

# MEMORANDUM

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## LES RELATIONS ENTRE L'UE ET LES PAYS ACP SE TENDENT AU SOMMET DE DAKAR

Les représentants des pays du groupe Afrique-Caraïbes-Pacifique ont exprimé leur mécontentement quant à leur collaboration avec l'UE lors d'une rencontre au Sénégal.

Les représentants de l'UE et des 79 États membres du groupe Afrique-Caraïbes-Pacifique (ACP) se sont réunis près de Dakar à la fin du mois de mai. Ces cinq jours de discussion devaient permettre de préparer un nouvel accord, pour succéder à l'accord de Cotonou, qui expire en 2020.

L'événement rassemblait à la fois Neven Mimica, commissaire à la coopération internationale, et des dirigeants et représentants de certains des pays les plus pauvres du monde, qui se sont penchés sur la coopération économique, politique et au développement.

Si aucune conclusion formelle n'a été adoptée, une déclaration préliminaire explique que le conseil a répété ses exigences et que l'UE s'est montrée plus flexible vis-à-vis des États les plus pauvres.

Le 28 avril, Bharrat Jagdeo, ancien président et Premier ministre de Guyane, a étrillé tout le processus. « Je pense que nos partenaires européens ne nous ont pas souvent écoutés », a-t-il lancé.

« Avant de venir ici, j'ai beaucoup hésité quant au ton que je devrais adopter », assure-t-il. Bien qu'il reconnaisse la nécessité d'un « débat honnête », il était « tenté de dresser la liste de tout ce qui n'a pas fonctionné depuis des années de partenariat ».

### Dysfonctionnements

« La quantité de ressource transférée de l'UE vers les pays ACP [...] est la plus grande source de financement du développement pour de nombreux pays représentés dans cette salle », a ajouté Bharrat Jagdeo. « Certaines choses fonctionnent, d'autres non », mais ces jugements « semblent être l'apanage de Bruxelles et de quelques groupes initiés ».

Bharrat Jagdeo s'exprimait lors d'une séance ouverte intitulée « De Lomé à Cotonou post-2020 : modification de perspective pour la relation UE-ACP ».

« Quand le ministre néerlandais [les Pays-Bas sont à la présidence tournante du Conseil européen] dit que nous avons besoin de plus de 'coopération régionale', nous entendons 'le démantèlement du groupe ACP' », harangue notamment Bharrat Jagdeo devant un public d'environ 200 personnes, qui ont exprimé bruyamment leur accord.

L'accord de Cotonou, signé dans la capitale béninoise en 2000, remplaçait en effet les accords de Lomé de 1975. Il expire en 2020. Des conférences visant un nouvel accord sont organisées tous les ans, à Bruxelles ou dans les pays ACP.

« Il y a des incohérences dans les politiques européennes », déclare-t-il, assurant que la modification des règles commerciales sur le sucre coûte 35 000 euros par an à la Guyane, un chiffre important dans cette petite économie.

« Nous n'avons pas prospéré avec le traitement préférentiel, et ce sera pire sous un système de réciprocité », prévient-il, en référence aux négociations en cours. L'UE a en effet concédé aux pays ACP des tarifs douaniers préférentiels dans le cadre des accords de partenariat, afin d'encourager le développement de leur économie.

Dans le cadre du post-Cotonou, ces accords préférentiels devraient évoluer vers un système de réciprocité des tarifs douaniers, moins avantageux pour les pays ACP.

Le prochain sommet des chefs d'État et de gouvernement UE-ACP aura lieu en Papouasie-Nouvelle-Guinée à la fin du mois de mai. Un rapport rassemblant deux années de recherche sur les réformes et le repositionnement de l'organisation y sera présenté.

En ce qui concerne le sucre, le conseil « s'est félicité de l'évolution des discussions avec l'UE, et notamment des assurances selon lesquelles le mécanisme de protection européen ne sera pas appliqué systématiquement et l'UE n'exigera pas l'indication obligatoire du pays d'origine ».

Les ministres ont également insisté sur le fait qu'il n'existe aucune intervention pour augmenter les importations de sucre dans l'UE, ce qui menace la reprise fragile des prix du sucre dans certains États ACP.

