

# MEMORANDUM

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## EU PROTESTS GAMBIA EXPULSION

The European Union (EU) has protested vehemently against the expulsion of its top diplomat Agnes Guillaud from The Gambia.

Chargé d'affaires Guillaud was on Friday given 72 hours to leave Banjul with no reason advanced by the government of President Yahya Jammeh for her expulsion.

Reports monitored in Banjul on Saturday confirmed that as a mark of protest the European Union summoned the Gambian ambassador to the EU to explain why their diplomat was expelled from Gambia without any prior notification.

It is not clear what transpired from the meeting with the Gambian ambassador to Brussels.

In a statement issued later on Saturday, the EU categorically stated that there was no justification for Gambia's decision to expel Guillaud who had not violated any laws.

"We are astonished by this announcement which came with no explanations" the statement said.

Guillaud's expulsion comes against the backdrop of difficult relations between Banjul and the EU which withdrew some \$13 million in development aid to The Gambia over what it called a worsening human rights record.

It was also considering withholding another tranche of aid amounting to \$150 million meant for 2015.

There have been fundamental differences over Gambia's position on the lesbian and gay community whom President Yahya Jammeh had threatened with beheading.

President Jammeh had accused Western nations of embarking on a calculated campaign to tarnish his country's image on the international scene and reiterated his uncompromising stance against homosexuality. (APA 07-06-2015)

## ACP-FAO AGREEMENT TO ENHANCE 79 COUNTRIES' PURSUIT OF UPCOMING SUSTAINABLE DEVELOPMENT GOALS

The African Caribbean and Pacific Group of States (ACP) and the United Nations Food and Agricultural Organisation (FAO) are deepening their ties with an eye to bolstering national capacities to cope with climate change, enhance food security and support sustainable food production.

A Memorandum of Understanding, signed here today by Patrick Ignatius Gomes, Secretary General of the ACP Group, and FAO Director-General José Graziano da Silva, is geared in particular towards supporting the 79 ACP member countries work towards achieving the global Sustainable Development Goals that will be agreed later this year.

The ACP Group and FAO pledged to "strengthen their cooperation in support of actions contributing to better address the continuing food insecurity and malnutrition, hunger, natural resource management and climate change challenges in the ACP Group Member States."

Priority areas of collaboration will be identified by ACP members. Projects to harness private-sector support in building efficient and inclusive agricultural value chains and helping smallholder farmers meet export market regulatory requirements will be a central focus. Other measures will aim at hunger eradication, better nutrition and sustainable economic practices.

### Common goals

The alliance "is a great demonstration of how the critical issues of food and nutrition security can be addressed by optimum use of our combined resources-- the skills, experience and policy instruments - that have been tested by concrete actions in various parts of the world," said Gomes.

"ACP States are particularly vulnerable to climate change and FAO is well placed to help their family farmers adapt, produce more food and access markets in inclusive and sustainable ways," said Graziano da Silva.

Climate change is a matter of special urgency in tropical regions, particularly for the 31 island states among ACP's Members. FAO has offered technical advice to ACP Members ahead of the international COP 21 climate negotiations to be concluded in Paris at the end of 2015.

Under today's agreement, and building on the implementation of the Small Islands Developing States Accelerated Modalities of Action, or Samoa Pathway, the ACP and FAO will jointly promote mitigation and adaptation to climate change gradual effects in agriculture (climate-smart agriculture). This will be done by advancing enabling policy frameworks, techniques and practices in water, energy, soil, crop, livestock, forestry, aquaculture and fisheries, in the most vulnerable countries and regions, including ACP Small Islands Developing States (SIDS).

FAO recently set up a Trust Fund to address the specific vulnerabilities faced by Small Island Developing States to climate change and natural disasters such as Cyclone Pam, which wracked Vanuatu earlier this year. The MoU commits both ACP and FAO to jointly promote and contribute to the implementation of activities planned within the Fund's framework.

The MoU also foresees measures aimed at facilitating an -ACP South-South Cooperation programme for food security and agriculture, including technology sharing, knowledge exchange and policy dialogue between tropical countries.

