MEMORANDUM

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SUMMARY

MARRAKECH CLIMATE CONFERENCE: WORLD FORGING AHEAD ON CLIMATE ACTION

The Marrakech climate conference concluded yesterday with concrete results to put the Paris Agreement on climate change into action.

Almost 200 countries met in Morocco for the annual UN gathering, against the backdrop of the rapid ratification and entry into force of the landmark deal. The Paris Agreement became international law on 4 November 2016, less than a year after it was adopted. This enabled the Marrakech conference to convene the first ever meeting of the Parties to the Paris Agreement.

Commissioner for Climate Action and Energy Miguel **Arias Cañete** said: *"The progress here in Marrakech is the clearest proof that the world is forging ahead on global climate action. Climate change is bigger than any one country. And despite all the current uncertainties, this is our clear message from Marrakech: We will stand by Paris, we will defend Paris, and we will implement Paris. The global clean energy transition is here to stay, and Europe will continue to lead the way towards a more sustainable and competitive economy."*

The Marrakech climate conference (COP22), dubbed the Action and Implementation COP, set out to demonstrate that commitments made in Paris last year are being put into practice, and to act as a catalyst for further action.

There were a number of concrete outcomes:

The Marrakech Action Proclamation

One of the key deliverables from COP22, the Marrakech Action Proclamation, is a call for the highest political commitment to tackle climate change. It sends a message of global unity and continued resolve to deliver on the Paris objectives and the transition to a global low-carbon economy.

The Paris work programme

Parties made good progress on the elements of the Paris rule book which will guide the implementation of the agreement and in particular on transparency and the five-year ambition cycle. Parties agreed a way forward that will ensure the rule book will be ready by 2018.

Solidarity Package

Climate Finance including the 2020 Roadmap: All Parties welcomed the further efforts by the developed countries in increasing their public climate finance contributions. Under long term-finance discussions, the Parties welcomed the progress by donors towards reaching the goal of jointly mobilising USD 100 billion annually by 2020 and urged them to continue to scale-up mobilised climate finance. The conference also noted with appreciation the 2016 biennial assessment by the Standing Committee on Finance, which highlighted an increase in climate finance flows.

Adaptation Fund: EU countries showed their commitment to supporting their most vulnerable partners in dealing with the impacts of climate change. Several EU Member States (Germany, Belgium, Sweden and Italy) announced new contributions to the Fund which now stands at USD 81 million. The EU pledges account for more than 90% of the total amount available under the Adaptation Fund, which directly supports developing countries in their efforts to cope with the effects of climate change.

Capacity Building: The final elements were agreed to enable the Paris Committee on Capacity Building to begin its work in 2017. The work of the committee will play an important part in helping to develop and strengthen the skills and expertise needed in developing countries to implement their domestic climate plans.

Warsaw International Mechanism on loss and damage: A Decision was adopted on the review of the mechanism addressing the issues related to loss and damage associated with climate change impacts. This will result in increasing its potential and effectiveness, for example through collaboration with a wide range of bodies and entities inside and outside the UNFCCC process. The Decision confirms the shared commitment of Parties to address the concerns of the most vulnerable countries.

Action Agenda

In Marrakech countries, states, regions, cities and companies together came together under the Global Climate Action Agenda to showcase inspiring climate action initiatives.

The European Union made a number of announcements during the two week conference including a contribution of EUR 40 million from Germany and EUR 20 million from the European Commission to the InsuResilience initiative. This G7 initiative aims to increase access to direct or indirect insurance coverage against the impacts of climate change for up to 400 million of the most vulnerable people in developing countries by 2020.

The European Union reaffirmed its leading role in supporting the African continent in the fight against climate change and in the promotion of renewable energies. By 2020, the EU has promised to facilitate investments that will increase the renewable electricity generation capacity of at least 5 GW. This is already half of the 10 GW goal of the Africa Renewable Energy Initiative for 2020.

Morocco, Germany, France, Spain and Portugal signed a roadmap for sustainable electricity trade which aims to identify barriers to trade in renewable electricity between the five signatory countries and suggest ways to overcome these barriers.

The EU continues to make significant efforts to scale up support to climate-relevant action. In 2015, the EU and its Member States provided EUR 17.6 billion to help developing countries tackle climate change.

The European External Investment Plan, announced this autumn, is expected to trigger public and private investments of up to EUR 44 billion in African and in the EU Neighbourhood area.

The Parties to the Paris Agreement will meet again in 2017 to review progress and outcomes on the implementation of the work programme. The deadline for completion of the work is 2018. (EC 19-11-2016)

NEW LAW STRENGTHENS CAPACITY TO ATTRACT PRIVATE INVESTMENT IN ANGOLA

With the new private investment law Angola has improved conditions to stimulate investment, which are necessary to diversify the economy, but should deepen reform and make better use of infrastructure such as the Lobito Corridor, said researcher Áurea Mouzinho.

