MEMORANDUM

N° 41/2017 | 02/03/2017

More than 1,811 Daily Memoranda issued from 2006 to end of 2016, with 21,732 pages of Business Clips issued covering all African, European Institutions and African Union, as well as the Breton Woods Institutions. The subscription is free of charge, and sponsored by various Development Organisations and Corporations.

The Memorandum is issued daily, with the sole purpose to provide updated basic business and economic information on Africa, to more than 4,000 European Companies, as well as their business parties in Africa.

Should a reader require a copy of the Memoranda, please address the request to <u>fernando.matos.rosa@sapo</u> or <u>fernando.matos.rosa@skynet.be</u>.

11 YEARS OF UNINTERRUPTED PUBLICATION 2017 OECD Global Forum on Development, page 15

Somali's president declares 'national disaster' over drought	Page 2
China donates 5,983 metric tonnes of food relief to famine-hit Ugandans	Page 3
Safaricom, Kenya's largest company, may be broken up	Page 3
Nigeria's economy hammered by first full year of contraction in 25 years	Page 4
Sierra Leone: US announces US\$17m food security project	Page 5
Rural Zimbabwe empties as land reform policy collapses	Page 6
Liberia, FAO, sign \$438K Technical Cooperative Agreement	Page 7
Kenya: World Bank approves \$ 250 million for agriculture project	Page 7
Massive investor interest in Botswana's coal-to-liquids project	Page 8
South Sudan's Bleak Future	Page 8
Mozambique completes dredging of Maputo Port access channel	Page 9
Xenophobic attacks threaten Africa's recovery, South Africa-Nigeria chamber warns	Page 9
Sasol group to begin oil production in Mozambique within 2-3 years	Page 10
Kenya allocates US \$ 97.1 million for Lamu port project	Page 11
Burkina Faso gets CFAF28bn US donation to boost agriculture	Page 11
Portugal to receive 200 more tons of bananas produced in Angola	Page 12
Road linking Ethiopia and South Sudan to be constructed	Page 13
Communications from the International Monetary Fund	Page 13

SUMMARY

SOMALI'S PRESIDENT DECLARES 'NATIONAL DISASTER' OVER DROUGHT



A woman sits after receiving a food parcel at a joint Unicef-World Food Programme Rapid Response Mission, which delivers critical supplies and services to those displaced by conflict, in Nyanapol, South Sudan, on March 3. The Famine Early Warning Systems Network now forecasts 3.5-million people could starve before this year's rainy season ends in June.

Somali's newly elected President Mohamed Abdullahi Mohamed on Tuesday declared a "national disaster" due to severe drought which aid agencies say has left 3-million people in crisis.

The Horn of Africa nation is one of three countries — along with Yemen and Nigeria — on the verge of famine which has already been declared in South Sudan.

The presidency put out a statement, saying: "The president has appealed to the international community to urgently respond to the calamity in order to help families and individuals to recover from the effects of the drought disaster to avoid humanitarian tragedy."

The World Health Organisation warned on Monday that Somalia was at risk of its third famine in 25 years. In the previous one, in 2011, 260,000 people died.

The agency said more than 6.2-million people, or half the population, needed aid urgently, including almost 3-million who are hungry.

The drought causing the food crisis has also led to the spread of acute watery diarrhoea, cholera and measles. Nearly 5.5-million people are at risk of waterborne diseases.

The WHO says more than 363,000 acutely malnourished children and 70,000 severely malnourished children needed urgent, life-saving support.

In South Sudan 100,000 people are in famine conditions. This means 20% of the population in the affected area has extremely limited access to basic food, acute malnutrition is higher than 30%, and more than two people in 10,000 people are dying every day.

Overall, more than 20-million people face starvation in the four countries. Of the four famine alerts, only one — Somalia's — is caused by drought; the other three stem from conflict, described as "man-made food crises". (AFP 28-02-2017)



CHINA DONATES 5,983 METRIC TONNES OF FOOD RELIEF TO FAMINE-HIT UGANDANS

The 19,660 bags of rice were handed over by the Chinese ambassador to Uganda's prime minister in Kampala on Tuesday

The Chinese government has donated 5,983 metric tonnes of rice for distribution to the people of Uganda in dire need of relief food aid. The Chinese Ambassador, Zheng Zhu Qiang, said his government has been concerned about the poor harvest caused by El Nino in many African countries including Uganda since last year.

"Many Ugandans are in need of food. We take Ugandans as our brothers and sisters. Food security and agricultural development are always a priority for the Chinese government" Zhu Qiang said.

