MEMORANDUM

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ACP PARLIAMENTARY ASSEMBLY ON BURUNDI, EPA TRADE AGREEMENTS

Members of Parliament from 79 African, Caribbean and Pacific countries have jointly called for measures that would allow for peaceful and fair elections to be held in Burundi, following protests and political unrest which erupted in the country in April, spurred by disputes related to the presidential elections.

In a declaration released on 17 June, the ACP Parliamentary Assembly condemned all acts of violence committed against civilians in violation of international humanitarian and human rights laws, calling on all parties to protect human rights, while holding accountable those responsible for violating these rights.

The ACP Parliamentary Assembly emphasised that there can be no military solution to the situation in Burundi, but a political one which upholds the requirements of Constitutionalism and the Arusha Peace and Reconciliation Agreement, to preserve peace and security. The Assembly firmly aligned itself with the position of the African Union on the situation in Burundi, taken at the end of the Summit of the African Union Heads of State and Governments from 7 to 15 June 2015, in Johannesburg, South Africa.

Economic Partnership Agreements

The ACP Parliamentary Assembly also adopted a resolution on the Economic Partnership Agreements (EPAs) between ACP regions and the European Union, reiterating its call for more flexibility on the EU side in negotiating contentious issues with the three remaining regions which have yet to sign a comprehensive EPA with the EU.

The Eastern and Southern Africa (ESA), Central Africa and the Pacific regions have not signed, although some countries have individually agreed to interim agreements while awaiting the conclusion of the full regional EPAs.

Pacific ACP countries have further asserted that, in its current form, the interim EPA (already signed by the larger economies in the region, namely Papua New Guinea and Fiji) is not suitable for most Pacific States due to the fact that as Smaller Island States they do not have the capacity to derive benefits from it.

Members of the Assembly expressed concern over the European Commission's approach towards Pacific fisheries, whereby market access to the EU is conditioned upon reciprocal access to Pacific fisheries resources, alongside demands for certain changes to be made to fisheries conservation and management in the region.

The ACP Parliamentary Assembly called upon the European Trade Commissioner to convene meetings with regions that are yet to conclude full EPAs, and in the case of the Pacific region, to work together in the spirit of goodwill and partnership to conclude a development-friendly comprehensive EPA by 31 December 2015.(ACP 17-06-2015)

Declaration of the ACP Parliamentary Assembly on the situation in Burundi (*FR*)

Suva Resolution for a development-friendly comprehensive Economic Partnership Agreement (EPA) (*FR*)

150 CHINESE SCOUT FOR DEALS IN KENYA

150 Chinese businessmen expected to jet into the country next month have set their eyes on sealing partnership deals with Kenyan traders in different sectors of the economy.
They will participate in a trade exhibition dubbed the 'China trade week' that is designed to give a platform for Kenyan entrepreneurs keen on sourcing Chinese products.

The exhibitors represent Chinese companies drawn from various industries, including building and construction, electronics, electric vehicles, plastic moulding equipment, green energy solutions, portable housing energy solutions and elevator systems.

The organisers of the fete, Middle East International Exhibition (MIE events), termed it a China-focused trade event expected to boost the deepening trade relationship between Kenya and China.

The MIE managing director David Wang said the China-Kenya economic cooperation and trade in various fields has gained momentum over the years.

‘‘It is the very reason why we are holding the China Trade in Nairobi,” he said.

“We strongly believe that this event will provide an opportunity for Kenyan entrepreneurs to grow strong business partnerships with Chinese companies.’’

The trade fair that will happen on the first three days of July, comes on the back of increased trade activities between the two countries, with Chinese construction companies taking the bulk of the country’s infrastructure developments, including the Sh327 billion standard gauge railway.

Director of MIE International Events, Gary Robinson, said the trade fair would help map out business hotspots in Kenya and create joint business ventures between members of the two countries.

He said it was highly likely in future for the companies to establish offices here in Kenya and even set up manufacturing plants as they were looking for new markets.

On the accusation that China does not produce high quality products, Mr Robinson said Chinese products were made ‘fit for purpose’ depending on customer orders.

