRICA LAUNCHES AFRICA’S FIRST LOCOMOTIVE PROPULSION FACILITY

The French multinational, Bombardier, has launched in Johannesburg the first locomotive propulsion and control manufacturing facility of its kind in Africa.
Speaking during the launching ceremony on Thursday, Public Enterprises Director-General Richard Seleke said Bombardier set up the local locomotive propulsion facility as part of its commitment to supply 240 electric locomotives out of the 599 for Transnet, the local train manufacturer.

“Transnet’s successful partnership with Bombardier ought to position our country as a regional hub for further development and growth so that we can expand our businesses into the rest of the African continent,” Seleke said.

In April 2014 Transnet awarded Bombardier a contract for the supply of diesel and electric locomotives as part of a US$3.6 billion contract.

The propulsion facility has 100 people and this number is expected to increase to 200 by 2017.

The majority of the locomotives are being built at Transnet Engineering’s plants in Koedoespoort in Pretoria and Edwin Swales in Durban.

The new 6,000 square metre facility in Johannesburg will produce Bombardier Mitrac high power propulsion equipment for use in the state-of-the-art Transnet Locomotives project, Seleke said.

The site will be a testing centre for high power traction converters and electrical cubicles and will become the headquarters for Bombardier Transportation in South Africa in October, according to Seleke.(APA 26-08-2016)

GOVERNMENT OF MOZAMBIQUE WILL INTRODUCE TOURIST TAX

The government of Mozambique will approve later this year, the introduction of a tourist tax to encourage investment and tourism in the country, said the Minister of Culture and Tourism, speaking in Beira, on the sidelines of the final phase of the 9th National Culture Festival.
Minister Silva Dunduro told Rádio Moçambique that the government has revised the legislation on tourism developments, with a view to introduction of guesthouses and other accommodation models.
Mozambique is implementing the Strategic Plan for Tourism Development 2015/2024, to increase the competitiveness of the sector, taking advantage of its potential and offering quality tourism services.
The spokesman for the Council of Ministers, Mouzinho Saide, said recently the plan should enable development of tourism as a key vector for rapid economic growth in Mozambique as well as job creation.
For this to happen, he said, visitor numbers need to increase, encouraging the local hotel industry as well as the diversification of products offered to attract more tourists.
The plan calls for improving the quality of services, staff training and the creation of conditions for more investment in various types of tourism, including cultural, beach and hunting. (29-08-2016)

DOWNGRADE FOR SOUTH AFRICA STILL POSSIBLE AS POLICY CHANGE STALLS

SA still faced the risk of a credit rating downgrade as the policy reforms required to sustain economic growth did not appear to be forthcoming, Old Mutual Multi-Managers Dave Mohr & Izak Odendaal said in an investment note Monday.

"Top of the list are more flexible labour markets and improvements in the performance and governance of state-owned enterprises," they said.

On the other hand there were signs of improvement in economic data such as the stabilisation of electricity supply, an easing of the drought and an arrest to the decline of commodity prices. Inflation was also expected to recede, though the currency remained a risk factor in the inflation outlook.

"Downgrades are unwelcome but not the end of the world. S&P stripped Brazil of its foreign currency investment grade rating in September 2015, and cut its rating by another notch in February this year. However, at around 11%, Brazil's 10-year government bond yield is lower now that it is a "junk status" economy than for most of last year when it was still considered investment grade.

"The main reason is that global 'risk free' rates have tumbled. The simplest way to gauge market view of political and currency risk is the higher yield that the Brazilian government pays to borrow in its own currency compared to what the US government pays. This spread over the equivalent US 10-year government bond yields remains elevated, even though it has receded.

"In the case of SA, it remains even well above the long-term average. Unlike December's 'Nenegate' episode, which happened against the backdrop of an emerging-market rout (Brazil's jumped to 16% and SA's 10-year yield to 10.6%), the global environment remains much more favourable."

Mohr and Odendaal pointed out that while Finance Minister Pravin Gordhan -currently threatened with criminal charges -had international credibility, SA's institutional strengths went beyond him.

