MEMORANDUM

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SUMMARY

FIRST CLUES FOR POST-BREXIT AID COOPERATION BETWEEN EU AND UK

Michel Barnier, the European Union's chief Brexit negotiator. Photo by: Francois Walschaerts / EU
The European Union's chief Brexit negotiator Michel Barnier told reporters at a press conference in Brussels on Tuesday that the United Kingdom would have to look at the EU's existing arrangements with nonmember countries such as Switzerland and Norway to determine what kind of relationship it will have after its exit from the European Union.
These models offer some clues about how Brexit will affect U.K.'s contribution to EU development cooperation. The country is the largest contributor to the EU's $62 billion budget for official development assistance, according to the Organization for Economic Cooperation and Development.
"It's up to the U.K. to determine what kind of Brexit it wants," Barnier said. "In the case of Norway for instance, there is access to the single market but this is accompanied by predetermined and very specific contributions to the EU budget. That's one of the models that already exist, and that's really one of the closest models that exists to the EU without being a member," Barnier said.
Speaking about the EU's proposal for a new consensus on development, one commission official told Devex it was likely that nonmember countries and aid "actors" would be able and encouraged to opt into the policy document, after EU members endorse it.
"The situation of the U.K. of course is a little bit particular," the source told Devex at a meeting with commission officials, speaking on condition that they not be named. "We've had some requests from current member states that after the agreement is endorsed, we open the consensus for endorsement of other actors," he said.
The consensus, which will set out the priorities for the EU's aid strategy from 2017-2020, will serve both as a road map for the EU's development instruments as well as an "overarching framework for the policy development" of individual countries, he said, meaning signatories would ideally "adapt their instruments to this as well."
Non-EU member states such as Norway choose on a case-by-case basis whether to opt into various commission agendas and funds. For example, both the governments of Norway and Switzerland plan to contribute to the EU External Investment Plan and the $3 billion Emergency Trust Fund for Africa, both efforts by the EU to use development tactics to stem the flow of migrants to Europe. The two donors also contribute to various other EU aid instruments, mostly related to migration and EU neighboring regions such as North Africa, according to Norway's strategy for cooperation with the EU. Notably, these countries opted out of the previous EU Consensus agreed in 2005, and do not contribute to the EU's main development instrument, the European Development Fund, which derives its $45 billion budget from EU member state fees, according to a Comission spokesperson.
Some analysts have read the U.K.'s recent rhetoric — including around using aid to stem the flow of migrants and combat security threats at home and abroad — as an indication that the country may seek an arrangement similar to Norway's or Switzerland's. On the question of aid specifically, Barnier insisted on Tuesday that there would be "no cherry-picking" of benefits allowed to EU access. The U.K. could then follow the lead of other non-EU members such as Iceland, Switzerland and Norway, for which contributions are based on gross domestic product. (Devex 09-12-2016)

MERCEDES-BENZ STUDIES RAISING INVESTMENTS IN EGYPT

A delegation from the global automobile manufacturer Mercedes-Benz is set to visit Cairo by the beginning of 2017 to discuss means of boosting company's investments in the Egyptian market.
Egyptian Trade and Industry Minister, Tarek Qabil met on Saturday with Thomas Zorn - CEO and President at Mercedes-Benz Egypt- and officials at the German multinational automotive corporation, Daimler AG.

During the meeting, Qabil showcased efforts exerted by the Egyptian government to enhance automotive industry as well as the prominent investment opportunities in the sector within the upcoming period.

Officials of Mercedes-Benz Egypt expressed their keenness on raising company's investments in Egypt as pursuant to the improved economic conditions and the success of government's economic reform programme, the minister clarified.

"Automotive sector is industry ministry's current main priority", Qabil said, adding that the strategy of manufacturing automotives –which waits parliament's approval- is set to upgrade auto industry and its feeding industries.

On his part, CEO Zorn asserted that Mercedes-Benz looks forward to inject more investments into the Egyptian market as pursuant to the deep bilateral ties between Egypt and Germany. (APA 17-12-2016)

SUDAN'S INFLATION RATE REACHES RECORD HIGH

The inflation rate in Sudan has reached unprecedented high in November, the Sudanese official statistics bureau disclosed Saturday.
The bureau said in a statement that the inflation rate has reached 29.49 percent in late November.

"The inflation rate has been raised by ten points in November as it has reached 29.49 percent while it was 19.6 in October" the statement read in a part.

This comes amid wide calls for nationwide civil disobedience in 19 September to protest the deteriorated economic situation especially after the government lifted the subsidies on the fuel electricity and drugs.

