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IMF approves $3.5 billion aid package for Ivory Coast

According to *AfricaNews,* the International Monetary Fund (IMF) has approved a $3.5 billion aid package for Ivory Coast to support the implementation of the country's national development plan and maintain macroeconomic stability. The Ivorian economy has faced challenges from global shocks and imbalances caused by increased security spending, trade imbalances, and robust domestic demand. Despite these challenges, Ivory Coast has seen positive economic growth, with GDP expected to grow by 6.5% in 2023, and the government has launched investment programs in the cocoa sector and aims to improve agricultural production for increased exports to other African markets.

South Africa enters the luxury olive oil market

AfricaNews shares that South Africa's farmers are venturing into the olive oil industry, aiming to claim a share of the lucrative market traditionally dominated by Greece, Italy, and Spain. The country's Mediterranean-like climate and quality olives have gained recognition, and South African olive oil producers have seen an increase in demand, both locally and internationally.

While South Africa's olive oil production is still relatively small compared to global output, it is making strides in the luxury oil industry and has the potential for further growth. As traditional producers face challenges from climate-related issues and rising prices, South Africa could position itself as a competitive player in the olive oil market.

Africa's largest oil refinery commissioned in Lagos, Nigeria

According to *AfricaNews*, Nigeria's President Muhammadu Buhari has inaugurated Africa's largest oil refinery, built by Aliko Dangote in Lagos. The refinery is set to begin operations in June and, once at full capacity, will process 650,000 barrels of oil per day. It aims to meet Nigeria's domestic demand while also serving global markets, potentially reducing the country's dependence on fuel imports and costly subsidies. The refinery is expected to create over 100,000 jobs and improve transparency in the oil sector, though analysts have varying expectations regarding its full operational capability and timeline.

UK Supreme Court rejected Nigerian oil spill claim

According to Andrew Mizner at *African Law and Business*, the UK Supreme Court has ruled in favor of Shell, stating that the company cannot be held responsible for ongoing environmental damage caused by a 2011 oil spill in Nigeria due to the expiration of the statute of limitations. The claim, brought by two Nigerian landowners, alleged that their land continued to be affected by the spill that leaked over 40,000 barrels of crude oil into the ocean. However, the court concluded that the spill was a one-time event and not a continuing nuisance, thereby rejecting the claim. The ruling has been criticized for limiting the ability of affected communities to seek justice in environmental cases.

Asafo & Co promotes Paris projects duo

Natasha Doris at *African Law and Business* shares that Asafo & Co, an Africa-focused law firm, has announced the promotion of two lawyers in its Paris office, Charlène Ntsiba and Gabin Gabas, to the position of counsel. Both lawyers specialize in renewable energy projects and natural resources. Ntsiba's expertise lies in transactions and project finance across energy and infrastructure, with a focus on Sub-Saharan Africa. Gabas specializes in the commercial and regulatory aspects of mining, energy, and hydrocarbon

projects, particularly in OHADA member states in Sub-Saharan Africa. These promotions follow the recent hiring of a new partner, Jean-Rémi Le Roy, and the firm's involvement in various significant transactions, including investments in the pharmaceutical and car leasing sectors.

Nigerian and African economies to grow at 4.1%

Despite multiple shocks, African economies, including Nigeria, have shown resilience, with projected average growth stabilizing at 4.1% in 2023 and 2024. The growth slowdown in 2022 was attributed to global financial conditions tightening, supply chain disruptions, the residual effects of the COVID-19 pandemic, and the growing impact of climate change. However, Africa outperformed most world regions, and five of the pre-pandemic top-performing economies are expected to be among the world's ten fastest-growing economies in 2023-24. Challenges such as climate change, global inflation, and supply chain fragilities remain, but Africa's potential for green growth, abundant resources, and a young population position it as a frontier market for opportunities.

