MEMORANDUM

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11 YEARS OF UNINTERRUPTED PUBLICATION

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SWITCHMED OFFERS TRAINING ON EU PRODUCTS REGULATION TO TUNISIAN COMPANIES EXPORTING TO THE EU

The EU funded SwitchMed programme on sustainable consumption and production invites all Tunisian companies that export to Europe to attend its awareness raising event taking place on 4 April in Tunis, where the potential policies and the consequences for companies exporting to the EU will be presented and discussed.
This event is the start of a project in which a number of Tunisian experts will be trained in developing the Product Environmental Footprint, according to the (complex) EU rules and procedures. In a next stage, these experts will be applying these rules in a pilot project on one or two relevant Tunisian product categories. This pilot will provide the learnings for all Tunisian companies exporting to the EU.
The deadline for application is 28 March 2017.
The SwitchMed sustainable consumption and production programme aims to promote a switch by the Mediterranean economies towards sustainable consumption and production patterns and green economy, including low-emission development, through demonstration and dissemination of methods that improve resource and energy efficiency. It also seeks to minimise the environmental impacts associated with the life cycle of products and services and, where possible, to promote renewable energy. (SwitchMed 23-03-2017)
SwitchMed - Switching to more sustainable consumption and production in the Mediterranean

ANGOLA HAS LARGE DEPOSITS OF COPPER AND COBALT

The region rich in copper and cobalt in Zambia and the Democratic Republic of Congo extends to the Angolan territory by at least 116,000 square kilometres, according to the geophysical survey carried out as part of Angola's National Geology Plan (Planageo) the Minister for Geology and Mining said on Wednesday in Luanda.
Francisco Queiroz said Planageo had discovered the Cunene ornamental rock complex with an area of 45,000 square kilometres, covering the provinces of Huila and Cunene and extending into Namibia.
"The magnetic anomalies detected by Planageo show favourable signs for exploration of metallic and non-metal minerals such as iron, diamonds, copper, manganese, titanium, zinc, lead, bauxite and even radioactive minerals and phosphates," he said.
The minister, who was speaking at the proclamation ceremony of the Angolan Association of Geosciences and Support for the Oil Sector (AEAGSAP), said that, taking into account the results of Planageo, the government had launched a campaign to attract world-scale investors.
"We are hopeful that in the medium term, these investors will have a positive impact on changing the economic base of the country," said the Minister of Geology and Mining.

Queiroz said mining investment funds should also be set up for the active participation of Angolan businessmen in mining investment, involving partnerships with foreign investors.
The implementation of Planageo cost the Angolan state 40.5 billion kwanzas (225.8 million euros), and its implementation was awarded to the consortium made up of Impulso Industrial Alternativo, Spain's Geological and Mining Institute and Portugal's National Energy and Geology Laboratory. (23-03-2017)

AFRICA: DANGOTE GROUP TO RAISE FUND FOR AFRICA CENTER IN NEW YORK

DANGOTE

The Dangote Group will lunch a fundraising, beginning this month, for the development of The Africa Centre, in New York City.

Halima Aliko Dangote was recently appointed the President of The Africa Center in New York City with the major responsibility of raising capital for the center.

A statement said the goal is to raise funds to complete the center building in New York. In 2017, there would be three fundraising events lined up to achieve this, one of which will be hosted in Nigeria by the Aliko Dangote Foundation on the 23rd of March at the Eko Hotels & Suite Victoria island.

The Africa Center in New York City is a non-profit, multidisciplinary institution that will provide a gateway for engagement with contemporary Africa, and a platform for the most compelling content from the continent. The goal of the Africa Center is to help people understand and engage with contemporary Africa.

The center is located at One Museum Mile, at the corner of Fifth Avenue and East 110th Street in East Harlem, Manhattan.(Daily Trust 23-03-2017)

SIERRA LEONE: INDIGENOUS BANKER DECRIES LACK OF LOCAL PATRONAGE

The owner of Sierra Leone's only privately owned indigenous bank has decried low patronization of his bank by Sierra Leoneans.

James Sampha Koroma, proprietor of Union Trust Bank (UTB) Sierra Leone, said Sierra Leoneans prefer banking with foreign banks instead of a bank run by one of their own.

UTB is one of 13 commercial banks in the country, about 80 percent of which are Nigerian subsidiaries.

UTB was established in 1995 and despite the difficulty in coping with the more powerful foreign entities, it has grown to 12 branches across the country.

