



AFRICA HOUSE

Insight & Access. Projects & Trade.

Notes from Africa

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HIGHLIGHTS FROM THIS EDITION

- Rehabilitation of Mocimboa da Praia Port & Town, Mozambique
- Major Solar Power Plant for Botswana
- Update on Swakopmund Green Hydrogen Project, Namibia
- Proposed Battery Minerals Park, Zimbabwe
- Update on LNG Export Terminal, Tanzania
- Major Fibre Optic Cable Planned for DR Congo
- Potable Water Plant for Libreville, Gabon
- Plans for Fertilizer Production Plant, Ghana
- Preparations for New Mall in Nakuru, Kenya
- Funding Secured for New Hospital, Cameroon
- South African Participation in Western Rail Project, Ghana
- Another Graphite Mining Project for Southern Tanzania
- Plans for Major Regional Oil & Gas Pipeline for Central Africa
- Upgrade of ICT Systems at Beitbridge Border Post, Zimbabwe
- Investors Invited for Ethiopian Sugar Industry Privatisation Programme
- PPP Signed for New Industrial Zone near Kinshasa, DR Congo
- First Pharmaceuticals Production Plant for Burkina Faso

The Africa Continental Free Trade Area (AfCFTA) *Progress thus Far*

The *Africa Continental Free Trade Area (AfCFTA)* established in 2018 was set up to achieve one African market. The single continental market for goods and services will free up business movement and investments by eliminating trade barriers (tariff and non-tariff barriers) and boosting African commerce across all sectors. It is hoped that by Year 15 of existence, 97% of African trade will carry 0% duty. Lack of tariff harmonisation constrains trade and investment. Small and medium-sized enterprises are particularly negatively affected.

The Chief Executive Officer of the *AfCFTA* secretariat, *Wamkele Mene* has been updating African business communities on the progress of the initiative. The following is a summary of these progress reports.

The uptake of the *AfCFTA* has been faster than any other *African Union (AU)* project with 43 countries having ratified the main agreement thus far. Negotiations continue in trade and services as well as protocols in intellectual property, digital trade and women and youth services. The staff numbers at the secretariat will be increased from the present one hundred to about three hundred and will be self-sufficient with no outside consultants.

An effective e-tariff book has been achieved and is available on the *AfCFTA* website. An innovation is that trade can now be conducted on a digital trade platform. 48 commercial banks (mainly in West Africa) have signed up and have reduced the need to route trade transactions through non-African correspondent banks. The *AfCFTA* has launched a guided pilot e-trade initiative across several countries.

While regions and countries differ on some products and services, member states have agreed on rules of origin for 88% of 4 500 tariff lines. Dispute settlement through the *AfCFTA* is legally binding and enforceable and is non-discriminatory. The aim is to resolve trade disputes within one year as opposed to the average of ten years. Such disputes will be largely resolved in Africa and not through non-African agencies such as the *Paris Chamber of Commerce*.

Liaison with the private sector will be enhanced through the new *AfCFTA Business Forum* which will

be launched in September 2022 in Dakar, Senegal and will be a component of the *Africa Business Council*.

The organisation has secured support from the *African Export-Import Bank (Afrexim Bank)* in the form of blended finance of debts and grants for investments in productive sectors and capital goods. The funds will help reduce the impact from losses of tariff revenues. US\$ 1,5 billion of an envisaged US\$ 10 billion has been raised.

The *AfCFTA* has introduced a local currency mechanism and a Pan-African payment and settlement system to reduce the impact of over-diversification of currencies and to lessen the high costs of currency exchange in trade transactions. Commercial banks are assisting in this regard.

The *AfCFTA* has adopted a strong sectoral approach. Prioritised sectors include pharmaceuticals, agricultural produce, the automobile sector, and battery minerals.

In 2019, during the Covid pandemic, Africa spent some US\$ 16 billion on simple goods such as masks and PPE items. This emphasised the continent's lack of industrial capacity. Funding from the *Afreximbank* and other development finance institutions will be sought to promote local production of such items as well as local manufacture of vaccines.

The Russia-Ukraine conflict highlighted the weaknesses of the continent's agri-industrial sector. A serious shortage of wheat and grains has resulted. US\$ 2 billion has been raised through the *United Nations World Food Programme (WFP)* for the building of agricultural supply chains and to capitalise farmers. Zimbabwe has been chosen as a market for particular attention with regard to playing the role of a regional food 'basket' supplier.

In the automotive sector, the emphasis will be on component manufacture. A US\$ 16 billion trade finance facility is being established for the sector in recognition of the fact that it has the capacity to be one of the main drivers for job creation and industrialisation of countries.

The organisation has realised the value of battery minerals relating to renewable energies and the automotive sector. US\$ 7 billion has been mobilised through equities for the production of such minerals. It has targeted the mineral-rich DR Congo for the manufacture of lithium batteries.

However, the AfCFTA must contend with matters relating to national local content and protectionist tendencies. Countries still use import tariffs to protect 'nationally sensitive' products. A recent example is the decision of Namibia and Botswana to halt the imports of certain agricultural and vegetable products from South Africa.

FACT OF THE MONTH

According to *McKinsey*, about two-thirds of Africa's 1,3 billion people do not have a bank account or full access to financial services, and 90% of all transactions on the continent are still cash-based.

QUOTABLE QUOTES

"It is important to work with the private sector as we implement the AfCFTA because governments do not trade, nor do they create jobs."

(Wamkele Mene, Chief Executive Officer at the Secretariat of the Africa Continental Free Trade Area)

"It is the only discernable project we have on our horizon to mitigate this gas cliff."

(Jaco Human, Executive Director, *Industrial Gas Users Association of Southern Africa*, on the shortage of piped gas for South African industrial users from the dwindling Pande and Temane gas fields in Mozambique and the need for supply from the upcoming Matola LNG import terminal.)

"If you look at the moment at the scale and scope of the American FID's (Final Investment Decisions) on LNG, it's pretty clear that LNG has a future well past 2050."

