MEMORANDUM

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URGENT SCALE-UP IN FUNDING NEEDED TO STAVE OFF FAMINE IN SOMALIA, UN WARNS

Humanitarian Coordinator for Somalia, Peter de Clercq (centre), visits a UNICEF-supported mother-child-health clinic in Garowe

A senior United Nations humanitarian official in Somalia today warned that without a massive and urgent scale up of humanitarian assistance in the coming weeks, famine could soon be a reality in some of the worst drought-affected areas in the African country.

"This is the time to act to prevent another famine in Somalia," said the Humanitarian Coordinator for Somalia, Peter de Clercq, during the launch of the latest food security and nutrition data in the nation's capital, Mogadishu.

Somalia experienced the worst famine of the twenty-first century in 2011, with the loss of more than a quarter million lives.

"If we do not scale up the drought response immediately, it will cost lives, further destroy livelihoods, and could undermine the pursuit of key State-building and peacebuilding initiatives," he warned, adding that a drought – even one this severe – does not automatically have to mean catastrophe "if we can respond early enough with timely support from the international community."

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According to the UN Office for the Coordination of Humanitarian Affairs (OCHA), Somalia is in the grip of an intense drought, induced by two consecutive seasons of poor rainfall. In the worst affected areas, inadequate rainfall and lack of water has wiped out crops and killed livestock, while communities are being forced to sell their assets, and borrow food and money to survive.

The Food Security and Nutrition Analysis Unit (FSNAU) and the Famine Early Warning Systems Network (FEWSNET) – managed by the Food and Agriculture Organization (FAO) – have found that over 6.2 million, or more than half of the country's population, are now in need of assistance, up from five million in September.

This includes a drastic increase in the number of people in "crisis" and "emergency" situations from 1.1 million six months ago to a projected three million between February and June this year.

Another distressed Somali family made destitute by drought, arrives in Doolow, a southern town near the border with Ethiopia, hoping to find food, water and aid

The situation for children is especially grave. Some 363,000 acutely malnourished children are in need of critical nutrition support, including life-saving treatment for more than 71,000 severely malnourished children.

The levels of suffering in the country, triggered by protracted conflict, seasonal shocks and disease outbreaks, are typically hard to bear, but the impact of this drought represents a threat of a different scale and magnitude.

“The situation we are starting to see today in many rural areas, particularly Bay, Puntland, is starting to look worryingly like the run-up to famine in 2010-2011,” said Richard Trenchard, the FAO Representative for Somalia.

“Labour prices are collapsing; local food prices are rising; food availability is becoming patchy; animal deaths are increasing; and malnutrition rates are rising, especially among children. Together, these are all signs that we are entering a phase that can lead to catastrophe.” (Devex 02-02-2017)

SENEGAL: MAIZE PRICE FELL BY 1.2 PERCENT LAST DECEMBER

The price of kilograms of dried maize in Senegal plummeted by 1.2 percent in December 2016, sold at CFA266, according to a bulletin of the Directorate of Forecasting and Economic Studies (DPEE) seen by APA on Saturday.

On the international market, the price of silvery maize in December 2016 continued to increase for the third consecutive month.

In comparison to 2015, the price of the same type of maize rose by 3.5 percent in 2016.

In January 2017, the US Department of Agriculture (USDA) estimated global maize production at 1038 million tonnes for the 2016-2017 season, a 0.2 percent decline from the December 2016 forecast.

However, against the estimates of the 2015-2016 season, an 8 percent increase in world maize production is expected.

The forecast for January 2016 of global maize consumption was estimated at 1,027 million tonnes for the 2016-2017 season, signifying increases of 0.1 percent and 6.9 percent respectively compared to the forecast for December 2016. (APA 04-02-2017)

STUDY POINTS OUT FEATURES AND CHALLENGES OF THE TRANSITION IN TUNISIA

A new Policy Study *‘Transformation in Tunisia: The First Five Years’*, providing an overview of the essential features and challenges of the transition in Tunisia analysed by renowned experts, has been released by the Euro-Mediterranean network of think tanks on politics and security EuroMeSCo. The study was carried out as part of the project "Euro-Mediterranean Political Research and Dialogue for Inclusive Policymaking Processes and Dissemination through Network Participation”, co-funded by the European Union and the European Institute of the Mediterranean (IEMed).