In the recent study “Understanding the regulatory landscape of FDI in Angola” for the South African Institute of International Affairs (SAIIA), Mouzinho said reforms introduced by the new law “substantially simplified investment procedures related to the repatriation of capital and the system of tax breaks.”

“These improvements are of great importance, since they increase the impartiality of the private investment regime. However, it remains to be seen how the new regulations will work in practice and, specifically, whether these measures will lead to a significant reduction of bureaucracy and delays in the investment approval process,” she said.

According to Mouzinho, better regulation should come alongside “major institutional reform, particularly in terms of transparency, fiscal management and rule of law.”

The latest edition of the World Bank’s “Doing Business” report notes that Angola facilitated the minimum capital required to set up a company and reduced taxes, in addition to taxes on income and on profits, but overall kept the country in the lower end of the rankings (182nd out of 190 countries).

The new version of the private investment law, and other relevant reforms, considers a company “Angolan” if it has its headquarters are in Angola and 51% or more of its capital is held by Angolan citizens, in addition to establishing mandatory partnership requirements with Angolan citizens, public companies or private companies for investments in the sectors of energy and water, transport and logistics, construction, among others.

The Angolan partners must hold at least 35% of the capital and take effective part in the management of the company, as outlined in the shareholders’ agreement.

Responsibility for promoting private investment was assigned to the newly founded Angolan Agency for Investment and Export Promotion and, after the adoption of the new law, the government has taken steps to create special ministerial departments and units of the provincial government to support and monitor the investment process.

“Whether the special ministerial departments actually help reduce bureaucracy and delays in the investment process will depend in the long run, on the government’s ability to coordinate activities and monitor the performance of various bodies,” said Mouzinho.

According to the researcher, another factor working for the government to improve the attractiveness of the Angolan economy as a point of access to regional markets is the use of infrastructure such as the Lobito Transport Corridor, reopened in 2013 after reconstruction funded by China, “a route that is particularly important to achieve this, as it is already installed.”

“The Lobito Corridor is of great strategic importance for the Angolan economy. (…) The reconstruction of the railway, in itself, supported the emergence of intermediary shopping centers that attract small businesses and informal transport operators. There are also ample opportunities to use the local workforce. The Lobito Corridor crosses between 12 million and 20 million hectares of arable land with grazing potential and accessible water sources,” that remains unexplored.

According to the study, between 2013 and May 2015 coal, oil and natural gas projects were by far the biggest recipients of foreign investment – US$65.576 billion, or 87.27% of the total.

After that came real estate, with US$4.138 billion, or 5.51% of the total, financial services, with US$1.242 billion and construction materials, with US$1.197 billion. (21-11-2016)

SHELL SEALS OVER $2BN FINANCE SUPPORT DEAL WITH EIGHT NIGERIAN BANKS

The Managing Director of Shell Petroleum Development Company of Nigeria Ltd (SPDC) and Country Chair, Shell Companies in Nigeria, Mr. Osagie Okunbor, has hailed the $2.2 billion Memoranda of Understanding (MoUs) with eight Nigerian banks to support local firms which provide contract services to the company.

Speaking at the signing ceremony in Lagos, Okunbor said: Supporting SMEs under this scheme is for the mutual benefit for all the parties.

While the scheme reduces the pressure from requests for advance payments from contractors on us, it also ensures optimum delivery by our contractors, leaving the banks with a de-risked client base in addition to the comfort of domiciliation of payments, he said.

According to a statement by Shell on Sunday in Lagos, the MoU was signed under the refreshed Shell Contractors Support Fund to improve access to finance for Nigerian vendors and suppliers in the oil and gas industry.

The statement named the banks involved in the deal as Access Bank, Skye Bank, Zenith Bank, Stanbic IBTC Bank, First Bank, Standard Chartered Bank, First City Monument Bank and Guaranty Trust Bank.

It added that under the MoU, $2.2billion was set aside for contract execution by Nigerian firms.

The scheme, according to Shell, provides support for contractors to enable them finance projects executed for Shell Companies in Nigeria in line with the aspirations of the Nigerian Content Act.

It explained that the fund can only be accessed when the contractors have a valid purchase order and meet the banks risk assessment criteria.

It noted that the refreshed version is in response to market realities and will offer loans faster and at cheaper rates. (APA 21-11-2016)

EUROPEAN UNION TO HEAD KIMBERLEY PROCESS ON CONFLICT DIAMONDS IN 2018

The Kimberley Process, the international initiative to stem the trade in conflict diamonds, has appointed the European Union as its Chair for 2018. Consistent with Kimberley Process rules, the EU will serve as Vice-Chair in 2017, during the Australian Chairmanship.

