

# MEMORANDUM

N° 82/2018 | 23/10/2018

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## EU RELEASES €7.2 MILLION TO STEP UP FIGHT AGAINST EBOLA IN DEMOCRATIC REPUBLIC OF CONGO

The Commission is allocating an additional € 7.2 million to strengthen its response to the Ebola outbreak in the Democratic Republic of Congo (DRC) which is not yet under control. Total EU response so far stands at € 12.83 million in 2018.

The EU funding will help partner organisations working on the ground to deploy extra capacities to the affected areas. It will improve surveillance and the capacity to trace victims of Ebola, notably early cases. It also covers communication with affected communities on risks and how to prevent the spread of the disease including psycho-social support and preparedness for safe and dignified burials.

*"We need to win the fight against the Ebola outbreak in the Democratic Republic of Congo which has claimed, so far, over 150 lives. Overall EU support includes technical expertise, humanitarian air service, research funding and humanitarian assistance. We are working closely with the World Health Organisation and the national authorities to fight the disease. We are not letting our guard down and we will continue our support for as long as it takes"* said Commissioner for Humanitarian Aid and Crisis Management **Christos Stylianides**.

During the weekend Commissioner **Stylianides** spoke with Dr Tedros Gebreyesus, Director-General of World Health Organisation. He reiterated the EU's strong support in the fight against Ebola and discussed the latest developments.

From the very beginning of the outbreak, the EU has provided various supporting measures in North Kivu Province:

- The [EU Civil Protection Mechanism](#) was activated following a request for assistance from the World Health Organisation and a medical evacuation support team dispatched.
- [ECHO flight](#), the EU's humanitarian air service, has transported personnel, supplies and equipment to the Ebola-affected areas since early August. Commission humanitarian experts are on the ground in Beni, the Ebola-affected areas as well as in Goma and in Kinshasa. They are involved in the overall coordination of the response and they liaise daily with relevant actors such as the Congolese Ministry of Health and the World Health Organisation. The EU is the only donor having sustained presence in Beni.
- In bordering countries, the EU is financially supporting the Red Cross to reinforce preparedness and prevention measures in Rwanda, Uganda and Burundi.
- The Commission is also financially supporting Ebola vaccine development with over €160 million, the development of Ebola treatments has received over €7 million, and diagnostic tests have also received over €7 million.

### Background

An updated National Plan for the Response to the Ebola virus disease epidemic in North Kivu Province was presented on 18 October 2018. This updated national plan responds to a continuing outbreak, initially declared on 1 August 2018.

The outbreak affects the Provinces of North Kivu and Ituri, both areas of open and ongoing conflict, densely populated and with considerable movements of people.

In addition to the emergency response to the two Ebola crisis in Equateur (in May) and in the North Kivu (since August), the Commission is implementing a €155 million cooperation programme to support the health sector in DRC. This programme aims at strengthening services both at national level and in seven provinces (Kasaï Oriental, Lomami, Kasaï Central, Nord Kivu, Ituri, Haut Uélé, Kongo Central) of the DRC, in order to enhance quality and comprehensive access of health care services for the population.(EC 22-10-2018)

## TURKEY LEADS FOREIGN INVESTMENT IN MOZAMBIQUE IN THE FIRST HALF OF 2018

Mozambique received US\$193.1 million in foreign direct investment (FDI) in the first half of 2018, with Turkey, with more than US\$70 million, leading the list of the 10 largest investors, according to official figures.

Transport, communications, industry and construction were the areas that received Turkish investment in the first six months of 2018, and this funding was applied to projects in the city and province of Maputo.

Figures from the Investment and Export Promotion Agency (Apiex), quoted by Mozambican newspaper O País, showed that China, the country's largest economic partner, was in second place, followed by Mauritius.

Portugal, the only Portuguese-speaking country on Apiex's list, came in fifth.

The province and city of Maputo were the main recipients of foreign direct investment in the period under review, with US\$148.5 million, which financed a total of 62 projects.

Adding domestic direct investment to foreign investment brings the total to US\$550 million in the first half of 2018, according to Apiex.

The Maputo and Ankara authorities signed a cooperation agreement in April 2017 for the construction of 5,000 houses in the Zimpeto neighbourhood outside the Mozambican capital by 2022, with the delivery of the first keys scheduled for this year. (22-10-2018)

## **THE EU ADOPTS NEW ACTIONS TO ENFORCE RULE OF LAW IN JORDAN BRINGING THE OVERALL SUPPORT TO THE COUNTRY TO NEARLY €2 BILLION**

**Commissioner Hahn signed a new €50 million programme to support Jordan's justice sector reform efforts to enhance the rule of law, effectiveness of the justice sector and access to justice. With this programme, the EU has provided nearly €2 billion in support to Jordan since 2011.**

At the signing ceremony in Amman, Commissioner for European Neighbourhood Policy and Enlargement Negotiations Johannes **Hahn** said: "*The EU has been a strong supporter of Jordan's justice reforms over a number of years, because, as His Majesty King Abdullah II has said, the rule of law is the guarantor of any individual and public rights, providing the effective framework for an efficient public administration and the basis for a safe and fair society. This €50 million programme takes EU support to Jordan since 2011 to nearly €2 billion of total financial support. The EU remains committed to keep supporting Jordan and its ambitious reforms at this difficult time*".