Another priority under the expanded collaboration is to engage the private sector to support the development of efficient and inclusive agrovalue chains. The emphasis will be on targeted agricultural commodities, both food staples and cash crops, and on smallholders, farmer- and producer organizations and small and medium enterprises. (ACP 06-06-2015)

## EU PROVIDES ADDITIONAL AID FOR BURUNDI REFUGEES IN TANZANIA

The European Commission is releasing €3 million to meet the needs for assistance and protection of the increasing number of Burundi refugees in neighbouring Tanzania. The funding brings the total humanitarian aid foreseen for the Great Lakes region for 2015 to €52 million.

*"The wave of refugees fleeing Burundi has been ongoing and increasing in intensity in the last weeks. This is an extremely worrying development in an already fragile region. The additional humanitarian aid we are releasing today is a strong signal that the European Union stands by the people of Burundi and the Great Lakes region,"* said EU Commissioner for Humanitarian Aid and Crisis Management **Christos Stylianides**.

Rwanda, Tanzania and the Democratic Republic of Congo have been experiencing flows of refugees from Burundi since April. Those arriving cite intimidation, threats, or fear of violence as reasons for fleeing. Almost 100,000 people, (99,213 for the United Nations, 8 June) the majority of them women and children, are estimated to have fled already, with more feared to follow suit.

Tanzania is the main hosting country with 51,603 refugees having arrived so far, followed by Rwanda (29,907) and the Democratic Republic of Congo (10,044). The number of arrivals in Uganda has also been increasing in the last weeks, reaching 7,659 70% of whom having arrived since mid-April.

The surge follows a political crisis in Burundi which erupted after the decision of President Nkurunziza to run for a third term. The announcement provoked a coup d'état on 13 May, which was rapidly defeated, but has led to street protests, violence and spreading deterioration of the security situation in the country.

The European Commission is closely monitoring the situation and has already released EUR 1.5 million to meet the immediate needs of Burundian refugees arriving in Rwanda last month. The most urgent humanitarian needs include shelter, water and sanitation, as well as health assistance to stop the possible surge of diseases and epidemics, notably cholera. (EC 08-05-2015)

## NEW 'CAPE TO CAIRO' FREE TRADE PACT HAILED AS AFRICA MILESTONE

The launch of a free trade agreement by three African economic blocs in Egypt this week will be an important step towards a potentially game-changing common market spanning the continent, supporters say.

The deal between the East African Community, Southern African Development Community and the Common Market for Eastern and Southern Africa will create a market of 26 countries with a population of 625-million and gross domestic product of more than \$1-trillion.

The Tripartite Free Trade Area (TFTA) will be inaugurated at a summit of heads of state and government on Wednesday in Sharm-el-Sheik, Egypt after four years of negotiations to establish a framework for tariff preferences and other commitments.

"The launch of the TFTA is a significant milestone for the African continent," the South African government said.

"We believe that this sends a powerful message that Africa is committed to its economic integration agenda and in creating a conducive environment for trade and investment." The move was welcomed by business leaders at the World Economic Summit for Africa in Cape Town last week, with participants highlighting the fact that just 12% of African countries' total trade is with each other — compared to some 55% in Asia and 70% in Europe.

"The tripartite trade agreement is really important as a first step for Africa... which then can engage with the European Union and others on a global basis," Michael Rake, BT Group chairman and a co-chair of the forum, said.

Africa's share of global trade stands at around 3%. Boosting trade has long been an ambition of the African Union (formerly the Organisation of African Unity), and backers of the latest move are aware of scepticism surrounding its prospects.

"I think Africa will surprise the world," Fatima Haram Acyl, the African Union's commissioner for trade and industry, said at the WEF.

"We're going to have our continental free trade area." British colonialist Cecil Rhodes originally dreamt of unifying Africa from "Cape to Cairo" in the 19th Century under imperial rule from London — a far cry for the diverse group of nations that will make up the Tripartite Free Trade Area.

