



(President Obama launched a personal push for peace in South Sudan on Monday, convening African leaders for urgent talks in neighboring Ethiopia aimed at keeping the world's newest nation from collapsing amid civil war.)

BURUNDI :

Burundi: l'opposant Agathon Rwasa siège à l'Assemblée nationale

Par RFI / 28-07-2015

Le principal opposant Agathon Rwasa, qui dénonçait encore il y a trois jours un processus électoral « fantaisiste » dont il rejetait les résultats, est allé occuper son siège de député, lundi 27 juillet. La Céni le lui avait attribué malgré son retrait des législatives. Une mauvaise surprise pour l'opposition burundaise, qui encaisse mal ce coup.

Au soir du lundi 27 juillet, l'opposition était encore sous le choc alors que le gouvernement burundais était tout sourire. C'est la première véritable fissure qui apparaît au sein d'une opposition qui était d'accord depuis des mois sur ce qu'elle considère comme un dénominateur commun : le « non » au troisième mandat au président Pierre Nkurunziza et le refus de participer à un processus électoral dénoncé également par la communauté internationale.

Et le coup est d'autant plus rude qu'Agathon Rwasa est le principal opposant à Nkurunziza. Aujourd'hui, il estime que le forçage de son frère ennemi, issu comme lui de la rébellion hutu du Burundi, « a bien réussi ». Après avoir critiqué le scrutin, Agathon Rwasa a donc décidé de se

rendre à l'évidence. Il est allé siéger à l'Assemblée nationale lundi lors de la première session de la législature, accompagné de 18 autres députés issus de la coalition des Indépendants de l'Espoir.

Ceci a jeté un froid entre lui et son allié, Charles Nditijé, de l'Uprona, qui a décidé de boycotter l'Assemblée nationale avec ses 10 partisans élus députés. « La rupture n'est pas encore consommée avec Rwasa » explique Nditijé, qui dit ne pas comprendre la logique politique qui l'a guidé.

« Vous pouvez changer de fusil d'épaule, de position ou profiter des situations nouvelles qui vous permettent de mieux gagner votre bataille à défaut de gagner la guerre. Or, aujourd'hui, Rwasa en entrant à l'Assemblée nationale n'a même pas la minorité de blocage pour le vote des lois. Même si on lui donnait la moitié des membres du gouvernement, le pouvoir ne se joue pas au gouvernement, il se joue dans les instances du Parlement où on vote les lois, il se joue au niveau de l'administration territoriale parce que c'est là que les intérêts de la population sont défendus ou bafoués. Donc quelque part c'est l'entrée par la petite porte. Je ne vois pas en quoi cela va changer positivement la situation politique et la situation sécuritaire. Cette machine ne va pas s'arrêter parce qu'Agathon Rwasa entre dans des institutions. Demain, à la moindre altercation avec le pouvoir, il va être chassé. Quelque part, il se met la corde autour du cou », estime le président de l'Uprona.

Dans l'opposition radicale burundaise on est plus sévère encore. On parle de trahison, même si pour le moment personne ne veut endosser publiquement une telle déclaration qui signerait la rupture avec le chef de file de l'opposition. Et on assure que cela ne vient pas changer à la volonté de combattre le pouvoir Nkurunziza, d'autant qu'ils se sentent revigorés par le soutien de la communauté internationale.

Burundi:réunion du conseil de sécurité de l'ONU

Par Lefigaro.fr avec AFP/le 28/07/2015

Les 15 pays membres du Conseil de sécurité de l'ONU doivent tenir des consultations demain après-midi sur la crise au Burundi, a indiqué le président du Conseil. "Nous nous attendons à avoir des consultations sur le Burundi demain après-midi", a déclaré à la presse l'ambassadeur néo-zélandais Gerard van Bohemen. Ces discussions à huis clos se tiendront une semaine après le scrutin présidentiel qui a vu la réélection du président sortant Pierre Nkurunziza pour un troisième mandat.

C'est cette candidature, jugée contraire à la constitution par l'opposition, qui avait déclenché en avril une grave crise politique dans le pays. Le scrutin présidentiel a été jugé non crédible par le président américain Barack Obama, par l'opposition burundaise et par les observateurs internationaux qui l'on suivi. La mission d'observation électorale de l'ONU au Burundi (Menub) a ainsi conclu que le vote s'était globalement déroulé dans le calme mais que l'élection n'avait pas été "libre, crédible ni inclusive". Dans un rapport préliminaire, les observateurs ont souligné que le scrutin avait été marqué par des violences et que les libertés fondamentales "avaient été sévèrement entravées".

Depuis le début de la crise burundaise en avril, le Conseil a tenu huit réunions sur ce dossier. Mais il reste divisé et n'a pas pris de position claire sur la crédibilité des différentes élections (législatives, locales et présidentielle) qui se sont tenues depuis fin juin dans une ambiance d'intimidation et de violence. D'un côté, les Occidentaux critiquent l'intransigeance du président Nkurunziza et la répression des opposants mais de l'autre la Russie, la Chine et les membres africains du Conseil (Nigeria, Tchad, Angola) estiment qu'il s'agit d'une affaire intérieure burundaise.

RWANDA :

SA's relations with Rwanda cordial – foreign minister

28.7.2015/citizen.co.za

The South African government insisted on Monday that relations with Rwanda were now “cordial” even though the two countries had not yet returned the 10 diplomats which were expelled by both sides over a year ago.

South African Minister of International Relations and Cooperation Maite Nkoana-Mashabane said that relations were cordial because both ambassadors remained at their posts in their respective embassies.

In May last year South Africa expelled three Rwandan diplomats and one Burundian diplomat whom it linked to a raid on exiled Rwandan General Faustin Kayumba Nyamwasa's Johannesburg home. Rwanda retaliated by kicking out six South African envoys from Kigali.

This left just the two ambassadors as the sole diplomatic representatives of their countries in Kigali and Pretoria. That is still so. The minister was asked whether full diplomatic ties had been restored, at a media briefing in Johannesburg today.

She said that the fact that the two ambassadors were still at their posts meant that diplomatic relations between the countries were cordial. She and her Rwandan counterpart Louise Mushikiwabo had had a “very nice dinner” last week in Addis Ababa and were working together closely as members of a special African Union committee which was trying to end the civil war in South Sudan.

“We have re-committed to keeping our diplomatic relations cordial,” Nkoana-Mashabane said, suggesting that the absence of all but the ambassadors from the two embassies was merely a technical matter. She added, however, that the security agencies of both governments were still discussing the security issues between the two countries.

South Africa's expulsion of the Rwandan and Burundian diplomats was the last straw, coming after Pretoria had failed to react to at least two attempts on the life of Nyamwasa in 2010 and the murder of his colleague Patrick Karegeya on New Year's eve, 2013. He was also a former top military officer whom, like Nyamwasa, fell out with Rwandan President Paul Kagame and fled the country.

