MEMORANDUM

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SUMMARY

AT 60, GHANA LOOKS TO A FUTURE BEYOND AID

A graffiti artist in Accra creates an image of the leader of Ghana's struggle for independence, Dr. Kwame Nkrumah

Ghana turned 60 years old this week. The West African country gained independence from Britain on Mar. 6, 1957, and remains a study in contradictions.

At 60, Ghana is viewed by many as a beacon of democracy and stability. But its current growth rate is just 3.6 percent — the lowest in 20 years — and its tax revenue to GDP ratio is 18 percent, which is one of the lowest among middle income economies.

At 60, it has a debt to GDP ratio of over 73 percent, one of the highest in the sub-region; the country is bedeviled with an erratic power supply, which has caused many businesses to collapse; and its informal sector is still not formalized enough to be able to widen the tax net.

At 60, Ghana still has schoolchildren who study under trees.

Some of these economic indicators have sparked a national debate about whether it was prudent for the country to set aside 4.3 million dollars to celebrate the day. Many are of the view that such an amount could be better spent on projects that would bring some economic dividend than, as they describe it, to waste it on pomp and pageantry, parade and fanfare.

These criticisms may have informed President Nana Akufo-Addo when he announced that the budget for the commemoration would not be borne by the taxpayer but by corporate Ghana. The chairman of the 30-member committee planning the anniversary was quick to add that committee members would be doing their work on voluntary basis.

But there are some who take all this with a pinch of salt, perhaps taking a cue from what many perceive to be misappropriation of funds and plain corruption during the organization of the event ten years ago (the Ghana at 50 commemoration committee spent over 60 million dollars).

The head of the Centre for Economic Governance and Political Affairs at the policy think tank Imani-Ghana wants government to make public the names of all companies who committed and how much they committed, to ensure accountability and transparency. Patrick Stephenson believes this is "the only way we can ensure that a corporate body is not getting some undue advantage in the award of contracts just because of their affiliation to this event".

The independence event is always commemorated with marching parades performed by security personnel, workers unions, traders and school children among others. The event, which typically starts with the lighting of a flame, also sees the president inspecting a guard mounted in his honour.

Stephenson wants organisers to think outside the box and use innovative means to project and develop certain aspects of the country's economy and culture. "For instance, cocoa, one of our biggest cash crops, could be the year-long theme of one of the commemorations in which we will look at the history, the challenges, the current situation and set targets be achieved as to how to improve on its production," he said.

It is a view shared by communications academic Dr Ete Skanku. He writes: "The parades are exciting but you don't need to stand and take a salute. Spare the kids the unnecessary dehydration. Engage them in another way. They can be out there promoting a major nationals initiative practically or give a meaning/breathing life to a national project."

The day is observed as a national holiday but most people within the informal sector, especially traders, couldn't afford to stay at home. At the central business district in the capital, Accra traders were busily going about their business. But the traders believe that the day is worth celebrating as the budget statement given by the finance minister some four days ago seems to give some hope.

The Government has already abolished nine taxes, including a duty on importation of spare parts and the excise duty on petroleum, saying these are nuisance taxes that have “low revenue yielding potential and at the same time impose significant burden on the private sector and on the average Ghanaian”.

“These measures introduced by the government will help businesses a lot and the one-district-one-factory policy by the new administration, if implemented, will enable some of us to go back home for jobs because in Accra here we use a good part of our incomes on rent. If I were in my hometown I wouldn’t have to pay rent. I can use that rent money for something else,” says Francis Agyei, a 32-year-old second-hand clothing seller at Accra.

But a lecturer at the economics department of the University of Ghana, Owusu Adu Sarkodie, says Francis’s hopes and aspirations can only be achieved if managers of the economy and resources do things differently. He believes politicians should increase the revenue tax net to cover majority of people and move away from the borrowing mindset.

“We don’t have to keep borrowing for borrowing sake. Even if we have to borrow we need to use the money prudently. If you look at the public debt right now, the greater part of it was for consumption. For example, last year we borrowed 17 billion cedis, we only invested 7 billion, where did the rest go? Consumption,” he added.

If words were action then these words uttered by the President Nana Akufo-Addo in his maiden State of Nation address to parliament some two weeks ago should offer some hope to Ghanaians:

“We will put in place policies that will deliver sustainable growth and cut out corruption. We will set upon the path to build a Ghana that is not dependent on charity; a Ghana that is able to look after its people through intelligent management of the resources with which it has been endowed.

“This Ghana will be defined by integrity, sovereignty, a common ethos, discipline, and shared values. It is one where we aim to be masters of our own destiny, where we mobilise our own resources for the future, breaking the shackles of the “Guggisberg” colonial economy and a mind-set of dependency, bailouts and extraction.

“It is an economy where we look past commodities to position ourselves in a global marketplace. It is a country where we focus on trade, not aid, a hand-up, not a hand-out. It is a country with a strong private sector.

It is a Ghana beyond aid.”(IPS 09-03-2017)

LIBERIA: K3 TELECOMI LAUNCHES TRIPLE-PLAY SERVICES

K3 Telecom, a Swiss company, on Thursday officially launched its Triple-play Communication services in the country. K3, which has become the latest entrant in Liberia’s telecommunication sector, is promising to provide internet service at nearly ten times the speed for a fraction of the prevailing monthly cost.

K3 is the global provider of a patented technology known as Triple Play, which delivers a trifecta of incredibly high-speed internet, Voice Over Internet Protocol (VOIP) telephony and quality television content, all on the same line.

Essentially, browsing, phone calls and television are all provided simultaneously over the internet.

