

# MEMORANDUM

N°139/2016 | 20/07/2016

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## ONLY OUR CITIZENS CAN CREATE THE ZIMBABWE WE DREAM OF, SAYS EVAN MAWARIRE

The Zimbabwean pastor behind the biggest protests against President Robert Mugabe in a decade on Monday stressed that the movement that he started was apolitical, and was about Zimbabweans taking responsibility for their country.

Baptist minister Evan Mawarire was speaking to Talk Radio 702's Redi Tlhabi from South Africa. However, there were no details of his whereabouts or when he would be returning to Harare.

He said Zimbabwe had got to a point where the personal struggle of getting a job and earning a decent living or sending children to school had become too difficult to hide. Zimbabweans could not keep quiet anymore, Mawarire said.

"We have reached now in Zimbabwe (a point where) everyone, no matter what your religion is, your background or even your political affiliation, where we are saying we are done with this, and if we do not unite as citizens we are not going to see the Zimbabwe that we dream of," said Mawarire.

Last week the pastor was charged with instigating public violence, but was freed after his lawyers successfully argued that when the state added the charge of subversion at the last minute, it had denied him a fair trial.

However, Mawarire's arrest on the eve of a planned two-day stayaway was partly blamed for the failure of the protest. The previous week much of the country resembled a ghost town as citizens heeded the call for a one-day protest.

Mawarire has risen to prominence since he started the social media #This Flag movement in April, which has tapped into mounting public anger over corruption, high unemployment, economic woes and police harassment.

Mawarire told 702 that for a long time, Zimbabweans had not been able to express themselves, and that this was "a process of Zimbabweans coming out of their shells".

Mawarire said in reality, Zimbabwe was still in crisis and the issues being expressed now had long been brewing under the surface.

"What we do know right now, however, is that we don't want to go back to 2008, but we can't continue to let things spiral. I think we have woken up to the fact that it is the citizens of Zimbabwe, not an opposition political party, not the AU, or Southern African Development Community or the EU or the US that are responsible for the Zimbabwe that we want ... it is us, the citizens."

Mawarire was praised by callers who phoned into the station to commend the pastor for his work. Many of them said they were praying for his safety.

He said the key thing was for the region not only to support the state but also the people of Zimbabwe. The country's neighbours needed to act when they saw injustice being committed, he said.

"The lost faith in the region by Zimbabweans goes back into the last couple of years, where we have seen our regional friends stand by or endorse injustices that are obviously blatant," he said.

When asked whether the flag movement needed to find a political home, Mawarire responded by saying Zimbabweans had realised over the years that there had been recycling of the same ideas and personalities without success.

He said a new set of ideas was needed, along with a new activism. However, Mawarire praised the opposition parties in fighting for the rights of Zimbabweans. (BD 18-07-2016)

## REVIEW OF MOZAMBIQUE BUDGET FOCUSES ONLY ON SPENDING

The proposed amendment of the state budget law presented by the government of Mozambique focuses only on spending, and contains no increases in taxes or levies, the Minister of Economy and Finance said on Monday in Maputo.

Adriano Maleiane, who was speaking at a hearing organised by the Parliamentary Committee on Constitutional Affairs, Human Rights and Legality, said the proposal "aims to minimise the adverse effects of the current international and domestic economic situation and, in this way, reduce price pressures with a negative impact on people's lives."

Maleiane mentioned as reasons for the government to propose a revision of the state budget, the slowdown in economic growth from 7.0% to 4.5%, the increase in the inflation rate to an estimated annual average of 16.7% and the increase of the 10.2% budget deficit to 11.3% of GDP, a percentage that is equivalent to US\$77.8 billion.

“It should be noted that the review of debt servicing (principal and interest) does not include the impact of state guarantees on loans taken on by public enterprises Mozambique Asset Management and ProIndicus worth US\$1.2 billion as their potential execution by creditors is not foreseen,” the minister said. (19-07-2016)

## ZIMBABWE SHOULD ADOPT RAND TO AVOID ECONOMIC COLLAPSE

The economic crisis that has gripped Zimbabwe since the early 2000s has been amplified by its government's election in 2015 to adopt the US dollar as a unit of account. The collapse in local productive capacity escalated rapidly, and is now threatening economic disaster.

