News: 6.21.2024

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June 21, 2024

Senegal's Economic Transformation: The Promise of Oil Production

Ndea Yoka, writing for *AfricaNews*, reports that Senegal has joined oil-producing nations with the first extraction from Sangomar field and aiming for 100,000 barrels daily. The $5 billion project, dominated by Australia's Woodside, promises substantial financial benefits, potentially $1 billion annually for Senegal over three decades. While there are concerns over the exploitation contracts and the balance of profits, local refining expansion is urged to reduce energy costs. President Bassirou Faye and Prime Minister Ousmane Sonko stress transparency and fair terms, indicating a significant economic shift for Senegal with promising growth prospects.

G7 Summit Focuses on Africa: Launching the Partnership for Global Infrastructure and Investment

According to *AfricaNews*, the G7 summit in Italy focused on investments and infrastructure projects in Africa, with the Partnership for Global Infrastructure and Investment (PGI) program taking center stage. Projects include a rail corridor connecting southern and central Africa and telecommunication

infrastructure, intended as an alternative to China's development efforts. The initiative, involving Canada, Germany, the EU, and private companies like ENI and Microsoft, aims to offer sustainable and financially beneficial solutions for local economies.

World Bank Approves $2.25 Billion Loan to Support Nigeria's Economic Reforms Amid Crisis

AfricaNews reports that the World Bank approved a $2.25 billion loan for Nigeria to support economic reforms and address the country's severe cost-of-living crisis. Most of the loan ($1.5 billion) aims to protect millions from increasing poverty, while $750 million will support tax reforms and safeguard oil revenues. Despite surging inflation and public protests against economic hardships, the World Bank emphasized the importance of maintaining reform momentum to stabilize Nigeria's economy and reduce poverty.

IMF Support Bolsters Guinea's Efforts Against Economic Shocks and Food Insecurity

Pilar Garcia Martinez, Joseph Ntamatungiro, and Neree Noumon, writing for *All Africa*, report that IMF emergency financing has supported Guinea's efforts to cope with economic shocks, including rising food and fertilizer prices due to the Ukraine war and a devastating fuel depot explosion in Conakry. Guinea received $71 million from the IMF's Rapid Credit Facility to address food insecurity, providing relief through food distribution, fertilizer purchases, and cash transfers. The funding helped vulnerable populations and supported agricultural productivity by subsidizing fertilizers and purchasing farming equipment. The IMF highlights the importance of transparent implementation and targeted programs to sustainably address food insecurity and support Guinea's long-term economic growth.

African Diamond Producers Ramp Up Amid G7 Sanctions on Russia

All Africa reports that diamond-rich African nations are increasing production to fill the gap left by the G7's sanctions on Russian diamonds, imposed in response to Russia's invasion of Ukraine. While Botswana benefits by becoming the leading producer, African diamond producers feel excluded from the decision-making process and criticize the requirement to send diamonds to

Antwerp for certification, disrupting their supply chain. Despite adhering to the Kimberley process, African producers express concerns over the sanctions' impact and stress their readiness to play a more significant role in the global diamond industry. Russia's involvement in Angola's diamond sector adds further complexity amid these geopolitical shifts.

Ukraine-Kenya Partnership Aims to Establish Grain Hubs Amid Global Food Supply Concerns

Gerald Andae, writing for *All Africa,* states that the Ukraine has proposed Kenya as a strategic partner to establish grain hubs at African ports, aiming to stabilize regional food supplies. Kenya, heavily reliant on Ukrainian wheat, has faced shipping disruptions due to the Ukraine-Russia conflict. The proposal, discussed between Presidents Zelenskyy and Ruto during UN-led peace talks, could see Kenya hosting Ukrainian grain hubs at multiple ports to ensure adequate stocks and mitigate logistical challenges and price fluctuations caused by supply chain disruptions and currency volatility.

Mozambique and IMF Reach Agreement on Economic Policies Amid Growth Projections

According to *All Africa*, the Mozambican government and the IMF have agreed on economic policies, unlocking $59.8 million following the fourth evaluation of Mozambique's Extended Credit Facility arrangement. The IMF expects Mozambique's economic growth to reach 4.3% in 2024, with non-mining GDP projected to accelerate from 2.2% in 2023 to 3.5% in 2024. Discussions focused on fiscal consolidation, inflation control, and institutional reforms to enhance governance and transparency, crucial for reducing debt vulnerabilities and promoting sustainable economic development.

Uganda's Energy Minister Promotes Responsible Oil Sector Growth

Alan Mwesigwa, writing for *All Africa*, reports that Uganda's Minister of Energy, Ruth Nankabirwa, assured the public that the oil and gas sector will adhere to environmental guidelines while maximizing economic benefits. Speaking at an event in Kakumiro, she emphasized the sector's potential to lower electricity costs through local investment, urging national support despite challenges like land compensation delays. The Petroleum Authority of Uganda ensures oil

companies comply with regulations, including environmental stewardship and community tree planting initiatives, amidst ongoing efforts to resolve compensation disputes with absentee landlords.