On Monday the bank opened its new corporate head office in central Freetown. UTB is particularly known for its extensive coverage of rural Sierra Leone and its pioneering support to women run small and medium enterprises.

Mr. Koroma, a former Central Bank Governor, is considered as one of Sierra Leone's most respectable economists. He laments in an interview that 90 percent of the profit in the commercial banking sector goes to the foreign owned banks.

He said this is partly due to the fact that most major businesses, including construction firms and mining companies, prefer banking with these foreign banks.

Koroma also said the lack of trust among Sierra Leoneans for one another makes them prefer banking with the foreign banks. And, in addition, huge cost of doing business, due to power generation requirements, complicates the situation.

"Sierra Leoneans should have trust in ourselves. It is because of this lack of trust that we are not progressing," he said. (APA 21-03-2017)

CHINA-LED DEVELOPMENT BANK ADDS MORE MEMBERS IN STATUS BOOST

The standing of the China-led Asian Infrastructure Investment Bank is set to receive another boost after 13 further applicants were granted membership.

The accessions will bring the total roster of member countries to 70, and leave Japan and the U.S. as the only Group of Seven states without a stake in the lender. Memberships for Afghanistan, Armenia, Belgium, Canada, Ethiopia, Fiji, Hong Kong, Hungary, Ireland, Peru, Sudan, Timor Leste and Venezuela would be completed once they finish domestic processes and deposit the first payment of capital, the AIIB said in a statement Thursday.

At a time when the Trump administration is signaling it will cut foreign aid and more broadly disengage from multilateral organizations, additions to the ranks of the AIIB signal China's increased role on the global stage. Shrugging off U.S. qualms about the lender, the U.K., Germany, France, Italy and other American allies such as Australia and South Korea already signed up last year.

"I am very proud that AIIB now has members from almost every continent, and we anticipate further applications being considered by our board of governors later this year," Jin Liqun, the bank's president, said in a press release.

About a dozen more nations are waiting for membership approval, bank spokesperson Laurel Ostfield said at a media briefing in Beijing. The door is still open to the U.S. and Japan, but the bank hasn't yet received any requests from the two countries, she said.

As new members join, existing ones will see a small downward adjustment to their voting powers, according to Ostfield. China currently holds about 27.8 percent of votes in the bank, the AIIB's website shows.

The bank has begun lending activities, backing nine projects in seven countries in 2016 with a total lending of $1.73 billion. Inaugural ventures ranged from a slum upgrade in Indonesia to a new pipeline linking gas fields in Azerbaijan to markets in Southern Europe, via Turkey. .(Bloomberg News 23-11-2017)

ANGOLA PREPARES LEGISLATION ON LOCAL CONTENT IN THE OIL SECTOR

The Angolan government is preparing a set of legal and economic measures on local content to ensure greater participation by domestic companies in providing services to the oil sector, the country's Oil Minister said on Wednesday in Luanda.

Botelho de Vasconcelos also said that because the ministry is responsible for promotion of local content in the oil sector, it will present a strategic project for integration and development of domestic enterprises to reduce the import of goods and services and ensure the diversification of economy.

According to Angolan news agency Angop, the minister, who was speaking at the proclamation ceremony of the Angolan Association of Geosciences and Support for the Oil Sector (AEAGSAP), said the project would weaknesses and risks associated with local content production to make it a reality.

The minister stressed that the use of the national services market will benefit all national and foreign stakeholders, bringing advantages to Angolans such as increased national income, new jobs, more tax revenue and a greater supply of goods and services.

"The regulation on local content, legislation on which is dispersed, should be concentrated in a law that protects national businesses," he said.

Botelho de Vasconcelos stressed that the participation of national companies in the oil sector is desirable and added that the Oil Ministry would facilitate contacts for establishing partnerships, "thus contributing to economic growth and development."

The Angolan Association of Geosciences and Support for the Oil Sector proposes to help local businesses to establish partnerships for exploration projects and services, participation in national reconstruction, employment promotion and enhancement of national skills. (23-03-2017)

INVESTING IN ZIMBABWE'S SMALLHOLDER FARMERS

Women do demonstrations during a Food and Agriculture Organization (FAO) Farmer Field Schools training in Zimbabwe.

To take his mangoes to Shurugwi, 230 kms south of Harare, requires Edward Madzokere to hire a cart and wake up at dawn. The fruit farmer sells his produce at the nearest "growth point" at Tongogara (the term for areas targeted for development) where the prices are not stable.

"As a fruit grower, I have been forced to sell the fruits for very little rather than let them rot," he told IPS.

