OctoberFirst Consulting
...Bridging the Gap

African Business Opportunities Newsletter

November 2009

In this issue:

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Uganda: Lira Edible Oil Plant to Create 10,200 Jobs

by Hudson Apunyo

A Shs60b ($30m) edible oil plant being constructed in Lira by Mount Meru Millers, will employ 10,200 people directly and indirectly when it's completed in 2012, Managing Director RK. Bharagava has said.

The mill which is expected to be the largest in East and Central Africa will process 100,000 metric tons of sunflower cake annually.

The project is a partnership between Mr Tarsem Chand Aggrawal, Mr Arvind Mittal and Mr Atul Mittal who have petroleum and edible oil businesses in Tanzania and Zambia.

The plant situated in Lira Industrial Area can crush sunflower, soya beans, ground nuts and sesame. In the first phase of the project, the solvent extraction plant has started extracting oil out of sunflower cake. The cake is bought from smaller mills from all over East Africa.

"We extract 8-12% oil from cake," Mr Bharagava said. "We set up this project in Lira to take advantage of the abundant oil seeds and the potential to grow more while utilising our 15 years of experience and exposure in the edible oil industries."

The factory will also have a seed cleaning and de-hulling plant, oil expelling plant, solvent extraction, material handling system, 100 tonne weigh-bridge and a refinery of alfa laval.

It will also have a boiler for steam power generation that will use husks generated by the de-hulling plant.

Bharagava said the company has to promote oil seed growing in order to sustain the plant which has capacity to crush 300 tonnes of seeds per day.

"We will bring good seeds and give back to farmers, train them on good farming methods and sign contracts with them to buy their produce," Bharagava said. He said signing contracts with farmers reduces price and market risk.

"Rural farmers will have a constant, reliable market for their oil seeds at good prices," he added.

Source: The Monitor. Image: The Monitor

Tunisia: Biological Production on the Increase

Tunis — Despite climatic difficulties and world markets fluctuations, Tunisia achieved an agricultural and commercial growth namely in the biological production.

In 2008, the total amount of exports of biological products has reached 64 million dinars compared to 57.48 million dinars in 2007.

According to recent Al-Fallah newspaper, in 2008, 3025 tons of dates worth 12.223 million dinars, compared to 2298 tons of 9 million dinars in 2007 and 9656 tons of olive oil worth 48 million dinars in 2008 compared to 6160 tons of oil olive worth 28.3 million dinars and 117 tons of the biological prickly pear powder amounting to 1.116 million dinars against 105 tons amounting to 1,052 million dinars in 2007, are the most important biological products exported.

Dried rosemary and oil rosemary in addition to 77 tons of carob and 61 tons of oil and water of orange blossom as well as 45 kilos of Oil Alnierule, were exported during 2007 and 2008.

About 80 tons of cereals and 11 tons of vegetables and 24 tons of canned food were also exported.

The production of biological plants has grown to 170 thousand tons in 2008, compared to 136 thousand tons in 2007.

As it was expected in 2009, the annual production of biological plants during the 2007-2009 periods reached 158 thousand tons, accounting nearly for 116%.

It is expected that Tunisia will promote the areas devoted to biological framing by 20 thousand hectares annually to reach 220 thousand hectares by the end of the 11th development plan in 2011.

Source: Tunisia Online News. Image: naturedirect2u

Ghana: Shea industry needs attention now

The Ghana Trade and Livelihoods Coalition (GTLC) recently launched a report in Accra titled, "Unleashing the Shea potential - A baseline data analysis", which paints a promising but neglected picture of the Shea industry.

According to Ibrahim Akalbila of the coalition, government has over the years not paid the needed attention to the industry which has the potential of improving the livelihoods of particularly northern women who engage in the highly labour intensive work of picking and processing the wild nuts.

Meanwhile, the Shea nut has long helped many Ghanaian families. The cholesterol- free fat in the nut is an edible one and has been used in many Ghanaian dishes over centuries.

It is a good protector of the human skin against the harmatan in particular. The cosmetic industry globally has also found a good ingredient in it. As such, its demand on the international market, although not as much as cocoa, is on the increase.

The GTLC, thus, believes the Shea industry could become a major source of foreign exchange earner for Ghana even as it sustains many families. It has therefore proposed that "government's role and interest in the development of the Shea sector should be properly defined. Targets for the research, production and marketing may then be set based on a well defined role."

The paper deemed it proper that government sets the agenda for the transformation of the Shea nut industry, from a highly labour intensive but less rewarding business it has been for women to a more viable one.

Like the GTLC has noted, there is the need for a comprehensive policy that will capture all the concerns of the industry towards ensuring the attainment of its full potential.

In line with this, Public Agenda supports the establishment of a separate board for the Shea industry with the needed resources so that those in the industry will also see better results like their counterparts in the cocoa sector.

The Savannah Accelerated Development Authority introduced by government is a laudable initiative. But the objectives set under the authority will be achieved only when special attention is paid to the traditional means of livelihoods of the people in the catchment area. In so doing, the Shea industry is one of the key areas that need such attention.

Source Public Agenda (Accra) Image: loccitane.no

Tanzania: Firm Builds Organic Fertiliser Factory

by K. Rweyongeza

Dar es Salaam — Tanzania's agriculture sector is expected to get a boost in the near future after the Dar es Salaam based Tigi International announced a plan to construct an organic fertiliser factory.

The plant will be the first ever organic fertiliser factory in Tanzania which will use groundnut residues and sewerage as some raw materials.

Tigi International director Elizabeth Kaduma said in Dar es Salaam recently that the construction of a factory, to be located in Iringa, the South Eastern region of Tanzania may start operations by early 2011. Currently, fertilisers are imported from the US.

"The market has responded so positively to our product and this has inspired us to think of having our own manufacturing facility," said Kaduma who previously worked in the US for a decade. The construction of the organic fertiliser factory is expected to ease the shortages of farming inputs in Tanzania, especially fertilisers whose prices keep increasing.

