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Kenya's Inflation Eases to Four-Year Low in July Amid Mixed Economic Signals

In July, Kenya's inflation rate dropped to 4.3% year-on-year, down from 4.6% in June, reaching a four-year low, reports *Africa News*. This decline was supported by a strong shilling and slight reduction in household costs like electricity and fuel, contributing to lower transport costs and a modest decrease in food prices. However, some household expenses, such as cooking oil and gas, have seen sharp increases, keeping financial pressure on consumers. The recent inflation relief comes amid a backdrop of economic challenges and public discontent over living costs, which led to protests in June and forced President William Ruto to reconsider a proposed finance bill. The lower inflation rate may prompt the Central Bank to consider a rate cut at its upcoming meeting.

China-Africa Green Development, Zimbabwe's Cannabis Shift, and DRC's Entrepreneurial Boost

Africa News reports that China-Africa relations are expanding into green development, with key discussions expected at the September FOCAC summit,

which could further strengthen economic ties. Despite slower growth forecasts, China's economic expansion is anticipated to benefit African partners. In Zimbabwe, a shift from tobacco to medicinal cannabis aims to capitalize on the growing global market, leveraging the country's suitable climate and agricultural expertise. Meanwhile, in South Kivu, DRC, new tax breaks and subsidies are providing relief to young entrepreneurs, fostering optimism for economic growth and a new generation of wealthy business owners.

World Bank Approves $1.5 Billion Budget Support for Ethiopia Amid Economic Reforms

According to *Africa News,* the World Bank has approved $1.5 billion in financing for Ethiopia, marking the first time the institution has offered direct budget support to the country. This includes a $1 billion grant and a $500 million low-interest credit line. The decision aligns with Ethiopia's efforts to restructure its debt and follows the country's move to float its birr currency. The financial support is part of a broader $10.7 billion package from the IMF, World Bank, and other lenders, contingent on Ethiopia implementing key economic reforms, such as liberalizing the foreign currency market.

Ethiopia's $4.9 Billion Debt Restructuring and Economic Reforms Amid Currency Liberalization

Africa News reports that Ethiopia's State Finance Minister, Eyob Tekalign, announced that the country expects creditors to agree on restructuring $4.9 billion of debt, as Ethiopia works to put its debt overhaul back on track with a new $3.4 billion IMF financing program. This follows Ethiopia's recent move to float its currency, the birr, a key IMF recommendation. The government's total external debt was over $28 billion as of March, with the majority held by public creditors. Prime Minister Abiy Ahmed has defended the currency liberalization and other macroeconomic reforms, despite concerns about potential inflationary impacts, particularly on low-income households. The reforms are aimed at boosting the private sector's contribution to the economy and fostering long-term growth.

Ethiopia Floats Birr, Drops 30% Against Dollar Amid Major Economic Reforms

According to *Africa News*, Ethiopia's birr dropped by 30% against the dollar after the central bank floated the currency, a move aimed at securing IMF support and facilitating debt restructuring. The country has struggled with high inflation, foreign currency shortages, and a default on government debt last year. Following a peace deal in Tigray in 2022, negotiations with the IMF resumed, and the central bank has now allowed banks to trade foreign currencies freely. The reforms, announced by Prime Minister Abiy Ahmed, are part of a plan to receive $10.7 billion in external financing from international creditors. The U.S. has supported the shift to a market-determined exchange rate as a necessary step for economic stabilization.

Malaysia Seeks BRICS Membership, Highlighting Commitment to International Collaboration

Malaysia has applied to join the BRICS group, as announced by Prime Minister Anwar Ibrahim during a meeting with Russian Foreign Minister Sergey Lavrov, reports *Africa News.* The potential membership highlights Malaysia's commitment to international collaboration and aims to strengthen ties in areas such as investment, trade, and technology. Russia, which is currently chairing BRICS, has expressed support for Malaysia's application. BRICS, founded in 2006 and recently expanded to include additional countries, now represents about 45% of the global population and 28% of the world economy.

