

MEMORANDUM

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BOTSWANA WITNESSES DECLINE IN DIAMOND PRODUCTION

Botswana's diamond production declined for the third consecutive quarter, decreasing by 5.4 percent in the second quarter of 2015 as compared to a decline of 1.5 percent in the second quarter of 2014, a release from Statics Botswana said Thursday.

This decline is mainly attributed to the weakening demand for diamonds in the global market, stated the release.

It added that the first quarter of 2015 had registered a decline of 2.5 percent in production.

On the other hand, Copper-Nickle-Cobalt Matte production rose by 43.3 percent in the second quarter of 2015 marking the third consecutive quarter of positive growth. The increase for the quarter was realized despite the weak international copper prices which subsequently affected both matte and concentrates.

The first quarter of 2015 had registered 87.3 percent growth in Copper-Nickle-Cobalt matte production. Copper in concentrates production decreased by 69.7 percent in the second quarter of 2015. This is the second decline following a 23.3 percent decrease recorded in the first quarter of 2015, reads the statement.

It stated that the decline is largely attributable to the liquidation in one of the copper producing mine in the country, which is currently not producing owing to reorganization following new management take over. (APA 08-10-2015)

CAPE TOWN FACTORY TO HELP MALNOURISHED CHILDREN

CAPE Town's drive to establish itself as a major investment destination has received a major boost following the opening of a plant that manufactures therapeutic food products for children suffering from severe or acute malnutrition.

The United Nations Children's Fund (Unicef)-accredited facility is a joint venture between South African shareholders, Guy Baxter and Zuko Kubukeli, and GC Rieber Compact, a Norwegian company which provides unique food products for malnutrition, maritime survival and preparedness within the humanitarian and maritime fields.

The manufacturing plant which is located in the Capricorn Business Park, south of Cape Town, has been designed and commissioned to manufacture more than 3,000 tonnes of ready to use therapeutic foods. About R40m was invested into the plant.

Speaking at the launch of the plant on Wednesday, Mr. Baxter, who is CEO of GC Rieber Compact South Africa, said the project represented a clear vote of confidence in South Africa and particularly Cape Town as an investment destination.

To date over 20 new local jobs have been created, with the figure expected to rise in future.

According to the World Food Programme, sub-Saharan Africa has the highest prevalence of hunger.

"The Cape Town facility, being in close proximity to critical areas is an enormous advantage for the region," said Mr. Baxter. "That said, we ship our food to whichever global destination needs it. Only last month, Unicef ordered product from us to be delivered to North Korea."

Mr. Kubukeli said the plant was also supplying Unicef missions in Pakistan.

The plant makes and distributes a ready-to-use therapeutic food product known as eeZeePaste™ NUT, specifically designed for extremely malnourished children between the ages of 6 and 24 months. Each 92g sachet contains easily available energy, micronutrients and high quality protein.

The product is designed to be consumed directly from the sachet without any preparation. The product has a 24-month shelf life and is easily transportable making it an ideal response to malnutrition in remote or difficult to access areas.

The Norwegian Ambassador to South Africa Trine Skymoem said companies in that country were becoming more interested in investing in the country and the Western Cape was proving to be an ideal investment destination.

Also speaking at the launch of the plant on Wednesday, Cape Town mayor Patricia de Lille said the city had escalated its efforts to create the economically enabling conditions needed to allow businesses to thrive, which in turn would attract more investment and ultimately create jobs.

"We understand that in order to achieve this, we need to make it as easy as possible for companies to do business in the City of Cape Town. Our vision is to act as a gateway into Africa and becoming a melting point for East and West, North and South – to create new markets in Africa. This is our vision and we want to work with stakeholders to ensure that we make progress possible together," Ms de Lille said.

Meanwhile, earlier this week a consortium led by the Spanish company Acciona Energy in partnership with the South African construction firm Aveng announced that it has put the Gouda Wind Farm into commercial operation. Located in the municipality of Drakenstein in the Western Cape, the facility consists of 46 3MW AW100/3 000 turbines.

With a capacity of 138MW it will produce an average of 423 gigawatt-hours (GWh) a year. This is equivalent to the consumption of 200,000 South African households.

