

MEMORANDUM

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40th Anniversary of the
African, Caribbean & Pacific
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4-5 June 2015, Brussels - Download Programme

ACP COUNCIL MAKES PRONOUNCEMENTS ON SIDS, MIGRATION, PRIVATE SECTOR DEVELOPMENT

The 101st session of the Council of Ministers of the African, Caribbean and Pacific Group of States took place on the 26th and 27th of May and reconvened again on the 29th to finalise outcomes.

Nine decisions and four resolutions were adopted. In addition to decisions on administrative matters, they included the following:

Implementation of the Report on the Future Perspectives of the ACP Group

The ACP Council of Ministers decided that the Task Force responsible for implementing relevant recommendations in the Final Report of the Ambassadorial Working Group on Future Perspectives, widen its discussions to include trade, development, and cooperation. The Committee of Ambassadors was also mandated to fast track the design of a Long-Term Development Fund to urgently address the issue of the Group's financial sustainability. The proposed institutional architecture of such a fund is to be presented at the next Council meeting in December 2015.

The Committee was also instructed to reflect on measures to bring the institutions of the ACP Group closer to the Member States.

ACP Forum on Small Island Developing States (SIDS)

The ACP Council approved the creation of a special forum for Small Islands Developing States, or SIDS, within the ACP Group. This SIDS forum will work primarily to sensitise stakeholders and the general public to SIDS concerns, as well as mainstream the SIDS agenda in ACP-EU relations, in particular issues captured in the outcome document of the Third International Conference on SIDS, known as the SAMOA Pathway.

Intra-ACP project management framework

The ACP Council also approved a new project-management framework, which seeks to boost the ownership, capacity and visibility of the ACP Group as an implementing partner of Intra-ACP projects (large scale development programmes implemented across various ACP countries) financed under the European Development Fund (EDF), while reducing over-reliance on other international organisations as the implementing agents.

Health in the context of the Post-2015 Development Agenda

The ACP Council also welcomed the outcomes and recommendations of the 2nd Meeting of ACP Ministers of Health in February, including the promotion of universal health coverage (UHC) in ACP countries, and making it an over-arching goal for the health sector amongst the proposed Sustainable Development Goals (SDGs) of the post-2015 development framework, with sustainable financing. Strengthening health systems to cope with epidemics such as the Ebola outbreak through multi-sectoral, coordinated approaches standardized within national systems, was also recommended.

In addition, four resolutions were passed on the following key issues:

Migration

The ACP Council of Ministers urged the effective implementation of the ACP-EU Dialogue on Migration and Development, so that migration will not only be a challenge, but also an opportunity for both

countries of origin and host countries. The Council underscored that beyond the military and security approach taken by the EU, there is an urgent need to have a comprehensive approach to deal with migration, in partnership with all countries concerned. This global approach should attach the root causes of migration, while favouring international legal instruments that guarantee the human rights of migrants, regardless of their legal status in the host country.

ACP-EU Economic Partnership Agreements

The ACP Council of Ministers called for more flexibility in negotiations on outstanding issues; more attention to the difficulties of implementation; and adequate new and financial resources as well as technical support required by ACP regions to implement the EPAs. The ACP-EU Trade Ministerial Committee, which meets in a few weeks on the 22-26 of June, was invited to approve the draft agreement on Customs Administrative Cooperation.

New approach to private sector development

The Council urged the EU to respect the compromise reached last year on the closure of the long standing ACP-EU joint institution for private sector development known as the Centre for the Development of Enterprise (CDE) and the establishment of the Light Support Structure for the ACP private sector. The Council mandated the Committee of Ambassadors to finalise the establishment and implementation of this 'light structure', while also requesting that it work with the European Commission to identify adequate resources for this exercise.

