

MEMORANDUM

N° 181/2015 | 04/11/2015

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 4,000 European Companies, as well as their business parties in Africa.

More than 1,455 Memoranda issued from 2006 to Jun 2015. More than 17,300 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.

Should a reader require a copy of the Memoranda, please address the request to fernando.matos.rosa@sapo or fernando.matos.rosa@skynet.be.

2006 – 2015, 9 Years devoted to reinforce Europe – Africa Business and Development

SUMMARY

European Commission announces extra €43 million humanitarian aid to Lebanon for Syria crisis	Page 2
China Airways to launch direct flights to Addis	Page 2
EU provides €18 million to build new Waste Water Treatment Plant in the West Bank	Page 2
New institution eyes Namibia banking sector	Page 3
GDP of Guinea-Bissau expected to grow between 4.7 pct and 5 pct	Page 3
Budget airline Fastjet launches in Zimbabwe	Page 4
Cameroon: CIMAF cement plant commissioned	Page 4
Lebanese security agencies receive equipment under EU integrated border management project	Page 5
Namibia: Solidarity tax to cushion the poor soon	Page 5
Angola's boom, fuelled by China, goes bust	Page 5
Gambia: Tourism contributes over 16 percent of GDP	Page 7
Agricultural Keys to Malaria in African Highlands	Page 7
Mozambique apex bank warns of accelerating inflation in 2016	Page 9
Indian Textile Factory Begins Operations with \$45m Investment	Page 9
India should manufacture tractors in Lesotho	Page 10
Le Maroc et l'Éthiopie, invités vedettes du « business forum » Inde – Afrique	Page 10
Nigerian press on currency devaluation	Page 11
Kenyatta, Indian PM discuss affordable medical services	Page 11

EUROPEAN COMMISSION ANNOUNCES EXTRA €43 MILLION HUMANITARIAN AID TO LEBANON FOR SYRIA CRISIS

The European Commission will give an additional €43 million in humanitarian aid to support Syrian refugees and their host communities in Lebanon.

Announcing the new funding allocation on a visit today to Lebanon, European Commissioner for Humanitarian Aid and Crisis Management, Christos Stylianides said:

“We have to support Lebanon for being a generous host to such a large number of Syrian refugees. The EU is showing solidarity as the largest humanitarian donor to the Syria response and we are now stepping up our assistance to those most in need at this critical time. Lebanon and its people should be commended for hosting more than 1.1 million Syrian refugees. Today, Syrian refugees account for a quarter of Lebanon's population.”

The funding will help prepare the most vulnerable refugees for the approaching winter. It will provide assistance for shelter rehabilitation, heating as well as health care support for some of the most vulnerable refugee families, which will allow them access to secondary health care in hospitals.

Lebanon is home to the highest refugee per capita rate in the world and comes second only to Turkey in terms of absolute numbers of Syrian refugees.

Background

The funding allocation announced today concerns the €200 million of additional humanitarian aid for 2015 proposed by the Commission on [23 September](#) to provide immediate resources to respond to demands from UNHCR and the World Food Programme and other relevant organisations in order to help refugees immediately.

The EU is the leading donor to the Syria crisis with over €4,2 billion from the EU and Member States collectively in humanitarian, development, economic and stabilisation assistance. (EC 02-11-2015)

CHINA AIRWAYS TO LAUNCH DIRECT FLIGHTS TO ADDIS

China Airways Sunday announced plans to launch direct flights from Beijing, China to Addis Ababa in Ethiopia.

The Ethiopian Airports Enterprise said the airline will make direct flights three times a week.

Wondim Teklu Communications director of the enterprise said the Beijing- Addis Ababa direct flight will begin on Monday.

In its opening flight, China Airline will touch down at the Addis Ababa Bole International Airport on Monday, carrying some 300 passengers.

The Beijing-Addis Ababa flight will be the airline's second to Africa after it successfully launched its Beijing-South Africa route last Friday.

The airline will operate Airbus 320 in its maiden flight to Addis Ababa, it was learnt.

China Airline with 160 destinations worldwide has already ordered 100 airlines from Airbus to facilitate its Beijing-Addis Ababa flight and others.(APA 01-11-2015)

EU PROVIDES €18 MILLION TO BUILD NEW WASTE WATER TREATMENT PLANT IN THE WEST BANK

The EU and the Palestinian Water Authority signed in Ramallah last week an €18 million agreement to construct a wastewater treatment plant and install an irrigation scheme in Tubas Governorate in the West Bank.

