Partnerships giving Africa a new look

Private sector invests in mega projects

Uproar over Internet shutdowns
CONTENTS

3 SPECIAL FEATURE

Partnerships giving Africa a new look

- Public-Private Partnerships provide lifeline for cash-strapped countries
- Global companies give Africa a second look
- Alternative financing strategies to boost small businesses in Africa
- Interview: Li Yong, Director-General of UNIDO
- An integrated Africa: A boon to the private sector
- Philanthropists partner to fund Africa’s health sector
- Public-Private Partnerships at work in Africa
- Interview: Lise Kingo, Executive Director of the UN Global Compact

ALSO IN THIS ISSUE

20 Africa’s app-based taxis battle Uber over local market share
22 Interview: Gilbert Houngbo, President of IFAD
24 African airlines wait for open skies
26 More African women in politics
27 The new face of the Sahel
28 Interview: François Loucény Fall, Head of UNOCA
30 Private schools gain a foothold in Africa
32 Uproar over Internet shutdowns

DEPARTMENTS

35 Books
35 Appointments

Cover photo: Gautrain rapid rail system, South Africa. Gauteng Province Roads and Transport

Africa Renewal (ISSN 2517-9829) is published in English and French by the Strategic Communications Division of the United Nations Department of Public Information. Its contents do not necessarily reflect the views of the United Nations or the publication’s supporting organizations. Articles from this magazine may be freely reprinted, with attribution to the author and to “United Nations Africa Renewal,” and a copy of the reproduced article would be appreciated. Copyrighted photos may not be reproduced.

Africa Renewal is published by the United Nations, New York, on recycled paper.

Address correspondence to:
The Editor, Africa Renewal
Room S-1032
United Nations, NY 10017-2513, USA,
Tel: (212) 963-6857, Fax: (212) 963-4556
E-mail: africarenewal@un.org

Subscribe to Africa Renewal
Africa Renewal offers free subscriptions to individual readers. Please send your request to Circulation at the address to the left or by e-mail to africarenewal@un.org. Institutional subscriptions are available for thirty-five US dollars, payable by international money order or a cheque in US dollars drawn on a US bank, to the “United Nations” and sent to Circulation at the address to the left.

Managing Editor
Zipporah Musau

Sub-editor
Kingsley Ighobor

Staff Writer
Franck Kuwonu

Research & Media Liaison
Pavithra Rao
Eleni Mourdoukoutas
Ihuoma Atanga
Fatima Sene

Design & Production
Paddy D. Ilos, II

Administration
Dona Joseph

Distribution
Atar Markman

www.un.org/africarenewal
facebook.com/africarenewal
twitter.com/africarenewal
The private sector in Africa is playing a crucial role in the continent’s economic development—more than it did a decade ago.

Following deep shortfalls in national budgets, African governments are turning to public-private partnerships (PPPs) to bridge the financing gap. Foreign investments supported by collaborative co-financing with development finance institutions offer the prospect of necessary capital to finance industries, build infrastructure, provide social amenities and create jobs.

Narrowing sub-Saharan Africa’s infrastructure gap could have a big effect on growth. For instance, growth of GDP per capita for the region would increase by an estimated 1.7% per year if the region were to close the gap with the median for the rest of the developing world, according to a World Bank report of April 2017.

Closing the infrastructure gap relative to the best performers in the world could increase growth of GDP per capita by 2.6% per year. The largest potential growth benefits would come from closing the gap in electricity-generating capacity.

In the last 10 years, the continent has welcomed partnerships in such infrastructure projects, with the construction of roads, bridges and dams being the most common. There are also partnerships in power generation, renewable energy, health and telecommunications.

Côte d’Ivoire, Ethiopia, Ghana, Kenya, Morocco, Nigeria, Rwanda, South Africa, Tanzania, Uganda, and others have benefited from PPPs. Examples of PPPs at work in Africa include the Henri Konan Bédié Bridge in Côte d’Ivoire, the Lake Turkana Wind Power Project in Kenya, Senegal’s Dakar-Diamniadio Road, power and water projects in Ghana, Nigeria and Rwanda and the Tanger-Med port project in Morocco, among others.

However, even as PPPs continue to change the face of Africa through mega projects, experts are urging African governments to be careful and learn from failed PPPs when signing on to new partnerships.

Mukhisa Kituyi, the secretary-general of the United Nations Conference on Partnerships giving Africa a new look

Private sector working with governments to fund mega development projects
South Africa and Nigeria may be Africa’s biggest economies, according to the International Monetary Fund, but thanks to public private partnerships (PPPs), Morocco, Rwanda, Côte d’Ivoire and a few other smaller countries can boast world-class infrastructure.

In an article published in the August 2016 issue of the African Journal of Management Research, authors Bernadine J. Dykes and Carla D. Jones described PPPs as “cooperative arrangements between governments and multinational corporations that are created to finance, construct and manage infrastructural projects.”

The writers observed that in past decades “Africa’s involvement in PPPs has been limited relative to other continents,” but that lately, due to pressures on national budgets and the inability of the public sector to provide efficient services, “African governments are looking harder for infrastructure development cash to support population growth and the demand for commodities.”

With a gross domestic product of around $37 billion in the 1990s, according to the World Bank, Morocco could not afford huge infrastructure investments while fulfilling its recurrent budgetary obligations, including paying civil servants’ salaries and running its government.

Then a lucrative opportunity emerged five years ago that took advantage of Morocco’s unique position on the Straits of Gibraltar, with proximity to Europe. The Tanger-Med will be the largest port in North Africa, and part of a wider plan to boost the economy of the region.

The idea is to create a logistics hub to attract manufacturers to the region, thereby turning the greater Tangiers area into a logistics and export centre for moving goods to the USA, the eastern Mediterranean and beyond, to Asia.

The project will be implemented, coordinated and managed by the Tangier Mediterranean Special Agency (a private company with public prerogatives), operating under an agreement with the government and interacting with the different ministries involved.

Typically, PPPs consist of contractual arrangements referred to as BOTs, which stands for Build, Operate and Transfer. For example, a private company may provide financing for a road project and the government grants permission to such a company to operate the road for a specified period. This allows the company to recoup its investment, after which it transfers operations of the road to a government agency. The Dakar-Diamniadio Road in Senegal, which was completed in 2013, is a good example. The total cost of the project is estimated at $335 million.

Huge infrastructure gaps
Africa needs $93 billion annually for infrastructure, which is approximately 15% of the continent’s GDP, notes the African Development Bank (AfDB). Therefore, PPPs are lifelines for cash-strapped governments.

“Governments are increasingly turning to PPPs to bridge the financing gap and deliver more efficient and cost-effective infrastructure,” writes Ventures Africa, a website dedicated to African business.

Kenya, for example, requires infrastructural investments of between $4 billion and $5 billion annually to cover its financing gap. Projects such as the Lake Turkana Wind Power Project have been successfully executed through PPP arrangements.

Neighbouring Tanzania needs up to $8 billion per year to meet its infrastructural financing shortfall. In Ghana, a country with increasing budget deficits, former minister for finance and economic planning Seth Terkper says the country needs to invest $1.5 billion annually in infrastructural development; however, other analysts believe financing requirements could be up to $3.5 billion.

Even South Africa, often touted as a model for PPPs in Africa, is facing energy problems “best characterised by the power shortfalls and load shedding,” states Ventures Africa. Experts cannot agree on what South Africa requires for infrastructure, but figures range from $4.5 billion to $8 billion annually.

The private and public sectors like to consider a PPP project a win-win: the government can claim to have led efforts to provide infrastructure or services for citizens, and private investors can promote their involvement in socioeconomic development, even if they also set their eyes on profits.

Yet a government’s perception of services or infrastructure as a social undertaking, especially in poor countries,
contrasts with the private sector’s profit-driven market solutions, and often leads to problems.

“As with many markets,” reports Oxford Business Group, a UK-based business intelligence firm, “there have been stumbles with the implementation of some PPP projects [in Morocco].

“Partnerships with private firms in the utilities sector, for example, have faced opposition over tariff and pricing changes, as well as questions over access, with privately managed water utilities in major cities attracting protests over pricing and other issues,” notes the business intelligence firm.

In late 2015, private investors engaged by the Nigerian government to distribute electricity faced public outcry over plans to increase electricity tariffs. Unable to establish their preferred tariffs, Nigeria’s electricity distribution companies last April claimed they had lost about $2.3 billion since November 2013, when they took over responsibility for power distribution.

Private firms are not warmly embracing PPPs in Africa just yet. In its 2015 report Infrastructure Financing Trends in Africa, the Infrastructure Consortium for Africa (ICA), an organisation that promotes access to sustainable infrastructure services on the continent, notes that uncertainty and a lack of political will are barriers to successful PPPs. The ICA stresses that many public institutions lack capacity, which stokes fears of financial risk for private investors. It criticized weak regulatory frameworks and corruption in some countries.

The AfDB lists factors working against successful PPPs: “inadequate legal and regulatory framework for PPPs, lack of technical skills to manage PPP programmes and projects; unfavorable investor perception of country risk, Africa’s limited role in global trade and investment, small market size, limited infrastructure and limited financial markets.”

Dr. Amit Thakker, who heads the Africa Healthcare Federation, which advocates for better health-care systems on the continent, says that African countries can achieve better health-care systems through PPPs. Dr. Thakker proposed a three-phase strategy for implementing PPPs in Africa.

The first phase, P1, consists of a government entering into dialogue with a private investor to clarify roles and vision. P2 consists of “creating and adapting regulatory frameworks and contractual obligations and the institutionalisation of PPP Acts.” P3 “will be the project implementation phase, which will include building and operating projects and products, followed by evaluation and sharing of information and case studies.”

Some countries are already changing laws or enacting new ones to improve the business environment. Kenya’s PPP laws are meant to assure the private sector of policy stability and market certainty. The
When travelling abroad for work and looking for accommodation, Joe Eyango, a Cameroonian living in the US, considers two factors: convenient transportation from the airport and around the city and reliable Internet access. He is a university professor and wants to be able to jet in, hit the ground running, make his presentation and zoom off to another destination in a day or two.

Mr. Eyango has been to various countries in Africa for business and work but has reasons for preferring South Africa. “South Africa has a lot to offer compared with other African countries. The road system is good, there is adequate electricity and reliable Internet connection, which is necessary for work and business,” Mr. Eyango told Africa Renewal in an interview.

Recently, having been invited to present a conference paper on a tight schedule, Mr. Eyango flew into Johannesburg from Amsterdam, spent less than 30 minutes in customs at the O. R. Tambo International Airport, took a taxi and was at his hotel in less than an hour since arrival.