Member states will range from relatively developed economies such as South Africa and Egypt to countries including Angola, Ethiopia and Mozambique, which are seen as having huge potential growth. The United Nations Conference on Trade and Development said in a 2013 report that one reason for weak intra-African trade is that the focus has been more on the elimination of trade barriers than the development of capacity.

"If African governments want to achieve their objective of boosting intra-African trade, they have to create more space for the private sector to play an active role in the integration process," the report said. The point was supported at the WEF by Jean-Louis Ekra, president of the African Export-Import Bank, who emphasised the need for African countries to add value to their exports rather than simply sell commodities.

He used the example of two major African cocoa producers who would be unable to sell cocoa to each other, but if they processed it into chocolate would be able to sell it across the continent.

The need for the industrialisation of African economies was a significant issue at the WEF.

Delegates noted that although the continent's growth has outstripped global GDP expansion by nearly three percentage points over the past 15 years, it faced falling commodity prices, power shortages, political instability and corruption.

WEF's biennial African Competitiveness Report said Africa's prospects for long-term growth are under threat from weakness in the core conditions for competitive and productive economies.

Despite the challenges, Africa's overall economy is expected to expand by 4.5% this year, according to a report by the Organisation for Economic Co-operation and Development, the African Development Bank and the UN Development Programme. (AFP 07-06-2015)

## CHINA SEEKS TO STRENGTHEN POSITION IN NATURAL GAS SECTOR IN MOZAMBIQUE

China plans to have its companies in the oil sector strengthen their stakes in natural gas blocks in Mozambique, where so far world scale reserves have been discovered.

State-owned China Huadian Corporation is negotiating with Italy's ENI a stake in block 4 of the Rovuma Basin, where state company Sinopec also bought a 20 percent stake two years ago.

Last week, the Reuters news agency reported that the potential deal involves a 15 percent stake, of the 50 percent that ENI currently owns, but that there are other interested parties and the main issue is the price.

Sector sources have said that ENI is not prepared to lose its operator status on the block, which could put off large multinationals like Exxon or Shell, and that the length of the discussions with Huadian is already significant.

"There is a lot of Chinese interest in Mozambique, with more than one second-tier company in the running," according to a source cited by Reuters.

The aim, which has not been confirmed by the Italian company, which has only publicly announced its intention to sell assets to finance development projects, is to close the deal before the end of 2015.

Two years ago, CNPC paid US\$4.2 billion for 20 percent of block 4 of the Rovuma block, overcoming competition from major companies in the sector in the area where one of the largest recent natural gas reserves – 85 trillion cubic feet – has been identified.

At current prices, which already reflect the fall in the energy market in the last year, the 15 percent stake could be worth about US\$1.5 billion.

Asia is the natural market for Mozambican natural gas, and some analysts have mentioned that Mozambique could become a gas production centre for China.

Asia is now considered the only market that is able to monetize the investments already made and yet to be made in the production of liquefied natural gas in Mozambique.

Researcher Loro Horta said in a recent article that China is rapidly asserting itself "as the most important diplomatic and economic player in Mozambique," investing millions on a "no questions asked" basis.

The natural gas reserves in the sea off Mozambique are evaluated by state company ENH at 250 trillion cubic feet, enough to supply the entire world market for two years.

While the authorities indicate that production will start in 2018, the EIU considers 2020 as a more realistic target, taking into consideration delays in the development of infrastructure and concerns of companies in the sector in relation to an oversupply in the market, among other factors.

Analysts consider that when production is at "cruising speed", Mozambique will be the third largest producer of natural gas, behind Qatar and Australia. (08-06-2015)

## AFRICA PRIMED TO TAKE ADVANTAGE OF INTERNET OPPORTUNITY

There has been robust growth in Internet access and usage over the past few years and Africa is now primed to take advantage of the social and economic opportunities that Internet can bring to people across the continent, according to Kathy Brown, President and CEO of the [Internet Society](#).

