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Libya to Resume Oil Exploration Bidding

After 17-Year Hiatus *Africa News* reports that after nearly 17 years, Libya is set to reopen bidding for oil exploration. As a major oil producer and member of OPEC, Libya's move could significantly impact the global oil market. However, foreign investors remain hesitant due to ongoing political instability and frequent oilfield disruptions from armed conflicts, which recently cut oil production by over half. This bidding round presents a critical opportunity for Libya to boost its oil output through new explorations.

US-China Trade Tensions and Their Impact on China-Africa Relations

All Africa reports that President Donald Trump has reinforced US policies that are antagonistic towards China, including imposing a 20% tariff on all Chinese imports and restricting technology under the America First Investment Policy. In response, China has adopted a range of countermeasures, such as imposing tariffs on US products, investing heavily in domestic technology sectors, and diversifying its trade partners. Notably, the retaliation includes significant tariffs on US agricultural and manufactured products. Amid these tensions, China has

increasingly turned towards Africa, enhancing trade relations and establishing initiatives such as the China-Africa Economic and Trade Cooperation zone in Hunan. These moves are seen as strategic diversification in response to US policies, potentially benefiting African nations economically by providing new market opportunities and increased Chinese investment.

Nigeria Aims for $2.5 Billion Annual Trade with Morocco

The Speaker of the House of Representatives of Nigeria, Abbas Tajudeen, highlighted potential earnings of approximately $2.5 billion annually from enhanced trade relations with Morocco, reports *All Africa*. This statement was made during a stakeholder meeting on Nigeria-Morocco trade relations, where Tajudeen stressed the importance of legislative changes to foster trade under the African Continental Free Trade Area (AfCFTA) and other bilateral agreements. The meeting focused on eliminating trade barriers and leveraging sectors beyond oil, like agriculture and telecommunications, to diversify Nigeria's economy. The initiative also aims to establish a direct shipping link and improve financial cooperation between the two nations, aligning with government strategies to maximize bilateral trade benefits.

Addressing South Africa's Trade Imbalance with China

According to *All Africa,* South Africa's trade with China has skyrocketed from $1.34 billion in 2000 to $34.18 billion in 2023, but the relationship is marred by a significant trade deficit that heavily favors China. South Africa exports mainly raw materials to China while importing manufactured goods, leading to a trade imbalance of $9.71 billion by 2023. Despite the growing trade volumes facilitated by frameworks like FOCAC and BRICS, South Africa has been slow to address this disparity, only raising concerns at the 2024 FOCAC meeting. The country's export pattern, dominated by mineral products without significant value addition, alongside heavy imports of manufactured goods, suggests a structural challenge in trade relations. Efforts to diversify exports, enhance mineral beneficiation, and protect local industries could help balance this dynamic and promote economic growth within South Africa.

African Union Establishes Africa Food Safety Agency

In a landmark decision during the 38th Ordinary Session in Addis Ababa, the African Union has adopted the statute for the establishment of the Africa Food Safety Agency, reports *All Africa*. This new agency, a Specialized Technical Institution of the AU, aims to harmonize food safety standards across the continent, coordinate policies, and improve food safety governance. This initiative addresses the severe impact of foodborne illnesses in Africa, which afflict 91 million people and cause 137,000 deaths annually. The agency will support the African Continental Free Trade Area by facilitating trade in safe food products, thus boosting intra-African trade and enhancing consumer confidence in African food products. The Africa Food Safety Agency will also focus on building a continental food safety data hub and rapid alert system to manage food safety risks efficiently.

COSATU Raises Alarm Over Metrorail Contract Corruption

According to *All Africa*, the Congress of South African Trade Unions (COSATU) has expressed serious concerns regarding the rehabilitation of Metrorail, following reports of $145.8 million paid illicitly to non-existent companies by the Passenger Rail Agency of South Africa (PRASA). Investigations by the Hawks have revealed that payments were made to Maziya General Services instead of the intended companies, Crig Maziya and Macre, due to the latter's lack of bank accounts and tax certificates. These companies, allegedly under the same ownership, are linked to a crucial $972 million signaling contract for Metrorail. COSATU criticizes PRASA's handling of the contract, highlighting the risks posed to passengers, particularly those from economically disadvantaged backgrounds who rely heavily on train services. The union demands thorough investigations and accountability for those involved in this corruption.

Nigeria Secures Over $50 Billion in International Investments

All Africa reports that Nigeria's Minister of Industry, Trade, and Investment, Dr. Jumoke Oduwole, announced that President Bola Ahmed Tinubu's international trips have garnered over $50 billion in investment commitments. These investments are projected to yield returns of $50-$80 billion by 2030, potentially increasing Nigeria's GDP by up to 30%. Dr. Oduwole highlighted the expected GDP per capita growth of 11.7%, an overall GDP rise of 15-17%, and a 15% increase in exports, totaling around $79 billion. The investments are

anticipated to create at least 11 million jobs, with significant commitments, including a $2.5 billion pledge from Brazil's largest meat exporters. The ministry is focusing on converting these pledges into tangible investments, enhancing digital trade, and improving market access for Nigerian exporters, especially in agriculture, to boost non-oil exports under initiatives like the African Continental Free Trade Area (AfCFTA).

