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BURUNDI :

RWANDA :

RDC CONGO :

RD Congo: à Genval, l'opposition s'unit face au président Joseph Kabila
RTBF avec Belga/le jeudi 09 juin 2016

Une bonne partie de l'opposition congolaise va s'unir dans le combat contre le président Joseph Kabila, est-il ressorti de la conférence de deux jours organisée par les groupes d'opposition dans un hôtel cinq étoiles à Genval, dans le Brabant- Wallon. La réunion s'est conclue jeudi soir peu après 01h00 dans une ambiance exaltée.

"Nous sommes tous prêts pour la victoire", a déclaré Etienne Tshisekedi, opposant historique de Kabila, à l'initiative de la rencontre, lors de son discours de remerciements.

Les partis d'opposition vont oeuvrer ensemble pour garantir la tenue d'élections présidentielles en République démocratique du Congo (RDC) en fin d'année, comme le prévoit la constitution.

Fin 2016, il est prévu que Joseph Kabila se retire du pouvoir. L'accord, difficilement acquis, prévoit un dialogue national, qui bénéficie du soutien de la communauté internationale, afin de concrétiser l'organisation de ces élections. Les conditions de ce dialogue ont suscité un vif débat en RDC.

Joseph Kabila avait initialement appelé au dialogue pour discuter de l'organisation du scrutin, mais cet appel est resté à ce jour lettre morte.

Que l'opposition et le régime puissent se mettre au tour de la table

A Genval, un non ferme à ce dialogue a été bruyamment répété. Le dialogue proposé par l'opposition doit porter sur le financement, le calendrier et les règles mises à jour pour l'élaboration des listes électorales, et ce avant la fin de l'année.

"C'est pourquoi, il faut au plus vite prendre contact avec toutes les parties concernées de sorte que l'opposition et le régime puissent se mettre au tour de la table", souligne la déclaration contresignée.

"Cela doit être fait au plus tôt par le facilitateur Edem Kodjo nommé par l'Union africaine et un panel composé de membres de la communauté internationale."

Ces derniers mois, la quasi-totalité de l'opposition a désavoué le dialogue proposé par le président Kabila, y percevant une manoeuvre pour prolonger son maintien au pouvoir. Leur proposition doit donner lieu désormais à un véritable dialogue entre l'opposition et le régime congolais.

Mettre la main aux derniers détails de la déclaration et y apposer un point final était la raison principale de la tenue de ce conclave mercredi, sensé se terminer dans l'après-midi de jeudi. Ceux de l'opposition qui se sont réunis dans le Brabant wallon vont également mettre sur pied une nouvelle plateforme, le Rassemblement.

Cet organe comprendra un conseil des sages, composé de membres des différents groupes et présidé par M. Tshisekedi.

UGANDA :

SOUTH AFRICA :

'South Africa isn't immune to the threat of terrorist attacks'

ewn.co.za/2016/06/09

The IRR says porous borders and document fraud make South Africa 'vulnerable' to terror attacks.

JOHANNESBURG – The Institute of Race Relations says South Africa is not immune to the threat of a terrorist attack, saying there are a number of factors that make the country vulnerable.

The United States (US) embassy issued a terror alert over the weekend, but international relations believe the source lacks credibility and now government has served a demarche on the embassy.

The institute's Frans Cronje, however, says South Africa should not see itself as immune.

Cronje says there should have been a co-ordinated statement between the foreign agencies and government.

“South Africa has very porous borders, it's easy to obtain fraudulent documentation. Our weapons are easily available, we are on the tail of what's called ‘the African terror belt’ – there are numerous examples of terror suspects, or people linked to terror suspects, being found in possession of South African documents.”

On Monday, the Terrorism Research and Analysis Consortium said it had verified reports of al-Shabaab supporters in Cape Town, Port Elizabeth, and in a suburb of Vereeniging.

The US embassy warned attacks are likely to be carried out at upscale shopping malls in Cape Town and Johannesburg during the month of Ramadan.