This move will also complement the Government initiative towards agriculture which was launched by President Jakaya Kikwete recently.

Agriculture is currently the main source of exports and employment, although its share is shrinking due to lack of policies recognising Agriculture as the engine of growth.

Source: East African Business Week (Kampala), Image: Daily News

Nigeria: Shell Designs Package for Gas Flare-Out Project

by Mohammed Shosanya

Lagos — The Shell Petroleum Development Company of Nigeria Limited (SPDC) has taken delivery of detailed engineering design for a project that will put out gas flares in three fields in Western Niger Delta.

The Nigerian Technical Company (NETCO), the engineering arm of NNPC, won the contract in December 2007 for design of the Associated Gas Solution project for Otumara node, which covers Otumara, Saghara and Opuama fields.

The company in a statement, said the project involves the collection of gas from the three fields to a central processing facility at Otumara, which will treat and send it for domestic use through the Escravos-Lagos Pipeline System (ELPS). The detailed design will form the basis for construction of the central processing facility, associated pipelines, booster stations as well as instrumentation and control.

Receiving the design package in Port Harcourt, Project Manager Toyin Olagunju said the award of the contract to NETCO was part of a plan to improve the capability of Nigerian companies in this area of engineering.

"We are pleased that the job was done in-country with Nigerian engineers gaining valuable skills and experience.",he said.

NETCO executed the detailed design with the support of their technical consultants IMPaC, at a cost of over N900 million. Under the terms of the contract, NETCO handled the piping, civil, electrical, mechanical, corrosion and HSE/QA-QC aspects of the job from their office in Lagos, while IMPaC worked on process, instrumentation and telecommunication in Port Harcourt.

Executive Director of NETCO, Samuel Babatunde said: "This is the first time we are handling design on a large scale for SPDC. The skills we have acquired will equip us better to serve the oil and gas industry in Nigeria."

Deputy Project Manager of IMPaC, Christian Obot commended SPDC for the confidence in the collaboration between NETCO and IMPaC, "as this was largely responsible for the successful completion of the design."

The completion of the detailed design paves the way for construction, procurement and installation of facilities. The Otumara project is part of SPDC's effort to harness Nigeria's huge gas resources for profitable use, and end flaring of gas in its operations.

Since 2000, SPDC has invested some $3 billion in gas gathering projects; an additional $3 billion is needed to complete them. Funding and security challenges have delayed implementation of the projects.

Source: Daily Trust, Image: Shelltruth

South Africa: Opportunities Spring from E-Waste

by Stephanie Nieuwoudt

Cape Town — There was an audible gasp when Kirsten McIntyre told the audience that e-waste is the third fastest growing waste stream in the world, with between 40 and 50 million tons of computers, TVs and washing machines being "thrown away" each year.

The event was the Lifestyle Management Conference, which took place recently in Cape Town. McIntyre is the environmental compliance manager for Europe, Middle East and Africa at the multinational technology company Hewlett Packard.

Huge amounts of these defunct appliances find their way to African countries. Often Western corporations that want to get rid of their useless computers will ship them off to Africa. This happens under the pretence that the equipment is suitable for re-use. But in most cases these products end up on landfill sites, adding to Africa's waste problem.

The problem is so huge that the United Nations in 2007 launched a global campaign aimed at setting standards for recycling and disposing of e-waste.

South Africa is thankfully not one of the target dumping sites of the world. However, there are many individuals who are stripping computers and other e-waste products without care for their own long-term health or care for the environment.

"The smelting takes place in the open air, which is not good for the environment or people as toxic gases are released," explained McIntyre. Smelting refers to a process where the relevant parts are heated over an open fire to extract metals.

She pointed out that properly planned waste management projects can lead to the greater utilisation of materials and the creation of jobs that pay well above one dollar a day.

South Africa produces 100,000 tons of e-waste annually. But a number of organisations countrywide are working to try and salvage whatever they can. Computers are recyclable, after all.

"There are many advantages to saving computers from ending up in landfill sites," Susanne Dittke, founder of Envirosense, a company working to find integrated resource and waste management solutions, tells IPS.

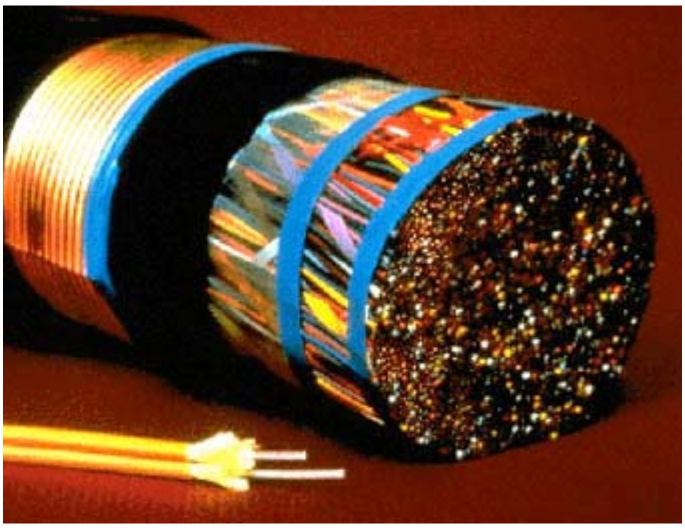
"There are social, economic and environmental advantages. If projects are well run, they generate income for a certain group of people which has a number of social benefits.

"Environmental benefits include managing the release of poisonous gases. When a computer lands in a landfill, it leaches cadmium, mercury, lead and other metals into the ground, which inevitably end up in water sources."

Informal scrap collectors and dealers break computers in order to easily retrieve the copper inside. This is extremely dangerous as hazardous gases are released. The broken parts are left behind, which result in litter.

Dittke is spearheading a Western Cape project where a number of people with different skills create different e-waste opportunities. One of the most successful of these projects is run by JustPCs, a company founded by Justin van der Walt.

