MEMORANDUM

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SUMMARY

COTONOU REDEFINED: AN END TO AID DEPENDENCY?

The oldest and most wide-reaching agreement between European donor countries and recipient nations is officially up for review.

The Cotonou Partnership Agreement between the European Union and 79 countries, mostly former colonies, of the Africa, Caribbean and Pacific group of states governs some 30.5 billion euros ($33.3 billion) in aid over the 2014-2020 period of the 11th European Development Fund. It also contains pillars to encourage political cooperation and promote trade.

The new CPA will take effect in 2020, with an initial memorandum of understanding due in 2018, according to ACP Secretary General Dr. Patrick Ignatius Gomes. Given the number of players and the contractual nature of the accord, negotiations are expected to take the entire period.

Both the EU and the ACP have already begun internal reviews.

Last October the EU launched a 12-week comment period that closed on Dec. 31. While the results have not been made public, Devex understands that European officials are beginning to hold internal discussions.

The ACP meanwhile has been holding workshops, meetings and hearings that have included the participation of member country ambassadors in Brussels, Belgium, representatives of the European NGO umbrella group CONCORD, and the United Nations Development Program. Preparations began at the 2012 ACP summit and consultations have been held on six continents, with extensive debates planned at the ACP summit in Papua New Guinea in May.

Fundamental change

The formal process has been spiced up by the release of a report by the think tank European Centre for Development Policy Management. By challenging several basic assumptions, such as whether the special EU-ACP relationship remains relevant in the 21st century or even whether aid should be a primary tool to encourage development, the ECDPM document has set off a “a little bit of an atomic bomb in certain circles” of the Brussels development community, according to ECDPM Deputy Director Geert Laporte.

What you need to know about European climate finance

As the world's largest climate finance donor, the European Union plays a pivotal role in shaping how the global community combats climate change. Here's what you need to know about the bloc's contributions to the global finance architecture.

As the direct descendant of the earlier Lomé Convention, the CPA can trace its roots to the signing of that accord in 1975. The agreements “were always heralded as masterpieces of ‘north-south’ relations,” according to Laporte, with the current pact signed in 2000.

“We have been following this for 30 years,” he noted. “We were positive in the 90s, but now we are much more skeptical because the world, Europe and the ACP have fundamentally changed.”

Emerging nations are increasingly organized along geographical lines, as with the African Union, or specific interests, notably the Alliance of Small Island States, which played an important role in the COP21 climate talks in Paris last year, according to the ECDPM report.

Sensitive political issues such as terrorism, migration and security tend to be addressed in talks between the EU and these organizations, according to Laporte. Meanwhile, the EU has concluded trade agreements with groups of countries of sub-regional organizations such as the Economic Community of West African States, known as ECOWAS.

“These groupings have gradually taken over the role of the ACP,” said Laporte. “This leaves Cotonou only with a big pot of money, but very little economic and political traction.”

The ECDPM report also challenges the notion that aid should be the primary tool for development, especially in light of the 2030 Agenda for Sustainable Development, which stresses shared, albeit differentiated, responsibility.

“Traditional north-south partnerships are based on aid dependency,” said Laporte. “Despite having a contractual agreement, despite talk of an equal partnership, you can say that one party is more equal than the other. In practice, the European Union takes all major decisions — on country allocations, on the way the money should be spent.”

Champions of the Cotonou agreement stress its staying power.

“A large number of developing countries can work with developed countries in a whole complex but integrated procedure in addressing underlying concerns — namely poverty eradication,” said Gomes. “The fact that it has had 40 years of existence means that it has acquired a certain historical legacy.”

Critical examination

But that legacy must be examined “very critically,” noted Gomes. The review process aims in part to “reorient, reinvent and reposition the ACP to deal with a new external environment, and also to build on what has been acquired in all these years.”

This new vision includes efforts to “diversify our partnerships,” moving “beyond Europe,” as Gomes put it. This includes building fruitful “south-south” relationships with countries including Brazil and India, closer cooperation with least developed countries that are not ACP members, and joint efforts based on common trade-related issues such as fisheries management.

Laporte acknowledged that opponents of development aid could use the Cotonou negotiations to further their agenda.

“That is one of the fears and to some extent it is legitimate,” he said. “You hear it not only from NGOs but also from [EuropeAid].”

