MEMORANDUM

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SUMMARY

NEW ANGOLAN CUSTOMS TARIFF TAKES EFFECT ON 9 AUGUST

Angola's new customs tariff, which exempts from taxation the import of products included in the basic basket and hospital equipment, takes force this Thursday, three months after it was approved by presidential legislative decree, reports the newspaper Jornal de Angola.

The document expands the list of merchandise exempt from import duties and consumption tax and modifies the rates for importing and exporting several others. Among the group of merchandise to be exempted from duties are passenger transport vehicles with 18 or more seats.

The group also encompasses industrial production machinery, construction or mining machinery or devices, seeds, pesticides, fertiliser, tractors and manual implements or equipment for farming, without the need to apply for exemption beforehand.

The newspaper also reports that this legal instrument places Angola among the Southern Africa Development Community (SADC) countries with the most merchandise categories exempt from import duties, according to a study by the General Tax Administration (AGT).

Ahead of Angola are only the five countries comprising the Southern African Customs Union (SACU) – South Africa, Botswana, Lesotho, Namibia and Eswatini (formerly Swaziland) – and the tax havens of Mauritius and Seychelles.

The new customs tariff is in accordance with the 2017 version of the Harmonised Commodity Description and Coding System of the World Customs Organisation, a document subject to revision every five years to adjust to progress in science, technology and international trade.

Besides expanding tax benefits, the 2017 harmonised version of the customs tariff also revises all customs procedures to simplify, streamline and harmonise them with international instruments of the World Customs Organisation and Word Trade Organisation. (07-08-2018)

EU ASKS MALI FOR DETAILS OF KEY PRESIDENTIAL VOTE

The European Union on Tuesday (31 July) pressured Mali to present a "complete and detailed list" of polling stations where a key presidential election could not be held due to violence.

Not a single ballot was cast at 716 polling stations in Sunday's first round vote in the volatile central region of Mopti and some parts of the north following threats and attacks by armed groups. There were a total of 23,000 polling stations nationwide.

Security was a central issue during the campaign, in which 73-year-old President Ibrahim Boubacar Keita is seeking re-election, with the international community hoping the poll will strengthen a 2015 peace accord.

Violence flares up as Malians vote in key election

Malians voted Sunday (29 July) in a crucial presidential election as attacks disrupted polling in areas already beset by deadly ethnic and jihadist violence.

In Mali's north, where the state is barely present, armed groups who signed the peace accord helped to ensure security.

The vote was monitored by observers from the European Union, the African Union, the regional ECOWAS grouping and the Francophonie organisation.

The EU mission said it had asked authorities "to publish a complete and detailed list of the polling stations where voting was not held," its head Cecile Kyenge, an Italian MEP, said.

The EU team deployed about 100 monitors nationwide — apart from in the central Mopti region where none were sent for security fears — and said the vote "passed off peacefully in the rest of the country." Kyenge also called for the publication of the results online "as soon as possible". No results have been declared so far.

Keita's camp on Monday said he appeared to be "largely ahead".

There were 23 other candidates. Keita's leading challenger is Soumaila Cisse, 68, a former finance and economy minister, who lost by a wide margin in the 2013 election that brought Keita to power. He is widely expected to be present in the second round run-off vote.

Cisse's campaign director Tiebile Drame said the team was "legitimately satisfied" but criticised authorities for failing to provide adequate security.

Some 30,000 security personnel were deployed throughout the country.

Violence also marred the lead-up to the election, despite the presence of 15,000 UN peacekeepers, 4,500 French troops and a much heralded five-nation anti-terror G5 Sahel force.

EU to give Sahel force funding boost

European leaders will Friday give a financial boost to a joint African force tackling jihadists in the Sahel at an international conference in Brussels, as fresh violence highlights the region's fraught security situation.

The jihadist violence has spread from northern Mali to the centre and south of the country and spilled over into neighbouring Burkina Faso and Niger, often inflaming communal conflicts.

Mali, considered a linchpin state in the troubled Sahel region, is one of the world's poorest countries, with most people living on less than \$2 a day.(EurAct 01-08-2018)

GOVERNMENT OF CABO VERDE CONCENTRATES REGULATION IN MULTISECTOR AGENCY

The government of Cabo Verde (Cape Verde) has created the Multisector Regulatory Agency of the Economy, a measure that is part of a package of economic and institutional reforms for the regulation sector, through a decree-law approved on Thursday in Praia at a meeting of the Council of Ministers, according to official information.

Meeting spokesman Fernando Elísio Freire said that with the creation of this Multisector Regulatory Agency for the Economy, the Economic Regulation Agency (AER) and the National Communication Agency of Cabo Verde (ANAC) have been extinguished.

The new agency, said the spokesman, will also deal with interurban transport, or transport between two cities or between any two locations in the archipelago, which were not previously covered in terms of economic or technical regulation.

"This Agency will unify – it will have both technical regulation and economic regulation," Freire said, explaining that a significant part of the existing regulatory entities in Cabo Verde had not yet been adapted to the legal reality that was changed three years ago. (06-08-2018)

EU WILL SPEND MORE ON BORDER AND MIGRATION CONTROL THAN ON AFRICA

The European Commission's proposal to bolster Europe's borders would mean that for the first time the EU will spend more on migration control than on developing Africa, as the determination to 'fortify' the Continent prevails among national governments and institutions.

This stance breaks with Europe's traditional approach, in which the Union was proud to be seen as the world's largest donor to developing nations.

