

MEMORANDUM

N° 191/2015 | 17/11/2015

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 1,455 Memoranda issued from 2006 to Jun 2015. More than 17,300 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

SUMMARY

Currency pact with Angola improves Namibia foreign reserves	Page 2
Fungal disease may pose threat to South Africa's bananas	Page 2
Mozambique's Millennium bim bank selects Ingenico for point of sale network	Page 3
An arduous road to accountability	Page 4
More gas to flow from Nigeria, Kpone Thermal Plant ready, make headline in Ghana	Page 5
Triton Minerals raises funds for graphite mining in Mozambique	Page 6
Call for proposals to support civil society organisations and local authorities in Algeria	Page 6
Mozambique gets \$28.5 Europe grant for municipal development	Page 7
Galp Energia spends US\$100 million on oil exploration in São Tomé and Príncipe	Page 7
South Africa: Good and bad news from HOLT	Page 8
Lesotho reviews Licensing Act	Page 9
Mozambican industry increases cashew nut processing	Page 9
Luxembourg Presidency initiative for Maghreb youth hailed at Mediterranean economic conference	Page 10
Ethiopia renews flight agreements with seven nations	Page 10
Angola builds dams to minimise impact of drought in Huila province	Page 11
Twinning programme launched to modernise Central Bank of Tunisia	Page 11
Gambia introduces free education in public schools	Page 11
Resort Group announces tourism projects for Cabo Verde	Page 12

CURRENCY PACT WITH ANGOLA IMPROVES NAMIBIA FOREIGN RESERVES

Bank of Namibia (BoN) governor Ipumbu Shiimi says the currency conversion agreement between Namibia and Angola has contributed positively to Namibia's foreign reserves.

Ipumbu told journalists in Windhoek on Thursday that the Banco Nacional De Angola (BNA) has paid to Namibia US\$20 million (about N\$282 million), which has brought much-needed foreign reserves into the country.

"As a country, Namibia is benefiting from this agreement because the BoN is paid in US dollars for the equivalent amount of Kwanzas deposited by our commercial banks, which contribute positively to our much-needed foreign reserves," he explained.

Shiimi has also dismissed assertions by local analysts that the exchange deal between Namibian Dollar and Kwanzas has added to the cash flow problems that government is experiencing.

There have been reports that since the inception of the deal earlier in June, many Angolans cross into Namibia with truckloads of Kwanzas – exchange them into Namibian dollar and cross back into their country.

Analysts raised the alarmed bell that the Angolan central bank was unlikely to have sufficient US dollars to exchange for the N\$2.8 billion worth of Kwanzas in Namibia.

The BoN governor noted that this concern is not supported by facts.

"We, however, acknowledge that the amount of money exchanged at the start of the agreement was beyond the expectations of both the central banks".

"The agreement helps to reduce transaction costs for individuals and small businesses as they do not have to pay double commission by first converting Kwanzas into US dollars and then into Namibian dollars to pay for goods and services at Oshikango and Santa Clara in Angola". (APA 05-11-2015)

FUNGAL DISEASE MAY POSE THREAT TO SOUTH AFRICA'S BANANAS

A serious outbreak of a fungal disease that has been responsible for decimating millions of hectares of banana plantations across the world, could now pose a threat to SA's R1.5bn banana industry.

University of Stellenbosch plant pathologist Altus Viljoen said the outbreak of Panama disease was spreading rapidly across the Metocheria Farm, a 3,000ha farm in northern Mozambique owned by Norwegian company Norfund.

Panama disease has been present in plantations in northeastern Mozambique's Nampula province for the past two years.

"The outbreak at Metocheria is very serious. With the flooding at the beginning of 2015, the fungus has been spread almost everywhere on the farm, and most likely also down the Monapo River," said Mr. Viljoen.

Mr. Viljoen said the disease could spread to more banana plantations in the Nampula province and then further into Africa, where it could threaten food security.

"The outbreak in northern Mozambique most certainly poses a risk to all its neighbouring countries. A major means of spread is water, as well as planting material and soil attached to shoes and vehicles from the farm.