IFC Funds Nigerian Cocoa Processor for Environmental and Social Improvements

African Law & Business reporter Robert Li writes that the International Finance Corporation (IFC), a World Bank subsidiary, has approved a $23 million financing facility for Nigerian cocoa processor Johnvents Industries to enhance its environmental sustainability and promote gender inclusivity in its operations and supply chain. This funding, facilitated through partnerships with the World Bank's International Development Association and the Global Agriculture and Food Security Program, aims to support Johnvents' shift to efficient, natural gas-powered facilities from diesel generators and wood boilers. The financing is part of IFC's broader efforts to strengthen Nigeria's cocoa sector and stimulate economic growth through agribusiness development.

Liberia Joins Egmont Group to Strengthen Anti-Money Laundering Efforts

Natasha Doris from *African Law and Business* reports that Liberia has joined the Egmont Group of Financial Intelligence Units, marking a significant step in its efforts to combat money laundering and terrorist financing. This international network facilitates collaboration among its 177 member nations' Financial Intelligence Units (FIUs), allowing Liberia's newly established Financial Intelligence Agency to share information and resources globally. The move is part of Liberia's broader strategy to strengthen its anti-money laundering and counter-terrorism financing frameworks, following the enactment of the Financial Intelligence Agency Act in 2021 and aligning with its national strategy for 2022-2025.

Microsoft: AI for Youth Empowerment in Africa

Adeyemi Adepetun, writing for The Guardian, reports that Microsoft has urged African governments to leverage AI for youth empowerment and economic growth. The company highlighted Africa's potential to influence the future of work as large language learning models evolve. With nearly one billion young

people in Africa, Microsoft emphasized the need for generative AI to create job opportunities, drive innovation, and boost economic stability. The whitepaper stressed the importance of equipping youth with AI-related skills, promoting inclusive and culturally sensitive AI design, and ensuring proactive governance and ethical standards to maximize the benefits of AI for the continent.

Africa's Oil Demand Set to Surge, Requires $14 Trillion Investment by 2045

The Guardian's Waliat Musa reports that Africa's oil demand is projected to rise by 11.5% to 4.9 mbpd next year and expand by 86.4% by 2045, driven by investments in refining facilities. Global oil demand will grow to 106.1 mbpd next year and reach 116 mbpd by 2045, requiring $14 trillion in investments to meet energy needs. OPEC highlights significant demand growth in non-OECD countries, with Africa, India, China, and the Middle East leading the increase. Nigeria aims to boost production to 2.6 mbpd by 2026, but challenges like crude oil theft, aging infrastructure, and OPEC production caps pose risks.

Ghana Stock Exchange Targets Nigerian Pension Funds to Boost Real Sector Investment

Helen Oji from *The Guardian* reports that the Ghana Stock Exchange (GSE) is targeting Nigerian pension funds, valued at over $25 billion, to attract investment into Ghana's real sector. GSE Managing Director Abena Amoah highlighted the significant progress made, noting that pension funds in equities have risen from less than 2% to almost 10% in two years. Amoah emphasized the importance of patient capital for real sector investment and mentioned ongoing efforts to attract both African and global investors, supported by recent positive developments in Ghana's financial agreements and investor confidence.

Rwanda Sees Significant Growth in Access to Formal Financial Services, but Challenges Remain

Writing for *The New Times*, Julius Bizimungu reports that the number of Rwandans with access to formal financial services rose by over 38.8% to 7.5 million between 2020 and 2024, reaching 92% of the population. This growth was primarily driven by mobile money, insurance, and pension services.

Despite these advances, only 22% of Rwandans have bank accounts, with a higher likelihood of banking in urban areas compared to rural ones. The overall access to any financial products or services increased to 96%, with digital financial services usage surging from 30% to 73% over the same period.

Advancing Regional Integration and Sustainable Development: Highlights from the West Africa IGOs Forum in Abidjan

According to the ECA, the Government of Côte d'Ivoire, in collaboration with the United Nations Economic Commission for Africa (UNECA), hosted the annual Regional Forum of Intergovernmental Organizations (IGOs) of West Africa in Abidjan from June 10-11, 2024. The forum aimed to enhance cooperation among UN entities, West African IGOs, and national stakeholders to accelerate regional integration and sustainable development in the face of multiple challenges. Key speakers emphasized the critical role of regional integration in achieving sustainable development goals and addressing the socioeconomic needs of African populations, stressing the urgency of concerted efforts across sectors such as water management, energy access, data generation, and macroeconomic stability.

Somalia's Integration into the EAC: Key Developments and Commitments

The East African Community reports that Somalia has reaffirmed its commitment to joining the East African Community (EAC) during a pivotal meeting in Nairobi, Kenya, aimed at outlining a comprehensive roadmap for integration. The EAC Secretary General highlighted the significance of Somalia's accession in March 2024 and emphasized the roadmap's role in aligning national processes with regional frameworks. The roadmap will focus on harmonizing legal frameworks and enhancing participation in EAC programs, with Somalia set to benefit from regional infrastructure projects aimed at boosting connectivity and trade. Somalia's dedication to fostering unity and prosperity in East Africa was echoed by its Presidential Special Envoy to the EAC, emphasizing collaboration for mutual development and peace across the region.

Events – 06/21/2024

“**Medicines Regulatory Hamonization (EAC-MRH) Partners Meeting**.” East African Community. *Virtual.* 25 June 2024.

“**Q&A Forum: High-Level Political Forum on Sustainable Development (HLPF)**.” International Institute for Sustainable Development. *Virtual*. 2 July 2024.

“**London Summer Drinks**.” Invest Africa. *London, England*. 10 July 2024.

View online: News: 6.21.2024

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