"The completion of the Gouda Wind Farm demonstrates our commitment to the development of a sustainable renewable energy sector in South Africa. Our specific contribution to this sector is marked by the use of latest-generation technology in both the wind and photovoltaic facilities we have developed," Acciona Energy South African CEO Rafael Esteban, said this week. (BD 09-10-2015)

AFRICA'S MOBILE TELECOMS GROWTH SET TO SLOW

Growth in Africa's mobile phone usage is set to slow sharply in the next five years, a study showed on Thursday, heralding an end to the boom in an industry that has spurred the continent's growth.

A report by global industry body GSM Association (GSMA) found subscriber growth was likely to slow to 6% between 2015 and 2020 compared with 13% growth in the first half of the decade, citing a lack of commercial logic in setting up network coverage in some rural areas, where more than half of the population lives.

"I am bit surprised by this development because I expected strong growth to continue because the penetration rate in Africa is still well below 100%," GSMA Africa director Mortimer Hope said.

"One reason for the slowing growth is that some areas, especially in remote, rural communities, are not economically viable for mobile phone companies to deploy their network because of the low spending power of people living there."

By 2020, a little more than 500-million people, or just under half the continent's population, will have subscribed to a mobile service compared with the global average of almost 60%, the association said in the report.

Mobile phones have been one of the factors behind Africa's recent growth spurt, by freeing people from the shackles of the continent's awful landline infrastructure and allowing them to communicate and transact at low cost.

The simple SMS and more recently mobile social media have also become powerful political tools, used by grassroots political movements to mobilise support against oppressive states, such as in the north African "Arab Spring".

While relatively low penetration rates suggested significant growth potential in most markets, the negative effect of increasing competition on profit margins was raising the prospect of more consolidation in the region, Mr. Hope said.

"Smaller players don't have the economies of scale to drive their prices down and compete for long periods, so you'll probably see some consolidation in the market," he said.

There has already been deal activity in the sector in recent years with Vodacom buying fixed-line operator Neotel, which struggled to mount serious competition against Telkom.

United Arab Emirates' Etisalat sold its struggling Tanzanian mobile phone business, Zantel, to Sweden's Millicom in June. (Reuters 08-10-2015)

GHANA'S EUROBOND OVER-SUBSCRIBED

Ghana's ministry of finance has on Thursday announced that the country's fourth Eurobond has been over-subscribed by 100 percent.

The country has received orders running over \$2 billion as against a target of \$1 billion, the statement said.

The Daily Graphic newspaper reported on Thursday that the fourth Eurobond coupons would be issued at a rate of 10.75 percent adding that the over-subscription was due to the period of high turbulence in the peripheral markets.

The ministry held roadshows in the USA and was led by the Minister of Finance and Economic Planning, Mr. Seth Tekper and Governor of the Bank of Ghana, Dr. Henry Kofi Wampah.

Mr. Seth Tekper said the Eurobond would be used to refinance maturing domestic debts. (APA 08-10-2015)

EU AND FRENCH DEVELOPMENT AGENCY SUPPORT EGYPT THROUGH €15 MILLION GRANT TO UPGRADE INFORMAL AREAS

A grant agreement of €15 million was signed between the French Development Agency (AFD) and the Egyptian Ministry of International Cooperation in the framework of the EU's Neighbourhood Investment Facility.

The grant will be implemented by the Social Fund for Development (SFD) in partnership with the Governorates of Cairo and Giza, with the objective of upgrading basic infrastructure and public services in four informal areas in Greater Cairo (Ezbet Kheir Allah, Al-Zawya Al-Hamra, Ard El-Lewa and Mit Oqba) with a total population of approximately 1.2 million inhabitants.

This EU grant is part of a wider programme of cooperation between the AFD and the SFD. The grant is coupled with a credit line of €80 million aimed at facilitating the access to credit of tens of thousands of micro and small enterprises located in poor areas throughout Egypt. Launched in 2014, the credit line has already had a very positive impact: during the first half of this year, 1,831 Egyptian small enterprises were able to benefit from loans thanks to the credit line thereby creating or securing nearly 10,000 jobs. (EU Neighbourhood 12-10-2015)

NIGERIA'S APEX BANK INSISTS ON DEADLINE ON BANK VERIFICATION NUMBER

The Central Bank of Nigeria (CBN) says October 31, 2015 remains the deadline for bank customers to obtain their Bank Verification Numbers (BVN).

Mr. Dipo Fatokun, Director, Banking and Payment System Department (BPSD) of the CBN re-affirmed this while speaking to journalists on Wednesday in Abuja.

Fatokun said that at the deadline, bank customers that had not enrolled for BVN would not be able to access their accounts.

