



AFRICA HOUSE

Insight & Access. Projects & Trade.

# Notes from Africa

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## HIGHLIGHTS FROM THIS EDITION

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- Tenders Issued for Brazzaville-Kinshasa Bridge, Republic of Congo, DR Congo
- Joint Venture for Lofdal Rare Earth Project, Namibia
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- *Kenya Power & Lighting* Offering Broadband Internet Services, Kenya
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- *Royal Ghana* Gold Refinery Inaugurated, Ghana
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- Construction of *V&A Waterfront* Desalination Project Scheduled for 2023, South Africa
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- Investment Secured for Lithium, Coltan, Tantalite Project, Côte d'Ivoire

## *Côte d'Ivoire: A Favoured Francophone African Market*

*The trade statistics reveal that South African exporters concentrate mainly on southern Africa but also on East Africa to a limited extent. These markets fall within their 'comfort zone' in that they are predominantly English-speaking with familiar commercial legal and other regulations and general business practice. The statistics also show relatively little involvement in the Francophone markets of West and Central Africa. South African entities such as Standard Bank and MTN have established strong presences in some French-speaking countries but South African investments are not numerous.*

*Côte d'Ivoire is a Francophone market that is worthy of considerably more attention from South African exporters of goods and services as well as South African investors. Imports from Côte d'Ivoire to South Africa stood at only R460 million in 2021 albeit that the country is South Africa's largest Francophone partner outside of the Southern African Development Community (SADC).*

Despite the global economic difficulties, the country is performing remarkably well. The country registered 7% growth in 2021 up from 2% in 2020 and the *International Monetary Fund (IMF)* predicts growth of 6% for 2022. The ratings agency, *Fitch Solutions* forecasts growth at 6,2% in 2022 and 6,6% in 2023 – the highest in sub-Saharan Africa! The *Africa CEO Forum 2022 CEO Barometer* ranks Côte d'Ivoire first as an investment destination in West Africa. Development finance institutions are establishing themselves in the country with the *Norwegian Investment Fund (Norfund)* as a recent example. The *World Bank*, *African Development Bank (AfDB)*, *European Union (EU)* and other agencies have pledged a total of US\$ 26 billion in support of Côte d'Ivoire's five-year development plan which was launched in 2021.

The autonomous port of Abidjan is a major 'gateway port' and trans-shipment centre especially for land-locked neighbouring countries including Burkina Faso and Niger but also for the West Africa region as a whole. In 2020, container port throughput reached 974 872 000 TEU and total freight throughput is around 24 million tons. The port delivers some 90% of the country's custom revenues. It ranks second to Durban port in the continent.

However, Abidjan port is also seriously congested and the authorities are making strong efforts to

establish a second major port at San Pedro on the western coast. The objective is to convert the old San Pedro fishing and cocoa export port into a major bulk minerals export point and port of choice for the mines in western Côte d'Ivoire, Mali, Guinea and Burkina Faso. There has been substantial interest from international companies and investors in the multifaceted San Pedro Port Development Project and South African entities such as *Transnet* have studied the relevant opportunities. *Africa House* also led a business mission to San Pedro in May 2017.

In the resources sectors, the number of operating mines has increased substantially. The country produces a range of minerals including gold, nickel and diamonds and mining of manganese and iron ore in particular has increased. There are new investments in lithium projects. In 2021, the government announced a major oil and gas discovery at the offshore Baleine field. The main operators are *Eni* of Italy and *Total* of France. Only a few of its approximately 51 fields are in operation but the current production of 50 000 barrels per day will increase significantly in the future. It is reported that the country has reserves of around 100 million barrels.

The *World Bank* has labelled the country as an "electric success". Some 94% of Ivorians are now connected to the grid, (from 34% in 2011). Installed capacity is about 2 230 MW which satisfies local demand and permits Côte d'Ivoire to export a 10% surplus to the sub-region. Nevertheless, there are a number of renewable energy (RE) projects underway. The government has prioritised RE's as is evidenced by the recent announcement of a new RE training centre. Private sector participation has been a key to the country's power sector success.

Water and sanitation is another priority infrastructure sector. The 'Water for All' programme will supply potable water to the population of greater Abidjan.

Côte d'Ivoire has one of the most developed telecommunications sectors in the region. The sector contributes some ten percent of the country's GDP. A number of data centres are being developed.

The country has long been known as an economy based on agriculture and it has risen to become the largest cocoa producer globally. Now the government is making a strong effort to add value locally to its cocoa crop. *JB Foods* of Singapore has announced that it will be investing just over US\$ 60 million in a modern cocoa processing plant in Abidjan. New abattoirs and poultry slaughter houses are being developed. The *Marché Gourou* food market is being reconstructed.

Abidjan is now considered an African destination for advanced medical care. *UK Export Finance (UKEF)* will be contributing funds for the establishment of six new hospitals in the country.

Abidjan city has long been recognised for its infrastructure and numerous top star hotels. However, the country has a serious housing shortage and the deficit is estimated at around 500 000. There has been emphasis on industrial zones and the large PK24 industrial zone situated just outside Abidjan is flourishing. Observers

believe that 7 000 hectares of industrial zone land is available for development.

There has been and still is a perception in some quarters that big business in Côte d'Ivoire is dominated by France and that the small business space is primarily occupied by Lebanese traders. While France is still strongly present, the situation has changed considerably with companies and institutions from a good number of countries involved in the Ivorian economy. One particularly prominent and visible example is the group from Morocco that are developing the Abidjan lagoon for transport and for a new lagoon-side commercial property development there. China has been investing in Abidjan port expansion and views Côte d'Ivoire as an anchor for its trade and operations in West Africa. However, other entrants include Turkey which lists the country as one of its top markets in sub-Saharan Africa. As stated above, South African presence is relatively thin albeit that there are some prominent South African entities present.

## QUOTABLE QUOTES

*"Foreign policy is not a religion. It is the pursuit of a country's national interest."*

(Professor *David Monyae*, Director: Centre for Africa-China Studies, *University of Johannesburg*, speaking on the need for developing countries to gain a larger say in the world economy.)

