MEMORANDUM

N° 43/2016 | 25/02/2016

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 4,000 European Companies, as well as their business parties in Africa.
More than 1,556 Memoranda issued from 2006 to end of 2015. More than 18,350 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.
Should a reader require a copy of the Memoranda, please address the request to fernando.matos.rosa@sapo or fernando.matos.rosa@skynet.be.

2006 – 2015, 9 Years devoted to reinforce Europe – Africa Business and Development

SUMMARY

SOUTH AFRICA RATED ONE OF THE WORST IN AFRICA IN TERMS OF ENTREPRENEURIAL ACTIVITY

SA has been rated one of the worst-performing African country in terms of entrepreneurship.

According to the latest Global Entrepreneurship Monitor report released this week, which tracks entrepreneurship and business activity around the world, the top-performing African economies with regard to entrepreneurship are Botswana and Senegal.

Although the National Development Plan (NDP), a government blueprint for eliminating poverty and reducing inequality, has ambitious goals for the small and medium enterprises (SME) sector in SA — including a target of 90% of employment opportunities to be created by this sector by 2030 — entrepreneurs continue to face many challenges such as red tape, a lack of access to finance and credit lines, and the generally high cost of doing business.

Global Entrepreneurship Monitor executive director and report author Mike Herrington said this week that there seemed to be growing optimism around entrepreneurship in SA, but that the country had not seen this translate into numbers of new and established businesses.

The report shows that 73% of adults in SA see entrepreneurship as a good career choice and about 45% of the working-age population feel they have the ability to start a business — yet just 9.2% go on to do so.

"It is critical that we get the enabling framework for entrepreneurship right in the country to allow untapped entrepreneurial potential to emerge," Mr Herrington said.

In 2015, 62 economies around the world participated in the study including eight African countries (Botswana, Burkina Faso, Cameroon, Egypt, Morocco, Senegal, SA and Tunisia).

The best-performing African countries, Botswana and Senegal, both exhibited an upward trend year-on-year in terms of the number of adults starting new business (33% and 38.6% respectively).

Mr Herrington said it was important that countries support SMEs because in general it was such businesses that created much-needed jobs and fuelled economic growth and development.

The survey data show that one of the key factors contributing to small business failure across all economies was a lack of profitability. About one-third of those who discontinued their business cited a lack of profitability as a factor.

Mr Herrington said key points policy makers needed to address, especially in Africa, included enriching the availability and variety of funding sources via appropriate regulatory frameworks that enabled new funding schemes to prosper, as the US had done with crowdfunding; continuing with the reform of regulatory systems to make it easier to start and run a business, and expanding infrastructure, especially IT and education.

Ben Bierman, chief financial officer at Business Partners, a specialist risk finance company for formal SMEs, said that if the recent state of the nation address by President Jacob Zuma were anything to go by, the government was aware that a huge layer of bureaucracy was stifling entrepreneurship.

"This is a perennial problem that must be addressed to make small business grow faster. Our plea to government is to look at slashing red tape, and to make sure that the remaining compliance rules that are truly necessary are implemented efficiently, effectively and with quick turnaround times," said Mr Bierman.

He also said despite the constraints on the national budget, he believed there was a strong argument to be made for setting aside some money that could be used as an emergency fund for deserving small businesses that otherwise would fail in the difficult year ahead.

The Democratic Alliance (DA) said on Thursday it would soon introduce a Red Tape Impact Assessment Bill in Parliament to accelerate small business growth.

The party said: "Small businesses have the potential to be the engine for job creation, but SA has one of the highest failure rates for start-ups and entrepreneurs. Reducing the burden on small businesses stemming from overregulation has become an important policy objective in economic growth strategies across the world."

Ultimately the bill aims to create an enabling environment that will stimulate small business growth and create jobs, the DA said. (BD 18-02-2016)

SWAZILAND SUFFERS FROM 10 HEAT WAVES IN FIVE MONTHS

Swaziland has suffered 10 heat waves caused by the El Nino-induced drought in five months, APA reports here on Thursday.

The highest temperatures to be recorded last month were up to 43 degrees Celsius and they were in areas in the Lubombo region, which is the driest of all four climatic regions of the country.

