

MEMORANDUM

N° 85/2018 | 26/10/2018

More than 2,024 Daily Memoranda issued from 2006 to end of 2017, with 24,401 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 45,000 European Companies, as well as their business parties in Africa.

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

12 YEARS OF PUBLICATION

SUMMARY

'Europe has turned its back on Africa', say leaders	Page 2
The European Police Mission supports Palestinian judges and prosecutors in the field of criminal justice	Page 3
South African Airways gets another bailout	Page 3
Ethiopia gets over \$21m grant from Norway	Page 4
Zimbabwe lifts imports ban on basic goods with South Africa set to benefit	Page 4
Kenya: Mombasa port registers new performance record	Page 5
Comoros leader visits recaptured Anjouan island	Page 6
Rwanda extends contract with Zipline for drone deliveries	Page 6
Ethiopia gets female president as it commits to reforms	Page 7
Rwanda: State declares visa-free entry for six nationals	Page 8
La migration ne doit pas être le seul défi du post-Cotonou	Page 8
U.S. launches over \$40m water scheme for Nigeria	Page 9
An African solution to the global tech talent shortage	Page 10
Nigeria proposes over \$28bn for 2019 budget	Page 11
Heineken South Africa, Microsoft and Nestle recognised as 2019's top employers in South Africa	Page 12
Botswana faces social tensions over income inequality	Page 13
Private Sector Investment Will Trigger Growth in Africa's Health Sector	Page 13
S/Africa facing slower growth, more debt	Page 14

‘EUROPE HAS TURNED ITS BACK ON AFRICA’, SAY LEADERS

European anxiety about Chinese dominance on the African continent was one of the underlying themes at the Financial Times’ Africa summit this week.

The message from African leaders at the gathering of business and political leaders Monday (8 October) in London spelled out why Europe has reason to be anxious: while Europe, and the west in general, talks and attaches a myriad of conditions to its lending, China is pumping in investment and increasing its political influence in Africa.

“Europe has turned its back on Africa,” Gabon’s President Ali Bongo Ondimba told delegates.

Commission President Jean-Claude Juncker held out the promise of a ‘partnership of equals’ between Europe and Africa, promising improved trade and political relations, in his State of the Union speech on 12 September.

Juncker offers EU-Africa trade deal in new ‘partnership of equals’

European Commission chief Jean-Claude Juncker held out the promise of an EU-Africa trade pact on Wednesday as part of a ‘partnership of equals’ between the two continents, signalling Europe’s stronger involvement in Africa, where Chinese influence is rapidly spreading.

EURACTIV understands that the section of Juncker’s speech and accompanying communication on a proposed EU-Africa partnership was rapidly drafted within a few days of China’s President Xi Jinping offer of \$60 billion in additional aid, loans and investment at the Forum on China-Africa Co-operation – largesse that Brussels can’t match.

If Juncker’s speech was supposed to get an instant result, it does not appear to have been very successful.

“We are the last continent with lots of natural resources...we don’t believe in aid because it doesn’t work, we want a real partnership,” said Ondimba. “You guys are making too many demands,” he added, a reference to the conditions that the EU institutions often attach to aid and investment.

In the meantime, the sense is that increased Chinese investment gives African governments far more leverage over the terms of European investment.

“Between China and the west hopefully we can get some fairness,” said Ghana’s finance minister Ken Ofori-Atta.

“Competition with China is going to have a positive impact,” he added.

“China is where the money is,” was the succinct verdict of Mthuli Ncube, recently appointed as Zimbabwe’s finance minister.

EU officials have been rattled by the perception that China has supplanted Europe as the dominant foreign player in Africa.

“We are already, by far, Africa’s first partner in trade and investment,” EU foreign affairs chief Federica Mogherini told reporters last month, when three of Juncker’s Commissioners set out the detail of the Commission’s proposed EU-Africa partnership.

“I hear a lot about China... but it would be good for us to realise how important our relationship is with Africa,” she added.

Wanted: New forms of trade partnership with Africa

After several months of different European leaders beating a path to the African continent, Jean-Claude Juncker’s European Commission has got in on the act. But for the moment, Brussels is not offering anything new on either trade or investment.

But the sense from business leaders in London was that Europe has fallen well-behind the South-East Asian powerhouse.

“The EU is trying to get to the party,” said Hendrik du Toit, Chief executive of Investec.

“Europe spends too much time looking at its neighbour than in putting money on the table,” said Pravin Gordhan, Minister for Public Enterprises of South Africa.

“Whoever offers the best terms gets the deal,” he added, in reference to Chinese/European competition.

The Austrian EU Presidency will host an EU-African summit on 18 December, although Chancellor Sebastian Kurz has indicated that striking migration control deals with North African countries is his main priority.