The Commission says that the next multiannual financial framework (MFF), the EU's long-term budget for 2021-2027, would increase funds for Sub-Saharan Africa by 23%, from €26.1 billion to €32 billion.

EU unveils increased foreign aid budget for 2021-27

The European Commission has defended its plans to overhaul its foreign spending budget, promising that it would deliver a large increase in aid spending and 'eliminate bureaucratic barriers'.

However, these figures (in current prices) varied significantly when constant prices are used.

As Commission officials confirmed to EURACTIV, the amount in 2018 prices (hence taking into account inflation) is estimated at €26.6bn for the 2014-2020 period.

The figure for the period 2021-2027 in 2018 prices for Sub-Saharan Africa would be €28.3 billion. This amount would represent an additional 7% compared to the previous MFF in real terms.

But this increase would be minimal compared to the extra support given to migration and border management.

The Commission wants to allocate €30.83 billion for these priorities for the next seven-year period, also in 2018 prices.

This represents around €2.5 billion more than the funds earmarked for Sub-Saharan Africa. Borders

The bulk of the money (\in 18.8 billion) would be dedicated to border management. This would represent almost a 200% increase compared to the previous seven year budget, when \in 5.6 billion was allocated. Almost half of this amount (\in 10.58 billion) would be dedicated to supporting decentralized agencies, especially the European Border and Coast Guard Agency (EBCGA).

The Commission wants to increase the personnel of EBCGA to 10,000 border guards and officials. A total of \in 9.97 billion also under this envelope would go to migration management, in particular to support member states through the Asylum and Migration Fund.

Part of this envelope would be for asylum, legal migration and integration. But at least half of these funds could end up dedicated to countering irregular migration, to execute returns and support member states with additional resources to protect their borders in case of emergency situations.

Sánchez backs Morocco's call for support to stem migrant flows

Spanish Prime Minister Pedro Sánchez has included Morroco's pending demands of resources for border management, in a letter addressed to the European Commission requesting further emergency assistance to tackle the surge in migrant arrivals.

The EU has other instruments to support Africa: the Africa Trust Fund and part of its External Investment Plan.

Most of the EU funds (around €3.5 billion) to support the trust fund come from budget lines already included in the African envelope, in particular the European Development Fund (EDF).

In addition, member states and other donors (including Switzerland and Norway) pledged €439 million, and €393 million had been paid so far.

As regards to the Investment plan for Africa, the Commission contributed €4.4 billion, also financed through instruments such as the EDF and the relevant parts of the Development Cooperation Instrument, already included in the funds for Africa.

Under the 'Juncker plan' for Africa, the EU aims to mobilise around €44 billion in investment through financial engineering (guarantees and blending), mostly coming from the private sector.

The EU allocated €22 billion for its Neighbourhood area for 2021-2027, which includes Eastern countries and the Southern Mediterranean region.

However, the allocation of funds per country and priorities would come during the programming phase, once the regulation has been adopted by the European Parliament and the Council, the Commission explained.

The Commission's MFF proposal will be discussed in the coming months by the Parliament and member states.

Decreasing arrivals

The extra money has been allocated to bolster EU's external borders despite the number of arrivals to Europe having decreased by around 80% this year, compared to 2017.

But a growing group of countries want to shield the Union, including the Visegrad group (Hungary, Poland, Czech Republic and Slovakia), the new Italian government and Austria.

EU summit approves tortured conclusions on migration after sleepless night

EU leaders reached a much-needed deal on steps to tackle migration after resolving a bitter row with Italy's inexperienced prime minister. Extended talks lasted through the night and only wrapped up on Friday morning (29 June).

This represents a stark contrast with 2015, when the news of the deadliest modern shipwreck in the Mediterranean sea that killed about 800 migrants, and the image of a drowned Syrian boy on the Turkish coast triggered a wave of solidarity in Europe with the newcomers.

That year, the number of arrivals by sea registered the record number of 1,015,078, according to the UNHCR.

Root causes

Some senior EU officials insist that more resources should be allocated for Africa.

European Parliament president, Antonio Tajani, said that the "primary duty of Europe" should be to combat the root causes of the migration flows, including the instability and insecurity in large parts of Africa, and the poverty, famine and climate change in the continent.

By 2050, the population of Africa is set to double to more than 2.5 billion. Tajani warned that if Europe does not act, the arrivals we see today would turn into millions.

"We will see biblical movements of people from the South to the North", he told reporters in early July, on the occasion of Austria's takeover of the rotating presidency of the EU.

Noting the Investment plan for Africa and the African Trust Fund, European Commission President Jean-Claude Juncker said during the same press conference that it was "not a correct picture of what it is being done when people said we are doing nothing for Africa".

Speaking alongside the two presidents, Austrian chancellor Sebastian Kurz announced a "paradigm shift" in tackling the migration issue during his semester at the EU's helm. His top priority will be securing EU's external borders.

Kurz, leader of Austria's Popular Party, illustrates how mainstream parties in Europe have toughened their stance toward migration in recent months.

Following his victory in elections last October, he formed a government with the extreme-right Freedom Party. (EurAct 06-08-208)

COMPANIES FROM CHINA CONSIDER INVESTMENTS IN HUÍLA PROVINCE, ANGOLA

Angola's ambassador to Angola, Cui Aimin, expressed interest in cooperating in tourism, especially in Huíla province, whose potential was highlighted for possible investments, speaking on Thursday in the city of Huíla.

On the sidelines of a private meeting with Governor Joao Marcelino Tyipinge, the diplomat said the visit to the province was intended to gather more information about the local economic situation, "as there are Chinese entities interested in investing in Huíla."

