MEMORANDUM

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SUMMARY

NIGERIA THREATENS SOUTH AFRICAN FIRMS OVER 'FROZEN' WEAPONS DEAL

Nigeria on Wednesday accused SA of blocking a legal arms purchase and threatened retaliation against major South African companies, including telecom giant MTN, if the spat is not resolved.

A top official in the office of Nigeria's National Security Adviser (NSA) said the country had an agreement to buy military hardware worth $5.7m in a deal brokered by a South African firm.

The official, who asked that his name be withheld, said Pretoria had frozen the cash wired to the South African firm's account.

A spokesman at SA's National Prosecuting Authority was not immediately available for comment, but the asset freeze has been widely reported in both Nigerian and South African media.

"The issue could affect bilateral relations between Nigeria and SA," the NSA official said.

He specifically mentioned MTN — a South African-based cellphone and internet provider with tens of millions of subscribers in Nigeria — as a company that could be targeted in a reprisal.

"You cannot be making so much money from Nigeria and then turn around and embarrass the people," he further said.

The official said Nigerian President Goodluck Jonathan called his South African counterpart, Jacob Zuma, to inform him about the purchase and Abuja was therefore surprised to learn that the deal had been blocked.

Mr Zuma's spokesman, Mac Maharaj, had no comment on the reported conversation between the two leaders, but said "the president is not a part of (the) committee" that reviews arms deals.

The NSA official did not identify the South African broker or specify what weapons Nigeria was trying to buy. The website of SA's City Press named the broker as the Cape Town-based Cerberus Risk Solutions but that could not be independently verified.

The development comes roughly three weeks after South African customs officials seized $9.3m in cash stashed in the luggage of two Nigerians and an Israeli.

SA's prosecution authority said there was evidence that those funds were intended to purchase armaments to be used in Nigeria.

The Nigerian security official declined to comment on whether the cash found in the aircraft last month was part of a weapons purchase, but insisted the $5.7m deal frozen by SA was a legal arms "transaction through a bank".

Nigerian legislators last month approved a request from Mr Jonathan for a more than $1bn loan to fight Boko Haram extremists.

Analysts saw the president's request as a tacit acknowledgement that the military is overmatched against the Islamists, who are thought to control more than two dozen towns and villages in the embattled northeast. Troops have refused to deploy for offensives against the insurgents on grounds that they lack proper equipment. (AFP 08-10-2014)

SABMILLER HAS 'PLANS TO EXPAND BEER'S APPEAL IN MATURE MARKETS'

SABMiller plc has a long-term vision of expanding the boundaries of the beer category and appealing to more consumers through innovation and by challenging traditional perceptions of beer, SABMiller CEO Alan Clark said at an investor seminar in London on Monday.

Mr Clark outlined the company's long-term growth strategy, including plans to expand beer's appeal in mature markets.

"Our long experience of operating in emerging markets means we are well-positioned to capture the opportunities from these high-growth markets. But in the more mature and fragmented markets, we need a new approach," he said.

SABMiller is the world's second-largest brewing company and is one of the world's largest bottlers of Coca-Cola drinks. SABMiller is a FTSE-20 company, with shares trading on the London Stock Exchange and the company has a secondary listing on the JSE.

Heineken bid 'not a defensive move'

Mr Clark said on Monday there was no truth in speculation the brewer's interest in buying Dutch rival Heineken was a defensive move aimed at protecting itself from being taken over.

In his first public comments since news emerged that Heineken had rejected a bid approach from SABMiller, Mr Clark said it was "not unusual" for his company to be in talks about a deal and that the only unusual thing about its discussions with Heineken was that they became public.

SABMiller "will continue to be assertive and search for growth," he added at the investor seminar.

Heineken said on September 14 it had received and rejected a takeover approach from SABMiller.

The move by the maker of beers including Grolsch and Peroni was seen by analysts as a way of protecting itself from a potential takeover by global leader Anheuser-Busch InBev, and sparked share price rises for all the major brewers as investors hoped to profit from another wave of industry consolidation.

SABMiller's shares have since retreated to about the level they were before the spike, amid signs that AB InBev is not planning anything imminently.

It has made no public statements about plans to make a bid, as would be required by the UK takeover panel given SABMiller's stock move, and AB InBev insiders, including its chief strategy officer, sold shares in the days immediately following the speculation. A person with knowledge of acquisitions would not be allowed to trade.

Still, speculation is swirling about SABMiller's next move, with analysts and bankers suggesting Carlsberg, Molson Coors and Diageo's Guinness as possible, albeit unlikely, targets.