Nkoana-Mashabane was mainly briefing about South Africa's chairing of the AU Peace and Security Council for the month of July. Last week the council met to discuss the South Sudan civil war and decided not yet to release a controversial report by former Nigerian President Olusegun Obasanjo into human rights atrocities committed during the war.

Instead the council decided that the council should meet at heads of state level during the third week of August to decide what to do about Obasanjo's report. But Nkoana-Mashabane insisted that the council was not letting the perpetrators of atrocities off the hook or allowing impunity for what they had done. The report would eventually be made public she claimed.

The report is believed to implicate both sides in the war – President Salva Kiir's government as well as the opposing faction led by his arch-enemy Riek Machar – in major human rights offences.

Last month, however, Machar himself urged the AU to release the report as soon as possible,

suggesting that the atrocities by Kiir's force far exceeded those by his forces and that the report held Kiir personally responsible, while it did not hold him personally responsible.

Nkoana-Mashabane said the council had not released the report last week – after also deciding not to release it in January – because it believed the report should be part of a political process led by responsible governments on how to deal with the civil war in South Sudan.

The minister also took a rare, sideways swipe at South Africa's Brics partner Russia over its military involvement in Ukraine. She was asked by a Russian journalist if the AU intended to deploy its standby forces in South Sudan to quell the violence. She retorted that unlike Russia in the Ukraine, the AU believed in exhausting all possibilities of negotiating peace, before resorting to military intervention.

Brics – the Brazil, Russia, India, China and South Africa forum – has so far refrained from explicit criticism of Russia's annexation of Ukraine's Crimea region and its alleged military support for pro-Russian separatists fighting Ukrainian troops in western Ukraine.

The minister's off-the-cuff response to the Russian journalist's question was perhaps the clearest expression of Pretoria's true feelings about Moscow's military adventure.

RDC CONGO :

UGANDA :

SOUTH AFRICA :

TANZANIA :

Tanzania, Kenyan rangers trained on ivory detection

Tuesday, 28 July 2015/by Daily News

Rangers from Tanzania and Kenya wildlife agencies have completed a two-month intensive training on how to detect ivory hidden in vehicles, buildings and luggage.

The training organized by Africa Wildlife Foundation (AWF) will see the detection dog teams from Tanzania's Wildlife Division and Kenya Wildlife Service (KWS) be deployed to Port of Dar es Salaam and Port of Mombasa, where they will aid both countries in disrupting the flow of illegal ivory smuggled to markets abroad.

The two ports of Dar es Salaam and Mombasa have long been identified as primary export hubs for

trafficked ivory out of Africa. According to AWF, between 2006 and 2014, more than 85 percent of seized savannah elephant ivory was traced back to East Africa, much of it from southeastern Tanzania.

And between 2009 and 2015, an estimated 188,170 kg of ivory was reportedly smuggled through Kenya's Port of Mombasa.

"The program specifically combats the trafficking component of the illegal wildlife trade by installing ivory detection dogs at seaports, airports and other ivory trafficking chokepoints, and aims to establish a canine centre of excellence on the continent," AWF said in a statement.

Under MoU inked between AWF and KWS, a dog detection team will be installed at the Port of Mombasa, as well as other identified export hubs like Jomo Kenyatta International Airport in Nairobi, and the border crossings of Lunga Lunga and Namanga at the Kenya-Tanzania border.

KWS Director General William Kiprono said the rigorous training by eminent instructors will help to strengthen and supplement KWS's existing canine unit, which was one of the first in the region designed to disrupt the illegal wildlife supply chain through our airports and seaports, among other places.

"This training will help to modernize the KWS force and improve the effectiveness of patrols by use of canines for conservation," he said.

AWF CEO said unlike some of the newer technological solutions that have been proposed, detection dogs are a tried and proven technology.

"If we can make it more difficult and more risky for traffickers to get their products to market, then we make this business less attractive to those looking for a quick, easy profit," he said.

According to AWF, four dogs and six handlers from Tanzania graduated alongside four dogs, six handlers from Kenya.

The dogs selected for ivory detection were brought in from Europe earlier this year, and comprise a mix of breeds, including spaniel, German shepherd, Malinois and a German short-haired pointer.

And the dogs would also be trained to sniff out rhino horn in the near future.

KENYA :

Kenyan Leaders Respond to Obama's Support for LGBT Rights

By Lucy Westcott/newsweek.com/ 7/27/15

Kenyan politicians and church leaders have praised President Uhuru Kenyatta's dismissal of gay rights as a "non-issue" during President Barack Obama's recent state visit to the country, local media report.

Obama arrived in Kenya for a two-day visit on Friday, his first visit to his father's homeland as president, before heading to Ethiopia on Sunday for a one-day visit. During a joint press conference with Kenyatta on Saturday, Obama said the country should not discriminate against people based on

their sexual orientation.

“If you look at the history of countries around the world, when you start treating people differently, not because of any harm they’re doing anybody but because they’re different, that’s the path whereby freedoms begin to erode,” Obama said at press conference. “As an African-American in the United States, I’m painfully aware of the history of what happens when people are treated differently under the law,” he said.

Kenyatta responded during the same press conference, saying that despite the U.S. and Kenya sharing some values such as “love for democracy, entrepreneurship [and] value for families,” there are some things Kenyan culture and society do not accept, and calling gay rights a “non-issue.”

“The fact remains that this issue is not really an issue that is in the foremost mind of Kenyans,” Kenyatta said.

Homosexuality is illegal in Kenya, as it is throughout most of the African continent. Gay sex, defined in the Kenyan penal code as “carnal knowledge of any person against the order of nature,” is criminalized with a maximum penalty of 14 years in prison. The State Department highlighted discrimination against LGBT persons in Kenya in its annual human rights report this year and said discrimination and violence against LGBT groups is “widespread.”

Kenyan media reports that senators and church leaders were encouraged by Kenyatta’s “firm but respectful” stance on gay marriage.

“He never fumbled. His body language, posture and demeanor carried the sovereignty of our people. He made us proud as Kenyans,” Senator Kipchumba Murkomen, of the United Republican Party, told Kenya’s Daily Nation. “It demonstrated that we are a sovereign nation and we are not living as underdogs.”

Senator Mutula Kilonzo Jr., of the Wiper Democratic Movement, told the Daily Nation that marriage equality is not an important issue in Kenya. Kenyatta is the leader of the National Alliance political party. MPs Jamleck Kamau and John Muchiri said Obama should respect Kenyan culture by not speaking about LGBT rights. On Tuesday, Vincent Kidala, the leader of Kenya’s Republican Liberty Party, told The Star that he supported Kenyatta’s comments

"Obama should know that gay rights is Western. When in Africa he should value our rights," he said.

Kenyan church leaders also praised Kenyatta’s comments. Methodist Church of Kenya Presiding Bishop Rev. Joseph Ntombura said by calling gay rights a “non-issue,” Kenyatta showed respect for Kenyan culture and religions.