These included a vocal civil society, free press, independent courts and a central bank willing to stick to its mandate. SA was ranked in the top three in the world for the transparency of its budget system and there was not likely to be a change in the budgeting process. (BD 29-08-2016)

AU'S PRINTING, PACKAGING PROJECT TO BE LAUNCHED ON JANUARY

The African Union for Printing and Packaging is set to be launched in January 2017, Head of Printing and Packaging Chamber at Federation of Egyptian Industries (FEI) said on Thursday.

Khaled Abdou stated that the union is scheduled to be launched on the sidelines of Egypt's first exhibition for latest technologies in printing and packaging industries that would take place on 26-29 January 2017.

In a press conference, he noted that more than 300 African firms are set to be invited to take part in the exhibition that eyes new investment opportunities in printing and packaging field between Egypt and African states.

The conference was attended by commercial plenipotentiaries of a number of African states.

Abdou added that the union targets maximising all potentials available in the African states and boosting intra-trade between member states.

The first Board of Director (BoD) of the union would be announced during the exhibition, the head clarified, adding that the BoD is set to encompass 15 members.

The exhibition would encompass local and African products as well as printing and packaging machines from India, China, and any other African states, Abdou added.(APA 26-08-2016)

MUNICIPALITIES WILL BE STRATEGIC PARTNERS IN PROMOTING CABO VERDE

The new president of Cabo Verde TradeInvest, Ana Lima Barber, said municipalities are "strategic partners to promote the new image of Cabo Verde (Cape Verde) abroad" speaking recently at the inaugural session of TradeInvest's board.

Charting a scenario where the State's domestic saving "is currently below 10% of GDP, domestic demand is much higher than what we produce, the external deficit is around 35% of GDP," among other unfavourable aspects, Lima Barber said financing of the economy was the economy's main challenge.

"To win you need to produce, export, significantly improve tourism results, attract foreign investment, place the country within the Europe-America-Africa axis without forgetting the emerging economies," she noted, according to local newspaper Correio das Ilhas.

Ana Lima Barber, Nuno Levy and Luis Aguiar were sworn in as the new board of Cabo Verde TradeInvest, the agency replacing the Cabo Verde Investimentos to attract investments to the country and increase exports of domestic goods and services.

The new president has a degree in law and a postgraduate degree in Business Management, and she has represented a number of European and African companies in new investments in the African, European and Middle Eastern market.

Finance Minister Olavo Correia, said "Cabo Verde has no alternative but to grow and for that to happen we cannot continue to use the same model, of a country anchored in overseas development aid" and recommended a new economic model based on knowledge and innovation. (29-08-2016)

PRESIDENT OBAMA AND HIS DEVELOPMENT LEGACY

Seven years is a relatively brief stretch of time, but it is easy to forget that absolute tumult that greeted President Barack Obama as he stepped into the presidency in January 2009. The global economy was being shaken to its core. More American workers had lost jobs in 2008 than in any year since World War II. Some 800,000 more Americans lost their jobs in just Obama's first month in office.

Major American carmakers teetered on the edge of collapse, government-sponsored enterprises Fannie Mae and Freddy Mac had already been taken over by the government, and investment company Lehman Brothers dissolved into bankruptcy.

A massive $787 billion economic stimulus package championed by President Obama passed in February 2009 — without a single vote from House Republicans (signaling the divisiveness that was to come). Making matters worse, wars in Iraq and Afghanistan raged on unabated, further draining lives and resources at a time when Americans had long since lost their appetite for foreign adventurism and were pre-occupied with their own increasingly perilous economic situation.

It was not a promising environment for a president to make substantial commitments on the global development front. While candidate Obama had pledged on the campaign trail to double U.S. assistance to Africa by the end of his first term, that seemed like a pipe dream in the turbulence of 2009.

And much to the frustration of the development community, movement on development was very slow coming out of the gate for the administration. Some of this was predictably, and forgivably, due to the crush of dealing with a global economic crisis and two hot wars unfolding halfway across the globe. But some of the initial difficulties on the development front were also of the administration's own making.

Appointments for key political positions in charge of the development portfolio moved glacially, particularly at U.S. Agency for International Development. Much of this came as a result of the fact that appointees had to be blessed by both the Obama White House and Secretary Hillary Clinton's team at the State Department — with memories of the bitter primary battle between the two never that far from mind. Many candidates fell out of favor for having leaned too enthusiastically into the Obama or Clinton camps along the way.

