MEMORANDUM

N° 14/2016 | 21/01/2016

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 4,000 European Companies, as well as their business parties in Africa.
More than 1,556 Memoranda issued from 2006 to end of 2015. More than 18,350 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.
Should a reader require a copy of the Memoranda, please address the request to fernando.matos.rosa@sapo or fernando.matos.rosa@skynet.be.

2006 – 2015, 9 Years devoted to reinforce Europe – Africa Business and Development

1,556 published Memoranda from 2006 to end 2015, 18,350 pages of press clips

SUMMARY

NATIONAL BANK & AIRTEL KENYA INK MAJOR PACT TO EXPAND REACH

National Bank of Kenya and Airtel Kenya have announced the opening of their distribution networks to offer each other's services in a major partnership agreement geared at expanding reach of services.

National Bank and Airtel Kenya agents will roll out each other's services, with the Bank expected to expand the same through its other existing channels. National Bank agent banking service, as a result, will be available at thousands of Airtel agent outlets countrywide and vice versa. The Bank, on its part, will further roll out Airtel Money agent service windows at its branches and ATM network countrywide.

Additionally, customers will be able to access National Bank's mobile banking platform known as NatMobile via Airtel Money. Interoperability between the two mobile banking systems is already live. Customers are already able, via mobile, to view and manage their accounts, make bill payments, transfer money to their Airtel Money from their bank accounts and vice versa. Airtel Kenya customers will enjoy access to Airtel Money cash in and cash out services at National Bank branches, withdraw and deposit cash at National Bank agents and also access mobile money withdrawal services at ATMs countrywide.

National Bank of Kenya Managing Director Munir Sheikh Ahmed, speaking while announcing the partnership, said the development would go to deepen the bank and telco's services and optimize the opportunities from existing channels for the benefit of both institutions. "Our partnership with Airtel Kenya sets an important new precedence in the way telecommunication and banking sectors cooperate with each other. Opening our distribution networks to each other is set to see us both deepen strategic partnership in an area where collaboration is already paying off," he said. National Bank has continued to leverage on technology and strategic partnership opportunities to boost its non interest revenue segment as part of its strategy for rapid growth. The bank which reported its best performance in its 48 year history recently has continued to return excellent performance year on year.

Airtel Kenya CEO Adil El Youssefi while launching the partnership said: "Getting access to financial services via the mobile phone can make a massive difference to people's lives. We, at Airtel Kenya, are very excited about the service and the new partnership with National Bank. This service gives customers the freedom to manage their bank account from their phone thus providing that much needed convenience and simplify the banking process. As technology and financial services continue to merge we have no doubt that this partnership will be a great step towards improving the lives of our customers," he said.

"It has been our endeavor to enhance the customer experience for our customers through value adding collaboration with partners of like interests. We remain committed to continue investing in bringing the best in class, innovative, relevant products and services to win customer delight in the years to come," added Adil.

The deal aims to boost penetration of the lender and telco's products. (IT News Africa 14-01-2016)

NIGERIA: CHEVRON COMMITS OVER $10M TO COMMUNITY DEVELOPMENT PROJECTS

Chevron Nigeria Limited (CNL) has provided over $10 million to fund various infrastructural and non-infrastructural community development projects in its operational areas in Nigeria in the last one year under its Global Memorandum of Understanding (GMoU).

The Manager, Communications Policy, Government & Public Affairs of Chevron, Mr. A. O. Adebawo, said in Lagos that under the GMoU, host communities were greater role in managing their development through Regional Development Councils (RDCs).
He noted on the strength of the GMoU, which has brought peace and stability to areas where Chevron operates, several communities have benefited from projects, including water supplies, rural electrification projects, school building, cottage hospital, road and drainage networks, town halls, housing for displaced people, scholarship, and micro-credit scheme among others.

According to Adebawo, the new and innovative approach to engagement with host oil communities, has significantly improved relationship with host communities.