Talks with Egypt on a ‘cash-for-migrants’ deal began last month and a migration deal with Libya is also likely to be pursued.(EA 10-10-2018)

THE EUROPEAN POLICE MISSION SUPPORTS PALESTINIAN JUDGES AND PROSECUTORS IN THE FIELD OF CRIMINAL JUSTICE

The Mission's Courts Team has launched an extensive project with the Palestinian Judicial Council on institutional development, best practices and policies in the justice sector.

The 12-day project focuses on strengthening the capacity of 15 judges and prosecutors to become professional trainers. By the end of the training, participants are expected to be able to analyse training needs, programme the required training sessions and materials, and provide training in a way that is appropriate for trainees and adapt adult learning methods and thus, meeting the specific needs of the members of the Justice Institutions. This way, the Palestinian Judicial Institute and the Palestinian justice sector will be able to gain the independence and ability to respond to future training needs.

[Facebook link](#)

SOUTH AFRICAN AIRWAYS GETS ANOTHER BAILOUT

Funding provided for struggling state-owned enterprises fall far short of assistance requested South African Airways (SAA) will get R5bn, SA Express R1.2bn and the South African Post Office R2.9bn in new funding from the government, according to the medium-term budget policy statement (MTBPS), tabled in parliament on Wednesday.

But while the Treasury made new allocations to state-owned enterprises (SOEs), finance minister Tito Mboweni had firm words for their dependence on government hand-outs, saying that there needs to be "a reconfiguration" of SOEs.

"This means we should be open-minded about the involvement of equity partners and open to the idea of closing some business activities," Mboweni said in a briefing to journalists before delivering the statement. He spoke of the need for private-sector partnerships that could help the public-sector provide services more efficiently.

State-owned companies, many of which have been poorly run and looted by corrupt managers, have been a large drain on public finances with much of their debt — R670bn in total — guaranteed by government. About R26bn of guaranteed debt redemptions are expected over the next three years. Budget documents warn that access to credit by SOEs has declined. The statement warns that "these entities will find it difficult to refinance maturing debt as investors increasingly require guarantees before they will provide funding". Several face serious liquidity problems and are battling to pay creditors and salaries.

However, few SOEs got their full request from the Treasury and will be hoping for another opportunity when the main budget is tabled in February.

SAA, which has returned repeatedly for bailouts over the past decade, has said that it requires R21.7bn in a combination of debt and equity over the next three years. The R5bn it received in Wednesday's medium-term budget allocation will do little more than replace the bridging finance it received from commercial banks earlier in 2018. Between now and March it faces a call on R16.4bn of debt unless further funding is raised by February.

While SA Express received R1.2bn, it had hoped for R1.74bn. Denel, which is the most cash-strapped of all the SOEs and has been unable to pay employees their full salaries, received nothing. The budget policy statement says that Denel still has some guarantee space left, but will also contemplate "selling noncore assets". (BD 24-10-2018)

ETHIOPIA GETS OVER \$21M GRANT FROM NORWAY

Ethiopia and Norway Thursday signed a grant agreement amounting \$21.6 million (180 million Norwegian kroner) to support the east African Climate Resilient Green Economy (CRGE) Strategy.



Admasu Nebebe, Ethiopia's State Minister of Finance and Mr. Jens Frølich Holte, the State Secretary in the Norwegian Ministry of Foreign Affairs, signed the agreement.

According to the agreement, the grant will support the sustainable use of land and climate smart agriculture to the benefit of Ethiopia's economy and people.

The grant is also part of Norway's commitment to support the implementation of the Ethiopia's climate resilient green economy strategy, the Ministry of Finance said in a statement.

The governments of Ethiopia and Norway are long-term partners in the fight against global climate change.

Norway, together with the United Kingdom, pledged support to Ethiopia's ambitious CRGE, at its launch in 2011.

Since then, the government of Norway has made available support to Ethiopia's forests, agriculture and energy sectors amounting to more than \$150 million. (APA 25-10-2018)

ZIMBABWE LIFTS IMPORTS BAN ON BASIC GOODS WITH SOUTH AFRICA SET TO BENEFIT

Zimbabwe is facing critical shortages of basic commodities, which have run out as a result of panic buying, but can now be bought from SA

Zimbabwe has lifted a two-year ban on the import of basic commodities, in a move likely to be welcomed by South African businesses. The lifting of the ban seeks to allow importation of products in short supply as Zimbabwe is facing critical shortages of commodities such as cooking oil, sugar and cement, which have run out in shops as a result of panic buying and low productive capacity from ailing industries.