### **Background**

The programme will contribute to enhance the independence, accountability and specialisation of the judicial power; support the improvement of caseload management, effectiveness and information efficiency in the criminal justice chain; and contribute to improve the management and public service delivery in the Justice Sector.

This action is part of the EU's Annual Action Programme for Jordan that also includes actions in the field of trade, institutional capacity-building and social protection. Through this newly signed programme, the EU will support the Justice Reform Sector Strategy 2017-2021 in which the Government of Jordan has outlined actions to enhance independence, accountability and specialisation of the judicial power and improve the capacity and effectiveness of the judiciary administration.

The EU's action will build upon the existing programme with a continuous legislative and policy reform dialogue. It will provide up to €40 million in budgetary support of the sector reform from 2019 until 2022. An additional €10 million will support the implementation of measures by international development cooperation agencies (including the French [AFD](#), the German [GIZ](#) and the Spanish [AECID](#)) to reinforce capacity-building arrangements, improve access to justice through enhancing the legal aid system and enhance legal cooperation.

This brings the total EU support to Jordan to nearly €2 billion of total financial support since the start of the Syrian crisis in 2011. This includes bilateral cooperation programmes aiming at enhancing Jordan's social and economic development, strengthening the rule of law, upgrading border management and preventing violent extremism. It also includes additional EU assistance mobilised to help Jordan institutions, host communities and Syrian refugees in Jordan to cope with the consequences of the Syrian crisis.

Jordan remains an essential partner for the EU at the global, regional and bilateral levels, in particular due to its important role in promoting stability in the region. (EC 22-10-2018)

### [EU Relations with Jordan](#)

## **EUROPEAN UNION SUPPORTS FLOOD VICTIMS IN TUNISIA**

En réponse aux pluies diluviennes qui se sont abattues fin septembre sur le Cap Bon en Tunisie, la Commission européenne débloque 70 000 EUR (environ 228 350 Dinars Tunisiens) en fonds humanitaires pour venir en aide aux familles les plus affectées.

Ce financement de l'UE répond à la demande de la Fédération internationale des sociétés de la Croix-Rouge et du Croissant-Rouge (FICR), dans le cadre du Fond d'urgence de la fédération. Les actions financées seront mise en œuvre par le Croissant-Rouge Tunisien afin de fournir une aide humanitaire à 2 000 familles (10 000 personnes) touchées par les inondations dans neuf provinces. Ce financement servira notamment à fournir des matelas et couvertures, des paniers de nourriture et des kits d'hygiène. Des campagnes seront lancées pour assainir l'environnement et traiter les eaux contaminées. La Croissant-Rouge tunisien apportera également un soutien médical et psychosocial aux personnes traumatisées en complément des actions des autorités locales.

Les personnes affectées vivant dans les villages et quartiers défavorisés dans la région de Nabeul seront ciblées en priorité.

Ce financement s'inscrit dans le cadre de la contribution globale de l'UE au Fond d'urgence pour les secours lors de catastrophes (DREF) de la Fédération internationale des sociétés de la Croix-Rouge et du Croissant-Rouge (FICR).

Fin septembre 2018, des pluies les plus fortes depuis plus de 20 ans ont frappé la péninsule du Cap Bon, au Nord-est de la Tunisie, faisant monter le niveau des eaux de plus de 1,7 mètre. L'eau a envahi les villages, entraînant la mort de six personnes, la destruction d'infrastructures, maisons, propriétés et moyens de subsistance des membres de la communauté. Plus de 6 000 familles ont été touchées.

### **Contexte**

L'Union européenne, avec ses États membres, est le premier bailleur de fonds humanitaires au monde. L'aide d'urgence constitue une expression de la solidarité européenne avec les populations dans le besoin à travers le monde. Elle a pour objectif de sauver des vies, d'éviter et de soulager la souffrance humaine, et de préserver l'intégrité et la dignité humaine des personnes affectées par les catastrophes de cause naturelle ou humaine. La Commission européenne, par le biais de son service à l'aide humanitaire et à la protection civile (ECHO), aide chaque année plus de 120 millions de victimes de conflits ou de catastrophes naturelles. Pour de plus amples informations, veuillez consulter le site internet d'ECHO.

