

African Business Opportunities Newsletter

July 2009

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Welcome to the first issue of OctoberFirst Consulting's newsletter. Inside you'll find articles and information on investment opportunities in Africa. Should you wish to discuss these further, do contact us.

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Interview of the Month

United States of America Wants to Spotlight 'Successful Models' And Be An 'Effective Partner' – Obama

Washington, DC — President Barack Obama first visit to sub-Saharan Africa as president of the United States, following a trip to Russia as well as to Italy, where he participated in a meeting of industrialized nations known as the G8. President Obama spoke to allAfrica.com team.

First question: How is it that you happened to pick Ghana as the first place to visit in sub-Saharan Africa?

Well, part of the reason is because Ghana has now undergone a couple of successful elections in which power was transferred peacefully, even a very close election. I think that the new president, President Mills, has shown himself committed to the rule of law, to the kinds of democratic commitments that ensure stability in a country. And I think that there is a direct correlation between governance and prosperity. Countries that are governed well, that are stable, where the leadership recognizes that they are accountable to the people and that institutions are stronger than any one person have a track record of producing results for the people. And we want to highlight that.

And I assume that you'd like to see a lot more 'Ghanas' in Africa. And part of your policy would be, I assume, to encourage that.

Absolutely.

How?

Well, part of it is lifting up successful models. And so, by traveling to Ghana, we hope to highlight the effective governance that they have in place.

I don't think that we can expect that every country is going to undergo these transitions in the same way at the same time. But we have seen progress in democracy and transparency and rule of law, in the protection of property rights, in anti-corruption efforts. We have seen progress over the last several years; in some cases, though, we're also seeing some backsliding. In my father's own country of Kenya, I'm concerned about how the political parties do not seem to be moving into a permanent reconciliation that would allow the country to move forward. And Kenya is not alone in some of the problems that we've seen of late, post-election or pre-election.

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And we just want to make sure that people are mindful that this isn't just some abstract notion that we're trying to impose on Africa. There is a very practical, pragmatic consequence to political instability and corruption when it comes to whether people can feed their families, educate their children, and we think that Africa - the African continent is a place of extraordinary promise as well as challenges. We're not going to be able to fulfill those promises unless we see better governance.

Do you have priorities in terms of countries or regions? For instance, West Africa is extremely important in terms of oil; East Africa in terms of some of the strategic concerns of the United States?

I think the entire continent is important. And keep in mind that although I'm visiting Ghana on this particular trip, we've already had [Prime Minister] Tsvangirai of Zimbabwe in the Oval Office. We've had [President] Kikwete from Tanzania in my office. And in each case, I'm trying to send the same message. You've seen some very good work by the administration in Tanzania focusing on how to deliver concrete services to the people, and wherever folks want to help themselves, we want to be there as a partner. And I think that you've got some very strong leadership in Africa that is ready to move forward and we want to be there with them.

On the economic front, that means opening up better trade opportunities. It means that we are interested not just in foreign aid, but in how we strengthen the capacity for development internally in these countries, and we want to work in a multilateral context, as well as the bilateral strengthening of relations with many of these countries.

But as you point out, there are strategic, national security, economic, environmental reasons why we think this region is important. And part of the reason we wanted to - although we're only going to one country this time, I actually thought that it made sense for us to connect a trip to Ghana to a previous trip with the G8. We'll be meeting a number of African countries in Italy during the G8 meeting - before that, a meeting in Russia - to show that Africa is directly connected to our entire foreign policy approach; that it's not some isolated thing where once every term you go visit Africa for a while to check that box, but rather it's an ongoing part of a broader discussion about how we move many of these international challenges forward.

Development assistance will presumably be an important piece of your Africa policy. Now, development assistance is pretty fragmented, whether you look at the United States or you look at it globally,

in the sense that varying countries have varying approaches. Now you, more than any President, are associated with using technological tools, and I can't help but wonder if you have thought about using technology to bring some coherence, if you will, like tracking how aid works or where it goes, et cetera.

