

# MEMORANDUM

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## DEVELOPMENT AID ON THE DECLINE, WARNS NEW STUDY

UN Secretary-General Ban Ki-moon expressed fears last month that increases in humanitarian aid to thousands of refugees invading Europe could result in sharp cuts on development aid by Western donors.

Confirming those fears, a new report by CONCORD, the European confederation of non-governmental organisations (NGOs) representing all 28 European Union (EU) members, points out aid budgets are increasingly being used to cover refugee and asylum seekers costs: the Netherlands at 145%; Italy 107%; Cyprus 65%; and Portugal 38%.

And despite repeated promises, the EU, as a whole, did not deliver on its commitment to spend 0.7% of Gross National Income (GNI) as official development assistance (ODA) by 2015.

More worryingly, says the report, there is an emerging trend in EU countries to divert aid budgets from sustainable development to domestic costs associated with hosting refugees and asylum seekers.

Luxembourg, Poland and Bulgaria have already decided not to report refugee costs as ODA, contrary to Spain, Malta and Hungary.

The report, the tenth CONCORD AidWatch and titled "Looking to the future, don't forget the past – aid beyond 2015," finds that EU as a group remains well short of the target having spent 0.42% of its GNI on aid, with only four of 28 Member States meeting the 0.7% target;

The only four EU countries meeting aid targets are: Luxembourg, Sweden, Denmark and the UK.

According to CONCORD, the largest increases in EU aid were in the EU13 countries, namely Romania (65% increase), Croatia (41%), Estonia, (21%), Hungary (13%) and Malta (13%).

Significant increases were also recorded in Germany (14%), Finland (14%), the UK (9%) and Sweden (7%), although aid is expected to contract significantly in Finland in 2015.

Major cuts were recorded in other countries, including Lithuania (21% cut), Spain (20%), Portugal (14%), France (8%) and Poland (7%).

Of these countries, Spain, Portugal and France are a source of serious concern, because they have continued on a downward trend for the last few years.

Asked about declining aid, the UN Secretary-General told reporters at a press briefing in Finland Wednesday he appreciates the difficulties and challenges facing many European countries.

"At the same time, I commend such compassionate leadership and generous support for many refugees who are seeking better opportunities and safety. "

"While I appreciate such difficulties, I ask the rich countries, the European countries, to increase their financial support and generous support for all these migrants and refugees, rather than diverting their already earmarked development aid."

Ban said he realizes there is a limit to resources.

"So inevitably, they may have to temporarily divert and use this development money for humanitarian purposes but in the longer term, if this kind of trend continues, it will only perpetuate this bad balancing between humanitarian and development."

If development doesn't move on, it will create more jobless people, it will create more frustration and then, they may have to flee their homes again for better opportunity, he warned.

"So I think you have to address this in a balanced and comprehensive way – that is my earnest appeal to many European countries."

Asked specifically about Finland, he said it was one of the biggest donors in the world, and one of the leaders of the world for the development agenda and empowerment, and for peace and human rights.

"It is a model Member State and I asked many other Member States to emulate from that shining example," he added.

Meanwhile, the CONCORD report says EU aid is still seen by many as a tool to drive policy change or liberalization in partner countries – much aid remains directly tied or comes with a 'suggested' policy agenda.

The study also said development aid commitments by EU countries are also at risk of being "greenwashed" to meet climate finance promises to poorer nations and that these existing aid commitments could be relabeled to qualify as climate finance. Also the growing costs of climate change should not replace existing development priorities.

The UN's post-2015 development agenda 2030, which was adopted by world leaders last September, will require ambitious financing from all actors.

“What’s been lacking to date is real action from most – though certainly not all – of the donor community to meet their own commitments and promises on aid which we’ve seen again this year as the EU misses its own 2015 target to deliver on the 0.7% promise.

Aid will remain a vital development source for years to come – it is focused on reaching the hardest to reach which is vital for the leave no one behind agenda and is more flexible, predictable and accountable, the report says.

To ensure the new development framework delivers as expected, EU should reach the 0.7% target by 2020 in line with the commitment made (at the Financing for Development Conference in July) in Addis (Ababa, Ethiopia)”, said Amy Dodd CONCORD AidWatch Chair and Director UK Aid Network.

