MEMORANDUM

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SUMMARY

SOUTH AFRICA: BUSINESS LEADERS TO SHARE LUNCH AND CONCERNS WITH PRESIDENT

Business leaders have been invited to meet with President Jacob Zuma next week ahead of his state of the nation address for talks that could influence the speech.

Mr. Zuma’s "Presidential Investor Working Luncheon and World Economic Review" follows last week’s meeting with business hosted by Finance Minister Pravin Gordhan in which he and 60 CEOs discussed how SA could avert a downgrade to its sovereign credit rating.

"The president wants to talk to us," one senior banker said on Wednesday.

A number of key executives said they would attend the meeting on Tuesday.

"I have this feeling that the government is making the effort to reach out to business people. I think it’s wonderful for the government to understand what business thinks. We are dependent on one another," another business leader said.

PSG Group founder and chairman, Jannie Mouton, said he was looking forward to the meeting.

"All our businesses — Capitec, Zeder — are in SA. We support a good relationship with the government to make things work. We just have to be positive and help each other," Mr. Mouton said.

A senior leader in the African National Congress (ANC) said the party’s lekgotla last week had agreed that government leaders "need to meet with big business and other stakeholders including labour".

"There are matters confronting us in the economy. It’s not an issue that can be attended to by one party. You need buy-in by all parties," he said.

SA will grow less than 1% this year and is at risk of being downgraded to junk status by global rating agencies.

Mr. Gordhan and ANC secretary-general Gwede Mantashe have both said negative growth and another downgrade must be avoided at all costs, and that SA had to do "everything" it could to avoid a recession.

Some of the ideas discussed at the two-hour meeting with Mr. Gordhan last week included private-sector support for infrastructure investment and the secondment of business people to state entities.(BD 04-02-2016)

ETHIOPIAN, AUSTRIAN FOREIGN MINISTERS DISCUSS BILATERAL ISSUES

Ethiopian Foreign Affairs Minister Dr. Tedros Adhanom on Wednesday held discussions on bilateral issues with an Austrian delegation led by Foreign Minister Sebastian Kurz, in Addis Ababa, the foreign affairs ministry said in a statement.

The statement said the meeting covered issues with a particular focus on development cooperation, humanitarian assistance partnership, as well as investment and regional issues.

Dr. Tedros seized the opportunity to commend the partnership between Ethiopia and Austria and to praise the Austrian government’s support and cooperation with Ethiopia.

He stated that Austria’s participation in the development of health, agriculture; education and micro-financing sectors in Ethiopia were encouraging.

Dr. Tedros briefed the delegation about the investment opportunities, convenient environment and the increasing foreign investment flow to Ethiopia.

He said the investment environment in Ethiopia has shown remarkable improvement, which has been witnessed by the large number of investment coming from all corners of the globe.

Foreign Minister Sebastian Kurz on his part mentioned that he would further insist on the international community to raise the pledge for the El-Nino induced drought in Ethiopia, at the European Union

Ministers Meeting that will take place next week in the Spanish capital, Madrid.(APA 03-02-2016)

PORT OF MAPUTO, MOZAMBIQUE, HANDLES LESS CARGO IN 2015

The cargo handled at the port of Maputo in 2015 – 15.6 million tons – represented a contraction of 19.17 percent compared to 19.3 million tons processed in 2014, said Tuesday in Maputo the port's management company.

The Maputo Port Development Corporation (MPDC) explained the slump with the difficult conditions experienced in international markets, following a sharp decline in commodity prices compared to previous years.

The largest declines in tonnage were seen in loading of coal and magnetite, as well as in the car terminal and sugar, the MPDC said in a statement.

The MPDC gave assurances it would continue with investments planned for 2016 as part of the master plan set out for the port of Maputo, despite the downturn in international markets, and the main project is to increase the depth of the port's access channel to 14.2 metres.

The MPDC is a private company, which is a partnership between state port and rail management company CFM, South African group Grindrod, DP World of Dubai and Mozambique Gestores. (03-02-2016)

EU SUPPORT IN RESPONSE TO THE SYRIAN CRISIS

The Syrian crisis has become the world's worst humanitarian disaster. The EU is the leading donor in the international response to the Syrian crisis, with over €5 billion from the EU and Member States collectively in humanitarian, development, economic and stabilisation assistance.

The Syrian crisis has become the world's worst humanitarian disaster. The EU is the leading donor in the international response to the Syrian crisis, with over **€5 billion** from the EU and Member States collectively in humanitarian, development, economic and stabilisation assistance. The EU's support goes both to Syrians in their country and to refugees and their host communities in neighbouring Lebanon, Jordan, Turkey and Iraq. In view of the conference Supporting Syria and the Region that will take place in London on 4 February the EU and the Member States are working on further support, both short and medium term.

The EU's relations with Syria

In 2011, the EU responded to the unacceptable violence used by the military and security forces against peaceful protestors by suspending its cooperation with the Syrian Government under the European Neighbourhood Policy and gradually extending restrictive measures. This policy sought to pressure the Syrian Government into ending violence and to encourage a political solution to the conflict. From the very outset, the EU has condemned human rights violations in Syria in the strongest terms.