In 2016, Zimbabwe's government introduced statutory instrument (SI) 64, before reinforcing it with SI 122 of 2017; both limited importation of a long list of basics as a part of strategy to protect local industries. However, Zimbabwe's industries have failed to step up to the plate and the country still receives a large chunk of its consumer and retail goods from SA.

Figures released by the Zimbabwe National Statistics Agency last week show that Zimbabwe imported goods from SA worth \$193.6m in September, reflecting a 17% increase from imports worth \$175.4m the same period in 2017. In a statement, information, publicity and broadcasting services minister Monica Mutsvangwa said: "Cabinet further observed that, owing to panic and speculative buying, products which

used to be sold over a month are now being sold in just three hours' time, a situation which is completely unsustainable.

Accordingly, as a way forward, cabinet resolved as follows: that the minister of industry and commerce temporarily amends SI 122 of 2017 to allow both companies and individuals with offshore and free funds to import specified basic commodities currently in short supply, pending the return to normalcy in buying patterns of the public and adequate restocking by manufacturers."

Harare-based economist John Roberston said lifting of the import ban would help some South African businesses. "You will remember that when SI 64 was introduced there was an outcry from many business owners in Musina ,who said they would lose most of their customers, which are mainly Zimbabweans. So, given that we are approaching the festive season, such businesses are definitely going to get a boost because you are likely to see enhanced spending."

CEO of the Zimbabwe National Chamber of Commerce, Chris Mugaga said lifting the ban was long overdue.

"This is something we have been advocating for because the government introduced the import restrictions with a noble initiative to encourage growth of local industries. However, our industries have not been growing because they continue to face challenges.

"What we need to do as a country is come with an industrial policy that will articulate plans for our ailing industries. But for now we need to liberalise the markets so that we do not experience the shortages that we are facing."

Shortages of basics have become the norm in Zimbabwe in the past few weeks resulting in meandering queues for products such fuel, bread, cooking oil, cement and sugar.(BD 24-10-2018)

KENYA: MOMBASA PORT REGISTERS NEW PERFORMANCE RECORD

The Port of Mombasa has registered a new performance record of 1,450 moves within an eight hour shift in the container operations as the world's largest cargo ships docked in Mombasa.



The record was set by Mediterranean Shipping Company (MSC) container vessel MSC Maxine in her maiden call at the Port of Mombasa on Thursday.

Gross moves per hour is a maritime productivity term that defines the total container movement (on loading, offloading and repositioning) divided by the number of hours for which the vessel is at berth.

The docking of the 300 meters Panama- flagged vessel beats the previous record of container carrier Livorno of 1265 moves recorded in June.

Commenting on the latest record, KPA Acting Managing Director Dr. Arch. Daniel Manduku attributed the improved performance to well-coordinated operations and diligence from the workforce.

"This is the third container operations record set within this year. The new record is an improvement of 20 per cent from the prior record at the Mombasa Port set in June 2018," KPA said in a statement.

The Port of Mombasa is the only international seaport in Kenya and the biggest port in East Africa.

Uganda, Rwanda, Eastern Congo and South Sudan heavily depend on the port of Mombasa for their imports. (APA 25-10-2018)

COMOROS LEADER VISITS RECAPTURED ANJOUAN ISLAND

Comoros President Azali Assoumani on Tuesday visited areas of Anjouan island that security forces recaptured from rebels after clashes last week in which at least two civilians died.

"I have come to see for myself. Nothing beats physically being on the ground," Assoumani, flanked by troops, said as he toured the medina, or old town, of the Anjouan capital Mutsamudu. "I've seen normal life resume. Above all I want to congratulate the people of Mutsamudu for coping with the situation as well as our security forces, who have shown great professionalism."

The army regained control of the medina on Saturday following the latest bout of instability to rock the coup-prone Indian Ocean archipelago.

At least two civilians were killed in a week of violence that pitted troops against Assoumani's opponents. The president told journalists that the priority was to "recover weapons and seek out rebels ... who fled with their guns".

He said that an amnesty for rebel fighters to surrender their weapons without fear of prosecution was still in force.

Assoumani cut a calm figure as he stopped to laugh with shopkeepers and residents.

The rebel force was estimated to have numbered about 30, of whom 20 have been positively identified, according to a security source. Following a deal between the government and the island's authorities, controlled by the opposition Juwa party, Anjouan governor Abdou Salami Abdou was arrested on Sunday. He is now under house arrest pending a court appearance, but has denied any links to the rebels.

"I think it's regrettable that political leaders can be implicated in these incidents," Assoumani said.

Anjouan's chief prosecutor, Mohamed Abdallah, said the governor's case would be heard by a judge in the state security court. "The charges are numerous: complicity in rebellion, disorder, possession of weapons, threatening territorial integrity," he said.