"LFSP is improving farmers' ability to buy inputs and sell their products by strengthening farmer groups, improving farmers' access to financial services, connecting farmers to national and regional markets." -- FAO's Ali Said Yesuf

The poor performance of the economy has not made life easier for Madzokere, who struggles to provide for his family's basic needs.

"I wish to have knowledge to make mango fruit jam or to be able to dry fruits for selling," he said.

Madzokere believes with better information and the creation of links to outside markets for his produce, he can go a long way in this sector.

The U.N. Food and Agriculture Organisation (FAO) has highlighted the concentration of smallholder farmers in subsistence farming rather than farming as a business, which means they have low demand for inputs, resulting in few incentives for input suppliers to reach the farmers.

For Elias Matongo, an agribusiness dealer in Shurugwi, it's the same story. Matongo has been struggling to convince financial institutions to give him enough capital to expand his business. So far he has only managed to raise 2,500 dollars, which isn't enough.

"Agricultural inputs are very expensive, I need to get a loan for 5,000 dollars and more to be able to make farming inputs available and closer to farmers," Matongo told IPS.

FAO notes that 68 percent of Zimbabweans live in rural areas, where the economy is dominated by agriculture. In 2012, 76 percent of rural households were found to be poor. The agency further states that smallholder farmers often live in remote locations where infrastructure is poor and where input suppliers and buyers do not travel.

Ali Said Yesuf, FAO's Chief Technical Advisor, told IPS that his organization, with financial support from the United Kingdom's Department for International Development (DFID) of 72 million dollars, has launched the Livelihood and Food Security Program (LFSP) to increase agricultural productivity, increase incomes, improve food and nutrition security, and reduce poverty in rural Zimbabwe. The project, which commenced in 2015, will ultimately be implemented in eight districts in the country.

"LFSP will actively address the specific constraints that smallholder farmers face in raising the productivity of their farms and creating markets for their farming produce," says Yesuf.

More than 349,000 Zimbabweans are expected to be reached by 2018, selected based on poverty levels, food uncertainty and potential for market development.

"LFSP is improving farmers' ability to buy inputs and sell their products by strengthening farmer groups, improving farmers' access to financial services, connecting farmers to national and regional markets," Yesuf said.

Another key player, the World Food Program (WFP), is also working with FAO to support 5,389 smallholder farmers with the production of drought tolerant small grains, in order to strengthen their resilience. Last December, 93 percent of the planned 646 hectares were planted in selected areas in the country, including extension services, as WFP and FAO provide farming inputs such as seeds and fertilizers to small-scale farmers.

Eddie Rowe, WFP Country Director, said integrated strategies for reducing and mitigating risks are essential to overcome hunger, achieve food security and enhance resilience.

"Building resilience before, during and after disasters is necessary for supporting the government of Zimbabwe to achieve food security and adequate nutrition for all people by 2030, in line with the Sustainable Development Goals," Rowe told IPS.

FAO believes smallholder farmers play a critical role in food and nutrition security in Zimbabwe as they account for the bulk of the food that is produced in the country. Zimbabwe's has since put in place its Country Strategic Plan (2017-2021) to enable smallholder farmers to have increased access to well-functioning markets by 2030 supporting initiatives that promote efficient and profitable marketing.

In Manicaland Province, the Extended Nutrition Impact for Positive Practice (ENIPA) has been introduced. The program is a nutrition behaviour change methodology for promoting identified good nutrition and health practices. The approach encourages the participation of men to so that they become the change agents and champions in the communities.

"Men's participation is transformative as it transforms the household decision-making dynamics. It's turning out that a man who understand the importance of consuming nutritious food will support his wife to purchase/grow the same," Yesuf said.

The project is providing training in nutrition-sensitive agriculture through modules such as healthy harvest where there is selection, production, processing and preparation of diversified food types.

Supporting small holder farmers in the country is a certain path to sustainable production, with farmers like Madzokere already learning new concepts, broadening their horizons and focusing on outside markets. In this context, investing in agriculture simply makes good business sense.(IPS 22-03-2017)

RUSSIAN FIRMS SEAL GOLD EXPLORATION DEAL IN SUDAN

Sudan has signed a contract with Russian firms for the exploration of gold in the east of the country, a senior official of the Ministry of Metals in Khartoum tells APA on Tuesday.

The ministry had signed an agreement with a number of unnamed Russian companies to explore for gold and other minerals in the Red Sea State of eastern Sudan.