PRESIDENCY DISTANCES ITSELF FROM DIRCO, SSA STATEMENT

Earlier this week, the Department of International Relations and Cooperation's (Dirco) spokesperson Clayson Monyela said the terror alert issued by the US embassy was based on dubious and unsubstantiated information.

“We reject attempts to generate perceptions of government ineptitude, alarmist impressions and public hysteria on the basis of a single questionable source.”

Monyela said South Africa's security agencies had always maintained contact with foreign intelligence agencies based in the country; which included information exchanges on threats.

The department and The State Security Agency (SSA) issued a joint statement in which they accused the embassy of attempting to influence and manipulate South Africa's efforts to combat terrorism.

However, this afternoon Minister in the Presidency Jeff Radebe said another statement issued by the presidency, relating to the recent terror alerts, was the only official position of government.

His comments at a Cabinet briefing in Pretoria suggested government had distanced itself from the strongly-worded statement issued by Dirco and the SSA.

The presidency's statement was measured and diplomatic, and reflected on the close working relations with the US.

Monyela has since deleted a tweet in which he stated he received the highest level of approval for the statement.

Notley says South African firefighters' low wages are 'not acceptable'

The Globe and Mail/Thursday, Jun. 09, 2016

Edmonton and Johannesburg —

Alberta Premier Rachel Notley says she's disturbed 300 South African firefighters working the blaze near Fort McMurray are receiving an allowance of only \$15 a day, vowing that they'll be paid what the province's labour laws require.

After less than a week on the job, the 300 firefighters went on strike Wednesday in a pay dispute with their South African employer. All of the firefighters have been "demobilized" since the strike, and some or all of them will be flown home, their managers say.

The firefighters arrived in Canada last month, singing and dancing as they landed at Edmonton airport, gaining media attention across Canada and internationally.

Now they're angry that they are receiving the small allowance during their Canadian deployment, in addition to their South African salaries, despite promises of additional money.

Speaking in Calgary on Thursday, Ms. Notley said the firefighters need to be paid at least the minimum required by Alberta law – \$11.20 an hour. She said the province is paying \$170 daily for each South African firefighter, as well as providing food, accommodation and travel costs.

"It's not acceptable to me and to my government that we would have people working for wages in our province that do not align with our labour laws," she said. "Every hour that every firefighter from South Africa, or anywhere else, has worked on these fires will be compensated in accordance with our laws in this province."

It's unclear how many of the firefighters will be returning to South Africa, since it will depend on the wildfire situation in Alberta.

Their organization, Working on Fire, said last week the firefighters would be getting a pay increase because of Canadian concerns that the South Africans would seem to be "slave labour" if they were paid substantially less than Canadian firefighters, who receive up to \$26 an hour.

However, under a contract the firefighters signed before their deployment, they are receiving \$15 a day during their deployment, plus an additional \$35 for each day they worked after they return home. This is in addition to their accommodation and other expenses, and their regular South African wages, which are as little as \$200 a month.

A statement by the South African organization said there was "confusion" among the firefighters after media reports of the promised pay increase.

"We are dispatching a senior management team to Alberta this evening to address the firefighters' concerns and to assist with the smooth demobilization of our firefighters and their safe return back home to South Africa," the statement said.

The \$170 Alberta is paying daily also covers administration and training, explained Kim Connors, the executive director of the Canadian Interagency Forest Fire Centre, the non-profit responsible for bringing the South African firefighters to Canada. Mr. Connors said only the South African employers could explain how the money was being allocated.

The dispute began just north of Fort McMurray when a team of 60 South African firefighters met with one of their managers on Tuesday morning. A local contractor working with the team described the meeting to The Globe and Mail. Because Alberta's forestry department has warned contractors that speaking with the media will lead to being barred from future contracts, the man has asked that

his identity be withheld.