The National Gay and Lesbian Human Rights Commission, which advocates for the rights of lesbian, gay, bisexual and transgender people in the country, said they were concerned about the comments made by Kenyatta, according to a statement posted on Twitter by Gabe Joselow, East Africa bureau chief for Voice of America.

“We are worried that [Kenyatta’s] relegation of ‘gay rights’ as a ‘non-issue’ could be interpreted to mean that he condones violations and acts of violence against gays and lesbians in Kenya,” the group said in the statement.

Obama’s state visit was highly anticipated by Kenyans and Ethiopians; while he visited Kenya as a

senator, it was his the first trip he took to the country as president. But his views on equal rights for gay people is one issue he and his African host countries disagree on.

Anti-gay activists held a protest ahead of Obama's visit urging him not to discuss gay rights. Religious leaders and MPs were among the protesters, Kenya's The Star reports.

Obama also faced criticism for his decision to visit Ethiopia due to its poor human rights record, which includes the jailing of journalists. Human Rights Watch said the country "doesn't deserve" a visit from the president, which will be used to lend legitimacy to the government. Homosexuality is illegal in Ethiopia and same-sex sex acts are punishable by up to three years in prison.

In an interview with the BBC published Thursday, Obama said he has been direct when addressing African leaders about human rights issues.

"When we combine blunt talk with engagement, that gives us the best opportunity to influence and open up space for civil society," said Obama. "We want to make sure we're there, so that we can have this conversation and point in a better direction."

Obama was previously criticized by Kenyatta and his deputy, William Ruto when he mentioned LGBT rights during a state visit to Senegal in 2013.

Evan Wolfson, founder and president of Freedom to Marry, the New York-based nonprofit supporting marriage equality, tweeted his support for Obama's comments supporting LGBT rights.

SkyPower to Donate Two Million Home Solar Kits in Kenya

July 28, 2015 /PRNewswire

NAIROBI, Kenya,

SkyPower, the world's largest developer and owner of utility-scale solar projects, recently signed a landmark US \$2.2 billion agreement with the Government of Kenya during the 6th annual Global Entrepreneurship Summit to develop 1 GW of solar projects. As part of this historic moment for Kenya, Skypower is pleased to announce it will be gifting two million SkyPower Home solar kits to the people of Kenya.

SkyPower, under the guidance of the Government of Kenya, will distribute two million solar kits to homes and working families across the nation currently without access to electricity. The portable SkyPower Home solar kits include a solar panel and an inverter to help Kenyans harness the power of the sun. The home solar kits include LED bulbs, a fan, USB charging capabilities and a radio that will be powered and recharged by the sun.

"This monumental grant marks the largest single commitment in history, which provides an unprecedented solar solution to give power to the people of Kenya and communities without access to basic power," said Kerry Adler, President and Chief Executive Officer of SkyPower. "We are proud to help empower Kenya to harness the abundant power of the sun to improve the lives and economic prospects of its people, ultimately positioning Kenya to become a renewable energy hub for Africa."

SkyPower Home solar kits will help Kenya's citizens leapfrog towards greater energy access and increase the standard of living as a whole. Kenya and its people are realizing rapid growth as the largest economy in East Africa. SkyPower is proud to play an integral role in creating new green

energy jobs, advancing opportunities for skills development and training, and providing basic access to energy with its recent commitments in the country.

"We are delighted to work with the Kenyan Government in the rapid implementation of this micro-electrification initiative that will help millions of people," said Charles Cohen, Executive Vice President of SkyPower Global. "This progressive partnership is the next step in generating a brighter future for Kenya."

SkyPower has a long history of working closely with local communities to produce hundreds of millions of kilowatt hours (kWh) of clean electricity every year, while ensuring that those closest to the developments reap the rewards of renewable electrification. This initiative is another step forward in SkyPower's corporate social responsibility program, SkyPower Cares, which helps bring light to communities with limited, intermittent or no access to electricity.

"This collaboration between SkyPower and the Government of Kenya makes me proud to be a Kenyan," said Anwar Hussein, Managing Director for SkyPower Kenya. "The donation of 2 million SkyPower Home solar kits will make a positive impact on Kenyan families, and help Kenya's economic momentum."

ABOUT SKYPOWER

<http://www.skypower.com>

SkyPower is the largest and one of the most successful developers and owners of utility-scale solar photovoltaic (PV) energy projects in the world. With roots dating back to over a decade, SkyPower's global team possesses a vast track record of over 800 years of combined experience in power and large infrastructure projects.

The experienced and accomplished SkyPower team has built, assembled and acquired an extensive pipeline of over 25 GW worldwide - 6 GW of which was recently announced in bilateral agreements to be built on the continent of Africa over the next five years in both Egypt and Nigeria.

Over the past few years alone, SkyPower has secured over two dozen utility-scale solar PV Power Purchase Agreements (PPA) and Contracts, which in aggregate represent well in excess of US \$80 billion worth of long-term renewable energy sales to leading utilities and governments around the world.

The SkyPower team over the past decade has proudly established long-term strategic partnerships with local, in-country developers. As well, SkyPower has consulted for and advised international leaders and Heads of State in its unprecedented approach to working in unison with these leaders to ensure a brighter future for generations to come. Through its dedicated team members, composed of employees, consultants and advisors working out of 33 international offices, SkyPower develops, finances, owns and operates solar energy projects from the initial stages through commercial operation in more than 60 countries around the world.

SkyPower prides itself on its established relationships with world leading banks and financial institutions, as well as with its global and local suppliers, and the indigenous peoples and communities who work hand in hand with SkyPower with the shared objective of producing hundreds of millions of kWh of clean electricity each and every year.

SkyPower is majority owned by CIM Group, a U.S. based transformational urban real estate and infrastructure investment firm founded in 1994 with approximately US \$19.8 billion in assets under

management. <http://www.cimgroup.com>

ANGOLA :

AU/AFRICA :

Obama to become first US leader to address African Union

bbc.com/28/07/2015

US President Barack Obama is due to address the African Union in Ethiopia's capital Addis Ababa, on the last day of his trip to East Africa.

He is the first US leader to deliver a speech at the 54-member body, with security and action against terrorism likely to dominate the agenda.

On Monday, Mr Obama praised Ethiopia as an "outstanding partner" in taking on militant Islamists.

He said Ethiopia had weakened al-Qaeda-linked al-Shabab group in Somalia.

The US president was speaking after talks with Ethiopia's PM Hailemariam Desalegn, during the first ever visit by a US president to the East African state.

He also called on Mr Hailemariam to improve Ethiopia's record on human rights and good governance.

"I don't bite my tongue too much when it comes to these issues," he said at a joint press conference in the capital, Addis Ababa.

Some rights groups have criticised Mr Obama's visit, warning that it could lend credibility to a government accused of jailing journalists and critics.