Speaking at the Africa Internet Summit (AIS) being held in the Tunisian capital from Jun. 2 to 5, Brown highlighted the progress made in recent years to bring improved Internet access and availability to more people in Africa, noting how this growth has provided a strong foundation for stimulating opportunity through an enabling environment defined by inclusion, innovation and entrepreneurship.

"Africa's recent economic growth rates and growing entrepreneurial spirit are combining to create a climate of opportunity," said Brown.

"Advances in Internet infrastructure and the meteoric rise of the mobile Internet have already transformed the African technology landscape. I believe that Africa's Internet is now at a tipping point, poised for further positive change and expansion as the continent looks forward with confidence to the future."

However, she noted that there are still barriers which must be overcome in order to capture the full economic and social promise of the Internet. While connectivity is on the rise and available bandwidth in

Africa has increased significantly, challenges for the African Internet business ecosystem still include factors such as the cost of broadband, online fraud, lack of local content and fragmented markets. "Africa is now the frontier for the next wave of Internet progress," said Brown. "While there is huge potential for Africa to continue building an Internet that will best serve its needs and its people, it is critical that true collaboration across Africa's technical community, a culture of innovation and a spirit of entrepreneurship form part of this process.

The Internet Society stands with Africa to continue the great momentum under way to overcome challenges and enable the economic and social possibilities that only a truly open, trusted Internet can deliver."

The Internet Society is an international, non-profit organisation founded in 1992 to provide leadership in Internet-related standards, education and policy.(IPS 05-06-2015)

## **NIGERIAN AGENCY SET TO BOOST INVESTMENT CLIMATE**

The newly appointed Executive Secretary/Chief Executive Officer of the Nigerian Investment Promotion Commission (NIPC), Mrs. Uju Hassan Baba, is putting strategies in place to boost the nation's investment climate.

A statement issued by the commission on Tuesday and signed by the Assistant Director/Head, Media and Protocol of the NIPC, Mr. Joel Attah, said that Baba had commenced a transformation process towards repositioning the organisation for effective service delivery.

Baba, who assumed duties on May 18, 2015, after the disengagement of Mrs. Saratul Umar as the head of the commission, promised that she would manage the affairs of the NIPC in a manner that would meet the expectations of all stakeholders.

According to the statement, the commission has commenced a collaborative relationship with some international organisations in Nigeria on ways to streamline advocacy for the improvement of the investment climate.

"The Executive Secretary resolved to support the development of a National Foreign Direct Investment Strategy that will focus on six key sectors of the economy; and support the review and development of an effective framework of investment protection and promotion agreements with other countries as a key tool for promoting investment into the economy," the statement added. (APA 03-06-2015)

## **ADB SUPPORTS JOB CREATION IN MOZAMBIQUE**

The African Development Bank (ADB) has paid out US\$7 million for employment promotion in Mozambique, the Mozambican Ministry of Labour, Employment and Social Solidarity said Tuesday in a statement.

To use of the fund, technical staff from the ADB and the Ministry are working to identify the areas that will benefit from the aid, with a view to selecting schemes for job creation and entrepreneurship initiatives, the press release said.

The Mozambican government's five-year programme includes plans to create 1.5 million jobs as part of efforts to reduce unemployment, which affects a majority of the active population in the country. (04-06-2015)

## **MOBILE MONEY OPERATIONS RULED AS ILLEGAL IN UGANDA**

Mobile Money has become an extremely popular service within Africa; However, the service has taken a heavy blow and been declared illegal within the borders of Uganda.

According to a report via [newvision.co.ug](http://newvision.co.ug), Justice Christopher Madrama, Commercial Court in Kampala, pronounced that Mobile Money Business, operated by MTN, Warid, Uganda Telecom, Airtel and Africell, have been declared illegal.

According to the report, Bugweri County MP, Abdu Katuntu, had filed a petition and declaration to have mobile money regulated under the Financial Institutions Act.

According to Katuntu: "Mobile money services are currently operating outside of the license issued to them by the Uganda Communications Commission (UCC) to operate as Telecommunication companies."