La Commission européenne a signé un contrat humanitaire d'une valeur de trois millions d'euros avec la Fédération internationale des sociétés de la Croix-Rouge et du Croissant-Rouge (FICR), en soutien au Fond d'urgence pour les secours lors de catastrophes (DREF) de la fédération. Les fonds tirés du DREF sont principalement alloués à des catastrophes « à petite échelle », c'est-à-dire des catastrophes qui ne donnent pas lieu à un appel international formel.

Le Fond d'urgence pour les secours lors de catastrophes a été créé en 1985 et bénéficie des contributions de bailleurs de fonds. À chaque fois qu'une société nationale de la Croix-Rouge ou du Croissant-Rouge a besoin d'un soutien financier immédiat pour répondre à une catastrophe, elle peut

demander des fonds du DREF. Pour les catastrophes à petite échelle, la FICR alloue des subventions tirées de ce fond qui peut ensuite être réalimenté par les bailleurs de fonds. L'accord de contribution signé entre la FICR et ECHO permet à ce dernier de réalimenter le DREF pour des opérations convenues (en conformité avec son mandat humanitaire) et pour un montant total de trois millions d'euros.(EC 17-10-2018)

## **NIGERIA SEEKS US \$1TR TO MODERNIZE ITS ENERGY INFRASTRUCTURE**

A whopping US \$1tr is needed by the Nigerian Government to help modernize its energy infrastructure. This was confirmed by Vice President Yemi Osinbajo during the opening ceremony of the National Energy and Climate Change summit at State House.

Osinbajo, who was represented by the Minister of Science and Technology, Dr. Ogbonnaya Onu, said the federal government was doing a lot to attract both domestic and foreign direct investment into the energy sector to meet the required investment.

"We are convinced that this will help us to create more jobs, create additional wealth and reduced poverty in our country. We would like foreign investors to work with local investors and professionals in line with the Presidential Executive Order No.5," Osinbajo said.

### **Energy Investment Risk Assessment**

The presentation of the report on the study of the Energy Investment Risk Assessment (EIRA) for Nigeria scored Nigeria Energy Investment Risk as moderate. All stakeholders were called upon to study the report and come up with recommendations that will enhance the investment climate in the country's energy sector.

The head of European Union (EU) cooperation to Nigeria, Kurt Cornelis said the EU has committed an envelope of US \$173m to support Nigeria through several projects across the electricity value chain in the country.

Director General of the Energy Commission of Nigeria (ECN), Professor Eli Bala Jidere said the summit was conceived to address the investment requirement in the country's energy sector.

The government pointed out that the money was required in 29 years, between now and 2043 to make the dream a reality.(CRO 18-10-2018)

## **ANGOLA HAS RAISED FINANCIAL AID TOTALING US\$11.2 BILLION IN THE LAST FEW MONTHS**

The diplomatic actions of Angolan President João Lourenço, carried out in several countries in Europe and Asia, resulted in raising finance of US\$11.2 billion, Angolan news agency Angop reported.

According to the Angolan news agency the trips to strengthen cooperation and attract foreign investment made it possible to raise US\$500 million in financing from United Kingdom Export Finance (UKEF) for the issue of US\$3.5 billion in Eurobonds.

Angop said the information was released by the Angolan president in his State of the Nation address at the opening of the parliamentary year.

In France the government of Angola secured a loan of US\$500 million from Credit Agricole and another 9 million euros from Agence Française de Développement (AFD).

During the President's visit to Germany, KfW Bank of Germany granted a loan of US\$500 million and after the visit of the Portuguese prime minister to Angola, the extension of Portugal's COSEC credit line was secured with another 500 million euros.

The largest amount of funding, however, was obtained in China.

The China Development Bank (CDB) provided financing of US\$2 billion, the Industrial and Commercial Bank of China (ICBC) granted a loan of US\$3.5 billion and the Export-Import Bank of China (EXIMBANK) of US\$620 million.

The African Development Bank (AfDB) has also provided Angola with a loan of US\$110 million for promotion of agriculture.

In total, Angola's latest financing package totals US\$11.2 billion and 579 million euros. (16-10-2018)

## **SOUTH AFRICA'S ECONOMIC SLUMP HURTS SMALLER NEIGHBOURS**

The fortunes of Lesotho, Namibia, and Eswatini are beholden to developments in SA, with their exchange rates pegged to the rand

South Africans aren't the only ones struggling through the country's economic slump.

The fortunes of Lesotho, Namibia, and Eswatini, formerly known as Swaziland, are beholden to developments in their larger neighbour with their exchange rates pegged to the rand, the worst-performing major currency against the dollar this year. The three nations, together with Botswana, also derive revenue from a customs-sharing pool that gains and falls on South African trade.