Le conseil des ministres de l'organisation a par ailleurs adopté une décision appelant à l'augmentation des fonds versés pour la lutte contre le virus du Zika dans les Caraïbes. L'Organisation mondiale de la santé a en effet déclaré l'urgence sanitaire. (EurActiv 25-04-2016)

## COBALT INTERNATIONAL DISCOVERS MORE GAS IN ANGOLA

US company Cobalt International has made a “significant” discovery of condensates and natural gas in the Zalophus # 1 well in Block 20 of the Angolan sea, the company said in a statement.

Announcing the results of the first quarter of 2016 and an update on operational activity, Cobalt said this was the third discovery in Block 20 and the sixth in the Angolan pre-salt layer.

The company is currently the operator of Block 20 with a 40 percent stake in partnership with Sonangol Pesquisa e Produção (30 percent) and BP Exploration Angola (Kwanza Benguela) Limited (30 percent). This stake, as well as another of equal size, was sold in August 2015 to Angolan state oil company Sonangol, and the two sides are waiting for the process, known to the US company as “Transaction Angola”, to be concluded.

The Petroserv Catarina drilling rig is currently involved in drilling exploratory wells in the Golfinho # 1 well and the first results point to more condensate and natural gas.

Cobalt International recorded losses of US\$30.8 million in the first quarter of 2016 compared with a loss of US\$70.5 million in the same period of 2015. (06-05-2016)

## NIGERIA: FOREIGN RESERVES DIP TO \$27.1BN

Amid myriad of restrictive measures to stem the steady slide in the external sector of the Nigerian economy, a significant reversal of gains has been recorded in foreign reserve, with latest figures put at \$27.1 billion as at last weekend.

The figure, according to local media reports, showed a decline by \$730 million or about 2.6 percent in April 2016 as against \$27.9 billion recorded in March.

The March figure was the first growth, though marginal at about 0.14 percent, ever recorded in recent months.

The April figure, which is now less than six months import cover, also shows a massive 6.4 percent decline since this year, losing a total of \$1.9 billion.

The latest development came against the backdrop of foreign exchange management measures aimed at reducing demand, curtailing speculative purchases, while reining in on exchange rate volatility at the autonomous segment of the market.(APA 02-05-2016)

## TUNISIA: TAIEX MISSION ON FOOD SECURITY

An expert mission on "Microbiological Criteria for Foodstuffs of Animal Origin" will be carried out in Tunisia from 2 to 6 May 2016 in the framework of the EU-funded Technical Assistance and Information Exchange Instrument (TAIEX).

The aim is to provide technical assistance and the support required for the validation of the draft regulation on microbiological criteria for foodstuffs of animal origin in Tunisia.

**TAIEX** is the Technical Assistance and Information Exchange instrument of the European Commission. It supports public administrations with regard to the approximation, application and enforcement of EU legislation as well as facilitating the sharing of EU best practices.(EC 29-04-2016)

## CHINA DONATES US\$16 MILLION TO MOZAMBIQUE

China has donated US\$16 million to Mozambique under an economic and technical cooperation agreement signed Wednesday in Maputo by representatives of the two countries, Mozambican daily newspaper Notícias reported.

The deputy minister of Foreign Affairs and Cooperation, Nyeleti Mondlane, said the signed document “is the Chinese government’s contribution to the Mozambican government’s efforts to further the objective of economic and social development.”

The amount donated, said Nyeleti Mondlane, will finance the opening of 200 boreholes for drinking water, purchase of 80 buses for public transport, construction of the China/Mozambique Cultural Centre and other projects of social impact to be agreed between the two governments .

Addressing the Chinese ambassador to Mozambique, Sun Jian, the deputy minister of Foreign Affairs and Cooperation he wanted to take the opportunity to thank China for a donation of 10,000 tons of grain. (05-05-2016)

## LA FIRME HEINEKEN VEUT ACCROITRE SES INVESTISSEMENTS EN SIERRA LEONE

Heineken, la grande firme internationale de brasserie, propriétaire d’une partie de la Brasserie de Sierra Leone, premier producteur de boissons alcoolisées du pays, a promis d’augmenter le quota de ses matériaux de production d’origine locale.