Looking for a new USAID administrator

After nine months with no nominee to head USAID, Sens. Richard Lugar and John Kerry pleaded with the administration in a joint letter, “We believe that time is of the essence, and that the longer we wait for a new leader for the agency, the more serious the problems become." The physician Paul Farmer, who has always been more celebrated on the lecture circuit than among development professionals, briefly emerged as a leading candidate to run USAID before pulling his name from consideration.

Adding to the growing unease with the lack of key appointments was the fact that the administration had launched two key strategic reviews of the U.S. government’s approach to development. The White House announced a Presidential Study Directive on Global Development Policy as the State Department kicked off the first Quadrennial Diplomacy and Development Review, or QDDR, modeled upon a similar strategic planning exercise at the Pentagon.

The QDDR review was elaborate and sprawling as a seemingly never-ending series of working groups and consultations spread out from Foggy Bottom. As one nonpartisan aid watcher described, “The process took forever and was horrible. The QDDR it produced was way too long, it was in direct competition with the Presidential Study Directive, and USAID was badly disadvantaged throughout because it has mostly acting officials in key leadership positions.”

As deadline after deadline shifted, waiting for the QDDR to be completed became something of a running joke among think tanks and nongovernmental organizations in Washington. As Nancy Birdsall, the president of the Center for Global Development commented, “The feeling then was: ‘What is going on? Is it all about process?’”

But eventually the various logjams broke. Rajiv Shah was confirmed as administrator of USAID the day before Christmas of 2009, his selection facilitated by the fact he had been confirmed for his previous position at the U.S. Department of Agriculture not long before. In September 2010, Obama signed the Presidential Study Directive and in December of that same year Clinton released the first QDDR. (The slow roll of the strategic reviews also effectively doomed congressional efforts, led by Rep. Howard Berman, to pass major aid reform legislation during this period. By the time the QDDR was released in 2010 Democrats had lost control of the House. The window for a collaborative approach to reform legislation had closed.)

While the sausage-making of the Obama administration’s early approach to development was not pretty, a number of important decisions emerged from this period that go directly to the administration’s development legacy. The Presidential Study Directive on Development, with its emphasis that “sustainable development is a long-term proposition, and progress depends importantly on the choices of political leaders and the quality of institutions in developing countries” got very positive reviews. (“All the right decisions on paper,” said one person I interviewed.) And while noting that implementation of the study directive has at times been uneven, one Washington think tank expert added, “Kudos to the administration for referring to the study directive so long and so often, it is like the magna carta to these people.”

Perhaps most importantly in the early part of the administration, Obama approached the aid system left by his predecessor with considerable wisdom. To its credit, the administration did not throw the baby out with the bathwater. Obama preserved the Millennium Challenge Corp., and maintained a substantial commitment to PEPFAR. In a move widely lauded by health experts, he also gradually, but decidedly, shifted PEPFAR to much more of a health systems approach. The U.S. would remain the global leader in combating HIV and AIDS, but developing countries would have to share a portion of that burden and better step up to manage their own approach to health as a whole.

But Obama was also firm in reversing Bush-era approaches that he just didn’t think made sense. The Obama administration re-established a policy shop at USAID and slowly gave USAID back some, but not all, authority over its budget. And while these may sound like mere bureaucratic box shuffling to the uninitiated, a federal agency without control of its budget or the ability to formulate policy is a very weak sister indeed. Having real policy expertise is critical if you are going to get development right. As Nora O’Connell of Save the Children observed, re-establishing the policy shop was “one of the biggest successes” of the early process decisions, and it help re-establish USAID as a thought leader on development and give it a seat at the table in broader discussions with the State Department and the White House.

Linked to the decision to re-establish the policy shop was a renewed emphasis on using evaluations to determine what works and what doesn't work on the ground in development. USAID had largely stopped conducting evaluations after its former evaluation shop was disbanded under budget pressure in the late 1990s. As Shah said in January 2011, "I expect us to succeed in some of our efforts, and to fall short in others. I expect a strong evaluation function and feedback loop that enables us to be accountable in both cases, and to learn from each."

There was always an eagerness within the Obama team to create a lasting development legacy. But there was also a realization that they were at a severe disadvantage vis-a-vis the Bush administration when it came to creating such a legacy. The Bush team had created the MCC and PEPFAR, massive new commitments on top of already inflated war-time investments in reconstruction in Afghanistan and Iraq, at a time when Congress seemed to fall over itself offering new money and authorities to the president.