Rumours of AB InBev's interest in SABMiller have abounded for years, since the Belgium-based company with Brazilian management made its mark with a series of astute takeovers, including the $52bn purchase of Anheuser-Busch in 2008. *(*Reuters 06-10-2014)

IMF TIPS ETHIOPIA ON EXPORT COMPETITIVENESS

Ethiopia could improve its export competitiveness by reducing overvaluation of the real effective exchange rate through enhanced exchange rate flexibility, the Executive Board of the International Monetary Fund (IMF) has suggested. In a statement Friday, following consultation with Ethiopian authorities, the Fund's directors observed that a more market-based exchange rate would also facilitate the accumulation of foreign exchange reserves, as a buffer against external shocks.

In the directors' view, Ethiopia's recent macroeconomic performance continues to be strong, with robust economic growth supported by higher agricultural production, and large public sector and foreign direct investments.

According to their statement, made available to PANA here Saturday, the directors supported Ethiopia's structural reforms designed to create a more enabling environment for private sector investment.

'In this regard, they recommended developing a proper legal framework for public-private partnerships; simplifying requirements for opening a business; strengthening investor protections; and improving trade logistics,' said the statement.

Regarding the country's external sector, the IMF board noted that developments in the sector have been mixed, with the deterioration in the trade balance offset by net inflows on services and transfers.

Ethiopia's current account deficit is estimated to have widened from US$2.8 billion (6.0 percent of GDP) in 2012/13 to US$3.5 billion in 2013/14 (7.1 percent of GDP).

It was financed largely by concessional and non-concessional inflows as well as by foreign direct investment (FDI), while substantial inflows on the capital account also facilitated a modest build-up in the reserves of the National Bank of Ethiopia.

Ethiopia's economic outlook remains encouraging, according to IMF assessment.

'The 2014/15 budget plan targets the general government deficit at 3 percent of GDP and maintains a strong pro-poor focus,' said the Fund, noting that the country's 'monetary policy, anchored on base money, is geared toward maintaining inflation in single digits.'

But, the public debt to GDP ratio is expected to rise, reflecting large disbursements associated with implementation of investment projects under the Growth and Transformation Plan.

While the general government budget execution in 2013/14 reflected conservative spending, the IMF said: 'Inflation remains contained in single digits and the fiscal stance at the general government level is cautious, although public enterprises continue to provide an expansionary impulse.'

Inflation was 8.5 percent in June 2014, with food prices rising by 6.2 percent and non-food inflation in the double-digits, said the IMF, pointing out that 'tight monetary policy has supported achieving the NBE's inflation objective in 2013/14.'

However, public enterprises continue to borrow heavily from the banking system and externally to finance their investments.

According to the IMF, the financing of the overall public sector is likely to have been on the order of 10 percent of GDP in 2013/14. Public and publicly guaranteed (PPG) external debt is estimated to have increased to about 23 percent of GDP from 20.5 percent of GDP in 2012/13.

Overall, the IMF directors have commended the authorities in Ethiopia 'for delivering robust and broad-based economic growth, maintaining inflation in single digits, expanding employment and improving social indicators, and welcomed the considerable progress toward the Millennium Development Goals.'

Looking ahead, the directors observed that the sustainability of the current public sector-led growth strategy was threatened by several downside risks, including external financing of the public investment programme, declining prices for export commodities, and weather-related shocks.

'Mitigating these risks will necessitate greater policy coherence and appropriate structural reforms going forward, to help shift the balance toward private sector-led, sustainable growth,' they suggested.

Calling for stepped-up efforts to increase domestic revenue -- by broadening the tax base, improving customs and tax administration, and removing tax exemptions, the directors underscored the need for continued fiscal prudence in order to achieve the goals of the Growth and Transformation Plan (GTP), while reducing crowding out of the private sector.

The statement went on: 'On the expenditure side, directors welcomed the planned implementation of a new high-level oversight mechanism designed to carefully monitor the operations and financial position of public enterprises and any contingent liabilities.

'They recommended the adoption of a consolidated fiscal position as a more robust fiscal anchor, and advised that borrowing be done within the context of a comprehensive debt strategy.'

In addition, the IMF directors welcomed Ethiopia's removal from the blacklist of the Financial Action Task Force (FATF), the intergovernmental body that develops and promotes policies to combat money laundering and terrorist financing. (Pana 05/10/2014)

IMF HELPS MEMBER COUNTRIES MOVE FROM STABILISATION TO SUSTAINABLE GROWTH

Seven years after the onset of the global financial crisis, the world is yet to secure a sustainable recovery marked by strong growth that supports rapid job creation and benefits all, according to International Monetary Fund (IMF) Managing Director Christine Lagarde. Ms. Lagarde made the assertion in her foreword to the institution's Annual Report 2014 - From Stabilisation to Sustainable Growth, published Friday.