On ACP commodities

The Council of Ministers urged the completion of the new ACP-wide approach to commodities, taking into account the importance of commodities such as tobacco, cashew nut and kava, to some ACP countries. The Council also focused on:

Sugar: The Council passed strong resolutions on Sugar, calling for more policy coherence in the EU's trade, agricultural and development policies, as well as an urgent review on the impact of the EU sugar reform and rapid and early decline in EU sugar prices on the ACP sugar supplying states. The Council urged the EU to rescind the sugar specific safeguard provisions in the ACP-EU EPAs, which will apply after September 2015, and exclude such provisions in any future sugar import implementation regulation

Cotton: The ACP Council of Ministers called on members of the World Trade Organisation to translate into reality the results of the 2013 WTO Ministerial Conference in Bali, with the view to reach an agreement on Cotton before the next Ministerial Conference in December 2015. The Council urged the Secretariat to work with relevant partners to finalise the Pan-African Cotton Agenda, with an aim to begin implementation in 2016. The Council called on development partners, in particular the EU, to support this on-going initiative over the next 10 years.

Bananas: The ACP Council of Ministers stressed the need for a review of the banana sector in ACP countries, as well as a study on the impact of the support given to assist the sector. This comes in light of new risks to competitiveness, as seen in additional trade benefits proposed by the European Commission to third countries that compete with ACP banana producing countries.

EU SIGNS VISA WAIVER AGREEMENTS WITH 7 ACP COUNTRIES

On 28 May the EU signed short-stay visa waiver agreements with St Lucia, the Commonwealth of Dominica, Grenada, St Vincent and the Grenadines, the Republic of Vanuatu, the independent State of Samoa and the Republic of Trinidad and Tobago, at a ceremony that took place in Brussels.

On behalf of the EU, the agreements were signed by Ms. Zanda Kalniņa-Lukaševica, Parliamentary State Secretary for EU Affairs, Ministry for Foreign Affairs of Latvia, and by Mr. Dimitris Avramopoulos,

Commissioner for Migration, Home Affairs and Citizenship. On the African, Caribbean and Pacific Group (ACP) side, representatives from the 7 countries signed the agreements.

The new visa regime provides for visa-free travel for EU citizens when travelling to the territory of these countries and for citizens of these countries when travelling to the EU, for a period of stay of 90 days in any 180-day period. "Today's agreements will encourage people-to-people contacts, boost tourism, and invigorate business between the EU and these seven ACP countries", said Ms. Zanda Kalniņa - Lukaševica, Parliamentary State Secretary for EU Affairs of the Ministry for Foreign Affairs of Latvia.

In order to benefit from visa-free travel, citizens from the EU and the signatory countries must be in possession of a valid ordinary, diplomatic, service/official or special passport. Visa-free travel applies to all categories of persons and for any kind of purposes of travel (for instance tourism, cultural visits, scientific activities, family visits, business etc.), except to persons travelling for the purpose of carrying out a paid activity.

The decisions on the conclusion of the agreements will now be sent to the European Parliament with a view to obtaining its consent before they can be concluded. However, they will apply on a provisional basis as from 28 May 2015.

Ireland and the United Kingdom will not be subject to the application of the agreement, in accordance with the protocols annexed to the EU treaties. The visa regime to these member states remains subject to their national legislation.

[Agreement between the European Union and Saint Lucia on the short-stay visa waiver](#)

[Agreement between the European Union and the Commonwealth of Dominica on the short-stay visa waiver](#)

[Agreement between the European Union and Grenada on the short-stay visa waiver](#)

[Agreement between the European Union and St. Vincent and the Grenadines on the short-stay visa waiver](#)

[Agreement between the European Union and the Republic of Vanuatu on the short-stay visa waiver](#)

[Agreement between the European Union and the independent State of Samoa on the short-stay visa waiver](#)

[Agreement between the European Union and the Republic of Trinidad and Tobago on the short-stay visa waiver](#)

EU TO SUPPORT REGIONAL PROGRAMMES IN SOUTHERN, EASTERN AFRICA AND THE INDIAN OCEAN WITH MORE THAN €1.3 BILLION

Today, European Commissioner for International Cooperation and Development, **Neven Mimica**, co-signed new regional funding for cooperation with Southern, Eastern Africa and the Indian Ocean, between now and 2020.

The so-called Regional Indicative Programme (RIP) under the 11th European Development Fund (EDF) amounts to a total of more than €1.3 billion. Co-signatories were the Secretaries General and Executive Secretaries of five regional organisations, representing 29 African countries.

