MEMORANDUM

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SUMMARY

CONGO'S CENTRAL BANK MORE THAN TRIPLES ITS BENCHMARK INTEREST RATE

The Democratic Republic of Congo's central bank has raised the main interest rate from 2% to 7% in a bid to contain quickening inflation, the bank said on Thursday, as low commodity prices continue to batter the economy of Africa's top copper producer.

The government slashed its 2016 budget in June by 22% due to falling revenue from the mining and oil sectors, which account for about 95% of export earnings.

It has also cut its growth estimate from 9% to 4.3%.

In Thursday's statement, the bank increased its year-end inflation forecast to 4.13%, up from less than 1% last year.

The jump is largely due to exchange rate pressures caused by a shortage of dollars in the economy. Foreign exchange reserves have fallen by about a third this year to under $1bn, enough to cover less than four-and-a-half weeks of imports.

The bank will also intervene in the foreign exchange market on Friday to ease pressure on the central African nation's franc currency, spokesman Plante Kibadhi said.

The Congolese franc has depreciated more than 20% against the dollar this year on the parallel market. (Reuters 30-09-2016)

WORLD BANK INJECTS 16BN CFA INTO CONGO'S EDUCATION SECTOR

THE WORLD BANK

The World Bank will invest nearly 16 billion CFA in Congo for the implementation of two education projects, the organization's representative in Congo, Djibrilla Issa told a press conference Saturday. Both projects concern Skill Development for Employability (EDP) and Support for the improvement of the education system project which will be signed in the coming days.

Both projects concern initially about 1600 youth who will be trained in Brazzaville and Pointe-Noire on electricity, welding, hairdressing, and painting.

"The projects' long-term objectives are the training of almost 15,000 vulnerable youth in different trades in five years," said Issa Djibrilla.(APA 02-10-2016)

SIERRA LEONE: FINANCE MINISTER URGES PRUDENT SPENDING

Sierra Leone's Minister of Finance has warned Ministries, Departments and Agencies (MDAs) to take an ongoing discussion on next year's budget seriously.

According to reports on Saturday, Momodou Kargbo was speaking at the session currently taking place at the Ministry of Finance. He lamented poor attitude of vote controllers in particular to the proceedings.

The discussions are part of an ongoing public financial management reforms which Kargbo said had been put in place to ensure budget credibility, value for money and probity in the use of public funds.

With the new public financial management Act, no extra budget spending will be allowed except in emergencies and special presidential initiatives within the constitutional review, Kargbo warned.

He said MDAs were therefore expected to think thoroughly and reasonably and focus their activities for the financial year 2017 to avoid coming up with implementation of activities not provided for in the budget.

The 2018 general elections and the forthcoming civil registration are the key priorities of government and MDAs should factor these in their strategic plans, the minister stressed.

Kargbo said in order to achieve all these country needed to spend on productive areas of the economy, like investment in trade and industry and strengthening of the rural electrification process.

“We have succeeded in convincing ourselves in the Ministry of Finance that we now have to look at Agriculture, we now have to look at fisheries…everything is important. We cannot be here without the security forces giving us security. But we need now to be tactical in our investment and be very strategic because we need revenue,” he said.

He added: “We need to put our resources into areas that will expand the economy to create employment and generate more revenue.” (APA 02-10-2016)

UFM COUNTRIES AND KEY STAKEHOLDERS CALL FOR INCREASED EFFORTS TO END GENDER-BASED VIOLENCE AND STEREOTYPES IN THE EURO-MED REGION

In the framework of the Union for the Mediterranean (UfM) Regional Dialogue on women empowerment, and to follow up on the previous meetings held in 2016 in Barcelona, Paris and Amman, two working group meetings were held on 20 and 21st September in Skhirat, Morocco to review and discuss the efforts made in combating violence against women and gender stereotypes in the Euro-Mediterranean region. They provide concrete recommendations and proposals of actions for the upcoming Ministerial Conference on strengthening the role of women in Society to be held in February 2017.

During the two days meeting, participants stressed the importance of a comprehensive approach to tackle the issues of violence against women and gender stereotypes and the necessity to improve the coordination and partnership between the key actors concerned, including the media and civil society.

