MEMORANDUM

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SUMMARY

IMF SEES SUB-SAHARAN AFRICA GROWTH NEAR TWO-DECADE LOW IN 2016

Economic growth in sub-Saharan Africa will likely slow this year to its weakest in nearly two decades, hurt by a slump in commodity prices, the Ebola virus outbreak and drought, the IMF said on Tuesday.

In its African Economic Outlook, the IMF said the region would likely grow 3% this year — the lowest rate since 1999 — after expanding by 3.4% in 2015.

Growth was seen recovering to 4% next year, helped by a slight recovery in commodity prices, and the IMF said it was still optimistic about the region’s prospects in the longer term.

"However, to realise this potential, a substantial policy reset is critical in many cases," it said.

Affected countries needed to contain fiscal deficits as the reduction in revenue from the commodities sector was expected to persist, it said.

Major oil exporters Angola and Nigeria were hardest hit by the slump in commodities prices, as were Ghana, SA and Zambia, the report said.

Guinea, Liberia, and Sierra Leone were only gradually recovering from the Ebola epidemic, while several southern and eastern African countries including Ethiopia, Malawi and Zimbabwe were suffering from a severe drought, the IMF said.

On the upside, Côte d’Ivoire, Kenya and Senegal would see growth of more than 5%, mostly "supported by ongoing infrastructure investment efforts and strong private consumption," the report said.

"The decline in oil prices has also helped these countries, though the windfall has tended to be smaller than expected, as exposure to the decline in other commodity prices and currency depreciations have partly offset the gains in many of them," it said. *(*Reuters 03-05-2016)

EU PROJECT DESIGNS MEDITERRANEAN CHEESE ROUTE

Pecorino, rigouta, rumi, feta, labneh: these are some of the cheeses that travelers will be able to taste along the 28 stages of the "Route of Mediterranean dairy products", a cross-border itinerary that was designed by the LACTIMED project.

It is no secret that almost all of the best cheese-producing countries in the world surround the Mediterranean Sea. Usually made from goat or sheep's milk and typically fresh or brined (but not aged), cheeses from the Mediterranean area are known to be really delicious.

In the collective imagination, traditional cheeses are associated with natural landscapes, passionate men and women as well as well with the culture and history of the territories they come from. As many ingredients that are now part of the "Route of Mediterranean dairy products", a tourism itinerary across regions of Tunisia (Bizerte and Béja), Italy (Sicily), Greece (Thessaly), Egypt (Alexandria and Beheira) and Lebanon (Bekka).

The route was designed by the LACTIMED project: it offers a journey made of 28 tasty stages during which travelers have the opportunity to enjoy typical cheeses and actually learn to make them. Farms featured in the guide edited by the project also offer hiking, cultural tours, cooking lessons, accommodation options and the possibility to participate in daily activities like milking the ewes. As per the guide, many activities are suitable for children and people with reduced mobility.

Rural development

By providing this type of services, dairy farmers can generate additional income, come into direct contact with consumers and share their passion for their work. This is exactly the philosophy of Zied Ben Youssef, owner of Borj Lella, a cheese factory located in Béja, 100 kilometers East of Tunis. "*I intend to create a direct link between consumers and cheese makers of the region*", he says. Thanks to LACTIMED, Mr. Ben Youssef received a financial support to improve kitchen equipment and the cheese processing facility, so that tourists may be welcomed in the best possible conditions. "*The economic value added will stay in the region and benefit to local farmers*."

The ambition of LACTIMED is to create a truly genuine experience, based on traditions, typical products, hospitality and conviviality. "*The route aims to attract visitors to the heart of rural areas in the*

Mediterranean. It will be promoted by responsible travel agencies and other sustainable tourism stakeholders," explains Mr. Aurélien Baudoin, the coordinator of LACTIMED.

Let's move from words to actions: put your best trekking shoes on and hit the road of Mediterranean dairy products.

LACTIMED at a glance

Implemented from 2012 to 2015, the LACTIMED project aimed to strengthen the production and distribution of typical dairy products in the Mediterranean region through the coordination of local industries, the support to dairy producers and the promotion of their products on local and international markets. The project was leaded by the French organization "ANIMA Investment Network" and gathered 11 partners from Egypt, France, Greece, Italy, Lebanon and Tunisia. LACTIMED was funded by the ENPI CBC Med Programme for an amount of €4.35 million. (EC 28-04-2016

The route of Mediterranean dairy products: download the guide

UFM MEETING TO DISCUSS NEXT STEPS WITHIN JOBS INITIATIVE

• The Mediterranean Initiative for Jobs (Med4Jobs) is currently targeting more than 100,000 young beneficiaries and supporting the development of over 800 SMEs from the region.

• More than 20 international high-level experts from international organisations, international financial institutions, European institutions, the private sector, technological centres and industrial clusters met at the UfM headquarters, in Barcelona, to discuss the next steps of the initiative.

• Fostering youth employment is a key priority for the UfM as it is essential for regional human development, stability and integration. Ministers of Employment from the 43 UfM Member States will meet at the 3rd UfM Ministerial Meeting on Employment and Labour on 26 September 2016 in Amman, Jordan.

The UfM Secretariat is further advancing the Mediterranean Initiative for Jobs (Med4Jobs) in coordination with key international institutions working in the field of job creation, including the International Labour Organization (ILO), the European Training Foundation (ETF), the Organisation for Economic Co-operation and Development (OECD), the United Nations Industrial Development Organization (UNIDO), the United Nations Development Programme (UNDP), the European Bank for Reconstruction and Development (EBRD) and the European Commission (EC).

More than 20 high-level representatives from these institutions gathered today at the UfM headquarters in Barcelona for the 3rd Meeting of the Med4Jobs Advisory Board. Participants discussed the next steps of the initiative and exchanged views on different emerging areas in the international agenda to promote employment in the region, namely Blue Growth, the Digital Economy and the Social & Solidarity Economy.

Med4Jobs is a UfM project-based, cross-sector initiative aimed at promoting and replicating effective and visible job creation projects, increasing the employability of young people and women, helping to bridge the gap between labour demand and supply and fostering a culture of entrepreneurship and private sector development. **Med4Jobs** also serves as a regional platform for dialogue on employment, for sharing best practices and for promoting stakeholder interaction and collaboration.

