MEMORANDUM

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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.
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Due to Technical Improvement works The Memorandum will be issued irregularly until the 11-03-2026. We will catch up with the African News flow.

SUMMARY

ZIMBABWE'S MUGABE SAYS GOVERNMENT TO TAKE OVER ALL DIAMOND OPERATIONS

Zimbabwean President Robert Mugabe said on Thursday his government would take possession of all diamond operations "because existing miners had robbed the country of its wealth".
Mr. Mugabe's comments came a week after the ministry of mines ordered all mining companies to halt work and leave the Marange fields. At the time it denied it was seizing the mines.
"The state will now own all the diamonds in the country," Mr. Mugabe said during a two-hour interview with state broadcaster ZBC TV.
"Companies that have been mining diamonds have robbed us of our wealth, that is why we have now said the state must have a monopoly," Mr. Mugabe said.
The Harare High Court on Monday allowed the largest mine in Marange, Mbada Diamonds, to return and assume control of all assets after challenging the government's ban on mining operations.
A full hearing on whether Mbada could resume mining started on Wednesday and continued on Thursday.
Chinese-run Anjin Investments also challenged the government ban at the same court on Wednesday, according to a court application on Thursday.
Mr. Mugabe said he had told Chinese President Xi Xinping during his visit to Zimbabwe last December that his government was not getting much from Chinese-owned mining firms.
Zimbabwe was the eighth largest diamond producer in the world with 4.7-million carats in 2014, according to industry group Kimberly Process.
Last year, the government received $23m in royalties and other fees from diamond mines, down from $84m in 2014.
Separately, Zimbabwean police confirmed the bodies of three illegal diamond miners had been found and a search was under way for seven more at the shuttered Marange diamond fields.
The bodies were retrieved from a shaft in Marange owned by Diamond Mining Company, police spokeswoman Charity Charamba said.
The Marange diamond area, 400km east of Harare, was first the focus of controversy when 20,000 illegal miners invaded in 2008 and were forcibly removed by soldiers and police. Human rights groups said at the time up to 200 people were killed during the removal but Mr Mugabe's government denies the charges. (Reuters 04-03-2016)

MOZAMBIQUE: MOBILE PHONE FIRMS DISCONNECT 1 MILLION CLIENTS

Mozambique's three mobile phone companies have switched off million customers for failing to register their SIM cards, APA observes here on Thursday.

The companies, State Mozambique M-Cel, South Africa's Vodacom and Vietnam's Movitel announced the mass disconnect in a joint press release, which also urged those of their customers who had not yet registered to do so as quickly as possible.

The order to disconnect affects clients whose SIM cards were active prior to 28 November 2015 and anyone who acquired a SIM card after that date could only activate it after filling in the registration form.

The government first demanded SIM card registration in the wake of the Maputo riots against price increases of 1-2 September 2010.
It was argued that the rioters had been mobilized through mobile phone text messages, and so, to avoid the abuse of mobile phones for criminal purposes, all SIM cards should be registered.

The phone companies pointed out that registering all the cards was an enormous task and successfully lobbied the government to extend the deadline. Then, as the riots faded from memory, registration seemed less urgent and dropped off the agenda.

The SIM card registration form asks for the user's name, identity card number, date, place of issue and validity, phone number, serial number of the pre-paid SIM card, address, and signature (or fingerprints in the case of illiterate users).

All new users of pre-paid SIM cards will be registered at the moment of purchase. This means an end to the convenient practice of itinerant vendors selling SIM cards. Instead, new users will have to buy the cards at an M-cel or Vodacom shop - which do not exist across large swathes of the countryside.

A further restriction is that nobody under the age of 14 will be able to buy a SIM card. No individual user can have more than three numbers from the same operator.

The companies make no estimate of the amount of money they stand to lose if they cannot sell airtime to a million clients.

The abuse of mobile phones is not restricted to organizing riots. The criminal gangs involved in the wave of kidnappings that have rocked Mozambican cities since late 2011 use mobile phones to contact their victims' relatives and demand ransoms. The authorities believe that obligatory SIM card registration will make it easier to track the owners of phones used for criminal purposes (APA 03-03-2016)

TRITON MINERALS ACCELERATES DEVELOPMENT OF MINING PROJECT IN MOZAMBIQUE

Australia’s Triton Minerals, which owns mining concessions in Mozambique, will accelerate the development of the Ancuabe project at the expense of Balama, the company said in a statement issued in Perth.

