5 January 2018

INSIDE AFRICA

Now is the time to invest in Africa

EAGLESTONE

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In-depth:

Will intra-Africa trade come of age in 2018?

Overcoming the barriers for intra-African trade to double in a decade can feel like a Sisyphean task – impossible to complete. But that is the objective of the Boosting Intra-African Trade (BIAT) action plan, which targets to double flows between January 2012 and January 2022.

Many individual African nations will not, on their own, have significant production or purchasing power any time soon. To accommodate such young populations and produce or enable meaningful employment, GDP growth has to sky-rocket, not hobble along. That requires clubbing together.

Yet global and regional trade agreements are grappling with shifting geo-politics or are being tripped up by populism. Or both. So, on a continent not known for its speedy cohesiveness, will leaders have the pragmatism to give up lofty individual ambitions that may be more realisable at a regional level?

Traditionally, governments have sought the hegemony given by a national airline, stock exchange, broadcasting corporation and grid. But when, in November 2017, an east African chief justice broached the idea of a regional court to handle electoral disputes, it sounded sensible and not just because it would mitigate the risk of bias. It would also enable the building of expertise.

Of course, there is no shortage of plans and accords in Africa. Most political leaders can put together a team of policy wonks, legal eagles, technology experts, financial pundits. Eventually a reasonable agreement is likely to be born, preferably capturing the many disparate, uneven needs and desires across the continent, after behind-the-scenes retreats and maybe even Skype calls.

Once agreed, implementation creates a whole new world of opportunities. It also opens a Pandora's box of Machiavellian tricks that can appear as suddenly as police officers on our roads.

This requires leadership at another level. Leadership that is about anticipating, preventing and removing blockers to make way for a common good. Leadership that is equally about promoting the upside and advocating compliance (in actions, not just words), as well as celebrating success just long and judiciously enough to make it feel worthwhile. There is still too much to be done.

The BIAT action plan focuses on seven interlinked areas. The objectives, at times, reiterate the obvious, such as harmonising and simplifying customs and transit procedures and documentation.

One of the worst legacies of colonialism is a disproportionate passion for forms, stamps and (in some cases) queues. All reinforcements of an outdated authority. Even introducing technology has not always been radical enough. We need to go back to basics. Allow the trader to transport that food product or spare part container to its destination quickly, safely and legitimately.

The plan's success rate will be improved if it uses African and global lessons learnt where appropriate.

Coupled with BIAT – as closely as possible if we are to avoid duplications and contradictions – is the Continental Free-Trade Agreement (CFTA), due finally to be adopted in March 2018. How it will overcome the hurdles that the current regional economic communities have not remains to be seen.

The president of Niger and the executive secretary for the United Nations Economic Commission for Africa consider intra-African trade to be “different from the trade goods that flow from Africa to the rest of the world, which are mostly crops, mineral products, metals and oil” — presumably because all of these are susceptible to globally-determined prices and bought by companies that want to create their own end products in factories that have reliable, cost-effective power, trained labour, good transport links, scale and so on.

Instead, President Mahamadou Issoufou and Vera Songwe believe that the CFTA will allow local small and medium-sized enterprises, the continent’s overwhelming employer, to manufacture and sell “value-added and industrial products like processed agricultural goods, basic produce, and financial and retail services” to neighbours, both next-door and a few thousand kilometres away. This could force infrastructure and education to improve. It could even substitute imports.

It is incumbent upon BIAT and CFTA to enable and require Africans to:

1. Produce physical and digital products and services that Africans need or want

Here’s a list to start with:

·Dairy, especially in West Africa. I know Hausa-Fulani cows can produce yoghurt, as I saw it on sale in Ibadan, Nigeria. I went back to buy it the following day, having been assured I would find the shop open. It was firmly closed. (Will the trade agreement encourage better service?)

·Suitable textiles and clothes for the different climates across the continent.

·Solar PV panels. Renewable energy is a significant new employer in countries like the United States of America, Germany, India, China and Brazil.

·Integrated inter-city and urban transport using renewable energy (carriages and stations) and offering modern payment options and amenities such as wi-fi.

·Affordable financial services (not only plain vanilla collateralised loans) for small and medium-sized enterprises. Fintech platforms such as loans4SME.com, Lendingkart Finance and incomlend.com already exist and, where appropriate, could be adapted for Africa.

·Patent lawyers. Generally, I am concerned Africa is producing too many lawyers, given the advancements in artificial intelligence, but this is a specialisation the continent needs.

2. Make it easier to pay for them

Ever tried buying cotton from Burkina Faso when you’re in Nigeria? Flutterwave is a Nigerian/US payments solution that can be used across the continent. Binkabi is allowing cross-border trade to take place without using the US dollar.

3. Resolve disputes quickly and online

To encourage cross-border (including high volume, low value, business-to-consumer) trade, buyers and sellers must have confidence that any issues will be resolved in a timely and efficient manner.

Consumer ombudsmen have signed up twenty large, voluntary retailers (including supermarkets) in some European Union countries on a single platform. Once a

customer inputs a case onto this platform, the retailer has to respond, otherwise it gets heavily penalized. This gives a controlled environment, with a centralized authority.
In Africa, we require functioning ombudsmen in the major economies where there are common retailers. How will the CFTA/BIAT address this?

4. Protect personal data

Governments in Africa must start taking data protection and encryption far more seriously. Only then can they get the private sector to do so. And not just for financial transactions – data can be worth more than the money.

5. Protect intellectual property

The capacity for evaluating and protecting intellectual property varies vastly across the continent. It needs to be in place in order to improve the quality, relevance and timeliness of research and development on the ground.

6. Have affordable, reliable Internet access

"The ability for businesses and consumers to use the Internet requires an enabling environment – a set of laws and institutions that support the process of buying, paying, and delivering digital [and physical] products", hence the points above. Robust Internet and communications technology is the infrastructure to enable e-commerce, which will in turn bolster cross-border trade.

7. Selectively use blockchain

Nuts don't require sledgehammers.
It is, understandably, tempting to use technology that can combat corruption, even at a price. However, scalability, latency, lack of mainstream understanding, resistance (deliberate or otherwise) by some sectors to rely exclusively on data in digital form, outdated legacy systems (which may not always be the case in Africa), lack of national/cross-border regulation (which may appear counter-intuitive, but is it being discussed by CFTA/BIAT?), standardisation, interoperability, accountability, legality of smart contracts, privacy/security, and competition/anti-trust are all open challenges. Private distributed ledgers could help, but the cost-effectiveness still needs to be evaluated.

8. Cede national pride for the benefit of the continent

CFTA has to be phased in if it is to work. Competition will, like IP and e-commerce, only "be part of the second phase of CFTA negotiations – expected to be launched after the conclusion of negotiations on goods and services". However, it is one of the causes for any regional trade agreement to unravel. Still, African governments that are ready to stop hanging onto old, territorial ways of doing business and share the cake (or kola nut or other equivalent) may be pleasantly surprised at the results.
***Aarti Shah** is an analytical writer for ANA. She is a business and government relations director with an extensive network in financial and professional industry-related institutions in the emerging and frontier markets, notably Africa. She advises governments and corporations in these regions on using technology to improve transparency and efficiency. (Engineering News)

Making the Most of Demographic Change: Mozambique Economic Update

Story Highlights

- *Mozambique is shifting to a period of reduced growth and of narrowing down to fewer exports.*
- *Given its youthful, growing population, measures to boost jobs and skills are critical for securing it a demographic dividend.*
- *Monetary policy is beginning to ease as inflation retreats, but at a slow pace as uncertainties in the fiscal outlook persist.*

The second half of this year indicates the slowdown in Mozambique's economic performance may be taking hold and shifting this once fast-growing economy to a more modest pace of growth, bringing economic growth down to a level barely above that of population growth.

Mozambique is shifting to a period of slowing growth and increasing concentration.

GDP growth is expected to dip to 3.1 % in 2017, despite increases in coal and aluminum exports. Whilst these exports boomed, small and medium enterprises (SMEs) have fallen back even more, especially in the manufacturing sector, which contracted for this first time since 1994. The World Bank's new Mozambique Economic Update notes that SMEs are crowded out, and not even growth in commodity exports is sufficient to counteract the effects this is having on the economy.

A few commodities dominate exports and represent a larger share of foreign currency inflows, which heightens Mozambique's exposure to external shocks. The concentration of output in the extractive and minerals sector keeps Mozambique on the path of a two-speed economy, one less capable of generating enough jobs to absorb a net inflow of the almost 500,000 people entering the labor force each year.

Trends observed in 2017 make it clear that Mozambique needs to double its efforts to support small and medium enterprises and look beyond the extractive sector for more balanced growth.

A stronger fiscal policy response and increased transparency are key for recovery.

The scale of the shocks faced by Mozambique's economy over the past two years has been immense. However, as commodity prices and conditions for agriculture improve, and external factors become less of an impediment, the economy turns to the policy response to pursue recovery. Decisive monetary policy measures and strong commodity export performances have helped to stabilize the *Metical* and bring inflation down in 2017. Fiscal policy also began responding, but at a slower pace.

Making the most of demographic change.

The special focus section of this December's Economic Update discusses the challenge of transforming Mozambique's growing and youthful population into a demographic dividend. This is ever more urgent given the drift towards a natural resource extraction based economy with low employment generation.