The continent's most-industrialised country is struggling through a recession, but the central bank is hamstrung in cutting its key rate from 6.5% as it strains to contain inflation spurred by higher oil costs and a 13% drop in the rand versus the dollar this year.

That's made it tough for officials in Lesotho, Namibia, and Eswatini to stimulate sluggish activity through looser monetary policy because they have to keep their rates in line to maintain the peg. Botswana, whose currency isn't tied to the rand, has cut its benchmark to 5%.

"Lesotho and Swaziland remain very susceptible to the effects of regional developments," said Jee-A van der Linde, an economist at NKC African Economics. With SA being the largest contributor to the customs union, revenue for other countries "is therefore likely to be lower in the near term", he said.

Receipts from the 108-year-old Southern African Customs Union — the world's oldest such arrangement — account for about 40% of government revenue for Lesotho and Eswatini, and about 30% for Namibia and Botswana. SA has paid an average of almost R50bn to the pool in each of the past four fiscal years. The Treasury has reduced its estimates for payments to Sacu this fiscal year and next, and there is "material downside risk to these forecasts" because the economy isn't expanding as much as first predicted, said Mamello Matikinca-Ngwenya, the chief economist at First National Bank.

All the economies in the union, barring that of Botswana, will expand by less than half the 3.1% average rate the International Monetary Fund (IMF) forecasts for sub-Saharan Africa this year, the IMF said in an October report.

Namibia's economy shrank for a ninth quarter in the three months to the end of June, the longest streak of contractions since at least 2008. While the central bank usually mirrors moves by its South African counterpart, it diverged from this in April for the first time since 2015, holding its key interest rate at 6.75%. It did this to entice investors to keep money in the nation, helping it to build currency reserves, governor Ipumbu Shiimi said at the time.

The Namibian dollar would be highly vulnerable to external shocks if it were to break the link to the rand, due to Namibia being a small economy with highly concentrated industries and exports, said Gerrit van Rooyen, an economist at NKC.

While Namibia has a developed mining industry, the country — bigger than France by land area — has a population of just 2.6-million people. Botswana is Africa's largest producer of diamonds, income that has helped it progress into one of the continent's most wealthy per capita.

Lesotho and Eswatini, Africa's last absolute monarchy, are unlikely to decouple their currencies soon, said NKC's Van der Linde.

"SA serves as a fuel bank and exporter of fuel to Lesotho and Swaziland," Van der Linde said. "What's more, the majority of Lesotho and Swaziland's products cross the borders of SA to their ultimate destination." (Bloomberg 18-10-2018)

## **POWER GENERATION IN ANGOLA IS MAINLY FROM HYDRO POWER PLANTS**

Angola's electricity sector has been saving a total of 669,000 litres of gasoline per day since 2017, with the start-up of new hydroelectric plants, Angolan President João Lourenço said in his State of the Nation speech in Luanda on Monday.

"Angola currently has an installed capacity of four thousand four hundred and nine megawatts (MW)," he said.

Since 2017, Angola's overall energy production has for the first time been predominantly hydro, accounting for 78% of the total.

"This results from the investments made in the construction of the Laúca Dam and in the Cambambe power plant," said Lourenço.

The start-up of new hydroelectric plants has allowed the power supply capacity to be boosted in provinces such as Luanda, Huambo and Namibe.

With the ongoing investments, the government also plans to improve energy supply in the provinces of Moxico, Lunda Norte and Lunda Sul.

Regarding the water sub-sector, the Head of State pointed out that efforts are being made to revitalise water network construction projects and to reduce the supply gap in Luanda and in the cities of the interior.

President Lourenço also said that recently approved legislation would contribute to attracting more investment in the oil sector and halting the decline in oil production, especially the Non-Associated Gas Exploration and Production Industry Law.

He added that the process of implementing the National Oil and Gas Agency, which will take on the role of a national oil and gas concessionaire, has begun, replacing Sonangol, which will focus only on oil research and production .

"Soon, the process of privatisation of a large part of Sonangol's non-core companies, (...) will begin, so that the company will focus on its essential activities," he said.

With the aim of developing the refining of crude oil Lourenço recalled that public tenders were launched for the construction of a large refinery in Lobito, with mixed capital, a refinery in Cabinda, with private capital and to increase the capacity of the Luanda Refinery. (16-10-2018)

## **MOROCCO TO INVEST US \$40BN IN ENERGY SECTOR**

Morocco is planning to invest a whopping US \$40bn in the energy sector which includes a liquefied natural gas project by 2030.

Confirming the reports was Minister of Energy, Mines, and Sustainable Development, Aziz Rebbah who said that US \$30bn will be devoted to renewable energy projects and that the investment will create great opportunities for the national, regional, and international private sector.

