MEMORANDUM

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11 YEARS OF UNINTERRUPTED PUBLICATION

SUMMARY

EIB CONFIRMS EUR 92 MILLION SUPPORT FOR EAST AFRICAN ENTREPRENEURS IN 2016

Speaking to media in Nairobi earlier today senior representatives of the European Investment Bank, confirmed lending to support investment by companies across East Africa totalling EUR 92 million (KES 10 billion) in 2016. The European Investment Bank is Europe's long-term lending institution, owned directly by the 28 European Union member states and the world's largest international public bank.

Catherine Collin, Regional Representative of the European Investment Bank in East Africa and Robert Schofield, responsible for European Investment Bank lending for small and medium sized companies throughout East Africa and elsewhere on the continent, highlighted the crucial role of entrepreneurs to create jobs, improve lives and ensure sustainable long-term economic growth. They confirmed that 49% of EIB backed lending in Africa last year supported private sector investment by small and medium sized businesses.

They emphasised the EIB's close cooperation with banks across the region, business associations, regulators and government departments to ensure the maximum impact and benefit to the real economy via the EIB's credit lines.

During 2016 the European Investment Bank signed new lending programmes totalling EUR 92 million with partner banks and financial institutions across East Africa.

This included:

- EUR 20 million agreed with HFC to support investment by medium sized companies in Kenya.
- A total of EUR 29 million signed with KCB for lending across East Africa in Rwanda, Tanzania and Uganda.
- A EUR 15 million credit line agreed with EXIM Tanzania
- A EUR 28 million lending programme agreed with Bank of Kigali in Rwanda that will support investment by 46 local firms.

Expected new lending totalling EUR 250 million (KES 27 billion) in partnership with banks across East Africa was also announced. The expected launch later this year of the first sector specific credit lines to be supported in the region was also confirmed. These will focus support for new agricultural and climate related investment in Kenya and is expected to be used alongside grant support from the European Union.

Since 2010 the European Investment Bank has signed contracts worth a total of EUR 681 million for new credit lines with local banks across East Africa that includes both direct transactions and streamlined lending under a dedicated regional lending programme, the Private Enterprise Financing Facility. This lending has been complemented by a detailed technical assistance programme, supported by the European Union, that has contributed to successful implementation and ensuring maximise benefits from the overall programme. Technical assistance includes strengthening skills such as environmental, social and money-laundering assessment by regional banks and improving assessment of the economic impact of projects financed through the scheme.

Following the success of the first Private Enterprise Financing Facility programme this was extended through a second scheme launched less than 18 months ago. Reflecting strong demand and effective lending by local financial partners the EIB expects to launch a third Private Enterprise Financing Facility, to enable credit lines totalling EUR 250 million, later this year.

Three additional credit lines, totalling EUR 196m (KES 21bn), for SME lending across East Africa, in Kenya, Tanzania, Uganda and Rwanda, as well as the Democratic Republic of the Congo and Mauritius have already been approved by the Board of the European Investment Bank and are expected to be signed in the coming months.

Last year the European Investment Bank provided more than EUR 26.5 billion to support investment by small and medium sized companies around the world. The EIB's experience gained working with local banking partners in East Africa has guided more recent lending elsewhere in Africa. Working in partnership with local banks and financial institutions EIB backed lending reflects local business investment needs and existing knowledge of local clients.

Prior to agreeing a new lending programme the EIB carries out detailed due diligence to fully understand the local bank's strategy, approach to risk management and corporate governance, and detailed financial performance. This examines the commitment of partner banks to support private sector growth and analysis of how SMEs can access much needed local or foreign currency. The EIB only disburses money once eligible SME loan proposals are submitted and reviewed.

The European Investment Bank has supported transformational investment across Africa for more than 50 years and operated in Kenya since 1976. Over the last decade the EIB has provided more than EUR 22 billion for long-term investment across Africa.(EIB 09-012017)

CHINESE COMPANIES TRAVEL TO SAO TOME AND PRINCIPE TO ANALYSE INFRASTRUCTURE PROJECTS

Nine large companies from China are due to arrive in Sao Tome and Principe to analyse, together with the government, the possibility of implementing large infrastructure projects, announced the Prime Minister of Sao Tome.

Patrice Trovoada also said it was possible that a Chinese company would be involved in building a deep water port, a Sao Tomean project with an estimated cost of over US$800 million, with work due to start this year.

