

MEMORANDUM

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COMMISSIONER MIMICA PUSHES FOR A NEW PHASE OF ACTION FOR LEAST DEVELOPED COUNTRIES

Today, EU Commissioner for International Cooperation and Development, Neven **Mimica**, will attend [the Mid-term Review Conference of the Istanbul Programme of Action \(IPoAs\) for the Least Developed Countries \(LDCs\)](#) in Antalya, Turkey. The aim of the conference is to take stock of the implementation of the programme by the LDCs and their development partners. Building on the lessons learned and sharing best practices will be at the core of the debate. Exchanges and discussions will try to identify existing constraints and difficulties, and come up with the necessary actions and initiatives needed to overcome those potential obstacles. The EU is determined to help Least Developed Countries meet all the necessary criteria to move on to the status of Middle Income Countries (MICs) by 2020, and support them with a smooth transition. Ahead of the meeting, Commissioner **Mimica** said: "*The 2030 Agenda for Sustainable Development reconfirmed that LDCs face special challenges and vulnerabilities and deserve special attention from the global community. The EU will strengthen its partnerships with least developed countries to support their implementation of the Agenda 2030, based on their own country strategies and objectives. I am personally committed to ensure increased support to LDCs under the new Agenda.*" (EC 26-05-2016)

AFRICA URGED TO INVEST IN YOUTH TO MEET DEVELOPMENT GOALS

The second session of the African Regional Forum on Sustainable Development (ARFSD 2016) ended in the Egyptian capital Cairo on Thursday with an urgent emphasis on the need for Africa to invest in its youth if it is serious about harnessing the demographic dividend and meeting its development aspirations.

Further efforts to exploit the demographic dividend will enable Africa to effectively address the challenge of economic, social, environmental and sustainable development, participants pointed out in their resolutions following three days of work.

As Africa seeks to implement the African Union's Agenda 2063 and Sustainable Development Program by 2030, participants at the forum believe it was clear that the progress in the demographic structure will in the long term affect the aspirations and objectives enshrined in those programs and their accomplishment.

According to sources at the meeting, over half of the expected rise in the world's population (1.3 billion out of 2.4 billion) between now and 2050 will take place in Africa where five of the nine countries that would account for half of the global population are located.

Such countries are Nigeria, the Democratic Republic of Congo, Ethiopia, Tanzania and Uganda.

The ARFSD 2016 comes on the heels of the adoption in New York last year, of the Sustainable Development Goals (SDGs) which replaced the defunct MDGs (Millennium Development Goals).

The Cairo meeting was being held ahead of the High Level Political Forum on Sustainable Development, scheduled for New York in July.

The main highlights of that forum would be deliberating and agreeing on the collective contribution of Africa in the form of messages to be conveyed in another meeting in New York on the same issue.

ARFSD 2016 revolved mainly around the means to deploy in African countries to harmonize frameworks and establish common mechanisms for implementation, monitoring and evaluation with a view to reaching a collective and sustainable development and transformation in Africa.

The forum was held under the theme Ensuring the Implementation and the Inclusive and Integrated

monitoring of the 2030 Sustainable Development Program and Agenda 2063".

The African Union Agenda 2063 and the 2030 Sustainable Development Program are meant to tackle a wide range of environmental, political, social and economic challenges facing Africa.(APA 19-05-2016)

BOTSWANA TO LAUNCH AGRO-PROCESSING PLANT

Botswana will this month commission an agro-processing plant in Selebi Phikwe town in northern Botswana, Yarona FM radio station reported here on Thursday.

The radio station reported that the plant to be one of the largest national project in the Agriculture sector will provide an alternative market for horticultural farmers and poverty eradication beneficiaries in the country.

The radio station quotes National Food Technology Research Centre spokesperson Thatayaone Kapaletswe as saying the aim of the processing plant will be to encourage local farmers to venture into horticulture.

She is also quoted as saying that the plant is placed in the Selibe Phikwe region as it is where most of horticultural farming takes place.

Kapaletswe further stated that the plant will manufacture products such as tomato sauce.