*"We are eating last year's crop."*

(*Roelof van Tonder*, Director at *Africa House* on the world-wide shortage of wheat following the Russia-Ukraine war and the banning of exports by other wheat-producing countries.)

## PROJECT-RELATED ACHIEVEMENTS AND/OR ACTIVITIES OF AFRICA HOUSE NEWSLETTER SUBSCRIBERS, ASSOCIATES AND CONTACTS

The South African Minister of Transport and the board of the *South African National Roads Agency Limited (SANRAL)* have appointed the ***DEVELOPMENT BANK OF SOUTHERN AFRICA (DBSA)*** as the infrastructure, procurement and delivery management agency for **FIVE STRATEGIC TRANSPORT PROJECTS**. Tenders for the projects were recently declined reportedly due to lack of technical and financial compliance by the tendering companies. The total value of the projects is R17 billion or about US\$ 1,04 billion. The *DBSA* will evaluate the compliance of new tenders for the projects.



## PROJECTS

*Africa House subscribers should note that the projects listed below in this publication are a selection from our Project Database. Templates on many more projects can be found on the*

**Ventures Onsite Project Platform.**

<https://africahouse.venturesonsite.com/login>

*Africa House subscribers are welcome to contact **Keagan** on Johannesburg 27 11 7285878 or e-mail: [keagan@africainfo.co.za](mailto:keagan@africainfo.co.za) for templates/further details/contacts pertaining to specific projects listed below.*

# Projects & Opportunities



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## PROJECT OF THE MONTH

The *Zambezi River Authority* has released a draft environmental impact assessment (EIA) report for the Greenfields [BATOKA GORGE HYDRO POWER PROJECT](#) situated on the Zambezi River on the Zambia-Zimbabwe border. The EIA has been submitted for public comment. The site is 47 kilometres from Victoria Falls and upstream from the Kariba Dam. Approval is awaited for construction of the installation. The plans are for two power stations of 1 200 MW each, thus totalling 2 400 MW. Transmission lines to the grids of Zambia and Zimbabwe will have to be developed. The *Zambezi River Authority* envisages a Public Private Partnership (PPP) and a possible Build-Operate-Transfer arrangement. The *World Bank* is assisting with the financial management of the project.

*Editor's Note: The Zambezi River Authority recently addressed Africa House subscribers on the project. Subscribers can go onto the 'Subscribers Zone' on the Africa House website to listen to the presentation.*

## AGRICULTURE



### COTE D'IVOIRE

Singapore-registered *JB Foods Limited* is investing almost US\$ 63 million in a modern [COCOA PROCESSING FACTORY](#). The factory will produce cocoa butter, cocoa mass and cocoa powder from cocoa beans. The plant will be situated in the PK24 industrial zone near Abidjan. Construction is expected to be completed at the end of 2024. Renewable energy will be incorporated. The project is part of the company's expansion plans.

### NAMIBIA

The Ministry of Agriculture, Water and Land Reform has announced plans for the establishment of a [MEAT PROCESSING PLANT](#) at Katima Mulilo in the Zambezi Region of northern Namibia. The cost is estimated at 35 million Namibian Dollars or just over US\$ 2 million. The plant will be located on a 5 hectare complex close to the Katima Mulilo export abattoir. A quarantine facility will also be built. Funding is from the [European Union \(EU\)](#).

### SOUTH AFRICA

The *Motsepe Foundation* has announced that it will be assisting with funding of a **SUGAR CANE PROJECT** in Mpumalanga Province. It will be rescuing a land reform programme handed to the Hhoyi, Matsamo and Siboshwa traditional communities. The land reform programme failed because of lack of capital and agricultural technical resources. The *Foundation* and *RCL Foods* have allocated funding of R70 million (about US\$ 4,4 million) to traditional and poor communities and black farmers in the form of soft loans at 3% interest and for two projects in the Limpopo and Mpumalanga Provinces. The projects are being implemented in collaboration with *AgriSA/Agri Enterprises*.

### ZAMBIA

*Zambia Breweries*, (the local affiliate of *ABinBev*) has announced an investment of US\$ 80 million over the next 18 months to double the capacity of its [LUSAKA BREWERY](#). It will be sourcing local inputs of barley, sorghum, cassava and maize. Current production is 2,3 million hectolitres. *Zambia Breweries* is registering record sales.

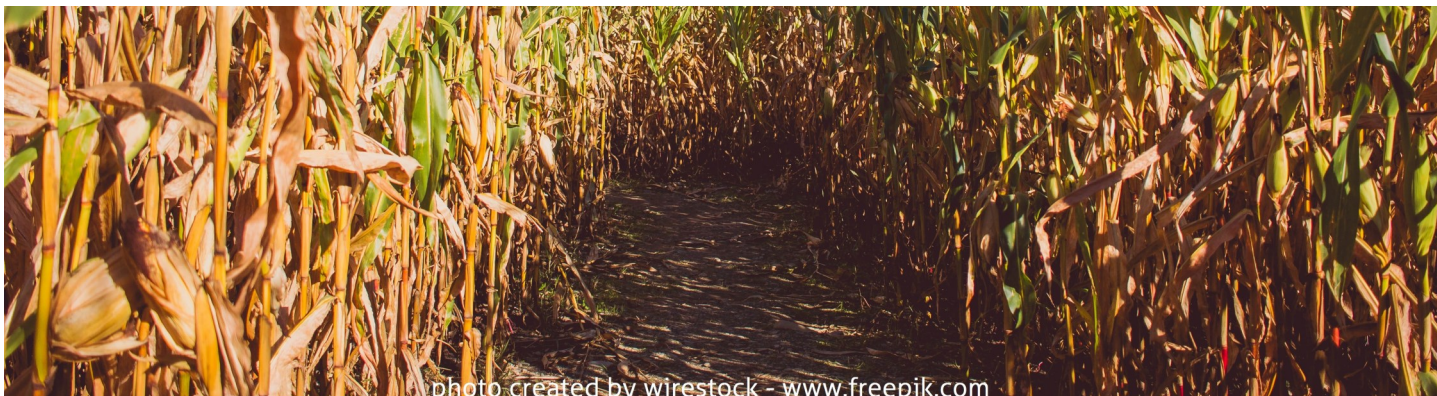
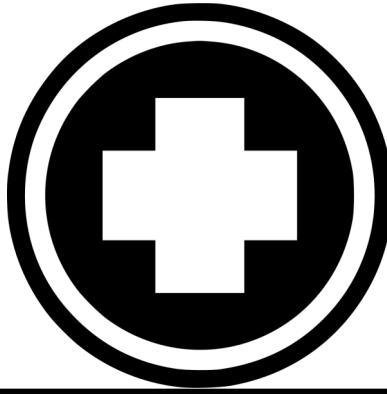


