MEMORANDUM

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SUMMARY

EU DEVELOPMENT AID FELL IN 2017, REVEALS NEW REPORT

EU aid spending fell for the first time in five years in 2017, according to the CONCORD AidWatch Report 2018 published on Wednesday (17 October).
EU member states disbursed €72.65 billion in aid in 2017, a 3% fall. In fact, the report reveals that the decrease in EU aid is largely the result of a fall of in-donor refugee costs and debt relief which were reported as aid, by 10% and 82% respectively compared to 2016. Despite the fall, the EU remains the world's largest aid donor.
Aid donors in the Organisation for Economic Co-operation and Development (OECD) agreed to revise the rules for classifying 'in-country' donor costs at their meeting in Paris last October. Temporary sustenance costs, such as food and shelter, will be counted as aid, while costs on refugees arriving including security screening, border control, detention centres will no longer be permitted.
"On the one hand, we deplore the disengagement of the EU and its Member States into ensuring sufficient aid and respecting their commitments," said De Fraia.
"On the other hand, we regret that the EU aid level relies on inflated aid and 2017 confirmed this worrisome direction. For several years, migration control, securitisation and private sector investments in donor countries have taken over development objectives, progressively inflating the reported aid level. This means less and less resources from the EU are dedicated to poverty eradication and global sustainable development." said Luca De Fraia, a CONCORD expert from ActionAid Italy.

Creativity is the new mantra in development aid

The lines defining aid have become increasingly blurred in recent years. Reluctance among donor countries to hit the 0.7% target, has led them to get creative.
The message from the EU is that direct aid will not be significantly increased in its next seven- year budget but that private sector investment will be ramped up.
On Thursday, Bill Gates is set to be unveiled as the latest high-profile investor in the European Commission's External Investment Plan, which seeks to generate €40 billion in private investment across the African continent by leveraging money from the EU budget.
"The narrative is very clear that aid is not enough. But how are we going to make sure that these private investment programmes are linked to development goal?" questioned Luca De Fraia to EURACTIV.
Such instruments also worry sections of the NGO community who say that the world's least developed countries (LDCs) are far less likely to obtain private sector investment than their wealthier neighbours.
"We know that blending very rarely goes to LDCs – it is about 8%," De Frais told EURACTIV. He added that a "plan to help LDCs is still in the making."
In 2017, only four EU member states exceeded the 0.7% commitment: Denmark, Luxembourg, Sweden and the UK, while Germany fell short because of a drop in its reporting of refugee costs.
The biggest aid cuts were in Spain, the EU institutions, Austria and Hungary, while Croatia, France, Malta, Portugal and Romania each increased aid spending by between 15% and 20%.
Meanwhile, aid to Least Developed Countries increased by 4% compared to 2016, but stands at 0.11% of EU GNI, short of the bloc's target to allocate 0.15%/EU GNI to the world's poorest by 2020.(EA 17-10-2018)

FIRST ROUND OF NEGOTIATIONS ACP/EU

The first round of formal negotiations between the ACP Group of States and the European Union kicked off this afternoon at the ACP House in Brussels. The ACP's chief negotiator, Professor Robert Dussey, Minister of Foreign Affairs, Cooperation and African Integration from Togo was present for this symbolic occasion.
On the side of the European Union, their chief negotiator is Mr. Stefano Manervisi, Director General of International Cooperation and Development at the European Commission. There are already several points of convergence between the ACP and the EU, and the EU is hoping to finalise negotiations by July 2019.
A video of the opening session may be viewed at: https://youtu.be/s9-DiqzIfKw (ACP 18-10-2018)

ANGOLA’S NATIONAL BANK WARNS COMMERCIAL BANKS TO COMPLY WITH EXCHANGE RULES

The National Bank of Angola (BNA) will penalise commercial banks that do not observe the applicable rules on foreign exchange transactions for prepayments, the central bank said in a statement released on Monday.

The sanction that the central bank plans to apply is to ban the banks from carrying out further foreign exchange transactions on the import of goods, as the BNA has observed high levels of default by importing companies in relation to deadlines for providing supporting documents to commercial banks related advance payments.

Accordingly, and as a way of ensuring compliance with the rules applicable to this type of payment by all parties involved in these transactions, the BNA points out that the consequences of non-compliance with these rules are set out in Notice No. 5/18 of 17 July .

This notice stipulates that, in cases of advance payments, the importer must deliver proof of the entry of the goods into the country to the bank within a period of 30 days from the date of customs clearance, and may not exceed 180 days counting from the date of settlement of the foreign exchange transaction.