Mozambique lags behind other sub-Saharan African countries in kicking off its demographic transition. By 2011, its total fertility rate was estimated at an average of

5.9 children per woman, one of the highest in the world. The World Bank estimates that reducing fertility rates would represent an enormous boost to prosperity: an estimated increase in real per capita GDP of 31 % by 2050.
Mozambique could actively promote policies to trigger the transition, with jobs for women and better family planning services. A sharper focus is also needed on building skills for youth and an economy that grows. (World Bank)

IMF, WORLD BANK & AFRICAN DEVELOPMENT BANK

New Mozambican rail, port project to open new markets for farm produce, boost regional integration

The African Development Bank is taking the lead in facilitating the takeoff of one of Africa’s largest infrastructure project – the US $ 5 billion Nacala corridor rail and port project.
The Bank will support the project with US $ 300 million from its Private Sector Window.
After years of financial structuring, a signing ceremony presided over by the Mozambican Minister of Economy and Finance, Adriano Maleiane, the Minister of Transport and Communications, Carlos Mesquita, and the Minister of Energy and Natural Resources, Laeticia Klemens in Maputo marked the formal signing of the project deal.
The project will provide a 912 kilometers rail line from the Tete province western in Mozambique to the Nacala port on the eastern coast of the country, through Malawi. The Project also includes the construction of a deep sea port and associated terminal infrastructure at Nacala.
“This project supports two of the **High 5**s that guide the Bank’s contribution to the Sustainable Development Goals in Africa. By providing a rail link across Mozambique and Malawi with a possible extension to Zambia, it will help Integrate Africa; and by opening up markets for agricultural commodities it will help **Feed Africa.** This dual use infrastructure development shows that Mozambique can put its natural resources at the service of its citizens,” said Pietro Toigo, the African Development Bank’s Country Manager for Mozambique.
The African Development Bank played a key role as the co-lead arranger in the transaction, which includes the Japanese Bank for International Cooperation (JBIC), the Nippon Export and Investment Insurance (NEXI), and the Export Credit Insurance Corporation of South Africa (ECIC), including a range of commercial Banks providing finance to the project sponsored by VALE and Mitsui & Co.
When the rail comes into full operation, coal exports will increase by 40% in 2018 and generate crucial foreign earnings for the Mozambique economy at a time the country is witnessing a cyclical downturn. The project anticipates 4 million tons a year of freight capacity for non-coal commodities, and opening up regional agricultural producers to world markets.
The African Development Bank is also investing US 1$ million in grants to assist SMEs and developing agribusiness along the corridor in Malawi and Mozambique. This support aims to ensure that small businesses benefit from the potential of the port and the rail link potential.
According to the Mozambican Minister of Transport, Carlos Mesquita:“This project can provide wider benefits to Mozambique, Malawi and Zambia, and allow Mozambique to fulfill its ambition to be a regional gateway to world markets”.

African Development Bank and Government of Mozambique light up 80,000 households and businesses

“The expansion of the Dondo substation will not just light up households and family units. It will also power the industrial growth of the Sofala and Manica provinces, creating more dynamic markets for agricultural commodities and ultimately contribute to job creation and the economic growth of the country,” Filipe Nyusi, President of the Republic of Mozambique said at the commissioning ceremony of the *Electricity IV Project at Dondo District in Mozambique.*

The African Development Bank provided US $ 35million in soft loans from the African Development Fund (ADF) and US $10 million from the **OPEC Fund** for International Development (OFID) managed by the Bank to finance the project. The Dondo substation project will provide up 80,000 households and businesses with access to electricity and improve the reliability and quality of power supply to more than one million people in the Sofala and Manica Provinces in central Mozambique.

The project includes the construction of a 170 kilometer and 220 kilovolt (kV) overhead transmission line along the Beira Corridor.

The President of the African Development Bank, Akinwumi Adesina, who was represented at the commissioning ceremony by Pietro Toigo, the Bank's Country Manager for Mozambique, said: "This was a long and challenging project, but we are delighted that we stayed the course and can now celebrate 80,000 households and businesses gaining new access to energy in Sofala province only. This is one step on the way to achieving the Government of Mozambique's aim to provide universal access to electricity to all citizens by 2030."

The Bank is committed to supporting the Government to light up and power Mozambique.

According to Mateus Magala, Chairman and CEO of Electricitade de Mozambique (EDM), the project partner, "We see the African Development Bank as a trusted partner for energy sector development in Mozambique. Our vision is to transform Mozambique into an energy hub for the Southern African Development Community (SADC) region, leveraging its geographical position as a gateway to six neighbouring countries and further expanding its energy export base by strengthening the regional interconnection system,"

Sustainable energy: African Development Bank approves US $ 20m support to Evolution Fund II

As part of its wider mandate under the New Deal on Energy for Africa, the Board of Directors of the African Development Bank on December 15, 2017, approved an investment of US $20 million in the Evolution II Fund −a Pan-African clean and sustainable energy private equity fund.

The Bank's investment in Evolution II Fund reflects the High 5 development priorities of the Bank and in particular, the agenda to Light up and Power Africa. The proposed participation in the Fund is a demonstration of the Bank's commitment to promote renewable energy and efficiency in Africa.

The Evolution II Fund will invest an estimated US $250 million in various renewable energy and resource-efficiency assets across sub-Saharan Africa over a period of 10 years. The fund manager, Inspired Evolution Investment Management, brings experience and knowledge to the project from its previous fund − which focused on the Southern African Development Community (SADC) region and delivered 12 renewable energy projects with a total generation capacity of 925 megawatts (MW).

In partnership with the African Development Bank and other investors, Evolution II will provide growth capital and infrastructure equity to support low-cost, low-carbon, small-to-medium-sized, clean and sustainable energy generation capacity.

Evolution II Fund is expected to contribute to green and sustainable growth by creating 2,750 jobs and building on the track record of the Evolution One Fund (which created 1,495 jobs, of which 20% were women, and generated 838 MW of wind energy and 87MW Solar PV energy). The Evolution One Fund achieved 1,190,469 of Carbon dioxide (CO_2) emission savings annually.

"The Bank is delighted to support a private equity fund that is focused on promoting renewable energy in Africa. We are confident it will contribute to the Nationally Determined Contributions (NDC) of the Bank's member countries as well as the COP21 commitments," said Akinwumi Adesina, President of the African Development Bank.

The Vice President for Power, Energy, Climate and Green Growth Complex of the Bank, Amadou Hott, emphasized the African Development Bank's high commitment to boosting its portfolio of

renewable energy projects and encouraging private investment in renewable and efficient energy solutions.
The share of renewable energy projects as a portion of the Bank's portfolio of power generation investments jumped from 14% in 2007-2011 to 64% in 2012-2016, he explained.
In 2017 alone, the Bank approved power generation projects for a cumulative 1 400 megawatts exclusively from renewables and plans to increase its support to renewable energy projects under the New Deal on Energy for Africa.

African Development Bank achieves 100% investment in green energy Projects in 2017 Commits to 100% climate screening for all Bank financed projects

The African Development Bank achieved a 100% investment in renewable energy in 2017, a major landmark in its commitment to clean energy and efficiency.
Power generation projects with a cumulative 1,400 megawatts exclusively from renewables were approved during the year, with plans to increase support for renewable energy projects in 2018 under the New Deal on Energy for Africa.
According to Bank President, Akinwumi Adesina, ''we are clearly leading on renewable energy. We will help Africa unlock its full energy potential, while developing a balanced energy mix to support industrialization. Our commitment is to ensure 100% climate screening for all Bank financed projects.''
The share of renewable energy projects as a portion of the Bank's portfolio of power generation investments increased from 14% in 2007-2011, to 64% in 2012-2016.
The Africa Renewable Energy Initiative (AREI) whose goal is to deliver 300 Gigawatts (GW) of renewable energy in 2030 and 10 GW by 2020, is now based within the Bank, as requested by African Heads of State and Government. The G7 has promised to commit US$10 billion to support the initiative, which came out of COP21 and subsequently approved by the African Union.
On November 8, 2017, the African Bank Group approved its Second Climate Change Action Plan, 2016-2020 (CCAP2) as a clear message of its commitment to helping African countries mobilize resources to support the implementation of the Intended Nationally Determined Contributions of Regional Member Countries, in ways that will not hinder development.
The approval of the action plan echoes discussions at COP23 in Bonn, Germany to strengthen the global response to the threat of climate change and achieve the Paris Agreement's goal of keeping global temperature rises to 1.5C.
The CCAP2 is designed to incorporate the Bank's High 5 priorities in the Paris Agreement, the 2030 development agenda, the Bank's Green Growth Framework and the lessons learned in the implementation of the first climate change action plan (CCAP1), 2011-2015
As part of its wider mandate under the New Deal on Energy for Africa, the Board of Directors of the African Development Bank on December 15, 2017, approved an investment of US $20 million in the Evolution II Fund −a Pan-African clean and sustainable energy private equity fund.
The Bank's investment in Evolution II Fund reflects the High 5 development priorities of the Bank, the agenda to light up and Power Africa, and the Bank's commitment to promote renewable energy and efficiency in Africa.
The Evolution II Fund is expected to contribute to green and sustainable growth by creating 2,750 jobs and building on the track record of the Evolution One Fund (which created 1,495 jobs, of which 20% were for women, and generated 838 MW of wind energy and 87MW Solar PV energy). It is estimated that the Evolution One Fund achieved 1,190,469 of Carbon dioxide (CO_2) emission savings annually
In line with its commitment to renewable energy and ongoing institutional reforms, in the first quarter of 2017, the Bank appointed Ousseynou Nakoulima as the Director for Renewable Energy and Energy Efficiency. He brings global experience in developing and managing programs and partnerships for driving renewable energy, from his work at the Green Climate Fund.

France signs landmark US $ 253 million loan agreement to boost African Development Fund

The **African Development Fund (ADF)** has signed a significant concessional donor loan agreement with the Government of France to the tune of $ 253 million as support for the 14th replenishment of the Fund.

Established in 1972, the **ADF** represents an enduring development partnership between African countries and donors. The Fund is part of the African Development Bank Group and helps to improve the lives of millions of people across Africa through loans and grants to projects and programmes.

Its resources are replenished by donors every three years. The **14th replenishment** is intended to mobilize the funds necessary for the period 2017 to 2019.

The acting Vice-President for Finance and Chief Financial Officer at the African Development Bank, Hassatou N'Sele, signed the ADF concessional donor loan agreement with the Deputy Chief Executive Officer of Agence française de Développement (AFD), Jean-Pierre Marcelli, in Paris.

The Agence française de Developpement negotiated and signed the loan agreement on behalf of the French Treasury as part of the contributions of France to the Fourteenth Replenishment of the Resources of the African Development Fund (**ADF-14**).

The move by France is the first time a donor country would sign a concessional donor loan agreement for the ADF since the Fund management and donors agreed in November 2016 to include a loan component within its financing framework.

Global support for the ADF 14 cycle will help the African Development Bank to continue to deliver very concrete developmental impacts across each of the **High 5** areas (Light up and Power Africa, Feed Africa, Industrialize Africa, Integrate Africa, and Improve the quality of life for the people of Africa).

Two other countries have also agreed to provide similar loan supports for ADF 14: Japan (US $ 700 million) and India (US $ 15 million).