Few days ago, the Sudanese opposition groups have vowed to proceed with the planned December 19 mass civil disobedience despite President Omar al-Bashir's threat to use violence against them.

President Bashir, in his address to the people in Kassala State in the east last Monday, strongly warned social media users, especially the WhatsApp against the mass civil disobedience.

He dared what he called the "computer keyboard users" to bring down his government.

An estimated 200 protesters were killed in Sudan during the September 2013 nationwide protests. (APA 17-12-2016)

CITROËN NOT LOST TO SOUTH AFRICA AND NEW PEUGEOTS ON THE WAY

The decision to pull the plug on Citroën imports and focus only on Peugeot reflects the weak domestic trading environment
Citroën may yet return to South African shores, says Peugeot Citroën SA MD Francis Harnie, telling Business Day that the group would reconsider bringing the brand back into the country in two to three years, once it had relaunched and better established Peugeot.
"We are relaunching the [PSA] Group in SA and will be introducing five new Peugeot models in the next 18 months, three of which are SUVs," Harnie said, following news that Citroën would no longer be importing vehicles into the country due to tough trading conditions.
Formerly PSA Peugeot Citroën, the group rebranded to PSA Group earlier in 2016.
"We are just not bringing in new [Citroën] models for the next few years; it could be one year or two years or three years," he said.
Existing Citroën owners would be serviced by the same 26 Peugeot Citroën dealerships, all of which would remain open, Harnie said. "Nothing is changing [on] the service side, nobody will be lacking parts. [Citroën] owners will receive the same service they are used to."

Citroën returned to SA as an independent importer in 2001 and as a subsidiary of France's PSA Peugeot Citroën in 2010.

The group has a domestic car park of 60,000 vehicles, 45,000 of which are Peugeots. Citroën sold just 440 vehicles in 2016.

The decision to pull the plug on Citroën imports and focus only on Peugeot reflected the weak domestic trading environment, said Nico Vermeulen, director at the National Association of Automobile Manufacturers of SA (Naamsa).

"The importers are exposed to the full effects of rand weakness, although the rand has strengthened some over the past few months," he said.

Harnie said rand volatility meant that all imported brands were struggling to be competitive in SA. "We are facing the tough reality of being an importer in SA."

Vermeulen said domestic manufacturers were to some extent cushioned by exports, but domestic sales remained subdued because of relatively high interest rates.

New vehicle sales fell for the fourth consecutive month in November, Naamsa reported.

The short-to medium-term outlook for new vehicle sales remained extremely challenging in the face of high new vehicle price inflation, pressure on disposable incomes and relatively high interest rates, it said.

The PSA Group was not running away from SA and would look to reintroducing Citroën and possibly its premium DS car brand in future, Harnie said. (BD 09-12-2016)

ECOWAS INSISTS JAMMEH MUST QUIT GAMBIAN PRESIDENCY

The ECOWAS heads of state meeting in the Nigerian capital Abuja have unanimously demanded that outgoing Gambian President Yahya Jammeh relinquish power to President-elect Adama Barrow. Jammeh who had ruled Gambia since coming to power in a bloodless coup in 1994 had lost to Real Estate business Barrow and initially conceded defeat and promised to hand over power peacefully before making a dramatic U-turn to renounce the result and challenged it in the country's Supreme Court.

Reports from the Abuja meeting on Saturday suggested that all the regional leaders involved in the talks concluded that the defeated incumbent should cooperate towards a smooth transfer of mower.

The Ecowas leaders have also committed themselves to attending Mr. Barrow's inauguration on January 19th, a day after Jammeh's term expires.

A committee is being set up by Ecowas to oversee the process of a peaceful transition.

The commission is said to be chaired by Nigerian President Muhammadu Buhari and co-Chaired by outgoing Ghanaian President John Mahama.

Both leaders together with Liberian President Ellen Johnson-Sirleaf and Ernest Bai Koroma of Sierra Leone had met Jammeh in Banjul on Wednesday to try to persuade him to reverse his decision to reject the result a week after conceding defeat to Barrow.

They had apparently left empty-handed resolving to address the electoral crisis in Abuja on Saturday.

The outgoing government in Banjul has not responded to the outcome of the Abuja meeting. (APA 17-12-2016)

ETHIOPIAN PREMIER INAUGURATES BIGGEST HYDROELECTRIC DAM

Ethiopian Prime Minister Hailemariam Desalegn on Saturday inaugurated the country's biggest hydroelectric dam with power generating capacity of 1870 megawatt, APA reports.
Launched 9 years ago, the construction of Gibe III hydroelectric dam was built at a cost of € 1.5 billion, 40 percent of which was covered by the government while the balance was covered by a loan obtained from the China Exim Bank.

