MEMORANDUM

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EXTRA EDITION

SUMMARY

ZIMBABWE IMPOSES VALUE ADDED TAX ON NEARLY 40 IMPORTED BASIC FOOD

The Zimbabwean government has widened its tax bracket to include value added tax (VAT) on nearly 40 imported basic food commodities, as the country's revenue performance continues to disappoint.

With revenue for the year ended December 31 2015 coming in 3% lower than in the prior year, the Zimbabwean authorities are looking for all avenues that can boost revenue collection in 2016.

In the January 22 Government Gazette, Finance Minister Patrick Chinamasa amended section 78 of the VAT Act by repealing clauses that until now allowed the imported food commodities to be taxed at zero rate. The tax is effective from February 1.

Earlier this year the Zimbabwean government revised downwards the travellers' rebate to $200 from $300, in what it said was an effort to maximise revenue collection from imports and address the continued abuse of the facility by local business.

The daily import duty remission was also reduced to $30 from $50 per individual traveller per day.

The drastic moves came as the Zimbabwe Revenue Authority (Zimra) said revenue collected for 2015 was 3% lower, at $3.5bn.

In its revenue performance report for the year ended December 31 2015 released on Thursday, Zimra said the revenue collected "reflects the subdued state of the economy".

Zimra said it was going to vigorously enforce all current fiscal legislation to increase level of compliance in 2016. It is also working on introducing cargo tracking in 2016 to cut down on smuggling.

However, it said the major challenges facing Zimbabwe's economy remained unresolved.

"These are the erratic supply and high cost of energy, the high cost of capital and unavailability of adequate capital, and the use of the relatively strong dollar, among other factors," Zimra said.

"These economic variables negatively affected the profitability of companies and clients' ability to pay debts, resulting in generally low trends of revenue collection." (Fin24 04-02-2016*)*

NAMIBIA: PRICES FOR NEW HOMES SHOOT UP

Housing prices in Namibia continue to spiral out of control, which according to the latest First National Bank of Namibia (FNB) House Price Index shows that in the past five years, prices have gone up by a massive 87.8 percent.

Namibia is one of a number of countries with the highest house price increase in the world and the only way to bring down prices is by tripling the rate of housing supply Daniel Kavishe, FNB's marketing and research manager said.

He said the problem is compounded by inefficient land delivery system, limited availability of serviced land and mismatch between supply and demand.

Over half a million Namibians, which constitute more than a quarter of the population, are living in informal settlements in urban centers.

The current average house prices in the country is around N$800 000 ($49 540), which is out of reach for the majority 90 percent of the population.

The Affirmative Repositioning (AR), a movement which has been advocating for affordable land and housing for the landless youth in Namibia has reacted strongly to the latest FNB statistics on housing prices.

The 87.8 percent growth in the housing prices over the last five years is an indication that housing in Namibia has long stopped being about humanity and human settlements but a cash cow for the elite and capitalists, AR founder Job Amupanda told the media on Wednesday.(APA 03-02-2016)

BOTSWANA ELATED AT RETAINING LEAST CORRUPT AFRICAN COUNTRY TAG

The Botswana government said Thursday that it is pleased that, for the 20th year in a row, it has been cited as the least corrupt country in Africa as well as among the least corrupt countries in the world.

According to Transparency International (TI)'s 2015 Corruption Perception Index (CPI) released in Germany on Wednesday, Botswana is ranked 28 out of 168 countries, up three places from last year with an overall score of 63.

"Botswana's standing thus placed it within the top fifth of all surveyed nations, as well as above almost two thirds of the nations of Europe. In Africa, Botswana remains the only country to score above 60," Botswana government spokesperson Jeff Ramsay said.

He added: "Botswana's success in the annual survey over the years has been attributed to our zero tolerance approach to corruption buttressed by the putting into place of multiple oversight institutions such as the Directorate on Corruption and Economic Crime (DCEC), Public Procurement and Asset Disposal Board (PPADB), the Competition Authority and the Financial Intelligence Agency."

According to Ramsay, additional initiatives have included the designation of a dedicated High Court judge to deal with cases of corruption, the establishment of an anti-corruption unit and the introduction of anti-corruption curricula in schools and training institutions.

TI is the leading international non-governmental organisation devoted to fighting corruption worldwide.

Its annual CPI index reflects the perceptions of business people, academics and risk analysts, both resident and non-resident.