An estimated 10.9 million Ugandans are experiencing acute food insecurity while 1.6 million have no food at all, according to a Food Security Assessment report released on Tuesday.

The situation is attributed to a prolonged severe drought which affected crop production, led to increase in food prices and scarcity of pasture within cattle herding areas.

According to Zheng, the donation is in partial fulfillment of the \$1billion emergency food aid promised by Chinese president in 2015 to African countries hit by food crisis.

While receiving the food donation Uganda's Prime minister Dr Ruhakana Rugunda noted that the rice is substantial support towards eliminating food shortages in Uganda. (APA 28-02-2017)



SAFARICOM, KENYA'S LARGEST COMPANY, MAY BE BROKEN UP

A study of Kenya's telecommunications industry proposes breaking up Safaricom, the country's biggest company, according to brokerage AIB Capital.

The report, compiled by Analysys Mason, proposes "a raft of measures supposed to level the telecommunications playing field and tame Safaricom", AIB chairman Linus Gitahi said in an opinion piece published on Wednesday in the Nairobi-based Daily Nation newspaper. The measures include splitting the company's mobile-money business M-Pesa from the rest of Safaricom, he said.

Last week, Safaricom CEO Bob Collymore criticised proposals by a Kenyan lawmaker to split the company as "plain stupid". The company, which is 40% owned by Vodafone based in Newbury, England, declined to comment on Wednesday.

Safaricom is Kenya's biggest mobile provider with a 69% market share as at the end of September, according to the Communications Authority of Kenya. Its closest competitor is the national unit of Bharti Airtel, with 17.5%. The company's M-Pesa mobile-banking product is also a significant market leader, processing about 851-billion shillings (\$8.2bn) worth of transactions during the third quarter last year, about 79% of the country's total.

'Untold consequences'

If implemented, the proposals in the report risk "untold consequences" for Kenya's financial system, Gitahi said. "M-Pesa is a critical nerve supporting the money transfer system. Ripping away M-Pesa from Safaricom would leave both in severe distress."

Calls to Analysys Mason's offices in Hong Kong and Singapore weren't answered when Bloomberg called looking for comment; it also didn't respond to a voicemail left at the company's London offices outside normal business hours. Kenya's communications authority, which regulates the industry, said on Tuesday that it's reviewing the report before releasing it to the public.

Safaricom shares have fallen for the past two days to the lowest level since July, according to data compiled by Bloomberg. (Bloomberg 01-03-2017)

NIGERIA'S ECONOMY HAMMERED BY FIRST FULL YEAR OF CONTRACTION IN 25 YEARS



None Property is seen along a road in the Ikoyi district in Nigeria's commercial capital Lagos

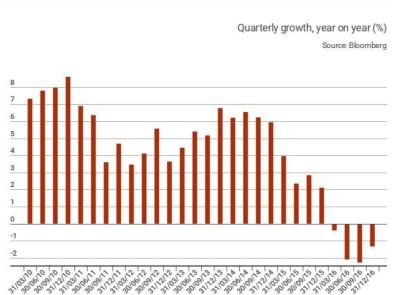
Nigeria, Africa's most-populous country, has suffered four successive quarters of contraction, mostly due to lower oil prices and output and resulting fuel shortages

Nigeria's economy shrank in 2016, the first year of contraction since 1991.

The National Bureau of Statistics announced this on Tuesday, saying the December quarter was its fourth quarter running of shrinking.

Gross domestic product was 1.3% lower in the December quarter than in the previous fourth quarter after shrinking 2.2% in the September quarter. The median of 10 economist estimates compiled by Bloomberg was for the economy to shrink 1.4%.

GDP contracted 1.5% for all of 2016, the first full-year drop in 25 years, according to International Monetary Fund figures.



Nigerian GDP growth

Lower prices and output of oil, Nigeria's biggest export, cut government revenue by about half and reduced the foreign currency available to import refined fuel and factory inputs.

A weakening naira contributed to inflation accelerating to the highest level in more than a decade, prompting the central bank to increase its key lending rate to a record 14%.

Nigeria's economic woes were worsened by a five-month delay in approving spending plans for 2016 needed to stimulate business activity.

"GDP was hit by a declining oil sector and a tight foreign-exchange situation," said Pabina Yinkere, Lagos-based head of research at Vetiva Capital Management.

2017 prospects

The government said improving crude prices, and the restoration of stability in the Niger River delta — where militants blew up pipelines, cutting crude production to almost three-decade lows in 2016 — will help the economy rebound this year. The IMF forecasts the economy will grow 0.8% in 2017.