The European Union will have a unique opportunity to strengthen the effectiveness of the Kimberley Process as its Chair, in particular in the context of the upcoming reform process. During its Chairmanship, the EU will reinforce and promote an open dialogue among the three pillars that make up the Kimberley Process - Governments, industry and civil society.

The Kimberley Process Certification Scheme (KPCS) was launched in 2002 by a unique coalition of governments, civil society and the diamond industry in response to the role of diamonds in funding some of the most devastating civil wars in Africa.

The KPCS sets out requirements for participating States to control all imports and exports of rough diamonds. The Scheme puts in place rigorous internal controls over production and trade. Participating States can only legally trade with other participating States who have also met the minimum requirements of the Scheme, and international shipments of rough diamonds must be accompanied by a KPCS Certificate guaranteeing that they are conflict-free.

The European Union has been at the forefront of the KPCS since the outset. The Union has been chairing the Working Group on Monitoring, overseeing the Scheme's peer review mechanism and dealing with issues of non-compliance. The European Union last chaired the Kimberley Process in 2007.

Background:

Southern African diamond-producing states met in Kimberley, South Africa, in May 2000 to discuss ways to stop the trade in ‘conflict diamonds' and to ensure that this trade was not fuelling violence by rebel movements.

In December 2000, the United Nations General Assembly adopted a landmark Resolution supporting the creation of the Kimberley Process Certification Scheme (KPCS), which came into existence in 2003.

The Kimberley Process has 54 participating members, representing 81 countries, and more than 99% of global rough diamond production and trade. The EU is a single member of the Kimberley Process and is represented by the European Commission.(EC 18-11-2016)

https://www.kimberleyprocess.com/

ENI GROUP APPROVES INVESTMENT IN NATURAL GAS PROJECT IN MOZAMBIQUE

The board of Italian oil and gas group ENI has approved an investment in the first phase of the development of the Coral gas field (Coral Sul project), located in the deep waters of the Rovuma Basin (Area 4), in northern Mozambique, the group said in a statement issued on Friday in Milan.

The project involves the construction of six sub-sea wells connected to a floating production facility (Floating Liquefied Natural Gas Unit), with a liquefaction capacity exceeding 3.3 million tonnes of natural gas, equivalent to about 5 billion cubic metres.

The Mozambican authorities approved the project’s development plan in February 2016.

The statement added that the Coral field, discovered in May 2012 and evaluated in 2013, is fully located in Area 4 and contains about 450 billion cubic metres (16 trillion cubic feet) of gas.

The approval of the investment by the group’s board is a key step for the final decision to invest in the project, which will be effective after the approval of the project and its financing by the other partners of Area 4, a process that is currently being finalised.

The Italian group is the Area 4 operator, with an indirect stake of 50%, through its subsidiary ENI East Africa, which holds a 70% direct stake in Area 4.

The other partners are Galp Energia, Kogas and Mozambican oil and gas company ENH, which hold 10% each, respectively, and the China National Petroleum Corporation, which indirectly owns 20% throughy ENI East Africa. (21-11-2016)

MOZAMBIQUE APPROVES BILL ON ELECTRONIC TRANSACTIONS

The Mozambican parliament has unanimously passed the first reading of a government bill on electronic transactions, intended to regulate the use of electronic systems in trade, finance and other areas, APA can report on Thursday.

The bill also imposes sanctions for offenses committed in cyberspace, and attempts to protect consumers against cybercrime.

According to the government, the bill will create a legal framework for electronic transactions, allowing security and flexibility.

Chairperson of the Assembly's Commission on Legal and Constitutional Matters, Edson Macuacua said the bill intends to fill a vacuum concerning electronic trade, including consumer protection, digital certification, regulation of the mz domain, and protection of personal electronic data.

This is all uncontroversial except for the government's sudden decision to change the way the mz domain is run. The mz internet domain is currently operated by the Computer Centre of Maputo's Eduardo Mondlane University.(APA 17-11-2016)

AFRICANS TELL THEIR STORIES AND SHOW THE IMPACT OF STRONG INVESTMENT IN THE CONTINENT

- A young Nairobi woman wanted to open a cosmetics shop. Five years later she has her store and makes “a very nice profit.” For more than a decade a Senegalese worker left his home to find work and saw his family only once a year. This year he got a foreman’s job on a new rice plantation in his native village. A Kenyan man promised his dying wife that he’d do something to fix the healthcare system that let her down. In October he opened a hospital “for the masses.”