The government of Sao Tome and Principe in October 2015 signed an agreement with the China Harbour Engineering Company Ltd. (CHEC) to be involved in the works of the deep-water port, to be built in Lobata, 12 kilometres from the Sao Tome capital.

Speaking on Sunday to the state media, Trovoada also announced that Sao Tome scholarship students in Taiwan would continue their studies in China.

Trovoada said students would complete their first semester in January in Taiwan and after that would be transferred to China.

About two weeks ago Sao Tome and Principe restored diplomatic relations with the PRC replacing its relations with Taiwan. (10-01-2017)

AIR TRANSPORT IN ANGOLA SEES DOWNTURN IN ALL SEGMENTS IN 2016

Air transport in Angola in 2016 recorded 28% decreases in aircraft movements, 11% in passenger numbers, 19% in cargo carried and 13% in postal services, said the chairman of airport management company ENANA.

Cited by the Angolan press, Ceita said that the economic and financial crisis in Angola had a direct impact on air transport and restricted ENANA’s business, leading to a significant drop in turnover in 2016.

The chairman of ENANA, who did not disclose specific figures, said that 35% of expected revenue had yet to be collected “due to defaults by some customers.”

Despite the contraction, Ceita said the company could meet its most basic responsibilities, particularly in safeguarding the interests of the employees who ensure the company’s sustainability.

Ceita highlighted the payment of salaries, training, medical and medication assistance, tax, investments and other costs with the maintenance and operation of airports and air navigation.

Despite a drop in the number of aircraft flying to Luanda, as well as passengers and cargo, Ceita said ENANA had contributed to the economic diversification process, creating and improving mechanisms that facilitate the movement of people and goods in Angolan airports. (10-01-2017)

EU APPROVES PROJECTS WORTH EUR 37 MILLION TO TACKLE MIGRATION CHALLENGES IN NORTH AFRICA

The EU, through its Emergency Trust Fund for Africa, adopted a EUR 37 million package to increase protection of migrants and to strengthen effective migration management in North Africa. The package will address migration challenges in Libya, Tunisia and Morocco.

In Libya, this new EU support will better protect and assist the most vulnerable migrants, such as the persons rescued at sea and disembarked in Libya, and will help their host communities. In Tunisia this programme will tackle the root causes of migration by boosting the creation of economic opportunities. In Morocco an EU programme will support the fight against racism and xenophobia against migrants by strengthening their legal protection. This funding brings the EU support to Northern African countries through the EU Emergency Trust Fund for Africa to a total of EUR 64.5 million in 2016.

"The new EU assistance package meets both, the very concrete needs of migrants on the ground, and those of our partner countries. Migrants stranded in Libya will receive assistance and protection, including support to return decently to their home country if they wish to do so. By supporting our partner countries in developing their capacities, the EU will also contribute to a safer, more orderly and efficient management of migration flows in our Neighbourhood, which is very much in our interest," said Johannes Hahn, Commissioner for European Neighbourhood Policy and Enlargement Negotiations.

The 'North of Africa Window' of the EU Emergency Trust Fund for Africa covers the following five countries: Algeria, Egypt, Libya, Morocco and Tunisia. This EUR 37 million envelope comes in addition to the first three programmes worth EUR 27.5 million that have already been adopted in June 2016 under the 'North of Africa Window' for actions in Libya, Egypt and the region as a whole. The underlying priority is to strengthen stabilisation in areas particularly affected by migration and forced displacement flows.(EEAS 19-12-2016)

EU Emergency Trust Fund for Africa

PUBLIC-PRIVATE PARTNERSHIP PLANTS SOYBEANS IN NIASSA, MOZAMBIQUE

A large project for the production of soybeans and yellow corn to make animal feed is underway in Niassa province in northern Mozambique, as part of a public-private partnership, reported online weekly newspaper Faisca, published in Lichinga, the provincial capital.

The partnership involves the provincial government through the Provincial Directorate of Agriculture and Food Security, Sociedade Malonda, the economic arm of the Malonda Foundation, forestry company Green Resources and rural workers from six districts.

The newspaper, citing the provincial governor, Arlindo Chilundo said that initially about 13 tonnes of soybean seeds of several varieties will be planted, provided using credit from the local private sector, in an area of 260 hectares.

Soybean production in Niassa province was reintroduced in 2012 by Green Resources in three of the province's districts, after initially setting up a plantation for seed production, in order to test resistance to pests.

The Malonda Foundation is a Mozambican private nonprofit and public utility entity established in 2005 that operates in Niassa province. It is the result of a cooperation agreement between the governments of Mozambique and Sweden signed in 1997.