Look, I think you make a very important point, and that is that even just within the U.S. government, our aid policies have been splintered among a variety of agencies, different theories embraced by different people depending on which administration, which party, is in power at any given time. Trying to create something steady and focused - and always basing our policies on what works and not on some

ideological previous position is going to be very important.

And technology can play a very important role in streamlining our aid to countries, making sure that we're tracking how that aid is being applied, making sure that it's reaching the people it's intended to reach. One of the concerns that I have with our aid policy generally is that western consultants and administrative costs end up gobbling huge percentages of our aid overall. It seems to me that what we should be doing is trying to minimize our footprint and maximize the degree to which we're

training people to do for themselves. So I think using the Internet, using software, using modern technology to improve delivery systems is important.

Now, I also think, on the ground, in many of these countries, how we think about not high-tech stuff but low-tech technologies to, for example, improve food production is vitally important. I'm still frustrated over the fact that the green revolution that we introduced into India in the '60s, we haven't yet introduced into Africa in 2009. In some countries, you've got declining agricultural productivity. That makes absolutely no sense. We don't need fancy computers to solve those problems; we need tried and true agricultural methods and technologies that are cheap and are efficient but could have a huge impact in terms of people's day-to-day well-being.

In addition, you mentioned a few minutes ago the importance of investment and not just aid. What's the balance between assistance and investment? Most businesses get a bigger return on their investment in Africa than any other part of the world. So should that receive more emphasis than it's been getting? What kind of balance in your mind exists in development assistance?

Well, a couple of points I would make. Number one, you're not going to get investment without good governance. So that's part of the reason why we emphasize it. Again, this is a very practical, hard-headed



approach to how we're going to see improvements in the daily lives of the peoples of Africa. If government officials are asking for 10, 15, 25 percent off the top, businesses don't want to invest there. That's point number one.

Point number two, I think that when my father left Kenya and traveled to the United States back in the early '60s, the GDP of Kenya and South Korea weren't equivalent - Kenya's was actually higher. What's happened over that 50-year period? What you've seen is Korea combine foreign investment, integration with the global economy, with a strategic sense of certain industries that they can promote for export; great emphasis on education for a skilled workforce; insisting that foreign investment is accompanied by technology transferring so that homegrown industries can be built and nurtured.

So we've got models out there. We know what it might take. What we haven't seen is a consistent, steady application of some of these models over time in Africa, and I think that now is the time to start.

Is that a failure of U.S. policy or is that a failure of governance in Africa?

I would say that the international community has not always been as strategic as it should have been, but ultimately I'm a big believer that Africans are responsible for Africa.

I think part of what's hampered advancement in Africa is that for many years we've made excuses about corruption or poor governance; that this was somehow the consequence of neo-colonialism, or the West has been oppressive, or racism. I'm not a believer in excuses.

I'd say I'm probably as knowledgeable about African history as anybody who's occupied my office. And I can give you chapter and verse on why the colonial maps that were drawn helped to spur on conflict, and the terms of trade that were uneven emerging out of colonialism.

And yet the fact is we're in 2009. The West and the United States has not been responsible for what's happened to Zimbabwe's economy over the last 15 or 20 years. It hasn't been responsible for some of the disastrous policies that we've seen elsewhere in Africa. I think that it's very important for African leadership to take responsibility and be held accountable.

And I think the people of Africa understand that. The problem is that they just haven't always had the opportunities to organize and voice their opinions in ways that create better results.

In the last minute or so of our conversation, even though you are really barely into your presidency, I already feel compelled to ask you a legacy question. (Laughter.) And that is: What, when you finish your presidency, do you expect your stamp on Africa policy to be? What do you think that will be?

I would like, at the end of my term in office, to be able to say that the United States was an effective partner with countries throughout Africa in building the kinds of institutions, political, civil, economic, that allowed for improving standards of living and greater security for the people of Africa; that we moved them on a trajectory in which they are integrating with the global economy; and that a young person growing up in Johannesburg or Lagos or Nairobi or Djibouti can say to themselves: I can stay here in Africa, I can stay in my country and succeed, and through my success, my country and my people will get stronger.