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## HEALTH



### BOTSWANA

The Botswana Development Corporation (BDC) has presided over a ground-breaking ceremony for the construction of a new MEDICAL GAS PRODUCTION PLANT in Selebi Phikwe in western Botswana. It will be operated by the medical and industrial gas company, Oxygen Gas. The cost is 42,6 million Pula or about US\$ 3,4 million. Funding for equipment procurement and working capital is from the Citizen Entrepreneurial Development Agency (CEDA).

### KENYA

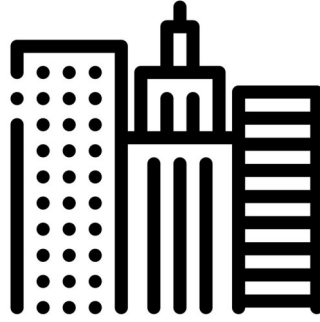
The Nairobi-based digital health company, Medbook Kenya will be expanding its **DIGITAL HEALTH SERVICES** after Zep-Re (PTA Reinsurance Company) acquired a minority shareholding in the company and the German development finance institution, DEG invested in Medbook. Medbook uses a web-based digital data platform. One of its products is Med360+ which is an online health management system used in hospital, health centres and private practices for managing patients from registration to discharge. It also runs the Medicclaim software solution for health insurance claims.

The **JARAMMOGI OGINGA ODINGA TEACHING AND REFERRAL HOSPITAL** to be built in Kisumu County, Kenya should be completed in the next 2-3 years. The hospital is an initiative of the Jaramogi Oginga Odinga Foundation and the University of Science and Technology in Kisumu. The hospital will focus on cancer and blood disorders and will offer radiotherapy, chemotherapy and bone marrow transplants.



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## HOTELS/COMMERCIAL & INDUSTRIAL PROPERTY



### BOTSWANA

*PrimeTime Property Holdings* has signed a 2,5 million Pula (about US\$ 196 000) deal with *Time Developments Botswana* for the development of the [PRIME PLAZA II OFFICE BLOCK COMPLEX](#) situated in the Gaborone central business district (CBD). The project comprises 2 800 square metres of offices as well as two basement parking levels. *PrimeTime* already holds substantial assets in the Gaborone CBD.

### ESWATINI

The **MOUNTAIN VIEW INTERNATIONAL HOTEL** (formerly Mountain Inn Hotel) near Mbabane is being refurbished with a new restaurant, upgraded room facilities and a new pool bar. The hotel was recently bought by *Sakhumnotho Group Holdings* of South Africa and *BON Hotels* also of South Africa has taken over management.

### ZAMBIA

There are reports of renewed efforts to develop the [CHEMBE MULTI-FACILITY ECONOMIC ZONE \(MFEZ\)](#) in Luapula Province, northern Zambia. The MFEZ was launched in 2016 and was allocated 3 700 hectares for its development. In 2018, the government invited Morocco to undertake a feasibility study and master plan. A recent development was the establishment of a digital automated payment system for cassava farmers by *Zambia Breweries* and *BanOU*. The MFEZ is being promoted by the *Zambia Development Agency (ZDA)*.

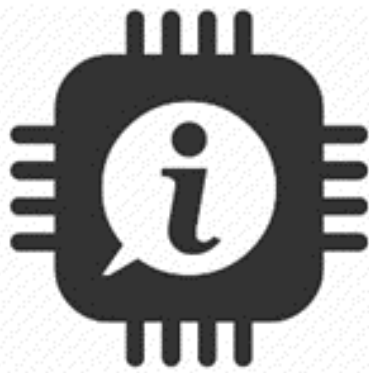
### ZIMBABWE

The ground-breaking ceremony for the construction of [CYBER CITY](#) at Mount Hampden, outside Harare has recently been held. This will be a high-technology information and communications technology park and will constitute a special economic zone (SEZ). It is being developed by *Mulk International* of the United Arab Emirates (UAE) at a cost of US\$ 500 million. The 232 200 square metre complex will comprise a 15-storey commercial tower, offices, apartment blocks, 250 townhouses, 80 luxury villas and a retail arcade. The master plan includes the new parliamentary building.



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## ICT / TELECOMMUNICATIONS



### KENYA

The national power company, *Kenya Power and Lighting Company (KPLC)* has announced that it will be offering **BROADBAND INTERNET SERVICES** from June 2023. The objective is to augment and diversify the utility's revenue stream. It will be utilising its 7 000 kilometres of fibre optic cable. According to the *Communications Authority of Kenya (CA)*, there are still considerable broadband internet service opportunities in the country.

The passing of the **NATIONAL ELECTRONIC SINGLE WINDOW SYSTEM BILL** will empower the *Kenya Trade Network Agency (KenTrade)* to facilitate cross-border trade and coordinate its logistics system. As an effective one-stop customs release centre, it will enhance electronic trade transactions while protecting data and deterring fraud. *KenTrade* recently launched its Africa e-trade platform.

The **M-PESA PAYBILL INTEROPERABILITY INITIATIVE** has been launched by the *Communications Authority of Kenya (CA)* and the *Central Bank of Kenya (CBK)*. *Airtel* and *Telkom Kenya* customers will be able to access and use *Safaricom's* paybill platform. The objective is to ensure seamless transfers of money by merchants using different operators.