``Last week Friday the bankers communicated that there is no extension on the BVN.

``If you have not registered go and register and of course submit your BVN to your bank, no extension on the deadline of October 31.

“By November 1, if you don’t have a BVN you won’t be able to operate your account, but that does not mean that your money will be confiscated as some people have said.

“No, what it means is that you should go and do your BVN, once you do your BVN and you link it to your account, you continue to operate your account,” he said.

BVN is a unique identity number that can be verified across the Nigerian banking industry.

It was inaugurated in February 2014 with the aim of protecting customers’ accounts from unauthorised access to reduce the incidence of theft and exposure to fraud. (APA 08-10-2015)

EU TO LAUNCH TRADE NEGOTIATION WITH TUNISIA

EU Trade Commissioner Cecilia Malmström will be travelling to Tunis tomorrow to launch negotiations on a Deep and Comprehensive Free Trade Area between the EU and Tunisia.

The EU wants to mark its support to the political and economic reforms in the country by creating an ambitious partnership on trade and investment matters. In Tunis, Commissioner Malmström will also meet the recipients of the Nobel Peace Prize.

During her visit too Tunis, Commissioner Malmström will meet with Prime Minister Habib Essid and Minister of Trade Ridha Lahouel, the organisations awarded the Nobel Peace Prize, as well as members of the Tunisian National Assembly, with whom she will discuss their expectations and ambitions regarding the future of EU-Tunisia commercial relations. (EU Neighbourhood 12-10-2015)

CHINA TO BUILD 100 HOSPITALS, CLINICS IN AFRICA

The Chinese government has announced that it would build 100 hospitals and clinics across Africa in the next three years as part of a plan to improve health systems and preparations for containing future disease outbreaks on the continent, APA learnt on Thursday.

The announcement was made following South African Health Minister Aaron Motsoaledi and his Chinese counterpart Lin Bin’s three-day meeting at the second Ministerial Forum of China-Africa Health Development which has ended in Pretoria.

Motsoaledi said the forum, which is a partnership between the Chinese government and those of several African countries, was a major boost to the African continent and would help strengthen the continent’s public health systems during the post-Ebola era.

“Learning from the EVD [Ebola Virus Disease] crisis, Chinese and African leaders in the health sectors fully support a new, well-funded, and functional international response system to manage future pandemics,” the South African minister said.

The China-Africa Forum, organised by the Chinese government, is guided by African countries’ programmes of action, the World Health Organisation’s action strategies, the African Union’s Agenda 2063 and the newly announced UN’s Sustainable Development Goals.

The forum’s main focus, the minister said, was on saving lives and improving the well-being of people in a developing continent where millions of people are in need of a good health care system.

In addition, the forum committed to forging partnerships that would ensure access to high quality health care systems, medicines and vaccines, as well as medical devices, diagnostics and regulation of drugs,

the South African minister said.

This would enable countries to tackle non-communicable diseases, preventable communicable and emerging diseases such as HIV and Aids, Ebola, Tuberculosis and Malaria.(APA 08-10-2015)

SMARTPHONE ADOPTION IS ACCELERATING AS DEVICE COSTS DECLINE IN AFRICA

At the latest GSMA: Mobile 360 Series – Africa conference, it was revealed that the growth of 3G connections in Sub-Saharan Africa largely reflects the rising smartphone adoption rate, which has doubled in the last two years to 20 percent of total connections.

According to the GSMA, in comparison, the global average is just over 40 percent. The adoption rate, which is set to accelerate further to one-third of connections by 2017 and more than half by the end of the decade, is benefitting from the increasing availability of low-cost devices.

The average selling price (ASP) of smartphones has fallen significantly in most markets across the region, with more devices now available in the sub-\$100 price range. In March 2015, Orange announced plans to launch a sub-\$40 smartphone running on the Firefox OS in Africa. The low-cost device market is dominated by Asian vendors, such as Gionee, Huawei and ZTE. However, other global vendors are also expanding in the region with similar pricing strategies. In August 2015, Google extended its Android One program to Sub-Saharan Africa with the launch of the Hot 2 smartphone. The device will initially be sold for \$90, but Google is aiming to bring the cost of the handset down to the \$50 mark within the next three years.

The GSMA further revealed that despite the shift in the region towards smartphones and mobile broadband, nearly 450 million connections will still be based on feature phones by 2020. Affordability remains a key limiting factor for many consumers in the region, especially poorer rural dwellers who still struggle to afford data-enabled devices and tariffs, despite falling prices.