That would be a good legacy. I don't expect that we're going to get there in four years or eight years, but I think we can get on that path. And the United States is a critical partner in that process.

I need another hour or so. (Laughter.) But I thank you for your time.

Thank you so much.

Source: allAfrica.com

Angolan Agricultural Sector Generates 570,000 Jobs



Source: Angola Press

Sirte — The programme of rehabilitation of infrastructure and support to production, which is implemented by the government between 2002 and 2006 throughout the country, has created 570,000 jobs in the farming sector.

This was disclosed recently by the Speaker of the National Assembly, Fernando da Piedade Dias dos Santos, in an address in Sirte City, Libya, at the 13th Summit of Heads of State and Government, under the theme "Investing in agriculture for achieving economic growth and food security."

According to him, since the peace achievement in 2002 until 2006, the area of agriculture exploration in the country increased from 3.5 million hectares to seven million hectares.

Fernando da Piedade Dias dos Santos said that Angola has an irrigable range of about 6.7 million hectares, of which 3.4 million can be used for exploration by traditional irrigation.

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Commercial Farming in Nigeria: First Hand Insight from Zimbabwe farmers.

In 2004 a group of Zimbabwean farmers were invited by the Kwara State government to relocate to the region and start with commercial agriculture. Trade Invest Nigeria team spoke to Graham and Judy Hatty about farming in Nigeria.

How did you get involved with the Kwara Project?

Graham: The Kwara State government approached the Zimbabwe Commercial Farmers Union in 2004. As we had lost our farms due to Zimbabwe's land reform process, the Nigerian government were offering us a wonderful opportunity to do what we love. They said they wanted commercial farmers because there are very few in Nigeria. So a group of us, representing different facets of agriculture, went up to Nigeria to have a look and see if there is any potential up there for us. In order to show us that they were serious, the Kwara State government paid for the whole trip. We went around the country and met the president, the vice president, bank managers and entrepreneurs. They really made sure that we knew what was behind what they wanted us to do.

Nigeria wants to cut back on the importation of dairy products, chicken and rice - and initially those were the areas they wanted us to concentrate on. They've seen from elsewhere that commercial agriculture creates a middle class of people. Nigeria has got very wealthy and very poor people, but an extremely small middle class. They also wanted a spin of from us onto the small scale farmers so that they can improve as farmers and deliver better produce.

What assistance did you receive from the state government?

Graham: The Kwara State government said they wanted us to develop a commercial farm in five years. We suggested that each farm should be 1000 ha, realising that you can never use the whole 1000 ha because you've got rocks and roads and things like that. Initially we said we each wanted US\$1.25-million to get going as long as they provide electricity and irrigation. They provided the land and the finance but currently we still don't have stable electricity nor irrigation. We also received a lower interest rate and we only have to start paying back our loans after five years, when we will be more established.

What agricultural activities is your group involved with?

Graham: We've got three farmers that are what we call a dairy syndicate. Two are crop farmers who are doing soya beans, maize and rice. Another group is doing chickens, while my group is cultivating cassava.

Judy: The cassava plant is a thick bush that grows up to three or four metres. The cassava is the roots of the plant. It grows near the surface, and they grow up to a metre long or more. Cassava is a

carbohydrate and looks like a big sweet potato. It's got a rather bland taste and is eaten with relish, meat, chicken, etc. There are, however, varieties that are sweeter.

When we first started planting cassava we took a chance and put in about 300 ha and have the most magnificent crop. In spite of receiving no rain for six months and being in a temperature of around 40 degrees, it just carried on growing. It's almost indestructible. Cassava needs a little bit of weeding, and a little bit of fertiliser, and that's it. It grows with very little rain, but obviously with irrigation it would do fantastically. We already have 120 ha in the ground for next year.