They identified social and cultural norms, the challenge of impunity and the enforcement of laws among the main and urgent issues to be addressed. Experts formulated a number of other key recommendations, including improving research and data collection, strengthening regional cooperation between countries and with key stakeholders, and promoting exchange of success stories and lessons learnt. (EEAS 26-09-2016)

STANDARD BANK, OTHERS TEAM UP TO SUPPORT POWER, INFRASTRUCTURE PROJECTS IN AFRICA

The Standard Bank Group, the Overseas Private Investment Corporation (OPIC) (the United States Government's development finance institution), and Wells Fargo Bank, have announced a $300 million facility to fund power and infrastructure projects in Africa, according to a statement issued here Thursday.

The 12-year funding line for Standard Bank, the largest African banking group by assets, was signed on the sidelines of the US-Africa Business Forum in New York. The bank will provide $33 million from its balance sheet to support transactions financed by the facility.

At least $150 million of the facility will support power transactions as part of United States President Barrack Obama's Power Africa initiative, with up to $100 million available for other strategic infrastructure projects beyond the power sector.

“Power and infrastructure play a crucial role in the economic development of Africa. We are delighted to be part of such an important initiative and look forward to working with OPIC and Wells Fargo to promote sustainable economic growth and to make a real difference to the lives of the people of Africa. Standard Bank has the experience, knowledge and presence in Africa to make this project a resounding success,” Standard Bank Group CEO Sim Tshabalala said about the agreement.

Chuck Silverman, Executive Vice President and Head of Wells Fargo's Global Financial Institutions Group noted that the money will be used to finance renewable energy projects in low income countries in Africa, “where such infrastructure is key to promoting environmentally sustainable development”. (APA 22-09-2016)

LIBYA RESUMES OIL EXPORTS

Libyan oil exports resumed on Wednesday with the departure of the Seadelta tanker from Ras Lanuf terminal (northeast) for Italy, carrying 776,000 barrels, sources in Tripoli told APA on Thursday. Another tanker, Syra, will deliver another cargo of 580,000 barrels to Spain.

This is the first tanker to leave Ras Lanuf since November 2014 and the first oil cargo to leave the facility called “Crescent Petroleum” since they were taken last week by Marshal Khalifa Haftar forces.

Libya's reserves are estimated at 48.3 billion barrels of oil and 1.5 billion m3 of gas.

No amount of crude has ever been exported from Ras Lanuf from the outbreak of fighting to control of the Crescent oil terminals in late 2014.

Libya has been dogged by violence and political chaos since the destitution of former leader Muammar Gaddafi's regime in 2011. The country's oil sector was severely affected by this situation aggravated by DAECH's attacks.(APA 22-09-2016)

CLIMA SOUTH HELPS EGYPT ESTABLISH CENTRE OF EXCELLENCE ON CLIMATE CHANGE

The establishment of a Centre of Excellence on Climate Change (CECC) is one of the priorities of the Egyptian Government to address climate change adaptation and promote low carbon development. A feasibility study being implemented in collaboration with the EU- funded Clima South project, is currently assessing the main factors for the effective design and implementation of the CECC.

Based on national priorities and on lessons learned from relevant international and national experiences, the main functions identified for the CECC will include knowledge generation and management, capacity building, supporting access to finance and awareness raising.

The next step in the establishment of the CECC will be to produce a detailed work plan, integrating inputs received from stakeholders and detailing associated investment requirements. The final outcome of the current feasibility study phase, will be formally presented at a dedicated side-event to be jointly held by Egypt and the Clima South project at the COP22 in Marrakech.

The **Clima South project** seeks to enhance regional cooperation between the EU and its southern Mediterranean neighbours and among the partner countries themselves (South–South) on climate change mitigation and adaptation, mainly through capacity development and information sharing. The overarching goal is to support the transition of ENP South countries towards low carbon development and climate resilience. (EEAS 26-09-2016)

NIGERIA: AFRICA EXPORT-IMPORT BANK SOURCES FUNDING FOR DANGOTE REFINERY

The African Export-Import Bank (AFREXIMBANK) has resolved to assist the Dangote Group to access foreign exchange and funding for its 14 billion dollars refinery projects.

The President of AFREXIMBANK, Dr Okey Oramah, gave the assurance during a tour with its board members to the refinery which is projected to refine 650,000 barrels of crude oil per day. The facility is located within the Lekki Free Trade Zone in Lagos.

Oramah said that the board members decided to visit the Dangote Group which is a leading African conglomerate business in West Africa and provide support to its ongoing refinery projects.