Commissioner Mimica commented: *"The regional organisations are very important partners for the EU in our cooperation with Africa – the fact that our funding to South and East Africa and the Indian Ocean has more than doubled since the last financing period is clear proof of that. We will now be able to launch programmes in key sectors of regional cooperation such as peace and security, economic integration and the management of natural resources."*

The Regional Indicative Programme was co-signed by:

- Mr Sindiso Ngwenya, Secretary General of the Common Market for Eastern and Southern Africa (COMESA)
- Dr Richard Sezibera, Secretary General of the East African Community (EAC)

- Eng. Mahboub Maalim, Executive Secretary of the Intergovernmental Authority on Development (IGAD)
- Mr Jean Claude de l'Estrac, Secretary General of the Indian Ocean Commission (IOC)
- Dr Stergomena Lawrence Tax, Executive Secretary of the Southern African Development Community (SADC)

The regional funding to Southern, Eastern Africa and the Indian Ocean will target three priority areas in the region.

First, it will foster peace, security and regional stability, helping to prevent and manage conflict, and address security threats in a region of key strategic importance for Europe. This complements EU efforts to enhance resilience and tackle the root causes of migration.

Secondly, it will promote regional economic integration and trade facilitation, by integrating markets, promoting investment and improving production capacities, including the development of infrastructures. Finally, the funding will support sustainable natural resource management at regional level, improving resilience and biodiversity conservation.

The European Development Fund (EDF) is the main instrument for EU aid for development cooperation with the African, Caribbean, and Pacific countries (ACP) and is funded with contributions from the EU Member States. Regional Indicative Programmes represent an important step in the programming of EU aid under the EDF, complementing the National Indicative Programmes concluded with national governments of ACP states. Preparations are done in close cooperation with the regional organisations so as to ensure that the programmes support their priorities where the EU has a value added.

Today's signing took place at the **European Development Days** in Brussels: Europe's leading forum on global development and cooperation, bringing together 5,000 participants to find practical solutions to some of the world's most pressing problems.

The 2015 edition of European Development Days comes at a critical juncture for the future of the planet, with key decisions on the follow-up to the Millennium Development Goals (MDGs) to be taken at the Financing for Development Conference in July, the United Nations General Assembly in September and ambitious new goals to combat global warming expected in December.

European Development Days is the flagship event of the European Year for Development, whose motto – 'our world, our dignity, our future' - is reflected in the main themes of the Brussels forum. (EC 04-06-2015)

AFRICA: WORLD ECONOMIC FORUM ON AFRICA ENTERS SECOND DAY

The annual World Economic Forum on Africa meeting in Cape Town entered its second day on Thursday in the South African city which will see Team South Africa, led by President Jacob Zuma, participating in a range of activities, acting cabinet spokesperson Phumla Williams said Thursday.

According to her, the team will include Water and Sanitation Minister Nomvula Mokonyane participating in a session entitled "The Future of Water," while Tourism Minister Derrick Hanekom will participate in a session entitled "Unlocking Africa."

Mineral Resources Minister Ngoako Ramatlhodi will be participating in a session entitled "Africa Mining," she said.

The meeting kicked off on Wednesday under the theme "Then and Now: Reimagining Africa's Future," the event has attracted over 1,000 participants from more than 75 economies.

Team South Africa was well represented on the first day of WEF Africa and boldly emphasised that South Africa was open for business on all platforms, Williams said.

The day began with the Minister in the Presidency, Jeff Radebe, together with Ghanaian Minister of Foreign Affairs, Hanna Tetteh, taking part in an interactive discussion on how competitive African nation brands can contribute to advancing Agenda 2063 of the African Union.

"Both Ministers and the participants at large concluded the discussions, saying that the time has come for African countries to implement policies which will contribute to changing socio-economic conditions on our continent," Williams said. (APA 04-06-2015)

NIGERIAN CENTRAL BANK OFFICIALS ACCUSED OF \$40M FRAUD

Nigeria's anti-corruption body is set to charge senior officials from the central bank and some commercial lenders following their arrest in connection with an alleged 8-billion naira (\$40m) currency fraud scheme, the agency said on Monday.

The Economic and Financial Crime Commission (EFCC) said six central bank officials and 16 commercial bank staff accused of currency theft and re-circulating naira notes intended for destruction would appear in court on Tuesday.