This large-scale project will serve around 34,000 people living in Tubas, Tayasir, and Aqqaba. It will also provide treated water for agricultural use for farmers in the Governorate that relies significantly on agriculture.

The project includes the construction of a wastewater treatment plant with a capacity of 4,300m³ per day and a wastewater collection network covering 53km (with 13km of house connections). It also includes the installation of an irrigation infrastructure with a pumping station, two steel reservoirs of 1,000 cubic meters, and 4.3km of distribution pipes. (EU Neighbourhood_28-10-2015)

NEW INSTITUTION EYES NAMIBIA BANKING SECTOR

The Bank of Namibia (BoN) has confirmed that an unnamed bank has expressed interest in the country's commercial banking sector, bringing to three the number of provisional licenses that were issued since last year.

The Bank of Namibia has received another bank license application.

Unfortunately, the Bank cannot divulge the name of the applicant due to the sensitive and strategic nature of such applications and will only be in position to reveal the name of the applicant when all the due diligence processes have been concluded according to a central bank official.

BoN's director of communications and financial sector development Ndangi Katoma told journalists in Windhoek on Tuesday that they have already issued provisional banking licenses to the Angolan Banco Europa Atlantico, and Botswana-based Letshego Holdings.

However, these two banking institutions are yet to set up shop in the country.

The provisional licenses issued in 2014 are still valid. This is because due to the technical difficulties that were experienced in setting up such prospective banks, the applicants requested extension of such provisional licenses, which was granted by the Bank of Namibia, Katoma explained. (APA 27-10-2015)

GDP OF GUINEA-BISSAU EXPECTED TO GROW BETWEEN 4.7 PCT AND 5 PCT

The Gross Domestic Product (GDP) of Guinea-Bissau is expected to grow in 2015 by between 4.7 and 5 percent, the International Monetary Fund (IMF) and the Guinean government announced Wednesday.

The announcement was made by the IMF representative in Guinea-Bissau, Oscar Melhado, and the Guinean Minister of Economy and Finance, Geraldo Martins, after consultations between the financial institution and the Guinean economic team.

According to the IMF, growth in the Guinean economy is expected to be 4.7 percent in 2015, and could rise to 4.8 percent in 2016.

Minister Geraldo Martins admits, in turn, growth of 5 percent or more starting in 2016.

The "good cashew nut campaign," the country's main export is the reason for optimism that, according to Martins, will have a "positive impact" on the economy.

Initially, the Government expected to export 150,000 tons of cashews, but the country ended up exporting 180,000 tons, bringing in income of around US\$164 million. (29-10-2015)

BUDGET AIRLINE FASTJET LAUNCHES IN ZIMBABWE

South Africa's regional airlines have a new low-cost competitor to contend with as Fastjet Zimbabwe on Wednesday launched with an inaugural flight between Harare and Victoria Falls to fly three times weekly.

Fastjet was first launched in Tanzania in 2012 and has carried over 1.8-million passengers in the region at fares as low as \$20 including taxes.

Six months after it had launched in Tanzania, about 38% of its passengers had never been inside an airport, according to Fastjet chief commercial officer Richard Bodin. By the end of last year, 35% of the airline's passengers were first-time flyers.

"So we have been able to stimulate demand and pull people off the busses," said Mr. Bodin.

More than 100 busses travel between Johannesburg and Harare transporting over 3,700 people in a 24 hour journey, Mr. Bodin said.

He said Zimbabwe had once had 46 airlines travelling out of the country but this had decreased to 12, excluding Fastjet Zimbabwe.

The airline would run domestic flights as well as regional flights from Zimbabwe.

Mr. Bodin said the fares being charged by South African airlines flying to Zimbabwe were "exceedingly and unjustifiably" high. Fastjet has previously said the high costs were due to the Comair and South African Airways "duopoly" on routes to Zimbabwe and other regional routes.

Mr. Bodin said Fastjet already had a good presence in South Africa with a daily service to Tanzania from Johannesburg among other routes, but "you cannot be a true Pan-African carrier without a significant South African service" and would be looking to launch Fastjet South Africa as well.

In 2013, plans to launch Fastjet in SA failed after it did not succeed in its bid to buy then bankrupt airline 1time but it said it was willing to take a five-year outlook on finalising a deal.