"This won't be a political prosecution, just the application of law."

Assoumani won a widely criticised referendum in July allowing him to scrap the rotation of the presidency among Comoros' three main islands, disadvantaging opposition-leaning Anjouan, which was next in line.

The government had sent in reinforcements to quell the unrest in the old quarter of Mutsamudu after rebels erected barricades last Monday and repelled attempts by the security forces to regain control.

Over the past six days, many civilians fled as a curfew was imposed and water and power supplies were cut. (AFP 23-10-2018)

RWANDA EXTENDS CONTRACT WITH ZIPLINE FOR DRONE DELIVERIES

Rwandan government has extended the contract with the US-based robotics firm known as "Zipline" that is delivering emergency medical supplies by remotely-piloted aircraft or drones.

An official statement issued Thursday in Kigali said the government and Zipline agreed on a long-term contract.

In October 2016, the Rwandan government entered into an agreement with Zipline to build infrastructure for an unmanned aerial system to ensure efficient logistical transportation of medical supplies in the country.

The operation uses fixed-wing drones that automatically fly to remote hospital and health facilities in the countryside, where they release small packages attached to parachutes without needing to land at the delivery points, before returning to the distribution center.



Currently Zipline drones deliver blood to 21 health facilities in Northern, Southern and Western provinces of the country, according to official estimates.

It was reported that the company can process about 200 blood deliveries per day. (APA 25-10-2018)

ETHIOPIA GETS FEMALE PRESIDENT AS IT COMMITS TO REFORMS

Prime Minister Abiy Ahmed reshuffled cabinet has 10 female ministers

Ethiopia's parliament has approved senior diplomat Sahle-Work Zewde as the country's first female president, proceedings on state television showed, cementing another shift in the country's political system from Prime Minister Abiy Ahmed.

Sahle-Work is, at present, UN under-secretary-general and special representative of the secretary-general to the African Union. She replaces Mulatu Teshome Wirtu, who tendered his resignation to parliament earlier on Wednesday.

The president's post is a ceremonial one in Ethiopia. The prime minister, who is the head of state, holds executive power.

"In a historic move, the two houses have elected ambassador Shalework Zewde as the next president of #Ethiopia. She is the first female head of state in modern Ethiopia," Fitsum Arega, Abiy's chief of staff, said on Twitter. "In a patriarchal society such as ours, the appointment of a female head of state not only sets the standard for the future but also normalises women as decision-makers in public life."

Last week, when the prime minister reshuffled his cabinet, he appointed 10 female ministers, making Ethiopia the third country in Africa, after Rwanda and Seychelles, to achieve gender parity in their cabinets.

"When there is no peace in country, mothers will be frustrated. Therefore, we need to work on peace for the sake of our mothers," Sahle-Work told parliament after her approval.

Teshome, who had held the office for five years, departed one year ahead of his term ending, saying he wanted to be part of change and reforms.

Sahle-Work becomes the fourth president since the ruling The Ethiopian People's Revolutionary Democratic Front coalition came to power. Since his appointment in April, Abiy has presided over a raft of reforms that have turned the region's politics on its head, including the pardoning of dissidents long outlawed by the government. (Reuters 25-10-2018)

RWANDA: STATE DECLARES VISA-FREE ENTRY FOR SIX NATIONALS

Holders of all types of passports of six countries, including China, Namibia, Mozambique, Saint Kitts and Nevis and the United Arab Emirates (UAE) can travel to Rwanda without visa fees arrangements, an official statement issued Thursday in Kigali announced.



One of the resolutions from the Cabinet meeting Wednesday stressed that Rwanda has approved a visa exemption agreement to grant citizens of six countries with visa-free entry.

The new move comes after the existing visa regime that came into effect since January this year was allowing citizens of all countries to get visa upon arrival without prior application.

In addition, foreign residents in Rwanda will be allowed to use resident identity cards for the purpose of entry, including using electronic gates with the automated passenger clearance system at Kigali International Airport.

Before the new measure being effective, only nationals of African countries and few others were getting visa upon arrival in the country. (APA 25-10-2018)

LA MIGRATION NE DOIT PAS ETRE LE SEUL DEFI DU POST-COTONOU

Robert Dussey, ministre togolais des Affaires étrangères et négociateur pour les pays ACP.

Le négociateur en chef des pays d'Afrique, des Caraïbes et du Pacifique appelle à plus d'imagination pour l'avenir des relations UE-ACP.

Robert Dussey est ministre des Affaires étrangères, de la Coopération et de l'Intégration africaine du Togo et négociateur en chef du groupe ACP pour l'avenir des relations avec l'UE après la fin de l'accord de Cotonou.