"Instead of carrying out the statutory instruction to destroy the currency, they substituted it with newspapers neatly cut to naira sizes and proceeded to recycle the defaced and mutilated currency," it said in a statement.

It was unclear from the statement which of Nigeria's banks were involved.

The announcement comes three days after President Muhammadu Buhari was sworn in as leader of Africa's biggest economy and top oil exporter. A crackdown on corruption was one of his central election campaign pledges.

The central bank regularly withdraws old or torn notes from circulation to replace them with new ones. Officials said the scheme had had no impact on money supply or inflation, which has hovered at about 8.7% since April.

The naira has lost 8.5% of its value since the start of the year after sharp falls in the price of oil, Nigeria's main export, forced the central bank into a de facto devaluation in February to save its dwindling foreign reserves. (Reuters 01-06-2015)

CAMEROON HEALTH WORKERS ON STRIKE

Cameroon public health workers have on Tuesday continued their strike action started on Monday in Yaoundé, the second largest city and the political capital of Cameroon.

The strike was organized by Cameroon's National union of health workers (Cap/Health) and the National union of health and medical personnel (SYNPEMS).

In major health facilities, strikers who have been demanding better living and working conditions, gathered up at the entrance of the health centers with placards expressing their demand.

Most of the patients interviewed said they received no treatment since yesterday.

In April 2014, the protesters complained about the bad ranking procedures of the health sector professionals, the discriminatory distribution of bonuses and family allowances.

They have been demanding the re-payment of all contracts in the public service, the updating of the different technical platforms and supply of essential medicines as well as the organization of elections for the representatives of the staff in second rank hospitals.

Given the risks of general paralysis of the system the Minister of Public Health, Andre Mama Fouda,

called on the unions to engage in dialogue in a bid to find realistic, sustainable and lasting solutions to the crisis.(APA 02-06-2015)□

PRESIDENT OF ANGOLA MAKES OFFICIAL VISIT TO CHINA

The President of Angola, José Eduardo dos Santos, was invited to pay an official visit to China, which should happen “very soon”, the Chinese ambassador to Angola announced Monday in Luanda.

At the end of a meeting with dos Santos, the ambassador said that the visit by the President of Angola at the invitation of his Chinese counterpart, Xi Jinping, “will further deepen the cooperation between Angola and China,” which he described as “strategic.”

China has a community of more than 260,000 nationals residing in Angola, especially workers in major construction projects that are underway in the country, but also businesspeople.

In addition, China buys nearly half of the oil that Angola exports, which in turn benefits from credit lines that have allowed it to start reconstruction of the country, following the end of the civil war in April 2002. (02-06-2015)

SUDAN’S BASHIR SAYS WANTS DIALOGUE WITH WEST AS NEW TERM STARTS

Sudan is open to dialogue with Western nations, President Omar Hassan al-Bashir said on Tuesday, in an unusually conciliatory message from a leader who is wanted on genocide charges and whose country has suffered from years of economic sanctions.

Speaking at the start of a new presidential term that extends his quarter century in power, Mr. Bashir, 71, also appealed for national unity as he grapples with rebellions and dwindling oil revenues following South Sudan’s 2011 secession.

Sudan has long laboured under a raft of UN and bilateral sanctions, including from the United States. Mr Bashir also faces charges at the International Criminal Court that he masterminded genocide and other atrocities in his campaign to crush a revolt in the Darfur region. He has denied all the charges.

"Sudan will seek, God willing, and with an open heart, to continue dialogue with Western countries in order for relations to return to normal," Mr. Bashir told parliament after a swearing-in ceremony attended by regional African and Arab leaders.

"I will be, God willing, a president for all. There is no difference between those who voted for us and those who didn't, between those who participated and those who boycotted (the election)," Mr. Bashir said.

"This is a right guaranteed to all," he told the lawmakers and foreign dignitaries, who included Zimbabwe’s President Robert Mugabe and Egyptian President Abdel Fattah al-Sisi.

Political analysts responded sceptically to Mr. Bashir’s call for talks with the West.

"(He will have to) give up his old vision that brought him Western enmity because Western countries have firm positions on issues on which there is disagreement (with Sudan)," said Ahmed Hassan al-Jak, a professor at Khartoum University.