Source: IPS, Image: CFSK



Botswana: BTC to Invest P500 Million (US75 Million) in Fiber Optic Cables Link

Gaborone — Botswana Telecommunication Corporation (BTC) will have to part with US$75 million (P504 million) to secure reliable bandwidth connection from an undersea fibre optic cable through the West African Cable System (WACS).

BTC Group CEO Thapelo Lippe said recently that his company and Telcom Namibia will both contribute equally as second tiers while regional giants like Vodacom, MTN, Neotel and Zain will contribute US$100 million (approximately P672 million) each for the development of the undersea cable that will link London with Africa.

Lippe said BTC sits on the board of the US$210 million Eastern Africa

Submarine Cable System (EASSy) to further increase Botswana's bandwidth capacity.

EASSy is 90 percent African-owned, although that ownership is underwritten by a substantial investment by Development Financial Institutions (DFIs), among them the World Bank/IFC, EIB, AfDB, AFD and DfW. There are 26 telecommunication operators in total invested in EASSy.

Through a private operator, another undersea cable provider, SEACOM, recently launched in Botswana. SEACOM is a privately funded venture with Kenya's Industrial Promotion Services having a 26.25 percent stake, Venfin Limited 25 percent, South Africa's Shanduka Group 12.5 percent and Convergence Partners with 12.5 percent.

When the sea cable reaches Botswana, Internet speed connectivity will increase considerably while tariffs will drop significantly.

Lippe acknowledged the complaint of local businesses about the cost of bandwidth."I agree we are expensive," he said, "but one has to understand that the cost of getting Internet to Botswana is very expensive because we are landlocked and our tele-density is very low."

He however said BTC recently found better rates from a optic fibre provider and has already slashed prices by 40 percent and that local ISP's will soon extend the lower prices to consumers.

During the launch of SEACOM, the Minister of Communications, Science and Technology, Pelonomi Venson-Moitoi, said the government plans to exclude BTC's countrywide spread backhaul from the privatisation process. She said one option is to create an entity that will be responsible for the backhaul to service all the operators in the telecommunications sector, including BTC after it has been privatised.

Source:Mmegi. Image: isrl illinois

Sustainable year-end 4.6b mobile subscription tickles ITU

By Adeyemi Adepetun

THE International Telecommunications Union (ITU) has projected a 4.6 billion mobile subscription driven by the mobile sector by end of 2009.

In its latest statistics, published in The World in 2009: ICT facts and figures, revealed rapid Information and Communications Technology (ICT) growth in many world regions in everything from mobile cellular subscriptions to fixed and mobile broadband, and from TV to computer penetration - with mobile technology acting as a key driver.

Meanwhile, the Executive Vice Chairman (EVC) of the Nigerian Telecommunications Communications (NCC), Ernest Ndukwe, at the just concluded International Telecommunications Union (ITU) World 2009 forum and exhibition in Geneva, Switzerland, revealed that telecommunications investments in Nigeria now stood at $18 billion (N2.7 trillion) within the last eight years.

Ndukwe added that the current investment figure is made up of about $12 billion from foreign direct investment while the balance is from investments made from and within the country since 2001.

He said that the country is keen on attracting more investments so as to expand the needed services in the areas of internet and broadband services across the country, having made a remarkable inroads into voice telephony services, stressing that government's invitation to the private sector for participation in the industry has paid off and led to the current success indices in the sector.

"This tells me that the decision by government to liberalise was a very good one, indicating that this is why the current 68 million active subscriber lines recorded in the industry over just eight years in Nigeria have been variously described as a revolution.

"The decision by Nigeria to implement a technologically-neutral regulation has resulted in investments in both the Global System for Mobile Communications (GSM)- and CDMA-based services and made diverse services available in Nigeria with investors attracting services from different points, thereby providing choices for Nigerian consumers.

"Nigeria is today dominated by wireless services delivery, not just in the mobile sub-sector but also in the fixed wireless services", stressed the EVC NCC

Meanwhile, the ITU report stated that the brand new comprehensive data, forecasts and analysis on the global ICT market show that mobile growth is continuing unabated, with global mobile subscriptions expected to reach 4.6 billion by the end of the year, and mobile broadband subscriptions to top 600 million in 2009, having overtaken fixed broadband subscribers in 2008.

It stated that mobile technologies are making major inroads toward extending ICTs in developing countries, with a number of nations launching and commercially offering IMT2000/3G networks and services.

But the ITU's statistics also highlight important regional discrepancies, with mobile broadband penetration rates still low in many African countries and other developing nations.

More than a quarter of the world's population is online and using the Internet, as of 2009. Ever-increasing numbers are opting for high-speed Internet access, with fixed broadband subscriber numbers more than tripling from 150 million in 2004 to an estimated 500 million by the end of 2009.

Rapid high-speed Internet growth in the developed world contrasts starkly with the state of play in the developing world. In Africa, for example, there is only one fixed broadband subscriber for every 1,000 inhabitants, compared with Europe where there are some 200 subscribers per 1,000 people. The relative price for ICT services (especially broadband) is highest in Africa, the region with the lowest income levels. The report finds that China has the world's largest fixed broadband market, overtaking its closest rival, the United States, at the end of 2008.

ITU estimates show that three quarters of households now own a television set and over a quarter of people globally - some 1.9 billion - now have access to a computer at home. This demonstrates the huge market potential in developing countries, where TV penetration is already high, for converged devices, as the mobile, television and Internet worlds collide. Dr. Hamadoun Toure, ITU Secretary-General says: "ICTs are vital within developing countries to ensure that ordinary people can fully participate in the knowledge economy of the 21st century. We have seen a positive impact on services such as health and education in markets where ICT growth has been strong."