Banks should keep an up-to-date record of delivery deadlines for supporting documentation related to advance payments and shall report monthly to the National Bank of Angola the list of importing entities that have not met those deadlines.

Banks shall refuse to carry out future operations of the same nature, whenever failure to comply with these deadlines is established, unless this has occurred for justifiable reasons and, in the meantime, the situation has been duly settled. (23-10-2018)

ISRAELI COMPANY AWARDED CONTRACT IN MOZAMBIQUE

Mottech Water Solutions Ltd has been awarded a contract in Mozambique to provide a wireless irrigation solution, for the first time, Israeli telecommunication group MTI Wireless Edge Ltd. said.

The contract also stipulates that the IT solution will be delivered in phases, with an initial value of 1 million rand (US$68,200) and a total estimated value of 5 million rand (US$341,000).

Mottech Water Solutions develops systems that help farmers to irrigate and fertilize plantations at a distance, allowing for the use of available resources in a very precise way.

The statement released by the group stresses that Mozambique, which has 3.9 million agricultural plots, represents a market for this type of solution worth 1 billion rand (US$68.2 million).

Mottech Water Solutions has been present in the South African market for 10 years, with the company's coard currently focused on expanding business to neighbouring countries by selecting representatives.

The MTI Wireless Edge group, established in 1972, is a world leader in the development and production of high-quality, low-cost antennas for both civilian and military applications. (12-10-2018)

TANZANIA COMMITS US $13.4M TOWARDS MODERN SUMBAWANGA AIRPORT

The Government of Tanzania has set aside US $13.4m for the construction of the modern Sumbawanga Airport in Rukwa Region, and is set to kick off with immediate effect.
Regional Tanroads Engineer, Eng. Masuka Mkina confirmed the reports and said that affected residents, 97 in total have already been compensated and issued a one month notice to demolish their houses.

Sumbawanga Airport

M/s Sino Shine Overseas Construction & Investment East Africa Ltd has been contracted to undertake the project. Construction works would be supervised by SMEC International Pty Ltd from Australia in collaboration with SMEC Tanzania Ltd. The airport will also become a gateway to tourism attractions such as Kalambo Falls in Kalambo District.
The Government had allocated earlier during 2017/18 fiscal year US $8m for the start of the construction work. It had also sought funds from the European Investment Bank for the upgrade of the airport.
The overall construction of the airport located in Western Tanzania is estimated to cost US $24m.
Rukwa Regional Commissioner, Stella Manyanga has also urged the government speed with construction of a new airport at Kisumba village as the present facility does not have enough land for future expansion. The new airport had also received funds from the Tanzania Airports Authority for the evaluation of the area in 2013.
Rukwa residents are embracing the expansion since it will increase opportunity for economic growth at individual and regional level as well. Historically, the airport was built in 1945 shortly after the World War II meant to serve small airplanes for spraying farms with insecticide.(CRO 17-10-2018)

CABO VERDE AIRLINES TO BE PRIVATISED IN 2018, SAYS GOVERNMENT

The government of Cabo Verde intends to close the privatisation process of the national air carrier by the end of the year with the sale of a controlling stake of 51%, according to an official statement.

In the document, the government said it had received a proposal from Icelandic carrier Loftleidir-Icelandic, for the acquisition of 51% of the capital of TACV – Cabo Verde Airlines.

This proposal, the document said, was evaluated by a commission appointed by joint order of the Finance, Tourism and Transport Ministers and advised by international experts in commercial law, air transport and privatisation.

"The Council of Ministers then decided to elect the tenderer as a strategic partner for the privatisation of TACV," the statement said.

The privatisation of TACV will be carried out through the direct sale of all the shares representing the share capital, and that three lots will have specific recipients.

A first tranche of 39% will be sold to institutional investors, the second batch of 51% is for direct sale to a strategic partner and the remaining 10% will be set aside in equal shares for workers and Cape Verdean emigrants. (23-10-2018)

MIGRATION CONTROL STILL TRUMPS AFRICAN 'PARTNERSHIP OF EQUALS'

Less than a month after Jean-Claude Juncker's State of the Union talked of the need for a 'partnership of equals' between Africa and the European Union, migration control was once again the main prism through which the EU views Africa at the European Council summit
In their final summit conclusions, EU leaders said that relations with Africa were "of paramount importance in a rapidly changing global landscape".
But the meatiest part of the summit conclusions on EU-Africa relations refers to "the importance of further preventing illegal migration and of strengthening cooperation with countries of origin and transit, particularly in North Africa, as part of a broader partnership."
A Commission official told EURACTIV that member countries were still not provided the amounts they have pledged to the Emergency Trust Fund for Africa.