At the impromptu meeting in the field, the crew of firefighters learned that their pay wouldn't be \$50 daily, as many believed, but only \$15, with the remainder paid out once they returned home. A similar setup existed in the past when a smaller number of South African firefighters were deployed in Canada, and some contend they were never paid the balance of their wages when they returned home.

"It was pretty clear that within minutes they had a mutiny on their hand," the contractor told The Globe and Mail.

Early Wednesday morning all 300 firefighters went on strike. They were only on the fifth day of a 14-day work schedule, followed by three days of rest and one day of travel.

More than 2,000 firefighters are now working on the Fort McMurray wildfire. Most are from Canada. Because the 300 South Africans left the fireline Wednesday, there have been reports of staffing shortages.

The pay dispute is focused on two issues: the timing of the deployment allowance of \$50 a day, and the question of parity with the wages of Canadians.

On the first issue, the South African firefighters want to receive the entire daily allowance during their deployment. Their managers argue that the firefighters should receive most of the \$50 daily allowance after their return home, so that they don't waste it on higher expenses in Canada.

On the second issue, a manager said last week that the firefighters would receive a higher amount this year – the equivalent of about \$15 to \$21 an hour. He said the Canadian officials had requested that the South African firefighters receive a wage similar to Canadian firefighters.

Some of the South African firefighters, learning of this statement, were angered that their \$50 daily allowance is far less than the \$21 hourly pay that they expected.

On Wednesday, the South African managers gave a different account. Trevor Abrahams, a board member at Working on Fire, said the pay "increase" is mostly derived from the higher "value" of their Canadian pay this year, due to currency fluctuations and the lower cost of living in South Africa compared to Canada.

TANZANIA :

Tanzania tourism hit hard

eturbonews.com/Jun 10, 2016

TANZANIA (eTN) - Tourism stands the leading economic sector in Tanzania, but it has been hit hard by multiple taxes imposed on tourist services through the annual budget tabled to the Tanzanian parliament on Wednesday of this week.

The unfriendly tourist budget that was set for implementation from July of this year, to end in June of next year, has not identified tourism among the key priority sectors that would speed up the Tanzanian economy, hence poverty reduction among the Tanzanian people.

In his budget speech that was televised live across Tanzania on Wednesday, Tanzania's Finance Minister, Dr. Phillip Mpango, imposed a value added tax (VAT) on tourism services, including supplies of tourist guiding, game driving, water safaris, animal and bird watching, park fees, and ground transport services.

"This measure was put in abeyance during the inception of the new VAT Act in July 2015 in order to provide for the operators to conclude their contractual obligations entered with tourists in a year," Dr. Mpango said.

The Value Added Tax has been imposed on similar services in neighboring countries like Kenya, Rwanda, and South Africa, he added.

But tourism industry players are worried they will lose their business to other African safari destinations.

A section of tourist investors said it was wrong to impose VAT on tourist services, pointing out that usually tourists do not take anything out of the country; they just come to gaze at wildlife and leave.

The safari operators warned that VAT on tourism will make Tanzania a very expensive destination, and foreigners may start opting for other countries where prices for safaris are much cheaper.

Local tourist hotel operators pay about 55 different government taxes and levies in different categories.

Tourism-related segments that will be subject to Value Added Tax include tour guided game viewing, water and sea sports, animal and bird watching, accommodation, park fees, tourist chatter services, ground transport, and transit services.

For the operators, however, the move will be a hard hit to the Tanzania tourism industry, making the destination uncompetitive. They said potential tourists could cancel their trips to Tanzania.

Kenya, Tanzania's leading safari destination, has to this end allocated KSh 4.5 billion (US\$45 million) for tourism promotion activities, in addition to some tax incentives that will be announced shortly.

Kenyan Finance Minister Henry Rotich proposed to remove the Value Added Tax (VAT) on park entrance fees in his annual budget speech.

Four East African nations tabled their annual budget speeches on Wednesday.