A legal case currently being fought through the US courts alleges that agents of the Ethiopian government eavesdropped on the internet activities of a man in the US state of Maryland.

The man, born in Ethiopia and now a US citizen, works for a political opposition group outlawed in his home country.

Addressing the media, Mr Obama described the Ethiopian government, which won all parliamentary seats in May's election, as "democratically elected".

Opposition group have said the poll was rigged.

Mr Obama flew to Ethiopia after a two-day visit to Kenya where he had discussed trade and security but also called for greater human rights and warned of the dangers of corruption.

Obama to Wrap Africa Trip With Speech to African Union

Jul 28, 2015/By DARLENE SUPERVILLE Associated Press

ADDIS ABABA, Ethiopia —

President Barack Obama is closing out a historic return to the land of his father's birth with a speech to the African Union.

Obama begins his day Tuesday with a tour of a food manufacturing plant in Ethiopia. The East African nation is one of the largest recipients of U.S. emergency and development food aid, and the country participates in a U.S. government program to combat hunger worldwide.

Ethiopia is also the home of the African Union, and Obama will address the entire continent from the organization's new headquarters in the capital.

It will be the first time that a sitting American president addresses the African Union.

Susan Rice, Obama's national security adviser, said the AU plays a lead role on an array of global issues, including peace and security, health and agriculture. She said Obama wanted to visit the AU and address the continent because the U.S. has come to work very closely with the union on many of these issues.

Obama will also meet one-on-one with Nkosazana Dlamini Zuma, chairperson of the African Union Commission. She was among regional leaders Obama met with Monday to discuss the civil strife in neighboring South Sudan.

Obama's speech Tuesday will close a five-day, two-nation tour of Africa that began Friday when he landed in Kenya, where his late father was born.

The president traveled to Kenya to attend a U.S.-sponsored business development summit, but the trip was also a homecoming of sorts. The country considers Obama a local son and Kenyans have been waiting years to welcome him back as president of the United States. Many lined the streets in Kenya and Ethiopia to watch his motorcade drive by.

Obama also spent time catching up with relatives on his father's side of the family who live in Kenya, including his sister, Auma Obama, and a grandmother.

In both countries, Obama challenged the country's leaders to clean up their governments to help attract investment.

He also pressed them to uphold human rights, including gay equality, and basic democratic freedoms.

Obama became the first sitting U.S. president to visit both countries.

He arrives back in Washington early Wednesday.

Boko Haram ne désarme pas

LE MONDE/28.07.2015

Ses moyens militaires qui lui donnaient il y a encore six mois la puissance de feu d'une armée en

campagne ont été sévèrement amoindris ; ses rêves de califat ont été brisés ; son chef fantasque et terrifiant, Aboubakar Shekau, est invisible depuis des semaines. Et pourtant Boko Haram prouve jour après jour sa capacité à imprimer la terreur au Nigeria et dans les pays voisins – Tchad, Cameroun et Niger – qui lui ont déclaré la guerre.

L'arme privilégiée des djihadistes de « l'Etat islamique (EI)-wilaya d'Afrique de l'Ouest », leur nouvelle appellation depuis leur allégeance en mars 2015 à l'EI : des hommes, et surtout des femmes, transformés en bombes humaines, explosant, pour faire le maximum de victimes, sur des marchés, des gares routières, ou à proximité de symboles du pouvoir de ses ennemis. Boko Haram veut démontrer l'impuissance de ces pays à mener la lutte lorsque les fronts ont disparu et les combattants ne sont plus identifiés. Un cauchemar pour les services de sécurité des quatre pays concernés.

Les mailles des filets de la répression se sont resserrées – le voile intégral a été interdit au Tchad et dans l'Extrême-Nord du Cameroun pour éviter les dissimulations –, mais « peut-on arrêter chaque piéton ? » se désole le directeur de la police à N'Djaména alors que le groupe djihadiste a établi des cellules dans tous les pays environnants.

« Affaibli mais pas vaincu »

Dans le nord-est du Nigeria, la terre d'origine de Boko Haram, les attentats s'enchaînent sur un rythme quasi quotidien. À Damaturu, une femme a explosé, dimanche 26 juillet,...

UN/AFRICA :

US/AFRICA :

Obama appeals for South Sudan peace

Julie Pace and Darlene Superville, Associated Press/Tuesday, July 28, 2015

ADDIS ABABA, Ethiopia - President Obama launched a personal push for peace in South Sudan on Monday, convening African leaders for urgent talks in neighboring Ethiopia aimed at keeping the world's newest nation from collapsing amid civil war.

"The possibilities of renewed conflict in a region that has been torn by conflict for so long, and has resulted in so many deaths, is something that requires urgent attention from all of us," Obama said. "We don't have a lot of time to wait."

The talks on South Sudan came on the sidelines of Obama's visit to Ethiopia, his second stop on a trip to East Africa. He urged Ethiopia's leaders to curb crackdowns on press freedoms and political opposition, warning that failure to do so could upend economic progress in a country seeking to move past years of poverty and famine.

"When all voices are being heard, when people know they are being included in the political process, that makes a country more successful," Obama said during a news conference with Ethiopian Prime Minister Hailemariam Desalegn.

Ethiopia has been among the most active countries in East Africa seeking to end the crisis in South Sudan, a young nation birthed with backing from the United States and other nations. South Sudan's warring factions face an Aug. 17 deadline to accept a regional peace and power-sharing deal.

South Sudan was thrown into conflict in December 2013 by a clash between forces loyal to former Vice President Riek Machar, an ethnic Nuer, and President Salva Kiir, a Dinka. The fighting has spurred a humanitarian crisis that threatens the country's survival just four years after its inception.

U.S. officials have expressed pessimism about the prospects for a deal, saying the two sides are indifferent to the plight of the South Sudanese people. Even as they await the outcome of the peace process, officials say the U.S. is eyeing additional economic sanctions and perhaps an arms embargo to ramp up pressure on the warring factions.

Obama and Hailemariam were joined in the talks on South Sudan by the presidents of Kenya and Uganda, the chair of the African Union, and Sudan's foreign minister. There were no plans for Obama or other U.S. officials to meet with representatives of South Sudan.

Monday's meeting focused on what must happen between now and Aug. 17 in the absence of an agreement. In addition to possible sanctions, one participant at the meeting raised the possibility of deploying regional forces to restore peace, administration officials said after the meeting. Such a force also could be used to help enforce an agreement should one be reached in time. The officials declined to say which participant proposed the idea, only that it was not the U.S.

Obama arrived in Ethiopia late Sunday following a visit to Kenya, his father's homeland. He is seen in Kenya as a local son and his first visit as president was treated as a homecoming.

In Ethiopia, too, Obama's visit has been eagerly anticipated. Despite a driving rain, crowds gathered along the roadways to greet him as he arrived Sunday for the first-ever visit to Ethiopia by a sitting American president.