"The recovery is ongoing, but it is still too slow and fragile, subject to the vagaries of financial sentiment. Millions of people are still looking for work. The level of uncertainty might be diminishing, but it is certainly not disappearing," Ms. Lagarde said.

"Throughout the crisis and in the recovery period, the IMF has been, and continues to be, an indispensable agent of economic cooperation" for its membership, she added.

The report covers the work of the IMF's Executive Board and contains financial statements for the year 1 May 2013 to 30 April 2014.

It describes the IMF's support for its 188 member countries, with an emphasis on the core areas of IMF responsibility: assessing their economic and financial policies, providing financing where needed, and building capacity in key areas of economic policy.

On the financial front, the IMF continued to support members' reform efforts across the globe.

This year, the Fund's Executive Board approved US$21.5 billion in financing for member countries, plus US$220 million in concessional financing for low-income countries.

A statement the Fund sent to PANA here said the Board reviewed facilities such as the Flexible Credit Line, the Precautionary and Liquidity Line, and the Rapid Financing instrument - to make sure that they continue to help countries as effectively as possible.

The membership also agreed to transfer gold profits to help meet the financing needs of low-income members in the years ahead.

'Since the crisis broke, the institution has provided training to all of its members and technical assistance to 90 percent of them, helping countries design, build, and strengthen the institutions that make up the building blocks of economic success,' said the report.

For the fourth straight year, the Fund increased its delivery of technical assistance, especially in low-income countries, and increased spending on training.

'Demand for technical assistance continues to be strongest in the fiscal area, but it has been growing across all regions,' the report said, pointing out that over the past year, the IMF launched new tools and courses, opened a new regional technical assistance centre in Ghana, and received US$181 million in new donor funds.

During the year, the IMF has better integrated bilateral and multilateral economic surveillance, especially through its Spillover and External Sector Reports, as well as reports on groups of countries (clusters).

It has helped countries in such areas as fiscal policy in advanced economies; growth strategies and structural reforms in emerging markets; and vulnerabilities, diversification, and structural transformation in low-income countries.

It has also stepped up work on topics with implications for stability and growth - including inequality, the environment, and the economic participation of women.

According to the report, the IMF has made it a priority to better integrate bilateral and multilateral monitoring and advice.

The Managing Director's Global Policy Agenda, laid out at both the Annual Meetings in 2013 and the Spring Meetings in 2014, emphasised the need to strengthen the coherence of policies and cooperation among policymakers.

'The priorities are clear: advanced economies need to focus on measured and well-communicated policy choices to secure the recovery; emerging markets need to strengthen their fundamentals, reduce their vulnerabilities, and step up structural reforms; and everyone needs to embrace cooperation and engage in dialogue,' the report added.

In the Annual Report, Ms. Lagarde reflects on the 70th anniversary of the founding of the IMF.

“Back in 1944, global leaders were determined to put the chaos and carnage of war behind them, and build a world based on collaboration instead of conflict, integration instead of insularity. The IMF was founded on the core principle that the route to national prosperity runs through global prosperity,” she said. (Pana 05/10/2014)

KENYATTA TO BE FIRST SITTING PRESIDENT IN COURT OVER HUMANITY CRIMES

Kenyan President Uhuru Kenyatta said on Monday he will go to the International Criminal Court (ICC), where he faces charges of crimes against humanity, becoming the first sitting president to appear.
But the son of Kenya’s first president and independence hero, Jomo Kenyatta, said he would first temporarily hand over power to his deputy to "protect the sovereignty" of the country.

"Let it not be said that I am attending ... as the president of Kenya," he told a special session of parliament as several lawmakers stamped their feet in support. "Nothing in my position or my deeds as president warrants my being in court," said Mr Kenyatta, who is due to appear in The Hague-based ICC on Wednesday.

He faces five counts at the ICC over his alleged role in masterminding postelection violence in 2007 and 2008 that left 1,200 people dead and 600,000 displaced.

He has appeared at the ICC before but not since being elected president in March last year. He is due to attend a "status conference" hearing, after prosecutors asked for an indefinite delay until Nairobi handed over documents they say could clinch their case.

Bitter memories are still fresh from 2007, when elections escalated into ethnic conflict, for which Mr Kenyatta and Deputy President William Ruto were charged with crimes against humanity. Both reject the charges. Mr Kenyatta said he would take the "unprecedented" move to temporarily hand power over to Mr Ruto — whose trial at the ICC has already begun.