Green Forests is a Norwegian company working in forestry and renewable energy products, which is present in Tanzania, Uganda and Mozambique. (10-01-2017)

PRICES RISE BY 25.26% IN MOZAMBIQUE IN 2016

Prices in Mozambique ended 2016 with a cumulative increase of 25.26%, which was one of the highest increases in the cost of living in the country in recent years, according to figures published on Monday in Maputo by the National Statistics Institute (INE).

INE also said that prices rose by 3.47% in December and that the inflation rate measured by the average of the indices of the last 12 months over the preceding 12 months reached 19.85%.

Accumulated inflation, despite its high value, was below the forecasts of the Bank of Mozambique, which initially predicted a price increase of around 30% and later revised this forecast downwards to 27%.

In cumulative terms, the Food and Non-Alcoholic Beverages category was the driving force behind rising prices, accounting for 17.09 percentage points of the total recorded value.

Prices have risen almost every month, except May, and November and December saw the highest prices rises for both food and electricity.

Part of the price increases was due to the devaluation of the national currency, the metical, against the major currencies, including the dollar and the South African rand. (10-01-2016)

THERESA MAY SET TO CUT 0.7% FOREIGN AID SPENDING COMMITMENT, DOWNING STREET SIGNALS

The law requiring 0.7 per cent of gross national income to be spent on aid will be reviewed - as ministers hunt for badly-needed savings

Britain's foreign aid budget is likely to be cut in the next parliament, Theresa May signalled today.

The law requiring 0.7 per cent of gross national income to be spent on aid will be reviewed before 2020, the Prime Minister's spokeswoman said

The move follows fierce attacks by Conservative MPs and newspapers of the legal commitment, while domestic spending continues to be cut.

There has also been growing criticism of the way some of the £12bn budget is spent, particularly the cash directed through the Government's private equity arm.

Nevertheless, any move to change the law will be the clearest breach yet with David Cameron's legacy – and will be condemned by aid agencies.

The possibility of a review first emerged when Chancellor Philip Hammond said that all areas of spending would be re-examined, probably in 2019, before the next Conservative manifesto is produced

However, foreign aid is more difficult to cut – because the 0.7 per cent figure is legally protected.

Today, Ms May's spokeswoman made clear that overseas aid would be part of the review, saying there were no commitments "beyond" the current Parliament.

She said: "That will be the point when we set out our commitments moving forward - and commitments that will rightly be left for the manifesto."

Ministers have already hinted the review could see the scrapping of the so-called 'triple lock' protecting pensioner incomes.

Save the Children urged Ms May not to scrap the legal commitment, pointing out that it was an "internationally agreed target, set by the UN".

A spokeswoman said: "Over the last 15 years, British aid has bought the mosquito nets that helped stop six million people dying from malaria, provided the equipment and training that ensured five million childbirths happened safely, and given 11 million children a chance in life by supporting them through education.

“There is cross-party support for 0.7 per cent precisely because it is important to have a standard measurement across countries, and across time, for the commitment we’re willing to make to the world’s poorest people.”

Priti Patel, the International Development Secretary, has been accused of planning to privatise much of the aid budget, by funnelling the money through the private equity arm.

CDC Group – formerly the Commonwealth Development Corporation – has been criticised for pouring money into gated communities, shopping centres and luxury property in poor countries.

A draft Bill will allow the Department for International Development (DfiD) to hike the amount it can give to CDC Group from £1.5bn to £6bn.

Ms Patel also sparked controversy when she suggested some of the aid budget will be switched to help win post-Brexit trade deals.(Devex 13-12-2016)

GOVERNMENT OF MOZAMBIQUE REGULATES ACCESS TO THE SEA

The government of Mozambique plans to regulate access to the sea through a Sea Strategic Policy, which will take effect this year, said the Minister of the Sea, Fisheries and Inland Waters, Agostinho Mondlane, quoted by daily newspaper O País.

The minister said that the adoption of that strategic policy, which will make access to the sea for activities such as fishing or research cease to be free, is intended to make use of the potential of the Mozambican coast.

Stressing that the sea in Mozambique is currently exploited without rules, Agostinho Mondlane stressed that the government wants to change this, including requiring that vessels only go out to sea with due administrative authorisation.

“A major challenge for 2017 is to change the Law of the Sea to be more comprehensive, as it was designed with the sole aim of developing maritime transport,” said the minister.

