AFRICA HOUSE
Insight & Access. Projects & Trade.

WEEKLY

BULLETIN

Weekly Bulletin 22 March 2022

Regional: Comment

Local processing plants continue to grow across Africa

In the last week several announcements have been made of new or expanded food processing or production plants across Africa. These include the inauguration of a new sugar mill in Ethiopia, a wheat processing plant in Sudan, a sugar mill in Kenya and cashew processing in Tanzania and Benin. This is part of an ongoing trend towards the development of new or expanded local processing and manufacturing capacity across the continent. Since January 2021 Africa House has included projects worth around US$4bn in this sector in the project platform, excluding major input projects such as irrigation schemes and large primary agricultural initiatives that will form the basis of future of downstream processing. Much of this is in sectors such as sugar, beverages, meat processing, spice, nut, fruit and vegetable processing and the development of agri-industrial parks. Given the twin threats to food security posed by the Covid pandemic and the Russian invasion of Ukraine, it is likely that African governments and companies will look to accelerate this process going forward. (Source: Africa House)

Regional

AfDB secures over $42b investment commitment for African projects

The President of the African Development Bank (AfDB) Group, Dr Akinwumi Adesina, has announced that the bank has secured $42 billion investment deals for bankable projects scattered in different parts of the continent. Adesina, during the closing session of the African Investment Forum (AIF) virtual boardrooms, said the biggest of the deals is the $15.6 billion Lagos-Abidjan Highway project. The project is designed to connect five major cities in five West African countries – Lagos, Cotonou, Lomé, Accra and Abidjan. The project "will support 75 per cent of West African trade, impact the lives of over 500 million people, reduce transport cost across the sub-region by 48 per cent and increase intra-regional trade by 15 to 25 per cent." Other projects a $3.3 billion East Africa railway corridor connecting Tanzania, Burundi and the Democratic Republic of Congo as well as linking Rwanda to Tanzania, a $247 million special agro-industrial processing zones in northern Cote d'Ivoire and a $545 million lithium mine project in the Democratic Republic of Congo. (Source: The Guardian)

AFRICA HOUSE

Regional

Increased hopes of a 24-hour operation at the Lebombo / Ressano Garcia border crossing

It's being reported in Mozambique that the governments of that country and South Africa are in the final stages of reaching a decision to extend the opening hours of the Lebombo / Ressano Garcia border gates to 24 hours a day. The border crossing is on the main commercial route linking South Africa and the port of Maputo and a conclusion to the extended hours of opening has long been sought in order to improve the movement of freight between South Africa and the port. According to reports, the Confederation of Economic Associations of Mozambique (CTA) has increased pressure on the Mozambique Ministry of Industry and the South African High Commissioner in Maputo to emphasise the need for not only opening the border gates 24 hours a day, but also to enable trucks to operate on the roads after 22h00. This, they argue, will improve the flow of imports and exports to and from the port. (Source: Africa Ports)

Angola

China's Niodior opens motorcycle factory in Luanda in an investment of 15 million dollars

The factory will produce more than 11,000 Keweseki motorcycles: "It will produce more than eleven thousand (three-wheel) motorcycles, per year", according to a statement from the Ministry of Industry and Commerce. The opening of the factory made it possible to create 50 jobs, but it is estimated that the number will increase as the factory evolves. "The factory initially employs 50 people, and this number should rise to 200, in the short term, with its progression", reveals the note. According to the Ministry of Industry and Commerce, "from 2020 to 2021, the country imported 59,920 motorcycles, with US$31,544,955 being spent in this process". (Source: Ver Angola)

Angola

BP and Eni create Azule Energy to be the largest oil and gas production company in Angola

British oil companies BP and Italian Eni created Azule Energy, a new independent international energy company in Angola, an investment of more than US$10 billion, to produce oil and gas. According to a joint statement, Azule Energy, with more than 200,000 boe [barrels of oil equivalent]/day production, and with net resources valued at around two billion barrels of oil, is the largest producer in Angola, with stakes in 16 concessions and in Angola LNG. The new company expects to start a strong range of new projects in the coming years, which include the new oil production projects Agogo and PAJ, in oil blocks 15/06 and 31, respectively. The business portfolio also includes the development of the New Gas Consortium (NGC), the first non-associated gas project in the country. Azule will continue to develop the maximum potential of the 'upstream' sector in the country, positioning itself simultaneously in the search for gas and renewable energies in its portfolio. (Source: Ver Angola)

Guinea

Guinea suspends Simandou iron ore project, saying there has been no progress

Guinea's ruling junta has ordered the cessation of all activities at the massive Simandou iron ore deposit owned by Rio Tinto and a Chinese-backed consortium, saying it was seeking clarification of how Guinea's interests will be preserved. Simandou, in Guinea's remote south-eastern corner, is the largest known deposit of its kind, holding more than 2 billion tonnes of high-grade ore, but legal disputes and the cost of building infrastructure have left it entirely untapped decades after its discovery. In a statement read on national television late on Thursday, Guinea's interim government said interim president Mamady Doumbouya, who took power in a military coup in September, had not seen any progress towards developing the project. "He therefore ordered the cessation of all activity on the ground pending the answers to questions posed to various actors and the clarification of the operational mode by which the interests of Guinea will be preserved," government spokesperson Ousmane Gaoual Diallo said. (Source: Reuters)