Fastjet sees the launch of its Zimbabwean airline as a step to launching a Pan-African airline.

The airline intends to finalise plans to launch Fastjet Zambia in the next two months.

Transport economist and aviation expert Joachim Vermooten said their African routes were generally characterised by higher fares and lower volumes and a competitor would be good.

However he said it was not possible "as it stands now" to have a Pan-African carrier as Africa did not have an internal market.

"You need an internal economic area so you can register your airline anywhere and operate anywhere," he said.

He said treaties on the continent were based on bilateral agreements and visas were required for travel.

"You can never have the benefit of flying in a deregulated market under a bilateral system ... for it to work there shouldn't be any limits on freedom of movement," he said.

While the lower oil price meant Fastjet was enjoying lower jet fuel prices, this was not true for all parts of the continent, Mr. Bodin said.

This was because the jet fuel price had not decreased in some areas of the continent due to the cost of transporting the fuel. (BD 28-10-2015)

CAMEROON: CIMAF CEMENT PLANT COMMISSIONED

A production plant belonging to cement producer Afrique Ciment (CIMAF), a subsidiary of the Moroccan group Addoha located in the industrial area of Bonaberi in Douala was commissioned on Tuesday by Prime Minister, Philemon Yang, APA can report.

During the inauguration, the President of Addoha Group, Anas Sefrioui, who made the trip to Cameroon expressed satisfaction that his firm is contributing to the development of intra-African cooperation."

The commissioning of the plant comes nearly a year after the start of cement production by the plant with a current capacity of 500,000 tons per year.

Over CFA 20 billion francs was invested for the cement project to take off after the first foundation stone was laid in 2012.

In recent months, the locally made cement bags with CIMAF insignias are being sold in Cameroon and the Central African region which contributes to strengthening the supply of the building material.

Other cement producers in Cameroon include the Cement of Cameroon (CIMENCAM) a subsidiary of

the French group Lafarge and Dangote Group (DCM).(APA 27-10-2015)

LEBANESE SECURITY AGENCIES RECEIVE EQUIPMENT UNDER EU INTEGRATED BORDER MANAGEMENT PROJECT

Border-control equipment was handed over this week to the Lebanese security agencies within the framework of the EU-funded project 'Developing National Capability for Integrated Border Management in Lebanon' (IBM Lebanon).

Mr. Alexis Loeber, Head of the Cooperation Section at the Delegation of the European Union, said: "The project has contributed - for the first time in the Middle-East region - to the creation of a joint approach on border management," adding that the next phase of the project for the period, 2016-2018 is being negotiated.

The EU has already allocated €1.4 million in equipment, refurbishment, and works through the EU IBM project, whose first phase comes to an end in December of this year.

The three-year long IBM Lebanon project was launched in 2013, with the aim of supporting the Lebanese authorities in securing and controlling the borders in accordance with national and international integrated border management standards, thereby increasing the security of Lebanese citizens, promoting regional stability and facilitating trade, development, and human contact. (EU Neighbourhood 29-10-2015)

NAMIBIA: SOLIDARITY TAX TO CUSHION THE POOR SOON

President Hage Geingob said his government will introduce a solidarity tax in the next financial year that will compel every Namibian who earns a better salary to contribute towards a fund to assist the country's poor.

The war on poverty can and should never be a government issue. It is a war that the entire Namibian nation will have to participate in. In this regard, the role and contribution of each and every Namibia, no matter how small or how large cannot be overemphasized, he said.

He made the proposal in a statement he delivered at the National Conference on Wealth Redistribution and Poverty Eradication that ended on Tuesday in Windhoek.

Upon his ascendancy to the Presidency last March, Geingob has introduced a raft of policies as part of his crusade against poverty and hunger.

He has created a new Ministry of Poverty Eradication and Social Welfare, which resorts under the Presidency to spearhead the war on poverty and help narrow the gap between the rich and poor.

Geingob has also pledged to donate 20 percent of his salary toward a fund that will be used to assist poor Namibians further their education. (APA 27-10-2015)

ANGOLA'S BOOM, FUELLED BY CHINA, GOES BUST

The oil boom that turned this Atlantic coast city into the world's most expensive for foreigners has gone bust, threatening President José Eduardo dos Santos's long grip on power in Africa's second-biggest crude producer.

Property prices have plummeted by half and Western oil companies are laying off thousands; US dollars and steady work have become scarce. Angola's troubles threaten to reverberate as far away as Beijing, the regime's sponsor and top crude customer.