Katuntu, according to the report, further stated that: "Mobile money operators; MTN, Warid, Uganda Telecom, Airtel and Africell are registered as telecommunication companies, not financial institutions."

The report revealed that Justice Madrama had agreed with Katunta, and stated that: "Although mobile money is operating as a financial institution, it is not licensed by Bank of Uganda or any other commercial bank."

"MTN is not a financial institution. It needs to obtain a license from either bank of Uganda or any other commercial bank to carry out financial businesses and operate mobile money," he said according to the report.

The judge revealed that a person who is not licensed to transact a financial business does so illegally and it is a crime only handled by the Director of Public Prosecutions (DPP).

Madrama however, dismissed the case because it was instituted in a wrong court, saying the plaintiffs should have raised the issue before a tribunal established by UCC to handle such cases.

"We have no jurisdiction to ask Bank of Uganda to license mobile money as a financial institution. Any question as to the breach of license or acting outside a license, are matters that fall within the tribunal," Madrama ruled. (IT Africa News 02-06-2015)

### **INCREASING CAPACITY OF SENA RAILROAD IS ONE MOZAMBIQUE'S PRIORITIES FOR 2015**

Completion of the second phase of the refurbishment and modernisation of the Sena railroad, in Sofala province, is one of the priorities for 2015 in the transport and communications sector in Mozambique, according to the country's Transport and Communications minister.

Carlos Mesquita, who was speaking at the opening of the 33rd Coordinating Council of the Ministry of Transport and Communications to be held in Vilanculos, Inhambane province, said the ministry's priorities also included the Tete/Nacala rail corridor and the acquisition of four planes to renew the fleet of Mozambique's airline, LAM.

The minister, cited by daily newspaper Notícias, also said the introduction of a new air route to Mocimboa da Praia in Cabo Delgado province and increased traffic to the international airport of Nacala, were also proposed by the government for this year.

The work underway on the Sena railroad will give it a transport capacity of 22 million tons of coal per year, and Mesquita also announced for 2015, the purchase of 70 passenger carriages and other rolling stock for goods transport.

The expansion of the mobile phone network, improvement, clarification and execution of regulatory and operational functions are other challenges that, according to the Minister of Transport and Communications, will be dealt with for all the different areas of the sector, and in particular road, air transport, rail and port services. (04-06-2015)

### **ETHIOPIAN AIRLINES ADDS MANILA TO ROUTE NETWORK**

Ethiopian Airlines on Wednesday announced that it would start flying to Manila, Philippines, beginning July 9, 2015.

According to the website of the airline, Ethiopian will be flying to Manila thrice in a week.

The new flights to Manila will be operated with Ethiopian Boeing 767-300 aircraft with 24 seats in Cloud Nine and 211 seats in Economy class, the airline said in a statement.

The new flight to Manila will bring the total number of international destinations of the airline to 88.

Ethiopian will serve the growing traffic between Africa and Asia, and is perfectly timed to give the best possible connectivity options to passengers by giving access to the industrial and manufacturing development zones of both continents, the airline pointed out. (APA 03-06-2015)

## **EUROPEAN UNION FINANCES SOLID WASTE MANAGEMENT IN THE CAPITAL OF GUINEA-BISSAU**

A project for urban solid waste management in Bissau (GRSU-Bissau), which involves waste collection in 10 neighbourhoods and 20 schools, was launched Wednesday in the capital of Guinea-Bissau.

Lasting two years, the project funded by the European Union with over 556,000 euros, has a partnership with the International Association of Lay Volunteers (LVIA – Associazione Internazionale Volontari Laici), an Italian non-governmental organisation working in the area of solid waste management in a number of African countries for over 10 years.

The project, which has an outreach component includes advising the public about how to deal with solid waste, said the Deputy Mayor of Bissau and coordinator of GRSU-Bissau, Fernando Arlete.

The Mayor of Bissau Adriano Ferreira Gomes said urban waste is one of the major problems that Guinea-Bissau is currently facing, noting that Bissau alone produces 250 tons of rubbish every day.