This is not Harare's first existential economic crisis. In 2008, the country experienced unprecedented hyperinflation. Then, as now, the government faced a clear choice: embrace a stable currency, or face collapse.

In early 2009, the government unilaterally expanded legal tender and allowed consumers to trade in US dollars, euros, and rand. One significant catch was that the government's unit of account remained Zimbabwean dollars, which it used to pay employees and domestic creditors.

Now the Reserve Bank of Zimbabwe, facing a shortage of US dollars, is trying to provide financial liquidity by printing bond notes with a derivative value based on US dollars.

This is a clear misstep. Such a measure is likely to be patently insufficient, given the recent failure of the Zimbabwe dollar, and it is also denominated in the wrong currency, given that the primary market for Zimbabwe is Southern Africa.

The interim solution lies in adopting the rand or a convertible local currency pegged to the rand as a domestic unit of account. Unless Zimbabwe adopts the rand as a domestic unit of account, the purchasing power of the income remittances of the many Zimbabweans working in SA will continue to erode, and the local productive economy in Zimbabwe will continue to be undercut by South African-sourced goods, as the rand depreciates against the dollar.

The Zimbabwean government appears reluctant to adopt the rand, perhaps understandably given the uncertainty surrounding its economy, and so the South African government, together with regional partners, should pre-emptively make an offer that includes access to both the Common Monetary Area and the Southern African Customs Union.

These measures could ensure equitable distribution of seigniorage — the return derived by the issuer of a currency — as well as a share of tax revenue on the entry of goods into the common market, which accounts for a sizeable portion of Namibia, Lesotho, Swaziland and Botswana's national budgets.

The Zimbabwean government's protectionist measures in the form of trade restrictions on South African goods is likely to further escalate its economic crisis. While SA is the top export and import jurisdiction for Zimbabwe, SA has not historically run significant trade surpluses against Zimbabwe.

SA accounts for more than half of Zimbabwe's total exports (the World Bank estimated it at more than 66% of the total in 2014), but Zimbabwe is not one of SA's top 10 export markets (accounting for just more than 2.5% of total exports in 2014, says the World Bank). A trade war would probably be far more harmful to Zimbabwe's economy.

Even if the Zimbabwean government pursues trade restrictions, it is likely that the domestic liquidity crisis will deepen. The Reserve Bank of Zimbabwe's monetary policy statement in January acknowledged that the country was unable to control the outflow of liquidity with significant illicit financial outflows.

The bank said the selection of the US dollar as a unit of account meant the country had surrendered monetary policy space to the US, and was likely to suffer a continual artificial loss of competitiveness, given the depreciation of the rand and the Zambian kwacha.

Zimbabwe's productive industry requires a stable currency environment, steady inflation rather than the current deflation, access to the diaspora market and — vitally — time to recover and rebalance trade. Industry will require time to make the long-term investment decisions necessary to grow, time to "retool" as the Reserve Bank of Zimbabwe put it, and time to build confidence in its economy. Access to the rand market is critical in the short term.

The Reserve Bank of Zimbabwe perhaps inadvertently accepted this with a concession to South African tourists, whom the bank believes could be induced to visit the country with an exemption to transact in rand.

The situation is dire, and the people of Zimbabwe need urgent assistance from SA and other neighbours. While it may have benefited some South African industries and traders in the near term for Zimbabwe to operate a US-dollarised economy, the eagles have come home to roost.

The region now faces the potential of a disastrous economic collapse in a sizeable state. If Zimbabwe's government collapses in the wake of a complete economic shutdown, no interim solution is likely to be available.