Fewer than four in 10 people in the EAC block owned a mobile phone at the end of 2014. The main barriers to further subscriber growth relate to access and affordability, especially for consumers in rural areas where around two-thirds of the population live. Kenya has the highest penetration rate of 42%, while Burundi has the lowest at 17 percent. The penetration rate is expected to rise over the next five years, but will continue to lag the regional average.

The EAC is seeing a rapid transition to mobile broadband, with the proportion of 2G connections expected to decrease from just over eight out of 10 connections at the end of 2014 to less than half of total connections by 2020. The rollout of 3G and 4G networks has played a major role in this transition; 3G services are available in all five countries in the sub-region, and commercial 4G services have been launched in four countries.

According to the GSMA, by 2020, the sub-region is forecast to have nearly 17 million 4G connections, equivalent to 10 percent of the total connections base. The recent launch of a 4G network in Kenya and the ambitious expansion plans of the government-backed single wholesale network (SWN) in Rwanda will be the main growth drivers in the coming years. Smartphone adoption in the sub-region is benefitting from the expansion of mobile broadband networks, as well as the fall in device costs. The smartphone adoption rate is set to accelerate from around 11 percent of connections in 2014 to more than 50 percent by 2020.(IT News Africa 08-10-2015)

NAMIBIA FIELDS CANDIDATE FOR UNESCO PRESIDENCY

The Namibian cabinet has endorsed the candidature of Deputy Information and Communication Technology Minister Stanley Simataa to stand for the presidency of UNESCO General Conference.

Government spokesperson and ICT Minister Tjekero Tweya told media on Wednesday in Windhoek that the decision came as a result of appeal from other African countries for Namibia to field a candidate to run for the president position next month.

The 38th UNESCO General Conference is scheduled to take place from 03 to 18 November 2015 at its headquarters in Paris, France.

"Cabinet endorsed the candidature of Simataa to the presidency of the UNESCO General Conference as supported by the Africa Group of UNESCO," Tweya said.

"And with the experience and caliber of Honorable Simataa, we believe we stand a chance".(APA 08-10-2015)

GHANA PAYS STEEP PRICE FOR INVESTOR'S RETREAT FROM RISK

If you want to chart the cost of investor apprehension for emerging-market bond issuers, look no further than Ghana.

Last week, the West African nation of 27-million people agreed to pay 10.75% annually to sell \$1bn of 15-year bonds. To close the deal, Ghana reduced its offering size by one-third, increased interest payments from the original target range of 8.5%-9% and secured a World Bank guarantee for \$400m of the debt.

The story was drastically different in September 2014, when financial markets were rising and yield seeking was in full bloom: Ghana sold \$1bn of bonds priced to yield 8.25%, raising funds to close a ballooning budget gap even after it sought International Monetary Fund (IMF) assistance.

Ghana's travails highlight the broad retreat from risk that is amplifying the challenges facing many emerging market nations at a time of falling growth expectations, slumping commodity prices and large debt burdens.

Though commodity-sector assets staged a rebound last week, pushing up the prices of mining-company shares and emerging market currencies alike, many investors question the rally's staying power. Some warn that any further market downdraft could wreak further damage on many developing nations by severely limiting their access to Western capital markets.

"A lot of this has to do with the international moment we're in with regard to the (slowdown in) China ... (and) commodity price declines," Eurasia Group's head of the Africa practice, Philippe de Pontet, said.

Ghana's largest exports are gold, oil and cocoa. Demand for its products is suffering from a slowdown in China, the world's largest consumer of many raw materials, that has rippled through global markets this year.

Because export revenue has slumped, a fiscal deficit of 7.3% of gross domestic product (GDP) is expected this year. A 14.5% depreciation in Ghana's currency, the cedi, has boosted inflation, forcing the central bank in September to raise interest rates as high as 25%. The resulting tighter financial conditions have further slowed economic growth, putting additional pressure on the currency.

Ghana is one of the emerging countries that have relied on cheap borrowings both at home and abroad in recent years to fund growth, fuelled in part by loose monetary policies and near-zero interest rates in developed countries.

But now concern is rising about the risks of dollar-bond obligations at a time when an expected Federal Reserve interest-rate increase is likely to exert fresh upward pressure on the dollar.