"South Africans had been visiting the affected farms in Mozambique in the past, and are still visiting the farm to do business. If proper biosecurity is not introduced, South African growers might be affected," Mr. Viljoen warned.

Panama disease

The Department of Agriculture, Forestry and Fisheries said bananas contributed more than 50% of the total gross value of subtropical fruits in SA, amounting to about R1.5bn.

Panama disease, which is caused by the Fusarium fungus, is a soil pathogen that infects the root system and goes on to colonise the entire plant.

In the 1950s, the disease wiped out almost all the banana plantations in Central and South America. Despite growers switching to a new banana variety called the Cavendish, a new strain of the disease appeared in the 1990s, affecting large areas of Southeast Asia and spreading to northern Australia. In Mozambique, a collaborative group of scientists was assisting the affected farms with research and information on how to deal with the outbreaks.

However, Mr. Viljoen said that he was surprised at how little was being done by the Banana Growers' Association of SA (BGASA) to protect SA's industry from the disease.

"I have been invited everywhere in the world to help people protect the industry, but BGASA has not met me to develop a biosecurity strategy for the country," he said.

'Chances of infection slim'

BGASA chairperson Kobus Lourens responded by saying that the chances of SA getting the disease were slim.

"Yes, there is a chance of it spreading to SA, because if it got to Mozambique it can get anywhere. But to put it in perspective, the site is 2,500km from us. It could be brought to SA by someone (who) takes plant material or soil, but it would have to be intentional," Mr. Lourens said.

Mr. Lourens added that Mr. Viljoen could be undervaluing the efforts BGASA had put into strategies to control the disease.

"I have met with more than one plant protection officer in SA and they are well aware of the outbreak. The department of agriculture does have security measures in place, but only when we have an outbreak here or closer to us, (will) the measures kick in. Nothing will be done while the disease is still in northern Mozambique," Mr. Lourens said.

Joyce Mkhonto, a fruit seller in Mbombela, said bananas were her best-selling product.

"If there is a disease, it means I won't be able to sell bananas anymore. It will have a heavy effect on my business," Ms Mkhonto said. (News24 10-11-2015)

MOZAMBIQUE'S MILLENNIUM BIM BANK SELECTS INGENICO FOR POINT OF SALE NETWORK

Millennium bim, the largest bank in Mozambique, has hired French group Ingenico to proceed with the modernisation of its point of sale network in the country, according to a statement issued Tuesday.

The statement said the group was selected by the Mozambican bank because of the flexibility of its intelligent terminals, their innovative capabilities and high security standards.

The group also said it had already started replacing existing wireless and counter terminals at all bank branches of Millennium bim in Mozambique, which total about 3,000.

Francisco Leite, head of the point of sale unit of Millennium Bim, was cited in the statement saying that, "Mozambique is a very competitive banking market and we must constantly improve our technology infrastructure to ensure the best level of service to our customers."

Ingenico is a French group specialising in the provision of secure electronic transactions by manufacturing and selling point of sale terminals, software solutions and merchant payment software. (12-11-2015)

AN ARDUOUS ROAD TO ACCOUNTABILITY

The African Union's report on the atrocities committed during South Sudan's 19-month civil war, released late last month, stops short of using the word "genocide", leaving open a door to the South Sudanese government using it in defence against any charges of genocide.

Forced cannibalism, rape, killings, torture, all primarily aimed at the Nuer ethnic group, are described in gruesome detail in the report, which went as far as to state that the city of Juba was "ethnically cleansed". Stopping short of the label "genocide" does not agree with the evidence.

The African Union Commission of Inquiry report into allegations of war crimes recommends that an internationally backed, African-led court holds those responsible for the atrocities accountable. The government of South Sudan has consistently claimed that genocide has not been committed. It will be unfortunate if the South Sudanese government uses this high-level report to defend itself against charges of genocide.

The African Union took the initiative to establish a commission in December 2013. Five prominent personalities served as commissioners: Olesegun Obasanjo, former President of Nigeria; Justice Sophia Akuffo of Ghana, former president of the African Court of Human and People's Rights; Professor Mahmood Mamdani of Columbia University; Bineta Diop, president of Femmes Africa Solidarité; and Professor Pacifique Manirakeza of the University of Ottawa and African Commission member.