“But the question is whether aid is the right tool in this moment in this global world to bring development,” added the ECDPM deputy director. “We sometimes believe that aid has been sidetracked by certain elites and that it has postponed a healthy dose of governance reforms.”

Gomes preferred to talk less about aid and more about trade and other ACP initiatives.

“We have large issues to deal with in global governance,” he said. “What are we going to do about illicit financial flows? People speak about aid. There is more money being lost illicitly by transfer pricing, or the transnationals that invest in African countries than comes in under this nebulous thing called aid.”

EU officials responsible for the CPA declined to speak on the record, but a spokesperson called the ECDPM report “an interesting contribution, amongst many others” and noted that there is “an overall agreement that there is a need to adapt the partnership to the new context and to today's common interests.” (DEVEX 07-03-2016)

MOZAMBIQUE APEX BANK KEEPS BENCHMARK LENDING RATES UNCHANGED

Mozambique's central bank says it has opted to keep its key interest rates unchanged at 10.75 percent for at least the next month on the back of worries about the impact of severe drought, rising inflation and political instability on the country's growth targets.

“In light of the projections for inflation in the short and medium term, which continue to reflect the prevalence of factors of pressure, the Committee thinks it important to strengthen the coordination of fiscal-monetary and sector policies, as well as the monitoring of the main macro-economic indicators,” the bank said in a statement on Tuesday.

This means there was no room for reducing interest rates.(APA 15-03-2016)

MOZAMBIQUE MAKES PROPOSAL TO INVESTORS TO RESTRUCTURE EMATUM’S DEBT

A delegation from Mozambique will meet this week with investors in the United Kingdom and the United States in an attempt to gain support for the restructuring of debt totalling US$697 million of Mozambican tuna company Ematum, financial news agency Bloomberg reported.

The delegation, headed by Finance Minister Adriano Maleiane, met Monday in London with bondholders of a total if US$850 million, part of which has already been paid back, and are expected to hold a similar meeting Tuesday in New York.

The original loan was placed in 2013 by Credit Suisse and VTB Russia, which have now been hired to seek approval from investors for the restructuring process.

Ahead of a payment that was to be made Friday, the two banks have proposed conversion of bonds maturing in 2020, of which US$697 million has yet to be paid at a coupon of 6.305 percent, into other bonds maturing in 2023.

However, Fitch Ratings placed the credit rating on Mozambique's debt under credit watch because of the proposal to restructure Ematum's debt, which according to Fitch is a default on payments. (15-03-2016)

EIGHT MARCH': WOMEN ARE THE FUTURE OF THE MEDITERRANEAN

"Women's socio economic empowerment and youth employability (are) at the heart of regional initiatives", the Union for Mediterranean (UfM) said in a statement issued on the occasion of International Women's Day, on 8 March.

The UfM noted that "women largely contribute to human development and stability in the region. In some countries, they make up as much as 63 percent of university students. However, in the Mediterranean region, they represent only 28% of the labour force, 12% of entrepreneurs and 16% of the political class". It said "the region could increase its GDP per capita by 25%, by enhancing women's equal participation in public life". (UfM 09-03-2016)
http://ufmsecretariat.org/womens-socio-economic-empowerment-and-youth-employability-at-the-heart-of-ufm-regional-initiatives/

BURKINA: W/BANK PUMPS $4.5M INTO FORESTRY PROJECT

Burkina Faso has begun the implementation of a project supporting local population's dependence on the forest (FPAP) thanks to a $4.5 million funding from the World Bank, the Ministry of Environment told APA.

Spread over four years (2016-2020), the project will cover 32 targeted communes in the Boucle du Mouhoun, Central West, South Central, Eastern and South-West regions.

The key objective of the project is to build the capacity and specific initiatives of targeted local communities living around Burkina Faso's forests.

It will also look to deepen their participation in the Forest Investment Program (FIP).

Following her admission to the Strategic Climate Fund, since 2015 Burkina Faso has been implementing the FIP funded by the African Development Bank (AfDB) and the World Bank to the tune of CFA 21.4 billion over a five-year period.

The initiative is conducted in eight pilot countries three of which are in Africa, namely Burkina Faso, Ghana and DR Congo.(APA 15-03-2016)

INDIAN GROUP HIRES CONSULTANT FOR THERMAL POWER PLANT IN MOZAMBIQUE

Indian group Jindal Steel and Power plans to hire a consultant to manage the project to build a 140-megawatt thermal power plant next to its coal mine in Chirodzi, Tete Province in Mozambique, reported the international press.