Jessica Poh-Janrell from CONCORD Sweden, said: “We recognize the urgent nature of the current refugee crisis, but remain convinced that aid should be used to support development in third countries.”

The world’s poorest should not foot the bill for the refugee costs in Europe. Aid is essential to prevent more people having to flee their homes. Continuing investing in fighting poverty and inequality in developing countries is ultimately the most sustainable way of dealing with the crisis in the long term, she added.

Last month Ban appealed to the international community not to forsake its longstanding commitment for development assistance to the world’s poorer nations.

Ban’s appeal followed a UN pledging conference on Nov 10 which reported a “dramatic decline” in donor commitments: from 560 million dollars in 2014 to 77 million dollars in the most recent pledges, largely covering 2015.

Asked if the Secretary-General’s appeal was the result of the decline in commitments, UN Deputy Spokesman Farhan Haq told IPS: “It’s in response to many factors, including concerns expressed by some states about maintaining aid levels.”

The secretary-general said resources for one area should not come at the expense of another.

Redirecting critical funding away from development aid at this pivotal time could perpetuate challenges that the global community has committed to address, he warned.

“Reducing development assistance to finance the cost of refugee flows is counter-productive and will cause a vicious circle detrimental to health, education and opportunities for a better life at home for millions of vulnerable people in every corner of the world,” Ban declared.(IPS 10-12-2015)

## **EGYPT TO BUY EIGHT BOEING PASSENGER PLANES**

Egypt's Civil Aviation Minister Hossam Kamal has disclosed on Sunday that EgyptAir has signed an initial contract with BOC Aviation to buy eight new Boeing passenger B737-800 planes to add to its fleet. Kamal said in a statement that the final contract will be signed in the next few days. We aim to improve the service with a modernization plan that will be in effect until 2025, he said, explaining that the new deal reduces the average age of the fleet to less than eight years.

The new planes will replace the Airbus A320-200, the minister noted.

The B737-800 range of planes is one of the best-selling models in the world for medium-haul flights and will provide EgyptAir with aircraft that will fly to Europe, the Middle East and Africa.(APA 06-12-2015)

## **TEN AFRICAN NATIONS JOIN LAND RESTORATION INITIATIVE**

Ten countries in Africa have launched the African Forest Landscape Restoration Initiative (AFR100), a pan-African, country-led campaign to restore 100 million hectares (386 thousand square miles) of degraded and deforested lands across the continent by 2030.

The World Resources Institute announced in a statement in Addis Ababa, Ethiopia on Saturday that the AFR100 target of 100 million hectares has been endorsed by the African Union.

So far ten African countries have agreed to join AFR100 and committed at least 30 million hectares of land for forest landscape restoration and they are the Democratic Republic of Congo, Ethiopia, Kenya, Liberia, Madagascar, Malawi, Niger, Rwanda, Togo and Uganda.

AFR100 partners are earmarking more than \$1 billion in development finance and more than \$540 million in private sector impact investment to support restoration activities.

The announcement was made during the Global Landscapes Forum at the Conference of Parties (COP21) in Paris, where forest landscape restoration is a key ingredient of the global movement to adapt to and mitigate climate change.

Commitments made through AFR100 build on significant climate pledges made by many African countries to support a binding global climate agreement.

For the first time, AFR100 brings together political leadership with an ambitious package of financial and technical resources to support a large-scale forest landscape restoration effort across Africa.

Nine financial partners and ten technical assistance providers have pledged support, led by the New Partnership for Africa's Development (NEPAD Agency), Germany's Federal Ministry for Economic Cooperation and Development (BMZ), and World Resources Institute (WRI).

AFR100 builds on the climate commitments made by African countries.

So far, 13 of the INDCs (Intended Nationally Determined Contributions) submitted by African countries include restoration, conservation of standing forests, or climate-smart agriculture.

According to WRI analysis, following through on the commitments would cumulatively reduce emissions by 1.2 Gt CO<sub>2</sub>eq over the next 10 years, or 36 percent of Africa's annual emissions and 0.25 percent of global emissions. (APA 06-12-2015)

## **GAMBIA PRESIDENT DECLARES COUNTRY AN 'ISLAMIC STATE'**

President Yahya Jammeh has declared the Gambia "an Islamic state", but stressed that the rights of the Christian minority in the small west African country would be respected and that women would not be held to a dress code.