...

THE commission of inquiry's mandate was particularly broad and ambitious. It was tasked with investigating the human rights violations and other abuses committed during the conflict in South Sudan as well as the causes of such violations.

It was also mandated to make recommendations on the best way of ensuring accountability, reconciliation among South Sudanese communities and on how to move the country towards national unity. The commission of inquiry report was prepared under the leadership of the chairman, Obasanjo. Mahmood Mamdani wrote a separate report in which he dissented from some of the main findings.

Among the most gruelling testimony heard by the commission was that of victims who saw government soldiers draining blood from captured civilians who had just been killed and forcing other civilians to drink it, or eat burnt human flesh. The report documented these gruesome acts in detail and provided pictures of the acts.

The report further describes people being burnt in places of worship and hospitals, mass burials and women of all ages being brutally raped by forces of the Sudan People's Liberation Army.

Even the report's release has been mired in controversy. The African Union sat on the report for months after receiving it on July 24, then it was only given to President Salva Kiir's government. This has angered rebels loyal to Riek Machar, who insist that they and the government are equal partners in the South Sudan peace process.

The fact that the killings are not described as genocide is of crucial significance. It is problematic that the commission said that despite the ethnic nature of the conflict, it found no reasonable evidence to prove that genocide had been committed. Describing acts as genocide is intensely political and controversial.

...

The commissioners might have been aware that the term genocide should not be used loosely and should be used only if it meets the technical legal definition of genocide. Whereas they might have been reluctant to prejudge the acts of ethnic cleansing as genocide, withholding the word "genocide" waters down the report's effect. International law defines genocide as any of the following acts "committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group, as such: (a) killing members of the group; (b) causing serious bodily or mental harm to members of the group; (c) deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part; (d) imposing measures intended to prevent births within the group; or (e) forcibly transferring children of the group to another group". The element of intent is often the hardest to prove.

With regard to the level of military organisation, there are significant discrepancies between the main report and Prof Mamdani's report. The commission of inquiry's report says evidence suggests the crimes were committed in furtherance of state police and were dependent on an organised military operation. These discrepancies illustrate the complexity of the South Sudanese conflict. But a unanimous report would have had a stronger effect.

The two reports also took divergent positions on the question of the relationship between the Sudan People's Liberation Movement and the White Army (the name given to the youth fighting groups). Whereas the commission of inquiry report found that there was an institutionalised relationship between

the two, Prof Mamdani concluded that the White Army was different in nature from the commission of inquiry report: Prof Mamdani took the position that the White Army was not even an army, but consisted of civilians with arms.

According to Prof Mamdani, the members of the White Army lacked command, hierarchy and discipline, and were motivated by revenge. The question of the lack of organisation within the White Army and other groups will be highly relevant in determining whether the requirements for crimes against humanity and war crimes have been committed.

...

The report contains a long list of recommendations ranging from accountability mechanisms to reconciliation to political reform to socioeconomic development.

It recommends, for example, that the revenue from oil should be more evenly spread among the population. Whereas this touches upon the issue of corruption which has become a crisis in the political and economic life of South Sudan, it is difficult not to be sceptical about the prospects of implementation.

It is further recommended that institutions in South Sudan need to be strengthened and that peace should be restored before perpetrators can be held accountable for atrocities committed during the conflict. As appealing as the peace-before-justice argument might sound, taking this approach would mean that the victims would have to wait too long to see accountability and to receive reparations.

The matter of implementation is bound to be a sticking point. The commission of inquiry report as well as the separate opinion gives impetus to the implementation of parts of the Comprehensive Peace Agreement on the Resolution of the Conflict in South Sudan.

The creation of an ad hoc subcommittee, comprised of Algeria, Chad, Ethiopia, Nigeria, SA, Tanzania and Uganda, to consider the two reports has been suggested.

The status of the report is not clear. The evidence presented in such a report cannot be a substitute for evidence presented in court. But its existence can be a powerful tool for human rights activists and victims.