At the launch meeting for the project, the European Union ambassador in Guinea-Bissau, Victor Madeira dos Santos said he hoped the project would increase the capacity of the Bissau city council's sanitation services and litter pickers. (04-06-2015)

## **MERKEL WELCOMES EGYPTIAN PRESIDENT AMID PROTESTS AND RECORD TRADE DEAL**

German Chancellor Angela Merkel on Wednesday welcomed Egyptian President Abdel Fattah al-Sisi, whose controversial Berlin visit was met by human rights protests but crowned by a multibillion-euro energy deal.

German engineering titan Siemens signed its largest-ever order, worth €8bn and centred on natural gas and wind power plants, that it said would boost the North African country's power generation by 50%.

Ms Merkel said in a joint press conference with Mr Sisi Germany opposed Egypt's use of the death penalty and its poor record on religious freedom, but pledged closer economic ties with its partner in the fight against Islamic extremism.

She stressed the central role of Egypt in a conflict-torn region, referring to the Islamic State jihadist group fighting in Iraq and Syria, instability in Libya and Nigeria's Boko Haram militants.

"Egypt is one of the central countries in a region marked by unrest and instability," the chancellor said, adding that closer business links would help bring "stability through economic development".

Mr. Sisi was greeted with military honours by the government, but also angry protests on the streets and at the news conference.

At the end of the media briefing, a woman wearing a headscarf shouted at Mr. Sisi and called him a "murderer", leading many Egyptian journalists to defend the president and shout "long live Egypt", as both Mr. Sisi and Ms Merkel were led out of the tumult by security guards.

Mr. Sisi, Egypt's former army chief, ousted Islamist president Mohamed Mursi in July 2013 and launched a deadly crackdown against his Muslim Brotherhood supporters as well as secular activists.

The campaign left hundreds of Morsi supporters dead and thousands jailed, while dozens have been sentenced to death in mass trials, including Mursi himself who is awaiting a final ruling on his sentence.



Ms Merkel said Germany always opposed capital punishment and that "under no circumstances, even with regard to terrorist activities, must people be sentenced to death", while also stressing the need for continued bilateral dialogue.

German parliament speaker Norbert Lammert had earlier called off a meeting with Mr. Sisi citing the "systematic persecution of opposition groups with mass arrests, convictions to lengthy prison terms and an incredible number of death sentences".

Five prominent rights groups, including Amnesty International and Human Rights Watch, on Monday urged Ms Merkel to press Mr Sisi to end "the gravest human rights crisis in Egypt in decades".

Mr. Sisi insisted Egypt's justice system was independent and fair, and that many of the death sentences including Mursi's were still subject to judicial review.

"We too love democracy and freedom," he said, but said that his country must avoid the chaos seen in Syria, Yemen, Libya and Iraq, vowing that "we cannot allow this".

The Egyptian leader during his two-day visit also met President Joachim Gauck, Vice-Chancellor Sigmar Gabriel and Foreign Minister Frank-Walter Steinmeier.

At a business conference, Mr. Sisi witnessed the signing of the deal with Siemens for gas and wind energy facilities with a capacity of 16.4 gigawatts.

The deal was based on memorandums of understanding announced in March 2015.

Siemens said it would build three natural gas-fired combined cycle power plants, which it said would be "the largest in the world" and up to 12 wind farms in the Gulf of Suez and West Nile areas, comprising about 600 wind turbines.

It would also set up a rotor blade manufacturing facility, which would provide training and jobs for up to 1,000 people.

"With these unprecedented contracts, Siemens and its partners are supporting Egypt's economic development by using highly efficient natural gas and renewable technologies to create an affordable, reliable and sustainable energy mix for the country's future," said Siemens president and CEO Joe Kaeser. (AFP 03-06-2015)

## **SOYO REFINERY IN ANGOLA WILL PROCESS 110,000 BARRELS OF OIL PER DAY**

The Soyo refinery in Angola's northern Zaire province, will have capacity to process 110,000 barrels of oil per day when it becomes operational in 2017, according to information released during the ceremony to lay the first stone.