The heat waves attacked at intervals, with the first one being noted in October 2015, several in December and more in January.

The Swaziland Meteorological Services Department, through Sifiso Nzalo, says humidity is one factor that determines temperatures, saying short-term forecasts reflect more below-normal rainfall until March, a sign of a worse drought situation.

The current drought has resulted to massive death of cattle, price hikes in food commodities due to crop scarcity and acute shortage of water as most water sources have dried up. (APA 18-02-2016)

DROUGHT FORCES SWAZILAND POWER AUTHORITY TO STOP ELECTRICITY GENERATION

The Swaziland Electricity Company (SEC) has suspended local power generation due to the ongoing drought as generation had declined from the normal 60 megawatt to a meagre 12MW, local media report here Thursday.

SEC Corporate Communications Manager Sifiso Dhlamini says the company stopped producing power at Maguga Dam last Thursday and had already suspended some of its hydropower station operations last October
“The electricity produced locally is usually used during peak hours. This is the time of the day when importing electricity is quite expensive,” Dhlamini tells the media.

The official further states that this is the first time such has happened since the company started producing hydropower locally.

He explains that the company is now depending on imported power, which he said is very costly and thus making the situation dire. (APA 18-02-2016)

EGYPT’S POST-REVOLUTION COMEDOWN

Egyptians have always been ill-served, at best, and brutalised, at worst, by their leaders — whether Ottoman, British, Nasserist or under President Hosni Mubarak’s 30-year rule.

So instead of asking why Egypt’s revolution of five years ago failed, let’s point a finger at the sorry parade of post-revolutionary leaders who have presumed to lead, but failed just as their predecessors did.

Egyptian citizens were ill-served by their first democratically elected leader, President Mohamed Mursi of the Muslim Brotherhood.

Overweening and prone to clumsy power grabs that appeared to have less to do with Islam than stupidity, Mursi was more incompetent than he was evil. He was certainly no "terrorist", as President Abdel Fattah al-Sisi has labelled him and all other Muslim Brotherhood members.

Egyptians were also failed by the liberal and secular politicians whose self-interest took precedence over the hard work of developing strong alliances, parties and platforms. They espoused pluralistic democratic values but applied them selectively — in 2013, for example, they chose to back the violent overthrow of Mursi rather than let him be voted out of office.

Consider Nobel Laureate Mohamed ElBaradei, who played the coy politician for two years, tweeting his fatuous aspirations instead of rolling up his sleeves and building the political process. He then joined Sisi's interim government, only to resign a month later after the Rabaa massacre, in which about 800 Muslim Brotherhood supporters were killed by security forces.

Egyptians have even been let down by a generation of their own sons and daughters. These young activists often seemed more adept at online organising and protesting — no matter the cause — than protecting the gains of their protests.

After fighting the military throughout 2011 and 2012, many joined the military-backed effort to remove Mursi in the spring of 2013, protesting even when Sisi called for a show of support. Familiar with this pattern, it was inevitable that they would eventually sour on Sisi, which they have.

That said, none of them deserved to be put in prison, where many of them languish.

While covering the protests in Tahrir Square in 2011, I was inspired to leave my television job, move back to Egypt and be a witness to what looked like a promising future. I had lived happily in Cairo as a student studying Arabic in the 1990s and looked forward to working at the American University in Cairo, a campus infused with post-revolutionary energy and potential.

When I arrived in September 2011, the romantic slogans — "The army and the people are one hand" — and alliances forged in Tahrir Square were already fraying badly.

The Supreme Council of the Armed Forces, the interim military body that replaced Mubarak, was cracking down on protesters with impunity, most egregiously during what came to be known as the Maspero massacre, in which armoured personnel vehicles were caught on camera mowing down fleeing Coptic protesters.

When the Muslim Brotherhood swept the parliamentary elections of 2011 and 2012, political demonisation became the preferred platform of the feckless secular opposition groups.

...

I found a giddy array of empowered and politically vocal citizens, a liberated media and a class of public intellectuals sporting shiny new revolutionary personas, and the clothes to match ("revolution chic").

