

MEMORANDUM

N° 124/2017 | 24/07/2017

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

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

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

11 YEARS OF UNINTERRUPTED PUBLICATION
Fit for Markert on page 13

SUMMARY

Angola adopts law limiting power of future presidents	Page 2
Laúca dam, in Angola, starts producing power	Page 2
Le financement du fonds pour l'Afrique patine	Page 2
Le Niger veut mettre fin à la ruée vers l'or dans le sud-ouest du pays	Page 3
German consortium repairs road between Kwando Kubango and Huíla in Angola	Page 3
IMF concerned about growth prospects in Mozambique	Page 5
Mega water project in Kenya's Kericho County to continue	Page 5
EU cracks down on illegal import of cultural goods used to finance terrorism	Page 5
Improving irrigation for agriculture in Egypt: new call for proposals launched	Page 6
Gambia on funding drive to become first sub-Saharan nation free of malaria	Page 7
US\$ 221m set aside for expansion of South African Breweries	Page 8
Rwanda boasts of increased electricity connection	Page 8
Angola begins rehabilitating over 1000km of Railway	Page 9
Nigeria to save \$1.5b annually on gas Project	Page 9
Offshore field development surveys commence in Senegal's Sangomar blocks	Page 9
SMES are growing Kenya's economy	Page 10
Ethiopia-Djibouti Water Project to be inaugurated soon	Page 11
World Telecom Labs supports Algerian operator to roll out SMS services	Page 12

ANGOLA ADOPTS LAW LIMITING POWER OF FUTURE PRESIDENTS

Angola's parliament passed a law on Friday that will drastically limit the powers of the country's future presidents in matters of security and defence. The law will only apply to successors of the current head of state, President Jose Eduardo dos Santos, who has enjoyed unfettered control of Angola's sprawling military and security institutions since taking power in 1979.

Supported by a large majority of lawmakers, the new bill sets out limited circumstances in which the powerful officials can be removed — including instances of criminal behaviour and old age. The heads of the army and police and intelligence services will be protected in their posts for eight years, limiting the president's power to remove them.

The policy has sparked controversy in Angola with the opposition accusing outgoing Dos Santos of seeking to retain control of the military after he leaves office.

"It means the president will not be able to remove them from their posts," said André Mendes de Carvalho, a lawmaker with the opposition CASA-CE party. "A law like this shouldn't be passed just weeks before the end of a [presidential] term. What's more, it prevents the future president from working effectively."

Angolans go to the polls on August 23 to choose their new leader. Dos Santos will not contest elections next month, which the ruling MPLA party's defence minister, João Lourenço, is expected to win comfortably.

After 37 years in office, Dos Santos has been dogged by rumours of ill health and has made two medical trips to Spain in recent months. (AFP 21-07-2017)

LAÚCA DAM, IN ANGOLA, STARTS PRODUCING POWER

The Laúca dam located on the Kwanza River, in Angola's Malanje province, is due on Friday to start producing electricity for the Angolan public grid, according to daily newspaper Novo Jornal.

The first of the six turbines of the dam, the largest public works in Angola representing an investment of over US\$4 billion, will inject more than 330 megawatts (MW) into the public grid.

With the start of operation of the other five turbines in 2018 the dam will produce 2,070 MW of power.

The dam was built by Brazilian company Odebrecht, through financing from the Brazilian National Economic and Social Development Bank.

Angola will, however, use the Standard Chartered bank to secure financing of US\$265 million to transport energy produced away from the dam.

The filling of the Laúca reservoir will be completed by the end of 2018, when it will reach the maximum level of 850 metres, and from then on conditions will be in place to supply electricity to the main Angolan cities, namely Luanda, without interruptions. (21-07-2017)

LE FINANCEMENT DU FONDS POUR L'AFRIQUE PATINE

Le financement du fonds fiduciaire pour le continent africain est en panne. Une situation qui agace le Parlement européen et la Commission, qui demandent aux États membres de mettre la main au portefeuille pour respecter leurs engagements.

Les pays européens ne financent qu'une petite partie de ce qu'ils ont promis au Fonds fiduciaire pour l'Afrique, destiné à répondre aux problématiques de développement et de sécurité dans les pays d'origine des migrants sur le continent.

Depuis 2015, la Commission européenne a lancé plusieurs fonds fiduciaires de ce type, afin de répondre à la crise migratoire. Le plus important concerne l'Afrique et plus spécifiquement les régions

d'origine des migrants, comme le Sahel, la région du lac Tchad, la Corne de l'Afrique et le nord du continent.

Lancé en novembre 2015, ce fonds fiduciaire pour l'Afrique peine depuis à atteindre ses objectifs de financement. Doté de 1,8 milliard d'euros de fonds européens, en partie piochés de l'aide au développement, le fonds n'a pas obtenu les contributions espérées de la part des États membres.