According to the announcement published last Friday, the planned power plant is half the size of the one initially projected about a year ago, when the director of operation in Mozambique said the project included two 150-megawatt power plants.

The project of this single plant will be owned by Jindal Investimentos, a subsidiary controlled 100 percent by the group subsidiary incorporated in Mauritius. JSPL Mozambique Minerais Limiada, which operates the coal mine, is 97.5 percent own by the Mauritius subsidiary, in turn 100 percent controlled by the Indian group.

The energy produced by the plant will be sold to state-owned Electricidade de Mocambique (EdM) under 25-year contract, said the announcement from the Indian group published in Mozambican daily newspaper Notícias.

The announcement said that after selecting the consultant Jindal Investimentos will launch tenders for the construction of the power plant on turnkey basis as well as signing a contract for operation.

This power station will require construction of a 220kV power transmission line between Songo and Matambo. (15-03-2016)

TOTAL TO BUILD PIPELINE FROM UGANDAN OIL FIELDS TO PORT OFF TANZANIA

Total has funds to build a pipeline linking oil fields in landlocked Uganda with a port on Tanzania’s Indian Ocean coast, the Tanzanian government said, after its president met an official from the French company.

Total’s vice-president for East Africa, Javier Rielo, "assured President John Magufuli that the company will begin construction of the crude-oil pipeline project from Uganda to the Tanga port as quickly as possible, because there is money for the project," the presidency said on Monday. A Total spokesman in Paris was not immediately available to comment.

The 1,410km pipeline will cost as much as $4bn and employ 1,500 people directly, according to the presidency. Mr. Magufuli announced on March 2 that Uganda had agreed to the deal for the facility, which will connect Uganda’s Lake Albertine oil fields to a port in Tanga, Tanzania.

Tanzania will also benefit from the pipeline should companies prospecting in the centre of the country and in Lake Tanganyika strike oil, minister of energy and minerals Sospeter Muhongo said in the Presidency’s statement.

Kenya, which has been trying to sign an agreement for Uganda’s oil to flow through its territory, has dismissed assertions that the infrastructure would be routed through Tanzania. A link via Kenya could cost an estimated $4.5bn.

One of the routes proposed by Kenya would be through its northern territory to the coastal town of Lamu. That’s an area close to Somalia, where Islamist militants have been waging an insurgency against the government for the past decade. The al-Qaeda-linked fighters have also carried out attacks in Kenya.

Ugandan oil is also being developed by China National Offshore Oil and London-based Tullow Oil.

*(*Bloomberg 14-03-2016*)*

AGRICULTURAL CAMPAIGN IN MOZAMBIQUE PARTIALLY LOST DUE TO DROUGHT

Eleven percent of the areas plowed and during the current agricultural campaign in Mozambique were reported lost due to drought associated with the “El Niño” phenomenon, according to a report released Tuesday by the Council of Ministers.

The government spokesman, Mouzinho Saide, said that the 11 percent accounted for about 518,000 hectares planted with various crops, particularly corn, rice and legumes.
“From the analysis it appears that there is still a possibility of production in the north and centre of the country, while in the south it is considered the campaign failed,” Saide stated, cited by Mozambican daily newspaper Notícias.
The failure of the first season of this agricultural campaign puts some 375,000 people at risk of food insecurity by June. That number is expected to increase to just over 1.7 million people by the next rainy season if there are no substantial changes. (09-03-2016)

NAMIBIA TO REVIEW ITS FOREIGN POLICY

Namibia’s International Relations And Cooperation Minister Netumbo Nandi-Ndaitwah said on Friday that her country’s foreign policy has been overtaken by events both at home and abroad.
She emphasised that the Namibian foreign policy is greatly informed by our national liberation struggle and the regional and international events that surrounded it.

Looking back 26 years, the world has changed and continues to do so. At Independence, we had the Southern African Developing Coordinating conference; today we have the Southern African Development Community.

The Organization of African Unity has been transformed into the African Union. Since 1990, the membership of the United Nations has grown from 160 to 193.

The international discourse is dominated by new and emerging issues such as climate change, migration, and terrorism among others, she said.

On the domestic front, the minister noted that: Our population continues to grow and the social and economic development needs are also evolving.

All that put together warrants the need to review our foreign policy and the management thereof. Management has embarked upon a process of reviewing the Foreign Policy.