The European Investment Bank’s blog features a series of articles this week that show how Africans are transforming their lives and their continent. Each story shows the impact of the EIB’s strong investment in support of EU priorities. Look at the continent through the eyes of Africans who used that financing to work wonders.
With the EIB celebrating its Africa Day in Abidjan on Monday, 21 November, the EIB blog highlighted these African stories this week:

- With a microfinance loan, a young cosmetics saleswoman makes “a very nice profit”: http://www.eib.org/infocentre/blog/all/africa-microfinance.htm

- From Senegal to Kenya, projects that create jobs so Africans don’t have to leave their families behind to find work: http://www.eib.org/infocentre/blog/all/migration-africa.htm

- As his wife died of cancer, one man vowed to improve Kenyan healthcare. Now he has opened a hospital: http://www.eib.org/infocentre/blog/all/africa-health.htm

- A regional Senegal town got a boost with a big rice farm: http://www.eib.org/infocentre/blog/all/rice-production-senegal-river-delta.htm

- Africa’s growth depends on educating a new generation of leaders—like the kids of one Kenyan school: http://www.eib.org/infocentre/blog/all/africa-education.htm

(EIB 21-11-2016)

GOVERNMENT OF MOZAMBIQUE WILL HAND OVER SILO MANAGEMENT TO PRIVATE COMPANIES

The government of Mozambique is finalising the specifications for the launch of a public tender to hand over the management of grain storage silos to private entities, the Minister of Industry and Trade said in Nampula recently.

The programme to build the silos, which began in 2009, was designed by the government and is part of the implementation of the Comprehensive Plan for Agricultural Marketing, whose main objective is to improve the storage of agricultural products, particularly grain and encourage the emergence of more agro-processing industries.

Minister Max Tonela, quoted by daily newspaper Notícias, acknowledged that expectations the government had for the scheme had not be met, which led the authorities to seek quick and sustainable alternatives to ensure the construction of these silos and warehouses as had initially been planned.

The newspaper added that the idea of private sector involvement in silo management has been advocated since the programme's inception in 2009, although its implementation remains conditioned by bureaucracy.

The management of grain silos and warehouses is the responsibility of the Mozambique Commodities Exchange, a government institution established in October 2012 to serve as a supply and demand platform, focusing initially on products such as corn, beans, sesame and soy, and later also covering non-agricultural products. (21-11-2016)

50 PERCENT OF UEMOA ADULT POPULATION HAS NO ACCESS TO FINANCIAL SERVICES

In the West African Economic and Monetary Union (UEMOA) region about 50 percent of the adult population do not have access to financial services, which is one of the highest rates in the world, the Governor of the Central Bank of West African States (BCEAO) Tiemoko Meyliet Kone said on Thursday. He was chairing the official opening in Dakar of a donor roundtable for the financing of BCEAO's regional financial inclusion strategy organized by the Bank and the United Nations Capital Development Fund (UNCDF).

"Financial inclusion strategies are our instrument for accelerating growth and economic development, which promotes the integration of the most vulnerable sectors into the economic and social fabric in least developed countries," Kone added.

According to him, this problem has been well perceived by central banks, which, beyond their original mission, have begun to put more emphasis on the promotion of financial inclusion in order to better accompany the development and emergence strategies adopted by the states.

"As a central bank for poor countries, BCEAO has very quickly understood the issue of financial inclusion and has not been left behind in this regard" Koné added.

He argued that the first instruments conceived by the issuing institution in this area date back to the 1990s with the adoption of a legal framework regulating decentralized financial systems.

The objective was to create an enabling environment to make financial services accessible to those excluded from the banking system.(APA 17-11-2016)

LAUNCH OF BOOST AFRICA INITIATIVE, A NEW INTEGRATED APPROACH TO BOOST YOUNG INNOVATIVE ENTREPRENEURS ACROSS AFRICA

Boost Africa Initiative, a unique partnership in support of innovation and entrepreneurship across Africa has been launched today in Abidjan by the European Investment Bank (EIB) and the African Development Bank (AfDB) in partnership with the European Commission. The launch ceremony took place at the Headquarters of the AfDB in Abidjan in presence of EIB President Werner Hoyer, AfDB President Akinwumi Adesina, EIB Vice-President Ambroise Fayolle and Stefano Manservisi, Director-General for International Cooperation and Development at the European Commission.

Boost Africa will contribute to fostering the development of an efficient entrepreneurial ecosystem in Africa by supporting the earliest and riskier stages of the venture value chain, in an economically viable and sustainable way. Boost Africa aims to spur the entrepreneurial potential of the African youth to create innovative and compelling businesses with the capacity to compete regionally and globally, to attract domestic and foreign direct investment, to create new and quality jobs, and contribute to inclusive and sustainable economic growth.

