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By:

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US and Africa: increased engagement regarding trade creating opportunities in the African free trade area *Africa Business* shares that the United States and the African Continental Free Trade Area (AfCFTA) have signed an MoU to further enhance their trade and investment relationship. With a commitment to promoting equitable and sustainable trade, the US plans to invest $55 billion in Africa over the next three years, focusing on sectors like sustainable energy, health systems, agribusiness, digital connectivity, infrastructure, and finance. The partnership aims to support the AfCFTA's goal of fostering regional economic integration while also benefiting women, small and medium enterprises, and promoting inclusive growth in Africa.

US allegations that South Africa shipped arms to Russia puts AGOA at risk

According to *Forbes Africa*, the United States has accused the South African government of supplying ammunition to Russia through a ship that docked at a naval base in Simon's Town. This accusation has strained relations between the two countries and jeopardizes billions of dollars' worth of preferential trade.

South Africa's President Cyril Ramaphosa has appointed a retired judge to investigate the ship's visit, while opposition parties and Ukrainian interests criticize South Africa's transparency and alignment with Russia, putting the country's lucrative trading relationship with the US at risk.

US boosts Kenya apparel industry with $55m in new trade deals

According to *Africa Growth Opportunity Act (AGOA.info)*, the United States is providing Kenya with $55 million to expand export processing zones (EPZs) and boost Nairobi's apparel exports. The funding, channeled through USAID and the Prosper Africa initiative, aims to support women-led organizations, and create jobs in the EPZs, where a majority of employees are young women. The investment includes six co-investment partnerships between American and Kenyan apparel companies, which will connect American buyers with Kenyan manufacturers and contribute to increasing trade between the two countries.

IMF approves $3 billion loan to Ghana

AfricaNews writes that the International Monetary Fund (IMF) has approved a $3 billion loan for Ghana to address its severe economic crisis. The loan, provided under the Extended Fund Facility, aims to restore macroeconomic stability, address debt sustainability, and implement reforms to foster inclusive growth. The program includes fiscal consolidation, financial sector stability, inflation control, rebuilding foreign exchange reserves, and structural reforms to enhance the business environment and productivity. Ghana sought IMF assistance due to the impact of the Ukrainian conflict and the COVID-19 pandemic on its economy, and the loan is contingent on the implementation of economic reforms.

Africa prepares for space industry boom

Ronald Lwere Kato from *AfricaNews* shares: Africa is making significant strides in the space industry, with the African space industry expected to surpass $22 billion by 2026. The establishment of the African Space Agency in Cairo and the planned Chinese-backed spaceport in Djibouti highlight the continent's recognition of space as a strategic industry. Additionally, Senegal is aiming for grain self-sufficiency by reducing its dependence on imported wheat, while Congo is building a new gas plant to export gas to Europe, aiding in Europe's

efforts to reduce reliance on Russian energy. These developments reflect Africa's ambition and potential in various sectors.

German chancellor in quest for clean energy deals with Kenya

German Chancellor Olaf Scholz visited Kenya as part of his African tour, aiming to establish clean energy partnerships in the wake of Germany's need to reduce reliance on Russian energy imports after the Ukraine conflict. Kenya, currently Germany's largest trading partner in East Africa, is a significant player in renewable energy, with 90% of its power needs covered by renewables and a goal to achieve full green energy status by 2030. The visit highlights Germany's strategic interest in Africa and its efforts to counter the influence of China and Russia in the region, as well as seeking equal political and economic cooperation with African nations.

Effective implementation and reforms to boost growth with AfCFTA

According to a report by IMF staff, the successful implementation of the African Continental Free Trade Area (AfCFTA) could bring significant benefits to Africa, including increased income, job creation, and poverty reduction. The report highlights those comprehensive reforms, combined with the full implementation of the AfCFTA, could lead to a 53% increase in trade flow between African countries and a 15% increase in trade with the rest of the world. This, in turn, could raise the real per capita GDP of the median African country by over 10%. However, the report also notes that realizing these opportunities would require investment in physical and human capital, a favorable macroeconomic and business environment, and an improved social safety net to support the most vulnerable. While the AfCFTA agreement came into force in 2019, its effective implementation is still ongoing.