It is, moreover, a composite index, drawing on a range of additional expert and business surveys. (APA 28-01-2016)

EU PLEDGES MORE THAN €3 BILLION FOR SYRIANS IN 2016 AT THE LONDON CONFERENCE

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The pledge triples the EU support offered at the last donor conference in Kuwait on 31 March 2015, and comes on top of the €5 billion that the EU has already committed in response to the worst humanitarian crisis since World War II.

The announcement was made at the 'Supporting Syria and the Region' conference hosted by the United Kingdom, Germany, Norway, Kuwait and the United Nations by the President of the European Council Donald **Tusk** and High Representative/Vice-President Federica **Mogherini**.

Tusk and **Mogherini** represented the EU alongside Johannes **Hahn**, Commissioner for European Neighbourhood Policy and Enlargement and Christos **Stylianides**, Commissioner for Humanitarian Aid and Crisis Management. The London-based conference drew leaders from of over 70 delegations.

European Council President **Tusk** conveyed a message of hope: *"With this pledge we hope to offer millions of people better lives. Refugees have had little choice but to flee their country. Many of them have lost everything. And now after so many years of conflict, people have lost hope. We have a moral duty to bring their hope back."*

HRVP **Mogherini** recalled that only a political solution would put an end to the immense suffering experienced by the Syrian people and reiterated the EU's full support to the efforts undertaken by UN Special Envoy Staffan de Mistura to ensure constructive peace talks.

She added: *"As the European Union, we share with the entire international community the responsibility to save Syria, for the sake of its citizens and the whole region. That's why we bring proposals to further step up our existing engagement of the last five years, when the EU has already been the leading donor on the Syria crisis. While we provide humanitarian and development aid, and propose economic and financial support in different forms also for Jordan and Lebanon, we keep working for a political transition in Syria that can put an end to the war. The intra-Syrian talks in Geneva have opened a window of opportunity. This window will not be open forever, and it is crucial that all the parties engage constructively in a dialogue that has to bring concrete results on the ground. The EU and its Member States will continue to provide life-saving assistance, but also to push all parties to ensure access to those in need across Syria, to work on ceasefires and to protect civilians. The humanitarian work and the diplomatic efforts have to go hand in hand: they can reinforce each other, or weaken each other. The EU is committed to making both deliver."*

Over the past five years, the war has claimed more than 250,000 lives, most of them civilians, while over 18 million people are in need of assistance, including 13.5 million inside Syria. The war has led to major displacements inside the country (6.5 million internally-displaced) and beyond. With over 4.6 million people having fled primarily to Lebanon, Jordan and Turkey, the war has had a deep impact on Syria's neighbours.

The continued hospitality and generosity of Syria's neighbours and especially the communities hosting the refugees is widely appreciated by the international community. At the London conference, the EU announced its intention to significantly increase its support in particular to Lebanon and Jordan, the two countries with the biggest number of refugees in terms of proportion of refugees to the host population. The EU is ready to start negotiating 'EU Compacts' with both countries, to strengthen its political, economic, trade and social ties in addition to improving the living conditions of refugees and affected host communities. (EC 04-02-2016)

SYRIAN REFUGEE CRISIS: THE EU'S BANK CALLS FOR AN AMBITIOUS RESPONSE

Today at the Supporting Syria & the Region London 2016 Conference, the President of the European Investment Bank (EIB) Group Werner Hoyer will lay out how the EIB will support international efforts in Turkey, the Middle East and North African countries affected by the refugee crisis. Werner Hoyer will add that the activities of the EIB Group could be increased in partnership with donors and provided the right conditions to underpin loans with grants are in place. This would support the goals of the conference and international efforts to provide economic opportunities, jobs, and education in the region.

The EIB, whose shareholders are the 28 governments of the EU, is the largest international financial institution active in the Mediterranean and the Middle East region, with unparalleled experience of more than three decades investing in both public and private sector projects in the region, from energy, transport, and health and water supply infrastructure, to support for small business, youth employment and microfinance.

Speaking ahead of the conference, hosted in London by the UK, Germany, Norway, Kuwait, and the United Nations, EIB President Werner Hoyer said,

"Our response must be ambitious. It must also be concerted among all partners. The EIB is ready and perfectly placed, thanks to our three decades of experience, to support the efforts of Europe and the international community as a whole in tackling this grave and urgent crisis. This is why today, as the largest financial institution active in this region, we have announced our readiness to work closely with our partners to further increase our already substantial activities. In light of the urgent need and its importance for the European Union, the EIB – as the EU bank – can step up its efforts over the next five years in Turkey and the Middle East and North African countries provided the necessary conditions are in place."