Within the United Nations system, ITU is the main source of internationally comparable data and statistics on ICT. The Market Information and Statistics Division of the Telecommunication Development Bureau (BDT) collects, harmonises and disseminates more than 100 telecommunication and ICT indicators from over 200 economies worldwide. Data are accessible online through the ICT Eye portal, on CD and in print publications. The Market Information and Statistics Division regularly publishes analytical reports illustrating the latest trends in the sector. It also monitors the development of the digital divide and has developed widely used benchmarking tools, such as the ICT Development Index (IDI).

Sami Al Basheer, Director, Telecommunication Development Bureau, said, "we are encouraged to see so much growth across developed and developing regions, but there is still a large digital divide, and an impending broadband divide, which needs to be addressed urgently.

Heads of State and industry leaders will collaborate at ITU Telecom World 2009 to identify the right policies and regulations to support and encourage future ICT growth worldwide. ITU, through its development sector, is working with all stakeholders to promote the development of ICT services for all segments of society in all regions of the world."

Source:guardian news.com (Lagos). Image Engineering News

Mozambique: Tender for Third Mobile Operator to Be Launched

The Mozambique government will launch an international tender for a third mobile phone license in December.

The process was put on hold in April to address complaints by existing mobile wireless operators Mcel and South Africa's Vodacom. Transport and communications minister Paulo Zucula said the issues have been resolved and that a bidding document is now being prepared.

Africa's biggest operator MTN, Kuwait's Zain and Portugal's Telecom have expressed interest to enter the market.

According to GlobalComms database, there were 4.88 million mobile subscribers in the country by the end of June 2009, up from 3.87 million in 2008. Wireless penetration grew from 17.8% to 22.4%.

Zucula said many foreign companies are attracted to Mozambique due to its economic stability, availability of commodities and steady gross domestic product (GDP) growth rates.

Source: TradeInvest Africa (Cape Town) Image: Wired

Nigeria: First Private Refinery Begins Operation June 2010

by Ejiofor Alike

Lagos — Anthonio Oil Plc's Refinery, a 27,000barrels per day capacity facility to be relocated from Cyprus to Iwopin Village in Ogun Waterside Local Government Area of Ogun State, will begin full operations by June 2010.

With this development, the refinery will become the first in the South

Western part of the country to begin operations.

As part of the strategy to ensure quick returns on investment, and reduce the incubation period of the project and the country's over-dependence on imported petroleum products', Anthonio Oil Plc acquired a used refinery in Cyprus, instead of embarking on the construction of a new one that takes about eight years to build from the scratch.

The company is embarking on the project with the assistance of its technical partner, Lohrmann International GMBH of Ger-many.

THISDAY gathered that Lohrmann had carried out a pre-evaluation study on the relocation of the oil refinery to Nigeria, for Anthonio Oil Plc

According to the German firm, the project involves the "debottlenecking of the existing units and an upgrade with a Vacuum Distillation Unit, Isomerisation Unit and a Fluid Catalytic Cracker in a later project stage."

The capacity of the dismantled refinery, which was shut down in 2005 owing to lack of crude oil supply, is in the range of 27,000 barrels per day.

Group Managing Director of Anthonio Oil Plc, Mr. Anthony Effedua told THISDAY at the company's investors' forum in Lagos that the used refinery had been dismantled in Cyprus for shipment and relocation to Nigeria.

He said officials of the Depart-ment of Petroleum Resources (DPR) will go to Cyprus on October 5, 2009 for an inspection of the dismantled refinery before shipment into the country.

The purpose of the inspection he said is to determine the integrity of the refinery for its relocation to Nigeria.

THISDAY gathered that the DPR planned to give the company "Approval to Construct" (ATC), which is the next stage of the licensing process as soon the inspection team comes back from Cyprus.

Part of a letter with reference number PI/DS/ PPI/NPA F/6239/S.140/126, dated September 16, 2009 and addressed to the company by one Mr. O. Adeleke on behalf of the Director of DPR reads: "A review of your statutory refinery project documents has been undertaken satisfactorily in line with our subsisting guidelines for establishment of refinery in Nigeria.

We confirmed your site suitability and payment of all statutory fees. We also commend the ongoing activities at the site.

"Processes of issuance of your "Approval to Construct" this refinery will be concluded as soon as the statutory inspection to determine its integrity for relocation is established."

The Federal Government had in 2001 licensed 18 private refineries in the country but later revoked the licences for non-performance, after five years.

However, licenses of four of the refineries were later restored and work is now in progress in the projects.

THISDAY had reported that in an effort to address the perennial fuel scarcity and bring an end to the importation of petroleum products in the country, the Federal Government had removed the statutory deposit of $1 million for every 10,000 barrels refinery capacity provided for in the latest Guidelines for the Establishment of Hydrocarbon Processing Plant in Nigeria.

The exercise, according to the Department of Petroleum Resources (DPR) - the oil and gas regulatory body - is to encourage private sector.

Nigeria imports almost all its petroleum products because the nation's refineries, with combined capacity of 445,000 barrels per day have not been functioning well.

In 2008 alone, as much as $4 billion was spent on fuel importation because all the refineries were down.

Source: This Day, Image: pnchng

Liberia: Liberia Makes Progress in Extractive Industry New Standards

Liberia President, Mrs. Ellen Johnson-Sirleaf

Liberia has taken another giant step in complying with new standards of managing its extractive industries under the Extractive Industries Transparency Initiative (EITI). The Head of the Initiative congratulated the Government, the private sector in the extractive industries and activists of civil society who have together accomplished what he described as an incredible job to become one of the best countries implementing the new standards of the EITI.

Addressing the media following a meeting with Liberian President Ellen Johnson Sirleaf, Dr. Peter Eigen observed that too often problems associated with the use of natural resources are based on the greed of people, who like to get hold of these natural resources.

Dr. Eigen stressed the importance of Liberia to have in place good, transparent and honest governance structures to ensure the resources of the country benefit the people.

EITI Chairman Peter Eigen and President Ellen Johnson Sirleaf met at the Foreign Ministry in Monrovia.