At this stage we have decided upon an outline, and the inputs of staff members will also be requested at the appropriate stage.

The Foreign Policy is an evolving policy, and should benefit also from the policies of the countries that we are dealing with• .

During the general staff meeting of her ministry, Nandi-Ndaitwah said the process of reviewing the country's foreign policy will start in July this year.

In July this year, we shall officially launch the review process, she said. She further informed her staff that: Each staff members must research the foreign policies of the countries of their responsibility, so that Namibia can respond or be proactive in terms of the policies of our partners.(APA 11-03-2016)

MAGIC OF MAGGOTS MEANS SURVIVAL FOR MANY POULTRY FARMERS IN ZIMBABWE

Lovemore Kuwana cheerily lifts the lid of a container full of fresh maggots in his backyard, which he will feed to the poultry he keeps once the worms are dried.

Amid Zimbabwe's worst drought in 25 years, which has killed more than 19,000 cattle in the last few months and left 2.8-million people facing hunger, some farmers are looking to new food sources to keep their animals, birds and fish alive.

As prices for maize and soy-based feed soar due to shortages, Mr. Kuwana is producing maggots — small, white, crawling worms that feed on waste — to provide protein for his breeding flock of 120 free-range chickens and 1,000 quail.

"I have struggled to find nutritious feed for quite some time now," said the entrepreneur, unfazed by the stink of decomposing waste filling the air and the flies swarming around.

In search of a solution, he began experimenting with maggots last September. "The results have been exceptional," he said.

This business is not for the faint-hearted. For Mr. Kuwana, it involves stuffing pungent bird faeces into an old, open 20-litre plastic container, allowing flies to lay their eggs there.

Ideally, the maggot-breeding equipment consists of two containers stacked on top of each other, with holes drilled in their lids and the base of the top one.

As the eggs start to hatch, the emerging larvae — the maggots — feed on the waste before crawling out to pupate in the bottom container where they are harvested and dried for feed.

The entire process takes less than a week, experts say.

"The birds can't resist the worms," Mr. Kuwana said, drilling through quail droppings to release an avalanche of maggots and tiny "fresh flies".

"My birds now look healthier than before." Each container can house thousands of maggots, he says. But he is unsure of the number he harvests each month and the savings achieved.

Maggots are made up of 65% protein and 25% fat, compared with 35% protein in soy-based feed, according to Victor Marufu of the Zimbabwe Organic and Natural Food Association.

The independent organisation trains small farmers in maggot production. "The value produced from nothing competes with supply chains that are under heavy sustainability stress," Mr. Marufu said.

One kilogram of fly eggs turns into about 190kg of dried larvae in just three days, he said.

For some, maggot production may be the stuff of nightmares, but others are hailing it as a dream come true for controlling waste and climate-changing emissions. They say it could be rolled out across Zimbabwe.

"Maggots can be farmed at wastewater treatment plants where primary sludge attracts a lot of house flies," said Happymore Mbiza, an urban water systems specialist with the Chinhoyi University of Technology.

A reduction in biodegradable waste feeding microbes at water treatment plants and landfill sites cuts production of methane gas and sulphur oxides, he noted.

The industrial process of producing maggot-based stock feed — using a series of tanks in a purpose-built structure — generates five times less greenhouse gas emissions than soy or maize stock feed, according to Chinhoyi University research.

For every tonne of stock feed made from maggots, about two tonnes of carbon dioxide equivalent is emitted, compared with about 10 tonnes for soy-based feed.

Experts say maggot production could help cut Zimbabwe's annual emissions of 417 gigatonnes of methane, a potent greenhouse gas. In 2000, the waste sector accounted for 16% of national methane emissions, government data shows.

Zim Earthworm Farms, a farming technology enterprise, is now looking to go commercial with maggot production after a year of trials.

"We have been producing a sizeable amount of maggots that are killed in the biogas digester, dried and then mixed with the maize-based feed we produce," CEO Ephraim Whingwiri said.

The mixed feed, which can also be fed to pigs and fish, sustains about 300 chickens at Zim Earthworm Farms, but now Mr. Whingwiri is eyeing expansion.

His team has worked out that having a constant supply of fresh waste is key to maintaining a high population of flies; just one factor that will support their new business drive.