We are working very closely with the International Institute of Tropical Agriculture research station and they are doing many trials on our farms. The potential for cassava is enormous and very exciting.

What opportunities are there in the processing of cassava?

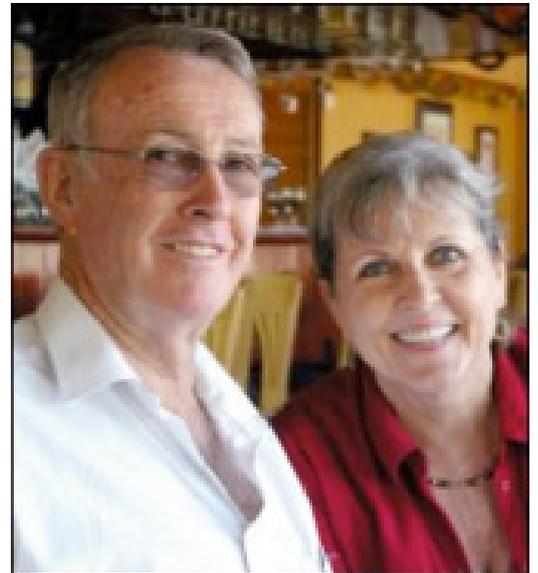
Graham: Cassava contains starch from which about 400 products can be made. Then there is glucose syrup from which one can produce

about 60 products. One can also make flour

from it. The guy from the starch factory we are dealing with says the orders he gets are four times more than what he can produce. Someone involved with glucose syrup production told us that even if they process 2 000 tonnes of tuber a day, they will still battle to meet the domestic market.

There is a factory in Lagos that wants cassava chips but it is too far away. You need the factory close by. The glucose syrup guy said that he will set-up a factory in our area if we can guarantee that we will grow enough cassava. And we can. There is a lot of local small scale farmers around us. I've got thirty hectares of new cassava varieties which are currently being tested. Once we know which are the optimum ones for our area - they will be given to the local guys, so that everyone will be growing the right variety.

Judy: We have discovered that most of the bread in Nigeria has got cassava flour in it. They need about a 1 000 tonnes of cassava flour a day and you need 4 000 tonnes of cassava a day to produce that. No matter how much we plant, it seems as if there will always be a de-



Graham & Judy Hatty

mand for cassava. We have had a lot of interest from people wanting to set-up processing factories, but nothing has happened yet.

There is someone with a starch mill about 600 km from us and we are trying to persuade him to rather bring his mill to us. We are trying to convince them that when we say we are going to get a certain amount, we do. There is so much potential.

Is there an overseas market for cassava?

Judy: Yes. People in Europe have approached us looking to buy cassava chips to use for the production of ethanol. But transport is a problem in Nigeria. We need reliable transporters. We've got this crop, we've got a buyer who is willing to give us a good price, but we can't transport it at the moment. Luckily cassava can stand in the ground for up to two or three years and doesn't have to be reaped at a certain time.

What needs to be done to get commercial farming going in Nigeria?

Judy: Nigeria needs outsiders to come and kick-start the whole business of commercial farming. They invited us because there is a lot of talk about commercial farming, but they know we can actually do it. At the moment there is ignorance towards commercial farming. Nigerians are bright, and they learn very quickly and they are enthusiastic, but it is just ignorance and lack of experience. This is all new territory for them.

Where do you get your labour from?

Graham: There are quite a few villages in the area where we were given our farms. At first the government offered to move the villages but we wanted them to stay because those were the people we would draw our workers from. We said that if we get electricity, they must also get electricity. And if we get irrigation, then they must get irrigation. We didn't want to be special. And it has worked well.

I've got two villages next to my farm, so I take half my labour from one village, half from the other. Because my farm is a thousand hectares, the one group works on the one side of the farm while the other group works on the other side. This way everyone works relatively close to home. At one stage earlier this year I had 320 workers to get a certain job done, and last year I had 450 workers for a month, so there is enough labour.

