MEMORANDUM

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11 YEARS OF UNINTERRUPTED PUBLICATION

SUMMARY

7 AFRICAN COUNTRIES FAVORED FOR INFRASTRUCTURE INVESTMENT IN 2017

The Marcory interchange under construction in Abidjan, Ivory Coast

African leaders view modern infrastructure as vital to economic growth. Yet, energy, internet, and transport costs in Africa are among the highest around the globe.

Many officials have ambitious infrastructure-upgrade and new-build plans, but are constrained by limited public budgets recovering from the economic struggles of 2015 and 2016.

More than ever before, private investors are intrigued by infrastructure investment in Africa. Some are aggressively pursuing opportunities to put their capital to use in addressing the $90 billion-plus annual infrastructure spending gap.

Private equity investors, including Blackstone and Abraaj, see great opportunity in investing in infrastructure projects. Both have built teams to focus specifically on developing projects (especially power) from conception to functioning physical entity in Africa. Expect more private equity players to enter into this space in 2017.

Senegal

Senegal is ideally located at the intersection of global shipping and regional trucking routes. The country is already working on the port of Dakar in Bargny to effectively replace the current aging and congested port. The new port is a major upgrade for a country kicking into full growth mode.

Senegal is considered one of the most stable democracies in West Africa, yet it has generally lagged behind its peers for more than 10 years. But the economy grew about 6.5 percent in 2016, which is the largest percentage in more than 10 years, and is expected grow approximately 7 percent in 2017 and 2018.

While the new port is the illustrative grandeur of the Senegalese story, power expansion could be the engine to the growth narrative. Today the cost of power is high with more than 50 percent of the energy coming from biomass. The recent oil and gas finds, particularly Kosmos Energy's "super-major" offshore gas discovery, present a great opportunity for gas-to-power plants. Having investors buy into this power expansion is vital for the country…the potential returns in the long-term are a good starting point.

Cote d'Ivoire

Ivorian President Alassane Ouattara, a former economist at the International Monetary Fund, and Ivorian Budget Minister Abdourahmane Cissé, a former Goldman Sachs trader, are both on the same strategic mental wavelengths. Strengthening the infrastructure in the country will key the next phase in the Ivorian growth story. Cissé says the government plans to spend $60 billion on infrastructure through 2020, with the private sector providing 68 percent of that funding. The spending plan includes more than 80 public-private partnerships targeting infrastructure in vital sectors such as transportation, telecom and energy.

The government pledges come with a track record. The country grew more than 10 percent in 2015 and surpassed 2,000 MW in power capacity in early 2016, underscored by the efforts of the Ivorian electricity generation company CIPREL (also an investment subsidiary of private equity firm Emerging Capital Partners). The country already exports to Benin, Burkina Faso, Ghana, Mali, and Togo. Expansion in the power sector is expected to continue, particularly from independent power producers (IPPs). Another bonus investment will be around transport and warehousing with the economy expected to grow between 8 percent and 9 percent in both 2017 and 2018.

Cameroon

This country has a power problem, highlighted by load shedding in the main urban area, such as the capital Yaoundé. Cameroonian President Paul Biya has pledged "to bridge the energy gap and end load shedding" with first-generation energy projects, such as soon-to-be operational Memve'ele and Mekin power plants, and longer term projects such as the Bini à Warak, Menchum, Song Dong and Nachtigal power plants. The president also introduced the National Electricity Transmission Corporation to address ongoing grid management issues.

The issue of energy capacity is partially a bottleneck for growth in the country. Current GDP growth projections are 4.5-to-5.5 percent for both 2017 and 2018. But the numbers, like the president, suggest that the country's industrialization process, if it is to reach its true potential, will require more new power builds as well as an upgrade (and expansion) to the transport networks.

Uganda and Tanzania

Uganda and Tanzania are the East African wildcards. Both countries present opportunities on the power side, particularly with gas-to-power plants in the long term. Both countries also present political challenges with Uganda deciding to divert its oil pipeline through Tanzania rather than Kenya. Al-Shabaab also played a role in the reasoning behind that decision. This diversion raises the cost of the pipeline for a country already facing budget constraints. And Tanzania, under John Magufuli, is implementing austerity plans, which directly (and indirectly) impacts investment in infrastructure.

So why bet on these wildcards? Both governments require private investment to address power and both have access to power inputs such as fuel oil and gas. The Karuma Hydropower Plant and Isimba Hydropower Plant in Uganda and the Mtwara Gas Project in Tanzania are the headliners. But those projects are insufficient to support the 5 percent-plus and 7 percent-plus growth in Uganda and Tanzania respectively for both 2017 and 2018.

