MEMORANDUM

N° 227/2014 | 02/12/2014

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LE COMMISSAIRE EUROPEEN EN CHARGE DE LA COOPERATION INTERNATIONALE ET DU DEVELOPPEMENT NEVEN MIMICA PARTICIPERA AU SOMMET DE LA FRANCOPHONIE QUI SE TIENDRA AU SENEGAL

Le 30 novembre, le Commissaire **Mimica** prendra part au 15ème Sommet de la Francophonie qui rassemblera au Sénégal les chefs d'Etat et de Gouvernement des pays francophones. A cette occasion, il aura des réunions bilatérales avec un certain nombre de Chefs d'Etat de la région. En marge de l'évènement, le Commissaire **Mimica** signera également le Programme National Indicatif pour le Bénin, qui constitue le cadre du soutien de l'UE au pays jusqu'en 2020. Pour un montant de 372 millions d'€, celui-ci sera centré sur la bonne gouvernance, l'agriculture et l'énergie. De plus, le Commissaire signera un soutien de 20 millions d'€ au Sénégal pour compléter un programme en cours de développement durable et pour renforcer les efforts du Sénégal pour améliorer la gestion des terres et combattre la dégradation des sols. (EC 30-11-2014)

COMMISSIONER MIMICA TAKES PART IN THE EU-ACP JOINT PARLIAMENTARY ASSEMBLY, STRASBOURG

On Monday 1 December, the European Commissioner for Development, Neven **Mimica** will address the Joint Parliamentary Assembly (JPA) of the EU and the African, Caribbean and Pacific (ACP) States, in Strasbourg. This consultative body for parliamentary debates was established by the Cotonou Agreement, which defines the framework for the EU's relations with the 78 ACP countries. The assembly comprises equal numbers of parliamentarians from both sides (78 each) and meets twice a year. It is presided by MEP Louis Michel and Fitz A. Jackson Minister of Finance from Jamaica. Two important topics of debate during the Commissioner’s participation in the plenary session will be a global development agenda for the time after 2015, when the Millennium Development Goals have expired, and the current Ebola outbreak in West Africa and its consequences on the affected countries. (EC 01-12-2014)

MOZAMBIQUE AMONG THE THREE AFRICAN ECONOMIES WITH HIGHEST GROWTH BY 2019

Mozambique is one of three countries that stand out for their growth in Africa, a continent that will become increasingly important in economic terms in the coming years, according to consulting firm Deloitte.

Africa’s gross domestic product (GDP), according to a report just published on the economic outlook for the continent, is expected to expand 50 percent by 2019, to US$3.7 trillion, driven by the growing middle class and an increase in private consumption.

“An annual growth of about 8 percent would add US$1.1 trillion to Africa’s GDP by 2019, with Ethiopia, Uganda and Mozambique among the most rapidly expanding markets,” the document said.

A recent report by Standard Bank Group points to significant growth of the African middle class in the coming years – 40 million homes by 2030, in 11 of the region’s economies, but in a more pronounced way in Nigeria.

If this trend is confirmed, it will signal a change in what has been the paradigm of African economic growth in recent decades, which has mostly focused on extraction of raw materials such as oil, diamonds, natural gas and, more recently, the construction of infrastructure, such as dams, railways and highways.

As in the recent case of the Benguela Railroad, funded by China in Angola, this type of infrastructure is removing vast regions of the content from previous isolation by linking production areas to markets and creating wealth and jobs.

Deloitte said companies need “long-term strategies” for Africa, a continent where the business world still faces legal and bureaucratic barriers, along with growing opportunities in tradable goods, ranging from mobile phones to luxury products.

“Where there are challenges, there are also opportunities to innovate. Given the growth potential that the continent offers, Africa’s business opportunities may outweigh the risks,” the consultancy said.

The mobile phone market is one that has amongst the highest growth potential, with a total penetration growing to an expected 97 percent by 2017, 25 percentage points more than current penetration.

This increase, Deloitte said, is of over 334 million mobile phone subscribers.

The services sector in Mozambique is currently experiencing strong growth, benefiting from the growth surge that the country is receiving, particularly in production facilities and export of raw materials such as coal and natural gas.