French Nuclear Fuel Specialist Reports $143 Million Loss Amid Challenges in Niger

According to *Africa News,* the French nuclear fuel specialist reported a loss of approximately $143 million for the first half of the year, a sharp decline from the $126 million profit in the first quarter of 2023. The company is facing significant challenges, including losing control of Niger's Imouraren mine, the largest uranium mine globally, and struggling to export uranium from its Arlit operations due to an export ban by Niger's military government. Consequently, the company has had to sell its uranium production, which was initially intended to fund the closure of its site.

Egypt's Energy Minister Discusses Renewable Energy and Smart Grid Development with EBRD

Electricity and Renewable Energy Minister Mahmoud Esmat met with a delegation from the European Bank for Reconstruction and Development (EBRD) to discuss Egypt's energy mix strategy, including increased reliance on renewable energy and improvements to the power grid reports All Africa. The talks focused on maximizing returns from natural resources, developing a unified network, and upgrading distribution control centers. Esmat highlighted the successful collaboration with EBRD and emphasized the importance of transforming the traditional grid into a smart grid. He also expressed a commitment to optimizing natural resources and partnering with the private sector to diversify the energy mix and achieve energy security.

Ethiopia Boosts Manufacturing with 10-Year Import Substitution Strategy and Reforms

According to *All Africa,* Ethiopia is advancing its manufacturing sector through a 10-year import substitution strategy and domestic initiatives aimed at reducing reliance on imports. Recent macroeconomic reforms are expected to significantly boost the growth of import-substituting industries and enhance market share opportunities. Despite challenges, such as the sector's low contribution to GDP, Ethiopia is attracting investments and has seen the resumption of operations in around 481 industries, particularly in Amhara and Tigray. The government is focused on increasing the manufacturing sector's import substitution capacity from 40% to 60%, creating over 72,000 jobs, and fostering a competitive environment through legal frameworks and infrastructure improvements. The reforms are anticipated to stimulate economic transformation and enhance Ethiopia's position in the global market.

Rwanda Needs $3.4 Billion Annually for Structural Transformation, AfDB Report Finds

Writing for *All Africa,* Alice Kagina reports that Rwanda requires at least $3.4 billion annually to achieve significant structural transformation and transition to a knowledge-based economy, according to a recent African Development Bank (AfDB) report. The report, launched on July 31, highlights that while Rwanda is making progress, it remains in the early stages of this transformation, with labor shifting to low-productivity service sectors rather than enhancing overall productivity. Key areas for improvement include investing in human capital,

research, innovation, and reducing infrastructure costs. The report also emphasizes the need for reforms in the global financial architecture to better support developing countries like Rwanda in accessing necessary financing.

SADC Summit: Zimbabwe's Strategic Economic and Diplomatic Opportunity

Innocent Mujeri, reporting for *All Africa,* writes that hosting the SADC Summit in Zimbabwe this August offers the country significant economic, diplomatic, and developmental benefits. The event is expected to provide an immediate economic boost through increased local spending and tourism, while also enhancing Zimbabwe's global profile. The summit will strengthen Zimbabwe's diplomatic role in Southern Africa, improve infrastructure, and create opportunities for international investment and development. Additionally, the event provides a platform for skills development and knowledge transfer, furthering Zimbabwe's capacity to host future international gatherings. Overall, the SADC Summit represents a strategic opportunity for Zimbabwe to drive long-term economic growth and regional collaboration.

Zimbabwe-UK Trade Surges 67% with New Horticultural Export Initiative

Tinei Tuhwe of *All Africa* reports that trade between Zimbabwe and the UK saw a 67% increase from 2022 to 2023, reaching over $800 million. This growth follows years of strained relations, with a focus on economic diplomacy and re-engagement. At a recent event, British Embassy development director Joanne Abbot announced a new UK Trade Partnerships Programme project to boost Zimbabwean horticultural exports to the UK and EU. The initiative aims to enhance agricultural production and export capabilities, particularly for smallholder farmers, thereby further strengthening economic ties between the two nations.