The Group Chief Executive Officer of K3 Telecom Liberia Inc., Ernest Boakai, believes “the launch of the first triple-play services in Liberia will bring great benefit to the people and the country...”

“We are very glad that with the help of the Government we succeeded to bring new services and introduced the first ‘wireless’ cable in the air broadband network in the country,” he said, adding that “this will create substantial growth in the country and satisfy the rising demand by the Liberian people, investors, SMEs and government for high-speed internet and reliable internet services in the country.”

Mr. Boakai explained that the K3 will also afford students the opportunity to study online and do research without the internet being a barrier. “Moreover, we will change lives, raise employment and revenue for the government,” Boakai added.

He disclosed that the company has spent approximately US$5 million so far, and that as they progress they intend to invest more capital.

According to him, with the Triple Party packages (Supersonic Internet, digital TV, IP telephony) customers can pay approximately US$88 monthly.

Uros Mlakar, one of K3 investment partners, said with the implementation of K3 Air Last mile solution technology in Liberia, “we aim to offer its citizens the easy and modern access to broadband network services, thus helping Liberia to speed up its boosting economy and achieve its future goals.”

Cutting the ribbon and declaring the company officially open in Liberia, Vice President Joseph N. Boakai lauded the company for bringing to the country one of the latest Internet Service Providers.

He said the coming of the ISP to Liberia would help solve the internet barriers that Liberians were going through, and assured the K3 Telecom officials that the Liberian government would ensure that the company was fully protected investment–wise. (APA 03-03-2017)

US$ 708M MALL OF EGYPT IN CAIRO OPENS DOORS TO THE PUBLIC

Mall of Egypt which is one of the biggest malls in North Africa and the Middle East has finally opened its doors to the public.

The Mall of Egypt which comes complete with a snow park and ski slope was developed at a cost of US$ 708m. Spanning 400,000 square meters, 165,000 of which are dedicated to shopping, the two-story complex brings snow for the first time to Egypt and the African continent having an indoor snow park and ski slope at Ski Egypt.

It will also house Egypt’s first VOX movie theatres which will be home to a whopping 21 screens, including 4DX technology. Additionally, the mega mall will feature the country’s very first branch of popular edutainment centre franchise Little Explorers and a Magic Planet amusement arcade – Generation 2.0. A Carrefour hypermarket will also be among the brands at the mall as well as 6,500 parking spaces.

“Mall of Egypt, Majid Al Futtaim’s second ‘Mall of’ flagship shopping mall, will set the same precedent as its sister brand, Mall of the Emirates in the UAE bringing unmatched experiences to North Africa.

Egypt is an important market for Majid Al Futtaim and launching mega projects like Mall of Egypt re-affirms our strong belief in the vast opportunities available in the Egyptian market,” Gaith Shocair, Chief Executive Officer of Shopping Malls, Majid Al Futtaim Properties, said in a statement.

Mall of Egypt also accommodates 350 local and international retailers as well as major department stores and other fashion, lifestyle, sports, electronics, home furnishing outlets.

Majid Al Futtaim (Maf), the conglomerate behind Mall of the Emirates is looking into expansion plans after registering an 8 per cent increase in earnings before interest, taxes, depreciation and amortization to US$ 1.1bn in 2016.

They have plans of expanding in other markets such as the UAE, Egypt, Oman and Saudi Arabia and will also bolster its operations in Africa and Central Asia.(CRO 08-03-2017)

DANGOTE PLANS CONSTRUCTION OF $100M VEHICLE ASSEMBLY PLANT IN NIGERIA

An assembly plant in Nigeria. Dangote plans to construct a mega assembly plant in the country.
Dangote Group is planning to construct a vehicle assembly plant in Nigeria. The project is set to cost $100m. On completion, the vehicle assembly plant in Nigeria will produce heavy-duty trucks for distribution of Dangote's products within Nigeria and to other African countries.
China National Heavy Duty Truck Group Company/ Sinotruk is partnering with Dangote in the truck production with 40% equity stake. Dangote group's 60% will oversee the trading under Dangote industries.
The West African plant is set with a capacity of production of upto 10 000 trucks per year, and as a result expected to employ an estimated 3000 people once it kicks off. It will also be the eighth Sinotruck plant located overseas.
The chief corporate communications officer Anthony Chiejina explains that the plant will save on forex that is spent on the importation of heavy-duty vehicles. He also spoke of possible expansion in the future but negated to go into specifics
Sinotruk has its headquarters and main manufacturing facility in Jinan, the capital of Shandong province. Founded in 1956, the company had the first truck rolling off the assembly line in five years later.
Operating one of the largest truck fleets in Africa at more than 10 000 units, the group uses the vehicles for the distribution of products such as cement, sugar, flour and pasta.
The Dangote Group prides themselves in being among the helm of the most diversify business conglomerates in Africa. They are also known for their hard-earned reputation for excellent business practices and products' quality. Dangote has its operational headquarters in Lagos, Nigeria.
The Group's activities cover the manufacture and importation of cement, poly products, noodles, pasta, sugar refining, refining salt, real estate, logistics of port management and haulage and the Dangote foundation.(CRO 02-03-2017)