One professor-turned-politician sported long hair, corduroy coats and appeared to do a little teaching. One former ambassador-turned-dean embodied the values of civil liberty and democracy in elegant suits, then promptly joined the post-Mursi interim military government. A cadre of denim-clad, gel-haired Tahrir activists secretly co-operated with the military to foment a "grassroots" movement against Mursi.

Even the revolution-anointed leaders were failing Egypt's citizens. By the time I left Cairo in June 2013, most people I knew at the university supported a return to military rule and seemed to accept as a given the violent and illiberal measures it would take to do so. One self-aware pundit coined the phrase "Egypt's illiberal liberals".

Egypt's current regime, led by Sisi, makes the Mubarak regime look benign. Harsh repression is justified in the name of security and stability, protests are against the law, political groups are banned or emasculated, and polarisation is promoted by a subservient media.

Sisi's hold on power has been aided by widening regional chaos. Libya, Syria and Yemen loom conveniently large in case Egyptians forget what premature democracy movements can yield.

A spate of recent house arrests and "enforced disappearances" has targeted journalists and civil-rights activists, which has forced the government to acknowledge that hundreds are being illegally detained.

The discovery two weeks ago of the body of Giulio Regeni, a 28-year-old Italian PhD student, who was left by the side of a road and appeared to have been tortured, was considered particularly unsettling because the Egyptian security forces typically reserve their brutality exclusively for Egyptians.

In spite of continuing efforts by Italian authorities, Regeni's family will almost certainly never find out what happened to their son, just as tens of thousands of Egyptians never learn the truth about the extrajudicial deaths of family members.

Not much is likely to change in the short term. Sisi will probably continue to perform better outside Egypt than domestically, and he'll maximise his role as a line of defence against Islamic State in the Sinai.

He will likely manoeuvre for a place in whatever regional coalition is formed to manage the crises in Libya, Syria and Yemen. He will continue to receive international support and military aid, in spite of his authoritarian measures.

And 90-million Egyptians will continue to struggle with rising food prices, high unemployment, impossible daily commutes, poor healthcare, worse education and an entirely unaccountable government.

Where is the bright side? It is the simple fact of Egypt's revolution — not its much-debated outcomes. Egyptians have shown that they can depose leaders who serve them badly, whether they've done this righteously, cynically or with fickleness.

...

Egyptians have also shown their capacity for political accommodation and transient loyalties — bad for democracy, but useful for getting rid of governments.

With time, as Sisi's excesses continue, new alliances of convenience and co-operation will form among unexpected allies. Muslim Brotherhood sympathisers may once again align with secular groups; military factions may find the Brotherhood a useful ally against a rogue president.

Voices in the media will begin to speak up. Criticism on social media will begin to build up another revolutionary head of steam. One day, Sisi will be replaced — probably not democratically.

I hope whoever replaces him will finally serve Egyptians better. (BD 18-02-2016)

MALAWI FORECASTS DROP IN MAIZE PRODUCTION

Malawi has released its first round of 2015/16 Agriculture Production Estimates Survey projecting national maize production at 2,719,425 metric tonnes, a 2.0 tonnes lower than last year's 2014/15 final round estimates which stood at 2,776,277 metric tonnes.

Secretary for Agriculture, Erica Maganga said in the capital Lilongwe on Tuesday that the estimates may not conclusively inform the ultimate agriculture production, providing early warning signals on national food security.

"The results may help policy makers in the public, private and non state actors to make informed decisions regarding impending food situations in the country," she said.

She added that the intentions of farmers can change in the course of implementing respective farm activities, weather conditions while related weather parameters may also change in the course of the agriculture season.

However, the survey's projection indicates that tobacco production will increase 211, 083,000 kilograms in 2015/16 season from last year's 192, 967,541kgs.

Cotton production is expected to decrease by 43.2 percent, rice production slightly increase by 1.4 percent, while ground nuts, beans, pigeon peas production are expected to decrease by 4.5, 5.2 and 3.1 percent respectively.

Production of soya beans is set to increase by 6.1 per cent, according to the survey.