The province in general and the city of Lubango in particular have potential for development, particularly in the tourism sector, said the ambassador, who also mentioned the agricultural sector as being attractive to Chinese investors.

Cui Aimin also told the Angop news agency that China could develop an area for large-scale rice planting, which will be associated with an industrial unit for processing the product, but stressed that the province has more potential for other agricultural products, in particular fruit, than for the planting of rice. (10-08-2018)

L'ESPAGNE APPELLE L'UE A AIDER LE MAROC SUR LA GESTION DES FRONTIERES

Le Premier ministre espagnol, Pedro Sánchez, a demandé à la Commission de mettre en place des aides pour aider le Maroc ainsi que l'Espagne à gérer la frontière Méditerranéenne.

La mise en place d'un fonds de 55 millions d'euros dans le cadre du programme de gestion des frontières du Maroc a déjà été approuvée par l'Europe. Ces financements devraient surtout servir à équiper les gardes-frontières marocains.

Le gouvernement marocain demande cependant plusieurs autres actions, des demandes reprises en annexe dans la lettre adressée à Jean-Claude Juncker, le président de la Commission européenne, par

le Premier ministre espagnol, Pedro Sánchez. Selon les sources d'Euractiv, l'exécutif analyseront cette lettre « rapidement ».

La route de la Méditerranée occidentale, qui passe par le Maroc et l'Espagne, est devenu le principal point d'entrée des migrants illégaux à l'UE. À la date du 30 juillet, 23 993 personnes sont arrivées en Europe par cette voie, alors qu'ils étaient 18 298 à arriver en Italie. La coopération hispano-marocaine est essentielle pour limiter le nombre d'arrivées.

La lettre de Pedro Sánchez suit un engagement du Conseil européen, selon lequel le soutien aux pays d'arrivée, « surtout l'Espagne », et les pays d'origine et de transit, « en particulier le Maroc », afin d'empêcher l'immigration illégale.

Plus tôt dans le mois, la Commission européenne a octroyé 24,8 millions d'euros à l'Espagne pour qu'elle puisse améliorer ses capacités d'accueil, notamment en ce qui concerne les soins, la nourriture et le logement des migrants qui arrivent notamment sur l'enclave de Ceuta et Melilla.

720 000 euros supplémentaires ont été mis à disposition du ministère de l'Intérieur pour renforcer le système de retours.

« Durant l'année écoulée, l'Espagne a vu le nombre d'arrivants augmenter et nous devons renforcer notre soutien pour renforcer la gestion de ces arrivées et le retour de ceux qui n'ont pas le droit de rester », avait alors déclaré le commissaire aux migrations, Dimitris Avramopoulos.

Dans le cadre des programmes sur l'immigration, les frontières et la sécurité, l'Espagne doit toucher 692 millions d'euros pour la période budgétaire 2014-2020.

L'agence Frontex a également renforcé sa présence en Espagne. Quelque 195 agents, deux bateaux, un avion et un hélicoptère ont été déployé pour contribuer à la surveillance des frontières, aux opérations de sauvetage et à la répression de la criminalité organisée.

Les opérations Frontex en Espagne étaient jusqu'ici organisées de manière saisonnière, mais l'augmentation des arrivées a forcé l'agence à s'y établir de manière permanente.

Plateformes de débarquement

Des représentants de l'UE, de l'Organisation internationale pour les migrations, de l'UNHCR, des pays d'Afrique du Nord (à l'exception de la Lybie et de l'Algérie) et de l'Union africaine se sont réunis à Genève le 30 juillet.

Le principal objectif de cette rencontre était d'assurer une meilleure coopération sur les opérations de sauvetage en Méditerranée, de favoriser la mise en place de partenariats et de partager les points de vue des participants sur la création de plateformes de débarquement dans des pays tiers.

L'UE avait annoncé ne pas s'attendre à un résultat particulier, mais espérer des discussions ouvertes avec ses voisins, afin de préparer un accord plus formel qui pourrait être négocié à l'automne.(EurAct 31-7-2018)

AGRICULTURAL INVESTMENTS IN ANGOLA REDUCE PRODUCTION DEFICIT

The public and private investments that are being made in the agricultural sector in Angola in five years will allow the country to produce the main products of the basic basket, the Minister of Agriculture and Forestry said on Thursday in the city of Luena.

"The indicators show that, year after year, the agricultural sector has been increasing its income, especially in family farming, but also in the business sector, which is making a very decisive contribution to increasing national production," said Minister Marcos Nhunga.

The minister, who was speaking on the sidelines of the first Consultative Council of the Ministry of Agriculture and Forestry, which has been taking place since Wednesday in the city of Luena, revealed that, in terms of grains, the country has a production deficit of more than 50%.

Nhunga said that the country needs 5 million tons of grains a year to meet food and animal feed needs, and at the moment it only produces just over 2 million tons, according to the Angop news agency.

In order to ensure that the country produces most of the products that make up the basic basket, Angop reported that the government has taken responsibility for lowering production costs by improving access to so-called inputs, including fertilizers, pesticides and seeds.

Without affecting the agricultural business sector, he said that the government's support is mainly for socalled family farming, which, in Angola, accounts for 80% of national production.

Repairing secondary and tertiary roads as well as the electrification of the main regions with great agricultural potential and facilitating access to agricultural credit are also included in the package of measures approved by the government to reduce production costs, according to the minister.