NIGERIA'S NIGER DELTA PLANS "REVOLUTIONARY" GAS INDUSTRIAL PARK

In what is called a 'Gas Revolution,' and following the renewed interactive activities of the Federal Government with oil-producing communities in several states in Nigeria's Niger Delta region, a strategy to put in place a gas industrial park that is valued at around US $20billion through a Public-Private Partnership model is now ongoing.
Tagged the Gas Revolution Industrial Park, GRIP, Ogidigben, and predicted to be a regional hub for all gas-based industries, the project will cover 2700 hectares with fertilizer, methanol, petrochemicals, and aluminum plants situated in the park that has already been chosen as a Tax Free Zone by the federal government.
In a statement by his spokesman, Laolu Akande, the acting president, Yemi Osinbajo disclosed this development yesterday at the Presidential Villa while meeting with international developers and investors of the project.
Osinbajo declared that Nigerian president Muhammadu Buhari government "is dedicated to the development of the Niger Delta, and the significance of this project is stressed by the presidential attention it is drawing. The presidency is very interested."
Before he went on vacation, President Buhari had given the go-ahead the vice president to embark on visits to oil-producing communities to show the determination of his administration to the quest of a new vision for the Niger Delta.
The construction of an industrial gas hub in Ogidigben, Delta State was one of the feedbacks that was received during the trip to the state.
As a follow-up on the Niger Delta visits, Acting President Osinbajo, together with the Minister of State for Petroleum Resources; Dr. Ibe Kachikwu, the Nigeria National Petroleum Corporation Group Managing Director; Dr. Maikanti Baru and other top government and NNPC officials met last week with a group of global investors and developers put together under a conglomerate by Dubai-based firm, AGMC.(CRO 03-03-2017)

BOTSWANA GETS WATER SHOT IN THE ARM FROM WORLD BANK

THE WORLD BANK

The World Bank has approved a US$145.5-million loan to Botswana for the Emergency Water Security and Efficiency Project, APA learnt here Friday.

"The project will help Botswana cope with increased water stress, arising from a number of factors including chronic drought," World Bank country director Paul Noumba Um said.

He said the proposed interventions under the project "are therefore critical for the sustainable development of the country, particularly given current climate change projections."

The project was prepared in response to the 2015/16 El Nino-induced drought, which was rated the worst in the last 34 years.

"While the recent rains have alleviated the dry conditions faced over the past three years, due to low recharge rates, groundwater levels will take several years to recover," said Mukami Kariuki, World Bank task team leader.

The project is also expected to support ongoing efforts by the Botswana government to integrate and manage surface and ground water resources more effectively."

Around 460,000 people in selected settlements are expected to benefit from augmentation or rehabilitation of existing water supply systems; and about 177,000 people would benefit from improved wastewater treatment and sludge management systems. (APA 03-03-2017)

CONSTRUCTION OF THE AMANDI POWER PROJECT STARTS IN GHANA

The ARM-Harith Infrastructure Fund, (ARMHIF), has started the construction of the US $552 million Amandi Power Plant, a 200 megawatt combined cycle, dual-fuel power project in Aboadze, Ghana.

In an announcement made available by the project company to the press in Lagos, the facility also known as Amandi Independent Power Project, (IPP), is depicted as "the only big scale base-load independent power generation project in sub-Saharan Africa."

The announcement added that on completion, the plant will be one of the majority efficient in the nation and will generate more than 1,600 gigawatts hours each year, energizing up to one million Ghanaian homes.

According to the statement, the $552 million investment necessary for the project, US$134 million in equity comes from the guarantor group, which consist of Endeavor Energy, Amandi Founder Group, Aldwych International, Pan African Infrastructure Development Fund 2 (PAIDF2) run by Harith General Partners and ARMHIF.

It said: "The US $418 million in debt funding is offered by a group of lenders, including the U.S. Government's development finance institution, Overseas Private Investment Corporation (OPIC), which will give a US$250 million loan; CDC Group plc, which will give an US$83 million loan; as well as Nedbank Limited and Rand Merchant Bank.

The statement stated that if taken jointly with the $868 million Azura-Edo IPP in Nigeria, for which fiscal close was attained in 2016, ARMHIF can be said to have invested in two important power assets that provide further credibility to the Fund's West Africa strategy.

ARMHIF ("the Fund") is a revolutionary, indigenously-developed and manage US$250 million objective closed-ended expert Infrastructure Fund with focus on Transport, Energy, and Utilities projects in West Africa.

The Fund acts as a vehicle through which investors with an attraction for infrastructure investment can get steady and predictable profits on investments and access a broad range of infrastructure assets across different sectors of the West African and Nigerian economy.(CRO 09-03-2017)

INFRASTRUCTURES : LE RETOUR EN FORCE DES GROUPES FRANÇAIS AU SENEGAL

L'autoroute qui relie Dakar à Diamniadio, remportée par Eiffage, a constitué une exception sous le régime Wade.

Quasi absentes des projets d'infrastructures du pays il y a quelques années, les entreprises hexagonales reviennent à la faveur du plan d'émergence national. Une tendance de fond ?

En perte de vitesse sous la présidence d'Abdoulaye Wade (2000-2012) face aux groupes américains, chinois, indiens, marocains ou à ceux du Golfe, les entreprises françaises semblent opérer un retour en force aujourd'hui, surtout dans les grands projets d'infrastructures du Plan Sénégal émergent (PSE).
Dernier exemple en date : le français Veolia, accompagné de ses filiales OTV (systèmes de traitement d'eau) et Sade (réseaux d'eau), a remporté devant le dubaïote Metito un marché de 7,6 millions d'euros pour la construction d'une station de déferrisation d'une capacité de 40 000 m3/j visant à alimenter Dakar en eau potable.
Quelques mois plus tôt, fin 2016, c'est un autre consortium français, constitué d'Engie, de Thales et d'Alstom, qui avait été désigné pour conduire et piloter la construction (en compagnie d'autres groupements) du Train express régional (TER) devant relier la capitale au nouvel aéroport international Blaise-Diagne (AIBD), à Diass. Montant du contrat : 225 millions d'euros.