Juncker: Member states contributed too little to Africa Fund

Speaking to the press after the first round of talks of the EU summit yesterday (19 October), Commission President Jean-Claude Juncker warned that the EU action was "reaching its limits" due to insufficient financing.
"EU leaders are once again being short sighted when looking to our neighbour Africa," said Friederike Röder, EU and France Director at The ONE Campaign, in response to the Council conclusions.
"They say EU-Africa relations are of 'paramount importance' and that cooperation should be taken 'to a new level, underpinned by the necessary resources', and then in the same conclusions they decide to use development aid for the return of migrants," she added.
The Austrian presidency has confirmed that it will host an EU-Africa summit on 17 and 18 December, but migration remains the key preoccupation of EU leaders when it comes to African relations.
But they are finding that African governments are playing hard-ball.
Morocco has led African rejection to the EU's idea of setting up 'regional disembarkation platforms' or 'hot spots', with foreign minister Nasser Bourita accusing European leaders of over-playing their hand in an interview with German media on 3 October. Around 78,000 migrants have entered Europe by sea so far this year, compared to 131,000 in 2017 and 300,000 in 2016.
However, talks between Brussels and Fatah El Sisi's Egyptian government were launched last month with a view to striking some kind of 'cash-for-migrants' agreement, with a deal hopefully ready to be finalised by an EU-Arab League summit scheduled for next February in Cairo. El Sisi will take over the presidency of the AU in January at a summit in Addis Ababa that will also be focused on migration.
A deal with Libya modelled on the EU's migrant agreement with Turkey, under which Ankara has received €4 billion from Brussels in return for keeping Syrian refugees from reaching European soil, has also been mooted. Italy is pushing hardest for a Libya deal ahead of next May's European elections, EURACTIV understands.
In return for the migrant control deals, the EU is offering the prospect of increased private sector investment through its External Investment Plan and, in the long-term, of a continent-to-continent trade deal.
However, few observers believe much progress will be made before the Juncker Commission leaves office.
"It was an important piece of political signaling, but it is too late in the Juncker Commission for it to come to anything," admitted one EU official to EURACTIV.
Juncker's offer, which was drafted in part as a direct response to the offer of $60 billion (€43 billion) of additional investment made by President Xi Jinping to African nations at the China-Africa forum on cooperation in September, has been met with a lukewarm response.

“When you get to the negotiating table it is very clear that we are not equals,” says Patrick Chinamasa, Zimbabwe’s veteran former finance minister who left office in September.
He adds that there has always been a combination of “dictation and prescription” in EU-African relations “You (the EU) mix trade and economics with politics…and ask about my country’s human rights record. China does not do that,” he added.
That spells out the dilemma facing the EU as it seeks to draw up a new political and trade relationship with the African continent through the successor to the Cotonou Agreement, which expires in 2020.
The EU executive has become increasingly rattled by the growing perception that it is losing ground to China in the new race to Africa. An EU official told EURACTIV that China was “fueling a new crisis of debt dependency”.

China pledges $60 billion to Africa, fends off accusations of setting a debt trap

China is helping Africa develop, not pile up debt, a top Chinese official said on Tuesday (4 September), as the government pushes back against criticism it is loading the continent with an unsustainable burden during a major summit in Beijing.
“The question of sexual orientation, which is culturally sensitive, nearly brought down the negotiations on the SDGs,” an African diplomat tells EURACTIV. He added that attaching more conditions to investment and aid could do the same to post-Cotonou.
That leaves the EU in a difficult spot.
“We have specific values in our treaties that we cannot just deny. The two things go together. You don’t just sacrifice values for economics,” said Domenico Rosa, EU-Africa head at the Commission’s DG DEVCO, at an event on Wednesday.(EA 19-10-2018)

HUAWEI GROUP INVESTS US $ 60 MILLION OVER 20 YEARS IN ANGOLA

Chinese telecommunications group Huawei has invested $ 60 million in Angola over the past 20 years, Beijing Yi Xiang, a member of the group’s supervisory board, said Wednesday in Beijing.

Yi Xiang said that since Angola is a strategic market for China, the Huawei group intends to take the “digital world” to the country and make it reach all Angolan citizens.

The official, who made the remarks after the visit of the Angolan President, João Lourenço, to the Huawei Technological Research Center, during his State visit to China, reported that the group offered an emergency communications system that will be installed in the Presidency of the Republic of Angola.

“In the past, the emergency communications system was based on sound and analog signals but now, with this new system, it is possible to communicate through video, which makes everything easier,” he concluded.

After a visit to the Technological Research Center of the Huawei group, the Angolan President and the delegation went to Tianjin, where the State visit that began Tuesday was concluded.