He said that Dangote was making tremendous impacts across the continent and changing lives.

“We are supporting them in what they are doing in those countries, so we are equally supporting them in this ongoing project, so, it is important for the Board of Directors of AFREXIMBANK to pay a courtesy a visit to the site.

“It is important to come and see firsthand the project that is ongoing because we are also planning to support them to ensure the project is delivered on schedule.

“We are looking at providing all necessary support both financial and otherwise to ensure that the project is completed within the time frame.”

Oramah said that the bank was also looking at providing support window for the Dangote Group that will be used to fund its projects to completion.

“The impacts of the projects are not going to be felt in Nigeria alone but across Africa, especially West African, so for us it is a strategic partnership we are building.

“If we help them to impact lives across the continent, they will equally help in delivering on our mandate to meet the objective of AFREXIMBANK.

“It is a wonderful facility that needs to be publicised to the world, the projects is the largest in the world which will supply not only Nigeria but West Africa,” Oramah said.

In his remarks, the Chief Operating Officer of Dangote Industries Ltd., Mr. Olakunle Alake, said that the board members of AFREXIMBANK, which he called partners from Cairo in Egypt, came to see the level of the ongoing project.

Alake said that the fertilizer plant project was gradually nearing the completion stage, adding that work had also commenced on the refinery project.

He said that foreign exchange still remained a major challenge to the projects, adding that the forex had moved up from 280 Naira per dollar to 310 Naira now, which had further increased the company’s losses.

According to him, there are still serious challenges in sourcing for foreign exchange.

“It is a challenge we found ourselves in. We are posed to complete the projects within the time frame to ease the forex problem.

“We are engaging the Federal Government to support the private initiatives by providing funding to the projects.

According to him, the best way of diversification for Nigeria is agriculture and the fertilizer plant is in line with that goal.

He said that the project would aid the country with about 7.5 billion dollars forex savings on import substitution; generate $5 billion forex earnings from savings and another 5.5 billion dollars export earnings.

The plant, according to him, will generate over 100,000 employment opportunities and revive over 11,000 filling stations that had been shut down due to shortage of products.

He said the project was designed to process largely variety of crudes including all African crudes, a range of Middle Eastern crudes and US crudes. (APA 22-09-2016)

MOZAMBIQUE APEX BANK CRACKS WHIP ON LOCAL COMMERCIAL BANK

Mozambique’s central bank, Banco de Mocambique (BM) has suspended the Board of Directors in the country’s fourth largest commercial bank, Moza Banco and replaced it with provisional board.

BM says in a media statement emailed to on Sunday APA that the intervention is instated to “to protect the interests of the depositors and other creditors and to safeguard the normal operating conditions of the banking system”.

The statement assured the bank’s clients and the public at large that Moza Banco “will continue to function normally”.

This is only the second time the Bank of Mozambique has intervened in a failing private bank. The first such event was the rescue of Austral Bank (later transformed into Barclays Bank-Mozambique) in 2001.

Moza Banco, however, does not appear to have engaged in reckless lending. Instead it ran into a shortage of liquidity, and its shareholders were unable to recapitalize the Bank.

This is a serious blow to the hopes of setting up a private bank controlled by Mozambicans. From the moment it was founded, Moza Banca insisted that it should be at least 51 per cent owned by Mozambicans. The Mozambican shareholder is Mocambique Capitais, which consists of about 400 Mozambican investors.

The foreign investor was initially the Portuguese Banco Espirito Santo (BES). But BES in Portugal was seriously mismanaged, and in 2014 it had to be bailed out by the Portuguese central bank. Its healthy assets (including the 49 per cent holding in Moza Bank) were spun off into a new entity, Novo Banco. But it seems that Novo Banco was in no condition to inject new funds into Moza Banco.

The founder and chairperson of Moza Banco was Prakash Ratilal, a former governor of the central bank. (APA 02-10-2016)

HOW A RECESSION IS RUDELY INTERRUPTING THE AFRICA RISING STORY

Tunji Andrews, a 36-year-old Nigerian PR consultant, and his wife are the type of consumers multinational companies and consultancies see as being the drivers of growth in Africa’s most populous nation.

The much-hyped African middle class — young professionals starting families, eating out and aspiring to buy homes and insurance — fuelled the "Africa rising" narrative when commodities prices were high.