(Paul Eardley-Taylor, Head: Oil & Gas: Southern Africa, *Standard Bank*)

AFRICA & THE WORLD

The **NIGERIAN MOVIE INDUSTRY ('NOLLYWOOD')** is the second largest in the world in terms of output at about 2 500 films per year. It is second in this regard to the USA's Hollywood and ahead of India's Bollywood. The South African film industry reached US\$ 418 million in value in 2019/2020 but dropped to US\$ 169 million in 2020/2021.

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

The testing, inspection and certification group, [BUREAU VERITAS](#) has been appointed as the certifying authority for the Tilenga oil project in Uganda by *McDermott*.



NEW SUBSCRIBERS



GLOBAL MEDICAL
— Safety & Risk Solutions —

[Global Medical Safety and Risk Solutions \(GMSRS\)](#) is an international healthcare services and solution company headquartered in Cape Town, South Africa. We are the industry's premier one-stop solution for bespoke healthcare solutions onshore as well as offshore in Africa. Being an African company, we understand the importance of being able to adapt quickly, which is why we pride ourselves on being an owner-managed business.

GMSRS is your solution to any Medical, Health, Safety, Environmental and Risk situation which you or your organisation may face. As a company, we have an understanding of international standards and regulations that are required to allow your organisation to thrive and prosper. Combined, our leadership team has many years of experience and understanding in these respective fields and has worked in a number of regions including the United Kingdom, the Middle East, and numerous countries within Africa.

At GMSRS we believe in our employees and their continual professional development. This allows GMSRS to provide the highest level of service to our clients. Most of our employees are dual-hatted in qualifications and can offer not just one service and/or solution, but a host of them. This allows you as a customer to save costs and lower your operating expenses in these tough financial times.



WANAWAKE
INDUSTRIAL SUPPLIES
— NURTURING INDUSTRY —

[Wanawake Industrial Supplies](#) is a specialist importer, distributor and supplier of Torque Tools (Hydraulic, Pneumatic, Battery, Electric), Hydraulic Maintenance Tools, Hydraulic lifting equipment, Flange Facing tools, Pipeline Solutions.

Industries we service include the Oil & Gas, Mining, Power Generation and heavy industry sectors across Africa.

Premium brands that Wanawake represents in Africa include Hi-Force Hydraulic Tools(UK), HiFi Filtration(Fr), Alkitronic Torque Tools (Ger), Chicago Pneumatic (USA), Gedore (Ger), Ryco (Aus)

Sygma Flange facing machines(Bel), Klinger Gaskets and flange management services and Wanawake Impact Sockets(In).

Services include Rentals, Rent to Own Finance models, Torque Calibration, Onsite technical advice, Hydraulic Load Testing, Pressure Testing, Repairs & Maintenance of all brands of hydraulic equipment.

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 for templates/further details/contacts pertaining to specific projects listed below.*

Projects & Opportunities



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PROJECT OF THE MONTH

The Mozambican ports and railways utility, *Portos e Caminhos de Ferro de Mocambique (CFM)* has announced the intention to restore operations at **MOCIMBOA DA PRAIA PORT** in Cabo Delgado Province on the far north coast. The port lies about 50 kilometres south of Palma and some 70 kilometres from the liquefied natural gas (LNG) projects sites and can provide valuable logistical support for these operations. The armed incursions inflicted considerable damage to the town and the port rehabilitation will include infrastructure and urban repair relating to power and water supply, housing, schools, clinics and communications. The cost of the port rehabilitation has not yet been announced.

Editor's Note: Africa House has undertaken business missions to the Palma area and can provide supplementary information on request and through the Africa House projects platform.

AGRICULTURE



CHAD

The Ministry of Animal Breeding and Animal Product Production is seeking financial and technical assistance on a Build Operate Transfer (BOT) or Public Private Partnership (PPP) basis for [INDUSTRIAL ABATTOIR AND TANNERY PROJECTS](#) in the Adjmarass, Sarh, Doba and Ati regions. The project includes leather treatment and production as well as production of meat by-products. Adjmarass airport will be used for flying products to the Gulf countries. The Ministry is also promoting a 7 000 hectare irrigation project for rice production.

ETHIOPIA

The state marketing agency, *Ethiopia Investment Holdings (EIH)* is inviting foreign and local investors to acquire up to 100% of eight state sugar companies in Ethiopia within the context of the [NATIONAL SUGAR INDUSTRY PRIVATISATION PROGRAMME](#). *Ernst & Young* has been appointed to advice on the transactions. The *Ethiopian Sugar Industry Group (ESIG)* is running or administering the companies including Omo Kuraz, Arjo Dedessa, Kesseme, Tana Beles and Tendaho.

GHANA

The Ministry of Food and Agriculture is planning the construction of a [FERTILIZER PRODUCTION PLANT](#) to ensure local fertilizer supply. There is no fertilizer manufacturing company active in Ghana. There have been discussions with a Moroccan company regarding the project. The food and agriculture minister inaugurated the *National Fertilizer Council (NFC)* earlier this year.

MOZAMBIQUE

An affiliate of the Portuguese group, *Joao Ferreira dos Santos (JFS)*, the *Niassa Cotton Company (SAN)* has completed construction of a [COOKING OIL FACTORY](#) in Cuamba, Niassa Province, northern Mozambique. The stated cost was US\$ 4,7 million. The plant will process soya and cotton seed and produce 3 000 tons of edible oil per annum. Local farmers will provide the feedstock. The project falls under the "Industrialise Mozambique" national programme.



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HEALTH



BURKINA FASO

Burkina Faso's first **PHARMACEUTICALS PRODUCTION PLANT** has been built on a 1,5 hectare site in the Komsliga commune situated outside Ouagadougou. It was developed by the Burkinabé business sector and branded *Propharm*. The plant will produce products such as paracetamol, zinc and rehydration salts. The *National Agency for Pharmaceutical Regulation* is in the process of approving the products.

CAMEROON

The *Saudi Fund for Development (SFD)*, the *Kuwait Fund for Arab Economic Development (KFAED)* and the *Arab Bank for Economic Development in Africa (BADEA)* are all contributing towards construction of the US\$ 38,8 million, 14 000 square metre **MBALMAYO REGIONAL HOSPITAL** in Yaoundé. The hospital will have 200 beds, medical centres and a helicopter landing pad. The project includes the rehabilitation of a road linking to the national road. Agreements are being signed with the Ministry of Economy, Planning and Regional Development.