The Chinese group is headquartered in Shenzhen, a special economic zone adjacent to Hong Kong, and in addition to many other communications equipment, it is the second largest mobile phone manufacturer in the world after South Korea’s Samsung and has recently surpassed the American Apple, according to International Data Corporation (IDC). (11-10-2018)

THE EURO-MEDITERRANEAN NETWORK FOR ECONOMIC STUDIES PUBLISHES A NEW ARTICLE ABOUT EMPLOYMENT INTENSITY AND SECTORAL OUTPUT GROWTH

The Euro-Mediterranean Network for Economic Studies – EMNES recently published the WP "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. Their 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)

ANGOLA PLANS TO FOCUS ON PRIVATE INVESTMENTS FROM CHINA

Angola wants to focus more on Chinese private investors and less on borrowing, Foreign Minister Manuel Augusto said on Wednesday in Beijing.

The minister, while praising China's openness to cooperation with Angola and the importance of its financing, stressed that private investors can better participate in Angola's development and economic growth process.

"What we want is for private Chinese investors to discover a place of opportunity in Angola and thus participate in the effort we have to make for the economic development of our country," said Augusto, according to the Angop news agency.

He said that was the reason the President of the Republic, João Lourenço, had brought a message to China based on the measures being implemented to create a good business environment and attract Chinese investors.

Augusto noted that the Angolan Head of State has informed his Chinese counterparts of the economic measures being implemented by Angola, as well as the commitment that Angola will make better use of the financial facilities granted by China.

He also said that there is evidence from both sides (Angola and China) that the funds made available to bilateral cooperation could and should have been better used and should, given their size, "have been translated into more visible results." (11-10-2018)

ANGOLA PAYS OFF DEBT USING PART OF CHINA'S NEW CREDIT LINE

A portion of the US$2 billion credit line opened by the Development Bank of China will be used to "pay off debt to Chinese lenders," Angola's finance minister said on Wednesday in Beijing.

Archer Mangueira, who was speaking about agreements signed on Tuesday by the governments of Angola and the People's Republic of China, said the Angolan authorities intend to repay medium- and long-term debt using the credit line.

Without specifying the interest rate applied under this new credit line or the repayment terms, Mangueira said that this new funding from China is intended for the execution of projects capable of creating income for the country, according to Angolan state news agency Angop.

Mangueira said that several projects have already been identified that will benefit from this US$2 billion credit facility, namely in the construction, energy and water, and industrial sectors, capable of fostering the productive sector, diversifying the economy and changing the public indebtedness of the country.

Figures released by the minister himself at the 3rd summit of the Forum on China-Africa Cooperation in Beijing in September showed that Angola's debt to China at that time was US$23 billion.

The Finance Minister also welcomed the signing of the agreement to avoid double taxation, which was signed during negotiations between the delegations of Angola and China, to allow Chinese investors to feel more motivated to act in Angola.

“With this agreement, investors will be able to make capital investments without being penalised from a double taxation standpoint in China and Angola,” said Mangueira. (11-10-2018)

THE EU CONFIRMS ITS SUPPORT TO EGYPT IN THE WATER SECTOR THROUGH PROJECTS IN 12 GOVERNORATES THAT CONTRIBUTE TO IMPROVING THE LIVES OF 12.5 MILLION EGYPTIANS

Ambassador of the European Union (EU) to Egypt Mr. Ivan Surkoš and Minister of Water Resources and Irrigation Dr. Mohamed Abdel-Ati opened today “The EU-Egypt Water Cooperation Days” held 17-18 October in the framework of the “Cairo Water Week”. Ambassadors of Germany and Italy attended the opening, with the participation of the Confederation of Egyptian-European Business Associations (CEEBA).

Ambassador Surkoš said that Egypt faces the challenge of water scarcity, which requires rapid action to rationalize consumption, develop modern irrigation systems and diminish losses. He pointed out that the EU was one of the first supporters of Egypt in this area; as it has contributed EUR 450 million to establish projects in the field of water during the last ten years. He added that these grants leveraged funds from European financial institutions that amount to EUR 2.5 billion in this sector.(EC 17-10-2018)

ANGOLA FACILITATES CROSS-BORDER TRADE

Angola has introduced legislation to facilitate small-scale cross-border trade with neighbouring countries, such as the Democratic Republic of Congo and Namibia, including agricultural and industrial goods, according to the Regional Coordination of Legis-PALOP+TL.

With the approval of a new presidential decree, procedures to exempt foreign trade operations carried out by residents of border areas in Angola began to apply from 11 September.