Nigeria not at fault for global debt financing models

During the annual general meeting of the African Development Bank (AfDB) in Egypt, African leaders criticized the global financing architecture for pushing many African countries into a debt trap. They called for a review of the system to address the challenges faced by developing nations more effectively. The president of the AfDB, Akinwumi Adesina, highlighted the failure of the current architecture to support Africa in achieving the Sustainable Development Goals (SDGs) and addressing issues such as climate change and the COVID-19 pandemic. He stressed the need for increased financial resources and enhanced transparency and coordination in debt resolution to tackle the debt crisis in Africa.

African Ambassadors call for accelerated implementation of the AfCFTA and the Single African Air Transport Market

According to *The Economic Commission for Africa*, the African Institute for Economic Development and Planning (IDEP) organized a high-level round table in Senegal on the African Continental Free Trade Area (AfCFTA) and the Single

African Air Transport Market (SAATM). The event, held in celebration of Africa Day and the 60th anniversary of the Organization of African Unity (now the African Union), aimed to accelerate the implementation of the AfCFTA and foster closer coordination between the United Nations, the African Union, and member states for sustainable trade policies. Participants emphasized the importance of removing barriers, promoting regional awareness, and involving the private sector and civil society to drive the implementation of both projects successfully.

The ECA's Country Business Index

Experts are urging Africa to accelerate the implementation of the African Continental Free Trade Area (AfCFTA) and create a favorable business environment to attract private sector participation. The AfCFTA, launched in 2019, aims to establish a single continental market and has the potential to boost trade in Africa. The AfCFTA Country Business Index (ACBI), developed by the Economic Commission for Africa (ECA) with support from the European Union, provides insights into the private sector's perception and identifies barriers to effective AfCFTA implementation. The ACBI findings highlight the importance of private sector involvement in driving inclusive and sustainable development in Africa and can contribute to enhancing intra-African trade by 25% by 2045.

African Ministers call for reforms of the IMF's Special Drawing Rights system According to *The Economic Commission for Africa*, African Ministers of Finance, Planning, and Economic Development have called for reforms to the International Monetary Fund's (IMF) Special Drawing Rights (SDR) system to provide more liquidity to developing countries and strengthen the global financial safety net. The ministers emphasized the need for a rule-based and analytical approach to SDR allocation decisions, ensuring they reach countries in need. They also advocated for the rechanneling of SDRs to Multilateral Development Banks, such as the African Development Bank, and proposed reforms to the SDR allocation formula to consider countries' liquidity needs. Additionally, an update on the Sustainable Debt Coalition initiative was provided, highlighting the collaboration between creditor and borrower nations on debt, development, and climate change.

Economists cut Kenya’s growth outlook

The Business Daily shares that Kenya's growth outlook for 2023 has marginally downgraded by global economists due to factors such as below-average rainfall, a weakening shilling, and the potential return of anti-government protests. The consensus growth forecast suggests a deceleration in economic activities for the second consecutive year, with a projected GDP growth rate of 4.5 percent, lower than the previous month's forecast of 4.7 percent. Downside risks include drought, a dollar shortage, social unrest, currency depreciation, and debt repayment difficulties, which could hinder the government's access to international capital markets.

Indian oil firms to buy Kenyan Tullow Oil stake

According to John Mutua from *The Business Daily*, Indian state-owned oil companies, Oil India and ONGC Videsh, are in talks to acquire an undisclosed stake in Tullow Oil's oil project in Turkana, Kenya. The deal would provide Tullow with much-needed capital for the project, which includes the development of a crude pipeline and processing facilities. This comes after Tullow's partners, Africa Oil and Total, recently withdrew from the project citing concerns about its economic viability. Tullow has been seeking a strategic investor to unlock the project and has faced delays in tapping a partner and obtaining approval for the commercial plan.

Events- 05.25.2023

"The Dollar Liquidity Cycle & how it influences the economic tide in Africa." Invest Africa. *Virtual*. 1 June, 2023.

"**SuperReturn Emerging Markets**." Invest Africa. *London, England*. 19 June, 2023.

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

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