JPMorgan analysts expect net hard-currency debt issuance by emerging countries to be negative this year as more emerging markets turn inward to finance their debt.

"There is a deterioration in credit fundamentals for many issuers in the Middle East (and) Africa region and emerging markets in general," VTB Capital chief Middle East and Africa economist Raza Agha said. "Investors are demanding higher coupons to compensate."

Since mid-July, the yield spread between the Africa subindex of the JPMorgan EMBI Global and US Treasuries has widened by 1.34 percentage points, compared with 0.45 percentage point for overall emerging market bonds.

The tough funding conditions have deterred some borrowers. Tanzania and Neuquén, a province in Argentina, recently cancelled their plans to issue dollar bonds due to poor investor demand, fund managers said. In September, Pakistan's 10-year bonds failed to attract the \$1bn the country was initially seeking. Pakistan sold \$500m instead, JPMorgan analysts said.

"Anybody who issues in this market is desperate," said Bryan Carter, an emerging market portfolio manager at Acadian Asset Management, a Boston-based firm with \$74bn of assets under management. Mr Carter did not buy Ghanaian bonds, citing concern about debt sustainability.

Ghana, rated six levels below investment grade by two out of three major credit rating firms, had little choice but to pay the going rate, a development that some investors savoured.

The bond "was priced to sell", said Diego Ferro, co-chief investment officer at Greylock Capital Management, which has about \$1bn under management and purchased bonds in the Ghana offering. Mr Ferro said it had become apparent in recent months that despite the high-yield demands, there were issuers "who need the money", particularly in Africa's commodity-producing countries.

In March, Ecuador sold \$750m in bonds maturing in 2020 with an initial yield of 10.5%. In July, Zambia sold \$1.25bn of debt with an average maturity of 11 years, offering a yield of 9.37%.

Although the high rates on the bonds will cost the issuers, many investors are saying the fact that the deals were completed at all amounts to a victory for both sellers and buyers. Investors would have required an even higher yield for the new Ghanaian bond, if not for the World Bank guarantee, bankers said.

"The Ghana deal proved that for the right story, at the right price, in the right window, it is still possible to achieve funding objectives," said James Nelson, head of debt capital markets for Africa at Standard Chartered Bank, co-lead manager on the deal with Barclays and Deutsche Bank. (WSJ 12-10-2015)

AFREXIMBANK FORUM TO TACKLE CORPORATE GOVERNANCE, DUE DILIGENCE CHALLENGES

The African Export-Import Bank (Afreximbank) is to host the second edition of its Annual Customer Due Diligence and Corporate Governance Forum in Seychelles from 29 to 30 October in bid to build momentum for a collaborative African approach to addressing the unique challenges confronting African financial institutions in the field of corporate governance and customer due diligence.

A statement by Afreximbank on Thursday in Cairo noted that the Forum, which is being organised in collaboration with the Central Bank of Seychelles, is expected to bring together bankers, corporate entities, regulators and representatives of financial institutions from Africa and beyond to hear expert presentations and participate in panel and open discussions on customer due diligence and corporate governance challenges faced by African institutions.

"The scourge of financial crimes and the negative external perceptions they engender constitute a serious challenge to Africa's ability to attract foreign investment.

"This Forum gives African financial institutions the platform to develop a collaborative approach to tackling the continent's unique customer due diligence and corporate governance challenges in order to increase confidence and attract more foreign investment," said Dr. Benedict Oramah, President of Afreximbank.

"The Forum would give participants the capacity to conduct effective due diligence on their customers and would enhance the capacity of African financial institutions to develop robust corporate governance structures capable of combating the emerging challenges faced in the continent," Dr. Oramah added.

According to Oramah, lack of confidence in African institutions and poor corporate structures have been among the major reasons why many investors have tended to shy away from investing in the Continent.

"We hope that this event will open up more business opportunities whilst providing a platform for us to reflect on the efforts made within our jurisdictions to ensure the conduct of secure and ethical business activities," said Caroline Abel, Governor of the Central Bank of Seychelles.

The Governor, who noted that the Central Bank of Seychelles and Afreximbank shared an interest in improving cross border collaboration within the African continent, said that the forum was expected to

enable delegates enhance their understanding of the importance of good governance and customer due diligence in order to “improve their practice in line with international norms to develop our business landscape and attract further foreign direct investment to Seychelles”.