The announcement is based on the fact that the Ancuabe concession is located less than 50 kilometres from the deep water port of the city of Pemba, which has a container terminal in operation, good infrastructure and reduced costs for a mining operation.

The decision follows on from an evaluation that the company has been conducting on graphite and vanadium exploration projects as well as on the new focus decided by the new chief executive and managing director, Garth HIggo, to focus on the Ancuabe project.

The company also said that the good results of the assessment to date from just 10 percent of existing deposits in Ancuabe as well as metallurgical analysis mean that a work schedule will be drawn up before carrying out a definitive feasibility study. (02-03-2016)

MEDITERRANEAN: FEMISE RETHINKS EU-MED PARTNERSHIP

The Euro-Mediterranean Forum of Economic Science Institutes (FEMISE) held its annual session on 13 and 14 February 2016 in Athens, providing an opportunity to review the partnership twenty years after the signature of the Barcelona Process. The declaration signed in the Catalan capital laid the foundations for this dialogue between both shores of the Mediterranean, but the results have fallen short of expectations.

This “convergence of two shores had to deal with instability in the Maghreb region and in the Middle East”. In short, the Process has gone from “illusion to disillusion”, according to the report published online. According to FEMISE, “the Arab Spring shattered the limited progress made since 1995”.

“The results are poor. Time has come to re-think the neighbourhood policy and to adopt concrete measures in favour of trade as well as for the movement of capital and labour”, said Ahmed Galal, President and Coordinator of FEMISE and Director General of the ERF (European Research Foundation). Nevertheless, “the Barcelona Process echoed a real sense of optimism on Europe’s part”, said Sergio Alessandrini, Professor at the University of Modena. He “recommends not one, but several

European Neighbourhood Policies (ENP)". Many other interventions detailed on the website emphasise the need to readjust this policy. (Femise 03-03-2016)

FEMISE

BRAZIL RESTATES SUPPORT FOR UNDERSEA CABLE OF ANGOLA CABLES

Brazil's government has restated its support for the project by the Angola Cables company to connect Angola to Brazil by undersea cable and consequently to South America, during a meeting in Brasilia, Angolan news agency Angop reported.

Upon receiving the ambassador of Angola in Brazil, Nelson Cosme, the Brazilian Minister of State and of Communications, André Figueiredo, once again gave assurances that Brazil supported Angola Cables' projects in Brazil, which are focused on management of the 6,600-kilometre undersea cable that will link Luanda to Fortaleza.

This project will connect Africa to South America initially and later on plans to link Africa to North America once the Monet System starts operating, via the link with Fortaleza, through Santos and a connection to Miami in the United States. This part of the project is an initiative of a consortium that includes Angola Cables, Algar Telecom Brazil, Google and Antel Uruguay.

The Angola Cables data centre in Fortaleza, is a project that is located in the Technology Park of the state of Ceará and is due to be completed by the end of the year. (03-03-2016)

MEDITERRANEAN: NEW OPPORTUNITIES AND RESULTS OF CROSS-BORDER COOPERATION

ENPI CBC Med, the EU-funded cross-border cooperation programme for the Mediterranean, published its latest newsletter on Friday 26 February 2016. In this edition, readers can learn about new opportunities to fund cooperation projects in the 2014-2020 period, the results of projects in the fields of women's' economic empowerment, solar energy and sustainable tourism, and the endorsement (labelling) of the EDILE project "Economic Development through Inclusive and Local Empowerment" by the Union for the Mediterranean (UfM), on 27 November 2015. (EMPI 03-03-2016)

www.enpicbcmed.eu

EGYPT CASH RESERVES NOTCH $16.53BILLION

For the fifth consecutive month, Egypt's cash reserves have increased by $56 million in February 2016, if a statement by the central bank is anything to go by.

The latest figures released by the Central Bank of Egypt (CBE) on Thursday revealed that the country's reserves have hit $16.53 billion more than the $16.47 billion witnessed in January.

Egypt's reserve of foreign exchange increased from $33.16 billion at the end of October 2015 to the end of the $533.16 billion last February, an increase of about $200 million.

The Egyptian pound (EGP) held steady against the dollar at an official foreign currency auction on Thursday.