In addition to the preparation of the Strategic Policy of the Sea, the government intends to adopt a regulation on maritime concessions in order to extend rules that apply on land to the sea.

Meanwhile, the Minister of Transport and Communications, Carlos Mesquita, said a process is underway for selection of a company to partner Transmarítima to start coastal shipping services later this year.

In August 2016 the government approved a set of measures to make better use of the sea to transport people and goods, making coastal shipping an alternative to road transport. (05-01-2017)

ANGOLAN DIAMONDS HAVE HIGHEST PRICE IN THE WORLD IN 2016

Diamonds mined in the Lulo concession in Angola reached the highest price per carat in the world’s diamond production in 2016, said the CEO of Australia’s Lucapa Diamond Company.

Stephen Wetherall said in a market statement that the Lulo concession’s partners had obtained gross revenue of over US$51 million from the sale of rough diamonds and pointed out that the price per carat of US$2,983 was “the highest in the world in 2016.”

In 2016, the concession produced 269 “special” diamonds each of 10.8 carats or more, compared with 86 a year earlier, with total diamond production reaching 19,833 carats, compared with 8,394 carats in 2015.

In the fourth quarter of 2016 the concession produced 5,313 carats, more than double the 2,151 carats in the same period of 2015, and the number of special diamonds was 79.

The Lucapa Diamond Company's Angolan partners in this project are state company Empresa Nacional de Diamantes de Angola (Endiama) and private group Rosas & Pétalas.

The Lulo concession is 150 kilometres from the Catoca diamond mine, which has the largest kimberlite in Angola and the fourth largest in the world, and both are located in the same geological area. (09-01-2017)

NEW OECD GUIDANCE AIMS TO REDUCE CORRUPTION IN AID SECTOR

New international guidance on fighting corruption in the development sector goes into effect today, backed by more than 40 countries, with progress on agreed recommendations to be monitored by the OECD Working Group on Bribery and the OECD Development Assistance Committee (DAC).

Launched on International Anti-Corruption Day, the OECD Recommendation for Development Cooperation Actors on Managing Risks of Corruption calls on countries to create or improve systems for avoiding and responding to corrupt practices in the management and delivery of aid by development agencies and private firms. Anti-corruption systems should include codes of ethics, whistleblowing mechanisms, financial controls and sanctions for misconduct, among other elements.

The new guidance responds to calls for more effective responses from international development agencies to cases of corruption involving aid. It should ensure more checks and balances at a time when public-private partnerships in the aid sector are increasing. The Recommendation applies to the 41 countries party to the OECD Anti-Bribery Convention and the 30 DAC members.

"Development activities are very often accompanied by different forms of corruption, which cause the loss of billions of euros being channelled into private pockets instead of countries in need," said **Drago Kos, Chair of the OECD Working Group on Bribery in International Business Transactions.** "This new guidance will help development agencies around the world to detect potential corruption cases and eradicate corruption."

"Corruption in the aid sector steals from the world's poorest and most vulnerable people and is a stain on our efforts to reach global development goals. Donor countries, aid agencies and developing countries have a common interest in doing everything we can to reduce it," said **DAC Chair Charlotte Petri Gornitzka**. "As we try to grow the aid pie with more private sector involvement, the help of the OECD's anti-corruption experts will be invaluable in fighting misconduct."

The Recommendation is the result of a DAC decision to update its 1996 Recommendation on Anti-Corruption Proposals for Bilateral Aid Procurement, extending its scope beyond procurement to reflect the growth in new partners and new channels for aid disbursement. It will contribute to how donors respond to Sustainable Development Goal 16 making it their responsibility to do no harm with their development interventions.

The OECD Working Group on Bribery will monitor the implementation of relevant sections, such as those relating to prevention measures and sanctions, in the context of its monitoring for the OECD Anti-Bribery Convention. The DAC will develop a complementary monitoring mechanism.

The OECD Anti-Bribery Convention establishes legally binding standards to criminalise bribery of foreign public officials in international business transactions and provides for a host of related measures that make this effective. It is the first and only international anti-corruption instrument focused on the 'supply side' of the bribery transaction.

The Working Group on Bribery – made up of the 35 OECD countries plus Argentina, Brazil, Bulgaria, Colombia, Russia and South Africa – comprises the Parties to the Convention. It conducts a systematic programme for monitoring implementation of the Convention. Typical examples of "foreign bribery" involve bribing officials in foreign countries to obtain public contracts for building infrastructure.