Against the complex backdrop of issues that threatens the stability and transition in the country, '*Transformation in Tunisia: The First Five Years'* covers thoroughly the challenges in the political and economic spheres and also analyses the role of political Islam and the problematic issue of Tunisian jihadists. (EEAS 03-02-2017)
Study - Transformation in Tunisia: The First Five Years

MTN-CONGO PLOUGHS CFA57BN INTO REDUCING DIGITAL BILL

The mobile phone operator (MTN-Congo) has pumped over CFA57 billion in the last two years (2015-2016) into the drive to reduce the digital bill between the Congo and the rest of the world, the operator disclosed on Saturday.

"Over the last five years, MTN-Congo has invested over CFAF 110 billion, of which more than CFAF 57 billion over the last two years were used for the modernization and expansion of its network in order to reduce the digital bill between Congo and the rest of the world," MTN-Congo marketing director Cheikh Thiandoume said.

"Congo is the third country in Central Africa to benefit from 4G, a technology that offers Congolese several services and saves them significant amount of time. It gives the Congolese the ability to improve their living conditions and feel no inferiority complex in relation to people living in Europe or the United States" Thiandoume added.

"In addition to our objective to become the leader of innovation in the Republic of Congo, our ambition is to accompany the country in its development" Thiandoume vowed.

MTN-Congo, one of the five mobile operators in the Congo with nearly 2 million subscribers out of a population of nearly 4.6 million, is present in more than 136 locations across the country including outside major cities. (APA 04-02-2017)

SOUTH AFRICA TO SPEND $15.4MN RENOVATING INDUSTRIAL PARKS

South Africa has set aside $15.4 million for the renovation of five industrial parks to operate as "centres of excellence and beehives of economic activity in the country," Trade and Industry Minister Rob Davies has said.

Located in Limpopo, Gauteng, North West and Free State Provinces, the parks would have their infrastructure upgraded so that they could contribute to stimulating the country's industrial development, economic growth and job creation, Davies said on Friday.

"Last year, the ministry spent more than $12.9 million in upgrading six industrial parks spread across five provinces in the first phase of our 'Revitalisation of the Industrial Parks Programme.'

"This year we have set aside US$15.4 million from our critical infrastructure incentive programme to start revitalising five more this year," he said.

The first phase of the revitalisation of Nkowankowa, Ekandustria, Bodirelo, Phuthaditjhaba and Garankuwa industrial parks is about to commence after their budgets were approved late last year, Davies said.

"Our officials are already in the process of conducting inception meetings to discuss the implementation of the project with key stakeholders," the minister said.

According to Davies, his ministry identified the need to revitalize industrial parks located in various parts of the country, mainly the former "homelands" (impoverished self governing areas under apartheid), as part of the governments' efforts to promote industrialisation, manufacturing and job creation in the country. (APA 04-02-2017)

AFDB RELEASES $155M POWER LOAN TO NIGERIA

The African Development Bank (AfDB) has approved and released $155 million to assist Nigeria to improve its power sector. The loan is for Economic and Power Sector Reform Programme (EPSERP).

The approval became effective from Oct. 19, 2012 and the amount was fully disbursed in two tranches on March 1, 2013, and Dec. 21, 2015.

Mrs. Fatimah Alkali, the Senior Communications Officer, AfDB Nigeria Country Office, said on Friday in Abuja that the bank had provided the interim chief executive to serve the programme for 12 months.

Alkali said that the bank approved this request to support the Nigerian government in its power sector reforms and that the chief executive, a staff member, had been granted a special leave without pay for 12 months.

"AfDB is committed in assisting Nigeria achieve the objectives of its reforms in the power sector in accordance with the priorities already approved by the authorities.

