MEMORANDUM

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SUMMARY

KENYA: LIBRARIES TO OFFER FREE INTERNET TO PUBLIC

Kenya's public libraries are moving online to deliver free Internet to over half a million library members from June this year, as Liquid Telecom Kenya and the Communications Authority of Kenya connect 46 branches of Kenya National Libraries Services (KNLS) for the first time.

Each of the 46 branches has been provided with an additional 11 computers, adding to existing computers, Kindles and tablets in a Sh72m rollout that is giving library members access to fixed and wireless Internet, on either the libraries' computers, or on their own devices.

"The demand for Internet services is growing exponentially in Kenya. Connecting the public libraries means everybody will now have access to digital and online information – including e-government services, research, education services and employment opportunities," said Mr. Ben Roberts, Liquid Telecom Kenya CEO.

"With the Communications Authority coming on board as the main financier of the project, we have been able to connect the public libraries even in the most remote areas with high quality connections," he said.

The spread of the connections has been made possible through Liquid Telecom Kenya's intensive investment in the last three years in county Internet infrastructure. The 46 KNLS branches now being connected are in 29 counties, 26 of which had Internet infrastructure built by Liquid Telecom Kenya already.

The Internet will be free inside the libraries, which are free to enter for children under 14, and cost Sh20 per visit for adults.

The branches typically have a membership of around 10,000 users a year each, while the headquarters in Nairobi has nearly 100,000 users a year, who visit to use the service's thousands of books, journals, e-books and electronic databases.

"The decision to connect all our library branches was a result of the increasing need for digital content by our users," said Alex Ombogi, the ICT manager of KNLS. The partnership would provide great benefits to the libraries' users, including students and academia, he said.

Security measures will be in place to have separate content available to adults and children respectively. The CA recently ran a campaign called the 'Be the Cop' which focused on Online protection for Children, and the Libraries Internet scheme is guided by the principles recommended by that campaign.

The connections in each of the libraries will go live in coming weeks, ahead of a full launch in June that will additionally connect all the libraries to one another through the cloud Private Automatic Branch Exchange (PABX), setting up open phone lines between all the branches using Voice over IP.

The library service is one of the flagships of the government's Vision 2030 development strategy, with work now underway on a state-of-the-art national library in Community along Haile Salassie Avenue in Nairobi.

"Connecting the public libraries is a milestone for us at Liquid Telecom Kenya in securing our group vision of achieving universal Internet access in Africa," said Mr. Roberts. "As we switch on this new set of 46 library connections, we shall take our biggest stride yet in giving access to Kenyans from every walk of life, country wide.(IT News Africa 30-05-2016)

ECOWAS SUMMIT: SENEGAL URGES ALL-INCLUSIVE TARIFF REGIME

President Macky Sall of Senegal has enjoined six member states of the West African regional grouping Ecowas to an all-inclusive implementation of the so-called Common External Tariff (CET) which . President Sall as outgoing chair of the bloc was speaking at the opening of its 49th Special Heads of State and Government session in the Senegalese capital Dakar on Saturday.

"Nine member states are already implementing the ECOWAS CET (effective on 1 January 2015). I urge the other six, with the support of the ECOWAS Commission, to complete this essential formality for the establishment of the large West African market", the Senegalese leader suggested to his peers.

Sall who did not name the defaulting countries, claimed it is only with this formality that the liberalization scheme of intra-community trade can realize its full potential.

“The task force on the free movement of people and goods which has been incorporated, should urgently work to remove the numerous barriers affecting the mobility of people and goods in the region”, President Sall recommended.

Meanwhile, Mr. Sall also claimed that the process for the implementation of the Economic Partnership Agreement (EPA) between West Africa and the European Union is yet to be completed.

He reminded his peers that the deadline for its implementation falls on 1 October 2016.

“In order to preserve our resources and maintain cohesion and dynamic solidarity of our community, it is highly desirable that the already concluded EPA be supported by all Ecowas member states”, Sall admonished.(APA 04-06-2016)

MACAU CAN HELP CHINESE COMPANIES TO EXPAND IN PORTUGUESE-SPEAKING COUNTRIES

Macau can support Chinese companies that want to expand business in the Portuguese-speaking countries and markets throughout the “One Belt, One Road,”, strategy said Thursday the president of the Macau Trade and Investment Promotion Institute (IPIM).

Jackson Cheong also said that Macau can make use of its advantages to help the countries that are part of the “One Belt, One Road” strategy by providing cooperation services between the industrial and financial sectors and characteristic financial services as well as by assisting the companies from inland China to enter world and Portuguese-speaking markets.