The Economist Intelligence Unit projects that economic growth in Mozambique will accelerate to 7.3 percent in 2014 and 7.8 percent in 2015, driven by the coal industry and investment in infrastructure, but also by “strong growth” of the telecommunications, industry and financial services. (01-12-2014))

WORLD BANK EXTENDS DEVELOPMENT CREDIT, DEVELOPMENT POLICY GRANT TO MALI

Malian Minister of Economy and Finance, Mrs Bouaré Fily Sissoko and Paul Noumba um, World Bank Country Director for Mali, on Wednesday in Bamako signed a financing deal to help Mali strengthen government accountability and transparency as well as improve public sector spending.

The agreement includes a US$36 million development policy credit and a US$27 million development policy grant for Mali, officials of the Ministry of Economy and Finance told PANA,

The financing will reinforce the government’s efforts through support to activities that, among others, Create a budget line for financing public investment projects feasibility studies; Adopt and implement the policy framework establishing performance contracts between the State and regional governments; and Strengthen the legal autonomy and capacity of the Audit Section of the Supreme Court, and carry out judgments of accounts of major local governments.

“In order to rebuild the stability of Mali, efforts must focus on strengthening executive accountability through improved controls over the use of public financial resources and greater transparency,' said Noumba Um.

According to the World Bank official, the crisis of 2012 brought forth questions regarding the quality of institutions in Mali and their ability to serve and protect citizens and external factors that contributed to the country’s destabilization.

'There is an urgent need to strengthen central and local governance for greater state legitimacy”, he added.

The financing provided by the World Bank is intended to support the First Recovery and Governance Reform Support Operation, a series of two development policy operations, which is closely aligned with the Mali Poverty Reduction Strategic Framework (CSRP-3) and the Government Action Plan (GAP) 2013-18. (Pana 27/11/2014)

MOZAMBIQUE’S CAPITAL HOSTS 2ND GAS SUMMIT

The city of Maputo hosts, between Tuesday and Friday, the 2nd Gas Summit to discuss, among other topics, the role of Mozambique in the global natural gas market,

The project manager of the CWC group (http://www.thecwcgroup.com/), dedicated to organising events on oil and gas, Mariya Incheva, said she expected 500 delegates and 40 companies at the summit, which is organised in conjunction with Mozambique’s state oil and gas company ENH.

The summit is supported by the Mozambican government and will involve Mozambique’s Minister for Energy, Salvador Namburete, Minister for Planning and Development, Aiuba Cuereneia, and representatives of ENH and Italian group ENI and US group Anadarko Petroleum, the major players involved in the Rovuma basin.

The chairman of ENH, Tavares Martins, said that at the summit entrepreneurs would gather information on how they could benefit from oil and gas in the country.

The summit will also address licensing of new areas for surveying and production in Mozambique, training leaders in the oil and gas sector and the industry’s environmental implications.

Last week, the Mozambican government approved the start of natural gas liquefaction projects in blocks 1 and 4 of the Rovuma Basin, in the north of the country, led respectively by Anadarko Petroleum and ENI, with a planned investment of over US$30 billion.

It is estimated that Mozambique has reserves of 200 trillion cubic feet of natural gas, positioning itself as one of the world’s major potential natural gas producers. (01-12-2014)

OECD TO REDEFINE OFFICIAL DEVELOPMENT ASSISTANCE

Several European countries are trying to have new types of expenditure defined as Official Development Assistance (ODA), which already includes various forms of "phantom" aid, such as hosting foreign students or receiving refugees.

Discussions are under way within the Development Assistance Committee (DAC) of the OECD, a forum of the world's 29 leading aid donors, over whether to rewrite the definition of international aid funding.

The goal of dedicating 0.7% of GNI to international aid is no mean feat for the DAC's 29 members, only a small number of whom, the United Kingdom and Luxembourg included, have so far managed to reach this target.

The inclusion of certain expenses in the calculations, like granting political asylum or paying student fees, makes the target more easily achievable.

"Phantom" spending

The NGO Concord has highlighted the common practice of "phantom" spending among European countries (counting aid that does not go directly to developing countries).