"It is to be noted here, that the appointment of the Transmission Company of Nigeria (TCN) management is a prerogative of the national authorities.

"The support was aimed at improving power systems and the business environment.

"And the loan is meant in sustaining growth through sound macroeconomic policies and budget priorities," Alkali said.

She said that the programme would benefit the entire population of Nigeria in terms of extended access to a more reliable supply of electricity at improved quality and reduced cost.

According to her, the EPSERP would have a major positive impact on the private sector through the substantial reduction in the cost of doing business for all economic sectors.

“Particularly in the formal and informal manufacturing and service activities which are seriously constrained by the power supply gaps,” she added. (APA 04-02-2017)

WHY KENYA MUST CREATE A MILLION NEW JOBS ANNUALLY

Equipping young people with skills through vocational training creates opportunity for decent work and reduces gender inequality

It is estimated that 3000 Kenyans are born every day, a million a year. With a median age of 18 years, Kenya is witnessing a massive youth bulge, which could either be a demographic dividend, or a disaster. Consider this. In 1956, Kenya’s population stood at about 7 million, twice that of Norway. Today, Norway has a population of 5.2 million while that of Kenya stands at about 45 million. It is projected that by 2030, the population of Norway will be 6 million while Kenya’s population will reach 65 million, and 85 million by 2050.

Africa’s youth bulge, and Kenya’s in particular, should largely be the basis for optimism offering great opportunity for socio-economic take-off. Six of the countries with the highest economic growth rates are in Africa.

Yet, for most countries, Kenya included, economic growth lacks the desired social transformation. Despite Kenya’s impressive economic growth, four out of ten people live in extreme poverty; and the poorest 10 per cent of the population receive only 2 per cent of the national income.

These statistics call for a reconsideration of the current emphasis on indicators such as Gross Domestic Product (GDP) to measure well-being. At the just concluded World Economic Forum in Davos, Switzerland, speakers passionately urged nations to move the focus away from plain wealth creation and instead embrace a more inclusive development agenda.

A recent ECA report underscores the importance of ensuring that marginalized and excluded groups, including the youth, are integrated into the development and decision-making process so as to accelerate the transition towards a more sustainable and equitable development.

Today’s youth are key to any sustainable development strategies as enunciated by the SDG 8 – Decent Work and Economic Growth. However, soaring unemployment among the youth is a major problem across the region. The ECA report cites an estimated 10 to 12 million new people join the labour force each year in Africa, yet, the whole of Africa creates on average of merely 3.7 million jobs per year, of which only 28 per cent are wage-paying formal jobs.

President Uhuru Kenyatta**,** once remarked **“**the crisis of mass youth unemployment… is a crisis so serious as to amount to a fundamental**,** existential threat as well”**.**

10 to 12 million new people join the labour force each year in Africa, yet, the whole of Africa creates on average of merely 3.7 million jobs per year, of which only 28 per cent are wage-paying formal jobs

In Kenya, one million young people join the work force every year, which means that Kenya needs a million new jobs every year for the next 10 years to keep up with the rapidly-expanding youth bulge. Of these young people, only about one in five is likely to find a formal job, with the rest either being unemployed or engaged in some non-wage earning occupation.

The country’s formal sector is unable to absorb the huge number of job seekers contributing to high informal sector employment rates in the continent, with about three out of four workers employed in casual jobs such as subsistence farming or urban street hawking.

At the moment, Kenya has about 81 dependents for every 100 working-age adults. Countries that have realised a demographic dividend typically have a dependency ratio of less than 50 for every 100 working-age adults. Gender inequality for example costs sub Saharan Africa US$ 95 billion in lost revenue. "If gender gaps can be closed in labour markets, education, health, and other areas, then poverty and hunger eradication can be accelerated", said UNDP Administrator Helen Clark at the launch of the Africa Human Development Report in Nairobi.

Supporting the informal sector will result in better infrastructure and an improved business climate, besides lowering the cost of production. In order for the informal sector to take a transformational leap, recognising and legitimising the sector is crucial.