EU's objective is to bring an end to the conflict and enable the Syrian people to live in peace in their own country. The latest EU position is stated in the Foreign Affairs Council Conclusions of 12 October 2015. The EU is a full member and active participant in the International Syria Support Group. It fully supports the UN-led process, notably the efforts of the UN Special Envoy for Syria.

Only a Syrian-led political process leading to a peaceful and inclusive transition, based on the principles of the Geneva communiqué of 30 June 2012 and in line with relevant UN Security Council resolutions (notably 2254 (2015), will bring back stability to Syria.

European Commission funding - overview

Since 2011, the European Commission's support in response to the Syrian crisis has exceeded **€2.6 billion**. The Commission provides both immediate *humanitarian* assistance, and *non-humanitarian* aid, responding to medium-term needs.

In *humanitarian assistance*, the Commission has so far provided **€1.037 billion** for life-saving emergency responses, food, water, sanitation, hygiene and shelterto millions of Syrians inside Syria and in neighbouring countries.

In *non-humanitarian aid,* the Commission has mobilised €1.6 billion, including:

- €961 million through the European Neighbourhood Instrument (ENI)- of which €381 million channelled via the EU Regional Trust Fund in response to the Syrian crisis (EUTF)-to address the medium term needs of the Syrian refugees living in Syria, Lebanon and Jordan (education, livelihoods, health, access to basic services);
- €180 million through Macro-financial Assistance (MFA) to Jordan to assist with the influx of Syrian refugees;
- €180 million through the Instrument contributing to Stability and Peace for assistance programmes in opposition-controlled areas in Syria, mediation efforts, transitional justice preparation and measures to reduce tensions between refugees and host communities in the region, as well as to support the destruction of Syrian chemical stockpiles and chemical threat prevention;
- €249 million through the Instrument for Pre-Accession Assistance (IPA) to Turkey - of which €173 million are channelled via the EUTF;
- €26 million through the European Instrument for Democracy and Human Rights;
- €26 million through the Development Co-operation Instrument (DCI)- of which €10 million are channelled via the EUTF

Since its establishment in December 2014, most non-humanitarian aid for Syria's neighbouring countries is channeled through the **EU Regional Trust Fund in response to the Syrian crisis, the "Madad Fund" (EUTF Madad).** The EUTF aims to bring a more coherent and integrated EU response to the crisis by merging various EU financial instruments and contributions from Member States into one single flexible and quick mechanism. The Trust Fund primarily addresses longer term resilience needs of Syrian refugees in neighbouring countries such as Jordan, Lebanon, Turkey and Iraq, as well as the hosting communities and their administrations. Its mandate has just been extended to be able to operate also in the Western Balkans, as far as it is concerned by the Syrian migrants flow. In future the Trust Fund may start financing resilience activities inside Syria and could become a funding tool for reconstruction, resettlement and governance support following a political settlement of the crisis. With recent pledges from 17 Member States- amounting to over €52 million- and contributions from various EU instruments, the Fund is now reaching a **total volume of €645 million**. Additional funds will be committed in 2016 and beyond.

Inside Syria

Humanitarian assistance

Inside Syria, thanks to lifesaving aid provided by the Commission, some 2 million people have gained access to safe water, sanitation and hygiene items, 850 000 people have received food, 1 million people have received non-food items and shelter, and 350 000 children have been covered by child protection programmes.

The EU's humanitarian aid is impartial and independent and goes to people in need regardless of ethnic or religious considerations. The EU's humanitarian aid is channelled through the United Nations, International Organisations, and international NGO partners.

Non-humanitarian assistance

Since the on-set of the Syrian crisis, substantial non-humanitarian assistance inside Syria has been provided by the Commission through the European Neighbourhood Instrument, targeting in particular education, livelihoods and civil society support.

Thanks to this financial support, 2.3 million children have had improved access to education at primary and secondary school level (over 4,000 schools reached). Furthermore, more than 11,367 emergency job-opportunities for Syrians have been created (including 4,000 job opportunities for women) and numerous micro-grants for small-size businesses have been provided. More than 85,000 Syrians inside Syria have benefitted from improved community-based activities thanks to the strengthening of grassroots civil society activities.

In addition, Commission funds from the European Instrument for Democracy and Human Rights have also supported the protection of Human Rights Defenders as well as capacity-building of Syrian journalists.

Assistance to neighbouring countries

Since the beginning of the crisis, Syrians fled to neighbouring countries which are hosting an unprecedented number of refugees. The European Union is strongly supporting the Syrian refugees and their host communities in Lebanon, Jordan, Turkey and Iraq.