Cheong was speaking at the opening session of the 7th International Forum on Investment and Construction of Infrastructure organised jointly by the Association of International Building Contractors of China (CHINCA) and the IPIM.

With the theme “Innovative Cooperation between the Industrial and Financial Sectors as a Driving Force for Infrastructure Development”, this forum analyses issues related to construction of the “One Belt, One Road” strategy and the opportunities brought about by innovative cooperation between the industrial and financial sectors for international infrastructure.

The nine provinces of the Great Pearl River Delta were invited to participate, with a view to coordinating an in-depth regional cooperation strategy, adding Macau’s “One Centre, One Platform” strategy to its aims, thus seeking to promote diversification of the economy and growth of emerging industries, especially the exhibitions and conventions industry and the financial sector.

The president of the China Association of International Civil Constructors, Fang Qiuchen, referred to the size of forum, which for this edition was attended by about 50 leaders on a vice-ministerial level or higher from more than 30 countries and regions, and over 20 international financial institutions.

The forum ends Friday, with the hosting of nine parallel forums and thematic activities on new means of cooperation between the industrial and financial sectors and planning of investment structures for public-private partnerships. (03-06-2016)

EGYPT: SKILLS ANTICIPATION ON THE AGENDA AT GEMM WORKSHOP

The EU-funded Governance for Employability in the Mediterranean (GEMM) initiative held a workshop in Egypt recently to discuss the promotion of partnerships between business and providers of technical and vocational education and training (TVET) to better address skills anticipation and labour market needs.

The workshop was attended by Ahmed Elgoushy, Deputy Minister of Education and Technical Education, employers, TVET providers and international experts.

Under the GEMM programme, Egypt set up a pilot project in the Manoufia region to promote partnerships between enterprises and TVET providers to address skills needs in the agro-food sector.

GEMM focuses on two key issues, the financing of VET and quality assurance. The project includes subnational (local) pilot project selected by the countries, mapping of governance structures and capacity building on the national level, and exchange of experience among countries on the regional level.

The **European Training Foundation** is an agency of the European Union established to contribute to the development of the education and training systems of the EU partner countries. With an annual budget of €18 million, its mission is to help transition and developing countries to harness the potential of their human capital through the reform of education, training and labour market systems in the context of the EU's external relations policy. (EEAS 31-05-2016)

OIL SHUTDOWN COSTING NIGERIA $3.12M DAILY

Eni, the parent company of the Nigerian Agip Oil Company (NAOC), has said its latest crude production figures suggest that the country is losing about $3.12 million in revenue daily after several oil facilities were forced to shut down following attacks by Niger Delta Avenger militants.
NAOC said in a statement to the African Press Agency on Sunday that its own oil facility in Bayelsa State remains out of production since Friday's attacks by the militants.

According to the company, the attack had forced it to cut production by 65,000 barrels per day.

Earlier attacks in the oilfield on May 18 and 24 resulted in a 5,200 barrel drop for Eni's equity share of oil output.

"The total production cut following the attack is 65,000 barrels of oil daily while all production from the swamp area has already been stopped days ago," the statement from Eni's Media Relations Unit said.

Meanwhile, Mr. Shola Omole, the spokesman for another oil operator at the Nembe Creek Trunk Line which came under attack by Niger Delta Avengers on May 28, said the line which conveyed crude to the Bonny export terminal had been shut.

Omole said some 75,000 barrels daily production was deferred as the line remained out of service.

Minister of State for Petroleum, Ibe Kachikwu, announced on Thursday that Nigeria now produces 1.6 million barrels per day due to attack on Agip, Chevron and Shell.

Nigeria's total daily crude production dropped from 2.2 million barrels.(APA 05-06-2016)

CHINA'S ENTREPRENEURS INVEST IN GRANITE PROCESSING IN MOZAMBIQUE

Sixteen entrepreneurs from China plan to invest US$50 million in a project for processing and exporting granite in the Sussendenga district, Manica province, wrote Mozambican daily newspaper Notícias.

It added that of that amount US$32 million has already been invested in building the plant and the acquisition of the equipment needed to process granite, as well as for cutting and finishing the stone.
Hu En Xie, president of the Huaxi Group, which brings together 16 entrepreneurs, said that by October the factory will be fully equipped in order to start producing at full capacity.
By October this year additional equipment is expected to have been purchase to open a new production area, this time for quarrying other types of stone to market in China and other countries.
The provincial governor of Manica, Alberto Mondlane, after a meeting to present potential investment opportunities in the province to a delegation of Chinese businesspeople, said the Sussendenga plant will make use of the granite quarried in Manica and Tete and production would supply the local and export market. (03-06-2016)

ENPARD SUPPORTS REFORM OF AGRICULTURAL EXTENSION SYSTEM IN EGYPT

In response to a request from the Egyptian Ministry of Agriculture, the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) is focusing its work and discussions in Egypt on the reform of the agricultural extension system which was the subject of two workshops in first half of 2016.