According to the statement, Jean Paul Adam, Minister of Finance, Trade and the Blue Economy of Seychelles is expected to chair the opening ceremony, which is also expected to be attended by Caroline Abel, Governor, Central Bank of Seychelles, and other Seychellois dignitaries.

The participants are expected to proffer solutions for the identified challenges from an African perspective. (APA 08-10-2015)

BOTSWANA PLANS ‘BOLD’ ECONOMIC STIMULUS

Botswana will use some of its \$8.5bn in foreign exchange reserves to stimulate the economy after a drop in diamond prices hit growth in the world’s biggest producer, President Ian Khama said on Monday. Botswana in September slashed its 2015 growth forecast from 4.9% to 2.6% and said the southern African country would post a budget deficit this year and next.

Diamonds account for about 75% of Botswana’s foreign exchange earnings and 30% of gross domestic product (GDP), but gem demand has slowed since late 2014 as middlemen who buy rough stones struggle with a stronger dollar and liquidity problems.

The value of rough diamond exports from Botswana’s mines fell 15% in the first six months of the year. “We have realised our economy is going to stagnate,” Mr. Khama said in a televised speech.

“The time has come for us to make bold decisions and implement these new projects that will boost our economy. But that doesn’t mean we are going to be reckless,” Mr. Khama added, without giving details on the size of the extra spending.

The economic stimulus, which Mr. Khama said would be ready in “a few weeks”, would target tourism development, agricultural production, construction and manufacturing.

Botswana currently has 88-billion pula (\$8.5bn) in foreign currency reserves, with about half held in a sovereign wealth fund. (Reuters 12-10-2015)

MOZAMBIQUE POWER UTILITY SEEKS US\$2.5M TO REPAIR SUBSTATIONS

Mozambican power utility, Electricidade de Mocambique (EDM) says full repairs to the sub-station at Matola, which is critical to the normal supply of power to Maputo and Matola cities, will cost US\$2.5 million in response to a major breakdown since last Wednesday when the sub-station was hit by lightning, APA can report.

There are two transformers at the sub-station. One of them broke down in March, and the second suffered a major breakdown last Wednesday, when the sub-station was hit by lightning.

“It’s calculated that it will cost US\$2.5 million to repair the transformers and this is the money required to import new coils and to pay the expenses of the technical team on the ground”, said EDM spokesperson Luis Amado, quoted by private television station, STv on Thursday.

With the Matola sub-station knocked out, EDM has had to re-route power for Maputo city and province through the nearby Infulene sub-station, and is also using alternative sources, such as the gas-fired power stations in Beluluane, in Boane district, and in Ressano Garcia, on the South African border.

Despite EDM’s efforts, power cuts are continuing, particularly in parts of central Maputo. Shops that can afford to are obtaining electricity from their own generators. Any restaurant or similar business without a generator risks serious losses as produce rots in Maputo’s sweltering temperatures which hit 40 degrees

celsius on Thursday.

Power has been fully restored to the water treatment and pumping station on the Umbeluzi river which supplies Maputo with most of its drinking water.

However, the water crisis which is affecting around 150,000 people in the city, will continue for several more days.(APA 08-10-2015)

PRESIDENTIAL SPOKESMAN WARNS OF CRACK DOWN ON ZIMBABWE'S MEDIA

Zimbabwean President Robert Mugabe's spokesperson has warned new laws will be brought in to deal with media houses that report on factions within the ruling party, the state-controlled Sunday Mail said. Apparently angered by growing coverage in the private media on intra-party squabbles as Mr. Mugabe gets older, George Charamba insisted there were no factions in Zanu (PF), only "personality clashes". Backed by often-unnamed sources in Zanu (PF), Zimbabwe's private press is currently focusing on a relatively new power struggle apparently between supporters of Vice-President Emmerson Mnangagwa and those of first lady Grace Mugabe.

Grace Mugabe herself decried — but did not deny — factionalism at a rally in eastern Zimbabwe on Thursday.

Mr. Charamba accused the private press, which has been under threat since Zanu (PF) pushed repressive press laws through parliament in 2002, of "manipulative reporting".

Speaking to the Sunday Mail, he said: "I will recommend most effective ways of controlling errant behaviour in the newsroom. So you will have a piece of legislation that seeks to restrain rather than to enable media practices.

"You can't tell me that from day to last day, it's Mnangagwa this, Mnangagwa that, Grace Mugabe this, Grace Mugabe that, (Local Government Minister Saviour) Kasukuwere this, Kasukuwere that. From January to December, is that the only reality in the world?" Mr. Charamba was quoted as saying.