Kenya

Kenya gets Sh85bn World Bank loan as cost of foreign debt doubles

Kenya has received a $750 million (Sh85.8 billion) loan from the World Bank to support its budget and drive fiscal, power, water and land reforms even as the costs on Eurobond double. The loan is the second tranche granted to the country after World Bank wired a similar amount in June last year under the Development Policy Operation (DPO) programme, which lends cash for budget support instead of financing specific projects. The funds are meant to help the economy recover from the effects of the Covid-19 pandemic by strengthening fiscal management, driving efficiency in the power sector as well as achieving environmental, land, water and healthcare reforms. This comes as yields on the bonds, which have a maturity profile of between two and 26 years, have gone up by an average of 3.34 percentage points since June 2021. The highest rise has been on the seven-year paper maturing in 2027, which has nearly doubled from 4.8 percent to 9.17 percent. (Source: Business Daily)

Mozambique

MCC team in Mozambique to assess projects – Carta

A Millennium Challenge Corporation (MCC) team has been at work in Mozambique since March 7, learning about the Compact II development process. Their visit was made public a few days ago by the Compact II Development Office, an institution under the Ministry of Economy and Finance. The visit ends on the 25th of March and will be preceded by the conclusion of a Revised Program Development Financing Agreement (Compact II). Compact II prioritises three sectors: promotion of investment in commercial agriculture; connectivity and rural transport; and integrated climate management and coastal development, and will be implemented in Zambézia province, which has high levels of poverty and low level of infrastructure development. (Source: Club of Mozambique)

Nigeria

Nigeria is the second largest investor in food & packaging technology in Africa

Industry experts claim that Nigeria is the second largest investor in food and packaging technology in Africa. Nigeria is only second to Egypt and it is well ahead of countries such as South Africa, Algeria and Morocco, as Nigeria spent a total of £390 million in 2020 on food and packaging technology. Paul Maerz, Managing Director of Fairtrade Messe made the revelation while speaking virtually during a press briefing to announce the seventh edition of the agrofood & plastprintpack in Lagos, organized by Fairtrade Messe, a German trade show specialist in collaboration with the Organization for Technology Advancement of Cold Chain in West Africa, (OTACCWA). Maerz said that the level of investment from the country is as a result of its population growth, which is driving the demand for food products and machinery. He said that Nigeria's economy has experienced food production increases in recent years owing to the government's renewed focus on agriculture. (Source: Fresh Plaza)

South Africa

Shoprite leverages on wind, solar power to run Checkers Sitari entirely on renewable energy

Shoprite has launched South Africa's first premium supermarket to run entirely off renewable energy from wind and solar sources. This follows the company's installation of a 635kWp rooftop solar PV installation at its own Sitari Village Mall where Checkers Sitari outlet is located. The project was fulfilled courtesy of signing of an agreement with Eskom's Renewable Energy Tariff (RET) programme, which allows customers to source up to 100% of their electricity from renewable resources. The Sitari Village Mall, with Checkers as anchor tenant, will generate 35% of its electricity from its rooftop solar PV system. The remaining 65% – 1,752 MWh of renewable energy – will be sourced from Eskom's wind plant via the RET programme. Last year, the Shoprite Group, doubled its solar capacity and announced its intention to power 25% of operations with renewable energy. The Group has committed to procuring 434 000 MWh of renewable energy a year from a specialist energy trader through its renewable energy procurement project, the first of its kind in Africa. (Source: Food Business Africa)

Tanzania

Multi-billion project, a hub for the country's business

The country's capital, Dodoma, will soon be a hub of business in East and Central Africa, thanks to the ambitious US$215 million Dodoma City Outer Ring Road project which is expected to open business and investment space between Tanzania and other African countries. The project--which will see the country reaping benefits in the economy through the works and transport sectors, has drawn massive attention. On February 09, 2022, President Samia Suluhu Hassan laid a foundation stone for the 112.3-Kilometre Road project, where she paid tribute to the African Development Bank (AfDB) Group for providing funding for the project which is expected to transform the face and image of the country's capital, Dodoma. "Once a market town in central Tanzania and the country's capital, the laying of the foundation stone is expected to transform greater Dodoma into a thriving, sustainable city for its 2.4 million people. It is expected to shore up Dodoma's reputation as an academic city and tourist destination," read a statement in part. (Source: Daily News)