He explained that the GMoU, a Nigerian National Petroleum Corporation (NNPC)/Chevron Joint Venture, is a deal between Chevron and RDCs – a governance structure in each cluster made up of community representatives, NGO representatives, and government and company representatives.

The model engages host communities through the RDCs to manage participatory development initiatives funded by Chevron.

This new approach, according to Adebawo, is a paradigm shift from the old method where host oil communities were given handouts. (APA 11-01-2016)

GUINEA-BISSAU'S ECONOMY GROWS 5 PCT IN 2015

The economy of Guinea-Bissau grew by 5 percent in 2015 and current revenues amounted to 83 billion CFA francs (US$138 million), "the highest value ever", announced the Minister of Economy and Finance. Minister Geraldo Martins said in a lengthy letter to his ministry staff, released this week on Facebook that "2015 was a good year, despite the political turmoil."

"There was a consolidation of economic recovery," with growth of "around 5 percent" and current revenues amounted to "the highest level ever, or 83 billion CFA francs against 61 billion in 2014," he wrote.

In the message, Martins also noted the "efforts to catch up on wage arrears of 2011-2014, especially in the social sectors" and the general use of bank transfers to pay salaries. (15-01-2016)

SOUTH AFRICA: THOUSANDS OF FARMS UP FOR SALE

Thousands of farms have been put up for sale in water-stressed provinces, but it is unclear whether the country's worst drought in 20 years is behind this.

A cursory search through Private Property, one of SA's largest online property listing platforms, shows large numbers of farms for sale. Some are being auctioned, while others have been repossessed by banks.

As of last Thursday, Private Property had 5,000 listings for farms in Gauteng; 3,485 in the Western Cape; 2,207 in the North West; and 1,955 in Limpopo.

Last year, parts of the North West and Limpopo were declared disaster areas because of a drought described as the worst in 20 years. KwaZulu-Natal, Mpumalanga and the Free State have also been declared drought disaster areas.

However, whether the large number of farms being sold has anything to do with the drought is a matter of debate.

This is despite the farmers' loan book being estimated at a record of more than R125bn, with PwC placing non-performing loans at 2.8% by the end of June.

Total lending by SA's major banks exceeds R3.29-trillion.

"Part of the trend we have seen in the Cape is that most overseas buyers have lost interest in South African farms because of political and financial instability in the country," said Seeff country MD Ian Badenhorst.

"While some farmers are facing challenging conditions, many are hanging in there, especially in areas such as Middelburg."

The properties listed on Private Property appeared to include "lifestyle farms", such as boutique wine farms, which take up less land than full-scale commercial ones.

"There are many of those on the market, often because sellers are looking to either reduce their property holdings, retire or relocate, but not necessarily because of the drought," Mr. Badenhorst said.

Nico Groenewald, head of agribusiness at Standard Bank, said the bank had not seen any mortgages cancelled on commercial farms, which happens when a bonded property is sold. "South African farmers have demonstrated resilience and adapt to changing production conditions," he said.

First National Bank's Dawie Maree said few mortgages were cancelled in the past couple of years. "There is no increasing trend in this regard."

Pam Golding Properties said it was premature to determine if the drought would result in more farms coming on to the market.

Gerhard van Niekerk, the area principal in Mpumalanga for Pam Golding Properties, said there was strong demand from buyers for macadamia farms and for land suitable for planting the crop.

Charles Rubidge, the Northern Cape rural area principal for Pam Golding Properties, said no farms were on the market because of the drought.

"When the drought breaks, we expect numerous farms to come up under stressed sales as the farmers have had to decrease stock numbers drastically, feed the balance of the stock and absorb prices," he said. (Bloomberg 18-01-2016)

KENYATTA GRATEFUL TO WEST FOR LIFTING TRAVEL ADVISORIES

President Uhuru Kenyatta on Tuesday expressed gratitude to the United States, United Kingdom and France for lifting travel advisories on Kenya that were introduced over security fears.
The Kenyan leader said that his government has improved security in the country following a string of terror attacks carried out by the Somali militant group al-Shabaab.