Both countries also require investments in pipelines, roads and airports as the economy outpaces physical infrastructure necessary to support its growth. Some critics have questioned both governments' ability to drive private investment in infrastructure. There is cause for optimism. Both presidents are interested in energy and industrialization as well as the sponsorship of engineering, procurement and construction, and public-private partnerships in local projects.

Honorable mention

Democratic Republic of the Congo (DRC)

The DRC is a conundrum. The power blackouts and shortages are the norm in a country with a growing base of mining companies. Transmission and grid upgrades are necessary infrastructure requirements. More than 45 percent of firms in the DRC use generators to support their business with the frequent outages both from lack of power or weakened transmission networks. Estimates put the country's cost-effective hydropower potential at 100,000 MW with installed capacity still below 50,000 MW. The reality is that there is massive opportunity…but there is still learning to be done (and a track record to be established) in the nascent DRC infrastructure space.

Nigeria

Nigeria excites and frustrates in the same breath. The country holds the largest gas supply in Africa, followed by Algeria (a top-10 global gas producer), yet fails to use the gas for producing power. The Nigerian government is making efforts to change the energy outlook. For example, in 2015, the Nigerian Electricity Regulatory Commission raised electricity tariffs for commercial, industrial and residential energy users. After long haggling from potential investors, this would have been a benefit to independent power producers but local Nigerians are also demanding more affordable energy during the current economic downturn. As a result, you have investors halting investments or worried about recuperating investment. A hurting currency (lumped with the lack of economic growth) does not help. (AFKI 07-02-2017)

BURKINABE LEADER DISPELS RUMOURS TO PURCHASE NEW PRESIDENT PLANE

Reacting to a controversy in the press, President Roch Marc Christian Kaboré of Burkina Faso said the state has ruled out the idea of purchasing a new presidential plane.

“It is a controversy that is going on, but I want people to know that at no time, as President of Faso that I have been engaged in a debate for the change of the presidential plane,” Kabore said Monday during a press conference at the Ouagadougou International Airport.

President Kabore, who had returned from Bamako (Mali) where he took part in an ordinary summit of G5 Sahel countries, was answering to a question by a journalist who wanted to know if he was not afraid of flying in the current presidential plane, hinting at the reportedly defective condition of the aircraft.

Kabore answered that if he were scared; he would not have boarded the plane.

He said; “the day when Le Pic de Nahouri (name of the presidential plane) will be dangerous for the life of the president, it will be left on the ground and something else will be done”.

"I can assure you that in the present context, you can count on me not to incur high prestige costs for the President of Faso," he said, adding; "the controversy can now be cut short.”

While some internet users believe that the president must urgently change the presidential plane for a "sovereignty issue", others maintain that changing it must not be a priority, considering the difficult economic situation of the country. (APA 07-02-2017)

JACOB ZUMA ADMITS ‘TRIPLE THREAT’ IS HINDERING SOUTH AFRICA’S ECONOMIC GROWTH

President also says poor economic growth and pressure on revenue suggest that the public sector ‘can no longer be the main engine of jobs growth’

SA is not growing fast enough to significantly reduce its triple challenges of poverty, inequality and unemployment, President Jacob Zuma acknowledged on Tuesday.

He was speaking to captains of industry and labour leaders in Cape Town, ahead of his state of the nation address later in the week.

He said the government expected economic growth of 1.3% in 2017.

"Improved commodity prices and stronger global growth should encourage both investment and employment, and provide necessary support for exports," he said.

"Agriculture is expected to recover following improved weather conditions, while tourism and the manufacturing sector should be supported by the weaker rand and a recovery in economic activity in the region. We have reason to be optimistic."

But despite the improved outlook, "we have to acknowledge that we are not growing fast enough to significantly reduce our triple challenges of poverty, inequality and unemployment".

Unemployment stood at 27.1% — the highest rate since June 2004, he added.

"Low economic growth and pressure on revenue suggest that the public sector can no longer be the main engine of jobs growth. We used to rely on government to absorb the unemployed. The public service is also facing pressure," he said.

Zuma said the scale of inequality and exclusion in the country had to be confronted urgently. Two decades since democracy, the country’s black majority remained mostly outside of the main stream economy.