### **Morocco's demand for energy**

The minister pointed out that renewable energies, including wind, hydroelectric, and solar energy, contributed 5.8% in 2017, compared to only 2.6% in 2002 in the country. They have reduced Morocco's dependence energy consumption from 98% in 2008 to 93% in 2017. Aziz Rebbah also touted Morocco's liquefied natural gas (LNG) project in Jorf Lasfar, 120 kilometers south of Casablanca.

Morocco's demand for energy is increasing, and the country is almost entirely dependent on imports. Morocco's overall consumption of primary energy amounted to 20.8 million tons in 2017, including oil (55.9%) and coal (25.5%).

The project comes as a part of the Moroccan strategy to diversify energy supplies and reduce Morocco's dependence on oil and gas and also since the U.S. Government is proud to support Morocco's energy diversification and assist Morocco in providing reliable and efficient energy to its citizens. (CRO 18-10-2018)

### **ANGOLA'S AIPEX APPROVES INVESTMENT PROPOSALS VALUED AT US\$400 MILLION**

Angola's Private Investment Support and Export Promotion Agency (AIPEX) since July has approved 42 investment proposals valued at more than US\$400 million, according to state newspaper Jornal de Angola.

The AIPEX director, Lello Francisco told the newspaper that the "most comprehensive" of the approved proposals is an agricultural project for corn and soybean production in Malanje, worth US\$30 million.

The operation consists of the production of gritz, a raw material for brewing, and may be operating within the next three years.

Francisco also noted another approved project to modernise Vidrul, in Luanda, where more than US\$20 million is being used to replace existing furnaces and to produce glass containers for alcoholic beverages, soft drinks and other products.

The AIPEX director also mentioned a third large project, which represents an investment of US\$50 million, to build an industrial unit in Bengo, specialised in the production of ceramic and glass containers for various uses.

Francisco, who manages AIPEX's Proposal Evaluation, Research and Project Supervision area, gave assurances that the conditions for the start-up of these projects are "fully created" and, overall will create 3,000 new jobs. (15-10-2018)

### **THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE CALLS FOR GREATER INVOLVEMENT OF CIVIL SOCIETY IN EU EXTERNAL ACTION**

Federica Mogherini, High Representative of the Union for Foreign Affairs and Security Policy, attended the EESC plenary session on 17 October 2018, engaging in a debate with members on the main external threats and challenges for the EU. EESC President Luca Jahier, highlighted the important role played by the EU as a major humanitarian aid donor, but also recalled that "civil society organisations are willing to be part of this effort".

The plenary session of the European Economic and Social Committee (EESC) started with a debate with **Federica Mogherini**, High Representative of the Union for Foreign Affairs and Security Policy, on the topic "*External threats and challenges facing the European Union*". President of the EESC, **Luca**



**Jahier**, recalled the political instability of the European neighbourhood and regretted that the situation in the majority of countries in the Mediterranean region had not improved over recent years, despite the EU's efforts: "The EU has had an important role as the major donor in humanitarian aid, but has also been caught between the necessity of a pragmatic political approach to managing migration flows and the necessity to defend core EU values such as human rights".

However, **Mr. Jahier** pointed out that "the EESC is well placed to witness positive aspects in this dark picture" and called for greater involvement of civil society in EU external action: "It is clear that the level of public support for 'more EU' is still high, and that civil society organisations are willing to be a part of this effort. That, Ms Mogherini, is a huge political asset in your hands".

### Priorities

**Federica Mogherini** presented the main external threats and challenges facing the EU and the overarching working lines of the European External Action Service (EEAS). Ms Mogherini underlined that "policies need to be rooted in society" and declared that EU external action has already experienced a shift "from a pure security angle to a global one which puts the focus on societies instead of institutions". She also mentioned some priorities of the EEAS which, in her words, are also shared with the EESC:

- **Sustainable development**, with several proposals in the past few years such as the [External Investment Plan](#) and with a focus on the creation of quality jobs, a field where "trade unions and civil society organisations are essential partners, as social and economic rights are key to our action";
- **Sustainable peace**, which means giving alternatives and opportunities to population in conflict countries;
- **Culture and cultural heritage**, not only as a part of the economy and to reinforce the sense of belonging of local population, but also to promote European soft power, "which is more important than hard power";
- **Youth**, which is in the centre of EU external action because, in Ms Mogherini's approach, "we have to abandon the traditional paternalist stand and take into account young people's voice in the decision making today".

Federica Mogherini is convinced that "foreign policy can never only be about governments; it requires NGOs, civil society, businesses and trade unions".