The announcement came as the president addressed supporters in the coastal town of Brufut last week, and the comments were later broadcast on state television and repeated on his website.

"Gambia's destiny is in the hands of the almighty Allah. As from today, Gambia is an Islamic state. We will be an Islamic state that will respect the rights of the citizens," he was quoted as saying on the presidential website.

The president did not go into detail about what the change would mean for the country, but he reassured Christians and followers of other faiths they would be able to worship freely.

"Christians will be given their due respect. The way of celebrating Christmas will continue," he said, adding that no one had the right to interfere with others' "way of life".

He also warned against trying to impose a dress code on women.

"I have not appointed anyone as an Islamic policeman. The way women dress is not your business," he said.

An impoverished former British colony nestled within Senegal, and famed for its white-sand beaches, Gambia has a population of nearly 2-million, 90% of whom are Muslim. Of the remainder, 8% are Christian and 2% are defined as having indigenous beliefs.

Mr. Jammeh, 50, a military officer and former wrestler from a rural background, has ruled the country with an iron fist since he seized power in a coup in 1994.

Opponents say he has become increasingly paranoid, regularly reshuffling his ministers and keeping only a tiny circle of trusted allies close to him. He has cultivated the image of a practising Muslim, and is often seen with a Koran or prayer beads.

He also regularly rails against Gambia's colonial past, blaming it for many of the country's woes. In March 2014, Mr. Jammeh said Gambia would drop English as its official language, without specifying which of the country's indigenous language would replace it.

The main opposition party on Saturday poured scorn on the president's unexpected proclamation of an Islamic republic, saying it had no legal basis.

"President Jammeh's pronouncement or declaration is unconstitutional, it has no constitutional basis and ... it is an unlawful declaration," Ousainou Darboe, the secretary general of the main opposition United Democratic Party, said. "It is becoming ridiculous that whenever he wants to divert public attention from what is happening in the country, he attacks colonialism," Mr. Darboe said.

Human Rights Watch this year branded Mr. Jammeh's regime one of the most repressive in the world, blaming paramilitaries and secret police for torture, disappearances and extrajudicial killings.

In 2013, Mr. Jammeh withdrew his country from the Commonwealth, saying it represented "an extension of colonialism". (AFP 13-12-2015)

## **CONGO POISED TO MODERNIZE ITS AIRPORTS**

Congo is engaged in renovating three of its domestic airports to comply with them with international standards, APA learns from official sources on Wednesday.

To this end, Aerco (Airports of Congo), a private company which manages airports in Brazzaville (Maya-maya), Pointe-Noire (Agostino Neto) and the plateau district (Ollombo), signed an agreement amounting to 18 billion francs CFA with a banking group.

The banking group consists of the Central African State Development Bank (BDEAC), the Societe Generale of Congo, BGFI-Bank and International Commercial Bank.

The modernization of these airports will also contribute to well facilitated integration in the Central African Economic and Monetary Community (CEMAC), the source pointed out. (APA 09-12-2015)

## **BOTSWANA MINE SHUTS DOWN DUE TO DOWNTURN IN DIAMOND MARKET**

Botswana diamond mining giant Debswana on Wednesday revealed that it will close operations at its Damtshaa Mine and scale down production at Orapa No.1 Mine for the next three years due to continuing deterioration of the global diamond market.

In a statement, the company's spokesperson Esther Kanaimba Senai said the Damtshaa Mine will go into a care and maintenance programme for up to three years.

"In addition, Orapa No. 1 Plant's output will be reduced to approximately one million carats per year in order to maintain plant readiness for a quick production ramp-up should this opportunity present itself," said Kanaimba Senai.

She said to achieve the business plan Debswana will produce more from Jwaneng Mine, which is the highest revenue and lowest cost operation while reducing production from Orapa, Letlhakane and



Damtshaa Mines (OLDM) which offers the most optimal production flexibility options.

Jwaneng Mine will produce an average 12 million carats per year while production at OLDM will average eight million carats per year for the three-year period.