### MALI

The Franco-Malian company, *Danew-Tall* (a joint venture of *Danew* of France and *Talla Telecom* of Mali), have announced the construction of a **LAPTOP COMPUTER AND NOTEBOOK TABLET PRODUCTION PLANT** in Bamako. Construction will begin in September 2022. The plant will have a capacity of 600 000 units per annum. It will supply the local and regional West African markets.



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## MINING



### CONGO (REPUBLIC)

Kore Potash of the UK has signed a Heads-of-Agreement, Engineering-Procurement-Construction (EPC) contract with the SEPCO Electric Power Construction Company of China for the construction of the KOLA POTASH PROJECT situated in Kouilou Province, south-western Congo. The recently-completed feasibility study has determined a project cost of US\$ 1,83 billion. The duration of construction is estimated at 40 months.

### COTE D'IVOIRE

The UK junior mining house, Firering Strategic Minerals has invested a further US\$ 482 000 in development of the TEX LITHIUM COLTAN TANTALITE PROJECT in northern Côte d'Ivoire. It has increased its share of the project to 77%. Firering has appointed Foremi to undertake diamond drilling operations at the mine. Global prices of lithium have risen and the lithium potential in Côte d'Ivoire is being assessed.

### GHANA

The ROYAL GHANA GOLD REFINERY in Accra will be inaugurated at the end of August 2022. Royal Ghana Gold is a joint venture between the state through the gold control agency, the Precious Metals Marketing Company (20%) and private investors (80%). The laboratories, scanners, electrolysis machines and other equipment has already been acquired. Royal Ghana Gold will be requesting affiliation to the London Bullion Market Association for production certification.

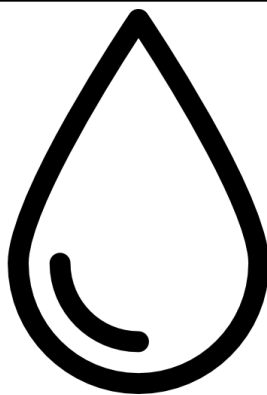
### NAMIBIA

Canada-registered Namibia Critical Metals and the Japan Oil, Gas and Metals National Corporation (JOGMEC) have entered into a joint venture for the development of the LOFDAL HEAVY RARE EARTH PROJECT situated in the Kunene Region of north-western Namibia. The licence was awarded by the Ministry of Mines and Energy in mid-2021. The 25-year concession extends over an area of 314 square kilometres. JOGMEC will assist with the funding of exploration and verification.



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## OIL & GAS



### NAMIBIA

The Portuguese oil and gas company, *Galp* has been granted an extension of its license for the operation of the [PEL83 OFFSHORE OIL AND GAS CONCESSION](#). The company has stated that it intends drilling exploration wells in 2023. The concession is situated close to the Graff and Venus concessions held by *Shell* and *TotalEnergies*.

### SENEGAL

It is reported that phase 2 of the [GREATER TORTUE AHMEYIM LNG PROJECT](#) could reach final investment decision (FID) by September 2023. Recent additional discoveries will take the production forecast to over 10 million tons per annum. The deepwater resource is situated on the maritime border between Senegal and Mauritania. *BP* is the operator while US-headquartered *Kosmos Energy*, national company *Société des Petroles du Sénégal (Petrosen)* and national company *Société Mauritanienne des Hydrocarbures et de Patrimoin Minier (SMHPM)* also hold stakes in the project.

### SOUTH AFRICA

The Department of Trade, Industry and Competition (DTIC) and the Western Cape Provincial Government are promoting the planned [KEREN ENERGY GREEN HYDROGEN PROJECT](#) which will be implemented on the *Namaqua Engineering* site in Vredendal, Western Cape Province. *Keren Energy* is being supported by the local investment company, *Sakhumnotho*. The *University of the Western Cape* is undertaking the research requirements. A proof-of-concept project will initially be implemented. A 100kW PV solar plant is reportedly already in place. The project will support the Saldanha Bay Special Economic Zone (SEZ) by creating the need for the local manufacture of fuel cells.

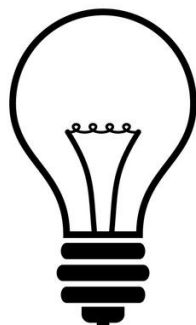
### UGANDA

The [UGANDA OIL REFINERY PROJECT](#) is likely to be delayed as the Ugandan authorities continue their efforts to raise international finance for the US\$ 4 billion refinery. There are reports that officials have been visiting Europe and the USA to promote and secure funding. The government has indicated that the 60 000 barrels per day refinery should go on stream in late 2027. However, there is still a need to complete the technical studies and finalise an engineering, procurement and construction (EPC) framework. The refinery will be built in Kabaale in the Hoima District near Lake Albert. The project includes a 211 kilometre pipeline to Kampala.



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## POWER



### NAMIBIA

Alpha Namibia Industries Renewable Energies Power Limited (ANIREP) is collaborating with the International Finance Corporation (IFC) on a feasibility study for a 10-20 MW **SOLAR POWER PLANT**. The objective is to confirm tariffs and validate the business model for supply to an identified portfolio of customers known as the “aggregator model”.

### RWANDA

The Rwanda Water Resources Board is prequalifying contractors for the construction of the **MAVUMBA DAM AND HYDRO POWER PLANT** on the Mavumba River in the Nyagatare District of north-eastern Rwanda. The dam will have a capacity of 55 million cubic metres and the hydro plant will have an installed capacity of 1 MW (500 KWx2). Funding is from the African Development Bank (AfDB).

### SOUTH AFRICA

The Norwegian renewable energies company, Scatec has commenced construction of a major **SOLAR AND BATTERY POWER PLANT** near Kenhardt in the Northern Cape Province. The three-unit solar farm will have a capacity of 150 MW. The cost is estimated at over R16 billion or about US\$ 960,7 million. The plant will supply power to the Kenhardt region on a 20-year Power-Purchase-Agreement (PPA). The initiative falls under the Risk Mitigated Independent Power Producer Procurement Programme ((RMIPPPP). Standard Bank is the finance arranger and Scatec's local partner is H1 Holdings. The UK government development finance institution, British International Investment (BII) is also providing funding.