Recherches de gisements de pétrole

L'exploitation et la maintenance du premier train omnibus du pays seront également assurées par des spécialistes français du transport public, la Société nationale des chemins de fer (SNCF) et la Régie autonome des transports parisiens (RATP), en partenariat avec le ministère sénégalais des Transports terrestres en vertu d'un accord scellé lors de la visite de Macky Sall à Paris en décembre. C'était le premier déplacement officiel d'un président sénégalais en France depuis Abdou Diouf (1992).
Jusqu'ici absent des activités de recherche d'hydrocarbures dans l'offshore sénégalais (contrairement aux groupes américains, britanniques, australiens, etc.) ayant abouti à d'importantes découvertes ces dernières années, l'énergéticien Total a lui aussi décroché son permis d'exploitation de gisements de pétrole offshore en marge de la même visite.

Partenariats public-privés avec la France

À y regarder de près, ce retour remarqué des groupes français remonte à l'arrivée aux affaires du président sénégalais, lorsque Bolloré et Necotrans ont respectivement pris le contrôle des terminaux roulier et vraquier du port de Dakar. D'ailleurs, certains acteurs du secteur et la société civile ont fortement contesté la concession accordée à Necotrans, dénonçant « un certain favoritisme dans l'octroi du contrat ».

L'effacement des multinationales françaises a coïncidé avec la montée en puissance de la Chine
« L'actuel régime est notoirement favorable aux intérêts français », a glissé une source politique à JA. Ce dont se défend Abdou Ndéné Sall, secrétaire d'État au réseau ferroviaire, bien au fait des grands projets d'infrastructures du PSE : « Nombre d'entreprises françaises du CAC 40 sont présentes au Sénégal parce qu'elles sont attirées par le dynamisme de son économie et par sa stabilité politique », explique-t-il.

Et Abdou Ndéné Sall de rappeler qu'à son arrivée aux affaires, Macky Sall avait bien dit qu'il était ouvert à tous ceux qui voudraient l'accompagner à travers des partenariats public-privé dans la transformation structurelle du Sénégal.

La stratégie de diversification des partenaires, aux oubliettes ?

Mais l'opinion aime à rappeler, un brin nostalgique, que c'est le prédécesseur de Macky Sall qui, le premier, a amorcé une vigoureuse politique de diversification des partenaires du Sénégal en se tournant notamment vers la Chine, les pays arabes et, plus généralement, vers les nouvelles puissances émergentes.

Parmi les actes les plus emblématiques de cette réorientation, le fait de confier la construction puis la gestion du nouveau terminal à conteneurs du port de Dakar à l'opérateur émirati Dubai Ports World (DPW) en lieu et place du français Bolloré, pourtant présent dans la ville depuis 1926. De même, l'implantation d'une cimenterie du nigérian Dangote au Sénégal avait été présentée comme une volonté de l'ancien président de créer de la concurrence à Sococim, filiale du français Vicat. Le choix du géant saoudien du BTP Saudi Binladin (SBG) pour construire l'AIBD est aussi typique de cette stratégie.

L'autoroute à péage Dakar-AIBD, exploitée par Senac SA, filiale d'Eiffage Sénégal, maître d'œuvre d'une partie de l'infrastructure, et l'exploitation de la mine géante de zircon, à Diogo, par Grande Côte Opération, détenue en partie par le français Eramet, sur la façade Atlantique nord du pays, constituent des exceptions en matière de gros investissements hexagonaux ces dernières années.

L'illusion du monopole chinois

L'effacement des multinationales françaises a coïncidé avec la montée en puissance de la Chine. Les énormes besoins sénégalais en infrastructures routières et de communication requièrent d'importants financements. Les entreprises chinoises ou turques, s'appuyant le plus souvent sur Eximbank, se sont positionnées avec succès sur ces marchés. Les marocaines reçoivent quant à elles le soutien des filiales des banques du royaume pour exécuter leurs contrats. Résultat, elles sont fortement présentes dans les grands projets immobiliers du pays.

La vision de Christophe Bigot, l'ambassadeur de France au Sénégal, tranche avec ce tableau. « Soixante-quinze pour cent des investissements étrangers réalisés dans le pays sont le fait de sociétés françaises qui apportent leurs capitaux, leurs expertises, leurs technologies, indiquait-il en décembre. Il est vrai que, le plus souvent, leurs dirigeants et leurs employés sont sénégalais et qu'elles paient leurs impôts dans le pays. »

Les multinationales seraient-elles l'arbre qui cache la forêt des autres investissements français ? Julien Giraud, conseiller export à l'ambassade de France à Dakar, n'est pas loin de le penser. « Les grands groupes ne sont que la partie visible de l'iceberg, assure-t-il. Une multitude de PME et d'entreprises de taille intermédiaire se sont déjà installées ou sont en train de le faire. »

Multinationales, partie immergée de l'iceberg

En effet, nombre de PME issues de groupes français investissent dans des secteurs à fort potentiel – avec l'émergence progressive d'une classe moyenne – comme les services financiers innovants, les technologies de l'information et de la communication (TIC), la distribution ou l'agro-industrie. Ainsi April, spécialisé dans le courtage d'assurances et basé à Lyon, en France, a ouvert en novembre à Dakar une filiale afin de gagner des parts sur un marché des particuliers en pleine croissance.