Global companies give Africa a second look

South Africa hosts most of the top companies in Africa, but other countries are coming up

By Zipporah Musau

South Africa attracts many professionals and big multinationals. It’s currently home to more than 75% of all top global companies in Africa.

“Where these big companies choose to invest depends on whether the environment is right for business. Investors are interested in relatively stable countries, good infrastructure, reliable communication, electricity and labour,” says Dr. John Mbaku, a researcher at Africa Growth Initiative at the Brookings Institution and also a professor of economics at Weber State University, US.

Some of the global companies with a presence in South Africa include luxury car manufacturers BMW, the Standard Bank Group, Barclays Bank, Vodafone (one of the world’s largest communication companies), Volkswagen, and General Electric. There is also FirstRand, Sasol, Sanlam, and MTN Group.

In an earlier interview with South African officials on why they’d chosen the country as an investment destination, Sam Ahmed, then the managing director of Britannia Industries, an India-based manufacturer of biscuits, snacks and confectionery, said his organization had been looking for a country that would give it access to the entire African market while keeping its costs low.
However, despite its successes, South Africa continues to grapple with a high crime rate (especially in urban areas), graft accusations and the political uncertainty that businesses loathe.

Dr. Mukhisa Kituyi, the secretary-general of the UN Conference on Trade and Development (UNCTAD), the UN body that deals with trade, investment and development issues, acknowledges that South Africa has the oldest and most developed market economy in the whole of Africa for historical reasons: the market grew out of a strong mining and industrial base and the financial industry.

However, according to Mr. Kituyi, things are now changing and other African countries are also attracting big investors. “It’s true South Africa has had a head start, but in net terms, there is faster growth in alternative centres for both manufacturing and service delivery than in South Africa. Today, the financial services industry is growing faster in Morocco than in South Africa,” Mr. Kituyi told Africa Renewal in an interview.

He notes that some multinational enterprises operating out of South Africa have relocated substantially. “We recently saw the opening of the Volvo truck-manufacturing plant in Mombasa. And similarly, we have seen many other services, particularly IT-based services and telecommunications, growing in new nodes like Nigeria, Kenya and Rwanda.”

Fringe benefits
So why should African governments want to encourage global companies to set up shop in their countries? Driven by insufficient funds, African governments are increasingly turning to private-sector companies for a much-needed boost. Foreign investments provide capital to finance industries, boost infrastructure and productivity, provide social amenities and create jobs, all of which can help a country reach its economic potential. And as countries rush to implement the Sustainable Development Goals, funding is key.

In Africa, governments and industry are gradually forming public-private partnerships (PPPs) in which companies provide capital while governments ensure an environment conducive to business. In the last 10 years, the continent has welcomed PPPs for projects in infrastructure, electricity, health and telecommunications.

Lenders like the African Development Bank are urging African countries to improve business environments by “creating the necessary legal and regulatory framework for PPPs, and to facilitate networking and sharing of experience among regulatory agencies and other similar organizations.”

Tread carefully
However, even as PPPs begin to change the face of Africa, there is need for countries to tread carefully and to learn from failed PPPs when signing up for such partnerships.

“Ask yourselves, does the state have the capacity to forge ahead with these partnerships? This is necessary to avoid bad debt,” says Mr. Kituyi, adding that governments should not let private companies drive the agenda.

This word of caution is echoed by the Brookings Institution’s Mr. Mbaku, who is advising African governments to ensure that PPPs work to their advantage: “If you have a weak or corrupt leadership, you may not have the power or the skills required to negotiate a favourable partnership. You will end up with a PPP that is not really a partnership.”

Mr. Mbaku gives the example of oil companies that have been operating in Africa for more than 20 years yet still depend on expatriate labour instead of employing locals. Such companies are reluctant to transfer skills, knowledge and technology to the locals.

Another problem with PPPs is the imbalance of power. “If you are a government engaged in a PPP on a development project, there is inequality in power. The multinational has capital, skilled manpower and [an] external market. The government has no power over these,” says Mr. Mbaku.

Despite the challenges, however, PPPs will continue playing a major role in the development of poor countries. For African countries to attract multinationals and other big investors to partner with, their governments need to put their house in order—improve infrastructure, communication, security and the legal system, and fight corruption.
Alternative financing strategies to boost small businesses in Africa

Essential small and medium-size enterprises need funding

By Franck Kuwonu

A few years ago, more than half a century after the concept was first proposed, the government of Côte d’Ivoire completed construction of the Henri Konan Bédié Bridge, a span over the Ébrié Lagoon linking the north and south of Abidjan, the country’s main city. The project became a reality after the government received development bank and private capital financing.

Similarly, the Dakar-Diamniadio Highway in Senegal, although a public structure, was built and is being operated by private companies.

Increasing difficulties in obtaining traditional financing, including bank loans for public infrastructure such as roads, railways and dams are forcing African countries to explore alternative financing approaches.

Having the private sector build and operate infrastructure, recoup its investments and later transfer the infrastructure to governments is one way of compensating for the shortfall in official development assistance and banks’ reluctance to provide loans.

Economic backbone

Aid to the least developed countries, most of which are in Africa, fell by 3.9% in 2016, according to the Organisation for Economic Co-operation and Development, which promotes policies that improve economic and social well-being of rich countries.

At the moment, governments are coming up with innovative financing strategies, while big corporations are relying on investments or bank loans to grow and expand their businesses. However, Africa’s small and medium-size (SMEs) enterprises, still struggle for financing.

Governments that seek financing from private partnerships or international financing institutions such as the African Development Bank (AfDB), the International Finance Corporation (IFC), the World Bank and others often realise that the funding available cannot meet the financial needs of the SMEs.

“In Ghana, SMEs can safely be regarded as the backbone of the economy, employing thousands of people,” Ghana’s minister of finance, Ken Ofori-Atta, said at a gathering of Ghanaian entrepreneurs in June.

SMEs represent 92% of all local businesses in Ghana, providing up to 85% of manufacturing jobs in the country and contributing about 70% to the country’s GDP.

In Nigeria, 37 million SMEs employ about 60 million people and account for about 48% of the country’s GDP.

South Africa (the most advanced economy south of the Sahara) is home to more than 2.2 million SMEs, about 1.5 million of them in the informal sector. About 43% of South Africa’s SMEs operate in trade and accommodations, according to South Africa’s Small Enterprise Development Agency (SEDA), which, among other functions, implements the government’s small business strategy.

A 2016 SEDA report says that SMEs face challenges in accessing finance and markets.

Yet eight out of 10 jobs and nine out of 10 of all businesses in sub-Saharan Africa are related to small business, according to UN figures.

Potential

SMEs, especially those in the informal sector, have a hard time accessing bank loans. A majority of African SMEs rely on personal savings or start-up capital from friends and family.

“Even when a bank is willing to lend them some money, the collateral and guarantee they require and sometimes the down payment is just too much for a small company like us,” says Alex Treku, the communications and projects manager at the Togo-based LOGOU Concept Togo (LCT).

LCT manufactures a type of electric food mixer (the Foufou Mix) that is used in place of the traditional mortar and pestle and saves women the energy used in pounding yam for fufu, a West African staple dish.

“The Foufou Mix allows for quick and hygienic yam preparation in approximately eight minutes,” the African Innovation
Foundation (AIF) said when it named LCT the runner-up for the Innovation Prize for Africa in 2014.

AIF added that “pounding of yam has traditionally been done by women; this innovation provides a solution not currently being contemplated by international manufacturers. It also opens up possibilities for a whole new industry for manufacturing of such appliances on the continent.”

One-third of Nigerians reportedly eat fufu, making the country of 170 million people an attractive market for the gadget. Yet LCT is able to manufacture only about a hundred mixers a month, according to Mr. Treku. The reason? “We don’t have access to bank credit or funds to grow our business,” he says. LTC currently employs 19 people.

Operational capacities and access to markets are other challenges African MSMEs face, but access to financing is the most critical.

On the occasion of the first-ever MSME Day marked globally on 27 June, the AfDB called for an increase in new and affordable financing schemes. Both the AfDB and the IFC would like SMEs to have increased access to financing. Last year the AfDB reported helping 156,000 SME business owners through financial intermediaries such as commercial banks, development investment and guarantee funds. That’s a good start, but hardly enough, experts say.

By providing coverage for risks associated with lending to SMEs, an intermediary such as the African Guarantee Fund (AGF) can provide credit guarantee facilities to financial institutions that give loans to enterprises they would normally be reluctant to lend to.

Last June, the AGF announced that through a partnership with the African, Caribbean and Pacific Group of States, the European Union and the UN Development Programme, some 5,000 SMEs in “development minerals” in five countries will have more affordable financing because of AGF’s $12 million credit guarantee.

Two years ago, the IFC and Ecobank, a pan-African commercial and investment banking group, launched a $110 million risk-sharing facility that allows Ecobank to lend money to SMEs operating in fragile and conflict-afflicted states in West and Central Africa. In addition to current efforts by traditional banks to lend to SMEs, experts have urged SMEs in Africa to explore innovative financing, such as cooperative financing and diaspora funds.

The World Bank is said to be exploring other ideas like crowdfunding—an innovative way of financing a project by raising funds from a very large number of people—peer-to-peer lending, social impact bonds and development impact bonds.

But the AfDB wants credit providers to increase lending by at least $135 billion to meet demand by African SMEs. As the overall financing gap in developing countries is currently between $2.1 and $2.6 trillion, new strategies are required to finance the 17 Sustainable Development Goals.

According to the World Economic Forum, “blended finance” could plug this hole. Should these funds become available, the majority of SMEs still operating in the informal sector will have to “take giant steps towards formalisation in order to increase their potential for accessing formal credits,” according to a 17 March study, Financing the Growth of SMEs in Africa: What Are the Constraints to SME Financing within ECOWAS? published in the Review of Development Finance.

The authors of the study maintain that policy reforms are as necessary as available financing. They also suggest requiring companies to provide credit information to boost creditors’ confidence and to make sure that government-sponsored credit schemes are managed efficiently and transparently.

Chef and owner of a restaurant and catering company in Liberia. © UN/ C. Herwig
As the director general of the United Nations Industrial Development Organization (UNIDO), Li Yong leads a specialised agency that promotes industrial development, inclusive globalization and environmental sustainability. Recently in New York, Mr. Yong took part in a special meeting on “innovation in infrastructure development and sustainable industrialization” in developing countries and countries with special needs. He spoke with Africa Renewal’s Kingsley Ighobor on a range of issues pertaining to Africa’s industrialization. Here are the excerpts:

Africa Renewal: You are attending a meeting on industrialization in developing countries, which includes many African countries. How does Africa fit in the picture?