“China has produced some of the highest quality products, for example Apple’s iPhone is manufactured in China,” he said.(17-06-2015)

SPANISH TYCOON EYES WEST AFRICA

Former Barclays CEO Robert Diamond has a rival: Spanish billionaire Alberto Cortina, who is building a banking presence in West Africa to take advantage of demand from sovereign and corporate clients.
Mr. Cortina said he was conducting due diligence on a retail bank in Senegal after his Banque de Dakar investment bank started operations in the West African nation this month.
He was planning to set up an investment banking unit in Côte d’Ivoire by the end of the year. He and partners, which he declined to name, planned to operate in the West African Economic and Monetary Union region, which he said was relatively stable politically and had a common currency, the West African CFA franc backed by the French central bank.
Mr. Cortina made his wealth in construction more than four decades ago, but has a wide range of investments, from oil to dairy products, including a dairy venture in Nigeria. He also owned a farm in Kenya for several years. (Bloomberg 22-06-2015)

BOOZE FIRMS TOAST AFRICA’S RIPENING MARKET

For wine and spirits companies looking to expand their businesses, Africa and its growing middle class clamouring for refined tipples is now one of the world’s fastest-growing beverage markets, analysts say.
Wine consumption in Africa is rising five times faster than the global average, according to a study of 24 sub-Saharan African countries released this past week by British wine consultancy IWSR at the world’s leading wine fair, Vinexpo.

Africans gulped down a total of 864-million bottles of still light wine in 2013 — a rise of 17.3% in five years. That remains relatively modest for a continent of 1.1-billion people. But the market is forecast to grow another 11% by 2018, as lifestyles evolve in the wake of African growth that has outstripped global GDP by nearly three percentage points over the past 15 years.

"More and more Africans have disposable income," said Daniel Mettyear, who led the IWSR study.

"The growth is exponential, the demand is there," agreed Cameroonian importer Felix Kamdem.

Yet despite rising activity driven by a growing African middle class with globalised tastes, the sector's expansion has been limited by obstacles across the continent — including high import taxes, complicated customs procedures and corruption, industry experts say.

Meanwhile, a lack of infrastructure also means importers encounter problems keeping products chilled to the right temperature, and in finding reliable distributors.

Undaunted, however, importers in Africa have worked around complications to supply the booming demand. Analysts frequently cite Nigeria — Africa's most populous country and biggest economy — and South Africa as markets with the highest potential for growth.

Resource-rich countries such as Angola and Cameroon, as well as Ethiopia, Kenya and Ivory Coast, are also on the target list.

African urbanites, and youngsters in particular, are increasingly turning to wine as their libation of choice.

"Young people are taking to wine because it's considered a sophisticated product. Drinking wine or spirits has a touch of luxury,' says Kamdem.

Miguel Chan, chief sommelier of the South African hotel group Tsogo Sun Hotels, said social media was playing a significant role in shaping the tastes of young African consumers.

Sommelier master classes, offering amateurs tips on how to appreciate a fine vintage, are increasingly popular, he added.

"Wine can be intimidating for new consumers who have never been brought up in a wine culture," Chan said.

Mettyear said that sparkling wine is increasingly seen as a "glamorous alternative to beer," particularly in Nigeria.

Sweet rose wines are meanwhile in high demand in South Africa, Chan said. Aromatic white wines such as Sauvignon blanc and Chardonnay are also popular, along with "juicy" reds like Merlot.

Spirits exporters are enjoying an even bigger African boom, with whisky in the lead along with brandy and Cognac. The African hard liquor market grew 13% between 2010 and 2014, compared to 3% growth for wine.

"The African market is the market of the future for Cognac, absolutely," said Herve Bache-Gabrielsen, president of the French Cognac firm that shares his name.

The modest-size brand is making tentative forays into the African market, along with big international groups like Hennessy, Courvoisier and Pernod Ricard that have been eyeing the continent for several years.

Africa's growth has seen a surge of foreign investment and, as a consequence, changes to its population. "There's been an influx of Chinese who are big consumers of Cognac," said Mr Bache-Gabrielsen. Castel, the world's fourth biggest wine company and a distributor of beer in Africa, is also courting the continent's expat residents.

In 2013 the group began producing wine in Ethiopia, largely for "local consumption, including many foreigners," according to its communications director Franck Crouzet.

Africa remains far behind China in terms of consumption, with the Asian giant still seen as the current El Dorado for wine exporters.

The African market has yet to reach "maturity," said Mettyear.

But "the opportunities are considerable," he added. *(*AFP 21-06-2013)

NIGERIA: LUFTHANSA EARMARKS 1M FOR ONBOARD PRODUCTS

The German airlines, Lufthansa has revealed that it is investing 1 million on its onboard products, including retrofitting over 100 long haul aircraft some of which serve Nigeria.