At present, **Med4Jobs** has identified up to **10 projects on the southern and northern shores of the Mediterranean, targeting more than 100,000 young beneficiaries and supporting the development of more than 800 SMEs** from the region. Globally, these projects account for **more than €130 million in investment in the region** (*this figure includes the construction of the Euro-Mediterranean University of Fes.*

In the words of Fathallah Sijilmassi, UfM Secretary General: *"Fostering job creation and inclusive growth in the region is crucial to effectively advance human development, stability and integration. Youth employability is a key priority for the UfM; a shared priority for building the Mediterranean of tomorrow, since the future of our youth is the future of our region."*

Med4Jobs: a regional response to the common challenge of youth unemployment

Youth unemployment rates in the Mediterranean region are among the highest in the world with, on average, 25% unemployment, which is double the global average. This crucial issue affects countries on both the southern and the northern shores of the Mediterranean. In fact, the European average is 23%, but a higher rate can be seen in southern European countries, with over 50% in Greece and Spain, over 40% in Croatia and Italy and over 30% in Portugal.

Currently, almost 60% of the population in the Mediterranean region is under the age of 30. This represents an asset for the region; therefore, a positive and action-oriented regional agenda on youth employability is vital for unleashing the region's human and economic potential capital and to contribute to stability and integration in the region.

UfM-labelled projects under Med4Jobs

Presently, 10 projects have already been labelled by the UfM within the framework of Med4Jobs. In addition to the political support of the 43 UfM Member States, the labelling facilitates access to funding and technical support. Further information on the 10 Med4Jobs projects can be found via the following links:

- Generation Entrepreneur
- Maharat Med – Developing Youth Employability & Entrepreneurial Skills
- MedNC – New Chance Mediterranean Network
- HOMERe – High Opportunity for Mediterranean Executive Recruitment
- Mediterranean Entrepreneurship Network
- Young Women as Job Creators
- The Euro-Mediterranean University of Fes
- Skills for Success – Employability Skills for Women
- Promoting women empowerment for inclusive and sustainable industrial development in the MENA region
- CEED GROW: Growing and Scaling Small and Medium-Sized Businesses

About the UfM

The Union for the Mediterranean (UfM) is an intergovernmental organisation bringing together 43 countries: 28 EU member states and 15 Southern and Eastern Mediterranean countries. It provides a platform for political dialogue, coordination, and regional cooperation.

The Secretariat of the Union for the Mediterranean, established in Barcelona in 2010, focuses on enhancing regional cooperation and integration through the implementation of regional cooperation projects and initiatives. The Secretariat has developed and accelerated the implementation of new regional projects that are key socio-economic and strategic drivers: more than 40 regional labelled projects worth over €5 billion in areas including inclusive growth, youth employability, women's empowerment, promotion of student mobility, integrated urban development and sustainable development. The Secretariat works in close collaboration with government agencies and an active network of Euro-Mediterranean partners to assist project promoters throughout the entire project cycle, from technical assistance to project implementation, as well as financial planning and fundraising. (EC 28-04-2016)

MOZAMBICAN LEADER BLAMES SECURITY THREAT FOR DECISION TO HIDE DEBT FROM IMF

Mozambican Prime Minister Carlos Agostinho do Rosario on Thursday blamed the country's instability for a government decision to hide $1.4bn of debt used to fund maritime security vessels.

The International Monetary Fund (IMF) said two weeks ago it had suspended aid to the African nation "pending a full disclosure and assessment of the facts" over the unreported borrowing. The World Bank has suspended some loans.

Mozambique has been beset by tensions between the Renamo opposition group, which waged a 16-year civil war that ended in 1992, and the Frelimo party that has ruled since independence 40 years ago.

Renamo, which refused to accept the results of 2014 elections, holds seats in parliament but also wages a armed campaign against the government in central and northern areas.

"We didn't report the debt in due time to our people, our parliament, or even the IMF, as we should have done," Mr. Do Rosario told a press conference in Maputo.

The government "should have done better … but the conditions that the country faces are atypical, unique in the world," he said. "We have an opposition party that seats at the assembly during the day and lead attacks at night."

Clashes between government forces and Renamo have increased since February, with attacks reported almost daily and key roads often closed due to the unrest.

Mr. Do Rosario also said Mozambique had $9.89bn in foreign debt, a slight increase from previous estimates of $9.64bn.

Following Mr. do Rosario's broadcast Mozambican security forces deployed on the streets of the capital, Maputo, after rumours of planned anti-government demonstrations circulated on social media, witnesses said.

Several anonymous messages spread via SMS and Whatsapp said groups were planning to march on Friday against government corruption, in particular secret borrowing that could cripple the economy in one of the world's poorest countries.

Armoured vehicles packed with police armed with automatic weapons were stationed on major street corners although there was no sign of unrest, two witnesses told Reuters.

Police on Wednesday told the public not to do anything to unsettle "harmonious coexistence" in the war-scarred former Portuguese colony.

"We will not tolerate any conduct that undermines the order, security and public tranquillity," a police statement said. (Reuters and AFP 29-04-2016*)*

COST REDUCTION INCREASES PROFITS OF ANGOLAN DIAMOND MINING COMPANY CATOCA

The reduction in operating costs achieved in 2015 by Angolan mining company Sociedade Mineira do Catoca (SMC) led to profits of US$126.8 million, announced Monday in Luanda the director-general of the diamond company.

Sergei Mitiukhin said that in 2015, operating costs decreased by US$34 million and now represent 60 percent of total turnover, following decisions taken by management to minimise the effects of the crisis on the company.

The economic environment climate in which the company operated in the past year was characterised by a drop in the price of diamonds per carat to US$87, against a forecast of US$97, as well as by increasing the tax burden and fuel prices, which make up 75 percent of costs.

Cited by Angolan news agency Angop, Mitiukhin said that to reduce costs the company handed over certain services to third parties and carried out wage increases, which provided gains in efficiency.