He added, "These countries in the frontline urgently need our support. We need to do more to help them. It is in everybody's interest that families fleeing violence and persecution are not pushed farther and farther from home, forced to risk dangerous journeys and an uncertain future. For them, for us, for the stability of this region and for the European Union, the EIB has a major role to play. If we get further grant resources we can do more of what we do best. We can help mobilise private capital for the economic development of the region in a number of ways, for example by supporting services now under intense pressure such as water supply, schools and education and health services and in increasing opportunities for jobs and entrepreneurship."

In the coming five years the EIB plans to lend over EUR 15 billion (over USD 16.5 billion) in its ten Mediterranean partner countries and in Turkey.

Increasing this further could be done, in partnership with donors and partner countries, combining EIB expertise and ability to leverage scarce resources with grant funding. The EIB – as the EU bank – is ready to step up its efforts even further by offering to lend an additional EUR 3 billion (of which about EUR 2 billion in Turkey, Lebanon, Jordan and Egypt alone) over the course of the next five years within its current mandates and own balance sheet. Depending on the availability of additional resources, including trust funds and grants, and on the basis of new mandates, the EIB could still do substantially more.

President Hoyer said, "Beyond an additional EUR 3 billion, I would like to make an even more ambitious proposal to our shareholders, the EU member states, to step up activities in Turkey and the MENA region further by a further EUR 5 billion between now and 2020. That would mean a total additional amount over five years of up to EUR 8 billion, an increase of more than 50% compared to our current plans. We would need our governing bodies to agree, and success would depend on a number of factors, including the availability of further grant money pledged by partners and the capacity by these countries to absorb new loans and financing through new projects. But this long journey can only begin if we outline a bold vision".

Any increase in the EIB Group activity beyond current plans requires approval by the EIB's governing bodies. The grant-loan ratios would need to be significant given the indebtedness and expectations of the countries in question as well as the likely risk of the transactions involved. If this were provided, backed by the necessary grants loans and guarantees, total EIB Group financing to Turkey and the MENA region over the next five years could be up to EUR 23 billion.

The EIB Group believes that it will be essential to partner with other international financial institutions including the World Bank Group, national development banks, donors and international organisations as well as private sector specialists and NGOs, in order to build on the respective strengths of each partner and collectively ensure maximum impact of donor funds for the benefit of refugees and local host-country populations.

The core economic challenges for the region will be to enhance economic resilience and boost employment opportunities in the respective countries. The efforts of EIB will therefore focus first and foremost on private sector support to these countries (SME, corporate, microfinance) as well as support for education and improvements to basic services and essential infrastructure.

Background and more information:

The European Investment Bank (EIB) is the long-term lending institution of the European Union owned by its Member States. It makes long-term finance available for sound investment in order to contribute towards EU policy goals.

In the wider region affected by the Syrian conflict, EIB loan signatures in 2015 in non-EU countries were 4 billion EUR (Turkey, Jordan, Egypt, Israel, Morocco, Tunisia, Serbia, Montenegro, Kosovo). This corresponds to approximately half of the EIB lending outside of the EU.

Committed EIB loan exposure end 2014 in EUR million

Turkey	**18,352**
Jordan	**400**
Lebanon	**753**
Egypt	**3,299**
Sum of all countries above	**22,804**
Tunisia	**3,691**

Committed EIB loan exposure end 2014 in EUR million

Algeria	**453**
Morocco	**4,499**
Sum of *all* countries above	**31,447**

The table below shows EIB lending in Turkey, Lebanon, Jordan and Egypt between 2011 and 2015 in million EUR. Total EIB lending over those five years exceeded EUR 13 billion.