According to the World Bank, Africa's agribusiness sector could be worth $1 trillion by 2030. To unlock this potential, Kenya needs to focus on industrializing its agricultural and commodity sectors, and on value addition.

A large generation of tech-savvy youth is already driving up the internet's contribution to Kenya's GDP. The current estimates show that by 2025 this contribution to GDP could grow to at least 5 to 6 per cent. With one of the fastest internet penetration rates on the continent, Kenyan youth can exploit information technology for various value-addition ventures in agri-business.

Also other sectors as for example Health can be looked at. Kenya for example faces a deficit of 180,000 midwives offering great job opportunity for young people. Equally, skills gap in the extractive industry needs to be addressed, as it holds potential of creating approximately 40,000 jobs for the next 10 years.

Steps should be taken to strengthen youth employment strategy in line with the education system in Kenya, to better deliver relevant skills and competencies by the job market. Norway is among the partners that support technical and vocational training, which is essential for both jobs and development.

Important lessons can also be drawn from, the McKinsey's Generation Social Initiative with 91% employment rate achieved after the program with 4000+ graduates were employed in its first 18 months of operation, or Andela, *supported by the* Chan *Zuckerberg* Initiative, training more engineers in Africa to get tech jobs.

The potential of a youthful generation that is better skilled than ever before must be fully translated into demographic dividend. Failure to meet the livelihoods challenge of the young people will have significant humanitarian, economic and political implications that will resonate internationally.

If Kenya is to make any meaningful headway towards achieving sustainable development, deliberate focus must be on investments that create jobs for young people. However, those jobs must be strategic in triggering a socio-economic transformation.(BD 01-02-2017)

GAMBIA: BARROW GOVT SECURES $7.5M W/BANK GRANT

The new Gambian government under the leadership of President Adama Barrow Friday secured its first development grant of $7.5 million from the World Bank to help plug existing expenditure gaps inherited from Yahya Jammeh's erstwhile regime.

The multi-million dollar grant was signed by Amadou Sanneh, the political prisoner turned Minister of Finance and Economic Affairs, and Louise Cord the World Bank Country Director for Senegal, Cape Verde, The Gambia, Guinea Bissau, and Mauritania.

The signing was held at Barrow's home in Kololi (15km outside Banjul) which he is using as a temporary office until he receives the all-clear sign by the Ecowas military intervention force to relocate to State House, the Gambian seat of power which he is yet to occupy over security concerns.(APA 03-02-2017)

UGANDA, KENYA SIGN AGREEMENT FOR SECOND PHASE OF REGIONAL RAILWAY CONSTRUCTION

Uganda and Kenya have signed an agreement on the 2nd phase of the Standard Gauge Railway (SGR) financing and construction timeline that will see a synchronized construction of the railway line from Naivasha Kenya to Kampala Uganda within 42 months.

The agreement was signed by Uganda's Minister of Finance Matia Kasaija and Minister of Works Monica Azuba while Kenya was represented by Henry Rotich, the Cabinet Secretary for National Treasury and the Cabinet Secretary for Transport, Infrastructure, Housing and Urban Development James Macharia in Kampala yesterday.
The Kenyan and Ugandan ministers for finance and transport have agreed to jointly visit the EXIM Bank of China later this month to discuss the financing modalities
The Standard Gauge Railway (SGR) is East Africa's biggest transport project and the region's leaders have great expectations from the benefits it will bring once it is complete.
The railway line, which will connect the four East African countries of Uganda, Kenya, South Sudan, and Rwanda, is expected to be ready in three years and it is projected to ease the transportation of goods and passengers all over the region.
When complete, the railway will ensure smooth uninterrupted travel from Kenya from Mombasa port where close to 5.5 million tonnes of Ugandan cargo are held. (APA 03-02-2017)