The signature of the loan agreements with Japan and India should take place early in 2018, N'Sele said.

The loan component of ADF will enable donor countries to circumvent the fiscal pressure most of them are facing and to provide additional support to ADF-14 through reimbursable funds. Without these innovative instruments, ADF-14 would have been one-third lower than ADF-13.

African Development Bank, Nordic Development Fund, Global Environment Facility and Calvert Impact Capital partner in US $55-million investment into Off-Grid Energy Access Fund

On December 15, the African Development Bank's Board approved a US $30-million investment in the Facility for Energy Inclusion Off-Grid Energy Access Fund ("FEI OGEF"). This follows the approval of additional investments of US $10 million from Calvert Impact Capital (CIC), US $8.5 million from the Global Environment Facility (GEF) and €6 million from the Nordic Development Fund (NDF). In addition, the NDF will provide a €0.5-million grant for technical assistance to support deal structuring and capacity development.

FEI OGEF is a US $100-million blended finance debt fund designed to provide loans in local and hard currencies to off-grid energy companies with the dual objectives of scaling up access to clean electricity for off-grid households and crowding in local financial institutions as co-lenders. The Fund directly supports the Bank's New Deal on Energy for Africa and is part of its "High 5" priority to light up and power the continent, with an aspirational target of connecting 75 million households through off-grid energy access solutions by 2025. Through the use of clean energy instead of fossil fuels to power communities, the Fund is expected to result in the reduction of up to 8 million tonnes of CO_2 emissions over its lifetime.

Over 600 million people are estimated to lack access to modern energy in Sub-Saharan Africa.

"FEI OGEF is the first Bank instrument that enables debt financing, including in local currency, to off-grid energy access companies who need growth capital to expand their operations across Africa.

The strong collaboration of the Bank, SEFA and NDF in preparing and creating this fund, and the co-investment by the GEF and CIC, demonstrate the power of partnerships for clean energy access in Africa," said Astrid Manroth, Director, Transformative Energy Partnerships at the African Development Bank.

The combination of these four first investments brings this innovative fund closer to its first close target to be achieved in the first quarter of 2018 and provides a strong signal to the community of interested investors. In particular, the approvals will provide comfort for dedicated private-sector investors to join FEI OGEF.

The Fund is a first mover matching local currency debt instruments with recent innovations in off-grid energy business models to scale up energy access for underserved and rural households. It provides a blended capital structure whereby investments in equity provides comfort and risk cushioning to attract early participation and additional investment by development finance institutions and other commercial investors.

During a recent visit to the Bank headquarters in Abidjan, NDF's Managing Director Pasi Hellman said, "This initiative highlights the close and constructive working relationship between NDF and the AfDB. We have been in lock step throughout the preparation and development cycle of the Fund. Now we have a fully packaged investment vehicle to bring to market scaling up proven clean off-grid energy solutions to the energy access challenge on the continent."

The Fund will be managed by Lion's Head Global Partners operating out of offices in Nairobi, Lagos and London, with an initial focus on East Africa as well as Côte d'Ivoire, Ghana and Nigeria, and looking to build a strong pipeline of transactions throughout the region. The pioneering Fund will unlock and catalyse financial sector and local currency participation in this growing green finance opportunity. "The GEF is pleased to be a partner in this innovative blended finance facility which is part of GEF's strategic priority to "crowd-in" private sector investment to help countries meet their environmental and sustainability goals," said Gustavo Fonseca, Director of Programs at the Global Environment Facility. "OGEF squarely fits within our investment mandate of leveraging public capital at scale to create systemic change in sectors and geographies that have been overlooked by mainstream capital markets. We are excited to work with the AfDB and the other investors to scale this facility and increase access to clean electricity for off-grid households in Africa," said Jenn Pryce, President and CEO of Calvert Impact Capital.

The Facility for Energy Inclusion (FEI) is the Bank's flagship initiative for providing long-term finance to small-scale renewable energy access projects, of which FEI OGEF is one of the financing windows. FEI has been developed with grant support from the Bank-hosted Sustainable Energy Fund for Africa (SEFA).

INVESTMENTS

German company Oiltanking expands business in Mozambique

German company Oiltanking now has a new storage facility in Matola, Mozambique, and has expanded its investments in the ports of Matola and Beira by increasing its direct stake in Oiltanking Mozambique from 60% to 80%, according to the Hamburg-based company, a subsidiary of the Marquard & Bahls AG group.

The company, founded in 1972, also said in a statement that the Matola terminal received its first ship on 26 November, and the current storage capacity of 58,600 cubic metres may be expanded, given that there is enough land for its expansion.

The terminal has a jetty that can accommodate ships with a maximum draft of 11.5 metres and also has facilities for loading trains and trucks to serve the southern region of Mozambique, the neighbouring countries of Swaziland, Zimbabwe and Botswana and the northern provinces of South Africa. "Mozambique is one of the main transit platforms for oil products on the east coast of Africa," said Lo Vanhaelen, managing director of Oiltanking Matola.

On the land available for future expansion at Matola, Oiltanking intends to build a terminal to store up to 33,000 cubic metres of liquefied petroleum gas (LPG), where it will add another 70,000 cubic metres of liquid storage. The company is also studying the construction of another terminal in the port of Beira to facilitate the import of oil products to supply both central Mozambique, Zimbabwe, Malawi, Zambia and the Democratic Republic of Congo.
Oiltanking owns and operates 80 terminals in 24 countries with a combined storage capacity of 21 million cubic metres. (Macauhub)

African Development Bank Board approves third sovereign lending instrument
The Board of Directors of the African Development Bank Group (AfDB) approved the Bank's third sovereign lending instrument called the Results-Based Financing (RBF) Policy. RBF will be the Bank's third financing instrument to complement the two existing instruments, namely, investment lending and program-based operations (PBOs). RBF is an additional, innovative, financing instrument that supports government-owned programs and links disbursements directly to the achievement of program results.
The approval of the RBF policy comes at a critical juncture where countries are increasingly harnessing resources for structural transformation and seeking financing and expertise from development partners, in flexible ways, to improve the effectiveness and efficiency of their development programs. The Policy will therefore enhance the Bank's responsiveness to such growing demands from its clients. It will also sharpen the Bank's results focus and help scale up financing in the **High 5** priority areas recently adopted by the institution. In so doing, the Bank will increase accountability and incentives for delivering and sustaining results, while promoting institutional development and enhancing development effectiveness concurrently.
The Bank will embark on the development of a solid pipeline of RBF operations, carefully selecting priority government programs that will deliver ambitious results in regional member countries. In the coming year, the Bank will enhance dialogue with countries in order to scale up RBF financing.

BANKING
Banks

China UnionPay launches bank card service in Mozambique
China UnionPay International launched a bank card service here that will allow UnionPay cardholders to make transactions in Mozambique.
The launch ceremony was attended by Chinese ambassador Su Jian, Bank of Mozambique Administrator Augusto Bila, the CEO of Société Générale Mozambique Laurent Vanh and members of the Chinese Enterprises Chamber in Mozambique. "We want this card to make life easier for Chinese people in Mozambique. The UnionPay card is the most used card in China. The launch of UnionPay service is a way to attract one of the biggest economies in the world, which is China," said Laurent Vanh to Xinhua.
In turn, Augusto Bila said that the government has been consolidating international partnerships, in particular with China, which is a strategic partner in several areas.
According to Bila, the Bank of Mozambique has been interacting with Union Pay International, a bank service provider since 2013, within the Sino-Mozambican bilateral cooperation framework. "The launch of UnionPay that we are witnessing today marks a significant moment in the national payment system, as a result of the cooperation between Mozambique and China, a strategic partner for the country, as well as one of the most populous economies in the world," said the administrator.
Ambassador Su said that the partnership between the two countries has been fruitful. "China is currently the largest investor, one of the biggest financier and constructor in infrastructure and commercial areas in Mozambique," said Su. "This cooperation will continue through banking and financial institutions such as UnionPay International," he added.

According to the ambassador, the Chinese Enterprises Chamber in Mozambique has 60 member companies, besides which, there are still many small and medium enterprises in Mozambique in various areas. The Union Pay International, headquartered in Shanghai, has already provided card services in many African countries such as Ghana, Morocco, Tunisia, Senegal, Equatorial Guinea, Guinea, Madagascar. (Club of Mozambique)

Société Générale Moçambique increases capital by EUR 13.5 million

The Société Générale bank today announced a capital increase of 944 million meticais (13.5 million euros) to meet the minimum capital standards required by the regulator and to increase its lending capacity. "This capital increase reiterates once again the Société Générale Group's total commitment to Mozambique, and reinforces the Bank's ambition to assist in the development of the national economy by financing local SMEs (Small Medium Enterprises) and attracting large investors and foreign national market," a statement sent to Lusa today reads.

The French bank entered Mozambique in 2015 with an investment of US$18 million (about EUR 15 million), and has already this year announced the doubling of its number of employees, which now stands at 110. "In 2018, the bank will strengthen its physical presence in Maputo, Nampula and Pemba provinces," the statement adds.

The bank, which has been active in Africa for more than 100 years, is present in 18 African countries and has around 110,000 employees on the continent.

Société Générale Moçambique accounts for a tenth of the country's total commercial banking assets, according to a banking industry survey prepared by KPMG for the Mozambican Association of Banks, based on data from 2016. (Club of Mozambique)

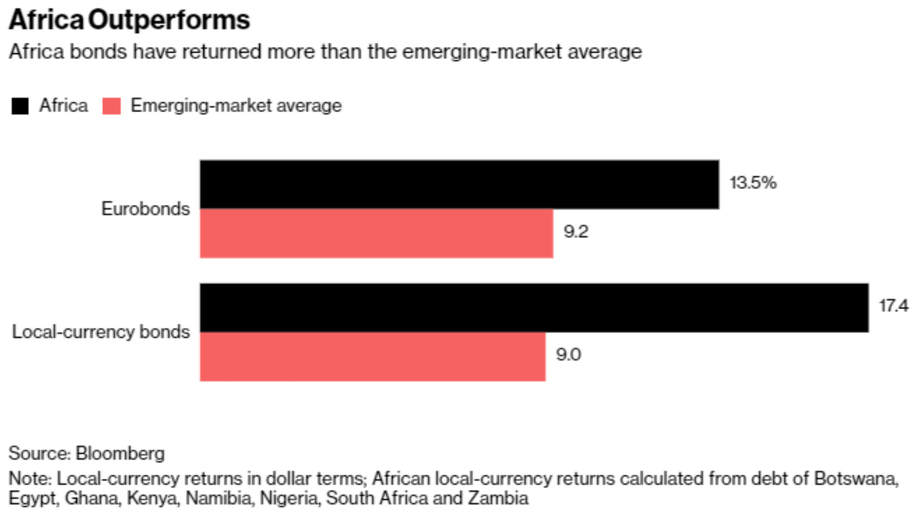
Markets

From Angola to Zimbabwe: Guide to Key Africa Markets in 2018

- African bonds outperformed emerging-market average this year
- Key challenges lie ahead, with IMF warning of credit risks

For bond investors, Africa's been a happy hunting ground this year.