The South African government needs to act now in conjunction with regional bodies, and the answer in the short and long term is surely closer, not more distant, economic relations. (BD 19-07-2016)

## **FOREIGN TRADERS IN ANGOLA WILL HAVE TO PAY TAXES**

Angola's Ministry of Trade will register and license the commercial activity carried out by foreigners in the country, including those that are currently illegal, according to a government order establishing a working group responsible for the operation.

The aim of this working group led by Isabel Amado, the director of the Ministry's legal office, is for these foreigners to become "taxpayers with state-controlled activity" according to the order signed by the Minister of Trade, Fiel Constantino.

The government admitted in 2015 that the shadow economy in Angola represents 60% of the economy as a whole, putting the country among the sub-Saharan nations with the biggest shadow economies. Also in 2015, the police reported the existence in Angola of "more than 500,000 illegal immigrants," classifying the situation as a "silent invasion," according to Portuguese news agency Lusa. (19-07-2016)

## **EAST AFRICAN COMMUNITY DITHERS ON TRADE DEAL WITH EU**

Kenya may abandon 10 years of negotiating a trade deal with the European Union (EU) as part of the regional East African Community bloc and go it alone, to avoid having duties of as much as 30% slapped on its exports from October.

A so-called Economic Partnership Agreement (EPA) between Kenya, Uganda, Tanzania, Rwanda and Burundi and the EU is on hold after Tanzania's government said two weeks ago it was reluctant to sign any deal because of "recent developments affecting the bloc's union".

The UK voted in a referendum on June 23 to withdraw from the EU, ending a 40-year partnership. Uganda said last week it also wants to delay signing the deal.

"We would like to sign it together; the desire is that we sign it together," Kenyan Foreign Minister Amina Mohammed said in the capital, Nairobi, last week. "If we get to a stage where we can't do that then we also have the right to make our own sovereign decisions."

The negotiated EPA would give members of the EAC immediate duty-free, quota-free access to the EU for all exports. The Brexit decision is complicating trade negotiations as ministers from around the world gather this week for the 14th United Nations Conference on Trade and Development in Nairobi, where the EPA accord has been scheduled to be signed.

The EU imported goods worth €2.6bn from the EAC last year, data from the European Commission shows. Kenya exported 126-billion shillings (\$1.2bn) worth of goods to the EU in 2015, according to the national statistics office.

"Countries like Tanzania, which said it will postpone signing the agreement with the EU, might want to wait and see what happens with Brexit," Willemien Viljoen, a researcher at the Tralac Trade Law Centre in Stellenbosch said by phone. "That will affect other members of the East African Community."

Brexit may curb capital flows into East Africa, hinder trade and investment, weaken exchange rates and damage economic stability in the region, central bank governors from the EAC trading bloc said in the Ugandan capital, Kampala, on July 14. Uganda wants to delay the signing the EPA to ensure the deal is signed collectively, Nairobi-based Business Daily newspaper reported on Friday, citing Julius Onen, permanent secretary for the nation's trade ministry.

### **No Excuse**

"There may be some dynamics about East Africa negotiating market access to Britain, but there is no sufficient reason to dither the EAC's engagement with the EU on the basis of Brexit," Unctad secretary-general Mukhisa Kituyi said in Nairobi. "Brexit should not be an excuse."

If the deal is not signed by October 1, Kenya, as the only member of the East African Community not classified as a so-called least-developed country, could lose all its preferential access to the EU. The \$61bn economy is dominant in the six-country bloc that includes South Sudan.

"The partners in the region realise there is a time pressure, so does the EU," Betty Maina, Kenya's principal secretary for the East African Community, said in an interview on July 14. "So we are looking at all measures and engagements to ensure you don't miss October 1."

Kenyan farmers shipped produce such as carnations, green beans and avocados worth 90.4-billion shillings globally in 2015, according to the Kenya National Bureau of Statistics. Together with tea, fresh-produce exports generate the bulk of foreign-exchange earnings in East Africa's biggest economy.