The African Union had previously called for the ICC cases to be withdrawn and transferred to Kenyan courts, accusing the ICC of targeting Africans.

"My accusers, both domestic and foreign, have painted a nefarious image of most African leaders as embodiments of corruption and impunity," Mr Kenyatta said. "My conscience is clear, has been clear and will remain forever clear." He said he had "co-operated with the prosecutor to assist in establishing the truth at all material times".

Mr Kenyatta has repeatedly argued he needs to remain in Kenya to fight militants from the al-Qaeda-linked al-Shabaab group and manage state affairs.

He stressed he was going to the ICC in a personal capacity. *(*AFP 07-10-2014)

LOCAL BANKS JOIN POWER PLANT DEAL IN GHANA

A WIDE-ranging group of financiers and industrialists including several South African banks on Friday closed the $900m of debt and equity project finance for the Kpone Independent Power Plant and associated infrastructure in Ghana.

Kpone, a 350 megawatt combined cycle gas turbine plant in the Tema industrial zone close to Accra, is being developed by Cenpower Generation Company, a special purpose vehicle. Group Five announced in August it had been awarded the engineering, procurement and construction (EPC) contract worth R4bn, which is expected to take about three years to complete.

South African banks and construction companies have been expanding activities in the rest of Africa, where energy is one of the fastest-growing sectors. In the latest deal, Nedbank announced last week it had taken a 20% stake in West African banking group Ecobank Transnational.

Cenpower's funding consists of $650m of debt and $250m of equity. Rand Merchant Bank (RMB), the investment banking division of FirstRand, was global co-ordinator and mandated lead arranger of the debt portion, with Nedbank and Standard Bank of SA also acting as lead arrangers. Nederlandse Financierings-Maatschappij voor Ontwikkelings Landen (FMO) was the arranger for the tranche contributed by development finance institutions. These were the Industrial Development Corporation and the Development Bank of SA, as well as Deutsche Investitions-und Entwicklungsgesellschaft (DEG) and the OPEC Fund for International Development.

The $250m equity in Cenpower will be 32% owned by a subsidiary of Africa Finance Corporation, 28% by Sumitomo of Japan, 21% by Cenpower, 15% by African Infrastructure Investment Fund II's investment vehicle Mercury Power, and 4% by FMO. (BD 06-10-2014)

SOUTH AFRICA: ROLLING STOCK FIRM TO EXPAND IN AFRICA

Thelo Rolling Stock Leasing, a South African rail financier, is seeking a partner to buy a 30% equity stake and help win new contracts around sub-Saharan Africa.

The company is looking for "a strategic equity partner that will lead the company forward," chairman Lumkile Mondi said on Friday. "We need a partner with deep pockets. There are billions and billions of rand worth of projects in Africa."

SA is part way through a R312bn infrastructure-development programme to improve its rail network and the efficiency of raw-materials exports. Closely held Thelo is targeting similar programmes in countries such as Nigeria, Ethiopia and Kenya as it seeks to expand across the continent, Mr Mondi said.

Thelo, 50% owned by the Industrial Development Corporation, is in talks with African Exim Bank about a $200m loan, Mr Mondi said. On Friday the company announced a $17.3m deal to finance four locomotives and 75 iron-ore wagons over 10 years for Swaziland Railway.

CEO Ronnie Ntuli said in July that since Thelo Rolling Stock was established in 2012 it had concluded three deals to buy rolling stock on behalf of clients and lease it to them.

Its most recent deal was to finance 16 General Electric locomotives on behalf of Vale Mozambique. Thelo bought the locomotives for R571m and will lease them to Vale for 12 years from January 2015.

Mr Ntuli says Thelo's pipeline of deals is "north of $1bn (R10.8bn)". The leasing option appeals to rail operators that do not have capital available to buy fleets, wish to keep these assets off their balance sheets, and whose businesses are not geared towards being rail asset owners, he says. (*Bloomberg 06-10-2014)*

LOAD TESTING BEGINS ON MINI-HYDROELECTRIC PLANT IN GANGELAS, ANGOLA

Work to build a mini hydro-electric plant with a production capacity of 1.2 megawatts of electricity at the Gangelas dam in Angola, has been completed and is now waiting for the water level to rise to carry out load testing, according to Angolan news agency Angop.

The agency cited official João Delgado as saying that all work related to the construction, installation of turbines at the power station and power transmission lines had been completed and finishing touches were now being made.

Delgado also said that the water in the reservoir is not enough, given the current low flow of the river, and the team was waiting for the rainy season to begin to be able to conduct final tests.