Human-rights groups, however, have criticized Obama for visiting Ethiopia, saying his trip lends legitimacy to an oppressive government.

Despite Ethiopia's progress, there are deep concerns about political freedoms on the heels of May elections in which the ruling party won every seat in parliament. Ethiopia is also the world's second-worst jailer of journalists in Africa, after Eritrea, according to the Committee to Protect Journalists.

What exactly is Obama's Africa legacy?

July 28, 2015/by Hassen Hussein/america.aljazeera.com

Washington's engagement with the continent continues to prioritize security over human rights and economic partnership

President Barack Obama today concludes his triumphant fourth trip to Africa, which featured a return to Kenya and a controversial stopover in Ethiopia, the seat of the African Union. During the visit, he attended an entrepreneurial summit in Nairobi and held discussions with Kenyan, Ethiopian and other regional leaders on matters ranging from U.S.-Africa trade and investment and regional security to human rights.

Obama is the first sitting U.S. president to visit the two countries. And as the first African-American president, he is still a subject of pride to Africans and their vast diaspora. Yet the question must be

asked: What exactly is Obama's Africa legacy? What are the symbolism and substance of what is likely his final trip to Africa as president? Did the U.S. Africa policy evolve or regress during his administration? Although I would like to join those celebrating the homecoming of a local son, I am filled with melancholy and mixed emotions. Obama's presidency has fallen short of our admittedly high expectations.

It is inevitable to compare Obama's Africa legacy with his immediate predecessors'. President Bill Clinton oversaw the "Blackhawk Down" debacle in Somalia, a botched military intervention in which Somali militias shot down two U.S. helicopters; apartheid's end in South Africa; and the Rwandan genocide and its effects on the Democratic Republic of Congo. East Africans remember the Clinton administration's christening Ugandan President Yoweri Museveni, Rwanda's Paul Kagame, Eritrea's Isaias Afworki and Ethiopia's Meles Zenawi as a "new generation of African renaissance leaders" before they joined the ranks of Africa's Big Men — tyrannical, predatory and unaccountable. Clinton helped pass the African Growth and Opportunity Act (AGOA), which offers incentives for African countries to build free markets and open their economies, in his final year as president. AGOA provides tariff-free access to the U.S. market for 40 African countries and has created thousands of local jobs since 2000, significantly boosting U.S.-Africa relations.

President George W. Bush's "war on terrorism" set in motion a bloated security regime across the region. But the reauthorization of AGOA, the Millennium Challenge Corp., which aims to eradicate poverty, and the President's Emergency Plan for AIDS Relief, a robust U.S. government initiative designed to address the HIV/AIDS epidemic and help save the lives of those suffering from other diseases in Africa, cemented his positive Africa legacy.

This is why Bush was given a warm welcome on his final trip to Africa as president. "George Bush is a hero in Africa," Sudanese philanthropist Mo Ibrahim said in 2012. "In his last trip to Africa, I think he was absolutely struck by the warmth of people and how he was treated as a hero when things were really going wrong in Iraq ... I think it was probably the happiest of his trips abroad."

Obama's two main pet projects, Power Africa, a partnership with African governments that aims to double access to power in sub-Saharan Africa, and the Young African Leaders Initiative (which aims to strengthen U.S.-Africa partnerships by investing in "the next generation of entrepreneurs, educators, activists and innovators") don't measure up to his predecessors' bold initiatives. The U.S. responded vigorously to the Ebola epidemic in West Africa, but during Obama's tenure, many African states — notably South Sudan, Libya and the Central African Republic — have become failed states. A part of Somalia, where the U.S. funds a multinational peacekeeping force, is still under the grip of Al-Qaeda-affiliated militants.

Obama's historic visit to the seat of the African Union, in which he shockingly referred to Ethiopia as a democracy, might be remembered most for choosing 'to wine and dine with dictators.'

Africa has registered tremendous growth in the last two decades. However, Washington's engagement with the continent continues to prioritize security over investment and economic partnership. The U.S. is now being forced to play catch-up with China, which invests billions of dollars on building Africa's infrastructure and maintains robust trade and investment relations with many African states. (China overtook the U.S. as the biggest trade partner with Africa in 2009.)

During a press conference with Ethiopian Prime Minister Hailemariam Desalegn in Addis Ababa on Monday, Obama stressed the Ethiopian military's ruthless "efficiency" in fighting Al-Shabab in Somalia and Addis Ababa's contribution to United Nations peacekeeping efforts. The emphasis on security cooperation speaks to the fact that, from Nigeria's Boko Haram to Al-Qaeda in the Islamic Maghreb and Somalia's Al-Shabab, under Obama, the U.S. has increased its military footprint in

Africa.

U.S. strategic priorities in sub-Saharan Africa have largely knocked democracy promotion and human rights off the radar. Obama's trip to Addis Ababa comes in the aftermath of a lackluster May election, in which the ruling Ethiopian People's Revolutionary Democratic Front (EPRDF) "won" all 547 seats in the national parliament, improving on 2010's 99.6 percent rate. This is why Ethiopian human rights and free press advocates fear Obama's visit will be construed as an endorsement of the EPRDF's quarter-century hold on power.

The EPRDF has devastated free press and civil society through a slew of draconian laws that equate dissent with treason. The political space has significantly narrowed. Opposition politics is criminalized. Ethiopia's civil society institutions are brittle. The country's storied economic progress, including double-digit GDP growth over the last five years, has benefited only those who are politically connected. Resentment is rife over EPRDF hard-liners' domination of the top brass of the military, the security forces and the commanding heights of the economy.

Obama's trip to Africa has been dismissed as a legacy hunt, but he could still redeem his record. Beyond private discussions, Obama needs to openly and publicly press African leaders to relax oppressing their people. In Kenya, Obama urged his hosts "to end corruption, treat women as equal citizens, overcome tribal and ethnic rifts." In his first public comment in Ethiopia, Obama appeared restrained by diplomatic niceties and the quid pro quo necessitated by the "war on terrorism" and the two countries' strategic relations.

Africa's despotic leaders may not listen, but Obama could still inspire a young generation of Africans, who are hungry and yearning for change, to fight for their future. Unfortunately, his otherwise historic visit to the seat of the African Union, in which he shockingly referred to Ethiopia as a democracy, might be remembered most for, as opposition leader Merara Gudina put it for Reuters, choosing "to wine and dine with dictators" who steal elections behind the cover of economic development.

CANADA/AFRICA :

AUSTRALIA/AFRICA :

EU/AFRICA :

CHINA/AFRICA :

Chinese State Media: Obama 'Playing the Family Card' in Africa
By Bethany Allen-Ebrahimian/foreignpolicy.com/July 27, 2015

China's reaction to Obama's trip does not reflect a country secure in its position on the continent.