EESC members appreciated Ms Mogherini's engagement in the EU external policy and the role she has played in the international scene. They discussed topics such as migration, trade, the relationship with the United States or the EU enlargement policy. In this particular field, **Ms Mogherini** showed her conviction that "the future of Western Balkans is in the EU". In the opinion of the High Representative "it will not be an enlargement, it will be a reunification, because they already belong to Europe, and also a return to EU roots: bringing peace and reunification where war was". (EC 17-10-2018)

[European Economic and Social Committee](#)

## DOWNTOWN MAPUTO, IN MOZAMBIQUE, WANTS TO BECOME A TOURIST CENTRE

The Mozambican government and the private sector are exploring strategies to make the downtown area of the Mozambican capital an international destination capable of competing with others in the Southern African Development Community (SADC) region and the world, reported the local press.

The president for Tourism at the Confederation of Economic Associations of Mozambique (CTA), João das Neves, who spoke during a seminar on tourism, said it was necessary to create conditions for tourism to be efficient.

"There is a need to create conditions of hygiene, health, safety, transportation, so that visitors can enjoy quality tourism and that this brings added value to the companies that are here, to the State, through taxes and Mozambique's reputation as a tourist destination," he said.

Every year Maputo receives some 40,000 tourists, most of them through cruises. Every time a cruise moors at the Port of Maputo, about 1,200 tourists visit the city.

Neves said that Maputo “does not offer suitable conditions for offering services to tourists,” so it is necessary to come up with a strategy to attract visitors.

Figures provided by National Tourism Director Maria Romero showed that Mozambique raised at least US\$130 million in tourism revenues in 2017, higher than in 2016 when tourism accounted for US\$106 million.

João Munguambe, a councilor for economic activities at the Maputo Municipal Council, also revealed that more than US\$200 million would be invested in the city of Maputo to make the tourist attraction project in downtown Maputo feasible.

The investment is intended for the rehabilitation of public-private infrastructures. (15-10-2018)

### **EMNES WORKING PAPER 19- EMPLOYMENT INTENSITY AND SECTORAL OUTPUT GROWTH: A COMPARATIVE ANALYSIS FOR MENA ECONOMIES**

The purpose of the article is to assess the relationship between employment intensity and sectoral output growth, in order to examine whether an economic sector was jobless or created more jobs. Using panel data for 10 sectors over the period 1983–2010 for three Middle Eastern (Egypt and Jordan) and North African countries (Tunisia), the authors estimate employment value-added elasticities at the sectoral level, using a random coefficient estimation technique.

The main findings show that while manufacturing is the most important sector for creating jobs in Egypt, services are more important in Jordan and Tunisia. (EMNES 17-10-2018)

[EMNES Working Paper 19](#)

### **CABO VERDE LAUNCHES PUBLIC TENDER FOR CRUISE TERMINAL IN THE CITY OF MINDELO**

The public tender to build a cruise terminal in the Cape Verdean city of Mindelo on the island of São Vicente, will be launched within “a few weeks,” said the chairman of Enapor – Portos de Cabo Verde on Thursday.

Jorge Mauricio was speaking at the opening ceremony in Mindelo of the technical sessions as part of the Fair of Economic Activities Connected to the Sea – Expomar, which began on Thursday.

Work on the “Mindelo Cruise Terminal” will begin, “at the latest in the first quarter of 2019,” he noted, quoted by the Inforpress news agency.

“We are already in a position to launch the tender for works that are budgeted at 30 million euros and that will change the city of Mindelo,” said Mauricio.

The chairman of Enapor also announced that another project is underway to “give shape” to the management model and the 2018/2030 strategic plan, which involves the construction of logistics centres in all ports in Cabo Verde (Cape Verde).

This second project, whose economic feasibility study has been completed, he said, is budgeted at 12 million euros and will allow Cabo Verde to take a qualitative leap, moving from a traditional port system to a more modern system. (12-10-2018)

## THE NEW NILE BRIDGE IN UGANDA COMMISSIONED

Uganda's President, Yoweri Kaguta Museveni has commissioned the US \$129m new Nile bridge in Jinja Uganda.

"I'm happy the work is done. We did best quality assurance and rigorous quality control and tested the construction materials with state-of-the-art equipment, both within and abroad in Singapore and Japan. The bridge is an excellent piece of engineering," said Eng Lawrence Pario, the contractor manager responsible for overall coordination, supervision and management of the project.

### The new Nile bridge

The new Nile bridge which was financed by the Japanese government, is a cable stayed bridge which will align at 500 metres upstream of Nalubaale Dam with river width of 300 metres. The 525 metre-long bridge has a central span of 290 metres, end spans of 135 metres and 100 metres on the east and west banks respectively.

The Nile bridge, also is the first cable-stayed bridge in East Africa crossing the Victoria Nile, will link the Northern Corridor that connects Kenya with the Democratic Republic of Congo.

The bridge was designed with a structural life span of 120 years. The Japanese loan agreement for the Nile Bridge construction will be paid back at 0.01 % of annual interest rate within 40 years. Under the concession, Uganda was given a grace period of 10 years.