Atos fait travailler plus de deux cents ingénieurs dans la production de solutions numériques et s'est déjà mis sur les rangs pour tenir les premiers rôles dans le futur parc numérique et technologique de Diamniadio. Quant à Sénégal Atac Supermarchés, filiale d'Auchan créée en 2014, elle se déploie dans la distribution alimentaire à Dakar et vise la zone touristique de Mbour, à 80 km au sud de la capitale.

L'agro-industrie est l'autre filière qui attire les PME françaises. Ainsi en est-il des Grands Domaines du Sénégal (GDS), appartenant à la Compagnie fruitière, et de la Compagnie agricole de Saint-Louis (CASL), respectivement actives dans l'horticulture et la riziculture dans la vallée du fleuve Sénégal.

FRANCE : INVESTISSEUR NUMÉRO UN

Avec un volume d'investissements directs étrangers de 1,7 milliard d'euros, la France reste numéro un au Sénégal, selon les chiffres du site de la diplomatie française.

Les entreprises hexagonales implantées dans le pays représentent un quart du PIB et des recettes fiscales du pays. Elles emploient plus de 15 000 personnes dans quasiment tous les secteurs d'activité comme les télécoms, l'informatique, les mines, la finance, la logistique portuaire, le tourisme, la distribution, l'agroalimentaire, etc.

Paris, premier fournisseur

Sur le plan commercial, le Sénégal est le troisième client de la France en Afrique de l'Ouest, après le Nigeria et la Côte d'Ivoire. Paris reste son premier fournisseur et a bénéficié en 2015 d'un excédent commercial de 681 milliards d'euros (soit une progression de 34 milliards d'euros par rapport à 2014). Pendant la même période, le volume des échanges entre les deux partenaires s'élevait à 853 milliards d'euros.(JA 02-03-2017)

FIRST KENYA'S SGR TRAIN MAKES NAIROBI-MOMBASA TRIP IN 6 HOURS

First Kenya's SGR train has made its first journey from Nairobi to Mombasa taking around 6 hours using a passenger train which left Nairobi at 9.30am and arrived at the Mombasa Marshaling yard at around 4.00pm.
The SGR Project Coordinator Johnson Matu, speaking at the Mombasa marshaling yard (dubbed kilometer zero) at the Port of Mombasa, voiced their impression with the initial test run, whose primary purpose was to determine the train's performance ability on the new SGR track.
The test drive trip of the First Kenya's SGR train from Nairobi to Mombasa covered a total of 472km with Mtito Andei marking the first stop for two hours and five minutes.
Among the compartments towed along by the locomotive was a specialized compartment fitted with a computerized system said to see condition of the tracks and relay it to the computer system.
Mtito Andei, which is the mid-point of the 472km was inclusive of four coaches and two passenger locomotive engines of the DF 8B class. The train was reportedly cruising at a speed of 120km per hour from Nairobi up to Mtito Andei, with all the rail communication modern systems in place.
However, it took longer for the train to cruise after leaving Mtito Andei as they had opted to travel at much lower speeds since the signaling and communication system are yet to be complete. Work on the upgrade between Mombasa and Mtito Andei was set to reach completion today.
On board the test drive passenger train were 21 rail experts from the SGR main consultant, TSDI–APEC–Edon Consortium, China Road and Bridges Corporation (CRBC), Kenya Railways management and staff, and engineers from manufacturers of the locomotives and coaches respectively.
Kenya Railways Managing Director Atanas Maina explained CRBC, TAEC and KR's presence sighting completion acceptance tests. This is both in terms of the infrastructure and equipment, to ensure the standards expected by the client have been met.
He added that the test runs are for checking whether the locomotives, wagons and coaches will run on the track without hitches.
More tests are also being carried out on the entire signaling systems to examine capacity to recognize moving trains. He added that the speeds, reception and the dispatch from the stations, passenger comfort among others were also being checked. The tests are said to continue until May. (CRO 10-03-2016

ANGOLA'S TAX REVENUE FROM OIL EXPORTS REACHES US$953 MILLION IN JANUARY

Last January Angola exported more than 52.25 million barrels of oil at an average price of over US$51, indicates the Finance Ministry's monthly report on oil sale revenue.
Angola therefore posted an increase of more than 3.3 million oil barrels compared to the month of December 2016, when each barrel was sold for an average of US$44.2, accounting for a state fiscal intake of 114.5 billion kwanzas (US$686.6 million).
The Finance Ministry report adds that sales in the month of January earned tax revenue of 158.9 billion kwanzas (US$953 million), whose only parallel was in October 2015.
In 2014 Angola exported each barrel at more than US$100. But by March 2016 the price had fallen to a several-year minimum of US$30.4 per barrel.

The revenue figures refer to intake from the taxes on oil income (IRP), oil production (IPP) and oil transactions (ITP) and the national concessionaire's earnings from 12 national oil concessions.
The information contained in these Finance Ministry reports is derived from tax declarations submitted to the National Tax Directorate by oil companies, including the Angolan state oil company Sonangol. (28-02-2017)