Promesses non tenues

« Les États membres ne font pas suffisamment d'efforts en ce qui concerne les promesses et les contributions au Fonds fiduciaire pour l'Afrique » s'est récemment agacé Jean-Claude Juncker, président de la Commission européenne.

L'UE débloque 1,5 milliards pour les migrants d'Afrique

La Commission doit annoncer la mise en place d'un fonds spécial pour l'Afrique, destiné à s'attaquer aux causes de la crise des réfugiés.

« Nous espérons que les États membres complètent ce montant [de 1,8 milliard] pour que nous ayons à notre disposition 3,6 milliards d'euros », a-t-il rappelé. Mais depuis 2015, les contributions sont restées en berne, avec seulement [89 millions d'euros provenant des capitales](#).

« Les États membres n'ont, bien entendu, rien versé, et la Commission a dû accroître sa part à 2,6 milliards d'euros » a tempêté le président de l'exécutif européen, rappelant par ailleurs que « la Norvège et la Suisse promettent plus que les trois quarts des États membres ».

Crédits non dépensés

Pour le Parlement européen, la question du sous-financement de ces fonds pourrait pourtant être résolue avec un peu de bonne volonté de la part des États membres. Dans un rapport adopté début juillet, les élus européens ont appelé les pays européens à verser aux différents fonds fiduciaires les crédits non dépensés du budget européen 2016.

Malgré les multiples crises traversées par l'UE, une partie importante du budget pour l'année 2016 n'a pas été dépensée. Le reliquat s'élève à 6,4 milliards d'euros. Non dépensé, cet argent ne sortira même pas des caisses des différents pays.

Le Parlement s'inquiète du financement du fonds spécial pour l'Afrique

Les contributions des États membres au fonds d'affectation spéciale de l'UE pour l'Afrique demeurent extrêmement faibles. Le fonds est ainsi principalement financé par l'aide au développement de l'UE, a dénoncé le Parlement européen.

« Concrètement, les États membres ont donc moins payé que prévu, puisque l'UE a moins dépensé que prévu », explique une source au Parlement européen. Cette manne financière non utilisée provient notamment de la politique de cohésion, dont un certain nombre de projets n'aboutissent pas.

Pour les parlementaires européens, ce surplus devrait donc revenir dans les caisses de l'UE, et non dans celle des pays européens. Et pourraient spécifiquement servir à financer les fonds fiduciaires en 2017. Ainsi, les États membres pourraient « honorer leurs engagements en lien avec la crise des réfugiés et verser une contribution [...] aux fonds fiduciaires de l'Union et au nouveau Fonds européen pour le développement durable », [souligne la résolution](#).

Finalité critiquée

Au-delà du financement problématique du fonds fiduciaire, son objectif est également régulièrement remis en cause. Ainsi, le fonds dont l'objectif principal est de lutter contre les causes profondes des migrations est très largement financé par le Fonds européen de développement (FED), principal outil de l'UE en faveur du développement et de la lutte contre la pauvreté.

La réorientation de l'aide au développement de l'UE vers les enjeux migratoires a régulièrement été dénoncée par les ONG, mais aussi par les représentants des pays africains et le [Parlement européen](#). (EurActiv 20-07-2017)

LE NIGER VEUT METTRE FIN A LA RUEE VERS L'OR DANS LE SUD-OUEST DU PAYS

La fermeture définitive de plusieurs sites aurifères situés dans le sud-ouest du pays a été décrétée par le gouvernement du Niger. Des milliers d'orpailleurs nigériens et ouest-africains travaillent sur ces sites.

« Les sites d'orpaillage de Liptako [dans le sud-ouest du Niger, NDLR] sont fermés à partir du 15 juillet 2017 ; par conséquent, les orpailleurs sont tenus de cesser toute activité d'exploitation et d'évacuer les sites d'extraction », a annoncé le ministère des Mines dans un communiqué lu mardi à la radio d'État. Selon des sources locales contactées par l'AFP, pas moins de 20 000 personnes travaillent sur ces sites. Nigériens, Burkinabè, Maliens ou Sénégalais seraient ainsi exploités depuis une trentaine d'années, toujours d'après les sources locales.



Le gouvernement du Niger a ordonné la fermeture de plusieurs de ses sites aurifères

« Mettre un terme à l'anarchie »

Jusqu'ici, l'État nigérien n'intervenait pas sur ces sites qui échappaient à toutes réglementations. [Jeune Afrique mentionnait le mois dernier](#) que la plupart des orpailleurs travaillaient sans permis et dans des conditions très difficiles.