Having a height of 243m, 610m of length and with total storage capacity of 15 billion cubic meters, the dam has total installed capacity of 1,870 megawatts. It has 10 Francis turbines each generating 187 megawatts.

Speaking at the inaugural ceremony, the Premier said broad activities were carried out in power sector to ensure Ethiopia's all-round growth.

"The country won't stop developing renewable energy for a moment as it needs additional power to meet its demand for development," he added.
Located 470km south west of Addis Ababa, Gibe III power dam will raise the country's electric power generating capacity to 4,200 megawatts.

The construction of the dam was carried out by the Italian Salini Construction Private Ltd., a company which is also currently building the Grand Ethiopian Renaissance Dam (GERD) which, upon completion, will be the biggest in the country and Africa.

The dam built on Omo River had already started generating 900mega watts ahead of its inauguration, thus filling the gap created in the supply of power due to the impact of the El Nino induced drought on other power dams, according to Engineer Azeb Asnak, Chief Executive Officer (CEO) of the Ethiopian Electric Power (EEP) said at the inaugural ceremony. (APA 17-12-2016)

SOUTH AFRICA: ESKOM CALLS FOR BIDS AS IT BULLDOZES ON WITH PLAN TO MUSHROOM NUCLEAR PLANTS

Despite opposition from economists, acting Eskom CEO Matshela Koko says the power group is inviting bids to build six nuclear reactors
Eskom will this week invite bids to build six nuclear reactors in the government push to build nuclear capacity, acting CEO Matshela Koko said on Tuesday, despite the concern of economists and others.
The government had earmarked nuclear expansion as the centrepiece of a plan to increase power generation to ease reliance on ageing coal-fired plants, and asked Eskom to procure an additional 9.6GW of capacity.

The move is opposed by environmental and clean-energy groups. Economists have said that SA cannot afford to build more nuclear plants. SA has Africa's only nuclear power station.

Koko, speaking to reporters in Cape Town on the sidelines of a court case in which environmental and clean-energy campaigners are challenging the government's decision, said the nuclear regulator's approval of the plan on December 8 meant Eskom could proceed with the tender.
Koko took the helm at Eskom at the start of December after Brian Molefe resigned on being implicated in allegations of influence peddling. Molefe denied wrongdoing. (Reuters 13-12-2016)

MAROC: LANCEMENT DU PROJET D'APPUI POUR L'ACCOMPAGNEMENT DU SECTEUR PRIVE DANS LE DEVELOPPEMENT DE SES ACTIVITES EN AFRIQUE

Le projet d'appui pour l'accompagnement du secteur privé marocain dans le développement de ses activités en Afrique a été lancé par Maroc Export, en partenariat avec la Banque Africaine de Développement.

Selon un communiqué de Maroc Export, le projet porte sur l'établissement d'activités de conseils aux investisseurs sur les marchés africains et les sources de financement. Il concerne également l'animation d'un réseau Afrique pour faciliter les échanges entre le Maroc et le reste du continent.

S'y ajoutent le développement d'un guide sur les marchés africains à destination des investisseurs ainsi que l'identification des contraintes auxquelles les investisseurs marocains doivent faire face lorsqu'ils s'intéressent à ces marchés.

Ce Projet novateur d'une durée de 20 mois démarrera à partir du 1er avril 2017. Il inclut une phase d'accompagnement pilote qui mobilisera une équipe qui constituera une plateforme permettant d'assurer une coordination continue autour des thématiques et activités proposées entre les autorités et la BAD afin d'assurer un meilleur service auprès du secteur privé.

Les experts auront comme objectif de conseiller les investisseurs intéressés par les marchés africains afin de leur faciliter l'accès à ces marchés. Ces conseils fournis depuis le Centre (ou la BAD) pourront porter sur les potentiels de ces marchés, les défis auxquels le secteur privé doit faire face (après une phase de collecte de données) ainsi que les démarches (administratives, réglementaires) permettant aux acteurs d'accéder à ces marchés.

Ces conseils se feront aussi sur les différentes méthodes de financement accessibles au secteur privé que ce soit pour des projets d'investissement ou le financement du commerce. (17-12-2016)

SOUTH AFRICA'S EMPLOYERS ARE CAUTIOUSLY OPTIMISTIC ABOUT FUTURE HIRING PLANS

South African employers report cautiously optimistic hiring intentions for the next three months, with 13% of employers forecasting an increase in staffing levels. However, 5% are expecting a decrease and 80% expect no change.

This is according to the Manpower Group Employment Outlook Survey for the first quarter of 2017, released on Tuesday.