Zambia

Zambian entities to be given preferential treatment

President Hakainde Hichilema has signed the electronic government Act which will allow Zambian registered entities to be given preferential treatment in the procurement of information communication technology (ICT) products, services and goods. This development means that multi-national corporations (MNC) will be required to partner with local companies whenever there is a requirement to supply and deliver ICT services to Government. "This Act empowers Smart Zambia Institute to issue and implement and enforce guidelines that will require international companies to partner with local entities for any ICT project or services to be undertaken in the country. (Source: Daily Mail)

Zimbabwe

NRZ, Dubai firm sign deal to set up dry ports

National Railways of Zimbabwe (NRZ) has signed a deal with Dubai-based DP World to set up dry ports in the country, with three potential sites having been identified. In a statement, NRZ said the three sites were inspected by officials from the Emirati multinational logistics company. DP World specialises in cargo logistics, port terminal operations, maritime services and free trade zones. DP World said the deal would enable Zimbabwe to transport cargo in domestic and regional trade zones. "Two executives from DP World, chief executive officer of the Rwandan port Sumeet Bhardaj and the chief executive officer for Mozambique port Roder Christian have completed an inspection tour of potential sites to set up dry ports in Zimbabwe in partnership with NRZ," Zinyanduko said. "The potential sites are in Lochinvar, Lion's Den and Rutenga." "The team has said they were happy with the sites and would be happy to start off with the Harare dry port in Lochinvar. The deal will also see NRZ locomotives get a facelift. (Source: NewDay)

Upcoming Events:

Exclusive to ENCCI Members
Companies that are not subscribers to Africa House are able to attend 3 focus groups annually for a fee of R400 excluding VAT per focus group.

ENCCI members are entitled to a special discounted rate of R350 excluding VAT per focus group (limited to 3 per annum).
Please contact (Nicole - nicole@africainfo.co.za) to get put on the mailing list for Africa House events.

Mining
Date: Thursday, 31 March 2022
Time: 09h00 - 11h00 (CAT)
Venue: Hybrid Event
In-person at Intertek Greenstone Offices (Block D, Stoneridge Office Park, 8 Greenstone Place, Greenstone Hill) & online on Microsoft Teams
Please RSVP via this link: https://form.jotform.com/220622858023552

Health
Date: Wednesday, 06 April 2022
Time: 09h00 - 11h00 (CAT)
Venue: Microsoft Teams
Cost to Attend:
Africa House Subscribers - No cost
Non-Subscribers - R 400 excluding VAT
Moderated By: Roelof van Tonder
Please RSVP via this link: https://form.jotform.com/220652856322555

Power
Date: Thursday, 21 April 2022
Time: 09h00 - 11h00 (CAT)
Venue: Microsoft Teams
Cost to Attend:
Africa House Subscribers - No cost
Non-Subscribers - R 400 excluding VAT
Moderated By: Duncan Bonnett
Sponsored By: Bureau Veritas Testing and Inspections SA (Pty) Ltd
Please RSVP via this link: https://form.jotform.com/220761619358562

FORTHCOMING EVENTS

Inserts in bold and italics font indicate participation by Africa House:

Africa House

Event	Sector	Location	Date	Contact Details
Africa House: ICT Focus Group	ICT	Webinar	17 March 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Mining Focus Group	Mining	Webinar	31 March 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Health Focus Group	Health	Webinar	6 April 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Power Focus Group	Power	Webinar	21 April 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Transport & Logistics: Airports Focus Group	Airports	Webinar	5 May 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Country Focus Group	Multi-Sectoral	Webinar	11 May 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za

Africa House: Oil & Gas Focus Group	Oil & Gas	Webinar	2 June 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Ports & Rail Focus Group	Ports & Rail	Webinar	8 June 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Water & Sanitation Focus Group	Water & Sanitation	Webinar	23 June 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Mining Focus Group	Mining	Webinar	7 July 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Agriculture Focus Group	Agriculture	Webinar	13 July 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Power Focus Group	Power	Webinar	27 July 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Health Focus Group	Health	Webinar	11 August 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Hotels & Commercial Property Focus Group	Hotels & Commercial Property	Webinar	17 August 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878

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Africa House: ICT Focus Group	ICT	Webinar	25 August 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Country Focus Group	Multi-Sectoral	Webinar	7 September 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Oil & Gas Focus Group	Oil & Gas	Webinar	15 September 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Mining Focus Group	Mining	Webinar	21 September 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Water & Sanitation Focus Group	Water & Sanitation	Webinar	5 October 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Focus Group	Power	Webinar	19 October 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za
Africa House: Transport & Logistics: Roads & Bridges Focus Group	Roads & Bridges	Webinar	27 October 2022	Africa House: Nicole Drake Telephone: 27 11 728 5878 E-mail: ndrake@africainfo.co.za
Africa House: Country Focus Group	Multi-Sectoral	Webinar	2 November 2022	Africa House: Nicole Kruger

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Africa House: Ports & Rail Focus Group	Ports & Rail	Webinar	16 November 2022	Africa House: Nicole Kruger Telephone: 27 11 728 5878 E-mail: nicole@africainfo.co.za