Now, with oil prices half what they were when Mr Andrews and his wife married, Nigeria is hurtling towards its first full-year recession since 1991. Since June, when the central bank abandoned a currency peg to the US dollar, the naira has lost more than 30% of its value on the official market and is trading at a far weaker level on the parallel, or black, market.

Though Mr Andrews, a new father, says his income is the highest it has ever been, his purchasing power has dropped steadily over the past two years, reflecting the plummeting value of the naira since oil prices crashed.

"It’s scary," he says, noting that costs for fuel for his generator and his car keep rising.

Inflation sped to 17.6% last month, up from 17.1% in July and 9.3% in August 2015, showing how much food and fuel prices have been affected by the oil prices.

But Mr. Andrews says he is relatively fortunate in comparison to the tens of millions of Nigerians — including almost half of the youth labour force, according to the national statistics office — who are now unemployed or underemployed.

With the impact of the devalued naira not yet fully reflected in prices, Nigerians like Mr. Andrews — as well as multinational and local businesses — are making tough choices and taking a long-term view.

They are not helped by capital controls, introduced by the central bank last year. Although the government hopes the measures will eventually encourage fully integrated local supply chains and reduce import dependency, for now they have hammered the local manufacturing sector, driven up prices and contributed to slowing growth.

George Nassar, MD for Nigeria at Procter & Gamble, the largest US non-oil investor in the country and maker of household staples such as Ariel washing products, says his company began feeling the slowdown sparked by the oil price crash in late 2014. Margins are continuing to shrink as customers buy smaller quantities or lower-quality varieties of products such as nappies and sanitary towels.

"We now have to plan quarter by quarter," he says, to navigate the uncertain times. "We need the price of oil to move … if by summer next year, things are turning around, we’d be happy."

At the same time, multinationals that have decades of history in Nigeria stress they are committed to the country and to ensuring their products are available to consumers at prices they can afford.

"Though the cost of production has gone up with the devaluation of the naira, companies are not able to pass through the full increase to the consumers, as disposable income continues to go down," says an executive at a foreign-owned fast-moving consumer goods company. He says that, to avoid huge price rises, companies are looking "inwards" for raw materials. Though investing is difficult, "there will be a demand burnout at higher sales prices, the markets will slowly adjust to the new reality".

Seki Mutukwa, equities researcher at Renaissance Capital in London, says limited access to foreign currency for imports is pushing companies to find more supplies locally. Flour Mills, the country's biggest miller, has been encouraging farmers to plant more sorghum and maize to use instead of imported wheat. Mr. Mutukwa says that, although gross margins are likely to continue to contract for the largest fast consumer goods companies, those that produce lower cost or "value" versions of popular goods, such as beer, are increasing their market share.

"You are seeing consumers trading down," he says, noting the market share of Hero, a lower-priced lager made by SABMiller, increased to 4.9% last year, compared to 1.1% in 2013.

Though the recession is not likely to ease soon, companies and consumers will make ends meet. As Lagos-based fashion blogger and style icon Noble Igwe has told his followers: "It's not what you're wearing but how you wear it." He adds: "Before, anything that would be seen as luxury, expensive, or fashionable had to be foreign. Now, as long as you can stylishly pull it off, whether it's local or foreign made, it works." (FT 27-09-2016)

IMF RETURNS TO ANGOLA IN OCTOBER FOR REGULAR CONSULTATIONS

A mission from the International Monetary Fund (IMF) is due to return to Angola in the second half of October, as part of regular consultations of the institution, according to an official statement issued in Luanda.

The same statement said Angola will attend from 4 to 9 October in Washington the annual meetings of the IMF and the World Bank and from 18 to 31 October the usual meetings with the IMF mission under Article IV (regular monitoring) will take place.

The Angolan Finance Ministry reported on 11 July that the government had decided to do without financial support from the IMF following an official request for assistance in April, justifying the decision with the rise in the price of oil.

“In light of recent economic performance and access to sufficient funding, Angola will not ask for funding from the IMF. Angola will continue its technical assistance programme with the IMF,” the Ministry of Finance said at the time, adding that talks with IMF representatives would only continue in October.

The IMF mission will mainly be dealing with the new finance minister Archer Mangueira, who replaced Armando Manuel after a government reshuffle. (26-09-2016)

NIGERIAN LEADER LURES INVESTORS WITH ATTRACTIVE INCENTIVES

President Muhammadu Buhari has said that Nigeria will soon be one of the most attractive places to invest as his administration has embarked on significant economic reforms.