ACTIS TO CONSTRUCT A US$ 96M MALL IN MOZAMBIQUE

Actis which is an international private equity fund that focuses on emerging markets has announced that it will construct a US$ 96m mall in Mozambique. The mall will be located in the capital Maputo.
The new mall dubbed The Baia Mall will have a total area of 30,000 m2 and will encompass a hotel, more than 100 shops and restaurants, a service area and over 900 parking spaces that will cater for all the visitors.
It is also anticipated that mega development will lead to the creation of more than 2,500 jobs.
The project is promoted by ATCM (Automobile & Touring Clube de Moçambique) in conjunction with private equity company Actis and RPP Developments.
Louis Deppe of Actis East Africa Real Estate confirmed the report and said that this will be the first investment in Mozambique done by Actis. They decided on the initiative since Mozambique is a strategic market that looks for good investment opportunities.
"We have for a long time viewed Mozambique as a strategic market looking for good investment opportunities, since we believe in the country. The Baia Mall represents a large-scale, international-level project which responds to the market needs," he said.
The mega mall will feature international brands like Super Spar, Game and Woolworths. Currently, more than 50 percent of the commercial space is already leased in a process that is being managed by reference real estate brokerage companies such as Foundation Capital, Broll and JLL.
Actis has a massive portfolio of more than 200 projects in 44 countries worldwide, totaling to a whopping US$9 bn of invested capital.
The company has invested in 11 real estate projects since 2004 in seven Sub-Saharan African countries and has a widespread experience in the development of commercial spaces in Africa like The Junction Shopping Mall in Nairobi, Nigeria's first shopping center- The Palms, Ghana's most up-to-date commercial and leisure space- the Accra Mall and Garden City in Kenya.
Completion of The Baia Mall is scheduled for end of 2017.(CRO 09-03-2017)

CHINA TO BUILD LARGEST CEMENT FACTORY IN EAST AFRICA

China is expected to construct the largest cement factory in East Africa to meet cement demand in the region. The cement factory will be constructed in the northeastern coastal city of Tanga in Tanzania.
The projected plant is estimated to be the giant in east and central Africa.
"The Chinese investors' move is recommendable as it intended to meet nation's cement demand as well as making the products is accessible at a comparative low price," said Tanzanian Prime Minister Kassim Majaliwa.
He made the comments when he met with representatives of Sinoma and Hengya Cement (T) Ltd, Tanga Regional Commissioner, Martin Shigella and officials from the Tanzania Investment Center (TIC).
The largest cement factory in East Africa, which will be constructed along the Indian Ocean coastline in Tanga, will offer lots of opportunities as it's in line with the Uganda-Tanga crude oil pipeline construction.
According to Majaliwa, construction of cement plant will act as a catalyst to Tanzania's industrialization strategy as well as hasten up nation's socioeconomic development.
President of Sinoma Company Peng Jianxin said that the investment will be executed in two stages, whereby in the primary phase around U.S. 1 billion dollars will be exhausted.
He said that almost immediately after production of cement, 70 percent of the product will be exported and 30 percent will be for local market.

“We’ll be using the Indian Ocean to sell abroad the produced cement to Somalia, Kenya and Mozambique. We’re also scheduling to export it to Sudan, Democratic Republic of Congo and Uganda,” the Chinese investor said.
The proposed plant is estimated to begin in May and construction of their wharf will begin during the same time so that the produced cement can be hauled directly from the factory.
Tanzania produces approximately seven-million tons of cement a year, with demand seen mounting at close to 10% per annum, according to government approximation.
Cement consumption is seen as a gauge of construction activity, one of the main drivers of economic growth in the state(CRO 02-03-2017)

AFRICAN TELCOS PRIORITISE EMERGING OPPORTUNITY TO STAY AFLOAT

In markets where 4G adoption is already gaining traction, discussions around fifth-generation network technology (5G) will take centre stage.

Telcos across Africa are focusing on effectively maximising the return on investment from data and monetising emerging opportunities such as the Internet of Things (IoT) to remain competitive and afloat. This is due to increasing levels of competition and is forcing them to seek new methods to stem the steady decline of traditional voice services. According to George Kalebaila, Research Director for telecommunications, media & Internet of Things at International Data Corporation, they expect greater market consolidation as telcos increase efforts to acquire smaller ISPs in response to the challenging marketing conditions.

“Market consolidation, especially in West Africa will be driven by heightened market saturation, declining average revenues per user (ARPUs), increasing operating expenditure and diminishing profit margins on services. IDC expects some consolidation, especially between local ISPs that possess 4G LTE frequencies and fibre-to-the-x or FTTX infrastructure and multinational telcos with solid financial support,” he says.

In markets where 4G adoption is already gaining traction, discussions around fifth-generation network technology (5G) will take centre stage, creating awareness and bringing the possibilities and expectations of future data networks to the forefront. “IDC expects vendors to focus on the higher bandwidth 5G offers and its potential ability to support emerging services such as IoT, seamless video on demand or IPTV, drone video recording, smart city solutions and virtual reality applications,” says Kalebaila. “We also expect 5G to deliver gigabit connections that enable seamless delivery of rich multimedia services and applications.”

As competition continues to increase in the more mature telecom and IT markets in Africa, the need to attract and retain customers through differentiation has become imperative. This means that telcos must move beyond traditional connectivity offerings and provide IT services such as unified communications and collaboration, cloud and data centre services. “In the medium to long term, telcos will be forced to re-evaluate their business models to efficiently design, develop and deliver cost-effective solutions and services. This may compel telcos to migrate from operating legacy networks to deploying agile systems that are capable of increasing operational efficiency while speeding up the time to market of new solutions,” he says. “Those telcos that prioritise technologies such as network functions virtualisation or

NFV and software-defined networking or SDN for the delivery of connectivity, cloud and data centre services, will be well placed to maximise cost savings, achieve greater efficiency and increase productivity."

In 2017, telcos are also expected to focus more on 4G monetisation strategies such as enhanced data offerings, service bundling and partnerships with digital media companies from a content perspective. While the deployment of 4G networks is already gaining traction across Africa, spectrum availability, low customer awareness, low coverage, high tariffs and the cost of 4G smartphone devices remain key challenges.