Fourth-quarter GDP was 4.1% higher than in the third quarter, the statistics agency said.

Output by the oil sector in 2016 was 14% lower than 2015's, and shrank 12% in the fourth quarter from 2015's matching quarter, the agency said. Oil production averaged 1.9-million barrels a day in the fourth quarter compared with 1.6-million in the third.

The nonoil sector contracted 0.3% in the December quarter and 0.2% in 2016. A drop in real estate, manufacturing, construction and trade weighed most on the nonoil sector.

Currency shortages

"The poor performance of the nonoil sector is due to weak demand and a crippling foreign-exchange shortage," said John Ashbourne of London-based Capital Economics. "Higher oil prices will boost incomes and demand in 2017, but we don't expect a quick turnaround."

Vice President Yemi Osinbajo has promised to increase development projects in the Niger delta, including plans to build a \$20bn industrial gas park, and create 250,000 jobs. That, and "resumption of compensation to some of the militants will bring some stability to the delta and increase oil output", said Yinkere.

The economy might contract less than 1% in 2017's first quarter before resuming expansion in the second, Yinkere said. Yvonne Mhango, an economist at Renaissance Capital, and Capital's Ashbourne predicted growth of 0.5% and 2% this year respectively.

The Central Bank of Nigeria said last week it would increase the supply of foreign currency for Nigerians to pay school and medical fees at an exchange rate not more than 20% above the interbank market price.

While the regulator removed a currency peg in June, it continues to block imports of items it deems nonessential from the official foreign-exchange market, forcing importers to buy dollars on the black market, where the currency is about 30% more expensive.

Exchange rates

Before the release of figures, JPMorgan analysts Sonja Keller and Yvette Babb said Nigeria was not "ready to embrace a liberalised exchange rate or depreciation that would prove highly attractive to portfolio investors". The spread between the naira's black market and official rates would probably remain wide.

MPs say they will next month approve 2017 spending plans to increase investment in roads, ports and power to boost factory and farming output.

The 7.3-trillion-naira (\$23.2 billion) budget has a deficit of 2.36-trillion naira, almost half of which the government plans to plug with foreign borrowing. The state sold \$1bn in Eurobonds in February and may return to the markets for \$500m more. (Bloomberg 28-02-2017)

SIERRA LEONE: US ANNOUNCES US\$17M FOOD SECURITY PROJECT

The United States Mission in Sierra Leone has launched a five-year project designed to modernize agriculture for rural farmers.

Dubbed: 'Feed the future: Sierra Leone Entrepreneur Agriculture for Improved Nutrition', the initiative aims to diversifying agricultural production with a view to ensuring food security,

About 30, 000 households, comprising about 180, 000 people, are targeted as beneficiaries in the northern Tonkolili District, home of the project.

The US ambassador to Sierra Leone, Mr. John Hoover, was quoted saying that the initiative was part of the US government's global efforts to revitalize and modernize agriculture in developing countries. (APA 28-02-2017)

RURAL ZIMBABWE EMPTIES AS LAND REFORM POLICY COLLAPSES



Villagers dig for water in a river bed near drought-hit Masvingo in southeastern Zimbabwe

Forests engulf fields that used to produce some of the world's best tobacco around the northern Zimbabwean town of Banket, while sheds that once stored the leaf stand empty, their corrugated iron roofs ripped off and sold for scrap. Most of the farm workers have left.

"We are 15 here now, from roughly 50," said Bruce Mahenya, who lives in a mud-and-grass hut behind a defunct trading store on a farm about 95km northwest of the capital, Harare. "My mother, father and brother have gone. I said I would remain alone in case things get better, but it's hard."

It is a familiar story across vast tracts of Zimbabwe, where President Robert Mugabe's goal of transforming the countryside through the seizure of about 4,500 white-owned commercial farms remains elusive. Some of the best acreage fell into ruin because senior ruling party officials who took it over had no farming expertise. Other farms also failed because they were given to small producers with no money to pay for fertilizer and equipment. In recent years, the crisis has been compounded by drought followed by torrential rains.

Many of those who have abandoned their farms joined an exodus of an estimated 3-million Zimbabweans to SA and other countries or moved to overcrowded urban townships. As many as 4million Zimbabweans, about a quarter of the population, need food aid, according to the government. "We thought when we were placed there that we'd be helped, but no, we were just left," said Alec Kaitano, who abandoned his smallholding outside the northeastern town of Bindura a year ago and survives by selling blemished fruit he finds in garbage cans in Harare. "Those white farmers we displaced had money to farm, but we didn't so we failed."