20-MW SALTINHO HYDROPOWER PROJECT IN WEST AFRICA TO BE CONSTRUCTED

Gambia River Basin Organization (OMVG) is preparing and structuring the proposed construction of the 20-MW Saltinho run-of-river hydropower plant in West Africa- Guinea-Bissau. The hydropower plant will be constructed on the Corubal River.
OMVG is an organization of regional member states seeking to promote sharing energy and improving the quality of the power supply in Senegal, Guinea, Guinea-Bissau and The Gambia.
The Saltinho project is part of a wider regional grid extension project, which will interlink the electrical grids of OMVG member states. The extension project is being financed by several organizations including: The African Development Bank (AfDB) through its Sustainable Energy Fund for Africa, the United Nations fund for Industrial Development, the ECOWAS Centre for Renewable Energy and Energy Efficiency and the Austrian Development Bank, according to OMVG.
According to a 2015 AfDB report, the OMVG Regional Energy Project, also includes a proposed 128-MW hydropower facility that will annually produce 402 GWh and a 1,677-kilometer-long interconnection network comprising 15 transformer stations and two dispatching centers. The regional project, is estimated to cost about US$204m
However, The primary objective of this project is to build cooperation and regional integration in the energy sector by constructing renewable and low-cost energy to the four countries. The organization will further inject more efforts to improve the well being of people and promoting economic development in the region.
This project will be implemented in the OMVG countries, specifically, Senegal, Guinea, Gambia and Guinea Bissau. The project includes: Component 1: Interconnection T-LineComponent 2: Kaleta DamComponent 3: Technical Assistance 4: Sambangalou DamComponent. The African Development Bank plans to provide funding of US$ 180m for this project. (CRO 03-02-2017)

CAMEROON GETS 55BN FRS LOAN FROM EXIMBANK-INDIA FOR ENERGY DEVELOPMENT

Eximbank-India has granted Cameroon a loan of 55 billion CFA francs to update its public electricity transmission network program, the Ministry of Economy, Regional Planning told APA Friday.
The funds will be used to finance a portion of the electricity transmission program whose total cost is estimated at 64.5 billion CFA francs.

The project will include the construction of 225 KV mono-line connecting certain localities in the Littoral, West, Central, East and Northwest regions.

Specifically, it is to exploit the energy produced by the 30-megawatt (MW) Lom Pangar dam in the Southern Interconnected System (RIS) and, on the other hand the interconnected network in the east.

In addition, the project aims at diversifying the energy supply zones, improving and securing power supply in the western and northwest regions. (APA 03-02-2017)

STANDARD & POOR'S AFFIRMS MOZAMBIQUE'S CREDIT RATING

Standard & Poor's kept its credit rating on Mozambique in foreign currency in the long and short term at "SD/D" and the rating in national currency in the long and short-term at "B-/B," according to a statement reported by the international press on Friday.

The "SD" rating means that a debtor has selectively decided to default on payment of a coupon but it will make payments on other debt issues on time and the "D" rating means that a debtor has failed one or more payments.

"Maintaining the credit rating follows the downgrade to 'SD' on 18 January 2017, after on that day the government of Mozambique failed to pay and a coupon of US$59.8 million," the statement said.

The coupon in question is related to a US$850 million contracted in 2013 by Mozambican tuna company Ematum, whose amortization was later the subject of a restructuring process that led to a longer repayment period at a higher rate of interest and the capital to being lowered to US$726.5 million.

The agency also reported that the outlook remains stable in local currency, "since we consider it likely that the Republic of Mozambique will continue to honour its two debts in meticais, and will not embark on a restructuring process."

In the next few months US company Kroll is due to finish an independent audit of Mozambique's public debt, after which there will be an assessment of its sustainability by the International Monetary Fund before the IMF and the countries and organizations in the Group of 14 resume financial support to Mozambique. (06-02-2017)

GOVERNMENT OF ANGOLA ANNOUNCES CHANGES TO FOREIGN EXCHANGE AND BANKING LEGISLATION

The government of Angola will amend legislation on the foreign exchange market and the banking system in order to regulate the foreign currency transactions, both by businesses and households, announced on Friday in Luanda the Angolan President Jose Eduardo dos Santos.

