



## News: 5.24.2024

**By:**

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### **Unrest in New Caledonia Sparks Global Nickel Price Surge: A Look at the Impact on the Industry**

According to *Africanews*, the recent surge in global nickel prices follows violent unrest in New Caledonia, a major producer of this essential material for electric vehicle batteries, solar panels, and steel. The demonstrations erupted after French MPs approved changes to allow long-term residents to vote in provincial elections, sparking fears among pro-independence Kanaks. New Caledonia holds significant nickel reserves, crucial for the global economy, with its industry facing challenges even before the political crisis due to price drops and competition from other producers like Indonesia. The French government is offering subsidies to support the territory's nickel industry amidst the turmoil.

### **Nigeria's Financial Sector Growth and UBA's Role in Economic Stability**

David Agunloye Taylor and James Eshokeme writing for *Africanews* state that Nigeria's financial service sector saw a significant contribution of \$9.1 billion to the GDP in 2023, a 26.5% increase from the previous year, with major players like United Bank for Africa (UBA) playing a crucial role. UBA celebrated its 75th

anniversary, highlighting its evolution into a global institution supporting SME growth and financial inclusivity across Africa. Executives from UBA praised government measures aimed at reviving the economy, including subsidy removal and currency adjustments, despite short-term challenges such as inflation. The bank emphasized its commitment to stability and supporting SMEs as key drivers of economic growth amidst Nigeria's current economic challenges.

### **Navigating Africa's Venture Capital Landscape: Challenges and Opportunities**

Africanews reports that investments in African startups soared from \$1.3 billion to \$4 billion between 2019 and 2021 but dropped to \$2.27 billion in 2023, reminiscent of pre-2016 levels, as shared by Eghosa Omoigui from EchoVC. Dr. Gabre-Madhin, former UN Chief Innovation Officer, stresses the importance of developing a robust domestic investment base to sustain VC inflows. She launched the Timbuctoo fund at the WEF Davos earlier this year, aiming to provide African tech entrepreneurs access to \$1 billion. To mitigate risks and attract long-term investment, she advocates for a multi-country approach for tech startups, emphasizing the need to expand into multiple markets early on.

### **Fostering U.S.-Kenya Ties: Highlights from the AmCham Business Summit and President Ruto's State Visit**

Maxwell Okello writing for *AllAfrica* states that the American Chamber of Commerce Kenya (AmCham) Business Summit coincided with President William Ruto's State Visit to the United States, underscoring the pivotal moment for U.S.-Kenya bilateral relations and Africa-U.S. ties. The Summit showcased trade and investment opportunities in Kenya and East Africa, highlighting the need to nurture mutually beneficial ties between the nations. Key figures like U.S. Secretary of Commerce Gina M. Raimondo emphasized Africa's potential, while President Ruto emphasized repositioning the continent as a hub of opportunity. The Summit drew attention to Kenya's leadership and dedication to progress, with commitments made to boost the digital economy and collaboration in various sectors during President Ruto's visit. The Kenya National Highway Authority (Kenha) and US-based private equity Everstrong Capital LLC have already signed a deal to start the construction of a toll road, an expressway

from Mombasa to Nairobi.

### **Fostering Economic Partnerships: Highlights from the China-Zambia High Quality Business Forum**

According to *AllAfrica*, the China-Zambia High Quality Business Forum, recently held at Lusaka's Mulungushi International Conference Centre, gathered over 200 Chinese companies and numerous Zambian SMEs and government entities. The event featured discussions on various sectors like green energy, mining, and infrastructure development, with President Hakainde Hichilema witnessing the signing of 21 Memoranda of Understanding (MoUs) worth US\$1 billion. Additionally, the forum facilitated exhibitions from both Zambian and Chinese businesses, displaying products and fostering potential partnerships, highlighting the growing economic cooperation between the two nations.

### **Nigeria and Benin Republic Hold Talks to Boost Trade and Bilateral Relations**

Ismail Adebayo and Birnin Kebbi from *AllAfrica* report that Nigerian officials, led by Foreign Affairs Minister Yusuf Tuggar, met with high-level delegations from the Benin Republic to enhance free trade, commerce, and bilateral relations. Directed by President Bola Ahmed Tinubu and President Patrice Talon, the forum aimed to strengthen social and economic ties. The meeting, held at the Segbana border post, focused on revitalizing the Tsamiya-Anguwar Sule Wata border crossing through infrastructural development. This initiative aims to promote regional integration and benefit border communities economically and socially.