Jordan

In **Jordan** there are over 630 000 Syrian refugees, half of them children. Since the beginning of the crisis, the European Commission has allocated more than **€583.7 million** in assistance to refugees and vulnerable communities. This includes more than €198 million from the humanitarian budget, €180 million from the Macro Financial Assistance (MFA) Instrument, over €170 million from the ENI/ European Neighbourhood and Partnership Instrument, and more than €30 million from the Instrument contributing to Stability and Peace. The Commission's humanitarian aid has helped more than 350.000 Syrian refugees in Jordan. With 83% of the refugees in Jordan living in urban settings, the Commission supports the most vulnerable refugees through cash assistance as it is considered the most cost-efficient and dignified modality. Specific programmes support children's and women's needs, since approximately 53% of the refugees are children and 23.5 % women. Another priority in 2015 has been responding to the emergency needs of asylum seekers at the border between Syria and Jordan where today more than 16 000 people remain stranded, awaiting access to Jordan.

This support comes on top of the over €500 million in regular programmed bilateral cooperation for Jordan under the European Neighbourhood policy, which brings the **overall amount to €1.08 billion.**

Lebanon

For **Lebanon**, since the beginning of the crisis, the European Commission has allocated **€552.1 million**. This includes more than €269 million in humanitarian aid and €283 million for development/stabilisation support, mainly financed by the ENI/European Neighbourhood and Partnership Instrument (close to €250 million) and Instrument contributing to Stability and Peace (over €30 million) to address longer term resilience needs of affected civilians, both refugees and Lebanese host communities. In Lebanon, through its partners, the EU's humanitarian aid reaches around 665.000 people.

The Commission's *non-humanitarian aid* is addressing both refugees and host communities' needs. The main part is going to the education sector but we are also dealing with health, livelihoods and local infrastructures (water, waste water, solid waste management).

This support comes on top of €219 million in regular programmed bilateral cooperation for Lebanon under the European Neighbourhood Policy, which bring the **overall support to €771 million**. This shows that the EU was able to mobilise within a short period a 200% increase of funding for Lebanon to effectively address the country's huge needs resulting from the refugee crisis.

Turkey

In Turkey there are over 2.5 million registered Syrian refugees, making Turkey the largest host of refugees in the world.

The total funding provided by the EU to Turkey in response to the Syria Crisis, including humanitarian aid as well as longer-term assistance, amounts to **€352 million**. In humanitarian aid, the European Commission has contributed €71 million since 2011 to primarily assist Syrian refugees but also Iraqi refugees and other populations of concern in Turkey. EU humanitarian aid is funding the provisions of food, non-food items (including winterization assistance), health assistance and protection through humanitarian partners. Altogether, the Commission is in Turkey currently providing food assistance to about 230,000 people and health assistance to about 130,000 people. Through the EU Children of Peace initiative, the Commission has funded emergency education, which provides Syrian children living in Turkey with access to schools.

Moreover, in November 2015, the EU announced that it is setting up a legal framework – a **Refugee Facility for Turkey** – with **€3 billion** to deliver efficient and complementary support to Syrian refugees and host communities in Turkey. Priority will be given to actions providing immediate humanitarian, development and other assistance to refugees and host communities, national and local authorities in managing and addressing the consequences of the inflows of refugees.

Iraq

Closely linked to the Syria crisis is the one in Iraq. The Iraq crisis is a Level 3 emergency with 10 million people in need of humanitarian aid, in a country of 36 million. This includes 3.2 million Internally

Displaced Persons (IDPs) and 250 000 refugees from Syria.

The European Commission's humanitarian budget for Iraq has substantially grown in 2015, responding to increasing needs and reaching the total of **€104.65 million**. The EU provides protection and relief to both Iraqi displaced persons and Syrian refugees, inside and outside camps in Iraq, as well as other vulnerable populations affected by the conflict. Funding ensures food assistance, basic health care, water and sanitation, protection, shelter and the distribution of essential household items.(EC 03-02-2016)

BOTSWANA, GLOBAL FUND SIGN NEW GRANTS DEAL TO FIGHT HIV, TB

Botswana and Global Fund on Wednesday signed two new grants totaling $27 million to mark a new phase of partnership, with a focus on preventing, treating and caring for people affected by HIV and tuberculosis.

Speaking at the signing ceremony, Botswana's Minister of Health, Dorcas Makgato said the overall goals of the grants are to achieve zero local malaria transmission or the elimination of malaria, to prevent new HIV infections, reduce morbidity and mortality as well as to enhance the psychosocial and economic impact associated with TB.

For his part, Head of Grant Management of the Global Fund, Mark Edington, we are tremendously inspired by Botswana's outstanding investment in the health of its people. The Global Fund is honoured to be a partner in this effort.•

The support will go to prevent and treat HIV and tuberculosis. It will aim to have all TB patients tested for HIV. The funding will also be used to provide HIV treatment to patients co-infected with HIV and TB.

Executive Director Botswana Council of NGOs Bagaisi Mabilo, said we are very excited to have the Global Fund once again in Botswana, and particularly ecstatic that a non-state actor will work with local NGOs to advance the national interests of HIV prevention, care and support for our fellow citizens.•

Botswana faces high rates of HIV and TB. The HIV prevalence rate is 18.5 percent, the second highest in the world. It also has one of the highest TB prevalence rates globally. The two diseases are highly interlinked 60 percent of people with TB in Botswana also have HIV.(APA 03-02-2016)

NATIONAL BANK OF ANGOLA RAISES KEY INTEREST RATES

The National Bank of Angola decided to increase two key market interest rates, including the basic rate of interest, or BNA rate, which was increased by one percentage point to 12 percent, the central bank said in a statement Monday.