"The work tends to put many people off," said Mr. Whingwiri. "But the worm itself doesn't smell bad at all." (Reuters Foundation 09-03-2016)

SUDAN AND NORWAY AGREE ON PARTNERSHIP TO TACKLE ILLEGAL MIGRATION

Norway and Sudan have agreed to form a partnership on the combating of illegal migration, terrorism and human trafficking through Sudan to the neighboring countries on their way to Europe.

The Sudanese ministry of foreign affairs said in statement seen by APA on Wednesday that the two countries have agreed to work together on the fight against illegal migration and human trafficking.

The European Union, Germany, Sweden and the United States have recently provided financial and technical support to the government of Sudan to combat illegal migration and human trafficking which is quite widespread in the eastern states of Sudan near the borders with Ethiopia and Eritrea.

“A visiting Norwegian delegation headed by the director of bilateral relations Ambassador Atina Smith has discussed in Khartoum ways to coordinate action to fight against illegal immigration and terrorism.

“The two countries agreed to continue political consultations and to work together to enhance bilateral relations, implement joint programs and exchange of visits between officials” the Sudanese statement explained.

During the past months, Norway has decided to send back thousands of illegal immigrants crossing Russia’s border.

Sudan has become one of the main transit routes of illegal migration and human trafficking of Africans attempting to seek refuge in Europe.

International reports have accused the Sudanese police of involvement in human trafficking activities in the eastern Sudanese states.

Norway is playing key role in the humanitarian efforts to support the IDPs and refugees in Sudan.(APA 09-03-2016)

LIBERIA’S SIRLEAF EXTOLS AFDB’S CONTINUED SUPPORT

Liberia President Ellen Johnson Sirleaf has extolled the African Development Bank (AfDB) for its continued support to Liberia’s development aspirations.
She acknowledged that Liberia as a founding member of the AfDB, has been a key beneficiary of the bank's assistance.

According to a presidential mansion press statement, the Liberian leader made the remarks at a Joint Press Conference held in Monrovia on Friday with the President of the African Development Bank, Dr. Akinwumi Adesina who was on an official visit to Liberia.

President Sirleaf said in the midst of the decline that has hit the rubber and iron ore sectors, the people of Liberia remain extremely grateful to the Bank for helping to foster the country's economic transformation.

She then commanded the delegation of the African Development Bank for their timely visit to Liberia, and pointed out that the nation is heading in the direction of structural transformation.

President Sirleaf paid tribute to the remarkable work done by Dr. Adesina as Nigeria's Minister of Agriculture prior to ascending to the AfBD's highest office and noted that she was proud of such patriotic record to his homeland.

The Liberian leader said with what is now going on in the rubber and iron ore sectors, Liberia needs economic diversification that is similar to what Dr Adesina did when he served as the Minister of Agriculture in his native Nigeria.

Liberia, President Sirleaf asserted, has for too long depended on the iron ore and rubber sectors, but emphasized - now is the time for diversification of other productive investment potentials. We are going to put ourselves to work, as we know that primary responsibility rests on us, President Sirleaf told the news conference.

She said Dr. Adesina's arrival in the country over the past two days provided a great deal of learning opportunity for her leadership. I want to say thank you for the support Liberia received from the AfDB, during the height of the Ebola crisis she said. (APA 12-03-2016)

KENYA: INTERNET SEEN AS A BASIC NECESSITY

A month-long study, which was revealed by TelecomPaper, conducted across Kenya and commissioned by the Centre for International Governance Innovation (CIGI) and research firm Ipsos found that 86 percent of Kenyans viewed the internet as the epitome of freedom of expression and political freedom. Almost all respondents (95 percent) said the internet was part of their economic future and livelihood.

The survey revealed that 39 percent of Kenyans had no problem with sharing their private information with companies online; however, 96 percent said they were unlikely to take up online banking services since they feared cyber-criminals. 70 percent of Kenyans feel law-enforcement agencies must be able to access the online communications of citizens as a matter of right, especially those suspected of a crime, the study revealed.

According to the study, 98 percent of Kenyans surveyed felt that the internet was important for their future in terms of accessing scientific knowledge and other important information. This, they felt, should be deliberately fast-tracked via government interventions of making provisions of internet access cheaper and available nationally.