Our local staff are learning to work although they sometimes battle. They work throughout the morning until about 14:00 when it starts to get very hot. They then go home, relax, and when it gets cooler towards the evening they get on with whatever work needs to be done in their communities.

What is the security situation like where you live?

Graham: We feel safe. You've got petty theft like anywhere else. People will steal your fertiliser, your seed, your diesel, your chemicals, and all that sort of stuff. It is just the odd individual who tries his luck.

Judy: The police and the governor are on our side. I feel a lot safer in

the bush in Nigeria than I do in Zimbabwe or South Africa. I just know that it is safer. But having said that, as a woman I can't get in a car and drive around in the towns. They are likely to ram your car and get some insurance money. So I don't drive, my husband does. And if we go to Lagos we get a driver. But I feel very safe, the Nigerians are not aggressive. They are very friendly and there is no race issues. They think whites are wealthy and they want our money but there is no animosity towards us. They haven't got a history of apartheid and all that stuff. That's wonderful, its very freeing.

Although most of them are very poor, Nigerians are also not starving like the people in Zimbabwe. Things go easily there. They seem to look after one another. They are very, very friendly and helpful and welcoming wherever we go. And even when one has arguments at roadblocks, one doesn't feel as if your life is in danger. It is quite a fun place really.

How do you cope with the poor electricity supply in Nigeria?

Graham: When we do get what they call a dedicated line – we shouldn't get the power cuts that everyone else gets. We told them that there is no point in giving us electricity if we can't get a constant supply for your dairies, milking machines, irrigation or things like that. They told us we will have a stable electricity supply within this coming year and that it has been paid for to be done, so we will see.

Judy: At the moment we totally rely on generators. We run everything with a generator. They are expensive but fuel and gas are reasonably cheap in Nigeria. And the generator gives us a constant supply. There isn't a constant supply of electricity anywhere in Nigeria. It goes on and off all throughout the day and most businesses have back-up generators. But we can run our farms on generators.

How do you feel about the political situation in the country?

Judy: All the Nigerians we've spoken to, across the board, said that they are tired of the chaos they experienced over the past decades. They've had their second democratic elections. In our area it went very peaceful although one never knows if it's free and fair. But they are fed-up, they've been at the bottom and the federal government is really trying hard to clean up its act. They want to stop corruption, have democracy and attract investors.

Nigeria could feed the whole of Africa. And I'm not saying that loosely, they absolutely could. They could be the California of Africa because it's a huge country and it has lots of people. And the climate – I mean things grow. We planted a Baobab tree that was 30 cm high in June, and it is now 3 metres and we are not even at Christmas. It's unbelievable.

Source: TradeInvest Nigeria.



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Kenya unveils renewable energy drive

NAIROBI (AFP) – Kenya recently unveiled extensive plans to invest in renewable energy, including free distribution of one million energy-saving light bulbs in exchange for ordinary bulbs.

The measures announced by Prime Minister Raila Odinga also include subsidising the price of solar water heaters for public institutions, firms and households.

“The free distribution of energy-saving bulbs is expected to save 49 megawatts of power,” Odinga said after an inaugural meeting of the country’s National Task Force on Accelerated Development of Green Energy.

The move came a day after Kenya’s power generating company announced the closure of one of its the hydroelectric plants due to low water levels caused by drought.

In addition, firms investing in local production of energy-saving bulbs, solar water heaters and other energy-saving devices will be offered

interest free, long-term loans.

Kenya also plans to produce an additional 2,000 megawatts of electricity in the next three years through geothermal, wind and other sources such as solar, biogas and solid waste, Odinga said.

Currently the country of 37 million people produces 1,080 megawatts of power and consumption reaches close to 1,000 at peak hours. It has also been recording an eight percent increase in electricity demand every year.

Source: AFP



AFP/File – Kenya Prime Minister Raila Odinga listens during a session “The State of Africa” at the World ...