Animal production, ranging from birds to small and large mammals, alongside forest resources are the main themes analysed by the advisory council, held under the motto "The development of agriculture as the basis of the country's economic diversification."

From this year on, Angola will conduct an agricultural and fishery census that will provide a relatively precise idea of the numbers of the each domestic edible species, and data collection is expected to be completed by 2019. (10-08-2018)



FARMER-HERDER CONFLICTS ON THE RISE IN AFRICA

Violent intercommunal clashes between herders and farmers can be avoided if African governments recognise the complexities that exist in these conflicts and to remove barriers to accessing land for pastoralists without compromising the rights of farming communities. Internally displaced villagers herd livestock in Turkana County.

Violent <u>clashes</u> between farmers and herders in Nigeria's Middle Belt in June reminded me of a smelting hot afternoon a year ago. I was sitting in my living room watching a herder grazing his cows in my yard in the small town in southwestern Cameroon where I live.

My thoughts meandered from the negatives attributed to cattle herders across western and central Africa to <u>tenuous community land rights</u>, increasingly taken over by <u>commercial farms</u> across Africa, and the pressures on land from <u>increased aridity</u> in the Sahel region.

In Nigeria, violent clashes between herders and farmers since January have resulted in the deaths of more than 1300 people. An estimated 300,000 have been forced to flee their homes.

Increased frequency of violent conflict has been linked to intense pressures on land because of <u>expansion of commercially cultivated areas</u>, corporate mining activities, and competitive overuse of common resources, such as forests, pastoral rangelands, and water sources, exacerbated by <u>climate change</u>.

Growing aridity in the Sahel and northern regions, advancing desertification, and heightened risk of extreme weather events have resulted in decreased availability of grazing land. For example, in northern Nigeria, <u>experts say</u>, a blend of more heat plus less rain worsens the threat of desertification. The Sahel is creeping southward by approximately 1,400 square miles a year, swallowing whole villages and reducing the land available for grazing.

<u>Several hundred million</u> people practice pastoralism—the use of extensive grazing on rangelands for livestock production, in over 100 countries worldwide. The African Union <u>estimated</u> that Africa has about 268 million pastoralists—over a quarter of the total population—living on about 43 percent of the continent's total land mass. Yet, weak government regulation of pastoralism, poor land management, and inadequate policies on climate change adaptation have <u>worsened</u> land-related tensions.



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.

In Nigeria, deaths from violence related to clashes between herders and farming communities is <u>increasing</u>. The situation is not much different elsewhere in West Africa. In <u>Côte d'Ivoire</u>, violent intercommunal clashes in March 2016 between pastoralists and farmers in Bouna, in the northeast, left at least 27 people dead and thousands more displaced.

For women, losing husbands or male relatives during such violence could mean losing access to land or livestock, when others <u>grab land and property</u> from them. Violent clashes also cause women and children to flee to displacement camps, exposing them to <u>further risks of abuse</u>.

An increasing number of African countries have legally recognised customary rights to land and systems of communal property. Some African countries have <u>pastoral laws</u> that guarantee access to pastureland to preserve herder mobility. For the most part, though, these <u>laws are not harmonised with other</u> <u>regulations</u> on land, water, forests, and protected areas, making them difficult to enforce.

African governments need to recognise the complexities that exist in these conflicts and to remove barriers to accessing land for pastoralists without compromising the rights of farming communities. Designing viable conditions under which land is occupied and used by nomadic and farming communities such as creating grazing corridors through inclusive decision-making would reduce conflict. This would also secure pastoralist livelihoods without weakening customary ownership of farming communities.

The most successful responses are community-driven and location specific, where national government mediation has resulted in solutions that work for both herders and farmers. A prime example is the 2016 <u>Marial Bai agreement</u> in South Sudan's Wua region of Bahr el Ghazal. The agreement, which supplements South Sudan's law governing community land, stipulates rules to resolve migration-related

conflicts, procedures for obtaining permission to move cattle and compensation for damaged crops or livestock.

When I read about these herder-farmer conflicts, I often wonder what happened to the herder I saw in my yard. He was middle-aged and seemed to be Fulani—a nomadic ethnic group found predominantly in northern Cameroon.

I remember he fell asleep on grass under a tree as his cattle grazed on the tall shrubs but stirred awake as they became restless. He made a soft clucking sound that was oddly familiar. The animals assembled and moved out of the yard. They were majestic—the herder and his cattle—but sadly, for some, they represent a threat to their own way of life.

Pastoralism doesn't have to result in violent conflicts if governments develop creative solutions recognising everyone's right to use land, including water and forests.(IPS 06-08-2018)

HARARE COURT CHARGES MDC POLITICIAN TENDAI BITI WITH PUBLIC VIOLENCE

Zimbabwean opposition politician Tendai Biti, thwarted in a bid to seek asylum in Zambia, was charged with public violence in a court in Zimbabwe and released on bail.

Biti, a former finance minister who had claimed Zimbabwe's July 30 election was rigged, appeared on Thursday in Harare. It capped a dramatic 24 hours in which he had tried to enter neighbouring Zambia, was detained and eventually returned to Zimbabwean authorities.

Prosecutors told the court Biti was charged with public violence after a riot in Harare on August 2 caused \$345,000 in damages. He also faces a charge of contravening Zimbabwe's electoral act by announcing allegedly illegal or fabricated election results.

The judge released Biti on \$5,000 bail and ordered that he surrender his travel documents and report to police twice a day. The state did not oppose bail and no date for his trial was set.