Mr Claus Becker, Managing Director, Sub-Saharan Africa of the airline made this known on Saturday in his office at Victoria Island, Lagos.

Becker noted that the airline has been a pillar in the economic relationship between Germany, Nigeria as well as business in both countries.

He said that Nigeria has always played a key role in Lufthansa's intercontinental network, which made the airline to designate Lagos as the centre and regional headquarters of its Sub-Saharan office.

According to him, the airline has two long term projects among others which were the voluntary donation to the home for parentless children and support to specific hospitals.

He added that the security and safety in the aviation industry was paramount to the operations of airlines in the country and across the globe.

He applauded the various Nigerian aviation agencies for taking the issue of security and safety seriously in their policies.

``The Nigerian airspace is very safe and its aeronautical equipment's were working efficiently, that's why we can fly here" he added.

Becker said the population of Sub-Saharan Africa, particularly Nigeria is growing, matched by a burgeoning passenger traffic. (APA 21-06-2015)

CHINA'S SINOPEC KANTONS EYES ACQUISITIONS IN AFRICA, SOUTH AMERICA AND MEDITERRANEAN

Sinopec Kantons Holdings, an energy storage and logistics unit of oil and gas giant China Petroleum & Chemical (Sinopec), is seeking acquisition and cooperation opportunities in Africa, South America and the Mediterranean after having clinched several projects in Asia and the Middle East in the past few years.

"Asia is poised to become a global oil refining centre after refining capacity soared in the past decade," Sinopec Kantons chairman Chen Bo told reporters on Thursday after the Hong Kong-listed firm's annual shareholders meeting.

"More oil producing nations are looking at Asia's oil consuming nations to sell their output, and are seeking storage and logistics cooperation opportunities."

As the United States becomes more energy independent, oil and gas producers in Africa, the Middle East and Russia are increasingly looking to sell to the Asia Pacific, the only major growing market in the world, he said.

Paris-based International Energy Agency, which represents 29 oil consuming nations, has projected that Asia would account for almost two-thirds of global crude demand in the six years to 2020, and Asia's incremental demand would equal that of the world in the 26 years to 2040.

Since 2012, Sinopec Kantons has acquired stakes in an oil storage project in Fujairah, United Arabic Emirates, oil terminals in Europe and has a joint venture in Indonesia to build a major oil storage and terminal facility.

Chen said they are in strategic locations in line with China’s “one belt, one road” overseas economic development strategy.

In the domestic market, Sinopec Kantons has China’s largest crude handling capacity in six terminals, with total throughput of 152 million tonnes last year.

Meanwhile, Chen said its 2.58 billion yuan acquisition of Sinopec’s natural gas pipeline linking Shaanxi and Shandong province is pending approval by the Ministry of Commerce.

Sinopec Kanton will also seek to acquire Sinopec’s imported liquefied natural gas (LNG) receiving terminal in Qingdao, Shandong, whose first phase capacity has come on stream last year, he added. Sinopec is also building LNG terminals in Beihai, Guangxi Zhuang autonomous region and in Tianjin.

Of 10 LNG-carrying vessels with combined capacity of 9.6 million cubic tonnes ordered by Sinopec Kanton, one has been completed and deployed, four are slated to be completed this year and three next year. (17-06-2015)

EU FUNDS SHIPYARD IN MAURITANIAN CITY OF NOUADHIBOU

The European Union (EU) has funded a 7.1 million Euro shipyard in the Mauritanian coastal city of Nouadhibou, the EU Delegation disclosed in a statement released Thursday in Nouakchott.

Launched in 2012, the project will allow the construction of 100 coastal boats offering fishermen safe and quality working conditions, it added.

The first batch of 10 ships built under the project was commissioned Wednesday by Mauritanian fisheries captains in Nouadhibou.

The EU delegation said the event was a “milestone in the implementation of the sector support provided in the framework of a partnership agreement in the fisheries sector between Mauritania and the EU.”

According to the European bloc, this project reflects the shared ambitions of Brussels and Nouakchott for the implementation of the national strategy in the fisheries sector, including the establishment of a sustainable management of the resources and better integration of fishing activity into Mauritania’s national economy.(APA 18-06-2015)

TRANSPORT FIRMS SEE AFRICAN TRADE PACT CUTTING PAPERWORK

Logistics companies are looking forward to cheaper, less bureaucratic movement from the Cape to Cairo. African leaders last week signed a free-trade pact creating a common market spanning 26 countries, from Egypt to SA.