France and the United Kingdom have both used "phantom" spending to inflate their international aid figures: professional training in Wallis and Futuna, a French territory, and the pensions of former British colonial officers, are both counted in the countries' efforts to fight poverty in the developing world

European countries recorded 1.7 billion euros in expenditure linked to asylum applications in their ODA calculations for 2013, according to Concord's Aidwatch Report.

Luxembourg is the only European country not to count these costs in its ODA calculations.

Peter Sörbom, from Concord Sweden, said "we are seeing a worrying trend where more and more countries like Sweden are financing migration costs with money from their aid budgets. It is a vital part of public spending, but should not be counted as official development assistance".

The cost of hosting oversees students is also increasingly finding its way into international solidarity calculations. In 2013, Germany and France each recorded over 700 million euro of such spending as ODA.

The report also criticised debt relief and aid tied to the purchasing of goods and services from the donor country.

Common practice

“The ODA label has become a kind of catch-all. It should be restructured to exclusively take into account spending that directly benefits populations suffering from poverty. But the change appears to be heading in the wrong direction," said Friederike Röder, director of ONE France.

The OECD is not taking this criticism lightly. One of the main objectives outlined in its 2014 Development Report was to "strengthen the credibility of the system to address growing criticism of the ODA measure over the past decade".

Erik Solheim, Chairman of the OECD's Development Assistance Committee, told he thinks it likely that an agreement will be reached to count the subsidy element of a loan in Official Development Assistance calculations, but not the full loan.

Friederike Röder explained that "counting only the subsidy element is more realistic, but the general public seem to find it difficult to understand”.

Unanswered questions

The sensitive question of integrating the cost of peace-keeping operations remains unanswered.

"Some member states want to include additional military, peace and security expenses in the new definition of ODA," Concord stated in its report, citing France, Belgium and Portugal among the main advocates.

Erik Solheim believes it would often be difficult to justify qualifying military spending as part of a country's efforts in international solidarity.(EurActiv 28-11-2014)

INDIA AND MOZAMBIQUE COOPERATE IN THE OIL AND GAS SECTOR

The governments of Mozambique and India Sunday in New Delhi signed a memorandum of understanding for cooperation in the oil and gas sector, according to a statement from the Indian government.
The agreement, which will be valid for five years, was signed in New Delhi by the Indian Oil Minister, Dharmendra Pradhan, and the Mozambican Foreign Minister, Oldemiro Baloi, on an official visit to India.
The memorandum, which was approved by the Indian government on 29 October, provides for closer cooperation between research centres of the two countries, increasing training and technology transfer.
“Mozambique is strategically located close to India and has ideal conditions to provide natural gas to India at prices determined by the market,” Pradhan said in the statement, noting that Indian companies were involved in gas exploration in northern Mozambique.
Indian state companies ONGC Videsh, Oil India and Bharat Petroleum Corp own 30 percent of block 1 of the Rovuma Basin, led by US company Anadarko Petroleum, in the offshore area of northern Mozambique.
ONGC Videsh, an ONGC group company for international business, for example, has already spent more than US$5 billion to buy a 20 percent stake in the Area 1 block, and is responsible for at least another US$3 billion more so that the consortium can start processing and liquefaction of natural gas for export to consumer markets. (01-12-2014)

SOUTH AFRICA: SABMILLER FORGES CLOSER COCA-COLA TIES

Soft drinks will make up a quarter of SABMiller’s beverage volumes after the brewer takes a majority stake in what will be Africa’s biggest Coca-Cola bottling company.

Though it still sees itself as "fundamentally a beer company", SABMiller has been giving more attention to its business of making and distributing Coca-Cola's and its own soft-drinks brands.

The carbonated drinks yield slightly lower margins than beer, partly because soft drinks are produced under a franchise-like model. However, SABMiller's soft-drinks volumes have been growing while beer volumes have flattened. Soft drinks now contribute about 20% of group volumes.

SABMiller said on Thursday it would merge its African soft-drinks units with SA's second-biggest Coca-Cola bottler and with The Coca-Cola Company's local operations, to form Coca-Cola Beverages Africa.

The new bottler will produce 40% of Coca-Cola's beverage volumes in Africa and more than 80% of its volumes in SA.