Biti is among opposition leaders who questioned the outcome of last week's presidential elections, in which the governing Zanu-PF won a constitutional majority and its leader, Emmerson Mnangagwa, was elected president.

Mnangagwa, who is scheduled to be inaugurated on Sunday, said in a statement on Twitter that Biti was released following his intervention.

"At such a crucial time in the history of the new Zimbabwe, nothing is more important than unity, peace and dialogue," Mnangagwa said. "Equally important, however, is an adherence to the rule of law. I repeat — no one is above the law." (Bloomberg 10-08-2018)

AFRICA FREE TRADE TALKS PASS THE HALFWAY MARK ON NEW RULES

Members of the Tripartite Free Trade Area (TFTA) in Africa have completed more than half the work needed to finalise the rules to govern how products imported from nonmember countries are treated within the area.

Called the rules of origin, these arrangements will be critical to prevent nonmember nations from flooding the free trade area via the member with the most liberal trade regime.

Rules of origin are necessary as the TFTA will not have a common external tariff to regulate the treatment of goods from outside countries.

Department of trade & industry chief director Wamkele Mene told the National Council of Provinces select committee on trade and international relations on Wednesday that negotiations over the rules were 60% complete and were expected to be finalised in mid-2019.

Parliament is in the process of ratifying the agreement for the TFTA, which will bring together 26 African countries into a single market governed by preferential free-trade arrangements. The agreement was ratified by the select committee and will be considered by the trade and industry portfolio committee in two weeks. So far, 22 countries have signed, with SA doing so in July 2017. It will enter into force once 14 member states have ratified it. So far, only Egypt and Uganda have done so.

The agreement is built on the three existing trading blocs: the Common Market for Eastern and Southern Africa, the Southern African Development Community and the East African Community.

Mene said the biggest challenge was to agree on policy, with some countries arguing for a general rule that would allow all products from outside countries to be eligible for TFTA preferences. SA opposed this approach on the grounds that it would limit the region's ability to industrialise as there would be no requirement for value addition to the imported products.

SA's position is that products from outside countries should only benefit from preferential tariffs when exported to other countries in the region if there has been value addition within the country that first imported it.

The ultimate agreement was that there would be common product-specific rules of origin for each of the more than 7,000 products in the tariff book.

Mene said negotiations on tariffs were under way. Once the tariff negotiations are finalised, the deal will offer exporters preferential or zero tariffs into the markets of member countries. The countries in the TFTA have a combined population of 626 million people and a total GDP of \$1.2 trillion.

SA's trade with TFTA countries was 16% of its world trade, \$27.6bn in 2017, Mene said.

The agreement would facilitate the harmonisation of trade regimes; free movement of business persons; joint implementation of regional infrastructure projects; regional value chains; and regional co-operation. (BD 10-08-2018)

SALVA KIIR GRANTS A GENERAL AMNESTY TO REBELS IN SOUTH SUDAN'S BRUTAL CIVIL WAR

President Salva Kiir granted a general amnesty to rebels in South Sudan's civil war including his former deputy Riek Machar, as a rights organisation said the authorities in Africa's youngest country should also free its unarmed critics.

The amnesty order was read out on state-run television late on Wednesday, three days after Kiir, SPLM-IO leader Machar and the heads of other groups signed a ceasefire and power-sharing agreement in the Sudanese capital Khartoum.

A political row between Kiir and Machar degenerated in 2013 into a civil war that has killed tens of thousands of people, forced a quarter of the population to flee their homes and wrecked the country's oil-dependent economy.

The conflict has often been fought along ethnic lines. Previous deals to end it have failed, including one in 2015 that briefly halted hostilities but fell apart after Machar returned to the capital, Juba, the following year. SPLM-IO is the largest of the rebel groups fighting Kiir's government, and fighters allied to it control several areas close to the capital. Other antigovernment groups have also emerged, some of which have fought against each other.

All conditions

Lam Paul Gabriel, SPLM-IO's deputy military spokesman, said the amnesty would only be genuine once Kiir observed all the conditions agreed upon in the deal signed on Sunday.

"Machar can only come to Juba after the pre-interim period when the unified forces are deployed in Juba and other major towns in South Sudan."

Machar was freed earlier in 2018 from house arrest in SA, where he had been held since fleeing South Sudan in 2016.

"It will now give Machar much confidence, including others [who are] estranged, a genuine reason to return to the country without the fear of the replication of the 2016 incident," Majak Daniel, a Juba-based journalist, told Reuters.

Human Rights Watch called on Thursday for the release of a number of government critics jailed by the intelligence services, including Peter Biar Ajak, a prominent economist who has criticised both sides in the war.

"South Sudanese authorities should release everyone being held arbitrarily and change the way that the national security agency operates," Jehanne Henry, associate Africa director at the New York-based rights organisation, said.

Ajak, a country director for the London School of Economics' International Growth Centre and a former World Bank economist, was arrested by officers of the security agency in July.(Reuters 10-08-2018)

EUROPEAN SUPPORT TO HELP UNLOCK GREAT NORTH ROAD'S POTENTIAL FOR ZAMBIANS

European support for T2 to eliminate bottlenecks and improve road safety in Zambia on the stretch between Mpika and Nakonde (372km)

EUR 110 million loan to Ministry of Finance will support upgrading of Great North Road, leveraging the Zambian economy and the expansion of intra-Africa trade

The European Investment Bank (EIB) has signed a EUR 110 million (ZMK 1.27 billion) concessional loan with the Zambian Ministry of Finance in support of the Great North Road (T2), to be followed shortly by the signature of an EU grant of EUR 72.45m that will complement EIB financing.