They recognize, as well as we do, that security here has vastly improved, and that there is much to be gained by partnering with Kenya and the region, Kenyatta said as he opened a tourism resort in Mombasa, the only one of its kind between Cape Town in South Africa and Cairo in Egypt.

The four-acre ocean view resort features a 26-room hotel, conferencing facility, a roof-top restaurant, a casino, swimming pool, 96 serviced apartments including 8 penthouses seafront restaurant, gym, spa, a boardwalk with retail outlets, water-sports centre and fully-serviced 88-berth marina.

Kenyatta said the ongoing expansion of the Malindi Airport and the Jomo Kenyatta International Airport (JKIA) will enable the facilities to cater for more visitors, noting that JKIA will soon receive direct flights from the US.

Travel warnings were issued in May last year by Britain, the United States, France and Australia following a string of gun and grenade attacks in Nairobi, Mombasa and Lamu.

Shabaab have been targeting Kenya in retaliation for the presence of Kenyan troops in war-torn Somalia as part of a 22, 000-strong African Union peacekeeping mission.(APA 12-01-2016)

GUINEA-BISSAU STARTS TO PREPARE CHINA-CPLP MEETING

The technical secretariat that will prepare the meeting of businesspeople from China and the Community of Portuguese Speaking Countries (CPLP), taking place on 9 and 10 April next in Bissau, was sworn in Saturday at a ceremony held in the Guinean capital.

The meeting aims to bring together the business communities of China, the Macau Special Administrative Region (MSAR) and the Portuguese-speaking countries for their representatives to discuss issues of mutual interest and establish business contacts.

The government of Guinea-Bissau hopes that the country will become a platform and a window of opportunity for the countries represented at the Macau Forum to diversify their traditional investment markets, with a focus on the Economic Community of the West African States (ECOWAS).

“This is the first time since the creation of the Macau Forum, that Bissau is hosting a business meeting with Portuguese-speaking countries,” said the Secretary of State.

Official delegations and businesspeople from Angola, Brazil, Cabo Verde (Cape Verde), China, Guinea-Bissau, Macau, Mozambique, Portugal and Timor Leste (East Timor) will attend the meeting in Bissau. (18-01-2016)

CAPITAL WILL DECIDE BARCLAYS AFRICA’S FUTURE

Barclays must decide if its capital is best deployed in Africa, amid slowing growth in the continent’s second biggest economy and a need to further shrink its balance sheet, says former deputy chairman Michael Rake.

"Barclays has historically been in a very good position there, but is suffering in SA economically," Mr. Rake, who stepped down from the British bank’s board at the end of last year, said on Thursday. "The question becomes around priorities and capital. It’s a good business and the board, I’m sure, will continue to keep under review its African position and how to handle it."

The London-based lender owns a 62% stake in Johannesburg-based Barclays Africa Group. Barclays, led by CEO Jes Staley and chairman John McFarlane, has pledged to trim the bank’s operations worldwide and refocus on the UK and US. Britain’s second-largest lender will give a strategic update alongside its full-year earnings on March 1.

Candice Macdonald, a spokeswoman for Barclays in London, declined to comment on its plans for Africa.

Barclays shares tracked a slide by world equity markets, falling 3.9% to 193.9p by mid-morning in London yesterday. Mr. McFarlane pledged in July to double the share price over the next three to four years. Barclays Africa, which has a market value of about $6.6bn, fell 1.6% to R130 and is down 9.6% this year.

Barclays’s common equity Tier 1 capital ratio was 11.1% as of September 30, the lowest of the five largest UK banks.

"Barclays still has some work to do on reduction of the balance sheet," said Mr Rake, adding that Mr Staley "will be able to balance the need to continue to reduce the size of the balance sheet as we exit a lot of other activities, but have a real, valuable and valid investment banking capability".

In Africa, pretax profit slipped 7.7% in the third quarter, compared with increases at the credit card and personal and corporate banking divisions. The region reported a return on equity of 9.7% in the third quarter, above the 9.3% 2014 level but below the bank’s target of at least 11%.