The Tripartite Free Trade Area (TFTA) is home to about 650-million people and has a total gross domestic product of more than $1-trillion.

The move is aimed at ensuring that less "onerous" documentation is needed to traverse the continent within the area, and at creating a duty-free trade region.

However, "large, nontariff" barriers, such as poor infrastructure and inefficient customs procedures, remain a challenge to such agreements according to research from the South African Institute of International Relations.

Trade among African states accounts for only 12% of total African trade, compared with 55% in Asia and 70% in Europe.

Over the past three years, SA has exported an average $16.8bn in goods to countries in the tripartite region, according to the Department of Trade and Industry. This amounts to 18.3% of the country's global exports.

Maersk Line Southern Africa MD Jonathan Horn said the TFTA would allow for a review of duties payable when crossing borders, and ultimately, duty-free trade among participating countries.

"The current situation is that there are several customs regimes involved, and it is onerous from a documents perspective," said Mr Horn. "We should see a reduction in the bureaucracy, which should drive down the cost of moving goods into and out of Africa."

DHL Express sub-Saharan Africa vice-president for operations Oliver Facey said a single administrative document, or single customs declaration to cover the end-to-end movement of goods, would help standardise, format and reduce paperwork. "The removal of trade barriers would enable countries to increase their earnings, penetrate new markets and contribute towards their national development," Mr. Facey said.

African Union (AU) trade and industry commissioner Fatima Haram Acyl said the AU was working to make the customs process on the continent electronic, to avoid onerous documentation requirements. This is part of the AU's goal to establish a continental free-trade area by 2017. She said infrastructure would be an "enabler" of the free-trade area as there was already investment in transport and energy infrastructure.

Trade and Industry Minister Rob Davies said the domestic markets that formed part of the free-trade area were too small individually, by global standards, to support economic diversification and industrialisation.

"Creating larger markets with greater critical mass will enhance the African investment proposition. It is also the only way Africa will be able to decisively move up the value chain and become a more effective player in the global economy," said Mr. Davies.(BD 15-06-2015)

AFRICA LAUNCHES REGIONAL SCHOLARSHIP AND INNOVATION FUND

During a launch of the �Regional Scholarship and Innovation Fund�for Africa in Johannesburg, South Africa on 13th June 2015, Senegalese President Macky Sall urged Africa to launch a sustained campaign to train and employ a great number of scientists, engineers, and technicians to achieve the structural transformation of the continent.

"Increasingly, Africa sees the need to depend on science and technology to increase industrial and agricultural productivity, guarantee food security, tackle diseases, ensure a safe water supply, and reduce the energy deficit. While these may seem like insurmountable challenges, the continent cannot waste any more time.

We must launch a sustained campaign to train and employ a great number of scientists, engineers, and technicians to achieve the structural transformation that Africa needs, and that is exactly what this programme is designed to help support," he said.

The chairman of 'Africa Business Champions for Science' group, who is also Chairman of the Planet Earth Institute NGO, Dr Álvaro Sobrinho in his turn said; "As Africa continues to make great strides forward, we must also continue to recognise the importance of investing in our future generations. This investment must go beyond access and enrolment to develop excellence, too, especially in science and technology. Excellence in science and technology will equip Africa with a workforce ready to compete in the 21st century, where we can lead the world as scientists, engineers and innovators."

According to a statement issued here Thursday, the Fund will contribute to the World Bank 'Partnership for Skills in Applied Sciences, Engineering and Technology (PASET)' programme which seeks to award 10,000 African PhD scholarships over ten years, to strengthen research and innovation in applied science, engineering and technology.

The statement says that the African governments involved committed to the Fund alongside a new group

of prominent business figures, the 'Africa Business Champions for Science', to raise a total of $5million during the launch.

The statement adds that additional funds will now be mobilised from African governments, business leaders and other developmental partners, to operationalise the Fund by June 2016.