It is to be hoped that the recommendations made in the report, particularly with regard to accountability mechanisms, will be implemented as a matter of urgency. Without the political will of the South Sudanese government and other African states to prosecute the wrongdoers, the road to accountability will be a long and arduous one.

The matter can also be heard by the International Criminal Court. Since South Sudan has not acceded to the Rome Statute, the situation will have to be referred by the United Nations Security Council.

The report itself calls for the establishment of a hybrid court that will be supported by the international community, along the lines of the Sierra Leone Special Court. In view of the current rhetoric about the establishment of an African Court of Justice and Human Rights, it is interesting that the establishment of a purely African justice mechanism was not proposed.

Whether initiated by the United Nations Security Council or by the African Union, it is highly unlikely that a prosecution can succeed without the co-operation of the South Sudanese government.

The disturbing fact that the Kiir government is already relying on the report to support its claim that genocide has not been committed does not bode well. (BD 10-11-2015)

MORE GAS TO FLOW FROM NIGERIA, KPONE THERMAL PLANT READY, MAKE HEADLINE IN GHANA

The assurance by Ghana's Power Minister that more gas would flow from Nigeria and the completion of a thermal plant in two weeks are some of the stories making headlines in Accra on Thursday.

The Daily Graphic said the Minister of Power, Dr. Kwabena Donkor, has revealed that Cabinet has approved a request by his Ministry to sign a contract with a Nigerian company to supply additional gas to complement supply from N-Gas, the main supplier of gas to Ghana through the West African Gas Pipeline.

The Minister said the need to get additional gas was necessitated by the low level of pressure from N-Gas, which supplies Ghana gas through West African Gas Pipeline Company (WAPCo).

The Ghanaian Times said a thermal plant at Kpone in Tema would be ready to shore up the energy

generation mix of the country with 110 megawatts of power.

The Finder said banks were reeling under the Ghanaian economy saying that most of the banks failed to declare profits. (APA 05-11-2015)

TRITON MINERALS RAISES FUNDS FOR GRAPHITE MINING IN MOZAMBIQUE

Triton Minerals intends to raise 11.3 million Australian dollars through a share issue in order to continue graphite exploration in northern Mozambique, the Australian company said in a statement Thursday.

Under this initiative, GMP Securities Australia agreed to issue shares of up to 4 million Australian dollars through a set of standard conditions in contracts of this kind.

The funds raised will be used to further define the location of the graphite deposits in Ancuabe and in Monte Nicanda, both in the province of Cabo Delgado, northern Mozambique.

The funds will also be used to extend the definitive feasibility study, to include the P66 area in the Monte Nicanda concession and the partnership with a Chinese company for construction of a graphite processing plant in Mozambique.

Triton Minerals also reported that some of the funds raised are expected to be used at the beginning of construction of the processing unit, in partnership with China's Yichang Xincheng Graphite. (13-11-2015)

CALL FOR PROPOSALS TO SUPPORT CIVIL SOCIETY ORGANISATIONS AND LOCAL AUTHORITIES IN ALGERIA

The European Commission has launched a call for proposals in Algeria under the thematic programme "Civil society organisations and local authorities". The reference of the call is:

EuropeAid/150492/DD/ACT/DZ. The overall indicative amount made available under this call is €3.7 million.

The overall objective of the call for proposals is to support civil society organisations (CSOs) and Local Authorities (LA) in Algeria for the period 2015-2017.

The specific objectives are:

1. To support to CSOs

- a) as governance actors;
- b) as partners in the promotion of social development;
- c) to promote a territorial approach to local development.

2. To support LAs

- a) as actors of local governance and local participatory democracy;
- b) as stakeholders for promoting inclusive and sustainable growth;
- c) to develop a territorial approach to local development.

The deadline to submit concept notes is 28 January 2016 at 12 Brussels time. (EU Neighbourhood Info 12-11-2015)

MOZAMBIQUE GETS \$28.5 EUROPE GRANT FOR MUNICIPAL DEVELOPMENT

Four European governments have approved a financial package amounting to \$28.5 million to support municipal development programmes in Mozambique's 26 municipalities in the central and northern regions, APA can report on Friday.