Meanwhile, the second round of the survey is underway and expected to come out by March. (APA 23-02-2016)

MOZAMBIQUE EYES ANOTHER $150M GAS-FIRED PLANT

Japanese firms, Sumitomo and IHI say they will acquire a $150 million loan from the Japanese International Cooperation Agency (JICA) to construct a 110 megawatt gas fired power station just outside the capital of Mozambique, Maputo in 2018.

The construction will be expedited under a contract signed with Mozambique's state-electricity company, EDM.

According to a Sumitomo statement on Tuesday, this will be Mozambique's first gas fired combined cycle power plant, a technology that increases the efficiency of the generational process with construction set to commence this year.

According to the contract, EDM will begin operating the facility in 2018.

When operational, the power station will provide about a fifth of Mozambique's domestic electricity requirement.

Mozambique's electricity generation is expanding rapidly after President Filipe Nyusi inaugurated a 120 megawatt gas fired power station at Ressano Garcia on the border with South Africa last Friday.

The power station is owned by the Mozambican company Gigawatt which will sell electricity to EDM. (APA 23-02-2016)

ARAB WORLD: THE RISE OF WOMEN IN JOURNALISM

The European Bank for Reconstruction and Development (EBRD) will host a discussion on the rise of women in journalism in the Arab World on Tuesday 1 March 2016 in London. At the event, a panel of Arab women reporters will discuss how they can change the face of journalism in their countries and beyond.

This event is organised in collaboration with One World Media, which supports independent media around the globe. (EBRD 18-02-2016)
http://www.ebrd.com/news/events/the-rise-of-women-journalists-in-the-arab-world-.html

WFP ISSUES $30M APPEAL TO FEED DROUGHT-HIT MALAWIANS

The United Nations World Food Program (WFP) on Thursday made a fresh appeal of $38 million to feed the most vulnerable Malawians currently facing food shortage due to drought.
WFP Country Director, Coco Ushiyama said in a statement that the agency has extended its relief operation in the country by an additional month, through April, following the Malawi Vulnerability Assessment Committee (MVAC) which reported that annual harvests will be delayed and reduced by El Nino- related drought across southern Africa.
New contributions are urgently needed to ensure people get the assistance they need to make it through this period because there will also be a reduced harvest due to El Niño, she said.

She said the agency's operation is being scaled up this month (February) to include an additional 32,000 people identified by MVAC as in need of food assistance.

WFP and its partners have provided food and cash assistance since last October to help alleviate Malawi's worst food insecurity in a decade, reaching some 2.4 million people with life-saving food and cash assistance.(APA 18-02-2016)

WORLD BANK COMMENDS PROGRESS MADE BY LESOTHO HEALTH SERVICES

Lesotho has made a significant progress in providing better healthcare services since the introduction of the Public Private Partnership (PPP) health model in 2011, APA learns here Tuesday.

A World Bank report released here on Friday reads in part: “Through this health network, the ministry of health in Lesotho is providing much better quality of care. It is achieving better health outcomes for a larger number of patients, including providing more advanced medical technologies than were previously available in Lesotho.”

“Evidence from the 2007 baseline study and 2012 endline study conducted by Boston University’s Center for Global Health and Development documented the changes.”

The report indicates that the Boston University research estimates that in comparison with the previous facilities the new health network is 22% more cost effective on a per patient basis.

“The clinics and the hospitals are fully accredited by The Council for Health Service Accreditation of Southern Africa (COHSASA) – a globally recognized accreditation body – joining a small group of public healthcare facilities in sub-Saharan Africa that have achieved this recognition,” the report says. (23-02-2016)