The initiative is led by the PASET Steering Committee comprising ministers responsible for higher education and research from Senegal, Rwanda and Ethiopia, business leaders, representatives from academia and the World Bank. The overall objective of PASET is to accelerate the creation of a skilled, high-quality workforce in Africa to power Africa's socio-economic transformation. The launch of the Fund is an outcome of the actions agreed at the previous PASET Forums held in Ethiopia (2013) and Senegal (2014), as well as the related Forum on Higher Education, Science and Technology held in Rwanda (2014).(APA 18-06-2015)

EAST AFRICA METALS SIGNS AGREEMENT FOR DEVELOPMENT OF MAGAMBAZI IN TANZANIA

East Africa Metals has signed a binding letter agreement with an arm's length private exploration and development company with management based in the UK Tanzania, to develop its Magambazi project in Tanzania.
Under the terms of the letter agreement, the developer will:

- Pay East Africa USD$1 million in cash for a 100% interest in the Handeni property, which includes the Magambazi project, and all properties owned by East Africa in Tanzania;
- Pay East Africa approximately $1 million in cash for the book value of the camp, equipment and other assets;
- Convey to East Africa the right to receive a 1.6% Net Smelter Royalty on production, capped at $1.8 million;
- Convey to East Africa the right to acquire a gold stream equal to 30% of the life of mine gold production from all of the Assets;
- Issue treasury shares of the Developer that is expected to represent 9.9% of the Developer's outstanding shares. The Developer intends to list on the London Stock Exchange's AIM and expects to issue such shares to East Africa before the listing; and
- Offer East Africa a seat on the Board of Directors of the Developer and a seat on the Management Committee of the Magambazi project.

East Africa will not be required to contribute to capital or exploration expenditures with respect to the construction and development of any of the assets.
The transaction will provide East Africa with the right to purchase 30% of gold produced during mining operations established at any of the Assets, for a per ounce payment equal to the lesser of: (i) production cost plus 15% based on the developer's historical and budgeted production costs, and (ii) the prevailing market price for gold.
Further, the developer will provide a completion guarantee under which, if within 48 months of the effective date the project fails to produce a minimum of 8 000 oz of gold in any quarterly period, the developer will pay East Africa an advanced cash payment of $592 000 for every quarter that 8 000 oz of gold is not produced.
East Africa will have a right of first offer and a right to re-acquire the properties if commercial production is not reached in four years from the effective date or if the project is abandoned.
Andrew Lee Smith, President & CEO of East Africa, comments: "We are very pleased to have engaged this partnership for the development of the Magambazi project. This transaction is expected to allow East Africa to focus on its Adyabo and Harvest projects in Ethiopia, and will establish the company with cash flows from operations in Tanzania going forward, once development of the project is complete."(Mining Review 17-06-2015)

NAMIBIAN ECONOMY TO GROW BY 4.9 PERCENT

Namibia's Economic Planning Minister and Director-General of the National Planning Commission Tom Alweendo said on Thursday that the nation's economy this year will expand by 4,9 percent, compared to 4.5 percent last year.

“We can be just below six per cent economic growth, but still, that is a good achievement,” Alweendo told journalists in the Windhoek.

He noted that the country’s economic growth average, which stood at 4.8 percent in 2014 is above the Southern African Development Community (SADC) average.

“We have done a good job in terms of what is happening around us. Economic growth is not necessarily an internal matter; it is also driven by external factors” he pointed out.

“We should be happy with that figure. I am quite satisfied with the figure. Although we are below 6 per cent, we are more likely to achieve these goals,” the minister added.(APA 18-06-2015)

NEW TAX TREATY WITH MAURITIUS MAY AFFECT CROSS-BORDER INVESTMENT

The new double-tax treaty between SA and Mauritius is set to come into force in January next year, following a controversial renegotiation to better protect the South African tax base.

However, tax experts have warned that sweeping changes to the treaty, including withholding taxes for interest (10%) and royalties (5%) that were wholly eliminated in the 1996 treaty, may be to the detriment of cross-border investment.

The biggest issue for most taxpayers is the revised "tie-breaker" clause that resolves tax residency status when both countries claim to have taxing rights over the same taxpayer.

The new treaty allows for the South African and Mauritian tax authorities to come to a "mutual agreement" when there is a dispute about the tax residence of a company and who has the first right to tax.

No other tax treaties with SA have a mutual agreement procedure to determine residence status. Tax treaties use the "place of effective management" test as the so-called tie-breaker in the case of a dispute.

Cynics might have surmised that SA has inserted this in the SA-Mauritius tax treaty, and not in other treaties, simply to make life difficult for multinationals that have based themselves in Mauritius.