"Social justice cannot be achieved if we allow the status quo to persist," he said. (TMG Digital 07-02-2017)

STANDARD CHARTERED BANK'S ZIMBABWE UNIT SUSPENDS USE OF VISA CARDS ABROAD

The Zimbabwean subsidiary of British financial services group Standard Chartered Bank on Tuesday suspended the use of VISA cards by its clients while in other countries, ordering the customers to first apply for permission before using their cards while abroad.

The bank said in a statement that the move was in response to the worsening shortage of United States dollars in the tottering southern African economy.

“This decision has been taken to ensure the best use of the increasingly scarce foreign currency resources which is disbursed in line with the priority list issued by the Reserve Bank of Zimbabwe if and when available,” the statement said.

The bank advised clients to apply for permission to use VISA cards at least 72 hours before they are due to travel abroad.

The move is expected to severely affect the bank’s clients, most of whom frequently travel abroad for business and shopping purposes.

Zimbabwe has faced severe cash shortages since February 2016 when banks started experiencing long queues.

The southern African country has used a basket of foreign currencies, mainly the US dollar, since 2009 following the collapse of the Zimbabwe dollar. (APA 07-02-2027)

UGANDA TO CONSTRUCT NEW MALL DUBBED ARENA MALL

Uganda is set on the verge of constructing another mall- The Arena Mall. This news barely comes four months after the Imperial Mall in Entebbe opened for business.

The new mega mall which is being is projected to cost a whooping US$50m and will be located at the intersection of Kibuli and Nsamba (Nsambya Traffic lights) – the former Uganda Railways quarters.

Ms Nnema Bryd, the Stanlib Investment principle confirmed the reports and said that approximately 50 per cent of the funding will be a loan from the Standard Bank Group and the rest of the amount will be received from Stanlib and Mr. Charles Odere’s equity.

“We are looking at leveraging this development at about 50 per cent. So we are looking at about US$ 24m for a senior loan for the construction period, which will be about 22 months and after that loan, gets converted into a term loan of five years. It will be provided by the Standard Bank Group.

The equity piece is coming in from the Stanlib Private Equity Fund alongside Mr. Odere. Mr. Odere’s contribution has been the land and additional cash. His equity stake will be about 20 per cent,” she explained.

Many companies have booked space in the mall including Shoprite, which will be the anchor tenant, Century Cinemax, Cafesserie, Adidas, Timberland, Café Java, Woolworths, KFC among others.
According to the developers, they are riding on the fact that the Kampala Flyover Project will be accessed near the Mall and are also counting on traffic to and from the proposed Southern Bypass in Munyonyo.
The ultramodern development aims at setting the standard in green buildings and sustainable design in Uganda and the entire East African region.
Stanlib is an asset management company based out of South Africa but with offices in Uganda. (CRO 03-02-2017)

JAPAN FINANCES VOCATIONAL TRAINING IN MOZAMBIQUE

Japan has donated US$6 million to Mozambique under a contract programme to fund the Professional Training Model Improvement Project in the country, signed on Monday in Maputo.
The contract, signed by the Director General of the National Institute of Employment and Vocational Training (INEFP), Anastácio Chembeze and the representative of the Japanese International Cooperation Agency (JICA) in the country, Katsuyoshi Sudo, is valid for four years and plans to restructure the Vocational Training Centres of Machava, in the southern province of Maputo and Nampula province, in the north.
The restructuring process will adapt the facilities, provide equipment, update training curricula based on skills standards and provide training to trainers and managers.
Mozambican news agency AIM also reported that this restructuring will include modernisation of administrative and teaching processes, to turn them into models to be adopted by other training centres in the country.
The Minister of Labour and Social Security, Vitória Diogo, said this project will allow about 3,000 graduates per year to enter the labour market, through 27 training courses, including construction and engineering, food processing and automobile mechanics. (07-02-2017)

CASH SHORTAGE IS CRUSHING ZIMBABWE’S ALREADY EMBATTLED ECONOMY

Illegal money changers pose while exchanging a new Zimbabwe bond note, left, and US dollar notes in the capital Harare

The liquidity squeeze has left companies unable to pay their workers and foreign suppliers, driving many out of business, and swelled the ranks of economic exiles
Zimbabwe’s crippling cash shortage has left a black hole in the financial system that is crushing the rest of the economy.

"We deposit the cash and it becomes theoretical, ephemeral," Mohamed Salam, who owns several small stores selling building supplies in Harare, said in an interview. "My bank balance says it's there, but it isn't. I can make payments electronically to local suppliers, but I can't pay foreign suppliers."