Border trade is thus exempt from payment of customs duties if it is for self-consumption or involves subsistence goods, provided that their total value does not exceed the national minimum wage, per day and per beneficiary, and are not for commercial use.

The exemption covers products obtained from agriculture, fishing and livestock in Angolan territory, industrial products manufactured in Angolan territory and also imported food products.

This exceptional scheme excludes systematic trade in products which are presumed to have a commercial purpose, as well as commercial operations whose quantity and value exceed the limits indicated above, which are covered by the rules relating to foreign trade operations.

Also excluded are the import, export and re-export of goods and services between Angola and neighbouring countries that do not fall within the scope of this Regulation, which are subject to the licensing regime on foreign trade operations.

Products such as cement and clinker, fuels and their derivatives and products subject to the protection of fauna and flora are not covered. (11-10-2018)

SOUTH AFRICA ADDS UNIT 2 OF MEDUPI POWER STATION TO THE NATIONAL GRID

South Africa state-owned power utility Eskom has successfully synchronized unit 2 of the Medupi Power Station, set to be the largest dry-cooled power station in the world once complete to the national power grid eight months ahead of schedule.

Eskom's group executive for group capital, Abram Masango confirmed the report and said, the unit was loaded to 400MW, making it the fifth of the six Medupi units to be synchronised to the national grid.

"The achievement of Unit 2 first synchronisation, marks a key milestone towards the full commercial operation of the unit. Lessons learnt on previous units were implemented on Unit 2, leading to the swiftness in delivering first power," said Mr. Abram.

Medupi Power Station

The plant which will also be the fourth largest coal-fired power plant, is located in Lephalale, Limpopo. It is a greenfield coal-fired power plant comprising six units rated in total at 4,764MW installed capacity. It will be able to meet the electricity needs of 3.5 million households in the country.

The first unit of the coal power station, near Lephalale Limpopo, went online and into operation in August 2015.

The synchronization of the unit, which is when the generator in the unit is, for the first time, electrically connected to the national power grid so that it is aligned with all other generators on the grid, was reached ahead of the June 2019 schedule.

Medupi Acting Project Director Zandi Shange said the next step will be the testing and optimisation of the unit, resulting in the unit being able to generate full power of 794MW of electricity feeding into the national grid for the country's consumption.

Eskom explained in a statement that during this testing and optimisation phase, Unit 2 will be delivering power intermittently, thus contributing to the stability of the country's electricity supply.(CRO 15-10-2018)

AFRICA REMAINS RESOLUTE HEADING TO COP 24

The pastoralists of Ethiopia's Somali region make a living raising cattle, camels and goats in an arid and drought-prone land. They are forced to move constantly in search of pasture and watering holes for their animals. Ahead of COP 24, African experts have identified the need to speak with one unified voice, saying a shift in the geopolitical landscape threatens climate negotiations

In December 2015, nations of the world took a giant step to combat climate change through the landmark Paris Agreement. But African experts who met in Nairobi, Kenya at last week's Seventh Conference on Climate Change and Development in Africa (CCDA VII) say the rise of far-right wing and nationalist movements in the West are threatening the collapse of the agreement.

The landmark Paris Agreement focuses on accelerating and intensifying actions and investments needed for a sustainable low carbon future, through greenhouse-gas emissions mitigation, adaptation, finance, and technology transfer among others.

And as Parties struggle to complete the implementing measures needed to get the Paris regime up and running, African experts have identified the need to speak with one unified voice, saying a shift in the geopolitical landscape threatens climate negotiations.

"The rise of 'the inward-looking nationalist right-wing movement and climate deniers' in the West is a signal of hardening positions in potential inaction by those largely responsible for the world's climate problems," Mithika Mwenda, secretary general of the Pan-African Climate Justice Alliance, told the gathering.

Mwenda said civil society organisations were seeking collaboration with governments on the continent and stood ready to offer support as Africa seeks homegrown solutions to mitigate the effects of climate change.

"Our leaders who hold the key for the effective implementation of the Paris Agreement should remain candidly focused and resist attempts to scatter the unified African voice to deny Africa a strong bargain in the design of the Paris rulebook," Mwenda told IPS in an interview.

The 24th Conference of the Parties (COP 24) to the United Nations Framework Convention on Climate Change (UNFCCC) to be held in Katowice, Poland in December, is earmarked as the deadline for the finalisation of the Paris Agreement operational guidelines.

But there are concerns from the African group that there is a deliberate attempt by developed parties to derail the process as the operationalisation of the agreement implies a financial obligation for them to support the adaptation and mitigation action of developing countries.

Since 2015 when the Paris Agreement was reached, the world has seen a shift in the geopolitical landscape, ushering in a climate-sceptic Donald Trump as president of the United States, and several far-right wing nationalist movements gaining power in Europe.