Li Yong: The ECOSOC [UN’s Economic and Social Council] meeting is important because of SDG 9, which calls for inclusive sustainable industrialization, innovation and infrastructure. Africa has to compete within the global value chain, the manufacturing value addition and with the growth and speed of other regions. Two-thirds of the least developed countries are in Africa. Due to underdevelopment of the industrial sector, some countries are not growing fast enough.

What are the factors hindering Africa’s industrialization?

The sudden drop in commodity prices caused problems because it lowered the competitiveness of commodities-dependent countries.

But commodity prices dropped only recently.

No, not just recently. Let’s say this has been the case throughout the last century. But let me talk about factors hindering industrialization. Long ago the international development institutions wrongly prescribed deindustrialization for some countries. An ambassador of an African country actually told me that the very painful process of deindustrialization forced them to stop exporting cheese, cocoa beans and other products. Another reason is that countries change policies too often. Insecurity occasioned by frequent changes of policies scares away investors and disrupts the industrialization process.

Were the structural adjustment programmes (SAPs) of the 1980s a wrong prescription?

I do not want to talk about that because I was involved in the whole process of structural adjustment lending when I was working at the World Bank. I would just say that some of the prescriptions provided to African countries were not very good.

Critics say meetings such as the one you are attending are all talk but no action. What’s your take on this?

I think that sometimes if there’s too much talk, too much debate on the theories, on the reports and studies, action is lost. Just do it! If it’s creating jobs, let’s go for it.

UNIDO’s Programme for Country Partnership (PCP) aims to mobilise private and public sector resources for industrialisation and to provide technical assistance to countries. How is that going?

It’s an innovative way to support a country’s industrial development. We collaborate with governments and development institutions to create industrial development strategies, and we support such strategies. Usually there is a financing issue: the government needs to allocate resources to basic infrastructure. But development institutions also need to provide supplementary financing for infrastructure such as roads, highways, railroads, electricity, water supply, etc. We advise governments to formulate...
policies that protect investments that will trigger private-sector financing and FDI (foreign direct investment).

You were heavily involved in the development of agricultural and small and medium-size enterprises in Africa. What lessons can Africa learn from China?

There must be a vision and a strategy. Develop policies that support small and medium-size enterprises (SMEs) in the agriculture sector, to begin with.

In China, the number one document released at the beginning of the year was a plan to support agriculture development. Second, take concrete measures. We cannot talk about empty themes. Third, support with financial resources, capacity building and training. Fourth, provide an environment for SMEs to thrive. Lastly, link the agricultural sector to agro-industry, agribusiness and manufacturing.

Not long ago, a World Bank report stated that Africa’s agribusiness could be worth $1 trillion by 2030. Could agribusiness be a game changer for the continent?

Yes, although I wouldn’t say that the $1 trillion figure is exactly accurate. But agriculture is a very important sector for Africa. The job creation element in the sector requires innovation. If you try to grow wheat, corn, fruits, etc without connecting to agro-processing food packaging and the global value chain, there is very little opportunity for job creation. Some people argue that if you introduce modern technology, some farmers may lose jobs. I don’t accept this argument because farming services connect to the market. With agro-processing, farmers have more time and capacity to do things beyond planting and growing crops.

The goal of the African Agribusiness and Africa Development Initiative, which UNIDO supports, is to link farmers to big markets. But African farmers cannot compete in the global marketplace because many Western governments subsidize farming. What’s your take?

Africa can be innovative about this. For instance, cocoa-producing African countries that used to export cocoa beans are currently producing some chocolate products locally. In Ghana, a private company is producing cocoa butter, cocoa oil and cocoa cake for domestic consumption. And UNIDO supported them with a laboratory, equipment and technicians to enable them to receive certifications to export to Europe and Asia. Consider Ethiopia, with 95 million people and millions of cattle and sheep and cows. But they only export around 7% of their live cattle to other countries because they don’t have processing capacity. They don’t have the standard certifications for export, although the quality of meat is excellent. Currently we are supporting Ethiopia to set up a project for testing so that they meet the criteria for exporting to other countries. Actually, African agriculture can connect to the global value chain.

Countries may set up agro-industries in areas where they have a competitive advantage, but the lack of technical skills and inadequate infrastructure, particularly roads and electricity, is still an issue.

We have the traditional toolboxes, including vocational training. Capacity training is a very popular UNIDO programme. With donor support, we develop training programmes like we did in Tunisia and Ethiopia, where young engineers received training in how to operate big equipment. The second example is that countries need large-scale agro-processing projects. For instance, Ethiopia developed hundreds of industrial parks that are helping develop the capacity to manufacture many more products.

Most foreign investors target Africa’s extractive sector, which generates few jobs. How do you encourage investments in the agriculture sector?

The best approach for Africa is not to say, “Don’t export raw materials.” Look at Australia and other countries that still export raw materials. They did their cost-benefits analyses and decided not to set up manufacturing companies. What is needed is market discipline. But this doesn’t mean that all countries must export raw materials. If they have the capacity, if there are foreign investors that come in to build factories and create jobs, why not?

Sustainable industrialization produces long-term results, I believe. Countries grappling with poverty need resources immediately. Such countries cannot slow down their unsustainable exploitation of natural resources.

I believe we should have industrial development in an inclusive, sustainable way. If we manufacture goods with a heavy pollution of water, soil or air, there’s a cost to people’s health. Think about what it will cost to address those pollutions in the future. At UNIDO, we do not approve projects for implementation unless they meet our environmental standards.

Are African leaders receptive to your ideas?

Most leaders I’ve met request UNIDO’s support. Except for countries in difficult situations such as those in conflicts, others need to show a strong commitment to industrialization.

Are you seeing such commitments?

Yes, in Côte d’Ivoire, Ethiopia, Kenya, Senegal, Tanzania and Zambia—many leaders are showing a commitment. The new Nigerian president is committed to industrialization. However, countries in conflict, such as the Democratic Republic of Congo [DRC], may have difficulties industrializing. The DRC has many resources, including gold and oil. They have a vast land—you can grow anything there—and a huge population. But internal conflict is slowing industrialization. Yet a peaceful Rwanda is moving very fast with industrialization. So it depends on a country’s situation, the commitments of its leadership and the efficiency of its administrative systems.

How do you see Africa in about 10 years?

Many countries will move up the socioeconomic ladder and become middle-income countries. There will be more industries to manufacture goods and create jobs. I think it’s possible. The global community is ready to support Africa. Most importantly, African countries are committed to industrial progress and economic growth.
An integrated Africa: A boon to the private sector

Intra-African trade can help boost profit

By Ihuoma Atanga

Can developing nations thrive in a global economy without a global, collective mind-set? This is a question every developing economy must ponder if it plans to have its economy scaled up and stay up.

International organisations such as the United Nations Conference on Trade and Development (UNCTAD) and the International Monetary Fund affirm that for sustainable and collective growth to happen in a globalized era, large African economies must remove the walls separating them from the continent’s underdeveloped economies.

According to UNCTAD’s 2016 report African Continental Free Trade Area: Advancing Pan-African Integration, regional integration is needed to further technology and economic innovation in Africa.

Up until the 1980s, the public sector failed to create a sustainable upward trajectory in Africa’s economic growth. Although countries like Côte d’Ivoire, Ghana and Kenya thrived in the 1960s, government-dependent economy slowed growth for most countries due to their limited capacity to meet consumption needs and a lack of competitive markets for goods and services.

However, African leaders are now throwing their nets wider and increasingly courting entrepreneurs and the private sector in general for partnerships in development. They have realised that sustainable economic growth on the continent cannot be achieved quickly without investments from both private and public sectors.

According to a report by the United Nations Industrial Development Organization (UNIDO), Capacity Building for Private Sector Development in Africa, the public sector needs to encourage private-sector partnerships in development projects and increase their capacity. It can do this by providing physical infrastructure, competitive markets, business support and financial services, according to the report.

Once an enabling environment is created for public-private partnerships at the country level, governments should scale up further and seek bigger partnerships at the regional level. In the words of UN Secretary-General António Guterres at the 2017 G7 Summit, held in May in Taormina, Italy, it is important to “support the continent’s aspiration to achieve regional integration, including through the free movement of people and goods, and in investments in infrastructure and info-structure…” He said innovation was key to linking regions.

Mr. Guterres’s remarks are correct, since African countries where multinationals and other big investors have presence, like Ghana, Nigeria and South Africa, create enterprise-friendly environments.

To foster intra-African trade, African leaders have formed regional trade blocs like the Economic Community of West African States (ECOWAS), the Community of Sahel-Saharan States (CEN-SAD), the East African Community (EAC), the Southern African Development Community (SADC) and the Common Market for Eastern and Southern Africa (COMESA). The goals of these trade blocs are free trade, opportunities for economic cooperation and the elimination of tariffs and trade barriers.

Challenges

Ongoing efforts to foster free trade between the regions are laudable; however, a few challenges still linger.

According to UNCTAD, most African countries belong to more than one regional trade bloc and intergovernmental organization, some of which set out conflicting regulations and benefits. This could easily cause some conflict, as “clashing regimes may conspire against expedited clearance at the border, and often require political intervention to resolve conflicts, reducing the benefits of automaticity (the ‘spaghetti bowl effect’).” Other impediments to regional integration benefits include currency controls, high transport costs, nontariff barriers (NTBs) and high trade costs and tariffs.

Some of the multinationals that have benefited from regional trade blocs and free trade areas include ShopRite, United Bank for Africa (UBA), the Dangote Group and Ecobank. In the case of ShopRite, Africa’s largest food retailer, free trade in southern Africa has had a major impact on the company’s profitability. The company has expanded operations into neighbouring Lesotho and Zimbabwe and is now making forays into Kenya in East Africa, and in Ghana and Nigeria in West Africa, among other areas.
Despite increased revenue, NTBs continue to block smooth trade. According to Imani Development, a South Africa-based private economic and development consultancy firm, ShopRite, a South African retailer, spent $5.8 million dealing with red tape in 2009 to gain $13.6 million in duty savings under SADC. Nevertheless, there are benefits to easing intra-African trade through these regional trade blocs.

Opportunities for multinationals

In the West African region, billionaires like Tony Elumelu and Aliko Dangote have partnered with companies and governments within and outside the ECOWAS regional trade bloc. For example, in the construction sector, Dangote Cement has invested billions in the manufacturing of plants and import terminals in Cameroon, Congo, Ethiopia, Senegal, South Africa and Zambia, among others.