As a result of an initial combined investment of up to €150 million, the Initiative is expected to leverage up to 1 Billion Euro in additional investments in a high growth sector, and support over 1,500 start-ups and SMEs across the continent.

Pan-African in scope, the Boost Africa Initiative has three integrated pillars:

- Firstly, *Investment Program*: equity investments in seed funds, business angels co-investment funds, accelerators' follow-on funds, venture capital funds, etc. that invest in innovative start-ups and high-growth small and medium enterprises (SMEs);
- Secondly, *Technical Assistance Facility*: a pool of grant resources to provide capacity building and disseminate best practices for the investment readiness of intermediaries, the business and technical assistance, training of investee companies and entrepreneurs, and the creation of local investors' networks;
- Thirdly, *Innovation and Information lab*: a platform for supporting the entrepreneurship ecosystem by fostering innovation, knowledge development and partnerships, and incubating and piloting promising new ideas, as well as assessing and disseminating best practices.

"Boost Africa will help Africa's young population to gain hope and confidence that they can succeed in realising their dreams and aspirations," said AfDB President Akinwumi Adesina. *"Africa's future will be determined by the current youth and it is crucial that we create and support entrepreneurship opportunities for youth, generate success stories and show these as examples for other young people."*

EIB President Werner Hoyer said, *"Boost Africa is a truly great initiative which will support African entrepreneurship and innovation, and nurture the continent's new talent. It is thus a concrete way of tackling the long-term factors fuelling poverty, instability and brain drain - many of which are at the origin of the migration crisis we all currently face -, and therefore make the Sustainable Development Goals a reality. I am proud that the EU and its Bank, the EIB, are operating in such effective partnership with the African Development Bank and other DFI's to tackle the world's pressing challenges."* President Hoyer added *"What's more, Boost Africa will hit the ground running, as the first start-ups and high-growth SMEs are expected to be supported very soon. These small businesses and the young men and women behind them are truly an inspiration, as are their dynamism and determination.*

Director-General for International Cooperation and Development at the European Commission Stefano Manservisi said *"Boost will give a concrete push to innovation and spur the creation of new instruments which support financial inclusion, such as venture capital and impact investing which is in line with the European External Investment Plan approach. Thanks to a smart use of blended finance Boost aims at leveraging the full strength of two major financial institutions to venture into new areas of support for the new generation of African entrepreneurs and we want to give a particular focus on fragile and risky situations where financial services are not provided by the market. Boost is a concrete example of actions that reflect EU's determination to create conditions for job creation for youth."*

Through Boost Africa, the EIB and AfDB are widening their investment scope to projects that are usually deemed too small, too risky and too time consuming, but which are key to foster entrepreneurship and high impact innovation. Boost Africa is also unique in the emphasis it is putting on a sizeable technical assistance envelope, alongside financing, as well as on its Innovation and Information Lab to strengthen the investment program's investments.

Boost Africa leverages business and financial expertise from AfDB and EIB, as well as from a broad network of partners and stakeholders, to accelerate the growth and development of Start-ups in Africa, and will attract, make strategic use of and nurture a network of venture intermediaries for both financing and business development to boost African entrepreneurship. The comprehensive intervention approach is expected to contribute to the success and growth of start-ups in order to become significant businesses within their local environments.

"Africa is currently home to a boom in small businesses experimenting with innovative products, services or business models, often leveraging technology," said Adesina. "*This is the right time to support these enterprises with financial and technical resources to enable them to commercialise their innovations. Boost Africa will demonstrate to all Africans that they can and should take charge of their future. Boost Africa is a key initiative within the AfDB's Jobs for Youth in Africa initiative, one of the Bank's High 5 priorities."*

Deploying a blended finance approach, the investment program expects to invest up to 25 – 30 smaller-sized equity investments into angel, venture capital and seed funds, which in turn fund start-ups and early stage businesses with high-growth and job creation potential in Africa. Boost Africa's first investment is expected to be in Telecom Tide Africa Fund, an ICT fund investing in tech start-ups in West and East Africa. Africa Technology Ventures supporting innovative start-ups in East Africa and helping them to expand globally is also under appraisal.

The European Commission's support is sought by partners and is being currently appraised by the Commission along with its conditions and amount, to enable senior tranche investments to be made by the EIB, AfDB and potential other investors and leverage private investment. The EIB contribution of €50million will come from the Impact Finance Envelope of the ACP Investment Facility (a revolving fund established under the Cotonou Agreement, which is managed by EIB and is funded out of contributions by EU Member States through the European Development Fund). The AfDB will commit €50million equity risk capital for investments. The Investment Program is expected to provide investors with adequate financial returns coupled with a superior developmental impact. The technical assistance envelope for Boost Africa will amount to €20 million while the Lab will receive approximately €10 million. (EIB 21-11-2016)

www.eib.org/boost-africa or http://www.afdb.org/en/boost-africa/

COP22: CONGOLESE LEADER ANNOUNCES "BLUE FUND" FOR CONGO BASIN

Congolese President, Denis Sassou Nguesso has announced the establishment of a so-called Blue Fund for the Congo Basin to harness its water resources.
President Nguesso was speaking in Marrakech, Morocco on Wednesday while taking part in the United Nations Conference on Climate Change (COP22) along with his African peers.