GHANA

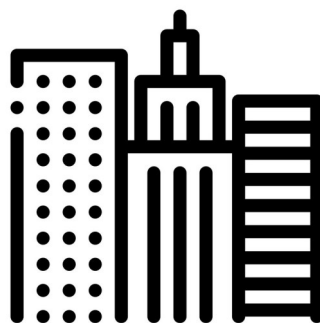
The UK-based engineering, procurement, construction and finance (EPCF) project developer, *NMS Infrastructure* has concluded a US\$ 175 million contract with the Ghana Ministry of Health for the implementation of the **GHANA DISTRICTS HOSPITALS PROGRAMME**. Under the contract, the company will build six new 120-bed district hospitals as well as multi-storey staff accommodation at the Takoradi-European Hospital. *Turner & Townsend* have been assisting the programme with project management services.

Editor's Note: Turner & Townsend recently addressed Africa House subscribers on this project as well as others in Ghana.



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HOTELS/COMMERCIAL & INDUSTRIAL PROPERTY



CONGO (DEMOCRATIC REPUBLIC)

The Dubai-based pan-African industrial development company, *Arise Integrated Industrial Platforms (Arise IIP)* has signed a Public Private Partnership (PPP) agreement with the DR Congo government for the development of the [KIN-MALEBO INDUSTRIAL ZONE](#) situated 40 kilometres from Kinshasa and 10 kilometres from Ndjili International Airport. The company will be investing US\$ 200 million. Construction is scheduled to start in October 2022 and completion is set for September 2023. Phase 1 will cover 514 hectares. The zone will include pharmaceuticals, plastics and electrical components.

KENYA

Kenya's *Local Authorities Pension Fund (Lapfund)* has submitted an environmental and social impact report to the *National Environment Management Authority (NEMA)* to obtain permission to build a [NEW MALL](#) in Nakuru, south-western Kenya. The cost is estimated at about 10 billion Kenya Shillings or approximately US\$ 83,4 million. The mall will be developed in phases and will include a five-star hotel, residential apartments, an office block, a warehouse block, a kindergarten and an amusement park.

NAMIBIA

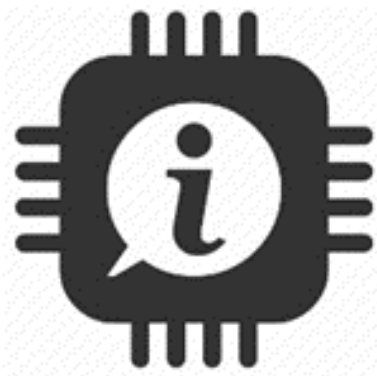
Klein Okapuka CC and *Gondwana Collection Namibia Ltd* have entered into a joint venture and will soon be undertaking the [REVAMP OF THE OKUPA GAME RANCH](#) situated near Windhoek on the Okahandja road. The popular classic safari ranch will undergo a major expansion and should be re-opened in April 2023. The ranch commenced operations in 1998.

SOUTH AFRICA

President *Ramaphosa* has officially lauded the **SAPPI SAICCOR PULP MILL UPGRADE AND EXPANSION PROJECT** in Umkomaas on the south coast of KwaZulu-Natal Province. The project required an investment of R7,7 billion or about US\$ 443 million. A new plant attached to the existing structure will increase production of dissolving pulp by 110 000 tons to reach 890 000 tons per annum. The new plant will reduce energy and water consumption.



ICT / TELECOMMUNICATIONS



REGIONAL

The **KINSHASA-KIGALI/BUJUMBURA FIBRE OPTIC CABLE LINK** will link the DR Congo to the East African regional communications networks. A 640 kilometre cable will link Kinshasa to Lubumbashi to Kamina and Bukavu in the DR Congo and then onward to Burundi. The project falls under the Central African Backbone programme. The implementing utility is the *Office Congolais des Postes et des Télécommunications (OCPT)*.

GHANA

The Pan-African e-commerce company, *Jumia Technologies* is partnering with *Zipline* of the USA to launch a **RETAIL DELIVERY SERVICE BY DRONE** to the remote and rural areas of the country. While the drone delivery service was initially aimed at medical products, this service will include items such as cosmetics and electronics. *Jumia* offers an e-market place with logistics and payment services.

TOGO

The *United Nations Economic Commission for Africa (UNECA)*, the newly-established *African Centre for Coordination and Research in Cyber-security* and the Togo government have partnered to establish a **CYBERSECURITY CENTRE** in Lomé. The centre will serve the African continent by monitoring, detecting and sharing cyber-security intelligence with governments, utilities, banks etc. The objective is to enhance internet security on a regional basis.

ZIMBABWE

The southern African freight forwarding industry is welcoming the decision by the *Zimbabwe Revenue Authority (ZIMRA)* to upgrade the information communications technology **ICT SYSTEMS AT THE BEITBRIDGE BORDER POST** between South Africa and Zimbabwe. This border post is particularly busy and needs a paperless system. The project falls under the Border Modernisation Programme. The latest technology will link the post to the National Surveillance Centre in Harare.



MINING



BOTSWANA

Sandfire Resources of Australia will be disbursing almost US\$ 72 million for the [EXPANSION OF THE MOTHEO COPPER MINE](#) in north-western Botswana. The decision follows its conclusion of a definitive feasibility study (DFS). The mine will increase its production from 3,2 million tons to 5,2 million tons per annum. The project includes a new processing plant as well as a new open pit excavation.

CAMEROON

The Cameroon authorities have granted a 10-year mining permit to the local affiliate of *Sinosteel* of China for the development of the [LOBE IRON ORE PROJECT](#) situated near Kribi on the north coast. The mining area of 138 square kilometres has an estimated resource of 633 million tons and the agreement provides for the production of 4 million tons of enriched iron ore per annum. The value of the investment is US\$ 676 million. The mine's production will be exported through the port of Kribi.