Once it is fully operational, the power plant will consume 6.5 cubic meters of water per second. Its smallest group of generators has a capacity of 0.4 megawatts and consumes 2.4 cubic meters of water per second and the biggest (0.8 MW) consumes 4.1 cubic metres per second, so the reservoir must have at least 1.8 million cubic metres of water stored to drive the turbines.

Delgado stressed that the facility is guaranteed to operate for 50 years, if it is used appropriately and there are no unpredictable situations that could compromise the physical and technical integrity of the plant.

The Gangelas Dam, in Huila province, which was refurbished in 2009, has a reservoir capable of accumulating 3.5 million cubic metres of water and has two 24-kilometre channels and an irrigated area of 6 hectares of arable land. (07-10-2014)

IMF MAKES FOURTH CUT IN ROW TO SOUTH AFRICA OUTLOOK

THE International Monetary Fund (IMF) has cut SA's economic growth outlook for the fourth consecutive time this year, making it the latest in a number of institutions to lower gross domestic product forecasts as strikes, weak demand and energy supply constraints stifle the economy.

SA's economy is growing at less than 2% — lower than its potential growth rate of above 3% and the more than 5% per year it aspires to in order to address high unemployment and poverty.

The IMF cut SA's economic growth outlook for this year to 1.4% from 1.7% in July in its latest World Economic Outlook report, released yesterday. It also revised its projection for next year down to 2.3% from 2.7%.

"In SA, 2014 growth is being dragged down by industrial tensions and delays in fixing infrastructure gaps, including electricity constraints," the IMF said.

Growing SA's economy needs "removing infrastructure bottlenecks in the power sector", implementing reforms in education, labour and product markets to raise competitiveness and productivity, and improving service delivery, it said.

The government has invested billions of rand in infrastructure development over the past two decades, but the pace of implementing infrastructure investment plans has been slow in recent years and strikes have often disrupted the construction of infrastructure such as power stations.

Barclays Africa economist Peter Worthington said while work was under way to alleviate capacity constraints and infrastructure shortcomings, the labour environment was likely to be a challenge for a while longer.

"I doubt we will see significant changes to our labour markets framework from the labour market indaba scheduled for November, because business and labour remain very far apart and government so far has not demonstrated much ability to bring the two sides together," he said.

The IMF said, however, that its expectation of a "muted" economic recovery next year was driven by expectations that labour relations would improve and exports would be "gradually stronger".

It said the "significant" rand depreciation had so far resulted in only a limited amount of "much-needed external adjustment".

SA's weak economic growth is partly attributed to weak global demand and to local factors such as strikes and disruptions to the electricity and water supply.

Renaissance Capital economist Thabi Leoka said what was worrying was a "lack of response" by policy makers to the downward revisions that "we have become accustomed to".

She acknowledged, however, that Transnet was "charging ahead" with plans to address bottlenecks in rail infrastructure.

SA's inadequate energy supply was increasingly becoming an impediment to economic growth and a deterrent to new investment, Ms Leoka said.

Last month, the Reserve Bank cut its economic growth forecast for this year to 1.5% from 1.7%, while the Treasury is expected to lower its forecast this month from an ambitious 2.7% in February.

The IMF slightly revised down the global economic growth outlook for the year to 3.3% from 3.4%, and to 3.8% for next year from 4%.

"So long as demand remains weak … monetary accommodation and low interest rates remain of the essence," IMF chief economist Olivier Blanchard said.

The 2014 economic growth outlook for the US was revised up by 0.5 percentage points to 2.2%, while one of SA's main export markets, the eurozone, was cut by 0.3 percentage points to 0.8%.

Higher growth in the US raises concern that the Federal Reserve will hike interest rates in the second half of next year, which could see capital flight from emerging markets such as SA. (BD 08-10-2014)

L'EUROPE RESTE LOIN DE SES PROMESSES EN MATIERE D'AIDE AU DEVELOPPEMENT

L'Union européenne ne remplit toujours pas ses engagements en matière d'aide au développement, selon le rapport d'une ONG. Mais les États africains bénéficiaires peinent aussi à honorer leurs promesses.

Alors que l'engagement des pays développés de consacrer 0,7 % de leur Revenu National Brut (RNB) à l'aide au développement arrive à échéance en 2015, la Commission européenne et la majorité des États membres restent encore bien éloignés de cet objectif.

Dans son rapport DATA 2014, « Lutter contre la pauvreté et financer l'avenir de l'Afrique », l'ONG One dénonce le manque d'investissement des pays donateurs, dont certains, comme la France, ont même emprunté une courbe descendante depuis quelques années.