The CBE said it sold $38.8 million at a cut-off price of EGP7.7301 to the dollar on Thursday, unchanged from the previous auction.

However, the black market rate jumped with traders quoting EGP9.50 to the dollar.(APA 03-03-2016)

EU RENEWS ITS SUPPORT TO PALESTINIAN AUTHORITY AND PALESTINIAN REFUGEES WITH A FIRST 2016 ASSISTANCE PACKAGE TOTALLING €252.5 MILLION

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High Representative/ Vice-President Federica **Mogherini**, said: "*The European Union renews its concrete commitment to the Palestinians. Through this package, the EU supports the daily lives of Palestinians in the fields of education and health, protecting the poorest families and also providing the Palestinian refugees with access to essential services. These are tangible steps on the ground that can improve the lives of Palestinian people. But these steps are not enough; Palestinian institutions must continue to grow stronger, become more transparent, more accountable and more democratic. Viable and inclusive institutions, based on respect for the rule of law and human rights, are crucial in view of the establishment of an independent and sovereign Palestinian State. Because what we want to achieve is the establishment of an independent and sovereign Palestinian State living side by side, in peace and security, with the State of Israel and other neighbours.*"

Commissioner for European Neighbourhood Policy and Enlargement Negotiations, Johannes **Hahn**, said: *"The EU remains firm in its commitment to Palestinians and actively supports a two-state solution. Our assistance to ensure the functioning of the Palestinian Authority and to support vulnerable Palestinian groups, including Palestinian refugees is a concrete example of this commitment. Let me also thank all EU Member States for their continued backing of EU programmes for this troubled region, which have proved effective."*

Within today's package, €170.5 million will be channelled directly to the Palestinian Authority, through the PEGASE mechanism (*Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique*). Through these funds the EU will support the Palestinian Authority in delivering health and education services, protecting the poorest families and providing financial assistance to the hospitals in East Jerusalem.

The remaining €82 million will be a contribution to the Programme Budget of the United Nations Relief and Works Agency in the Near East (UNRWA), which provides essential services for Palestinian refugees across the region. This support aims at offering improved access to essential public services and increased livelihood opportunities to the most vulnerable Palestinian refugees.

A second package of measures in favour of the Palestinians will be announced later in the year.

Background

PEGASE (*Mécanisme Palestino-Européen de Gestion de l'Aide Socio-Economique*) is the mechanism through which the EU helps the Palestinian Authority build the institutions of a future independent Palestinian state. Through the payment of pensions and civil servants' salaries, it ensures that essential public services keep operating. PEGASE also provides social allowances to Palestinian households living in extreme poverty and a contribution to pay the Palestinian Authority's bills due to East Jerusalem hospitals.

UNRWA (the United Nations Relief and Works Agency for Palestine Refugees in the Near East) provides essential services for Palestine refugees in the West Bank, Gaza, Jordan, Syria and Lebanon. The EU is the largest multilateral donor of international assistance to Palestinian refugees. Between 2007 and 2014, the EU contributed over €1 billion to UNRWA, including €809 million to the Programme

Budget. In addition, the EU has generously contributed to UNRWA humanitarian emergency appeals and projects in response to various crises and specific needs across the region. EU Member States provide additional crucial support to the Agency. The partnership between the EU and UNRWA has allowed millions of Palestinian refugees to be better educated, live healthier lives, access employment opportunities and improve their living conditions, thus contributing to the development of the entire region.(EC 01-03-2016)

EGYPT REGISTERS 46.3% DECREASE OF TOURIST NUMBERS IN JANUARY

A total of 363,500 tourists visited Egypt from around the world in January 2016, a registered decrease of 46.3%, according to a press release by the Central Agency for Public Mobilisation and Statistics (CAPMAS) .

“This decline is due to the decline of Russian tourists [visiting Egypt],” CAPMAS stated.

According to the report, Western Europe recorded from its data a total decline of 35.2% among tourists in January 2016, including Germany with a decline of 41.2% and Middle Eastern countries with a decline of 28.6 %.

A total of 414,100 departing tourists were recorded in January 2016, a decrease of 44.1%, and departing tourists in total spent 2.6 million nights in Egypt, a decrease by 62.5% from the previous year.

“This is because to the 99.0% decline of tourist nights of Russians,” CAPMAS noted.