The visiting EITI chairman praised Liberia for the progress which he attributed to the commitment of political leadership in Liberia and the professionalism of the stakeholders' management group, whose tireless efforts have accelerated the progress Liberia has made in transparent, predictable, and stable governance. It is this rapid progress, Dr. Eigen emphasized, that Liberia is a leader not only in Africa but globally in the extractive industry transparency sector.

The EITI executive has, disclosed that Liberia has been recommended to the Board of the Initiative to accept the validation process that has taken place in the country. If approved, Liberia will become the first African country to be compliant under the extractive industries initiative.

Azerbaijan, which hosts the next EITI Board meeting in two weeks, is the only country enjoying the EITI compliant status. Dr. Eigen described as tremendous the achievement Liberia has made and congratulated all who have contributed to the process.

Liberian President Ellen Johnson Sirleaf also commended the Liberia Extractive Industries Transparency Initiative (LEITI) team, headed by Cllr. Negbalee Warner, for the progress. The President expressed satisfaction that Liberia has performed very well in the process.

The President spoke of the commitment and dedication of the country's EITI team in the implementation of its functions, making sure that all concession agreements, all major contracts are vetted, "going beyond the mining sector where EITI started, but to include our forestry."

She continued, "If they had not been so diligent in making sure they get all those agreements and get them published and go after the companies, for the companies to report what monies they have paid, to the Government or to anybody else; they have done such a good job, that they've won Liberia a very high standing."

The President welcomed the visit to Liberia of Dr. Eigen and his delegation which, she noted, serves as a motivating factor to review the progress that would help Liberia continue on the path of progress.

Liberia, the President said, has excelled under the EITI program. She expressed hope that a similar program with more dedicated people would be able to work on the country's anti-corruption strategy. Government, the President said, remains committed to doing that.

Dr. Eigen and his EITI team arrived in the country on October 4 to review the progress Liberia has made since the country joined the Initiative two years ago. Liberia is one of 22 African countries serving as members of the Extractive Industries Transparency Initiative (EITI), whose membership consists of 30 countries worldwide.

Source: The Analyst Image: students.umf

Namibia: Govt, India Sign Diamond, Uranium Deals

by Jo-MarÉ Duddy

AGREEMENTS paving the way for Namibia to share in India's US$30 billion nuclear industry, as well as their world-class diamond polishing sector, were signed between President Hifikepunye Pohamba and Indian Prime Minister Manmohan Singh in New Delhi recently.

An agreement on co-operation in the field of peaceful uses of nuclear energy and a memorandum of understanding on geology and mineral resources are the first steps towards selling uranium and diamonds to India.

It also ensures a training institute for diamond processing in Windhoek, Mines and Energy Minister Erkki Nghimtina told The Namibian in an interview.

Nghimtina, part of the 43-member presidential delegation, said Namibia can export uranium oxide to India now that the country is no longer subject to the embargo on international nuclear trade.

However, that does not mean that India will receive special favours and be allowed to join the hunt for uranium locally, he said. "The moratorium on granting exclusive prospecting licences (EPLs) for uranium is something completely different," Nghimtina said.

Reports in the Indian media suggest differently, though.

According to The Economic Times, "sources said that discussions on uranium mining and supplies have been ongoing with Namibia for some time now", and the MoU "will give India the opportunity to tap Namibia's rich mining sector". "This includes the chance to get exclusive prospecting rights and the possibility of joint ventures in the sector," The Economic Times reported yesterday.

India's nuclear market is expected to grow to US$150 billion in the next 30 years. Media reports also suggest that the MoU has secured an additional market for Namibia's rough diamonds, a statement which, according to Nghimtina, "is not 100 per cent true".

"India and Namibia are on the verge of signing a MoU that will give India access to Namibia's diamond riches. Such an agreement will give India direct access to diamonds, decreasing its dependency on major producers," a report on the website of the International Diamond Exchange (Idex) said yesterday morning.

Namibia recently took the unusual step to bypass the Diamond Trading Company (DTC) and sell a significant chunk of Namdeb's stockpile to Diamonds India Limited (DIL) to relieve the local diamond giant's cash flow problem.

The Economic Times referred to the deal, hailing Nghimtina for his "bold initiative", and said the consortium of 58 leading diamond and jewellery manufacturers "is in continuous need of rough diamonds for their processing factories, even during recession".

"Currently, DIL, to fulfil its continuous demand of diamonds, is willing to enter into contracts to purchase rough diamonds on continuous basis and sometime in large quantities," The Economic Times said, adding that DIL will set up the training institute for diamond processing in Namibia.

The collapse of Namdeb's traditional markets at the end of last year due to the global financial storm has brought the company to its knees. The latest information showed that diamond production from January to June fell by more than 60 per cent compared to the first six months of last year.

The spill-over effect of its financial woes is one of the main reasons that Namibia was hit by recession, analysts said. Although Namdeb's diamonds are sold to the DTC, Government has left a back door open in the Diamond Act of 1999.

Section 58 gives the Mines and Energy Ministry the right to force producers like Namdeb to channel their rough diamonds to local processing plants, while Section 59 allows Government to sell up to ten per cent of a producer's rough diamond directly to the market.

"It's not all about Namdeb," Nghimtina told The Namibian. There are other diamond mines in the country, like Samicor, that can deal directly with India. Besides diamonds and uranium, defence issues are high on the presidential agenda too.

Pohamba and Manmohan also signed a memorandum of understanding on defence cooperation yesterday.

The Economic Times contacted Namibia's High Commissioner to India, Martin Kapewasha, for more detail on the agreement. He was only willing to confirm that "defence deals" would be discussed.

India and Namibia furthermore signed a bilateral agreement regarding communication, as well as an MoU related to exemption from visa requirements for diplomatic and official passport holders.