UN data show the proportion of the population living in towns surged to about 32% in 2015, from 11% in 1950, a trend that's broadly in line with other African countries. While more recent data are not readily available, observations of the countryside and anecdotal evidence suggest migration is accelerating. Mugabe, who has ruled Zimbabwe since independence in 1980, says the land redistribution programme that intensified around 2000 with the expropriations is a success because it addressed the injustices of colonial and white-minority rule.

"Most of the land which used to be in the hands of the settlers is now in the hands of our own people," Mugabe told the state-owned Zimbabwe Broadcasting Corporation in an interview screened on February 21 to mark his 93rd birthday. "What there is now for us is to ensure there won't be any retrogression, that those who have been given the land will keep it, will use it, cultivate it properly and ensure it is made productive."

Bad weather

The government was aware some land was standing idle and would take action once it completed an audit to determine the scope of the problem, Lands and Resettlement Minister Douglas Mombeshora said in an interview.

Some small-scale tobacco growers who have benefited from technical assistance and support from companies including British American Tobacco are faring better than their more numerous counterparts who grow maize. Tobacco output has recovered from its lowest levels in 40 years in the mid-2000s and may reach near-record sales in 2017.

The government can do nothing about the weather. The region's worst drought in at least two decades wiped out much of the maize crop in 2016, while this year's harvests are at risk from unseasonably heavy rain that has left fields waterlogged and rendered many rural roads unusable. Farms have also been hit by an infestation of fall armyworms, a caterpillar native to the Americas that eats crops including maize.

Elliot Gumbo, who grows maize and tobacco on a smallholding near the northern town of Karoi, is among the dwindling number of small-scale farmers who continue to tough it out, but says he does not know how long he will last.

"Last year we had a drought and this year the tobacco is turning yellow because we've had too much rain," he said. "There's no help from government because they're also broke. I get help from my brother in Britain who sends me money. If it wasn't for him, I would have to probably try to find work in town or leave." (Bloomberg 01-03-2017)

The United Nations Food and Agriculture Organization and the Ministry of Agriculture have signed a US\$438,000 Technical Corporative agreement to train woman and youth in vegetable and poultry production.

The FAO Country Representative in Liberia, Mr. Marc Abdala, signed on behalf of the FAO, while Dr. Charles McClain, Deputy Minister for Planning and Development at the Ministry of Agriculture, signed on behalf of the MOA.

Speaking at the signing ceremony Tuesday held at the FAO head office in Monrovia, FAO Country Representative in Liberia Mr. Marc Abdala, said the project, which will be funded by the FAO is a result of a request by the Liberian Government.

He expressed delight over the Technical Cooperative agreement, noting that it would go a long way in empowering woman and youth in vegetable and poultry production.

In his remarks, Deputy Agriculture Minister for Planning and Development, Dr. Charles McClain, lauded the FAO authority for the Technical Cooperative agreement, noting that Liberians will now be able to take over the project after FAO has turned it over to the Liberian Government. (APA 28-02-2017)

KENYA: WORLD BANK APPROVES \$ 250 MILLION FOR AGRICULTURE PROJECT



The World Bank has approved \$ 250 million for Kenya climate smart agriculture project which will increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya.

According to a statement from the World Bank on Monday, the objective of the project is to increase agricultural productivity and build resilience to climate change risks in the targeted smallholder farming and pastoral communities in Kenya, and in the event of an eligible crisis or emergency, to provide immediate and effective response.

LIBERIA, FAO, SIGN \$438K TECHNICAL COOPERATIVE AGREEMENT

There are several components to the project, the first component being upscaling climate smart agricultural practices.

The second component is the strengthening climate-smart agricultural research and seed systems. The third component is the supporting agro-weather, market, climate, and advisory services. The fourth component is the project coordination and management. (APA 13-02-2017)

MASSIVE INVESTOR INTEREST IN BOTSWANA'S COAL-TO-LIQUIDS PROJECT



Botswana's Ministry of Mineral resources, Green Technology and Energy Security is inundated with requests and proposals from the private sector to develop a Coal to Liquids (CTL) plant, a senior official revealed on Monday.

Infrastructure and Housing Development Minister Nonofo Molefhi told Parliament that they were currently at concept stage with no detailed studies conducted yet.

"The project schedule and timeliness will become realistic once the consultants are on board, and that will be this month. The private sector also continues to explore avenues of implementing the project," he said.