Western Europe registered the largest share of nights with 39.2%, from which Germany registered the number of tourist nights at 44.2% from the total number of nights, followed by Middle East with 33.3%.

Saudi Arabia was the largest country regarding the number of tourist nights in Egypt with 35.1% from the total number of nights for the Middle East.

Eastern Europe follows with a large share of 9.3%, from which Ukraine was the largest country regarding the number of tourist nights in Egypt with 58.8% from the total number of nights of Eastern Europe.

A total of 123,700 tourists from Arab countries visited Egypt in January 2016 compared to 128,800 thousand tourists in 2015, a decrease of 4.0% and 34.0% of the total tourists.

A total of 989, 800 thousand nights tourists from Arab countries spent in Egypt during January 2016 compared to 1.6 million nights in the same month in 2015, a decrease of 37.1 % and 38.6% nights in total.(APA 03-03-2016)

BOTSWANA BENCHMARKS AGAINST NEIGHBOURS ON HEALTH PERSONNEL RETENTION

Botswana is benchmarking against South Africa and Namibia on attraction and retention strategies for healthcare workers, Health Minister Dorcus Makgatho said Thursday.
She told Parliament that the report would be finalised in March 2016 and shared with relevant stakeholders, including Directorate of Public Service and Management (DPSM).

The review of the Attraction and Retention Strategy and discussions are ongoing with DPSM, she said.

She revealed that officials from her ministry undertook a visit to Mauritius in December 2015 to recruit specialists and medical officers. The process of recruitment will start in April 2016.

Makgatho also cited bilateral relations with Cuba and China whereby a number of specialists are recruited from the two countries.

The minister said at least 31 specialists were recruited from Cuba in November 2015.

“As I previously highlighted, the Ministry still faces challenges in shortage of health professionals which is attributed to amongst other factors such as the inability of the Ministry to attract and retain skilled health professionals,” said Malesu.(APA 03-03-2016)

ENRC TO CUT UP TO 1,300 JOBS IN CONGO ON PLUNGING COPPER PRICES

Eurasian National Resources Corp (ENRC) says it will cut at least 1,300 jobs in the Democratic Republic of Congo as part of a cost-reduction strategy, after copper prices have plunged.

Most of the positions will be eliminated at Boss Mining and subcontracting firm Congo Cobalt, starting with giving workers the option to leave voluntarily, spokesman Patrick Mulumba said on Wednesday. The job reductions may increase to 1,800 if copper prices do not recover, he said. ENRC, owned by Luxembourg-registered Eurasian Resources Group, has five mining companies in Congo.

"We are hoping between 1,300 and 1,500 workers will accept" a voluntary arrangement, Mr. Mulumba said. In addition, the company’s Comide copper and cobalt project will be placed on care and maintenance, he said in an earlier e-mailed response to questions.

Congo is the world’s largest source of cobalt, used to make rechargeable batteries, and Africa’s biggest copper producer. Copper prices have rebounded since declining to a six-year low in January and dropping 25% last year as slowing growth in China hurt demand. Copper for delivery in three months gained 0.2% to $4,799 a tonne on the London Metal Exchange on Thursday.

Congo’s government said in January it could lose as much as $1.3bn this year in combined mining and oil and gas revenue because of the commodities crash. Glencore plc announced in September it would halt copper and cobalt output at one of the country’s largest copper mines as part of a cost-cutting exercise.

Congo Cobalt is fully owned by ENRC, which has a 70% stake in Boss Mining alongside state-owned miner Gecamines.

The company owns at least 25% of the smaller Comide project, which paid $7.16m in taxes to Congo’s government in 2014, according to a report by the Extractive Industries Transparency Initiative. Boss and Congo Cobalt together paid $96.5m in taxes that year, the report shows.

Eurasian is trying to achieve a "leaner, more efficient operating model" in Congo amid weak copper prices, Mr. Mulumba said. The company still plans to boost output at Boss by about 50% this year, he said. (Bloomberg 03-03-2016)

NAMIBIA: NEW LAW TO ALLOW PRESIDENT, DEPUTY TO MARRY MANY WIVES

It is legal for the Namibian president and vice-president to take as many wives as they wish and they can be bankrolled by the State, according to Attorney General Sackey Shanghala.

Shanghala was refereeing to the Presidential Remuneration and Other Benefits Bill tabled in parliament by Presidential Affairs Minister Frans Kapofi this week.