### ZIMBABWE

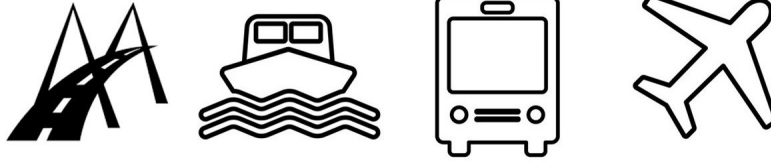
Zesa Holdings (Zimbabwe Electricity Supply Authority) through its affiliate, the Zimbabwe Electricity Transmission and Distribution Company (ZETDC) is engaging with the state-owned Rwanda Energy Group (REG) regarding an **ELECTRICITY CONNECTION PROGRAMME**. The ZETDC will be asking the Rwandans to help raise finance and provide engineers for the connection of 305 000 houses. More new electrical connections will be required as the National Development Strategy 1 (NDS 1) makes provision for the construction of a further 250 000 housing units.



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## TRANSPORT



## REGIONAL

The authorities of the DR Congo and the Republic of the Congo have issued an international call for tenders for the long-mooted [BRAZZAVILLE-KINSHASA ROAD AND RAIL BRIDGE](#). The two governments signed the Memorandum of Understanding (MoU) for the project in June 2009. The call is for a strategic partner to finance, construct and operate the bridge. The [African Development Bank \(AfDB\)](#) is one of the funding agencies monitoring the project.

*Editor's Note: [USEFUL WEBSITE](#)*

## GHANA

Construction has begun on the 70 kilometre [MANSO-HUNI VALLEY STANDARD GAUGE RAIL LINE](#) in the Amenfi Central District, west-central Ghana. This is a section of the Western Railway construction of which is reportedly progressing well. The cost is US\$ 504 million. The duration of the construction will be just over 40 months. The implementing agencies are the [Ministry of Railway Development](#) and the [Ghana Railway Development Authority \(GRDA\)](#).

## KENYA

Kenya will be rehabilitating the 127 kilometre [VOI-TAVETA METRE GAUGE RAIL LINE](#) to link and serve the [Kenya Ports Authority \(KPA\)](#) inland terminal depot (ICD) at Taveta on the border with Tanzania. The line will connect the Taveta ICD to Mombasa Port. It will reduce the distance from Mombasa to Bujumbura via the Northern Corridor by over 350 kilometres and facilitate exports and trans-shipments to Tanzania and Burundi. KPA has acquired a 50-acre plot at Taveta to develop an inland freight hub.

The [African Development Bank \(AfDB\)](#) will be contributing US\$ 150 million towards the cost of the 218 kilometre [NAIROBI-NAKURU-MAU SUMMIT ROAD PROJECT](#) in western Kenya. The project comprises the upgrading of the A8 and A8 South highways. Sections of the road will be widened to four lanes. It falls under the Northern Corridor Programme linking Kenya to inland countries. The road provides access to agricultural and tourism regions. The project is being prepared as a 30-year Public-Private-Partnership (PPP) with the [Kenya National Highways Authority \(KeNHA\)](#). The contractor is US-headquartered [Vinci Construction](#) which is in partnership with the French investment and asset management company, [Meridiam](#). They have established a special purpose vehicle, [Rift Valley Holdings Limited](#) which is registered in Kenya.



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## WATER & SANITATION



### MADAGASCAR

The World Bank has approved an *IDA* credit of US\$ 220 million for the [NATIONAL WATER PROJECT](#). The funds will be used to improve water services to the greater Antananarivo area as well as the towns of Mahajanga, Antsiranana, Manakara, Antsorabe and Fianarantsoa. It will also be used to improve efficiencies at the national water utility, *JIRAMA* and the Ministry of Water, Sanitation and Hygiene. Just over half of the population has access to basic water services.

### SOUTH AFRICA

The Cape Town City Council has approved a budget of R1,6 billion (about US\$ 96,3 million) for the 2022/2023 financial year for the **CAPE TOWN WATER SUPPLY PROJECT**. The funds will be used to improve network management and expand bulk water and waste water infrastructure. Funds will be allocated to the New Water Programme (NWP) for desalination, aquifer extraction and re-use; supplying informal settlements; wastewater treatment; and prevention of sewer overflows. Implementation will be over the next year. The implementing agency is the Council's Water and Sanitation Department. The project falls under the 'City of Hope' Water Strategy.

Construction of the 3,3 mega litre [V&A WATERFRONT DESALINATION PLANT](#) in Cape Town is expected to commence in early 2023. Completion is scheduled for 2024. The project is being promoted by the commercial property group, *Growthpoint Properties*. The cost was quoted as R200 million (about US\$ 12,3 million) a few years ago when the project was first mooted. The V&A Waterfront is experiencing an increase in visiting tourists.



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## WHISPERINGS - FOOTNOTES



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- While Namibia's *National Petroleum Corporation* predicts that the recent major oil and gas discoveries will double the **NAMIBIAN ECONOMY** by 2040. *Fitch Ratings* has announced a forecast downgrade. The UK-based ratings agency has downgraded its Long-Term Foreign Currency Issuer Rating from BB to BB-. It points to a weak growth outlook, rising debt and fiscal deficits.