On full completion of the merger, SABMiller will hold 57% of Coca-Cola Beverages Africa's economic rights, while Gutsche Family Investments — which is contributing Coca-Cola Sabco bottling operations in SA and six other African countries — will have a 31.7% stake. The Coca-Cola Company's holding will be 11.3%.

Although the merger deal is cashless, SABMiller will sell its Appletiser brands and 19 nonalcoholic drinks brands to The Coca-Cola Company for $260m.

This excludes SABMiller's nonalcoholic malt beverages, which are popular in Latin America and West Africa.

Mark Bowman, MD of SABMiller's Africa business said on Thursday much of Appletiser's success had been due to Coca-Cola's franchise and distribution model with bottlers.

"It was always a bit of an anomaly as an SABMiller-owned brand being sold through the Coca-Cola system.

"Now all of that dissonance disappears and I think that probably opens an opportunity," Mr Bowman said.

While the Appletiser brand has been sold to Coca-Cola, making it the franchise holder, the brand will still be produced by Coca-Cola Bottling Africa and other external bottlers.

Coca-Cola and SABMiller management said on Thursday the new company would provide the scale, resources and efficiencies needed to grow Coca-Cola's brands faster than would have been possible individually.

Given that SABMiller's economic rights to the new venture are slightly below what it is contributing to the company, the deal is marginally dilutive to SABMiller's profits at first, though the company expects it to start lifting earnings after three years.

Meanwhile, SABMiller's move to bolster its relationship with Coca-Cola will not shield it from being a takeover target, analysts said on Thursday, referring to expectations of consolidation in the global beer industry.

If SABMiller were swallowed, its suitor would be Anheuser-Busch InBev (AB InBev), the world's largest brewer, which is the biggest bottler of Pepsi products in Latin America.

Citi Research said in a note on Thursday that while SABMiller's closer alignment with Coca-Cola added complexity to a potential AB InBev deal, "this doesn't mean ABI can't or won't acquire SABMiller", a scenario they said was the most likely outcome.

UBS Securities said this deal, "if anything … may make SABMiller more attractive to AB InBev, as it makes its Africa business more financially sustainable long term, reducing risk". (BD 28-11-2014)

OIL COMPANIES INTERESTED IN TENDER LAUNCHED BY MOZAMBIQUE

International oil companies have expressed interest in participating in the international tender launched by the Mozambican government for oil prospecting in 15 new blocks, the director of the National Oil Institute (INOP), Carlos Zacaria said in Bilene.

Zacaria, who is responsible for prospecting activities in Mozambique, acknowledged that the deadline for proposals, of just three months between October and January, was short but added that, despite this, large groups "are showing interest in the area covered."

This is the first tender the government of Mozambique has launched since the discoveries of about 200 trillion cubic feet of gas, starting in 2010, mostly in the Rovuma sedimentary basin in the province of Cabo Delgado.

Zacarias, who was speaking at an international conference on communication and the extractive industries, noted that many of the oil companies had been preparing for this tender long before it was launched.

He did not say how many groups had shown interest in the tender, but daily newspaper Notícias, reported that they include a number of major groups in the sector, such as BP, Chevron, ExxonMobil and Total.

These groups are likely to join South Africa's Sasol, which operates in Pande and Temane, in the Mozambique sedimentary basin and Anadarko Petroleum, ENI and Petronas, in the Rovuma basin.

The conference was opened by the Minister of Mineral Resources, Esperanca Bias, who recognised that the sector's contribution to Mozambique's GDP was still very low at about 3 percent of the total. (01-12-2014)

GLENCORE TACKLES CONGO ENERGY SHORTAGE

Glencore and its partner in the Democratic Republic of Congo are ploughing $360m into refurbishing the country's main hydroelectric plant, as mining companies seek ways to overcome power shortages that are holding back projects.

Mining investment has poured into the Congo since 2006, after the 1998-2003 war ended and an election drew a line under decades of dictatorship. Last year, Congo beat Zambia to become Africa's main copper producer with output of 914,631 tonnes.

Companies seeking to tap some of the world's biggest undeveloped mineral reserves say power shortages are preventing development. Prime Minister Augustin Matata Ponyo told companies in January to halt any expansion plans that require extra power in the southeastern mining heartland of Katanga province.