The Bill makes provisions that a black Namibian president is able to have more than one spouse whose salary will be paid by the government. The colonial Native Administration Proclamation 15 of 1928 permits polygamy among black Namibians.

Shanghala told the state-run New Era on Friday that the colonial law permitted polygamy “as long as you declare it.”

“So under customary law you can marry as many wives, but the only problem is, it discriminates. It only allows black men to do that, not white men. It does not make provision for white men. I wouldn’t draft a law that is unlawful. If I want to have many wives I can have them,” he said.

The Namibian parliament seeks to repeal the Presidential Remuneration and Other Benefits Act, 2012 (Act No. 15 of 2012) to make provisions for the remuneration of the vice-president.

Nickey Iyambo became the first vice president, appointed by President Hage Geingob in March 2015, following a constitutional amendment in 2014.(APA 04-03-2016)

JAPAN DONATES $2.1 MILLION FOR MINE CLEARANCE IN SUDAN

Japan has donated $2.1 million to Sudan to help in the international efforts to clear mines and war remnants in the country.

The Japanese ambassador to Sudan, Hideki Ito announced in a press conference in Khartoum on Thursday that his country has offered $2.1 to the United Nations Mine Action Service (UNMAS) for humanitarian mine clearance, in coordination with the Sudan National Mine Action Center.

UNMAS Program Manager in Sudan Habibulhaq Javed said that the donation was aimed at reducing suffering and saving lives, and that this contribution will enable UNMAS to survey and clear landmines and explosive hazards in the states of Kassala, Red Sea, South Kordofan and Blue Nile.

Javed added that the donation will support risk education projects designed to assist 100,000 people living in affected regions and will also allow the United Nations to provide assistance to the children, women and men living with disabilities caused by landmines and explosive hazards.

“This is a very important and significant contribution that enables the United Nations to continue its essential work. We expect to release more than 1.5 million square meters of land” UNMAS program manager pointed out.

In the same press conference, the Sudanese State Minister of Defense, General Ibrahim Mohamed El Hassan reaffirmed Sudan’s commitments towards the clearing of land mines in the country.

“We are highly committed to our obligations under the Ottawa Treaty and I am personally keen to see the very last mine removed from our land and our people live in peace and security” he stated.(APA 03-03-2016)

NEDBANK SEEKS CONTROL OF MOZAMBICAN LENDER

Nedbank has one major deal in its crosshairs this year — increasing its stake in Banco Unico so it can control the Mozambican bank.

CEO Mike Brown said on Wednesday Ned bank would raise its 36.4% stake in that country’s sixth-largest bank — bought in 2014 — to 50% plus one share at a R178.4m cost.
He expects the deal to close in the first half of this year.

The JSE-listed lender has also invested in Ecobank Transnational, the pan-African banking group in which it owns a 20% stake.

The two investments yielded R871m in associate income for the year to end-December last year, for a 93.6% increase in headline earnings from rest of Africa operations, one of Nedbank's four core units.

Mr. Brown said Nedbank was on the lookout for another acquisition on the continent, which "needs to be financially, operationally and strategically sensible".

The group reported headline earnings of R10.8bn for the year to end-December, an increase of 9.6% from the previous year.

The corporate and investment banking unit remained the largest contributor to headline earnings at R5.2bn, followed by the retail and business banking unit at R4.5bn.

The bank declared a gross final dividend of R5.70 per share, bringing the full-year dividend to R11.07, a rise of 7.7%.

Patrice Rassou, the head of equities at Sanlam Investments, said the results were slightly below his projections, particularly the payout to shareholders.

"Dividends growth was behind my expectations, given the group's good capital position," he said.

The bank has appointed Ciko Thomas, its consumer banking managing executive, to head the retail and business banking unit, taking over from Philip Wessels, who has retired two years early to spend more time with his family.

Under Mr Thomas, the consumer banking segment more than doubled headline earnings, to R337m last year. The segment forms part of the wider retail and business banking unit.

"(Mr Thomas) was the main driver behind making Nedbank a brand that would resonate with the broader South African customer, compared to a top-end focus before," said Mr Rassou. "He had a big hand in turning around the retail division."

Nedbank's impairments rose 6.3% to R4.8bn, although its credit loss ratio — impairment charges as a percentage of gross loans — lifted slightly to 0.77% from 0.79%.