The commissioning of the plant will be officiated by the Minister of Agriculture Patrick Ralotsia on 27 May.(APA 19-05-2016)

EIB PRESIDENT'S VISIT TO CHINA TO STRENGTHEN PARTNERSHIP AND INCREASE CLIMATE ENGAGEMENT

Werner Hoyer, President of the European Investment Bank, the world's largest internationally owned public bank, will this week lead a high-level delegation on an official visit to China. This represents the first visit to China by a President of Europe's long-term lending institution since 2007 and will provide an opportunity to strengthen cooperation between the European Investment Bank and Chinese partners support for investment in China, Asia and Europe.

"This week's visit will enable the European Investment Bank and Chinese partners to strengthen cooperation to support crucial investment in China and around the world. This includes working together to back climate related investment. Tackling climate change is a global challenge and since 2010 has been the main focus of the European Investment Bank's engagement in China. China is a key partner for the European Union's bank and together we look forward to achieving our common goals in the years ahead." said Werner Hoyer, President of the European Investment Bank ahead of the visit.

In Beijing President Hoyer will meet Finance Minister Lou Jiwei and Foreign Minister Wang Yi, as well as Xu Shaoshi, Chairman of the National Development and Reform Commission, Hu Huaibang, Chairman of the China Development Bank and Jin Liqun, President of the Asian Infrastructure Investment Bank. The key focus of the five-day visit will be the strengthening of the partnership between the European Investment Bank and China to better tackle climate change. The European Investment Bank is the world's largest lender for climate related investment and global leader in issuing green bonds.

President Hoyer will sign a Memorandum of Understanding with the Minister of Finance to strengthen joint support for climate related schemes in China. During a two day field trip outside Beijing President Hoyer will see at first-hand how the EIB is supporting reforestation close to the Inner Mongolian capital

Hohhot to protect against desertification and visit heating projects that that reduce fossil fuels use by replacing coal by natural gas and reduce air pollution. The EIB Delegation will meet the Governor of Inner Mongolia to discuss the climate action plans of the region and how EIB could provide its support for such plans.

The European Investment Bank has worked closely with the Asian Infrastructure Investment Bank during its creation to share technical and financial experience. President Hoyer is expected to agree a new framework to build on this cooperation to streamline joint financing of projects and ensure regular strategic dialogue between the two institutions.

President Hoyer will provide a keynote speech at the D20 meeting being hosted by the China Development Bank. The D20 brings together National Financial Institutions of the G20 countries and Multilateral Development Banks to support economic growth, create jobs and improve productivity. In 2015 the EIB provided EUR 20.6 billion for climate related project worldwide, record lending that demonstrates the EIB's firm commitment to support investment across Europe and around the world that reduces emissions, adapts infrastructure to a changing climate, and increases resilience through afforestation and other schemes. Last year EIB support for climate finance outside Europe represented 30% of overall lending and the EIB is committed to raise the share of climate financing outside the EU in developing countries to 35% by 2020. (EIB 26-05-2016)

LES COÛTS ÉLEVÉS DES SERVICES PUBLICS TUENT LES ENTREPRISES GHANÉENNES

L'Association des industries du Ghana (AGI) a exprimé sa préoccupation relative aux coûts élevés actuels des services publics qui ont un impact négatif sur les entreprises locales, a indiqué le quotidien public Daily Graphic jeudi.

Selon l'Association, ses membres paient plus que les coûts des services publics convenus et annoncés par la Commission de réglementation des services publics (PURC) en décembre 2015.

Des centaines de Ghanéens qui travaillent dans le secteur privé avaient déjà perdu leur emploi suite à des aléas de fourniture d'électricité assortis aux coûts élevés des services publics l'année dernière. (APA 19-05-2016)

ANGOLA PLANS TO LAUNCH INDUSTRIAL GOLD MINING

The industrial mining of gold in Angola is expected to begin in 2018 in the mines of Mpopo, Jamba municipality, southern Huila province, said the chairman of Angolan iron ore company Ferrangol, recently.

Diamantino Azevedo told Angolan news agency Angop that the operation will be carried out by precious metals company Somepa, a 100 percent Angolan public-private, which is part of Ferrangol.

The chairman of Ferrangol said Somepa is preparing the technical and human resources to start the operation, while waiting for an operating license after prospecting work and preparation of economic feasibility and environmental impact have been completed.