A statement from his office on Thursday said the fund will support the implementation of projects for the sustainable development of the Congo Basin's water resources.

Speaking at the African Action Summit held on the sidelines of COP22, Sassou Nguesso said: "The Fund will cover the research for concrete and innovative actions…for the implementation ...of green economy promotion through sustainable enhancement of important natural capital that abound our developing countries."

Thanking heads of state and governments of the Congo Basin who are part of the initiative and all those supporting it, President Sassou opined that the "resourcing and operation of the Blue Fund must be in line with the dynamic of sustainability, drawing lessons from the Congo Basin Forest Partnership Fund, which has been poorly financed and has not met our expectations."

The Congolese leader said timber exploitation and processing activities in the Congo Basin have created 57,000 direct jobs, adding that the forestry industry's contribution to the GDP is estimated between 2 and 4 percent.

The quantity of carbon sequestered is about 271 gigatonnes, he added.

The Congo Basin covers an area of about 300,000 hectares and represents the second largest forest expanse in the world, after the Amazon.

It contains significant biodiversity, some of which are endemic.

With a watershed of 3.7 million km2, the Congo River and its tributaries represent the most important waterway in Central Africa.

The Congo Basin includes Angola, DR Congo, Burundi, Cameroon, Congo, Gabon, Central African Republic, and Rwanda. (APA 17-11-2016)

MOZA BANK'S SHAREHOLDERS TO DECIDE IN DECEMBER WHETHER THE BANK WILL BE SOLD

Shareholders of Moza, a bank in which the Bank of Mozambique intervened in late September, will hold a general meeting in early December to decide whether the bank will be recapitalised or sold, a director of the central bank said on Friday in Maputo.

Joana Matsombe, the director responsible for supervision, said, "there are already interested parties but at the moment what interests us is to assess the real situation of the bank, and we are now awaiting the completion of the audit ordered for this purpose."

"When we have this evaluation, there will be a general meeting, where shareholders will decide whether to recapitalise, if they are able to do so, or begin the process of sale," said the director of the central bank, stating that the notice would likely be issued at the beginning of December.

The decision of the Bank of Mozambique to suspend the board of directors and the executive committee of Moza, aimed to "protect the interests of depositors," according to a statement released at the time.

Founded in 2008, Moza is 50.9% held by Moçambique Capitais and 49% by Portugal's Novo Banco. When the central bank intervened it had over 93,000 private customers and 8,000 companies and a market share of 7.71%, making it the fourth largest bank in Mozambique, with 48 branches across the country. (21-11-2016)

EIB STEPS UP ITS ACTIVITY IN WEST AFRICA

On an official visit to Côte d'Ivoire on Monday 21 November 2016, Werner Hoyer, President of the European Investment Bank (EIB), strongly reaffirmed the key role being played by the EIB in West Africa and throughout the African continent.

The official visit by the President and Vice-President Ambroise Fayolle was firmly focused on the future with the opening of a new regional office in Abidjan and the launch of the Boost Africa initiative which will benefit more than 1 500 start-ups and innovative small and medium-sized enterprises (SMEs) across the

African continent. During his visit the President also launched the second edition of Africa Day, bringing together more than 300 **business managers** and experts in Abidjan to address the crucial topics of youth employment, entrepreneurship and innovation, before visiting some concrete EIB-supported projects in Côte d'Ivoire.

"The EIB has mobilised substantial resources to support Côte d'Ivoire in its policy of recovery and investment, particularly as it faces new economic, social and environmental development challenges such as youth employment and climate change action", said President Hoyer during his visit. *"It is our responsibility to create conditions conducive to investment and innovate using new instruments in order to support sustainable infrastructure and the private sector."*

The EIB President noted that as from 2020 the EIB would dedicate at least 35% of its activities in developing countries to supporting low carbon, climate change-resistant growth. He also pointed out that the Bank was fully committed to implementing the European External Investment Plan (EEIP) designed to promote investment in Africa and in the EU Neighbourhood Countries.