The benefits of intra-trade in these regions are evidence that trading cross-border has the capacity to significantly boost profits. Some African governments are instrumental in facilitating regional integration.

The economic potential of northern and western African regions is enormous, and the recent Nigeria-Morocco Gas Regional Pipeline is a harbinger of new growth possibilities from this type of partnership. The pipeline will directly impact over 300 million people. According to King Mohammed VI of Morocco, this deal will create “a regional electricity market and be a substantial source of energy, which will help develop industry, improve economic competitiveness and speed up social development.”

Some private-sector businesses in African economies constantly seek to deploy their business capital into those African countries in need of investment. They are proponents of intra-African trade and include financial services and investment companies, such as UBA and Heirs Holdings, the latter currently chaired by its founder Tony Elumelu, an avid believer in boosting private-sector businesses across Africa under a theory he calls “Africapitalism.”

Mr. Elumelu used the phrase in 2010 to refer to the philosophy that the African private sector has the power to transform the continent through long-term investments, creating both economic prosperity and social wealth.

Mr. Adegboyega Festus, who heads UBA’s business development and treasury in North America, says, “UBA’s banking innovation has greatly facilitated regional integration, economic growth and the commercial interests of entities across Africa. The benefits include an increase in internal efficiencies and capabilities, volume and scope of business, and overall value creation and value capture for our customers and our businesses.”

Membership in regional trade blocs magnifies UBA’s role in facilitating intra-Africa trade, which has become more significant over the years as the bank’s footprint continues to grow in Africa.

Room for growth

While giving a talk at Oxford University in 2015, Mr. Elumelu cited Transcorp, a subsidiary of Heirs Holding, as an example of how multinationals and financial services can increase private- and public-sector capacity. Transcorp is investing in Nigeria’s ailing power sector, and is currently generating 20% of total electricity output in the country. This means new jobs, more access to power, and an opportunity for small businesses to operate and grow, said Mr. Elumelu. According to a 2017 Guardian report, Transcorp plans to generate 25% of total power capacity of the plant by 2018.

Although regional organizations need to streamline trade regulations for regional trade to thrive, businesses cannot grow without a strong community to trade with, hence African leaders must think beyond their borders. Building economies of scale starts from within.

Ecobank in Kumasi, Ghana. 📸 Banku
In the 2017 World Happiness Report by Gallup, African countries score poorly. Of the 150 countries on the list, the Central African Republic, Tanzania and Burundi rank as the unhappiest countries in the world.

Some of the factors driving unhappiness are the poor state of the continent’s health care systems, the persistence of HIV/AIDS, malaria and tuberculosis, and the growth of lifestyle diseases such as hypertension, heart disease and diabetes.

Few African countries make significant investments in the health sector—the median cost of health care in sub-Saharan Africa is $109 per person per year, according to Gallup. Some countries, such as the Democratic Republic of Congo (DRC), Madagascar and Niger, spend just half of that per person annually.

In 2010 only 23 countries were spending more than $44 per capita on health care, according to the World Health Organization. These countries got funding from several sources, including government, donors, employers, non-governmental organisations and households.

Private investment is now critical to meet the considerable shortfall in public-sector investment, say experts.

While many international organisations, such as UNICEF and the International Committee of the Red Cross, continue to support Africa’s health care system, private entities and individuals are also increasingly making contributions. For example, Africa’s richest person, Aliko Dangote, and the world’s second richest person, Bill Gates, have formed a partnership to address some of Africa’s key health needs.

In 2014 the Nigerian-born cement magnate made global headlines after donating $1.2 billion to Dangote Foundation, which used the money to buy equipment to donate to hospitals in Nigeria and set up mobile clinics in Côte d’Ivoire.

A philanthropist himself, Mr. Gates wrote of Mr. Dangote in Time magazine: “I know him best as a leader constantly in...”
search of ways to bridge the gap between private business and health.”

The Bill & Melinda Gates Foundation focuses, among other projects, on strengthening Africa’s health care resources. According to the Gates Foundation, as of May 2013 it had earmarked $9 billion to fight diseases in Africa over 15 years. In 2016 the foundation pledged to give an additional $5 billion over a five-year period, two-thirds to be used to fight HIV/AIDS on the continent.

While acknowledging the Gates’ generosity, locals noted that for many years the Foundation had invested in the oil companies that have contributed in making health outcomes extremely poor in some areas of Nigeria. These companies include Eni, Royal Dutch Shell, ExxonMobil, Chevron and Total.

Facing a backlash, the Gates Foundation sold off some 87% of its investments in major coal, oil and gas companies, leaving approximately $200 million in these stocks as of 2016. Groups such as Leave It in the Ground, a non-profit organization advocating for a global moratorium on fossil exploration, are pushing for divestment.

“The link between saving lives, a lower birth rate and ending poverty was the most important early lesson Melinda and I learned about global health,” said Mr. Gates recently. The Gates Foundation supports reducing childhood mortality by supplying hospitals with necessary equipment and hiring qualified local practitioners to take care of patients and their children.

**Dangote-Gates collaboration**

In 2016, the Dangote Foundation and the Gates Foundation formed a philanthropic dream team when they announced a $100 million plan to fight malnutrition in Nigeria. The new scheme will fund programmes to 2020 and beyond, using local groups in the northwest and northeast Nigeria. The northeast has for the past seven years been ravaged by the Boko Haram’s Islamic militant insurgency, affecting all health care projects in the region.

Malnutrition affects 11 million children in northern Nigeria alone, and Mr. Dangote said the partnership would address the problem.

The Foundations had already signed a deal to work together to foster immunization programmes in three northern states: Kaduna, Kano and Sokoto.

The Gates Foundation states on its website, “Contributions towards the costs of the program by the Bill & Melinda Gates Foundation, Dangote Foundation, and state governments will be staggered across three years: 30% in year one, 50% in year two, and 70% in year three, with the respective states taking progressive responsibility for financing immunization services.”

The future of about 44% of Nigeria’s 170 million people would be “greatly damaged if we don’t solve malnutrition,” said Mr. Gates, at a meeting with President Muhammadu Buhari.

Despite the many international and local efforts, cultural and religious factors often impede efforts to address Africa’s weak health infrastructure. For example, in 2007, religious leaders in northern Nigeria organized against aid workers administering polio vaccinations after rumours started circulating that the vaccines were adulterated and would cause infertility and HIV/AIDS.

In 2014, during the Ebola crisis, villagers chased and stoned Red Cross workers in Womey village in Guinea, accusing them of bringing “a strange disease”.

The big players maybe Mr. Dangote and Mr. Gates, but others less well known are also making important contributions to Africa’s health care. After the 2014 Ebola outbreak in West Africa, for example, which resulted in the loss of about 11,300 lives, private companies in the three most affected countries—Guinea, Liberia and Sierra Leone—partnered with the government to fight the virus.

The Sierra Leone Brewery, for example, helped in constructing facilities for Ebola treatment. Individuals, such as Patrick Lansana, a Sierra Leonean communications expert, also volunteered their services for the Ebola fight. He said: “I joined the fight against Ebola because I wanted to help my country. My efforts, and those of others, made a difference. It would have been difficult for the government and international partners to combat the virus alone.”

**Public-private partnerships**

Private and public sectors need to collaborate to help Africa’s health care system from collapse, notes a report by UK-based PricewaterHouseCoopers consultancy firm. The report states that public-private partnerships, or PPPs, when fully synergised can bring about quality health care. Under a PPP in the health sector, for example, a government can contribute by providing the health care infrastructure, while private entities can be involved in the operations.

In a widely published joint opinion piece last April, Mr. Dangote and Mr. Gates stated that improving health care in Africa depends on a “successful partnership between government, communities, religious and business leaders, volunteers, and NGOs. This ensures that everyone is rowing in the same direction.”

(Top) Bill Gates, co-chair of the Bill and Melinda Gates Foundation and (bottom) Aliko Dangote, Founder and Chief Executive of the Dangote Group.  UN Photos
The construction of a liquefied natural gas terminal in Ghana to support power generation in the Kpone Power Enclave in the port city of Tema, near Accra, is reawakening hopes of an end to the energy crisis that has plagued the country in recent years.

Power outages have led to a rationing schedule that involves cutting power for 24 hours every two days. Businesses have been forced to connect standby power sources such as generators, incurring extra costs. Some have had to lay off workers.

The $600 million project, being implemented under a public-private partnership (PPP) between Quantum Power Ghana Gas and the Ghana National Petroleum Corporation, is expected to provide the West African nation with a reliable and efficient power supply.

The plant will add about 220 megawatts of electricity to Ghana’s national grid. The country now has 2,900 megawatts of generation capacity, not enough to meet the growing demand, which the National Energy Policy of 2010 estimated would be about 5,000 megawatts by 2016.

“We hope the project will address the dumsor once and for all,” says Nancy Osabutey, a resident of Accra. 

Dumsor (“on-off”) is a Ghanaian term commonly used to describe the erratic power availability in the country.

A recent report by the Institute of Statistical, Social and Economic Research, a Ghanaian-based think tank, estimates that the economy has lost $24 billion as a result of the energy crisis since 2010.

Like many African countries, Ghana is facing an infrastructure financing gap. Policy makers are starting to realise that PPPs can help fill such gaps.

“Africa has been growing over the last few years. It will be challenging to achieve economic growth without addressing the huge infrastructure financing and access gap in energy generation and transmission, roads and ports,” says Tilahun Temesgen, the chief regional partnerships.

SDGs envisage that PPPs can promote sustainable development in Africa

By Joyce Mulama

*Henri Konan Bédié Bridge linking the north and south of Abidjan, Côte d’Ivoire.* Bouygues Construction

**$100bn** is needed per year for Africa’s infrastructure investment.
Henri Konan Bédié Bridge linking the north and south of Abidjan, Côte d’Ivoire.

The $265 million bridge, opened in 2014, connects two of Abidjan’s major districts—Riviera in the north and Marcory in the south—and has done away with over 10 kilometres of traffic congestion. About a hundred thousand vehicles use the bridge each day.

“This facility enables us to enjoy the benefits of better traffic conditions. We now take less time in traffic, meaning more time for productivity at work. A while ago we would spend more than three hours in traffic,” says Abraham Kone, a resident of Abidjan.

The bridge has also opened up the neighbouring hinterland, simplifying freight transportation to the Port of Abidjan, the largest port on Africa’s west coast.