La péremption programmée de l'accord de Cotonou en 2020 n'est pas la fin du partenariat ACP-UE.

Les deux parties sont actuellement en pourparlers et les négociations pour un nouvel accord de partenariat commenceront dès ce 1^{er} octobre 2018. La nouveauté de l'accord envisagé réside dans sa structure. L'accord aura un socle commun applicable à tous les membres du partenariat et trois partenariats régionaux spécifiques à l'Afrique, aux Caraïbes et au Pacifique (ACP).

L'accord post-Cotonou doit aider à la réalisation du développement durable dans les pays ACP. Le droit au développement des peuples ACP, les ODD, l'accord de Paris sur les changements climatiques et l'Agenda 2063 de l'Union Africaine doivent être au cœur du futur accord de partenariat ACP-UE.

Accord de Cotonou: nouveau départ ou marche arrière?

Conclu en 2000 au Bénin, l'accord de Cotonou a façonné les relations entre l'UE et les pays d'Afrique, des Caraïbes et du Pacifique (ACP) durant 20 ans. L'accord expire en 2020 et les négociations autour de son successeur doivent débuter début septembre.

Nous avons des raisons d'espérer, mais l'espoir dans l'avenir de notre partenariat n'est légitime que s'il repose sur l'engagement des deux parties à faire ensemble le chemin de la prospérité. Le partenariat ACP-UE ne peut tenir ses promesses que s'il n'annihile pas les efforts endogènes de développement des ACP, n'induit pas le démantèlement de leurs jeunes industries et économies.

Il nous faut plus d'ambition et d'imagination pour comprendre les enjeux nouveaux de notre coopération que nous souhaitons et voulons plus féconde, équitable et responsable. Les ACP espèrent moins la charité que la justice et l'équité dans les termes du futur accord de partenariat.

Les sujets à inscrire à l'agenda des négociations sont divers et toucheront des domaines telles que l'économie et l'investissement, la coopération au développement, la recherche et l'innovation technologique, les changements climatiques, la guerre à la pauvreté, la sécurité, le dialogue politique et la migration. Après attente des deux parties sur le socle commun de l'accord, les négociations sur les trois piliers régionaux seront lancées. L'objectif, c'est d'arriver à un accord qui tient vraiment compte des réalités et problèmes de chaque sphère géographique du groupe ACP.

L'avantage de cette approche est qu'elle donne à chaque région des ACP la possibilité d'influencer, ou, au besoin, de prendre en main les négociations techniques sur ses priorités stratégiques. L'approche est en phase avec la volonté des différentes régions, en particulier celle de l'Afrique clairement exprimée d'avoir un partenariat totalement décomplexé avec l'Europe dans un rapport de stricte égalité.

La question migratoire sera sans doute un point essentiel du pilier UE-Afrique de l'accord, mais elle ne doit pas éluder la pertinence des débats, impacter dans le sens négatif les termes de notre futur accord de coopération.

Au demeurant, nous restons convaincus que l'horizon du partenariat ACP-UE reste ouvert. Les prochaines négociations s'annoncent à grand pas. Les défis sont essentiels et les enjeux grands. Un accord de partenariat vraiment juste et équitable entre l'Europe et les ACP aura, certainement pour l'Afrique, les Caraïbes et le Pacifique, des retombées que les accords antérieurs n'ont jamais eues

U.S. LAUNCHES OVER \$40M WATER SCHEME FOR NIGERIA

The U.S. Government, through the United States Agency for International Development (USAID), has launched a \$60.4 million new urban water and sanitation activity that will support the efforts of six states in Nigeria.



USAID-Nigeria Mission Director, Stephen Haykin, said this at the launch of the scheme on Wednesday in Abuja.

He explained that the scheme was to improve the health and hygiene of their populations through improved delivery of water and sanitation services.

He said that the scheme, which is under the four-year 60 million dollar Effective Water, Sanitation and Hygiene activity (E-WASH) would provide assistance to Abia, Delta, Imo, Niger, Sokoto and Taraba states.

According to him, the scheme will strengthen the governance, financial and technical viability of the water agencies in the beneficiary states.

The six states were competitively selected and the selection criteria included the willingness to reform, existing functionality of infrastructure and potential for positive impact.

Haykin expressed confidence that USAID's new partnership with the states could share in their respective expertise, capabilities and resources to develop more professional and accountable water and sanitation utilities.

"It is collaborative development partners and the business community double nature scheme," he said.

He expressed concern that the UN record shows that about 57 million Nigerians lack access to safe drinking water and each year, water-borne illnesses kill around one million Nigerian children under the age of five.