In the European Union, some Portuguese banks now rely on their Angolan branches to generate profit and Portuguese companies piled into Angola during the debt crisis at home. Expatriates who once paid hundreds of dollars for grilled shrimp at beachfront restaurants have gone. Poor villagers face flour and rice shortages. Luanda's middle class, ambitious professionals who shrugged off Angola's politics while the economy was growing, are for the first time publicly backing activists who have taken to the streets. "Talking about politics used to be avoided. It's our national hobby now," a young lawyer said.

Thousands are being laid off as oil-sector giants including France's Total SA, Spain's Repsol SA and services firm Schlumberger cut costs.

"If the situation goes on like this, the regime won't survive," the lawyer said.

Angola's economy will grow 3.5% this year and next, the International Monetary Fund says, down from double-digit rates a few years ago. Angola's central bank has burned through \$10bn, a third of its reserves, just to hold the kwanza currency's slide against the dollar at about 30%. The inflation rate is approaching 12% annually.

"It's the biggest crisis we've ever faced," said Guadalberto Limo Campos, a deputy governor at the bank. He said the bank was negotiating a currency-swap deal with the People's Bank of China to help ease the liquidity shortage.

He said \$6bn in fresh financing from China would build new schools and power plants in exchange for half of the 1.7-billion barrels of oil Angola expects to pump in each of the next two years.

Chinese businesspeople in Angola say they built infrastructure here when no one else was willing. But economists say such deals worsen the crunch because Beijing pays in projects, not cash. Like other African countries that rely on China's hunger for natural resources, Angola is reckoning with waning demand — and less revenue to keep frustrated populations in check. China may already be re-examining its relationship with Angola.

Officials recently put one of energy giant Sinopec Group's executives under investigation for suspected graft related to oil deals in China.

"China is not the same customer it was 10 years ago. We don't know how long they will need us," said Manuel Alves da Rocha, an economist at the Catholic University of Angola.

This month, Mr. dos Santos — whose 36 years in power make him Africa's second-longest-serving leader after Equatorial Guinea's Teodoro Obiang Nguema Mbasogo — shocked the National Assembly by skipping his state of the nation address for the first time, stoking rumours that he is suffering from cancer or is losing his party's backing.

Vice-President Manuel Vicente, who spoke in his stead, said only that 73-year-old Mr dos Santos was "indisposed".

The anger of cosmopolitan Angolans is coalescing around 15 young activists jailed since June for holding readings about nonviolent resistance by the US political scientist Gene Sharp. The government calls the reading circle an act of rebellion.

Dozens of supporters recently gathered outside a Luanda church to advocate for their release. Monica Almeida, whose boyfriend Luaty Beirao on Tuesday ended a 36-day hunger strike that made him the public face of the imprisoned, said she finally lost faith in her government when police threatened to turn water cannons and dogs on the demonstrators, intimidating them into retreat.

For Ms Almeida, who has steered clear of her boyfriend's activism and even worked as a photographer for Mr. dos Santos's party, it was an awakening.

"They showed me they are capable of doing anything to protect what they built for themselves," she said. In the brief address he delivered on behalf of Mr. dos Santos, Mr. Vicente obliquely criticised the protesters and said authorities were lawfully cracking down on disorder.

"The political situation in our country is stable," he said. But business leaders fear unrest will intensify as long as Angola is short on US dollars.

Crude generates nearly all of the country's export earnings and 80% of revenue. With oil prices down 50% from a year ago, Angola has half as much money to pay nurses and police, and imports are scarce.

"If you don't have eggs you can't make an omelet," said Pedro Godinho Domingos, president of Prodiaman LDA, an oil-services company.

Prodiaman laid off 100 of its 750 employees this year and halted construction at a \$140m condominium complex for expatriates in the oil-rich Cabinda region.

"It's a survival situation. We're losing contracts every single day," Mr. Domingos said.

The crunch is choking companies that sprang up to tap Luanda's boom. André Moura Nicolau aimed to sell \$8m of partitions, desks and lamps in 2015.

Instead, his office-design firm hasn't hit even \$2m in sales. The squeeze is tightest on the poor.

"Everything is so expensive," said 38-year-old Salvena da Silva, who has raised the price of the Chinese-made sandals she sells at a Luanda market by 50c.

Sales have dropped and the \$5 she makes daily isn't enough to feed her five children.