Public-private partnership is also diversifying the country’s energy sector. The expansion of the Azito thermal energy plant involving the construction of two 144-megawatt power plants will save $4 million in energy costs each year and will enable Côte d’Ivoire to move from being a net importer of electricity to being a net exporter.

With the expansion, the energy plant, located six kilometres west of the port of Abidjan, is producing over 30% of electricity generated in Côte d’Ivoire, with some of it going to neighbouring countries, including Ghana.

Partnering with the private sector to promote sustainable development is something the government is talking a lot about.

According to Albert Toikeusse Mabri Abdallah, the Ivorian minister for planning and development, “Public-private partnership is in line with Côte d’Ivoire’s National Development Plan, which outlines building and renovating the country’s infrastructure to accelerate development.” The minister adds that “such collaboration will also ensure job creation and poverty alleviation.”

The Sustainable Development Goals (SDGs) envisage that PPPs can promote sustainable development in Africa. A key priority of the UN-founded SDG Fund is to bring together public and private entities to jointly address development challenges.

However, many African countries, according to an AfDB report, are still in the initial stages of PPP implementation “because their use of PPP schemes is still uncommon and PPPs are complex to implement.”

The report indicates that PPPs have historically been scarcer in sub-Saharan Africa than in the rest of the world. Telecoms transactions account form the bulk of PPPs on the continent, but energy PPPs have recently started growing significantly.

“PPPs are not easy. They need a number of issues to be successful. Above all, a stable macroeconomic environment is necessary,” explains Mr. Temesgen.

However, an environment characterised by inadequate regulatory frameworks, unclear rules and procedures and lack of political commitment inhibits growth of PPPs.

**Uganda PPPs**

Uganda is one of the countries with a solid PPP programme. According to the AfDB document, this is the result of many factors, including support from the presidency and the ministry of finance, an earlier successful privatisation programme and a well-designed framework.

At a meeting in South Korea last November, Ajedra Gabriel Gadison Aridru, Uganda’s state minister for finance, planning and economic development, cited the PPP Act enacted in 2015 as a major enabler of the country’s PPPs. The law spells out the specific engagements of private partners in such partnerships. It also regulates the roles and responsibilities of government bodies during the development and implementation of PPP projects.

Concerns have been raised about severe environmental hazards following PPPs. Ghana Gas Company, for example, has been accused of failing to act as areas such as Atuabo, in western Ghana, continue to suffer the effects of oil and gas exploration that have led to widespread air and water pollution.

Because of concerns like this, governments are being urged to disclose information on risk assessments, including potential environmental and social impacts, of such mega-projects. Institutions such as the Bretton Woods Project would like to see more informed consultations, broader civil society involvement and closer monitoring of PPPs by all stakeholders.
Private sector’s role in implementing SDGs

UN Global Compact: Building networks with public-private partnerships worldwide

The UN Private Sector Forum 2017 in September will focus on the role of the private sector in implementing SDGs. What do you think is the role of the private sector in attaining the SDGs?

The private sector has the power of innovation and ability to create many of the solutions needed to address the challenges the world is facing today. However, with less than 5,000 days left to meet the SDGs, we need to mobilize businesses to scale up their impacts significantly. We need many more companies to accelerate their investments and business activities to deliver on the global goals.

Africa Renewal: A successful sustainable development agenda requires partnerships between governments, the private sector, civil society and others, built on set principles and values. What is the role of the UN Global Compact in driving this agenda?

Ms. Kingo: The 2030 Agenda for Sustainable Development is truly transformational and unifying, as it provides us with a blueprint and an action plan for a better world. No single sector will be able to deliver on the SDGs alone, and the private sector shares many of the same interests and goals as governments in terms of creating more resilient and prosperous societies and markets, since business also needs stable societies in order to thrive.

How does your organisation come in?

At the UN Global Compact we want to create a global movement for sustainable companies and stakeholders. Our starting point is to ensure that all our 9,000 business signatories adopt and integrate our ten principles—in the areas of human rights, labour, environment, and anticorruption—into their strategies and operations. And through our ‘Making Global Goals Local Business’ campaign we are pushing to activate business to deliver accelerated impact on the SDGs through areas such as breakthrough innovation, new business models and partnerships.
This year’s UN Private Sector Forum will address a key driver for sustainable development—financing for the SDGs. New financial instruments and products that combine development aid with public and private investments can eliminate some of the risks associated with private investments with a long-term return.

**African governments are aggressively pursuing partnerships with the private sector for collaborations in various projects, the so-called public-private partnerships (PPPs). What does the continent stand to gain from these partnerships and what are the possible challenges or risks that governments should be cautious about?**

Public-private partnerships have the capacity to promote and spur innovation and leverage new technologies that can then be scaled up or replicated for wider impact. For instance, the mobile telecommunications industry in Africa has shown some great examples not only of innovation for development through mobile cash transfers and the use of mobile technology to advance health and education, but also of partnerships with governments to widen the scale of these efforts and then replicating these models in other African countries.

**How so?**

By 2030, about 60% of people in Africa will be living in cities, with numbers as high as 80% in some countries. This rapid urbanization is an excellent opportunity for public-private partnerships to direct investment towards creating more sustainable cities, new employment opportunities through innovation, entrepreneurship, and improved health and sanitation systems.

**Do you have an example?**

For example, over the past decade, public-private partnerships have led to new transportation infrastructure in Ethiopia, Tanzania and Nigeria, linking millions of people in cities and providing cleaner and more energy-efficient means of transport. However, without targeted incentives and objectives for connectivity outside of urban centres, those in rural regions—particularly women, girls and the elderly—can get left behind, thereby increasing economic inequality and social exclusion within countries while further contributing to overpopulation in urban areas.

**How can Africa overcome this?**

There is a need to leverage local innovation and insights for public-private partnerships. Many of the partnerships we are seeing in Africa now involve large national or multinational firms undertaking costly large-scale projects. However, there is an untapped innovation marketplace in Africa with sustainable local-level solutions already addressing many of the social and infrastructural needs that require the right partner to scale up.

**Going forward, what will be the main focus of the UN Global Compact in Africa?**

We launched our Africa Strategy in 2014 that emphasized the role of the private sector in meeting Africa’s infrastructure needs and creating an enabling environment for private-sector development, awareness-raising of responsible business practices and consensus building through key governmental and institutional partnerships.

This Africa Strategy was a first step. We acknowledge that we need to do more on the continent, particularly in terms of building the capacity of our local networks there and their ability to meet the ambitious goals set forth in the 2030 Agenda and the African Union’s Agenda 2063.

**What are you working on in Africa currently?**

We are building strong institutionalized Global Compact local networks in Africa to fully support local businesses and subsidiaries of multinational corporations that contribute to the 2030 Agenda.

In September we will be launching a local network in the Democratic Republic of Congo, which will be our 11th network in Africa. The others are in Egypt, Kenya, Malawi, Morocco, Nigeria, South Africa, Sudan, Tanzania, Tunisia and Uganda. As we grow our presence in the region, there is new untapped potential in our ability to identify cross-border linkages among networks and companies within Africa.
Until recently, public transportation in Cairo, Freetown, Lagos, Nairobi and many other African cities was chaotic and accident prone. The mostly unreliable local taxicabs did not alleviate the situation. But Uber’s entry into the continent could be changing the narrative.

Uber, the global ride-sharing company that relies on smartphone technology for dispatch and fee payment, has become the most recognized alternative to traditional taxicabs. Many prefer Uber, launched in the US in 2009, because of its fair prices, quality standards and convenience. The concept has spread globally.

By last June, Uber was operating in 15 major African cities, with some 60,000 drivers in Egypt, Ghana, Kenya, Morocco, Nigeria, South Africa, Tanzania and Uganda.

Uber’s ambition is to dominate the transportation sector in Africa, but it faces stiff competition from local companies. Unintentionally, Uber triggered the spread of mobile and mapping technology for collecting geospatial data from a mobile vehicle. And the result is that Africa’s local tech companies are creating their own apps that provide different types of services to aid transportation.

And with Africa’s growing technical knowhow, local tech companies are producing products and services tailored to suit customers in different countries or even different cities, giving themselves an edge over foreign services.

Localizing technology

For example, the Kenya-based Little Cab, an app-based ride-sharing service launched in 2016 by the mobile phone operator Safaricom, operates just like Uber, except that it accepts the local cashless mobile payment system, MPesa, unlike Uber. Uber, however, pays no parking or other city charges, hence charges less.

Still, 94% of Kenyans prefer MPesa to other forms of payments. According to Safaricom’s 2016 annual report, Little Cab has been able to slow Uber’s attempt at grabbing a huge chunk of the market.

In South Africa, the locally based Africa Ride, which offers a variety of payment options including...
weekly and monthly payment plans and accepts payment via mobile wallet apps, is gaining popularity with the citizens. The company operates in Cape Town, Johannesburg and Rustenburg—three of South Africa’s largest cities—and allows individuals, corporations, non-governmental organizations and government departments to set up their own accounts.

Uber, however, appears determined to beat back local competition, and is partnering with indigenous companies to broaden its appeal. In Nigeria, Uber has teamed up with the payment platform Paga, allowing users to pay for services through its mobile money app. Paga also facilitates payments via local debit cards and cash for its 6.4 million users.

“Partnering with Paga enables more Nigerians to access the Uber platform, many of whom are not yet comfortable using their debit or credit cards,” said Ebi Atawodi, general manager of Uber Nigeria.

Healthy competition
In total, Africa hosts nearly sixty ride-sharing services across 21 countries. Some services have tried to adapt to local socioeconomic realities, though they have not always succeeded. For example, the Nairobi-based Bodapp, launched in 2016, shut down its (boda bodas) motorcycle taxi and cab service after only two months. The company said it decided to concentrate on its core logistics business at a time when competition in the cab sector was growing.

Still, in the face of competition, many African transportation companies have begun offering various forms of incentives to drivers and passengers in a bid to stay afloat. Reacting to complaints of short changing by Uber drivers in South Africa, Africa Ride announced its more than 500 drivers would be given a larger stake in the business.

“Our drivers own the business with us. We have put all the drivers in a trust and the trust owns a certain percentage of the business,” Africa Ride founder Thabo Mashale told Disrupt Africa, an outlet for tech start-up news.

In 2017, South Africa–based startup WhereIsMyTransport launched its Transport for Cape Town app, which provides information for those planning journeys, including timetables, traffic incidents and places of interest. The scheme is expected to expand to six other South African cities during 2017: Bloemfontein, East London, Durban, Ekurhuleni, Johannesburg and Tshwane.