Flower exports by Kenya, which account for more than a third of the stems sold in Europe, may face taxes of as much as 20% unless the agreement is signed by October 1, Kenya Flower Council CEO Jane Ngige said.

"We are trying to see how we will get out of the quagmire we are in," Ngige said by phone. (Bloomberg 18-07-2016)

## **CHINESE AMBASSADOR TO ANGOLA GUARANTEES TO SUPPORT THE COUNTRY'S DEVELOPMENT**

China will support the development of Angola in agriculture, industry and training of human resources, promised the Chinese ambassador to Angola, Cui Aimin at the end of a visit to the Camaniangala agro-industrial project in Moxico province.

"We want to deepen cooperation with Angola, to help diversify the country's economy and help it to face the current financial crisis, due to the fall in oil prices on the international market," said the Chinese ambassador, according to Angolan news agency Angop.

Cui Aimin noted that China has decided to extend cooperation with the Ministry of Agriculture to boost production of corn and soy, as the project also benefits consumers in the provinces of Lunda Sul, Malanje, Lunda Norte and Luanda.

The Director of Agriculture, Rural Development and Fisheries of the eastern Moxico province, António da Silva, said that the agro-industrial project ensures the food self-sufficiency of rural families in the region.

The Camaiangala Agro-Industrial Project, located 20 kilometres north of the city of Camanongue, this month started selling corn flour, soy and beans in the markets of Luena (Moxico), Lunda Sul and Lunda Norte. (19-07-2016)

## AFRICA NEEDS PARTNERSHIP NOT PATRONAGE- KENYAN LEADER

President Uhuru Kenyatta on Monday said African nations need partnerships for them to achieve their development goals and not patronage, especially from international partners.

He said multilateral agencies including the United Nations organisations have to work with national governments and local civil societies for solutions to challenges facing the continent.

He called for a reformed United Nations to make it more effective.

Kenyatta challenged the UN to adopt required reforms so that it can become a more inclusive organisation.

He said the UN would be more successful in solving conflicts if it worked through national governments and leaders to resolve disputes arising in respective regions of the globe.

“The UN spends billions of dollars on peacekeeping missions in the Democratic Republic of Congo, Somalia and South Sudan, but after spending all these billions what impact do they have?” the Kenyan leader inquired.

President Kenyatta was speaking during the second day of the United Nations Conference on Trade and Development (UNCTAD) in Nairobi, urging the international community not to turn its back on globalisation.

He said it is unfortunate that when Africa is becoming more transparent and accountable, the rest of the world, which has benefitted from globalisation, is retreating.

“Let us move from excuses and blame games to a position where we now should partner. The most amazing thing is that as Africa moves, we see the rest of the world retreating,” he added.

The Kenyan leader said the developing world is ready for partnerships than ever before considering various political, social and economic reforms undertaken by the governments over the last two decades.

He said the global community has to translate goals into actual objectives to meet the real demands of the people.

He pointed out that African nations are now investing much of their resources in infrastructure and engaging civil society to participate in development programmes.

“Democracy is deeply entrenched, governments are more open and accountable, civil societies are playing a much greater role, Africa today is more open than any time in history,” he said.

Other speakers included Namibian President Hage Geingob, Ugandan Vice-President Edward Kiwanuka, Comoros Vice-President Djaffar Ahmed Said and UNCTAD Secretary-General Mukhisa Kituyi. (APA 18-07-2016)

## CYBERCRIME THREATENS HEALTHCARE SECTOR IN SOUTH AFRICA

Ransomware is a prevalent threat for all organisations and the Healthcare sector is no exception. In 2016 alone we have seen a number of Hospitals targeted by Malware, causing huge financial loss and putting patients at risk. Panda Security’s malware research facility, Panda Labs investigated this Cyber-Pandemic in order to understand the risks and mitigate these threats.

### **Ransomware and Information Theft**

Data managed within the healthcare sector is highly sensitive and contains large amounts of personal information. In the wrong hands this information can be used as a master key to carry out targeted

attacks. For cyber criminals this is a lucrative business as this kind of data will fetch a high price on the black market.