Its local-currency and dollar securities easily outperformed those of emerging markets overall as investors piled into a continent offering high yields and starting to recover from the commodity bust of three years ago.



But risks abound, among them policy tightening in advanced economies, local and global politics, weakening currencies and another fall in oil prices. And then there is credit risk.

This year, Mozambique and Republic of Congo missed Eurobond payments, while countries including Cameroon and Zambia agreed or began talks on bailouts with the International Monetary Fund. And since Namibia and South Africa were downgraded to junk, the continent has been left without any investment-grade foreign-currency issuers.

Christine Lagarde, for one, thinks Africa's debt problems "could very well" worsen in 2018 as the dollar appreciates and the U.S. raises interest rates, according to an interview with Quartz magazine this month. The IMF's managing director said yield-hungry bond investors "were so eager to lend that I don't think they were very serious about assessing the risks and assessing their exposure."
Africa's debt is already becoming less attractive on a relative basis. U.S. 10-year yields rose to their highest in nine months this week, which narrowed African dollar-spreads to 349 basis points, around the lowest in three years, according to Standard Bank Group Ltd.

Here's a guide to what investors should watch for in 10 key African markets in 2018:

Angola

Investors are waiting on the OPEC member to devalue its currency, the kwanza, to help ease a shortage of dollars and revive what was, until the 2014 oil crash, one of the world's fastest-growing economies. Standard Bank says they may have to wait until after the government of new President Joao Lourenco presents its budget in mid-February.

Egypt

Elections in the first half of next year will signal whether President Abdel-Fattah El-Sisi, or his successor, will carry on with the deep economic reforms that have gone down well with portfolio investors, but left ordinary Egyptians reeling from high inflation.

Ghana

Ghana's economy grew 9.3 % in the third quarter as oil production increased. If sustained, it would mark a turnaround for the West African nation, which has been been under an IMF program since 2015 and saw its growth plummet to the lowest in more than a quarter-century last year as it enacted austerity measures.

Kenya

Kenyans and foreign investors will hope that East Africa's biggest economy finally ends a political crisis triggered by this year's disputed elections, the results of which the defeated main opposition party still hasn't accepted. Until it does, President Uhuru Kenyatta will struggle to revive a slowing economy and attract more investment.

Mozambique

The southern African nation has been ravaged by a financial crisis caused by the government taking on too much external debt, much of it in secret. It defaulted on a $727 million Eurobond in January and still hasn't begun formal restructuring talks with creditors including New York-based hedge fund Greylock Capital Management LLC. While the government wants to start negotiations, bondholders say that Mozambique has the money to pay them back and that it should turn to other lenders for a haircut.

Nigeria

Nigerian politicians are already gearing up for elections in early 2019. President Muhammadu Buhari, who is 75 and spent many months this year in London getting treatment for an undisclosed illness, is yet to say if he'll run again. Either way, any signs that officials are putting much-needed reforms on hold to concentrate on the vote may unnerve investors in an economy that's struggling to recover from last year's recession.

Republic of Congo

Will it default again? The oil-producing central African country, which was about a month late on a coupon earlier this year, is considering halting payments on some debts, its prime minister said in October. The next coupon on its $363 million Eurobond is due at the end of 2017. The security has surged 15 cents to 88 cents on the dollar this month as investors bet the government is closer to striking a deal with the IMF.

South Africa

Investors will be watching Cyril Ramaphosa, the new leader of the ruling African National Congress, closely. February's budget will be crucial, signaling whether Ramaphosa, who has prioritized stimulating the economy and stamping out corruption, is able to assert his authority over President Jacob Zuma's administration and whether South Africa has done enough to avoid more credit-rating downgrades. Investors will also look for any hints as to whether Ramaphosa will try to force Zuma, whose term runs until 2019, to step down early.

Zambia

The copper producer's immediate prospects hinge on whether it can get a bailout from the IMF. The kwacha has lost 10 % against the dollar since July on investor concern that it won't manage that soon. Without a deal, it's at risk of financial stress, according to Moody's Investors Service.

Zimbabwe

Not a market for bond investors. But Zimbabwe may become tempting for global equity traders again after Robert Mugabe was ousted as president in November. That could open up the country -- once home to one of Africa's most important stock markets -- to much-needed foreign investment. (By Paul Wallace, Bloomberg)

African Development Bank to raise USD 8 billion from capital markets in 2018

The Board of Directors of the African Development Bank has approved the Bank's 2018 borrowing program for USD 8 billion to be raised from capital markets. The Bank provides financial assistance to its member countries by mobilizing resources primarily from the capital markets under its annual borrowing program.

The African Development Bank is rated triple-A by all the major international rating agencies (Fitch, Moody's and Standard and Poor's) and accesses a wide array of capital markets with the bulk of its issuance in US dollars, Euros, Australian dollars and pound sterling. The African Development Bank has also shown a strong commitment to socially responsible investment programs with a proven track record of successful issuance in green bonds over the past five years. "We have stepped up our profile in the international capital markets and will continue to raise funds across the globe to provide cost effective resources to our clients" stated Acting Vice President Finance and Treasurer of the AfDB Group Hassatou N'Sele.

The Bank recently launched a Social Bond program focused on meeting the critical development challenges that Africa is facing and that are at the heart of the Bank's social mandate. The AfDB has also used its 'High 5' operational priorities as a platform to launch theme bonds in 2017, including 'Improve the Quality of the Life for the People of Africa' bonds, 'Industrialize Africa' bonds and a 'Light Up and Power Africa' bond for which it received an award. The AfDB will continue to explore the prospects for African currency bonds to facilitate the financing of its local currency operations and promote the development of domestic bond markets across Africa.

Angola's Central Bank Plans to Loosen Kwanza's Peg to Dollar

- Oil-producing country to establish currency band for kwanza
- Angola plans to renegotiate foreign and domestic debt

Angola plans to loosen its currency's peg to the dollar by establishing a band in which the kwanza can float freely before the end of this quarter.

The possibility of a currency depreciation is "great for the reasons we know," central bank Governor Jose de Lima Massano told reporters in the capital, Luanda. "We have an exchange rate that does not reflect the truth."
Angola has been struggling to cope with lower crude prices since mid-2014, which led to no economic growth in 2016 and a sharp drop in the country's foreign-currency reserves. The kwanza is currently pegged at about 166 per dollar but trades at more than 400 per dollar in the black market.
The plan for a more-liberal currency regime comes just four months after Joao Lourenco replaced Jose Eduardo dos Santos as president of Africa's second-biggest oil producer. While the central bank won't make the range public, it will intervene with "corrective measures" if the kwanza floats outside that range, said Massano.

Reserve Drop

Foreign-exchange reserves dipped to $14.2 billion in November from $15.4 billion in October, and are down from $20 billion at the start of 2017, according to data compiled by Bloomberg. The dollar shortage has left hundreds of companies struggling to pay foreign workers and overseas suppliers, prompting many to leave the import-dependent southern African country. "It's difficult to say what might happen at this stage, but we think the official exchange rate could plausibly fall by 20 % or more against the dollar and the yield on Angola's Eurobond could rise by 700 to 1,000 basis points," William Jackson, a senior emerging-markets economist at Capital Economics in London, said in an emailed note.
The yield on Angola's $1.5 billion of bonds due on November 2025 fell eight basis points to 6.82%. Authorities have vowed to crack down on black-market currency traders to try to narrow the gap between the official and the informal exchange rate. To stem dollar outflows, Angola has imposed limits on the transfer of foreign currencies abroad.

Debt Talks

Angola will make efforts to renegotiate domestic and foreign debt in a bid to reduce the burden on government finances, Finance Minister Archer Mangueira said at the same press conference. "We're developing efforts to renegotiate our debt with our main partners throughout 2018," he said. The nation's foreign debt is $38 billion and renegotiating the maturities and interest rates of liabilities is a "priority," he said, without providing more details.
Angola may issue foreign and domestic debt if the need arises, he said. The government was carrying out a "diagnosis" of the country's $5 billion sovereign wealth fund after reports last year about alleged mismanagement of the Fundo Soberano de Angola's finances. (By Henrique Almeida and Candido Mendes, Bloomberg)

Exchange rate calculated through average value of auctions

Luanda - The value of the new Kwanza exchange rate against other currencies is determined by the transactions that take place in auctions of currencies in the primary market, which will be calculated through the weighted average sales to commercial banks, according to a press release from National Reserve Bank (BNA).
Thursday 4th January, a day after the governor of the Central Bank, José de Lima Massano, announced the change of the exchange rate regime, the BNA convened its Monetary Policy Committee to define the minimum and maximum limits of the floating exchange rate regime, which will become effective in the Angolan market instead of the fixed one.
The average value of the future exchange rate calculated will be the reference and will be published on the website of the National Bank of Angola.
The CPM defined maximum and minimum limits of the foreign exchange band after analyzing the behavior of the macroeconomic fundamentals of the Angolan economy and particularly the decreasing trend of international reserves and taking into account the current imbalance between supply and demand for foreign exchange.

The National Bank of Angola will manage the foreign exchange market to ensure the sustainability of external accounts and price stability.
During a press conference held, the National Bank of Angola (BNA) ruled out the possibility of an administrative devaluation of the Kwanza, but announced that it will make a change in the current exchange regime, contrary to the analysis recently advanced by some international rating.
In this change, it is expected that the price of currencies traded in the market will be defined based on demand and supply of foreign exchange.