TANZANIA

Volt Resources of Australia has contracted *GR Engineering Services* also of Australia to review its 2018 feasibility study for the [BUNYU GRAPHITE PROJECT](#) located in the Mtwara Region of southern Tanzania. The initial cost estimate of US\$ 31,8 million will have to be revised as well as other aspects of the project. Annual graphite production is estimated at 23 700 tons per annum.

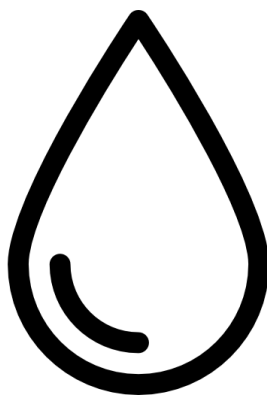
ZIMBABWE

The [Ministry of Mines and Mining Development](#) has approved a proposal by a Chinese consortium for the development of a [BATTERY MINERALS PARK](#) at the New Energy Special Economic Zone Industrial Park situated some 60 kilometres from Harare in Mashonaland West Province. The consortium includes *Hong Kong Eagle International Investment* and *Pacific Goal Investment*. The facility will process battery minerals such as lithium, nickel and platinum. The cost is stated as US\$ 2,83 billion. The project includes a nickel-sulphate plant, a nickel-chromium alloy smelter, a lithium-salt plant and two 300 MW power plants. Completion is scheduled for the end of 2025. Value will be added to the country's mining products.



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OIL & GAS



REGIONAL

The energy ministers from a number of central African countries have agreed on a plan for a 6 500 kilometre **OIL AND GAS PIPELINE NETWORK** in the region by 2030. The project would link eleven of these countries and would include refineries and power plants. Ministers from Gabon, Equatorial Guinea, Cameroon, Chad, Angola and the Republic of the Congo signed off on the plan at the recent Central African Business Forum. Gabon is reportedly especially interested in the initiative.

ANGOLA

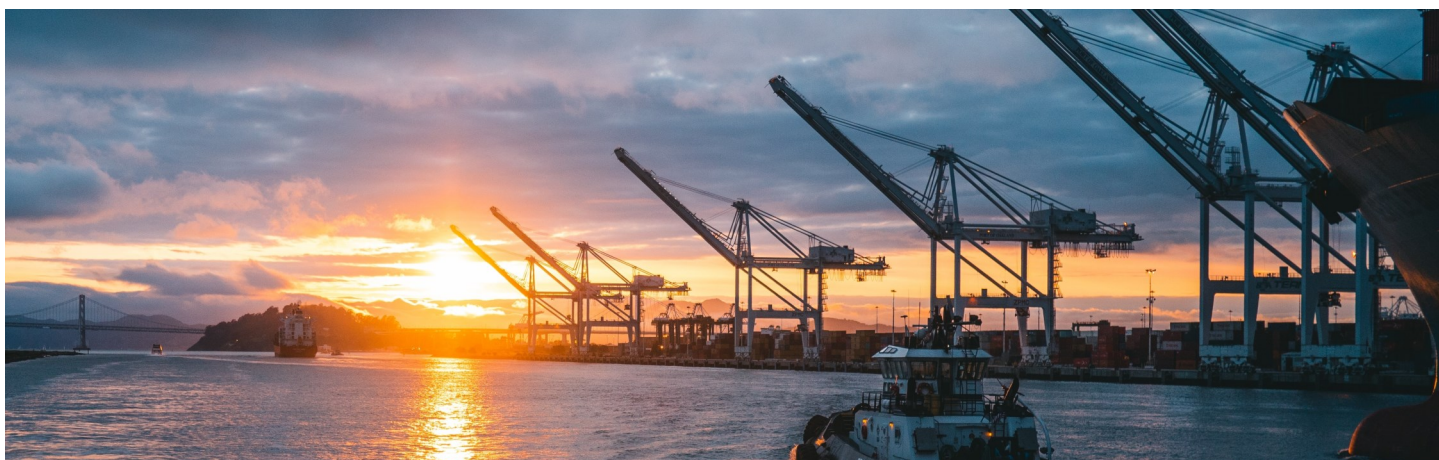
Eni of Italy is undertaking a major upgrade of its resource base at the [NDUNGU OIL FIELD](#) situated offshore in Block 15/06. This follows the successful drilling of the Ndungu2 appraisal well. The resource could increase up to 1 000 million barrels of oil equivalent. Analysts are predicting a substantial increase in the number of upstream oil and gas projects in Angola over the next few years.

SOUTH AFRICA

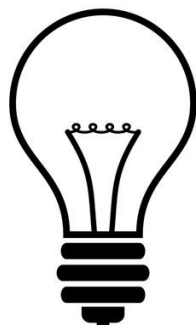
South Africa's first commercial LNG project, the [VIRGINIA LNG PROJECT](#) in the Free State Province has officially begun production. Natural gas and helium stored in bulk storage tankers is being supplied to customers by the project's operator, *Reenergy*. The *Central Energy Fund (CEF)* has invested in the venture. The company has reportedly disbursed some R1 billion (about US\$ 58,5 million) on the project.

TANZANIA

There has been further progress on the planned [LNG EXPORT TERMINAL](#) to be built in the Lindi region on Tanzania's far south coast with a continuation of talks between the Minister of Energy and Minerals and senior *Shell* representatives. In June 2022, the government signed a framework agreement with *Shell* and *Equinor* of Norway. The estimated cost of the project is US\$ 30 billion. Tanzania has substantial deepwater natural gas reserves. The project has experienced delays due to regulatory issues.



POWER



ANGOLA

The Namibian utilities, Nampower and Namwater are assisting with the refurbishment and upgrade of the **CALUEQUE HYDRO DAM** situated upstream on the Cunene river from the Ruacana power station in southern Angola. A team of technical experts from both Namibian state entities have been sent to implement the project. The refurbishment includes increasing transformer capacity. They will be collaborating with Gabhic of Angola which manages the Cunene River Basin. The cost is estimated at 38 million Namibian Dollars or about US\$ 2,23 million.