The interest rate on the marginal lending facility was also increased by one percentage point to 14.00 percent and the seven-day liquidity absorption facility was kept at 1.75 percent, according to the decisions of the Monetary Policy Committee.

The BNA also said that in December the Luibor interest rate (Luanda Interbank Offered Rate) stood at 11.31 percent in the overnight and 11.88 percent and 12.84 percent for maturities of 3 and 12 months, respectively .

The primary exchange market, the benchmark average exchange rate in December was stable against the previous month, at 135.315 kwanzas per US dollar. (02-02-2016)

HARARE ROCKED BY TYPHOID OUTBREAK

Zimbabwe's capital city Harare has been rocked by a typhoid outbreak and authorities have deployed medical experts to determine the magnitude of the spread of the disease.

Fresh cases of typhoid were reported in SA too and indications were that at least one of the patients had recently travelled to Zimbabwe.

A report in Zimbabwe's state-owned Herald newspaper on Wednesday said since last Friday health authorities in that country had confirmed three cases in Glen Norah, two in Hopley and one in Hatfield.

The newspaper quoted Harare City health director Dr Prosper Chonzi as saying: "We have sent our teams to assess the situation in those areas, particularly in Hopley, where there is strong suspicion that people could be sick at their homes. The teams will be interviewing and treating all suspected cases".

At least 15 students were hospitalised at Silveira Mission High School hospital in Bikita on Monday following a suspected outbreak of typhoid, but authorities said they were now out of danger.

The Gauteng Department of Health said on Tuesday that two new cases of typhoid fever had been reported at the Dr George Mukhari Academic Hospital, in Tshwane.

"A 38-year-old Zimbabwean female patient, who resides in Centurion, presented in the said hospital on Thursday, 21 January 2016 with four days history of fever," the Gauteng department of health said.

"She was said to be quite confused on arrival in the hospital. The patient, who was referred from Centurion Clinic, had travelled home to Zimbabwe two weeks ago and had just returned to SA."

The department said another, Zimbabwean female patient, who has been staying in the country since 2012 sought treatment at the Dr George Mukhari Hospital last Wednesday — two days after her illness started.

"There was no fever, headache, vomiting nor diarrhoea. Blood tests were also carried out on the same day of her admission. She was confirmed to be typhoid positive on Monday, the 25 January 2016. She is also on antibiotics," the department said.

However, the hospitalised woman who resides in Soshanguve, Tshwane, last visited Zimbabwe in February last year.

"It should be noted that there are no epidemiological linkages (geographical proximity) between all the seven cases that have been identified so far," the health department said.

Provincial health spokesman Steve Mabona said the department had deployed an outbreak task team in Tshwane to trace the origin of the disease.

"The team will meet family members of the patients and (do) some tests. The patients are currently being treated," said Mr. Mabona.

These cases follow the case of a Malawian woman who was diagnosed with the disease at Charlotte Maxeke Academic Hospital. She died on January 17.

Gauteng health MEC Qedani Dorothy Mahlangu said two children, who had been admitted to Edenvale District Hospital after being diagnosed with the disease were recovering.

"The 16-year-old currently on admission at the Charlotte Maxeke Academic Hospital is also doing remarkably well and is said to be in a quite stable condition," said Ms Mahlangu.

The department said it was monitoring affected areas in Hillbrow, Yeoville, Edenvale and Palm Springs.

Dr Karen Keddy, the chief pathologist at the National Institute of Communicable Diseases (NICD), said typhoid fever was not unusual during this time of year because people were returning from their travels.

(African News Agency 27-01-2016)

BOTSWANA OPPOSITION CALLS FOR END OF PARTNERSHIP WITH DE BEERS

Botswana's main opposition Umbrella for Democratic Change (UDC) on Wednesday called for the end of partnership between diamond mining giant De Beers and Botswana Government.
De Beers and Botswana Government own a 50/50 joint venture in Debswana Diamond Company which is involved in diamond mining activities in the country.

Reacting to Minister of Finance, Kenneth Matambo's budget speech, UDC leader Duma Boko said . We would vigorously consider other technical partners for the management of Botswana's diamond mines other than the current De-Beers arrangement.•

He added that We believe that it is necessary to pursue a fair-minded approach that does not unduly defer to DeBeers even where there is a possibility that there are partners that could assist Botswana generate better revenues and profits from our diamond mines.

Boko said their suggestion is informed by their view that there have been companies, including one in Russia that have been able to perform admirably despite the global economic slowdown and storm against diamonds.(APA 03-02-2016)

ANGOLA ISSUES DEBT FOR ANGOLA INVEST PROGRAMME

The government of Angola will issue debt of 5.18 billion kwanzas (US$33 million) in order to capitalise the Credit Guarantee Fund (FGC), which endorses loans granted under the “Angola Investe” credit programme, according to a presidential order.