Mr Brown attributed the lower credit loss ratio to the higher quality of its overall loan book, which improved in a higher interest rate environment, as a result of stricter lending policies in the past two to three years.

The retail bank managed to lower bad debts, but this was scuppered by higher bad debts elsewhere.

Corporate and investment banking had an elevated credit loss ratio of 0.4% last year, compared with 0.19% the previous year. The rest of Africa unit suffered credit losses of 1.25%, up 1.02 percentage points.

"This is almost exclusively from the impact … of the commodity price collapse," Mr. Brown said.

The bank was slowly diversifying its exposure away from the commodity segment, turning towards infrastructure projects for business, Mr. Brown said. It has a R45bn pipeline in that sector. (BD 03-03-2016)

LESOTHO, CHINA SIGN VISA EXEMPTION PACT

Lesotho and China on Thursday signed a mutual visa exemption pact for holders of diplomatic or service passports.

Lesotho's Minister of Foreign Affairs and International Relations, Tlohang Sekhamane said the agreement would solidify and elevate to greater heights the bond of friendship and cooperation that exist between the two countries.

The minister said Lesotho would play its part in ensuring that the agreement is not abused, but that it eases travel for the intended beneficiaries.

Chinese ambassador to Lesotho, Hu Dingxian indicated that the signing of the agreement was another milestone in the friendly bilateral relations between the two nations and would bring tangible benefits for the two peoples.

He explained that Chinese government has proposed signing agreement on mutual visa exemption between China and Lesotho.(APA 03-03-2016)

COTE D'IVOIRE REVEALED AS TOP PROSPECT FOR INVESTORS IN AFRICA

The launch of Nielsen's second Africa Prospects Indicators (APi) report has given existing and potential investors an unprecedented and even deeper comparative view of the country opportunities across the continent, with Cote d'Ivoire moving ahead of Nigeria to leading position within the APi's overall country results.

Nielsen Africa Managing Director Allen Burch comments; "The strength of the Africa Prospects Indicator lies in its ability to provide a clear ranking of countries based on multi-dimensional relative indicators across Macro-Economic, Business, Consumer and Retail dimensions for nine of Sub Saharan Africa's (SSA) leading markets, where common measurement information is available. The report also assesses macro-economic and business prospects for a total of 26 countries, where extended metrics exist.

"This makes it possible to pinpoint that top performer Cote d'Ivoire's position has improved based on its Business outlook dimension, and it continues to rank top in terms of Retail sentiment. Despite the fact that it comes in third position on broader Macro factors, its favourable economic growth and stable inflation climate and recent elections, provide a fertile investment environment," adds Burch.

MORE MODERATE VIEWS FOR NIGERIA

While Nigeria topped the inaugural list in Q1, 2015, in the latest ranking it drops to a more moderate 4th position, driven primarily by deteriorating macro-economic indicators as a result of a slump in commodity prices, in particular oil. In addition, the Consumer indicators and overall confidence levels have followed suit. Despite this, Nigerians continue to be some of the most optimistic consumers on the continent, with more positive sentiment for their job prospects and personal finances, even though immediate spending intentions and levels of spare cash are more strained.

Kenya and Tanzania climb the overall rankings to second and third place respectively, with both markets recording improvement on the macro ranking, which takes into account the economic growth performance in relation to the size of the economy. Business sentiment for Kenya remains a little more sceptical, as the ranking declines amidst slower consumer sales offtake impacting company performance.

Within South Africa, peer ranking improves from 9th (Q1, 2015) to 7th place. The South African economy accounts for the largest base of consumer spend in SSA and has one of the most favorably priced common item baskets. This provides more promising avenues for growth through product innovation and choice, thanks to a greater product/value equation. Retail execution, route to market and distribution are also far more easily achieved in a country with the highest concentration of modern trade on the continent.

MACRO ENVIRONMENT PROSPECTS INDICATOR – *Facing Economic Headwinds*

According to the World Bank, growth in Sub Saharan Africa has reached one of its lowest ebbs, having slowed from 4.6% in 2014 to 3.3% in 2015. This growth deceleration comes amid difficult global conditions and domestic challenges.

Burch comments; "With SSA being a net exporter of primary commodities, and oil being the most important commodity traded in the region, the countries hardest hit by the slump in commodity prices are understandably SSA's oil exporters, led by top-producers, Nigeria and Angola."