Egypt: Making Progress in Water, Sanitation - UN Rights Expert

Egypt has made great strides in improving access to drinking water and is well-situated to address remaining challenges related to water and sanitation, a United Nations independent human rights expert said recently.

“The level of political and financial commitment to tackle these complicated issues is to be commended,” said Catarina de Albuquerque, the Independent Expert on the issue of human rights obligations related to access to safe drinking water and sanitation, as she wrapped up an eight-day visit to Egypt.

As a result of the Government’s “good experience” in these areas in recent years, she said, authorities are better prepared to address obstacles, including extending access to sanitation, ensuring that the poorest can afford their drinking water, improving the quality of drinking water in more isolated and poorer areas and narrowing the gap between rural and urban as well as between formal and informal dwellings.

Among other successful initiatives, the Government, the UN Children’s Fund (UNICEF) and other partners have set up a revolving fund to help the poor access clean water and sanitation through loans that can be paid back in installments, Ms. de Albuquerque said.

“I saw that this practice has a decisive impact on the daily lives of the people concerned, especially for women and children,” she added.

Such achievements in Egypt must be recognized, the expert stressed. “That it considers access to drinking water and sanitation a right for

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all its people is already to Egypt’s credit.”

Ms. de Albuquerque was appointed as a UN Independent Expert in September 2008, and reports to the Geneva-based Human Rights Council in an unpaid capacity.

Source: UN News Service. Pic: IRIN



More Opportunities To Open for Telecom & ICT Firms in West Africa Market.

- **New Fibre Optic Connection Set to Unlock ICT & Telecom potentials.**
- **African Development Bank approves \$66 million financing.**

Telecommunication and ICT companies with products and services suitable for emerging economies could take advantage of business opportunities submarine fiber optic cable connection project will soon open in West Africa region.



The project totaling about USD 240 million will involve the laying of 7,000 kilometers of submarine fiber optic cable between Seixal (a suburb of Lisbon) in Portugal, Accra in Ghana, and Lagos in Nigeria.

The African Development Bank (ADB) has provided financing of \$66 million for the 1.92 Tbps bandwidth project take-off. ADB disclosed that the bandwidth will be leased wholesale to telecom operators and internet service providers on an open access basis. Companies with international growth aspirations could position for more business opportunities in niche markets such as high speed broadband, telecom services, internet access infrastructure; ICT applications and developing online payment solutions among others.

The existing SAT-3/WASC/SAFE cable that links south and West African countries to Europe and Asia no longer has sufficient capacity. Most Internet traffic in Nigeria and other West Africa countries are routed by satellite via North America and Europe.

The new optic fibre connection system is expected to unlock the current constrains placed on West African telecom and ICT potentials. The connection will be based on a trunk-and-branch topology with branching units to the Canary Islands, Morocco, Senegal, and Côte d'Ivoire. The project is expected to be completed in December 2010.

The West Africa market offers low-cost market entry opportunities using local partners and the risks in the region are not unconventional. OctoberFirst Consulting Sydney assists companies seeking to invest, export or partner with local firms in the region. Visit us at www.octoberfirst.com.au

Source: Africa Development Bank.

Maroc Telecom declared the winner 51% stake in SOTELMA

Maroc Telecom has been declared the winner of the international tender offer for the acquisition of a 51% stake in SOTELMA, the incumbent Malian telecoms operator, for €275 million.

Under the presidency of his Excellency Mr. Amadou Toumani Touré, President of the Republic of Mali, Mr. Abdeslam Ahizoune, Chairman of the Management Board of Maroc Telecom, and Ms. Diarra Mariam Flanté Diallo, Minister of Communications and New Technologies with responsibility for the privatization process and Mr. Sanoussi Touré, Minister of the Economy and Finance, signed a definitive transaction agreement on July 7, 2009 in the presence of his Excellency Mr. Modibo Sidibé, Prime Minister and head of the government of the Republic of Mali, and the members of the Malian government.