Les raisons des fermetures de ces sites ne sont pas précisées dans le communiqué. Toutefois, un fonctionnaire du ministère des Mines a déclaré à l'Agence de presse, « le but, c'est de mettre un terme à l'anarchie sur ces sites, donc de réorganiser le secteur en vue d'une exploitation plus moderne et rentable pour l'État ».

L'argumentaire sécuritaire

Certains sites sont déjà fermés. C'est le cas notamment de celui de Tamou, situé à une cinquantaine de kilomètres de Niamey, dont l'arrêt effectif a été confirmé à la radio par le préfet de Say, Djibo Mossi. D'après lui, les orpailleurs concernés par l'interruption du site « ont été informés ». Plusieurs de ces travailleurs sont originaires du Burkina Faso, Mali et Bénin.

En février, le gouvernement nigérien avait déjà ordonné la fermeture d'un site aurifère situé sur le plateau du Djado, dans le nord du pays. Selon les autorités locales, 20 000 travailleurs nigériens, tchadiens, libyens et soudanais y étaient rattachés. Lors de cette fermeture, l'argument officiel avancé par le gouvernement était celui de la « sécurité », le site étant jugé menacé par des actes « terroristes », du fait de la proximité avec la région frontalière entre la Libye et le Tchad, très instable. (JA 19-07-2017)

GERMAN CONSORTIUM REPAIRS ROAD BETWEEN KWANDO KUBANGO AND HUÍLA IN ANGOLA

German consortium Inzag Germany GmbH and GAUFF will repair the road between Cuchi and Curato, which connects the province of Kwando Kubango to the province of Huíla in Angola, according to Angolan news agency Angop.

The refurbishment of the 54-kilometre road will cost US\$58 million and funded by the German government.

The work is scheduled to be completed in the last quarter of 2018.

Angolan Construction Minister Artur Fortunato said at the time that the road is an important link in the connection between the capital cities of Kwando Kubango and Huíla, as well as for the economic development of southern Angola. (21-07-2017)

IMF CONCERNED ABOUT GROWTH PROSPECTS IN MOZAMBIQUE

The mission of the International Monetary Fund (IMF), which visited Mozambique to assess the country's economic and financial situation, said it was concerned about the growth prospects of the Mozambican economy, which remain difficult, as in 2016 growth was only 3.8%, although it is expected to rise to 4.7% this year.

Inflation remains high despite a projection of a steady decline, according to an assessment by the IMF team, led by Michel Lazare, who visited Mozambique between 10 and 19 January to discuss with the authorities the measures needed to follow up the recent audit report on public sector companies EMATUM, Proindicus and MAM.

The IMF also called for urgent action to strengthen the financial position of loss-making companies and limit the fiscal risk they represent.

The IMF warned of the need for Mozambique to urgently consolidate public finances. Total public debt, mostly in foreign currency, over-indebtedness and the government's failure to pay foreign debt are among the findings of the 10-day mission to Mozambique.

The mission concluded that the 2018 budget should decisively reduce the fiscal deficit by focusing on eliminating tax exemptions (including VAT), on curbing wage growth, and prioritising the implementation of only essential public investments, thus avoiding further delays. (21-07-2017)

MEGA WATER PROJECT IN KENYA'S KERICHO COUNTY TO CONTINUE

A major water project in Kericho will now continue following the compulsory acquisition of 10 acres of land from the Unilever Tea Company.

Kericho County governor Paul Chepkwony says that the Kimugu Water Project located near Brooke Trading Centre will be a major relief for residents who have been facing water problems over the years. "Once the project is complete Kericho Water and Sanitation Company (Kewasco) will double supply of water to 22m litres daily from the 13m litres currently.

According to Professor Chepkwony, the new project will bring an end to water supply interruptions experienced in the past and allow Kewasco to expand its customer base, all with a view to ensure that more than 70% of Kericho County has access to clean drinking water.

The governor said the Kimugu project will be implemented concurrently with the \$23.4m Kusumek Water Project in Bureti Constituency which has been worst hit by water shortage. Kusumek project will be a big relief to more than 40,000 residents of Bureti served by Tililbei Water Company.

Every 3 among 10 people worldwide lack access to clean water at home, a new joint report by World Health Organisation (WHO) and Unicef shows. This translates to 2.1Bn people. Of the world's total population, another six out of 10 or 4.5Bn people lack safely managed sanitation, according to the report.

The joint report which gives 2017 update on Sustainable Development Goals, presents the first global assessment of "safely managed" drinking water and sanitation services. Its overriding conclusion is that too many people still lack access, particularly in rural areas (CRO 13-07-2017)

EU CRACKS DOWN ON ILLEGAL IMPORT OF CULTURAL GOODS USED TO FINANCE TERRORISM

The European Commission has put forward new rules to clamp down on the illegal import and trafficking of cultural goods from outside the EU, often linked to terrorist financing and other criminal activity.