La société achète le sorgho localement pour la production de ses boissons et cela a été utile aux agriculteurs locaux, tout en aidant la société à réduire son coût de production.

M. Roland Pirmez, le président des bureaux de Heinken en Asie-Pacifique et en Afrique, est arrivé à Freetown pour sa toute première visite dans le pays.

Selon un communiqué publié par la Présidence à Freetown, Pirmez et sa délégation ont eu des entretiens avec le président Ernest Bai Koroma.

Il a assuré que sa société allait augmenter son soutien aux agriculteurs locaux et acheter plus de sorgho pour sa production de boisson.

Le communiqué a noté que Koroma avait exprimé sa satisfaction au sujet de l’engagement de Heineken au fil des ans, surtout pendant les périodes les plus difficiles de l’épidémie d’Ebola.

Il a exprimé l’espoir que la visite enverrait “le véritable message sur la Sierra Leone à la communauté internationale”.

“Maintenant que l’épidémie de virus Ebola est terminée, nous aimerions mettre tout le monde sur le bon chemin”, a déclaré le président Koroma ajoutant que la société devrait envisager la production de canettes de bière.

Il a également appelé l’entreprise à explorer la production de boissons à partir du manioc, qui est produit en grande quantité dans le pays. (APA 02-05-2016)

## BUDGET SUPPORT IN SENEGAL: REVAMPING AN OLD TOOL IN THE AID TOOLBOX

Budget support is a controversial aid modality these days. When aid is given directly to recipient governments, impact — as well as the funds themselves — can be difficult to track. In the value for

money era, and with a greater demand on implementers to quickly evaluate learning and adapt, some are asking whether budget support is an ineffective tool.

On the heels of the United Kingdom's announcement [in November](#) that it would end all budget support, other donors are naturally taking a look at their own allocations. But the European Commission doesn't view budget support as a zero-sum game, particularly in stable democracies that might serve as a litmus test for what works in development, like Senegal.

"Sometimes, it's the best tool," Anna Ropers Bergeot, chief of rural development and civil society in Senegal, told Devex during a press trip with European Commissioner for International Cooperation and Development Neven Mimica to Senegal.

Bergeot pointed to Senegal as an example. One of the most stable democracies in West Africa, Senegal boasts a relatively robust governance system, less mired by corruption and waste. While there isn't a perfect candidate in terms of total efficiency and transparency, Bergeot said Senegal perhaps comes closest in West Africa.

Even then, Bergeot pointed out, budget support must be tempered with results-oriented agreements and benchmarks. In short, it's a good time, and place, to redesign one of the oldest tools in the aid toolbox.

The commission has committed close to 1 billion euros (\$1.14 billion) in aid to Senegal, and "budget support is twice as much as project [funding]," Marc Boucey, head of cooperation at the EU delegation to Senegal told Devex.

"Although our budget support is sector reform for food security, nutrition and sustainable agriculture, with specific goals related to supporting family-owned farms which are on the brink of survival, [to access] better seeds, better techniques, for example," he said.

"This is the first time we've attempted sector-specific and reform-driven budget support," Bergeot said.

"We're in a position in our cooperation with Senegal that allows us to work in this way, and we believe it's going well, and could be a model for the region."(DEVEX)

## **SPANISH AIRLINE IBERIA STOPS FLIGHTS TO ANGOLA**

Spanish air carrier Iberia will stop flying to Angola from 1 June, 2016 by suspending flights between Madrid and Luanda, announced the company in the information sent to customers and tour operators.

The statement said that the decision stems from the current economic situation of Angola, following the drop in oil prices, and the subsequent lack of foreign currency.

The company said the link between Luanda and Madrid had recently had only a small number of passengers, which was not compatible with the fixed costs of the route.

"Our customers will receive a refund or be sent to other companies, according to their needs," said the company representative in Angola, Joy A. Horrik Kupuiya.