« L'aide publique au développement est repartie à la hausse en 2013, mais la plupart des donateurs n'ont pas respecté leurs engagements (...) et ne consacrent pas une part suffisante de cette aide aux pays les plus pauvres » indique le rapport.

La part globale consacrée par les pays riches à l'aide au développement n'a atteint en 2013 que 0,29 % de leur RNB, loin de l'objectif de 0,7 % fixé par les Nations Unies. L'Union européenne fait mieux avec 0,42 %, mais reste en deçà de ses objectifs.

Les cancres européens

Certains États membres de l'Union européenne ont pourtant mis l'accent sur leur politique de développement, malgré les difficultés économiques. Parmi les bons élèves, le rapport de l'ONG cite le Royaume-Uni, qui a augmenté son aide publique au développement (APD) de 28,5 % entre 2012 et 2013 pour atteindre dans les temps l'objectif des 0,7 %. L'Allemagne (+6,6 %) et l'Italie (+13,3 %) affichent aussi des hausses conséquentes, même si en valeur, Rome fait partie des moins gros contributeurs avec seulement 0,16 % de son RNB alloué à l'APD.

La Croatie, qui a rejoint l'UE en 2013, affiche la hausse la plus importante avec un bond de 103 % de son aide publique au développement.

À l'inverse, la France figure parmi les mauvais élèves avec un recul de 3,3 % entre 2012 et 2013, aux côtés du Portugal (-20,4 %) et des Pays-Bas (-5,2 %), qui sortent du club des pays à avoir atteint les 0,7%.

En 2013, le montant total de l'aide de l'Union européenne, c'est-à-dire les 28 États membres ainsi que les institutions européennes, a augmenté de 3,3 % pour atteindre 58,7 milliards d'euros, mais il manque encore 39,5 milliards pour que l'UE atteigne l'objectif de 0,7 %, selon le rapport.

Les pays pauvres en marge des priorités

Autre critique, seulement un tiers de l'aide d'urgence est directement adressée aux pays les plus pauvres.

Dans l'ensemble, en 2012, les donateurs du Comité d'Aide au Développement (CAD) de l'OCDE, qui rassemble les grands pays contributeurs, n'ont consacré que 0,09 % de leur RNB collectif à l'aide aux pays les moins avancés, moins que l'objectif de l'ONU de 0,15-0,20 %. Seuls huit pays donateurs ont atteint cet objectif.

Révision des règles nécessaire

Si l'aide au développement n'est pas en haut de l'agenda politique de tous les États membres, le rapport point également la vétusté des règles encadrant le calcul de l'aide au développement et appelle à sa révision.

Depuis 2008, 188 milliards d'euros, soit un sixième du total de l'aide comptabilisée par les pays européens, n'implique pas de vrai transfert de fonds à destination des pays en développement, pointe le rapport.

Par exemple, la comptabilisation de l'allègement de la dette ou encore des fonds utilisés dans les pays donateurs sont parfois pris en compte dans les montants de l'aide publique au développement.

La France comptabilise par exemple les frais d'accueil des étudiants étrangers et des réfugiés politiques. Au total, c'est environ 28 % de l'APD française n'a pas quitté le territoire français.

Du côté du Royaume-Uni, le paiement des pensions aux anciens officiers coloniaux pour l'année 2012, rentrait également dans l'aide au développement comptabilisée par le pays.

Les pays africains responsables

Les pays donateurs ne sont pas les seuls à se faire épingler pour non-respect de leur engagement en faveur du développement dans le rapport de l'ONG. En effet, les pays africains ont également échoué à allouer un budget suffisant à des secteurs clés du développement comme ceux de la santé, de l'agriculture ou de l'éducation.

Entre 2010 et 2012, seuls six pays d'Afrique subsaharienne sur 43 ont respecté l'engagement pris à Abuja en 2001 de consacrer 15 % de leur budget national au secteur de la santé. Sur le front de l'agriculture, les résultats sont à peine plus brillants. Entre 2008 et 2010, huit pays d'Afrique subsaharienne sur 41 ont respecté l'engagement pris à Maputo de consacrer 10 % de leur budget national au secteur de l'agriculture.

Enfin, le secteur de l'éducation accuse le plus mauvais résultat, puisqu'entre 2010 et 2013, un seul pays d'Afrique subsaharienne sur 33 a respecté l'engagement pris à Dakar de consacrer 9 % de son PIB à ce secteur. (EurActiv 07-10-2014)

UFM SUPPORTS HIGHER EDUCATION ON FOOD SECURITY FOR THE EURO-MED REGION

The Secretary General of the Union for the Mediterranean (UfM), Fathallah Sijilmassi, and the Secretary General of the International Centre for Advanced Mediterranean Agronomic Studies (CIHEAM), Cosimo Lacirignola, have signed a cooperation agreement to undertake joint initiatives to contribute towards higher education on food security in the Euro-Mediterranean region, with the first such initiative, the project '*Higher Education on Food Security & Rural Development',* officially launched during the ceremony.