Sector	TURKEY	EGYPT	LEBANON	JORDAN	TOTAL
Agriculture, fisheries, forestry	520	-	-	-	520
Energy	1,022	805	-	119	1,946
Industry	614	-	-	81	695
Services	544	-	10	11	565
SMEs	5,108	270	185	-	5,563
Solid Waste	58	-	-	-	58
Telecommunications	520	-	-	-	520
Transport	1,735	450	75	-	2,260
Urban development	500	45	-	-	545
Water, sewerage	244	134	-	50	428
TOTAL	**10,865**	**1,704**	**270**	**261**	**13,100**

Flagship EIB projects/activities:

- **Jordan**: EIB loan blended with EU investment grants, in favour of the **Wadi Al Arab Water System II project** aimed to address water scarcity in the fourth most water-scarce country in the world, further exacerbated by the significant influx of Syrian refugees in the country.
- **Turkey**: **Greater Anatolia Guarantee Facility (GAGF)** launched as an EIB Group product in partnership with the **Republic of Turkey and the EU Commission** to enhance access to finance for SMEs and micro-enterprises in the less developed regions of Turkey. EIB loans and EIF guarantees are matched by own resources of partner local banks.
- **Egypt and Lebanon**: Based on EU funds' risk capital resources, the EIB is the cornerstone investor in the **Euromena Fund** which, amongst others, invested in an Egyptian company that provides IT solutions. It has developed an e-learning solution for the Syrian refugees that has been successfully implemented under a pilot phase in a refugee camp in Lebanon.
- The EIB is also preparing a EUR 71.5 million microfinance facility for its Southern Neighbourhoods region, which would emphasise projects in Jordan and Lebanon. It will be financed with a contribution from the European Commission and EIB's own resources. The project should be ready to go ahead as of April 2016. (EIB 04-02-2016)

UNITED NATIONS AGENCY PROVIDES $33.8M TO BOOST DRC AGRICULTURE SECTOR

The Democratic Republic of Congo (DRC) and the United Nations International Fund for Agricultural Development (IFAD) on Thursday signed an agreement to finance the North Kivu Agriculture Sector Support project (PASA-NK).

A press release issued Thursday by IFAd says targeting poor farmers and women-headed households, the project aims at raising incomes while boosting the country's food security.

The total cost of the project is estimated at just under US$53 million. The funding comprises a $16.9

million IFAD loan and an additional $16.9 million IFAD grant. The government of DRC will contribute nearly $6 million while beneficiaries will provide an additional $3.5 million. In addition, the government of DRC is seeking co-financing of $9.7 million from other donors.

The agreement was signed in Rome by Henri Yav Mulang, Minister for Finance of the Democratic Republic of Congo, and by Kanayo F. Nwanze, President of IFAD.
During the IFAD President's official visit to DRC last year, the project approval and implementation were discussed with government officials. “Considering the amount of rainfall and arable land, the country's agricultural sector has considerable potential to expand and flourish if the right investments and commitments are made,” Nwanze said.

Although the primary goal of the new project is to improve food security in the DRC, it will also increase incomes of participating smallholder farmers living in the territories of Beni, Lubero, Rutshuru, Nyiragongo and Masisi in the province of North Kivu.

Smallholder farmers targeted by the project are those who typically cultivate less than one hectare, own less than five head of livestock, own rudimentary transportation and are widowed or women heads of households.

Project activities will focus on building the capacity of farmers, farmer's organizations and provincial agricultural services involved in maize, rice, potato and Arabica coffee value chains. It will ensure that the agricultural services farmers receive from producers' organizations are adequate and meet their needs.

Furthermore, the project will improve smallholder farmers' access to agricultural inputs, such as fertilizers and certified seeds, and their access to markets. It will assist farmers' organizations in building storage facilities and warehouses to assist farmers in selling their products at a higher price.

Project activities, implemented by the Ministry of Agriculture and Livestock, are expected to benefit some 28,400 rural households in the province.

Since 1980, IFAD has invested a total of $183.4 million in eight programmes and projects in the DRC, generating a total investment of $326.2 million, which has benefited 504,400 households, the release concludes.(APA 28-01-2016)

ANGOLA BANS CEMENT IMPORTS IN 15 PROVINCES

The Angolan government decided to maintain the cement import ban in 2016 in 15 provinces, claiming that the installed capacity in the country far exceeds domestic needs, according to Angolan state news agency Angop.

This decision does not apply, however, to the border provinces of Cabinda, Cunene and Kuando Kubango, which will continue to have an exceptional annual quota of individual of 150,000 tons.
The decree, reported by Portuguese news agency Lusa, said the investment made by the sector in recent years had made it possible to have an annual output of 8 million tons more than Angola's needs which in 2014, was 5 million tons. (28-01-2016)

SUN INTERNATIONAL TO KEEP PRESENCE IN NIGERIA

Hotel and casino group Sun International will remain a committed investor in Nigeria despite run-ins with that country's authorities.