Molefhi said a CTL facility with a capacity of 33,000 barrels per day (bbl/day) would be used as a basis.

"It is estimated that approximately 5,000 staff will be required to manage and operate the 33,000 bbl/day CTL facility while around 15,000 people will be required during the construction phase," he said.

The minister said the coal-to-liquids project required substantial investment and it is estimated that a plant that would meet Botswana's current annual demand of 1.2 billion litres of petroleum products could cost US\$3-4 billion over a four to five year construction period.

He said: "Though this would replace the current importation of approximately US\$1 billion of petroleum products annually, the expenditure would be too high for government under the current financial pressures." (APA 13-02-2017)

SOUTH SUDAN'S BLEAK FUTURE

It is perhaps the starkest measure of global inequality: In a world glutted with food, <u>20 million people</u> are on the brink of famine. It would be a colossal moral failure to allow millions to die of starvation because of a failure of will to provide help.

On Monday, the United Nations said famine has hit 100,000 people <u>in South Sudan</u>, where over 40 percent of the population is in urgent need of <u>food aid</u>. Famine is declared when, among other <u>criteria</u>, two or more people out of 10,000 die every day. The secretary general, António Guterres, <u>warned</u> on Wednesday that northern Nigeria, Somalia and Yemen were also at risk of famine. The root of this cascading catastrophe is deadly conflict. Drought, made worse by climate change, has also contributed.

In <u>South Sudan</u>, the civil war that erupted in 2013 rages still. More than 1.5 million South Sudanese <u>have</u> <u>fled</u> their country. Among those still caught in the conflict are more than a quarter million severely malnourished children. Jeremy Hopkins, the Unicef officer in South Sudan, warns: "If we do not reach

these children with urgent aid, many of them will die." In northern Nigeria, where at least five million people are at risk of famine, the military is battling Boko Haram insurgents. In Somalia, where more than a quarter million people died of famine in 2011, experts expect this year's crops to fail after two years of drought. And in Yemen, where a coalition led by Saudi Arabia — and backed by the United States — is battling Houthi rebels, more than seven million people are in urgent need of food.

On Tuesday, South Sudan's president, Salva Kiir, promised "unimpeded access" for aid organizations. That is a promise the government has been made before, yet aid has been blocked. However, the biggest obstacle now is a lack of funds to provide emergency food aid. The United Nations <u>says</u> it needs \$4.4 billion by the end of March to avert famine, yet barely 2 percent is in hand. As the United Nations' biggest donor, this is no time for the United States to abandon its commitments.

On Wednesday, the European Commission announced its own emergency aid package for South Sudan of 82 million euros (\$87 million); Britain is making 100 million pounds (\$125 million) available this year. It will be an unconscionable failure of moral leadership if the United States does not step up. Washington can also continue diplomatic efforts to bring the peace needed to guarantee food security in the long term. (NYT 27-02-2017)



MOZAMBIQUE COMPLETES DREDGING OF MAPUTO PORT ACCESS CHANNEL

Mozambique's Maputo Port Development Company (MPDC) says it has concluded the dredging of the port's access channel, a development that has resulted in the deepening of the facility from 11 to 14.2 metres.

MPDC chief executive Osorio Lucas is quoted in the local media as saying that the US\$84.1-million exercise would allow the port to receive larger Capesize ships, the largest dry cargo vessels that are used for transporting coal, mineral ores and other bulk commodities.

"This difference may not seem much, but those additional three metres have given the port great competitive advantages," Lucas said.

The dredging was done by Luxembourg-based firm Jan de Nul and began in May 2016. The work was initially scheduled to take 10 months to complete, but was done in seven months.

The dredging is a key part of the MPDC strategy so that Maputo Port would be able to handle 40 million tonnes of cargo a year as from 2020. That means more than doubling traffic through the port.

The largest amount of traffic handled by the port to date was 19.1 million tonnes in 2014. (APA 13-02-2017)



A foreign man feeds his baby in Isipingo, south of Durban

The SA-Nigeria Chamber of Commerce president warns of job losses and calls for strong leadership to address the underlying conditions that give rise to attacks on foreigners

Xenophobic attacks pose a threat to Africa's fragile economic recovery, the head of the SA-Nigeria Chamber of Commerce warns.

The Johannesburg-based chamber represents South African and Nigerian companies operating or exploring commercial opportunities in both countries.

"The outbreak of xenophobic violence in SA and the reprisal events in Nigeria, including direct attacks on foreign-owned businesses in both SA and Nigeria, poses a threat to Africa's fragile economic recovery," said chamber president Suresh Chaytoo.