"There is no question that access to a reliable supply of clean water and modern sanitation services is related to the quality of community life here in Nigeria and around the world.

"Access to these services helps a nation produce strong, healthy and vibrant citizens, but the lack thereof leads to millions of preventable deaths, largely among children every year in Nigeria," he said.

He added that E-WASH would help the six states water agencies demonstrate that better performing water boards would raise the quality of services for their customers facilitate economic sustainability.

According to him, it will also help increase the chance of more fully serving all customers in their areas, including the most marginalised.

He stressed that the Nigerian government was making progress towards expanding access to good water to all its citizens.

He lauded the commitment of the federal government as well as the governments of the six states to improve water and sanitation service delivery to their constituents.

"The strong commitment was a criteria in selecting the states that will participate in E-WASH, and has catalysed strong collaboration between stakeholder partners, such as the African Development Bank, the World Bank, the French Development Agency and the Islamic Development Bank," he said.

Haykin also said that these institutions were making significant investment to rehabilitate and expand existing water sanitation and infrastructure across the country.

The Minister of Water Resources, Alhaji Suleiman Adamu, represented by the Director of Water Supply and Public Private Partnership in the ministry, Mr. Benson Ajisegiri, lauded USAID intervention in the sector.

He said that the E-WASH was timely because it fits perfectly into the National Wash Action Plan, which the Federal Executive Council recently approved.(APA 25-10-2018)

AN AFRICAN SOLUTION TO THE GLOBAL TECH TALENT SHORTAGE

'Eat, sleep, code, repeat,' is the mantra in Andela's Nairobi campus, home to a network of Africa's brightest coders.

Taking the inspiration for its name from the late South African President Nelson Mandela, Andela Invests in Africa's burgeoning network of software engineers.

Launched in Nigeria in 2014, and boasting Google Ventures and the Chan Zuckerberg Initiative among their financial backers, the firm has raised over \$81 million in venture capital and counts more than 800 software developers on its books.

In addition to its offices in San Francisco and Austin, Andela's African network now includes tech campuses in Nairobi, Lagos, Kampala and Kigali.

The Kigali campus is a pan-African office – the Rwandan capital was chosen because it has one of Africa’s most enabling business environments and one of the world’s least restrictive visa regimes. “What we look for are high growth companies that are looking to scale their engineering teams,” Andela’s Charity Murigi tells EURACTIV at their Nairobi campus.

The likes of Viacom and Github are among the more than 150 companies which Andela’s developers work with, while a team of Andela developers are part of the engineering team working on the BBC’s online architecture.

So why focus on an African solution to the world’s tech talent shortage? In North America, for example, for every software developer position that is filled there is a need for 4.5 additional posts.

The African continent boasts six out of the world’s ten fastest growing Internet economies, and consultants McKinsey predict that Africa will soon have the world’s largest and youngest workforce.

“The potential is here! That’s why we believe in the mantra that ‘brilliance is evenly distributed,’” says Andela’s Rehema Kahurananga.

Part of the value of the Andela model, Kahurananga says, is that it is keeping Africa’s talent on the continent. Even when its developers are working with a firm in the US or Europe, they will typically work remotely from their African HQ. There is no danger of a brain drain of tech talent to Silicon Valley and London.

70% of the workforce are in their 20s says Murigi, with an average age of about 23-24 years old.

“We are a company in which over 800 Africans go into work every day in their respective centres, whether it is Nairobi, Lagos, Kigali, or Kampala, and they are able to develop themselves into elite developers and that is bound to have a multiplier effect on the continent and its economy,” says Kahurananga.

Since 2014, Andela has received more than 80,000 applications to join Andela to be part of its fellowship programmes which last for four years. The first 6 months are purely focused on developing skills before the developers start to be placed on-projects with Andela partners.

80% of the applicants are university graduates, but Murigi tells me that a university background is not necessarily what they are looking for.

“With things in the tech industry changing so fast, our focus is finding people with a high learning velocity,” she says, adding that “Anyone can apply! We have people who were security guards and even fishermen who have joined the fellowship and are doing really well.”

In fact, the main challenges that Andela and East Africa’s tech sector face – ICT infrastructure, free flow of data, access to finance and open immigration rules – are little different to those faced by their European competitors.

“If we are in a place that has poor Internet, we’ll just end up with frustrated partners,” says Kahurananga. Sub-Saharan Africa’s digital champions tend to be in the east of the continent, where the region’s digital sector has developed particularly rapidly in Rwanda and Kenya.

Rwanda was ranked 1st in Africa for ICT development in 2015 according to a World Economic Forum index on political and regulatory environments, while the new Kigali Innovation city has attracted the first Carnegie Mellon University campus in Africa. Rwanda was also the first government in the region to move its education, procurement and commerce services online.