SMC is a diamond mining, exploration, recovery and sale company, whose shareholders are state-owned diamond company Endiama (32.8 percent) Russia's Alrosa (32.8 percent), LLI Holdings (18 percent) and Brazilian group Odebrecht (16.4 percent). (03-05-2016)

BURKINA POVERTY LEVEL FALLS BY 7 PERCENT

The poverty level in Burkina Faso between 2009 and 2014 had dropped by 7 percent, according to the results of an ongoing multi-sector survey (EMC).

Funded by the Swedish International Development Agency (SIDA) and conducted by the National Institute of Statistics and Demography (INSD), the findings suggest that the rate of poverty plummeted from 47 percent to 40.1 percent during the five-year period.

If the results of the survey are anything to go by, the poorest parts of Burkina Faso are the North (70.4 percent), the Mouhoun (59.7 percent) and West Central (51.7 percent).

The plight is more pronounced in rural areas where over 92 percent of the population grapples with poverty.

According to the INSD's Director General, Baya Banza, the survey covered 10,800 households spread over the entire country and the interviews had focused principally on literacy, health, the ownership of mobile phone and unemployment.

The EMC exercise also suggests an unemployment rate of 6.6 percent among the active population aged 15 years and more, a literacy rate of 46 percent at national level as well as a high prevalence of the disease affecting 12.8 percent of the Burkinabe population.

The goal of the survey is to provide policymakers with updated statistical data to enable them to make informed development policy decisions. (APA 28-04-2016)

SALES OF PRIVATE EQUITY FIRMS ACROSS AFRICA AT NINE-YEAR HIGH

Private equity sales across Africa reached a nine-year high last year as funds reached the end of their lives, a report released yesterday showed.

EY and the African Venture Capital Association’s fourth annual analysis of the private equity industry showed that 44 private equity companies were sold across the continent last year, an increase on 2007’s 34.

"There was a boom in private equity funds raised in 2006 to 2008, and these funds need to achieve exits before their fund life ends," said Graham Stokoe, head of EY’s Africa private equity practice. "Private equity funds typically have a fund life of 10 years."

SA experienced the lion’s share of this activity, accounting for 39% of all deals concluded on the continent.

Most of the deals were clinched in the financial services sector.

"It’s mainly private equity backing financial services companies that are serving a growing consumer base, both in banking and insurance. Private equity (firms) are also showing lots of interest in fintech in recent years," Mr. Stokoe said.

Stock exchange listings and management buyouts appear to have lost favour with private equity firms looking to sell their investments, declining from 20% and 4% during the 2007-13 period to 16% and 1% in 2014-15.

Mr Stokoe said private equity firms generally sought corporate buyers in the sector of the portfolio company, known as trade buyers, largely due to better values offered.

"The reason for the decline in management buyouts and private sales is probably due to more interest in private equity-owned businesses in Africa, by both trade buyers and also other private equity (firms) and financial buyers," he said. "It indicates a maturing private equity market."

Listings could be considered if the portfolio company was large enough, said Mr. Stokoe.

"There probably haven’t been enough sufficiently large private equity-owned businesses looking to (list)," he said. "We have, however, seen (listings) which aren’t reflected in our study as they only a partial exit where private equity (firms) are staying invested; for example, listing of Choppies on the JSE, and also Rhodes Food group on the JSE. "

British banker Standard Chartered’s private equity arm holds a stake in retailer Choppies, while private equity firms CapitalWorks and Morgan Stanley Alternative Investment Partners hold some of the shares in Rhodes Foods. (BD 28-04-2016)

MOODY’S LOWERS TO CREDIT RATING ON ANGOLA TO “B1″

The Moody’s credit rating agency has downgraded the sovereign debt rating on Angola from “Ba2″ to “B1″ with a negative outlook, under the seventh annual evaluation, the Angolan Finance Ministry said Friday in Luanda.

The statement from the ministry is corroborated by a statement from Moody’s about the downward review of Angola’s credit rating because of the “financial position of the government and the country’s external (position) having deteriorated sharply” due to the drop in oil prices.

The rating agency noted that low oil prices are expected to continue, “pressuring” the “economic capacity” of Angola and “significantly reducing the country’s short term growth prospects.”

“The negative outlook reflects the current imbalances in the foreign exchange market that will continue to put downward pressure on official foreign exchange reserves and the currency,” added Moody’s.

In this scenario, the agency estimates economic growth for Angola of 3 percent in 2016 and 2017 and points out that public debt exceeds 50 percent of Gross Domestic Product (GDP) this year, compared to 25 percent in 2013. (03-05-2016)

UGANDA, DRC IN BORDER DEMARCATION EXERCISE

The governments of Uganda and Democratic Republic of Congo (DRC) have embarked on a four day exercise to demarcate the disputed Vurra customs boundary.

The demarcation exercise started yesterday with a meeting in which Uganda was represented by Uganda's Ambassador to DRC, James Kinobe, while Jean Pierre Massala, the head of protocol at DR Congo Embassy in Kampala led the Congolese team.

Uganda's Ambassador to DRC Kinobe told the media at the meeting that the demarcation exercise will not be a barrier but a bridge to link the two countries for easy trade and communication.

Jean Pierre Massala noted that the demarcation will go a long way in reducing the rate of insecurity at the border point between the people of Vurra in Uganda and those of Aruu in DRC.

He said all conditions for the demarcation exercise have been fulfilled and promised that peace will prevail at the border for better service delivery.

Residents of Uganda and DRC have for long been fighting over the ownership of the no-man's land at the border.

This is after a section of Congolese locals started erecting structures on the land without any formal agreement over its usage.

However, a joint technical committee was later formed by President Museveni and his Congolese counterpart Joseph Kabila to expeditiously address the matter.

The symbolic demarcation is scheduled for tomorrow Saturday. Each country is to contribute $100,000 towards the demarcation exercise.(APA 29-04-2016)

DE BEERS LEFT LONDON FOR BOTSWANA, TRANSFORMING LIVES AND A CITY

A diamond-mining behemoth’s expanded presence here has helped transform this sleepy capital over the past few years, turning it into a hub for a cosmopolitan crowd of gem buyers and upending the lives of dozens of company employees.

De Beers, a unit of Anglo American, surprised the industry by moving its international sales department and a related stone-sorting operation to Gaborone from London in 2012 and 2013.