Chaytoo said strong leadership was needed to address the underlying socioeconomic challenges that threatened to undermine commercial relations between the two African powerhouses.

He warned against "ill-informed, short-term solutions" to tackle problems deeply rooted in the socioeconomic structures of many African states.

South African and Nigerian companies employed thousands of workers in both countries, he said.

"There is a strong and positive symbiosis between the two countries that has benefits for both, as both markets provide jobs where companies are invested."

Total trade between SA and Nigeria has risen from R174m in 1999 to almost R3bn in 2008. It hit R66bn in 2014. The trade balance is significantly in favour of Nigeria, a leading exporter of crude oil to SA, with the value of exports at R38.5bn in 2015, according to the chamber.

Chaytoo said that while some corporate members of the chamber supported relief efforts to alleviate the plight of Nigerian nationals affected by the recent xenophobic attacks in SA, more pragmatic and sustainable solutions needed to be found.

Africa's progress depended on Africans harmoniously exploiting the continent's economic potential, he said.

"Unless Africans take bold steps to improve their socio-economic relations, Africa's economic potential will benefit others — not Africans," said Chaytoo. (TMG Digital 01-03-2017)

SASOL GROUP TO BEGIN OIL PRODUCTION IN MOZAMBIQUE WITHIN 2-3 YEARS



The South African petrochemical group Sasol should begin extracting oil in Mozambique within two or three years, following the discovery of hydrocarbons in two wells off the shore of Inhambane province, said Sasol executive director Stephen Cornell.

Cornell, who accumulates the duties of joint president and CEO, also told Reuters financial agency that they would be the first oil wells to become operational in Mozambique.

The Sasol group exploits natural gas deposits in Pande and Temane, Inhambane province. The American group Anadarko Petroleum and Italy's ENI also discovered major deposits of that product several years ago in the Rovuma Basin in northern Mozambique.

Cornell said Sasol had drilled four prospecting wells, with all producing positive results. Oil was also discovered in one of the areas where only natural gas was expected.

The group began drilling the first well in May 2016 under the production-sharing agreement signed with the Mozambican government in Inhambane. At the time it was estimated that the first development phase of that agreement, which considers an eventual 14 wells, would cost US\$1.4 billion. (28-02-2017)

KENYA ALLOCATES US \$ 97.1 MILLION FOR LAMU PORT PROJECT

Construction of the first three berths in the <u>Lamu port</u> project has began.<u>Kenyan Transport Principal</u> <u>Secretary</u> Irungu Nyakera said 20 per cent of the work has been completed and the government will allot US \$ 97.1 million to the port project in the coming fiscal year.

He said the government has by now paid US \$44.6 million to the contractor of the Lamu port project while another US 28.1 million would be paid before the end of this year.

The PS said the Lamu port project would cost the exchequer a sum of US\$ 466 million.

"We look ahead to the construction of the first berth of the Lamu port to be finished by June 2018," he said.

In an interview with the Nation in Mombasa, Mr. Nyakera said construction of the second and third berths are projected to be finished in 2019 and 2020 correspondingly.

"The government is committed to finish the construction of a second port in Lamu to complement the port of Mombasa," he said.

Other than the construction of the three berths, other work going on in tandem include dredging of the channel, land reclamation, the building of a cofferdam and a causeway.

He stated that the Lamu Port South Sudan Ethiopia Transport (Lapsset) is one of the chief projects the government was executing to enhance trade between Kenya and neighboring nation of Ethiopia and South Sudan.

"Lamu port, will not only present services to the nation but also to landlocked nations of Ethiopia and South Sudan," he said.

Mr. Nyakera said the government has also set aside US \$ 97.1 million for the construction of the Lamu-Witu-Garsen road.

The PS said the 132-kilometer road would play a role in the hauling of goods and people between Lamu and Mombasa counties

He said the government is also building a nine kilometer road to link the US \$1.9 billion coal powered plant at Kwasasi to the Lamu port. The coal power project, he added, would create 1,050 megawatts and increase power supply to the port through the national grid.(CRO 28-02-2017)

BURKINA FASO GETS CFAF28BN US DONATION TO BOOST AGRICULTURE



The United States, through its Agency for International Development (USAID) and the Department of Agriculture (USDA), has decided to donate to Burkina Faso CFA 28 billion francs meant for the development of agriculture and nutrition sectors, sources at the ministry of Agriculture disclose.

US officials said they were preoccupied by the difficulties in loan access faced by the majority of producers in Burkina Faso as well as the efforts being expanded by the authorities to combat acute malnutrition.