Nigeria has the largest pipeline of hotel developments among its continental peers and this includes 9,000 rooms to be built across more than 50 planned new hotels in the medium term.

Four Sun International employees — three South Africans and one Nigerian — were detained and released without charge last week by the country's Economic and Financial Crimes Commission, which has instituted a probe into the hotel and casino group's investment in the Tourist Company of Nigeria.

Sun International spokesman Michael Farr said: "Based on the strength of the Nigerian economy, we are committed to the country.

"We have offered to be audited and to show our deal meets all of the country's company law requirements. That offer was declined, but we are still willing to be audited."

Sun International is the latest South African company that has had a run-in with Nigerian authorities.

The Standard Bank Group's Nigerian subsidiary, Stanbic IBTC, obtained injunctions this week to stop the country's Financial Reporting Council from interfering in its operations and imposing a $5m fine for alleged accounting breaches.

MTN's Nigerian arm was slapped with a $5.2bn fine, later dropped to $3.9bn, by the country's Communications Commission for failing to deactivate 5.1-million unregistered SIM cards on its network.

Tiger Brands bailed out on its loss-making Nigerian unit for $1, made write-downs of R1.9bn and wrote off shareholder loans of about R700m last year.

But Mr. Farr said: "We will continue to invest in Nigeria and … (other countries on) the continent and will work with authorities (there) and the South African High Commission … to prove our investment is above board."

The JSE-listed hospitality player's investment in the Tourist Company of Nigeria has been troublesome since the company made it 10 years ago because of disputes in the Ibru family, a prominent business dynasty and a large shareholder in the hotel group's venture.

The Tourist Company of Nigeria is a private investment company focused on hospitality.

The group bought 49.3% of the Tourist Company of Nigeria in 2006, making the group the largest single shareholder and giving it exposure to The Federal Palace Hotel, which describes itself as a five-star luxury establishment, in Lagos.

Sun International's investment is worth $50m.

Although Nigeria is ripe for the picking because of its fast-growing economy and has a large young population underserved by hotels, the disputes in the Ibru family, which has a 49% stake in the Tourism Company of Nigeria, have delayed further development of the hotel, said Mr. Farr.

Ibru family members could not be reached for comment.

Mohammed Nalla, head of strategic research at Nedbank Capital, said he was concerned about Nigerian authorities's treatment of South African companies.(BD 29-01-2016)

AU ENDORSES ETHIOPIA'S CANDIDATURE FOR UN SECURITY COUNCIL MEMBERSHIP

The Executive Council of the African Union (AU) has endorsed Ethiopia's candidature for a non-permanent member of the United Nations Security Council (UNSC), the Ethiopian Ministry of Foreign Affairs announced here Friday.

Ethiopia's candidature as a non-permanent member of the UNSC would further be endorsed at the 26th Ordinary Session of the Assembly of Heads of State and Governments of the Union.

In a related development, the Executive Council approved the candidature of Dr Tedros Adhanom, the Ethiopian Minister of Foreign Affairs, for the post Director General of the World Health Organization (WHO).

The election of a new WHO Director-General will be held in 2017.(APA 29-01-2016)

KENYA'S REAFFIRMS COMMITMENT TO HOST TICAD CONFERENCE

Kenya's Deputy President William Ruto on Tuesday expressed Kenya's commitment to the success of the Tokyo International Conference on Development (TICAD) that will be held in Nairobi in August this year.

Ruto noted that the (TICAD) VI to be held for the first time outside Japan since its launch 23 years ago will refocus international attention on Africa's needs and address the trade imbalance between Japan and Africa which is in favour of the later.

Ruto was speaking in Nairobi when he held talks with Katsyuki Kawai, a special advisor to the Prime Minister of Japan Shinzo Abe.

The TICAD summit is held every five years to promote high level policy dialogue between African leaders and development partners.

He further noted that Japan's participation in Kenya's development is enormous saying in the last fifty years, Japan has been instrumental in the development of infrastructure in Kenya most notably roads and the Port of Mombasa.

He however said there is still scope for further engagement with Japan in areas of trade and investment and especially in the movement of people by enabling Kenya airways fly direct to Tokyo.