Multiple challenges, particularly in terms of connectivity remain. According to a 2017 Jumia Mobile Trends Paper, out of Africa’s total population of 1.2 billion, there are 960 million mobile subscriptions – an 80% penetration rate. By contrast, fixed-line internet is at only 18%, and connectivity rates are lowest in central Africa and the Sahel region.

But the infrastructure catch-up is well underway. ‘The future of software development is open, inclusive, and everywhere,’ says Andela.(EA 03-10-2018)

NIGERIA PROPOSES OVER \$28BN FOR 2019 BUDGET

The Federal Executive Council (FEC) on Wednesday approved a budgetary proposal of \$28.6 billion for 2019 fiscal year, \$1.3 billion lower than the 2018 budget.



The Minister of Budget and National Planning, Sen. Udo Udoma, said at a briefing at the end of the FEC meeting presided over by President Muhammadu Buhari at the Presidential Villa, Abuja that the council also approved the 2019/2021 Medium Term Expenditure Framework (MTEF) and Fiscal Strategy Paper (FSP).

According to him, the MTEF/FSP is designed to translate the strategic development objectives of the Economic Recovery and Growth Plan (ERGP) to realistic and implementable budget framework for the medium term.

He said the highlights of the key assumptions being proposed for 2019 budget included oil price benchmark of 60 dollars per barrel, oil production of 2.3 million barrels per day, exchange rate of N305/\$1 and GDP growth rate of 3.01 per cent.

He said that the MTEF projects N8.73 trillion for 2019, which is about N400 billion less than N9.12 trillion budgeted for 2018.

According to him, the document will be transmitted to the National Assembly for consideration.

The Minister of Finance, Hajiya Zainab Ahmed, also disclosed that FEC approved that Nigeria should receive a \$1.5 million loan from the Africa Development Bank for the Lagos-Abidjan expressway. (APA 25-10-2018)

HEINEKEN SOUTH AFRICA, MICROSOFT AND NESTLE RECOGNISED AS 2019'S TOP EMPLOYERS IN SOUTH AFRICA

Coca-Cola Peninsula Beverages, Heineken South Africa, Microsoft, Nestle and Unilever South Africa are among the organisations recognised on the Top Employers 2019 for South Africa list, compiled by independent HR certification organisation the Top Employers Institute.

The list celebrates and recognises businesses that provide the best working environments for their employees, using progressive, people-first HR practices.

Billy Elliott, country manager, Africa at the Top Employers Institute, said: "The Top Employers Institute is not just about certifying Africa's top employers. We have seen a progression of HR in Africa over the last few years, and it is our role to empower and advance [people strategies](#) across the world. We are driven not just to certify but to benchmark and connect outstanding employers around the world."

To gain certification, organisations must attain a required minimum standard to the Top Employers Institute's global HR best practices survey; this features more than 100 questions across 10 key people development topics. These topics include [compensation and benefits](#), culture, talent strategy, workforce planning, talent acquisition, [onboarding](#), learning and development, performance management, leadership development and career and succession management. The Top Employers Institute then evaluates the implementation of HR practices in these areas and reviews how they are supported through strategy, ownership, practices, measurement and [technology](#).

For 2019, 195 organisations across 31 African countries and 23 industry sectors have achieved Top Employers 2019 certification. This includes 99 employers based in South Africa and 96 organisations from other African countries outside of South Africa.

Among the businesses certified within South Africa is professional services firm EY South Africa, telecommunications company Samsung Electronics South Africa and car manufacturer Volkswagen Group South Africa.

Organisations that have been certified across four or more African countries include British American Tobacco, logistics organisation DHL and telecommunications business Vodacom, while Roche Tunisia SA, Sanofi Egypt and Tanzania Breweries have been certified as Top Employers in other African countries.

David Plink, chief executive officer at the Top Employers Institute, added: “We believe that the 2019 certified organisations demonstrate exceptional employee conditions and encourage the development of these practices by putting [its] people first. These [organisations] help enrich the world of work with outstanding dedication to HR excellence, and because of this, [these organisations] are recognised as an employer of choice.”(Employee Benefits 08-10-2018)

BOTSWANA FACES SOCIAL TENSIONS OVER INCOME INEQUALITY

High levels of income inequality in Botswana have the potential to increase social tensions over the long-term outlook, a report by research firm Fitch Solutions revealed on Thursday.



The report said levels of poverty remain relatively low, with 16.3 percent of Botswana’s two million-plus population living below the poverty line in 2016 against a 55.5 percent recorded in neighbouring South Africa.