According to IBM, the healthcare sector ranked top of their list, with the most security attacks in 2015. Attacks continue to plague the sector causing the shutdown of hospitals, having had their data encrypted by cybercriminals. The Ponemon Institute recorded a 125% increase in such information theft over the past 5 years.

Technology has made the digitisation of health records possible – it is easier to manage patients' records and treatments. That said, without proper procedures and protection in place it is easier for cyber criminals to access the data.

Analysis by Panda Labs has demonstrated how these attacks have escalated from specific to large scale cases. For health insurance provider – Anthem, the digitisation of health records without maintaining proper security led to the loss of 80 million client records. Those records included the social security numbers of clients, among other sensitive information.

#### **How can we avoid these attacks?**

Although many organisations resort to paying the ransom, it is important to take note that this does not guarantee that stolen documents or information will be returned. In many cases payment of the ransom did not end with the safe return of the encrypted documents.

#### **Panda Lab's has the following recommendations on how you can avoid a cyber pandemic:**

- Ensure you have a cyber-security framework incorporating advanced protection with detection, containment and remediation features.
- Take control. The common thread in these attacks is a lack of control. In order to take control of your network you need to employ a cyber-security solution that is capable of controlling all running processes across your network.
- Revise staff policies and control systems in order to adjust the privacy requirements in line with new technology.
- Run Updates. Keep operating systems and company devices updated.

For more information about the Cyber Pandemic and what the Healthcare sector can do to mitigate new age threats download Panda Labs Cyber Pandemic [Whitepaper here](#).

Cybercrime effects all industries; organisations face legal and financial implications if they are not protected. To ensure your business is protected against these advanced threats Panda's Adaptive Defense 360 offers comprehensive security to fight off attacks. (IT News Africa 17-07-2016)

#### **PUBLIC TRANSPORT COMPANY IN CABO VERDE BUY BUSES IN BRAZIL**

Cape Verdean public transport company Solatlantico will receive ten Volkbus 17.210 buses purchased in Brazil from MAN Latin America to add to the passenger transport network in Praia, the capital of the Cabo Verde (Cape Verde) archipelago.

Henrique Duarte, managing partner of operator SolaAtlantico, told the Cape Verdean press that after an initial purchase of 16 Volkbus 9.150, "which have had an excellent performance," it was decided to acquire 10 units of the new model from the Brazilian company that manufactures MAN and Volkswagen commercial vehicles.

Founded in the 1970s by a Portuguese citizen when Cabo Verde was still a Portuguese colony, the company was acquired in 1974 by entrepreneur Edmundo dos Santos during the transition to independence, which became official on 5 July, 1975.

Currently, Solatlantico has a fleet of 20 buses, 10 of which are just over a year old. (18-07-2016)

## **EGYPT'S SISI LOOKS FORWARD TO ESTABLISHMENT OF AFRICAN FREE TRADE ZONE**

Egypt's President Abdel Fattah al-Sisi said on Sunday during the African Union (AU) assembly that Egypt looks forward to the completion of negotiations on the establishment of an African free trade zone. Sisi is currently at Rwanda's capital Kigali to attend the 27th AU summit, which kicked off on Sunday.

During the closed session ahead of the opening summit, African leaders discussed a number of issues including the establishment of an African free trade zone, the AU commission election as well as the ongoing negotiations regarding the reform and expansion of the UN Security Council, presidency spokesperson Alaa Youssef said in a statement.

"Egypt looks forward to completion of negotiations on the establishment of an African free trade zone soon," Sisi said according to the statement.

The Egyptian president also said that African countries should build on the success of the 3rd Tripartite Summit of Africa's three major economic committees held in Sharm El-Sheikh, Egypt last year.

