

AFRICAN BUSINESS UPDATE

Africa And The World:

- World Bank Group President Robert Zoellick made an eight-day, three-nation African visit.
- Indian Hotels is to run three high-end hotels in Egypt.
- Aspen is to manufacture generic versions of Eli Lilly's tuberculosis medicines.
- [Smit Internationale N.V.](#) and Boskalis signed a merger protocol.
- [The Brenthurst Foundation](#) published *The African Century*, as well as a thought-provoking article *Wagon company shows way for Africa to pull itself back* contrasting African infrastructure development with that of India and China.
- Contrary to popular belief, the latest report by the Internet Crime Complaint Centre has placed Nigeria, at 7.5%, only third on the global list of countries with the highest rate of cyber crimes behind the United States with 66.1% and the United Kingdom with 10.5%; maybe with all the hacking that's been going on recently, Nigeria's position is under threat from China, Russia, Iran and the climate change denialists!

Investment and Projects:

- South Africa's Transnet plans to invest about US\$ 12.6 billion in new pipelines, ports and railways.
- The IFC is to invest C\$ 6.2 million in Helio Resources and will invest US\$ 7.5 million in the Fanisi Venture Capital Fund.
- A railway line to transport coal from Botswana to a port in Namibia could be built within five years.
- The IMF presented its New Country Partnership Strategy for the Kingdom of Morocco.

Business Opportunities

In the [Business Opportunities](#) section of MBendi.com,

- There are opportunities in rice production,
- Investment in a modern abattoir and participation in a public private partnership for the production of gum Arabic

Trade:

- The new year has seen a flurry of new trade and co-operation agreements: South Africa, Germany and Southern Sudan have entered into a tri-lateral partnership;
- South Africa and the UAE cemented bilateral ties; and
- South Africa and Australia boosted relations.
- The EU resumed development cooperation with Mauritania.
- Ethiopia is to cease cement imports.
- The EAC common market protocol ratification will be completed in April 2010.
- South Africa could export close to 20% more coal this year.
- A rise in tax was imposed by Sierra Leone on high-value diamond exports.

Mining:

Corporate / M&A:

- Orezone is to fund ongoing exploration and development activities at its West African projects.
- China's Jinchuan Mining has agreed to become a partner in the Kabanga nickel properties in Tanzania.
- DRD GOLD bought the balance of the Ergo gold/uranium tailings JV from Mintails.
- First Quantum minerals completed its acquisition of Kiwara, which has been delisted and announced arbitration against Gecamines.
- Centamin Egypt is delisting its shares from trading on the ASX.

Other:

- First Uranium is in discussions for a new Tailings Storage Facility in South Africa.
- Firestone is to earn a 70% interest in any kimberlites in the prospecting licenses controlled by Tawana.
- Zambia's largest mineworkers' union agreed wage increases.
- Zambia's copper output fell during 4Q2009.

Oil and Chemicals:

Governance / Corporate / M&A:

- Egypt obtained US\$ 5 billion to fund and complete its 2007-2012 five-year plan to boost energy output. Centamin
- Egypt delisted its shares from trading on the ASX. Tullow Oil said it would bring either Total SA or China National Offshore Oil Company as a partner into Uganda as part of exercising pre-emptive rights, a move now supported by the Ugandan government, in the sale of exploration interests by Heritage to Eni.

Upstream:

- Hyperdynamics finalized the sale of a minority interest in its oil and gas concession offshore Guinea to Dana Petroleum. Tullow reported a significant discovery offshore Ghana.
- Ghana's Minister of Energy has asserted that Aker's offshore exploration and development license in Ghana is invalid.
- Afren entered into a JV agreement with Oriental Energy Resources and Energy Equity Resources in the exploration, appraisal and development of OML 115, Nigeria.
- SEPLAT Petroleum Development, Shell, Total and Agip signed an agreement concerning the acquisition by SEPLAT of a 45% stake in OML 4, 38 and 41 in Nigeria. Shell agreed to transfer its interest in three production licenses and related equipment in the Niger Delta to a consortium led by two Nigerian companies.
- Sonangol finalized a development agreement with the Iraqi Oil Ministry to increase production at two of the country's northern oil fields.

Downstream:

- Maurice Radebe, Managing Director of Sasol Oil, has been appointed Chairman of the [South Africa Petroleum Industry Association](#), which published the latest South African petroleum product prices.

Chemicals:

- [Protea Chemicals](#), a division of the Omnia Group based in South Africa, and Nalco, the world's leading water treatment and process improvement company, formed a joint venture, Nalco Africa, that will provide range of water and process treatment services to African market.
- CAIA reported on the 2009 Responsible Care awards and posted their January edition of ChemNews.