Mapping out cities
In a related development, the Digital Matatus Project, an initiative of the US-based development design firm, Groupshot, and researchers at Columbia University and Massachusetts Institute of Technology (MIT) together with their local partner, University of Nairobi, successfully assembled a database of various routes for the thousands of minibuses (matatus) in Nairobi, using smartphones and GPS units.

The compilation was released in 2014 as an intricate map, which has been adopted by local app builders and mobile developers. Participating ride-sharing platforms allow patrons to access the Digital Matatus map via text message. The project has been praised for helping to improve Nairobi’s public transport system, which runs without established schedules or strict routes.

Although the concept of ride-sharing is not entirely new to Africa as it has been present in the form of traditional modes of transportation such as minibuses, bush taxis and shared cars, it is Uber’s unique model, transportation married with technology, that has sparked imagination and inspired innovative initiatives in Africa.

Challenges
Traditional taxi drivers are not happy about the tech-assisted ride-sharing movement, as they fear losing their jobs or incomes. “Uber is destroying taxi work in Nigeria because they charge cheaper fares,” Tony Oyesoya, a taxi driver in Lagos, Nigeria, told Africa Renewal in an interview.

Mr. Oyesoya said while Uber may charge less, the company often hikes its fares as soon as there is traffic congestion. He added that taxi unions in Lagos are thinking of taking up the issue with government.

Like their counterparts in Nigeria, South African drivers are unhappy with what they see as Uber’s anti-competitive behavior. In March, taxi drivers in South Africa mounted a protest against the company by blocking airport roads, while Uber drivers in Kenya have been attacked and their cars set on fire. The South Africa Meter Taxi Association responded earlier this year by developing its own app, Yookoo Ride, designed to connect passengers to metered taxi drivers.

Many African governments seem to have been surprised by this development in the transportation sector and are rushing to put regulatory policies in place. Last year, Ghana became the first country in Africa to have a Standard of Understanding (SOU) signed between its Ministry of Transport and Uber. The SOU provides holistic guidelines for taxi operations, and encourages the use of technology but regulates it for riders, drivers and companies.

Despite such efforts to regulate growth in the transportation sector, innovative approaches will increase, industry experts predict, especially with the potential increase in smartphone penetration in Africa.

While Uber may be leading the charge in Africa, indigenous tech-based transportation companies with better understanding of local socioeconomic situations could still hold on to their niche in the highly competitive transportation sector.
Increased remittances will have greater impact on development

—Gilbert Houngbo

Migrants sent around $450 billion in remittances to developing countries in 2015, 40% of which went to rural areas. On 16 June, the International Fund for Agricultural Development (IFAD), the UN agency tasked with eradicating poverty and hunger in rural areas of developing countries, celebrated the International Day of Family Remittances to draw attention to how the money migrants send home contributes to achieving the Sustainable Development Goals. *Africa Renewal*’s Franck Kuwonu talked to the president of IFAD, Gilbert Houngbo, about the impact remittances are having in receiving countries. The following are excerpts from the interview:

We are expecting $454 billion of transfers in 2017, but what is important is not to look at remittances only in terms of billions of dollars, but in terms of the impact the billions of dollars are having daily on the life of the recipients.

So far, remittances are for helping families back home send their children to school, pay for health care and buy food. What else can this money do?

Financing a small solar energy system would give a brother or sister some income-generating activity. In rural communities, that money could help the young man or woman rent a tractor, so he or she could go and work on a farm. That money would not just help an individual but would enrich the community. Farmers’ associations could get a small, cheap or basic irrigation system that would allow them to be less dependent on subsistence agriculture.

How then do we make the impact of remittances felt at the community or national level, and not just on the level of family?

Of course, we don’t have a solution that fixes all, let us be clear on that, but there are several options. If the transfers are to remain at the family level, I don’t think there are a lot of things they can change.

However, we have started working in several receiving countries on what we call “the village savings and loan associations”. Members of these associations will pool their savings together and then lend them back to finance productive activities in their communities.

At the national level, one of the challenges that we still have is the cost of transfers. While it has decreased from 10% to 7.5%, our report estimates that if it goes further down to 3%, this will
amount to about $20 or $40 billion that can be released back to beneficiaries. Governments can also help by trying to see how they can reduce the overall cost of transfers.

Your report says that remittances don’t impact only the receiving countries but also the global economic and political landscape. How?

First, we note that 85% of a migrant’s earnings are spent in the countries where they live, as they do not qualify for the social security of the host country. Second, we must also recognize that when $500 billion is flowing to developing countries, that constitutes a major contribution to what I call “global financing for development.”

This report is the most comprehensive over the last decade. What do you want to do with its findings? What is next for IFAD?

First, we want to make the case that migrants should not be considered a source of problems in host countries. In fact, they are positively impacting other peoples’ lives. It is not just a matter of billions of dollars, it is also a matter of billions of lives. Secondly, it is necessary to continue advocating for the reduction of money transfer costs. Thirdly, we would like to work with the receiving countries to move away from overconsumption patterns into a more productive use of their remittances.

Gilbert Houngbo, President of the International Fund for Agricultural Development.

Partnerships provide a lifeline...

Trade and Development, the UN body that deals with trade, investment and development issues, is advising governments to avoid bad debt by engaging experts with the necessary skills to negotiate favourable partnerships.

The Brooking Institution’s John Mbaku, also a Professor of economics at Weber State University in the US, agrees with Mr. Kituyi on the need for African governments to ensure that PPPs work to the countries’ advantage. Potential negative impacts include ballooning debts and environmental damages.

The UK-based Bretton Woods Project, an institutional watchdog of World Bank and IMF policies, stresses the need for African countries to ascertain the true costs and benefits of PPPs over the lifetime of a PPP project. Governments should disclose information on risk assessments of such megaprojects, including potential environmental and social impacts.

For partnerships to work well there is a need for more informed consultations, broader civil society involvement and closer monitoring of projects by all stakeholders.

Partnerships giving Africa a new...

The Moroccan parliament in December 2014 passed a new PPP law that permits private investors to lead in the planning, financing and execution of public projects, although public interest could prompt the state to abort a project.

In an article published on the World Bank’s website, Laurence Carter lists five key factors that led to the success of Senegal’s Dakar-Diamniadio road. The first was political commitment. President Macky Sall was the first driver on the road and the first to pay a toll. The second was stakeholder engagement, including outreach to communities.

The third factor was the commitment of the private partner, the Eiffage Group, a French company. The fourth was the involvement of development institutions, including the AfDB and the World Bank. Lastly, Mr. Carter mentioned that commuters could see “clear, visible benefits,” including shorter commutes.

Despite the many problems associated with PPPs, the potential benefits are tantalizing for many countries. Countries still in search of the right PPPs recipe may want to study Senegal’s model.
Since relocating to the Democratic Republic of the Congo (DRC) two years ago, Firmin Agossou has had a variety of options when traveling home to Benin. Employed in the eastern city of Goma, he often returns to Cotonou to spend time with his family.

The quickest way would be by car from Goma to Kigali and from there take a five-hour direct flight by RwandAir to Benin, Mr. Agossou told *Africa Renewal*. Or he could fly out of Goma to Kinshasa and then fly home aboard ASKY, a West African airline with an active hub in Lomé, Togo. There is also the option of flying through Addis Ababa. But when it comes right down to it, the best choice for Mr. Agossou is to fly out of Kigali or risk getting stranded in Lomé should he miss a connecting flight.

“Flying out of Kigali is the most convenient option. It’s simple and no hassle,” he says.

Thousands of air travellers like Mr. Agossou face complicated choices when flying between cities across the continent. Although transiting through Europe when flying between two African cities is for the most part no longer necessary, still, as Mr. Agossou has discovered, choices remain constrained by sub-optimal travel conditions including long layovers, relatively high fares, uncertain flight schedules and poor quality of services, underscoring the challenges facing air carriers trying to attract passengers and at the same time make profits.

The African Union and the International Air Transport Association (IATA) are urging countries to open their skies to market competition. African airlines executives are pushing back against what they are calling government intrusions, red tape, high taxes and political meddling.

**Indebted growth**

Last year Ethiopian Airways, Kenya Airways and South African Airways, three top airlines on the continent, sold two-thirds of the estimated 9.2 million seats purchased for travel within sub-Saharan Africa. The remaining one-third was spread among more than a dozen smaller carriers such as Nigeria-based Arik Air, Air Mauritius, and RwandAir.

Just over “10 million seats were offered in 2001,” says Heinrich Bofinger, senior transport economist at the World Bank. “That capacity more than doubled to 22.7 million in 2015.”

Experts say air traffic on the continent will grow by an annual average of 5.1% in the next 18 years, outpacing the global projected average of 4.7%, according to IATA.

Yet while more flights are linking big cities than they did a decade ago, most airlines based in sub-Saharan Africa are losing money due to stiff competition from Gulf, Turkish and European carriers on transcontinental routes.

Of Africa’s big three carriers, only Ethiopian Airlines posted a profit last year. Kenya Airways and South African Airways suffered losses. Collectively, African airlines posted losses of around $700 million in 2015 and $800 million in 2016, and aviation experts at IATA and the African Airlines Association (AFRAA) say this trend may continue.

To make the air travel industry profitable, African countries need to liberalize air traffic, according to IATA and the
African Union. As far back as 1999, 44 countries agreed in Yamoussoukro, Côte d’Ivoire (the Yamoussoukro Decision) to deregulate air services and promote the opening of regional air markets to transnational competition. Since then, however, implementation has been slow and inconsistent. Industry experts often criticise African countries for having more bilateral open sky agreements with partners outside the continent than with African partners.

As demand for air travel grows, countries are rushing to launch or revive national carriers. “Countries often want to have their own carrier as a matter of national pride,” Mr. Bofinger observed. However, African aviation history shows that state-owned carriers are hardly commercially sustainable.

Ghana, Mali, Nigeria and Senegal are struggling to establish viable national carriers. Undaunted by past experiences, some of these countries are dusting off old plans. And now a rising middle class and new economic opportunities are reawakening national aviation dreams. Côte d’Ivoire, where the Yamoussoukro Decision was reached, has relaunched its own airline to serve destinations in West Africa. Uganda is mulling over the idea of establishing its own airline, as neighbouring Tanzania Air is trying to survive the tough times.

IATA has warned that protecting small, fragmented and closed markets could end up hampering the development of air services by limiting their potential to contribute to development and economic growth. At the same time, experts are urging African countries to create more airlines, especially low-cost carriers, to serve the continent’s internal air transport needs. Were African airspaces to be fully liberalized, there would be better services, cheaper fares to stimulate additional traffic and greater trade flows, an IATA study found in 2014.