South African Institute of Tax Professionals deputy CEO Keith Engel said this change was probably part of a larger trend. "I think we will be seeing a lot more of these tie-breaker clauses as we go forward, especially with low-tax countries."

Webber Wentzel international tax director Dan Foster said the new tax treaty with Mauritius, which was signed in Mozambique two years ago, had now been ratified by SA and Mauritius, and would come into force in January next year.

"It is no secret that SA considers Mauritius to be a competitor in terms of being a gateway to Africa. SA would do well to consider why investors chose Mauritius rather than SA."

Perhaps it was the fact that Mauritius had no exchange controls, simple taxes and low rates, business-friendly policies and treaties that encouraged investments, said Mr Foster.

"The existence of this mutual agreement procedure as a tie-breaker has led to considerable uncertainty and concern among multinationals that have Mauritian companies in their group structures," said Mr Foster.

"Such a procedure has generally been considered unworkable and a barrier to trade and investment," he added.

Mr Engel said resolutions of disputes through this method generally took at least a year or two, in the best of circumstances.

SA and Mauritius signed a memorandum of understanding setting out the factors that would be taken into account to determine which country had the taxing right.

These factors include where the meetings of the entity's board of directors or equivalent body are usually held, where the CEO and other senior executives usually carry on their activities, where the senior day-to-day management of the entity is carried on, where the headquarters are located, where the accounting records are kept, and "any such other factors" that may be identified and agreed on by the relevant authorities in determining residence.

"While the memorandum of understanding clarifies the situation somewhat, it is not clear whether the new landscape provides the certainty most taxpayers desire," Mr Engel said.

PwC national tax technical head Kyle Mandy said the new Mauritius treaty should make little difference in most cases.

A company that is effectively managed in SA is likely to continue to be regarded as South African tax resident under the new Mauritius treaty.

However, this will no longer apply automatically and the South African and Mauritius tax authorities will need to agree on the residence of the company each time a company is regarded as tax resident in both countries.

"Until such time as the authorities have agreed, the company will not have access to the treaty and will run the risk of being taxed in both countries and suffering double taxation as a result," Mr Mandy warned.

"The immediate concern is whether both tax authorities will have adequate resources and capacity to resolve the issue within a reasonable time period in order to minimise uncertainty for taxpayers," he said.

If the two tax authorities cannot reach an agreement on who has the taxing right, a company that contends that it does not have its place of effective management in SA, will ultimately have to take it to court.

"The treaty itself does not seemingly provide a remedy for the situation where the tax authorities cannot agree on the place of residence," Mr. Mandy said. (BD 17-06-2015)

LESOTHO LAUNCHES ECOSYSTEM BASED ADAPTATION PROJECT

Lesotho government with the help of the United Nations Development Programme (UNDP) together with the Global Environment Facility (GEF) launched the Ecosystem based adaptation project to counter the effects of climate change, APA has learnt on Friday.

The Minister of Forestry, Range and Soil Conservation Kabelo Mafura said the project outcome will be the support to the integration of climate change adaptation into national and sub- national land use planning and decision making.

He said it will also reduce vulnerability of local communities to Climate Change through the implementation of climate- smart ecosystem rehabilitation and management measures.

According to Mafura, Lesotho is already experiencing the negative effects of climate variability impacts and vulnerabilities due to climate change noticed by the increasing frequency of extreme events inter alia droughts, increased rate of soil erosion and desertification and reduced soil fertility.(APA 19-06-2015)

ANGOLA HAS OVER 12 BILLION BARRELS OF OIL RESERVES

Proven and probable oil reserves in Angola are estimated at 12.667 billion barrels, following recent discoveries in shallow, deep and ultra deep waters, the country's Oil minister said Tuesday in Hamburg.

Speaking at the 7th German-African Energy Forum, which started Monday and finished the next day, Botelho de Vasconcelos said one of the priorities for the 2013/2017 period was to maintain a balance between reserves and production by auctioning blocks and making use of new exploration and production technologies.

Priorities also include the completion of ongoing development projects, including the Kizomba satellites in Block 15, among others.

Botelho de Vasconcelos, before an audience of over 150 people, recalled that Angola, when it become independent on 11 November 1975 produced only about 175,000 barrels of oil per day.