The move was part of a 10-year sales deal the company struck with the government of Botswana, which supplies 70% of its diamonds.

De Beers’ return to its roots in Southern Africa was a big adjustment for the 80-plus employees it transferred from its offices in a tony London neighbourhood to the scorching heat of Gaborone, a city of about 230,000 on the edge of the Kalahari Desert.

It also was a jolt for the bulk buyers of De Beers’ stones, requiring them to make regular visits to this relative backwater.

"There aren’t that many reasons to come here," the Lonely Planet travel guide says in its description of the city, a patchwork of monochrome government buildings, shiny new malls and neat suburban homes.

Tracey Skingle, a senior diamond valuator for De Beers, said she has made peace with her new surroundings. "My job came here and I didn’t want to leave it," she said.

Ms Skingle used to enjoy her roughly 25-minute walk to work from the Waterloo train station with friends when she lived in London.

Now, friends join her every Wednesday on exercise walks to and from the international airport — about a 5-mile round trip from the sprawling new Diamond Technology Park complex here, which is ringed with high fences and security gates.

The $35m relocation included upgrades to the company’s local facilities, which employ hundreds of workers in addition to those relocated from London.

The offices sit on a parched piece of land on the outskirts of Gaborone, which enjoys a reputation for safety and relative efficiency.

Everyone entering and exiting the De Beers offices is searched and ushered through multiple layers of automated security doors.

Inside the complex, Ms Skingle and other employees sort through rough diamonds mined around the world by size, shape, colour and clarity, functions that had been based in London for nearly 80 years.

"It’s like we picked up the process and dropped it in another place," said Matthew Carrett, an aggregation manager who moved here in 2012.

"Obviously, it’s completely different to London. It’s much more relaxed," added Mr. Carrett, whose department mixes diamonds from De Beers operations world-wide into uniform lots for buyers.

Many of the relocated staff had previously spent time in Africa, which produces about half the world’s diamonds.

Botswana alone accounts for about a quarter of global production, second only to Russia.

Now, it is becoming a major hub for many diamond buyers and other industry specialists.

De Beers hosts 10 private sales a year here, during which as many as 200 elite customers from Israel, China, the US and elsewhere descend on Gaborone each day.

The influx of foreign visitors has altered the city, according to De Beers employees.

Before the company expanded its footprint here, taxis, 3G mobile service, midmarket restaurants and hotels were all relatively rare.

Five years ago, hailing a cab was "mission impossible," said De Beers CE Philippe Mellier, who still works in London but attends nearly all the company’s private sales, or "sights," in Gaborone.

"Ten years ago, it was a wasteland," said Andy Bolton, the company’s senior vice president of the diamond supply chain, who has three children at school in Britain. Now, "there are a lot more malls, a lot more cars on the road".

In addition, airline traffic to the city has increased 62% since 2010 by one key measure, according to data provider Flightglobal.

On his regular diamond-buying trips to the city, Pintu Dholakia, CEO of Hari Krishna Exports, stays in the 153-room Masa Square Hotel, which opened in 2012.

His Mumbai-based company is among the more than 80 "sightholders" authorised to buy from De Beers.

Still, some local businesses say they have not seen much change since the diamond giant’s arrival.

"The restaurant continues to be busy, but (we) really can't say there has been any specific change in business related to the De Beers sales offices," said Sue Witham, owner of Portuguese restaurant Caravela, Mr. Mellier's favourite place here to grab a bite.

While restaurant options in Gaborone still are far fewer than in London, the quiet capital has some distinct advantages.

"Botswana is a beautiful country. I would love to take my family along to the Okavango Delta once, instead of the Antwerp Zoo, for a change," said Jackie Morsel, a vice-president at Dali Diamond Company, a Belgian sightholder.

Ms Morsel added that there was good kosher food and religious services during sight weeks — to serve the diamond trade's sizeable Jewish contingent.

But even the happiest De Beers transplants acknowledge that Gaborone is not for avowed city slickers.

Though Botswana is considered to have one of Africa's better-managed economies, frequent water and electricity shortages have taken a toll on growth, hurt small businesses and generally disrupted everyday life.

"It gets trying at times," Ms Skingle said with a sigh. "I've taken up golf and that takes up a lot of time — especially when you're bad. You can get through a Saturday quite easily." (WSJ 28-04-2016)

FITCH RATINGS LOWERS MOZAMBIQUE'S CREDIT RATING TO "CCC"

Fitch Ratings downgraded the sovereign debt credit rating on Mozambique from "B" to "CCC" after the local government disclosed it had taken on loans of almost US$1.4 billion, according to a recent statement.

This new credit rating suggests it is possible that Mozambique will default on its foreign loans and comes a few weeks after Standard & Poor's Global Ratings and Moody's Investors Service also lowered their credit ratings for Mozambique following the restructuring of Mozambican tuna company, Ematum's debt.

"The public debt profile of Mozambique deteriorated significantly following disclosure of borrowing with state approval that was not previously included in public accounts," the agency said in a statement issued last Friday.

Fitch said that, when taking into account the recently announced loans, Mozambique's public debt in 2015 stood at 83 percent of gross domestic product (GDP) and added that the fact that the metical had devalued by 32 percent in 2015 and continued to follow this trend this year would lead to "Mozambican public debt perhaps reaching 100 percent of GDP this year." (03-05-2016)

MOZAMBIQUE, SWAZILAND SIGN BILATERAL COOPERATION

Mozambique and Swaziland government have agreed to step cooperation in the areas of mineral resources, energy and water resources as part of a deal to boost bilateral ties, APA learns here on Friday.

A Memorandum of Understanding was signed late on Thursday in the capital by Mozambican Minister of Mineral Resources and Energy, Pedro Couto and his Swazi counterpart, Jabulile Mashwama, following talks between delegations from the two countries headed by President Filipe Nyusi, and the Swazi monarch, King Mswati III, who is on a three day state visit to Mozambique.

Mozambican Foreign Minister Oldemiro Baloi told a media briefing that, during the talks, the delegations analysed all the areas of cooperation between the two countries, particularly in transport.