New Exchange Regime

As regards the new exchange rate regime, the CPM clarifies the following:
a) On the change in the Exchange Regime: the exchange rate regime that has been in effect until the present date, is that of the administered exchange rate determined by the BNA, regardless of the relationship between demand and supply. From now on, the National Bank of Angola adopts an exchange rate regime characterized by fluctuation of the exchange rate within a range, with a ceiling and a minimum limit. This range is called the exchange band;
b) How will the exchange rate be defined? The BNA will organize auctions for the purchase and sale of foreign currency. In these auctions, participants - BNA and Commercial Banks - will indicate the price (exchange rate) for the purchase or sale of foreign currency. (Angop)

Bank of Mozambique cuts interest rates

The Bank of Mozambique cut its benchmark interest rates by 150 base points.
A statement from the Bank's Monetary Policy Committee (CPMO), which met in Maputo in the morning for its last meeting of the year, said that the new interest rate, introduced in April, the Interbank Money Market Rate (MIMO), falls from 21 to 19.5 per cent. The central bank's interventions on the interbank money market to regulate liquidity are based on this rate.
The Standing Lending Facility (the interest rate paid by the commercial banks to the central bank for money borrowed on the Interbank Money Market) falls from 22 to 20.5 per cent, and the Standing Deposit Facility (the rate paid by the central bank to the commercial banks on money they deposit with it) falls from 15.5 to 14 per cent. The Compulsory Reserves Coefficient – the amount of money that the commercial banks must deposit with the Bank of Mozambique – remains unchanged at 14 per cent.
The Committee says it reduced the rates because of the fall in the inflation rate. The annual inflation rate hit almost 27 per cent in November 2016, but, according to the National Statistics Institute (INE), based on the consumer price indices of the three largest cities (Maputo, Nampula and Beira), inflation from January to November this year was only 7.15 per cent. The projection for 2018 is that there will be single digit inflation (i.e. less than 10 per cent) in the year.
The slowdown in inflation, said the CPMO, "is taking place in an environment where the Mozambican economy is performing moderately". The annual GDP growth rate in the third quarter of this year was only 2.9 per cent, well below the average of seven per cent observed in the eight years prior to the crisis of 2016.
Faced with this scenario, the CPMO, "thought it adequate to slacken, prudently, the restrictive nature of monetary policy, in a context in which the government has announced measures to rationalise public expenditure in 2018".
The release noted that the national currency, the metical, has continued to appreciate slowly against the US dollar. On 20 December, the metical was quoted at 59.36 to the dollar, compared with 61 to the dollar on 26 October.
But the metical has depreciated against the South African rand. Over the same two month period – 26 October to 20 December – the metical fell by five per cent, from 4.47 to 4.64 meticais to the rand. This was part of a general improvement in the value of the rand against other currencies, as markets heaved a sigh of relief at the election of Cyril Ramaphosa as President of the ruling African National Congress (ANC), and the likely end to the corruption-riddled era of Jacob Zuma.

Mozambique's net international reserves have continued to grow, said the CPMO, and on 20 December stood at 3.167 billion dollars, enough to cover seven months imports of goods and non-factor services (excluding the imports of the foreign investment mega-projects).
There was also a considerable improvement in the current account, caused largely by a sharp rise in Mozambican exports, as the value of imports remained fairly stable. In the third quarters, exports were 1.1 billon dollars greater than in the same period of 2016. This was due largely to improvements in the international prices of coal and of aluminium. The deficit on the current account fell by 1.74 billion dollars.
Although the prospects for inflation have improved, the statement added, "there remain considerable fiscal risks, in a context where foreign aid to the state budget has been suspended".
When the true extent of Mozambique's "hidden debts" became clear, in April 2016, all 14 donors who used to provide direct budget support suspended future disbursements. To date this form of aid has not resumed.
The "hidden debts" are the government-guaranteed loans of over two billion dollars that three security-related companies, Ematum (Mozambique Tuna Company), Proindicus and MAM (Mozambique Asset Management) took from European banks (Credit Suisse and VTB of Russia) in 2013 and 2014. Donors have made it clear that they will not resume financial aid until there is a full explanation of what happened to the two billion dollars.
To fill the gap left by the suspension of aid, the government has resorted to domestic indebtedness, issuing high interest bearing treasury bills and bonds. But the total domestic debt has fallen slightly, from 102.263 billion meticais in November to 101,121 billion now.
The CPMO warned of other risk factors, which Mozambican can do little or nothing about. These include extreme climatic events, the volatility of international commodity prices, and the political environment in neighbouring countries. These could have an unpredictable impact on prices, and hence on inflation.

Fund

Government studies strategies for Sovereign Fund

The Executive will approve in the first semester of 2018 a new strategy for the Angolan Sovereign Fund, announced in Luanda the Finance minister, Archer Mangueira.
The minister also announced that currently there is a diagnosis process in progress in the Sovereign Fund to find out its real present situation and type of management it has had.
Archer Mangueira, who spoke to the press, explained that the Sovereign Fund was created in a specific context to safeguard the investments of the Angolan State and protect the future generations, however, there is now a need to adjust the institution to the country's new economic and financial scenario.
The Sovereign Fund was created in 2012, with an initial financial allocation of five billion US dollars.
In the end of the year 2017 there were rumours internally and abroad that the Angolan Sovereign Fund was being managed with a lot of irregularities. According to minister Archer Mangueira, the results of the diagnosis being made on the Sovereign Fund will clarify the veracity of the alleged irregularities in the management of the institution. (Angop)

Angolan Sovereign Wealth Fund reports $40.5 million profit for Q3 2017

On Wednesday, 20th December 2017, Angola's sovereign wealth fund, Fundo Soberano de Angola (FSDEA), announced its third-quarter investment update for 2017. This covers the period from 1st of July to 30th of September 2017. During this period, FSDEA witnessed a profit of $40.5 million, mainly generated by a good performance of investments in fixed and variable income instruments that generated a gross margin of USD 117.5 million. "FSDEA strong performance and profitability, registered since 2016, continued during the third quarter of 2017. These results came primarily from investments in bonds and securities. These generated a gross margin of USD 117.5 million," said

José Filomeno dos Santos, Chairman of the Board of Directors, FSDEA while commenting on the Fund's performance.
At the end of this period, the total assets of the fund were valued at $5.03 billion and the highlights were as follows:

- The FSDEA's total assets at the end of the third quarter valued at USD 5.03 billion;
- 48 % of the total portfolio was dedicated to assets in Sub-Saharan Africa, 31 % in North America, 15 % in Europe, and 6 % across the rest of the world;
- Fixed income net investments were valued at $739 million, representing 15 % of the total portfolio;
- Net variable income investments were valued at $894 million, representing 18 % of the total portfolio;
- Private equity funds invested $489.9 million in Angola and sub-Saharan Africa, which have currently reported value of $884.5 million;
- Bonds and securities earned gains of $117.5 million, before fees and expenses;
- No additional endowment has been received from the Government to the FSDEA during the period.

"Within the scope of the FSDEA mandate, we envisage the realization of more investments in several sectors, which will create more and more value for the portfolio, thereby creating income generation opportunities for national citizens and those of neighbouring countries. The capital gains realized in 2016 and 2017 demonstrate the Fund's prudent investment strategy in private equity. We, therefore, expect a continuous increase in the value of these investments throughout the year," said José Filomeno dos Santos.

What you should know about Fundo Soberano de Angola

- The Fundo Soberano de Angola (FSDEA) is a Sovereign Wealth Fund.
- FSDEA is wholly owned by the State of the Republic of Angola.
- The Fund was established in accordance with international governance benchmarks.
- FSDEA helps to develop an investment portfolio across a number of industries and asset classes, in accordance with the investment policy and guidelines set by the State.
- By pursuing investments that generate long-term and socially enhancing financial returns, the FSDEA has an important role in promoting Angola's socioeconomic prosperity and generating wealth for Angolans. (By Fumnanya Agbugah, Ventures Africa)

ENERGY

Mozambique plans to continue to be Southern Africa's largest power producer

Mozambique is expected to invest US$5.15 billion over the coming years to ensure that it will continue to be a hub for electricity production in the southern African region, the chairman of state-owned power company Electricidade de Moçambique (EdM) said on Monday in Maputo.
Mateus Magala, quoted by Mozambican newspaper Notícias said the investment will cover five new projects, one of which, the interconnection between Mozambique and Malawi, is expected to be completed in financial terms in 2018 and on the ground three years later, in 2021.
Saying that Mozambique is a country with vast potential for electricity production in sub-Saharan Africa, of around 187 gigawatts, Magala pointed out that what is most important at the moment is for the country to transform that potential into real production.
The president of EdM said that due to an economic slowdown in South Africa, Mozambique currently has an unused production capacity of 7,000 megawatts, while Southern Africa has a deficit of 10,000 megawatts, "due to the lack of interconnection between countries' electricity grids." (Macauhub)

Ethiopia signs $4 billion deal to build 1,000 MW-geothermal power plants

Ethiopia has signed an agreement to build two geothermal power plants at a combined cost of $4 billion, to be run by the country's first privately-owned utility.