Support for a regional project

The overall project, co-financed by the government and AfDB, will upgrade and widen some 372 kilometres of road between Mpika and Nakonde, making for both faster and safer travelling. It also includes the rehabilitation of about 50km of feeder roads and complementary initiatives in the area, as well as technical assistance. The T2 Upgrade is a key national project with a strong regional dimension, connecting Zambia to neighbouring Tanzania and Zimbabwe. It is also part of several important international transport routes including the continental Trans-Africa Highway from Cape Town to Cairo. The reconstruction of the T2 will thus boost continental integration and help transform Zambia from a land-locked to a land-linked country. The EIB and EU package will finance the 162km stretch from Mpika to Chinsali.

Technical improvements

Apart from creating better conditions for transport and communication, the project will contribute to provide economic and social opportunities, including better accessibility to markets, employment and additional investments both at national and regional levels. By unlocking and diversifying the country's economic potential, the road upgrade is expected to promote inclusive growth and reduce poverty.

Safety measures will be introduced to reduce the risk of accidents for both road users and local communities. The design has taken into account that women use the road for more diverse needs and destinations (such as health centres and educational facilities). Finally, adaptation measures are considered to make the road more resilient to climate change, in particular with respect to the high risk of wild fire and flooding. Works contracts will be tendered according to international competitive bidding process.

Saving time, life and the environment

EIB Vice-President **Ambroise Fayolle**, responsible for operations in Sub-Saharan Africa, commented: "The upgrade of the Great North Road will be invaluable for Zambia and the wider region. Enhanced road transport should lead to time-saving and cost-reduction, making Zambia and other countries along the North-South corridor more productive and rendering their economies more competitive, which will ultimately have an effect on poverty alleviation. This underlines the Bank's longstanding support to regional transport corridors on the African continent that enable economic and social development which in turn supports the UN's Sustainable Development Goals." The Ambassador of the European Union to Zambia, H.E. **Alessandro Mariani**, indicated that: "The T2 upgrade fully supports the joint Africa-EU cooperation strategy. The objective is to reduce poverty, which can be attained facilitating regional trade and economic integration through the improvement of key transport infrastructures such as regional transport corridors. Through an additional EUR 72.45m grant (870 million Zambian Kwacha) to be signed in the coming months, the European Union will complement the concessional loan of the EIB (the EU Bank) thus providing an excellent financial solution for the full benefit of Zambia. This new opportunity to blend financial resources (sizeable grant + concessional loan) – already made by the EU in Zambia in the road, water and energy sectors – is very important in the Zambian context."

RDA Director and CEO, **Elias Mwape** said: "The Bank has provided substantial non-financial added value in terms of project preparation since 2015. Thanks to its early involvement and the mobilisation of technical assistance, the EIB helped RDA design a bankable and sustainable project – especially with respect to structuring, road safety, climate resilience, technical solutions and social standards – incorporating lessons learnt from GER Rehabilitation and EU's best practice. During implementation, the EIB will provide further technical assistance to the RDA through a Project Implementation Consultant and audits to support the implementation of the project."

EIB has a longstanding relationship with Zambia, first lending to a project in the country in 1978, and this will be the second intervention for the benefit of strategic transport corridors after the signature in 2011 of the Bank's EUR 80 million loan for the Great East Road Rehabilitation. In total, the EIB has provided EUR 474 million in financing in Zambia in the past seven years, in a wide range of public infrastructure (transport, water, sanitation, energy), as well as in private sector through local banks and microfinance institutions to support SMEs and micro-entrepreneurs.(EIB 08-08-2018)

MOZAMBIQUE'S FORMER RENAMO SOLDIERS TO BE PART OF COUNTRY'S ARMED FORCES

Soldiers of Mozambique's former rebel National Resistance Army, or Renamo, will be integrated into the country's armed forces as part of a deal signed with the government to resolve issues that have stalled a permanent peace agreement.

A commission will be established to receive weapons from the fighters, Renamo interim leader Ossufo Momade told reporters by phone from his hideout in Gorongosa, more than 1,000km north of the capital, Maputo. No agreement has been reached yet on combining Renamo's fighters with the police force, Momade said.

Renamo fought the government in a 16-year civil war that ended in 1992 and left as many as 1-million people dead. Last month, parliament passed new legislation that gives more powers to political parties that win the majority of votes in provinces, as the nation prepares for local polls in October. (Bloomberg 08-08-2018)

DEAL BEING INKED TO ALLOW 26 AFRICAN COUNTRIES ACCESS TO BETTER TRADE TERMS

Parliament is in the process of ratifying an agreement to establish a tripartite free-trade area that will bring 26 African countries into a single market governed by preferential free-trade arrangements. The agreement was ratified by the select committee on trade and international relations of the National Council of Provinces on Wednesday and will be considered by the portfolio committee on trade and industry of the National Assembly in two weeks time.

So far 22 countries have signed the agreement which was launched in Egypt in June 2015 with SA signing in July 2017. It will enter into force once it has been ratified by 14 member states. So far only Egypt and Uganda have ratified it.

The agreement is built on the three existing trading blocs: the Common Market for Eastern and Southern Africa (Comesa), the Southern African Development Community (Sadc) and the East African Community (EAC).

The countries included in the tripartite free-trade area — seen as a critical driver of regional integration on the continent — have a combined population of 626-million and a total GDP of \$1.2-trillion. Once the tariff negotiations are finalised, the deal will offer exporters preferential or zero tariffs into the markets of member countries.