In the region, Barclays had £52.2bn of assets — accounting for about 14% of its total — as of September 30 2015, and employed 44,700 people in Africa and the Middle East at the end of 2014, according to the bank’s annual report. "It’s for the Barclays board to judge the future of Africa," Mr Rake said. "If you take a long-term view, Africa could be very important, as it has five of the fastest-growing economies." (Bloomberg 16-01-2016)

NOVAGROLIDER COMPANY INVESTS IN AGRICULTURE AND LIVESTOCK IN ANGOLA

Agro-livestock group Novagrolider plans to invest US$15.1 million in farming and processing of horticultural products in Angola under a contract signed Wednesday in Luanda, the local press reported.

The contract was signed by the Director of the Technical Unit for Private Investment (UTIP), Ernesto Manuel Norberto Garcia and group director, João Macedo.

The amount in question, said João Macedo, will be to build a factory for processing fruit and vegetables, as well as in the production of flowers and dairy products, meat and other similar products, to be built in the municipality of Quibala, Kwanza Sul province.

The group also intends, with this project, to develop a chain for production of milk, yoghurt, cheese and meat for both the domestic market and for export.

The Novagrolider group has several farms in Angola, specifically in Caxito, northern Bengo province, Bom Jesus, in Luanda and Quibala, Kwanza Sul province. (14-01-2016)

SOUTH AFRICA WAIVES TRANSIT VISA FOR UGANDAN TRAVELLERS

Ugandans transiting through South Africa are now exempted from applying for transit visas, APA learns here Monday.

Before the waiver, Ugandans were paying the equivalent of 36 US dollars for the transit visa.

Speaking in an interview in Kampala on Monday morning, South African High Commissioner to Uganda Professor Lekoa Solly Mollo attributed the exemption to the “special relationship” between his country and Uganda, among others.

Prof. Mollo however said transiting travelers who might want to leave the precincts of the South African airports would have to pay for visitor’s visas.

“If you want to leave Oliver Tambo International Airport to go to Johannesburg to see some friends and spend the night, you will need to apply for a visitor’s visa,” Prof. Mollo said.

A visitor’s visa costs about $26.

Many Ugandans travelling to other South African countries like Namibia, Zimbabwe, Mozambique, Botswana, Lesotho, and Swaziland usually make connecting flights in South Africa.

The waiver applies to Ugandans transiting through South Africa using OR Tambo, Cape Town, King Shaka and Lanseria airports.

According to some accounts, the scrapping of the transit visas for travelers connecting through South Africa is the culmination of the presentations made by the various South African envoys that had been posted to Uganda. (APA 11-01-2016)

‘LAND LOANS’ OFFER TANZANIAN WOMEN ENTREPRENEURS CHANCE TO GROW

Mshindi Mayenga, a hairdresser in the Tanzanian capital, had a vision to expand her business. She wanted to transform her small salon from a dilapidated rented room into a larger ‘main street’ enterprise, but every time she applied for a bank loan her request was turned down.

She did not own her home, or any land, and had no assets to serve as collateral for the loan.

"I was asked to present valuable assets to support my application but I did not have any," she said.

After a long struggle, the 31-year-old entrepreneur from a bustling Dar es Salaam suburb managed to secure a piece of land on loan, which in turn helped her to access the finance she needed.

Ms Mayenga is among thousands of low-income women entrepreneurs in Tanzania who have acquired registered land on loan, which they can use as security to seek finance to grow their businesses.

As part of its broader policy to empower women, Tanzania Women's Bank (TWB) has started lending registered plots of land to female entrepreneurs as a way to lift them from poverty.

"I am very happy to buy a plot of land through this arrangement, my loan was approved within days," Ms Mayenga said.

"I have already started building my house in Kigamboni where my new plot is located, and I hope to use my land title to borrow 10-million Tanzanian shillings ($5,000) to expand my businesses."

Despite shouldering the burden of family responsibilities and making up half of the agricultural workforce, women in Tanzania face discrimination when it comes to property rights, campaigners said.