BOTSWANA

The Botswana Power Corporation (BPC) has awarded Norwegian green power solutions company, Scatec a contract for the construction of a 50 MW **SOLAR POWER PLANT** in Selebi-Phikwe, eastern Botswana. Scatec will be the Engineering, Procurement and Construction (EPC) contractor. It has signed a 25-year Power Purchase Agreement (PPA) with the BPC. This is Botswana's first large-scale renewable energy project. The plant will supply power to 20 000 households.

GUINEA

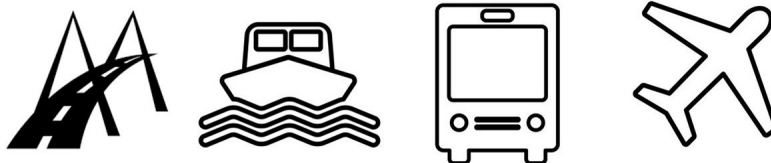
Nordgold of Norway has launched a 33 MW heavy fuel **POWER PLANT** at its Lefa Gold Mine in northern Guinea. The cost was US\$ 30 million. The plant was designed and built by the SUMEC Group Corporation of China while Hyundai Heavy Industries of South Korea provided the equipment.

NAMIBIA

The French independent power producer, HDF Energy has announced that it expects to produce power from its **SWAKOPMUND GREEN HYDROGEN POWER PLANT** on the central coast of Namibia in 2024. A solar power plant will produce 85 MW to be converted to produce green hydrogen. The cost of the project is estimated at N\$ 3,1 billion or about US\$ 174,5 million.



TRANSPORT



GHANA

The South Africa-based joint venture, *Thelo DB* comprising *DB Engineering and Consulting* with *Thelo Ventures* has concluded a framework agreement with the Ghana government to provide planning, operation and maintenance management for the [WESTERN RAILWAY LINE PROJECT](#). The 299 kilometre line extends from Kumasi in central Ghana to the port of Takoradi. The total investment required for the project is US\$ 3,2 billion. The project will enhance efficient export of mining production from the mining areas of Ghana and neighbouring countries.

MAURITIUS

Construction of the [FLIC-EN-FLAC BYPASS ROAD](#) will begin in April 2023 and is scheduled for completion in April 2025. The budget for the Pierrefonds-Cascavelle section is 950 million Rupees (about US\$ 21 million). Construction of the La Vigie-La Brasserie-Beaux Songes stretch is underway. The overall project includes link roads, a bridge, traffic circles and bus stops. The project is being implemented by the *Roads Development Authority (RDA)* and the *Medine Group*.

ZAMBIA

Phase 1 of the **REHABILITATION OF THE LIVINGSTONE-CHINGOLA RAIL LINE** is scheduled for completion by the end of 2022. The second phase is for the installation of communications and signalling systems. Improvement of the 1 029 kilometre line will help establish Zambia as a regional trans-national hub from the Zimbabwe border in the south to the DR Congo border in the north. *Zambia Railways Limited* will also acquire new rolling stock. The *Industrial Development Corporation (IDC)* of Zambia is among the funders while the contractor is the *TSR Consortium* comprising *Yapi Merkezi* and *Yapiray* of Turkey.

Avic International of China and the local *Zambian Casilli* consortium have been listed for the construction of the 320 kilometre dual carriageway [LUSAKA-NDOLA ROAD](#). The *Road Development Agency (RDA)* should be selecting the contractor soon. The project cost is estimated at US\$ 700 million. It will be implemented as a Public Private Partnership (PPP). A previous contract was cancelled. The road is of substantial strategic importance as it will facilitate access to both the *Zambian* and *DR Congo* copper belts.

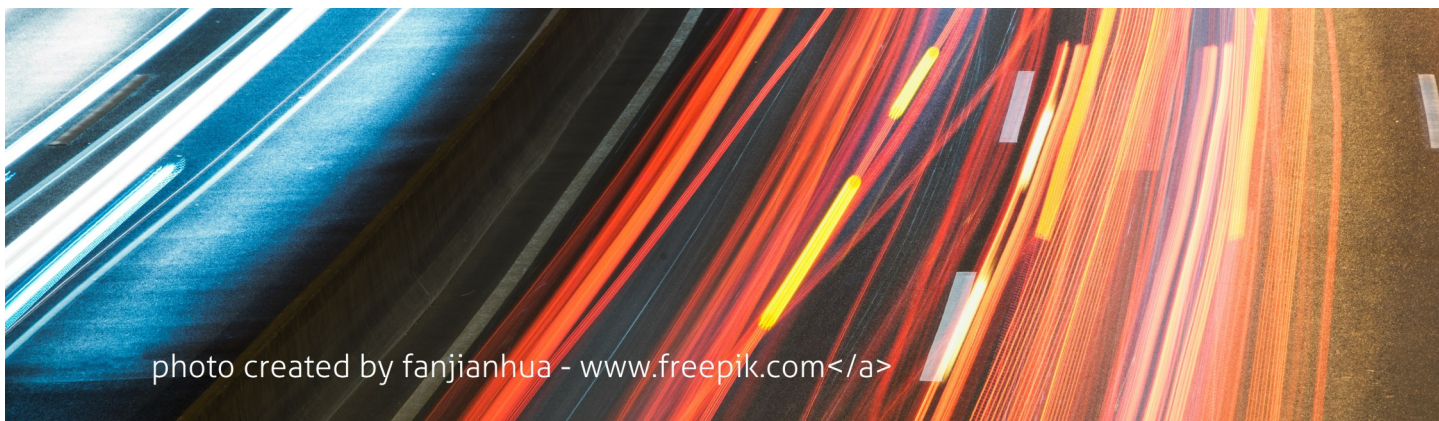


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WATER & SANITATION



GABON

The company, *Orelo* has been awarded the concession for the financing, construction, operation and maintenance of a [POTABLE WATER TREATMENT PLANT](#) for the greater Libreville area. The plant will have a capacity of 140 000 cubic metres per day and will supply a population of 700 000 when it becomes operational in 2026. The company was established by the Gabon Strategic Investment Fund (*FGIS*) and is owned by the pan-African industrial group, *Eranove* and the *Gabon Power Company (GPC)*.