With the economic crisis and Republicans in Congress reflexively opposing anything proposed by President Obama, the days of wine and roses were gone. If the Obama Administration wanted to create a lasting development legacy, such plans would have to be largely "budget neutral" and not require Congressional authorization. Any number of bold plans were simply nonstarters.

USAID reforms

On balance the Bush administration brought great sweeping, almost operatic, successes and failures and a nearly unrivaled boom in resources. It was a track record that naturally lent itself to discussions of legacies both good and bad.

It was against this backdrop of trying to do more with less that Shah announced the first major reform that he seemed to "own" from conception to implementation in January 2011. With blazing remarks guaranteed to generate headlines, Shah complained of an aid-industrial complex, and decried, "Our industry is full of incentives designed to prolong our efforts rather than reduce them or enable transitions. As a result, handoffs rarely happen. Projects are extended in perpetuity while goals remain just out of reach. There's always another high-priced consultant that must take another flight to another conference or lead another training."

Shah pointed out that more than 90 percent of USAID's grants and contracts went to U.S. NGOs and for-profit firms and insisted, that his agency would no longer be "writing big checks to big contractors and calling it development." His solution: setting a target of 30 percent funding to be directed to developing countries governments and NGOs.

Shah was spot on in making the case development should be about building the capacity of local partners over time. But Shah's rollout of "procurement reform" — as it was initially dubbed — underscored that the USAID administrator still had a lot to learn about how politics were played in Washington.

Shah's rhetoric was ham-handed, the branding for the initiative was poor (one NGO official interviewed for this story called procurement reform "the worst named reform ever"), there were few outside consultations with the Hill or other key stakeholders in advance of the plan's announcement, and Shah unconstructively lumped together for-profit contractors and nonprofit NGOs. For-profit contractors quickly mobilized against the agenda with adroit and expensive lobbying on the Hill, and USAID engaged in furious damage control.

To the credit of all involved, things eventually got on better track. The administration came to realize that genuinely building capacity on the ground was more labor-intensive than they had initially imagined. NGOs warmed to procurement reform (redubbed "local solutions") and provided important support for the effort.

And while for-profit contractors still don't love the idea, they achieved a certain détente with the administration on the concept as Shah and others increasingly distanced themselves from a hard 30 percent target. Embracing local solutions marked a very important institutional shift, and it has the potential to offer benefits for years to come.

Knowing that a huge infusion of cash from the Congress was unlikely for new aid initiatives, the administration tried to bundle together areas of existing activities with a sprinkling of new approaches, new ideas and reprogrammed money to shape priority presidential initiatives. The experience in three of these areas — Feed the Future, the Global Health Initiatives, and Power Africa — demonstrated both the power and limitations of trying to manage by presidential initiative.

Feed the Future

Feed the Future reflected the commitments made by the United States and other Group of Eight members at the L'Aquila Summit in 2009 to reverse the decades long slump in aid spending on agriculture. Indeed, while agriculture had been seen as the backbone of successful development in the 1960s and 1970s, and USAID helped drive the Green Revolution, agriculture had become a backburner priority by the onset of the Obama administration.

Donors committed to pump $22 billion into agriculture over the coming years, and Obama's Feed the Future Initiative promised to focus on greater growth in agriculture through increased productivity, expanded markets, improved resilience, and better nutrition outcomes. And like many of the Obama initiatives launched during an era of constrained resources, Feed the Future leaned heavily on public-private partnerships to deliver results.

The legacy of Feed the Future is mixed, but positive. The L'Aquila Summit spending targets on agriculture were met. Feed the Future has always gotten a reasonably warm reception because development professionals and Congress generally agree that agriculture had fallen too far off the radar over the years. Much of the focus in Feed the Future has been on bringing a coherent, coordinated "whole of government" strategy to bear on agriculture.

Yet, like many approaches that rely on a whole of government strategy, it has always been a bit hard to tell who is in charge and if the 11 agencies involved are really doing things differently or just rebranding existing efforts. By the time of its 2015 progress report, Feed the Future claimed impressive gains, particularly in areas like reducing stunting, one of the hardest development problems to address.