We shall conclude discussions on direct flights between Tokyo and Nairobi to facilitate easier movement of people between the two countries and improve on business transactions between the two nations, he said. (APA 02-02-2016)

INTEGRATING ECONOMIC DEVELOPMENT APPROACHES INTO PEACEBUILDING IN THE CENTRAL AFRICAN REPUBLIC

By I. Razaaly Bêkou Trust Fund Manager, EU Commission, DG DEVCO.

The BêkouTrust Fund, the first ever European Trust Fund, has been established to go beyond humanitarian assistance and stimulate economic recovery as well as strengthen stability in Central African Republic.

A volatile and fragile context

For decades, the Central African Republic has been subject to a recurring cycle of instability and violence, which keeps the country in a state of vulnerability, while the main indicators of development have stagnated for 20 years.

In 2013 a rebel movement, the Seleka, put an end to François Bozizé's presidency. At this stage politically sponsored armed groups emerged and a culture of retaliation between armed groups and communities, seen as aligned with or supporting them, started to develop. This led to massive violence and human rights violations.

The common efforts of the African Union, UN, EU and France to stabilise the country led in 2014 to a ceasefire agreement and to the establishment of a transition government, presided by President Catherine Samba-Panza. Despite the fact that the Central African Republic has regained the attention of the international community, tensions and conflicts between communities, the presence of rebel movements and armed groups and the manipulation of religious differences still represent, among other factors, a threat to peace and reconstruction in the country (International Crisis Group, 2015). Since a new outbreak of intercommunity violence at the end of September 2015, the security situation has been very volatile. Nevertheless, after a few signs of stabilisation, presidential and legislative elections took place to choose a legitimate government who will lead the country to stability. In addition to or even due to this fragile context, the number of development actors and donors in the country is limited and does not allow for the launch of ambitious programmes for economic recovery.

A European first: the Bêkou Trust Fund

In order to respond to the consequences of the 2013 crisis, the European Union, together with France, Germany and the Netherlands, created the BêkouTrust Fund, the first ever European Trust Fund. This instrument has been developed to enable donors act efficiently in a post-crisis situation and to allow the swift transition from humanitarian aid to early recovery and development (the so called LRRD approach – Linking Relief Rehabilitation and Development).

It makes use of flexible and faster procedures, different from traditional EU development tools, opening new possibilities to implement projects in a fragile context like the Central African Republic. Moreover it aims at pooling resources and expertise between humanitarian and development actors working in/for the Central African Republic and at ensuring better coordination between interventions.

In addition, the Fund should reinforce the effect and the visibility of EU's interventions in Central African Republic, in the aftermath of the violence of 2013/2014.

The Fund's main objective is to strengthen the resilience of populations, providing for urgent needs and mostly basic services while, at the same time, addressing the root causes of violence and tensions between communities. As one of the root causes of these tensions lies in poverty and inequalities between social groups, the Fund considers economic recovery and job creation as essential in supporting the country's development, stabilization and social cohesion. As such, the Fund integrates actions to support economic recovery in specific programmes and as an important component of most of its projects.

In practice

The Fund has launched specific programmes aimed at stimulating economic recovery and job creation:

- A **programme of economic and social reconstruction in urban areas (PRESU)** that aims to improve socio-economic conditions in Bangui's poor neighbourhoods. It intends to provide inhabitants with social support and better access to basic services, as well as to create economic opportunities for households to boost their social and professional integration.
- A **programme to promote the economic recovery and the empowerment of Central African economic actors**: It aims to financially empower economic actors working in the informal economy and/or who were particularly affected by the crisis. By financing economic activities of local entrepreneurs, this programme brings added value, employment and economic growth, contributing to restoring the Central African Republic's socio-economic fabric.

Economic revival and job creation are also fundamental components of other programmes funded by Bêkou:

- **Food security**: The programme aims to sustainably improve food and nutrition security in the Central African Republic, through different actions: re-establishing people's livelihoods through capacity building of farmers' organisations and boosting savings and capital at community level. The objective is to strengthen communities' overall resilience on three pillars: food, professionalisation and income-generating activities.
- **Gender**: The programme aims to improve the economic situation and social status of women and their families in the Central African Republic, to contribute to a more equal society and to promote social cohesion. In strong partnership with local associations and NGOs, different actions are implemented through this programme: workshops, revenue generating activities, support for victims of gender based violence, support to the launch of economic activities, activities to raise awareness on women's situation and their role in the social and economic recovery of the country.