The order authorises the Ministry of Finance to issue Treasury Bonds in national currency in favour of the FGC in order to “expand the provision of agricultural credit to domestic producers.”

This issue of Treasury Notes has an amortisation period of 24 years, paying a coupon of 5 percent per year.

The “Angola Investe” programme was created by the Angolan government to support investment in productive sectors in the country, through bank loans.

Alongside this measure, in 2012 the government created the Credit Guarantee Fund, to support this programme, which in 2014 analysed around 100 credit requests per day. (01-02-2016)

WITH AFRICA, THE EU MUST BE A PLAYER, NOT JUST A PAYER

The biggest challenge in the effort to deal with the migrant crisis at its root is to transform the donor-beneficiary relationship into a win-win relationship, writes Mariya Gabriel.

Mariya Gabriel (Citizens for European Development of Bulgaria) is an MEP from Bulgaria and Vice President of the EPP group.

When we think of migration, we think of Africa. When we think of Africa, we think of development. We think that the European Union is the biggest donor. But is our Union the biggest player?

Following the migration crisis, Europeans now know that peace in Africa also means peace for Europe. Development and security issues are interdependent. Investing in development aid means investing in the stabilisation of countries which also means investing in our own security. The more we are involved, the better we can prevent and normalise migration flows. We have to tackle problems at their roots in Africa before they become real European problems. We are now conscious of the fact that it costs less, both in terms of human lives and financially, to have impact before conflicts arise. Prevention of radicalisation, anti-terrorism, the fight against irregular migration, conflict prevention and peace-building/keeping are areas where we absolutely need to cooperate with Africa.

Last year, at the Valetta Summit where EU and African leaders met, an important step forward was made in acknowledging that migration is a global issue. We must work together to tackle it. I welcome the Action Plan agreed in Valetta but I cannot stress enough that without proper political will, there will be no concrete results. More money does not automatically mean more results, and this is where we should be very cautious. Our aid can only be effective if there are real commitments on behalf of the receiving countries to reform for their own benefit and in the interest of their people. In this way, we will create favourable conditions for people to remain in their countries.

On the other hand, we also have to change something on our side. So far, the European Development Fund (EDF) continues to depend entirely on member states and is not flexible enough to react to rapidly-changing realities. We must dare talk about the integration of the EDF into the EU budget. If the EDF is part of the EU budget, we will have a stronger political message of a common policy and the European Parliament can play its role for more transparency in the allocation of funds and the implementation of projects. If the EDF could become more flexible, we would have a genuine impact because when we define priorities for the next six years, and then after three years we face a new crisis, could we wait another three years to react? It would be too late.

This is why it is necessary to have more flexibility in our instruments to be able to respond more effectively to citizens' expectations. If there is disappointment among African partners, it is because very often expectations are very high and the results are not seen immediately on the ground. When you invest in many different priorities, it takes a long time to see the results. We must change this. Reducing the number of our priorities for the better funding of targeted areas where results have already been proven will have an important impact.

It also implies differentiation from our side. From my longstanding commitment and my experience on the ground in Africa, I have learnt that African countries have a lot in common but they strongly differ vis-à-vis development due to either the efforts of their authorities, the EU's aid approach to focus on only a reduced number of areas, or when the aid goes local. The EU is often criticised because a large part of the aid goes through budget support to governments. But when funding goes through small projects and small and local NGOs can access funding, we see rapid and visible results at local level in education and health for example.

We can also capitalise on the fact that people in Africa know the genuine added value of the partnership with the European Union. This added value is peace, democracy, promotion of human rights and the rule of law. No other power in the world comes with such guarantees to respect these principles. Besides, the EU has been giving more and more importance to the role of women, and that can be a decisive investment. Enabling women to take full part in development and political and economic decision-making is the key to successful and sustainable results. In most parts of the world, women represent an untapped potential. For example, it has been shown that if African countries had reduced inequalities between girls and boys in access to education as quickly as East Asia did, this would have enabled the income growth per capita on the continent to almost double. We must continue to bring results in this area as well.

Finally, we, the EU must speak with one voice on Africa, conscious of our shared responsibility, with openness and truthfulness. All this takes time. The European Union's responsibility is to have a common policy. On the other side, African countries must understand that we are not there just to distribute money no matter what the results are. The biggest challenge is to transform the donor-beneficiary relationship into a win-win relationship. We cannot tell our partners that we will mobilise our resources without being firm about what is expected. And in this sense, we must do more to support those who actually make these efforts to work towards the development of their own country.(EurActiv)

EGYPT: BUSINESS OPPORTUNITIES AND GAS MARKET REFORM

An Awareness Session on the reform of the Egyptian gas market, organised by the Delegation of the European Union in Egypt, began in Heliopolis, Cairo on Wednesday 27 January. Changes in the regulation of the Egyptian gas market are expected, following the preliminary approval of a draft law on 28 October 2015.