The new Recommendation:

- Suggests measures to prevent and detect corruption in projects financed by official development assistance (ODA).
- Details sanctions to be provided in ODA contracts to enable agencies to respond adequately to cases of corruption.
- Advises countries' international development agencies to work towards corruption risk management systems that include codes of ethics, whistleblowing mechanisms, financial control and monitoring tools, sanctions, coordination in responding to corruption cases. (OECD 09-12-2016)

Download the Recommendation:
http://www.oecd.org/corruption/oecd-recommendation-for-development-cooperation-actors-on-managing-risks-of-corruption.htm

GUINEA-BISSAU OWES OVER 200 MILLION EUROS

Guinea-Bissau has taken on new loans and now owes more than 200 million euros to financial institutions from West African countries, said Wednesday in Bissau the new Minister of Economy and Finance.

João Fadiá, who met with economic operators to convey his ideas on the new economic policy he intends to implement in Guinea-Bissau to counter the lack of public resources and state debt.

"The public finances of Guinea-Bissau are in a very serious situation (…) which cannot continue," said Fadiá, quoted by Portuguese news agency Lusa.

The Minister stressed that the state debt to commercial banks and financial markets of the West African Economic and Monetary Union (UEMOA) "did not bring improvements (…) as this money was partially used to pay for luxury items, such as cars without anything being built to serve the population."

The Minister of Economy and Finance, who until entering the government in November 2016, was director of the Central Bank of West African States (BCEAO) for Guinea-Bissau, said he was concerned about the pace of debt accumulation after the debt write off by bilateral and multilateral partners in 2010.

The foreign debt of Guinea-Bissau amounted to about US$1.5 million and was pardoned after the country met a number of criteria under the initiative for the Heavily Indebted Countries (HIPC).

Braima Camará, president of the Chamber of Commerce, Industry, Agriculture and Services, who spoke on behalf of entrepreneurs operating in Guinea-Bissau, expressed the full support of the private sector to follow the new government but added that "if the public finances are in trouble, the private sector is even worse."(05-01-2017)

ANGOLA REDUCES OIL PRODUCTION TO 1.673 MILLION BARRELS PER DAY

The maximum daily production of oil in Angola has been set at 1.673 million barrels, Angolan state oil company Sonangol, said in a statement released on Friday in Luanda.

This decision follows the agreement reached between the member countries of the Organization of Petroleum Exporting Countries (OPEC) on 30 November, 2016 to reduce oil production from 33.7 million to 32.5 million barrels per day.

The statement from Sonangol said the agreement aims to increase the price of oil on international markets, which since mid-2014 has suffered a significant drop.

The cut in daily production for Angola, which came into effect on 1 January, 2017, is 78,000 barrels below the OPEC benchmark value of 1.751 million barrels per day.

Sonangol reported it had also formally instructed the various operators in Angola on the monthly concession production limits, based on current the production potential of each and scheduled interventions at them. (09-01-2017)

AFRICA: AID TO AFRICA PROJECTED TO FALL DURING TRUMP'S PRESIDENCY

Kenya and Tanzania are among African countries likely to face a drop in foreign aid as the new US administration cuts spending to create room for increased infrastructure expenditure, according to a new report.

The report by the Institute of Chartered Accountants in England and Wales (ICAEW) says the Trump presidency raises the risk of the US rolling back development aid, thus affecting dependent countries such as Kenya, Tanzania, Ethiopia, Nigeria and the Democratic Republic of Congo.

The accountancy and finance body said that signs of an expansionary fiscal stance under the Trump administration, coupled with spending cuts to build dollar reserves for infrastructure development, are likely to lead to a decrease in aid to African countries.

"Aid is probably the main channel through which a change in US policy under a new president could impact Africa," states the fourth quarter (2016) report commissioned by ICAEW and produced by partner and forecaster Oxford Economics.

"Policymakers and businesses across the continent will be keen to see President-elect Trump's plans for development policies once he takes office," the report adds.

Donald Trump is expected to be formally inaugurated as the country's 45th president on January 20, 2017.

According to the report, and drawing on insights from the Organisation for Economic Co-operation and Development (OECD), the US is sub-Saharan Africa's major donor in bilateral official aid, with over $9 billion distributed to the region to date.

It is followed by the United Kingdom, with just under $4 billion distributed, and France with just over $2 billion.

In terms of official development aid receipts in East Africa, Ethiopia received the largest amount at over $3.5 billion, followed by Kenya and Tanzania with over $2.5 billion each, and Uganda with over $1.5 billion.