Tanzania's tourism sector is a key economic sector and had attracted one million tourists last year who generated US\$2.04 billion against the US\$1.9 billion gained the previous year.

Tanzania Tourist Board had so far predicted to see over two million tourists visiting Tanzania next year.

KENYA :

Kenya's Nationwide Blackout Caused By A Monkey

inquisitr.com/10/06/2016

A monkey caused a nationwide blackout in Kenya. The primate is being blamed for one of the largest electrical outages that resulted in a loss of more than 180 MW.

A small monkey crashed Kenya's electrical infrastructure and kept it shuttered for a good three hours on Tuesday. The electrical outage spanned the entire nation's electricity supply, confirmed the Kenya Electricity Generating Co. The company noted that a small primate successfully managed to climb on the roof at the Gitaru Power Station. It is not clear if the monkey jumped or fell, but it did land on a transformer, setting in motion a number of mechanisms and fail-safe systems that eventually crippled the electrical supply to the entire nation.

The company, which is referred to as KenGen, even posted a photo of the offending monkey on Facebook. Surprisingly, the company managed to snap the photo of the monkey still sitting on the transformer. According to Ars Technica, the monkey appears to be a vervet monkey, which is native to Kenya. The monkey appeared to have a collar of white fur.

Owing to the monkey's actions, the country suffered a loss of 180 MW of electricity.

How can a monkey cause a national electrical blackout? The electrical company released a statement, which explained how a small primate could shutter the electrical supply to an entire nation,

“The monkey climbed onto the roof of the Gitaru power station and then dropped onto a transformer, tripping it. This caused the other transformers to overload and trip, which in turn caused the whole power station to go offline. The loss of 180MW from the hydro plant was enough to cause a national blackout.”

In other words, the monkey was responsible for setting in motion the consecutive and rapid failures of transformers, similar to a domino effect. Technically, with the primary transformer switching off, the other systems were overloaded and they in turn shut down to prevent a blow-up, reported the Washington Post. It has not been confirmed if the nationwide blackout was caused by the cascading failure of transformers or if it was more of a “brownout,” during which various mechanisms of the grid were trying to deal with the sudden and massive imbalance in power generation.

The company didn't elaborate on how the monkey managed to enter the secure premises to trigger the power failure, but categorically noted that the power plant is properly secured with electrified fencing.

“KenGen power installations are secured by electric fencing, which keeps away marauding wild animals. We regret this isolated incident and the company is looking at ways of further enhancing security at all our power plants.”

Gitaru is the largest hydropower station in East Africa, but its aging infrastructure is a huge burden on the country. The supply from the grid is unreliable at best, complain businesses that operate in the country. Many establishments routinely experience power cuts and have always complained about the exorbitantly high power tariffs. Quite a few businesses own and operate their own power generators that run on gasoline.

Astonishingly, the vervet monkey who brought an entire nation's electrical supply to a momentary standstill survived the incident and was duly handed over to the Kenya Wildlife Service. Locals

complain the species is proving to be an increasing nuisance. These monkeys grow to about two feet in length, not including the tail, but cause a lot of ruckus and damage. Moving in packs, they can be seen everywhere in Kenya. The primates boldly scamper on power lines. So emboldened are these creatures that they can even sneak into kitchens and steal produce, reported New York Times.

Given the havoc played by the monkey, Kenyan authorities are expected to beef up the security at the power plant to prevent further mishaps.

Kenya fires 302 police officers as it fights corruption

June 9, 2016/By TOM ODULA, Associated Press

The National Police Service Commission has sacked 302 police officers who refused to be vetted in ongoing reforms of the police force restore public confidence in the institution known for endemic corruption and human rights abuses

NAIROBI, Kenya (AP) — A national commission in Kenya announced Thursday it has fired 302 police officers who refused to be vetted as part of reforms of the police force.

The reforms are aimed at restoring public confidence in an institution repeatedly implicated in endemic corruption and human rights abuses.