United States President Barack Obama is wrapping up official trips to Kenya and Ethiopia, on his fourth and likely final state visit to sub-Saharan Africa, where he aims to strengthen counter-terrorism cooperation and boost trade with the United States. But China, which supplanted the United States as the continent's largest trading partner in 2009, seems to have viewed the visit as a challenge to the East Asian giant's dominance there — and its state media have unleashed a barrage of negative coverage of the president's visit.

One state media take veered dangerously close to racism: on July 24, the day Obama arrived in Kenya's capital city Nairobi, the English language website of state-run outlet Global Times ran a cartoon titled "Homecoming," portraying the president wearing what appeared to be tribal attire and carrying a spear near a herd of zebra on an open plain. Such a cartoon is doubtless unprofessional by U.S. standards, but not entirely surprising in a country dealing clumsily and often insensitively with a new influx of African migrants, and where a common online nickname for Obama is "Black O."

The next state media attack occurred on the heels of Obama's June 26 visit to Kenya, his father's homeland, where he met with a wave of popularity, especially after referring to himself as the "first Kenyan-American to be president of the United States" in a Nairobi speech. At that moment, it seemed to matter little that Obama's policies towards sub-Sahara in Africa are generally regarded as underwhelming — he visited the region only once in his first term, and his keynote policy Power Africa, two years after its inception, has yet to increase the capacity of the region's stressed power grids. In a series of widely syndicated articles, Chinese state media sought to remind readers of U.S. failures.

Chinese state news agency Xinhua ran a July 27 article, promoted near the top of its site, accusing Obama of "playing the family card" and "paying lip service" in Africa. The article mentioned the stalled power initiative and claimed that Kenya has yet to see any of the \$100 million in counter-terrorism aid that Secretary of State John Kerry announced in May. "America repeatedly says it is Africa's 'natural partner,'" the article asserted, "but in fact that's purely out of self-interest." Another widely syndicated July 27 article from Xinhua decried Obama's Kenya visit as a "kinship political show." The U.S. president's arrival may have caused "many local people to rejoice," went the report, but "just like the Africa policies of the preceding U.S. administrations, it lacks sincerity."

In addition to both questioning and exploiting Obama's Kenyan heritage, Chinese state media also compared U.S. engagement in Africa unflatteringly with China's own. China is the continent's biggest trading partner, with around \$222 billion in annual trade largely in the form of raw materials that China needs for its swift development.

Chinese firms have undertaken vast infrastructure projects in a number of African nations, including Kenya, where Chinese workers have built schools, roads, and other large projects. Translations of BBC editor Jon Sopel's remark to Obama during a July 24 interview — that Obama would be "going to go to the African Union Building, which was built with Chinese money, you're going to travel along Chinese-built roads, you're going to go past endless Chinese traders on those roads" — has received wide play in Chinese media and social media. Beijing has also touted its partnership with African nations as a shining example of its foreign policy — high-level economic partnerships and trade deals with no strings attached. By contrast, a July 27 Xinhua article cited former Kenyan ambassador to China Julius Lekakeny Ole Sunkuli saying the requirements United States places on Kenya in exchange for infrastructure and medical aid puts impoverished people at risk.

That Xinhua article concluded by claiming that the United States' "paternalistic intervention" and

its “forcing of so-called democratic values” onto African nations was in part the cause of “Africa’s regional and tribal conflicts.” In his interview with the BBC, Obama emphasized that the United States “welcome[s] Chinese aid to Africa.” But given the Chinese state media reaction, it seems safe to say China doesn’t feel the same way about American aid.

Media freedom: South African government sees how its done in China

[dailymaverick.co.za/Marianne Thamm/27 Jul 2015](http://dailymaverick.co.za/Marianne_Thamm/27_Jul_2015)

Communications Minister Faith Muthambi has just led a delegation to China ostensibly to learn more about how the country’s state-owned broadcast media works. However, as the Democratic Alliance’s shadow communications minister Gavin Davis put it, going to China to learn about media is like going to the Sudan to learn about human rights. That China is ranked by Reporters Without Borders as 177th out of 180 countries in its worldwide index of press freedom appears to be of little concern to the minister. Meanwhile, the Independent Group, which has a 20% Chinese stake, has dispatched one of its deputy editors to China on a 10-month media scholarship. By MARIANNE THAMM.

The media traffic between China and Africa has been, to a certain extent, a two-way affair. Take for example Naspers’ 34% investment in China’s Tencent social media platform, which accounts for more than 80% of the South African company’s capitalisation. In this deal, the flow is financial. A South African company is benefitting from an investment in one of the world’s fastest growing economies.

Meanwhile, a recent paper titled China’s ‘soft power’ and on Editorial Agendas in South Africa, presented by Professor Herman Wasserman of the University of Cape Town’s Centre for Film and Media Studies, noted that China had, in recent years, noticeably increased its influence on African media.

“Several state-owned Chinese media houses established offices on the continent, especially Kenya and South Africa. These media include the news agency Xinhua, the newspaper China Daily, as well as China Central Television and China Radio International,” said Wasserman.

It is China’s heightened interest in South African media, however, which has raised questions about the country’s intentions and objectives which could be viewed as the seeking of “soft power”, or how it can leverage its perception and influence on the continent.

When it comes to investments in the media on the continent, notes Wasserman, SA had not been a major recipient of China’s assistance in comparison to other countries.

“The reason for this may be because of its (SA’s) relatively robust media industry,” says Wasserman

According to the Globe and Mail’s Geoffrey York, China’s investments on the continent have allowed it “to promote its own media agenda in Africa, using a formula of upbeat business and cultural stories and a deferential pro-government tone, while ignoring human-rights issues and the backlash against China’s own growing power”.

When it comes to media freedom inside the country, China ranks as one of the worst in the world. The recent mysterious arrest of several holidaymakers, including ten South Africans in Inner Mongolia earlier this month on vague charges of “watching propaganda”, should serve as one example of just how serious the Chinese state is about controlling what its citizens, and tourists, are allowed to consume freely.

But here's a clearer picture courtesy of the Committee to Protect Journalists, a US press freedom watchdog: As of December 2014, 44 journalists were imprisoned in the country. In 2009 Liu Xiaobo, an activist who lobbied for democratic reforms and freedom of speech, was jailed for 11 years. News that he had won the Nobel Peace Prize was censored in China.

Then in 2010 Tan Zuoren was sentenced to five years in prison for drawing attention to government corruption and the poor construction of schools after buildings collapsed during the 2008 earthquake in Sichuan province. Last year, columnist Gao Yu was jailed after being accused of leaking a Communist Party communique.

The Chinese government uses an elaborate and wide system of controls and firewalls to monitor all aspects of the internet and what its citizens are able to read or consume. It also controls virtually all of the country's broadcast and print media. While the government realises that its growing economy requires the internet for growth, it has not quite yet been able to release its iron-fisted stranglehold on information.