Doing business

According to the report, the change in the US administration will also affect Africa's trade and investment prospects. It states that steady progress is being made in the continent's business environment, with Mauritius ranked 49th out of 190 countries globally in terms of the ease of doing business.

The World Bank's Doing Business 2017 report ranked Rwanda at position 56h, Morocco 68th, Botswana 71st and South Africa 74th. Oil giants Nigeria and Angola were ranked 169 and 182 respectively. According to the report, foreign direct investment inflows into Africa fell by 7 per cent to $54 billion in 2015, with decreasing flows to SSA offsetting larger inflows into North Africa.

Large inflows into Angola saw investment into the Southern African region increase by 2 per cent.

East Africa received $7.8 billion in FDI during 2015, a two per cent decrease from 2014; Central African receipts decreased by 36 per cent and West Africa by 18 per cent.

Increase in FDI

The region is expected to see an increase in net FDI in the coming years, with a 10 per cent rise expected in 2017. Tanzania is expected to attract considerable investor interest in the country's natural gas sector.

East Africa is Africa's fastest growing region and development prospects remain positive. Kenya's growth outlook has improved in recent months, with the tourism sector recovering from the effects of terror attacks and travel advisory warnings.

The Central Bank has also eased monetary policy in recent months.

Kenya's economic growth is projected to reach 5.9 per cent this year, before trending towards 7 per cent over the medium term.

Economic growth in Tanzania and Ethiopia is also expected to remain strong, with public investment supporting industry while favourable demographics stimulate the services sectors. In turn, Rwanda's economic prospects have deteriorated somewhat due to pressure on the country's external balances (mainly owing to lower mining exports), although GDP growth is still projected to exceed 6 per cent per annum over the medium term.

In Uganda, lower inflation and slightly slower growth have encouraged the central bank to ease monetary policy, with positive effects on the business environment. Infrastructure spending will be a major driver of growth in that country in the next few years. (East African)

ABUJA AIRPORT TO BE CLOSED FOR RUNWAY REPAIRS NEXT YEAR

Nigeria's Minister of State for Aviation Hadi Sirika says the Nnamdi Azikiwe International Airport (NAIA), Abuja will be closed for six weeks in February and March 2017 for total repairs on the runway.

Sirika said on Monday that the closure was to allow Julius Berger to carry out total re-construction on the badly damaged airport runway.

He said that while the runway would still be put to use under the six months of rehabilitation, the six weeks would allow the mid-section of the runway to be reconstructed.

According to him, President Muhammadu Buhari has approved the reconstruction through the emergency procurement procedure for work to commence.

This, according to him, is because of the centrality, economic and the importance of Abuja to the general administration of the country.

He said government could not afford to close down Abuja airport for a long time as palliative repairs had been ongoing at the runway in the last three months.

From start to finish of the runway, it will take six months. However, we will be using the runway almost throughout the period except for about six weeks when the runway will be closed.

That is when we are going to do the mid-section of the runway, he said.

According to him, the government has accepted the design done by the contractor and the runway will last for more than 10 years on completion early next year.

Sirika said Abuja bound passengers from any part of the world would use Kaduna airport as alternative during the six weeks closure to passengers.

He said arrangement had been finalised with Kaduna State, adding that while the Federal Government would provide buses to convey the passengers to Abuja, the state government would provide security.

According to him, it will cost government substantial amount of money but we think that palliative approach is wrong because three years down, we will come back to do the same repairs.

Therefore, we decided to go for the bigger option, which is to do structural repairs of the runway, which will take about six months to complete, he said. (APA 20-12-2016)

GERMANY TO PROVIDE $25 MILLION HEALTH CARE GRANT FOR SOMALIA’S PUNTLAND

The German Development Bank on behalf of the Government of Germany has announced a grant of US$25.8 million to provide healthcare to people of Somalia’s autonomous state of Puntland.

The contribution will be used to provide an essential package of health services to one million people in Nugal and Mudug regions including 160,000 children and 250,000 women for three years.

According to a statement issued here Tuesday, the project will aim at reducing the high rates of maternal and child mortality in Somalia.

Somalia has some of the worst health indicators in the world with 3,400 women dying due to childbirth or pregnancy related causes in 2015 and one in seven children dying before their fifth birthday, mostly due to illnesses such as pneumonia, diarrhea and vaccine preventable diseases.