Sudanese Geological Research Director, Mohammed Abu Fatima Abdullah, told APA that Sudan has been confirmed to harbor enormous mineral wealth, thanks to geological surveys.
“The area chosen by Russian companies is very rich in minerals, and these companies chose it after using modern Russian technologies” he said.

The famous Red Sea Range is located in the region where the companies will operate. (APA 23-03-2017)

IVECO SET TO CONSTRUCT A US$ 22M ASSEMBLY PLANT IN KENYA

Industrial Vehicles Corporation (Iveco) which is an Italian industrial vehicle manufacturing company based in Turin, Italy, and entirely controlled by CNH Industrial Group is targeting to construct a US$ 22m assembly plant in Kenya in the Coastal city of Mombasa
This initiative will enable the company produce the Italian automaker’s range of commercial vehicle brands and enhance their growth in Africa.
The Chief Executive of Global Motors, Mr. Hussein Abadi confirmed the reports and said that they are the new local distributor of Iveco.
“We are the exclusive franchise holder for Iveco in Kenya and we are about to complete an assembly plant in Mombasa at a cost of US$ 22m.
Global Motors is expected to deal in a wide range of Iveco brands, including pick-ups, vans, buses, trucks and prime movers.
According to data from Kenya Motor Industry Association (KMI); Pick-ups, vans, buses and trucks accounted for more than 75 per cent of total annual new vehicle sales.
The return of Iveco reveals that there is an increased competition among formal dealers who are more and more focusing on the commercial vehicles segment that has emerged as the fastest-selling and most lucrative in the region.
The construction of the new assembly plant will lead to the creation of close to 500 jobs especially for the locals.
The plant will be commissioned in June this year.
Local assemblers benefit from the 25 per cent import duty waiver on imports of completely knocked down (CKD) parts, giving them a price advantage over imports of fully-built vehicles.(CRO 23-03-2017)

60% OF ANGOLA’S GDP CIRCULATES OUTSIDE THE FINANCIAL SYSTEM

More than half of Angola’s population lacks a bank account and it is estimated that 60% of the country’s Gross Domestic Product (GDP) circulates between people without ever going through the financial system, said in Luanda the chair of the Angolan Post Office.

Maria Luisa Andrade, who was speaking at the official opening of Angola's newest commercial bank, Banco Postal, said: "this is a significant loss to Angolan society, to the extent that these resources, as they are outside the financial system, do not generate taxes, they do not drive credit development and limit the growth of the country."

Andrade, quoted by state newspaper Jornal de Angola, said the opening of Banco Postal intends to respond to increased demand in the country for non-banking financial services and financial inclusion of the population.

Banco Postal will initially act in three segments, Xikila Money, Business and Trade, and Corporate & Personal.

Xikila Money is an innovative financial service and will enable citizens who have never had access to the financial system, to open their first bank account and to transactions in real time using a mobile phone at any time and at an affordable cost.

The trade and business segment is dedicated to small businesses and entrepreneurs who are in the informal economy and are served by banks and microfinance institutions. The third segment, Corporate & Personal, is designed for medium and large enterprises and individuals with high incomes.

Banco Postal is a commercial bank with an initial investment of US$30 million, owned by shareholders in the public and private sector, including the Angolan Post Office, the ENSA group and EGM Capital, with headquarters in the ESCOM building, in Luanda. (23-03-2017)

AFD GROUP, EU REVEALS MAJOR SUPPORT FOR ENERGY PROJECTS IN AFRICA

AFD Group and EU reveals major support for energy projects in Africa

At the Africa CEO Forum which opened this morning in Geneva, AFD Group – in partnership with the European Union – disclosed the "African Renewable Energy Scale-Up facility", intended to boost private sector investment in on–grid and off-grid renewable energy generation in Africa.

To meet Africa's continuously growing energy requirements, support must be given for mass development of the renewable energy technologies – particularly solar energy – that will play such a vital role in the coming years, given the current drop in costs and the emergence of new ground-breaking business models.

The EU's electrification financing initiative, "ElectriFI", helps to harness and encourage private sector investment to improve access to renewable energy. More particularly, it emphasizes on poorly-served rural populations and regions that suffer from an undependable electricity service.

AFD Group has secured US$ 25.8 million from the fund to set up the African Renewable Energy Scale-Up (ARE Scale Up) facility. With the assistance of the European Union, AFD Group will use this loaning facility to partner the early-stage development of ground-breaking electrification projects.

While precedence will be given to solar energy projects, other technologies (biomass, mini-hydro, etc.) will also be considered.