In June 2015, Egypt hosted Africa's three major regional economic committees (COMESA-EAC-SADC) during a tripartite summit in Sharm El-Sheikh, where a free trade agreement across all three committees was launched. (APA 18-07-2016)

## **COMPANY INVESTS US\$113 MILLION IN ANGOLA IN COOKING OIL AND SOAP FACTORY**

SKAC – Global Solutions will invest US\$113 million in an industrial complex for refining cooking oil and processing waste into soap, under a contract signed in Luanda.

Krisne Dambi, the project's manager, said after signing the contract with the Technical Unit for Private Investment in Angola, that the complex will have an initial daily production capacity of 100,000 litres of cooking oil and 100 tonnes of soap.

"The estimated annual production of cooking oil amounts to 220 million litres, an amount that will cover almost 50% of Angola's domestic needs, currently estimated at 450 million litres," said the project manager.

The start of production is planned for August 2017, with the raw material – coconut, soy and canola – imported in the first three years of operation from Malaysia, Indonesia, China, Argentina, Brazil, Russia and Poland, following which it will gradually be replaced by soy and sunflower seeds produced in Angola. (18-07-2016)

## **AU OUTSIDER MOROCCO WANTS BACK IN**

Morocco wants to rejoin the AU, 32 years after quitting the bloc in protest at its decision to accept Western Sahara as a member, King Mohammed VI said on Sunday.

Morocco maintains that Western Sahara, a former Spanish colony, is an integral part of the kingdom even though local Sahrawi people led by the Polisario Front have long campaigned for the right to self-determination.

"For a long time our friends have been asking us to return to them, so that Morocco can take up its natural place within its institutional family. The moment has now come," the monarch said in a message sent to an AU summit taking place in Kigali, the MAP Moroccan news agency reported.

Morocco has occupied the sparsely populated Western Sahara area since 1975 in a move that was not recognised by the international community.

Morocco quit the AU in protest in 1984 when the Sahrawi Arab Democratic Republic (SADR) was admitted as a member.



Although Morocco left the club, "it never quit Africa", King Mohammed said in his message to AU leaders as they began a two-day meeting in the Rwandan capital.

"Through this historic act and return, Morocco wants to work within the AU to transcend divisions," he added.

In 1991, the UN brokered a ceasefire between Moroccan troops and Sahrawi rebels of the Algerian-backed independence movement the Polisario Front but a promised referendum to settle the status of the desert territory has yet to materialise.

Earlier this year Morocco expelled several UN staff members who were part of the Mission for the Referendum in Western Sahara (Minurso) in angry retaliation over UN Secretary-General Ban Ki-moon's use of the term "occupation" to describe the status of the territory.

In his address to the AU, King Mohammed urged the bloc to rethink its position on the "phantom state" of Western Sahara, saying that a political solution was being worked on under the auspices of the UN.

"The recognition of a pseudo state is hard for the Moroccan people to accept," he said.

The SADR was not a member of the UN or the Arab League, the king went on to note, adding that "at least 34 countries" did not recognise it.

"On the Sahara issue, institutional Africa can no longer bear the burden of a historical error and a cumbersome legacy," the monarch said.

Morocco's return to the AU would need to be validated by a vote. (AFP 18-07-2016)

## **ANGOLA PLANS TO BUILD PORTS IN THE PROVINCES OF CABINDA AND ZAIRE**

The government of Angola plans to spend over US\$1.329 billion on three projects for construction of port infrastructure in the provinces of Cabinda and Zaire, according to a presidential order.

In the document, the President authorises the Minister of Planning and Territorial Development to include these works in the Public Investment Programme (PIP) for 2016 and the Minister of Finance also to register the projects in this year's State Budget (OGE).

The projects in question are for the construction of the deep-water port of Caius, already underway and expects to receive the first ships at the end of 2017, and the ferry terminal and Cabinda Land, both in that enclave, which has no connection by land to the rest of the territory of Angola.

The third project involves the contract for the construction and equipping of the Soyo Land and River Terminal, in northern Zaire province (on the coast and the nearest town to Cabinda), according to the order cited Portuguese news agency Lusa.