At the moment, many parts of Somalia are also suffering from a drought which has led to a lack of safe drinking water and poor sanitation increasing children’s vulnerability to diseases such as diarrhea and cholera which is likely to result in more cases of malnutrition.

The funding will also be used for upgrading various health facilities.

“The children are the future of Puntland – and this funding will ensure that they grow up healthy and well nourished,” Dr. Abdinasir Osman Isse, Puntland’s Minister of Health said in the statement copied to APA in Nairobi.

“We are grateful to the German government and KfW for their support for this critical work, which will undoubtedly save lives and improve access to quality health services for some of the most vulnerable in Puntland," said UNICEF Somalia Representative, Steven Lauwerier (20-12-2016)

SOUTH AFRICA: ANC MOVES TO CONTAIN DIVISIVE SUCCESSION TALK

Leadership candidates urged to distance themselves from endorsements as unions stick with their 'principled' choices
The ANC has taken a hardline stance against succession talk, calling on both Cyril Ramaphosa and Nkosazana Dlamini-Zuma to distance themselves from "premature" leadership endorsements.

Monday's call by the party's national spokesman Zizi Kodwa followed the ANC Women's League's public endorsement of outgoing African Union Commission chairwoman Nkosazana Dlamini-Zuma as its preferred candidate to succeed President Jacob Zuma.

The league's national executive committee made the pronouncement in defiance of a special ANC leadership meeting that barred the party and its affiliated organisations from making such pronouncements.

Zuma's term expires in December 2017.

The ANC is battling to contain factional politics in the party ahead of its elective conference from December 16 to 20.

The party's leadership on Monday chastised both the women's league and key ally in the tripartite alliance, Cosatu, saying their naming of candidates prematurely served only to divide the party further.

Although it has no voting powers in the ANC, Cosatu
is a powerful bloc in the alliance and usually influences who eventually takes over the ANC leadership.

The trade federation endorsed Ramaphosa to succeed Zuma last November after most of its affiliates pushed it to take a position on the governing party's upcoming leadership race.

Kodwa said these pronouncements constituted ill discipline and those named should speak out against the practice.

"It is divisive and they [Ramaphosa and Dlamini-Zuma] must say, 'not in my name'," he said.

"As leaders, they must say not in my name, even if they accept nomination later when the process is officially open."

This decision was announced by Zuma on Sunday in the governing party's anniversary statement.

Kodwa said the ANC was currently discussing a set of principles that would define a leader or the leadership that should be elected.

"These pronouncements are undermining the effort to
foster unity.

"We call on our structures not to allow themselves to be further divided prematurely," Kodwa said.

Ramaphosa's spokesman Ronnie Mamoepa said the deputy president fully aligned himself with the statement delivered by Zuma on Sunday.

During his speech on Sunday, the president said policies to be formulated mid-year should inform the leadership discussion in the party and that in-depth discussions on the "principles" qualifying individuals for leadership should be agreed upon before any names were mentioned.

The stance on Dlamini-Zuma by the women's league did not come as a surprise.

League president Bathabile Dlamini had reportedly named Dlamini-Zuma before she became president of the league.

The league did not respond to repeated requests for comment on Monday.

Cosatu president Sdumo Dlamini said he had no comment on the matter.

Cosatu affiliate, the South African Democratic Teachers Union, was among Ramaphosa's most vocal backers.

Its general secretary, Mugwena Maluleke, said Cosatu's position was a "principled one" and was intended to avert division within the alliance. "What we are saying is that, to avoid contestation and division in the movement, follow the tradition of having the deputy president succeed the president," he said.

Maluleke said the ANC should not be disingenuous about the succession issue as the women’s league and the youth league had long denounced Ramaphosa as a likely successor.

Ramaphosa had not responded to this at the time, but had remained disciplined, Maluleke said. He said Cosatu was not an ANC structure but an independent organisation with an interest in the leadership of the ANC, the leader of the governing alliance.

The National Education, Health and Allied Workers Union (Nehawu), Cosatu’s largest affiliate, which also named Ramaphosa as a preferred successor to Zuma on Monday, said that ANC leagues had long been pronouncing on their preferred candidate.

Nehawu spokesman Khaya Xaba said that the youth league had named Dlamini-Zuma before any Cosatu affiliate
had gone public with their preference for Ramaphosa.

The youth league in KwaZulu-Natal endorsed Dlamini-Zuma late last year.

League president Collen Maine on Monday said the young lions preferred a female candidate, but had not pronounced on a name yet.