ARE Scale-Up has been planned with a view to unlocking synergies between AFD and its private sector financing subsidiary, Proparco, and assembling stakeholders in both the public and private sectors. Of the €24 million allocation secured from the EU fund:

• US $ 12.9million will be used by AFD to deliver technical assistance amenities to reinforce regulatory and institutional outlines in the nations concerned and to prepare funding of private or public sector renewable energy initiatives in Africa.

• US $ 12.9 million will be used by Proparco to finance back-stop facilities for venture capital investments in private off-grid electricity providers (e.g. solar power kits and mini-grids). This should provide approximately one million African homes with access to energy and boost extra renewable energy capacity of 50MW for the Continent as a whole. In the next 5 years, Proparco will deliver seed funding for between 5 and 10 businesses with ground-breaking, high-potential projects.

As Emmanuelle Matz, Head of Proparco's Energy and Infrastructure division explains "the ARE Scale-Up facility will give us with fresh resources to partly cover our risk exposure in the new off-grid solar energy sector and let us to partner other types of business models (such as mini-grids and small-scale distributed generation systems).

These types of models are rising quickly in rural zones where they can deliver solutions to the rural/urban energy divide and also tackle the needs of the poorer sections of the populace. They considerably enhance living conditions for families thanks to the positive profits in terms of health, productivity and education."(CRO 21-03-2017)

UGANDA: TRADERS DISCOVER NEW TRADE ROUTE TO S/SUDAN

Ugandan traders operating in conflict-stricken South Sudan have discovered a new trade route passing through the north-east of the Democratic Republic of Congo.

The route guarantees access to markets in the western parts of South Sudan which are relatively peaceful,

Davin Angutia, a logistics agent in Kampala revealed on Tuesday.

He said many Ugandan and South Sudanese traders, who used the Koboko-Oraba-Yei route to the capital Juba as well as major towns and states in the west of the country have been passing through northeastern DRC for security reasons.

This follows heightened insecurity especially along Oraba-Yei-Juba road where rebel soldiers of the Sudan People's Liberation Movement In Opposition (SPLM-IO) are active and hold swathes of territory.

Although South Sudanese government forces still hold the town of Yei, rebels have strong bases nearby and have made the highway highly insecure.

Simon Anguyo, a Ugandan trader who regularly uses the route, said Western Equatoria State is relatively peaceful compared to the states of Central Equatoria and Eastern Equatoria.

According to Anguyo, many traders are using the DRC routes via towns like Ariwara, Ombokolo, Duruba and Isiro to access South Sudan's major towns like Yambio and Maridi in Western Equatoria State and Wau further north.

The DRC route is not only long and rough, but is also not entirely safe as rebel soldiers of the Lord's Resistance Army (LRA) as well as other Congolese insurgents operate not very far away.

Trade between Kampala and Juba is being significantly affected after South Sudan plunged into conflict pitting the government of President Salva Kiir against rebels led by his former vice president Dr. Riek Machar. (APA 21-03-2017)

CHINESE ROAD CONSTRUCTION PROJECTS IN NAMIBIA A BOON FOR YOUTH

The ongoing road construction projects in Namibia by China has proved to be a boon for the youth in the country who needed employment opportunities,human resource manager for China Henan International Cooperation Group has announced.

The firm says that it has been able to employ over 6000 youths in the region to the various work sites hence reducing the unemployment rates in the country.
The human resource manager added that in the recently upgraded a road linking Otjinene with Okamatapati in the east Omaheke region they were able to change the lives of the youths around the project both skilled and non skilled.
The over 140-km road that was upgraded to bitumen standards by the company was inaugurated by President Hage Geingob last week.
Nashixwa has been part of the project for the past three years and she says the whole industry has transformed her life in ways she could have never imagined.
“We are currently having more than five road projects that we are working on and we are happy that we have more that 70% of the work force locally which is above the government requirements that needs over 50% of work force to gather from the locals” he added.
He said that most of the companies from China are keen on ensuring that they use the local task force to reduce the high number of unemployed youths.
According to the local minister for transport they are looking forward to ensure that the construction sector is occupied by the locals to ensure that those who are jobless are well catered for.
He added that there are more new projects coming up as well as many new rural roads being built, will connect the country’s many small and remote villages to the main road network.
Yet apart from improving transportation and boosting trade, the official suggests the road has transformed many local people’s lives in a more specific way.(CRO 21-03-2017)

IMF CONCERNED ABOUT RISING PRICES IN ANGOLA

Rising prices in Angola, ranging between 2.0% and 2.5% in monthly terms in spite of the monetary policy measures adopted, is one of the concerns of the International Monetary Fund (IMF), the head of the mission to Angola, Ricardo Velloso, said on Wednesday as he arrived in Luanda.