Debswana said that employees of the affected mine will be re-deployed to other parts of business while optimistic that the market will recover at some point. (APA 09-12-2015)

## **SOUTH AFRICA: AIRBUS DEADLINE BEHIND ZUMA'S AXING OF NENE**

President Jacob Zuma had intended a wider reshuffle of his Cabinet, say insiders, but axed finance minister Nhlanelo Nene precipitously on Wednesday night, in all likelihood due to the urgency involved in restructuring the South African Airways's (SAA's) Airbus transaction.

The wider reshuffle has been on the cards for several months, delayed by a host of unexpected events and political dynamics.

While it was possible to delay the broader reshuffle to continue consultations within the African National Congress (ANC), the restructuring of the Airbus transaction had to be concluded by December 21.

That it was the SAA transaction that compelled Mr. Zuma's immediate action is also borne out by the stance of SAA, which is now anticipating that the revision of the transaction that Mr. Nene turned down last week would be revisited by new Finance Minister Desmond van Rooyen.

Questions to the SAA board and to acting CE Musa Zwane on the airline's intentions with regard to the deal were not answered on Thursday.

But the board has made its intentions clear in other ways. It is notable, for instance, that SAA has not communicated with Airbus in spite of Mr. Nene's statement last Thursday in which he forbade the board to restructure what is known as "the swap transaction" and to implement it immediately.

Instead, in an anonymous comment made to Business Report this week, a board source warned that it was "unlikely to co-operate with Mr. Nene and was exploring further avenues for discussion".

SAA management also indicated on Thursday that new instructions were now awaited from the Treasury as a new minister was in place.

The broader reshuffle would have seen several other casualties.

Among those who are particularly vulnerable are Energy Minister Tina Joemat-Pettersson, who has been unable to make significant progress with the nuclear procurement; Trade & Industry Minister Rob Davies, who is under pressure for his stance on black economic empowerment; and Pravin Gordhan, with whom Mr. Zuma has fallen out since the debacle at the South African Revenue Service.

However, in reshuffling the Cabinet this week, Mr. Zuma is in a politically precarious position.

Relations with both the Congress of South African Trade Unions (Cosatu) and the South African Communist Party (SACP) have become noticeably strained.

Their reactions to Mr. Nene's axing were telling, with the SACP refusing to welcome the appointment of Mr. van Rooyen and Cosatu expressing "shock and disconcertion".

The deadline for the Airbus transaction is linked to the history of the transaction, which has been renegotiated several times.

While originally it involved the lease of 20 A320 aircraft from Airbus, this was swapped in March to 10 A320s (already delivered) and five A330s.

The swap arrangement was hugely beneficial to SAA as it saved the airline from paying excessive amounts for the remaining A320s, particularly in the form of pre-delivery payments.

The Treasury was therefore furious when in October SAA board chairwoman Dudu Myeni indicated to Airbus her intention to renegotiate the swap transaction, introducing a third party into the funding and leasing arrangements.

In the interim, Airbus extended the deadline for the predelivery payments to December 21, setting a rigid deadline by which a new deal had to be struck.

Last Thursday, Mr. Nene refused permission for the new deal proposed by Ms Myeni. Key among his reasons was that if a third party was to be introduced into the financing arrangements, a procurement

process would need to take place. But there was insufficient time for this to happen before December 21. If, however, the procurement process was circumvented, a new deal was conceivable.

On Thursday, the SAA Pilots Association held a second general meeting within a month to reiterate its lack of confidence in the SAA board.

Captain John Harty, chairman of the association, said that the meeting remained unanimous that SAA needed a board that was "fit for purpose".

The association would now engage with Mr. van Rooyen, as it had with Mr. Nene, on the matter. (BD 11-12-2015)

## **PORTUGAL PROVIDES US\$11 MILLION TO SMES IN MOZAMBIQUE**

Small and medium sized companies in Mozambique have at their disposal a fund of US\$11 million, recalled Friday in Maputo the Director General of the Institute for Small and Medium Enterprises Promotion (IPEME), Claire Zimba.

The fund is the result of an amendment to a protocol signed in 2014 by the government of Mozambique through the Ministry of Industry and Trade, and the government of Portugal, which is operated by the Corporate Fund for Portuguese Cooperation (Fecop).