The deal was formalised on Friday by Mozambique's Minister of State Administration, Carmeliat Namashalua and Danish ambassador Johnny Flento who represent the quartet.

The programme, valid until 2017, will support the municipalities directly, through the transfer of financial resources for investment, technical assistance and the exchange of experience between the municipalities in areas concerned with resilience to climate change, management of solid waste, and municipal finance.

The countries providing the funds are Denmark, Sweden, Switzerland and Ireland.

In addition to municipalities, the memorandum also supports central ministries in strengthening inter-sector coordination and also aims to strengthen forums of debate on municipal development, and to revise and update legislation on municipal management.

Some of the funds will also go towards drawing up and revising manuals of good municipal management practices.

Speaking at the ceremony, Namashalua said the municipal development programme seeks to support the government's efforts to reduce poverty and improve the welfare of municipal citizens, and to contribute towards improving town planning and the consequent creation of a healthy environment.

She added that the programme will also contribute to the institutional strengthening of the municipalities, of central government institutions, and of the National Association of Mozambican Municipalities. (APA 13-11-2015)

GALP ENERGIA SPENDS US\$100 MILLION ON OIL EXPLORATION IN SÃO TOMÉ AND PRÍNCIPE

Portuguese group Galp Energia will spend over US\$100 million in oil prospecting in Block 6 of the Economic Exclusive Zone of São Tomé and Príncipe, in partnership with Cosmos Energy, said Monday in São Tomé the chairman of the group.

Carlos Gomes da Silva, who made the statement at a ceremony to formalise the agreement with the National Petroleum Agency of São Tomé and Príncipe, said the investment in the exploration block would be at least US\$100 million and this phase should be completed within eight to 10 years.

The group's chairman said work "officially began today (Monday)" and added that this phase would begin with the geological assessment of the area by conducting seismic studies, followed by the analysis of investment risks before launching the development and production phase.

Galp Energia Monday deposited US\$2 million with the State of São Tomé and Príncipe as a bonus for signing the production sharing contract and Gomes da Silva announced the disbursement of US\$1.2 million over the next four years for social spending.

In this block the Portuguese group holds a 45 percent stake and is also operator, Kosmos Energy, headquartered in Dallas, Texas, also has 45 percent and the remaining 10 percent is in the hands of the National Petroleum Agency (ANP), representing the State.

The contract signed by the National Petroleum and Galp Energia is for a period of 28 years and states that the first eight years will be devoted to prospecting and the remaining 20 to development and production.

Block 6, located in the sea off São Tomé and Príncipe has an average depth of 2,500 metres and covers an area of 5,024 square kilometres. (10-11-2015)

SOUTH AFRICA: GOOD AND BAD NEWS FROM HOLT

MICHEL Lerner, co-head of HOLT, delivered a paper last week at a Credit Suisse client colloquium on spotting investment opportunities in Africa. We met with him to get a basic explanation of the Holt methodology and a Holt perspective on a few broad issues.

The basic description of Holt might be that it is a Credit Suisse unit that examines accounting information, converts it to cash and then values that cash. But when Lerner talks of a "major investment" that is "a key Credit Suisse offering" comprising a team of "85 chartered financial analyst and MBA-types" who are able to "clean up" the companies they look at "by understanding their true underlying performance", it becomes clear it is much more than that.

"There's an obsession in the market with price: earnings ratios and earnings," he says. "The reality is that while anything that's earnings-based is easy to understand, it's also the number most prone to distortions ... sweat your asset base, don't replace assets when you should and your depreciation will be lower, bumping up earnings. Why not throw in a big buyback? Your earnings a share will move up and, in the short term, you'll look pretty good.

"So it's important for us to take the data, clean it up for these noncash items, clean it up for the accounting distortions, to really get a proper measure of the cash a business is generating off an investment at the time it decides to invest. That, in our view, is a much clearer reflection of the performance of a business."

On investing in Africa, he says: "We're looking at some 200 stocks in Africa, which allows us to look at some trends. We're able to see how valuations stack up relative to history and relative to peers. We're looking to highlight some opportunities in Africa.