JORDAN: SEEKING INNOVATIVE SOLUTIONS FOR ENERGY AND THE ENVIRONMENT

EDAMA Association held a power breakfast themed “The European Union (EU) & European Bank for Reconstruction & Development (EBRD) 2016-2019 Renewable Energy & Energy Efficiency Plans for Jordan” on February 15th, 2016 at the Four Seasons Hotel. The event was funded by the EU and the EBRD, and was attended by more than 160 representatives from the public and private sectors.
In her opening speech, EDAMA CEO Eng. Yara Abdel Samad stated that “EDAMA’s power breakfasts are a vital element of the association’s public awareness and networking program and serve as a platform to exchange the latest news on developments and potential opportunities in the sectors we serve. Today’s power breakfast will bring into the spotlight the current and future projects of the EU Commission and the EBRD in Jordan.” Eng. Abdel Samad added that both entities have invested heavily in Jordan’s energy sector through projects that promote the integration of energy efficiency measures, the development of new sources of renewable energy and Jordan's transition to a liberalised, efficient and sustainable energy sector.
During the discussion panel moderated by H.E. Mrs. Nadia Al Saeed, General Manager of Bank al Etihad and EDAMA board member, H.E. Minister of Energy Dr. Ibrahim Saif said: "There is a huge potential for more projects and investments in energy efficiency in various areas in the Kingdom."
H.E. Mr. Andrea Matteo Fontana, the Ambassador of the European Union to Jordan said: “The EU is committed to developing sustainable energy sources, and minimising the negative impact of conventional energy sources on climate change. EU and Jordan targets for renewable energy and energy efficiency development have a lot of synergies and complementarities. Today, the EU is Jordan’s main partner in green energy development with more than 145 million Euros bilateral support.”
According to Dr. Heike Harmgart, the Head of Jordan’s branch of the European Bank for Reconstruction & Development: “It is vital for Jordan that renewable energy and energy efficiency initiatives are increasingly adopted in all sectors. EBRD is working with the Government of Jordan to find innovative ways to reduce the reliance on traditional energy sources in the provision of municipal services and electric power through capitalising on the excellent indigenous renewable sources available to facilitate significant savings, reduce energy dependence and mitigate the impact of climate change.” (EEAS 18-02-2016)

EGYPT: CABINET APPROVES $600M LOAN FOR DAMANHUR POWER STATION

The Egypt's Cabinet approved a loan worth $600 million (1$=7.80EGP) from the European Investment Bank to create part of a new power station run by a gas turbine with a combined cycle system, the electricity ministry announced in a statement Friday.

The total investment in the Damanhur City power station so far reached $3.1 billion, said Electricity Ministry Spokesperson Mohamed al-Yamany.

He added that the ministry would receive loans for the station from different domestic funders.

The power station will generate 1,800 megawatts, he noted. (APA 19-02-2016)

MOROCCO TO HOST ARGUS FMB AFRICA FERTILIZER 2016 CONFERENCE

The 2016 edition of Argus FMB Africa Fertilizer, an annual international meeting of industrial fertilizers in Africa, will be held on 24-26 February in Marrakech, reports said on Friday.
Initiated by the Group of the Morocco's Office of Phosphates (OCP) and the Ma'aden Group, this event is meant as an exchange and reflection platform on the possibilities of improving fertilizer consumption, which on the whole, remains low in Africa, compared to other continents.

According to the organizers, more than 400 participants from across the fertilizer supply chain, producers, governments, NGOs, traders and distributors of raw materials, will attend the event.

It provides an opportunity to discuss the current situation in the fertilizers' consumption market and its growth opportunities in Africa, the Sub-Saharan African fertilizer markets, as well as the evolution of the fertilizer market in Eastern and Southern Africa.

This conference is also expected to help find ways to overcome the logistical challenges facing the industry.

The agenda of this forum includes various themes, dealing in particular with the assessment of fertilizers and their correspondence to the different soil types and crops, strategies for the development of the supply chain, attaining harmonization with regional policies and strategies and the new projects and their implications for trade. (APA 19-02-2016)

ISRAELI SMES TO BENEFIT FROM AROUND €93 MILLION IN EU-GUARANTEED LOANS

Small and medium-sized enterprises (SMEs) in Israel will get easier access to risk capital thanks to a new EU-backed loan guarantee facility under the Horizon 2020 programme. A deal signed today by European Investment Fund (EIF) with Bank Leumi will allow the bank to enter into new loan agreements with SMEs as well as Small Mid-caps for a total of USD 100 million (about €93 million) over the next two years.
Carlos Moedas, European Commissioner for Research, Science and Innovation, said: *"The InnovFin SME Guarantee deal signed today will open up new ways of funding for innovative companies in Israel. It is yet another example of how open innovation and being open to the world under Horizon 2020 benefits both the EU and its partners."*
The loans to finance innovation activities will be guaranteed up to 50% by the European Investment Fund and the European Union (EU) under InnovFin SME Guarantee, which targets early and development stage companies. It is part of the new generation of financial instruments supported under

Horizon 2020, the EU's Framework Programme for Research and Innovation (IP/14/670), and is open to EU Member States and countries associated to the programme.