Zimba recalled that the fund had been available since January 2015, but said the number of funding requests had been tiny, "given the limited advertising that banks involved in awarding funds have made," according to Mozambican news agency AIM.

The banks involved in this fund are Millennium bim, Moza, Banco Comercial de Investimentos (BCI) and Banco Único, and the interest rate is around 11 percent, after applying the subsidisation.

The Director-General of IPEME announced that the Ministry of Industry and Trade was reviewing the country's industrial policy strategy, which will focus on support for SMEs, under a process called "Industrialisation of SMEs."

Zimba acknowledged that exports, in addition to being based on traditional products, do not involve SMEs in Mozambique, and the support would allow those companies to start exporting some of their products. (07-12-2015)

## **WORLD BANK SUPPORTS FORESTRY REFORM IN MOZAMBIQUE**

The World Bank has granted aid of US\$50 million to Mozambique to help the country to reform the forestry sector under an agreement signed in Paris, Mozambican daily newspaper Notícias reported.

The agreement, signed by the Minister of Land, Forestry and Rural Development of Mozambique, Celso Correia and the Director of the World Bank for Climate Change, John Roome, is intended to finance the reforms that the Mozambican government will begin to apply from 2016 including in-depth changes to exploration of forest resources.

The current scenario, according to the newspaper, is characterised by excesses that lead to deforestation, insignificant gains for the state and the communities and especially the deterioration of the local and global environment due to destruction of forests.

The reform the Ministry of Land, Forestry and Rural Development has prepared will cost an estimated US\$85 million, with the World Bank pledging an immediate contribution of US\$50 million.

The reform presented about two weeks ago in Maputo provides, among other things, for more criteria in issuing operating licenses, immediate suspension of unprocessed timber, forcing the creation of facilities for local processing.

The timber operators must introduce actual reforestation programmes and national and international investors may invest in factories to produce furniture and other goods from wood.

Mozambique currently has a deforestation rate of 0.58 percent, which means the loss of an area of forest equivalent to 219,000 hectares every year. The reform drafted by the government aims to lower that rate to 0.2 percent per year.

Mozambique's forests cover around 51 percent of the total 800,000 square kilometres of the country's area. (07-12-2015)

## ZUMA EXPLAINS NHLANHLA NENE'S REMOVAL

President Jacob Zuma on Friday spoke out on the recalling of Nhlanhla Nene as finance minister, saying his name had been put forward to head the African Regional Centre of the New Development Bank/Brics Bank.

In a statement, Mr. Zuma said the urgency of the change in leadership of the National Treasury was "occasioned by the need to send nominations to Shanghai, of the head of the African Regional Centre of the New Development Bank/Brics Bank, to be based in Johannesburg".

Mr. Zuma said Nene had been earmarked as a candidate for the position.

"We are fully backing his candidature, knowing full well that he will excel and make the nation proud in his next assignment. Government remains committed to adhering to the set expenditure ceiling while maintaining a stable trajectory of our debt portfolio, as set out in the February 2015 budget.

"Our commitment to diversifying our economy, reduce the cost of doing business and utilising resources much more efficiently to enable a more inclusive economic growth remains important.

"We will continue to improve the budget process in order to maintain our international reputation as a global leader in budget transparency."

Mr. Zuma added that to support the economy, government would be committed to sustaining public sector capital investment, by attracting private sector capital into public infrastructure projects.

"Government also remains committed to provide support to state owned companies in a fiscally sustainable manner, including South African Airways.

"We assure the nation that nothing will be done, in supporting state owned entities, that runs contrary to the fiscal prudence that our country is renowned for."

### 'Sterling contribution'

Making a backhanded reference to his stance on South African Airways, Mr. Zuma added: "No state-owned entity will dictate to government how it should be assisted.

"The implementation of the National Development Plan remains the cornerstone of our economy. We will continue our actions in alleviating the most binding constraints to growth and we have set out a series of urgent economic reforms to build a more competitive economy."

Mr. Zuma added that the economic cluster would meet on Tuesday, to prepare for a special cabinet meeting on the economy, which will take place on Friday December 18.

He also thanked Mr. Nene for his tenure as finance minister.

"I would like to thank the former Minister of Finance, Mr. Nhlanhla Nene for his sterling contribution to the National Executive and to taking forward the goals of building a better life for all our people."