Although Tanzanian law grants women the same rights as men to access, own and control land, and allows them to participate in decision-making on land matters, only 20% of women own land in their own names, according to USAID.

Women's land rights are set out in the Land Act and the Village Land Act of 1999, which state: "The right of every woman to acquire, hold, use and deal with land, to the same extent and subject to the same restrictions be treated as a right of any man." But Tanzania's customary norms make it difficult for women to own land in their own right. Instead, meaning they often end up losing it if the men die.

Laws are poorly implemented, denying many women their land rights, campaigners say. A knock-on effect of this is that women have problems accessing credit to enable them to expand small-scale enterprises.

Women's businesses tend to be smaller, have fewer employees and poorer growth prospects than those owned by men.

TWB, in conjunction with Ardhi Plan — a real-estate company — is hoping to improve prospects for women entrepreneurs by lending low-cost land.

"We have realised that most women fail to get bank loans because they don't have immovable assets as collateral," the MD of TWB, Margaret Chacha, told the Thomson Reuters Foundation.

Since the project started a year ago, more than 1,000 women entrepreneurs in Dar es Salaam have secured land loans, the bank said.

"We urge women entrepreneurs to seize this opportunity to acquire the plots and get their title deeds, which they can use to get capital loans," Ms Chacha said.

Borrowers are required to deposit at least 30% of the plot's value and pay the rest in instalments until they have paid off the loan and own the land outright.

Campaigners have praised the initiative as a model for empowering women entrepreneurs, not just in Tanzania but across East Africa.

In Uganda, a similar project was launched by the Development Finance Company of Uganda in 2007 to help women obtain loans to purchase property to use as collateral.

"I think it is a positive step given that land is an asset whose value appreciates every single day," said Jane Magigita, the executive director of Equality for Growth, an nongovernmental organisation that supports women in the informal sector.

Land registration is a cumbersome process in Tanzania, riddled by corruption and mismanagement, which is why most people lack formal rights to their land, according to Transparency International's 2013 Global Corruption Barometer.

In Dar es Salaam, almost 70% of the city's 5-million inhabitants live in informal settlements.

But Marina Agostino, who bought a 600m^2 piece of land under the new scheme, said she found it easy to access land through the TWB.

"It is hard to get land through official government channels because of bureaucracy and corruption," Ms Agostino said.

"I haven't started construction yet but I intend to build a modest house to rent it out so that I earn more income to invest in my food catering business." *(*Reuters 18-01-2016)

MOZ APEX BANK CALLS FOR REDUCED IMPORTS TO STABILIZE LOCAL CURRENCY

Mozambique's Reserve bank governor, Ernesto Gove, has called for the reduction of imports and to increase domestic production as key measures for stabilizing the country's currency, the metical, APA observes here on Monday.
According to local media, Gove urged Mozambicans to work together to build a business environment favourable to investment, production, productivity and employment in order to reduce imports.

"We need to join synergies to produce more, to reduce imports and to multiply activities that generate foreign currency by increasing exports, he reportedly said.

According to the central bank's own figures, between January and October, the metical lost 40 per cent of its value against the US dollar and in recent weeks the metical has staged something of a recovery, particularly against the South African rand.

Gove also urged citizens to deposit their savings in banks, instead of keeping them at home. He noted that the great majority of citizens still do not possess bank accounts.

Channeling savings to the banks is an important contribution to the country's economy, and is a safe investment for depositors, he argued.

The circulation of money outside of the banking system is harmful to the economy. It involves risks, including damaging the banknotes, replacing which costs the country foreign currency, he added.(APA 11-01-2016)