Such issues include respect for human rights and bringing the Darfur war and other armed conflicts to an end, he added.

Mr. Bashir won 94% of the vote in a national election in April, the first since Sudan saw its south secede in 2011, but it was boycotted by most of the opposition. His ruling National Congress Party won 323 of 426 parliamentary seats.

Isolation

Opposition figures have said the continued rule of Mr. Bashir has exacerbated Sudan’s isolation from global financial and political institutions.

US companies are banned from doing business with Africa’s biggest country, although China and other investors have been quick to make up the shortfall.

Mr Bashir, who has kept a strong power base in the army and remains popular among many segments of the population, urged opposition parties in his speech on Tuesday to join a "national dialogue" he said would begin in the coming days.

He also renewed a general amnesty for armed groups who "truly desire to return and participate in dialogue".

Sudan has faced a rebellion in its Darfur region since 2003 and a separate but linked insurgency in Blue Nile and South Kordofan since the secession of South Sudan in 2011.

Mr. Bashir's Western critics complain of a crackdown on media, civil society and political opposition groups.

The United States has said the outcome of the April election does not amount to "a credible expression of the will" of the Sudanese given restrictions on political rights and freedoms.

The European Union also criticised the conduct of the election. (Reuters 02-06-2015)

GREEN ENTREPRENEURS IN MOROCCO, TUNISIA AND ALGERIA: APPLY NOW TO AN EU PROJECT TRAINING PROGRAMME

Young green entrepreneurs from Morocco, Tunisia and Algeria have until 30 June to apply and participate in a training programme organised by the EU-funded programme SWITCH-Med (Switching to more sustainable consumption and production in the Mediterranean).

The training programme will assist eco entrepreneurs in launching new businesses by:

- Training them on how to use tools to turn an innovative idea into a green business model
- Help them turn environmental challenges into business opportunities
- Provide them with technical expertise in eco-design and the improvement of the environmental performance of businesses
- Design an economically-sound business model
- Develop a green business plan

The deadline for application is **30 June 2015**.

The **SWITCH-MED** sustainable consumption and production programme aims to promote a switch of the Mediterranean economies towards sustainable consumption and production patterns and green economy, including low emission development, through demonstration and dissemination of methods that improve resource and energy efficiency. It also seeks to minimise the environmental impacts associated to the life cycle of products and services, and, as opportune, to promote renewable energy. (EU Neighbourhood 02-06-2015)

NEW SHAREHOLDER IN MOZA BANCO DEPENDS ON ENDORSEMENT BY MOÇAMBIQUE CAPITAIS

The sale of the 49 percent stake that Portugal's Novo Banco owns in Mozambique's in Moza Banco requires approval by the Moçambique Capitais company, the chairman of the Mozambican told weekly newspaper Savana.

Prakash Ratilal was speaking about the sale of the Portuguese bank, decided by the Bank of Portugal during the resolution process of Banco Espírito Santo (BES), which led to the capital it held in Moza Banco, through BES Africa, being passed on to Novo Banco.

With a 51 percent stake in Moza Banco, Moçambique Capitais has the right to veto any new shareholder in the bank, which is the fourth largest in Mozambique, under the terms of agreements previously accepted by BES Africa, said Ratilal.

"We have the right to choose our 'bride'; our new partner," said the chairman of Moçambique Capitais.

Media reports last week said the Atlas Mara investment company, founded by the former chief executive of Barclays, Robert Diamond, was interested in acquiring Novo Banco's stake in the Mozambican bank. Commenting on the news, Ratilal said only that "several entities" had expressed an interest, declining to confirm an approach by Atlas Mara or to name other interested parties.

However, according to the Portuguese press, the sale of Novo Banco's stake in Mozambique in isolation is unlikely given the BES resolution process, which prevents the separate sale of the assets of the newly created Portuguese bank.

According to the Moza Banco website it has a 6.97 percent share of the Mozambican banking market, where 19 retail banks operate.