"Two strong groups have joined forces on this issue – the extractive industry, and right-wing nationalists. The combination has taken the current debate to a much more dramatic level than previously, at the same time as our window of opportunity is disappearing," said Martin Hultman, associate professor in Science, Technology and Environmental studies at Chalmers University of Technology and research leader for the comprehensive project titled 'Why don't we take climate change seriously? A study of climate change denial'.

For his part, Trump made good on his campaign promise when he wrote to the UNFCCC secretariat, notifying them of his administration's intention to withdraw the United States from the treaty, thereby undermining the universality of the Paris Agreement and impairing states' confidence in climate cooperation.

With this scenario in mind, the discussions at the recently-concluded climate conference in Africa were largely dominated by how the continent could harness homegrown solutions and standing united in the face of shifting climate political dynamics.

In his opening remarks, which he delivered on behalf of Kenya's President Uhuru Kenyatta, Kenya's environment and forestry minister, Keriako Tobiko said climate change was a matter of life and death for Africa.

And this was the reason why leaders needed to speak with a strong unified voice.

"We have all experienced the devastating and unprecedented impacts of climate change on our peoples' lives and livelihoods as well as our national economies. Africa is the most vulnerable continent despite contributing only about four percent to global greenhouse gas (GHG) emissions but when we go to argue our case we speak in tongues and come back with no deal," he said.

He said given Africa's shared ecosystems, it was essential to speak in one voice to safeguard the basis of the continent's development and seek transformative solutions.

This climate conference was held just days after the release of the Intergovernmental Panel on Climate Change (IPCC) special report on Global Warming of 1.5 degrees Celsius which warned of a catastrophe if immediate action is not taken to halt GHG emissions.

And commenting on the IPCC report, Tobiko reiterated the resolutions of the first Africa Environment Partnership Platform held from Sept. 20 to, under the auspices of the New Partnership for Africa's Development, the technical body of the African Union, which emphasised the need to turn environmental challenges into economic solutions through innovation and green investments.

Tobiko said that Kenya would be hosting the first Sustainable Blue Economy Conference from Nov. 26 to 28 to promote sustainable investments in oceans, seas, lakes, and rivers.

Just like the Africa Environment Partnership Platform — which recognised "indigenous knowledge and customary governance systems as part of Africa's rich heritage in addressing environmental issues" — indigenisation was also a trending topic at the CCDA VII.

Under the theme: 'Policies and actions for effective implementation of the Paris Agreement for resilient economies in Africa', the conference attracted over 700 participants from member states, climate researchers, academia, civil society organisations and local government leaders, among others.

Experts said that local communities, women and the youth should be engaged in Africa's efforts to combat the vagaries of climate change.

James Murombedzi, officer-in-charge of the Africa Climate Policy Centre of the U.N. Commission for Africa, said African communities have long practiced many adaptation strategies and viable responses to the changing climate.

However, he said, "there are limits to how well communities can continue to practice adaptive livelihoods in the context of a changing climate", adding that it was time they were supported by an enabling environment created by government-planned adaptation.

"That is why at CCDA-VII we believe that countries have to start planning for a warmer climate than previously expected so this means we need to review all the different climate actions and proposals to ensure that we can in fact not only survive in a 3 degrees Celsius warmer environment but still be able to meet our sustainable development objectives and our Agenda 2063," added Murombedzi.

Murombedzi said it was sad that most African governments had continued spending huge sums of money on unplanned adaptations for climate-related disasters.

And these, according Yacob Mulugetta, professor of Energy and Development Policy, University London College, "are the implications of global warming for Africa which is already experiencing massive climate impacts, such as crop production, tourism industries and hydropower generation."

Mulugetta, one of the lead authors of the IPCC special report, however, noted that "international cooperation is a critical part of limiting warming to 1.5 degrees," but warned African climate experts to take cognisance of the shifting global geopolitical landscape, which he said is having a significant bearing on climate negotiations.

Meanwhile, the African Development Bank (AfDB), pledged continued support to a climate-resilient development transition in Africa through responsive policies, plans and programmes focusing on building transformed economies and healthy ecosystems.

James Kinyangi of the AfDB said the Bank's Climate Action Plan for the period 2016 to 2020 was ambitious, as it "explores modalities for achieving adaptation, the adequacy and effectiveness of climate finance, capacity building and technology transfer – all aimed at building skills so that African economies can realise their full potential for adaptation in high technology sectors."