On a more positive note, SSA growth is still projected ahead of other developing countries, excluding China. There are still many bright spots such as Ethiopia and Cote d'Ivoire, as well as the Democratic Republic of Congo and Tanzania, which offer positive economic growth and sizeable populations.

BUSINESS PROSPECTS INDICATOR – *Country Priorities for 2016*

Within the APi's Business Prospects sector, business executives across Africa scored 26 Sub Saharan

Africa markets based on their view of growth opportunities for the next 12 months. These 400 country-level Business views incorporate sentiment for the countries overall economic growth as well as the outlook for their own company's growth. This also represents the extent to which they are able to tap into the markets' potential considering the various macro and micro challenges.

The markets topping the list in terms of overall country growth expectations are: Ethiopia, Cote d'Ivoire, Mozambique and Kenya. These top four ranked countries remain unchanged from the previous business survey, and are considered 'good' growth prospects.

The biggest movement is in the outlook for Angola, that was previously ranked 5th with a score of 6.3 out of 10 and now drops to 16th place with a more moderate score of 5. Nigeria replaces Angola in 5th position and South Africa climbs from 19th to 14th position, reflecting a more encouraging stance by businesses both local and global. They also continue to view their own growth potential ahead of the overall country's expected economic performance, highlighting their ability and agility to tailor offerings during both more, and less, favourable economic cycles.

CONSUMER PROSPECTS INDICATOR – *Ghanaians, Angolans, Ethiopians and Nigerians Face Rising Prices*

In addition to rising inflation, the cash outlay for Angolan and Ghanaian consumers are some of the highest in SSA. A 'like for like' basket of essentials costs almost US$34 in Angola and US$27.50 in Ghana, compared to South Africa at $15.33 (the 5th most affordable country basket).

As Nigerian consumers feel the effect of rising inflation on their basket of goods, there has been a discernible decline in their perception that the current time is a good time to buy the goods they need. This has, however, not diminished their desire to try new products. In fact, almost 80% of Nigerians are willing to consider new products that offer greater value for money or affordability.

South Africans are least open to current spending, opting to rather service debt or save for contingencies. For the 30-40% of SSA consumers who claim discretionary income, the majority will opt to save or invest, followed by home improvements and new clothes.

RETAIL PROSPECTS INDICATOR – *The Reality for Retailers*

With the exception of retailers in Cote d'Ivoire and Cameroon, traders do not believe the ease of doing business with manufacturers is improving. While fairly optimistic views of retail growth prevail for most countries, informal retailers can certainly benefit from greater collaboration with manufacturers to grow ongoing consumer demand.

Annualised Retail Sales at the end of Q3,2015 in both spend and packages have grown in Cote d'Ivoire, Ethiopia, Zambia and South Africa. In the shorter term (Q3 v Q2, 2015) however, sales in Zambia and South Africa, whilst still positive, have slowed echoing consumers more restrained spending sentiment.

Value sales have grown in Ghana, Kenya, Cameroon and Uganda, but not units, reflecting the impact of rising prices and inflation. In Nigeria sales are declining in both value and units as consumers face a combination of wallet pressures. Essential categories maintain more stable growth rates, whereas discretionary categories are often dropped from the basket or purchased with reduced frequency.(BD 02-03-2016)

SWAZILAND GETS INTERNATIONAL FUNDING FOR NEW REFERRAL HOSPITAL

The government of Swaziland has concluded plans to build a $51million referral hospital in Manzini through funding from Kuwait, Saudi Arabia and other sources, APA reports here on Friday.

The new hospital is expected to improve accessibility to tertiary health care services for Swazis and reduce the number of external referrals.

The Finance Minister Martin Dlamini Friday told Parliamentarians that the government will contribute $2 million while the Kuwait Fund will grant $15 million, Saudi Fund $10 million, the OPEC Fund for International Development (OFID) $14 million, while the Arab Bank for Economic Development in Africa

(BADEA) will fork out $10 million.

Meanwhile, on Friday morning, the health sector was allocated a proposed budget of $125 million for the 2016/2017 financial year.(APA 02-03-2016)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, AHEAD-GLOBAL, 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, and other organisations.
The Memorandum is also made available by AHEAD-GLOBAL, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Corporate Council on Africa (USA), ELO,HTTC ,NABA,NABC (by posting selected news) to their Members.

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