"The key one is that it's one of the few pockets of sustainable growth. International Monetary Fund data is still forecasting growth to be high compared to the developed world, and in the longer term, the Credit Suisse Wealth Handbook shows that the wealth potential is subpar right now. The share of wealth in Africa is outstripped by the share of the population by a factor of 1:10.

"That poses a lot of challenges in the short term, but in the long term, given the growth in population, particularly the growth expected in the workforce, the wealth effect could be particularly positive. And so it's important to look for longer-term investment opportunities. In the short term, there are challenges linked to the commodity cycle and to potential rises in interest rates in the US, but in the longer term, finding those quality names that can play into the structural growth story becomes a relatively enticing investment prospect."

On SA: "Of the 200 stocks we look at in Africa, about 140 are in this market. We have to somewhat differentiate SA from other frontier markets. The sector mix has features of frontier markets in the rest of Africa, a lot of financials, a lot of consumer staples, but it also has good pockets of intellectual property-based industries — in information technology in particular. So it has aspects of both worlds. It also has its own challenges. Growth in frontier markets is expected to be relatively robust, whereas growth in SA is slowing down quite aggressively. We've seen it most recently in the Credit Suisse emerging markets consumer survey, where the levels of confidence are probably among the lowest in the bigger emerging markets.

"In the Holt world, what we see in practice is that SA as a country, has had very high returns, but they have been trending down for the last four years. Expectations over the next two years are for further pressures. Consensus has been incredibly negative in the revisions it's pushing through. And so, as much as the market has tended to rebound in the last year, the fundamentals are still not particularly strong. And certainly not strong enough to underpin today's valuations. So a relatively grim picture here. "But that's the bad news. The good news is that there are stocks that are good, sound creators of wealth historically, and the market expects these to continue to grow wealth going forward. The likes of Mr Price, for example."

On the global outlook: "Holt asks the questions, but we don't have the answers," warns Lerner. "We ask all the questions that allow you to calibrate how aggressive, or not, markets might be in terms of expectations relative to history, but we leave it up to the fund managers to decide if that's relevant or not. What we are able to do is to say, "OK, how do things look relative to history?"

"The big challenges when we look at global valuations today are twofold: first, margins are at an all-time high, is that sustainable? Second, we've been in a period when growth has been incredibly robust, again is that sustainable? The added issue is that companies have tended in large part to invest in growth

even though sales have not necessarily followed through. Which tells you that capacity utilisation across many sectors in many geographies is subpar.

"That's been okay from a cash generation standpoint while margins have been high, but if these start to drop, there's an issue from a cash perspective. And if sales don't follow through, this problem (capacity utilisation) potentially accelerates. We see it with the likes of luxury goods in particular with the huge ramp-up of store growth in Asia and more recently with automobiles.

"That's a problem from a corporate performance standpoint. From a valuation standpoint markets still tend to reflect relatively rosy outlooks for returns and for growth. So that's the dilemma, is it sustainable? We've been asking that for two to three years.

"The dynamics in which we are operating are very different from anything historically. There are no asset classes, other than equities, that are yielding the type of yields that we see today ... the yield of equities globally is around 5% in real terms, you're not getting that type of yield in developed markets anywhere else. So you have this tug-of-war between equities where implied expectations and the outlook for cash flows might be demanding relative to history, but there are very few alternatives."

There's a tug-of-war between "yes, things are expensive" and "there are no alternatives". (BD 10-11-2015)

LESOTHO REVIEWS LICENSING ACT

Lesotho's Ministry of Trade and Industry is currently reviewing the Industrial Licensing Act of 1969 because it has been surpassed by contemporary developments, APA learnt Friday.

The Senior Industry Development Officer, Paul Fiee said the process of reviewing the Act was halted last year.

Fiee said Lesotho is currently preparing to adopt the Industrial Licensing Act of 2014, in conjunction with the Industrial Licensing Regulations of 2014.

He also noted that the mountain kingdom is embarking on a series of sensitization workshops for industrialists (firm owners) concerning the Act to be tabled in parliament in the shortest possible time. (APA 06-11-2015)

MOZAMBICAN INDUSTRY INCREASES CASHEW NUT PROCESSING

Mozambican cashew processing companies will process 41,500 tons of nuts by the end of the year, a 66 percent increase compared to the 25,000 tons processed in 2014, said the president of the Cashew Industry Association (Aicaju).