Global Health Initiatives

The Global Health Initiatives also had its roots going back to 2009, and represented an effort to bring the massive streams of U.S. health funding for activities in health into a more coordinated and effective whole. This was a noble aspiration. It did not work. The health programs were simply too large to be corralled into a more effective bureaucratic structure without far greater political buy-in.

While the QDDR spelled out a highly detailed plan for managing the Global Health Initiatives, the plans on paper never materialized as a result of ferocious bureaucratic infighting, weak leadership, and predictable battles over budget authority. As one USAID staffer who understandably wished to remain anonymous told me of the final verdict on the Global Health Initiative, "It was an abstraction; a turf battle that only made everything worse."

Power Africa

Perhaps Obama's most successfully constructed presidential initiative in the development arena was Power Africa, launched in 2013. Unlike some of the earlier initiatives, Power Africa took on a set of issues where there wasn't already a strong programmatic focus in the U.S. government, and it didn't look like an effort to put old wine in new bottles. Electrification is clearly a major development issue, and it touches on everything from public health to education in powerful ways.

The energy issue was also very much on the mind of Africa's leaders, an unprecedented 50 of whom came to the United States for the first ever U.S.-Africa Leaders Summit in 2014, and the administration got positive reviews for tackling an issue where the private sector was a key player, but where local ownership of the issue appeared genuine. Power Africa also set a clear goal: doubling access to electricity in sub-Saharan Africa, and its bipartisan support allowed for its codification by Congress.

In short, Power Africa looked like it was put together by an administration that had become much shrewder in its approach to managing by presidential initiative and had achieved a balance between real development need, bureaucratic positioning, partnership and optics.

All of that said, it is still early to tell if Power Africa will be an enduring success. Electrifications projects are long term endeavors not overnight success stories, and Power Africa appears more interested in making sure that host countries make commitments to reforms that will make investments viable over the long haul. (Africa is littered with the bones of large power projects that failed because they ignored these fundamentals, such as the many iterations of the Inga dam in Congo.) The administration brought a new sense of urgency and dynamism to a sector that will be crucial to the continent's future.

Broader than deep

There are other development and reform legacies that certainly deserve mention. Partnership for Growth tried to take a "constraints to growth" analysis, an approach long utilized by the MCC, and have interagency teams use it to remove key development obstacles in four countries. The approach seemed to make sense, but has quietly faded from sight in recent years.

The Obama team, like the Bush team, has tried to do the right thing on food aid reform, but has yet to fully unlock the puzzle of obstinate shippers, producers, and Agriculture Committee members who adamantly defend their turf. The administration has also made important strides on transparency and helped drive the Open Government Partnership to impressive levels of participation. The administration has also put a lot of effort into innovation, launching the Global Development Lab in 2014 — although its late birth will make it vulnerable to being thrown overboard by the next administration.

The overall flurry of reforms underscores one of the criticisms of the Obama development record: that it has been broader than deep.

“While Bush’s major development achievements continue to enjoy broad bipartisan support,” argued Jeremy Konyndyk of Mercy Corps before moving into the administration, “President Obama’s achievements remain more tenuous and could be reversed in the future.” Nancy Birdsall of the Center for Global Development said of the administration legacy, “I would give it an A-minus for vision, and a C-minus for implementation.” But certainly an inhospitable Congress played an important role in all this.

Remarkable feat

There were also two very significant pushes from the Obama late in his administration that will affect the contours of the development landscape for years to come. First, the president committed to the core goal of ending extreme poverty around the globe within a generation, declaring in his 2013 State of the Union, “In many places, people live on little more than a dollar a day. So the United States will join our allies to eradicate such extreme poverty in the next two decades by connecting more people to the global economy; by empowering women; by giving our young and brightest minds new opportunities to serve, and helping communities to feed, and power, and educate themselves; by saving the world’s children from preventable deaths; and by realizing the promise of an AIDS-free generation, which is within our reach.”

This was a historic commitment, and it helped lend impetus to the framework for Sustainable Development Goals that were ultimately agreed by the United Nations General Assembly in September 2015. The SDGs are so sprawling and messy that no one seems to be in a hurry yet to claim them specifically as an enduring legacy, but ending extreme poverty clearly entails a concerted and sustained effort to reach groups that have often been systematically excluded from the political and economic lives of their countries. As such, this marks an important shift in development approach from a belief that a rising tide will necessarily lift all boats.