“Opening borders, lowering barriers and implementing the open skies agreement is always favourable to the industry,” Alexandre de Juniac, IATA director general and CEO, told Aviation & Allied Business Business Journal, a magazine that focuses on African airlines news. “There will be winners and losers, but it will be favourable because it will boost their traffic.”

The renewed push to implement the Yamoussoukro Decision is expected to usher in the Single African Air Transport Market (SAATM) in January 2018, with 40 countries expected to be signatories by then. So far 20 African countries out of 54, including Ethiopia, Kenya, Nigeria and South Africa, are committed to implementing the policy.

**Freedom flights**

Ethiopian Airlines, Kenya Airways and others have taken advantage of the Yamoussoukro accord by aggressively promoting Fifth Freedom Flights in sub-Saharan Africa, providing a persuasive argument for liberalisation.

Fifth Freedom Flights “allow the capacity of an aircraft to be spread amongst multiple international destinations on one marketed flight,” Mr. Bofinger noted in a 2017 study for the World Bank and the United Nations University.

Mr. Bofinger explained to Africa Renewal that Fifth Freedom Flights “allow, for example, a flight to originate out of Addis Ababa, land in Nairobi, Kenya, drop off and pick up passengers, continue on to Kilimanjaro in Tanzania to drop off passengers destined there, and move on to Dar es Salaam.”

Mr. Agossou also noted that RwandAir already uses this arrangement.

According to Mr. Bofinger, success in implementation can be measured by the number of international airport connections served by multi-stop flights, adding that services in sub-Saharan Africa have thrived, with multilegged connections having increased significantly.

But even if the African skies were suddenly opened, industry experts believe it will not be enough to ensure sustainability. Other challenges will have to be addressed, such as poor infrastructure, high costs of operation and a lack of cooperation between airlines.

“How can we liberalize airlines when we are overtaxing them?” Elijah Chingosho, the secretary general and chief executive officer of the African Airlines Association (AFRAA), asked at the Aviation Africa conference in Kigali in February.

Overall, AFRAA noted, airport passenger charges in Africa are two to five times higher than the global $25 average. Reportedly, fuel is also 2.5 times more expensive in Africa than in other regions.

“If [governments] reduce charges and taxes, it brings more prosperity, jobs, GDP and trade that overcompensate for the reduction in charges,” Mr. de Juniac emphasized.

And Girma Wake, the RwandAir CEO (who is the former CEO of Ethiopian Airlines) said in March that governments “should stop interfering in the airlines’ performance.”

Politically motivated appointments at management levels at the expense of proven competence, a recurrent problem for state-owned enterprises, also plagues most national airlines. However, the most decried government move, which has the effect of skewing competition, is the regular infusing of public money to keep ailing airlines afloat.

In November 2016, AFRAA declared Ethiopian Airlines the best in Africa for the fifth consecutive time, recognising, in part, its “exemplary” cooperation with other African carriers. To some, the airline’s successes appear to be showing the way forward for the industry on the continent. While wholly owned by the government, the airline has an independent management team. It has embarked on an ambitious development programme, which includes promoting travel hubs in East and West Africa with regional partners.

Other airlines such as ASKY and RwandAir are following suit, indicating that, with open skies and fair competition, African airlines can successfully find their way to profitability.
GENDER

More women in politics
Still a man’s business despite notable successes

By Kwamboka Oyaro

Once in a while, Africa produces talented women politicians who, despite the odds, overcome the obstacles that impede their success in the political arena.

Some of the African women who have shattered the glass ceiling include Liberia’s president, Ellen Johnson Sirleaf; former president of Malawi, Joyce Banda; Mauritius’s president, Ameenah Gurib-Fakim; and former interim president of the Central African Republic, Catherine Samba-Panza.

For most African women, however, the political terrain is too rough to navigate. Few make the journey, perceiving that their male colleagues would try to undermine them.

In their effort to take up leadership positions, qualified African women can expect to confront gender-based attacks, including being labelled “prostitutes” or “concubines”. Sometimes they are sexually harassed, and they often contend with men seeking sexual favours as preconditions for support.

Propositions from senior male office holders as a precondition for entry into the field are unacceptable, says former Nigerian senator Uche Lilian Ekwunife. She adds that this is a tactic men have used for years to discourage women from entering the political fray.

Ms. Ekwunife recollects her 2011 re-election campaign for Nigeria’s House of Representatives, when her opponent superimposed her head on a naked body and sent the picture to YouTube “just to demean my person.” Luckily, that childish slur backfired, and Ms. Ekwunife easily won the election to the legislative body.

Four years later, when she sought election to the senate in 2015, her experience was less pleasant. Although she was re-elected to become one of six women out of the 109 senators in Nigeria’s upper law-making body, her political journey was short. The courts nullified her election after she had been in the senate only six months. She believes that her election's nullification was politically motivated, even though there was the issue of her switching political parties at the last minute.

Ms. Ekwunife’s experience is not unique among women political hopefuls in Africa. For example, just two days after activist Diane Shima Rwigara declared her intention to run for the presidency in Rwanda’s general election in August this year, social media was awash with purported nude pictures of her. Her candidacy was disqualified by election officials.

In neighbouring Uganda, a member of the opposition Zainab Fatuma Naigaga and some male colleagues were arrested on their way to a political rally in October 2015. But it was only Ms. Naigaga who was stripped naked by abusive police officers, while the men were left alone.

In Kenya, MP Millicent Odhiambo Mabona was analysing the country’s Security Laws (Amendment) Bill 2014 in Parliament when a commotion on the floor degenerated into a free-for-all brawl.

Ms. Mabona says she was assaulted by two pro-government MPs. “That day I was in a dress and these men kept pulling it up while I pulled it down. They went ahead and tore my panties,” Ms. Mabona told Africa Renewal in an interview.

One of the accused male MPs was quoted in the local dailies, saying, “I slapped her because she wanted to assault the deputy speaker. That was great disrespect.” The MPs later passed the bill on security laws.

Fighting back

Women facing sexual harassment must call the men’s bluff, says Ms. Mabona. “If they threaten me with exposing my sexual encounters, I tell them I would also expose those that I went out with.” Ms. Ekwunife, taking a different tack, says “women need to focus and ignore these distractions.”

Besides issues relating to their bodies and their private lives, African female politicians, most of the time, begin their career in politics later in life, and start from a position of disadvantage of having to balance family and work. They also tend to have less money than their male counterparts to spend on campaign expenses.

Shauna Shames of New Jersey’s Rutgers University-Camden, writing about “Barriers and solutions to increasing see page 34
The people of the Sahel are forging networks and collaborations that will help them contend with the challenges of insecurity and climate change that are besetting Africa’s most vulnerable regions.

The Sahel is a vast semiarid region of Africa separating the Sahara desert to the north and tropical forests and savannas to the south, characterized by harsh weather and periodic drought. While in some geographical usages the Sahel may extend to the Red Sea, for political purposes the term most commonly refers to the countries of Senegal, Mauritania, Mali, Burkina Faso, Niger and Chad.

At a summit in Burkina Faso in mid-June to assess strategies for grappling with climate change, the presidents of Burkina Faso, Mali and Niger agreed on the need for wider cooperation among their countries.

“Above all,” said President Roch Marc Christian Kaboré of Burkina Faso, “we must ensure the participation of local populations, because they’re the ones who live every day with the torments of drought and degraded land and water.”

Just a few days before the summit, civil society and religious leaders had met in Bamako, Mali, to promote religious tolerance in Sahelian states torn by armed conflict. And a few days later some 40 women parliamentarians from across the Sahel convened in Chad to promote women’s leadership in the prevention of violent extremism.

Not just conflict
Much international attention toward the Sahel has concentrated on armed insurgency and terrorism, observes Leonardo Villalón, coordinator of the Sahel Research Group at the University of Florida in the US. But, he cautions, that focus is narrow and often superficial. The Sahel’s concerns are also environmental, political, demographic, and economic. The region’s security is itself “intricately interrelated with broader socioeconomic dynamics.”

With the collaboration of more than 40 other experts from Africa, Europe and North America, Professor Villalón is editing a book on the challenges facing the countries of the Sahel, The Oxford Handbook of the African Sahel, scheduled for publication by the UK’s Oxford University Press. The book will provide a comprehensive analysis of the many factors shaping the region today.

From any angle, the Sahel’s challenges appear formidable.

The region, frequently struck by drought and food insecurity, is projected to be one of the areas most severely affected by global climate change in the coming years. With up to 80% of its people living on less than $2 a day, poverty is more widespread in the Sahel than in most other parts of Africa.

The Sahel’s population growth rate also is among the world’s highest. Experts project the six countries’ population of approximately 90 million people to jump to 240 million by 2050—a rapid increase that could undermine educational efforts, stretch already limited public services and leave more young people without job opportunities. Already unemployment afflicts half of all youths in Mali. Such circumstances, in turn, contribute to the risks of crime and violence.

Poor governance does not help. Most governments in the Sahel are formally democratic, but for many ordinary citizens, elections have not yielded tangible improvements, while bureaucratic corruption and favouritism remain common, observes Jean-Pierre Olivier de Sardan, who teaches in France and Niger. Those shortcomings, he says, have led to a “widening gap between the privileged class and the masses of the population.”

Re-greening of Niger
Improvements in official agricultural policies in the Sahel in recent years have contributed to an increase in farm production, especially food for growing populations. But most of these achievements depend heavily on the efforts of ordinary farmers and livestock herders.

Producer organizations are emerging across the Sahel, notes Renata Serra, a development economist at the University of Florida.

Since the mid-1980s, farmers in the country’s southern regions have protected and managed at least 200 million trees, according to Chris Reij of the World Resources Institute in Washington, DC. Satellite images and aerial photos analysed by Gray Tappan and colleagues...
Elections still a weak spot in Central Africa
—François Louncény Fall

The special representative of the Secretary-General and head of the United Nations Regional Office for Central Africa (UNOCA), François Louncény Fall, appeared before the UN Security Council in June to brief it on the situation in the Central African region. He talked about political tension caused by February’s controversial elections, in addition to security threats by rebels and terrorist groups such as Boko Haram. Africa Renewal’s Franck Kuwonu sat down with Mr. Fall after the briefing to discuss the situation in the region. Here are the Excerpts:

Africa Renewal: Two issues seem to define the current situation in the Central African region: terror-related violence and contested elections. Isn’t that a worrying trend?