The first workshop held on 13 and 14 March 2016 aimed to establish a diagnosis of the current system, based on an analysis of its current funding and partnership modes and to reflect on the new features of agriculture extension as an advisory system, while taking into account the main challenges facing the agriculture sector in Egypt. The second workshop, held on 18 and 19 April 2016 with the same participants, was intended to propose reform possibilities based on the reflections and diagnoses conducted in the previous workshop.

During the discussions, participants stressed on the need to develop an efficient and modern advisory and extension system for small producers who represent in Egypt 90% of farmers. Indeed, Egyptian agriculture has been facing a duality between large producers, with large financial capacities to contract private companies to benefit from their advice, and small farmers with limited resources who are unable to acquire the same benefits.
And so, these 4 million small Egyptian producers await urgent reforms of the current agricultural extension system to receive an efficient and modernized support that will help them to better manage their operations.

The evolution of the concept of agricultural extension in recent years in Egypt was also highlighted during the workshops. Previously, the Egyptian agriculture advisory system was mostly focused on enhancing its performance to increase its output. Today, the expectations of agriculture extension services have taken a broader term. For instance, the qualitative dimension of production and compliance with standards and measures to meet national and international requirements has become a necessity as well as the importance of increasing output. In this context, it was highlighted the growing role played by the private sector and NGOs in Egypt to meet these new requirements.

The participants insisted on the necessity to reform the funding system of the agriculture extension in order to have a well-rounded system and to improve its performance. It has suffered from numerous budget cuts and therefore, some territories and types of farmers, especially small farmers, have been deprived of access to public extension services. In addition, for now, the private sector fails to gain farmers trust and to meet their needs.

Some proposals to address these issues (organization, funding measures, new missions and new fields of specialty of the agriculture advisory, relations between public and private extension services, marginalized territories and household farming access to advisory services...) were also tackled during those workshop as well as the needs and necessary requirements to reform and modernize the agricultural extension service in order to assist the Ministry in developing its future agriculture strategy.

The results of the workshops will be further developed and analyzed through a study that will occur over the course of six months in Egypt. A total of six experts will be asked to work on the study, under the coordination of the ENPARD country supervisor. The first part of the study will be based on the results of the workshop of March, to go in depth in the diagnosis. In the second part of the study the experts will go further in identifying the outlines of various reform scenarios that was proposed by the think tank members during the second workshop.

To further develop this issue of agriculture extension services in Egypt and to have a better understanding of the axes of reform proposed during the workshops, we invite you to read the following documents. (ENPARD 31-05-2016)

I/ Situation of the agricultural extension system in Egypt

II/ Proposed reform scenarios of agricultural extension system

EAST AFRICA'S GAS-FIRED HOPES FOR PROSPERITY RECEDE

Along Africa's resource-rich eastern coast, the promise of gas-fired prosperity is wafting into an uncertain future.

Five years ago, Tanzania and Mozambique were hailed as two of the world's most promising natural-gas frontiers, perfectly positioned to fuel Asia's industrial boom.

Today, these poor nations are paying the price for years of government inaction, as a prolonged slump in gas prices defers their economic transformation indefinitely.

Tanzanian officials say it will be a decade before an estimated 55-trillion cubic feet of gas is pumped and sold; energy executives say that timeline is wildly optimistic. In Mozambique, where energy companies believe three times as much gas lies offshore, production originally set to start this year may not begin until 2020.

"We have seen companies unable to fulfil their obligations because the oil prices are so low," said James Mataragio, director-general of state-owned Tanzania Petroleum Development. "That's dragged everything down. It's tough."

Gas prices have rebounded somewhat recently along with other commodities. The price for a million British thermal units of natural gas on Monday was about $2.16, up from a March low of $1.64 but far short of early-2014 averages of more than $4.

When Halliburton arrived in Dar es Salaam in 2011, the oil-services giant splashed its logo across an up-market building it leased with spectacular Indian Ocean views.

A few months ago, Halliburton moved to the first floor of a quiet shopping mall as it scaled back operations. Government officials said they had been told the company was suspending most operations and keeping just a few administrative staff members in Tanzania.