The CFA 14.6 billion francs are meant for the breeding and export of sesame in the regions of Cascades, Hauts-Bassins, Boucle du Mouhoun while CFA nine billion francs is aimed at supporting bank loans to enhance the value chains in agricultural products with the popular funds.

In addition, CFA 1.5 billion francs will be used to increase the resilience of communities in the Central North, Sahel and East while CFA 610 million francs are meant for treatment of the children suffering severe malnutrition.

Each year, about 150,000 children in Burkina Faso are affected by acute malnutrition. (APA 13-02-2017)

SHELL MULLS INTEGRATING RENEWABLES INTO ITS SUB-SAHARAN AFRICA OPERATIONS

Oil super major <u>Shell mulls integrating renewables</u> into its operations across sub-Saharan Africa, a senior company official said.

Shell's new business development manager for the region, Tayo Ariyo, asked the wider oil and gas industry to invest in renewables "as a way of enabling access to energy in far-flung sites".

"As an industry we must concentrate on developing lower carbon solutions, and we must swiftly invest in renewables, like solar, hydro and wind," said Ariyo. "This will necessitate the development of pioneering new partnerships and business models that flawlessly incorporate renewables into the energy mix.

"The sort of project we should be doing more of in Africa is what Shell presently has in Oman – a hybrid gas-solar project that Shell employed in the Amal oilfield," she said during a speech at International Petroleum Week in London.

In 2012, Shell invested in GlassPoint Solar, a US company that utilizes solar-thermal technology to help recovery of hard-to-extract oil deposits.

GlassPoint's thermal enhanced oil recovery (EOR) system is designed to generate the steam required to help get at heavy oil that is too thick to be pumped to the surface using usual methods.

A 7MW pilot of the system was first installed by Petroleum Development Oman (PDO) at a site in the Middle Eastern sultanate. PDO later revealed plans for the giant 1.02GW Miraah solar-thermal plant that was intended to help oil extraction at the Amal field from 2017.

"Gas use was cut by 80% in the oilfield activity, which means we could utilize what we saved somewhere else," said Ariyo.

Now Shell is eyeing related projects to power up its African oil projects, though Ariyo gave no information about where and when this technology could be executed.

She said: "Gas and renewables is the ultimate joint venture to tackle the challenge brought on by amplified energy demand.

In order to have triumph, we need new trusted affiliations between governments and industry in order to guarantee access to energy is a certainty for Africans in Africa."

"Thus, as an industry, we have to keep on making substantial investments across all sectors, as well as oil and gas, and renewables. But we will need to do all this while extenuating climate change issues," she said.(CRO 28-02-2017)

PORTUGAL TO RECEIVE 200 MORE TONS OF BANANAS PRODUCED IN ANGOLA

More than 200 tons of bananas produced in the Caxito irrigated perimeter will be exported to Portugal following an initial shipment of 27 tons, the head of Caxito Rega announced, cited by the newspaper Jornal de Angola.

João Mpilamosi said that bananas produced at that plantation "have quality and are accepted in foreign markets, mainly in countries neighbouring Angola".

Caxito Rega is the managing company of the Caxito irrigated perimeter, which has an area of 4,628 hectares. Its activity focuses on the production of bananas and other fruits and vegetables.

Early this February the Angolan group Novo Agrolíder began exporting bananas to Portugal, including production from Bengo province. The first shipment amounted to 20 tons and a weekly pace is envisaged in the future.

Managing director João Macedo said that Portugal had become the second country to receive table bananas produced by the group's operation, after the Democratic Republic of Congo (DRC).

"This is a test and if it goes well we can send up to ten containers [each holding 20 tons] per week, for we aim to export large amounts of bananas," Macedo said.

Nova Agrolíder is thus the second Angolan company to announce banana exports to Portugal. The Bacilin agro-industrial plantation in Culango, Bengula province, exported 17 tons in May, the first shipment of that fruit from Angola to Europe in more than 40 years. (28-02-2917)

ROAD LINKING ETHIOPIA AND SOUTH SUDAN TO BE CONSTRUCTED

Two major roads linking <u>Ethiopia and South Sudan</u> are set to be constructed following the signing of an agreement by the two countries.

Ethiopian Prime Minister Hailemariam Desalegn and South Sudanese President Salva Kiir last week signed several bilateral agreements that include the immediate commencement of construction of two major road links.

They agreed that the construction will commence with immediate effect, to start the construction of the Gamebella – Pagak – Palouge and Dima – Raad – Boma – Bor roads.