The National Police Service Commission said Thursday that the officers, most of them in the traffic department, will receive dismissal letters from police chief Joseph Boinnet, who is also a member of the commission.

The decision to dismiss the officers was reached at a board meeting held at the commission's offices on Tuesday, commission Chairman Johnston Kavuludi said.

Kenya is vetting all its police officers as part of a reform package the government agreed to undertake after adopting a new constitution in 2010. So far at least 3,000 officers have been vetted with close to 100 fired.

The adoption of the new constitution and police reforms were part of an agreement that ended post-election violence following a flawed presidential poll in December 2007 that left more than 1,000 people dead. Kenya's police force was accused of taking sides during the violence.

The police force is the most corrupt institution in Kenya, according to global anti-corruption watchdog Transparency International.

Eric Kiraithe, the government spokesman, said in his previous job as police spokesman that corruption in the police force runs deep and wide.

The vetting of some 80,000 officers, which started in December 2013, has been criticized for overlooking the human rights records of senior police officers who have been accused of sanctioning and participating in extra-judicial killings of suspects.

A U.N. expert on extra-judicial, summary and arbitrary killings said Kenyan police are a law unto themselves and carry out carefully planned, systematic and widespread killings of individuals. An investigation by The Associated Press last year found that many ordinary officers on the beat have turned into killers — doling out death to terror suspects, civilians and even children.

The vetting panel has faced several death threats. In one case a severed head was sent to their office with a note warning them to tread carefully.

Put Kenya first in Jubilee-Cord talks

Jun. 10, 2016/the-star.co.ke

There is a push-and-pull between State House and Capitol Hill Centre over the formation of the select committee of Parliament and the Senate announced by the President on Budget Day to negotiate electoral reforms.

President Uhuru Kenyatta's initiative followed behind-the-scenes interventions by foreign envoys, religious and corporate leaders and civil society in the face of anti-IEBC protests by the opposition that turned violent. There is talk of hardliners and moderates on both sides. Instead, they should seize the opportunity of dialogue and negotiation to thrash out what is essentially a legislative issue.

The religious, diplomatic, corporate and civil society sectors concerns are all about maintaining the peace and being inclusive. No injuries, disruption of the economy or deaths should occur at this juncture in Kenya's history of political pluralism.

Both sides need to put Kenya and the electorate first by negotiating in good faith and placing all their cards on the table. At the end of the day

Historical quote

The people who cast the votes decide nothing. The people who count the votes decide everything.

Joseph Stalin

Former General Secretary of the Central Committee of the Communist Party of the Soviet Union. He died in March 5, 1953

Mixed reactions over budget proposals

Jun. 10, 2016/the-star.co.ke

Manufacturing, Tourism and Insurance sectors are among those that have welcomed the Sh2.26 trillion 2016-17 budget proposals by Treasury CS Henry Rotich.

Manufacturers have praised the proposal to introduce an additional specific rate of \$200 (Sh20,261) per metric tonne for steel and iron imports to cushion local factories.

Kenya Association of Manufacturers said the move will uplift the steel sector. CEO Phyllis Wakiaga said local aluminium producers will also benefit from the proposal by the CS, to raise import duty from 10 per cent to 25 per cent.

VAT exemption on raw materials used in manufacturing of animal feeds has also given the sector a reason to smile. "This in turn will revitalise Kenya's exports capability that is needed for the attainment of a double digit economic growth of our country," Wakiaga said in a statement.

Another big winner is the tourism sector which received a huge Sh4.5 billion allocation for promotion activities. Park fees have been exempted from VAT while tour operators will also not pay

this tax on their commission.

Tourism CS Najib Balala yesterday said the move will attract more visitors. "This duty exemption will go a long way in making our services affordable and competitive both regionally and globally," Balala said.

The proposal to reduce insurance claims payments from 90 days to 30days has also been lauded by agents.

"It will alleviate the suffering of claimants who should not actually wait for more than one week," Bima Intermediaries Association of Kenya chairman Washington Ndegea said.