A Halliburton spokeswoman said the Houston-based company continued to operate in the country but had "adjusted business to match current market conditions and our customers' needs".

Tanzania's centrepiece oil-and-gas legislation stalled for four years, before finally being approved a few months ago, more than a year into the gas-price slump. One major energy firm in Tanzania spent hundreds of thousands of dollars relocating expert staff to Dar es Salaam three times in the course of 2014 and 2015, only to repatriate them because the delays meant they could not start work, an employee said. He asked to remain anonymous because his company is now back at the negotiating table with the Tanzanian government.

Tanzanian President John Magufuli in January broke a years-long deadlock to secure land for a liquefied-natural-gas plant near Dar es Salaam. In March, Dubai-based Dodsal Group said it had verified new onshore reserves near Dar es Salaam worth $8bn at today's gas prices. Mr. Mataragio said negotiations over how to build and operate the terminal with companies, including Exxon Mobil, Royal Dutch Shell and Ophir Energy, would take 18 months.

Company representatives said it could take three years. Ahmed Salim, an analyst at the consultancy Teneo Intelligence, praised Tanzania's president for trying to bring the gas deposits to market more quickly.

"But the important question remains," he said, "Is it too little too late?"

To be sure, the countries' economic outlooks remain relatively strong. The International Monetary Fund (IMF) expects growth in Mozambique and Tanzania to be more than 6% this year — twice that of its neighbours — although that pace is slower than in recent years and partly reflects the carry-over effects of the $30bn in foreign investment that flowed in over the past five years.

Tanzania may be better placed to manage this waiting period: It did not borrow against future gas earnings and its new government is cutting spending and fighting corruption. The policies should support other sectors including agriculture, while the building blocks for the gas industry are put in place.

Mozambique has been hit harder because the government made big bets on the gas boom that are now backfiring dramatically. Expecting a windfall, the government borrowed billions. In 2014, as gas prices started to drop, Mozambique's foreign direct investment plunged 20%, according to UN Conference on Trade and Development data. Its debt to gross domestic product (GDP) ratio jumped 30 percentage points in three years to 87.4% currently.

The IMF in April suspended a bail-out for Mozambique after The Wall Street Journal reported the government had hidden loans from other lenders and misspent the funds. Some of the money was spent on specialised vessels to patrol offshore gasfields. The idea was to repay the loans without anyone noticing, when the gas revenue arrived. But the slump in gas prices has meant that revenue is delayed, and the secret loans have not been repaid. The patrol boats are moored idly in Maputo, the capital.

Rents there have plummeted at the hilltop villas favoured by foreigners who drove a recent building boom. Saudi-based Red Sea Housing Services said that after building housing for gas-industry workers, plans for much larger accommodation worth tens of millions of dollars are on hold.

Majors Anadarko Petroleum and Eni say they remain committed to their investments there, but work on their projects is stalling. Eni said its Mozambique find "is one of the biggest discoveries in Eni's history and one of its main projects in portfolio", although it added it was lowering its share in it as part of a broader strategy.

"Oil and gas will come back but it's probably one of the deepest troughs we've been in my lifetime," said Mark Sumner, Red Sea's president for Africa.

Anadarko said it was "working hard to put in place a set of agreements with the government, (which) will provide the foundation for definitive sales agreements with LNG (liquefied natural gas) customers" and "is strongly committed to developing the project".

In Mozambique's sunbaked harbour of Pemba, once touted as a gas-pumping boomtown, some companies are going bust. "There's no money in the market," said Julio Sethy, who expanded his trucking business only to see demand plummet last year as Mozambique's metical crashed. "We are facing a big economic crisis."

Celmira da Silva, governor of the province that covers Mozambique's most gas-rich waters, said the slump was a challenge to build factories and modernise cashew and cotton farms that could see her region through future downturns.

"Without other products and exports, we will not be able to provide jobs for anyone," Ms da Silva said.

John Fabian left Mozambique's hinterlands to study economics and landed a job a few years ago as a bank teller in Pemba.

But now many businesses in the humid would-be boomtown are closing down. Fabian lost his job in November. Providing for his wife and three-year-old daughter has been a daily struggle ever since.

"There's no work here," he said on a recent afternoon he was whiling away at the beach. "I'd go anywhere for a job." (WSJ 31-05-2016)

SOUTH AFRICA: COMPETITION COMMISSION APPROVES AB INBEV TAKEOVER OF SABMILLER

The Competition Commission has recommended to the Competition Tribunal that a deal for Belgian-based brewer Anheuser-Busch InBev (AB InBev) to acquire SABMiller (SAB) be approved with conditions.