Iberia, founded in 1927, has operated in Angola since 2011. (05-05-2016)

## **MALAWI OUTLINES PLANS TO MITIGATE FOOD SHORTAGE**

Malawi's Ministry of Agriculture, Irrigation and Water Development said it has developed a plan that would enhance food production within the current season and beyond in order to mitigate not only this year's food shortage but future as well.

The country is experiencing food shortage especially its staple food, maize, which according to the Second Round of Agriculture Crop Estimates survey projects a decline of 12.4 percent as compared to the 2014/15 season.

The food shortage the country was experiencing in the season was due to El Nino which has affected crop production not only in Malawi but also some parts of Southern African Community (SADC) region.

Minister of Agriculture, George Chabonda told journalists in the capital Lilongwe on Monday that the government has put in place short, medium and long term measures to offset the food gap and eventually avoid the recurrence of similar lapses in the foreseeable future.

"If fully implemented there will be an increase in the country's food production and reduce recurrence of food insecurity at both household and national levels," he said.

As a short term or immediate measure, he said, it will commence in 2015/16 fiscal year through 2016/17 with a major focus on irrigation to utilize both existing and new irrigation schemes under the management of both smallholder and commercial farmers for maize production.

In the medium term between 2016 and 2020, he said that government will procure, distribute and install solar irrigation pumps to benefit about 1,350 farming families.

He pointed out that as a long term measure, the ministry will be guided by the National Agricultural Policy whose main focus is to sustainably transform the sector with a view to attaining significant growth and expand the incomes of the farming communities and at the same time improve food and nutrition security.

Recently, Malawi President Peter Mutharika declared a state of national disaster in his country. (APA 02-05-2016)

## FRENCH AID TRANSPARENCY AMONG THE WORST IN THE WORLD

In 2014, France launched a drive for greater transparency in its official development assistance. But two years on, results have proved elusive, and France is still among Europe's worst performers. Regularly criticised for the lack of transparency in its official development assistance (ODA) programmes, Paris took steps in 2014 to bring its activities into line with international standards. So far, the results have not been convincing.

The French government launched the [French aid to priority countries](#) website in an attempt to improve the traceability of its ODA. The site was supposed to provide information on all financial aid packages of more than €100,000 to 16 priority African countries ([Benin, Guinea-Bissau, Mali, Chad, etc.](#)).

In practice, the aim was to allow the citizens of the countries concerned to follow the implementation of development and humanitarian projects financed by France.

The initiative itself was a good one, but the site quickly fell into disuse. In fact, it has not been updated since January 2015.

"We are behind with updating the aid transparency site, but we are working on updating the data," the Ministry of Foreign Affairs said. "The raw data is still available on [data.gouv](#)."

The ministry blamed the delay on its workload, with extra work generated by the COP 21 climate conference in Paris last December and the drawing up of the new Sustainable Development Goals (SDGs). These priorities ensured transparency was not a primary concern in 2015.

### Political will

"But it also reflects a lack of political will, as France had made real commitments on transparency," said Christian Reboul from Oxfam France.

The transparency website is due to become fully operational soon, with a large-scale data and an enlargement of the site's remit to cover aid programmes in other countries. "In the second half of 2016, we are thinking of including other geographical areas, notably North and East Africa," the Ministry of Foreign Affairs said.

### Transparency index

But the website is not the only area in which France has failed to shine on the issue of aid transparency.



Paris was also heavily criticised in the [2016 aid transparency index](#), published by the NGO Publish What You Fund.

According to the report, the three French aid agencies have generally failed to respect their commitment to transparency, despite the fact that France holds the presidency of the [Open Government Partnership](#) in 2016.

The French Ministry for the Economy and Finance (MINEFI) is the country's worst performing aid provider. At 44<sup>th</sup> position out of a total of 46, only China and the United Arab Emirates rank lower. The French Ministry of Foreign Affairs ranks slightly higher, but in 36<sup>th</sup> place, it is still behind most of the other European aid agencies.

Finally, the French Development Agency (AFD), the main provider of French ODA, is the only one of the three to have improved its aid transparency. Between 2013 and 2016, the AFD moved up from the "very poor" to the "fair" category.

At a European level, Italy, Finland and Ireland are also lagging near the bottom of the class, while the United Kingdom, Sweden, the Netherlands and Denmark, as well as the European institutions, are among the top performers.