Azevedo also mentioned there were indications of gold occurrences in Chipindo, also in Huila province, where a survey is being conducted by Angolan company Lafech.

The chairman of Ferrangol also said preparations were underway for approval of prospecting for five projects in Cabinda Province and some in the provinces of Kwanza Norte and Moxico. (19-05-2016)

MOZAMBIQUE ADMITS MAM MISSED RUSSIAN REPAYMENT

State-owned Mozambique Asset Management (MAM) had missed a May 23 deadline to make a \$178m loan repayment but remained in talks with creditors about rescheduling the debt, finance ministry spokesman Rogério Nkomo said on Wednesday.

In the latest twist to a debt crisis and graft scandal, Nkomo said a sovereign guarantee behind MAM's \$535m loan from Russia's VTB Bank would not become an issue until the talks were concluded.

"We have no control over the operation being carried out by the company with the creditors," he said.

Ratings agency Fitch downgraded the country's credit to CC from CCC on Monday, indicating that "a default of some kind appears probable".

Shortly afterwards, a finance ministry source told Reuters MAM had missed the loan payment and the government had failed to honour its guarantee.

Fitch's decision was based on news that emerged last month of at least \$1.35bn in secret borrowing for defence and maritime infrastructure.

Slowing growth and delays to the start of offshore gas production have added to Mozambique's cash flow problems.

News of the clandestine borrowing pushed Mozambique's total foreign debt to \$9.86bn, or 80% of gross domestic product — a ratio that is climbing as its currency falls due to a collapse in investor confidence.

The metical was trading at 56.77 to the dollar on Wednesday, just shy of a record low of 59 touched last week. This time last year, the currency was trading at 35 to the greenback.

The VTB loan had been earmarked for the construction of shipyards in the capital, Maputo, and the northern town of Pemba to service the former Portuguese colony's nascent but potentially huge offshore gas industry.

The shipyards have not materialised, however, and International Monetary Fund managing director Christine Lagarde said last week the secret borrowing was "clearly concealing corruption".

Since its debut on April 12, the yield on a rescheduled \$850m 2013 Eurobond has climbed from 12.76% to 16.76% on Wednesday, according to Thomson Reuters data.

The money from the Eurobond instead paid for a tuna-fishing fleet.

But the 24 boats that have been delivered are sitting at anchor in Maputo harbour. Finance Minister Adriano Maleiane said this week the ships failed to meet EU specifications and needed a refit. (Reuters 25-05-2016)

BRAZIL CONTINUES TO TRAIN ANGOLAN STAFF IN AQUACULTURE AND FISHERY RESOURCES MANAGEMENT

Angola and Brazil have extended their cooperation agreement for training Angolan staff in aquaculture techniques and management of fishery resources for another year, according to an addendum signed recently in Brasilia.

The addendum to the existing agreement between the Angolan Institute of Development of Artisanal Fisheries and Aquaculture and the Development Company of the Valleys of São Francisco and Parnaíba (Codevasf), of the Ministry of National Integration, was signed by the Ambassador of Angola in Brazil, by the president of the development company and the Director of the Department of Watershed Revitalisation of the Ministry of Environment.

Cooperation between the Angolan Institute of Development of Artisanal Fisheries and Aquaculture and Codevasf began in 2012 when Angolan technicians began to be sent regularly to the company's integrated centres for six-month periods to learn artificial propagation and fish breeding techniques along with environmental conservation, and other subjects.

The agreement signed in 2014, now renewed for another year, will continue to train Angolan staff in aquaculture techniques and management of fisheries resources and boost the human and institutional capacity of Angolan fisheries sector, according to Angolan news agency Angop. (19-05-2016)

KENYA CHAMPIONING TOTAL BAN ON IVORY TRADE

President Uhuru Kenyatta on Thursday said his country was enlisting the unconditional support of the rest of the world to push for a total ban on the international ivory trade.

Speaking while officially opening the UNEA's 2016 meeting at the United Nations Office in Nairobi, President Kenyatta urged the representatives of over 170 countries to support Kenya's bid to conserve wildlife.