- The intensity of attacks by armed groups appears to have resumed in **CABO DELGADO PROVINCE** in the far north-east of Mozambique. An area that was considered safe, Ancuabe, has seen attacks on villages as well as an assault on a mine. These disturbances could hinder the resumption of gas projects in the province that have onland installations.
- The long-troubled **SIMANDOU IRON ORE PROJECT** in Guinea has once again run into a delay. The Ministry of Mines and Geology has ordered *Rio Tinto* and *Winning Consortium Simandou (WCS)* to cease all operations immediately due to the companies' perceived failure to implement the March 2022 framework agreement with the government.
- With its large population, Nigeria is a major information and communications technology hub. The senate has just approved a bill for the creation of a **NATIONAL INDUSTRIAL TECHNOLOGY PARK**.
- **DESALINATION WATER PLANTS** are increasing in number on the continent. This is especially the case in North Africa. Egypt has 82 desalination plants and is planning 14 more. Morocco will have one of the world's largest desalination plants by the end of 2022. New technologies are constantly reducing the costs of desalination. Usage is mainly for drinking and irrigation.
- The **NAMIBIAN MINING SECTOR** is being vitalised through the revival of old mines, especially those producing battery minerals. This is against the backdrop of rising world lithium prices. Two old lithium mines are being restored by *Lepdico Minerals* and a major lithium discovery has been announced by *AfriTin*. The Okandjande graphite mine is being revived. The Langer Heinrich uranium mine could be restarted in 2023.
- *Editor's Note: The Namibian Chamber of Mines recently address Africa House subscribers on current developments in the Namibian mining sector. The presentation can be accessed via the Subscriber Zone on [our website](#)*
- According to the South African business grouping, the *Manufacturing Circle*, **SOUTH AFRICAN MANUFACTURING SECTORS** that are currently doing particularly well in difficult economic times are agro-processing and mining equipment.
- The announcement that all exports from the **TENKE FUNGURUME COPPER AND COBALT PROJECT** have been suspended could affect global cobalt supply. The mine supplies over 10% of the world's cobalt production. The operator, *CMOC* of China is involved in a legal dispute with the mine administrator and state mining company, *Gecamines* over inter alia, royalty stipulations.
- Gabon and Togo were accepted as new members of the **COMMONWEALTH** at the recent *Commonwealth Heads of Government* meeting in Kigali, Rwanda. They were admitted despite having no historic links with Britain. Other states with no colonial links with the UK and which have joined are Mozambique in 1995 and Rwanda in 2009. A common motivation given by these states for joining the organisation is that it will allow them to expand their 'economic networks.'

- An *Africa House* associate who recently visited Burkina Faso reports that the **BURKINA FASO NATIONAL WATER UTILITY**, *Office National de l'Eau et de l'Assainissement (ONEA)* is particularly efficient and a preferred implementing agency for the development finance institutions. *ONEA* has been responsible for water and sanitation services mainly in urban areas but is becoming increasingly involved in rural areas too.
- **MOBILE PAYMENT SERVICES** have become very popular in Africa but security remains a major issue. It is reported that the *MoMo Payment Service Bank (MoMo PSB)* of *MTN* has lost US\$ 53,7 million in one month through fraud and through 700 000 transactions.
- The inauguration of a new gold refinery in Ghana is a good example of an African country adding local value to a product that has historically been exported in unprocessed form. Ghana is Africa's biggest gold producer. The number of **GOLD REFINERIES** in Africa is increasing rapidly.
- There are a number of **TRADE DISPUTES AMONG EAST AFRICAN STATES**. A recent example is the blockage by Kenya of trucks carrying maize from Tanzania at various borders between the two countries. The Kenyan authorities claim that the maize does not meet quality standards and that the certification is lacking. This is strongly denied by Tanzania. The blockage is despite a serious maize shortage in Kenya that has resulted in escalating flour prices there.
- Niger and Mauritania have initiated green hydrogen projects. The countries of the Sahel have the advantages of abundant sunshine, vast lands and small populations and could evolve into exporters of **GREEN HYDROGEN TO EUROPE**. German Chancellor *Scholz* recently visited Niger and held discussions inter alia on energy matters. Germany could be playing a lead role in realising such exports.
- *Africa House* contacts in the agriculture sector report that companies from Saudi Arabia and the Gulf countries are seeking supply from Africa of wheat, lucerne, maize and other crops. **SUPPLY OF AFRICAN AGRICULTURAL PRODUCE TO THE MIDDLE EAST** is a long-standing opportunity.
- According to the Kenyan *National Bureau of Statistics*, **KENYA REGISTERED ECONOMIC GROWTH** of 6,8% for the first third of 2022 compared with 2,7% for the same period in 2021. The sharp rise was due to growth in tourism (nearly 60%), building construction, ICT activity and transport projects. Agriculture registered a decline related to the high prices caused by the Russia-Ukraine war and inclement weather.
- The **BOLT RIDE-HAILING AND FOOD DELIVERY PLATFORM** is planning a major expansion in Africa which is its largest continental market after Europe. It is present in South Africa, Nigeria, Ghana, Kenya, Uganda, Tanzania and Tunisia. The Estonian company has indicated that it will initially be opening in new markets in North Africa. It is planning to sign up 200 000 new drivers in Africa. In early 2022, it raised an additional US\$ 711 million for its expansion. New innovations are inclusion of electric and hybrid vehicles as part of its 'green' policy and vehicle financing schemes for its drivers.
- The Western Cape Province of South Africa is understandably prioritising **WESTERN CAPE AGRICULTURAL EXPORTS TO AFRICA**. In 2021, Africa was the province's third largest market for its primary agriculture exports totalling R4,3 billion or about US\$ 253 million.
- **RAIL TRANSPORT IN NIGERIA** is improving rapidly. For 2021, the Nigerian *National Bureau of Statistics* has reported an increase of 166% in train passengers over the previous year and an improvement of over 92% in tonnages of goods transported by rail.
- On 6 July 2022, the European Parliament in Strasbourg voted to accept proposals that **NATURAL GAS AND NUCLEAR ENERGY** be included in the list of 'green' and 'sustainable' sources of power. This decision has major positive investment implications for Namibia's current uranium sector as well as its budding gas industry.

## AFRICA & THE WORLD

According to the *International Telecommunication Union (ITU)*, 88,4% of Africa's population live within reach of a mobile cellular signal. Mobile telecommunications usage is increasing significantly. The *ITU* states that subscribers per 100 inhabitants in the continent reached 33,1 in 2019. According to *Statista*, there were 7,1 billion mobile users world-wide in 2021.