"Money is oxygen to terrorist organisations such as Daesh," said Commission First Vice President Frans Timmermans, announcing the measures. "We are taking action to cut off each of their sources of financing. This includes the trade of cultural goods, as terrorists derive funding from the looting of

archaeological sites and the illegal sale of cultural objects. By preventing them from entering the EU, we can help dry up this source of income."



At the moment, the EU applies prohibitions on goods from Iraq and Syria but there is no general EU framework for the import of cultural goods, and current rules can be exploited by unscrupulous exporters and importers, who can use the profits to fund illegal activities such as terrorism.

The new rules foresee a number of actions which should ensure that the importation of illicit cultural goods becomes much more difficult in the future:

A new common EU definition for 'cultural goods' at importation which covers a broad range of objects including archaeological finds, ancient scrolls, the remains of historical monuments, artwork, collections and antiques.

The introduction of a new licensing system for the import of archaeological objects, parts of monuments and ancient manuscripts and books.

For other categories of cultural goods, importers will now have to go through a more rigorous certification system by submitting a signed statement or affidavit as proof that the goods have been exported legally from the third country.

Customs authorities will also have the power to seize and retain goods when it cannot be demonstrated that the cultural goods in question have been legally exported.

A string of crimes against our common cultural heritage have been perpetrated by warring factions and terrorist entities all over the world. Recent reports have also shown that valuable artworks, sculptures and archaeological artefacts are being sold and imported into the EU from certain non-EU countries, with those profits potentially used to finance terrorist activities.(EU)

IMPROVING IRRIGATION FOR AGRICULTURE IN EGYPT: NEW CALL FOR PROPOSALS LAUNCHED



A call for proposals has been launched under the European Union-Joint Rural Development Programme (EU-JRDP) in Egypt. The programme, which is part of the EU's ENPARD initiative for agriculture and rural development, aims to improve the quality of life of the people living in rural areas of the

governorates of Matrouh, Minya and Fayoum, with a focus on sustainable management of territorial resources.

Since last year, the programme has been working on the rehabilitation of irrigation schemes in the areas of Bahr Awlad Mohamed and Bahr Biahmu, both in Fayoum, and Hafez Al Sharkyia in Minya. This is based on: i) the restoration and reconstruction of damaged main canals and Mesqas, ii) the adoption of policies to ensure the safeguard and efficiency of irrigation services, iii) the integrated and programmed maintenance of main canals and mesqas. In addition, EU-JRDP is providing a grant for solid waste management in the same areas of intervention.

It is within this framework that a call for proposals has been published for 'Improving on-farm irrigation in Fayoum and Minya'.

The call aims to create synergies with other EU-JRDP initiatives in irrigation, and mainly targets the improvement of irrigation systems at farmers' field level (marwas).

The overall indicative amount available under this call is €1.2 million. The deadline for submission of applications is 3 September 2017.(EEAS)

[Call for proposals](#)

GAMBIA ON FUNDING DRIVE TO BECOME FIRST SUB-SAHARAN NATION FREE OF MALARIA

Gambia could become the first country in sub-Saharan Africa to eliminate malaria on its track record of combating the mosquito-borne disease but more donor funds are needed for the "last mile" of the drive, health experts said on Wednesday.

The prevalence of the malaria parasite in children under five has plunged to 0.2 percent from 4 percent in 2011, according to the National Malaria Control Programme (NMCP).

The total number of new malaria cases across the West African nation has fallen by about 40 percent in that time - to 155,450 last year down from 262,000 in 2011, NMCP data shows.

Gambia is aiming to achieve the milestone of having no new malaria cases by 2020, but donor fatigue is a concern with a funding gap of over \$25 million, said NMCP head Balla Kandeh.

"This last mile is the most difficult - we need more support to sustain the gains we have made yet donors often turn their attention elsewhere as cases drop," he said, adding that malaria rates in Gambia may rebound if more funding is not secured soon.

Kandeh hopes that Gambia's new leadership under President Adama Barrow, who won a December election to bring an end to 22 years of autocratic rule under Yahya Jammeh, will attract back donors after many left during the previous regime.

"There is a better working environment under Barrow, with less constraints and less political uncertainty," he told the Thomson Reuters Foundation. "The fear of the unknown has gone."

Aside from the usual control measures, such as antimalarial drugs, insecticide-treated bed nets and indoor spraying, Gambia has successfully used technology to tackle malaria, according to Carla Fajardo of aid agency Catholic Relief Services (CRS).

Tablets, online platforms and GPS have been used to track delivery of the above strategies, with real-time data enabling decisions to be made on the fly, while internet service providers have boosted bandwidth in remote areas, Fajardo said.