"If you want to (produce) 1.5-million tonnes of copper, this is only possible if you solve the energy problem," said Pieter Deboutte, who sits on the board of Mutanda Mining, a copper project owned by Glencore and the Fleurette Group, which is controlled by Israeli billionaire Dan Gertler. With demand for generation capacity of 912MW to 1,202MW, Katanga is facing a deficit of up to 734MW, an August report from national utility company SNEL shows.

Mutanda's Kamoto mine in Katanga suffered more than 862 hours of power interruptions between May and September, according to company figures.

Until now Mutanda has resorted to importing energy from Zambia at up to twice the price of domestic power and using diesel generators that cost $3m a month.

Glencore and Fleurette have now decided to take matters into their own hands by repairing two turbines at SNEL's 1,424MW Inga 2 hydropower plant and upgrading about 2,000km of transmission lines to take the power to Katanga.

The plan is to produce 450MW, with 380MW reserved for Kamoto. Mutanda will recoup the cost through reductions in utility bills, Mr Deboutte said.

"The model here is you bring what you need," said Oscar Melhado, the International Monetary Fund's representative in Congo.

Randgold Resources, which poured the first gold at its Kibali mine in Congo's remote northeast, last year, opted for this do-it-yourself strategy from the start. "We just got on and built our own hydropower stations," said Mark Bristow, CEO of Randgold, which runs the mine in a joint venture with AngloGold Ashanti and state miner Sokimo. "Without reasonable power costs, Kibali doesn't make a return." (Reuters 28-11-2014)

CABINDA PROVINCE, ANGOLA, WILL HAVE DEEP WATER PORT IN 2016

Work on the first of three phases of construction of the deep water port in Caio Litoral, in the Angolan province of Cabinda, will start in June 2015, according to Angolan state newspaper Jornal de Angola.

The newspaper added that the Caio Porto company, which was awarded the construction of the port, is currently carrying out work to cordon off the port area and building access roads.

The first phase, costing an estimated US$600 million (60 billion kwanza), comprises the extension of the commercial wharf wall and support for the platform, which is 36 metres long, facilities for ship repair (200 square metres), a breakwater, access canal (150 metres wide), new road access and basin (215 metres wide).

Transport Minister, Augusto da Silva Tomás, who attended the presentation ceremony of the port's scale model, said construction of the future deep-water port in the province "is strongly linked to government plans to rebuild and improve transport facilities in the region . "

The Minister said completion of the first phase of the deep-water port is scheduled for mid 2016. (01-12-2014)

UFM SECRETARIAT HIGHLIGHTS NEED FOR REGIONAL COORDINATION AND ACCELERATION OF EFFORTS AT 2ND MEDITERRANEAN WATER FORUM

UfM Deputy Secretary General for Environment and Water Naser Tahboub highlighted the need for continued efforts and stronger coordination to tackle priority issues in the Mediterranean region, which is facing growing pollution and water scarcity, at the 2nd Mediterranean Water Forum, in Murcia, Spain.

The UfM Deputy Secretary welcomed efforts to continue the invaluable cooperation and exchange of know-how and experience in the water sector at the Forum, 25 to 27 November, that followed the 1st Mediterranean Water Forum (December 2011 in Marrakesh, Morocco). This year, he noted that the second regional event will be structured around the preparatory process for the 7th World Water Forum, set to take place from 12 to 17 April 2015 in Daegu, South Korea.

Tahboub shared the UfM Secretariat's recent experiences and priorities for regional cooperation in water within the framework of the renewed and strengthened phase of the H2020 Initiative to De-pollute the Mediterranean by 2020. He also emphasised the need to close the information gap and harmonise accessible data for relevant regional actors as well as the need for more concrete trans-boundary cooperation for the sustainable use of resources in the region.