The survey further revealed that most global citizens (85 percent) agreed that phones should be unlocked when someone is suspected of a crime.(IT News Africa 09-03-2016)

FEEDING THE WORLD'S MOST POPULOUS NATION – SINO-LUSOPHONE AGRICULTURAL CO-OPERATION PROVES TO BE A WIN-WIN FOR ALL

With growing wealth in China, the Chinese are getting more sophisticated and demanding in their food habits. For example, in 1985 they consumed 25 kilos of meat per person; in 2010 it grew to over 50 kilos. This voracious appetite for meat and other food products has put a severe strain on the country's ability to feed itself.

However, recent Chinese overseas investment in agriculture in the Lusophone world offers a way to ease the problem of supply. Such collaboration will benefit both parties.

Commendable work by Chinese scientists has increased agricultural yields at home, but a growing number of specialists believe that they have reached a ceiling and China needs to look abroad to meet its food demand. China has 22 per cent of the world population living on seven per cent of the world's arable land.

In recent decades, millions of peasants have moved into cities; by 2014, half of the population was urban. Mega cities such as Chongqing, Shanghai, Beijing and Guangzhou require larger and more complex food supplies.

Environmental challenges such as soil pollution, water poisoning, deforestation and erosion have seriously strained the country's arable land.

In 2014, the Ministry of Agriculture reported that 40 per cent of the country's arable land was degraded as a result of pollution. To attain self-sufficiency in basic staples, most arable land is dedicated to crops such as grain and rice. The country cannot use arable land for non-essential food crops such as vegetable and fruits.

Furthermore, there are few areas suitable for cattle raising. Even grain production is struggling to meet demand. In 2013, four per cent of the world's grain imports went to China; its fruit imports were valued at US$9.1 billion.

China looks abroad for food

China is increasingly turning to overseas farming and agriculture investment to meet this demand for food. This can bring significant benefits to both China and the Lusophone world; its countries have different ways to benefit from this co-operation.

Angola has a population of 16 million living on 1,243,564 square kilometres. It has 35 million hectares of arable land; only five million are being used and 30 million are virgin land. In other words, her potential for Chinese investment is limitless.

In November 2014, CITIC, one of China's large state-owned enterprises, announced a US$5 billion investment in Angola to develop large farms producing soybeans, grain, sugarcane and raise cattle. If the project materialises, it will be one of the biggest agricultural investments in the world.

The CITIC project is immensely beneficial to Angola. The recent slump in oil price has prompted the Angolan government to seriously consider diversifying the economy. With adequate investment and planning, agriculture can make a significant contribution to this diversification.

During the Portuguese colonial period, Angola was a powerhouse exporting coffee, cotton and citrus to the world.

Chinese investment in agriculture can help her regain her status as a leading agricultural exporter. Since most of the population is rural, this agricultural project can generate hundreds of thousands of jobs, alleviate unemployment and mitigate rapid and chaotic urbanisation.

Mozambique, with an area of 800,000 square kilometers and a population of 24 million, is equally promising as a major agricultural centre; her potential has remained largely untapped. She has 35 million hectares of arable land, with only 10 per cent being used. So far the largest Chinese project is a US$250 million investment by a Hubei group in a rice farm in Gaza province. Other Chinese companies have invested in cotton mills.

China has also funded an agricultural research centre with over 100 Chinese experts dispatched to Mozambique. In 2015, another Chinese company was reported to have invested US$5 million in a cashew nut project.

Guinea Bissau is a small country with a population of only 1.6 million on 36,000 square miles. It is endowed with many rivers and streams, and its soil is fertile. The political stability after the July 2014 election offers new opportunities for Chinese investment in agriculture and other areas such as fisheries. The country was once a major producer of peanuts, cashew nuts and cotton; Chinese investment can revitalise these sectors.

A Chinese company has expressed interest in investing in rice and cotton plantations in the region of Bafata.

In contrast, Brazil, with an area of 8,511,667 square kilometres, is the fifth largest country in the world. Unlike USA and China and their large stretches of deserts or Canada with its ice-covered terrain, Brazil has many rivers including the Amazon, the longest on earth. It is dominated by forests and fertile plains. Large portions of its 600,000 square kilometres of arable land remain unused.

Brazil, main exporter of grains and soybeans to China

Agriculture has become one of the most important and lucrative sectors in Sino-Brazilian relations. Brazil is one of China's major supplier of grain and soybeans. In 2003, China was the largest importer of Brazilian agricultural products, worth US$1.82 billion. In 2009, the Brazilian Ministry of Agriculture reported that 12.6 per cent or US$5 billion worth of agricultural products went to that country. Her soybean exports to China reached 11.3 million tons in 2006, an increase of 50 per cent from the previous year.