EU FINANCES AGRO-PASTORAL PROJECTS IN ANGOLA

The European Union (EU) will this year apply 9 million euros to two projects in Angola to support agro-pastoral communities affected by drought in the provinces of Huila, Cunene, Benguela, Namibe and Huambo, said the FAO representative for the southern region of Angola.
Matteo Tonini also told Angolan news agency Angop that the funding comes from the European Development Fund (EDF), whose total value for Angola is estimated at 210 million euros.
The representative of the United Nations Food and Agriculture said that 5 million euros would be channelled into a nutritional security project in those provinces, which involves provision of agricultural inputs, food and medicine.
The remaining 4 million euros will be used for an integrated project to support pastoralist communities in these provinces, including Bié and Kuando Kubango, to increase capacity in agro-pastoral communities and management of risks related to natural disasters.
In 2014 American agency USAID applied US$1.8 million in a food security project in the provinces of Huila, Namibe and Cunene. (14-01-2016)

TULLOW HAS LIQUIDITY TO SURVIVE OIL PRICE DROP

Tullow Oil has enough money to weather a collapse in oil prices and expects the start-up of a major oil project in Ghana this year to replenish its coffers, it said on Wednesday.
The Africa-focused oil company said it entered this year with $1.9bn in undrawn bank facilities, giving it the option to tap more money if needed, and that it was able to shave another $200m off its $1.1bn capital investment budget.
"We make money at $30 a barrel because we have low-cost fields; the question is just how much. Our job is to cut costs," Tullow CE Aidan Heavey told Reuters.

Tullow's balance sheet had been stress-tested at $25 a barrel and even at oil prices at this level, the producer had sufficient liquidity to survive, he said.

Oil prices have fallen close to 12-year lows, intensifying a decline since mid-2014 due to a global oversupply in crude oil.

This decline meant Tullow booked impairments and exploration write-offs totalling $900m last year, but it expected full-year gross profit of $600m on revenue of $1.6bn, he said.

The company will publish final results on February 10.

Tullow also said net debt was expected to be $4bn, lower than many analysts had forecast, lifting its shares.

The firm's TEN project is expected to start producing oil in July and August. (Reuters 14-01-2016)

POST-CONFLICT MANAGEMENT: CENTRAL AFRICANS LOOK TO RWANDAN MODEL

A strong Central African Republic delegation including a retinue of people from various parts of the country has been in Kigali since Monday to learn from Rwanda's post-conflict management experience, a phase the CAR is currently living through.
Representatives of the ex-Selekas, the anti-Balakas, CAR armed forces, religious clerics, victims and civil society activists led by Anicet Guiyama Massogo, the Executive Councilor of the transitional president, Catherine Samba Panza, form part of the delegation.

Their visit is backed by the NGO, Centre for Humanitarian Dialogue, recognized for its expertise in the field of reconciliation between communities across the world.

The Executive Councilor who is leading the delegation explained that the purpose of the trip is to enable the Central Africans to live in peace, forgiveness, reconciliation and social cohesion taking inspiration from the model of the Rwandans who experienced the kind of conflict which happened in CAR.

Members of the delegation will spend at least ten days in Rwanda, where they will be involved in fruitful exchanges with organizations to learn from their post-conflict social cohesion strategies.

In October, CAR Minister of National Reconciliation, Ms. Ndouba Charlotte, had led a similar mission to Cote d'Ivoire. (APA 12-01-2016)

PORTUGAL DELIVERS GEOLOGICAL COLLECTION FROM DIAMOND PROSPECTING TO ANGOLA

Portugal will deliver to Angola a geological collection that is over 100 years old elated to diamond prospecting in the African country, under an extrajudicial settlement between Sociedade Portuguesa de Empreendimentos (SPE) and Angolan state diamond company Endiama.

The information was announced in Luanda by the president of Endiama on the sidelines of the celebrations of the company's 35th anniversary on Friday. He added that through this agreement and the end of its diamond prospecting activities in Angola, Portuguese state company SPE would receive US$130 million.

"Receiving in exchange the 49 percent that SPE owns in Sociedade Mineira do Lucapa, the 24 percent it has of Calonga, plus the 4.9 percent that it has in Camutué [mining areas in the North of Angola], plus any prospecting documentation that Diamang [company from the Portuguese colonial era] conducted over almost 100 years, we have come out as winners," said Carlos Sumbula, cited by the Portuguese press.