The other important achievement in the late stages of the administration was the Paris climate change agreement. While there are certainly still some climate skeptics, they are relatively few in the development community. And most recognize that the impact of climate change will be felt disproportionately by the developing world, a cruel irony given how little these countries had to do with driving climate change. And there is broad understanding in the development community that without far more rapid progress in addressing climate change, the development gains of the last several decades are acutely vulnerable to erosion. Obama may fare well from the long view of history for being the first U.S. president to try to seriously come to grips with climate change and its implications for the global community.

One additional point is all too often missed when talking about the Obama development legacy, and that is resources. It is hard to overstate how bad relations with Congress were on both policy and appropriations. Witness the fact that significant numbers of House Republicans openly flirted for a period of time with the idea during 2011 of crashing the U.S. debt ceiling with potentially cataclysmic results for global markets and stability. But despite all that, and despite all the sturm and drang, Obama successfully maintained the historic increase of U.S. assistance levels made during the Bush Administration, a rather remarkable feat considering a global recession, ongoing turmoil in the Middle East and Afghanistan, and a Republican-led Congress that at times seemed to veer into nihilism.

Both the Bush and Obama teams are proud of their development records and legacies, and able to lay out compelling arguments supporting their respective track records. The challenge for the next president: identifying which parts of these mutual legacies to preserve; putting their own stamp on development; and doing all this without making the current development machinery even messier than it already is. (Devex 12-08-2016)

TANZANIA GETS $14.3M FUNDING FOR WATER

The European Union through its development bank has given the government of Tanzania $14.3 million aimed at connecting Lake Victoria and Tanganyika fresh waters in order to increase water supply in four regions of the country.

Tanzania Prime Minister, Kassim Majaliwa said this on Friday when laying a foundation stone for the distribution project.

He said the project will be in Katavi, Rukwa, Simiyu and Tabora where the project aims to end water woes.

“My government wants to improve the welfare and lives of the people,” he said.

He underscored the fact that his government was looking at the possibility to also connect Lake Tanganyika’s fresh waters from Karema Village in Tanganyika District (Katavi) as well as Kasanga Port in Kalambo District in Rukwa Region to enable local governments and villages where the project passes through to enjoy the service.

He explained that the fund would also be used to connect pumps in 12 drilled wells and also to lay water pipes in Shinyanga district.(APA 26-08-2016)

INDIAN GROUP GIVES UP COAL PROSPECTING IN MOZAMBIQUE

Coal India Ltd (CIL) has returned the licenses for coal exploration in Mozambique granted to its subsidiary Coal India Africana Limitada (CIAL), according to its Annual Report and Accounts, cited by the Business Standard newspaper.

The return of the licenses to the National Institute of Mines, of the Ministry for Mineral Resources and Energy was, according to the report, due to mining in the areas covered by the licenses “being technically infeasible”.

“A feasibility study for mining exploration concluded that it was not possible in the areas covered by the concessions obtained by CIAL, thus the board of CIL decided to return the licenses to the Mozambican government,” said the document.

The subsidiary of the Indian group had been granted two licenses for coal exploration in a joint area of 224 square kilometres, which were valid between August 2009 and August 2014.

The geological report conducted by CIAL concluded that at least 170 square kilometres of the two concessions had no coal deposits to a depth of 500 metres. (30-08-2016)

TUNISIA: EU EXPRESSES SUPPORT TO NEW GOVERNMENT

The EU High Representative for foreign affairs Federica Mogherini has congratulated the new government of Tunisia, following the confidence vote obtained at the People's Representatives Assembly, and ensured the EU's support to the government.

"The new government will build on the work of the government of Habib Essid, both in the preparation of major development projects that the country needs as well as to intensify the privileged partnership between the EU and the Tunisia", said Mogherini in a statement.

"Since the Revolution, the EU has mobilised all its instruments, political, technical and financial, to support the Tunisian people in its transition. It renews today its determination to continue, in close collaboration with the government of Youssef Chahed and by involving all the forces of civil society, providing a strong support that helps improve the lives of Tunisians, and thus restore confidence, particularly among youth, in the prospect of a better future", she added. (EC 29-08-2016)

MICROSOFT AGREES TO SUPPORT PUBLIC SECTOR IN MOZAMBIQUE

US-based technology giant, Microsoft has signed a a memorandum of understanding with the Mozambican governent for the use of Information Technology and Communication (ICT) in the public sector, APA can report here on Friday.