According to European experts, Egypt is an growing gas exporter and is, increasingly, a transit country for energy from the Gulf countries. Egypt “has always been an LNG exporter” and “has been an important supplier to the EU” but “the increase in domestic demand forced it to divert most of its production to the domestic market”, according to a European Commission report (2015). The same report noted that: “in August (of the same year), the Italian company Eni announced the discovery in Egyptian waters of a ‘supergiant’ gas field that would be “the largest ever found in the Mediterranean”.

“The Awareness Session offers an important opportunity for Egyptian public and private stakeholders, gas industry players, and international investors in infrastructure and energy to receive first-hand information and guidance about the coming reform of Egypt's gas market as well as about the business opportunities and challenges associated with it", said the EU Delegation in Cairo.(EC 27-01-2016)

EU SUGAR PRICES TO DECLINE BY NINE PERCENT UP TO 2017

Whilst sugar sales are projected to increase in the Southern African Customs Union (SACU) region, the European Union (EU) market value is projected to depreciate further as sugar prices are projected to decline by a further nine percent leading up to 2017.

According to the Royal Swaziland Sugar Corporation (RSSC) integrated report 2015, there was a 23 percent global drop in sugar prices in 2014, from a peak of about €700 (E11 550) per tonne in 2012, to €450 (E7 425) per tonne in 2014, which equals to 35.7 in proportion within two years.

"Forecasts suggest that the EU price is expected to decline by a further nine percent leading up to 2017," reads the report as part.

The report said in the current situation it was difficult to accurately predict how the market prospects for Swaziland would develop.

However, the company said they were considering various factors which included EU flat consumption, rapidly evolving market dynamics, increased volatility in terms of price and supply, new emphasis on supply and risk management, new skills set for operating in the increasingly competitive market and creative measures of commercialising and sourcing sugar.

On the contrary to the EU market, the report said sugar consumption in Africa was one of the fastest growing worldwide therefore creating new supply prospects for the future.

In Africa sugar consumption is said to be greater than production, and this trend is projected to continue for several years to come.

"RSSC is actively exploring opportunities to leverage existing and new African markets via preferential trade terms among COMESA and SADC members," said the report.

However, the African market is still prone to challenges of robust competition from African and international suppliers especially from low cost producing countries.

On that note, RSSC Managing Director Nick Jackson said they have worked hard to prepare themselves to compete in the evolving market.

"We have worked hard to attract the right skills to the business. In recent months, six high calibre Swazi engineers have joined the business, attracted by the opportunity to lead a team and be part of our expansion programme-something which doesn't often happen in the industry," he said. (BD 17-12-2016)

EPA: $8.94BN DEVELOPMENT PACKAGE TEARS ECOWAS APART

The Economic Community of West African States (ECOWAS) has been divided over the $8.94 billion European Union's Economic Partnership Agreement (EPA). EPA is a Free Trade Agreement (FTA) designed to create free trade area between the EU and African Caribbean and Pacific (ACP) countries in which duties on goods imported and exported between the parties are reduced and eventually removed.

Investigation conducted by **Financial Vanguard**, revealed that the EU has offered 6.5billion Euro (about $8.94 billion) Development Package to ECOWAS countries to develop necessary infrastructures in order to meet exports requirements to the EU, over the next five years (2015-2020). **FV** learned that out of this figure, the amount that came to Nigeria through United Nations Industrial Development Organisation, UNIDO, the project implementer, is 12 million Euro (about N3 billion).

It was further learned that though, some of the beneficiary agencies in Nigeria's public and private sector, namely Consumer Protection Council, Standards Organisation of Nigeria; the Organised Private Sector-MAN, NACCIMA, NASME; NASSI and NECA; have started accessing the fund for capacity building, ministers of trade in 12 countries out of the sixteen ECOWAS countries are yet to sign the agreement with the exception of Nigeria, Liberia, Sierra Leone, and the Gambia.

Ken Ukaoha, President of the National Association of Nigerian Traders (NANTS) and member of the Nigerian negotiating team on Economic Partnership Agreement (EPA), told FV that these countries have hastily signed the agreement through the 'back door', not minding "The real dangers of the EPA, if implemented in its current form.

He stated that the negative effects of opening up 75 percent of ECOWAS markets, with its 300 million consumers, to Europe over a 20-year period, are legion and cut across all facets of the economic life of Africa.

He cited the recent case involving Dominion Farms, an American company—with Canadian interest, with backing of United Kingdom—whose proposed 30,000 hectares rice project, has reportedly displaced 4,000 people at Gassol community in Taraba state, north eastern Nigeria.

He said EPA will give the highly subsidized farmers from the EU, the license to grab huge portion of land in Africa, thereby putting local small holder farmers at a disadvantage. He also expressed concerns that foreign farmers are only interested in producing crops that would be converted to biofuels to service their factories, with a view to increasing their productivity an export, and not food crops that add value to the local people.

Elaborating on Nigeria's position, he stated that the final ratification may not happen soon as Nigeria, which has consistently opposed the implementation of the Agreement, has neither signed nor shifted its stance. "There are indications that other West African countries such as Liberia, Sierra Leone, and the Gambia, will not ratify the Agreement if Nigeria rejects it.