Commenting on the signing of the agreement, Mr. Ahizoune stated: "We are satisfied with the conclusion of this partnership between Maroc Telecom and the government of the Republic of Mali in connection with the privatization of SOTELMA. The company has a powerful brand image in Mali and offers considerable growth potential. Maroc Telecom will do everything necessary to make the company the preeminent telecoms operator in its region".



SOTELMA generated revenues of €112 million in 2007. At end-December 2008, it had over 500,000 active mobile subscribers and over 83,000 fixed-line subscribers (Source: ITU). Growth prospects for the Malian market are particularly promising, with an estimated mobile penetration rate of 26% and a fixed-line penetration rate of 0.6% at end-2008.

For reference, Maroc Telecom owns majority stakes in the Mauritanian incumbent operator, Mauritel (since April 2001), in ONATEL of Burkina Faso (since December 2006) and in Gabon Telecom (since February 2007).

Source: Ai Africa-investor.com

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Chinese to fund 2,5 bn Sierra Leone mine project

By MARK HERLIHY.

African Minerals, which explores for metals and diamonds in west Africa, announced that Chinese companies would fund construction of its 2,5bn Tonkolili iron-ore project in Sierra Leone. "Chinese construction companies will fund the project and build the plant," executive chairman Frank Timis said in London.

The companies would get a guaranteed supply of iron ore in return, he said. Timis, who holds a 22% stake in African Minerals, declined to give further details.

China, the largest steel-making nation, is seeking to acquire foreign iron-ore supplies.

China's Wuhan Iron & Steel Group offered 400m for a stake in Brazilian iron-ore miner MMX Mineracao e Metalicos last month.

The state-owned Aluminum Corporation of China agreed in February to take a stake in Rio Tinto Group's Hamersley iron-ore unit in Australia, but Rio scrapped the deal last month in favour of a joint venture with BHP Billiton .

African Minerals, based in Hemel Hemstead, Britain, declared that



it had raised £63,8m in a share sale to fund further test drilling at Tonkolili and provide working capital. The company is talking to European, Chinese and Japanese steel makers about iron ore from the project.

African Minerals advanced 1,25p , or 0,5%, to 241,5p recently on London's Alternative Investment Market. The stock has risen more than tenfold this year, valuing the company at £453,3m .

Source: Bloomberg.

West Africa: Nigeria, Algeria, Niger Seal \$10bn Gas Pipeline Deal

Lagos — Three African countries yesterday signed an accord to build a \$10 billion trans-Saharan gas pipeline linking vast reserves in Nigeria to Europe.

The project would convey gas destined for the European market more than 4,000 kilometres (2,485 miles) from the Niger Delta in Nigeria via Niger and Algeria.

The head of Nigeria's state oil company, Mohammed Barkindo, said the agreement "gives the project the official stamp of approval from the three governments, directing the national oil companies of these three countries to begin in earnest the definitional phase of this project."

Petroleum and Energy ministers Rilwan Lukman of Nigeria, Chakib Khelil of Algeria and Mohammed Abdullahi of Niger signed the agreement in Abuja.

Agency reports said the first delivery of gas is scheduled in 2015.

"A market opportunity of about 15-20 billion cubic metres exists for the TSGP (Trans-Saharan Gas Pipeline) as from the year 2015," Luk-



Mining and Energy

man, also a former chief of the Organisation of Petroleum Exporting Countries (OPEC) said.

“Now that the agreement is in place...we will be talking with prospective partners who might be interested in going to bed with us on the project,” Lukman added.

No date was announced for the start of construction.

But Lukman said the next step would be to establish the appropriate commercial, fiscal, legal and technical options ahead of the final investment decision. Already the Russian gas monopoly Gazprom has expressed an interest in the venture.

Last week Gazprom signed an agreement with the Nigerian National Petroleum Company (NNPC) establishing a 50-50 joint venture in oil, gas processing and transportation. It plans to invest 2.5 billion dollars in a series of projects in Nigeria.