"*I believe that food security, together with higher education and mobility related to this sector, are really at the heart of the development of the Euro-Mediterranean region and are crucial for the employability of the youth,*" said UfM Secretary General Sijilmassi.

The Memorandum of Understanding (MoU) provides a solid basis for strengthened collaboration and coordination of mutual efforts in the promotion of the project. The initiative seeks to enhance the current CIHEAM Master Programmes and advanced training courses for professionals by, among other things, increasing the participation of students, by developing e-learning initiatives, and establishing international mobility initiatives and joint degrees. Within the framework of the project, 20 scholarships have been allocated to female students from the Southern Mediterranean for the academic year 2014-2015. (EU Neighbourhood 07-10-2014)

EU PROJECT ENCOURAGES DIASPORA INVESTMENTS IN ALGERIA

A DiaMed Business Forum has taken place in Algeria to encourage diaspora investments in the country. Twenty-five Algerian investors living in Europe were provided personalized assistance in view of creating their own company in 11 different Algerian provinces. The forum was organised by MEDAFCO – Consulting and its European partner ACIM (Entrepreneurship Agency in the Mediterranean), in the framework of the implementation in Algeria of the EU-funded DiaMed project.

DiaMed's assistance scheme aims at encouraging the Algerian diaspora to invest in their country of origin, with the aim of creating jobs and transferring skills and technologies.

Investors were informed about recent developments in the business environment in Algeria. The forum was also the occasion to facilitate contacts between the Algerian investors and Algerian public institutions dealing with the development of SMEs and/or the promotion of investments and/or the Algerian community abroad.

The DiaMed project, with a budget of €2.3 million over three years, aims at supporting job and activity creation in the Maghreb countries. It is based on the combination of innovative capacities in the North and South of the Mediterranean and investment opportunities in the South acting as an economic leverage. The EU is funding 80% of its budget. (EU Neighbourhood 07-10-2014)

NIGERIA WANTS EU TO INVEST IN DEVELOPMENT BANK

The Nigerian government has called on the European Union (EU) to invest in the proposed Wholesale Development Bank in Nigeria through its development financing outfit, the European Development Bank (EIB), according to local media reports.

The private Guardian newspaper reported Tuesday that Minister of State for Finance Bashir Yuguda made the plea in the capital city of Abuja while receiving a delegation of the EU led by its Ambassador to Nigeria, Michel Arrion.

He said already, the proposed Bank has attracted significant interest among global funding agencies like the World Bank which has pledged US$500 million.

Other development-oriented financial institutions like the African Development Bank (AfDB) have also committed some funds for the take off of the bank.

"We are developing a wholesale development bank in Nigeria. The idea of the bank is to give long term financing to SMEs and increase their source of borrowing. We did a study of the informal sector which showed that the sector constituted 45 percent of our Gross Domestic Product (GDP)," the paper quoted the minister as saying. (Pana 08/10/2014)

EBOLA CASTS PALL OVER ROSY OUTLOOK FOR AFRICA

SUB-Saharan Africa's economic growth remains strong and should accelerate to 5.8% next year — but if the Ebola outbreak in the west is protracted or spreads, it will have "dramatic consequences" for that zone, the International Monetary Fund (IMF) said on Tuesday.

In its World Economic Outlook, the IMF said Africa should repeat last year's growth rate of 5.1% this year and accelerate next year as infrastructure investments boost efficiency, and service sectors and agriculture flourish. The latest 2015 forecast is up from the 5.5% forecast in April.

"This overall positive outlook is overshadowed by the dire situation in Guinea, Liberia and Sierra Leone, where the Ebola outbreak is exacting a heavy human and economic toll," the report said.

Since it was detected in Guinea in March, spreading to neighbouring Sierra Leone and Liberia, the Ebola epidemic has killed more than 3,400 people.

It has overwhelmed the health systems and battered the economies of these three small West African states, which were showing signs of recovering from a decade of interlocking civil wars in the 1990s.

Isolated travellers have also carried the disease to Nigeria, Senegal and the US, and a Spanish nurse has become the first person to contract Ebola outside Africa in this outbreak.

"Should the Ebola outbreak become more protracted or spread to more countries, it would have dramatic consequences for economic activity in the west African region," the IMF said.