The signing in October 2009 of a Letter of Intent with the state of Mato Grosso do Sul allowed a Chinese company, Jiangxi Sanhe International Investment, to invest in state land; this marked the first major Chinese investment in Brazil.

The agreement commits both parties to develop farming ventures. The Brazilian side will provide land and basic infrastructure and the Chinese financial investment.

The acreage is not specified but will increase with the different stages of implementation. As the world's largest beef producer and exporter, Brazil is advanced in cattle-breeding technology. The state of Mato Grosso do Sul will also contribute agricultural scientists and experts in cattle-raising. Jiangxi Sanhe will invest up to US$1 billion in the project. Most of the land will be used to grow maize and soybeans and to raise cattle. Smaller portions will be dedicated to plant trees for timber.

The project also expects to produce other goods such as honey, butter and cheese; it is expected to create up to 10,000 jobs for the state.

In 2011, Brazilian media cited a report by the U.S. Department of Agriculture that a Chinese group from Chongqing co-signed a US$2.5 billion agreement to produce soya in the state of Bahia; the size of land to be utilised by the Chinese company was not specified.

There are also several reports of China's interest in thousands of hectares of Brazilian farmland. However, details on the location and size of these lands remain patchy.

Wine from Portugal

Portugal does not have large areas of agriculture land. But she too can offer important niche products to the smart investor.

In 2013, China overtook France as the largest consumer of wine in the world and her thirst is likely to grow; but Portugal's share of this lucrative market has remained small.

Since 2009, the severe economic crisis in Europe has led to a decline in the export of wine. One way to improve Portugal's position in the Chinese market and to compete with large wine producers from France, Australia and Chile is to form joint ventures with Chinese companies. Some Chinese businesses have already expressed interest in acquiring wineries in Portugal.

Rice and Cassava from Timor-leste

In Timor-Leste, a Chinese company, Longping High-tech, has been assisting the country in improving rice cultivation. The project is so successful that the Timorese government and Longping will expand the project to three other districts.

China Green Energy is currently negotiating a lease of 12,000 hectares of land for cassava plantation. There are further avenues for growth.

Timor-Leste does not have large tracks of land; but its many microclimates make it ideal for production of rare and expensive agriculture products such as spices and coffee. The reputation of such Timorese products dates back to the early 16th century. More sensitive to food safety and health concerns, better off Chinese have turned to organic products – Timorese products are 100 per cent organic. The demand for Timorese coffee is already on the rise and businesses from Macao have expressed interest in investing in the coffee sector. Timor-Leste is yet unable to meet this Chinese demand; but Chinese investment in the sector can help to resolve the problem.

Enormous potential

The potential for development is enormous in the Lusophone countries. More work is needed to facilitate the implementation of these projects. There are minor irritants. For instance, a US$250 million Chinese investment in rice farming in the Limpopo has been controversial, with an estimated 80,000 people displaced from their land.

In Angola, accusations of Chinese ill-
-treatment of farm workers have strained relations between local people and Chinese. Problems such as bureaucratic hurdles, unclear laws on land ownership and fear of Chinese land grabs must be addressed. Transparency and, in particular, dialogue with local communities will avoid misunderstanding and malicious rumours.

Sino-Lusophone agricultural co-operation is mutually beneficial to both parties and can address the challenges each faces. Chinese investment in agriculture creates millions of jobs and reduces the over-dependence of countries like Angola and Timor-Leste on oil exports.

China will benefit by getting access to large areas of fertile land and reduce the costs of feeding a more demanding society.

By investing abroad in the production of non-essential food like tropical fruits, soybeans and spices, China can use its scarce land resource to cultivate essential products such as rice and grain. The benefits to both parties are simply too great to be ignored. (11-03-2016)

ITALY'S PRESIDENT TO VISIT ETHIOPIA NEXT SUNDAY

The President of the Italian, Sergio Mattarella, is expected to arrive in Ethiopia tomorrow for a State Visit from the 13th to the 17th of March, 2016, APA learns here on Saturday.

President Mattarella, who will be accompanied by the Minister of Education, University and Research, Stefania Giannini, and by the Vice Minister of Foreign Affairs and International Cooperation, Mario Giro, will hold meetings with the President of Ethiopia, Mulatu Teshome, and Prime Minister Hailemariam Desalegn.