### **2013 commitment**

The aid index points out that in order to comply with the standards of the International Aid Transparency Initiative (IATI), agencies must publish at least 80% of all their data.

This openness allows developing countries greater oversight of the foreign aid they receive, and encourages citizens to hold their leaders accountable.

"It is essential to have information on the kind of aid my country receives. This is what has increased transparency for our citizens and enabled them to demand clear accounts of public spending and the government's decision-making process," said Jeremiah Sam, the coordinator of the Penplusbytes project in Ghana, the leading institution promoting effective governance through technology in Africa.

Since 2013, France has repeatedly affirmed its commitment to the adoption of the international transparency standard. "But while France did begin to publish its data in the IATI format, the commitment was quickly forgotten," said Reboul. "This is disappointing, because France now compares very poorly to a number of other international aid providers," he added.

"The subject of aid transparency really has been put on the French agenda since 2013," said Pauline Pruvost, from the NGO Global Health Advocates. "But it is difficult for France to catch up with the transparency champions like the UN agencies or certain other donors."

### **Background**

The [International Aid Transparency Initiative](#) (IATI) is used by donor countries, the governments of developing countries and non-governmental organisations to publish detailed and widely accessible reports on international development aid.

Today, most aid donors (World Bank, European Commission, United Kingdom, etc.) use this format. (EurActiv 28-04-2016)

## **GROUP OF DONORS SUSPEND AID TO MOZAMBIQUE**

The group of 14 countries and organizations providing direct support to the Mozambique Budget has decided to suspend aid to the country following the disclosure of debts omitted from the public accounts, said Wednesday in Maputo the President of the Republic of Portugal.

Marcelo Rebelo de Sousa said that the suspension was decided "for the purpose of clarification," and was not definitive, adding that talks on the subject had already begun.

The Portuguese President was speaking at a joint press conference with Mozambican President Filipe Nyusi after a meeting between the two heads of state at the presidential palace of Mozambique in Maputo.

Rebello de Sousa reiterated that the decision by donor countries and agencies was related to clarifying the real extent of public debt and also “the need to stabilise the operation of the institutions and the country in economic and financial terms.”

The President of Mozambique, Filipe Nyusi, said he believed the decision to suspend direct aid to the state budget was a temporary measure to make room for clarification of Mozambican public debt.

Cited by daily newspaper Notícias, Nyusi said he understood the programme support partners’ fears, “as they do not feel comfortable to continue to send money as the issue of debt is not properly understood.”

“I believe that there is no donor that wants to sacrifice the Mozambicans, as the measures that are being taken are aimed at creating a state of sustainability”, said Nyusi, adding that the most important is whether the debt is sustainable. (05-05-2016)

## **ETHIOPIA TO BUILD NEW BLOOD TRANSFUSION SERVICE CENTER**

Ethiopia is to construct a new national blood transfusion service center in Addis Ababa.

The launching ceremony of the construction of the center will be held on Wednesday, the US embassy in Addis Ababa said on Monday.

Once completed, the 5,300 square meter facility, funded by the U.S. President's Emergency Plan for AIDS Relief will provide the Ministry of Health with additional capacity to receive and screen blood donations, process blood products, and distribute life-saving blood donations to approximately 26 million Ethiopians.

The facility alone will meet more than 25 percent of the overall World Health Organization recommended blood collection goals for Ethiopia each year.

The facility will also serve as the administrative headquarters of the National Blood Transmission Service, serving as offices, training location, conference centers and document storage, among others.(APA 02-05-2016)

## **UFM REGIONAL DIALOGUE ON WOMEN EMPOWERMENT: INTERNATIONAL EXPERTS MEETING HELD AHEAD OF MINISTERIAL CONFERENCE**

50 international experts on gender equality from UfM governments, international organisations and civil society organisations met on 25-26 April at the UfM headquarters in Barcelona to prepare the ground for the Ministerial Meeting on Strengthening the Role of Women in Society, planned to take place in the first half of 2017.