- **Reconciliation** Revenue-generating activities are foreseen as a core part of the activities to restore dialogue and social cohesion. This aims notably at addressing inequalities and lack of access to resources, which are one of the major sources of tensions between communities.

Beyond humanitarian assistance, towards economic recovery

The Fund has, from time to time, been questioned about the relevance of such programmes in a fragile context such as the Central African Republic, where as yet the response to emergency needs is not fully covered.

In fact, this mechanism has been put in place specifically to go beyond humanitarian assistance, while laying the basis for development in the long term; as such, investing in economic recovery, job creation and better overall prospects for the younger generation (notably as an alternative to joining armed groups) is a key tool to ease tensions, to give hope and perspectives to strengthen stability. Perceived inequalities inside and between communities are in fact among the causes of destabilisation (CRISE, 2010).

While the Fund works to provide the conditions for economic recovery, the lasting effects in terms of stimulating private sector initiatives will not be guaranteed without the strong reengagement of the private sector, notably to restart businesses and economic activities affected by the crisis.(Great Insights Feb 2016)

Read more on the Bêkou Trust Fund at: http://capacity4dev.ec.europa.eu/trust-fund-bekou/dashboard

MUGABE DECLARES 'STATE OF DISASTER' OVER DROUGH

Zimbabwean President Robert Mugabe on Friday declared a "state of disaster" in many rural areas hit by a severe drought, with 26% of the population facing food shortages.

A regional drought worsened by the El Nino weather phenomenon has affected SA, Zambia as well as Zimbabwe, leaving tens of thousands of cattle dead, dams depleted and crops written off.

Formerly known as the breadbasket of Africa, Zimbabwe has suffered perennial shortages in recent years and has resorted to importing grain from neighbouring countries to meet its needs.

"Initial indications were that 1.5-million people were food insecure with all the 60 rural districts being affected," public works minister Saviour Kasukuwere said in a statement.

"Overall, the food insecure population has since risen to 2.44-million — 26% of the population.

"(With) the continued threat of the El Nino-induced drought, His excellency the president has declared a state of disaster in regard to severely affected areas."

Mr. Mugabe has blamed low farm yields on erratic rains due to climate change, as well as sanctions imposed by Western countries over the government's tainted human rights record.

Critics say the food shortages have been partially caused by the president's land reforms enacted since 2000, when the government oversaw the often violent eviction of white farmers.

Many farms are underutilised, and the government has vowed to hold an audit to ensure agriculture land is put to use.

Mr. Kasukuwere said at least 16,500 cattle had died countrywide, while as much as 75% of crops had been abandoned in the worst-hit areas.

He said the government would take measures to minimise the effect of the drought on both humans and livestock. (AFP 05-02-2016)

ALGERIA: NEW OPPORTUNITIES FOR ERASMUS+

The EU Delegation to Algeria is organizing an information day in Algiers on 31 January, in collaboration with the Ministry of Higher Education and Scientific Research (MESRS), about the ERASMUS+ regional programme. This programme, which has been running for the past two years, “supports universities in their efforts to modernise their systems and programmes via transnational partnerships”, and “offers additional opportunities to students”, according to the Delegation’s press release.

“The Erasmus+ programme is receiving 16.5 billion euros in financing for the 2014-2020 period, out of which more than 17% will be spent on the activities of its international components”, the Delegation notes.

The aim is to enable the attending universities and all partners in the educational sector to become more familiar with ERASMUS+, which is the successor to Erasmus Mundus and Tempus.

The information day about the programme will be held under the patronage of the Ministry of Higher Education and Scientific Research and with the participation of the European Education, Audiovisual and Culture Executive Agency (EACEA)(EC 29-01-2016)

SONAE GROUP PARTNERS PRIVATE FUND TO BUY SUPERMARKETS IN MOZAMBIQUE

Satya Capital, a private fund established and chaired by African communications magnate Mo Ibrahim, in partnership with Portuguese group Sonae, has agreed to buy the Extra supermarket chain from the ADC group of Mozambique, according to online newspaper Zitamar News.

Citing the Mo Ibrahim Foundation, the newspaper also reported that the purchase will be carried out by S2 Africa, an acquisitions vehicle focused on retail set up in 2014 by Satya Capital, based in London, and Sonae Distribution, which owns the Continente hypermarket chain in Portugal.

In 2015 the Sonae group gave up on a partnership with Angolan businesswoman Isabel dos Santos to open a supermarket chain in Angola.