These figures, cited by Angolan press, indicate that on an annual basis the refinery will produce 44,500 tons of liquefied petroleum gas, 558,500 tons of gasoline, 20,700 tons of benzene, 437,200 tons of Jet A1 fuel, 853,400 tons of diesel fuel and 180 thousand tons of kerosene.

The refinery, whose construction was awarded to the China Tianchen Engineering Corp ([http://www.china-tcc.com/Plus/m\\_mobile/Cms/default.php?DLanguage=1](http://www.china-tcc.com/Plus/m_mobile/Cms/default.php?DLanguage=1)), will be built in the town of Kifuquena 5 kilometres southwest of the city of Soyo, where it occupies an area of 220 hectares.

The tender document for the project outlines a residential area for 1,000 employees, a drinking and waste water production and treatment plant, a landfill site for waste and a power plant.

It will also have a processing unit, crude oil warehouse, a transport and accessory installation area, 79 tanks to store about 856,000 cubic metres of fuel, as well as a pier to moor two tankers with capacity of up to 100 tons.

The chairman of Angolan state oil company Sonangol, Francisco de Lemos, said that the new refinery would allow Angola to become self-sufficient in gasoline and diesel. (05-06-2015)

## **MOROCCO'S KING MOHAMED VI EXPECTED IN GABON**

Morocco's King Mohammed VI is expected in Libreville for his sixth official visit to Gabon since President Ali Bongo Ondimba came to power six years ago.

Gabonese have geared up to offer the king a warm welcome with the capital Libreville decorated with national colors of Morocco and Gabon.

This is King Mohammed VI's last stop in an African tour that took him to several African countries including Senegal, Guinea-Bissau and Cote d'Ivoire.

The boulevard connecting the Leon Mba international airport to the Presidential Palace which the Moroccan King and his host Ali Bongo will take has been cleaned and adorned.

Billboards showing commercial advertisements mainly of the Moroccan companies active in Gabon could be seen along the main streets and highways of the capital city as well as photographs of the two leaders as a sign of the long-standing friendship that binds the two countries.(APA 03-06-2015)

### **MAPUTO DEVELOPMENT CORRIDOR IS A “SUCCESS STORY”**

The Maputo Development Corridor (MDC), in southern Mozambique, has been highlighted in an African Development Bank report as the most successful regional interconnection initiative in sub-Saharan Africa.

In one chapter of a report on the country released recently as part of the “African Economic Outlook – 2015,” the African Development Bank (ADB) analyses the MDC, as well as other corridors of Mozambique, focusing on regional development and integration.

Noting that the country's economic activity is mainly focused on the existing transport infrastructure, which still retains the structure created during the colonial era, the ADB said that, in the period that followed the Civil War (1976-1992 ), the authorities sought to transform traditional corridors into Spatial Development Initiatives (SDI).

The MDC, as one of the first initiatives of this kind in sub-Saharan Africa, is nowadays “often referred to as the most successful,” based on a rail and road link between Maputo and the provinces of Mpumalanga and Gauteng in South Africa, and providing Swaziland with an alternative to the port of Durban (South Africa).

The main “anchor” of this project, the ADB said, was aluminium smelter Mozal, a project deployed on the outskirts of Maputo at the turn of the new millennium, which represented an investment of about US\$1 billion, the first major industrial project in the country.

So far, the ADB said, the MDC has received investments of about US\$2.8 billion, and accounts for 42 percent of all the country's entire export revenue, with companies from various sectors installed around it.

For the development of its road, railway, port and more recently gas transport (pipeline) facilities, the MDC involved several public-private partnerships, driven by the Maputo Corridor Logistic Initiative, which brings together several institutional partners from Mozambique, South Africa and Swaziland.

In the central region of Mozambique the Beira corridor is also an example of a well executed SDI, according to the ADB, as it began by linking Zimbabwe to the port of Beira via a road and a railway line, which was later extended to the coal province of Tete. Its road links have since been extended to Malawi, Zambia and the Democratic Republic of Congo.