To consolidate its position as the second largest shareholder of Moza Banco, BES Africa acquired 24.5 percent of Geocapital – Gestão de Participações, an investment company of Macau gaming magnate Stanley Ho. (02-06-2015)

ALGERIA: EU PROJECT HELPS WATER OFFICE ESTABLISH CENTRALISED REMOTE MANAGEMENT OF SANITATION FACILITIES

System monitoring from the screen of a central remote control station, remote access to data via the Internet, messages going directly to the mobile phones of maintenance staff, automatic data consolidation in technical management reports: these are the foundations of an ambitious project for the telemanagement of sanitation facilities that have been laid down in Algeria, with support from the EU-funded programme EAU II to the National Sanitation Office (ONA).

The first stage of the mission, aimed at identifying installations to be remotely managed, their specific needs, as well as the definition of a general design for a national programme.

Between May and September 2014, a second mission carried out a pilot study in the area of El Oued. A call for tender to install remote management in El Oued and Ouargla was developed on the basis on this study.

In parallel, 20 technicians have been trained in the operation of remote management systems, with workshops on project documents and field visits to already equipped sites. (EU Neighbourhood 02-06-2015)

MINISTERIAL MEETING IN MACAU BRINGS TOGETHER CHINA AND PORTUGUESE-SPEAKING COUNTRIES

The Ministerial Meeting on Infrastructure between China and the Portuguese-Speaking Countries is due to take place next Friday in Macau on the sidelines of the 6th International Forum on Investment and Construction of Infrastructure, according to official information.

Organised by the Permanent Secretariat of the Forum for Economic and Trade Cooperation between China and Portuguese-speaking Countries (Macau), the Ministerial Meeting has the support of the China International Contractors Association and the Macau Economic Service.

The meeting is intended to analyse the opportunities, challenges and international cooperation models in the infrastructure sector initiated by the Chinese state "One Belt, One Road" strategy and regional economic integration.

The meeting will discuss China's investment policies in the construction of infrastructure in foreign markets, especially in Portuguese-speaking countries, policies and investment strategies in the infrastructure sector of Portuguese-speaking countries, financing the construction of infrastructure and procedures and access to financing from the China Development Bank for infrastructure construction projects.

The meeting also provides an opportunity to highlight Macau as a Service Platform for Economic and Trade Cooperation between China and Portuguese-speaking countries.

The parties intend to take advantage of the effects of the Platform, combining its synergies with the “One Belt, One Road” scheme, to implement cooperation and development within infrastructure construction, deepen regional economic cooperation between China and Portuguese-speaking countries, as well as promote the construction of the Service Platform for Economic and Trade Cooperation between China and Portuguese-speaking countries.

The Ministerial Meeting on Infrastructure between China and Portuguese-Speaking Countries is one of the main activities included in the Schedule of Activities of the Permanent Secretariat of Forum Macau for this year. (03-06-2015)

INITIATIVE FOR GLOBAL DEVELOPMENT CALLS FOR EASY MOVEMENT THROUGH AFRICA

Private sector leaders on Monday appealed for ease of movement across regional and continental borders.

During a workshop by the Initiative for Global Development (IGD), captains of industry bemoaned structural and policy restrictions to the free movement of goods and people around the continent. The workshop comes just days before the World Economic Forum meeting, due to start on Wednesday in Cape Town. It also comes as the Department of Home Affairs introduces new requirements for people travelling to SA with minors, which critics say is a threat to tourism.

According to the World Bank, sub-Saharan Africa remains the most expensive global region to trade in, dogged by expensive fees and red tape. Business leaders at the workshop lamented the financial impact of these shortcomings on their businesses.

On the sidelines of the Monday workshop, IGD CEO Mima Nedelcovych told BDlive that the costs and inefficiencies of moving people, goods and services across African borders made businesses operating on the continent less competitive.

"We seem to be missing the political interface to create an efficient environment. Yes, if you go to Lagos you will have an airport where everything moves slowly, but it has a DHL branch that functions beautifully," Mr. Nedelcovych said.

He said private and public partnerships were needed on the continent to make logistics easier. However, he said the government and businesses in the logistics sector had to contribute strategic strengths.

"I am a firm advocate of the triple Ps. But you have to ask yourself the question of which P does what better. If the private P can manage an airline or road delivery better, let them do it. If the public P can set up more efficient customs offices, let them do it," he said.