The liquidity squeeze has left companies unable to pay their workers in cash and foreign suppliers, driving many out of business, and added to the ranks of more than 3-million people who have become economic exiles. The economy probably shrank 0.3% last year and is set to contract 2.5% this year, according to the IMF.

Zimbabwe abandoned its own currency eight years ago and adopted mainly the dollar, initially halting hyperinflation. Now, with a floundering economy and a strong dollar stoking imports and curtailing exports, banknotes have virtually disappeared, prompting the central bank to order private lenders to cap customer cash withdrawals at $150 a week. While the Reserve Bank estimates about $4bn is circulating in the economy, Confederation of Zimbabwe Industries president Busisa Moyo says the amount may be as little as $100m.

"The economy is in what could turn into a death spiral," Steve Hanke, a professor of applied economics at Johns Hopkins University in Baltimore who studied the advent of hyperinflation in Zimbabwe, said in an e-mailed response to questions. He blamed the government of President Robert Mugabe for being "so incompetent and corrupt and prone to making bad economic policies".

Payments halted

A dearth of foreign exchange forced brewer Delta Corp, almost 23% owned by Anheuser-Busch InBev, and telecommunications company Econet Wireless Zimbabwe, the nation's two biggest businesses, to suspend dividends and halt payments to foreign suppliers late last year. Both companies said they did not foresee any operational disruptions. Econet shareholders agreed to a company plan to raise $130m in foreign currency.

A number of retailers and other businesses are offering big discounts to cash-paying customers and limit the amounts they can charge on credit cards or refuse to accept them altogether.

"The country has run out of money and we have completely lost the ability to pay for imports," said John Robertson, an independent economist in Harare. "This comes against a backdrop of falling productivity as companies fail to access vital inputs because there's no foreign currency to pay for them. As long as government continues to do things that discourage both local and foreign investment into the productive sector, the situation can only get worse."

Majority ownership

The economy has halved in size since 2000, when militants backed by Mugabe seized white-owned farms, crippling agricultural output and exports. The government also deterred investment by enacting laws aimed at forcing some companies operating in the country to have majority black ownership and issuing conflicting messages on how they would be implemented.

Officials at CBZ Holdings and the Zimbabwean units of London-based Barclays and Standard Chartered, the nation's three largest lenders, said no one was available to respond to questions on the cash crisis.

In a bid to ease the banknote shortage and discourage cash hoarding, the government began distributing so-called bond notes in November, with about $88m of the dollar-linked securities issued so far out of a planned $200m that are backed by a loan from the African Export-Import Bank. While banks and most large retailers accept the proxy currency, many small stores, informal traders and taxi drivers will not, or price them at as little as 70% of their dollar face value.

Economic distortions

Hanke, who is also director of the Troubled Currencies Project at the Washington-based Cato Institute, said the decision to issue the bond notes was a disaster.

"Zimbabwe is no longer a pure dollarised system, but a mixed system, one that is bound to fail," he said. "More bond notes will only add fuel to the demand for hoarding of what is viewed as being the superior currency and store of value in Zimbabwe, the US dollar. As the issuance of bond notes increases in response to the hoarding frenzy, the premium on dollar notes to bond notes will widen and so will the distortions in the economy." (Bloomberg 07-02-2017)

ANGOLA ANNOUNCES INVESTMENT OPPORTUNITIES IN THE MINING SECTOR

The Angolan Ministry of Geology and Mining on Tuesday in Cape Town, South Africa, is due to announce the results of the National Geology Plan (Planageo), during the edition 2017 of the "Mining Indaba," international conference, Minister Francisco Queiroz said on Monday.

At the end of a visit to the Angolan stand Queiroz said that the conference organised by his ministry would announce the results obtained by Planageo, and raise awareness of foreign companies about investment opportunities in Angola.

Queiroz said that Angola has everything to gain from promoting investment opportunities in the country at international meetings such as "Mining Indaba" that take place in Canada, the USA, Europe and Australia.

The 2017 edition of Mining Indaba began on Monday in Cape Town, with the participation of investors, lenders, banks, companies related to the mining sector, consultants and insurance companies.

This event seeks to attract investment to the sector and contribute to the growth and development of the African continent.

Under the motto "Taking advantage of the next wave of growth: how you can invest in mining in Africa for long term profit," over four days the forum brings together mining sector specialists.

The event aims to find ways to boost a sector that is of extreme importance to Africa, as many African nations are focused on relaunching of mining projects in their countries.