The world has made huge strides against malaria since 2000, with death rates plunging by 60 percent and at least six million lives saved globally, the World Health Organization (WHO) says.

But efforts to end one of the world's deadliest diseases - which kills about 430,000 people a year, mostly children in sub-Saharan Africa - are under threat as mosquitoes become increasingly resistant to measures such as bed nets and drugs. (Reporting By Kieran Guilbert, Editing by Belinda Goldsmith; Please credit the Thomson Reuters Foundation, the charitable arm of Thomson Reuters, that covers humanitarian news, women's rights, trafficking, property rights, climate change and resilience. Visit news.trust.org) (DEV 12-07-2017)

US\$ 221M SET ASIDE FOR EXPANSION OF SOUTH AFRICAN BREWERIES

US\$ 221m is set to be invested on the expansion project of the South African Breweries (SAB; multinational beverage and brewing company Anheuser-Busch InBev (AB-InBev) has confirmed.

The expansion will be made in two new packaging lines for returnable glass bottles, at its Alrode and Rosslyn breweries, in Gauteng.

SAB noted that the new packaging lines will have the capacity to bottle 45 000 bottles an hour and that SAB will purchase four-million crates and 48-million bottles to start production.

The Alrode packaging line will be in production by August this year, while Rosslyn's packaging line will be on line by October 2017.

During a recent media tour of SAB's Alrode bottling plant, the Johannesburg-based brewing and bottling major announced that its investment would be in addition to the public interest commitments made by AB-InBev during last year's acquisition of SABMiller, whereby AB-InBev agreed to invest US\$ 74m in South Africa over five years.

AB-InBev Africa president Ricardo Tadeu confirmed the reports and said that the investment is key and would help increase SAB's capacity by between 7% and 8%.

"This investment will also have a positive impact on South Africa's agriculture and agro processing sectors. We are investing in the local production of barley, which will optimistically assist South Africa to become exporters of barley as a raw material," he said.

Through this initiative, SAB would contribute towards the company's sustainable development goals, which are aligned with South Africa's National Development Plan. (CRO 12-07-2017)

RWANDA BOASTS OF INCREASED ELECTRICITY CONNECTION

The Rwandan Prime Minister Anastase Murekezi while in Parliament to brief lawmakers on the state of the economy yesterday said, that the number of people connected to electricity in Rwanda has increased threefold over the last seven years.

Addressing members of both chambers of Parliament, yesterday, Murekezi said the number of Rwandans connected to power has increased from 10.8 per cent in 2010 to the current 34.5 per cent. The Premier said that though the Government had given itself a target of increasing energy levels to at least 563 megawatts and to supply it to 70 per cent of the population, achieving this required a whopping \$3.2 billion. In the last seven years, the energy sector has used a budget of Rwf881.7 billion, to fix the financing issue, the Government now partners with the private sector.

Rwanda needs US\$70m to bring down electricity losses in the network

He also outlined several other challenges, including lack of adequate and timely reparations in areas where activities connected to energy are about to take place. He cited the challenge of many people living in scattered settlements, which makes it hard for the Government to collectively connect them to electricity. Only 55.8 per cent of Rwandans live in organized settlements, commonly called Imidugudu. Currently, the country has 208.36 megawatts of hydro power and 98.68 megawatts from solar, methane gas, peat and generators. In the last seven years, it has increased the energy supply from 97 megawatts in 2010 to 208.36 megawatts presently.

The Premier said that energy generation and distribution was an extremely costly venture and the money to inject in such projects can't be mobilized at once. For instance, to get one megawatt, it requires \$4 million. Connecting one home requires \$1,000 (about Rwf840, 000). Of this amount, a subscriber's contribution is only Rwf56, 000, which is not even 10 per cent.

MP Berthe Mujawamariya said that the locals, especially upcountry, are happy that they finally have electricity. However, when one looks at the performance contracts of districts, you realize that the pledges that they make in terms of electricity are very ambitious compared to the budgets of the stakeholders from the private sector, making it impossible to supply more electricity to more people. (CRO 12-07-2017)

ANGOLA BEGINS REHABILITATING OVER 1000KM OF RAILWAY

Angolan Minister of Transport, Augusto da Silva Tomás, has described the rehabilitation and modernization of the 1.344km of railway and installation of new communication and traffic control systems as important investments of the Angolan State on the Benguela Railway (CFB).

During a working visit to 8 locomotives acquired in December 2016 by the Angolan Government, Cabinet Minister da Silva Tomás said that the locomotives are aimed at reinforcing the capacity of transportation of people and goods.

He also revealed the Government's investment plan in the rehabilitation of 2 train stations and the construction of 65 crossing points and highlighting 6 stations of 1st class and 8 of 2nd class.