The delegates were gathering in Nairobi for the second session of the United Nations Environmental Assembly.

Kenyatta said Kenya will not tire in its campaign for a total international ban in the ivory trade, which has seen a resurgence between poachers in Africa and dealers linked to Asian consumers.

According to Kenyatta, Kenya will pitch its position during the 17th meeting of the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) set to be held in South Africa later this year.

"We hope you can stand with us, as we seek to take this critical step to preserve the animals that contribute so much to our ecosystems and way of life," he said when he officially opened the UNEA 2016 at the United Nations Office at Nairobi.

Last month Kenya torched 105 tonnes of ivory and 1.35 tonnes of rhino horn, an exercise which President Kenyatta said demonstrated to the rest of the world that ivory was worthless, unless it is on an elephant.

He argued that as the biggest stakeholders in environmental conservation, African countries should push such issues at the top of the continent's priorities.

"With so many of our countries dependent on agriculture or tourism, yet facing challenges of poverty and food security, Africa really has the most to lose through environmental degradation and climate change, and the most to gain by mitigating these challenges," he warned.

He informed the Assembly that Kenya has taken the necessary measures to secure a sustainable environment for a resilient world.

"We have and continue to invest substantial amount of financial resources towards renewable energy.

"We are seeking to harness geothermal, wind, water and, in the future, the sun—to power our country and the region," he added. (APA 26-05-2016)

SOUTH AFRICA BULK EXPORTS INCREASE YEAR ON YEAR IN APRIL BY 6.2%

SA's bulk export volumes rose 6.2% year on year in April to the second-highest monthly total to date, of 16.2-million tonnes, data from the Transnet National Ports Authority showed on Thursday. The record monthly tonnage of 16.4-million tonnes was achieved in January 2015.

The April year-on-year increase was the first year-on-year rise in 2016 after declines of 11.7%, 15.7% and 12.2% in March, February and January respectively. This followed a 7.3% increase in 2015 to a record annual tonnage of 168-million tonnes.

Bulk exports out of Richards Bay, which are mostly coal, jumped 19.3% year on year in April to 8.6-million tonnes after growing 8.2% in 2015 to 93-million tonnes. As Richards Bay Coal Terminal (RBCT) no longer releases operational statistics, economists are finding it more difficult to track economic performance in SA in a timely manner.

Despite the 40% plunge in the iron ore price in 2015, bulk exports out of Saldanha, which are mostly iron ore, increased 12.7% in 2015 to 63.4-million tonnes, but in April 2016 there was a 9.0% year on year fall to 6.5-million tonnes. If Saldanha exports are excluded, then total bulk exports would have grown by 19.5% year on year in April.

The 30% slump in the maize harvest last season compared with the previous season also affected bulk exports with grain and sugar bulk exports from the other ports such as Durban down 19.3% in 2015 to 11.6-million tonnes, although there was a surprise 12.8% year-on-year rise in December, the first year-on-year increase since January 2015. In January 2016, bulk exports out of the other ports plunged 44.0% year on year to 742,140 tonnes, but rose to 924,943 tonnes in February, which was still a 7.8% year-on-year decline. In March there was a 27.5% year-on-year jump to 899,038 tonnes and that good growth continued in April with a 20.6% year-on-year increase to 1,149,484 tonnes.

Despite the April year-on-year rise, total bulk exports are still down 8.2% year on year in the first four months of 2016. (BD 19-05-2016)

STANDARD SUED BY FORMER TANZANIAN OFFICIAL ENSNARED IN BRIBERY SCANDAL

One of the people blamed for the fraud that led to nearly \$33m in fines on Standard Bank's UK unit — levied as part of a deferred prosecution agreement (DPA) with that country's Serious Fraud Office (SFO) — is suing the bank.

She is claiming the DPA was essentially founded on untrue submissions.

The office said on Monday that Standard Bank had made a \$7m payment to the Tanzanian government as part of the agreement.

Shose Sinare, Stanbic Tanzania's former head of investment banking, is suing Stanbic Tanzania and Standard Bank plc for \$30m in damages arising from the DPA, which was reached after Standard Bank self-disclosed bribes paid to Tanzanian government officials to secure a \$600m deal to structure an international bond for the country in 2012.