Source:The Namibian. Image: bidorbuy

Nigeria: Tolao, Canadian Energy Firm, Invests $20m In Bio-diesel Plant

- Acquires 3,000 Acres In Cross River For Feedstock
- Targets 80m Litres In 2010

By Mbamalu Marcel

AS the controversy over plans by the Federal Government to deregulate the downstream sector of the oil and gas industry subsists, the private sector is gearing up to provide an alternative to the use of conventional diesel. In line with the country's evolving policies on renewable energy and the Kyoto Protocol - an international agreement linked to the United Nations Framework Convention on Climate Change - all is set for the smooth take-off of the first bio-diesel plant in Nigeria. The pioneer plant,

which is expected to commence production by the last quarter of 2010, is billed to take of with an initial capacity of 37.5 million and will target an output of 80 million litres within the first year of operation.

Tolao Energy, a Canada-based company focusing on the production of renewable and environment-friendly bio-diesel, with funding support from Goryeo Enterprises, during the week, disclosed that about 3,000 acres of land had been acquired in Cross River State for the purpose of growing the feedstock required for the production of bio-diesel in Nigeria. It said the raw material would be due for harvesting within 18 to 20 months.

Briefing journalists recently in Lagos, Chief Executive Officer of Tolao Energy (Nigeria), Mr. Adewale Jonathan, said the company was pioneering renewable fuel and cleaner energy revolution in the country based on the promptings of the federal government, as evidenced by the new regulatory guidelines for the process; as well as the universal support offered by the Kyoto Protocol.

Palm oil distillate, he noted, would be used as the feedstock in the first year, pending the maturation of the plant - Jatropha -, which, he said, is the firm's designated raw material for the bio-diesel. He said the problems of bio-fuels worldwide had been that of high cost of production arising from scarcity of the feedstock that were often traded on the floor of the commodity market; hence, the competition with food demands.

Shedding light on the choice of the feedstock, the Tolao boss, however, explained that Jatropha, though rich in oil, is not edible and can grow in any climatic or soil condition.

Adewale also hinted that the cost effective measures employed by the firm would reduce production costs that would lead to price competitiveness in the sector.

He said the fund partners, Goryeo, would be coming up with, at least, 40 per cent of the funding required for different phases of the project.

Meanwhile, as a follow-up to the Memorandum of Understanding (MOU) already signed by both parties, the firm, at the weekend, signed a final agreement with the Cross River State government.

"We want to be visible here in Nigeria; and it is about results; about getting it done; and about bringing change to the country," said Adewale.

According to him, the bio-diesel project would afford the country an opportunity to not only diversify its energy sources, but also friendly to the environment. "If we can change our attitude to conventional diesel, life expectancy would improve, " said Adewale.

Adewale affirmed that both the agricultural and production models of the project would guarantee massive employment for Nigerians, as well as institute enduring mechanism for skill acquisition and transfer.

President and Chief Executive Officer of Goryeo, Mr. Charles Kwon, said there is a huge potential for bio-diesel in Nigeria, as the country consumes over five billion barrels of diesel annually. According to him, the country needs to focus on other self-sufficient ways, as absolute dependence on crude had aggravated the impact of the current economic meltdown on many countries, especially Nigeria.

A Canada-based accountancy and financial services firm, Wollydee Associates, is partnering with Tolao Energy in the area of financial analysis and consultancy. Senior Consultant, Alani Oluwole Idowu, told The Guardian that the second phase of the rollout, billed to be completed within the next five years, would see the Tolao, running bio-diesel plants in the six geo-political zones of the country.

Source: Guardian Newspapers, Nigeria, Image: envirofuel.com.au

Ghana: Nigerian Firm Secures U.S.$1 Billion Gas Project

Daniel Nonor

The Ghana National Petroleum Corporation (GNPC) has awarded Oando, Nigeria's leading integrated energy solutions provider, a $1bn project to Strategically Partner the Corporation to develop assets

and infrastructure to harness the gas that will be produced from the offshore Jubilee oilfield.

The jubilee field is rated as West Africa's current largest offshore deepwater discovery in over a decade, with proven reserves in excess of 300 million barrels of recoverable oil and a potential for 1.8 billion barrels.

The Chronicle gathered that GNPC had shortlisted companies following a highly competitive bid process, involving over fifty reputable local, regional and international corporations. From the initial fifty, five companies made the final selection from which Oando (Lead Developer) and Saipem (a globally renowned Oil & Gas engineering, procurement and construction firm) and Modec-Itochu (a Japanese oil & gas consortium) were chosen to form a joint consortium with GNPC.

According to a statement issued by Oando recently, the scope of the project includes the development of offshore and onshore high pressure gas transmission pipelines, Processing Facility, Liquefied Petroleum Gas and Condensate storage tanks, as well as other ancillary structures. The US$1 billion ultra-modern facility is planned to commence operations in the near future.

The Government of Ghana has expressed its commitment to develop a world-class infrastructure that will process natural gas as fuel for existing power plants at Effasu and Takoradi both in the Western Region of the country. The development is also planned to enable the sale of natural gas and derivatives to both domestic and international markets.

In a proactive step to eliminate gas flaring from the Jubilee Field, the completion date of the project has been scheduled to coincide with the planned First Oil for Jubilee. This will form a model for the development of future oil and gas fields in the country.

Mr. Bolaji Osunsanya, Chief Executive Officer, Oando Gas & Power noted that the deal was “a testament of Oando’s high competence in the execution of gas projects and operations. With 100 km of gas pipeline infrastructure already built in Lagos, another 128 km under construction in the South East of Nigeria and a planned 100 km yearly expansion, this new partnership with GNPC to develop Ghana’s first gas infrastructure, broadens our leadership frontiers in the gas transportation and distribution business within the West African subregion.”

Mr. Wale Tinubu, Chief Executive Officer and Managing Director of Oando Plc also said, “We are very proud to be part of this historic milestone in Ghana’s oil and gas exploration. The Jubilee oilfield is set to further transform the Ghanaian economy and position the country as a key player in the Gulf of Guinea.