However, the Kenya Alliance of Resident Associations has warned that the cost of living is set to rise, with the introduction of excise duty on kerosene.

ANGOLA :

AU/AFRICA :

UN/AFRICA :

US/AFRICA :

South Africa Refutes U.S. Terror Threat Warning

June 9, 2016/usnews.com

A statement from the South African government called the information behind a U.S. warning to its citizens 'sketchy.'

On Saturday June 4, 2016, the United States embassy in Pretoria issued a warning to its citizens in South Africa that there was a heightened threat of terror attacks in the country's upscale shopping malls in Johannesburg and Cape Town. The threat was tied to the jihadist group Islamic State's appeal to its followers to undertake attacks on Western targets during the Islamic holy month of Ramadan. For the next several days, skittish South African shoppers strode through Sandton and Rosebank's fancy shopping centers wondering if and how their own government would respond to the apparent threat.

Four days later, on June 8, the South African government did indeed respond. A joint announcement by the Department of International Relations and Cooperation (DIRCO) and the State Security Agency (SSA) stated: "The information provided as a basis for the latest terror alerts on South

Africa has been found to be very sketchy. On closer examination, we have found the information to be dubious, unsubstantiated and provided by a 'walk-in' source based on questionable conclusions."

Put simply, South Africa disagreed with the assessment of the U.S. (as well as the United Kingdom and Australia) that a credible terror threat existed. This is not unusual. There are often disagreements both within and across intelligence agencies as to the seriousness of a potential threat.

Informed debate

The question of how "credible" the threat was (or is) is also vexing because for the public it is unanswerable. Without access to the various pieces of information that the intelligence agencies used to form their judgment about the severity of the threat, the public cannot engage in an informed debate. They cannot decide for themselves whether South African or American officials came to a more accurate conclusion about the gravity of the danger posed.

But the joint DIRCO-SSA statement did more than dismiss the credibility of the American warning. It also indicated that the American motive for issuing the warning was not necessarily to keep its citizens safe. In an accusation unmistakably directed at the U.S., the statement read:

" ... the South African government rejects attempts by foreign countries to influence, manipulate or control our country's counter-terrorism work. We reject attempts to generate perceptions of government ineptitude, alarmist impressions and public hysteria on the basis of a questionable single source."

This is a serious allegation. It suggests that the U.S. issued the terror advisory to undercut the South African government's integrity and sow confusion within the country.

Regime change

Unfortunately, the theme of this accusation is not new. In February 2016 African National Congress (ANC) Secretary-General Gwede Mantashe suggested that the US Young African Leadership Initiative was designed to foment regime change in South Africa.

In 2014, Deputy Minister of Defence and Military Veterans Kebby Maphatsoe labelled Public Protector Thuli Madonsela a CIA spy. He claimed she was attempting to undermine the ruling ANC and put a regime friendly to Washington in power. None of these accusations have been substantiated.

Thus the latest DIRCO-SSA statement accusing the US of attempting to destabilise South Africa must be seen in a broader context of mistrust and paranoia that continues to plague relations.

This mistrust matters. It could result in not just hurt feelings, but an actual breakdown in cooperation on key issues between South Africa and the U.S. And cooperation, especially in the realm of counter-terrorism, is vital.

Effective counter-terrorism

The DIRCO-SSA statement confidently proclaims: "The South African government is fully capable of securing our country, protecting our people and taking care of the safety of foreign citizens on our soil."

But this is not true. Global threats, such as terrorism, do not respect borders and therefore are difficult for any one state to combat. Effective counter-terrorism demands cooperation across states, and is impeded by petty conflicts between them. Casting wild allegations that the U.S. warning is based on malevolent intent hinders rather than helps this cooperation.