Israel has been associated to the EU framework programmes for research for the last 20 years. The announcement of the deal comes a month after Commissioner Moedas paid a visit to the region.

Background

InnovFin SME Guarantee Facility provides guarantees and counter-guarantees on debt financing of between €25,000 and €7.5 million in order to improve access to loan finance for innovative small and medium-sized enterprises and small midcaps (up to 499 employees). The facility is managed by the EIF, and is rolled out through financial intermediaries – banks and other financial institutions – in EU Member States and Associated Countries. Under this facility, financial intermediaries are guaranteed by the EIF against a proportion of their losses incurred on the debt financing covered under the facility.

InnovFin SME Guarantee is part of "InnovFin – EU Finance for Innovators", the new generation of EU financial instruments and advisory services that was developed under Horizon 2020 to help innovative firms access finance more easily. It will help inject up to €48 billion in investments in Research and Innovation across Europe.

About Horizon 2020

On 1 January 2014, the European Union launched a new research and innovation funding programme called Horizon 2020. Over the seven years, almost €80 billion will be invested in research and innovation projects to support Europe’s economic competitiveness and extend the frontiers of human knowledge. The EU research budget is focused mainly on improving everyday life in areas like health, the environment, transport, food and energy. Research partnerships with the pharmaceutical, aerospace, car and electronics industries also encourage private-sector investment in support of future growth and high-skilled job creation. (EC 17-02-2016)

FRANCE TO RESUSICATE THREE CONGOLESE FIRMS WITH CFA76 BN CASH INJECTION

The Congo and France have signed three agreements to the tune of CFA 76 billion to help three Congolese firms improve their provisions of service, official sources told APA on Friday.

The deals were struck in Brazzaville on Thursday by Congo's Finance and Public Portfolio Minister, Gilbert Ondongo and the French Ambassador.

The three agreements are intended to benefit three companies, namely the University Teaching Hospital (CHU), the National Water Distribution Company (SNDE) and the National Electricity Company (SNE).

The first agreement, the amount of which is CFA 65 billion concerns the SNDE.

It is aimed at extending and rehabilitating, the drinking water services in the outer areas of the city of Brazzaville with the ambition of providing potable water to nearly 300,000 people.

The second agreement valued at CFA 5 billion, will allow SNE to renovate and equip its training center, with the stated objective of training at least 600 agents.

The last agreement that amounts to some CFA 6.55 billion will help the University Teaching Hospital (CHU) improve its services.(APA 19-02-2016)

EU, WHO STRIKE €3.5M DEAL TO UPGRADE CAR HEALTH FACILITIES

Representatives of the European Union and the World Health Organization (WHO) on Friday struck a €3.5 million financial deal aimed at improving health facilities in the crisis-ridden Central African Republic.
The money is meant for the construction and the equipment of the health facilities in several regions of CAR.

The strengthening of capacities for health professionals in the country is also an integral part of the project.

According to Marguerite Samba Maliavo, CAR's Health and Population minister, the doctor-population ratio is slow given that there is no more than one physician for every 35,000 people.

The funding will also facilitate NGOs specialised in international health to multiply their activities on the ground.

The latest spate of violence which rocked Bangui destroyed the properties of several international humanitarian organizations active in the country.(APA 19-02-2016)

GIGAWATT MOZAMBIQUE OPENS 120MW GAS-FIRED POWER STATION

Gigawatt Mozambique officially opened a new $200m, 120 megawatt (MW) gas-fired power station in the border town of Ressano Garcia on Friday.

That will replace about 100MW of power currently being supplied to Mozambique by Eskom’s Arnot power station near Witbank.

A shortage of power is constraining economic development in Southern African countries, which for decades have relied on buying power from Eskom to supplement their own small-scale generation. Eskom’s capacity constraints are also affecting its neighbours.