Oil production in Angola comes from eight offshore blocks and land concessions and currently exceeds 1.7 million barrels per day, “but we expect to produce two million barrels a day in 2014,” the minister said cited by Angolan news agency Angop. (18-06-2015)

SOUTH AFRICAN AIRWAYS WINS “BEST AIRLINE IN AFRICA” SKYTRAX AWARD FOR THE 13TH CONSECUTIVE YEAR

The airline also wins “Best Airline Staff in Africa” Skytrax Award
South African Airways (SAA), Africa’s most awarded airline, has been named “Best Airline in Africa” by Skytrax for the thirteenth consecutive year. Responses from air travelers to the Skytrax survey also ensured that SAA was honored with the award for “Best Airline Staff in Africa” for the fourth time. The awards for “Best Airline Staff” are special and coveted accolades, as they represent the combined quality performance of an airline’s front-line staff, including the on-board cabin crew and airport customer service staff. Mango, SAA’s low-cost carrier, received the award for “Best Low-Cost Airline in Africa”.
The awards were presented at the Skytrax World Airline Awards ceremony during the Paris Air Show, Le Bourget.
The awards are based on a consumer satisfaction survey conducted each year by Skytrax, an independent aviation research organization. This year, the survey elicited responses from 18-million business and leisure air travelers from 160 countries, covering more than 200 airlines, from the largest international airlines to smaller domestic carriers.
The online survey is open for a 10-month period, giving passengers an opportunity to rate their experience in the air and on the ground. It measures satisfaction across 41 key performance indicators of airline front-line product and service including check-in, boarding, on-board seat comfort, cabin cleanliness, food, beverages, inflight entertainment and staff service.
**Flights between Washington, DC-Dulles Airport and Accra, Ghana begin August 3, 2015 (*BD 16-06-2015

ECOBANK 2014 TURNOVERS AT $26.9 BILLION

The Pan-African Bank Ecobank has announced a yearly turnover of $26.9 billion in total assets and total equity for last year.

In a statement on Friday following the conclusion of its 27th AGM in Dar es Salaam, Tanzania, the bank said its yearly profits stood at $5.82 million with $0.87 transferred to special reserves while $4.85 million is taken to be retained earnings.

Ecobank Group Chairman Emmanuel Ikazoboh said: “Our accounts for FY 2014 have shown a resurgent Ecobank, which enjoys the confidence of all its stakeholders...we can expect similar positive performance for 2015.”

Outgoing Ecobank Group CEO Albert Essien said: “Our diversified pan-African business model continues to serve us well, with encouraging underlying performance in our line of businesses and geographic areas of coverage.

“We are pleased with our cost efficiency gains, which led to our cost-income ratio improving in 2014 to 65.4 percent from 70.1 percent.”
Ecobank operates in 36 countries across Africa.(APA 19-06-2015)

MOZAMBIQUE'S BANCO TERRA EXPECTS PROFITS FIN 2016

Banco Terra Moçambique (BTM) Wednesday launched a new corporate image, signalling a change in the focus of the bank, whose president, Manuel Aranda da Silva, expects profits for 2016 after "several mistakes were made in the past."
The new brand, which adds "Moçambique" to the name "Banco Terra" (Land Bank) and will use the acronym BTM has now definitively taken on a clear commercial focus, which has been implemented since 2014 following the entry of a new shareholder, Portugal's Montepio Holding and after an initial phase focused on agricultural development.
With losses of about US$9 million in 2014, BTM currently has a registered capital of US$50 million, expecting profits "however small" in late 2016, according to Manuel Aranda da Silva's remarks.
A "heavy structure" in the bank's initial phase along with an "unsustainable mission" to have the sole purpose of the "granting loans for rural development, agriculture and agri-business" were, according to the president of BTM, the big mistakes made by the bank in the past.
And so, in addition to investment in agriculture, which accounts for about 40 percent of the bank's loan portfolio, "against an average of 4 percent for other banks," BTM wants to diversify its products, by providing mortgages, for example.
Now with nine branches throughout the country, the bank's plans are to expand to all provinces, particularly those of Niassa and Zambézia, and increase its presence in urban centres, starting with the capital, Maputo, where it has a single branch, but plans to open three more.
In the new corporate structure of BTM, which has 185 workers and more than 30,000 customers, Montepio Holding has a 45 percent stake, as does Dutch Rabobank (45 percent), and the remaining 10 percent is split between development companies, Norfund of Norway and GAPI of Mozambique. (18-06-2015)

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