Swaziland was informed of the road and rail transport situation, and the current stage of the Mozambican ports, particularly the Maputo port sugar terminal, bearing in mind that Swaziland is landlocked and needs these facilities for its exports and imports, he said.

Baloi stressed that there are a large number of transport projects in which Mozambique wishes to cooperate with Swaziland, and there are challenges concerning road fees and insurance.

One of the points in the memorandum is that Mozambique will increase the amount of electricity that it sells to Swaziland. Baloi said this seeks to ensure Swazi access to diversified sources of energy, including hydropower, and energy generated from natural gas.

On Friday, Mswati and his delegation are due to visit the gas fired power station operated by the company Gigawatt-Mozambique, at Ressano Garcia, on the border with South Africa. The Swazi delegation hopes to discuss the possibility of selling power from this station to Swaziland.

Swazi Foreign Minister Mgwangwa Gamedze said that the meeting also discussed agriculture, food security, and the need to step up the fight against threats such as foot and mouth disease, and the fruit fly.(APA 29-04-2016)

MIMICA : «IL FAUT LIER MIGRATION ET AIDE AU DEVELOPPEMENT EN AFRIQUE»

Lors du sommet de l'UE avec les pays d'Afrique, des Caraïbes et du Pacifique à Dakar, le commissaire européen Neven Mimica a accordé une interview à *EurActiv* pour aborder la stratégie de l'exécutif pour lutter contre la migration illégale.
Neven Mimica, ancien Premier ministre adjoint de Croatie, est le commissaire européen en charge du développement et de la coopération internationale (DEVCO).

Concernant le Fonds fiduciaire d'urgence pour l'Afrique (visant à juguler l'afflux d'immigrants illégaux arrivant en Europe), puis-je me permettre de faire un commentaire ? Quel que soit le montant que vous mettez dedans (actuellement 1,8 milliard d'euros), il s'agit des pays les plus pauvres de la planète, et ce fonds ne réduira pas l'attrait de l'Europe.
Oui, ce sont les plus pauvres, et 1,8 milliard ne changeront peut-être pas la donne, mais il faut regarder l'ensemble, avec toutes nos actions d'aide au développement, d'un montant de 20 milliards en Afrique, notamment pour les pays les moins développés du monde.
Ce que nous devons changer est l'état d'esprit et l'approche de nos projets à deux niveaux : nous devons d'abord les orienter le plus possible vers les causes de la migration, puis, les rendre le plus rapide, opérationnel possible. La plupart de nos projets pour le développement – dans le cadre du programme indicatif national ou du programme indicatif régional – ont une durée de vie beaucoup trop longue, de cinq ou six ans. Avec le fonds fiduciaire, ces deux projets ont été approuvés seulement deux mois après La Valette (sommet de novembre 2015) et cinq mois plus tard, nous en sommes déjà au stade opérationnel.
La durée de vie d'un projet devrait être d'un an, de deux ans, mais pas plus. Si nous ramenons ce sens de l'urgence dans les 20 milliards d'euros d'aide au développement générale en Afrique, nous pourrions vraiment avoir un meilleur impact sur le développement dans les régions les plus fragiles et vulnérables du monde. Nous devons donc progresser dans cette direction et nous concentrer sur les résultats plus que sur les sommes d'argent que nous mettons.

Êtes-vous optimiste par rapport au soutien des gouvernements africains ? Évidemment, le Sénégal est un bon exemple, mais si on regarde le Niger, le pays profite de l'argent envoyé par les personnes vivant en Europe. Des villes entières dépendent des flots de réfugiés et vivent, en quelque sorte, de la crise. Comment pouvez-vous convaincre ces gouvernements de réellement s'attaquer aux causes de la migration ?

En réalité, toutes mes discussions avec les dirigeants africains et mes visites dans ces pays ou à Bruxelles sont plus que jamais tournées vers ce lien et cette interdépendance avec la migration. C'est une question très sensible, mais nous devons travailler à la mise en place complète d'une politique de retour et de réadmission.

Notre but n'est pas de mettre un terme à la migration ou de renvoyer vers l'Afrique les gens qui travaillent en Europe, y vivent depuis des années, font partie de l'histoire des relations africano-européennes. Nous objectif est d'endiguer l'afflux de migrants illégaux vers l'Europe, qui profite aux trafiquants et met la vie des migrants en danger. Nous devons mettre en place un cadre juridique qui ne donne pas accès à l'asile ou à une protection internationale aux migrants économiques.

Nous essayons d'analyser ces flux de personnes arrivant en Europe et d'évaluer comment nous pouvons les rendre les plus légaux possible. Nous sommes en train de développer un cadre juridique pour la migration. Dans un mois ou deux, la Commission proposera un plan pour cette migration légale.

Nos partenaires africains comprennent que nous devons travailler ensemble afin de stopper la migration illégale, et non pas celle des réfugiés, vers l'Europe.

Tout est une question de meilleure gestion des frontières et d'une plus grande sécurité dans la région et dans ces pays. Je ne sens donc pas de résistance particulière à discuter de cela dans le cadre d'une stratégie commune pour la migration.

Les retours et les réadmissions ne devraient pas être politisés, c'est un enjeu de coopération administrative et d'amélioration de la coordination entre les États membres de l'Union européenne et les partenaires africains.

Certains pensent que l'accord UE-Turquie devrait être reproduit avec d'autres pays, notamment ceux du continent africain, pour juguler l'afflux de migrants illégaux. Le fonds fiduciaire tente déjà de s'attaquer aux causes de migration, mais pensez-vous qu'il faudra de nouveaux moyens et plus d'efforts de la part de l'UE pour soutenir les pays africains et prévenir une autre crise de la migration ?

Oui, pour limiter l'impact du flux migratoire illégal, nous avons besoin de toute sorte de partenariats. Celui avec la Turquie est un partenariat d'urgence, plus rapide que ce que nous avons ou voulons réaliser avec les partenaires africains. Cela ne veut pas dire que nous abandonnons l'idée de rassembler développement et migration sous la même bannière dans les pays africains. C'est ici, en Afrique, que le flux migratoire grandit.