SOUTH AFRICA

The Breede Valley Municipality has commenced the construction of a 20 mega litre [WATER RESERVOIR](#) just outside Worcester in the Western Cape Province. The project is scheduled for completion in August 2023. The cost is R74 million or about US\$ 4,23 million. The implementing authority is the Western Cape Provincial Department for Local Government, Environmental Affairs and Development Planning.

A delegation of Israeli water experts have been visiting South Africa to inter alia assist with the **TSHWANE MUNICIPALITY WATER SUPPLY PROGRAMME**. The delegation will also visit other local governments to help solve water supply problems by applying Israeli water sector experience. The group includes representatives of the *Arava Institute for Environmental Studies* of Israel. The initiative is being funded by the *Jewish National Fund of South Africa (JNF-SA)*.



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WHISPERINGS - FOOTNOTES



- South African authorities have expressed optimism that *TotalEnergies* will soon be submitting a production plan for operation of its offshore **OIL AND GAS CONCESSION**. Production from the recently discovered Blocks 11B/12B would provide gas required by the Mossel Bay gas-to-liquids plant which is in dire need of feedstock.

- **CYBER-SECURITY** has become a major theme in the African ICT sector. The UK telecommunications company, the *BT Group*

and *MTN* of South Africa have formed a partnership to offer security services to businesses across Africa. The services include a security operations centre to improve cyber-security. The *United Nations Economic Commission for Africa (UNECA)* has also helped establish a regional cyber-security centre in Lomé.

- Much is said about the poor performance of a good number of Africa's power utilities. However **UGANDA'S SOLE POWER DISTRIBUTOR**, the company, *Umeme Limited* has registered a major increase of 33% in half-year, pre-tax profits. This was reportedly due to an increase in energy sales and a drop in operating costs. The *Copperbelt Energy Corporation (CEC)* of Zambia has also registered a 12% increase in revenue.
- There has been some debate and controversy in the development finance world around the funding of fossil fuel projects with NGO's lobbying to restrict such funding. The recent decision by the *Islamic Development Bank (IsDB)* to contribute US\$ 100 million to the **EAST AFRICAN CRUDE OIL PIPELINE (EACOP)** in Uganda and Tanzania is therefore of significance.
- The long queues of trucks stretching down Town Hill into Pietermaritzburg as well as the large number of vessels waiting outside port to dock are clear indications that **DURBAN PORT** is under severe strain. This is despite declarations from the *Transnet National Ports Authority (TNPA)* that it has cleared backlogs caused by recent rains and flooding. The *TNPA* has announced plans for the construction of new container terminals. *Transnet* has announced that it will be spending about R100 billion (US\$ 5,75 billion) on the Durban and Richards Bay ports. Durban port will have an increased container capacity of 11,4 million TEU's.
- There is pressure on **CFA FRANC ZONE COUNTRIES** resulting from the recent strengthening of the US Dollar against the Euro to which the CFA is tied. The countries are exposed to exchange rate fluctuation and there are implications for the repayment of foreign debt.
- Collaboration between **KWAZULU-NATAL PROVINCE AND THE UNITED STATES** has been ongoing for a number of years. Economic cooperation has recently been strengthened by a meeting between the KZN premier and the US Ambassador to South Africa. The agenda included flood relief, human settlement, climate change, maritime matters, education and technology.
- Projects such as *Sandfire Resources'* Motheo copper mine are reinforcing the development of the Kalahari belt in Botswana and Namibia as a new copper-producing area. It is largely under-explored and a number of junior miners are active there. Observers are even referring to the **NEW KALAHARI COPPER BELT** as a possible rival to those of Zambia and the DR Congo.
- The **AGRICULTURE SECTOR IN MOZAMBIQUE** is currently enjoying considerable attention with the government announcing major programmes to assist small farmers and outgrowers as well as funding for agricultural research. There is also a number of new agri-industrial projects such as a recently inaugurated maize processing plant and a new cooking oil factory. A delegation of the Western Cape recently visited Mozambique within the context of the province's African Agricultural Strategy. The government has announced that it will be spending US\$ 830 million until 2025 on the agriculture sector.

- **CHILANGA CEMENT** of Zambia has reported reduced sales revenue of 803 million Kwachas or US\$ 52,4 million for the half-year ending June 2022. This represents a drop of 16% in comparison with the same period of the previous year.
- There has been a proliferation of **RETIREMENT ESTATES** along the coasts of South Africa as pension-age customers 'semigrate' from the inland urban centres. Mauritius is also starting to take hold of this opportunity and *Luxury Retirement Village Limited* will be opening its Royal Green Estate for over-50's in October 2022.
- At the time of writing, the location of the proposed **COMMERCIAL NUCLEAR POWER PLANT IN GHANA** had yet to be confirmed. Four coastal sites were identified by the Ministry of Energy in 2021. Two units at the plant would generate 2 000 MW to 2 400MW.
- The Zanzibar government has launched its '**SILICON ZANZIBAR**' INITIATIVE that is aimed at attracting tech companies in Africa and globally to relocate to the island. The authorities are offering investment incentives under Zanzibar's Free Economic Zone (FEZ).
- The Ghana Automotive Development Programme is registering considerable success. **VEHICLE ASSEMBLY PLANTS** are proliferating with *Nissan*, *Peugeot* and *Suzuki* recently joining *Volkswagen*, *Toyota*, *Sinotruck* and *Kantanka* in establishing such operations.
- Djibouti has established itself as a major **INTER-REGIONAL COMMUNICATIONS HUB** partly due to its hosting of undersea fibre optic cables. Lagos in Nigeria is "exploding" with new data centres and internet exchange points. Dakar in Senegal is becoming an inter-regional hub. Others include Nairobi/Mombasa in Kenya and Johannesburg/Cape Town/Durban in South Africa. Bandwidth in Africa is increasing rapidly.
- The rail utilities of Mozambique and South Africa have reached agreement on the commencement of an **EXPRESS TRAIN SERVICE** that will allow trains to cross the Ressano Garcia border post without restrictions and changes of rolling stock. This will also improve freight and passenger rail traffic between the two countries as well as to and from eSwatini. The number of trains carrying mining products will increase from 15 to 20 trains per week.
- The **MINING SECTOR IN CAMEROON** is surprisingly small at under 1% of GDP despite the country's resource-rich nature. Lack of transport infrastructure is cited as one of the main reasons for this poor performance. However, new projects such as Minim Martap bauxite and Lobé iron ore could see a rise in the sector's significance.
- According to the *International Trade Administration* of the US Department of Commerce, **UPSTREAM OIL AND GAS PROJECTS IN ANGOLA** will increase over the next few years. It predicts that upstream market growth will be over 1,5% over the 2022-2027 period. A number of new oil projects such as Ndungu and Agogo are developing and the Angolan government is encouraging this growth through the auction and licensing of new blocks as well as the enactment of private investment legislation.
- The *African Development Bank (AfDB)* and the *European Union (EU)* have funded the modernisation of the ports of Maio and Palmeira in the **CAPE VERDE** thereby enhancing the island nation's status as a maritime crossroads between Africa, Europe and South America. The country has performed exceptionally well in transiting from a lease developed economy to lower middle income status.
- Gabon is in negotiations with the major Swiss mining minerals trader, *Trafigura* aimed at adding value to **MINING PRODUCTION IN GABON**. *Trafigura* would be dealing with mining companies, distributors, foundries and industrial manufacturers to ensure beneficial processing as well as improving supply chains for the country's production of manganese, iron ore and other mining products.
- **KENYA'S TOURISM EARNINGS** have more than doubled to the equivalent of nearly US\$ 1,4 billion for the first eight months of 2022 when compared with the same period in the previous year. The authorities are concentrating more on business tourism than leisure tourism to further boost the sector.