Gazprom plans to build at a cost of between 400 and 500 million dollars a 360-kilometre gas pipeline running from south to the north. It will be the first trunk pipeline to become part of the Trans-Saharan gas pipeline, Gazprom International’s chief Boris Ivanov said last week.

Khalib, the Algerian minister, said financing the project was not likely to be a problem. “This project is feasible. It is a project that has all the conditions to be very successful,” Khelil said.

“We are going to look at the interest of the three countries. Up till now, the will of the three countries, the vision of the three countries has allowed us to come this point,” Khelil said.

Niger’s minister, Mohammed Abdullahi, told reporters political uncertainty in his country “is not the type that will mortgage the future of a project of this nature.” Nigeria claims proven gas reserves of about 183 trillion cubic feet, making it the seventh largest producer in the world, but a large chunk of it is wasted through daily flaring by oil producers.

Source: *This Day*

Tata’s Nano in Nigeria by 2010

ABUJA (NIGERIA): Tata Motors, India’s largest auto maker, will introduce its small car Nano--considered the world’s cheapest--in Nigeria within the next 18 months, ahead of its planned launch in Europe.

The car would be available for about NGN 360 for the base model, same as the price in the Indian markets. The car carries a price tag of Rs 1.23 lakh to Rs 1.72 lakh (ex-showroom) in the Delhi for three variants.

“Tata Motors will make the Nano available in Nigeria in the next one year to one and a half years,” a senior official of Tata Africa Nigeria, Sudeep Ray, said.

“The launching of the Nano was branded everyman behind the wheel and will benefit Nigerians much as public transport systems like metro are not available here.

“The car (Nano) will cost NGN 357,480 (about USD 2,416.90) in Nigeria, which is much less than the price of most second hand saloon cars sold here,” Ray said. The cost of a used car usually starts at NGN 500,000 (about USD 3,380.04) in the country.

Ray, however, declined to give details whether the ‘cheapest’ car in the world would be assembled in Nigeria or it would be sold as a completely-built-unit.

A Tata Motors spokesperson from India said: “The company has said that the Tata Nano can be marketed in other countries, but timelines, modes and countries are yet to be finalised.”

Earlier in March, Tata Motors had showcased the European version of the Nano, which the company planned to launch by 2011.

Conceived in 2003, Tata Motors had launched the much-hyped ‘cheapest’ car in India on March 23 this year. The car has cost over Rs 2,000 crore to the company.



Tata cars, buses and trucks are being marketed in many countries in Europe, Africa, Middle East, South Asia, South East Asia and Latin America.

Source: *The Times of India. Images Watblot and Dance with Shadows*

African Business Opportunities Newsletter

India to invest \$4.2 bn in Ethiopia

ETHIOPIA: India will invest \$4.2 bn in 439 projects in Ethiopia, the Indian Ambassador to the country said.

“Indian entrepreneurs have received licences from the Ethiopian authorities to invest an aggregate capital of USD 4.2 billion in 439 investment projects in the country,” Gurjit Singh said on his visit to Dire Dawa recently.

“Trade and investment ties between Ethiopia and India had been flourishing since the two countries were on the same track of development. The co-operation between the countries had been enhanced in the fields of agriculture, human resource development sectors, infrastructure and communication technology,” he said.

There is favourable trade and investment climate in Ethiopia, Singh said, adding that India would continue promoting various investment opportunities in the country.

Source: *Economic Times, India.*

New Investment and Trade



Country Stats - Ghana

Capital	Accra
Area	239,460 sq km
Total Population 2008	23.9 Million
Urban Population 2008	50.07%
Female Population 2008	49.31%
GDP 2008	US\$ 14.7 Billion
GNI Per Capita 2007	US\$ 590
Inflation Rate 2008	8.96%
Crude Birth Rate (per 1000) 2008	29.16%
Human Development Index (scale 0 to 1) 2006:	0.533
ADB Membership Date:	10/09/1964
Cumulative Approvals (1967-2008):	UA 1.3 Billion

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