Buhari said at the Second U.S.-Africa Business Forum in New York, US that the Presidential Enabling Business Environment Council headed by Vice-President Yemi Osinbajo, would soon come out with wide-ranging business environment reforms on ports, visa-on arrival, improving the speed and efficiency of land titling and business registration

He said some fiscal incentives included a five-year tax holiday for activities classified as pioneer; tax-free operations; no restrictions on expatriate quotas in Free Trade Zones; and a low VAT regime of five percent.

We intend to make Nigeria one of the most attractive places to do business, he said, adding that Nigeria remains the number one investment destination in Africa.

Local media reports quoted Buhari as saying that the administration will continue to strengthen government institutions in order to address the concerns of investors and ease investments in the Nigerian economy.

We are weaning ourselves from a historical dependence on crude oil, diversifying our economy, and putting it on the path of sustainable and inclusive growth. To this end, we have embarked on policies aimed at establishing an open, rules-based and market-oriented economy.

We will continue to actively engage with the private sector at the highest levels to listen to your concerns and to assure you of our commitment to creating enabling policies in which your businesses can survive and thrive, he added.

Buhari urged the participants to take advantage of this Forum to establish and strengthen business relationships, share valuable experience and collaborate for mutual benefits. (APA 22-09-2016)

UNION FOR THE MEDITERRANEAN COMMITS TO FIGHT STRUCTURAL UNEMPLOYMENT

The member countries of the Union for the Mediterranean (UfM) have defined key measures to address the persisting challenge of unemployment in the Mediterranean region, particularly for young people and women.

At the third Ministerial Conference on Employment and Labour today in Jordan, ministers of UfM member countries reaffirmed their commitment to work together to address the challenges relating to employment, employability and decent work. The European Commission –represented by H.E. Marianne Thyssen, Commissioner for Employment, Social Affairs, Skills and Labour Mobility – and Jordan's Labour Minister H.E. Ali AL-Ghezawi were the co-Presidents of the two day UfM-meeting.

Commissioner Thyssen stated: *"In some countries on the Mediterranean shore, as much as half of the young people are out of a job. We cannot allow this. Decent jobs and good opportunities in life are among the best measures to invest in our future. Therefore, it is time to give a new impetus to our UfM cooperation. We need inclusive labour markets which provide equal chances to all: women and men, the young and the old, university graduate and school dropouts."*

Minister AL-Ghezawi emphasized: *"All the southern countries are facing issues of high unemployment mainly for females and Youth. We need to think about innovative ideas to spur economic growth as the most effective factor in creating jobs and mitigating the impact of the unemployment on socio-economic aspects taking into consideration the impact of the Syrian crisis on these countries. We also have to find a better mechanism for skills matching, enhancing female economic participation and encouraging the formalization procedures."*

The Secretary General of the Union for the Mediterranean, H.E. Fathallah Sijilmassi, stated: *"We are here today to enhance the regional dimension and the collaborative approach of our common cooperation efforts to reinforce the human capital, which is the key for stability and security in the region. We need to place youth employability at the core of our regional cooperation initiatives to make our young people active players of the region's socio-economic future."*

The full-day meeting addressed the most pressing issues in the region: promoting job creation, improving youth employment and employability (including job matching and placement, strengthening public employment services), and promoting social dialogue. Moreover, the ministers discussed ways to contribute to growth, decent work and inclusion, for example by facilitating the transition from the informal to the formal economy and addressing challenges due to the refugee crisis.

Ministers at the Conference asserted the value of a common approach to address the issue of unemployment, particularly of young people and women, as a means to consolidate stability in the region. This regional effort towards job creation and decent work is crucial in the wider context of the recent commitments made by the United Nations and the International Labour Organisation (ILO) towards sustainable development and decent work as enshrined in the 2030 Agenda for Sustainable Development.

The participating ministers consulted with representatives of social partners from both shores of the Mediterranean and underlined the importance of tripartite and bipartite social dialogue. They welcomed the plan to organize a UfM Social Dialogue Forum in 2017/2018 and the financial support of €3 million provided by the EU to the regional 'Pilot project for the Promotion of Social Dialogue in the Southern Mediterranean Neighbourhood'. This project with a total budget of €3.75 million will be first implemented in Tunisia, Morocco and Jordan as priority countries and may possibly be expanded to other UfM partner countries. The social partners presented a common Declaration on Social Dialogue.