The issue was focused on the exclusion of the Portuguese public diamond mining company from a mine in eastern Angola, through Sociedade Mineira do Lucapa (SML), a process that has dragged on since 2011, including in the courts, and that led the Angolan State in 2014 to give up on the arbitration process, exacerbating the misunderstanding with Portugal in this case. (18-01-2016)

IMF CUTS SOUTH AFRICA'S ECONOMIC GROWTH OUTLOOK TO LOWEST ON RECORD

The International Monetary Fund (IMF) has significantly cut SA's economic growth outlook for this year from 1.3% to 0.7%, the lowest forecast on record so far.

The growth projection for next year was revised down to 1.8% from 2.1%.

SA was among the region's largest economies whose growth would be negatively affected by lower commodity prices and higher borrowing costs, the IMF said in its World Economic Outlook update on Tuesday.

Subdued economic growth means lower investment spending by the private sector and modest job creation. It also means sovereign credit rating downgrades remain a possibility.

Sub-Saharan Africa is forecast to grow at 4% this year, down from an earlier projection of 4.3%. The region is expected to grow by 4.7% next year, revised from an earlier forecast of 4.9%.

The global economic growth outlook for this year was reduced from 3.6% to 3.4%, while that for next year was revised from 3.8% to 3.6%. The global growth revisions reflected to a large degree a weaker pick-up in emerging economies, the IMF said.

Global economic growth could be even lower than expected if growth in China slowed more than projected, higher US interest rates caused a rise in global risk aversion and sharp depreciation in emerging-market currencies, and geopolitical tension escalated, the IMF warned. (BD 19-01-2016)

CHINA CONSIDERS PARTNERSHIP IN MOZAMBIQUE TO MANUFACTURE BUSES

Representatives of China's Ministry of Trade and the Xiamen Golden Dragon Bus Co. were in Maputo last week to analyse the possibility of setting up a partnership in public transport, according to Mozambican daily newspaper Notícias.

On Friday, the members of the delegation visited the Matchedje Motor car assembly plant, in the town of Machava, Maputo province to get acquainted with the unit, whose capacity could be enhanced to produce even more buses in the country.

Notícias also wrote that the Xiamen Golden Dragon Bus Co., a subsidiary of the King Long Group, one of the largest bus manufacturers in China, will focus the potential partnership in Mozambique on providing technical support to Matchedje Motor Ltd in the bus segment.

The managing director, Sandra Song, said the company was currently operating at a reduced level as it is building a 590-hectare industrial park in Maluana, in Maputo province. The project involves an increase in production to 100,000 vehicles per year by 2017, following which there will be a new expansion phase to about 500,000 vehicles.

The Matchedje Motor project, established just over four years ago, is the result of an investment by the China Tong Jian Investment Co. Ltd, and at this initial stage is operating with two assembly lines, an painting area and another area for inspections. (18-01-2016)

MALAWI: LOW TOBACCO YIELD FORECASTED IN 2016

The Tobacco Control Commission (TCC) has predicted low yields for Malawi this year due to dry spell which is likely to affect the crop across the country.

Speaking in Lilongwe on Tuesday, TCC Chief Executive Officer, Albert Changaya said most parts in the country have not yet received rainfall since December, raising fears that Malawi might experience a sharp drop in the production of tobacco.

"The crop might be heavily affected by the situation if it continues and this worries us because it will also affect the quality thereby earning very little as country," he observed.

He added that the team will deploy the assessment team by next week to examine the situation whereby the results are expected by the end of January.

Malawi depends on tobacco as its major exchange earner, accounting for over 15 percent of its annual GDP.

The country, the twelfth largest tobacco producer in the world earned $337.3 million in revenue from the commodity last year.(APA 12-01-2016)

The Memorandum is supported by the Chamber of Commerce Tenerife, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, NABA - Norwegian-African Business Association and other organisations.
The Memorandum is also made available by the Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO and NABA, to their Members.

www.camaratenerife.com http://www.africacncl.org www.elo-online.org

www.helafrican-chamber.gr www.norwegianafrican.no

Fernando Matos Rosa

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