The President, giving the opening speech of the meeting of the Central Committee of the ruling MPLA party also said it was urgent to provide the foreign trade department of the Ministry of Commerce, "with capable staff" and allow it to regulate the government's activities dealing with export processes in the sector.

All these measures, which are intended to guide "all the institutions involved in the process of exports," fall under the Executive Macroeconomic Programme, "whose strategy is to attack inflation, to reduce significantly diversification, increase exports and tax revenues and the definition of the new salary model."

"The officers, general staff and employees of the public and administrative sector have to be aware that it is that companies create national wealth in the market and that is precisely why we must create conditions for the market to work increasingly better so businesses can thrive. It is companies that pay the taxes that the public sector needs for its operation," said the leader of the MPLA and head of the Angolan government.

During the meeting of the MPLA Central Committee, Santos announced that he would not stand as a candidate for the position he currently holds in this year's general elections and that João Lourenço would be the party's main candidate. (06-02-2017)

GHANA TO 'TWEAK' IMF DEAL AFTER DISCOVERING $1.6BN BUDGET HOLE

Ghana's debt bail-out programme with the International Monetary Fund (IMF) may require "tweaking", after the new administration revealed that 7-billion cedi ($1.6bn) in expenses were not accounted for by the previous government, the finance minister said.

The country is in talks with the IMF and will seek to finalise an audit of the undisclosed spending by February 15, Finance Minister Ken Ofori-Atta said in Accra on Sunday.

Once the financing gap had been established, the government would determine how it wanted to raise funds for the shortfall, Ofori-Atta said.

"By the end of the IMF visit, the process of discovery and certainty and validation would have gone a long way," Ofori-Atta said. "The task is a lot more than we anticipated with regards to the arrears."

Ghana's new administration under President Nana Akufo-Addo said the country's budget deficit for 2016 would be close to "double digits" after the discovery of the arrears.

The IMF is holding talks with Ghana as part of a $918m three-year credit deal agreed in 2015 after spending ballooned and revenue from commodities such as oil and gold plunged due to a global slump.

China talks

The government was in separate talks with China Development Bank about the country's financing needs, Ofori-Atta said.

"We're meeting for a second time with the Chinese Embassy" on Monday, he said. "We're trying to nail down and look at an enhanced relationship with China to see how they can support the direction in which we're now going." (Bloomberg 06-02-2017)

BOTSWANA STRIVES TO DIVERSIFY ECONOMY

The Botswana Minister of Finance Kenneth Matambo on Monday said that it is imperative that Botswana broadens its domestic revenue base and reduce its reliance on diamond revenue, which he said are susceptible to global economic shocks.

Delivering his budget speech in Parliament, Matambo said concerted efforts will therefore continue during 2017/2018 financial year to implement policies, strategies and programmes aimed at developing diversified sources of economic growth, broaden the revenue base and contain expenditure.

"Furthermore, complementary efforts to strengthen public finance management will continue to be pursued to ensure efficiency and effectiveness of public spending," he said.

All these efforts, the Minister said, are expected to contribute towards ensuring fiscal sustainability now and in the medium to long term.

On a related matter, Matambo said in the wake of the current financial challenges that the government is experiencing and also given the volatility of the Customs and Excise revenues, it is paramount that the government continues to exercise prudence in the management of its financial resources and also devise new ways of widening its revenue base. (APA 06-02-2017)

ANGOLA'S NATIONAL GEOLOGY PLAN OF GEOLOGY SECURES FUNDING

Funding for the Angolan National Geology Plan (Planageo) has been secured, said on Friday in Luanda the minister of Geology and Mining, who described the plan as the main instrument of the government's strategy for protecting the geology and mining sector.

Francisco Queiroz, told Angolan news agency Angop during the Seventh Ordinary Session of the Multisector Planageo Commission, that problems had been resolved and that, despite the delays, "we are within what is reasonable for the plan to be implemented."

So far, data from 19 of the 22 blocks provided for in Planageo has been processed and interpreted, or 86% of the total. Based on preliminary data of an aero-geophysical survey 1,623 targets have been identified, 1,526 of which are magnetic and 27 radiometric.