### Fifth longest cable-stayed bridge

Source of Nile Bridge has also been ranked as the fifth longest cable-stayed bridge behind Egypt's Suez Canal Bridge (3,900), Lekki Ikoyi Bridge in Nigeria (1,360m), Mohammed VI Bridge in Morocco (950m) and Tanzania's Kigamboni.

Samuel Muhoozi, the Director of Roads and Bridges at Uganda National Roads Authority (UNRA), contends that the new bridge has the ability to become a major tourist attraction because of its novelty.

"One of the aims of constructing this bridge was enhancing tourism with addition of this iconic signature bridge in this picturesque location," said Samuel Muhoozi.

### The name

Zenitaka Corporation and Hyundai Engineering and Construction Company from Japan and South Korea, respectively, erected the overpass formally named The Source of Nile Bridge for its proximity to the upstream point where River Nile flows out of Lake Victoria.

It is planned to be adorned with Uganda, Japan and Uganda National Roads Authority (Unra) flags to symbolize the partnership between the trio.

The signature beauty of the gigantic concrete and steel structure is 72 harp-like white cables connecting the bridge deck to two 69-metre tall inverted-Y pylon towers. (CRO 18-10-2018)

## SACYR SOMAGUE MOÇAMBIQUE AWARDED WORK TO MODERNISE THE PORT OF NACALA

Sacyr Somague Moçambique, in consortium with Teixeira Duarte, has been awarded the contract for the construction of phases one and two of the port facilities of the Nacala Port Development Project in Mozambique, the Sacyr Somague group reported.

The contract amounts to US\$123.2 million and the "purchase order has already been issued for the beginning of the work, which will run for 36 months," said Sacyr Somague in a statement, noting that the official ceremony to lay the first stone was held on 3 October.

During this ceremony, the Minister of Transport and Communications Carlos Mesquita recalled that this project, which has funding of US\$273.6 million from the Japan International Cooperation Agency (JICA), will have a impact on the region in social and economic terms.

“The work consists essentially of construction work for a new dock, 400 metres long, in reinforced concrete, dredging and landfill with materials from dredging, a 1-kilometre access road, and eight hectares of concrete pavement in the construction of the administrative buildings to support the operation of the port of Nacala and the recovery of the container terminal,” the document said.

With this contract, Sacyr Somague continues its long-standing presence in Mozambique, which goes back to construction of the Port of Beira in 1963. (12-10-2018)

### **PRODUCTION AT BALAMA GRAPHITE MINE IN MOZAMBIQUE RISES BY 83% IN THIRD QUARTER**

Production of the Balama graphite mine in Cabo Delgado province, northern Mozambique, increased 83.0% in the third quarter compared to the second, Australian company Syrah Resources said in a statement to the market.

The company, in a report on its activities in the quarter, also reported that the increase in production means that production reached 71,100 tons in the period from January to September.

The increase in production was achieved through improvements in the facility and the mine’s exploration model, noted the document signed by Chief Executive Shaun Verner.

The report also said that half of the production in the quarter was sold, with 19,000 tons remaining in storage awaiting transport to the port of Nacala, from where they will be exported to customers. (12-10-2018)

### **MOROCCAN CONSCRIPTION: AN UNFINISHED PROCESS**



Moroccan soldiers line up as they wait for the arrival of King Mohammed VI to inaugurate the opening of the new Renault factory in Melloussa, 30 km (18 miles) from Tangiers

If passed by the country’s two parliamentary chambers, an expedited draft law 44.18 would reinstate mandatory military service for both Moroccan men and women between the ages of nineteen and

twenty-five by the end of next year. The announcement fell on the same day as [King Mohammed VI's speech](#) on the 65th Anniversary of the King and People's Revolution, August 20—a public holiday commemorating a turning point in the country's struggle for independence from the French—in which he urgently appealed to the nation and government to address the country's persistent youth issues including unemployment, idleness, and lack of opportunity.

The final text of the draft law has not yet been passed, but it has already generated confusion and debate from a concerned Moroccan population that wonders how mandatory military service will address festering [economic and social issues](#) that remain front and center priorities for Morocco's youth. Official rhetoric about the pending military conscription largely frames the proposed law in terms of enhancing [patriotism and citizenship](#) among the youth. However, if this is the government's answer, it must take steps to better communicate the purported benefits of conscription, and channel citizens' concerns through the country's institutionalized legal consultation mechanisms.

Should the conscription law indeed go into effect, it will face a challenging environment. Despite overall growth in the country, recent figures show that [29.3% of Moroccan youth](#) between the ages of fifteen and twenty-four do not work, are not in school, and do not participate in any kind of training or professional development. The past two years have seen heightened tensions in Morocco as protests—many led by youth—over social and economic conditions spread in the [northern Rif city of Al Hoceima](#) and the mining town [of Jerada](#). These figures, combined with the [king's speech](#) demanding that economic and social programs produce better options for the youth, have set a tone and urgency in creating a better future for this demographic. Given this context, the new draft law appears tone-deaf—tackling tangential issues of patriotism and citizenship while [avoiding](#) the pressing matters of employment and basic opportunity.