Competition Commissioner Tembinkosi Bonakele said on Tuesday these conditions addressed issues that were raised by various stakeholders since the announcement of the acquisition of SABMiller by AB InBev for $108bn.

The commission has recommended a number of conditions to the Competition Tribunal to address these concerns.

The main one is that AB InBev sell off its Distell shareholding within three years after the closing date of the transaction.

The commission found that SABMiller, through SAB, held a significant shareholding in Distell, the largest producer of ciders in SA, followed by SAB.

The commission said this relationship created a platform for the exchange of commercially sensitive information between AB InBev and Distell, the commission found.

The commission also said AB InBev had undertaken to ensure that its employees who were involved in bottling operations for Coca-Cola would not also be involved in its bottling operations for Pepsi, and there would be no sharing of commercially sensitive information between the two.

This is a result of a finding that AB InBev bottled soft drinks for Pepsi in other jurisdictions and would, after the merger, also bottle soft drinks in SA for Coca-Cola.

The commission expressed concern that these bottling arrangements for the two global leading soft drinks manufacturers could be a platform for coordination.

The commission also expressed concern that the merged entity would continue to be the dominant supplier of tin metal crowns through the ownership of Coleus, the sole producer of tin metal crowns in SA.

The commission’s concern was that the merged entity would hamper its competitors by refusing them access to tin metal crowns. To remedy this, AB InBev has undertaken that to supply tin metal crowns to third parties for a period of five years after the closing date of the transaction.

The commission also received concerns regarding the potential effect of the proposed merger on employment.

AB InBev has undertaken not to retrench any employee in SA as a result of the merger. This condition will endure in perpetuity.

There are also potential negative employment effects arising from the potential termination of the distribution agreements with DGB, AB InBev’s distributor of alcoholic beverages in SA.

AB InBev has undertaken to offer employment to those employees of DGB who may be retrenched in the event that AB InBev terminates the DGB distribution agreement.

The commission has also recommended that AB InBev continue supplying hops and malt that are currently supplied by SAB to small beer producers.

The commission said the merging parties had agreed to submit to government and the commission by no later than two years after closing the merger, its black economic empowerment plans setting out how the merged entity intends to maintain black participation in the company, including equity.

The commission also said AB InBev had undertaken to comply with the terms and conditions of the current agreements that existed between SAB and owner-drivers.

“We are confident that these comprehensive conditions address the competition and public interest concerns emanating from the merger,” said Bonakele. (TMG Digital 31-05-2016)

TOWARD THE IMPLEMENTATION OF CLIMATE AND ENERGY OBJECTIVES: COR TO HOLD FORUM OF COVENANT AMBASSADORS

The EU’s Committee of the Regions (CoR) is organising on 14 June 2016 in Brussels a Forum of Covenant Ambassadors on Climate and Energy, with a focus on challenges and solutions specific for the Euro-Mediterranean area.

The first part of this Forum will see the launch of a new support network 'Covenant Ambassadors' as a political endorsement of local action to underline the importance of local and regional authorities in implementing the objectives of the Energy Union and the commitments taken at the Paris COP.

It will be followed by a policy session on Energy Union and the territorial aspects of emissions reductions in the energy sector with a fresh Euro-Mediterranean outlook, which will serve as a preparation of joint activities between the CoR’s Commission for the Environment, Climate Change and Energy (ENVE) and the Euro-Mediterranean Regional and Local Assembly (ARLEM) in relation to the COP 22 in Marrakesh.

The second part of the Forum will focus on the 'Covenant Ambassadors' and will outline their objectives and future activities, showcase best practices and policy recommendations of this group's members and present tools available to these climate and energy ambassadors for their promotional work.

The **Covenant of Mayors** is a global movement that started in the EU. It involves local and regional authorities voluntarily committing to increasing energy efficiency and use of renewable energy sources on their territories. By committing, Covenant signatories aim to meet and exceed the EU's 20% carbon reduction target by 2020. Currently, some 6,300 cities and towns in 54 countries have signed. (CoR 01-06-2016)

CANADIAN FIRM ACQUIRES BURKINA GOLD MINE

Canadian mining firm, Sarama Resources has strengthened its presence in Burkina Faso, with the acquisition of the Bondi gold mine in the west of the country, company officials disclosed to the African Press Agency.

Sarama Resources bought the Bondi gold venture from Orezone Gold, for nearly $1.09 million.