Sinare has been charged and remanded in custody by Tanzanian law enforcement officials for her role in bribing officials, according to an SFO spokesman.

But her allegations have prompted Zitto Kabwe, a Tanzanian opposition MP and former chairman of its parliamentary public accounts committee, to write to the British high commissioner in the country to request a reopening of the SFO's investigation into Standard Bank plc.

Standard Bank spokesman Erik Larsen declined to comment on Wednesday.

The published DPA shows Stanbic Tanzania had quoted a fee of 2.4% of the proceeds of the bond issue, with 1% ultimately channelled to the officials through a "local partner" called Enterprise Growth Market Advisors (Egma) in 2013.

In her papers filed in a Tanzanian court, Sinare claims Standard Bank knew about the bribes, and these were made with the blessing of the London office.

"Stanbic Bank signed a collaboration agreement with Egma concerning the fees, which was fixed at 1% of the overall proceeds," she said.

She claimed she could provide documentary proof of her allegations. The SFO spokesman said that all of the findings of its investigation into the bank, which was closed and had led to the DPA, were supported by evidence.

"The SFO has not had to disclosed to it any material which contradicts its findings," she said.

She indicated the case could be reopened if new evidence came to light showing that the SFO and the court that ratified the DPA had been misled by inaccurate, misleading or incomplete information by the bank. "Subject to there being sufficient evidence to secure a conventional conviction and that it was in the public interest to do so with permission of the Crown Court, the bank could be prosecuted for the offence that is the subject of the DPA."

Sinare said that, while co-operating with an internal investigation Standard Bank conducted before and after her resignation, she travelled to the group's head office in Johannesburg, where it was made clear that the bank had to distance itself from any tinge of malfeasance.

Among the concerns were negotiations with the Industrial and Commercial Bank of China, which bought 60% of Standard Bank plc in 2015.(BD 20-05-2016)

BUSINESSPEOPLE ARGUE THAT HUMAN RESOURCE DEVELOPMENT IS “FUNDAMENTAL” FOR MOZAMBIQUE

Mozambique needs to develop its human resources, without forgetting the capital needed to implement projects, said Thursday in Beijing the Director-General of Mozambique’s Investment Promotion Centre. Lourenço Sambo was speaking during a session to present business opportunities in Mozambique, held in Beijing, and was part of a state visit by the President of Mozambique, Filipe Jacinto Nyusi.

On the sidelines of the meeting, private entrepreneurs agreed with Sambo and reiterated that training specialised staff is imperative for project implementation.

Afonso Chan, vice president of Charlestrong Engengharia, Tecnologia e Consultoria, from Macau, recalled that one of the great challenges at this time “is to find bilingual staff – Portuguese and Mandarin – for business development”.

“Through the signing of some protocols with higher education institutions we have managed to get some translators who are currently working with us in Mozambique,” said Chan, noting there is still “a long way to go in this area.”

The director of the Science and Traditional Chinese Medicine Park for Guangdong – Macau Cooperation, Xie Yi, recalled that in healthcare, especially traditional medicine, Mozambique can gain from Macau’s knowledge.

“Traditional Chinese medicine is one of the three most important industries in Macau and with the knowledge of our professionals, Macau can be a bridge (...) in the development of technology, research centres for drug production and industrialisation of medicine,” said Xie Yi.

The businesspeople were part of a delegation organised by the Macau Trade and Investment Promotion Institute (IPIM) that participated in the conference on business opportunities in Mozambique.

Gloria Ung, Executive Director of IPIM, told the businesspeople and government officials at the meeting about “Macau’s availability to deepen its role as a platform between China and the Portuguese-speaking countries.” (20-05-2016)

DOUBLING OF ZIMBABWE’S PLATINUM PRODUCTION RELIES ON NEW INVESTMENT

Zimbabwe could double annual platinum production to 26 tonnes in the next decade and become the nation’s top export earner, but current producers need \$2.8bn in new investment to do so, the industry association said on Friday.

The Southern African nation holds the second largest known reserves of platinum after SA, but mines have struggled with low prices, a black empowerment law forcing mines to sell more than 50% of the business to locals and power shortages.