The Minister of Geology and Mining said that among the magnetic targets 225 were considered a priority, and were identified as favourable for prospecting iron, base metals, copper, manganese, titanium, kimberlites, carbonatites, gold, zinc, lead and aluminium.

Of the radiometric anomalies, Queiroz said, 17 were given priority and show favourable signs for the exploration of radioactive minerals such as columbite, zircon and phosphate.

"All these cycles of discovery and selection of priority targets foster the emergence of large mines, which in the medium term will be able to change the economic base of the country," said the minister.

Queiroz also said that after implementation of Planageo the country will have 470 maps with a survey of the entire territory, and then it would be necessary to plan how these resources will be explored in the long term, "in the next 50 to 100 years." (06-02-2017)

DE BEERS TO MAINTAIN ITS SPENDING ON EXPLORATION

But diamond company says it will turn to new technology, including a hi-tech detection method, to try to improve the rate of discoveries

Anglo American's diamond unit De Beers will keep its diamond exploration budget steady at $35m in 2017, the company said, although it has turned to new technology to try to improve the rate of discoveries.

Many mining companies cut exploration spending because of a slump in commodity prices in 2015, as well as a widening gap between expenditure and the value of resources found as the best quality ores are depleted.

"Our exploration spending this year is likely to be in line with last year's, around $35m," De Beers said.

De Beers, however, is employing a hi-tech detection method that measures the tiny magnetic field shifts that indicate the presence of a kimberlite pipe, where diamonds are found, well below the surface of the earth.

The industry as a whole invested about $7bn on exploration between 2000 and 2013, De Beers figures show.

The results of this spending have been meagre. De Beers says only one diamond deposit of significant size has been discovered — Bunder in India, which Rio Tinto found in 2004.

In 2016, De Beers also brought on a new mine in Canada, saying it was the world's largest new diamond mine but would not result in a supply surge because it was only helping to replace diamonds that had been sold.

Some analysts talk about peak diamonds and De Beers has a policy of balancing production and demand to maintain its position as the biggest producer by value. Russia's Alrosa is the biggest diamond producer by volume.

Anglo American has placed diamonds, along with copper and platinum, at the core of a business it wants to focus on increased margins rather than bulk.

Diamond sales recovered in 2016 as the entire industry bounced back from a slump in 2015.

Sales of smaller grades, however, were hit late last year by India's decision to phase out higher denomination bank notes, constraining consumer spending in a largely cash economy. (Reuters 06-02-2017)

JAPAN AGREES TO IMPROVE PROFESSIONAL TRAINING IN MOZAMBIQUE

The Mozambican government and Japan's International Cooperation Agency (JICA) have signed a contract-programme to implement a project for the improvement of the model of professional training in the country over the next four years.

The agreement was formalized in the Mozambican capital on Monday by the director of the National Employment and Professional Training Institute (INEFP), Anastácio Chembeze, and the JICA representative in Mozambique, Katsuyoshi Sudo.
It was witnessed by the Mozambican Minister of Labour and Social Security, Victoria Diogo and the Japanese ambassador to Mozambique, Akira Muzutani.
The project will be implemented as from June and its purpose is to restructure the government's professional training centres in Machava, Maputo province, and in the northern city of Nampula.

The restructuring will involve upgrading the facilities, providing new equipment, updating the curriculum to cover training based on patterns of skills, and building the capacity of trainers and managers.

The project will also modernize administrative and educational procedures, to turn them into models which can later be adopted in the country's other professional training centres.

$6 million to be granted by the Japanese government has been earmarked to carry out the project.

It is expected that the professional training centres will be transformed through the development of the training programmes, the capacity building of trainers in Mozambique and in Brazil, and the acquisition of modern equipment in the areas of metalworking and construction.

Diogo said that when the project is implemented about 3,000 students a year will be trained on the basis of new skills patterns aligned with the needs of the Mozambican industries in 27 professional courses. (APA 06-02-2017)

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