The national leadership wrote to its structures to call on them to stop naming candidates publicly.

Maine said the youth league would endorse any candidate who would "take monopoly capital head on".

The youth league would discuss the move to back Dlamini-Zuma by the
women’s league at its national executive committee in two weeks’ time. (BD 10-01-2017)

DIAMOND PRODUCTION OF SOCIEDADE MINEIRA DE CATOCA IN ANGOLA REACHES 7.2 MILLION CARATS IN 2016

Diamond production of the Catoca Mining Society reached 7.2 million carats in 2016, announced the general manager of the company, in statements made Sunday in Saurimo, capital of Lunda Sul province.

In a message to employees, the Director-General Sergei Amelin said the lower prices of diamonds on the international market prevented the company achieving the financial results originally planned.

The Catoca Mining Society is an Angolan company for exploration, recovery and sale of diamonds, made up of Empresa Nacional de Angola Diamonds (Endiama), Alrosa (Russia), LLV (China) and Odebrecht (Brazil), responsible for extraction of more than 75% of Angolan diamonds.

In addition to the Catoca kimberlite, which operates in Lunda Sul, the company has a majority stake in concessions such as the ones at Luemba, Gango, Quitúbia, Luangue, Vulege, Tcháfua and Luaxe.

In recent statements, the minister of Geology and Mining of Angola, Francisco Queirós, said that diamonds provided Angola with income totalling US$1.082 billion in 2016, a drop of 8.45% compared to US$1.182 million recorded in 2015, with a production total of 8.934 million carats.

The minister, summarising the sector’s performance last year, said the decrease was due mainly to the considerable decline in artisanal production, which recorded a drop of almost 60% year on year.

The Angolan Minister of Geology and Mining of Angola considered that, despite this slight decline in production and gross revenues, the diamond sub-sector continues to show “strong sustainable performance, offering a good outlook for substantial recovery in the coming years.” (05-01-2017)

NIGERIA CONSULTS WITH SENATE ON $30B LOAN

Consultations are ongoing to resolve the crisis over the Nigerian Senate's failure to approve the request to obtain $30 billion loan.

The Senior Special Assistant to the President on National Assembly Matters (Senate), Mr Ita Enang on Wednesday explained that the loan was not out rightly rejected by the Senate but sent back to the Presidency for further consultations.

The Senate, on November 1, rejected plans by President Muhammadu Buhari to engage in external borrowing of $30 billion.

The loan, which was thrown out with a voice vote, is meant for the execution of key infrastructural projects across the country between 2016 and 2018.

Enang explained that there were lots of misunderstanding on the benefits of the loan to the generality of Nigerians.

"On the request of Mr. President for approval to take a loan, remember that this $30 billion dollar request was not what was to be spent in 2016, 2017 or 2018.

"It was a projection for three years; therefore the Senate has remitted it back to the Mr President requesting further explanation. The legislative process is still pending" Enang added.

The special assistant said the approval of the loan would benefit the country in many ways, adding that it would help to resolve some of the economic challenges being faced in the country.

He commended the National Assembly for its collaboration with the executive in ensuring good governance for all Nigerians. (APA 21-12-2016)

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www.elo-online.org www.helafrican-chamber.gr www.htcc.org.hu

www.norwegianafrican.no www.nabc.nl www.swisscham-africa.ch

Business Day Senegal, Cabo Verde & Guinea

On the **26th of January** a Business Day Senegal, Cabo Verde and Guinea will be held in the **NH Hotel** in **The Hague**. The Business Day will focus on the **agribusiness**, **energy**, **maritime** and **tourism** sectors and is targeting businesses, NGOs and knowledge institutes.

During the day, business opportunities in the three countries will be presented by the Dutch Ambassador in Dakar, the Ambassadors of the Senegalese, Cabo Verdian and Guinean Embassies to the Netherlands, investment promotion agencies from the three countries as well as consultants who have performed several sector studies. In addition, representatives of Dutch companies already active in the three countries will share their experiences.

This Business Day will thus be a great opportunity to deepen your insights in the business potential of Senegal, Cabo Verde and Guinea, to ask questions and to network.

Organisers: The Embassy of the Netherlands in Dakar and the Netherlands Enterprise Agency (RVO), in collaboration with NABC
Location: NH Hotel, World Trade Center, The Hague
Participation fee: Free
Date: 26 January 2017
Time: 09.00 - 17.00
Language: English

Register Now

For **more information** regarding this event, please contact **Faustine Lescanne**.
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