The African Development Bank (AfDB) estimates that at least 15% of agricultural output on the continent is lost yearly as a result of storage and distribution shortcomings.

These include inadequate storage, a lack of transport infrastructure and a lack of security.

Benedict Kanu, of the AfDB's Agro-Industry Department, said infrastructure was central to the "growth story" of the African continent.

"Currently we have a portfolio worth \$1bn. About 60% of this goes towards, not the development of social infrastructure, but infrastructure that will boost these economies. We promote private and public partnerships for infrastructure," Mr. Kanu said.(BD 02-06-2015)

START OF ETHANOL AND SUGAR PRODUCTION INCREASES DIVERSIFICATION OF ANGOLA'S ECONOMY

Angola is about to become a producer of ethanol (ethyl alcohol) and sugar through an Angolan and Brazilian agri-industrial project, which contributes to the diversification of the economy, made more urgent by a prolonged period of low oil prices.

Angolan bioenergy company Biocom, whose main shareholders are Brazil's Odebrecht and Angola's Cochan, starts operating this month and expects to produce 36,000 tons of sugar and 6 million litres of ethanol by the end of the year.

Figures reported by Bloomberg indicate that the 42,000 hectare plantation, the largest in the country, will be increased to 80,000 hectares of sugarcane in the second phase, within four years, increasing production to 254,000 tons per year by 2021.

This capacity increase will allow Angola to be self-sufficient in sugar production. The country currently consumes around 400,000 tons of sugar per year, mostly imported, and production capacity is expected to double again by 2025.

Ethanol production is estimated, as of 2019, at 30 million litres, and the electricity generated will be added to the high voltage Capanda/Cacuso cable, which supplies the municipality and the city of Malanje.

Located 320 kilometres east of Luanda, the project suffered significant delays and the final investment increased to US\$750 million, making it the largest recent agri-industrial investment in the country, supported by Brazilian and Angolan shareholders, who have a stake of 40 percent each, with the remaining 20 percent in the hands of Sonangol.

The beginning of the long-awaited project comes at a time when, according to the Economist Intelligence Unit (EIU), "Angola is making efforts to overcome the negative impact of low oil prices and insists that this is an opportunity to develop its non-oil economy," which accounts for about half of GDP, but only 10 percent of state revenues.

This effort, said the EIU, should benefit from the new version of the Private Investment Law, which returned to the country's parliament after a year of consultations, as well as fine-tuning of a credit scheme for local businesses.

The new version reduces the minimum investment level to be granted tax benefits, previously set at US\$1 million, and classifies investments according to sectors such as telecommunications, tourism, logistics, transport or energy.

"This should help the government attract money to where it is needed. All candidate projects worth over US\$10 million will be open to veto by the relevant Ministries, which is an important safeguard to ensure viability," preventing "some of the white elephants of the past, especially in agriculture and industry," the EIU said.

The new system is also expected to stipulate that all foreign investors must have a local partner with at least 35 percent of the new company, as currently Angolan partners must have a 51 percent stake in partnerships.

Also under review is the Angola Investe programme, which aims to get financing to small and medium business, guaranteed by the state, but which fell short of expectations as the banks rejected a large number of projects.

"Operating in Angola is not easy, and measures to review investments and credit legislation can help to stimulate growth and create much needed jobs and economic diversification," said the EIU. (01-06-2015)

FACTORY FOR ALUMINUM PRODUCTS INAUGURATED IN MOZAMBIQUE

Aluminium products factory Midal Cables, an investment of US\$50 million considered by the Bahraini group to be one of the largest in Mozambique since 1999, is due to be officially inaugurated Wednesday by the Mozambican President.

"It is estimated that investment of Midal Cables Ltd is the second largest made in Mozambique since 1999, excluding the oil sector, gas and mining," said the statement to present the project, adding that Mozambique was chosen as "the main gateway for its manufacturing business in Africa."

In the statement, the Managing Director of the company, Hamid Al Zayani said that "the decision is strategic because the African continent is a priority market for our group" and justified the choice of Mozambique with the "investment terms offered."