The new acquisition will strengthen the hand of the Canadian company in consolidating its position in the Hounde gold mine area, one of its flagship ventures in Burkina Faso.

Under the terms of the transaction, Sarama Resources will issue to Orezone, 9.6 million shares for $0.15 per share.

The latest estimates of the Bondi venture suggest a potential for 282,000 ounces of gold.(01-06-2016)

MOZAMBIQUE MULLS AIRPORT PRIVATIZATION

The government of Mozambique is planning to farm out the Nacala International Airport, in the north of the country, to private management, as part of its restructuring of the state-owned facility, Aeroportos de Mocambique (EDM).
Cabinet spokesperson and also deputy health Minister Mouzinho Saide told a media briefing late on Tuesday that privatization was intended to improve the efficiency of the airport, and attract international airlines to fly there.

“The objective is to transform Nacala Airport into an aviation hub to receive international flights and distribute passengers to their final destinations”, he said.

Nacala, in the northern province of Nampula, is the most modern airport in the country and was designed by the Brazilian company Odebrecht in partnership with ADM before its inauguration in December 2014.

Its runway is 3,100 metres long and can accommodate large aircraft such as Boeing-747 while it can theoretically handle up to half a million passengers and 5,000 tonnes of cargo a year.

The new airport cost $144 million and was opened, with much fanfare by former President, Armando Guebuza.

So far, flies to and from Nacala are few and far between despite being billed as an international airport.

The only company making scheduled flights there is the Mozambique Airlines (LAM), national carrier, and flies only to and from Maputo.

The 16 check-in desks are largely unused.

To date no foreign airline has shown any interest in flying to Nacala.

Saide said that the airport strategy under discussion includes a plan to reduce the number of airports that receive international flights.

Currently there are eight of them in Mozambique.

The airports will be divided into those that receive scheduled international flights, and others that receive charter flights, essentially for tourists.

“All the airports which currently receive international traffic will continue to receive charter flights to facilitate access by tourists”, said Saide.

The changes will be implemented gradually, he added. (APA 01-06-2016)

WORLD BANK SUPPORTS CABO VERDE TOURISM SECTOR AS THE ENGINE OF GROWTH

The World Bank Executive Board of Directors approved today a US$5 million International Development Association (IDA)* credit to support the *Competitiveness for Tourism Development* project in Cabo Verde.

Cabo Verde’s tourism sector is set to be the engine of growth of the economy while offering numerous opportunities for diversification and further linkages with the local private sector. The project will boost the competitiveness of the tourism sector in the country through direct support to the local private sector and assistance to the agencies responsible for governing the tourism sector and investment into it.

According to **Louise Cord, World Bank Country Director for Cabo Verde**, *“the tourism sector is one of the key priorities of the strategy the World Bank is to develop with the newly elected authorities in the country.”*

The five-year project will help the Government and the private sector to benefit from the economic opportunities provided by the growing tourism sector. The private sector will receive technical assistance to diversify the types of accommodation and tourist attractions available in the country, while also benefitting from improvements to the business environment including enhanced access to finance for small and medium enterprises. The Government will receive support to enhance the governance of the sector, including capacity to promote investment and encourage tourism.

“Citizen Engagement will be essential in this project,” said **Penelope Demetra Fidas**, **World Bank Task Team Leader,** who emphasized that *“project beneficiaries will be engaged in the process of designing activities, especially those related to the quality label.”*

* The World Bank’s International Development Association (IDA), established in 1960, helps the world’s poorest countries by providing grants and low to zero-interest loans for projects and programs that boost economic growth, reduce poverty, and improve poor people’s lives. IDA is one of the largest sources of assistance for the world’s 77 poorest countries, 39 of which are in Africa. Resources from IDA bring positive change to the 1.3 billion people who live in IDA countries. Since 1960, IDA has supported development work in 112 countries. Annual commitments have averaged about $19 billion over the last three years, with about 50 percent going to Africa. (WB 10-05-2016)

AFRICAN BANKS SET TO FACE NEXT DECADE'S CHALLENGES

The recent history of African banks shows that they can successfully face up to the challenges of the next decade, according to an analysis by the Economist Paul Derreumaux, who doubles as Consultant and Honorary President of the Bank of Africa (BOA).
This analysis entitled “Some great challenges of sub-Saharan banks for the next decade” was made public at the 8th edition of Africa Banking Forum, which kicked off Tuesday in the Senegalese capital, Dakar.

According to Derreumaux, “these challenges seem to be grouped into at least four categories: banking services for households and small businesses, a more intensive financing of the economy, the control of the increasing risks, and the growth of local interests ...”