The way forward, Ukaoha said, is for African leaders to do what is right and protect the interest and concerns of their citizens first. Speaking in the same vein, Mr. Frank Jacobs, President of Manufacturers Association of Nigeria (MAN), noted that EPA may appear like a good course in the document proposal, but will not be appropriate in Nigeria as plans of industry players are constantly distorted by the interplay of macroeconomic variables such as inflation, exchange rate and interest rate variations.

According to him, MAN has consistently opposed the endorsement of the EU-ECOWAS Economic Partnership Agreement as such cooperation is on unequal basis, hence the need for caution. He said, "The EPA between Europe and Africa, Caribbean and Pacific (ACP) countries is an offshoot of the Cotonou Partnership Agreement (CPA) and is essentially designed as an instrument of economic and trade cooperation between the EU and the ACP countries.

The purported goals of EPA are to promote economic growth and development, reduce poverty in the partner countries, expand and diversify trade and increase domestic and foreign investment. "However, the process, structure and perceived contents of the EPA negotiations have raised serious concerns about the impact that EPA would eventually have on ACP countries and their efforts towards poverty eradication, regional integration and economic growth.

Nigeria as a mainly commodity-goods-producer country trading in an EPA free trade arrangement would be disadvantaged. "It has very limited capability to produce and export industrial goods. Most of the industries in the country are undeveloped and are plagued by lack of supportive infrastructure. This will therefore lead to untold hardship to the country as the unemployment situation and the standard of living of the people will worsen," he said.

The MAN boss said EPA will also confine the Nigerian economy to a mere market extension of the EU since it cannot compete with Europe on all grounds. "It is on these grounds that we believe that Nigeria does not need EPA now until it has been adequately industrialised and able to trade industrial goods competitively.

Moreover, after 30 years of preferential market access, the ACP countries still export just a few basic commodities to the EU. At the same time, the ACP share of the EU market is steadily declining. The existing trade preferences have not had the intended effect of helping the ACP countries diversify their economies into higher value products," he said.

Jacobs harped that ACP countries presently attract only a small portion of the world's foreign direct investment, stressing that Nigerian manufacturers are not aversed to free trade cooperation provided such is done on equal economic development. He warned that any attempt to coerce the country into a free trade arrangement would only succeed in killing the fledgling manufacturing sector, which has just started to recover from a long period of comatose.

He lamented that Nigeria is a high-cost production environment with challenges cutting across infrastructure, inadequate and unstable power supply, poor road network, inadequate rail services, as well as poor and expensive port services. He likewise listed cost challenges as high interest rate on borrowed funds, dearth of long-term loans, multiplicity of taxes, high cost of self-generated energy and high cost of local inputs.

On the environmental challenges, the MAN President, among others, mentioned inconsistent government policies, increased trade malpractices such as smuggling, dumping and faking of made-in-Nigeria products, over-lapping functions of regulatory agencies leading to duplication and high cost, while social challenges include insecurity (insurgency, militancy, kidnapping, area boys, etc.) and dearth of skilled manpower.

He maintained that the challenges no doubt would make Nigerian products uncompetitive not only in European countries but globally. He added: “It is also clear that Nigeria, as a commodity-goods-producer country, can only export agricultural products to Europe while Europe will export industrial goods such as machinery and so on, which Nigeria lacks the capacity and capability to produce.

“It is important to emphasise the following: EPA will stifle existing manufacturing industries as they will be uncompetitive as cheaper finished products from European countries will flood Nigerian markets. The ECOWAS region, especially Nigeria, which is more industrialised, will witness unbridled importation which will lead to accelerated shut down of the few surviving industries in the region.

This will further de-industrialise the region and would have catastrophic implications on employment generation thereby worsening the poverty situation in the region.” He, however, said that instead of free trade agreement that requires reciprocity, especially at this stage of the nation’s development, the EU and Nigeria should rather continue with the existing tariff-based trading relationship.(Vanguard 04-01-2016)

RICE FACTORY IN MALANJE, ANGOLA, STARTS PRODUCTION IN MID 2016

The Angocentric Malanje Industrial rice mill, in the Angolan city of Malanje, is expected to start operating in the first half of this year, with a husking and packaging capacity of 40 tons of rice a day, according to Angolan state news agency Angop.

José Marcos, the head of the factory, said Angolan development bank Banco de Desenvolvimento Angolano had funded the US$8 million project.

Production of “Arroz Betu” rice, is initially intended for Malange but there are also plans to distribute it to other Angolan provinces and regions based on production levels.

The factory will create 100 jobs. (27-01-2016)

KENYA, UGANDA AND RWANDA INK JOINT CARGO TRACKING DEAL

Kenya, Rwanda and Uganda have struck a deal to jointly clear cargo at the Kilindini port and monitor consignments on transit on a single electronic platform.