The UfM Deputy Secretary General briefed the audience on the progress of concrete actions currently undertaken by the Secretariat, including the UfM-labelled project "Mediterranean Water Knowledge Platform". The project aims to contribute to sustainable policies for integrated water resources management (IWRM) and climate change adaptation by releasing a Mediterranean White Paper on Water in addition to the national information systems. He also highlighted the ongoing efforts by the Secretariat to realise its mandate to coordinate with financing institutions on depollution investment projects under the H2020 Initiative.(EU Neighbourhood 01-12-2014)

GUINEA-BISSAU SEES DROP IN RICE PRODUCTION IN 2014/15 SEASON

Rice production in Guinea-Bissau is expected to fall 36 percent in the 2014/15 agricultural season, said Sunday in Bissau Rui Fonseca, of the United Nations Food and Agriculture Organization (FAO).

Fonseca also told Portuguese news agency Lusa that the decrease was due to "late arrival of the rains, with poor distribution both geographically and over time."

In a season with good results, local production usually covers "four to five months" of rice consumption in the country, but this season will not cover more than three months of demand, he said.

"Guinea-Bissau will have a deficit of 46,000 tons of rice, which should be complemented through funds that the government may potentially make use of," added Fonseca.

Fonseca said it was necessary to start thinking about measures to support the next agricultural year because the current drop in production would lead to early consumption of seeds that should be planted, and leave farmers without food or income.

The FAO assesses the agricultural season in Guinea-Bissau every year together with the World Food Programme (WFP), the Guinean government and the Permanent Inter-state Commission for Drought Control in the Sahel (CILSS).

Under normal conditions Guinea-Bissau produces about 111,000 tons of rice and imports about 150,000 tons, costing US$75 million. (01-12-2014)

AFRICA STILL IN THE DARK DESPITE OBAMA'S PROMISES

Barack Obama last year told a cheering crowd in Cape Town that a $7bn plan to "Power Africa" would double electricity output on the world's poorest continent and bring "light where currently there is darkness".

A year later, the US president's flagship project for Africa has already achieved 25% of its goal to deliver 10,000MW of electricity and bring light to 20-million households and businesses, its annual report shows.

But the five-year plan has not yet delivered the power.

Power Africa has not measured its progress by counting actual megawatts added to the grid but promises of additional power made in deals it says it helped negotiate, according to sources inside the project and documents seen by Reuters.

Some projects facilitated by Power Africa — a programme operated by the US aid agency Usaid — were under way years before the scheme's inception, others are still in the planning stage. It is unclear how much of the $7bn Mr Obama pledged has actually been spent, or if a further $20bn in private sector investment commitments will materialise.

"Saying you've met targets on projects that might never happen or taking the credit for projects that have been worked on for years makes me uncomfortable," a source working on Power Africa said. "It's misleading."

Mr Obama's pledge to double power generation in Africa within five years looked highly ambitious from the start. Per capita electricity output in sub-Saharan Africa has been flat for three decades because most promised power plants never get built.

"We're dealing with megawatts on paper, rather than on the grid," a second source working on the project said.

The first African-American US president, the son of a Kenyan father, Mr Obama has often been criticised for a lukewarm engagement in Africa, consisting more of words than deeds.

The 48 countries of sub-Saharan Africa, with a combined population of 800-million, produce roughly the same amount of power as Spain, a country of just 46-million. This constrains Africa's growth and keeps hundreds of millions in poverty.

Power Africa co-ordinator Andrew Herscowitz said there had been some confusion about the role of the programme.

It was always intended to "expedite transactions", facilitating private investment rather than handing out aid.

Mr Herscowitz said Power Africa was there to help the private sector deliver electricity and it had already negotiated commitments from companies worth $20bn, although he did not know how much of this money had been spent.

"We're like a pharmacist, where people come to us, we reach out to people and figure out what is needed," he said.

"In some projects we may have a lot of involvement and in some we have very little involvement."

Foreign companies sign billions of dollars of agreements with African governments to build infrastructure every year, although a large number are never built.

In April 2011, the US Millennium Challenge Corp, a state aid agency involved in Power Africa, signed a $350m deal to "revitalise" Malawi's power sector. More than three years later, 1.7% of that money has been spent, the programme's website notes, without giving detail of progress on the ground.

Memoranda of understanding Power Africa signed this year with its six focus countries — Tanzania, Nigeria, Kenya, Ethiopia, Liberia and Ghana — contain less than $100m of financial commitments targeted at specific countries, most of which is for consultants.