According to Mr. Zuma, the main points of focus for the National Development Plan include:

- Continued investment in economic infrastructure;
- Reforming the governance of the state owned companies;
- Rationalising state holding and encouraging private-sector participation;
- Addressing the "energy challenges";
- Encouraging affordable, reliable and accessible broadband access;
- Promoting black ownership of productive industrial assets;
- Reviewing business incentive programmes in all economic sectors to ensure that resources support growth. (News24 12-12-2015)



## **KENYA'S PRESIDENT VOWS TO ROOT OUT CORRUPTION**

Forced to act over rampant corruption in Kenya President Uhuru Kenyatta on Tuesday said the fight against the vice will be unstoppable and will be painful to the perpetrators. He said the time for rhetoric is gone and it is now time for action.

The President said the anti-graft war is not about individuals, but against the vice and must target all perpetrators, including senior members of government.

In this sustainable war against vice, the President has brought all the anti-corruption agencies together and they are working in harmony for the first time in history.

From the Ethics and Anti-Corruption Commission to the Director of Public Prosecutions; from the Directorate of Criminal Investigations to the Assets Recovery Agency and Financial Reporting Centre, our anti-corruption institutions have shown unprecedented unity of action without any compromise of their constitutional independence, said Kenyatta.

Rampant corruption in Uhuru's administration saw the President firing five cabinet ministers earlier in the year.

Cases of rampant corruption in the government has also seen his popularity dip massively.

More than 350 cases are in progress “ and many relate to some of the highest-ranking members of Government. This is a war against corruption, not against the small fish, Kenyatta said.

Kenyatta spoke when he opened the United Nation Global Compact's 17th Anti-Corruption Working Group Meeting and International Anti-Corruption Conference at a Nairobi Hotel.

The two-day conference will discuss the role of the private sector and whistle blowers in the fight against the vice, and the illegal killing and trade of wildlife, among other issues.(APA 08-12-2015)

## **NIGERIA: IFC SIGNS AGREEMENT ON SOLAR POWER PROJECT**

International Finance Corporation (IFC) has signed a joint development agreement with Alten's Middle Band Solar One, to co-develop a 120 Mega Watt of solar power project in Nigeria.

In a statement on Wednesday in Lagos by IFC, the project would provide renewable energy supply to about 175,000 people.

It said that the agreement would create industrial clusters, support job creation, and boost economic growth in the country.

IFC said that the project, to be based in Lokoja in Kogi state, would be of benefits to the host state.

The IFC Country Manager, Ms Eme Lore, said the World Bank's core focus was to support the development of infrastructure in the country.

This project supports our commitment to the Federal Government of Nigeria under our Energy Business Plan, a comprehensive World Bank approach to support each segment of the energy value chain.

"Through this project, IFC is also supporting the Federal Government's strategy to add more renewable energy generation, especially solar, to the energy mix in Nigeria, she added.

Lore said that the project, which would be IFC's first solar project in Nigeria, would have a considerable demonstration effect in the host communities.

According to the statement, under the agreement, the IFC Infra Ventures and IFC's Global Infrastructure Project Development Fund would provide development funding, commercial and technical support to the consortium.

The corporation said that the consortium would co-develop the solar power project via the Middle Band Solar One project company.

The firms in the consortium consist of Alten Renewable Energy Developments Africa, B.V., Green Continent Partners Holding B.V. and Nemoante Ltd.

The project is expected to reach financial close by the fourth quarter of 2016. (APA 09-12-2015)

### **CHINA-SOUTH AFRICA AGREEMENTS 'NOT ONE-SIDED'**

The People's Republic of China is a trusted development partner of SA and any assertion that the relationship is one-sided is misconstrued, says International Relations and Co-operation Minister Maite Nkoana-Mashabane.

China's influence in Africa is growing at a fast pace, eclipsing that of the West in some countries.

China's huge appetite for commodities has seen it forge economic and trade ties across the continent. It has also undertaken major infrastructure projects, and analysts have argued such deals are often one-sided.

With traditional donors and trade partners in the West asking for more accountability, respect for human rights and clean governance before releasing aid and approving investments, many African governments have had to resort to China for help.