A fair is also held alongside the conference takes where Angola is represented by the Ministry of Geology and Mines, with a stand offering promotional material on the government's strategy for the sector, as well as from Planageo's operators and private companies operating in the country. (07-02-2017)

INSPECTION OF KENYA'S SGR LOCOMOTIVES KICKS OFF

The Kenyan government has began the long awaited exercise of inspecting and commissioning of SGR locomotives for Kenya rail project.

According to officials this move is aimed at ensuring that the completion of the first phase of Kenya's SGR project is right on time as planned.

Speaking to journalists at State House, Spokesperson Manoah Esipisu said the first journey from Mombasa to Nairobi will start in June.

"Testing, commissioning and inspection of these locomotives has already begun. Kenya remains on track to see the first SGR journey to Nairobi from Mombasa on June 1, 2017," Mr. Esipisu said.

Mr Esipisu added that the locomotives that have already being imported to the country are world class and the passenger coaches will be delivered later on this month.

"This is one of the projects that we as the Jubilee government is happy of and we are sure that it will be completed right on time" he added.

The official also added that the eight Eight heavy haul freight locomotives, passenger locomotives as well as two shunting locomotives have been delivered.

"We expect to have enough SGR locomotives that is for transportation of goods and other for passages in the nest few months" he added.

President Uhuru Kenyatta will commission the Sh372 billion project after its completion.

He further said Kenya Railways has procured 56 locomotives, 40 passenger coaches and 1,620 wagons.

Last month, Transport Cabinet Secretary James Macharia said that the second batch of six locomotives is expected to arrive this month and the last batch of 44 by May.

Mr. Macharia said the railway will decongest the port and boost cargo transportation to Nairobi.

The railway will connect Kenya, Uganda, Rwanda and South Sudan.(CRO 06-02-2017)

KOSMOS AND GALP ENERGIA BEGIN SEISMIC SURVEYS IN SAO TOME AND PRINCIPE

US oil company, Kosmos Energy and Portugal’s Galp Energia have started seismic surveys for oil in four blocks of the Exclusive Economic Zone of Sao Tome and Principe, the director of the National Oil Agency told on Monday.

Orlando Sousa Pontes said, “Less than 48 hours ago Kosmos and Galp Energia started seismic work in blocks 5,6, 11 and 12 as planned,” in production sharing contracts signed with the National Oil Agency.

As well as saying that the surveys will take about nine months in the sea near the island of Principe, Sousa added that “the environmental impacts have been adequately safeguarded.”

A little less than a month ago, Kosmos transferred to Galp Energia 20% of its rights and obligations under the production sharing contracts in blocks 5, 11 and 12 of the Exclusive Economic Zone of São Tomé and Principe.

The beginning of the seismic survey comes nearly a year after Kosmos and Galp Energia publicly presented a study on the environmental impact of the operation in São Tomé, a condition imposed by the Law on Petroleum Operations and the Basic Environment Law of São Tomé and Principe.

In addition to the exclusive area, São Tomé and Principe also has another joint area shared with Nigeria on the basis of a treaty signed in 2001 establishing 60% of revenues for the Nigerian state and the remaining 40% for the São Tomé archipelago. (07-02-2017)

“ONE BELT, ONE ROAD” STRATEGY DRIVES AFRICA TOWARDS CHINA

The isolationist trend in the foreign policy of the new US administration, particularly towards Africa, has led some analysts to predict that the Chinese “One Belt, One Road” strategy will take on an even greater role on that continent.

After initial contacts with the State Department President Donald Trump’s team was sceptical about the effectiveness of competing with China’s cooperation programmes with Africa, in particular the African Growth Opportunity Act (AGOA), several public appeals have been made calling for the programme to be kept, which includes all African Portuguese-speaking countries.

According to Calton Cadeado, lecturer and researcher at the Institute of International Relations in Maputo, Africa will have to show its strategic value to the new administration, in order for Washington not to reduce investment.

However, the researcher said in recent statements to the Voice of America, “if Trump leaves (Africa), the other competitors will not leave (…) and will gain space.”

Manuel Ennes Ferreira, a researcher from the Institute of Economics and Management, in Lisbon, said that, despite the small weight of Africa’s trade relations with the United States, the impact of “isolationist” policies will have an effect on the continent.

“The suspension of trade agreements that have been announced may be extended to AGOA. The consequences will be a decrease in African exports to the US due to the customs barriers going back up,” wrote the researcher in an article published in Portuguese weekly Expresso.