Opportunities for job seekers are expected to be strongest in the electricity, gas and water supply sector as well as the restaurants and hotels sector. The weakest growth is expected to be in the construction sector.

Provincially, employers in the Western Cape report the strongest hiring intentions for the first quarter of the year, while employers within Gauteng and KwaZulu-Natal report the weakest hiring intentions.

Overall, hiring prospects remain relatively stable when compared with the fourth quarter of 2016 and are two percentage points stronger year on year.

Manpower SA MD Lyndy van den Barselaar said the beginning of the year was often a high tourist season for the local market due to the year-end spike, which explained why the hiring prospects had remained relatively stable.

"Certain industries experience a spike in business associated with the annual South African holiday season, which could result in increased employment, carrying through into [the first quarter] of 2017."

Regional comparisons

Explaining the regional outlook, Van den Barselaar said staffing levels were forecast to increase in all five regions. Employers in Western Cape report the strongest hiring plans with a net employment outlook of +13%. Elsewhere, modest payroll gains were expected in the Free State and Eastern Cape, with outlooks of+6% and +5%, respectively, while outlooks of +4% were reported in both Gauteng and KwaZulu-Natal.

"The Western Cape's economy is dominated by the City of Cape Town, which is an extremely popular tourist destination for local and international holiday makers, especially during the summer months. Employers may be anticipating that this influx of travellers will bode well for businesses in their region, which is likely to translate into an upbeat hiring environment for job seekers."

When compared with the previous quarter, outlooks weaken in three of the five regions, declining by five percentage points in both KwaZulu-Natal and Western Cape and by four percentage points in Gauteng. Meanwhile, Eastern Cape employers report an improvement of three percentage points.

Year on year, employers report noteworthy improvements of eight and five percentage points in Western Cape and Eastern Cape, respectively.

However, hiring prospects weaken in two regions, with employers reporting declines of five percentage points in KwaZulu-Natal and three percentage points in Gauteng.

Sector comparisons

Employers in nine of the 10 industry sectors expect to grow staffing levels during the first quarter of 2017.

The strongest labour markets are forecast for the electricity, gas and water supply sector and the restaurants and hotels sector, where net employment outlooks stand at +16% and +14%, respectively.

Elsewhere, employers expect steady job gains in the manufacturing sector, where the outlook is +11%, and some hiring opportunities in the agriculture, hunting, forestry and fishing sector, with an outlook of +9%.

Moderate hiring activity is also forecast for the finance, insurance, real estate and business services sector and the wholesale and retail trade sector, with outlooks of +8% and +6%, respectively.

However, construction sector employers expect employment levels to decline, reporting an outlook of -4%.

"Owing to the current drought being experienced in SA, measures are being taken in the electricity, gas and water supply sector to decrease the amount of water used by households and businesses alike. This is believed to be a large contributing factor to the expected growth within this industry, as more individuals become educated on the drought, and look to put in place measures to reduce their water usage. Those individuals and businesses that operate within this [ambit] will more than likely be experiencing growth, and looking to expand within [the first quarter] to keep up with demand," said Van den Barselaar.

"Meanwhile, the growth in the restaurants and hotels sector is related to the amount of local and international tourists and holiday makers making use of local facilities in order to take advantage of the South African summer."

When compared with the fourth quarter of 2016, hiring intentions strengthen in five of the 10 industry sectors. The most notable increase — nine percentage points — is reported in the restaurants and hotels sector, while manufacturing sector employers report an improvement of six percentage points.

Outlooks also weaken in five sectors, including the wholesale and retail trade sector, where employers report a considerable decline of 11 percentage points. Hiring prospects are seven percentage points weaker in both the construction and the transport, storage and communication sectors and decline by six percentage points in both the finance, insurance, real estate and business services and the public and social sectors.

Year on year, outlooks improve in six of the 10 industry sectors, most notably by 10 percentage points in the mining and quarrying sector. Elsewhere, increases of seven percentage points are reported in the electricity, gas and water supply and the restaurants and hotels sectors, while outlooks are five percentage points stronger in the construction and manufacturing sectors. However, employers in three sectors report weaker hiring plans.

The outlook for the public and social sector declines by eight percentage points while transport, storage and the communication sector employers report a decrease of seven percentage points.

Large employers expect an upbeat hiring pace, reporting a net employment outlook of +18%, while some job gains are expected in small and medium-sized firms, with outlooks standing at +7%. However, micro employers forecast a flat labour market with an outlook of 0%.

Globally, forecasts are mixed when compared with the surveys for the fourth and first quarters of 2016. Hiring plans improve in 19 of 43 countries and territories when compared quarter on quarter, decline in 17, and are unchanged in seven. Outlooks strengthen in 20 countries and territories year on year, weaken in 18, and are unchanged in four.