Electrical Power / Renewables / Telecoms:

Electricity:

- South Africa's production of electricity during the fourth quarter of 2009 increased by 1,3% compared with the fourth quarter of 2008.
- Eskom scaled back its forecast for coal demand by 30% after delaying the construction of new plants because of a funding shortage.
- Uganda expects electricity generation to grow by 8.6% in 2010, mostly through hydropower, thanks to rising investment in the sector and fast-growing demand.

Telecoms:

- Kenya Power and Lighting signed a US\$ 7.4 million deal with three local telecoms firms to lease its fiber optic network.
- A new law now forces Tanzanian mobile phone operators to sell shares on the Dar es Salaam stock exchange.

Governance:

In past newsletters we have applauded the efforts, alas all too few, of North American and European governments to bring their national bribers and corrupters of third world natives to book. Now we would like the Japanese government to join the fray by investigating the activities of Hitachi in South Africa. There the company has seemingly teamed up with a company call Chancellor House - the commercial arm of the governing ANC party no less - to provide boilers for Eskom's coal-fired power stations at a hefty premium. No wonder all-polluting coal is being favored over renewables, Eskom is crying out for a 35% increase in electricity prices and the South African government didn't seem overly concerned about the Copenhagen collapse. All in all it sounds very much like a policy of government by the government for the government!

Agriculture, Food, Water and Beverages:

- Uganda and EMRC International are co-operating to boost the African Agro-food sector.
- West African banana producers are turning to regional markets.

Finance:

- The United States Government has provided US\$ 3.5 million in support of the School Feeding Program in rural Liberia. African Trade Insurance Company received a grant of US\$ 1 million from the Fund for African Private Sector Assistance. Zimbabwe's capital, Harare, has secured a US\$ 150 million loan from the Export-Import Bank of China.
- The IMF provided: US\$ 1.9 billion in debt relief for the Republic of Congo.
- The Netherlands has donated R 13 million to the HSRC in South Africa for a two-year research and policy initiative.
- The IFC will promote the development of primary and secondary education in the Middle East and North Africa with US\$ 8 million.
- Ethiopia and Japan signed a US\$ 1.13 million grant agreement to implement a rural water supply.
- Egypt offered Uganda a US\$ 4.5 million grant to dig new water wells.
- The AfDB financed a US\$ 70 million agricultural project in Egypt and a US\$ 36 million road project in Togo, as well as signing a loan agreement with Ethiopia to finance the Mombasa-Nairobi-Addis Ababa Road Corridor Project.
- A US\$ 20 million loan was made from IFAD to support smallholder agribusiness in Zambia.
- The World Bank granted US\$ 5 million to a Sierra Leone biodiversity conservation project and approved a US\$ 20 million loan to finance manufacturing and services development in Mauritius.

African Statistics:

South Africa:

- NAAMSA reported industry sales of 34,113 new vehicles.
- Average annual producer price inflation for domestic output was -0,1%; the headline inflation rate in December 2009 was 6,3%; total income for the accommodation industry for the three months ended November 2009 decreased by 9,5%; in October 2009, there were 889,529 foreign arrivals;
- Eskom scaled back its forecast for coal demand by 30%.

Rest of Africa:

- Economic growth in Mauritius is forecast to be 4.1% this year, while Egypt's economy could grow by 6% or more.
- On the inflation front, Burundi's annual inflation was 10.5% last year; Kenya's inflation rate slowed to 4.7% in January from 5.3%;
- Zambia's inflation rate fell to 9.6% in January; and Ghana's producer-price inflation accelerated to 27.7% in December.
- Egypt's receipts from tourism were down 1.5% in January.

Politics:

- The Vice President, Dr. Goodluck Ebele Jonathan has been made the Acting President and Commander-in-Chief of the Armed Forces of the Federation of Nigeria.
- Leadership disputes in Kenya and Zimbabwe are making both countries candidates for failed states.
- An anti-homosexuality Bill threatens the fight against HIV in Uganda.
- Kenyan lawmakers agreed to do away with the role of prime minister.
- The Central African Republic configuration of the Peacebuilding Commission called for stepped-up dialogue.
- Malawi's President was elected AU Chair.
- Angolan President Jose Eduardo dos Santos appointed Fernando Dias da Piedade dos Santos as first vice president.

If your organization has achieved something significant in Africa and we missed it, then please E-mail your news release to news@african-business-directory.com.

*Provided by: "Mbendi Informational Services
(Pty) Ltd., Cape Town, South Africa"
Design by: The Princess Group, L.L.C.*