Officials from 50 African countries have gathered in Johannesburg for the two-day Forum on China-Africa Co-operation summit, which gets under way on Friday.

The summit is expected to include discussions on co-operation regarding a raft of multilateral issues including security, poverty, cultural exchange, education, and science and technology.

"We are all well aware that Africa is endowed with vast resources of mineral, natural and human wealth; however, the challenge is to utilise these assets more effectively to transform the lives of all our people by not merely extracting, but by also processing and beneficiating," Ms Nkoana-Mashabane said.

"In the coming few days, through positive and constructive engagements, bilateral meetings, trade exhibitions and cultural events, we will provide a better picture of the future we seek together," she said.

SA's priorities for reindustrialisation were emphasised during talks between SA and China on the eve of the summit, where 26 new trade deals worth R96bn were signed.

The department said 11 South African companies had invested in China, with a capital expenditure of R51.8bn between January 2003 and September 2015, and 39 Chinese firms had invested R14.7bn in SA over the same period. (BD 04-12-2015)

### **GUINEA: GLOBAL FUND SPLASHES \$150M ON AIDS, TB, MALARIA CAMPAIGNS**

The Global Fund against AIDS, Tuberculosis and Malaria has donated \$150 million toward Guinea's ongoing campaign to tackle the three diseases, official sources said Sunday.

Beginning in 2016, Guinea will benefit from \$60 million, targeting a reduction in the number of HIV/AIDS cases and facilitating access to antiretroviral drugs by patients.

Malaria drugs and insecticide-treated nets will also be distributed to the populations.

The latest support by the Global Fund is seen as a breath of fresh air for Guinea, which has experienced

unprecedented health crisis among them the Ebola epidemic.(APA 06-12-2015)

## LESOTHO, OTHERS TO BENEFIT FROM £12M EL NINO FUND

Lesotho is among seven southern African countries set to benefit from £12 million the European Union (EU) will be disbursing to mitigate the effects of the El Niño weather phenomenon, APA learnt Sunday.

The EU has announced it would contribute £12 million to finance emergency actions in countries affected by El Niño in Africa and the Caribbean.

European Commissioner for Humanitarian Aid and Crisis Management, Christos Stylianides said the aid would help meet the urgent needs of affected populations.

Stylianides said it would also support efforts to bolster resilience against the impact of the phenomenon and make the beneficiaries better-equipped to face natural disasters in the future.(APA 06-12-2015)

## WIFI GETTING BIG ATTENTION IN AFRICA

With the changing telecommunications environment in Africa, not too mention the market dynamics, mobile operators are finding themselves under tremendous pressure to adapt or face getting left behind.

The introduction of affordable smartphones and the dominance of social media and over-the-top (OTT) services have certainly changed 'the game' and consumers are now demanding more from their mobile operators – not only in terms of better coverage – but better connectivity too. And as mobile penetration continues to rise – this demand is only set to increase, especially if we consider that many consumers are moving away from pure voice services towards data, data and more data.

### Change and flexibility is required

As a result, mobile operators need to be smart and more forward thinking with their offerings, and incorporating OTT services is a move in the right direction. In fact, many operators are already doing this – offering WhatsApp or Twitter, for example, for free to all their subscribers. What's more, many are looking to WiFi today – not as a competitive medium – but rather a complementary one, to offload traffic from their core networks. A good example of this is WiFi Calling which will drive greater amounts of smartphone traffic onto WiFi networks. This could fundamentally change the mobile network operator business model. An example of this could be the development of Voice over Wi-Fi smartphones at a lower entry point thereby catering for emerging markets. Irrespective of whether it is an Android, iOS, or Microsoft Phone-based device, the interoperability of the technology means it could work on virtually any handset. While some operators have fully embraced this, it will be interesting to see which other mobile operators follow suit, especially if we consider that this kind of change is needed in an environment that is often pressured for more 'change' and 'flexibility'.

If we consider that [research](#) indicates a 55% growth in mobile subscriptions in Middle East and Africa between 2014 and 2020, it is evident that mobile subscribers are contributing to this drive for change. The reality though, is that data is still expensive and while it has become a necessity to remain connected today, this is not the reality for everyone. As a result, mobile operators are still grappling to figure out how best to improve coverage and increase network capacity, without compromising consumers' user experience.