The new aluminium products plant in the Belulane Industrial Park, in Matola Rio, a duty free zone about 25 kilometres from Maputo, will occupy an area of 11 hectares, directly employ more than 110 workers, more than 80 percent of which are Mozambicans, "and gives work to more than 1,000 people through contracted services."

Midal Cables LTD is a multinational industrial group based in Manama, Bahrain, with factories in its own country, Saudi Arabia, Turkey and Australia.

The new factory started production in December 2014 manufacturing aluminium rods, wire and conductors for markets in Africa and Europe, and has an annual production capacity of over 50,000 tons per year, currently exporting its products to South Africa, Namibia, Zimbabwe, Kenya, Tanzania, Nigeria, Spain and Italy, the company said. (03-06-2015)

LESOTHO GOV'T MINISTRIES UNPACK FUNCTIONS FOR DECENTRALISATION

Lesotho's seven ministries that are to pilot the National Decentralisation Policy unpacked the services that they intend to bring closer to communities through the Councils at a meeting that was held in Maseru on Wednesday.

Local Government and Chieftainship Affairs Minister Pontšo Sekatle said her ministry, as the coordinating ministry, has made several strides in sensitising different stakeholders on the policy itself as well as instilling common understanding on the need for full participation of all towards the successful implementation of the policy.

Sekatle said her ministry could not realise Basotho's dream to embed their democratic right to fully participate in issues affecting their lives if it does not strengthen its partnership with other ministries.

She said there is need to set up joint central government structures to enhance cooperation and coordination of relevant stakeholders. (APA 03-06-2015)

CHINESE GROUP MAY INCREASE FINANCING OF GRAPHITE MINING IN MOZAMBIQUE

Chinese group Shenzhen Qianhai Zhongjin is expected to finance more than one graphite exploration operation of Triton Minerals in northern Mozambique, the Australian mining company said in a statement in Maputo.

After signing a letter of intent with Triton Minerals to provide funding of US\$200 million for development of the Monte Nicanda project, the Chinese group is studying the possibility of extending the preliminary agreement to the concession granted to the Australian in Ancuabe, also in the province of Cabo Delgado.

This decision follows contacts between the Shenzhen Qianhai Zhongjin Group (SQZG) and two Chinese ministries, which led the group to consider that the assets of Triton Minerals in Mozambique may be strategic for the country, according to the press release.

So far, Triton Minerals' exploration activities in the three concessions it holds in Mozambique have seen most progress in Balama North, where Monte Nicanda is located, and the results of the research indicate it contains the "biggest deposit of graphite and vanadium known worldwide."

But following the "encouraging results" in both areas, SQZC requested a six-month extension of the letter of intent in order to assess the possibility of integrating the Ancuabe concession in the pre-agreement, whose initial provisions remain unchanged, Triton Minerals said.

The Australian mining company said the period requested by SQZC would give it "enough time" to conduct "initial drilling and further testing, as well as obtaining metallurgical results for the Ancuabe graphite project."

The initial agreement provides for a direct investment of US\$100 million by SZQG in Triton Minerals, and the remaining amount (US\$100 million dollars) will be granted through a loan. (03-06-2015)

US ASSURES SIERRA LEONE OF MORE SUPPORT

The United States will continue to support Sierra Leone, particularly its health sector, the US Ambassador to Sierra Leone, Mr. John Hoover, said in Freetown.

Speaking at a Partnership Forum between the US Centers for Disease Control (CDC) and the Ministry of Health and Sanitation (MoHS) in Freetown, Hoover said: "The US government will continue to support the government of Sierra Leone."

The ambassador cited past and ongoing projects as indications of their dedication to the cause.

The ceremony, which was held at a newly built complex for the country's anti-Ebola fight, is geared towards strengthening the US' involvement in the Sierra Leone health sector.

The facility, built through the US CDC, is housed within the premises of the headquarters of the Republic of Sierra Leone Armed Forces, located in the west end of the capital, Freetown.

The US is also behind the recent refurbishment of the regional Lassa Fever laboratory in the eastern Kenema District. The lab was at the center of the fight against the Ebola epidemic when it first broke out last year.

There was no lab in the whole country at the time fit to test for the Ebola virus. But the pressure on it left it in a bad shape, requiring its rebuilding. (APA 03-06-2015)

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