The province of Cabinda will receive two new ferries ordered by the central government, under construction in Dutch shipyards, to strengthen maritime links to the rest of the country. (18-07-2016)

## **CBC MED PROJECTS SHARE THEIR EXPERIENCES AT MEDCOP CLIMATE CONFERENCE**

Two environmental sustainability projects funded in the framework of the framework of the Cross-Border Cooperation Mediterranean Sea Basin Programme (CBCMed) 2007-2013 Programme, namely MEET and GOUV'AIRNANCE, are taking part in the MEDCOP Climate conference held in Tangier, Morocco on 18 and 19 July.

During the workshop "Territorial creativity and Mediterranean tourism transition in reaction to climate change", Mr. Andrés Alcántara from the International Union for the Conservation of Nature (IUCN), a partner of [MEET](#), will highlight the experience of the project and lessons learned in terms of eco-tourism, cooperation and adaptation of sustainable tourism strategies to territorial needs through local actors' capacity building.

Mr. Alexandre Armengaud, project manager at AIR PACA, will be chairing the debate under the title "Climate change, public health and air quality", during which he will introduce the [GOUV'AIRNANCE](#) project, an initiative which allowed to establish a common framework for the analysis of air quality in four Mediterranean cities (Marseilles, Valencia, Tripoli and Aqaba), in order to support the work local decision-makers.

The **ENPI CBC Mediterranean Sea Basin Programme 2007/2013** is a multilateral cross-border cooperation programme funded by the European Union under the European Neighbourhood and Partnership Instrument. It aims at reinforcing cooperation between the EU and partner countries' regions located along the shores of the Mediterranean Sea. (MEDCOOP 18-07-2016)

### **FIRST PHASE OF CONSTRUCTION OF MATALA DAM IN ANGOLA COMPLETED**

Reconstruction work on Matala dam started in 2011 with an estimated cost of US\$249.6 million, has improved the facility's safety and its water storage capacity, Angolan news agency Angop reported. Celso Pontes, engineer and project director of Canadian group SNC Lavalin, which was awarded the work, said the work already carried out on the dam, which was at risk of collapse due to cracks, has ensured the safety of the hydroelectric facility.

"In addition to the 29 sluice gates that already existed, a further eight were added, which allows for the regulation of the flow in a more precise way," said Celso Pontes.

As this first phase is finished, Pontes said, the detailed design of the second phase, is now being prepared, which involves modernisation of the power station and its generator sets, with future production capacity exceeding the current 40.6 megawatts.

The Matala hydroelectric is located about 180 kilometre from the city of Lubango in southern Huila province. (18-07-2016)

### **FEMISE CONFERENCE LOOKS AT COOPERATION PROSPECTS AND TENSIONS IN RELATIONS BETWEEN MULTILATERAL INSTITUTIONS AND MEDITERRANEAN COUNTRIES**

The EU-funded Euro-Mediterranean Forum of Economic Institutes (FEMISE) supported the organisation of a conference on "Relationships between multilateral institutions and the nation states of the Mediterranean basin" at the University of Toulon, France last month.

The Conference, which sought to discuss the spaces for cooperation and sources of tensions in the context of Euro-Med relations, saw the participation of representatives of the EU and the EIB on themes such as the European Neighbourhood Policy and the need to redefine a regional vision.

**FEMISE** is an EU-funded project, which aims to contribute to the reinforcement of dialogue on economic and financial issues in the Euro-Mediterranean partnership, within the framework of the European Neighbourhood Policy and the Union for the Mediterranean. More specifically, it seeks to improve understanding of the priority stakes in the economic and social spheres, and their repercussions on the Mediterranean partners in the framework of their implementation of EU Association Agreements and Action Plans. (FEMISE 18-07-2016)

## **PRESIDENT SIRLEAF PRESENTS US\$35M LOAN AGREEMENT TO LEGISLATURE FOR RATIFICATION**

Liberian President Ellen Johnson Sirleaf has submitted for ratification a loan agreement between Liberia and the African Development Fund in the amount of Twenty Four Million Eight Hundred and Five Thousand (24,805,000).