### **Advancing Rwanda's Development: Mid-term Review of Country Strategy Paper**

According to *AllAfrica*, the African Development Bank Group's mid-term review of Rwanda's Country Strategy Paper (CSP) 2022-26, approved in Abidjan on May 21, 2024, highlighted significant progress in the first half of implementation. The CSP focuses on strengthening physical infrastructure and developing skills and financial capacity to drive private sector growth. Achievements include improvements in transport, energy, and water sectors, with increased access to electricity and clean water benefiting millions.

Additionally, all indicators in the priority areas have been met, supporting employment and digital entrepreneurship. The review underscores the positive trajectory for Rwanda's structural transformation, with ongoing efforts to address remaining challenges.

### **Unlocking Africa's Investment Potential: Insights from BADEA's 50th Anniversary Celebration**

*AllAfrica* states that Africa's abundant resources and cross-border trade make it a prime investment destination, emphasized African Development Bank Group President Dr. Akinwumi Adesina. Speaking at BADEA's 50th anniversary in Riyadh, he highlighted Africa's youthful population, renewable energy potential, arable land, and the African Continental Free Trade Area as key investment drivers. Despite global challenges, many African economies are growing, with ten among the world's fastest growing. The strategic partnership between the African Development Bank and BADEA has mobilized \$835 million for projects across nine African countries, boosting agriculture, infrastructure, and renewable energy.

### **NNPC Invests in New 100,000 BPD Refinery Project in Port Harcourt**

According to Robert Li from *African Law and Business*, the Nigerian National Petroleum Company (NNPC) has invested in African Refinery Port Harcourt (ARPH) to develop a new 100,000 bpd refinery within the Port Harcourt refining complex. This deal, involving a share subscription agreement, aims to enhance local and international supply of various petroleum products. Legal advice for ARPH was provided by Olaniwun Ajayi, with the transaction announced on April 25. The project is expected to create significant employment opportunities for Nigerians.

### **Angola Secures \$1.3 Billion US Investment for Solar, Infrastructure, and Radio Projects**

Natasha Doris from *African Law and Business* reports that the Angolan government has approved over USD 1.3 billion for solar energy, infrastructure, and radio capabilities in the Lobito Corridor. This investment, announced at the US-Africa Business Summit, is the largest under the G7's Partnership for Global Infrastructure and Investment. It includes USD 872.2 million for solar power

plants, USD 343.6 million for roads and bridges, and USD 41.7 million for radio equipment, all backed by financing from US-EXIM, Standard Chartered Bank, and Deutsche Bank. These projects aim to modernize Angola's infrastructure and boost its economic development.

### **Aliko Dangote Advocates Strategic Investments for Africa's Industrial Growth**

Ifeanyi Ibeh writing for *The Guardian* reports that in a recent address, Aliko Dangote emphasized the importance of strategic investments to drive industrial growth in Africa. Dangote highlighted the need for collaboration between the private sector and governments to overcome infrastructure challenges hindering industrial development. He urged African nations to prioritize sectors like agriculture and manufacturing to unlock the continent's economic potential.

### **United States and Zambia Forge Partnership to Combat Trafficking in Persons**

*The Guardian* reports that the United States and Zambia have formalized a partnership to address the issue of trafficking in persons, signaling a concerted effort to combat this grave violation of human rights. This collaborative endeavor seeks to bolster Zambia's capabilities in preventing trafficking and supporting victims through multifaceted interventions. Key components of the agreement include capacity-building initiatives for law enforcement and social service entities, alongside comprehensive awareness campaigns aimed at fostering a more informed and vigilant society against this insidious crime.

### **IMF Approves \$164.6 Million Funding to Rwanda Amid Economic Growth and Fiscal Challenges**

Julius Bizimungu of *The New Times* reports the International Monetary Fund (IMF) has approved \$164.6 million in funding to Rwanda, following a review of the country's Policy Coordination Instrument implementation, Resilience and Sustainability Facility, and Standby Credit Facility. Immediate disbursements include \$76.2 million under the RSF and \$88.4 million under the SCF. Rwanda's robust economic growth, inflation control measures, and stable reserves are noted, though concerns persist regarding high public debt levels and widening

current account deficits.