"How can we survive? We need a government that can help." (WSJ 29-10-2015)

GAMBIA: TOURISM CONTRIBUTES OVER 16 PERCENT OF GDP-REPORT

The Gambia tourism sector accounts for 16 to 20 percent of the Gross Domestic Product (GDP), according to the country's 2015/16 Tourism Strategic Document, prepared by the Gambia Tourism Board (GTB).

The document seen by APA on Wednesday said the sector is the second pillar of the country's economy after agriculture.

It said tourism has provided \$45 million of direct investment and \$85 million of foreign exchange in 2013 alone.

According to the Director General of GTB, Adboulie Hydara whose statement is contained in the document, the country's tourism industry is on the verge of regaining its original position regarding the number of tourists arrival, citing the arrival of tourists flights and boats carrying hundreds of tourists from different parts of Europe in October alone, with thousands more expected.

He said last year's Ebola outbreak in Liberia, Guinea and Sierra Leone has impacted negatively on the arrival of tourists in Gambia, due to wrong reports by the western media on the deadly disease. (APA 28-10-2015)

AGRICULTURAL KEYS TO MALARIA IN AFRICAN HIGHLANDS

Sixty-five years after a major international summit here on malaria, the mosquito-borne disease remains a scourge and its incidence may even be rising in parts of sub-Saharan Africa due to the combined effects of climate change, agricultural practices and population displacement.

Almost half the world's population is deemed at risk of malaria, and an estimated 214 million people will contract it in 2015, with nearly half a million dying.

"Malaria is the number one public health problem in our country," says Babria Babiler El-Sayed, director of Sudan's Tropical Medicine Research Institute. Sudan has begun, with the assistance of FAO and the IAEA, to release sterilized male mosquitoes into the air in hopes that they crowd out their virile brethren and lead to reduced mosquito populations.

The United Nations Food and Agriculture Organization (FAO) and the International Atomic Energy Association (IAEA) have used this "nuclear" technique with success against the lethal tsetse fly and the produce-destroying fruit fly. Malaria is a new area, and the two agencies are experimenting across East Africa with this so-called Sterile Insect Technique (SIT) of pest control.

And yet malaria is demonstrably preventable – and that is why it is explicitly named in Sustainable Development Goal No. 3 as something to be ended by 2030.

The key is not to rely on one method or tool but to develop integrated efforts to subdue the disease, notes El-Sayed.

That fits FAO's broader approach. While working with the IAEA on the logistics and technology of SIT, field officers emphasize the need to integrate agricultural practices ranging from crop selection, tilling technique, water use and even rural home locations.

It's a shift from 1950, when a World Health Organization conference held in Kampala resolved to support the intensive use of Dichlorodiphenyltrichloroethane (DDT) to eradicate the disease. As was learned the hard way, even such a potent chemical cannot on its own sustainably solve the problem. Indeed, in the emblematic case of the Tennessee Valley in the United States, it was a mass anti-poverty campaign coupled with a huge hydroelectric public-works program that led to the rapid demise of malaria without the use of chemicals in the 1930s.

Warmer climate helps bugs fly higher

Particularly alarming is malaria's literal ascent into the densely-populated highlands of east Africa. Inhabitants of southwest Uganda and parts of Zambia and Rwanda typically lack the genetic resistance to malaria developed by farmers in mosquito-prone areas.

Climate change wreaks all sorts of changes in the risk profile of the human environment. For example, more and more Zambians are killed by crocodiles, lions and buffalos as they travel further for water in times of drought. Less headline-grabbing, but more pervasive, is the way one poor harvest can wipe out livelihoods, driving people to sell their livestock, tools and even land in a bid to survive and ending up mired in poverty. Similarly, pressure on the land – sometimes linked to civil conflict – is driving record flows of migrants, the majority of whom don't leave their countries, but move into new ecosystems, as scores of Ugandans are doing by moving to the hilly southwest regions of this country and ultimately taking up a form of farming that enhances the risk of malaria.

Add to this the steady climb in average temperatures, which increase the potential habitat for the main malarial vectors and are "related to altitude rather than latitude," according to recent research done by the International Food Policy Research Institute into why the incidence of malaria has risen so dramatically in Uganda's upcountry. That spells special risks for elevations above 2,000 meters in Kenya, Ethiopia and Burundi, too.