Il ne faut jamais oublier que sur les 60 millions de personnes actuellement en mouvement, plus de 80 % se trouvent ici en Afrique, dans les pays en développement. Certains pays africains, comme l'Éthiopie, le Kenya, et même le Sénégal, accueillent plus de migrants que l'Europe. Le Sénégal est à la fois un pays d'origine, un pays de transit et un pays de destination pour les migrants.

Nous devons donc construire cette stratégie commune pour la migration avec les pays africains, et c'est ce que nous sommes en train de faire. Peut-être que cela prendra plus de temps que l'accord conclu avec la Turquie, mais pas beaucoup plus. C'est pour cela que je vous ai parlé de l'accélération de nos programmes de développement et de leur orientation vers les causes de la migration illégale.

C'est en s'engageant à transformer la migration illégale en migration légale que ce partenariat fonctionnera. Nous devons lier la migration et le développement ainsi que les partenariats privés et publics. Cela ressemble peut-être à un projet à long terme, mais il fonctionnera, et plus vite que les autres.(EurActiv 29-04-2016)

MIMICA: EMERGENCY TRUST FUND FOR AFRICA 'MIGHT NOT BE A GAME-CHANGER'

With regards to the Emergency Trust Fund for Africa (aimed at stemming irregular migration from Africa to Europe), can I put a simple proposition to you? That no matter how much you put in (currently €1.8 billion), these are some of the poorest countries on the planet, and it is not going to reduce the 'pull factor' of Europe.

Yes, they are the poorest. 1.8 billion might not be the game-changer. But again, let us take it together with our overall development actions. 20 billion in Africa, mostly for the least developed countries in the world.

20 billion, plus 1.8 billion for the most vulnerable, fragile, countries in the world. What we have to do is change the mindset and approach to our projects in two aspects – making them as focussed to the route causes of migration as possible, and also making them as fast, as operational, as possible. Our own development programmes – under National Indicative Programmes, under Regional Indicative Programmes – the lifespan of these projects are far too long, five to six years. With the Trust Fund, these two projects were approved only two months after Valleta [the November 2015 summit].Five months later, we are at the operational stage of the project.

A lifespan could be one year, two years, not longer than that, for the Trust Fund, so if we could bring this sense of urgency into the 20 billion [euros] regular EU member states operations in Africa, then we could really have a better impact on the overall state of development affairs in the most fragile and vulnerable parts of the world. So (we) have to take this forward and be more focussed on the results, not any longer on the inputs, on the quantity of money we put in, but focussed on the output, the results.

Are you optimistic about the support of governments in general in Africa? Obviously, Senegal might be a role-model, but if you look at Niger, for instance, the country profits from remittances from people who are living in Europe. Whole cities are dependent on refugee streams – they are making a living out of the crisis, in a way. How can you convince governments like that to really tackle the root causes of migration?

Actually in all my discussions, contacts, talks with African leaders, and visiting countries here or in Brussels, is now more than ever focussed on this migration interaction and interdependence. It is to be seen, from all these contacts, they recognise it's a very politically sensitive to discuss, let alone to agree, on a return and readmission policy to be fully and completely implemented.

But we agree with all of them. We are not aiming at stopping migration or turning (around) people who are working in Europe, who are there for years and decades, who are part of the history of European-African relations. So what we are aiming at is this recent influx of irregular migrants to Europe, because it's about smuggling, about endangering the life of the migrants. It's about allowing a legal framework for the migrants that does not allow for free international protection or asylum-based access when it comes to economic migrants.

But here we try to look together into these new flows that come to Europe and assess to what extent and how we can make them as legal as possible. As strongly connected to the legal migration framework that we have to develop in the European Union – and we are about to do it. In the next month or two, you will witness the European Commission's proposal for this legal migration agenda in Europe.

Therefore they understand, our partners in Africa, that we have to work together in order to stop the irregular smuggling coming to Europe for illegal, not refugee, reasons.

I see that we discuss it in a way that return and readmission is only one part of the whole migration agenda puzzle that we would like to fit together with them, because it's really about tackling the root causes of migration. It's about better management, and it's about better border management, it's about better security in the region and in the countries. So therefore I don't feel there is complete resistance to discuss it as this whole common migration agenda.

Return and readmission should not be politicised, it's more about administrative cooperation and improving the coordination between the European Union member states and the African partners. Not to search and send back all those who are already there in Europe under the previous ways they came, but to look at this new wave of migrants and to agree that there must be this kind of legal framework. This could be the basis for the new migrants to be accepted in the European Union member states.

In terms of electricity projects, you mentioned renewable energy.

We have, unlike some other energy initiatives or some other electricity initiatives in Africa, 25 bilateral or multilateral energy initiatives in Africa alone. We would like to make them much less fragmented. And, unlike others, we would like to make them our energy facility in Africa under one condition – it must be renewable.

No other sources of energy generation will be supported by co-finance or supported by blending operations. Renewables only. This is what we would like to see. And the other condition or approach that we would like to see…renewables need some other inputs, and therefore we would like to do it with companies, with private sector investment, where they don't go alone.

We have to develop the mechanisms to complete this way of doing it with the European Investment Bank and other development banks. We have to develop the real measures and conditions that wouldn't bring in Africa energy infrastructure investment that would come anyway without additional support from these blending operations.

After the EU-Turkey Joint Action Plan, we hear voices, people saying that similar operations will need to be replicated to other countries, especially Africa, in order to prevent irregular migrant flows, from the Italian Prime Minister [Matteo Renzi]. While the Trust Fund is to deal with the causes of migration, do you think there would need to be more effort, and even more creative ways of the EU supporting African countries before another migration crisis?

Yes, again in preventing or limiting the impact of migratory irregular flows, we need to tackle this migration crisis we need all sorts of partnerships. The one with Turkey might be the fast-track one, or faster than what we do or would like to do with our African partners. But it doesn't mean that we would give up the idea of bringing migration and development together in African countries. This is here in Africa, where we see migratory flows are growing.

But you must always have in mind that out of 60 million people on the move, more than 80% of them are here in the developing countries, most of the in Africa.

Some African countries do host right now more migrants than those going to Europe – see Ethiopia, Kenya, even here in Senegal. Senegal is a country of origin, a country of transit, a country of destination for migrants.

So we have to build this common migration agenda with African countries, and this is what we are doing right now.