“More complicated” in the long-term for the US, he added, is the “One Belt, One Road,” strategy whose maritime route will have a link point in Kenya, with a centre for expansion into the interior of the continent based on the standard gauge railroad, costing US$3.8 billion, which should be completed in 2017.

The Chinese proposal also includes funding corridors of rail, road and energy infrastructure, connecting to neighbouring countries (Burundi, DR Congo, Rwanda, South Sudan, Tanzania and Uganda), projects under a package of US$60 billion pledged by China in December 2015.

These projects says Ennes Ferreira, will stimulate Inter-African and international trade and the “One Belt, One Road” strategy “will have an easier life if the United States turn its back on the world.”

Lauren A. Johnston, of the Melbourne Institute of Applied Economic and Social Research, noted in a recent article how Justin Lin, former chief economist of the World Bank, translated the opportunity for Africa in building long overdue projects created by the “One Belt, One Road” initiative.

Johnston said that regardless of Africa’s autonomous performance, China’s initiative is attracting global attention to the vast potential for development of the continent, which has less developed economies but many young people, when most OECD countries and even the Group of 20 have ageing populations.

Even at the current time of crisis experienced in African countries, China’s support has remained firm, as has been the case for Angola, for example.

The Economist Intelligence Unit has said that China is the “predominant” origin of US$11.5 billion in foreign debt contracted by Angola since November 2015, allowing the country to bridge the gap caused by the fall in oil prices.

“The Angolan government will continue to seek China’s loans to allow it to continue with many capital expenditure programmes, for example the construction of roads and power plants,” the EIU said. (07-02-2017)

ETHIOPIAN AIRLINES DOING WELL FINANCIALLY DESPITE TRUMP'S TRAVEL BAN COMPLICATIONS

Ethiopian Airlines is performing well financially despite recent travel ban complications by the US President, Donald Trump.

The state-owned operator’s chief executive, Tewolde Gebremariam, said on Tuesday that Trump’s executive order – which has been suspended by a federal judge – was creating confusion for some of its passengers but was not having much impact overall on its operations.

The order of January 27 temporarily halted immigration from seven Muslim-majority states out of which three were in Africa; Ethiopia’s neighbours Somalia, Sudan and restive north African nation of Libya.

The CEO also told Reuters the airline’s revenues were up 10.3 percent at 54.5 billion birr ($2.43 billion) in the 2015/16 fiscal year, while passenger numbers rose 18 percent to 7.6 million.

The national flag carrier was in 2016 adjudged Africa’s best airline for a fifth successive year by the African Airlines Association (AFRAA).

Ethiopian is the largest Airline Group on the continent and has been applauded for its outstanding financial performance, technological leadership and investment in modern fuel efficient fleet, exemplary cooperation with other African carriers.

It is also the fastest growing Airline in Africa. In its seven decades of operation, Ethiopian has become one of the continent’s leading carriers in terms of efficiency and operational success.

They command the lion’s share of the pan-African passenger and cargo network operating the youngest and most modern fleet to 95 international destinations across five continents.

WHO IS SOMALIA’S NEW PRESIDENT?

Somalis have been celebrating the election by MPs of Mohamed Abdullahi Mohamed as the country's ninth President for the next four years.

Born in 1962, the man nicknamed Farmajo which translates as cheese is not a stranger to political appointments in Somalia or controversies.

As a populist, he had always found himself at loggerheads with other politicians who resented his anti-elitist stance.

He was reputed to travel in economy class as a top diplomat and leader of his country.

The career diplomat and professor was Prime Minister between 2010 and 2011 and credited with setting the stage for the current political arrangements which allowed for the election of a president despite decades of civil strife in the country.

Educated to a Bachelor's Degree in History at the University of Buffalo, Farmajo is the founder and Secretary-General of the Tayo Political Party, continuing a long political tradition within his family.

His parents were founding members the Somali Youth League (SYL).

Farmajo, who is of dual Somali and US citizenships also holds a Master's degree in Political Science from the University at Buffalo.

The 54-year-old's immediate challenge will be to improve the security situation in Somalia.