US consultancy Tetra Tech won a $64m contract and former British Prime Minister Tony Blair's Africa Governance Initiative was given a $3m deal.

As with many African aid projects, rights groups have criticised Power Africa as mostly being a vehicle to subsidise US companies.

Documents show that $5bn out of the $7bn pledged is for loans for US exports from the government's Export-Import Bank and Overseas Private Investment Corp.

"It's absolutely not true. Power Africa is an opportunity to turn on the lights for millions of Africans by taking investment from all over the world," Mr Herscowitz said.

He rejected suggestions that Power Africa merely tapped into existing projects, highlighting a 5MW "NextGen" solar project in Tanzania and a 30MW biomass scheme in Kenya, which he said "didn't exist before Power Africa". However, the NextGen project website says a power purchase agreement for the solar project was signed in January 2013, six months before Power Africa was launched.

It is by no means guaranteed that the Power Africa programme, which has an initial five-year mandate, will continue or be seen as a priority when Mr Obama's final term ends in two years, US government sources said.

Meanwhile, corruption in the countries in which Power Africa operates is a problem. Nigeria's state oil company was accused last year by the then central bank governor of withholding $20bn in oil funds due to the government. Tanzania's parliament is currently reviewing a report on graft in its energy sector.

(Reuters 01-12-2014)

NACALA INTERNATIONAL AIRPORT, MOZAMBIQUE, INAUGURATED ON 13 DECEMBER

Mozambique's Nacala International Airport will be inaugurated on 13 December, said the country's Minister for Transport and Communications after a visit to the project under construction by Brazilian group Odebrecht.

Minister Gabriel Muthisse visited the work site accompanied by representatives of some airlines interested in investing in the airport, including Ethiopian Airlines and South African Airways.

Initially, it is expected that only Mozambique's state airline Linhas Aéreas de Moçambique (LAM) will operate at the airport.

The future international airport, resulting from the conversion of a civilian section of the Nacala Air Base, will cost over US$ 200 million, which is partially financed by a loan of US$80 million granted by the Brazilian government's development bank, BNDES.

The loan is part of a credit line of US$300 million opened by the Brazilian government to support projects in Mozambique.

The new facility, under construction since September 2011, will have 16 check-in desks, two departure lounges for both domestic traffic and for international passengers and capacity to receive 1,240 people on peak days. (28-11-2014)

STANBIC BACK IN BLACK IN TANZANIA

Standard Bank's operations in Tanzania have returned to profit following a tough year in which it was hit by rising bad debt after venturing into higher-risk market segments.

The bank is now poised to cash in on the opportunities offered by the discovery of extensive natural gas reserves, the infrastructure boom and growth in telecommunications in the country, CEO Ken Cockerill said.

Tanzania's banking sector is expected to show strong growth in the next few years, according to an Ern st & Young report on the East African banking sector. Banking assets grew twice as fast as gross domestic product (GDP) in Tanzania in 2013, according to EY.

The World Bank is forecasting Tanzania's GDP will grow 7.2% in 2014, and by the same rate next year. Standard Bank, known as Stanbic in Tanzania, has reduced its nonperforming loan book from above 10% last year, to about 6%. The bank has planned to get this level to below 5% by the end of this year.

"We experimented in certain segments, including SMEs (small and medium-sized enterprises) and the broader personal base, lending aggressively in unsecured lending. That didn't really work for us as we didn't have the capacity to properly control it." said Mr Cockerill.

Stanbic, the sixth-largest bank by assets in Tanzania, is now focusing on lending largely to commercial and corporate clients. Total revenue for the first six months of 2014 was $32m and headline earnings almost $6m. (BD 01-12-2014)

40 years ebcam

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February 05, 2015 - 12:00

Luncheon in honour of the Ambassadors of Belgium in Africa, Caribbean and Pacific countries

February 21-28, 2015

Economic mission to Mauritius (Port-Louis) and South Africa (Durban & Johannesburg)

Organizers : AWEX in cooperation with BIE and the CBL-ACP

February 26, 2015 - 11:00

Jamaica Investment Forum + networking reception

May 31/June 05, 2015

Economic mission to Ghana and Senegal

Organizers : FIT in cooperation with the CBL-ACP

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