Zimbabwe Platinum Producers Association chairman Winston Chitando told the annual meeting of the Chamber of Mines in Victoria Falls that the industry needed new investments to raise production by existing producers from current levels of 13 tonnes a year.

“With vast platinum reserves, the sector has the potential to increase production by the current producers from about 13 tonnes to 20 tonnes by 2020 and to 26 tonnes by 2025,” Chitando said.

Anglo American Platinum, Impala Platinum and Aquarius Platinum are the three companies currently operating platinum mines in Zimbabwe.

He did not comment on the separate, Russian-backed project announced by the two governments 20 months ago for the joint development of the Darwendale mine, which was projected to be producing up to 25 tonnes a year by 2024. Work on this project was still at the exploration stage, Zimbabwe’s mining minister said March.

Chitando said on Friday that revenue from platinum, which is the third-largest export earner after tobacco and gold, could become the biggest, at \$1.2bn, in the next four years if more money were invested.

"The industry requires around \$2.8bn over the next five years to ramp up and sustain operations. Bottlenecks that undermine capital inflows include clarity on indigenisation," Chitando said.

Under the Indigenisation and Economic Empowerment Act, which was passed in 2008, foreign-owned businesses are required to sell at least 51% of their local operations to Zimbabwean investors.

But on April 12, President Robert Mugabe said the empowerment policy was confusing potential investors and made it hard to compete for foreign investment. (Reuters 20-05-2016)

OVER 1.6 MILLION TOURISTS VISIT MOZAMBIQUE IN 2015

In 2015 Mozambique received over 1.6 million tourists who spent an estimated US\$193 million in the country, President Filipe Nyusi said Thursday in Beijing.

The President, who was speaking at the International Conference on the Development of Tourism, an event currently underway in the Chinese capital, said that in the same year tourism investment projects reached US\$139 million, employing over 50,000 people either directly or indirectly.

"These indicators, while representing a significant increase compared to previous years, fall far short of the potential that Mozambique offers," he said, according to Mozambican news agency AIM.

Saying the government is creating a more favourable climate for investment in tourism, Nyusi cited as examples "the simplification of procedures for licensing of economic activities and the allocation of more incentives for investors and users of existing facilities in Mozambique."

"In a period of economic recession characterised by a fall in export prices of raw materials, combined with a slowdown of investment in minerals, tourism can serve as a valuable alternative," said the President of Mozambique. (20-05-2016)

BOTSWANA'S BUSINESS COMPETITIVENESS LOW

The President of Business Botswana, Lekwalo Mosienyane has claimed the southern African country still has a lot of ground to cover before its level of competitiveness reaches those of countries such as Mauritius.

Business Botswana is the voice of the country's private sector.

Speaking at a High-Level Consultative Meeting in the capital Gaborone chaired by President Ian Khama on Thursday, Mosienyane said in terms information communication technology, Botswana could be defined as "land-connected" and not land-locked.

"We sit at the centre of a wheel connecting South Africa, Namibia, Zimbabwe, Zambia and Angola. If we adopt this mind set, we will realise tremendous opportunities for Botswana to connect the regional traffic at the centre of this "wheel."

He added: "However, this must first start at home. Botswana has the capacity and skills to shine in sub-Saharan Africa – we can go on a big drive to connect the whole country."

Mosienyane said a combination of the current backbone fibre and the satellite communications could rapidly connect the remotest part of the country.

The government, he said, would suitably be a stronger catalyst for connectivity and also pave the way

for the private sector.(APA 26-05-2016)

EIB CLIMATE ACTION – PUTTING THE PARIS AGREEMENT TO WORK

Direct financial contribution from governments to the climate cause can only be limited. This is when the intervention of public finance institutions such as the European Investment Bank has demonstrated its value, including through cooperation with others, sharing experiences and combining efforts.

Climate change threatening our planet

The Paris Agreement on climate sets the framework for greater global action towards a world where global warming is kept well below 2°C. Strong political will and a common vision have made the deal a reality, now it is time to put it into practice. We must start curbing greenhouse gas emissions at a much faster pace if we want to prevent further increase of the earth's temperature, which is essentially what is causing climate change.