The privileged partnership between the two countries in the fields of economic development, regional stability and migration issues will be discussed, as well as the prospects of further cooperation, especially in the cultural and academic sectors.

President Mattarella will also visit a refugee camp in Gambela which shelters 200 thousand South Sudanese refugees supported by the Italian Development Agency, attesting Italy's commitment to stand by the Ethiopian authorities in managing the increasing flows of refugees and migrants.

The mission, the first of an Italian President after almost twenty years, will mark at the highest possible level the excellent phase of bilateral relationship between Ethiopia and Italy in all sectors.

According to a statement issued by the Embassy of Italy in Addis Ababa, the mission will also include a visit to the World Heritage Site of Lalibela, in order to pay tribute to the impressive historical and cultural richness of Ethiopia.

The President will also meet the Italian Community in Ethiopia, Nkosazana Dlamini-Zuma, Chairperson of the African Union Commission and Patriarch of the Ethiopian Orthodox Church, Abune Mathias.(APA 12-03-2016)

SOUTH AFRICA AND NIGERIA IN DEAL TO ENHANCE BILATERAL ECONOMIC CO-OPERATION

South Africa and Nigeria have agreed on the need to deepen economic co-operation, President Jacob Zuma said in the Nigerian capital Abuja on Wednesday.

"In this regard, we have agreed to formalise the SA-Nigeria Business Council, as it is an important instrument that will assist us in managing and advancing the economic relations between the two countries.

"SA is optimistic about the further growth of economic ties between the two countries," said Mr. Zuma, who was on a state visit to the country.

The visit came at a time when relations between the two countries have been characterised by tensions, worsened by the huge fine imposed on MTN. A number of South African companies have voiced the intention to exit Nigeria, citing tough trading conditions.

Addressing a meeting of the SA-Nigeria Business Council, Mr. Zuma said Nigeria had opened up its economy to South African companies in various sectors such as engineering, telecommunications, construction, aviation, media, hospitality, banking, retail and oil and gas exploration services.

"We would like to see the numbers of Nigerian investments in SA also increasing, as we promote two-way trade between these two nations."

Mr. Zuma said productive discussions had been held between the two governments on Tuesday.

"The relations between the two countries are managed through a binational commission. We have taken an important decision to elevate the commission to head-of-state level.

"The SA-Nigeria Binational Commission will thus be chaired by President (Muhammadu) Buhari and myself and we will take full responsibility for managing relations between the two leading economies on the African continent," Mr. Zuma said. (BD 10-03-2016)

FRANCO-ANGOLAN CONSORTIUM WINS CONTRACT TO PROVIDE SERVICES IN ANGOLA

Technip Angola Engenharia Limitada, a partnership between Technip France and Angolan state oil company Sonangol, has been awarded a three-year contract to provide engineering services to Total E&P Angola, the company said Thursday.

The contract covers provision of services to the floating production, storage and offloading units (FPSO) of Girassol, Pazflor, Dália and CLOV.

These three floating units are located in block 17 of the Angolan sea.

Under the specifications, Technip Angola will provide engineering works, technical assistance, management, supervision and coordination as well as acquisition of materials. (11-03-2016)

ANGOLA'S DOS SANTOS CONFIRMS QUITTING IN 2018

One of Africa's longest serving presidents, Jose Eduardo dos Santos has confirmed he would be stepping down from the Angolan presidency in 2018.

Speaking at a congress of the ruling Popular Movement for the Liberation of Angola (MPLA) in Luanda on Friday, the veteran leader declared in front of party faithful that he would not prolong his stay in power after two years.

"I have taken the decision to leave and bring an end to my political career in 2018," he said surprising many among MPLA delegates.

The Angolan leader did not elaborate on why he was calling it quits a year after Angola goes to the polls in 2017.

This is not the first time that the 73-year-old has declared his wish to retire.

In 2001, Mr. Dos Santos in power since 1979 had said he was leaving office only to run for another term in the ensuing election.

Despite protestations from local opponents and members of the international community, presidential term limit in the Angolan constitution which should have stopped him from running again was eventually abolished.

Dos Santos is the second longest-serving leader in Africa, ascending the presidency a month after Teodoro Obiang Nguema Mbasogo became president in Equatorial Guinea in August 1979.(APA 11-03-2016)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, and other organisations.

The Memorandum is also made available by AHEAD-GLOBAL, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) to their Members.

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Fernando Matos Rosa

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