According to da Silva Tomás also, the purchase of office equipment and the completion of construction of Benguela Railway Training Center in Huambo, whose investments will bring economic growth, employment and improved living conditions for Populations.

Minister da Silva Tomás has had meetings in the province of Benguela, as part of the meetings of the public companies in the sector.

Rail transport in Angola consists of three separate Cape gauge lines that do not connect: the northern Luanda Railway, the central Benguela Railway, and the southern Moçâmedes Railway (southern). The lines each connect the Atlantic coast to the interior of the country. A fourth system once linked Gunza and Gabala but is no longer operational.

Railway construction in Angola began in 1887, while the country was a colony of Portugal. The Luanda Railway opened in 1889, the Moçâmedes Railway opened in 1910, and the Benguela Railway opened in 1912.

It continued to be extended inland until 1961, when the Moçâmedes Railway reached Menongue.[1][2]

After Angola attained its independence from Portugal in 1975, the Angolan Civil War broke out and lasted until 2002.

The prolonged fighting resulted in the destruction of most of Angola's infrastructure. The rebels blew up bridges, tore up track, and sabotaged the right of way with land mines to prevent the railway from being restored. (CRO 07-07-2017)

OFFSHORE FIELD DEVELOPMENT SURVEYS COMMENCE IN SENEGAL'S SANGOMAR BLOCKS

Cairn Energy has commenced field development surveys in the Sangomar Offshore and Sangomar Deep Offshore blocks, covering 400 square kilometres of the coast of Senegal



Oil and gas discoveries in Senegal could improve access to energy across the country, especially in rural areas.

This geophysical, shallow geotechnical and environmental survey in the SNE field will help Cairn, and its joint venture partners, Woodside Energy, FAR and Petrosen, plan and engineer the facilities needed to develop the field for the West African country. Lloyd's Register has been contracted by Cairn to provide project management and technical assistance for the surveys, which are expected to be completed by September.

Lloyd's Register employees will be focusing on ensuring optimum information on seabed and sub-seabed conditions are used to enable facilities to be designed safely and efficiently, and investigating relevant seabed areas and shallow soil zones, assessing the location for important marine life habitats. Additionally, the brief covers geotechnical site investigation to help Cairn develop a suitable subsea production system. This will involve drill centres connected via flowlines and umbilicals to a FPSO, as well as providing information on pipeline routes to get the oil and gas to shore.

Cairn and its joint venture partners received approval from the Senegalese government in 2015 for their evaluation plan, with Cairn going on to drill four further appraisal and exploration wells in the SNE field in the first half of 2016. Operators and the government hope that the discovery of hydrocarbons in Senegal will have a transformative effect across multiple industries (OR Africa 30-06-2017)

SMES ARE GROWING KENYA'S ECONOMY

While Kenya's small and medium enterprises (SMEs) continue to create numerous jobs and boost the country's GDP, they face a myriad of challenges that always hamper their growth



SMEs constitute 98 per cent of all business in Kenya.

Kenya's 2017 overall GDP growth is projected at 6.4 percent with SMEs contributing 3 percent. A recent National Economic Survey report by the Central Bank of Kenya (CBK) indicate that SMEs constitute 98 percent of all business in Kenya, create 30 percent of the jobs annually as well as contribute 3 percent of the GDP.

According to the 2014 survey, 80 percent of the 800,000 jobs created in the year came from the informal sector which is dominated by the SMEs.

"Overall, these businesses help many Kenyans from suffering unemployment while boosting their incomes. Yes, there are challenges but we create jobs as well for others," observed Sheila Njuki, a business owner in Nairobi's Jevanjee area where she sells items for interior décor and related items. She employs one person and has an annual turnover of about Ksh 3 million (\$30,000). Most of her merchandise is sourced locally although imported items-mainly from China- are also on display.

Under the Micro and Small Enterprises Act of 2002, micro enterprises have a maximum annual turnover of Ksh 500,000 (\$5,000) and employ less than 10 people.

Small enterprises have between \$5,000 to \$50,000 annual turnover and employ 10-49 people.

Medium enterprises –while not covered by the Act have a turnover of between \$ 50,000 and US\$8mn and employ 50-99 people.

Kenya's SME is dominated by the micro and small enterprise and will be found in city estates and along major highways.

The Jua Kali sector where artisans make all types of merchandise from shoes, wheelbarrow, metal boxes and assortment constitute an integral part of the SMEs in Kenya. The artisans produce a variety of high quality hard and soft wood furniture, fabricated doors and gates, priceless pieces of art created from scrap metals and carpets. All items are specially fitted to meet the customers' needs and tastes. Their products are mainly for local consumption or are exported to nations within the East African Community (EAC) and COMESA regions.

Yet, even with its immense contribution to the economy, Kenya's SMEs are faced with numerous challenges.