### Say Hello to Small Cells

It is for this reason that the LTE small cell market has also generated a great deal of interest from MNOs and RAN vendors over the past few years. The goals of this effort are to greatly increase cellular capacity in high traffic locations and to improve indoor coverage. The primary applications will be packet

voice and other real-time applications, along with high value data traffic. However, the bulk of the data traffic in high-density locations will continue to be handled by WiFi.

Industry pundits have forecasted rapid growth in LTE small cell deployments, but that growth has been slow to materialise. In some cases there were technical problems that needed resolution, like interference mitigation with the macro cellular layer, but the real challenges are around the business model. At the heart of the business model discussion is the issue of “who pays” to deploy the network. With macro cellular deployments, the operator always pays, but with small cell deployments in hotels, shopping malls, hospitals, and schools the burden starts to shift, for the most part, to the venue.

In many ways, the enterprise LTE small cell market is much more like WiFi than it is like the outdoor macro cellular market. With WiFi the venue almost always pays, the network can be installed by a value added reseller, and the equipment is inexpensive and easy to operate. This is the trifecta for a successful enterprise deployment.

The most fascinating aspect of the LTE small cell business is not in the technology but in the business models that will emerge to support and pay for this greatly enhanced cellular connectivity.

### **WiFi's role is critical**

The need for better connectivity overall means WiFi connectivity becomes a huge role player in the future of telecoms in Africa. Skeptics might argue that wireless was never designed for voice and could result in technical issues. However, advances in technology mean that delay-sensitive content, such as video and voice, are now able to utilise highly optimised signals, ensuring stronger coverage. One thing is clear, as Africans we are hungry for connectivity and mobile operators play a major role in making this come alive. However, to remain relevant and innovative in the connectivity space, operators need to realise that WiFi is here to stay and should be seen as a complementary medium to provide quality coverage and meet changing consumer demands. For a continent driven by mobility, WiFi presents a significant opportunity to aid mobile operators and improve our mobile networks. (IT News Africa 03-12-2015)

### **SIERRA LEONE'S PENSION FUND WORTH \$36M**

The National Social Security and Insurance Trust (NASSIT) of Sierra Leone is worth Le150billion (about \$36m), the Director General of NASSIT, Mr. Joseph Mans, has said.

Mans said on Monday that the money was lodged in fixed deposit accounts.

He noted that the Trust also has Le80 billion (about US\$20m) in government securities and that NASSIT is financially strong to meet all its obligations to the contributors.

These revelations followed concerns over the choice of investment by the Trust, which has come under criticism for not paying pensioners on time.

The management has been accused of making poor choice of investment, leaving majority of Sierra Leoneans in want for shelter. NASSIT is also accused of building expensive houses that caters for only a small fraction of the population.

The Trust had in the past been linked with corruption. (APA 07-12-2015)

### **DROUGHT THREATENS 10.2 MILLION ETHIOPIANS**

The number of Ethiopians needing emergency food aid due to the El Nino triggered drought is threatening to swell to 10.2 million by January, the National Disaster Prevention and Preparedness Committee warned on Monday.

The forecast was announced at a meeting chaired by Deputy Prime Minister and Chairperson of the National Disaster Prevention and Preparedness Committee, Demeke Mekonnen in Addis Ababa.

The meeting assessed the impact of the poor autumn and summer rains on Ethiopia's agriculture performance and health, water and education sectors as well as nutrition.

It also reviewed the ongoing drought relief efforts and found appropriate strategies to address drought-related issues.

The government has been distributing emergency food aid at a larger scale in the areas hit by the drought and so far it has spent nearly \$143 million for the relief efforts, Mitiku Kassa, General Secretary of the National Disaster Prevention and Preparedness Committee, revealed.

The government is supplying the relief food by its own efforts as the pledges made by donors were not forthcoming, he said.

According to Mitiku, the drought has not so far inflicted serious harm, including deaths.

In addition to ongoing activities to reduce the impact of the drought, efforts would be made to create awareness of donors on the magnitude of the drought, Mitiku indicated adding that strong relief efforts are underway in the worst hit 186 districts.

He noted that the drought will continue until December next year, requiring \$1.4 billion for relief items including food. (APA 07-12-2015)

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