The chain now purchased belonged to South African retail group Pick n Pay, which left Mozambique in 2013 after failing to make the business profitable.

Pick n Pay eventually sold the chain of stores to ADC, a partnership set up that year by Mozambican retail group Africom Limited and Delta Trading & Companhia, and at the end of 2015 it had 25 supermarkets, including 15 in the capital, Maputo.(02-02-2016)

ETHIOPIA TO HOST HEADQUARTERS OF EASTERN AFRICA STANDBY FORCE

Ethiopia has signed an agreement to host the headquarters of Eastern Africa Standby Force (EASF), Ethiopia’s Ministry of Foreign Affairs has said on Tuesday.

The host agreement signed between the two parties will support the enhancement of collective security in the region and international peace, Spokesperson for Ministry of Foreign Affairs Tewolde Mulugeta said.

The agreement to host EASF is part of this lofty mission, the spokesperson pointed out.

Director of the Eastern Africa Standby Force Chanfi Issmail has reportedly said Ethiopia has been committed and determined to support EASF starting from its establishment.

Ethiopia has been contributing peace keeping missions mainly to Somalia, Darfur and in other highly volatile region of east Africa.

The agreement was signed between Ethiopian State Minister for Foreign Affairs Taye Atsekesilasse and Eastern Africa Standby Force Director Chanfi Issmail.(APA 02-02-2016)

ALGERIA: TECHNOLOGY TRANSFER AT THE SERVICE OF ECOLOGY

On 31st January, the EU Delegation to Algeria announced the launch of a project called “transfer of environmentally sound technology” (Med TEST II) under the Switch Med programme.

A press release from the Delegation states that this programme will be “funded by the EU and carried out by UNIDO (United Nations Industrial Development Organisation), in order to benefit of the full potential of the industry's contribution for supportive and sustainable industrial development, addressing the Algerian companies in the agri-food sector.”

The announcement was made at a seminar which was held in Algiers on 25th January, organised by the National Centre for cleaner production technologies (Centre national des Technologies de Production plus Propre - CNTPP), an institution under the authority of the Ministry of Water Resources and Environment. The seminar focused on “the development of ecological industry and sustainable production on the southern shore of the Mediterranean.” (EC 01-02-2016)

MOZAMBIQUE, CHINA SEAL VISA EXEMPTION DEAL

The Mozambican and Chinese governments have signed an agreement exempting the citizens of both countries who hold diplomatic or service passports from entry visas, APA learns on Wednesday.

The agreement was signed in Maputo late on Tuesday by Mozambican Foreign Minister, Oldemiro Baloi, and his Chinese counterpart, Wang Yi.

Speaking at a media briefing immediately after the signing ceremony, Baloi stressed the longstanding ties of cooperation between Mozambique and China.

The visa agreement, he said, places another milestone in their relations as Mozambique and China move towards the well-being of both their peoples and states.

As for his bilateral talks with Wang, Baloi said the two delegations reviewed various international questions, including the situation in the Southern African Development Community or SADC, and reform of the United Nations Security Council.

Wang said the visa waiver marks the start of implementing programmes covering industrialisation, agricultural modernisation, infrastructures, finance, trade, investment, poverty reduction, welfare, health and peace and security.(APA 03-02-2016)

MOZAMBIQUE TAKES ON NEW LOAN FROM EXIM BANK OF CHINA

Mozambique has taken on a loan of about US$150 million from the Export-Import Bank (ExIm) of China to finance technical and scientific research in 2016, Mozambican daily newspaper Correio da Manha reported.

The loan will be taken on by the government’s National Science and Technology Park (ENPCT), whose revenues in the first half of 2015 only covered 5 percent of expenditure, said the newspaper citing a government source.

The Export Import Bank (ExIm) of China has loaned hundreds of millions of dollars to Mozambique to finance construction of both the Maputo Circular and the Maputo/Catembe bridge.

These two projects were awarded to the China Road and Bridge Corporation (CRBC), and the Maputo/Catembe bridge is part of a project that includes roads to connect the southernmost area of Maputo province, with a final estimated cost of US$785 million.

With the completion of the bridge and associated road network, it will be possible to travel by road between the north and south of the country, "from the Rovuma to Ponta do Ouro" and connect to the road network of the South African region of Durban. (02-02-2016)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, 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, and other organisations.
The Memorandum is also made available by AHEAD-GLOBAL, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) to their Members.

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