First-quarter hiring confidence is strongest in Taiwan, India, Japan, Hungary and Slovenia. The weakest forecasts are reported in Brazil, Switzerland and Italy. (TMG Digital 13-12-2016)

RWANDA AIMS TO SERVE 5 MILLION NEW INTERNET USERS BY 2020

Rwanda is aiming at serving up to five million new internet users by 2020 under a new initiative, “Rwanda Internet for All,” which was initiated through the Ministry of Youth and ICT and the World Economic Forum (WEF) earlier this year.

Speaking on the issue on Monday, the Rwandan Youth and ICT minister, Jean-Philbert Nsengimana, said the initiative is part of the bigger project to serve millions of internet users in the Northern Corridor (Kenya-Uganda-Rwanda) and beyond.

“Internet for All seeks to create tens of millions of new internet users across initially tripartite programmes, including Northern Corridor countries, but Rwanda set a higher ambition to double the growth of internet penetration by 2020, thus creating five million new users in the country,” he said on Thursday.

Internet for All Forum is a platform where leaders from government, donors, the private sector, and civil society can collaborate to scale and replicate internet inclusion activities.

Over the past few months, there have been a series of Northern Corridor engagements some of which resulted in the development of action plans and identification of quick win priorities to each country under the new initiative.

Rwanda particularly decided to pursue three projects, including the Smart Village, Digital Literacy and Digital Jobs, according to the minister.

“We selected these three projects among the ten that were prioritised in these countries, which we are going to drive and lead on. Through these projects, we want to create 5,000 digital literates, empower youth and women, especially in rural areas and then add more digital jobs,” Nsengimana said.

“This is what we want to champion in addition to Smart Cities that our President committed to on behalf of Smart Africa Initiative.”

According to the World Economic Forum, up to four billion people are currently not connected to the internet, the majority of them in Africa. This presents a challenge that the region has, and this is why the ‘Internet for All’ initiative is critical, according to Elsie Kanza, the African head of WEF.

“There is a concern that, as the world becomes more digitised, some people who are not connected to the internet are being left out of the new digital economy, which now dominates all aspects of life. Only 20 per cent of Africans are connected to the internet and this needed urgent attention,” she said.

Kanza added that the initiative seeks to connect 25 million people in the Northern Corridor countries, including Kenya, Tanzania, Rwanda and South Sudan.

Through the initiative, Rwanda seeks to create ‘digital jobs’. However, markets are being destructed globally in what is being termed as digital jobs. Members deliberated on what countries should do to deal with such a challenge.

“There’s loss of jobs as we are transitioning toward digitisation of many of the services, but we also see many new jobs are being created. Digital transformations need a sense of attention when it comes to how countries pursue them. The model we are using is based on connectivity, affordability, skills and content,” Kanza said.

Members also underscored that the initiative should address some of the challenges faced by governments transitioning toward the cashless economy. They cited the case of India that they said has banned paper notes but now faces challenges.

However, central bank governor John Rwangombwa argued that the concerned countries should provide education and decent affordability, highlighting the example of Rwanda.

“We are providing education to consumers and merchants, but all this goes hand-in-hand with infrastructure to ensure efficiency and affordability. We are working hard to provide decent infrastructure. We are collaboratively working with all stakeholders to sensitise the people,” he said. (APA 12-12-2016)

HUNGER FORCES ZIMBABWE’S FARMERS TO LOOK FOR GREENER PASTURES

A decade ago Ndaizivei Nyamatsatse was the proud owner of 20 cows — a number that made him the envy of his neighbours in Zimbabwe’s eastern province of Manicaland, where cattle are prized as a symbol of wealth.

But recurring droughts forced the farmer to sell some of his animals to buy food for his wife and six children.

Others have died from a lack of grazing and water, leaving Nyamatsatse with only two cows.

Even they will not last long. Nyamatsatse plans to sell them for cash to start a new life in the province’s highlands region or — better yet — in SA.

It is the last resort for the farmer, who started selling his cattle after realising his family could not survive on only vegetables from the garden or rely on food-for-work programmes run by aid agencies.

"I have thought long and hard about this, given the poor rains and lack of food every year," Nyamatsatse told the Thomson Reuters Foundation.

"I have to leave for the eastern highlands. The rains there are better. If I can’t find a place to settle, I’ve no choice but to try my luck elsewhere," he said.

Nyamatsatse is one of hundreds, if not thousands, of Zimbabweans who have migrated or have considered migrating from their ancestral lands over the past few years to escape worsening drought linked to climate change.