The mission met with some members of the Economic Commission of the Council of Ministers to present the agenda that will take over a week to prepare for the annual consultation mission under Article IV, due to visit Angola at the end of the year.

At this meeting, which did not provide a detailed analysis of specific cases, attended by the ministers of Finance, Archer Mangueira, of the Economy, Abrahão Gourgel, the governor of the National Bank of Angola, Válter Filipe and representatives of the Ministry of Planning and Territorial Planning.

Velloso said it was necessary to reduce inflation rates and stressed that monetary policy decisions taken by the National Bank of Angola for strong contraction of the monetary base, stability of foreign exchange and the official and black market exchange rate have as yet had no significant impact.

“The IMF’s concerns are the same as those detected in the previous mission and were presented in the recently produced report,” said Velloso. (23-03-2017)

EIB SIGNS EXTENSIVE SUPPORT FOR KENYAN ENERGY AND TRANSPORT

During an official visit to Kenya, the European Investment Bank (EIB) has pledged new support for projects in the power and transport sectors. Also, at a press conference In Nairobi with Cabinet Secretary for the Treasury Henry K. Rotich, the signature of a connectivity project was announced. The EIB’s three-day programme will include a site visit to the Lake Turkana Wind Park, the largest windfarm in sub-Saharan Africa developed by the private sector, which the EIB helped finance in 2014.

At the Treasury the EIB signed the “Last Mile Connectivity” project, which will connect nearly 300.000 Kenyan households (equalling up to 1.5 million Kenyans) to the national electricity grid. The EUR 60 million (Kshs 6.7 billion) EIB loan concerns a multiple scheme electrification project, targeting universal access to electricity for the Kenyan population by 2020. It is part of a European “blended” financing package comprising a EUR 90 million (Kshs 10 billion) loan from the Agence Française de Développement and a EUR 30 million (Kshs 3.3 billion) grant from the European Union.

EIB Vice President **Pim van Ballekom**, responsible for operations in East Africa, commented: "Kenya is increasingly becoming a hub for the region on many levels. We as a bank must look at this from a very basic point of view, namely that there is a young and growing population with enormous potential, and that you need investments to support that momentum, both directly and indirectly. Thanks to today's signature over 300.000 Kenyan households – up to 1,5 million people - will soon be connected to the electricity grid, a basic condition for further economic growth. Two further projects that we have committed to will improve access to Mombasa harbour and support geothermal energy at Olkaria. Contributing to key infrastructure is one of the ways in which the EIB supports basic services, entrepreneurship and competitiveness in Kenya and we are happy to be able to partner up with local and European partners to achieve this."

Letters of intent were signed for two further very advanced projects, one being an extension of the existing Olkaria I geothermal plant. Here, the financing - for a total amount of EUR 113 million - will support the addition of a 70MWe turbine, as well as the construction of the necessary wells, steam gathering system and interconnection facilities. Next to that, the EIB pledged to finance an upgrade and widening of the Port of Mombasa access road, regarding the section of 42kms between Mombasa and Mariakani. The project aims to improve the safety situation on the road as well as alleviate congestion which causes delays for goods travelling through Mombasa. The project is co-financed by a concessional loan of EUR 50 million approved by the German Government and to be provided by KfW Development Bank, as well as a EU grant contribution and a loan from African Development Bank.

Just last week, the EIB signed a USD 17.5 million commitment into Catalyst Fund II, a Nairobi based growth equity fund supporting SMEs and Mid-Caps in East Africa. Priority target countries for this fund include Kenya, Tanzania, Ethiopia and Uganda, with several others also under consideration. The fund has a target size of USD 175 million with which Catalyst intends to invest in up to 12 companies, with the goal of generating social and developmental impact benefits.

The European Investment Bank has supported transformational investment across Africa for more than 50 years and operates in Kenya since 1977. Over the last decade the EIB has provided more than EUR 22 billion for long-term investment across Africa.(EIB 27-03-2017)

CABO VERDE REINFORCES OPENNESS TO FOREIGN INVESTMENT

Cabo Verde (Cape Verde), the Portuguese-speaking African country with the highest level of development and greatest political and economic stability, is preparing a set of measures to further open up the archipelago to foreign investment, according to a recent publication.