"The availability of affordable 4G smartphones is expected to increase 4G penetration and those telcos that are creative in their offering and allow customers to trade in their existing 3G smartphones and devices will differentiate themselves," says Kalebaila. "Rather than focus on extolling the features of 4G, telcos could further drive adoption by introducing innovative data bundles and transparent prices, particularly as 4G provides an opportunity to start transitioning to a data-centric model and preparing for a voiceless future."

He says open application programming interfaces (APIs) will become more commonplace, enabling the developer ecosystem to drive innovation and for telcos to improve partner management. "Historically, open APIs were used in traditional telco services such as USSD and SMS. Going forward, we expect the remarkable growth of financial services platforms, such as mobile money platforms, and breakthrough emerging technologies, such as IoT, to drive the release of APIs by telcos to the developer ecosystem. This will allow telcos to harness innovative and localised solutions."

Kalebaila says that telcos that take concrete steps to transform themselves internally will be best positioned to survive digital disruption. "The key focus areas in 2017 will include business model transformations and network efficiency improvements using IDCs 3rd Platform technologies, namely cloud, big data, mobility and social business," he says.

Before they can become digital transformation partners to their clients, the telcos will first need to harmonise their internal IT environments with external-facing IT systems and become digital providers to their own internal business functions. "By streamlining, optimising and modernising their own IT environments, telcos can leverage the lessons learnt internally to optimise customer service and experience to their external clients," says Kalebaila.

He adds that telcos need to identify their key challenges, prioritise the development of unique digital transformation strategies and implement a phased approach to digital transformation. "Telcos can, for example, use big data technologies to upsell and cross-sell services, design new products and services, or create new revenue generation streams from existing customer data assets. Understanding and tracking customer behaviour will also help telcos provide personalised and optimised offerings to their subscribers, to enhance customer loyalty." (ITNA 08-03-2017)

NAMIBIA HIT BY PHONE HACKING, SUSPENDS INTERNATIONAL CALLS

State-run telecommunications operator Telecom Namibia has temporary blocked calls to various countries following the discovery of a hacking syndicate that has so far defrauded companies of millions.

Several companies have been hit by telephone fraud, also known as "phreaking", under which fraudsters hack into private telephone systems and fraudulently make calls anywhere in the world.

Telecom said the scam has cost Namibian businesses over N$6 million (more than US$440,000) this month alone.

It said the criminals use phone phreaking to hack into telecommunication systems of individual companies and make long-distance calls.

As a result, calls to Angola, Burundi, Sierra Leone, Somalia, Senegal, Tunisia, Guinea, Burkina Faso, Cuba, Uganda, Sao Tome, Papua New Guinea, Monaco, Bosnia and Herzegovina, Macedonia and Albania have been temporarily blocked.

"The routes to these destinations have been blocked, meaning no calls can be made from Namibia to all the above mention countries," the company said in a statement on Tuesday.

Telecom Namibia is urging companies to ensure that their systems are adequately fortified against fraud. (APA 14-02-2017)

365 HOTEL CHAIN DEVELOPMENT PIPELINES REPORTED IN AFRICA IN 2016

A report by the W-Hospitality Group reveals that a total of 365 hotel chain development pipelines were reported in Africa last year in 2016, with 64,231 rooms.

According to the records, this is an increase of 29.2% from the 2015 where a number of 270 hotels and 49,715 rooms in the pipeline activity were recorded. Furthermore, another research done by JLL hotel research (Jones Lang LaSalle) predicts an investment of US$ 1.7bn in 2017, in hotels in Sub-Saharan Africa with an expected US$1.9bn more in 2018.

This is expected to increase the number of hotel rooms in the region from the current approximate of 257,000.

The continuous economic growth being experienced in Africa is constantly attracting both domestic and international investors majorly because of the extensive business opportunities. The hospitality industry is the main beneficiary of these investments because of its lucrative nature, a factor that makes clear the increasing development of hotels.

A rising middle class that is particularly concentrated in urban areas has also been recorded to be a contributor to the expansion of hotels in Africa.

It is also projected that by 2030, Africa’s top 18 cities are likely to have a combined spending power of US$ 1.3tn that will end up prompting more Africans to travel, internationally and domestically, as a result of growing disposable income, hence the need for more accommodation facilities.

However, even with the constant growth in the hotel industry, the tourist demand in Africa surpasses the provision of accommodation. Figures by UNWTO reveals that Africa received a whopping 58 million international arrivals in 2016, with the number expected to grow further in coming years.

W-Hospitality Group provides advisory services in the hotel, tourism, leisure, and real estate industries to investors(CRO 02-03--2017)

SOUTH AFRICAN COAL TRUCK DRIVERS PROTEST OVER RENEWABLE ENERGY PROGRAM

South African coal truck drivers have blocked highways in South Africa’s capital on Monday to protest against the nation’s renewable power program after President Jacob Zuma showed support for the sector in speech to parliament last month.

Zuma’s directive has infuriated South African coal truck drivers who said the signing of renewable energy deals will bring about 30,000 job losses in the coal industry. Coal is used to produce the lion’s share of power generated in South Africa.

Job cuts are a complex issue in Africa’s most industrialized nation where the unemployment rate is roughly 27 percent, and is a huge concern for companies faced with labor rows.

In a speech on Feb. 10, Zuma said state-owned utility Eskom will sign new power purchase agreements for renewable energy. Manufacturers of solar and wind power have been adding pressure on the utility to sign the deals.