We can limit further damage and protect ourselves from worsening negative impacts by investing significantly more in green technologies and increasing the climate resilience of our natural and built infrastructure and economies.

Two ingredients are essential for a long-standing solution: global action and significant sums of money. Concerted and coordinated initiatives are crucial not only because climate change is a global issue, but also because the damages caused by it are hitting the whole planet hard – and in particular its poorest regions.

This is where financial means become critical. We must mobilise sufficient amounts for the most needed action and develop the most effective solutions. And we know that the volume of funding needed is huge – in the range of trillions of euros.

Leveraging climate finance

Governments have many different priorities to which they need to respond. Their direct financial contribution to the climate cause can only be limited. This is when the intervention of public finance institutions such as the European Investment Bank (EIB) has demonstrated its value. The EIB is one of the biggest climate action financiers globally and will alone invest around €100 billion in climate action over the next five years. However, no single actor can provide sufficient finance alone.

The combination of funds from public sources such as the European Commission and the Green Climate Fund (GCF) with finance from EIB and other financial institutions allows a crucial leverage effect and increased impact on the ground. Cooperation with other financial institutions is essential to mobilise greater private sector finance when funding is insufficient, projects are too risky, or they require technical and financial advice.

Many projects with a positive climate impact may lack the necessary funding, for example because their financial risk goes beyond acceptable levels for potential private investors. This can be the case for a new innovative clean technology in its pilot phase or when there is the need to develop green infrastructure in geographic areas where this has proven difficult. To encourage private finance flows to 'riskier projects', the EIB has developed a number of innovative finance products that help lifting part of the financial risk of projects and make them attractive for investors. For example, the EIB has been developing a pilot programme in the framework of the Renewable Energy Performance Platform (REPP). The REPP was created in support of the UN Sustainable Energy for All (SE4All) initiative and alongside the United Nations Environment Programme. This Platform will stimulate the bankability of innovative small and medium-scale renewable energy projects such as run-of-the-river hydro in sub-Saharan Africa by helping them to access risk protection and financing products.

Cooperation as means to enhance impact

But collaboration does not end at financing projects jointly. Throughout the years, the EIB has developed a strong network of institutions with whom it works to tackle climate finance collectively rather than in a competing manner. EIB has cooperated closely with other Multilateral Development Banks, national and international financial institutions, the OECD and other key actors on a number of issues from tracking climate finance flows to defining what an adaptation activity is, to reporting on greenhouse gas emissions. Building on this cooperation is crucial to work more effectively and provide consistent advice and messages to countries when they build their strategies on climate – as international finance institutions underlined again recently on the occasion of the World Bank and International Monetary Fund meetings in Washington D.C.

The EIB is in a unique position of being able to share its climate knowledge from the EU in the developing world. There are however also cases where developing countries are ahead of the curve in certain areas – for instance in terms of how to build resilience to climate risks in projects – and we can learn from them. This has clearly been the case in relation to the work we have developed with the Caribbean Development Bank (CDB) to build the climate resilience of small island states. Although much smaller than the EIB in size, the knowledge of CDB in this area is extensive and the sharing of experience between EIB and CDB brings huge dividends. A combination of EIB finance and EU funds for technical assistance has allowed building the necessary climate resilience features in highly vulnerable projects such as a coastal highway in Belize and a reservoir and dam in San Lucia. The knowledge built and shared between these two institutions will be crucial to replicate similar projects and cooperation in other contexts.

Looking ahead: The new EIB Climate Strategy

The EIB has been active on climate for many years using a diverse range of instruments and approaches. It has worked with both the public and private sector within and outside Europe to leverage finance, develop traditional and niche green technologies and provide technical advice on how to make projects more climate friendly and climate resilient. It has also led the field in terms of innovative initiatives. A very successful example is ‘green bonds’, an advantageous way of raising funds for environment and climate friendly investments, in which EIB was the first issuer in the market with its Climate Awareness Bonds focussed specifically on Renewable Energy and Energy Efficiency investments.

The extent and urgency to develop collective solutions requires a more strategic approach to the climate challenge. This explains the adoption of an EIB climate strategy last year which will focus on the three areas where EIB can provide the most added value.