Recent developments and prospects for this year in the Cabo Verde archipelago are the focus of the first of the Africa Reports, a new publication launched this month, joining Africa Monitor Intelligence, Legis-PALOP (http://www.legis-palop.org/bd), a legal knowledge and information sharing platform and Eupportunity (http://www.eupportunity.eu/), a consultancy specialised in European affairs.

Among the main trends identified in Cabo Verde for the coming months are privatisation, pending the presentation by the government of a programme that includes the management of ports and airports, energy and water, ship repair, air transport, production and sale of drugs and the financial restructuring of public enterprises, in particular airline TACV and real estate company Imobiliária Fundiária e Habitat (IFH), which is in a weak financial situation due to the risks of its largest housing project (House for All).

Other trends identified include improving the business climate “one of the government’s big short term goals,” as the “reduced margin for public investment” means the private sector, especially when related to foreign investment, “has to assume a more prominent role as a driver of growth and employment, based on the considerable expansion of infrastructure in recent years.”

“The tax reform package is ambitious, as are the aims of creating conditions to promote financing of the economy. Similarly, measures are expected for greater flexibility of the labour market and education and training initiatives, to further reduce a mismatch of skills, which affects productivity,” says the report.

The second half of the year will be also marked by regionalisation, mooted in January, including a “government” and a deliberative assembly on each island as well as the deepening of relations with the European Union.

The report includes information on international development assistance from various international institutions funds – including the European Union, the European Investment Bank, the World Bank and the African Development Bank – and also data on the foreign investment regime, including guarantees for investors and setting up companies with foreign capital.

The report also highlights the top five figures in Cabo Verde in recent months, including Ulisses Correia da Silva, elected prime minister in 2016, with an absolute majority, breaking a 15-year cycle of governance by left-wing party PAICV.

The political hegemony conquered in 2016 by his party, MpD, gives Ulisses, “unique conditions to impose its agenda, in stark contrast to the governments (of former Prime Minister) José Maria Neves: administrative decentralisation, reduction of the state’s role in the economy, more private enterprise, improving the business climate to attract investments to the tourism sector and beyond this,” the report said.

“The high debt burden inherited from the previous government, together with the weak financial situation of the major public companies are urgent problems to be solved,” it said. (27-03-2017)

FOREIGN INVESTORS PERK UP ON PROSPECTS FOR SOUTH AFRICA

Foreign investors are a lot more upbeat about SA’s politics and equity market than they were a year ago, and this was reflected in record attendance at the 18th annual Merrill Lynch investor conference last week.

The foreign investors at the conference were looking to potential positive changes after the ANC’s elective conference and beyond, and fears of SA losing its investment grade in 2017 had been pushed out, Merrill Lynch SA investment strategist John Morris said on Thursday.

The investment banking group’s latest survey of domestic fund managers found that only 18% of local fund managers expect SA to lose its investment grade rating this year, down from 70%-80% in 2016, at the time of the threats to Finance Minister Pravin Gordhan. Morris said if SA did get downgraded, it would only be in 2018.

Local fund managers were also "macro-optimists" when it came to inflation and interest rates, with 75% expecting two interest-rate cuts within the next 12 months, with the first (of 25 basis points) coming in the third quarter of 2017. Many foreign fund managers also saw interest rates coming down and were looking to stocks such as retail geared to a "recovering consumer", Morris said.

However, the South African business representatives at the conference did not share the fund managers’ view on interest rates, but expected rates to remain flat. The Merrill Lynch investor conference, held at Sun City, brings together some of the world’s largest fund managers with South African-listed companies for one-on-one meetings and informal interaction. Although the JSE-sponsored annual investor conference in New York brings together some of the same players, the Merrill Lynch conference is the largest held in SA. This year it hosted a record 69 companies, including 30 of the top 40 JSE-listed entities, and attracted 184 investors from 71 institutions, of which 46 were offshore and 25 local.

There were a record 587 one-on-one meetings between fund management houses and companies. The companies which attracted the most interest from investors were mainly in the retail sector.

The top 10 companies most in demand were Shoprite, Woolworths, Brait, Naspers, Foschini, Clicks, Truworths, Bidvest, Spar and Mediclinic.

Most of the interest was in "SA Inc" stocks such as consumer-related and financial stocks, with much less interest in resource stocks than in previous years.

Merrill Lynch head of SA global markets Neil Cohen said the foreigners were very underweight on SA equities and were looking for opportunities and were generally more upbeat on South African equities than the local fund managers were.