Strategies must be integrated and local

Despite popular images today, malaria is not particularly a tropical disease. Indeed, it was the successful use of DDT in postwar Italy that galvanized the Kampala conference, even though it now appears the rising incomes linked to Marshall Plan-funded economic growth was the determining factor.

Integrated methods – farming techniques, crops themselves, and human practices such as the use of nets – are all part of any success story in malaria. Zambia's Malaria Institute at Macha has, with international support, practically eliminated malaria in its southern district, and the credit should go primarily to an engaged community effort, according to Dr. Phil Thuma, one of the institute's mainstays and an advocate of what he calls "full court press" tactics in battling the epidemic.

FAO has long been involved in distributing mosquito nets, one of the simple but critical tools in any effort. Indeed, one current FAO project promotes the use of insecticide-treated nets around livestock barns in Kenya and has led to a sharp uptick in dairy production as both humans and animals are healthier.

The media has long indulged in donor-depressing tales about Zambian fishermen using anti-mosquito nets to boost their catch or – in one quirky story from Uganda but published in Botswana – people using the nets to make bridal dresses. But in fact most people in eastern Africa have and use their government-provided nets today, and many buy another one in a sign of conviction about their utility, according to a detailed survey of actual behaviour in Tanzania.

The real problem is that many farmers have to get up before dawn, or stay out in their fields late, and as a result their work forces them to forgo protection during the biting hours.

Almost everybody knows the basics about malaria, but few had heard about climate change. Intriguingly, those with secondary or higher education tended to worry about unpredictable rain patterns while those with only primary education are focused on rising temperatures.

Empirical surveys clearly show that where cultivation practices reduce vegetation cover, temperatures rise in mosquito breeding sites. That means land use and reforestation efforts need to be part of the community-driven policy mix. Farmer field schools, a longtime FAO priority focus, are key to spreading knowledge that is locally useful, such as casting shade on breeding places or fostering fish in ponds.

Developing "malaria-smart" programs need to be drawn up with that in mind, especially given efforts to increase irrigation infrastructures to boost agricultural yields in sub-Saharan Africa. One survey in

Ethiopia found that the rate of childhood malaria was seven times higher in villages within three kilometres of a microdam for irrigation than children living more than eight kilometres away.

Maize cultivation, a huge force in the region, may also be lifting the incidence of malaria because the higher-yield hybrid varieties used pollinate later in the year, helping fatten up mosquito larvae – meaning more, bigger and longer-living adult ones.(IPS 23-10-2015)

MOZAMBIQUE APEX BANK WARNS OF ACCELERATING INFLATION IN 2016

The Reserve bank of Mozambique, Banco de Mocambique, BM has warned that inflation is likely to climb higher in 2016, APA can report.

Addressing a regular media conference on the economic situation and the prospects for inflation on Wednesday, the bank's spokesperson, Waldemar de Sousa, said that, while he remained confident that inflation this year would not exceed the ceiling of five percent, he feared that in 2016 there would be a significant rise in inflation.

The latest inflation statistics, based on the consumer price indices for the three largest cities Maputo, Nampula and Beira show that in the first nine months of the year inflation was just 1.51 per cent.

In the year from 1 October 2014 to 30 September 2015, inflation was 2.73 per cent.

But in the final three months of 2015, inflation is expected to speed up, largely because of the impact of the depreciation of the Mozambican currency, the metical, against the US dollar and the South African rand.

In addition, world market prices for grain, which is a key component on the basket of goods and services used to calculate inflation, are on the rise. Over the past year, rice and wheat prices have gone up by 3.2 and 7.2 per cent respectively, and most of the rice and wheat consumed in Mozambique is imported.

Sousa said that the main reason for the bank hiking its interest rates earlier this month was to put a brake on inflation.

The monthly meeting of the bank's Monetary Policy Committee increased the benchmark lending rates by 25 base points from 7.5 to 7.75 per cent

This rate had been held at 7.5 per cent since November 2014, and for the previous year it had been held at 8.25 per cent.(APA 28-10-2015)

INDIAN TEXTILE FACTORY BEGINS OPERATIONS WITH \$45M INVESTMENT

Kanoria Africa Textile Plc, an Indian owned denim fabric manufacturer, started production following inauguration by Prime Minister Hailemariam Desalegn on Saturday, October 24, 2015.

The company, located on 155,000sqm plot of land at Keta Industrial Zone in Bishoftu (Debre Zeit), has so far invested 45 million dollars. It has the capacity of producing 12 million metres of denim a year, to be used for making garments. It intends to raise production capacity to 20 million metres in a year.