Some countries that fall within the tripartite free-trade agreement (TFTA) such as Rwanda, Ethiopia and Tanzania, are among the fastest growing economies on the continent.

Briefing the select committee department of DTI chief director Wamkele Mene said SA's trade with TFTA countries represents 16% of its trade with the world and amounted to \$27,6bn in 2017.

He said SA wanted to move swiftly towards ratification to signal its commitment to regional integration. Once it entered into force the agreement would allow SA to increase its share of the African market and provide it with access to a larger, more integrated and growing regional market.

"This will have positive spinoff effects on industrial development, investment and job creation," Mene said.

He noted that the agreement would facilitate the harmonisation of trade regimes, the free movement of business persons (being negotiated separately by the department of home affairs), joint implementation of regional infrastructure projects and programmes, development of regional value chains and legal and institutional arrangements for regional cooperation.

The agreement is based on a recognition of the differentials in the levels of economic development of participants and is structured on a variable geometry regarding the pace of liberalisation across the different regions.

Mene told MPs that negotiations on rules of origin were 60% completed and were expected to be concluded in mid-2019. Rules of origin are necessary as the TFTA region does not have a common external tariff to regulate the treatment of goods from outside countries. Rules of origin would be a mechanism to prevent non members of the region flooding the market through a member with the most liberal trade regime.

Negotiations on tariffs are under way while negotiations still have to commence on the investment chapter of the agreement. Mene said SA would argue for the inclusion of core provisions of SA's Protection of Investment Act. (BD 08-08-2018)

KENYA & SOUTH AFRICA: A TALE OF TWO, DIVERGING, COUNTRIES

Kenya's President Uhuru Kenyatta, left, and South African President Cyril Ramaphosa



Two prominent sub-Saharan economies are showing "swiftly diverging fortunes" due to their respective political and economic circumstances, according to Mace, the UK-based consultant and construction firm that recently acquired stakes in companies in each country.

Kenya is enjoying increasing growth and confidence after a contested electoral process that stretched from August to October last year resulted in peaceful victory for incumbent President Uhuru Kenyatta.

Less fortunate is South Africa, where growth is low-to-stagnant, and where the new President Cyril Ramaphosa is caught between the imperatives of economic reform and winning an election next year, says Mace.

The company made the comments in its latest tender cost update for Sub-Saharan Africa, released 10 August.

Mace has been active in Africa, acquiring a stake in Kenyan quantity surveyor <u>YMR</u> in October 2017, and a stake also in MMQS, a South African quantity surveyor, in 2016.

In Kenya, its report said, the eventually successful transfer of power in last year's elections renewed confidence in the government, which bodes well for long-term economic stability and, consequently, its markets.

"As the construction market heats up, the main challenge will be finding financing as the government battles high public debt," Mace said.

At 5.5%, Kenyan GDP growth is forecast to be well above the Sub-Saharan average in 2018 and is expected to remain strong, trending at just under 6% for the medium term, said Mace.

Slower inflation in 2018 allowed the central bank to lower interest rates by 0.5% so far to 9.5%, aiding the economy's expansion, Mace observed.

In contrast, South Africa is still struggling with uncertainty. "The government is stuck between two contradictory objectives – reforming the economy to give confidence to investors, and maintaining popular support in the run up to the 2019 election," Mace said.

It added: "Whilst slightly recovered from the dismal growth of 2017, the 1.5% South African GDP growth anticipated this year is unlikely to fuel a significant recovery in construction demand."

More widely, Mace said Sub-Saharan Africa will see strong average growth over the next five years, propelled by the "tailwinds" of rising commodity prices, Chinese investment, and the pull of infrastructure needs.

In Kenya, Simon Herd, managing director for MaceYMR, said: "With Kenyan construction projects being won in the renewed confidence after the elections, tender prices are recovering to pre-election levels. However we believe the real acceleration will be seen in 2019 when work won after the election comes through to market."

Less optimistic is Mandla Mlangeni, director for MMQSMace in Kenya, who said: "In South Africa, with activity levels slow to pick up despite improved confidence, we are seeing construction firms failing as the pipeline of government projects looks increasingly unreliable. Despite growing costs, tender prices will continue to hold at current levels due to the low levels of demand, seeing some erosion in margins." (CGR 14-08-2018)

KENYAN RAIL OPERATOR SOLD ITS OWN LAND TO ITSELF FOR SGR RAIL SCHEME, PROSECUTORS SAY



National Lands Commission chairman Muhammad Swazuri, third from left, and Kenya Railways managing director Atanas Maina, second from left, in court today (ODPP Kenya, the National Prosecution Authority, via Twitter)

The chairman of Kenya's National Lands Commission (NLC) and the managing director of the country's rail operator, Kenya Railways, were among 14 officials to <u>deny fraud charges</u> today in a sensational corruption probe.

The national prosecutor alleges the group attempted to defraud the government of more than \$2m (222 million shillings) through the purchase of land needed for the Standard Gauge Railway (SCR) mega scheme – land that operator Kenya Railways already owned.

The NLC chairman Muhammad Swazuri and its chief executive Tom Chavangi, plus two senior NLC commissioners were among seven <u>arrested over the weekend</u> after an investigation by detectives from Kenya's Ethics and Anti-Corruption Commission.

Kenya Railways managing director Atanas Maina is also charged.

Swazuri pleaded <u>not guilty</u> to charges, among them the charge of conspiring to commit corruption which the prosecution claims led to the loss of public funds.