Maybe it will take bit longer time than the arrangement with Turkey, but not too long.

Therefore I spoke of accelerating our, let us call it irregular development programmes and turning it towards tackling the root causes of irregular migration.

That I can see being more engaged in turning irregular migration towards regular migration. That is the way we see that this partnership could work. Partnership that includes the our partner country in Africa actions, as well as our support to these development and migration related actions – that includes private sector engagement as well, more blending operations as well.

This might look like a long-term project. But it will work, and it will work faster than long-term projects will.

(EurActiv 29-04-2016)

MAURITIAN FARMERS GO SMART

Fifty year-old Prem Kanoosingh rages against his peers who excessively apply chemicals, mostly pesticides and fertilisers, to their crops. "They make cocktails from several products and they use them on their crops. They are criminals", he shouted at a function where the Food and Agricultural Research and Extension Institute launched a bio-farming project in early March 2016.

This farmer, residing at Union Park, southern Mauritius, has been practicising bio-farming since the past decade on one hectare of land: rotating his crops, using manure and biological products to fertilise his land. "It will take 300 years from now to change the mentality of our farmers", he felt.

Another farmer Amarjeet Beegoo, from Moka, in the centre of the island, begs to differ. He denies that farmers are pumping chemicals into the soil. "I changed my method of production from conventional to bio-farming because of the rising costs of pesticides and fertilisers, about 700 per cent over the last few years. My business was not profitable", he told IPS, before asking with a packet of pesticides in his hands: "do you think farmers will waste such costly products into the soil by using much more than needed?"

Official statistics indicate that Mauritius imported 54,000 tons of chemical fertilisers and 2,250 tons of pesticides in 2015. Out of the 307 samples collected from the farmgate level for testing purposes, 72 per cent had no pesticide residues, on 24 per cent the presence of pesticide residues was below the codex maximum residue level (MRL) and 4 per cent exceeded this level.

Earlier this year, the chamber of agriculture carried out a survey and found that farmers use at least sixty active substances in the fields.

Firstly, though several of these substances are banned or are not authorised by the Dangerous Chemical Control Board, they are still in use today in the island.

Secondly, while pesticides are used to deal with a confirmed problem, 90 per cent of treatments are used as preventive measures, without any confirmation of any specific problem.

Thirdly, the same products are used to treat all kinds of problems that visually appear similar as well as on several crops. Lastly, there is an erroneous perception regarding the role of fungicides that farmers use often as “vitamins for the plants”.

The chamber’s general secretary, Jacqueline Sauzier, believes that time has come to think about healthy and ecological ways of producing vegetables. “One of them is smart agriculture where the use of chemicals is strictly limited to the bare essentials with the help of alternative methods of production such as trapping and culture rotation. This brings down production costs and the farmers are less exposed to chemicals and the consumers get healthy products”.

Under this project, targeted actions are organised to reach three levels of disruption. At the first level, there is a reduction of 25 per cent through optimising use of phytosanitary products through better understanding, dosage, application and results. In the second level, producers reduce chemicals by 50 per cent by using alternative biological products and introducing good insects to fight the diseases that affect the plants.

And at level three, they reduce the use of chemicals by 75 per cent taking a fresh look at the production system based on the principles of agro-ecology, as for example, the diversification of plant varieties under cultivation, culture rotations, mixed farming and the introduction of resistant plant varieties.

Mrs. Sauzier does not blame the farmers for the excessive use of chemicals because the present agricultural environment does not give them alternatives. “They lack labour and training. They seek help or advice from their peers and from chemical vendors. More often, this advice goes towards the use of chemicals and not towards understanding the reason behind the appearance of the disease that affect the plants. The farmer is at a complete loss, he uses the products as he has been told, without ever understanding the reasons behind”, she explains.

Eric Mangar, an agronomist from the Mouvement Autosuffisance Alimentaire who teaches bio-farming in schools, recalls how scientists have encouraged farmers to use chemicals intensively in their crops for better yields.“We have boosted our production with chemicals but this has not solved the issue of hunger in the world. Instead, we have destroyed our soil with chemicals. Now it’s up to us to make it fertile again, be it with smart agriculture or natural farming. There is still much fauna and flora in the soil. It is a living matter and it can still produce good quality vegetables”, he says.

Manoj Vaghjee from FORENA (Fondation Resource et Nature), an NGO, finds smart agriculture to be a very good initiative to stop farmers taking too many more preventive measures than necessary. “If we can reduce the volume of chemicals used, it’ll not be bad”, he says. But he is worried about of certification. “How can we know if the farmer is really reducing the use of chemicals on his crops? Who decides at what stage the farmer becomes smart? Clear information should be given about smart vegetables to the consumers”, he insists.

Vaghjee believes giving the consumers the choice to chose from several types of production is the best way forward.“Why should we be confined to one type of agriculture? Why not let producers use any model, conventional, smart, bio, natural and zero-budget and all and give the choice to the consumers to drive the market?,” he asks.

Farmers in Mauritius believe the wrong information is being circulated about the community to justify the rising rate of cancer in the island. “Definitely, we lack training about how to use chemicals efficiently and safely but, rest assured, we are not killing people”, Kreepalou Sunghoon, secretary of the small planters association told IPS. (IPS 26-04-2016)

HOW THE DEFINITION OF DEVELOPMENT AID IS BEING ERODED

The traditional definition of aid is being eroded at the same time that governments have committed to achieving the UN's ambitious Sustainable Development Goals (SDGs), Jeffrey Sachs special adviser to the UN Secretary-General on development told IPS Thursday.

"A lot of governments have a kind of magical thinking which is, we're all for the Sustainable Development Goals but don't come to us if you want to achieve them, go borrow from the private markets," said Sachs.

Aldo Caliari who represents civil society in UN Financing for Development (FfD) negotiations told journalists here Monday that there has been a "significant shift in the language" in these negotiations towards "a larger presence of the private sector".

"We are concerned about states withdrawing their responsibility and saying the private sector should do it," said Caliari who is also director of the Rethinking Bretton Woods Project at the Washington DC-based Center of Concern.

"Loans usually go for commercial projects rather than public service delivery so this is an entirely different way of utilising the financing," he said.