Mr Kasukuwere is said to belong to a faction of younger Zanu (PF) officials nicknamed the G (Generation) 40. Mr. Mugabe's nephew Patrick Zhuwao, recently appointed indigenisation minister, is believed to be an ally.

Reports say G40 members are pushing for Ms Mugabe to succeed her husband, rather than Mr Mnangagwa who has been widely considered heir-in-waiting since his appointment as vice-president last December.

In a lengthy interview that was published in full in the paper, the presidential spokesman accused the private press of trying to "force the succession question".

"There are no factions in Zanu (PF) post December (when vice-president Joice Mujuru was sacked). There are personality clashes, there are perception differences, there are abrasive ambitions for posts," he said.

"The media has to be free but the media has to be professional," Mr. Charamba said.

"Don't feel unfairly treated when the hammer descends on you."

Zimbabwe's worst days for press freedom occurred after the Access to Information and Protection of Privacy Act (AIPPA) was passed. The laws saw dozens of local journalists arrested, several newspapers shut down and some foreign reporters arrested and deported. The act was slightly amended ahead of elections in 2008.

Zimbabweans on social media pointed out that the state-controlled press gives a lot of coverage to splits in the opposition.

Twitter handle [@ZimMediaReview](#) also highlighted Mr Charamba's assertion in the Sunday Mail that Mr Mugabe was "not even worried by these reports" on factionalism.

"If the President is not worried, why then does Charamba think laws to gag the media are necessary?" [@ZimMediaReview](#) asked.(BD 12-10-2015)

LESOTHO RANKS 10 IN 2015 IBRAHIM INDEX OF AFRICAN GOVERNANCE

The 2015 Ibrahim Index of African Governance (IIAG), an annual report card of how African governments are doing, has ranked Lesotho 10th out of 54 countries, APA learns here Thursday. The index ranks countries according to 93 indicators grouped under four categories of safety and the rule of law, participation and human rights, sustainable economic opportunity and human development.

Lesotho shows the largest improvement in Southern Africa in the Participation and Human Rights category, shows the report.

However, the report indicates that Lesotho exhibits negative trends in Human Development which is the only category in which it ranks in the bottom half of the continent. (APA 08-10-2015)

SOUTH AFRICA PLANS TO LEAVE INTERNATIONAL CRIMINAL COURT, SAYS BAPELA

South Africa plans to leave the International Criminal Court (ICC), a deputy minister said on Sunday, as the government faces criticism for ignoring a court order to arrest Sudan's president earlier this year. The ICC has "lost its direction" and the ruling African National Congress (ANC) wants to withdraw South Africa after following certain processes, Obed Bapela, Deputy Minister in the Presidency, told reporters after a policy meeting.

Sudanese President Omar Hassan al-Bashir, accused of genocide and war crimes, visited the country in June, but was allowed to leave despite a court order to detain him. The government last week asked the ICC for more time to explain why it allowed this.

But the ruling party this weekend resolved to leave the ICC, with Mr. Bapela saying powerful nations "trample" human rights and pursue "selfish interests".

"South Africa still holds the flag of human rights, we are not lowering it," he said, adding Parliament would now debate ICC membership.

The ANC commands a comfortable majority in the legislature of Africa's most advanced economy, with more than 60% of the vote. (Reuters 11-10-2015)

COMMUNICATIONS FROM THE INTERNATIONAL MONETARY FUND

Angola - <http://www.imf.org/external/np/sec/pr/2015/pr15388.htm>

Cameroon - <http://www.imf.org/external/np/sec/pr/2015/pr15436.htm>

Chad - <http://www.imf.org/external/np/sec/pr/2015/pr15440.htm>

Cote d'Ivoire - <http://www.imf.org/external/np/sec/pr/2015/pr15437.htm>

Ghana - <http://www.imf.org/external/np/tr/2015/tr100715.htm>

IMF Financial Operations 2015 - <http://www.imf.org/external/pubs/ft/finop/2015/index.htm>

Jordan - <http://www.imf.org/external/np/tr/2015/tr100615.htm>

Niger - <http://www.imf.org/external/np/sec/pr/2015/pr15441.htm>

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Uganda - <http://www.imf.org/external/np/sec/pr/2015/pr15460.htm>

Zimbabwe - <http://www.imf.org/external/pubs/cat/longres.aspx?sk=43333.0>

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