The choice of Oando is an affirmation of our track record at project delivery and creates an opportunity for us to extend the success recorded in building Nigeria’s gas distribution pipeline system to other parts of West Africa. This is a fillip toward our drive to become the foremost energy company in sub-Saharan Africa, leveraging our tradition for execution excellence, capacity to undertake technical-intensive ventures and access to long-term financing.

Source: The Chronicle, Image: oil&gasjobsnigeria

Egypt: AfDB Approves 53 Million Euros Loan to Finance Waste Water Treatment Project

PRESS RELEASE: The Board of Directors of the African Development Bank (AfDB) Group recently approved a loan of Euro 53.33 million, equivalent to 48.56 million Units of Account (UA) to finance the Gabal El Asfar Waste-water Treatment Plant (GAWWTP) Project in Cairo, Egypt.

The project objective is expected to improve the quality of waste-water discharged into the drainage system in Cairo East, thereby contributing to improved sanitation and a clean environment for nearly 8 million people living in the area.

This phase will provide an additional waste-water treatment capacity of 500,000 cubic meters per day. The waste-water will undergo full treatment, including preliminary, primary and secondary treatment. Provisions are also made to chlorinate the effluent when all the waste-water reaching the drains is adequately treated. The proposed extension will bring the total treatment capacity at the Gabal El Asfar plant to 2.5 million cubic meters per day.

The Gabal El Asfar Waste-water Treatment Plant catchment area occupies the greater part of the eastern part of the city, and serves approximately 8 million people. When completed, the proposed additional treatment capacity of 500,000 cubic meters per day will serve an additional 2.5 million people in Cairo East. The project will provide a clean environment through safe wastewater disposal. Other beneficiaries of the project include people living in villages downstream of the plant and along the system draining the effluent from the plant into Lake Manzala, with an estimated 785,800 people, who will also benefit from an improved environment and reduction of diseases associated with untreated waste-water.

The project is in line with the Bank’s 2008-2012 Medium-Term Strategy, which highlights the need for selectivity by giving particular operational focus on infrastructure development and governance, in order to promote a more robust private sector. It will be implemented in line with the Bank Group’s Integrated Water Resources Management (IWRM) policy.

Source: African Development Bank (Tunis), Image: PULPANDERPAPER

Interview of the month

Africa: Governance Index Is a Work in Progress, Rotberg Says

by Margaret McElligott

Washington, DC — Dr. Robert Rotberg, professor at Harvard's Kennedy School of Government, told AllAfrica about the index he is working on that will be used, among other purposes, to guide the selection committee of the Mo Ibrahim Prize for Achievement in African Leadership. Excerpts:

Beginning in 1999, maybe 1998, I began working with my Kennedy School graduate students in creating the governance index by using proxy measures to develop an index, not only for Africa, but for the entire world. All of those were student efforts guided by me, and none of them had the professional status nor the professional time that would enable all the statistical issues as well as the evidence issues to be worked out. Now we will have an opportunity – beginning the first of next month – to spend several years, maybe longer, perfecting the index methodology and applying it directly to the 48 sub-Saharan African countries.

Because the Mo Ibrahim Foundation is going to provide the resources.

That's part one. Part two is that Mo Ibrahim wants to use the results of our rigorous efforts to provide a credible underpinning for the Ibrahim African leadership prize.

What statistics will you be looking at?

The eight indicators are: security, rule of law, economic opportunity, political freedom – those are the important four and they're weighted more heavily than the second four, which are: educational services, health services, arteries of commerce, that is, infrastructure, and finally, empowering civil society. Those eight measurements comprise how we measure governance because that's how political goods are delivered to us as citizens. We can apply this same methodology to a city's government as well as to an African state.

How would you compare this to other measures of governance that are out there?

There aren't any. This is the only one. There's a World Bank thing, but it doesn't rank countries and it doesn't use these quite clear and transparent measures of governance. It doesn't use the political goods methodology. It uses some other method, and the big difference that people at the Bank and I have discussed at great length is we're trying to use objective measures, so there's no selection bias. By that I mean we won't use subjective measures, [such as] people's

opinions.

What about the Millennium Challenge Account?

The Millennium Challenge Account is good as far as it goes, but they'll be better off using our measures when they're perfected. The Millennium Challenge Account uses Freedom House in part. Freedom House is based on interviews and opinions, including my own, about countries. There's a selection bias. Transparency International, which I revere and think is fabulous, also is based on interviews and public opinion. Index of Freedom done by the Cato Institute, again, it bases everything on opinion. What we're trying to do is go to objective measures.

What are some of the objective measures for things like rule of law or empowering civil society?

Let's take some easy ones first. There are two important things: one is that we're measuring outputs or outcomes, not inputs. To take infrastructure, you do something very simple. You compare miles of paved roadway at Time X versus Time Y. That's straightforward. That's a quantitative method. It doesn't depend on anyone's opinion. That's the simplest of all, because you can see Botswana has 1,000 times the road network that it had at independence, and Congo has 1,000 times less. You can use those as two benchmarks.

In health, you can use things like infant mortality and life expectancy. You know that Africa has HIV/Aids, so you can say, let's do this against health outcomes 15 years ago before there was Aids. You can do all kinds of comparisons. In education, you can look at persistence in school, that is, how many kids go from primary school to secondary school, and how many stay in school. Those are all measures that are, in a sense, proxy measures. In economic opportunity, you can use GDP growth. You can use raw GDP. You can use Gini coefficients. You can use all kinds of measures. There's something the IMF uses which shows how much money in the system is actually in the system or is actually in mattresses. It's called "contract effectiveness." You can use that.

But you get to security, you probably want to look at the number of violent incidents per year. If you want to look at the rule of law, you probably want to see the number of political prisoners. But I must caution you that these measures are not final yet. They're ones that my students and I have worked on, but we're now going to go from the alpha test to the beta test, and we may come up with even better measures, and reject some of the ones I've just mentioned.