Mnangagwa Urges Zanu PF Unity and Adherence to Party Constitution

All Africa reports that President Emmerson Mnangagwa has called on Zanu PF members to uphold party unity, drive economic growth, and adhere strictly to the party's Constitution. Speaking at the 377th Ordinary Session of the Politburo, Mnangagwa emphasized the importance of principles like honesty

and integrity among party leaders and members. He also reiterated that he will not seek a third term, in line with the party's constitutional term limits, and highlighted recent successes such as the $200 million investment in irrigation infrastructure. Mnangagwa urged for continued focus on development and climate resilience, particularly addressing challenges in the agriculture sector due to drought.

Trident Energy to Acquire Chevron's Congo Assets, Expanding West African Presence

Robert Li, writing for *African Law and Business,* reports that Trident Energy, headquartered in London, is acquiring Chevron's hydrocarbon assets in the Republic of Congo, marking its first venture into the West African country. The deal involves purchasing Chevron Overseas (Congo), which holds significant interests in several offshore oil fields. Trident Energy plans to increase its stake in the Nkossa and Nsoko II fields to 85% and will become the operator of these assets. The transaction, expected to close by the end of the year, will enhance Trident's presence in Africa and aligns with its strategy to manage high-quality hydrocarbon assets efficiently.

Tanzania Settles Mining Dispute for $90 Million, Reducing Original $109.5 Million Award

Writing for *African Law and Business*, Robert Li reports that Tanzania has agreed to pay USD 90 million to settle a dispute with three mining companies over investment losses in the Ntaka Hill Project, a nickel mining operation. This settlement, down from the ICSID tribunal's award of USD 109.5 million, follows Tanzania's earlier breach of the UK-Tanzania bilateral investment treaty by canceling the claimants' retention licences without compensation. The payment will be made in three instalments by March 2025, with the first USD 35 million already received. Despite a reduced amount, the settlement is seen as a positive outcome given Tanzania's history of non-compliance with arbitration awards.

Equatorial Guinea Joins ICSID as 159th Member, Expanding African Representation

Natasha Doris of *African Law and Business* reports that Equatorial Guinea has joined the International Centre for Settlement of Investment Disputes (ICSID), becoming its 159th member as of July 24. The ICSID convention, effective in the country from August 23, provides a framework for resolving foreign investment disputes through arbitration, mediation, and other methods. As a new member, Equatorial Guinea will have representation on the ICSID administrative council, participating in procedural rule-making and arbitrator appointments. This addition highlights the growing trend of African nations joining ICSID, despite recent debates about the effectiveness and fairness of investor-state dispute settlement mechanisms.

Mozambique Secures Over $2 Billion in Damages in High-Profile Tuna Bonds Case

Dippy Singh of *African Law and Business* reports that the Republic of Mozambique won a significant legal victory in the "Tuna Bonds" case, with the High Court of England and Wales awarding the nation over $2 billion in damages and indemnities. The court found that Mozambique was exploited by Privinvest and its late chairman, Iskandar Safa, who were implicated in a bribery scandal involving corrupt officials and banks like Credit Suisse. The court's ruling criticized the defendants for prioritizing self-interest over Mozambique's welfare, leading to a judgment that held Privinvest accountable for the corruption. Mozambique’s legal team, supported by firms like Peters & Peters and White & Case, achieved this result despite challenges, including Privinvest’s criticism of the litigation process. The judgment represents a notable triumph for Mozambique in seeking justice for the Tuna Bonds scandal.