The agreement was formalised by Mozambique's Minister of Science and Technology, Higher Education and Technical Professional, Jorge Nhambiu, and the Vice-President of Microsoft for Europe, Middle East and Africa, Giuseppe Marci in Maputo late on Thursday.

According to a media statement emailed to APA, the memorandum will allow the training of human resources in the use of Microsoft products and solutions for the public sector, higher education institutions and vocational technical education.

The training will also allow the use of ICTs in the progress of the strategic areas of national development set by the government, namely, agriculture, energy, infrastructure and tourism.

Nhambiu said one of the challenges that the country has is the rational and safe use of Microsoft products in state institutions.

The signing of the deal is part of the working visit by Giuseppe Marci to Mozambique.

Microsoft is a global company which develops licenses and supports a range of software products.(APA 26-08-2016)

EUROPEAN INVESTMENT BANK OPENS CREDIT LINED FOR MOZAMBICAN SMES

The European Investment Bank (EIB) has opened a credit line of 30 million Euros for Mozambican companies, said the Millennium bim bank in a statement issued on Monday in Maputo.
The statement said the credit line would finance 50% of the total cost of each business project submitted by micro, small and medium-sized companies in the public and private sector.
"The aim of this programme is to finance 50% of the total cost of each eligible project, from any sector of activity," said the statement.

The scheme, the statement said, was within the scope of the Cotonou Agreement on cooperation and development aid, negotiated between Africa, Caribbean and Pacific States (ACP) and the European Union (EU). (30-08-2016)

EU NAVAL OPERATION IN THE MEDITERRANEAN TO START TWO ADDITIONAL SUPPORTING TASKS

On 30 August 2016, the Political and Security Committee authorised EUNAVFOR MED Operation Sophia to begin two additional supporting tasks: training of the Libyan coastguard and navy and contributing to the implementation of the UN arms embargo on the high seas off the coast of Libya.

Training of the Libyan coastguard and navy: The legitimate Libyan authorities requested support in capacity building and training of their coastguard and navy. The objective is to enhance their capability to disrupt smuggling and trafficking in Libya and to perform search and rescue activities which will save lives and improve security in the Libyan territorial waters. This task will be financed through voluntary contributions from some EU member states managed by the Athena mechanism.

Countering illegal arms trafficking: On the basis of UN Security Council Resolution 2292 (2016), the operation will contribute to information sharing and support the implementation of the UN arms embargo on the high seas off the coast of Libya. This will increase the overall level of awareness of the maritime situation and limit arms flows to Da'esh and other terrorist groups.

EUNAVFOR Med Operation Sophia has been active in International waters since June 2015. Its core mandate is to disrupt the business model of human traffickers and smugglers in the Central Mediterranean. (EC 30-08-2016)

EGYPTIAN FIRMS INVEST $34M IN INDIA

The total investments by Egyptian companies in India reached $34 million, the Indian Embassy announced in a statement on Thursday.
India's Ambassador in Cairo Sanjay Bhattacharya announced that Egypt will receive 20,000 tons of rice at reduce price from India within the coming days.

Egypt's President Abdel Fattah El Sisi will pay a visit to India as of September 1 at an invitation of his Indian counterpart Pranab Mukherjee, according to the presidency.

President Sisi's visit to India on September 1 is meant to boost bilateral relations and joint investments, the Indian ambassador to Egypt said on Thursday.

The Egyptian-Indian partnership has a positive impact not only on cooperation between the two countries, but also on among developing countries in the South, Indian envoy in Cairo Bhattacharyya said on Thursday during a press conference.

A Member of Parliament Mohamed Salim said in a statement on Wednesday that there is an Egyptian-Indian desire to increase the volume of trade exchange between both countries to $8 billion by the year 2017.

Salim added that India looks to increase its investments in Egypt up to $10 billion.(APA 26-08-2016)

MAINTAINING NATIONAL ROADS IS A PRIORITY OF THE ANGOLAN GOVERNMENT

The maintenance programme for national roads, notably those linking Luanda to Benguela and Malange to Saurimo, is among the Angolan government's priorities, the Construction Minister said on Monday in Luanda.