## WEBSITES



The Call for Expression of Interest document relating to the **BRAZZAVILLE-KINSHASA BRIDGE PROJECT** as well as a description of the project can be found on [www.africa50-prrc.com](http://www.africa50-prrc.com)

The [Zambezi River Authority](#) has advised companies interested in supplying the **KARIBA DAM REHABILITATION PROJECT** as well as the Batoka Gorge Hydro Power Project to register their interest on its website. Updates on the projects will be sent to companies listed on its database.

## SPOTLIGHT ON AID AGENCIES, INTERNATIONAL DEVELOPMENT FINANCE INSTITUTIONS, FUNDS & SELECTED RELATED ORGANISATIONS

South Africa has been upgraded by the **PARIS CLUB** to the status of a “prospective member” and could become the club’s 23<sup>rd</sup> permanent country member. The *Paris Club* is a grouping of mainly Western creditor countries that coordinate negotiations and conclude agreements with debtor countries for solutions to the latter’s national debt payment problems.

The *African Union (AU)* has launched the **AFRICAN SINGLE ELECTRICITY MARKET (AfSEM)**. This is an energy trading programme to interconnect all AU states and to establish a sustainable continental electricity market. It will optimise the deployment of renewable energy resources and harmonise regulatory frameworks. The initiative is supported by the Continental Power System Master Plan being implemented by the *AU Development Agency (AUDA-NEPAD)*.

Ten **AFRICAN SOVEREIGN WEALTH FUNDS** have launched a first joint platform through the *African Sovereign Investors Forum (ASIF)*. The initiative was launched in collaboration with the *African Development Bank (AfDB)* and the *Africa50 infrastructure investment platform*. The sovereign funds were those of Angola, Senegal, Ethiopia, Djibouti, Gabon, Nigeria, Rwanda, Ghana, Morocco and Egypt.

The *South African Department of Agriculture, Land Reform and Rural Development* has recently transferred R400 million (about US\$ 23,6 million) of the pledged R1 billion grant (about US\$ 59 million) to the **AGRI-INDUSTRIAL FUND** administered by the *Industrial Development Corporation (IDC)* of South Africa. The fund falls within the context of the New Agriculture and Agro-Processing Master Plan recently announced by the Minister of Agriculture, Land Reform and Rural Development.

The **ZIMFUND ENERGY POWER INFRASTRUCTURE REHABILITATION PROJECT (EPIRP)** is carrying out emergency power projects by inter alia supplying new transformers to areas of the country afflicted by power losses. *ZimFund* is supported by a wide range of donors including the *African Development Bank (AfDB)*.

The **ISLAMIC DEVELOPMENT BANK (IsDB)** has announced funding of US\$ 83 million for rice farmers in Cameroon. The project falls under the bank’s Rice Value Chain Development Programme.

## FACT OF THE MONTH

The *United Nations Economic Commission for Africa (UNECA)* estimates that over US\$ 84 billion is lost by the continent each year due to illicit financial outflows.

## TRAVEL NOTES



The following are **AIRLINK'S LISTED AFRICA FLIGHTS** from South Africa:

- From Johannesburg: Harare, Bulawayo, Victoria Falls, Gaborone, Kasane, Maun, Windhoek, Walvis Bay, Maputo, Beira, Nampula, Pemba, Tete, Vilankulos, Lusaka, Livingstone, Ndola, Antananarivo, Nose Be, Maseru, Sikhupe, Luanda, Lubumbashi, Dar es Salaam and Entebbe.
- From Cape Town: Harare, Victoria Falls, Maun, Windhoek, Walvis Bay.
- From Nelspruit: Livingstone.

The Angolan and Namibian authorities have announced the implementation of **NEW OFFICIAL BORDER POSTS** along their common border. These will be at Cunene, Namibe and Cuando Cubango (Angola) and Ruacana, Oshikango and Rundu (Namibia).

## RECENT ACTIVITIES OF AFRICA HOUSE

*Roelof van Tonder* led a Group Visit to Namibia to explore the opportunities presented by recent oil and gas developments.

*Africa House* was involved in arranging and hosting the **South African Renewable Energy Product & Expertise Showcase** in Cape Town. The event was aimed at bringing together South African suppliers of goods and services to the renewable energy sector with project developers and original equipment manufacturers (OEMs) working in Africa. The event was organised under the UK funded Trade Forward Southern Africa (TFSA) programme.

*Duncan Bonnett* hosted a hybrid **Mining** Focus Group on 07 July 2022.

Guest speakers included:

- *Alex EHUI: AFRICA M&M Market Leader | Director & Country Chief Executive, Bureau Veritas*
- *Lauren Davidson: Chamber Economist, The Namibia Chamber of Mines*
- *Daniel Petrov: Managing Director, Peikko South Africa (Pty) Ltd*

*Roelof van Tonder* hosted a hybrid **Agriculture** Focus Group on 13 July 2022.

- Guest speakers included:
- David Mutimusakwa: Founder, Fundi Technologies
- Koos Nel: CEO, Agri X Group

*Duncan Bonnett* hosted a hybrid **Power** Focus Group on 27 July 2022.