With particular regard to the first challenge, Mr. Derreumaux believes that despite the advances made with the successive transformations of the banking systems, people’s access to banks is still far behind the rest of the world and uneven between the different areas of the continent.

“Apart from South Africa and North Africa, progress margins are still enormous, whereas the rapidly growing population toughens even more the challenge of setting up better banking services,” the consultant says.

According to him, three factors should, however, accelerate the evolution: the setting up of large networks of banking branches, the multiplication of products and a rapid upsurge of urbanization. (APA 02-06-2016)

US COMMITTED TO PARTNER WITH LIBERIA

The Mission Director of the United States Agency for International Development (USIAD), Anthony Chan, says Liberia's development will continue to find a willing partner in USAID and the Government of the United States.
He made the statement at the official launching ceremony of the USIAD Feeder Roads Alternative and Maintenance Program (FRAMP) held Thursday at a local hotel in Monrovia.

The USIAD Boss stated that it was very important for the Government of Liberia and partners to see the Feeder Roads Alternative and Maintenance Program (FRAMP) as a template for road construction and maintenance which he claimed can be scaled up to provide all Liberians access to a reliable road network.

According to him, the 450 kilometers of farm-to-market roads to be constructed under FRAMP as well as the 1,300 kilometers of feeder roads program will help maintain and provide an essential lifeline for rural residents.

Mr. Chan indicated that when the road is completed it will literally plug rural dwellers into the mainstream of the Liberian economy.

“As other speakers have said, lack of reliable roads prevents rural communities from accessing essential services, such as education and healthcare,’ he said.

He noted that even with access to water and electricity, Liberians will still need roads to succeed in their fight against poverty. He furthered that the lack of access to affordable energy also stymies economic productivity.

“Without access to electricity, Liberia cannot attract investors to create jobs for Liberians,” Chan noted.

The USIAD Boss also said that unsafe water causes illnesses that sap the productivity of many Liberians, producing significant economic loss for the country.

He told the gathering that the launch of FRAMP marks the third major project USAID has launched in just 5 days adding that they at USAID think that all of their many projects are critical to helping end extreme poverty in Liberia.

“But I strongly believe that the three projects we’ve launched over the last few days are among the most important in our portfolio of programs and activities in this country,” the USIAD Boss indicated.

He disclosed that last Thursday, they launched a hydro power project in Bong County that will bring clean, renewable energy to more than 2,500 to 5,000 households in the Suakoko area. (APA 02-06-2016)

MEDITERRANEAN NATIONS SETTING AMBITIOUS RENEWABLE GOALS HURT BY FEARFUL INVESTORS

The countries of the southern Mediterranean have, in theory, excellent conditions in which to develop renewable energies. But regulations and risk-fearing investors are hampering progress.

To the south of the Med, wind is in abundance and solar power is obviously a more than feasible option, but they are still not used to the extent which they could be. This is perfectly illustrated by Tunisia, where “renewable energy only represents 3% of total electricity produced”, explained Julien Mauduit, head of operations at the European Bank for Reconstruction and Development (EBRD). A project coordinated by the EBRD and the Union for the Mediterranean (UfM) intends to encourage private industry to tap into this potential.

The initiative is called the Private Renewable Energy Framework (SPREF) and the EBRD expects to provide around €250 million in loans to foster private energy projects in Morocco, Tunisia, Egypt and Jordan. At the same time, the bank will provide technical assistance to those countries in order to adapt legislation and encourage the private sector to participate.

However, industry experts have pinpointed major obstacles that could hamper progress. These include the significant subsidies that fossil fuels still get and the capacity of electricity grids to cope with the fluctuations in production inherent with variable energy sources like solar and wind.

The bank expects to provide between $250-900 million needed to finance the scheme. The rest of the finance will come from private sources and mixed entities like the Clean Technology Fund, which will throw in $35 million, and the Global Environment Facility, which has promised $15 million. Kevin Bortz, EBRD’S representative in the UfM project, explained that the institution had “a mandate” to provide a third of financing in order to leverage further funding from the private sector. “Eventually, commercial banks should feel more comfortable taking on this sort of risk,” he predicted.

The project comes in the wake of the Paris climate summit and the Mediterranean nations have already begun taking steps to reduce their carbon output, said UfM’s Jorge Borrego. He cited Tunisia’s renewable energy law, as well as that of Morocco’s, which since 2009 has allowed private energy companies to sell energy to other private companies.