Nigeria and UK Boost Trade Through Quality Standards Initiative

According to *All Africa*, Nigeria and the United Kingdom are reinforcing their trade and economic relations through the second phase of the Standards Partnership Programme (SPP Phase II), backed by the UK's Foreign, Commonwealth & Development Office. This initiative aims to remove technical trade barriers, enhance regulatory compliance, and increase export competitiveness. Implemented by the British Standards Institution in collaboration with Nigeria's National Quality Council, SPP Phase II focuses on enhancing standardization, accreditation, and metrology services, aligning with global standards to elevate the UK and Nigeria's export capacities. Recent workshops in Lagos and Abuja have engaged stakeholders in enhancing quality compliance and metrology services, crucial for ensuring the accurate measurement and certification of goods. This collaboration underscores both countries' commitment to boosting non-oil exports, creating jobs, and fostering economic growth through improved quality infrastructure.

Ethiopia and Djibouti Strengthen Economic Ties

All Africa reports that Ethiopia and Djibouti have committed to enhancing their economic and trade cooperation. In a recent meeting, Ethiopian Ambassador to Djibouti, Berhanu Tsegaye, discussed with Isman Ibrahim Robleh, Djibouti's Minister of Budget, ways to improve the business environment for Ethiopian companies in Djibouti. Key issues included the operations of Ethiopian Airlines and the National Oil Company, which are pivotal in connecting and energizing both nations. The discussions aimed at resolving specific challenges and fostering a collaborative relationship to benefit enterprises in both countries. This meeting is part of ongoing efforts to strengthen bilateral relations and promote economic growth in the region.

South Africa and Chile Enhance Trade and Industry Cooperation

According to *All Africa*, South Africa and Chile have signed a cooperation agreement focusing on trade and industry promotion, decarbonization, and critical minerals development. The agreement was sealed during the 8th Joint Trade and Investment Commission meeting in Pretoria. This partnership aims to strengthen bilateral trade and investment, particularly in micro, small, and medium enterprises (MSMEs) and women-led enterprises, as well as enhance value chains. Both countries will work on the beneficiation of critical minerals to elevate their positions in global value chains, including initiatives in fuel cell and battery manufacturing. Additionally, the agreement outlines potential benefits for Chilean companies in South Africa, providing them access to various markets through South Africa's trade connections, including the Africa Continental Free Trade Area. This collaboration is expected to promote inclusive trade and provide a framework for knowledge exchange and support for startups and small businesses.

U.S. Tariffs and Currency Challenges Strain Nigeria's Auto Market

David Tope, a longtime automotive importer in Nigeria, has seen his business suffer due to surging import costs, driven by currency depreciation and increased duties reports *All Africa.* The situation has worsened with the U.S. announcing a 25% tariff on vehicle imports starting in April 2025. This policy, while aimed at vehicles entering the U.S., could significantly impact Nigeria's auto market, which heavily relies on American used car exports. The price of vehicles in Nigeria has already increased nearly 400% over the past two years, making car ownership increasingly unaffordable. The U.S. tariff could further decrease the availability of used cars for export to Nigeria, exacerbating the situation. Local production remains limited, prompting calls for increased manufacturing and infrastructure support to mitigate dependency on imports.

The Impact of Trump's Government Reduction Policies

Sidney Shapiro and Joseph P. Tomain, writing for *The Conversation*, opine that Donald Trump has directed significant reductions in the size and scope of the federal government, resulting in a series of executive orders that have led to cuts in funding for scientific and medical research, a freeze on federal grants and loans, and deregulations impacting various sectors. This initiative has prompted over 70 lawsuits challenging the legality of these orders and caused

disruptions in critical services, including those related to public health and safety. The book "How Government Built America" argues that the government's role has been fundamental in shaping economic and social stability. It outlines the historical benefits of government regulation and funding, from enhancing public safety to stabilizing the economy during crises. The text highlights the risks of unregulated market forces and advocates for a balanced approach to governance and market operations to address current economic challenges and inequalities effectively.

Angola Set to Join SADC Free Trade Area

According to *African Law & Business*, Angola is poised to become the 14th member of the Southern African Development Community (SADC) Free Trade Area (FTA), a significant move announced last week that aims to enhance economic integration and opportunity within the region. This development was confirmed during a trade negotiating forum aimed at finalizing Angola's accession, marking a major milestone in SADC's history. Set for formal validation and implementation by mid-2025, Angola's membership is expected to reduce trade tariffs and remove non-tariff barriers, benefiting both Angola and other SADC member states through improved market access. This accession aligns with the SADC Treaty's goals of poverty alleviation and improving living standards by fostering economic growth, attracting investments, and creating job opportunities across the member states.

Events – 03/07/2025

"National Consultations for Drafting the Constitution for EAC Political Federation in the Republic of South Sudan." East African Community. *Juba, South Sudan.* 9-21 March 2025.

"Africa's Sustainability Imperative: Balancing Climate, Development, and Investment." Invest Africa. *Johannesburg, South Africa*. 19 March 2025.

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