The Corbetti and Tulu Moye plants will produce a combined 1,000 MW of power upon completion in eight years time in the volcanically-active Rift Valley south of the capital Addis Ababa.
Ethiopia is eager to meet rising energy demand from its industries as well as becoming the continent’s biggest exporter of energy. “No doubt the success of this effort will have a significant impact in the country’s future economic well-being,” said Azeb Asnake, chief executive of state-run Ethiopian Electric Power (EEP).
The project’s equity investors include the Paris-based asset manager Meridiam, as well as the Africa Renewable Energy Fund and InfraCo Africa - funds that focus on infrastructure.
As Ethiopia’s first privately-owned utility, the project will be operated by the developers for a period of 25 years.
In an economy traditionally dominated by state spending, the government has suggested that the nascent sector could be a model for increased private investment. “Going forward, the government recognises the added value to be gained by working in partnership with the private sector, specifically in sharing with it the burden of investment for large-scale power generation,” said Seleshi Bekele, minister of water, irrigation and electricity.
Under a new 2015-2020 development plan, Addis Ababa wants to raise power generation to 17,346 MW from a current capacity of just over 4,300 MW from hydropower, wind and geothermal sources. It has an array of projects under construction, including the $4.1 billion Grand Renaissance Dam along its share of the Nile river that will churn out 6,000 MW at full capacity upon completion within the next 10 years.
But the country’s power ambitions have also caused disputes. Egypt - solely dependent on the Nile - is concerned that the Renaissance Dam will reduce the river’s flow. Both countries are currently at odds over the project’s technical details. (By Aaron Maasho, Reuters)

Egypt's EFG Hermes looks to manage renewable energy projects -energy head
Egyptian investment bank EFG Hermes aims to manage renewable energy projects totalling 400-500 megawatts in the north African country in the coming three years, said the bank’s energy head Bakr Abdel Wahab.
EFG Hermes, one of the largest investment banks in the Middle East, is currently active in the renewable energy sector in Europe through a green company called Vortex. “We are thinking of establishing a holding company to manage energy projects, like Vortex, but in Egypt,” said Abdel Wahab. He said the projects that the bank was targeting were worth at least $250 million in investments and that the bank was looking to reach 1000 megawatts by 2020 with a capital of $500 million. “The stations that we’re going to invest in will be built in the first quarter of 2018 and we expect them to start operating in 2019,” said Abdel Wahab. He expected renewable energy to attract investors from the Gulf and Asia in 2018. Egypt hopes renewable energy will cover 20 % of its annual electricity demand by 2020. (By Ehab Farouk, Reuters)

Eskom reinstates embattled executives Matshela Koko and Prish Govender
South African power utility, Eskom confirmed that former acting chief executive Matshela Koko and former acting group executive for group capital, Prish Govender, have been reinstated after they were cleared in disciplinary hearings. Eskom spokesperson, Khulu Phasiwe, said that the disciplinary hearings for the executives had been transparent and fair.
Phasiwe said after the hearing was completed, the chairperson of the hearing gave the report to the board of Eskom on December 15 after which they read it and informed the minister of public enterprises that they should make this information public.
Koko was facing six charges, among others, for allegedly failing to declare a conflict of interest after a company in which his stepdaughter had shares, Impulse International, was awarded a R1-billion tender by a division he led when he was group executive for generation. “In December 2017, the Eskom Board received the final report from the chairperson of the disciplinary case involving suspended Eskom group executive for generation, Matshela Koko. The report found Koko not

guilty of any wrongdoing and he has now been reinstated to his position with effect from 02 January 2018," Phasiwe said. "The senior counsel investigating allegations of impropriety in the McKinsey/Trillian matter has also cleared Prish Govender and he has thus also been reinstated to his position as the acting group executive for Group Capital. The investigation found that there was nothing untoward he had done on his part, but if there are any aggrieved parties or individuals or [they] may have other information that the board may not have had at a time, they can bring it forward."

Eskom has since made demands to recover the more than R1.5-billion it had unlawfully paid to McKinsey and Trillian without contracts. Phasiwe said that Govender has already reported for duty while Koko will be starting work next week on Monday. He said that the public must also remember that there is a parliamentary inquiry into Eskom's affairs, especially its coal contracts and its corporate governance, which will resume soon. The Democratic Alliance's (DA) public enterprises spokesperson Natasha Mazzone accused Eskom of trying to hide something about these reinstatement since it has not released an official statement. Last month, the DA filed criminal charges against Koko for alleged breach of the Public Finance Management Act.

Meanwhile, suspended Eskom chief financial officer Anoj Singh is yet to know the date in which he would be called to testify before Parliament's inquiry into the power utility after he infuriated MPs in December by submitting 400 pages of documentation less that 24 hours before his scheduled appearance. (Engineering News)

INFRASTRUCTURE

What you need to know about Nigeria's first inland and dry port

President Muhammadu Buhari will on Thursday 4th of January 2017, inaugurate Nigeria's first Inland Dry Port in Kakuri, Kaduna State.

According to the Director, Special Duties, Nigerian Shippers Council, Ignatius Nweke, the idea of establishing inland container depots in the hinterland was informed by the need to reduce the congestion in Lagos ports and provide relief for the busy Apapa road.

What we know about Nigeria's first Inland dry port

- A dry port is an inland intermodal terminal directly connected by road, rail and air to a seaport and operates as a centre for trans-shipment of sea cargoes to inland destinations.
- Apart from the Kaduna Inland Dry Port there are about seven other approved locations of inland Dry Ports around the country that already concessioned to private sector operators by the ICDs Implementation Committee of the Federal Ministry of Transportation.
- The ports are located in Isiala Ngwa in Abia state, Erunmu, Ibadan in Oyo state, Heipang in Plateau state, Zawachiki in Kano state, Zamfarawa, Funtua in Katsina state and Maiduguri in Borno state.
- The constructions of the Inland Dry Ports are all Public-Private Partnerships
- In the first phase of operation, the Kaduna Inland Dry Port has the capacity to handle about 29,000 tonnes of cargo yearly. This figure might double upon the completion of the port.
- It is also estimated to that at least 5,000 direct jobs will be generated at the commencement of operations.
- Cargoes from the Apapa Port in Lagos will be received at the Kaduna Dry Port through the railway or by road. Goods will also be exported through the same channel.
- There is a maintenance agreement with the contractors who are working at the port in order to ensure good maintenance culture.

Concerns about the Dry Port

The Chairman, International Freight Forwarders Association, Sunny Nnebe, told Punch News that unless the depots were linked to the rail system, they would not serve the purpose for which they were established.

In the same vein, the Coordinator of Save Nigeria Freight Forwarders, Dr. Osita Chukwu, observed that of all the seaports in Nigeria, only Apapa had been linked to the rail line, noting that unless the situation improved, the government was just wasting money on the dry ports.
Let’s be optimistic and see how far this will go. (By Fumnanya Agbugah, Ventures Africa)

Port of Luanda, Angola, expected to move 8 million tons of cargo in 2017
The port of Luanda is expected to handle 8 million tons of miscellaneous cargo by the end of this year, chairman Alberto Bengue told the Angop news agency. Bengue also said that there is a lot of cargo coming to the country and added that once the company is in possession of all ships’ manifests it will be possible to have a more detailed calculation of activity in 2017.
In 2016, the port of Luanda processed 5.4 million tons of cargo in containers and 1.7 million of non-containerised cargo, a decrease of 20% or 1.8 million tons compared to the 8.9 million tons processed in 2015.
That same year, 4,622 ships docked at the port of Luanda, with an average of two long-haul ships per day, or a total of 732, which was a drop compared to 2015, a year in which three ships arrived in Luanda on a daily basis. The 3,890 coastal vessels, mostly related to oil sector activity, averaged 12 ships per day with a decrease of 31% in vessels compared to 2015. This decrease was accentuated throughout 2016, due to an economic downturn in recent times, leading to a decrease in imports, as most of the cargo arrives in the country by sea.
The port Luanda is the main port in Angola, accounting for 80% of the country’s imports and exports. (Macauhub)

Management of port of Quelimane granted to state port and railway company CFM
Mozambican state port and railway company CFM will manage the port of Quelimane, in the country’s central province of Zambézia, under a government decision, announced by the spokeswoman of the Council of Ministers and Deputy Minister of Culture and Tourism. “The Council of Ministers considered and decided on the decree approving the early termination and by mutual agreement of the concession contract of the port of Quelimane and consequent return to the granting authority,” said Ana Comoana. The deputy minister said that the decision aims to ensure the defence of the national interest and ensure continuous stimulus of socio-economic development of all users of the port of Quelimane, and of Zambézia province as a whole. The management of the port of Quelimane was entrusted to a consortium led by Cornelder de Moçambique, a partnership between the Cornelder Holdings group based in the Netherlands and Mozambican port and rail company CFM. Cornellier de Moçambique has also been managing the Beira port in Sofala province since October 1998. (Macauhub)

Port of Beira, in Mozambique, adopts electronic cargo management system
The port of Beira, in the province of Sofala, Mozambique this year plans to adopt an electronic cargo management system allowing users to register their entries at the terminal in advance, via the Internet, which should improve port efficiency, said the managing director of Cornelder de Moçambique, the port’s management company.
Jan de Vries also told Mozambican newspaper Notícias that a significant increase in container processing capacity is expected from the current 200,000 to 700,000 per year following an investment of around US$6.2 million.
Cornelder de Moçambique, a partnership between the Cornelder Group from the Netherlands and state-owned port and railway company CFM, also intends to introduce new systems for automatic identification and registration of trucks and containers entering the terminal.
With a daily movement of approximately 700 trucks, the port of Beira has an area reserved for 400,000 containers per year, and the company is challenged to increase the productivity, capacity and safety of operations to accommodate the demand of traditional users such as Zimbabwe, Zambia, Malawi and DR Congo.

The Port of Beira Container Terminal was built in 1992, with a processing capacity of 100,000 containers per year, but 25 years later it processes more than 200,000 containers a year, “a fact that confirms that Mozambique actually needs this type of facility.”
Emergency dredging of the port access channel by Dutch company Van Oord in a 65 million-euro operation will allow vessels with a 60,000 gross tonnage, commonly called Panamax, to dock at the port once again from April onwards.
The conclusion in April of repair and expansion works on the EN6 road between the port of Beira and the Machipanda border with neighbouring Zimbabwe, over a total length of 288 kilometres, will allow an increasing amount of cargo to be shipped through the port.