How will you measure political freedom and empowering civil society?

Political freedom is freedom of expression, so you can do that very easily: how many journalists have been killed? How many are in jail? What's censorship like? You can do that with a pretty straightforward measure. If you look at the way elections are held or not held, you can look at freedom of assembly too, those key political freedoms. [We never use] the word "democracy," because we don't want to bias the sample by saying something is more democratic than not. We reject the Freedom House simplicity of "free," "partly free," and "not free," because that's too crude. We ultimately want to suggest that in Botswana there's more political freedom than in, say, South Africa. We can show those quantitatively because each of these eight indicators has, say, four to six sub-indicators. You might get 50 numbers floating around for any country.

Regardless, the real point is to quantify or make things objective as much as possible as opposed to relying on interviews.

Yes. This isn't quantification for quantification's sake. This is quantification so that people can follow the trail so it's totally transparent, and – second big point -- so that it's diagnostic. Malawi can say, "We thought we were better than Zambia, but we're ranked lower than Zambia. How come?" And they could just go down the chart and they could see that Zambia, say, was better at educational persistence. [Then] civil society in Malawi can beat up on the government and say, "Let's improve our educational standing."

Since the index is looking at the country level, have you talked with Mo Ibrahim or others at the foundation about how that will be applied to individual leaders?

The way I look at it, and it's still under discussion, is that good leaders produce good outcomes. If you have bad leaders, your numbers are going downhill. If you have good leaders, your numbers are going uphill. This means even if a country is at number 24, but if it was at number 28, it means that leadership is doing something, even if it's not at the top of the total heap. It's much improved. The leader may be stuck with a country that is really badly endowed or has had some national catastrophes, but you can see its progress over the leader's eight-year period in office.

How will it work if a leader has good health or economic outcomes, but is very authoritarian in office?

You'll be able to see it. Let's say [a country] shows up well in education, health, civil society, road network and economic opportunity. It may be that security will show lower numbers. Rule of law might show lower numbers and rule of law might show the lowest possible numbers.

How much will your choices of indicator be based on how solid you think those numbers are?

How solid the numbers are is a very big issue. There are statistical ways of saying, ok, we have really [poor] numbers in this area, but the other numbers are ok, so you can figure out a way to do that. In many of these cases, a lot of the numbers will be suspect, so we'll have to maybe go into these countries and try to get some numbers.

You'll have a staff for that?

A couple staff people and myself. Not a big operation, because we don't think we need a big team. We may be wrong. We may have to go out and recruit.

But you'll continue teaching?

Oh, yes. The methodology is down. There's a Washington Quarterly article of 2004. There's a web site and another report that spells it out at greater length. That's how Ibrahim found me. He actually read my stuff and came to me.

When will the index be ready?

The hope, but not the promise, is June or July.

What insights have you gained from the process so far in terms of measuring governance?

What I'm trying to do is analogous to what Transparency International did brilliantly. Transparency International in the '90s brought corruption out of the closet. Corruption was not even mentioned by the World Bank in the '80s. People were afraid to call a country corrupt. Transparency International pulled that out of the closet and we hope to do exactly the same thing: bring governance out of the closet. In terms of what we've learned, we've learned that there are some huge informational issues, but we think it's capable of producing a good index and then a better one the following year and so on.

Do you hope it will be used, not only by the Mo Ibrahim Foundation, but also by governments and donors?

My hope is that this would be a model for driving investors' decisions, driving donor decisions, driving the Millennium Challenge Account, driving all kinds of policy decisions: that's why I invented it. And, ultimately, if it works for a difficult place like Africa, we ought to have the same thing for Asia, the same thing for Latin America, and ultimately for the entire world. There ought to be rankings that show, say, Finland and Iceland on top and some of the basket cases on the bottom.

I think the index will provide Africans and donors and investors and civil society and so on with a tool to strengthen African governance. That's the main hope. The second hope is that it will make it possible, together with the Ibrahim prize, to strengthen African leadership, which badly needs strengthening.

What do you hope will make this different from previous indices in the sense that perhaps it measures governance marginally better, but could still be dismissed, because people say the numbers aren't good or the methodology is flawed?

You can't so easily dismiss an objective index as you can a subjective index. A subjective index, you can say, "Oh, it's just people's opinions." This will have nobody's opinions.

But, say you're measuring health, education and infrastructure in Cote d'Ivoire. As objective as you try to be, those numbers could certainly be argued in terms of whether they're accurate.

They can be argued about whether they're accurate, but people can only say, "You didn't get the right numbers." And, yes, that may be true, so we'll do them over again. But they can't say the notion of counting educational persistence doesn't make any sense, because they'd have to then make an argument that the future of the Ivory Coast doesn't depend on education. I think we will at least establish a dialogue between people in-country who are rated low and people outside who are rating them low, as to why and how, and what the best measures are. And that's great because maybe these measures can be improved upon. I don't doubt that they can be and through getting everything out there we'll have what intellectuals like to do, which is to have a full dialogue.

What will the African input into the index be?

We don't know this yet, but there could be African researchers actually compiling the index. As we move along, we will certainly have critics and friends in Africa, and we will draw on their work. I would love this to spawn a whole series of competing ways of doing the same thing, because out of that would come an improved method of strengthening African governance. The ultimate aim is improving life in Africa on the ground.

Image sources: Freshfiction and Photo Essay

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Country Stats - Nigeria

Capital	Abuja
Area	924,000 sq km
Total Population 2008	151.5 Million
Urban Population 2008	48.43%
Female Population 2008	50.00%
GDP 2008	US$ 216.8 Billion
GNI Per Capita 2007	US$ 930
Inflation Rate 2008	7.05%
Crude Birth Rate (per 1000) 2008	39.24%
Human Development Index (scale 0 to 1) 2006:	0.499
ADB Membership Date:	10/09/1964
Cumulative Approvals (1967-2008):	UA 2.6 Billion

Source: Africa Development Bank.