According to a report Deloitte Kenya Economic Outlook 2016, SMEs are hindered by inadequate capital, limited market access, poor infrastructure, inadequate knowledge and skills and rapid changes in technology. Corruption and other unfavourable regulatory environments present other bottlenecks to this vital cog of the economy.

A survey by the Kenya National Bureau of Statistics released early this year indicates that approximately 400,000 micro, small and medium enterprises do not celebrate their second birthday. Few reach their fifth birthday- leading to concerns of sustainability of this critical sector.

Although the World Bank in its report on Doing Business in Kenya in 2017 lauds the country for making progress in making it easier to start a business, major issues remain in smoothening the process.

In Kenya, starting a business involves seven procedures, takes 22 days and costs 21.1 percent income per capita for both men and women.

The World Bank notes that the ease with which businesses can be registered has a bearing on the number of entrepreneurs who start businesses, leading to jobs and more government revenue.

The government has formulated strategies to quicken the processes of starting a business in favour of small firms. It has addressed SME challenges by enforcing legislation on local content for public projects-establishing 'Buy Kenya, Build Kenya' policies in public procurement, research and development support and increased funding to funds such as the Uwezo Fund. The Uwezo Fund is a government fronted financial tool aiming to expand access to finances and promote women, youth and persons with disability.

Experts however say that some of the challenges with SMEs are beyond government bureaucracy.

"Most people prefer replicative businesses. Nobody does a market survey to see whether the business is viable," observed Dr. Bitange Ndemo, an associate professor at the University of Nairobi's School of Business and a former government official.

But finance remains the most critical challenge affecting the SMEs in the country.

"The critical factor however remains under financing. Few banks or saccos are eager to finance SMEs especially at the inception stage," added Ms Njuki.

Bank collaboration

To alleviate the financing gaps, the Kenya government in collaboration with partners created the Financial Sector Deepening (FSD) programme whose goal was to expand access to financial services among low income households and smaller enterprises. Funders include the UK's Department for International Development (DFID), the Swedish International Development Agency (SIDA), and the Bill and Melinda Gates Foundation.

Two years ago, FSD, the World Bank and Central Bank of Kenya jointly conducted a research project in an attempt to understand the supply and demand side of the SME market. The report highlighted the difficulty in tracking the size of the SME and its need for financial services.

According to the research, the evolution of the supply side of the SME between 2009 and 2013 resulted in rapid expansion of Kenya's financial sector. (CRO 14-07-2017)

ETHIOPIA-DJIBOUTI WATER PROJECT TO BE INAUGURATED SOON

The Ethiopia-Djibouti cross border potable water project is ready to start operation in about three months, with expecting to provide safe drinking water to more than 700,000 Djibouti nationals



The Ethiopia-Djibouti water project is classified as one of the largest water projects in Africa. The water project has been funded by the Export-Import Bank of China, with the construction being made by Chinese construction company CGC Overseas Construction Co Ltd (CGCOC).

Demelash Mulu, the project manager, said in a statement that the development of the project was tested three weeks before and proved successful.

The construction of the Ethiopia-Djibouti water project was launched in July 2015, with a total cost of US\$329mn, aiming to solve the drinking water problem in Djibouti and to deepen its ties with neighbouring Ethiopia.

During the launching of the project in 2015, Ismail Omar Guelleh, the president of Djibouti, lauded the existing partnership between Djibouti and China as a major driving force for the completion of the project.

The project includes the construction of water wells, reservoirs as well as installation of 102km water distribution pipeline to supply groundwater from Ethiopia's Hadagalla town to Djibouti's key towns of Ali-Sabieh, Dikhil, Arta and the capital.

With 200mm of yearly average rainfall in most parts of its national territory, Djibouti has always been considered as a country suffering from chronic water stress situation.

With completion of the project, the Djiboutian government expects that the country will be benefitted with 100,000 cu/m of water daily for the next 20 years, which will end the year-long water problem in the horn of African country.(AR 10-07-2017)

WORLD TELECOM LABS SUPPORTS ALGERIAN OPERATOR TO ROLL OUT SMS SERVICES

World Telecom Labs has partnered with Icosnet, an operator in Algeria, to launch A2P (Application to Person) SMS service



A2P will be used by customers across Algeria.

The new platform will be used by domestic and global companies who want to communicate directly with their customers across the country.

Despite the rising use of IP messaging, SMS is still used across Algeria with the main operators providing services which include text sending and receipt.

More and more companies based in Algeria are using SMS to interact with and provide support to their customers as it is expected to be a better form of communication than email.

WTL noted that it worked with Icosnet to deliver its service quickly and cost-effectively through the provision of SS7 signaling gateways.

According to WTL, this enabled traffic to transfer between Icosnet's IP networks and the existing networks in Algeria.