While private sector financing will provide part of the funds needed to achieve the sustainable development goals, there are definitely some areas where public funds remain essential.

"If you want to achieve universal health coverage in poor countries, which is SDG 3, that is a public sector function and the poor countries do not have enough domestic revenues to achieve that on their own," said Sachs.

"For the poorest countries the Official Development Assistance should be overwhelmingly in the form of grants because putting absolutely impoverished countries into debt makes no sense," he said.

Sachs said that there are examples right now where donor governments are reducing funding to development programs in favour of domestic refugee costs, peacekeeping budgets and climate financing.

"I know cases where contributions to The Global Fund (to Fight AIDS, Tuberculosis and Malaria) and GAVI (The Vaccine Alliance) were cancelled in favour of climate financing because the government wanted to check the box on climate financing," said Sachs.

He said that even Scandinavian countries, which he described as "some of the world's best donors", were reallocating their development funds to refugee programs.

Jeroen Kwakkenbos, Policy and Advocacy Manager at the European Network on Debt and Development (EURODAD) expressed concerns that some of the biggest increases in the recently published 2015 Organization for Economic Cooperation and Development (OECD) Official Development Assistance (ODA) figures were for areas not traditionally defined as aid.

"One of the largest increases aside from refugee costs was for non-grant financing which is basically loans which increased by 26 percent," said Kwakkenbos.

Kwakkenbos said that there is a trend towards loans replacing grants in country's overseas development assistance budgets.

These changes are reflected in donor government aid policies. For example, the Australian government states on its website, that aid represents "an increasingly small proportion of development finance" and that Australia's aid program will achieve its purpose by "supporting private sector development and strengthening human development."

Kwakkenbos said that the inclusion of refugees in ODA accounting started in the 1990s, "but at the time it was a very small proportion of ODA so everyone just kind of ignored it."

Overall, the OECD figures showed a small increase in ODA in 2015, without including the refugee costs, although some OECD countries did individually reduce the development assistance in favour of refugee programs.

The OECD told IPS by email that there has "not been any change of rules to allow more refugee costs to be counted as ODA" and that the OECD Development Assistance Committee told donor countries in February they were concerned that refugee costs should not "eat into ODA".

Despite the small overall increase, most donor countries remain a long way from meeting their commitments to increase aid to 0.7 of one percent of their Gross National Income (GNI).

Kwakkenbos said that the target to reach 0.7 has now been revised to 2030, the same year governments have agreed to achieve the Sustainable Development Goals.

“You have to remember that the original 0.7 target was 1980 and no later than 1985,” he said. (IPS 21-04-2016)

GHANA‘S GDP SLIPS TO 3.9 PERCENT IN 2015

Ghana's gross domestic product (GDP) has reduced from 4 percent in 2014 to 3.9 percent in 2015, APA learns here.

This was attributed to the decline in the country's export of key commodities such as gold, cocoa and oil in the year 2015.

According to information made available by the Ghana Statistical Service (GSS) on Wednesday and published by the Daily Guide on Friday, said the decline in the three major commodities have led to a slow growth in the Ghanaian economy.

The Deputy Government Statistician, Mr. Baah Wiredu, who made this known said the country's Producer Price Index for March 2016 dropped from 14.5 percent to 14.3 in March, 2016 while consumer inflation increased from 18.5 in February 2016 to 19.2 in March 2016.(APA 29-04-2016)

BOTSWANA GETS OVER $76M AFDB CREDIT TO DIVERSIFY ECONOMY

In a bid to help Botswana diversify its economy, the African Development Bank (AfDB) has approved a 850-million Pula ($76.2-million) line of credit (LOC) to Botswana Development Corporation (BDC) to be invested in key sectors with a view to ultimately help diversify the country’s economic base, APA learnt here on Friday.
In a statement, the bank said the Botswana government will provide a sovereign guarantee to the facility to finance BDC's investment pipeline in key sectors such as agri-business, clean energy, services, infrastructure and manufacturing.

The LOC will be complemented by a grant to strengthen the BDC's implementation capacity, effectiveness and deliver institution's implementation skills.

Established in 1970 as a limited liability company with the Government of Botswana as the sole shareholder, BDC's remit is to promote and facilitate the development of industrial, commercial and agricultural enterprises within the framework of the government's plan for economic development.

It has emerged as one of the country's big investors with investment assets of over 2 billion Pula in key non-mining sectors of the economy.

As part of its strategy, the corporation aims to diversify its funding mix and reduce its reliance on shareholder and short-term revolving credit lines financing while increasing longer term funding from borrowings.

This will also help the company to address its funding maturity mismatch challenges and align its on-lending terms with the needs of the target sectors and clients.

The LOC will provide scarce and competitively priced long-term funding to enable BDC to meet its growth and financing needs and complement efforts to mobilize resources from other sources.

Botswana's economic base is narrow, dominated by mining and the public sectors. The country's real GDP grew on average by 6.6 percent during 2010-2014. In 2014, growth slowed down to 3.2 percent and further to 1.2 percent in 2015 due to weak demand for diamonds as well as electricity and water shortages.

The downturn in the global diamond market and its impact on the economy prompted the Government to adopt the Economic Stimulus Programme (ESP) as a strategy to boost growth, promote economic diversification, and create jobs.

In line with the government's ambitions, the LOC will support entrepreneurship, economic diversification and avail scarce long-term funding to critical sectors in Botswana as well as enable jobs and wealth creation and tax-revenue generation.

In approving the support, the Board noted that Botswana is at a critical development juncture given its vulnerability to external shocks due to its reliance on diamonds resources that are liable to depletion in the medium term.

Therefore, there is a need to accelerate economic transformation from the primary sector to advanced manufacturing and services, which in turn, requires significant appropriate long-term financing whose availability is limited in the market, according to papers presented to the Board.

The LOC is fully aligned with the Bank's strategic priorities for Botswana such as promoting private-sector development and contributing to economic diversification by facilitating access to finance for private sector projects.

It is in line with the High Five priorities such as industrializing, feeding, lighting and powering Africa. It is also consistent with Botswana's 10th national development plan objectives and its financial sector development strategy in Africa.(APA 29-04-2016)

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