The objective of the [UfM regional dialogue process](#) is to review the progress achieved in the implementation of the UfM ministerial commitments (see the [2013 UfM Ministerial Declaration on Strengthening the Role of Women in Society – Paris](#)) and prepare for the next Ministerial meeting, pushing forward a regional agenda on gender equality and women’s empowerment through the exchange of information, experiences, best practices and operational initiatives.

“This regional dialogue will not only monitor stakeholders’ commitments with regards to women’s rights and participation in economic, political and social life, but it will also explore how to best recognise and promote the role of women as drivers for human development and stability in the region,” said Delphine Borione, UfM Deputy Secretary General for Social Affairs. “Giving equal rights and opportunities to women and men leads to more stable, prosperous and inclusive societies. UfM members are strongly engaged in this endeavour, which contributes to addressing the region’s many challenges more efficiently.”



The Mediterranean context has dramatically changed since the latest Ministerial meeting. In addition to the economic crisis and the high unemployment rate, the region is facing pressing and serious challenges linked to terrorism, extremism and the tragedy of the refugee crisis and illegal migration. Women and children are the primary and biggest victims. Participants pointed out that the Regional Dialogue should ensure that the specific needs of women migrants and refugees are addressed and that the role of women as agents for social change, peace and stability is fully recognised and developed.

### ***The UfM regional dialogue's methodology***

Four working groups are currently working on four areas identified as priorities to be covered by the Ministerial Declaration: 1) Women's participation in economic life; 2) Women's access to leadership and decision-making positions; 3) Combating violence against women and gender-based violence; and 4) Dispelling stereotypes through education and culture. In each topic, participants assess the current situation in the region and provide specific and relevant recommendations. They also share information on national and regional best practices.

The working groups are moderated by a two-person team consisting of a UfM country and an international organisation (Italy and UNIDO on economic issues; France and the OECD on leadership; Egypt and UN Women on the fight against violence; and Morocco on stereotypes).

The four groups will present their conclusions and results to the Ad-hoc UfM Senior Officials Meeting on Strengthening the Role of Women in Society on the margins of the UfM Conference on Women's Empowerment, set to take place next 5- 7 October 2016 in Barcelona.

Some of the international and Euro-Mediterranean institutions that are part of this multistakeholder platform include UN Women, UNIDO, the OECD, the EBRD, the European Commission, the Anna Lindh Foundation and the League of Arab States. (EC 02-05-2016)

## **GRAIN PRODUCTION IN ANGOLA IS LOWER THAN EXPECTED**

Grain production in Angola amounted to 1.4 million tons in the current agricultural campaign, said in Luanda the director of the National Grain Institute, adding that this was 900,000 tons less than the initial estimate.

Benjamin Castelo, told Radio Nacional de Angola that the agricultural campaign could be considered to have "a less than satisfactory performance (...) as we had projection of good harvests, due to enough production factors and adequate funding."

The director of the National Grain Institute said the gap between the estimated production and actual production may even become worse, but added that the government is finalising programmes to recover and accelerate the country's agricultural production.

Saying that his institution was available to receive projects from entrepreneurs interested in investing in grain production, Castelo explained that the current goal [w]as to increase production due to a high deficit, whilst also considering quality. (05-05-2016)

## **MAURITANIA GOLD RUSH: DIGGERS REQUIRE OFFICIAL AUTHORIZATION**

The Mauritanian government has introduced a new law regulating individual gold prospecting, which had been absent from the country's mining code, despite her rich deposits of the precious metal.

The new legislation was prompted by the mad gold rush recently witnessed in the Inchiri region (Northwest of Nouakchott) involving individuals seeking superficial amounts of gold.

The scenario began a few months ago with a persistent rumour, suggesting that people have settled in the area using light equipment to explore gold, some with positive results.

This speculation prompted a massive scramble to the area teeming with young entrepreneurs or unemployed people recruited by businessmen ready to incur significant financial risks but hoping to strike the gold jackpot.

The quest requires minimum investment, especially with equipment and other logistics.