The UN estimates that 4.1-million people in Zimbabwe are in need of aid this year following a severe drought, compounded by El Nino — a warming of sea surface temperatures in the Pacific which can lead to scorching weather in eastern and southern Africa.

The water situation is particularly critical in the south of the country where water tables are fast receding. Most rivers, dams, wells, and even some boreholes have dried up, locals say.

The most drought-affected parts of the country of 14.2-million people are Masvingo, Matebelaland North and South and the Midlands, according to British charity Oxfam.

"If a person realises they don’t have food, the economy is not performing around them, and that there are no economic opportunities, they always try to find the next best alternative, which is to move," Oxfam humanitarian programme co-ordinator Joel Musarurwa said.

New destinations

Neighbouring SA has always been a draw for migrants from poorer African countries. Stable Botswana and Namibia also have attracted Zimbabwean migrants, desperate for work and a chance to send money home.

But increasingly Zimbabweans are heading across the border to Mozambique and Zambia — countries that once lagged behind Zimbabwe in terms of development, healthcare and education.

Climate change was also forcing Zimbabweans to migrate to the Middle East in search of jobs, the International Organisation of Migrations (IOM) said.

"This exposes some Zimbabweans to such vices as human trafficking," the IOM’s chief of mission in Zimbabwe, Lily Sanya, said.

She said there were also growing numbers of Zimbabweans migrating to East and West Africa.

"Due to climate change, Zimbabwe is also increasingly becoming a transit route for migrants from other countries such as the Horn of Africa and Malawi heading to SA and other parts of Africa," Sanya told the Thomson Reuters Foundation.

Up to a third of households in Zimbabwe rely on remittances within and outside the country as the primary means of support, says the Zimbabwe Vulnerability Assessment Committee (Zimvac), a mixture of government, UN agencies and other international organisations.

More than maize

The government and UN are seeking $352m for a humanitarian response plan, but only $192m has been committed so far.

Oxfam’s Zimbabwe country director, Machinda Marongwe, said urgent action was needed to meet people’s food needs now, ensure food markets were able to function effectively and to help people plant successfully as a new rainy season began.

He said the government should work closely with donors to support vulnerable communities to escape their dependence on rain-fed agriculture and to build resilience to a changing climate by encouraging farmers to diversify their crops.

"Mono-cropping continues to be perpetuated through implicit and explicit policies such as inputs subsidies, floor prices and import duties. Yet maize is particularly sensitive to weather variability, which has exacerbated its poor performance in the region," Marongwe said.

The government should include seeds to grow cowpeas, millet, sorghum and bambara nuts in packages it distributed to farmers because they required less water than the traditional staple, maize, he added.

But for Nyamatsatse the future lies elsewhere.

"Agriculture is our lifeline but an increasingly dry climate has repeatedly denied us good yields from the fields, no matter ... what I grow," he said.

"There are no jobs, and I have nothing else to survive on." (Reuters 13-12-2016)

NIGERIA: INFLATION RATE FOR NOVEMBER RISES TO 18.48 PERCENT

Nigeria's National Bureau of Statistics (NBS) has said that the Consumer Price Index (CPI) which measures inflation increased by 18.48 percent (year-on-year) in November 2016, which is 0.15 percentage points higher than 18.33 percent recorded in October this year.

The NBS said in its monthly report released on Thursday in Abuja that increases were recorded in all Classification of Individual Consumption by Purpose (COICOP) divisions that yield the Headline Index.

It added that Communication and Insurance recorded the slowest pace of growth in November, growing at 5.61 percent and 6.76 percent year-on-year respectively.

According to the report, Food Sub Index increased by 17.19 percent (year-on-year) in November, up by 0.10 percentage points from rates recorded in October (17.09 percent).

It explained that during the month, all major food sub-indexes increased with Soft Drinks recording the slowest pace of increase at 7.76 percent year on year.

Price movements recorded by the All Items less farm produce or Core sub-index rose by 18.20 percent (year-on-year) in November, up by 0.10 percentage points from rates recorded in October (18.10 percent).

During the month, the highest increases were seen in Housing, Water, Electricity, Gas and Other Fuels, Clothing materials and other articles of clothing, books, liquid fuel, passenger transport by air, motor cycles and shoes and other footwear.

On a month-on-month basis, the Headline index increased 0.78 percentage points in November, 0.05 percentage points lower than the rate recorded in October (0.83 percent),the report said. (APA 16-12-2016)

TURMOIL THREATENS AFRICA’S STATE-OWNED AIRLINE MODEL

Ethiopian Airlines managed what peers such as SAA could not — consistent profits — but its success is now in doubt

Ethiopia, indelibly linked with images of grinding poverty and famine, has quietly built one of Africa's rare corporate success stories, with the continent's only consistently profitable airline shuttling passengers from around the world through its hub in Addis Ababa.