An innovative initiative in support of microenterprises

Convinced that businesses are the drivers of growth and youth employment, President Hoyer together with Akinwumi Adesina, President of the African Development Bank (AfDB), today launched in Abidjan a new initiative supporting microenterprises. With funding of EUR 150 million, Boost Africa is expected to leverage new investment of EUR 1 billion, which will help support more than 1 500 start-ups and innovative SMEs across the African continent.

A new regional office in Abidjan

The EIB's new regional representative office for West Africa brings to nine the number of EIB offices in Africa, of which two are regional offices, so demonstrating the EIB's desire to step up its activity.

This new office in Abidjan illustrates the bigger role being played by the EIB in West Africa and the importance of its cooperation with the African Development Bank, which has returned to Abidjan. It reflects the partnership of confidence between the EIB and Côte d'Ivoire, which will result in increased activity in support of sustainable infrastructure and the private sector.

For the record, at regional level since 2010 the EIB has lent EUR 1.5 billion to 16 countries in West Africa underpinning growth and job creation in key sectors of the economy (energy, water, SMEs and microfinance, sustainable transport).

Projects designed to improve people's daily lives

The EIB's President and Vice-President visited one of the agencies of Microcred Côte d'Ivoire (MCI), which has received EIB support via an equity investment of EUR 1.7 million. There they met the management team and spoke to some young recruits and beneficiaries.

The EIB's President and Vice-President also visited a CI Energies site, which has benefited from the ENERGOS project financed by the Bank to the tune of EUR 118 million. Centred on the rehabilitation and extension of the energy networks in the cities of Bouaké, San Pedro and Abidjan, this large-scale project will help to widen the population's access to the power grid: over 100 000 new customers will be connected whilst more than 200 000 other customers will have their connections improved.(EIB 21-11-2016)

BAD DEBTS IN ANGOLAN BANKING INCREASED 8.8% IN 2015, KPMG SAYS

Loans overdue for more than 90 days, or bad debt, to banks operating in Angola increased by 8.8% in 2015 year on year, and are the main factor of instability in the sector, according to the "Analysis of the Angolan Banking Sector" report, prepared and presented on Friday in Luanda by KPMG.

The document said that the Angolan banks have seen outstanding credit levels grow significantly since 2012, with KPMG estimating that "overdue loans have doubled since 2012, which corresponds to an annual growth of 26%."

The KPMG survey covered a total of 27 banks operating in the Angolan market, representing almost all of the financial sector (93%) in the country and, despite the rise in overdue loans, the Angolan banking sector continues to provide credit, according to KPMG, with gross loans growing by over 9.5% in 2015.

The profitability of the sector, along with credit growth is another point where the Angolan banking sector has shown resilience, with net aggregate results growing 19.8%, due to the "exchange rate developments in 2015, by increasing amounts of income from the credit granted and progressive levels of operational efficiency," the auditing company said.

The top five Angolan banks grew from a market share of 73% of total assets in 2013 to 69% at the end of last year, KPMG noted, and the same trend was seen, "in terms of loans and deposits."

The BFA is the leading bank by deposits, the second by total assets and fifth by credit, and is the leader in terms of net income – 37.860 billion kwanzas.

By profits, Banco BIC comes immediately after the BFA, with 27.650 billion kwanzas in 2015, and is ranked fourth by assets and deposits, and takes third place by total credit. (21-11-2016)

EGYPT: BANKS RESERVE $2.2BN TO MEET CLIENTS' DOLLAR DEMANDS

The Information and Decision Support Center (IDSC) in the Egyptian cabinet on Wednesday claimed banks operating in the country have set aside $2.2bn to meet their clients' demand for the greenback. The IDSC said the banks in question also secured documentary credits last Monday, a move coming in the aftermath of the decision by the government to float the Egyptian pound in the first week of November.

After the move the local currency was exchanging at EGP 13 against the US dollar during the first day instead of EGP 8.88.

Interest rates also increased by 3 percent, the Central Bank of Egypt said in a statement on Wednesday.

The apex bank meanwhile reacted to rumours that some banks had refused to sell foreign currencies due to scarcities, insisting that such financial institutions are satisfying the dollar appetite of their clients.

It said to that end the banking sector was injecting more than $2.2bn to cover customer needs and provided documentary credits to foreign trade transactions, starting from the Egyptian pound's flotation on 14 November.

CBE Governor, Tarek Amer said the total purchase of US dollars by banks since the local currency was floated has reached $2.6bn. (APA 16-11-2016)

WELSPUN SHARES PLUNGE AFTER ANOTHER OUTLET DROPS ITS EGYPTIAN COTTON SHEETS

Bed Bath & Beyond is no longer selling Welspun India sheets that were labelled as 100% Egyptian cotton, dealing another setback to a bedding supplier embroiled in a scandal about the origin of its products.

Welspun shares fell as much as 9% in Mumbai on Tuesday.