Under this plan, the bank will nearly triple its annual climate financing to reach USD5 billion a year by 2020.(WB 18-10-2018)

CLIMATE FUND APPROVES $1BN FOR PROJECTS IN POOR COUNTRIES

The biggest source of green funding for developing countries is 'back on the rails' after being undermined by political squabbling and Trump's funding withdrawal

The world's biggest fund for tackling climate change in the developing world has approved investment of about $1bn in new projects and launched a process to refill its coffers, putting it back on track after a difficult few months.

Progress at the latest meeting of the Green Climate Fund (GCF) board, which wrapped up on Saturday evening in Bahrain, was viewed as key to smooth the way for UN climate talks in December tasked with agreeing rules to implement the 2015 Paris Agreement to curb global warming.

GCF board co-chair Lennart Båge of Sweden said the results from last week's meeting had "exceeded expectations", while UN climate chief Patricia Espinosa said in a tweet it had sent an "important signal" ahead of the upcoming climate conference.

Researchers with the US-based World Resources Institute (WRI), who attended the board meeting, told the Thomson Reuters Foundation the GCF was "back on the rails" after a previous meeting in July broke down amid political squabbling.

"We are in a much better place going into these crunch climate talks in December," said Joe Thwaites, an associate in WRI's Sustainable Finance Center.

"Continued GCF support for developing countries is a key component of success in the international negotiations."

The GCF was set up under the UN climate talks, and donor countries initially promised more than $10bn in 2014 to fund projects to help poorer nations reduce planet-warming emissions and adapt to wilder weather and rising seas.

But it has not been plain sailing.

The South Korea-based fund has struggled with arguments over how it should be run among its 24-member board, which has an equal balance of developed and developing-country representatives. Some of those issues have yet to be resolved.

It also faces a $2bn shortfall after US President Donald Trump last year decided his country should quit the Paris Agreement, and signalled he would not deliver the remaining two-thirds of a $3bn pledge to the GCF.

That has made a replenishment of the fund even more important, as it has now allocated more than $4.6bn to 93 projects, with more proposals seeking funding approval.

"With a rapidly growing portfolio, accelerating implementation on the ground, and a pipeline of $17bn showing huge demand, GCF is now entering its first replenishment ready to step up its support of developing countries' climate action," Javier Manzanares, the fund's interim executive director, said in a statement after the board meeting.

A process for approaching donors for fresh contributions was agreed at the Bahrain meeting. Observers said a pledging conference could take place next autumn.

In Manama, the fund's board also approved 16 new partner organisations to implement GCF projects, including banks and government agencies, bringing the total to 75.

It agreed on a process to select a new executive director after its previous head quit in July, and it decided to start a performance review of the fund by an independent unit.

In addition, the board discussed how it should take decisions if it cannot reach consensus — an issue that has hampered progress on occasions. An alternative process has yet to be agreed.

There was controversy over a project submitted by the meeting's host government, oil- and gas-rich Bahrain, which sparked concern that GCF money could be used to help clean up wastewater from the fossil fuel industry.

Only part of the original proposal, however, relating to reducing national demand for water, was eventually approved.

Other projects that won GCF backing included work to boost the climate resilience of Indian coastal communities, a water supply project for the Pacific island nation of Kiribati, a programme to help 50,000 family farmers deal with weather extremes in El Salvador's "dry corridor", and a bus rapid transit system for the Pakistani city of Karachi.

"Climate finance and climate project formulation are the two greatest bottlenecks to climate action in the developing countries," Paul Oquist, Nicaraguan co-chair of the board, said in a statement. "GCF has a critical role to play in both." (Thomson Reuters Foundation 22-10-2018)

DRC SETS DEADLINE FOR MULTIBILLION-DOLLAR INGA 3 HYDROPOWER PLANT PROPOSALS

The Democratic Republic of Congo gave two groups of investors a four-week deadline to submit a joint proposal on the development of the multibillion-dollar Inga 3 hydropower plant.

The government signed an accord with Chinese and Spanish consortia last week to advance the 11,000MW facility, the first time it has formally appointed entities to draw up plans to develop Inga since the project was announced about a decade ago. The Chinese group includes China Three Gorges and State Grid International Development, while the Spanish partners comprise Actividades de Construccion y Servicios SA and AEE Power Holdings.

“There have been tenders, lots of meetings, lots of promotional activities, but it’s only today that we have for the first time a legal document,” Bruno Kapandji, director of the Agency for the Development and Promotion of the Grand Inga Project, or ADPI, told reporters after a signing ceremony on October 16.

The accord calls for the creation of a single consortium by the two groups, which have been co-operating since last year on an “optimised bid” on how to bring the project to fruition, he said. Multiple phases and several contracts still need to be completed before construction can begin.