In [official statements](#), the government stressed that the conscription bill would enhance Moroccan youth's sense of citizenship and responsibility to the nation, and allow them to contribute to the country's development. This discourse is framed within the constitution's Article 38 that tasks both men and women with defending the country and its territorial integrity. Service would last for twelve months and offer [similar benefits](#) as professional enlistment, including compensation, housing, and health insurance. Evasion is punishable by sentences of one to three months and fines of around \$200 to \$500. Exemptions include married citizens, individuals who are handicapped or have a physical illness, individuals who are financially responsible for their families, and youth who are serving a prison sentence of more than six months or have an active criminal record.

When the draft law was announced, there was confusion and alarm about whether citizens with [dual nationality](#) would have to serve. Since then, some officials have clarified that the duty only applies to Moroccans living within the country. Instead of answering questions about the draft law in a piecemeal format, these conversations should be held as part of a broader official dialogue.

The draft law is not Morocco's first attempt at mandatory military service. On June 9, 1966, a royal decree introduced an eighteen-month mandatory military service—optional for women—which was later reduced to twelve months. In 2007, King Mohammed VI abolished mandatory military service on an "exceptional" basis, which some analysts speculated was a result of fears that terrorist groups would try to infiltrate the Moroccan army. Moreover, the conscription law was not adequately enforced due to limited government resources. These challenges could also plague the new draft law, with critics already pointing out that these funds could instead be allocated to the education system or jobs training, which could help instill the same values of discipline and responsibility as the military.

The approval of the bill at the government level was completed in an unprecedented time, without a public dialogue or consultations to discuss provisions, thus coming as a surprise to many. Without a final bill to examine, many have begun speculating about its contents. Perhaps the most fundamental point regarding the draft law is that soldiers are conscripted by the state and not enlisted voluntarily—a particularly risky initiative given the already fraught relationship between the youth and the state. Some also worry that obligating women to enlist in the military will raise the ire of Moroccan families who would not want their single daughters to serve alongside men. Other Moroccans are concerned that conscription will disproportionately impact individuals from lower social classes, and use slogans such as ["the nation is for the rich and nationalism is for the poor."](#) A Facebook group called ["Moroccans Rally Against Compulsory Military Service"](#) was created, and members have already published a statement

against draft law 44.18, arguing that the millions of dirhams (estimated at \$300 million a year) that would be allocated for military training could instead be invested in the socio-economic development of youth. The group already has more than 15,000 members, and hundreds of posts in the past month alone.

Other Moroccans see the value in mandatory military service. Despite youth discontent, these individuals believe the bill is a commendable initiative that will provide young people with a meaningful career, skills, and opportunity to give back to the country. Article 6 of the draft law indicates that conscripts with technical or professional skills can be integrated into additional roles within the military for further career development. While the majority of the world's countries have done away with mandatory military service, other states in the Arab world have returned to conscription in recent years, including the [United Arab Emirates, Qatar, and Kuwait](#). While some conscripts enjoyed employment as part of the program, most of these initiatives in the Gulf were not created to directly address youth joblessness. The countries established conscription as part of national identity projects, and to increase nationalism and responsibility in young men who have grown up in rentier states.

However, Morocco is not an oil monarchy, and youth unemployment remains at the top of its priorities. While the government may acknowledge this fact, it has yet to reap benefits from existing economic and social programs targeted at youth. If the government wants to use conscription to empower youth with values and skills to become more able citizens and economic engines, then a fundamental first step would be to lead a multidisciplinary dialogue on the draft law with youth stakeholders and consultative groups. This dialogue would engage the bill's target audience—Moroccan youth—on the bill's potential to shape youth leadership and development, integrate youth into the military service, and tie into educational reform. As it stands, the draft bill does not specifically outline how the military fits within a coherent youth development strategy, and may instead further deteriorate the youth's relationship with the government. If the reactions to the initial announcement are any indication of Moroccan public opinion, then the next iterations of the law would benefit from being more inclusive of youth views and responsive to their legitimate concerns about conscription.

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The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, Corporate Council on Africa, CIP-Confederation of Portuguese Enterprises, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABC- Netherlands-African Business Council, SwissCham-Africa and other organisations. The Memorandum is also made available by AHEAD-GLOBAL, BCA, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Canadian Council on Africa, CCA - Corporate Council on Africa (USA), CIP,HTTC,NABC (by posting selected news) and SwissCham-Africa to their Members.



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