His election by MPs at a heavily fortified hanger in Mogadishu airport over security fears is the most serious remainder about the onerous task of tackling al-Shabaab, the Islamist militia waging a deadly insurgency in the country since 2007. (APA 07-02-2017)

SENEGAL : LE NUMERO DEUX DES TELECOMS REVENDU AU GROUPE DE TRANSFERT D'ARGENT WARI

Publicité de l'opérateur de téléphonie mobile Tigo à Kigali (Rwanda)

Le groupe sénégalais de transfert d'argent paiera 129 millions de dollars à l'opérateur luxembourgeois Millicom pour le rachat de Tigo Sénégal. Début 2016, Millicom avait cédé sa filiale en RD Congo pour 160 millions de dollars (143,3 millions d'euros) à Orange.L'annonce a été faite via un communiqué diffusé le 7 février en milieu de journée. Dans un message adressé à ses employés et consulté par *Jeune Afrique Business+*, la direction de Tigo a indiqué que « ce sera la première fois qu'un opérateur de services financiers rachètera un opérateur télécom dans la sous-région ».

Numéro deux au Sénégal, loin derrière Sonatel (Orange), Tigo affichait, fin septembre 2016, 3,9 millions de souscripteurs pour une part de marché de 24%.(JA 07-02-2017)

MOROCCO WARNS EU TO RESPECT TRADE DEAL

Morocco told the EU that it could take its business elsewhere if the agreement is not implemented immediately.

Morocco's government warned the European Union today (6 February) that its failure to fully implement a joint agriculture deal would have severe consequences and could spur illegal migration.

The North African nation and the EU signed in 2012 a multi-million-euro fishing and agriculture trade agreement.

Two years later the deal was quashed by a European court after a challenge from the Polisario Front which seeks independence for the disputed territory of Western Sahara.

But the EU's top court overturned that verdict in December 2016, setting the stage for the reinstatement of the agreement although the ruling did not say so explicitly.

Morocco's agriculture and fisheries ministry said in a statement that the last ruling "in all logic confirms the (2012) trade protocol which must be fully implemented".

Failure to do so would affect "thousands of jobs" both in Morocco and in Europe, said the ministry.

Furthermore it could spur "a new flow of migration" towards Europe and place the continent "at risk".

In addition, it would force Morocco to seek trade deals with other countries.

The ministry said if the deal with the EU was not implemented, Morocco "would have no other choice but to turn to other countries" including Russia, China, India and Japan as well as African and Arab Gulf nations.

The warning comes days after EU leaders held a summit in Malta for talks that also focused on how to deal with a feared upsurge of migrant smuggling, including from Africa.

Although most migrants from sub-Saharan African seeking a new life in Europe have been travelling through chaos-riddled Libya, others have managed in recent years to enter Spain from Morocco.

Spain has two enclaves in North Africa, Ceuta and Melilla, surrounded by hi-tech border fences that are regularly stormed by migrants. Many have died trying to climb them, some shot by Moroccan forces.

Other migrants, most of them from sub-Saharan Africa, take to rickety boats to try to cross the narrow stretch of sea between Morocco and Spain's southern tip.

According to the International Organisation for Migration, 13,246 migrants arrived in Spain last year, more than 8,100 of whom came by sea. (EurActiv 06-02-2017)

NIGERIAN APEX BANK TO RAISE OVER $400M THROUGH TREASURY BILLS

The Central Bank of Nigeria (CBN) says it will raise N142.43 billion (about $466.9m) in short-dated Treasury Bills auction on February 15, 2017.

In a statement on Tuesday in Abuja, the apex bank said that it would raise N32.43 billion in three-month debt, 30 billion in six-month bills and 80 billion in one-year notes, using the Dutch auction system and that payment would be due the day after the auction.

The CBN issues treasury bills to assist government fund its budget deficit, manage liquidity and check rising inflation.

About N302.4 billion was raised last week by the CBN through treasury bills. (APA 08-0-2017)

UGANDA, US TOP KENYA'S TOURIST SOURCE MARKETS

Uganda is Kenya's leading tourist source market in Africa, latest industry data shows.

The Kenya Tourism Board latest data shows the visitors from the landlocked country almost doubled to 51,023 for the year ended 2016, from 29,038 visitors in 2015.

The country's lead tourism marketer has attributed the growth to among other factors, the provision of interstate passes (East Africa Visa), which has enabled cross-border tourism for expatriates working in Uganda.

The move has also enabled travellers wishing to explore both countries in a single regional tour move with ease.

Uganda takes a leading position on other notable key source markets such as South Africa, Nigeria, Uganda and Rwanda, and a notably slow-to-growth Tanzania.

An earlier report by KTB indicates an upward trajectory for total Africa arrivals, rising steadily from 23 per cent in 2014, to 26 per cent and 28 per cent in 2015/2016 respectively.

Despite the earlier decline due to the famous visa spurt between Kenya and South Africa, the latter showed notable growth, rising from to 35,926 visitors in 2016, from 30,500 in 2015.