Most were emerging-market fund managers, and while they were clearly worried about the political environment and the way SA could go, when they compared SA with the turmoil in emerging markets such as Russia, Turkey, and Brazil "SA does not look so bad", Cohen said.

Foreign ownership accounts for about 47% of the JSE equities market on a free-float basis, down from a peak of about 53% a year and a half ago.

Global emerging-market fund managers have been underweight on SA, which makes up about 7% of the emerging markets benchmark, and were looking to raise their position to neutral. However, while they generally felt SA was past the worst, economically and politically, they were not going to go into SA aggressively, because of the uncertainty about its politics, Merrill Lynch executives said. (BD 24-03-2017)

MOZAMBIQUE, AUSTRIA TRADE HITS €11M IN 2016

The volume of trade between Mozambique and Austria has expanded over the past few years and reached €11 million in 2016, Austrian ambassador to Mozambique, Brigitte Oppinger-Walchshofer said on Tuesday.

Speaking after meeting Mozambican President Filipe Nyusi at the end of her tour of duty in Maputo, Oppinger-Walchshofer revealed that €3.5 million of the trade was exports of goods and services from the European country to the southern African country.

She said trade in the past four years has seen a level of growth, with two business missions and two others in the Austrian capital Vienna.

During the meeting with Nyusi, the parties reviewed the achievements made in the field of bilateral cooperation relations which, according to the diplomat, were fruitful.

"Bilateral cooperation between our two countries has made significant progress, with a greater focus on rural development through agriculture and water provision, particularly in Sofala province," Oppinger-Walchshofer said. (APA 21-03-2017)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, Business Council for Africa, Corporate Council on Africa, ELO -

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

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ACP PARLIAMENTARY ASSEMBLY CONVENES IN BRUSSELS

Brussels, 23 March 2017/ ACP: The ACP Parliamentary Assembly held its 45th session and first plenary meeting of the year on Wednesday 22 March at the ACP House in Brussels. Hon. Netty Baldeh of the Gambia presided over deliberations, which brought together lawmakers from more than 70 countries to discuss relevant political and development issues, and prepare for the intersessional meetings with members of the European Parliament later this week.

The ACP Parliamentary Assembly highlighted the importance of preparations for negotiating future relations with the EU after the current partnership with ACP countries (known as the Cotonou Agreement) comes to an end in 2020, especially engaging the ACP regions in political dialogue.

Speaking on behalf of the ACP Secretary General Dr. Patrick Gomes at the event, Assistant Secretary General Amb. Léonard Ognimba reminded the Assembly of their critical role to “actively defend the interest of the ACP Group to achieve the ACP we want,” stating:
“The year 2017 is one of great expectations. We have a range of issues on the table like migration, climate change, private sector development and most importantly, negotiations for the post Cotonou framework.

With regard to the post Cotonou negotiations, we have the solemn Declarations by ACP Heads of State and Government... of their commitment to the objectives and principles of peace and security of all nations, the solidarity among nations of the global south, and most importantly an ACP that remains unified as a trans-regional entity.”

Amb. Ognimba highlighted the decision of the ACP Council of Ministers in November 2016 to focus on three strategic pillars as the basis of a new all ACP umbrella organisation:
i. Trade, investment, industrialisation and services:
ii. Development cooperation, technology, science and innovation/research; and
iii. Political dialogue and advocacy.

He said the negotiation process for an ACP-EU post-Cotonou Agreement is envisaged as leading to a legally binding agreement, in addition to a dedicated development finance mechanism.

The ACP Parliamentary Assembly session also debated reports from its three standing committees, that is the Committee on Political Affairs (currently chaired by Côte d’Ivoire), Committee on Economic Development Finance and Trade (chaired by Kenya), and the Committee on Social Affairs and the Environment (chaired by Samoa).

The meeting, along with the joint intersessional meetings with EU counterparts, will lead to the 33rd session of the ACP-EU Joint Parliamentary Assembly, which will together both ACP and EU Members of Parliament in St. Julian's, Malta on 17-21 June.

(Photos from top: President of the ACP Parliamentary Assembly Hon. Netty Baldeh; Report of the Committee on Economic Development Finance and Trade delivered by Hon. Joyce Laboso of Kenya; Assistant Secretary General of the ACP Group Amb. Leonard Ognimba (centre) welcomes the Assembly to ACP House; Samoan MP (centre) delivers report of the Committee on Social Affairs and the Environment)

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