Yet just as state-owned Ethiopian Airlines starts to vie with the likes of Dubai-based Emirates, outbreaks of violence around ethnic and human-rights protests have claimed an estimated 500 lives since June, threatening to deter travellers and undermining the political stability that helped it flourish. It is also grappling with the challenges of doing business in the region, with more than $200m in ticket payments tied up in countries including Nigeria and Angola, which the airline says is putting pressure on its liquidity.

CEO Tewolde GebreMariam insists the unrest and a subsequent state of emergency imposed October 8 is a "nonissue" for the airline, which links almost 70 African cities to destinations in Europe, North and South America, the Middle East and Asia. The executive, who has run Ethiopian Airlines since 2011, is determined to push ahead with an expansion for a company that could be the last hope for a viable African aviation industry.

"The reality on the ground is peaceful. It's business as usual," the CEO said in an interview at the airline's headquarters at Bole International Airport in Addis Ababa, days after the start of restrictions. That remains the case still, he said by e-mail on Thursday, citing an 18% year-on-year increase in October passenger traffic. "We have not seen measurable changes."

That does not mean the company is out of the woods, as it is likely many of those passengers would have booked tickets before the crisis escalated and Western countries issued travel warnings. The bigger test will ultimately come if security measures are lifted as planned in April.

Ethiopian's ability to weather the crisis and continue with its ambitious plans is critical for the continent's aviation sector after corruption and missteps undermined peers. African airlines now account for about 20% of air traffic to and from the continent, down from 60% three decades ago, according to Tewolde.

Hard-currency shortages that mean ticket debts are withheld in some countries have also prompted outside carriers to reduce links, and the continent will be the only unprofitable airline region this year and next, according to International Air Transport Association (Iata) projections published last week.

In contrast to the failure of Nigerian Airways or the politically led stagnation at unprofitable South African Airways (SAA), Ethiopian Airlines has benefited from less interference and kinder tax rates, helping to boost net income for the past three years. In fiscal 2015, profit jumped 12% to 3.53-billion Ethiopia birr ($160m), backed by a 6% gain in revenue.

With a modern fleet including Boeing's latest 787 Dreamliners, a network spanning Los Angeles to Tokyo and a successful hub model that has lured an international clientele, two-thirds of whom change for onward destinations, Ethiopian is on the cusp of becoming a significant force in global aviation.

The carrier is already a rallying point on the continent. It has invested in Togo-based Asky Airlines, giving it a hub in West Africa, and bought a stake in Malawian Airlines in the south. Tewolde is seeking a similar arrangement in the Central African region, and pursuing partnerships in countries including Ghana, Uganda and Zambia.

He has also called on carriers to pool resources to defend their market share and says recent moves towards more liberal air service agreements between African countries are a cause for optimism.

Addis Ababa has also become a centre of expertise for the industry, with a recently expanded pilot school and world-class maintenance facilities that service aircraft from as far afield as Mozambique and Nigeria.

Those gains may be under threat. The Ethiopian People's Revolutionary Democratic Front, in power since 1991, when it ousted a Marxist military regime partly blamed for the 1980s famine, responded to the unrest by declaring the six-month state of emergency. While it has lifted some restrictions since after a period of calm, the situation may still make changing flights in Addis Ababa less appealing, especially after countries including the US issued travel warnings.

"The whole Ethiopia-rising story, including the airline, faces a credibility challenge," said Nemera Gebeyehu Mamo, an Ethiopian who teaches economics at the University of London's School of Oriental and African Studies. "The government can only reassure its customers or tourists if it's willing to address the political demands."

'African Emirates'

Passengers have no shortage of alternatives. Emirates, the biggest long-haul airline, Qatar Airways and Etihad Airways of Abu Dhabi all offer dozens of African routes from huge hubs in the Persian Gulf. Turkish Airlines is also making inroads, with 50 destinations on the continent after flights to Zanzibar started on Monday, according to a statement on its website.

Founded in 1945, Ethiopian ranks as Africa's biggest carrier by passenger traffic, ahead of SAA, EgyptAir, Royal Air Maroc and Kenya Airways, according to Iata. Tewolde remains unbowed by the challenges, pressing ahead with expansion plans, including promising additions to a 51-strong aircraft order backlog and announcing new destinations including Oslo, Jakarta, Singapore and Chengdu.

Despite the current political issues, the company has the prerequisites to remain a formidable competitor and challenge established Gulf carriers, Nico Bezuidenhout, SAA's former acting CEO who now runs low-cost African carrier Fastjet, said in an interview.