Mohammed Yunus Abdul Gaffar, who recently spoke at the opening ceremony of the 2015/2016 cashew sales campaign, an event that took place in Muecate district, Nampula province, said he expected the cashew campaign to be good, which was the basis for growth of the processing industry.

The president of Aicaju said this year would also see the launch of processing cashew bark to extract oil, which is seen as an important step in the integrated development of the cashew industry in Mozambique.

The industrial cashew sector in Mozambique currently employs just over 12,000 workers, a number that is expected to increase in the near future with the entry into operation of new plants, according to daily newspaper Notícias.

A new cashew processing factory will be inaugurated shortly in Nampula district and another is due to start operating in 2016 in the Liupo district.

There are currently 14 cashew processing factories operating in Mozambique, mostly in Nampula province, the country's largest producer, with over 14 million cashew trees.

The goal for 2015/2016 is to sell 100,000 tons, against 80,000 ton the previous year. (13-11-2015)

LUXEMBOURG PRESIDENCY INITIATIVE FOR MAGHREB YOUTH EMPLOYMENT HAILED AT MEDITERRANEAN ECONOMIC CONFERENCE

An initiative on youth employment through vocational training in the Maghreb countries, presented by the Luxembourg Presidency of the EU, has received the full support of economists, experts, actors on the ground and political leaders present at the [11th Mediterranean Economic Rendezvous](#), a conference organised by the EU-funded Mediterranean Institute Femise and the Circle of Economists.

In their final declaration, participants considered this proposal to be *"a first essential step in tackling the problem of youth unemployment"* and appealed for *"the creation of a specific common fund in order to mobilise the €200 million required for the programme in order to get this first step in favour of youth employment started as soon as possible."*

The idea of the Euro-Maghreb initiative for youth employment means *"investing in our young people so that they can participate fully in economic life and build their future"*, said Nicolas Schmit, Luxembourg's Minister for Labour, Employment and the Social Economy. The initiative aims to strengthen and renew the partnership between Maghreb States and the EU in order to encourage youth employment more actively. (EU Neighbourhood 10-11-2015)

[Proposal of the Luxembourg Presidency for an initiative on youth employment through vocational training in the Maghreb countries - Background note \(pdf - 497 Ko\)](#)

ETHIOPIA RENEWS FLIGHT AGREEMENTS WITH SEVEN NATIONS

Ethiopia has renewed its flight agreements with seven countries, a statement by the Ethiopian Civil Aviation Authority stated on Friday.

The renewal agreements were made in Antalya, Turkey where the Eighth International Civil Aviation Organization (ICAO) Air Services Negotiation event was held in collaboration with 193 member countries.

Ethiopian Civil Aviation Authority, Deputy Director-General Gobena Gwangul and civil aviation heads of the respective countries signed the agreements, revising them vis-a-vis the current market.

The agreements are expected to expand tourism, support export, and create jobs by encouraging trade and investment as well as earn foreign currency among the signatories.

Among the agreements, the one signed with the government of Britain would enable the weekly flight of Ethiopian Airlines to increase from 7 to 14.

In the agreement with Greece, it has also obtained license to fly to Moscow and other cities of Europe in addition to the previous rights.

Similarly, in a negotiation with the government of Switzerland, it has managed to increase the weekly seven flights to 21 by improving the previous agreement, it was indicated.

In line with the agreement reached with India 7 times weekly flights to Bangalore will take place in addition to the current air services to New Delhi and Mumbai, the statement said.(APA 06-11-2015)

ANGOLA BUILDS DAMS TO MINIMISE IMPACT OF DROUGHT IN HUILA PROVINCE

The construction works of three new hydraulic dams in three municipalities of the province of Huila will resume in 2016 after coming to a standstill this year for financial reasons, the provincial governor said Tuesday.

The construction work in the municipalities of Chibia, Lubango and Gambos began in 2014, after being included in the emergency relief programme to combat the drought that has plagued the region, Angolan news agency Angop reported.