The NLC boss faced five other counts of abuse of office and an alternative charge of breach of trust while Kenya Railways MD Atanas Maina faced two counts of conspiracy to defraud and breach of trust.

The \$3.2bn Mombasa-to-Nairobi SGR, financed and built by China, opened to fanfare in May 2017.

Another leg onward from Nairobi to the country's northwestern frontier is under construction.(GCR 13-08-2018)

CHINA ADVANCES PLAN TO BUILD \$2.5BN ZIMBABWE TO MOZAMBIQUE RAILWAY

China Railways has proposed the construction of a \$2.5bn rail link between the neighbouring states of Mozambique, Zambia, Malawi and Zimbabwe. As with the high-speed, east-to-west links in Kenya and Tanzania, the aim will be to give landlocked countries – and the Chinese companies operating there – access to Indian Ocean ports.

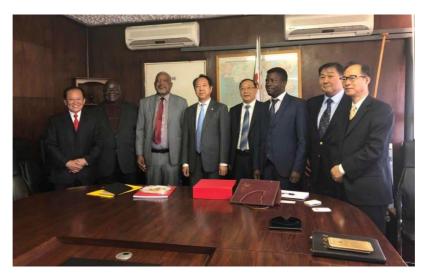


GE locomotives en route to Vale's coal mining operation in Mozambique

The "Trans-Zambezi" line was discussed by a delegation from China Railways, headed by Vice President Shao Gang, which flew into Harare at the end of last month.

The first phase of the project would consist of a 400km link between Shamva, a town about 100km northeast of Harare, and would head northeast to Moatize in Mozambique. From there, a 900km line is being built to the port of Nacala.

This would take advantage of work already begun on the \$5bn Nacala Logistics Corridor, which is being built to transport coal from the Vale company mines to the coast, a project inaugurated in May 2017 by the President of Mozambique (see "further reading" for article on this scheme).



The meeting between China Rail executives and Global Power Bridge International in Harare

The scope of the project would a 1,700km line directly connecting Binga, on Zimbabwean border with Zambia, to Nacala.

China Railways first declared its interest in this project in March this year, in a letter to the Zimbabwean government signed by Gang. This said: "We have been working closely with Global Power Bridge International to establish the foundations of the rail project and we are ready to start it," said Shao.

Global Power Bridge International is a Zimbabwean infrastructure consultant. China Railways' Number 4 Group subsidiary is already <u>collaborating</u> with Global Power Bridge on the Harare–Chitungwiza light rail scheme.

China Railways is cooperating with China's New Century Energy International, which has a \$500m soybean operation in Zimbabwe.(GCR 13-08-2018)

KEITA ON TRACK FOR A SECOND CONSECUTIVE LANDSLIDE IN MALI

Vote counting was under way across Mali on Monday after a tense presidential runoff marked by violence, polling station closures and low turnout.

President Ibrahim Boubacar Keita, 73, is the clear frontrunner in a reprise of his faceoff against former finance minister Soumaila Cisse, 68.

In a reminder of the jihadist threat that was a major campaign issue, the overseer of a polling station in Arkodia, in the northern region of Timbuktu, was shot dead by armed Islamist militants, local officials said.

On the eve of voting, authorities said they had disrupted a plot to carry out "targeted attacks" in the capital Bamako.

More than a hundred other stations in the restive north and centre were closed by security fears, according to local monitors POCIM (the Mali Citizen Observation Pool), which had more than 2,000 observers deployed around the country.

The closure figure compares with a total of 23,000 polling stations nationwide and several hundred closures in the first round.

Turnout was just 22.38%, POCIM said. Participation in the first round was 42.7%. The European Union's observer mission said Monday it was able to get to the northern town of Gao, but not to Timbuktu or Kidal, also in the north, or to Mopti in the centre.

But in 300 polling stations that its observers visited, "we didn't see any major incident", the mission's leader, Cecile Kyenge, said.

In the first-round vote on July 29, Keita was clearly ahead, with 42% against 18% for Cisse. Despite fierce criticism of Keita for his handling of the security crisis, Cisse failed to rally the support of other parties behind him for the runoff, leaving the incumbent seemingly on track for a second consecutive landslide.

Results are expected by mid-week at the earliest.

The three main opposition candidates had mounted a last-ditch legal challenge to the first-round result, alleging ballot-box stuffing and other irregularities.

But their petition was rejected by the Constitutional Court.

Cisse's party told AFP in the early hours of Sunday that ballot papers were already circulating, several hours before polls opened.

At least six stations in the capital of Bamako, voting reports — which give the number of voters and votes cast for each candidate — were signed before the numbers were filled in, an AFP journalist witnessed.

Mali, a landlocked nation home to at least 20 ethnic groups where the majority of people live on less than \$2 a day, has battled jihadist attacks and intercommunal violence for years.

Beyond its borders, the international community hope is that the winner will consolidate a 2015 accord that the fragile Sahel state sees as its foundation for peace.

The deal brought together the government, government-allied groups and former Tuareg rebels.

But jihadist violence has spread from the north to the centre and south of the vast country and spilled into neighbouring Burkina Faso and Niger, often inflaming communal conflicts.

A state of emergency heads into its fourth year in November.

France still has 4,500 troops deployed alongside the UN's 15,000 peacekeepers and a regional G5 Sahel force, aimed at rooting out jihadists and restoring the authority of the state. (AFP 13-08-2018)

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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www.htcc.org.hu

www.nabc.nl

Fernando Matos Rosa

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