Based on an independent audit of Welspun's Perfect Touch and Crowning Touch sheets, the Indian supplier was unable to guarantee that the fibres were actually Egyptian cotton. That led Bed Bath & Beyond to stop selling the sheets, spokeswoman Leah Drill said in an e-mail.

"We are extremely disappointed in these findings," she said. "While the sheets are safe to use, as with any product we sell, customers who are dissatisfied can return the sheets to any one of our stores for a refund or store credit."

The move follows Target's announcement in August that it was severing ties with Welspun.

Target said at the time that 750,000 sheets and pillowcases that were labeled as Egyptian cotton were actually made with another type of cotton, kicking off a controversy that has reverberated through the industry.

Wal-Mart Stores also stopped selling Welspun's E gyptian cotton sheets over concern about the products' origin.

Consumers often pay a premium for Egyptian-cotton products because they are perceived to be softer and more durable. Sheets made from cotton grown in other countries do not always carry the same cachet. (Bloomberg 15-11-2016)

LPRC, ISREALI FIRM SIGN US$21M CONTRACT

The Liberia Petroleum Refining Company (LPRC) and the Israeli firm, LUTECH Engineering and Project Management Consultants, have sealed a US$21 million deal for the modernization and expansion of the Petroleum Storage Terminal on Bushrod Island.

Under the US$21 million deal, LUTECH Engineering and Project Management Consultants will construct two ton truck bridges and a new semi-automation system and safety solution.

The Israeli firm is also expected to construct a central control room, new operations building, increased storage capacity and expand loading gantry fitted for nine loading areas.

The Israeli firm will also demolish and reconstruct six old storage tanks with increased storage capacity. The company will also construct four new product discharge lines and a new tank farm piping network for product receipt and discharge as well as two service tanks.

Speaking at the signing ceremony on Wednesday, LPRC Managing Director Sumo Kupee said the rehabilitation of the Petroleum Storage Terminal was necessary because the current terminal, which was constructed 70 years ago, has outlived its usefulness.

A press statement said that LUTECH Managing Director Vijay Anand Krishana assured that his company would complete the project within the prescribed timeline, saying: "We will give you the best of service," (APA 17-11-2016)

ETHIOPIA EARNS OVER $700M FROM EXPORT OF PULSES, OIL-SEEDS, SPICES

Ethiopia has earned over $ 700 million from export of pulses, oil-seeds and spices in a year, down by $500 million from the nation's set target, a senior official said on Thursday.

The nation has managed to secure $722.4 million from export of pulses, oil seeds and spices over last Ethiopian fiscal year (from July 2015- June 2016) amid price volatility in the international agricultural commodities market , the country's Trade State Minister Assad Zayed said at the conference underway in Addis Ababa.

According to the state minister said the income had fallen short of the targeted $1.26 billion .

He pointed out that the government is paying due attention to increase production and productivity, exporting value-added items, widening and diversifying market destinations during the Growth and Transformation plan period.

The Ethiopian Pulses, Oilseeds and Spices Producers Exporters Association attribute the gap in earnings to price fluctuation in the international market.

Efforts are also underway to diversify market linkages by sending business delegations and hosting various trade missions across the globe, he added. (APA 17-11-2016)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, Business Council for Africa, Corporate Council on Africa, ELO - Portuguese Association for Economic Development and Cooperation, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABA - Norwegian-African Business Association, NABC- Netherlands Africa Business Council, SwissCham-Africa and other organisations.
The Memorandum is also made available by AHEAD-GLOBAL, BCA, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Canadian Council on Africa, CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) and SwissCham-Africa to their Members.

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ACP-EU support to cultural sectors: Results and perspectives

Supporting the cultural sector in African, Caribbean and Pacific countries has been a key focus for the ACP Group, with increasing support allocated from the Intra-ACP envelopes of the European Development Fund (EDF), under the ACP-EU partnership agreement.

On Friday, 28 October, a special conference at the ACP House will examine the main results and impacts of ACP-EU programmes in the cultural sector, supported with up to €14.33 million under the 9th cycle of the EDF from 2000 - 2007 and up to €30 million under the 10th EDF covering 2008-2013.

Professionals and experts from ACP countries, along with representatives of ACP embassies and missions based in Brussels are invited to attend the conference, under the theme "ACP-EU support to cultural sectors: Results and perspectives".

The main results of the evaluation of the intra-ACP programmes in the field of culture will be presented, along with the findings from three significant studies under the ACPCultures+ Programme, related to:

- economic and social impact of six ACP festivals
- challenges and economic and artistic benefits of online dissemination and distribution of ACP cultural content
- alternative and innovative funding mechanisms for ACP cultural industries

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