It was licensed two years ago and has been producing denim yarn since February 2015. It will start selling its product in November to such export markets as Egypt, Tunisia, Morocco and Sri Lanka, said Jay Soyantar, marketing vice president of Kanoria. Future markets include Europe and the US, he added, to benefit from duty free advantages accorded by the African Growth Opportunity Act (AGOA).

Kanoria buys up to 70pc of its cotton from the Ethiopian market while importing the rest from Pakistan and India.

It has become the first company to produce denim in Ethiopia, said Bantihun Gessesse, communication director at Ethiopian Textile Industry Development Institute. Currently there are 136 registered medium and large scale textile and garment factories, 40 of which are foreign direct investment (FDI) companies.

The sector, which is promoted for its labour intensive nature, is usually handicapped by such challenges of shortage of raw material mostly cottons, and power interruption at factory sites.

In 2013/14 the country produced only 35,000tn of cotton on 60,000ha of land. A year later, 60,000tn was produced on 100,000ha, although the increased national demand had varied from 90,000tn to 100,000tn a year.

For this fiscal year the expectation was to produce around 100,000tn from 125,000 ha of land. However because of drought in the North Western part of Ethiopia, actual coverage has been only 75,000ha, according to Bantihun.

A report by the Ministry of Industry, which assessed the 11th month performance of the last fiscal year, showed that the electric power outages in the textile industry totalled 945 hours, with Ayka Addis suffering the longest cuts of 253 hours. Bedesta Industries followed with 140 hours, Adama Spinning Factory with 106 hours. (BD 26-10-2015)

INDIA SHOULD MANUFACTURE TRACTORS IN LESOTHO

Prime Minister (PM) Dr. Pakalitha Mosisili has invited the Indian government to help Lesotho with the manufacturing of tractors inside the country and boost agriculture, APA can report Wednesday.

Dr. Mosisili said this during the ongoing Africa- India Summit held in Delhi, India which started on Monday and is scheduled to end on Friday.

He said since 80 percent of Basotho live on agriculture.

He said it is important if Lesotho could be able to manufacture quantities of tractors with the help of India to boost food production in the country.(APA 28-10-2015)

LE MAROC ET L'ÉTHIOPIE, INVITES VEDETTES DU « BUSINESS FORUM » INDE – AFRIQUE

Le "business forum" organisé en marge du sommet Inde Afrique a été inauguré par le général Vijay Kumar Singh, ministre d'État des Affaires extérieures de l'Inde.

Quelques 1 500 hommes et femmes d'affaires ont participé au « business forum » le 28 octobre, en marge du Sommet du Forum Inde – Afrique (IAFS) à New Delhi. Deux pays étaient particulièrement bien représentés.

À l'hôtel Le Méridien New Delhi, ce jeudi 28 octobre, la journée était consacrée aux affaires, à l'invitation de la Confederation of Indian Industry – Confédération indienne de l'industrie (CII). Au programme des panels, les principaux domaines de coopération entre l'Inde et l'Afrique : les infrastructures, l'énergie, la santé, l'agriculture et les nouvelles technologies.

Ce « business forum » était aussi l'occasion d'établir des contacts entre les chefs d'entreprises indiens et africains.

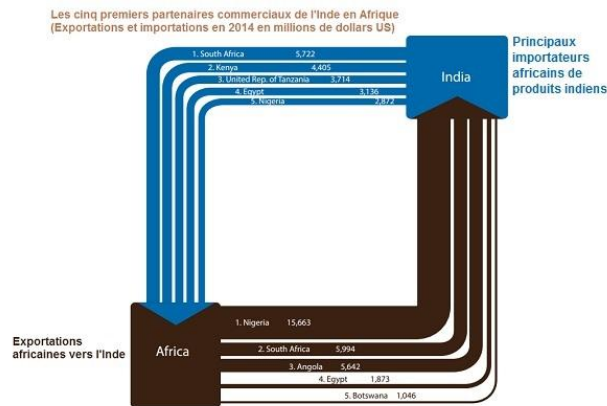
Pour cela, des sessions de « speed-dating business to business » (rencontres d'entreprise à entreprise) étaient organisées tout au long de la journée. Selon les organisateurs, environ 1 200 hommes et femmes d'affaires indiens (contre 500 attendus à l'origine) et 350 entrepreneurs africains ont répondu présents.