It is impossible for gold diggers to acquire an exploration machine which costs at least 1.8 million UM (\$5,200) and a four-wheel drive vehicle rented for 40,000 UM (\$116) per day,

Excavation tools and paying labourers are also an integral part of the investment, aside from camping equipment including a tent, food and water the cost of which have soared due to their scarcities given that the gold mines are located in the stony, arid and sun-baked region swept by dry winds blowing almost incessantly.

Despite such unforgiving conditions, people have been flocking to the area without any official authorization, apparently motivated by tales from friends and relatives alluding to juicy pickings from the mines.

According to unverified accounts, with a stroke of good fortune, gold miners can strike few grams of gold grains from a shallow depth which, if put together may constitute a consideration amount of money.

In Nouakchott, the price of a kilogram of gold is estimated at 10 million Ouguiyas (\$ 29,000).

It is with a view to reining in this mad scramble for gold that the Mauritanian authorities adopted new regulations for individual exploration.(APA 02-05-2016)

## **TANZANIA'S \$2BN COAL, IRON-ORE PROJECTS TO START SOON**

- Touted as the largest industrial investment in Tanzania since Independence, the projects are being bankrolled by Sichuan Hongda Group of China.
- The Chinese firm owns 80 per cent of the Liganga mine and 70 per cent of the Mchuchuma coal complex with a 100-year lifespan and a total value of \$54.8 billion combined.
- It is estimated that 3 million tonnes of coal and 2.9 million tonnes of iron ore deposits will be mined annually for not less than 90 years.

The multibillion-dollar Mchuchuma coal and Liganga iron-ore mining projects in Tanzania's southern highlands will kick off in March next year.

Energy and Minerals Deputy Minister Medrard Kalemani told parliament last week that the \$2.7 billion twin project is inching closer to implementation.

Touted as the largest industrial investment in Tanzania since Independence, the projects are being bankrolled by Sichuan Hongda Group of China.

The Chinese firm owns 80 per cent of the Liganga mine and 70 per cent of the Mchuchuma coal complex with a 100-year lifespan and a total value of \$54.8 billion combined.

In 2014, the government issued 25-year mining licences to extract coal and iron ore from Liganga and Mchuchuma until 2039.

According to the exploration study, Mchuchuma is estimated to have 540 million tonnes of coal deposits, enough to produce 600MW of power for over 100 years.

## Power production

About 219 million tonnes of iron ore deposits have been confirmed at Liganga area in Ludewa district, Njombe region.

It is estimated that 3 million tonnes of coal and 2.9 million tonnes of iron ore deposits will be mined annually for not less than 90 years.

The projects are expected to create more than 32,000 jobs in the construction phase alone.

The National Development Corporation corporate affairs manager Abel Ngapemba said that a total of \$32.84 million will be poured into state's economy annually as a royalty.

"The power plant would be generating nearly 60 MW of electricity annually," he said.

Full production of both power and coal-iron mining are anticipated to commence in 2018/19. The price of one tonne of coal is expected to be \$90 and total revenues from the sale of electricity \$300 million per year. Similarly, a total of \$967.74 million annually will be generated from the sale of steel and titanium; and \$117.5 million from vanadium. (The East African 30-04-2016)

## MOZAMBIQUE'S FINANCE MINISTER ANNOUNCES SPENDING CUTS

The Mozambican government will have to make cuts in expenditure included in the State Budget if the suspension of international support lasts for a long time, warned the Mozambican minister of Economy and Finance.

Minister Adriano Maleiane announced a suspension of new hires in the state and even admitted the possibility of the sale of the assets of the companies that have taken on debt guaranteed by the State if it they become unable to service those debts.

Commenting on the announcement of the suspension of funding by the 14 members of the group of programme support partners, Maleiane admitted the donors' confidence had been "deeply shaken by the debt contracted by the Mozambican tuna company (Ematum), ProIndicus and Mozambique Asset Management."

The only areas to escape cuts for now are health and education, with the minister saying that the mission of the International Monetary Fund (IMF) whose visit to Mozambique had previously been canceled was now in the country for meetings with the government.

Mozambique is faced with the suspension of international support following the revelation that the state had guaranteed loans amounting to US\$1.4 billion, which were omitted from the financial assistance agreement signed with the International Monetary Fund . (06-05-2016)

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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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