The country's media policy is "schizophrenic", according to Elizabeth Economy, a senior researcher with the US-based independent think tank Council on Foreign Relations (CFR).

Economy writes that the Chinese state "goes back and forth, testing the line, knowing they need press freedom and the information it provides, but worried about opening the door to the type of freedoms that could lead to the regime's downfall".

Still, the Chinese government makes the old Nats look like amateurs when it comes to censorship and repression. Which is why the Democratic Alliance's Gavin Davis has called on Muthambi to publicly denounce China's repressive media laws.

"We call on Minister Muthambi to publicly denounce China's sophisticated and repressive system of state propaganda and censorship, and to reassure South Africans that their freedom to impart and receive information remains sacrosanct," said Davis.

He added that he hoped Muthambi noted the arrest of the journalists, the fact that the Chinese government issues licences to journalists (an idea some in the African National Congress find quite appropriate) and imposes restrictions on what they can and cannot report, where the state broadcaster answers to the governing party instead of the people, and the Chinese state blocks platforms such as Twitter, Facebook, YouTube and Wikipedia

Muthambi's office reportedly described the trip as "a good opportunity to learn more about China and its development in broadcast and the broader TV industry".

According to the Council on Foreign Relations, more than a dozen government bodies in China review and enforce laws that relate to the flow of information into the country.

"The most powerful monitoring body is the Communist Party's Central Propaganda Department (CPD), which co-ordinates with General Administration of Press and Publication and State Administration of Radio, Film, and Television to ensure content promotes party doctrine."

The Chinese government also employs around 100,000 people, hired by the state and private companies, to constantly monitor the country's internet. The CPD also provides media outlets with editorial guidelines and directives restricting the coverage of "politically sensitive topics".

“In one high-profile incident involving the liberal Guangdong magazine Southern Weekly, government censors rewrote the paper’s New Year’s message from a call for reform to a tribute to the Communist Party. The move triggered mass demonstrations by the staff and general public, who demanded the resignation of the local propaganda bureau chief. While staff and censors reached a compromise that would theoretically relax some controls, much of the censorship remained in place.”

Meanwhile, Iqbal Surve’s Independent Group, which has considerable Chinese investment, has dispatched Argus deputy editor Yunus Kemp on a 10-month scholarship to the China Africa Press Centre in Beijing. Last week Kemp reported that he had begun a two-month “media attachment” with the state owned China Daily.

In 2007 US journalist Mitch Moxley worked at the China Daily and remained in the country until 2012. He later published a memoir, *Apologies to my Censor*, in which he describes his day-to-day working experiences.

An excerpt published in *The Atlantic* might give some insight into what the Independent’s deputy editor might experience. Moxley writes that his routine at the paper was to write “government-friendly” puff pieces as well as edit the opinion pages.

“Many of the articles weren’t so much arguments supported by fact, but rants supported by nothing. Many violated everything I had ever learned about journalistic ethics, including China Daily’s own code: ‘Factual, Honest, Fair, Complete’. It was sometimes hard to stomach editing the opinion pages, but I didn’t have much of a choice. I knew any complaints would fall on deaf ears.”

He recounts how he edited an op-ed piece praising China’s state-required college entrance exam.

“The story was repetitive and nonsensical. It was the fifth of seven stories of 1,000-plus words I was supposed to edit that day, and I was getting fed up. I completely rewrote the story, which we were discouraged from doing. I removed all redundancies, awkward sentences, and unnecessary jargon. The resulting story was about half the length of the original. Although it still lacked a point, at least it was written in clear, proper English.”

The only problem was that the story was now too short to fit into the space allocated on the op-ed page. An editor had asked Moxley to work on it again. Frustrated, he retrieved the original version and sent it through as it had been written.

“Nobody said a thing,” he writes.

A week later, however, Moxley found a replacement editor as a desk-mate.

“My new neighbor introduced himself as Wang ... Wang was the same age as me, thin and bespectacled with immaculate hair parted to the side. He was a Communist Party member, he told me, not because he was necessarily interested in politics or the party, but because it was key for career success.”

While Wang covered the natural resources beat for the paper, Moxley noticed Wang had begun proofreading the editorial opinion pages.

“Initially I took this as a slight to my work, and then I became nervous that my bosses had figured out that I didn’t actually read the proofreading pages ... Why do they need you to work as a proofreader anyway?”

Wang had replied that the editors required him to look for “political mistakes” in the copy.

Commenting in 2013 on the Chinese stake in Independent Media, Professor Anton Harber, director of the Journalism and Media Studies Programme at the University of the Witwatersrand, said he did not think the Chinese authorities would “crudely impose their views on our media, as they do much of their own”.

“But I do think that they are likely to try and influence it for a more sympathetic view of themselves and the ANC government ... It is my view that the ANC is working with their Chinese allies – ruling party to ruling party, in the way the Chinese government so often works – to increase their influence in our local media and counter what they view as a hostile media sector,” Harbor told York.

On Monday Muthambi revealed her deeper thoughts at a 2015 Ministerial Workshop on Development and TV Media for Developing Countries, which took place in Changsha City.

“Through our bilateral relations with China, we’ve achieved a lot in terms of improving the lives of our people, but my view is that our media are not doing enough to share these stories of success with our people and the people of the world. We expect our media to play their roles by reporting accurate and balanced stories ... stories that will promote our mutual understanding and friendship, stories that deepen our co-operation.”

There we have it. DM

African nations also investing in China

BY Bo Li /standardmedia.co.ke/Tuesday, July 28th 2015

In the run up to US President Barack Obama’s visit to Kenya, speculation was rife on his motivation to make the trip, aside from opening the Global Entrepreneurship Summit.

One of the reasons forwarded was that his trip was an American attempt to counteract China’s growing influence in the economy. China, the world’s newest economic superpower, surpassed the United States as Africa’s largest trading partner in 2009. Since then, China’s investments in Africa have been growing at a staggering speed. But many people are not aware that the Sino-Africa relationship is not just a one-way street. Beyond the small businesses that attract Africans in Guangzhou — the so-called Chocolate City, or Little Africa, in China because of the large number of Africans who live there — African companies have made considerable investments in China. By 2012, Africans had invested a cumulative \$14.2 billion (Sh1.4 trillion) in China, a 43 per cent increase from 2009. Chinese government officials have said their country’s cumulative foreign direct investment in Africa in 2012 was \$14.7 billion (Sh1.5 trillion), up 60 per cent from 2009. In 2012 alone, the amount of direct investments from Africa to China was about \$1.4 billion (Sh141.8 billion), mostly in petro-chemical, manufacturing, wholesale and retailing industries. Some of the top African investors in China came from Mauritius, South Africa, Seychelles and Nigeria, according to a report on economic and trade co-operation between China and Africa published by the Chinese government. Winning strategy

For example, not many people outside China have heard about Snow beer, the world’s best-selling beer by sales volume, because it is produced and sold only in China. Even fewer are aware that an African company, South African Breweries (SABMiller), runs Snow beer as a joint venture with a Chinese firm and produces many other popular Chinese beer brands. SABMiller (formerly SAB before it acquired the Miller Brewing Company in 2002) began its expansion into China in the mid-1990s. Its first move was to negotiate with the government-backed China Resources Enterprises for

joint ownership of China Resources Snow Breweries, which is now the largest brewery in China. While most foreign breweries struggle to sell their brands in the Chinese market, SABMiller's winning strategy has been purchasing local Chinese breweries. Today, 30 years after its first investment, SABMiller co-owns more than 90 breweries with Chinese Resources, producing around 30 beer brands with a 23 per cent market share.