Structural and sustainable policy recommendations and reforms to promote job creation were also on the discussion table. The ministers strongly supported an integrated two-track approach, which addresses both the demand-side and the supply-side of the labour market. This means that measures in the form of macro-economic policies and private sector-led growth (demand), but also measures as vocational training and employability (supply), need to be taken simultaneously. The cross cutting priority is the transition from informal to formal employment, in order to guarantee the quality of jobs. To this end, the ministers encouraged national authorities to actively support the transition, in line with existing ILO efforts.

In conclusion, the Secretariat of the UfM emphasized that it stands ready to support the outcomes of the Conference and make sure that political decisions translate in concrete projects to benefit young people. For example, the Mediterranean Initiative for Jobs (Med4Jobs), the flagship programme of the Secretariat launched in 2013 and developed with the support of the member countries, includes 12 projects under implementation in the Mediterranean region**.** (EC 27-09-2016)

ANGOLA’S RISK INCREASE, FITCH RATINGS SAYS

Fitch Ratings has lowered Angola’s credit rating from “B +” to “B” with a negative outlook, and in 2016 expects the worst Angolan economic performance in 14 years, according to a statement issued on Friday.

The agency said that Angola continues to face a “severe oil shock,” considering that 95% of Angolan exports are oil and half of the country’s tax revenues come from these sales, which have fallen sharply since the end of 2014, due to low oil prices.

“The oil sector maintains some momentum, but Fitch Ratings expects the economy to grow 0% in 2016, falling from 3% in 2015 and the worst performance in 14 years [since 2002, the end of the civil war],” the statement said.

The agency also forecasts average inflation of 30% in 2016, below the forecast of 38.5% set by the government and 38.1% already seen in August (year on year) and is also more optimistic about budget deficit forecast, which amounts to 5.8% of GDP in 2016, against 6.8% set by the government in the revised State Budget (OGE).

Fitch predicts that the average price of oil on the international will remain at around US$42, while in the revised state budget the Angolan government lowered its forecast from US$45 to US$41 per barrel. (26-09-2016)

COAL INDIA ASKS MOZAMBIQUE FOR NEW COAL PROSPECTING BLOCKS

The Coal India Limited Group (CIL) has asked the government of Mozambique for alternative coal blocks because it has not found coal in the blocks it was given as a concession a few years ago, the president of the group told Indian newspaper the Economic Times.

“We have requested the government of Mozambique to hand over alternative blocks as we have not find commercially viable coal in the that have been delivered to us,” explained Bhattacharya Sutirtha in statements to the newspaper.
The CIL group received two blocks for prospecting coal with a combined area of 224 square kilometres in Tete province, central Mozambique, in August 2009.
The group then set up a 100%-controlled subsidiary – Coal India African Limited (CIAL) – to explore the two blocks.
Prospecting activities have revealed that of the total area 170 square kilometres contained no coal to a depth of 500 metres but the group retained the remaining 54 square kilometres, for which the government of Mozambique issued a new exploration license valid until August 2019.
The group later discovered that the area was not economically viable for coal mining and returned all of the two blocks to the government of Mozambique, and is now waiting for alternative blocks. (26-09-2016)