Internationally, the United States of America turned tables against the UK as Kenya's top source market for tourists, registering 97,883 arrivals in 2016 compared to UK's 96,404.

A comparison between the 2015 and 2016 numbers reveals a worrying decline of 2,000 visitors from the UK, while noting a much needed 13,000 gain from the US.

KTB attributes the US growth to "aggressive marketing of the country as a safari destination" while blaming the UK for not restoring Kenya-bound charter flights even after the lifting of travel advisories to Kenya.

India made a surprising entry to become the third largest tourist market for Kenya with 64,116 arrivals last year, an increase of over 15,000 visitors compared to the 49,756 in 2015.

Neighbouring Uganda took up the fourth position ahead of China, viewed as a growing target market for African destinations.

The remarkable rise by China against traditional favorites such as Germany and Italy, who came in at position six and seven respectively is attributed to an increased number of direct and indirect flights servicing the two countries.

Traditional markets of Germany and Italy performed dismally tailing the numbers globally.

Online hotel search firm Jumia Travel accredits the positive progress to factors such as increased alternative source marketing by tourist bodies, economic growth in most parts of the continent and increased regional trade.

These adding to the growth of eCommerce and global digital inclusion have played a majot role and are likely to shape visitor trend in future. “The online presence of both hotels and tour operators has gone a long way in boosting awareness and serving travellers with channels and options unlike in the earlier years when you could only rely on friends for reviews, advice and direction” Jumia Travel East and Southern Africa managing director Estelle Verdier said. (BD 08-02-2017)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, Business Council for Africa, Corporate Council on Africa, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, SwissCham-Africa and other organisations.
The Memorandum is also made available by AHEAD-GLOBAL, BCA, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Canadian Council on Africa, CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) and SwissCham-Africa to their Members.

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SAVE THE DATE • 5 April 2017

OECD Headquarters, Paris

Closing the gap between the actual and the desired level of investments to achieve the SDGs is clearly beyond the reach of governments and public lenders. Only with resolute engagement from the private sector, notably through partnerships with the public sector, can this be addressed. Participants at this year's *OECD Global Forum on Development* will take stock of existing initiatives to catalyse the power of the private sector in supporting the Sustainable Development Goals, explore new avenues of partnerships to mobilise the necessary resources and understand how the OECD can help.

Mark your calendars to meet like-minded colleagues and be part of the discussions on how we can forge such alliances in credible and concrete ways to further our shared agenda for greater prosperity for all. You will join high-level representatives from governments, businesses, foundations and international organisations to focus on key policy challenges, notably new financial instruments, the role of small- and medium-sized enterprises, effective public-private dialogue, and the challenges and opportunities of urbanisation.

The Global Forum on Development's agenda will be forthcoming. In the meantime, visit www.oecd.org/site/oecdgfd for more details.

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BETTER POLICIES FOR BETTER LIVES

FORUM MONDIAL SUR LE DÉVELOPPEMENT

Travailler ensemble pour atteindre les objectifs de développement durable

À VOS AGENDAS • 5 avril 2017

Siège de l'OCDE, Paris

Atteindre les objectifs de développement durable (ODD) demande des investissements que les gouvernements et les bailleurs de fonds ne pourront réaliser seuls. Les acteurs privés –grandes et petites entreprises, entrepreneurs individuels, fondations, etc.— ont un rôle essentiel à jouer. Les participants au *Forum mondial sur le développement de l'OCDE* feront cette année le point sur les initiatives qui visent à promouvoir des partenariats plus efficaces entre pouvoirs publics et acteurs privés pour atteindre les ODD. Le *Forum* se penchera également sur les initiatives innovantes pour mobiliser davantage de ressources, et sur le rôle de l'OCDE pour soutenir ces efforts.

Notez dès à présent la date de cette rencontre, et venez le 5 avril discuter des solutions pour forger des alliances efficaces et réaliser la promesse d'une prospérité partagée. Vous débattrez avec des représentants de gouvernements, d'entreprises, de fondations et d'organisations internationales des questions que posent la mise en œuvre des nouveaux instruments financiers, du rôle des petites et moyennes entreprises, des modèles de dialogues public-privé ainsi que des défis et des opportunités que pose l'urbanisation de l'Afrique.

L'ordre du jour du Forum mondial sur le développement sera disponible prochainement sur www.oecd.org/site/oecdgfd

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DES POLITIQUES MEILLEURES POUR UNE VIE MEILLEURE

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