It warned that Botswana’s political outlook does contain some “low probability but high impact risks” that could lead to increased instability over the next decade.

According to the report, Botswana electorate’s frustrations with the ruling Botswana Democratic Party has seen the party perform steadily worse in each election since 1979, and it now holds a small majority in parliament.

“This partially stems from the perceived failure to ensure adequate sharing of the wealth generated from the country’s vast diamond reserves, and partly from the unwillingness of Ian Khama – the president who stood down in April 2018 – to engage with the media and the civil society,” read the report. (APA 25-10-2018)

PRIVATE SECTOR INVESTMENT WILL TRIGGER GROWTH IN AFRICA’S HEALTH SECTOR

Preliminary findings uncovered in a special report presented at a high-level dialogue titled: 'Health and financing in Africa' has advocated private sector participation as a major requirement for the growth of African economy and improvement in health sector.

The dialogue which assembled African heads of state, corporate CEOs and NGO leaders alongside United Nations General Assembly took place on September 27, 2018.

A collaborative effort of GBCHealth, Aliko Dangote Foundation and the United Nations Economic Commission for Africa (ECA), the preliminary report revealed that neither government nor existing public-private partnerships (PPPs) are effective enough, and that existing PPPs disproportionately focus on a small number of countries.

Pointedly, the report proposed a new model, one in which PPPs prioritise around the most significant disease burden and broaden their scope to benefit the health of the continent, which is deemed critical to driving long-term economic growth in Africa.

The report entitled: 'Healthcare and Economic Growth in Africa' will serve as the foundation of discussions at the Africa Business: Health Forum on February 12, 2019, and will be formally launched at the event in Addis Ababa on the margins of the African Union summit.

Also, the Africa Business Health forum will formally launch the African Business Coalition for Health, a joint initiative of GBCHealth and the Aliko Dangote Foundation.

GBCHealth, accordingly, is aimed at unlocking synergies to help the private sector contribute more directly to meeting national and regional health goals in the context of SDG Agenda 2030 and Africa Agenda 2063, as well as provides a platform that can help realise more strategic and collaborative partnerships, "ultimately improving the standard of living, the quality of life and the overall health and well-being of all Africans.

"Today's dialogue was a much-needed call-to-action for the African private sector as evidenced by the research.

"The best way to move Africa forward is for businesses to step up in health care and take bold action. We must work together, across industries and with governments and communities to foster innovation and drive more strategic investments that benefit us collectively," Chairman, Aliko Dangote Foundation, Alhaji Aliko Dangote said.

Earlier, Aigboje Aig-Imoukhuede, Founder and Chair, African Initiative for Governance and Co -Chair, GBCHealth, in his opening remarks had emphasised the group's collective goal to identify solutions for health and finance in Africa.(This Day 08-10-2018)

S/AFRICA FACING SLOWER GROWTH, MORE DEBT

South African Finance Minister Tito Mboweni's economic forecast for the rest of the year has nearly halved growth while predicting a steady increase in debt and borrowing that could attract unwelcome interest from ratings agencies.

In his first major policy statement presented to the House in Cape Town on Wednesday since returning to the cabinet, Mboweni also tried to strike an optimistic tone, even as he acknowledged the grim economic reality.

He said his statement, known as a mid-term budget, was "built on a strong conviction that South Africa can be renewed."



Mboweni stood his ground on fiscal discipline, maintaining the expenditure ceiling and providing no extra funding for unbudgeted public sector wage increases.

In a revision that puts the government in line with the South African Reserve Bank's forecast, the state now expects the economy to grow 0.7 percent in 2018, compared with the 1.5 percent prediction that was presented by former finance minister Malusi Gigaba in February.

President Cyril Ramaphosa's widely optimistic 3 percent for the current year would not materialise anytime soon, with GDP growth expected to reach 2.3 percent in 2021, according to Mboweni's statement.

This is also far from the 5.4 percent growth that the government's National Development Plan said was needed to reduce an unemployment rate of just more than 27 percent.

This is a rate that Mboweni, who replaced former finance minister Nhlanhla Nene just two weeks ago, described in the foreword to the medium-term budget policy statement as "alarmingly high."

The weak economy, tax revenue shortfalls and the depreciation of the local rand currency were forecast to play havoc with the nation's finances, with the budget deficit set to jump to 4 percent in the current fiscal year -- up from a 3.6 percent projection in January, Mboweni said. (APA 25-10-2018)

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.



www.acp.int



www.camaratenerife.com



www.ccafrica.ca



www.corporatecouncilonafrika.com



www.cip.pt



www.helafrican-chamber.gr



www.htcc.org.hu



www.nabc.nl



Fernando Matos Rosa

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