AFRICAN DEVELOPMENT BANK AIMS TO LEND NIGERIA $4.1 BLN FOR POWER AND FARMING

The African Development Bank (AfDB) is set to lend Nigeria a total $4.1 billion over 2016 and 2017, and $10 billion by 2019, its president said on Monday, to help Africa's biggest economy plug its budget gap and develop its infrastructure.
Akinwumi Adesina said he would go to the pan-African lender's board next month to seek approval for a first, $1 billion loan to cover this year's deficit as Nigeria grapples with its first recession in more than 20 years.
"The bank is going to provide in total between 2016/2017 $4.1 billion to Nigeria in various areas," said Adesina.
"I expect that our portfolio in Nigeria will not decrease -- it will actually grow. We expect to invest in Nigeria, by 2019, a total of $10 billion."
Adesina said funds that the AfDB aims to lend over the next two years would be used to develop the power and agriculture sectors in the west African country, aiding a move away from the country's reliance on oil revenue.
Finance Minister Kemi Adeosun had earlier said the budget support facility would be concessional and carry an interest rate of 1.2 percent.
The OPEC member's economy has been shrinking largely as a result of the plunge since mid-2014 in oil prices, which generate 70 percent of government revenues. Additionally, attacks on energy facilities in the Niger Delta have cut crude production by around a third since the start of the year.
That has left Nigeria struggling to fund a record 6.06 trillion naira ($18.6 billion) 2016 budget that aims to stimulate growth by tripling capital expenditure.
Aside from a wealthy elite who have profited from oil wealth, most of the 180 million people in Africa's most populous nation live on less than $2 a day. Development has been held back for decades by poor power, road and rail networks.
Adesina, a former Nigerian agriculture minister, said the AfDB had invested $500 million dollars in the Development Bank of Nigeria, which is being set up by Nigerian authorities.
He said the government was appointing a team to run the bank which they expect to be in place as early as November.
The Ivory Coast-based AfDB was founded in 1964 and is funded by African nations and shareholder countries outside the continent.
Adesina said "diversification in critical sectors" such as agriculture and manufacturing were needed, and that incentives such as tax cuts needed to be provided to encourage infrastructure development by the private sector.
Earlier, finance minister Adeosun said the country was not borrowing too much. "What we are trying to do is to ensure that this money we are borrowing, we use it on the key infrastructure that will drive the economy," she said.

Last week the central bank left its benchmark rate at 14 percent, defying calls from Adeosun to lower rates so that the government could borrow domestically to boost the economy without increasing debt-servicing costs.
Adesina said the AfDB had "asked for the need for better synergies between the macro policy side and monetary policy side and also the fiscal policy side of the economy". (Reuters 27-09-2016)

EU ACCOUNTS FOR 57% OF FINANCIAL AID TO CAMEROON

The European Union (EU) and its member states account for 57% of official development aid (ODA) received by Cameroon in the amount of 487 million dollars, according to a report released Thursday by the Organization for Cooperation and Economic Development (OECD).

The document, entitled “Geographical Distribution of Financial Flows to Developing Countries 2016” identifies not only the figures concerning the bilateral aid but also the multilateral one.

In terms of distribution, the country's first bilateral donor remains France with $167 million followed by Great Britain ($88.2 million), Germany ($87.4million), the United States ($40 7 million) and Japan ($25.1 million).

It is worth noting that China, which is not governed by the OECD framework and which hardly grants unconditional aid, does not appear in this ranking in 2016.

In 2015, this organization already indicated that France was the first bilateral donor of Cameroon with almost 175 million dollars (48% of ODA), closely followed by Germany, Japan and the USA. (APA 22-09-2016)

CABO VERDE IS EXPECTED TO RECEIVE MORE THAN 650,000 TOURISTS IN 2016

Cabo Verde (Cape Verde) is expected to receive more than 650,000 tourists in 2016, according to the Central Tourist Authority, whose president, Gil Évora, based this projection on the figures recorded in the first and second quarters.
The archipelago received 323,000 tourists in the first half of 2016, an annual increase of 15.9%, and in the second quarter this figure totalled 132,400 tourists, 13.9% more than in the same period of 2015.
These figures exceed last year’s released by the National Statistics Institute (INE), which show that in 2015 about 569,000 tourists visited Cabo Verde, or an increase of 5.5% compared to 2014.
Data from the Guest Movement Survey, by INE, also showed that in the same period, overnight stays increased by 8.6% and the United Kingdom was the main source of tourists, with 22.2% of total arrivals, followed by Germany (13.4%), Portugal (10.9%), Belgium and the Netherlands, with 10.6%.
Évora, quoted by weekly newspaper A Semana, also remains optimistic on the upcoming cruise season, which begins on 1 October, with a forecast of 20 more stopovers than the previous year, which saw 50 cruise ships dock in the archipelago.
The Central Tourist Authority is the department is responsible for the design and evaluation of tourism policy, together with industry bodies. (26-09-2016)

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www.acp.int	www.aheadglobal.hu	www.bcafrica.co.uk
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www.norwegianafrican.no	www.nabc.nl	www.swisscham-africa.ch

Our supporter NABA - Norwegian African business Association has published its October 2016 update:

http://us9.campaign-archive2.com/?u=46eae243570069ed572b9c6ba&id=6a34b70f80&e=c75d000ff4

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