WEBSITES



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

The [World Bank](#) has approved a credit of US\$ 300 million to Mozambique for the funding of infrastructure projects. This marks the **RESUMPTION OF WORLD BANK AID TO MOZAMBIQUE** since the 'hidden debt' tuna fleet scandal six years ago. In May this year, the [International Monetary Fund \(IMF\)](#) approved its first loan since the scandal of US\$ 456 million for budgetary support.

The [Islamic Development Bank \(IsDB\)](#) has approved funding of US\$ 100 million towards the development of the **EAST AFRICAN CRUDE OIL PIPELINE (EACOP)**.

The [Western Cape Provincial Department of Agriculture](#) in South Africa recently launched the **WESTERN CAPE AFRICA STRATEGY** not only to promote agricultural exports from the province but also to facilitate investment and promote capacity-building in recipient African markets.

Nigeria is attempting to raise an initial US\$ 10 billion to fund its **NIGERIA ENERGY TRANSITION PLAN** towards renewable energy and the reduction of carbon emissions. The [World Bank](#) has made a contribution.

The [International Monetary Fund \(IMF\)](#) has approved US\$ 1,3 million in Special Drawing Rights (SDR's) under a 38-month Extended Credit Facility Arrangement to help restore **MACRO-ECONOMIC STABILITY IN ZAMBIA**.

The [National Housing Corporation \(NHC\)](#) of Kenya and the [International Finance Corporation \(IFC\)](#) have signed a financial services agreement to increase the supply of **AFFORDABLE HOUSING UNITS** in the country.

The [International Finance Corporation \(IFC\)](#) has announced that it will be investing US\$ 169 million in **SAFARICOM ETHIOPIA** to assist with the company's capital expenditure.



TRAVEL NOTES



The Nigerian airline, *Air Peace* recently suspended its **LAGOS-JOHANNESBURG FLIGHTS** due to visa issues. The *South Africa-Nigeria Business Chamber (SA-NBC)* is in discussion with the South African diplomatic missions in Nigeria to resolve the issues.

Editor's Note: The SA-NBC can assist with visas for travellers between the two countries. It is recommended that contact be made with them (office@sa-nigeriachamber.co.za) for assistance and updates on the current situation.

*Editor's Note: The following is a comment by Duncan Bonnett of Africa House on the travel logistics he experienced during a recent visit to several cities in **NIGERIA**:*

"The new arrivals terminal at Murtala Muhammed International Airport was a pleasure to go through and the domestic airports were pretty easy to navigate (albeit the later in the day the longer the delays for flights). Hotels are reasonably good if a little expensive. They're also pretty full so book well in advance where possible. Visas remain frustrating - but from both ends with Nigerian businesspeople complaining about how difficult it is to visit South Africa as well."

Emirates Airline will be resuming some of its **FLIGHTS TO NIGERIA** following the decision by the Nigerian central bank to allow the airline to repatriate some of the funds it had earned in that country.

The Angolan airline *TAAG* will increase the number of its weekly flights from **LUANDA TO CABINDA, MAPUTO AND WINDHOEK**. Flights to Cabinda will increase from 24 to 26 and to Windhoek from four to five. Flights to Maputo will be four times per week.

TOGO'S E-VISA PLATFORM has been launched. Visa applicants will complete forms electronically and not have to present themselves at Togo embassies and consulates.

RECENT ACTIVITIES OF AFRICA HOUSE

Duncan Bonnett hosted a hybrid **Ghana Country** Focus Group on 07 September 2022. Guest speakers included:

- Raphael Baiden: Head of Natural Resources, Africa, *Turner & Townsend*
- Timothy Nyanu: Deputy Director, Investor Services Division, *Ghana Investment Promotion Centre GIPC*
- Paul Arde-Acquah: Business Development Consultant, *Ghana Investment Promotion Centre GIPC*

Roelof van Tonder hosted a hybrid **ICT/Telecommunications** Focus Group on 08 September 2022. Guest speakers included:

- Kyle Spencer: Executive Director, *The African IXP Association*
- Chiboni Evans: CEO, *South African Electrotechnical Export Council (SAEEEC)*

Roelof van Tonder hosted a hybrid **Oil & Gas** Focus Group on 15 September 2022. Guest speakers included:

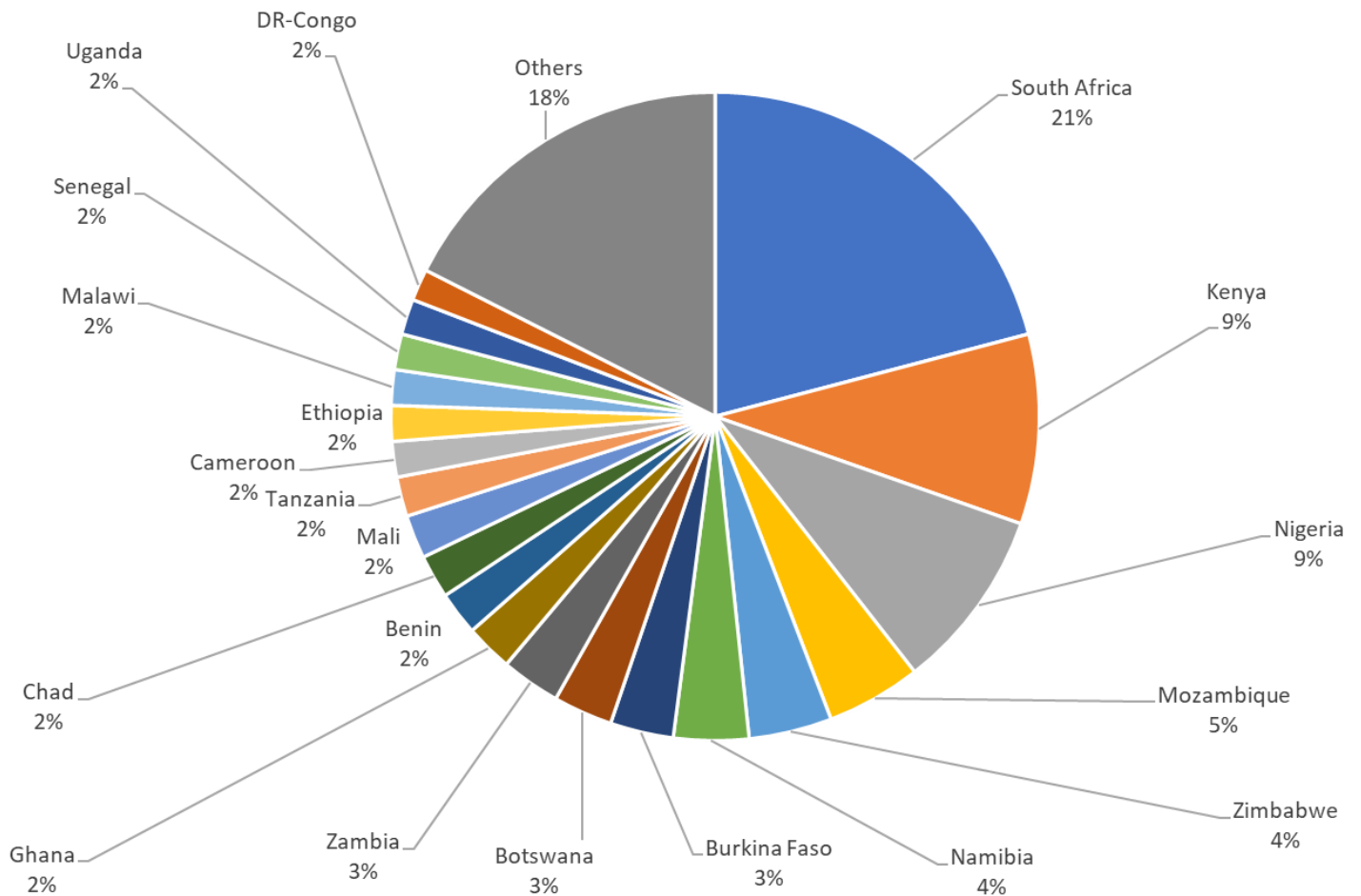
- Swarupa Deshpande: Africa O&G Market Leader, *Bureau Veritas*
- Thomas Rodriguez: Director and Local Content Specialist, *CLC Solution*
- Paul Eardley-Taylor: Oil & Gas, Southern Africa, *Standard Bank*
- Alex Mbonye: Africa House Partner, Uganda

Duncan Bonnett hosted a hybrid **Mining** Focus Group on 22 September 2022. Guest speakers included:

- Ntsiki Adonisi-Kgame: Head of Natural Resources & Environment Department, *ENSAfrica*
- Rainer Kaber: Construction Project Manager, *Inflection Point Project Solutions*

CHART OF THE MONTH

Percentage of Renewable Projects by Country



Source: Africa House Project Platform

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COMMODITIES OF AFRICA

TYPE OF COMMODITY	COMMODITY	UNITS	PRICE: August 2022	PRICE: September 2022	PRICE: October 2022
Agriculture	Cocoa	US\$ per Kilogram (US\$/kg)	1.70	1.78	1.93
	Coffee	US\$ per Kilogram (US\$/kg)	2.18	2.41	2.21
	Cotton	US\$ per Ounce (US\$/oz.)	1.01	1.22	0.93
	Rice	US\$ per Metric Ton (USD/MT)	444.00	440.00	418.00
	Sugar	US\$ per Kilogram (US\$/kg)	17.54	18.44	19.04
Base and Precious Metals	Cobalt	US\$ per Ton (US\$/t)	50,859.00	51,455.00	51,955.00
	Copper	US\$ per Ton (US\$/t)	7,800.63	8,163.26	7,656.87
	Gold	US\$ per Troy Ounce (US\$/t oz.)	1,762.34	1,732.08	1,663.15
	Iron Ore	US\$ per Dry Metric ton (US\$/DMT)	115.83	105.28	95.30
	Platinum	US\$ per Troy Ounce (US\$/t oz.)	895.00	865.30	868.00
Energy	Coal: Industrial	US\$ per Metric Ton (USD/MT)	284.87	285.66	328.75
	Coal: Coking	US\$ per Ton (US\$/t)	407.90	422.75	433.70
	Natural Gas	US\$ per million British Thermal Units (USD/MMBtu)	7.96	9.19	6.66
	Oil: Crude Oil	US\$ per Barrel (US\$/bbl.)	111.95	101.13	87.49

Source: Various



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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