Bracewell Opens Paris Office with New Team to Boost Energy and Infrastructure Focus

According to *African Law and Business*, Bracewell has launched a new office in Paris, focusing on the energy and infrastructure sectors in France and Francophone Africa. The office will emphasize energy transition, renewable and conventional power, and oil and gas projects. An 11-lawyer team from Norton Rose Fulbright, including prominent figures Anne Lapierre, Arnaud Bélisaire, and Simon Cudennec, will lead the operation. The move aims to enhance Bracewell's capabilities in renewables and energy projects, bolstering its

presence across Europe, the Middle East, and Africa.

Africa's Food Sovereignty Challenge: Rising Import Costs and the Need for Resilient Systems

The New Times' Tesi Kaven writes that Africa faces a significant challenge in achieving food sovereignty despite its vast arable land and agricultural potential. The continent's annual food import bill is projected to rise from $35 billion to $110 billion by 2025, highlighting inefficiencies in its agricultural sector. Aggrey Agumya from the Forum for Agricultural Research in Africa emphasizes the need for resilient food systems to protect farmers from risks like drought, and stresses that political will, as seen in Zimbabwe's commitment to self-sufficiency, is crucial for progress. The Malabo Declaration's targets, which many African countries are struggling to meet, will be succeeded by a Post-Malabo agenda with more realistic goals. For meaningful change, Agumya suggests improving the business case for agriculture to attract private investment and increasing funding for agricultural research through public-private partnerships and farmer advocacy.

China and Rwanda Strengthen Military Ties During PLA Anniversary Celebration

China's Ambassador to Rwanda, Wang Xuekun, expressed China's readiness to enhance military cooperation with Rwanda during a celebration marking the 97th anniversary of the Chinese People's Liberation Army (PLA) in Kigali on July 31, reports *The New Times.* Xuekun highlighted the strengthening bilateral relations between the two countries and emphasized the potential for deeper military exchanges. Capt (Navy) Li Dayi, China's first Defence Attaché to Rwanda, affirmed the commitment to mutual respect and strategic trust between the PLA and Rwanda Defence Force (RDF). Maj Gen John Baptist Ngiruwonsanga of the RDF praised the shared values of liberation and justice that underpin the relationship.

ECOWAS Central Bank Governors Focus on Eco Currency at WAMA Meeting in Dakar

The West Africa Monetary Agency (WAMA) held its Forty-Fifth Joint Ordinary Meeting in Dakar, Senegal from July 26-29, 2024, followed by a crucial meeting

of Central Bank Governors from the Economic Community of West African States (ECOWAS). The Governors highlighted the importance of meeting the stringent criteria for the Eco currency and stressed the need for collaboration among ECOWAS institutions to adhere to the implementation timeline. Commissioner for Economic Affairs and Agriculture, Mrs. Massandje TOURE-LITSE, reiterated the ECOWAS Commission's commitment to regional integration and emphasized the role of WAMA's meeting in advancing the Eco currency project. The gathering underscored the region's dedication to economic integration and the creation of a unified currency for greater economic prosperity and cooperation.

SADC and ARIPO Sign MOU to Boost Regional IP Collaboration and Support Industrialization

At the 7th SADC Industrialization Week in Harare, the Southern African Development Community (SADC) and the African Regional Intellectual Property Organization (ARIPO) signed a Memorandum of Understanding (MOU) to enhance collaboration in intellectual property (IP) areas critical for trade and investment. SADC Executive Secretary Elias Magosi highlighted the importance of protecting IP rights to foster economic and social development, while ARIPO Director General Bemanya Twebaze emphasized the role of IP in transforming economies and supporting SADC's industrialization agenda. The MOU focuses on harmonizing IP policies, promoting innovation, and improving regional IP systems to boost business competitiveness. This partnership aims to leverage IP for sustainable economic growth and regional integration.

Events – 08/02/2024

"**Immunization Supply Chain Management (iSC) Shortcourse**." East African Community. *Entebbe, Uganda*. 12-16 August 2024.

"**The Race to Net Zero: Navigating Africa's Climate Paradox**." Invest Africa. *Cape Town, South Africa*. 11 September 2024.

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