Firstly, while maintaining its commitments in terms of financial volumes, EIB wants to prioritise climate initiatives with the highest impact on climate change. Its climate finance will thereby gain in efficiency. Secondly, the EIB are going to dedicate greater attention to what specialists call ‘climate adaptation’. We must accept that climate change consequences will keep hitting us even if we manage to curb emissions. We will have to live with them and adapt our economies and infrastructure accordingly. Finally, the EIB will reinforce the ‘climate lens’ that it uses when developing any of its internal processes and rules for financing. This third set of actions is meant to strengthen the climate friendliness of all EIB’s investments and activities across the board. These three pillars will be used to drive forward the EIB’s efforts to support implementation of the Paris Agreement. (EIB 18-05-2016)

MOZAMBIQUE’S ECONOMY GROWS 5.3 PCT IN 1ST QUARTER OF 2016

Mozambique’s economy registered annual growth of 5.3 percent in the first quarter of 2016, according to figures published in Maputo by the National Statistics Institute (INE).

The performance of the Mozambican economy in the period was primarily due to the secondary sector which grew 10 percent, most notably the construction sector with 11.4 percent, followed by manufacturing, with 9.9 percent.

The tertiary sector took second place, posting growth of 6.9 percent, driven by the catering industry, with growth of 8.7 percent.

The primary sector grew 2.7 percent, driven by the mining industry, with an increase of 11 percent, also according to the INE figures cited by daily newspaper Notícias.

The growth rate recorded in the first three months of 2016 is close to the figure recently forecast by the World Bank for the development of Mozambique's economy this year, of 5.8 percent. (20-05-2016)

EAST AFRICA: EUROPEANS BOOST TANZANIA

For the past year, the European Union Business Group (EUBG) has been in the middle of encouraging commercial links between business people in the European Union and Tanzania as a way to boost economic relations, including highlighting new investment opportunities.

"The formation of 70 private sector members is not an easy task and EUBG deserves accolades, as this evolves to trade and investment, making Tanzanians attain better lives," Prof. Adolf Mkenda, the Permanent Secretary in the Ministry of Trade Industry and Investment said recently.

This was during an event to mark the first anniversary of EUBG in Tanzania

Morten Juul, the EUBG Chairman said: "Other achievements are to build a strong relationship with valued partners namely Tanzania National Business Council (TNBC), Tanzania Private Sector Foundation (TPSF) and fellow National business groups, formed a network of 70 private sector companies representing 12 European Union (EU) countries across 20 sectors of industry."

He said the EUBG has hosted a variety of workshops, seminars and networking events supporting the private sector in Tanzania to appreciate and comply with legislation including a dialogue with TRA and the provision of inputs into the annual budget and started a network in northern Tanzania Arusha and Moshi regions to give support beyond Dar es Salaam.

According to Juul these achievements include the building of a strong relationship and dialogue with key institutions such as Tanzania Revenue Authority (TRA), Ministry of Finance, Immigration and Labour.

Speaking on the same occasion, Ambassador Roeland van der Gees, EU Head of Delegation to Tanzania and the East African Community commended EUBG for registering a considerable number of members hence a immense support to EU in its endeavour towards giving much focus in promoting trade between Europe and Africa especially Tanzania.

"Owing to its potentials, EU is ready to invest into Tanzania and at the same time promote mutual cooperation as a token of signification of the 14 years back achievements as well distinguish that the joint Africa EU strategy is the second proponent of the framework for EU's political relations with Tanzania," he said.

Ms. Rose Blackie EUBG Executive Director said that in doing so, EUBG seeks to contribute to the promotion of trade and investment between European Union and Tanzanian companies.

The EUBG also aims at creating a suitable framework for dialogue with the Government of Tanzania and other stakeholders on creating a stable environment for business and investments.

The European Union Business Group was formed in early 2015 and is a strategic partner for improving Tanzania's business climate and promoting trade and investment between the two parties.

Historically, the EU and Tanzania have had a strong economic relationship in regard to investment, trade and donor relations.

As a bloc, the EU is Tanzania's second export destination and its third largest trading partner.

Roughly 16% of Tanzania's global exports are destined for the EU's 28 member States. (ALLAFRICA 10-05-2016)

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