Borrego also mentioned how both Morocco and Egypt have set up agencies dedicated to renewable energies. With these changes in mind, Morocco wants to be getting 40% of its energy by 2020, while Egypt has set a target of 20% within the same timeframe. Jordan intends to be producing 1,800 MWs from solar and wind power by 2020. In Tunisia, the goal is 30% by 2030.

However, these targets are at risk of going unfulfilled because of the respective countries’ laws, chief among which is the continued granting of subsidies to non-renewable sources. “It’s time to implement the reforms [putting an end to subsidies] and for the population to accept them. If prices are not sufficiently high [for fossil fuels], then renewables will not be competitive,” warned Mauduit. He added that there is still no regulatory framework that supports the development of the sector.

Furthermore, investors still see high risk in financing such private projects. “The state generally offers less risk. National electricity companies are normally a safer bet and private companies are riskier,” said Peter Gish, Director-General of UPC Renewables North Africa, which specialises in renewable energy sources and is taking part in the project. Obviously, the higher the perceived risk, the more difficult it is to secure profitable agreements. This is why the EBRD has “intervened to finance the project”, in order to reduce this uncertainty.

Under current conditions, “we need to have long-term financing for the project to be profitable”, said Abdelatiff Nasserdine, head of Infra-Invest, a company involved with managing ARIF, an infrastructure investment fund for sub-Saharan Africa and the north of the continent.

In a private market where renewable energies have been lacking, banks have only been willing to finance those companies that “can guarantee long-term [supply purchase] agreements with big electricity consumers,” said Nasserdine. Few companies can make this commitment long-term, normally to “big industrial clients with strong credit rating”. Once banks take on the risk of financing medium-term agreements, of “five years”, then it is hoped that SMEs will finally become interested in the renewables sector.

In Morocco’s case, its rules only allow renewable energy to be sold to “customers at high and very high voltage”, which normally means sales are limited to big manufacturers.

These companies need an uninterrupted supply of energy, which also makes them a safer bet for financers. One of the projects in which Infra-Invest is participating is the construction of a wind farm in Khalladi, Morocco, which is expected to produce 120 MWs.

Other challenges, to do with the operation of the power grid, almost always rest in public hands. The EBRD’s Mauduit said that the grid should be upgraded “in order to cope with fluctuations in energy production that is caused by the variable nature of renewable energy sources”.

In any case, the challenges listed above have not stopped the increase in the use of alternative fuel sources and regulation reforms are still proceeding across the width of the Med. The momentum gained by the success of the COP21 summit is driving these countries to set ambitious targets; whether those goals can be met remains to be seen. (El Pais 30-05-2016)

LIBERIA: MPW, USAID LAUNCH NEW PROGRAMME TO IMPROVE ROADS

The Government of Liberia, through the Ministry of Public Works (MPW) and the United States Agency for International Development (USAID) on Thursday launched a 450km four-year Feeder Roads Alternative and Maintenance Programme (FRAMP) to improve roads in Liberia.

Speaking at the launching ceremony in Monrovia, USAID Mission Director Anthony Chan stated that the programme would be implemented in four counties, which he named as Bong, Grand Bassa, Lofa and Nimba Counties.

He noted that FRAMP will support the Liberian Government to develop, operationalize and implement a sustainable feeder roads routine maintenance system, while piloting construction of alternative roads through research and development type interventions.

Chan described the launch of FRAMP as a "critical step in linking farmers and rural dwellers to markets and thereby helping to spark the market-driven growth so essential to Liberia's long-term development''.

According to him, FRAMP is aligned with the government's policies as set forth in key national development documents, including the Agenda for Transformation. (APA 02-06-2016)

GOVERNMENT OF ANGOLA SELLS 53 FACTORIES TO PRIVATE INVESTORS

By August the Angolan government plans to sell 53 industrial units located in the Luanda/Bengo Special Economic Zone (ZEELB), according to a presidential order published in the country's official gazette.
The order authorises the "transfer of all shares representing the capital" of these industrial units to "private business entities with enough capital, knowledge and technology" to develop them, according to Portuguese news agency Lusa.
The process of selling the 53 companies to private entities, the order said, by the Ministries of Economy, Industry and Finance and the transfer process "must be completed within three months."
Located 30 kilometres from the centre of Luanda, the ZEELB, a project until now managed by the Angolan State, involved a public investment of nearly US$80 million to install 73 factories and comprises seven industrial reserves, six agricultural reserves and eight mining reserves in a total area of 8,300 hectares between the districts of Viana, Cacuaco, Icolo and Bengo (Luanda), Dande and Ambriz (Bengo). (03-06-2016)

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