While unproductive, South Africa's pique might be somewhat understandable. That is if the U.S. did not follow the correct channels to issue its warning, as the DIRCO-SSA statement suggests. The facts regarding what channels ought to be followed, and which ones actually were, are unclear. At the very least the South African government felt it was not consulted sufficiently before the U.S. warning went public.

There is room here for growth in the relationship. Developing a clear understanding as to how to handle these types of terror alerts in the future would be a small but important trust-building step in a sometimes strained relationship.

But broader questions must also be addressed. A more measured statement found on the South African Presidency website affirms that, "South Africa and the United States continue to enjoy strong and cordial relations in various areas of cooperation including political, economic, social and security matters." But friends don't openly accuse friends of seeking to undermine them. If South Africa and the U.S. want fruitful collaboration to continue, an end to public accusations and increased communication would be a good start.

CANADA/AFRICA :

AUSTRALIA/AFRICA :

EU/AFRICA :

CHINA/AFRICA :

INDIA/AFRICA :

African cash crisis hits Indian exporters

Jun 10, 2016/timesofindia.indiatimes.com

NEW DELHI: The fall in global commodity prices, especially oil, has hit India's exports to Africa as a currency crisis has shut out some of the market for products such as automobiles and auto

components. It has also put exporters in a tight spot with some of them complaining of delayed payments.

The uncertainty has prompted the government to begin discussions on an alternate payment mechanism to ensure that the dues of Indian exporters are protected. The ministry of external affairs is discussing the possibility of opening an escrow account with countries such as Nigeria, where the exporters will have the first charge on oil dues that are paid to the African country, sources told TOI.

"These are preliminary discussions and we may rope in Exim Bank and African Development Bank if the Nigerian government agrees," said a source. The mechanism may be similar to the window like the rupee-rouble account of the 1980s or the recent mechanism with Iran, where payments were hit by sanctions imposed by the US.

The global slump in commodity prices, such as oil and metals, has hit mineral-dependent economies across the globe, while importing countries such as India have benefited. Low prices have meant lower dollar inflows and put pressure on the balance of payments position of these countries. Nigeria, Africa's largest economy, is on the brink of a recession - oil production has dropped to the lowest in three decades, budget deficit has widened to a record and the economy contracted for the first time since 2004 in the first quarter. Foreign currency reserves have dropped to \$26 billion, the lowest in more than a decade.

Exporters are also complaining of problems in other countries such as Angola, Ethiopia and Ghana, said Ajay Sahai, director general of exporters lobby group FIEO.

The payment problems, which has resulted in some trade getting routed via Dubai, has also pushed up default risk premium and the government is trying put in place a lower premium regime for SMEs exporting to Africa.

"The dollar crisis is a serious cause for concern, and there have been no exports to countries such as Angola, Egypt and Ethiopia for the past one year. Other affected countries are Algeria, Nigeria and South Africa," said Sugato Sen, deputy DG of Society of Indian Automobile Manufacturers (SIAM). Africa accounts for around a third of India's vehicle exports, which includes two-wheelers, three-wheelers, cars, utility vehicles and trucks and buses.

Exports of vehicles to Africa were estimated at around \$3 billion last year.

The auto industry body has proposed a mechanism similar to the one that MEA is discussing. "We believe that China has entered into renminbi swap agreements with more than 34 countries and is working towards inclusion of its currency as a convertible foreign exchange. There will be serious threat to Indian exports due to this," Sen said.

The government's initial plan is, however, focused on Nigeria, which is a major source of oil import for India and seen as an alternative to crude from West Asia. The crisis comes at a time when India is trying to deepen its ties with Africa to reduce the influence of China, which has had a first-mover advantage. "It is easier to work out a deal with Nigeria given the large trade deficit. Once we finalize a plan we can work out an arrangement with Ecowas," an official said. Ecowas, or the Economic Community Of West African States, is a grouping of 15 countries including Nigeria and Ghana.

BRAZIL/AFRICA :

EN BREF, CE 10 Juin 2016... AGNEWS/DAM, NY, 10/06/2016