Paris Aeroport secures contracts in Mozambique
Paris Aeroport, formerly known as Aeroports de Paris or ADP, owned by the ADP Group through its subsidiary ADP Ingenierie, recently secured a number of contracts in foreign countries, including Mozambique, for design, study or technical assistance projects, reported the company. Five of the contracts are based in Africa and in Mozambique the contracts are for the country’s five main airports and the rest for Francistown International Airport in Botswana, Jomo Kenyatta International Airport in Nairobi, a new international airport in Cotonou, Benin and Blaise Diagne International Airport in Dakar, Senegal.
In Mozambique, where Paris Aeroport was awarded an international public tender launched by state-owned Aeroportos de Moçambique (AdM), the company will draw up operating plans for the five busiest airports.
In addition to these five projects in Africa, Paris Aeroport also announced it had been awarded other contracts in Asia and Europe. (Macauhub)

MINING

Mining companies evaluate heavy sand mining in southern Mozambique
Mining companies Savannah Resources and Rio Tinto are to start gathering samples of heavy sand in Inhambane, southern Mozambique, at a site expected to be rich in industrial minerals. “A pilot unit capable of processing 20 tonnes [of sand] per hour will be used to produce concentrate as part of the Mutamba project’s feasibility study,” Savannah Resources told investors in a statement to which Lusa has had access. The minerals that the consortium hopes to obtain from the heavy sands are used in the production of paint, plastic, paper and textiles, as well as in the ceramic industry.
Savannah Resources predicts that the feasibility study will be completed by 2018, with a final investment decision being taken in 2019. The London-based company, which is also listed on the stock exchange, also extracts lithium from the Barroso Mine in northern Portugal. The start-up of the Mozambique testing unit is considered “an important step” by company CEO, David Archer. “Things are still at a very early stage, but a pilot unit is an important part of the project study,” he said in the statement.
The Mutamba consortium was formed late last year and consists of Savannah Resources, its wholly owned subsidiary AME East Africa and Rio Tinto, an Australian and British mining and metals company.
AME East Africa is in charge of operating the sample extraction project on behalf of the consortium, through its subsidiary Matilda Minerals.
Savannah Resources believes that “there is potential for a financially robust and long-lasting project” in Mutamba, Inhambane. The mine could run for up to 30 years from 2020 with an average annual production of 456,000 tonnes of ilmenite and 118,000 tonnes of non-magnetic concentrate.
In June, in another presentation on the project, Archer said that the Mutamba could be “a great industrial development for the region” with the capacity for 332 direct jobs and a further thousand indirect ones. (Club of Mozambique)

Syrah Resources exports first graphite extracted in Mozambique

Syrah Resources is expected to export the first shipment of graphite flakes extracted in Mozambique on 31 December, the Australian company said in a market filing. The statement added that the company had completed the preparation of the first graphite bagged for sale from the Balama project in Cabo Delgado province, northern Mozambique. The company announced earlier this month that it had signed a contract to supply Chinese company Zhanjiang Juxin New Energy Materials with 20,000 tons of graphite to be mined at the Balama concession in 2018.

The Chinese company, established in 2006, is headquartered in Guangdong Province, and specialises in the production of spherical graphite and materials for production of anodes for lithium-ion batteries, selling its products both in China and abroad.

Syrah Resources said in September it had signed a contract to provide 30,000 tons of graphite to Jixi BTR Graphite Industrial, a subsidiary of Shenzhen-based Chinese group BTR New Energy Materials.

The Balama concession, in Cabo Delgado province, is about 200 kilometres west of the port city of Pemba, with proven and probable reserves of 81.4 million tonnes, with a graphite content of 13.2 million tonnes . (Macauhub)

Montepuez Ruby Mining invests in increasing ruby extraction in Mozambique

Montepuez Ruby Mining plans to invest over US$14 million in the expansion of ruby mining operations in Cabo Delgado province in northern Mozambique by 2019, the company's director said recently during a visit by the Mozambican chief of police to find out about safety conditions. Isaac Muchenje also said that with that investment the company intends to double to ruby extraction to 20 million carats per year from 11 mines exploring 300 different categories of rubies. Montepuez Ruby Mining has so far held nine auctions for the sale of uncut rubies mined in Mozambique, which raised US$338 million, of which US$71 million was delivered to the Mozambican state in the form of taxes. The company has a 25-year operating license, recording turnover of US$109 million this year with the sale of rubies at auction. A partnership that is 75%-controlled b British company Gemfields and the remaining 25% by Mozambique's Mwiriti, the company started mining in 2012 and was named as Mozambique's largest taxpayer for two consecutive years, according to Mozambican newspaper Notícias. (Macauhub)

Savannah Resources prospects for ore in Mozambique and Portugal

A consortium of Savannah Resources and the Rio Tinto mining groups will begin extracting heavy sand samples in Inhambane, southern Mozambique, to produce concentrate under the pre-feasibility study of the Mutamba project, which began in mid-2017, Savannah said in a recent market filing.

The Mutamba consortium was set up at the end of 2016 by the Savannah Resources group, which is listed on the London Stock Exchange's Alternative Investment Market, (AIM) its 100% controlled subsidiary AME East Africa Ltd and Anglo-Australian group Rio Tinto, which some time ago sold the coal assets it had in Mozambique to a consortium made up of state-owned groups in India.

AME East Africa Ltd acts as operator of the Mutama project through its subsidiary Matilda Minerals. The group's chief executive, David Archer, said in the statement that the launch of the testing unit is "an important step" but added that the Inhambane project is still at an early stage.

However, Savannah Resources group has, however, announced very positive results at the Mina do Barroso lithium mining project in Portugal, including a discovery of a 100-metre continuous lithium mineralisation. The group has already carried out 66 test drills with a combined length of 5,558 metre and initial results confirm the high potential of the mine, "where some of the best lithium deposits in Europe can be found." (Macauhub)

Ncondezi Energy Ltd presents working document to the Government of Mozambique

Ncondezi Energy Ltd announced that it had submitted the first version of the joint development agreement for a mining project and the construction of a 300 megawatt thermal power plant in Tete,

central Mozambique, to the Mozambican government, the company said in a statement released in London.
The companies involved are currently assessing the feasibility of the project, which should be completed by April 2018, with the government having agreed in the meantime to extend the deadline from the end of December to the end of February to sign the contracts for the design, equipment and construction, operation and maintenance. The Mozambican government also approved the extension from late April to the end of July of the deadline for the final signing of the joint development agreement for the project.
At the beginning of November, Ncondezi Energy Ltd announced it had signed a non-binding document with China Machinery Engineering Corp. and General Electric South Africa (PTY) Ltd for the development of a project in Mozambique.
The signing of the document at a meeting in Beijing followed the announcement on 20 October that the parties had reached agreement in principle on the terms of the non-binding offer. The non-binding document establishes the basis for negotiations for the development, construction and operation of the project for a 300 megawatt coal-fired thermal power plant and an open pit coal mine in Tete, Mozambique.
A final agreement required China Machinery Engineering Corp and General Electric South Africa to acquire about 60% of the project, with the two companies continuing to be responsible for developing and managing it. (Macauhub)

OIL & GAS

2017: Natural gas megaprojects in Mozambique enter final count-down

The year 2017 will go down in the history of Mozambique as the one in which the first final investment decision was made in a natural gas megaproject with revenue forecasts in the millions, sums capable of ending poverty.
The decision by the consortium led by the oil company Eni, of which Portugal's Galp is also a part, was taken in June and started a five-year countdown to gas exploitation in the Rovuma basin on the north of the country. International banking has already secured funding and Eni expects the Coral project to provide revenues for the Mozambican state of US$16 billion (three times the state budget for 2018) over a period of 25 years. This is just one of several projects in the industry that signal big business's confidence in Mozambique as a place to earn revenue.
Frelimo, the ruling party since independence, met at its 11th congress in September and consolidated the leadership of President Filipe Nyusi.
Nyusi went to Afonso Dhlakama's safe haven in the Gorongosa mountain and cemented the peace dialogue with a handshake whose photograph circled the world, adding strength to hopes that government and Renamo may be close to signing a new definitive peace agreement.
The armed wing of the main opposition party lay down its weapons at the end of 2016, with Dhlakama announcing an indefinite truce and welcoming the talks with "Brother Nyusi".
According to Chapane Mutiua, a researcher at the Centre for African Studies at the Eduardo Mondlane University (UEM), writing in a statement to Lusa in November, this approach may not please those who live on the perpetuation of armed conflict in Mozambique.
Mutiua drew attention to the possibility that such interests were behind an unprecedented wave of riots that occurred in October in various parts of the country, with attacks on police and officers and residents killed.
The most egregious case was the attack by an armed group on police positions in Mocímboa da Praia, Cabo Delgado province, where the village was besieged for two days, setting off alarms bells about the influence of local Islamic extremists. Historian Yussuf Adam goes further and states that there is "a social crisis situation" in Mozambique, in which "rural populations" in different areas "are responding, attacking a state that they think is not serving them".

Those who care to walk the streets can hear the sullen complaints of a population that, despite signs of economic recovery, still suffers from the serious crisis in Mozambique. A year-and-a-half after the disclosure of the 'hidden debts', justice has not yet apportioned accountability for the US$2 billion scandal that has left the country's macroeconomics on its knees.
The year 2017 also featured an audit of the case that suggests criminal indictments involving several public figures, and requests from the International Monetary Fund (IMF) for accountability.
In this dossier, at least, Mozambique ends 2017 as it began it: with no return of direct aid from donors to the State Budget in sight. One of the blackest memories of the year will be the assassination of Mahamudo Amurane, the mayor of Nampula. Remembered inside the country and by partners as a promoter of the fight against corruption, he was shot dead at the door of his house on October 4, even as Peace Day was celebrated in Mozambique. The crime will lead to early elections in Nampula, on January 24, 2018. Personalities and entities interviewed by Lusa have appealed to the authorities to investigate the case and not allow this to become another unresolved murder of a public figure. (Club of Mozambique)

Angola's Sonangol and Cobalt International Energy group reach agreement
Angolan state oil company Sonangol will pay US$500 million to US group Cobalt International Energy, solving a dispute between the two entities that has been in place since August 2016, according to statements issued.
Under the agreement now signed, Sonangol will pay US$150 million by 23 February and the remaining US$350 million by 1 July, 2018.
The US group announced in August 2015 that it had sold a 40% stake it held in blocks 20 and 21 to Sonangol for US$1.75 billion, minus US$19.7 million in taxes.
A year later the group announced that the deal was definitively ineffective, "as the authorisation of the Angolan government was not granted within a maximum term of one year," and in May 2017 it announced that it had filed an arbitration action with the International Chamber of Commerce demanding payment of more than US$2 billion. The two blocks' shareholders were Cobalt International Energy, with 40%, Sonangol and BP Angola, with 30% each. (Macauhub)