Ethiopian Airlines has an enviable position with consistent state backing, unparalleled management continuity and a hub at a natural crossroads, so "I may as well be talking about Emirates", he said. (Bloomberg 12-12-2016)

W/BANK ALLOCATES CFA10B TO CAR'S DISPLACED COMMUNITY

The World Bank has provided the Central African Republic with an envelope of CFA10 billion to help organize the return of internally displaced people to their homes.

The agreement was signed in Bangui Sunday by the World Bank's Representative in the CAR, Jean Christophe Carré and the country's Minister of Economy Felix Moloua.

This is the first signing of a financial agreement between the CAR and one of its donors after November 17 th roundtable in Brussels which was marked by financial promises of around $3 billion to Bangui.

The World Bank is along with the European Union one of the Central African Republic's main donors. (APA 12-12-2016)

EU AND ALGERIA JOINTLY ASSESS ASSOCIATION AGREEMENT

The sixth meeting of the EU-Algeria Association Committee was held last week in Algiers, focusing on the finalisation of a working document on the joint evaluation of the EU-Algeria Association Agreement and the review of cooperation programmes' implementation as well as future perspectives of cooperation.

MENA region director general at the EU External Action, Nick Westcott, wanted both parties to agree on a document with "common objectives to be reached within the coming three years." (12-12-2016)

CASHEW PROCESSING FACTORY OPENS IN NAMPULA, MOZAMBIQUE

A cashew processing factory belonging to Korosho Moçambique Limitada of ETG (Export Trade Group), a company owned by investors from Mauritius and India, came has started operating on the outskirts of the city of Nampula, in the Mozambican province of the same name, Mozambican state news agency AIM reported.
The factory, inaugurated in northern Mozambique, by the Mozambican President Filipe Nyusi, employs 700 workers and has the capacity to process 2,500 tonnes of cashew nuts per year. By the end of 2020, the company plans to increase its processing capacity to 10,000 tonnes per year.
The plant currently produces about 500 tons of nuts, most of which are exported to South Africa, Europe, Asia, the United States and Canada, among others.
This is the second cashew processing plant cashew installed by the same group in Mozambique. The first has been operating for over ten years in the Chiúre district of Cabo Delgado province, northern Mozambique. (12-12-2016)

MAJORITY OF CITIZENS IN SOUTHERN MEDITERRANEAN SEE THE EU AS AN IMPORTANT PARTNER TO THEIR COUNTRY, REGIONAL POLL FINDS

At least six in ten respondents in the Southern Mediterranean partner countries agree the EU is an important partner (Maghreb: 65%, Mashrek: 63%), and at least two thirds of those asked in both Maghreb (70%) and Mashrek (66%) say the EU has good relations with their country. These are some of the key findings of the first report of an opinion poll carried out in the framework of the EU-funded EU Neighbours South project.

According to the poll, a great majority of respondents in the Maghreb think the EU should have a greater role to play in their country in trade (74%), human rights and economic development (both 72%). In the Mashrek, the most mentioned areas are economic development (76%), trade (74%) and human rights (68%).

The opinion polls, conducted in seven EU Southern Neighbourhood partner countries: Algeria, Israel, Jordan Lebanon, Morocco, Palestine and Tunisia, looked, inter alia, at perceptions of, and attitudes towards the EU, level of information about the EU awareness of EU financial support as well as the general mood of respondents in the Southern Neighbourhood countries, including their views on current and future economic, employment and general life situations. (EEAS 15-12-2016)

[Opinion Poll report in the Southern Neighbourhood]

BOTSWANA SALARY REVIEWS FOR SECURITY ORGANS

Botswana, Defense ministry has announced a review of the salaries of members of its security institutions.

Minister of Defence, Justice and Security, Shaw Kgathi, said Monday that the implementation of reviewed salaries and conditions of service for Botswana Defence Force, its Police Service and prisons department, which were completed using different consultants will take place soon.

Speaking in Parliament, the minister said the consultants made recommendations, which were processed through the structures of government.

However, he said government decided afterwards to look at the matter of the review of salaries and conditions of service in totality after similar submissions were made for the entire civil service.

Kgathi stated that this approach was meant to ensure that requests for improving conditions of service for government employees were looked at in a balanced manner to avoid disparities.

“In this regard, consultations are still ongoing as to how to address conditions of service for the different sectors in the public service,” said Minister Kgathi, explaining that addressing conditions of service for the whole civil service was a complex issue.

Members of the country’s security organs are not unionised but benefit from salary increase across the board. (APA 12-12-2016)

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