Kenya Revenue Authority (KRA) commissioner-general John Njiraini said the regional cargo tracking system would enable the three countries to seamlessly monitor cargo from Mombasa to Kigali and eventually Juba, curbing revenue leaks.

“This approach will remove the opportunities presently exploited by crooks at the changeover of seals at border points by requiring affixation of only one seal to be disarmed on arrival at destination,” he said.

Mr. Njiraini said the countries at meeting in Mombasa on January 16 agreed to establish joint enforcement teams to police transit cargo operations, besides other actions including the centralisation of transit cargo clearance at Kilindini port.

The tracking system comprises satellites, a central monitoring centre and special electronic seals fitted on cargo containers and trucks, which give the precise location of goods in real time.

The system triggers an alarm whenever there is diversion from the designated route, an unusually long stopover or when someone attempts to open a container.

Besides curbing theft of cargo, the system also helps to seal loopholes that cause the country losses in revenue through suspected under-declaration of the value of exports or theft of cargo.

“The new system’s key strength is that unlike presently, the three Northern Corridor countries, shall use one system and one platform, with seamless visibility from Mombasa to Kigali and eventually Juba,” Mr. Njiraini said.

The KRA in its recently launched sixth strategic plan for 2015-2018 banks on with the implementation of the electronic cargo tracking system (ECTS) to help minimise revenue leaks due to diversion of cargo.

Kenya introduced ECTS in July 2009 as it intensified its purge against dumping of transit goods in the local market.

The country is a key gateway to the region in that the Mombasa port handles imports such as fuel and consumer goods for Uganda, Burundi, Rwanda, South Sudan, Democratic Republic of Congo and Somalia and exports of tea and coffee from the region.

The system was particularly set to monitor movement of goods between Mombasa port and Busia and Malaba border points through which goods enter the landlocked Great Lakes Region.

The KRA later brought on board export goods and all others under customs control as it broadened the scope to fight tax evasion.

All importers, exporters, clearing agents and transporters conveying goods under customs control are required to install the ECTS, phasing out tamper-prone seals. Upon the installation of the ECTS equipment, the then cumbersome practices of customs physical escort were phased out and the annual transit goods licence fees waived.

The system has so far gone live in Uganda and Rwanda. In addition to customs, the system will also provide real time information on the location and status of the cargo to transporters and cargo owners or their agents as the goods are transported along the Northern Corridor.

Trade in East Africa has become increasingly seamless following the adoption of a Single Customs Territory (SCT) system. Under the SCT deal that began in 2014, clearing agents with East African Community have been granted rights to relocate and carry out their duties in any of the partner states as part of a strategy to improve flow of goods and curb dumping.(The East African 27-01-2016)

MEDITERRANEAN: PREVENTION, PREPAREDNESS AND RESPONSE TO NATURAL AND MAN-MADE DISASTER

The Euromed programme for the Prevention, Preparedness and Response to natural and man-made Disasters (EUROMED PPRD SOUTH PROGRAMME II) has published the latest edition of its newsletter.

“For the third issue of our newsletter, we have focused on beneficiaries’ testimonies and courses, media training, and technological risk seminars in several countries in Mediterranean” say its editors.

PPRD South II is a three-year programme, funded by the EU, with a EUR5 million budget, which aims at raising the national resilience of southern Mediterranean partner countries (targeted by the European Neighbourhood Policy (ENP)) affected by natural or man-made disasters.(EC 28-01-2016)
http://www.euromedpprdsouth2.eu/en/2-events/165-third-issue-of-our-newsletter/

TUNISIA: TOGETHER WITH EUROPE IN THE FIGHT AGAINST HUMAN TRAFFICKING

An international conference entitled “The fight against human trafficking: Shared experiences between Tunisia and Europe”, organised by the Council of Europe together with the Ministry of Justice of Tunisia and the International Organisation for Migration, took place in Tunis on 20-21 January 2016, the Council of Europe said in a statement.

“The conference featured Tunisian and European experts from different backgrounds and sectors (government, non-state actors, and international organisations) who exchanged best practices, particularly in terms of identifying and assisting victims of trafficking, as well as on the prosecution and the dismantling of networks of traffickers and child trafficking, in light of existing international standards”, the pan-European institution added.(EC 28-01-2016)

REDUCTION IN ELECTRICITY TARIFF DOMINATES THE GHANAIAN PRESS

The press in Ghana on Thursday was dominated by the announcement of a reduction in electricity tariff by the government.

The Daily Graphic, Ghanaian Times, Daily Guide and others, all focused on the announcement on Wednesday by the government that some percentages of the recent increase in tariffs have been scrapped to give protection to lifeline electricity consumers and those who fall within the first 300 kilowatts.

A meeting between organised labour and the Minister of Employment and Labour Relations agreed that tariffs for those who consume 50 kilowatts of electricity be reduced from 59.2 percent to 45 percent.

Those who consume beyond 50 kilowatts to 300 kilowatts of electricity would enjoy reduction from 59.2 percent to 50 percent.

However, the Energy Sector Levies are still in force, which amounts to 10 percent of a customer's total consumption for the month.(APA 28-01-2016)

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