The discovery of gas offshore Tanzania and northern Mozambique has increased interest in using gas for power in the region. South African energy giant Sasol already supplies gas to its own power station at Secunda, and to commercial customers, through an 865km pipeline from the Pande and Temane onshore gas fields in Southern Mozambique.

Sasol has also built a 175MW power station, with Mozambican power utility Electricidade de Moçambique (EDM) as its partner, at Ressano Garcia, to supply Mozambique.

The new Gigawatt power station will supply to EDM on a long-term power purchase agreement, for distribution to the Mozambican market, and to sell any surplus to the Southern African Power Pool. Gigawatt is in discussions with EDM about adding another 40MW of capacity.

Gigawatt Mozambique is owned by various Mozambican shareholders and Centurion-based Gigajoule, whose shareholders include WBHO, Old Mutual and management. They contributed the equity for the new power station, and the debt facility was provided by Standard Bank. Gigajoule also has 49.6% of the Matola Gas Company, which sells gas through a pipeline to customers in Maputo.

Gigajoule CEO Johan de Vos said Gigajoule was evaluating its options for submitting a project under SA’s recently issued request for interest in independent gas-fired power. One option might be to add another 200MW of capacity to the existing site at Ressano Garcia, which has a concession for 350MW, or Gigajoule could build a new power plant at Matola.

Liquefied natural gas for the power plant could be imported using Gigajoule’s existing infrastructure at Matola.

Gigajoule has completed a feasibility study into building a 2,400km pipeline from the new Rovuma gas fields off Pemba in northern Mozambique, to bring gas to SA and various hubs in Mozambique. Some have said this concept would be far too costly, but Mr de Vos, who worked for the Sasol team that put together the 865km pipeline project, said these projects were feasible with the right offtake agreements. (BD 19-02-2016)

BILL BANNING FOREIGNERS FROM OWNING S/AFRICAN LAND READY

South Africa has prepared the Regulation of Land Holdings Bill which will ban foreign ownership of agricultural land in the country, President Jacob Zuma has said.
Speaking Thursday in Cape Town, the President said the bill would be tabled in Parliament this year.

“They will only be able to lease the land,” he stressed in his response to the two-day debate on his state of the nation address (SONA) that took place from Tuesday to Wednesday.

Zuma had pledged in Parliament to table the same bill last year but failed to do so.

The legislation has been criticised by the opposition as an impediment to foreign investment.(APA 19-02-2016)

ECONOMIC SLOWDOWN, HIGH INTEREST RATES AFFECT NAMIBIA’S INSURANCE INDUSTRY

Non-banking financial sector regulator, Namibia Financial Institutions Supervisory Authority (Namfisa) has warned that the predicted economic slowdown will pose a challenge to the local insurance sector.
The Bank of Namibia on Wednesday projected the economy to grow by 4.3 percent in 2016, from an estimated 4.5 percent in 2015, with inflation expected to reach 7.4 percent by the end of 2017.

The central bank also raised the repo rate on the same day from 6.5 to 6.75 percent, which Namfisa’s spokesperson Isack Hamata warned would have negative effects on the insurance policies’ holders.

“A slowdown in economic growth will have an impact on the insurance sector, to the extent that rising interest rates and inflation will put strain on disposable income. This will likely result in people cancelling their insurance policies or not meeting payment terms,” Hamata told the Windhoek Observer newspaper on Friday.

He said the sector was likely to lose out as consumers might be forced to cancel their policies to fund consumptive needs.

“The impact thereof is that people will not be ensured or covered for unforeseen events, such as death and accidents, which will place them in greater financial difficulties, as they mostly likely need to borrow from banks and micro-lenders,” he said.(APA 19-02-2016)

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.

acp — AHEAD GLOBAL HUNGARY-BUDAPEST — Cámara Santa Cruz de Tenerife

www.acp.int   www.aheadglobal.hu   www.camaratenerife.com

www.africacncl.org   www.elo-online.org   www.helafrican-chamber.gr

www.htcc.org.hu   www.norwegianafrican.no   www.nabc.nl

Fernando Matos Rosa

fernando.matos.rosa@sapo.pt
fernando.matos.rosa@skynet.be