Valdemar Pires, cited by Angolan news agency Angop, also said the studies carried out showed that two thirds of Angola's road traffic is found on three main roads – national road 100 (Luanda-Benguela), national road 230 (Luanda-Malange-Saurimo) and national road 120 (Alto Dondo-Quibala-Waco Kungo-Huambo).

The minister, who was answering questions from members of parliament, as part of the discussion of the revised State Budget for 2016, said the road maintenance programme includes 29 projects, focusing on repairing badly deteriorated sections of the country's national roads.

The minister also said the first phase of work to build integrated infrastructure in Malange had been concluded and the second phase now depended on availability of funds from the Chinese credit line. (30-08-2016)

AFDB AND JAPAN ANNOUNCE $3BN AFRICA POVERTY REDUCTION SCHEME

The African Development Bank (AfDB) and the government of Japan on Friday announced they have set a joint target to provide $3 billion for the private sector development on the continent during the next three years.

Both parties are looking to substantially increase the resources devoted to boosting economic growth and fighting poverty in the region.

In a statement released in Addis Ababa on Friday, the bank said the resources will be provided under the third phase of the Enhanced Private Sector Assistance for Africa (EPSA) initiative.

Japan will target to provide $1.5 billion over three years through the Japan International Cooperation Agency (JICA), the statement said.

The AfDB expects to finance at least an equal amount.

On top of this, Japan is ready to provide an additional special allocation of $300 million for co-financing with the AfDB to help African countries access the best low emitting clean coal technologies available.(APA 26-08-2016)

US FINANCES MANAGEMENT PLANS FOR TWO NATURAL PARKS IN ANGOLA

The United States Agency for International Development (USAID) on Monday in Menongue submitted the management plans for two recently created natural parks in Angola, said the United States embassy in Angola.

The two new natural parks – Mavinga and Luengue-Luiana – are located in Kwando Kubango province, southwest Angola, and cover an area of 6.8 million hectares or 68,000 square kilometres.
The management plans, according to the Embassy's statement, will held to guide the development of the parks in the critical first few years, safeguarding natural resources so as to benefit around 12,000 people living in the five main villages inside the boundaries of the parks.
Without giving a figure, the document said the management plans were financed through the USAID Southern Africa Regional Environmental Development Programme.
This six-year project supports the schemes of the Southern Africa Development Community to deal with threats to biodiversity and the environment within the Okavango river basin, which includes parts of Angola, Botswana and Namibia, as well as the Okavango river delta, which is a World Heritage site. (30-08-2016)

KENYA TO ACQUIRE VITAL EQUIPMENT TO FIGHT CANCER

The International Atomic Energy Agency (IAEA) on Friday announced that they have secured some funding from America to enable Kenya acquire vital equipment needed to fight cancer.
The subsidized machines will be acquired through a cost-sharing arrangement between IAEA and Kenya and are expected to go a long way in the management of various forms of the disease including cervical, breast and prostrate cancer.

Director general Yukiya Amano said the energy watchdog is also helping Kenya develop a national plan to combat cancer which is on the increase in many countries in Africa.

He made the remarks when he paid a courtesy call on the First Lady Margaret Kenyatta at State House, Nairobi.

Amano said Kenya should be a hub for cancer management in Africa in all its facets including diagnosis, radio-therapy, chemotherapy and surgery when needed.

"Kenya has a bigger responsibility not only for Africa but globally", Amano said, adding that it was saddening that 28 countries in Africa have no equipment to treat the killer disease.

He also regretted that many cancer cases in the continent are reported when it is too late for any meaningful therapy to take place and only palliative care can be given to such victims before they die.

Amano however said there is hope in Africa because a new momentum is picking up to acquire equipment needed to manage cancer on the continent.

"There is new momentum of progress in Africa but much more needs to be done" he added.

Amano said IAEA advocates for peace and development adding that health of the people is crucial to development.

He said health issues are part of that development.

The IAEA boss said there is need to invest more in nuclear-driven technology which has the capacity to detect diseases such as cancer, Ebola and Zika within a few days.

He said some cases of Zika had already been discovered in Africa, but had been detected early through advanced technology.(APA 26-08-2016)

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, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, SwissCham-Africa and other organisations.

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

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