"When they get the peace back and the economy gets stronger, they will pay us back," said Mr Hailemariam, indicating that Ethiopia would finance the construction of the roads within South Sudan. They said once the project is over the two countries' trade agreement will be on the rise and that will see the locals improve their lives.

The south Sudan counterpart added that they will ensure that they get more funds so that the project can be easily completed within the time frame that they will agree on.

"We are neignbours and we must ensure that the two countries promote each other through working closely towards achieving the goals that we have set" he added

On the trade protocols he said that the construction of both roads on the Ethiopian side was complete. The two leaders signed a total of eight memorandums of understanding, covering energy, preferential trade, border trade protocol, health, communications, information and media.

Mr Hailemariam noted that the agreement on energy and electricity was meant to connect South Sudan to the national grid in Ethiopia, to enable the former buy electric power from the latter.

They said that they will ensure that they partner so that they can improve all the sectors that they believe each of the country has strength on(CRO 28-02-2017)

COMMUNICATIONS FROM THE INTERNATIONAL MONETARY FUND

Angola - <u>http://www.imf.org/en/Publications/CR/Issues/2017/02/06/Angola-2016-Article-IV-Consultation-Press-Release-Staff-Report-and-Statement-by-the-44628</u>

Egypt - <u>http://www.imf.org/en/News/Articles/2017/01/18/tr01182017-Transcript-Online-press-briefing-on-the-release-of-release-of-the-Staff-Report-on-Egypt</u>

Gabon - <u>http://www.imf.org/en/News/Articles/2017/02/28/pr1767-IMF-Staff-Initiates-Discussions-with-Gabon-toward-a-Possible-Financial-Arrangement</u>

Ghana - http://www.imf.org/en/News/Articles/2017/02/10/pr1743-IMF-Staff-Concludes-Visit-to-Ghana

Kenya - <u>http://www.imf.org/en/News/Articles/2017/01/25/PR1723-Kenya-IMF-Executive-Board-Completes-First-Review-Under-SBA-and-SCF</u>

Kenya - <u>http://www.imf.org/en/Publications/CR/Issues/2017/02/02/Kenya-First-Review-Under-the-</u> Twenty-Four-Month-Stand-By-Arrangement-and-the-Arrangement-44607

Mauritius - http://www.imf.org/en/News/Articles/2017/02/01/sp02012017-Financial-Stability-and-Pan-African-Banking

Mauritius - http://www.imf.org/en/News/Articles/2017/02/10/NA021317-Pan-African-Banking-Finding-its-Stride

Morocco - <u>http://www.imf.org/en/Publications/CR/Issues/2017/02/03/Morocco-2016-Article-IV-</u> Consultation-Press-Release-Staff-Report-and-Statement-by-the-44620

Morocco - <u>http://www.imf.org/en/News/Articles/2017/03/01/NA030117-Morocco-Reducing-Gender-Inequality-Can-Boost-Growth</u>

Morocco - http://www.imf.org/en/Publications/CR/Issues/2017/03/01/Morocco-Selected-Issues-44713

Mozambique, Tunisia - <u>http://www.imf.org/en/News/Articles/2017/02/10/tr020917-transcript-imf-press-briefing</u>

Togo - <u>http://www.imf.org/en/News/Articles/2017/01/18/pr1713-IMF-Staff-Reaches-Staff-level-Agreement-with-Togo-on-an-Extended-Credit-Facility-Arrangement</u>

Tunisia - http://www.imf.org/en/News/Articles/2017/02/07/pr1739-IMF-Statement-on-Tunisia

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.





Registration is now open!

Meet like-minded people and be part of the discussions on how to mobilise the private sector to achieve the Sustainable Development Goals and concrete ways to further our shared agenda for greater prosperity for all.



CLICK HERE TO REGISTER NOW

for the 2017 Global Forum on Development 5 APRIL 2017, OECD, PARIS Website: <u>www.oecd.org/site/oecdgfd</u> Contact: <u>OECD.GFD@oecd.org</u> #OECDgfd

Closing the gap between the actual and the desired level of investments to achieve the SDGs is clearly beyond the reach of governments and public lenders. Only with resolute engagement from the private sector, notably through partnerships with the public sector, can this be addressed. You will join high-level representatives from governments, businesses, foundations and international organisations to focus on key policy challenges, notably new financial instruments, the role of small- and medium-sized enterprises, effective public-private dialogue, and the challenges and opportunities of urbanisation.

Fernando Matos Rosa

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