In a separate report, the World Bank said without a scaled-up response, transport, cross-border trade, supply chains and tourism in West Africa could be "severely disrupted", costing the region tens of billions of dollars.

Security in several parts of sub-Saharan Africa remained fragile, the IMF said, with internal conflicts in South Sudan and Central African Republic.

Growth in SA had been lacklustre. By contrast, Nigeria would expand 7% this year and 7.3% next year, it said.

Some countries had been able to increasingly tap capital markets, with recent Eurodollar sovereign bond issuances largely oversubscribed, it said, citing Kenya and Côte d'Ivoire. (Reuters 08-10-2014)

BRITAIN ASKS ZAMBIA TO HELP IMPROVE SITUATION IN ZIMBABWE

Mr. Matt Baugh, Britain's Foreign and Commonwealth Office (FCO) and Head of Africa Department responsible for Central and Southern Africa, has urged Zambia to continue playing its critical role in helping to improve the situation in Zimbabwe.

"Our relations with Zimbabwe have improved in the recent past and we hope to take advantage of Zambia's special relationship with Zimbabwe to help push for an amicable settlement of the challenges the country is facing," Baugh said.

Baugh spoke during high-level talks in London when he met with Zambia's Permanent Secretary, George Zulu, according to a statement issued Monday by the Zambian High Commission in London.

Baugh also commended Zambia for its constructive engagement in seeking peaceful settlement of conflicts, particularly in the Central African Republic where President Michael Sata has authorised the deployment of a battalion of peacekeepers and the Democratic Republic of Congo where Zambia has played a key role on pushing for an end to civil strife.

At the same meeting, the two governments agreed preliminary steps towards the establishment of a new framework of cooperation to increase regular diplomatic consultations at bilateral and multilateral levels.

Baugh disclosed that his government is working towards improving its relations further and to work with Zambia to overcome several regional challenges.

“We are happy to help Zambia improve information management systems and help with other requests the Permanent Secretary has raised.”

Other areas of interest in the proposed framework of cooperation include the linking of the Zambia Institute of Diplomacy and International Studies (ZIDIS) with the FCO’s newly established Diplomatic Academy which starts operations in January 2015.

The Academy, the first in FCO’s history, will cover international policy, diplomatic practice, states and societies, economics and prosperity, law, languages, defence and security, European Union, UK, multilateralism, and consular and crisis management as key faculties.

'HIGH LEVEL OF FINANCIAL INCLUSION IN MAURITIUS'

Revealing that the level of financial inclusion is high in Mauritius, a survey by the FinScope Consumer Mauritius 2014 has shown that about 90% of adults, aged 18 years and above, have access to financial services with only 10% not using any formal or informal financial product or service to manage their finances.

The survey, released over the weekend, stated that 85% of the adult population is banked, 49% use non-bank products and services and 26% use informal mechanisms to manage their finances while 1.2% make use of bank accounts that are not registered on their names.

As such, Mauritius has the highest level of financial inclusion in the Southern African Development Community (SADC), according to the survey.

It said that the level of financial inclusion is higher among males which stand at 94% as compared to 86% for females.

“Of the 10% who are unbanked, the study finds that the main barriers were insufficient money coming in coupled with insufficient balance after paying for expenses,” it indicated.

With regards to the high incidence of savings, the findings showed that 65% of adults are saving at the bank while 30% do not save.

Those who are in the saving chain also consist of a further 4% who have formal non-banking savings mechanisms, a further 2% who rely on informal saving mechanisms such as savings groups while 3% are saving at home only.

As for credit and borrowing, the result shows that in the 12 months preceding the survey, about half (52%) of adults in Mauritius claimed to have either borrowed money or taken goods on credit, 27% of adults borrowed money from a bank, a further 7% have formal non-bank credit, 9% used informal mechanisms such as money lenders, while 9% use friends and family only.

Regarding mobile money, the survey shows that though about 84% adult Mauritian use mobile phones only 2% are registered users of mobile money which it attributes mostly to lack of information on mobile money.

The survey recommends that financial literacy/education campaigns could prove valuable to assist in the financial decision-making of adults.

The Governor of the Bank of Mauritius, Rundheersing Bheenick, called upon all the stakeholders evolving in both banking and non-banking sectors to tap those who are financially excluded.

“More efforts should be made to tackle the issue of financial exclusion by encouraging banks to bring innovative changes to reach more people and review their service charges,' he said.

Bheenick underlined the need to introduce financial literacy in the education system which, he added, is a means to sensitize people at a young age to make use of financial services. (Pana 07/10/2014)

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