The loan agreement, which is stated in "Unit of Account," (UA) according to a communication from President Sirleaf, is equivalent to a total of US\$35 million and is intended for the Mano River Union Road Development and Transport Facilitation Program (MRU/RDTFP).

In economics, a Unit of Account is a nominal monetary unit of measure or currency used to value cost of goods, services, assets, liabilities, income, expenses or any economic item.

It is one of the three well-known functions of money as it lends meaning to profits, losses, liability or assets.

The loan, according to the Liberian leader, is also meant to provide additional financing for the foreign currencies cost and part of the local currency cost the multinational MRU/RDTFP involving the Republic of Liberia, Cote d' Ivoire and Guinea.

The Maximum Commitment Charge Rate payable by the Government of Liberia on the undisbursed portion of the loan, according to the agreement, shall begin to accrue 120 days after the date of the signature of the agreement shall be one-half of one percent (0.50%) per annum.

President Sirleaf said the loan was for a period of 30 years after a 10-year grace period commencing from the date of the agreement, at the rate of two percent of the principal per annum from the 11th to the 20th year inclusive and at the rate of four percent of the principal per annum thereafter.

President Sirleaf disclosed that service charge payable on the principal amount of the loan disbursed and outstanding amount shall be three quarter of one percent (0.75%) per annum, and that payment dates of the loan are 15th April or 15th of October in each year.

"The executing agencies under the loan agreement are the Ministry of Public Works and ECOWAS in consultation with the MRU General Secretariat," President Sirleaf said.(APA 18-07-2017)

## **EIU AND GOVERNMENT OF ANGOLA AGREE ON GROWTH FORECAST FOR 2016**

The forecast for Angola's economic growth for 2016 presented by the government – 1.3% – is exactly the same as in the latest report on Angola from Economist Intelligent Unit (EIU).

Last week, the Angolan Ministry of Finance released a statement on the evolution of some economic aggregates, including public debt, expenditure and budget revenues as well as the forecast for economic growth.

According to the EIU Angola's economy should grow more robustly from 2017, when it is expected to reach 3.0%, increasing to 3.5% in 2018, later falling back to 2.9% in 2019 and 2.6% in 2020, also according to the EIU report.

Part of this growth will be based on public expenditure, after a contraction of 6.0% in 2015, it is expected to grow by 3.2% this year and between 4.4% and 3.5% in 2018-2020.

Investment will also tend to grow at higher rates than the 0.7% expected to be recorded this year, as will exports of goods and services.

After a fall of 15.2% in 2015 and a forecast contraction of 2.0% this year, exports of goods and services are expected to grow 6.5% in 2017, 5.0% in 2018 before falling to 3.3% and 3.6% in 2019 and 2020, respectively.

The EIU also said in its report that after a period when inflation gradually reduced to a single digit, it stood at 29.2% in May, against 26.4% last month, year on year.

The behaviour of this variable has been affected by successive reductions in fuel subsidies since September 2014 and the devaluation of the kwanza against the dollar, which increases the prices of all products that Angola imports, such as food. (18-07-2016)

## CAR MICRO FINANCE INSTITUTION BASE EXPANDING

The Savings and Credit Association in Urban Areas was launched in Bangui, by the “Sauvons le Centrafrique” (Let’s Save the Central African Republic) Group led by Serge Bengba Singa, a local trader.

According to M. Singa, at the launch on Sunday the financial institution aims to improve access to basic banking services for Central Africans who need to start economic activities.

The microfinance institution will thus grant credits and promote people’s savings.

The Savings and Credit Association, which was set up for people living in urban areas, come on the heels of the Savings and Credit Association in Rural Areas, which began operating in the country’s provinces in 2013. (APA 18-07-2016)

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The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, Business Council for Africa, Corporate Council on Africa, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, and other organisations.

The Memorandum is also made available by AHEAD-GLOBAL, BCA, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) to their Members.



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