By November 10, the groups must hand over a joint proposal that includes a financial model and timeline, according to the accord. The government will then negotiate an “exclusive collaboration contract” with the single consortium that will enable the co-developers to consider themselves the project’s “prospective concessionaires”, it states.

The Chinese and Spanish investors have undertaken to finance extra technical studies, as well as assessments of environmental and social impacts, to update those done for an earlier 4,800MW version of the project. They will also attract lenders to finance the facility, which could cost as much as $18bn, and help Congo find buyers of the electricity elsewhere in Africa. Finally, the government will grant the special-purpose vehicle formed by the groups a concession to construct and manage Inga 3.

The government is billing Inga 3 as the first phase of a mega project eventually intended to harness as much as 40,000MW of hydroelectric capacity concentrated in a stretch of the Congo River in the west of the country. In 2013, SA signed a treaty with Congo committing the nation to buying 2,500MW, which at the time was more than half of the facility’s projected output.

Inga 3’s capacity has increased because of growth in demand in Congo, where both the population and the mining industry are starved of electricity, and the rest of Africa, according to a news release issued after the ceremony. The original, smaller project also wasn’t financially feasible, according to a presentation the groups gave to the African Development Bank in July.

NGO opposition

Congo’s business climate is challenging because of a lack of roads and other infrastructure, and Inga 3 has its detractors. The World Bank cancelled its $73m technical assistance in 2016 after the ADPI was set up within the presidency, rather than as an autonomous government agency.

In September, 40 Congolese non-governmental organisations called for a moratorium on Inga 3, calling for more comprehensive assessments of the social and environmental impact. Negotiations so far have been “opaque and non-participative” and “under the direct control of” Kabila, they said.

Kapandji has said Inga 3 will cost between $13.9bn and $17.9bn. Last year, US-based activist group International Rivers said the plant “risks ballooning the DRC’s debt burden”.Kapandji has dismissed such concerns, saying it is the concession company that will “gather the money and execute the project”.

DRC’s government will have a 5% free stake in the SPV, which holds the concession, according to the presentation. The joint consortium will control the company, while other investors will be brought in to hold 19% of the shares.

In even the most optimistic forecasts, Inga 3 would not be operational until the late 2020s. Following financial close and the award of the concession contract, constructing the plant will take as long as eight years, according to the presentation. (Bloomberg 22-10-2018)

ZIMBABWE AIMS TO CLEAR WORLD BANK, AFDB ARREARS IN 12 MONTHS

Zimbabwe aims to clear its $2bn arrears with the World Bank and African Development Bank in the next 12 months, after securing the support of international creditors and donor countries, Finance Minister Mthuli Ncube said on Friday.

Zimbabwe has struggled to access international credit since defaulting on its debts to global lenders two decades ago and running up arrears of nearly $6bn.

Ncube said in an interview the arrears clearance programme had the backing of the US government, which maintains sanctions against Zimbabwe.

Ncube met international lenders as well as representatives of the US and British governments in Bali, Indonesia, last week on the sidelines of the annual Internal Monetary Fund and World Bank meetings.

“My intention is that by this time next year we would have paid off the AfDB and World Bank. All options are on the table, including the Highly Indebted Poor Country (HIPC) option debt write-off, or the HIPC-lite or the ad-hoc solutions, with sponsors,” Ncube said.

Lines of credit

“For sponsors, we will be talking to the G-7 members to see if one or two of them, or all of them, could sponsor us and give us some lines of credit, bridging finance to be able to clear those arrears.”

The IMF and World Bank launched the HIPC initiative in 1996 to help poor countries struggling with external debt get debt relief.

Acknowledging the US role in his debt relief plan, Ncube said Zimbabwe needed to embrace Washington’s conditions as spelt out in its Zimbabwe Democracy and Economic Recovery Act (Zidera).

That sanctions law was enacted in 2001 in response to alleged human rights abuses by the Zimbabwe government under former President Robert Mugabe.

Amended this year, it sets tough conditions for Zimbabwe including electoral reforms, accountability for past atrocities, compensation for dispossessed white farmers and greater transparency in diamond revenues.

“The Americans are very supportive of Zimbabwe. Of course, there are points of departure, Zidera is the issue. But my view has always been that with the principles of what is in Zidera, we should embrace it as Zimbabweans,” Ncube said.

“There is no harm in pursuing the suggestions in Zidera. Of course, in the interim, it has financial implications because of the financial sanctions in a way, so that is hurting.” Ncube said Zimbabwe would, from early next year, embark on a programme allowing the IMF to monitor its economic reforms, but which does not entail funding from the global lender. (Reuters 22-10-2018)

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