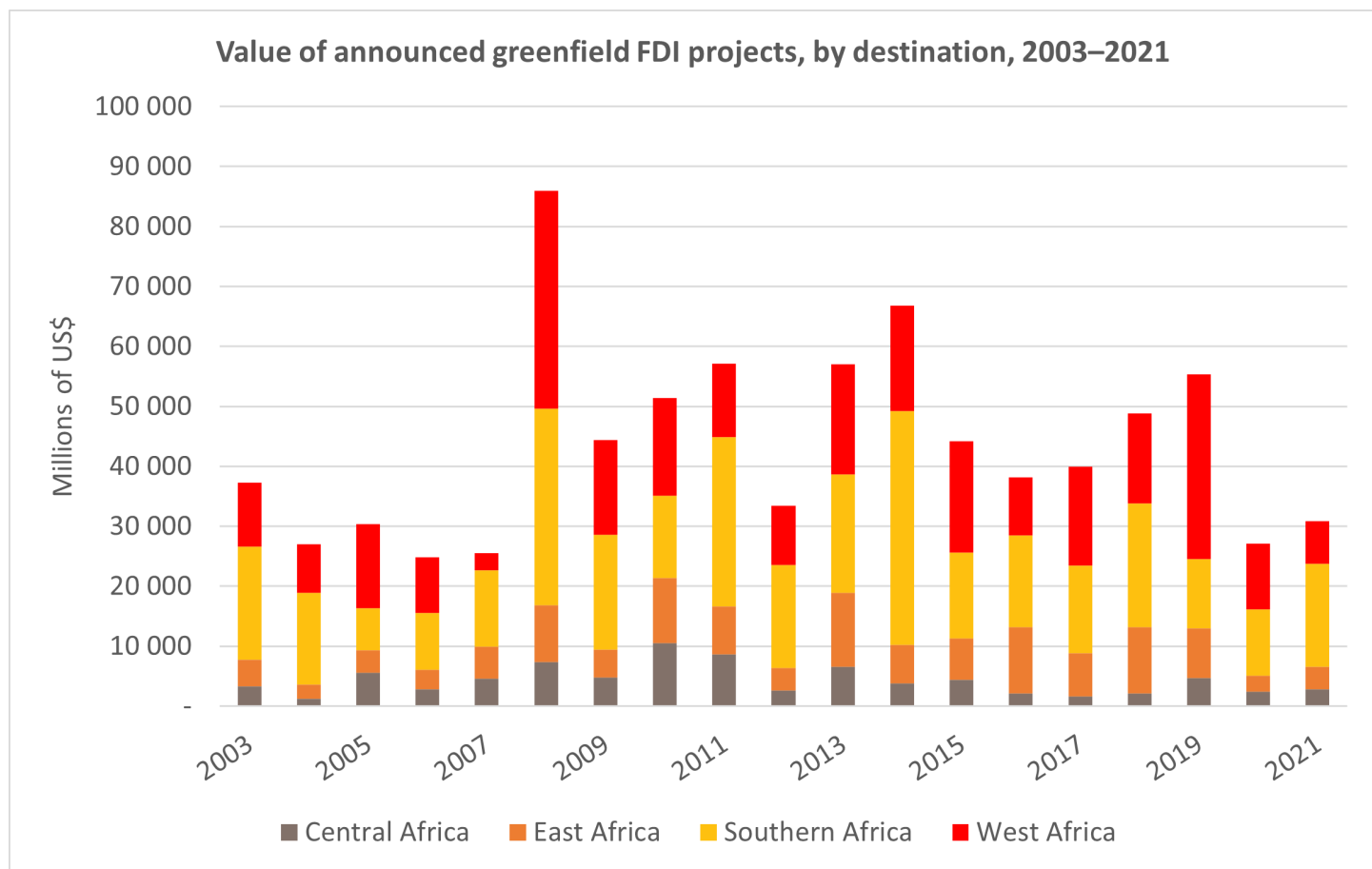
Guest speakers included:

- Des Muller: CEO, NuEnergy Developments
- Craig Morkel: Chairperson, SAOGA

During this month's podcast Duncan Bonnett discusses his recent visit to Nigeria. There is much happening in Nigeria that is often under-reported in the media and there are some significant opportunities and developments in the country that companies would be advised to track going forward.

You can listen to this, and past, podcasts [here](#).

## CHART OF THE MONTH



Source: World Investment Report 2022, UNCTAD

Key recipient economies in each region	
Region / Economy	Percentage of total announced greenfield FDI projects
<b>Central Africa</b>	
Gabon	75.9%
<b>East Africa</b>	
Kenya	55.4%
<b>Southern Africa</b>	
Mozambique	14.3%
Namibia	26.8%
South Africa	37.6%
<b>West Africa</b>	
Ghana	18.5%
Liberia	22.0%
Nigeria	21.4%

Source: World Investment Report 2022, UNCTAD



# COMMODITIES OF AFRICA

TYPE OF COMMODITY	COMMODITY	UNITS	PRICE: June 2022	PRICE: July 2022	PRICE: August 2022
Agriculture	Cocoa	US\$ per Kilogram (US\$/kg)	1.71	1.70	1.70
	Coffee	US\$ per Kilogram (US\$/kg)	2.29	2.33	2.18
	Cotton	US\$ per Ounce (US\$/oz.)	1.39	1.05	1.01
	Rice	US\$ per Metric Ton (USD/MT)	431.00	464.00	444.00
	Sugar	US\$ per Kilogram (US\$/kg)	19.61	18.55	17.54
Base and Precious Metals	Cobalt	US\$ per Ton (US\$/t)	74,145.00	70,000.00	50,859.00
	Copper	US\$ per Ton (US\$/t)	9,341.05	8,445.00	7,800.63
	Gold	US\$ per Troy Ounce (US\$/t oz.)	1,857.93	1,816.72	1,762.34
	Iron Ore	US\$ per Dry Metric ton (US\$/DMT)	133.17	130.46	115.83
	Platinum	US\$ per Troy Ounce (US\$/t oz.)	964.50	918.00	895.00
Energy	Coal: Industrial	US\$ per Metric Ton (USD/MT)	302.00	280.00	284.87
	Coal: Coking	US\$ per Ton (US\$/t)	396.00	380.00	407.90
	Gas: Natural Gas	US\$ per million British Thermal Units (USD/MMBtu)	8.82	6.50	7.96f
	Oil: Crude Oil	US\$ per Barrel (US\$/bbl.)	111.54	123.17	111.95

Source: Various

## Did you know?

You are able to access past Insights & Access publications on our [website](#)



*Africa House* is a research & consulting company based in Johannesburg, South Africa. Working exclusively in sub-Saharan Africa, we offer insight and access into the African trade and project environment through the provision of intelligence on projects and bespoke research on opportunities in markets.

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### Our Services:

#### *Africa House* provides:

**Insights:** What is driving the continent and targeting regions of high opportunity going forward.

**Access:** To the world's fastest growing markets through a team that has worked in 30 countries across the continent over a period spanning 30 years

**Projects:** On-going research and intelligence on greenfield and brownfield projects to a dedicated subscriber base

**Trade:** Market and partner identification, export strategy development and commercial feasibility

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