### **Africa's Bid for Global Influence: Shaping Its Future at the Table**

Julius Bizimungu of *The New Times* reports that the Africa CEO Forum in Kigali sparked discussions on whether Africa should merely be present at the global table or actively shape its future. Leaders, including Rwanda's President Paul Kagame, emphasized Africa's need to assert itself globally without seeking permission. Despite its vast resources, Africa often exports raw materials, hindering its economic growth potential. Key figures like Aliko Dangote stressed the importance of investing in value addition to harness Africa's economic potential fully. Challenges such as political conflicts and economic instability persist, but initiatives like the African Continental Free Trade Area aim to boost intra-Africa trade and economic integration.

### **Africa Shifts to African Pooled Procurement Mechanism for Pharmaceuticals**

According to the *Economic Commission for Africa*, African Ministers of Health, Finance, and Trade, along with experts and development partners, have adopted a strategy to transition the AfCFTA-anchored Pharmaceutical Initiative into the startup phase of the African Pooled Procurement Mechanism (APPM) in Mombasa, Kenya. Led by the Africa CDC with support from Afreximbank and the ECA, the APPM aims to ensure continuity in advancing healthcare access, kickstarting industrialization, and ensuring economic and health security on the continent. The initiative will focus on pooled procurement of pharmaceutical products, expanding to include more products and manufacturers, and will prioritize Sexual, Reproductive, Maternal, Neonatal, and Child Health (SRMNCH) in its startup phase, highlighting proof of concept in ten African countries.

### **ECOWAS and USAID Forge New Partnership to Advance Development Goals in West Africa**

The *ECOWAS Commission* reports that on May 20, VP of ECOWAS, Mrs. Damtien L. Tchintchibidja, and USAID's West Africa Regional Director Mrs. Jo Lesser-oltheten discussed finalizing a new partnership agreement in Abuja, Nigeria. The meeting reviewed current cooperation in areas like peace, security, agriculture, and health, emphasizing the need to revitalize collaboration. The

forthcoming five-year agreement, with a budget of \$1 billion, aims to address the specific needs of ECOWAS Member States, focusing on economic development, regional stability, and resilience to economic, security, and climate challenges.

### **ECOWAS Rice Observatory Holds First AGM to Boost West Africa's Rice Sector**

The ECOWAS Commission reports that the ECOWAS Rice Observatory held its first Annual General Meeting from May 21-23 in Nigeria, focusing on accelerating the growth of a competitive rice sector in West Africa. The meeting highlighted challenges such as low productivity, limited market access, and climate change vulnerabilities, and emphasized the need for coordinated efforts among stakeholders, including governments, donors, and development partners. Key participants included representatives from ECOWAS Member States, the Bill & Melinda Gates Foundation, AfricaRice, the African Development Bank, and other strategic partners. The aim is to enhance policy frameworks, sustainable practices, and value chain integration to boost rice production and food security in the region.

### **ECOWAS and Egypt Explore Enhanced Cooperation in Regional Peace and Security**

The *ECOWAS Commission* reports that have partnered with Egypt to explore greater cooperation in peace and security to enhance stability in West Africa. This was discussed during a meeting between Egyptian Ambassador Mohamed Fouad and ECOWAS Commissioner Dr. Abdel-Fatau Musa on May 16, 2024. A key area for cooperation includes the operationalization of the ECOWAS counter-terrorism force. Ambassador Fouad emphasized Egypt's commitment to a comprehensive approach to regional security issues and capacity building.

### **SADC Launches \$5.5 Billion Appeal for El Niño Disaster Relief**

According to the Southern African Development Community, on May 20, 2024, President João Lourenço of Angola launched a US\$5.5 billion regional humanitarian appeal to assist over 61 million people affected by El Niño-induced drought and floods. This appeal aims to supplement the domestic resources of the affected member states, with contributions sought from

national, regional, and international partners. President Lourenço called for support from the international community, private sector, and capable SADC member states, emphasizing regional solidarity. The United Nations and FAO have pledged a combined US\$43 million towards this effort.

### **Events - 05/24/2024**

**"20th Meeting of the Group of Seven (G7)."** Italian Government Presidency of the Council of Ministers. *Apulia, Italy*. 13-15 June 2024.

**"AfCFTA Digital Trade Forum."** AfCFTA. Zambia. 15-16 June 2024.

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