Sessions exclusives

Mais tous les pays n'étaient pas logés à la même enseigne. Sur les quatre sessions d'interaction (d'une heure trente chacune), deux étaient dédiées exclusivement au Maroc et à l'Éthiopie. La troisième était consacrée à l'Égypte et au Malawi tandis que les représentants de tous les autres pays africains se sont partagés la quatrième session.

« Ce n'est pas nous qui avons souhaité cette structure au départ, confie un responsable de l'organisation. Simplement, nous nous sommes adaptés aux inscriptions et à la demande en provenance de chaque pays ».

La [venue surprise du roi du Maroc, Mohammed VI](#), accompagné d'une très importante délégation, semble avoir favorisé la visibilité des entreprises du royaume à New-Delhi.



Pourtant, ni le Maroc, ni l'Éthiopie ne font partie, pour l'instant, des cinq principaux partenaires commerciaux de l'Inde (qui sont le Nigéria, l'Afrique du Sud, l'Angola, l'Égypte et la Tanzanie). Mais ce sommet Inde – Afrique permettra peut-être de renforcer les échanges de ces deux pays avec « l'autre géant asiatique ».(JA 28-10-2015)

[Rapport 2015 sur le commerce et les échanges entre l'Inde et l'Afrique](#)

NIGERIAN PRESS ON CURRENCY DEVALUATION

The controversy surrounding the devaluation of the local currency, a planned delimitation of constituency boundaries and a code of ethics in telecom industry were some of the major stories covered by Nigerian newspapers on Sunday.

The Guardian reported that Vice President Yemi Osinbajo has added his voice to the chorus of dissenting voices over the devaluation of the Naira, saying the move was not an appropriate option in the current economic realities in the country.

The Leadership for its part said the Independent National Electoral Commission (INEC) will in the absence of any obstacles, embark on the delimitation of constituencies and the creation of polling units ahead of the 2019 election.

The Vanguard also said former head of state, Gen. Yakubu Gowon (rtd), at the weekend, said the consequences of not putting Nigerian youths on the path of rectitude would be too hard to bear for the country, stressing that he foresees danger ahead.

The Independent reported that the Association of Telecommunications Companies of Nigeria (ATCON) in Lagos presented its Code of Ethics for professional and business conduct.

National Mirror cast the spotlight on the All Progressives Congress, APC, which warned that the resort to crude, personal attacks by PDP spokesman, Chief Olisa Metuh, in his latest statement is a clear vindication of the party's stand that the PDP should urgently rebrand or go into extinction.(APA 01-11-2015)

KENYATTA, INDIAN PM DISCUSS AFFORDABLE MEDICAL SERVICES

President Uhuru Kenyatta and Indian Prime Minister Narendra Modi kicked off talks on Wednesday to help lower the cost of medical services for Kenyans.

President Kenyatta and Prime Minister Modi said their two countries are ready to work together in the transfer of skills to strengthen Kenya's capacity in the provision of specialized health services to lower the burden for the increased number of Kenyans seeking treatment abroad.

The two leaders supported the setting up of specialized medical facilities by Indian companies in Kenya to reduce the cost of medical services and make it convenient for those requiring the services.

President Kenyatta and Prime Minister Modi made the pledge when they held bilateral talks at Hyderabad House in New Delhi.

Kenyatta particularly welcomed Indian partnership in the areas of oncology and cardiology, saying the move would make the services more accessible to Kenyans.

He observed that as much as some Kenyans could afford the cost of medical care in India, the cost of accommodation and travel was still a big headache to most people.

This is a major burden to Kenyans. So if Indian companies could develop similar facilities in Kenya, you would ease the pressure on Kenyans seeking treatment in India while at the same time expand your businesses, President Kenyatta said.

Prime Minister Modi appreciated Kenya's support to the development of India health sector, citing the large numbers of Kenyans who have sought treatment in his country.

The two leaders also discussed the need to develop Kenya's infant pharmaceutical industry and President Kenyatta welcomed Indian pharmaceutical companies to set up manufacturing plants in Kenya to produce affordable drugs.

We welcome the contribution of Indian companies in boosting our health sector, President Kenyatta said. (APA 28-10-2015)

The Memorandum is supported by NABA - Norwegian-African Business Association and other organisations.

naba | Norwegian-African
Business Association
www.norwegianafrican.no

Fernando Matos Rosa

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