Algeria's Sonatrach signs $500 mln deal with BP, Statoil
Algerian state-owned energy company Sonatrach has signed an agreement with BP and Statoil to produce an additional 11 billion cubic metres (bcm) of natural gas from its Tiguentourine gas field, Sonatrach's CEO said. The field produces 9 bcm per year, but more investment is needed to maintain that output beyond 2035. "Sonatrach, British Petroleum, and Statoil have signed a deal to invest $500 million to recover an 11 billion cubic metre (bcm) additional reserve," Sonatrach CEO Abdelmoumene Ould Kaddour told reporters during a signing ceremony at Sonatrach's headquarter. The field has produced 78 bcm of gas involving an investment of $3.4 billion since opening in 2006, Sonatrach figures show. Algeria's annual gas production stands at 94 bcm, according to official figures. (By Lamine Chikhi, Reuters)

TELECOM

Terms of reference for the fourth telecoms operator in Angola are announced
The procedures and specifications for the international public tender for a new telecoms operator in Angola are now available, the Angolan Institute of Communications (INACOM) said in a statement. Inacom said that this procedure follows the announcement of the launch of an international public tender for an electronic telecommunications concession Angola, which was published in the country's Official Bulletin (Diário da Republica) on 28 November. Angola has three companies licensed to provide voice, data and Internet services: Angola Telecom, Unitel and Movicel. In addition to a new operator in Angola, in November the Angolan government announced

the sale of 45% of Angola Telecom, a state-owned company that has already been authorised to operate as the country's third mobile carrier. (Macauhub)

Angolan satellite, Angosat -1, placed in orbit

ngola's first satellite, known as Angosat-1, was launched from the Baikonur base in Kazakhstan, following an investment of US$320 million. Angosat, which weight 55 kilograms, was built by a Russian state consortium and launched using Ukrainian rocket Zenit-3SLB, and also involved Roscosmo, a Russian state space company. Construction of the satellite, whose launch was delayed several times, began in 2013. Angosat-1 is intended to provide telecommunications, television, Internet and electronic governance services to Angola, and will remain in orbit for at least 18 years.The Minister for Telecommunications and Information Technology, Carvalho da Rocha, said that 40% of the satellite's capacity had already been commercially reserved. According to the Angolan minister the government estimates it will recover its investment in two years at the least. Angola thus becomesthe seventh African country, along with Algeria, South Africa, Egypt, Morocco, Nigeria and Tunisia, with a communications satellite in orbit. It will be in a test period until March, officials have said. The satellite will be placed over the equator at an altitude of 36,000 kilometres. (Macauhub)

Nigeria agrees $550 mln satellite deal with China

Nigeria has agreed a $550-million deal to buy two Chinese communications satellites and hopes to sign the contract before the end of the month, the communication minister said.

Adebayo Shittu said China Exim Bank and the manufacturer, China Great Wall, have agreed to pay for the new satellites after Nigeria renegotiated an earlier deal that had required it to cover 15 % of the cost. "This is a very big business opportunity ... which is ... why they have agreed that even without our ability to contribute 15 % they are prepared to pay the entire sum of $550 million for the procurement of the two new satellites for Nigeria," Shittu told reporters in the capital Abuja. He said the satellite will be launched after a two-year production period starting from when the paperwork is signed. The minister said the funds were not a loan but the Chinese company will take an equity stake in Nigcomsat, a limited liability company owned the Nigerian government and responsible for managing satellite communications. Both parties will agree on a percentage share, Shittu said, adding that Nigeria "has nothing to lose because we are not putting anything into it in terms of financial resources." Shittu said the Chinese would help market satellite communication services to other African countries which would compete with current providers from Israel, Britain and the United States. "The first thing is that we want to make a profit, we want to capture the local market and we also want to capture the African market," he said. (By Felix Onuah and Chijioke Ohuocha, Reuters)

Kenya regulator ditches plan to break up Safaricom

Kenya's telecoms regulator has ditched a proposal to break Safaricom up into separate telecoms and financial services businesses due to its dominant size, Kenya's Business Daily newspaper said on Wednesday 3rd of January. An initial draft report on boosting competition in the sector, which was leaked in February 2017, had recommended the break up of the firm that is Kenya's biggest by market value. Business Daily reported the proposal had been dropped from a revised version of the report, which has been circulated to operators for comments. The regulator Communications Authority of Kenya (CA), which had already said it would not break up any firm after a huge outcry following the initial draft report, was not immediately available when Reuters sought comment on the report. The company, 35 % owned by South African group Vodacom and 5 % by Vodacom's major shareholder Vodafone, has 29.4 million users, 71.9 % of Kenya's total. It dwarfs the two other operators in the mobile market: the local subsidiary of India's Bharti Airtel and Telkom Kenya, owned by London-based Helios Partners. The smaller operators have long argued that Safaricom enjoys a dominant position because it accounts for 90 % of revenues in areas such as voice calls and text messages. Safaricom rejects the claims of dominance and it has in the past accused the regulator of being preoccupied by helping its smaller rivals rather than focusing on consumers. (By Duncan Miriri, Reuters)

AGRIBUSINESS

Investments in the Capanda Hub, in Angola, still far from projections

nvestments already made in infrastructure at the Capanda Agro-industrial Complex in the province of Malange amount to US$180 million, about 30% of a projection of US$600 million, said the chairman of the board of directors of the project's management company. Carlos Fernandes also told TV Zimbo that, since it was implemented in 2012 by the Development Company of the Capanda Agro-industrial Hub (Sodepac), 162 kilometres of internal roads, 173 kilometres of electricity distribution network have been built as well as the expansion of the electricity substations of Cacuso and Malanje. Fernandes said that an operation to increase the capacity of the Capanda substation is under way, which is expected to increase the number of anchor companies attracted to the Hub, the most important of which are Angolan bioenergy company Biocom, as well as the Pungo-a-Ndongo and PedrasNegras farms.

According to state newspaper Jornal de Angola, the chairman of the management company mentioned the lack of water supply and some infrastructure as the most critical factors holding back the development of integrated projects in the Capanda Agro-industrial Hub. The chairman of the board of directors of Sodepac said that there are 30 projects installed in the Capanda Agro-industrial Hub, with a total investment of US$1.2 billion and a production potential of around 5 million tons per year, providing 7,900 jobs. The companies are located in an area of about 152,684 hectares, 52% taken up by agriculture, involving intensive crops such as cassava and sugar cane, at Biocom, but the Hub has 411,000 hectares available, where 293,000 hectares are dedicated to agriculture, 100,000 to environmental preservation, 10,000 to areas unsuitable for agriculture, and 5,000 for housing.

Sodepac is specialised in agribusiness, leading social and economic programmes such as the implementation of the Agro Vilas programme in the interior of the Hub, which comprises 196 villages with 175,000 inhabitants. (Macauhub)

UPCOMING EVENTS

Third Africa Forum on STI: Building on Science, Technology and Innovation to Boost Private Sector and Socio-Economic transformation in Africa, will be held from February 10-12, 2018 in Cairo, Egypt. Co-organized by the African Development Bank and the Egyptian government, the event is also supported by the Republic of South Korea, Japan and other partners.

Africa Gas Forum 19 the February 2018 at the Sandton Convention Centre, Johannesburg and is aligned as an official side event of the annual Africa Energy Indaba.

Africa Energy Indaba, 20 – 21 February 2018 Sandton Convention Center, Johannesburg
http://www.africaenergyindaba.com/

Workshop on Sustainable Rural Biofuel Strategy in Africa 2018 - Workshop to be held at 21st Session of the African Forestry and Wildlife Commission, in early 2018 (TBC) - In cooperation with the World Agroforestry Center (ICRAF) and Japan International Research Center for Agricultural Sciences (JIRCAS)

Africa Investment Exchange: Gas, 11 – 12 April 2018 RSA House, London
https://www.eventbrite.co.uk/e/aix-gas-2018-registration-36924810101

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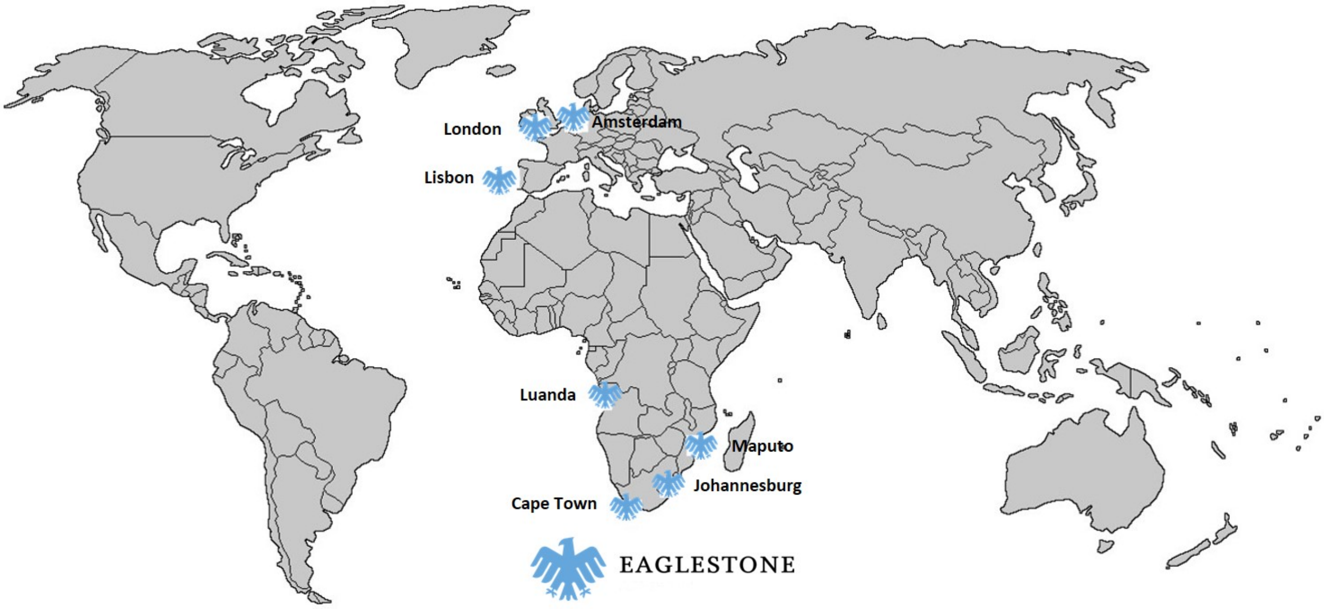

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Disclosures

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The company has three business activities - financial advisory services, asset management and brokerage - and currently has offices in Amsterdam, Cape Town London, Lisbon, Luanda and Maputo

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