Changing perspectives on arbitration in Africa

Robert Li from *African Law & Business* shares that during London International Disputes Week, a panel discussion highlighted the diverse judicial approaches to arbitration in Sub-Saharan Africa. While there is a preconception that the region lacks legal civility and judicial support, some panelists argued that attitudes are changing and arbitration clauses are increasingly included in contracts. However, challenges remain, including varying levels of judicial

support and the need to involve more local practitioners in arbitration. The growth of established and reliable arbitral centers, such as the Kigali International Arbitration Centre, and the increasing number of Sub-Saharan African countries signing the New York Convention indicate a positive future for arbitration in the region.

Encouraging Ghanaian investment through Arbitration According to Robert Li from *African Law & Business*, a panel discussion in London highlighted the opportunities for commerce and disputes in Ghana's business environment, emphasizing the importance of collaboration and respect for optimal results. The event, hosted by the Chartered Institute of Arbitrators (CIArb) and law firm Mayer Brown, aimed to promote arbitration as a way to encourage investment in Ghana. Panelists discussed Ghana's advantages as a business destination, including its central location, natural resources, and independent judicial system. They also addressed the potential for disputes in sectors such as finance and tax mobilization, and emphasized the need for collaboration between lawyers to ensure stability and reliability in dispute resolution.

Experts charge West Africa to explore regional market According to Bankole Orimisan from *The Guardian*, stakeholders at the West African Insurance Companies Association (WAICA) 50th Anniversary and Conference in Lagos have called on insurance regulators in the region to advocate for the passage and implementation of regulations that would increase market penetration. They believe that this would create an enabling environment for insurers to engage the public in using insurance for disaster and risk mitigation. The stakeholders also emphasized the need for local and foreign investors to adapt their operational models to suit the socio-cultural and economic conditions of the new market. Additionally, they encouraged regulatory synergies and transnational operations to drive employment, wealth creation, market competitiveness, and business growth in the insurance sector across West Africa.

Persistent foreign interference destabilizes Africa

Moise M. Bahati from *The New Times* writes that during the 10th National Security Symposium in Kigali, officials emphasized that foreign interference remains a persistent destabilizing factor in Africa, hindering the continent's

development. The symposium, attended by defense chiefs, policymakers, diplomats, and academics, aimed to address security challenges in Africa and explore practical solutions. The African Union Commission Chairperson, Moussa Faki Mahamat, highlighted the involvement of foreign actors in conflicts on the continent, making them more complex to resolve. African leaders called for intra-African solidarity, the strengthening of regional bodies and the African Union, and the need to define and implement policies that safeguard sovereignty and minimize foreign interference.

Rwanda and Uganda set to deepen energy ties

According to Michel Nkurunziza from *The New Times*, Rwanda and Uganda are preparing to start power trading between the two countries, according to the Rwanda Energy Development Corporation Limited (EDCL). The necessary infrastructure for power trading, including the Shango Substation and the Mirama-Shango 220kV Transmission Line, has been completed. The interconnection projects will enable power exchange and trading, providing access to cheaper sources of electricity. The Shango Substation is also designed to interconnect the electric grids of Rwanda, Uganda, the Democratic Republic of Congo, and Tanzania. The power interconnection program aims to interconnect the electric grids of several countries in the Nile Equatorial Lakes region. Rwanda plans to have 44 substations by 2024 and generate 556 MW to meet the growing demand for electricity. The power trading initiative is supported by development partners, including the African Development Bank, the German government, and the government of the Netherlands.

Boosting female entrepreneurship North Africa hinges on enhanced use of digital technologies and access to finance

The Economic Commission for Africa writes: the webinar on "Female entrepreneurship in North Africa: the role of finance and digital skills" highlighted the importance of digital technologies and access to finance in boosting female entrepreneurship in the region. The webinar emphasized the need for a multi-pronged approach involving policymakers, financial institutions, and development partners to address the constraints faced by women entrepreneurs. It was noted that promoting family firms and creating an enabling environment through regulatory changes and social interventions are

key to increasing female labor force participation and mitigating emerging demographic trends. Access to finance, digital and financial education, and tailored ICT training for women were identified as crucial factors in supporting female entrepreneurship in North Africa.

EVENTS- 05.18.2023

"**African STEAM Center of Excellence (ASTEAM CoE)**." Economic Commission for Africa. *Kigali, Rwanda*. 31 May - June 1, 2023.

"**Africa CEO Forum Annual Summit.**" Invest Africa. *Abidjan, Côte d'Ivoire*. 5-6 June, 2023.

"**Global Conference on The Future of Resource Taxation**." International Institute for Sustainable Development. *Lusaka, Zambia*. 26 June, 2023.

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