Industry specialists have said Eskom has been signing new agreements to purchase renewable energy at a slower pace after power supply in the nation stabilize last year, following shortages in 2015 that led to power cuts across the nation.

“We are not in favor of the signing of the independent power producer program,” said Coal Transportation Forum spokesperson Mary Phadi. “All the mines that are producing coal are going to be impinged on and the power stations will be required to close down.”

Phadi said about 2,000 protesters in the sector were anticipated to march to the capital’s Union Buildings, where Zuma’s offices are situated. Eskom’s acting Chief Executive Officer Matshela Koko said the utility will not be renewing contracts of coal transporters delivering coal to Eskom.

“In actual fact we’re seeing Eskom using less and less coal because of excess capacity, negative energy growth and current boarding of the renewable IPPs,” Koko said on Talk Radio 702. Eskom said it had signed a coal agreement with the truck drivers that would end in May, 2018 but that this would not be renewed.
The utility said the trucks simply supply a portion of its coal, most of which is transported to its power plants from mines through conveyer belts and by rail(CRO 02-03-2017)

MIGRATION: EUROPEAN COMMISSION CALLS FOR FURTHER ACTIONS ALONG THE CENTRAL MEDITERRANEAN ROUTE

Ahead of the European Council meeting next week, the European Commission and the EU High Representative Federica Mogherini are today presenting the first steps taken to implement actions along the Central Mediterranean Route, as laid out in the Malta Declaration of 3 February and the Joint Communication from 25 January.
On the Central Mediterranean route, priority is given to the management of migration flows with €200 million being mobilised in 2017 for migration-related projects, in particular in Libya. The aim is to reduce the number of crossings and continue saving lives at sea, stepping up the fight against smugglers and traffickers, protecting migrants, increasing resettlement and promoting assisted voluntary returns and managing migrant flows through the southern Libyan border. Coordination has been intensified with international partners, such as the UNHCR and the IOM. For example, the IOM has been contracted under the EU Trust Fund for Africa to implement the humanitarian repatriation and reintegration of an initial target of 5 000 migrants in Libya. In 2017, so far, return assistance was offered to 560 stranded migrants.
Continued and increased cooperation with Egypt, Tunisia and Algeria is key, including through regional initiatives like the Seahorse Mediterranean network. EU Common Security and Defence Policy (CSDP) operations and missions, in particular EUNAVFOR Med Operation Sophia and EUBAM Libya are instrumental in the implementation. Operation Sophia has completed a first training package for 93 Libyan Coastguard and Navy personnel and started a second package. The Commission complements this with the expansion of specialist training for the Libyan Coastguard and Navy conducted through Operation seahorse, with 15 new training courses planned until July 2017.
The EU will continue to engage with third countries through the Partnership Framework, using all available policies and tools at its disposal, such as return policy, legal migration and operational tools, including the increased use of EU agencies, European Migration Liaison Officers and financial instruments. Synergies between the EU Migration Partnership Framework and the new initiatives in the context of the Malta Declaration will be further developed in the next months, particularly in the Sahel belt and southern side of the Libyan border, as well as to facilitate the swift Assisted Voluntary Return of migrants stranded in Libya. Stock will be taken in the June report of the Partnership framework, a year into its implementation. (EC 03-03-2017)
EU migration policy at glance
European Agenda for migration

SOUTH SUDAN'S DROUGHT VICTIMS NEED $1.6BN

Humanitarian organizations are appealing for $1.6 billion to provide life-saving assistance and protection to 5.8 million people across South Sudan in 2017, a statement issued by OCHA said on Tuesday.

"The humanitarian situation in South Sudan has deteriorated dramatically due to the devastating combination of conflict, economic decline and climatic shocks," said Eugene Owusu, the Humanitarian Coordinator for South Sudan.

"In 2017, we are facing unprecedented needs, in an unprecedented number of locations, and these needs will increase during the upcoming lean season."

Humanitarian organizations estimate that some 7.5 million people across South Sudan are now in need of humanitarian assistance and protection.

Since the conflict in South Sudan began in December 2013, about 3.4 million people have been forced to flee their homes, including nearly 1.9 million people who have been internally displaced and about 1.5 million who have fled as refugees to neighboring countries.

Food insecurity and malnutrition have skyrocketed, and the risk of famine is significant for thousands of people in conflict-affected communities and food deficit areas if early actions are not taken, the statement said

"With needs rising rapidly, we have rigorously prioritized the 2017 Humanitarian Response Plan to target those who most urgently require assistance and protection," said Mr. Owusu. "It is imperative that this appeal is funded early, and funded fully, so that the aid workers deployed across South Sudan can respond robustly and rapidly."

In South Sudan, humanitarian organizations use the window of opportunity provided by the dry season to deliver supplies by road. When the rains set in – usually in May – most roads become impassable and supplies must be delivered by air, multiplying the cost of the humanitarian operation, which is one of the largest and most complex in the world. Swift action during the dry season is therefore imperative, the statement added. (APA 14-02-2017)

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On June 13-16, 2017 the Corporate Council on Africa (CCA) will convene business and government leaders at its 11th biennial U.S.-Africa Business Summit in Washington, DC. The 2017 Summit will be one of the first opportunities for the U.S. and African private sector to engage with the new U.S. administration and and U.S. agency appointees.

Since 1997, CCA's U.S.-Africa Business Summit has been regarded as the essential U.S. conference on doing business in Africa.

Registration will open shortly. For more information, please visit Summit.CorporateCouncilonAfrica.com

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