Tunisia's investment in China's fertiliser production has an even longer history.

Initially launched as a key project of China's eighth Five-Year Plan, the Sino-Arab Chemical Fertilizers Company (SACF) was a joint initiative reached by Tunisia and China when Tunisia's late Prime Minister Mohammed Mzali visited Beijing in 1984. Widely praised as a successful south-south co-operation model, SACF is one of the largest compound fertiliser producers in China.

Despite the global recession that jeopardised most countries' investment plans, the amount of direct investments from Seychelles to China reached the \$100 million (Sh10.1 billion) mark in 2009, compared to \$7 million (Sh709.1 million) worth of Chinese investments in Seychelles over the same period. However, the large number of offshore companies anonymously registered in its Indian Ocean islands could possibly explain this, analysts say. It is almost impossible to track where investments flowing out of Seychelles actually came from.

Media reports estimate that China is home to more than 200,000 African immigrants. The government of Hong Kong allows 90-day visa-free stays for citizens of many African countries, including Kenya, making the special administrative region the easiest entry point for traders who make up the majority of the African population in China.

South Africa's rand edges off 14-year low, China risks loom

Tue Jul 28, 2015 /Reuters

JOHANNESBURG (Reuters) - South Africa's rand recovered slightly early on Tuesday after touching a fresh 14-year in the previous session as emerging markets wobble on concerns over China's economy.

At 0630 GMT the rand edged 0.18 percent firmer to 12.5945 per dollar, recovering from a low of 12.69 on Monday when the unit failed to breach the key 12.70 technical support.

"Worth noting that the last time the rand traded at these levels, the ensuing correction saw us revisit 12.0550 before the bull trend resumed," said Oliver Alwar of Standard Bank.

Chinese equity markets plunged by their most in 8 years on Monday, threatening to drag emerging markets with them as appetite for riskier assets suffered, a day ahead of a U.S. Federal Reserve monetary policy announcement.

Bets that the U.S. central bank will lift rates in September have seen the greenback rally, and in early trade the dollar index had ticked 0.15 percent firmer.

The rand may struggle to hold on to the gains, according to traders, with unemployment, trade and government budget data due in the week posing some downside risks.

Yields on government bonds fell, with the benchmark issue due in 2026 dropping 1 basis point to 8.19 percent.

INDIA/AFRICA :

Bharti Airtel - To Africa and back

Tuesday, 28 July 2015/dnaindia.com

India's desire to diversify, especially into Africa, got much stronger after a share-swap deal with South African telecom giant MTN turned sour. In the meantime, a Dutch-headquartered Kuwaiti company called Zain wanted to sell its loss-making telecom business across 15 African countries. Airtel paid \$10.7 billion for the business.

In 2010, Indian telecom business was a different world. Business in the country was tough, with wafer thin to vanishing margins, with 14 operators competing in a saturated environment. India was looking tough for Airtel after enjoying years of market leadership. Heavy competition, strict regulatory environment has been eating into telecom profits.

The desire to diversify, especially into Africa, got much stronger after a share-swap deal with South African telecom giant MTN turned sour. In the meantime, a Dutch-headquartered Kuwaiti company called Zain wanted to sell its loss-making telecom business across 15 African countries. Airtel paid \$10.7 billion for the business.

Combined, African countries had a population that was ten times the size of India.

Mobiles became the first form of communication across countries that were too remote to lay telephone lines in. Mobile commerce was also picking up fast in the continent which had few resources and fewer banks.

True to the word, Bharti gained a large number of customers, making it the fifth largest telecom operator in customers. However, the acquisition also made its balance sheet very heavy with debt as it coincided with the 3G spectrum sale, bringing its total debt to Rs 59,951 crore by the end of the financial year. The company currently has as much as Rs 62,215 crore in debt. This is after two more rounds of spectrum auctions. In spite of good growth in data revenues in India, the new business is yet to make a great contribution to profits. It did not help at all that the high debt time of Airtel coincided with the high interest rate season in the country.

This state of affairs continued even as the company made commendable strides into many areas of Africa, solving regulatory issues in Uganda, and also launching and marketing its mobile wallet service there. It became the second largest operator in Nigeria, which is the second largest telecom market after South Africa, in the continent. Airtel also launched 3G and other data services in the market, which were picking up as fast as they could, growing by over 50% last year.

The troubles of Africa were twice as many as the achievements. Inflation and high interest rates were killing many economies in the continent. The currency fluctuation also did not let the African business make a fair contribution to the main balance sheet.

The cost of operations was also mounting as they continue to use fossil fuels to run 2G and 3G sites. The distribution costs of far flung areas too made a dent. The margins were also thin as Africa took the easy way into many markets, triggering a tariff war in Kenya and Nairobi back in 2010. The margins are steadily dropping as the overall African Average Revenue Per User (ARPU) went down to \$5.6 from \$6.3 last year, showing a sharp decline.

The reversal of these cuts will be much slower than in India as the competition still exists. It will not vanish magically, unlike in India, where a sudden licence cancellation of many new players in 2012 changed the fortunes of the likes of Airtel for the better. Airtel will remain a company that is

constantly growing, be it in numbers or in services. That would mean it would be steady in investments from a strong parent who has enough patience.

Back home, the burden of debt also became a handicap for Airtel to expand its Indian business, which has started to look good now. The data revenues are ringing in and margins too are picking up slowly as call rates have stabilized. The time is right for Airtel to capitalize its position in the industry as the market leader. That would mean pumping in money into new areas like 4G to stay ahead of challengers like Reliance Jio.

It is time that African business brings in some cash for Airtel's India plans. That can happen only in the form of a sale. By looking to sell businesses in Burkina Faso, Chad, Congo Brazzaville and Sierra Leone, Airtel has retained the better of the markets like Kenya and Nigeria, which have high potential in the future.

Looking at the share price spurt after the talks were announced, shareholders seem to agree with the sale too. Africa might be a good market, but it is not better than India.

Katya B Naidu has been working as a business journalist for the last nine years, and has covered beats across pharma, healthcare, telecom, technology, power, infrastructure, shipping and commodities.

BRAZIL / AFRICA :

EN BREF, CE 28 Juillet 2015... AGNEWS/DAM, NY, 28/07/2015