The other outstanding projects are in Nacala, which “is rapidly developing,” Libombo with the Maputo corridor connecting it to the coastal areas of South Africa, Limpopo, linking Maputo to Zimbabwe via a rail network, and Mueda/Lichinga, in the north, connecting Lake Niassa to the port of Pemba and Tanzania.

The ADB said that the corridors of Maputo, Beira and Limpopo are supported by Regional Spatial Development Initiatives (RSDIP), within the legal framework of the Southern African Development Community (SADC), making Mozambique the sub-Saharan African country with most RSDIPs.

Since the middle of the last decade, Mozambique has spent about 10 percent of its gross domestic product (GDP) each year on investments in infrastructure, which is still insufficient to meet the country's needs, noted the ADB. (05-06-2015)

## **DZL EXPORTS TO ZAMBIA**

Dairibord Zimbabwe Limited (DZL), the dairy products maker, has begun selling its products in Zambia to shield itself from a worsening Zimbabwean economy.

The move by DZL is the latest signal that the country's hard pressed industries, seeing no respite to the sustained economic crisis that has fuelled company closures, could be refocusing on more liquid markets to avoid collapse.

An erosion of disposable incomes in Zimbabwe that is being driven by job losses and the collapse of industries in a deflationary environment has triggered subdued demand for most products, consequently lowering sales and profits and suffocating growth.

The Zimbabwe Stock Exchange-listed DZL, which has a footprint in Malawi, sells the bulk of its beverages in Zimbabwe.

DZL chief executive officer (CEO), Anthony Mandiwanza, last week gave a gloomy forecast on Zimbabwe and told shareholders there were better prospects in Zambia and Mozambique which were relatively stable.

"The business environment remains difficult," Mandiwanza told shareholders at the group's annual general meeting (AGM).

"In the outlook, we believe nothing much will change in respect of the economy. There is a decline in disposable incomes, negative inflation.... the growth of the informal sector as you know... as you walk around the city of Harare, you can see exactly what the informal sector is doing, and obviously this has affected our major channels of distribution especially for the retail sector," he said.

DZL has been pushing a wide range of its products, including cascade drinks and peanut butter, into Zambia.

Mandiwanza said inroads had been made into Mozambique, where DZL was also looking at widening its distribution.

"We are happy with our exports into Zambia," he said.

"You will see more and more of our maheu and steri milk into Mozambique. We are making inroads into Mozambique. We will not go into markets that do not make business sense," he told shareholders.

Answering questions about how DZL was dealing with competition in Zimbabwe,

Mandiwanza said the firm had developed a wide range of products that were capable of beating any form of competition on the market. "We have very good brands that have been well received in the market. That position we are not going to give it away or surrender to anyone. We are excited by the presence of competition because then, the consumer has choice. But we will make sure that our legacy is not surrendered," he said.

"The key driver of the business for the first four months was growth in beverages and of course the changes in product mix, we are seeing more and more trends towards the low value products and of course high volume product mix," Mandiwanza said. (Financial Gazette 04-06-2015)

## **CABO VERDE AIR CARRIER RESUMES FLIGHTS TO GUINEA-BISSAU**

TACV Cabo Verde Airlines resumed Wednesday regular flights to the capital of Guinea-Bissau, which had been suspended in April 2012 following a state coup, with the arrival of an aircraft in Bissau airport.

The return of regular air links is part of an agreement signed between the governments of both countries during a visit by the Prime Minister of Guinea-Bissau to Cabo Verde archipelago at the beginning of this year.

The spokesperson for the Board of Directors of TACV, Laura Silva, said that from now on the Cape Verdean carrier would offer two weekly flights to Bissau, and on Sundays the flight will follow the Praia / Dakar / Bissau / Praia route and on Wednesdays the Praia / Bissau / Dakar / Praia route.

Following the re-launch of the air link, the governments of both countries now plan to create conditions for regular maritime links. (05-06-2015)

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