As Icosnet's business expanded and evolved, WTL offered a variety of equipment including its VoIP switches.

Andrew Kinnear, executive director at Icosnet, said "WTL is a trusted and much valued supplier. Our business and infrastructure have evolved over the years and WTL is always there to support us. We truly appreciate the advice and expertise of the team at WTL."

Leigh Smith, MD of WTL, also commented, "Of course, the great thing about text is that, unlike popular forms of IP messaging, it can be used to send and receive messages from anyone who has a mobile."

Icosnet is setting the standard for African companies who want a cost-effective and reliable A2P SMS service to communicate with customers. Icosnet has always been an innovative operator and we are happy that our strong relationship continues.”(Communications Afrique 13-07-2017)

The Memorandum is supported by the ACP-African, Caribbean, Pacific Secretariat, Chamber of Commerce Tenerife, Corporate Council on Africa, CIP-Confederation of Portuguese Enterprises, Hellenic-African Chamber of Commerce and Development, HTTC - Hungarian Trade & Cultural Centre, NABC- Netherlands-African Business Council, SwissCham-Africa and other organisations. The Memorandum is also made available by AHEAD-GLOBAL, BCA, Chamber of Tenerife (by posting it at the Africa Info Market), CCA - Canadian Council on Africa, CCA - Corporate Council on Africa (USA), CIP,HTTC,NABC (by posting selected news) and SwissCham-Africa to their Members.



www.acp.int



www.camaratenerife.com



www.ccafrica.ca



www.corporatecouncilonafrika.com



www.cip.pt



www.helafrican-chamber.gr



www.htcc.org.hu



www.nabc.nl



www.swisscham-africa.ch



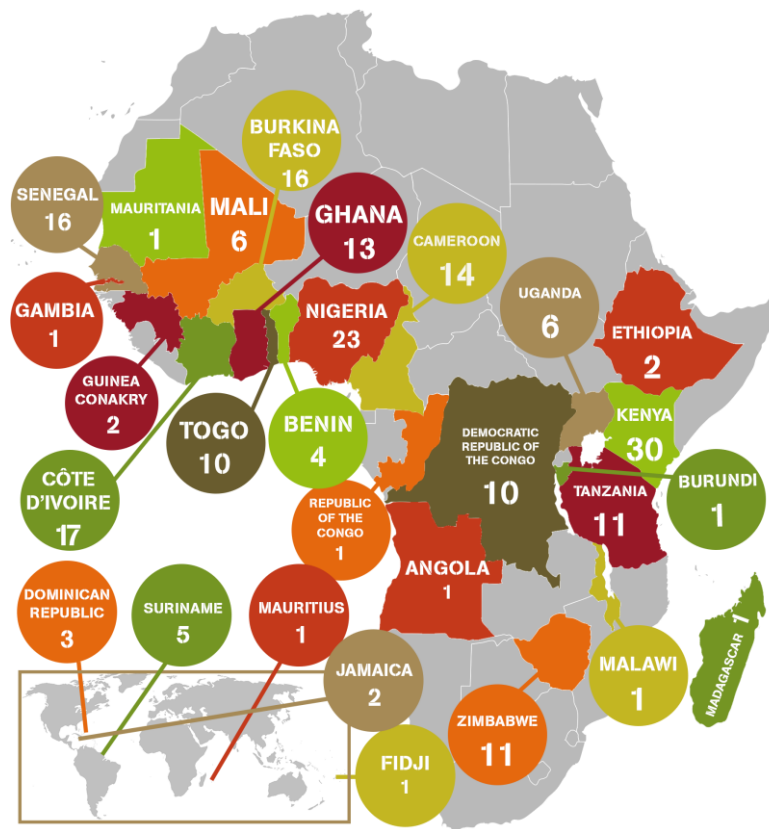
Fit For Market: 215 development projects for the ACP fruit and vegetable sector by end 2017

The Fit For Market (FFM) programme was launched officially in December 2016 and in just six months has received 215 requests for support from thirty African, Caribbean and Pacific countries (see map below).

The majority of requests have come from businesses and producer groups. They cover the fruit and vegetable sector and more precisely support for sustainability of business production and management systems, social standards or sanitary and phytosanitary compliance.

All these requests are being analysed by the experts in the COLEACP team. Each project is processed per country under the responsibility of geographical coordinators. After every analysis, they prepare an action plan with the beneficiary in question, which will become an individualised development project over a one- to three-year period.

FFM is thus entering a new phase of preparing actions in the field that will mobilise the team for the next few months. As the requests for intervention reaching COLEACP are not stopping for all that, a second wave of action plan preparation is already planned for the beginning of 2018.



Fernando Matos Rosa

fernando.matos.rosa@sapo.pt

fernando.matos.rosa@skynet.be