During a meeting with members of the Gambos municipal administration, governor João Marcelino Typinge said that the municipalities Gambos and Chibia have severe problems with a lack of rain almost every year.

The dam in the Arimba commune in Lubango, will be 16 metres high, with a capacity to irrigate an area of 230 hectares with 11 million cubic metres of water.

The Gambos dam will be 19 metres high and will supply 400 million cubic metres of water in an irrigable area of 11,000 hectares, supported by a 25 kilometre dyke.

The Quihita dam in the Chibia district, will provide more than 300 million cubic metres of water for an area of 15,000 hectares. (13-11-2015)

TWINNING PROGRAMME LAUNCHED TO MODERNISE CENTRAL BANK OF TUNISIA

An EU Twinning programme was launched last week to modernize the operational framework of monetary policy at the Central Bank of Tunisia.

The programme, to be implemented between the Tunisian Central Bank and the Bank of France, is funded by the EU with a budget of €745,000. It aims to modernise implementation of monetary policy by the operational directorates of the Central Bank of Tunisia through cooperation with its counterparts in the EU including the Bank of France and the Central Bank of Germany.

The aims of this Twinning include:

- The establishment of a consistent, efficient and secure operational framework for regulating bank liquidity,
- The design of a new collateral management system based on clear eligibility criteria and risk control measures,
- The development of appropriate models for forecasting bank liquidity,
- The alignment of the operational processes of the interbank market and the negotiable debt securities market with international standards. (EU Neighbourhood 10-11-2015)

GAMBIA INTRODUCES FREE EDUCATION IN PUBLIC SCHOOLS

The Gambia government through the Ministry of Basic and Secondary Education (MoBSE) has declared free education in all public schools from primary to secondary levels.

According to a MoBSE statement seen by APA on Friday disclosed the removal of school levies is under the School Improvement Grant (SIG) funded by the government in a bid to provide education for all Gambian citizens.

It said the grant does not include books for the students and that parents are required to take charge of the stationery need of their children.

The move has been welcomed by many Gambian parents some of whom could not afford to pay for their children's school fees.

Meanwhile, ordinary Gambians are calling on the government to work on the quality of education in public schools, noting that private ones though expensive do better than the others in terms of academic performance.

In October, 2014 President Yahya Jammeh promised to make education free by September 2015, to ensure that any child born in The Gambia is assured of basic education, as provided for in the 1997 constitution.(APA 06-11-2015)

RESORT GROUP ANNOUNCES TOURISM PROJECTS FOR CABO VERDE

The Resort Group (<https://www.theresortgroupplc.com/>) plans to build six resorts on the island of Boa Vista in Cabo Verde (Cape Verde), consultant and institutional representative of the group, Victor Fidalgo said Thursday in Praia.

Fidalgo, cited by Cabo Verde's Inforpress news agency, said the group is currently focused on the island of Boa Vista and that the six tourist resorts are due to start being built "soon."

On the sidelines of the launch ceremony of the work to build the Hilton Hotel in the Achada de Santo António area of Praia, the consultant said the goal was not to build hotels, but to attract "new international brands" to the islands.

The first Hilton luxury hotel in Cabo Verde is located in Santa Maria, on Sal Island, 40 percent of the total 41 million-euro cost was provided by a banking syndicate includes Banco Comercial do Atlântico and Banco Interatlântico, both of the Portuguese state-owned Caixa Geral de Depósitos group, Banco Espírito Santo-Cabo Verde, Caixa Económica and Ecobank.

Another 40 percent was secured by Batuque, a company set up by the Hilton Group.

Present on the African continent in Morocco, Algeria, Nigeria, Ethiopia, Kenya, Cameroon and South Africa, Cabo Verde is the first Portuguese-speaking African country to welcome the Hilton brand, 89 years after the inauguration of the group's first hotel in Dallas, United States. (13-11-2015)

The Memorandum is supported by the Chamber of Commerce Tenerife, ELO - Portuguese Association for Economic Development and Cooperation, NABA - Norwegian-African Business Association and other organisations.



www.camaratenerife.com



www.elo-online.org



www.norwegianafrican.no

Fernando Matos Rosa

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