Mr. Fall: Certainly! The Central African region stands out for various reasons. Firstly, the Economic Community of Central African States (ECCAS) has been unable to effectively play its role as mediator, although it is being reformed. Secondly, almost all of the elections in the region, or at least seven of them held within the last year, were marred by controversies. This led to multiple problems that we are now dealing with. With some of the countries now getting ready to elect their members of parliament, we will have a lot to deal with.

Now if you add to that the Anglophone protests in Cameroon, the armed insurgency in the Pool region of the Republic of the Congo and other internal issues in other countries, obviously the situation in the Central African region is of concern. In addition, the economic situation is also worrying. The fall in commodities and oil prices has hit the region hard.

Is Chad, an oil producer, one of the countries affected?

Not just Chad, but the Congo and Gabon as well. Last year, members of the Central African Economic and Monetary Community (CEMAC) agreed to work with the International Monetary Fund (IMF) to shore up their economies. Chad and Gabon appear to be doing better, but the region overall is going through a hard time. So when you add the impact Boko Haram activities are having in Cameroon and Chad, it becomes clear that Central Africa faces great challenges.

How is it that all of those issues seem to be happening at the same time?

This could be explained by the fact that there really have not been political changes in the region, as elections remain controversial and the economies are weak—this can lead to all sorts of problems.

You said almost all elections in the region are marred by controversies. Why is that?

I believe that every country in the region has to do better. They have to ensure that those who are tasked with organising elections do their job and that the voting process is transparent. In the past, we have had elections that were widely contested, but progress is being made in the Congo and in Gabon, as opposition parties and the government are talking to each other. In general, we have always advised opposition parties never to spurn a chance to talk to their governments. Dialogue offers a chance to reform the electoral process, but nothing will change if opposition parties refuse to take part in discussions.

Beyond advising opposing parties on the need for dialogue around elections, how is the UN office in Central Africa involved with efforts to end conflict in the region?

We offer our good offices and our expertise. We also work towards

I believe that every country in the region has to do better. They have to ensure the voting process is transparent.
We expressed to the Security Council our great concern about the vacuum left by the departure of the Ugandan troops and the American Special Forces from some areas in the Central African Republic. That vacuum may attract other armed groups and undermine peace efforts. We have suggested to the Council that they look into the possibility of deploying the UN Multidimensional Integrated Stabilization Mission in the Central African Republic (MINUSCA) troops to fill the vacuum while working to strengthen the Central African Republican army’s abilities to take over at a later stage.

**How possible is this?**

It’s possible, because everybody knows and understands that there is a real risk, that there is a real threat for peace and security in this region.

**Since the American Special Forces left, Uganda’s troops and other allies are leaving as well. Why?**

I believe Uganda forces are leaving because the LRA may no longer be a threat to the Ugandan government. That may be true, but we are saying that the LRA is still active and is committing violence against women and attacking civilians. Even if the LRA is no longer a threat to the government of Uganda, it remains a threat to peace and the stability of the region nonetheless.

**How soon do you think the vacuum left by the withdrawing troops could be filled?**

We are working actively with MINUSCA to fill the vacuum as soon as possible. I have been assured that the force commander is working on that.

**Could armed groups take advantage of this vacuum?**

There are several other armed groups, not just LRA, in the region that borders the three countries: the Democratic Republic of Congo, South Sudan and the Central African Republic. Unfortunately, none of these governments control the area. So when there are no effective authorities, rebel groups from any of the three countries could move in.

**What would be your assessment of the work that the UN is doing in the region in general?**

It is great work overall. Take the elections, for instance. Even when I mentioned earlier that elections in the region generate a lot of problems, we also are working closely with all the political parties to avoid violence. We are working to strengthen the capacity of ECCAS in terms of preventive diplomacy. As you know, the sub-region has a role to play in maintaining peace and security among its members, so we are working with the regional organization to sustain their capacities.
Corporations and their partner foundations, supported by international organizations, financiers and bankers, as well as individual investors are transforming education across Africa—from a government responsibility and social right to a series of investment opportunities.

They say their reforms are designed to increase educational equity and achieve higher standards. Where possible they seek out local community support, but the underlying motivation behind corporate educational reform is extending the reach of free-market globalization and business profits.

The corporate takeover and privatization of education in sub-Saharan Africa has been sharply criticized by United Nations officials and advocates for investment in public education. In a 2015 statement, 190 education advocates from 91 countries called on governments in the developing world to stop education profiteers. They urged the World Bank to stop financing these efforts.

In May 2016, Kishore Singh, the United Nations special rapporteur on the right to education, described the outsourcing of public education in Liberia to an American corporation as “unprecedented at the scale currently being proposed” and said that it “violates Liberia’s legal and moral obligations.”

Mr. Singh voiced his deep concern over the fact that some governments were actively encouraging private basic education, emphasizing, “Now more than ever, governments should be expanding public educational opportunities for the marginalized groups, especially children from poor families.”

A recent report by the Global Initiative for Economic, Social and Cultural Rights examined the impact of privatization of schools in Kenya. Among its findings was that privatization of education is growing “at an alarming rate”, without a corresponding monitoring and regulation by the state. In addition, the report stated that the government was encouraging the growth of private schools through the enactment of favourable policies. It added that the increasing number of private actors in education is leading to sharp inequalities and segregation in the Kenyan society.

Another recent study of the privatization experience in Nigeria had similar findings. The authors, all professors at the University of Ibadan, remarked that while the growth of private education...
had produced positive effects such as improved workers’ welfare, greater community participation and widening access to education, it had also enabled the proliferation of unapproved and unregistered schools.

While providing wider access to education for children, private schools are often criticized for mortgaging education.

The World Bank has promoted a free-market fundamentalist model of education throughout the world since the 1980s, writes Shaun Whittaker, in an article published in The Namibian titled ‘Our education crisis and the World Bank’. “This paradigm will dominate the global education debates for many years to come,” he writes.

Studies by the Bank of Namibia’s educational programme revealed a transaction perspective in which education is not regarded as a basic right, but as something that “should be evaluated according to its contribution to the economy,” Mr. Whittaker observed.

The matriculation results of 2012 reveal that Namibia is burdened with a two-tier education system, says Mr. Whittaker: one tier, for the elite, is well resourced and privatized, while the second stream, for the majority, is underresourced and public.

Not unexpectedly, this view of education is not shared by all. The New York-based Africa American Institute, in its State of Education in Africa report, places the blame squarely on the failure of governments to adequately fund education programmes and sees private schools as charitable and coming to the rescue.

“This paradigm will dominate the global education debates for many years to come,” notes the report, “there is a deeper learning crisis at play: many students are not gaining basic skills while attending school.”

Consequently, according to the report, the quality of education in Africa is in a perilous state. Private institutions are increasingly stepping in to educate children who lack access to an education and to fill the gaps in a country’s public education system.

“The rise in private schools should not be seen as negative, but instead as a viable alternative to a failing public education system,” the report says.

A recent investigative piece in the Conversation, an online nonprofit website that covers commentary and debate on issues affecting the world, looked at the weaknesses of public education in Kenya.

Kenya’s public schools are facing huge challenges. In some parts of the country, between 80 and 100 children are crammed into a single classroom. Almost four out of ten children are not literate or numerate at the Grade 2 level, a full two to three years after they should be.

In sharp contrast, private schooling, which Kenyans used to view as an unnecessary expense, has risen to be seen as the gold standard of education for wealthy, middle-class and poor families alike, who believe that elite schools offer holistic learning that emphasizes values such as leadership and self-confidence, preparing the learners for bigger roles later in life.

A summary of the investment capital moving into education was provided in a recent issue of Africa Capital Digest. It mentioned ABO Capital, an Angolan investment firm that acquired Complexo Escolar Privado Internacional in Benfica, a suburb south of Luanda, and AfricInvest, an Africa-focused midmarket private equity firm that is backing the International Community School (ICS) in a preferential share deal.

ICS was founded in 2000 and has grown to be one of the leading private K-12 schools in Ghana. Today the company operates three campuses and teaches over 1,200 students in the cities of Kumasi and Accra.

Further details of the burgeoning investments were revealed in Gulf News Banking last month showing that Centum Investments and Investbridge Capital were embarking on the development of a $16 million, 2,000-student school with the acquisition of 20 acres in Kenya’s Kiambu County.

**Owning schools**

The school is scheduled to open its doors to pupils in September 2018. According to reports, Centum and Investbridge will each hold a 40% stake in the project, with the SABIS Network—a global education network that has a significant presence in the UAE—retaining the 20% balance of the ownership.

The tripartite consortium will be responsible for the acquisition and development of a network of schools across Africa, which will be operated as part of the SABIS Network. They plan to build more than 20 schools in Africa over the next three to five years, with the cost of each school ranging between $20 million and $30 million. The investors have identified Kenya as the target country for its first school, with other East African markets such as Uganda and Tanzania to follow, as well as further expansion in Egypt.

Investbridge said there is growing interest from a mature class of generational investors from the Middle East and around the world to invest in education sector opportunities in Africa.

In the latest report by Caerus Capital—The business of education in Africa—the group predicts, “In the next five years, an additional 25 million children are expected to join private institutions, so that one in four children, from all sorts of backgrounds, will be enrolled in private schools by 2021”, creating an “enormous opportunity for investors: $16–18 billion over the next five years.”

---

*Children attend a class at the Deeri elementary school in Eritrea.* © Panos/Giacomo Pirozzi
Nina Forgwe, who lives in Bamenda, in the northwest of Cameroon, missed the deadline to submit her doctoral application in March—one of many victims of an Internet shutdown in her town and in the other English-speaking parts of the country.

The Cameroonian government suspended services after Anglophone teachers, lawyers and students went on strike over alleged historical biases in favour of Francophones. The suspension started in January this year and ended in March, and at nearly one hundred days is the longest period of Internet disruption by an African government.

The impact of the Internet disruption was severe, recalled Ms. Forgwe, who is an activist.

“All personal services that required the Internet were put on hold. Many Internet-based businesses ground to a halt, especially tech start-ups. A lot of our activism is through online portals,” she told Africa Renewal.

Access Now, a New York–based international human rights organisation, put the financial cost of the shutdown at $5 million in tax revenue, profits of Internet-related businesses, general operating expenses, bank transaction fees, and money transfer services, among others.

Communication minister and government spokesman Issa Tchiroma Bakary said the shutdown was triggered by the propagation of false information on social media capable of inciting hate and violence in the crisis-hit regions.

The shutdown was a particular blow for Cameroon’s “Silicon Mountain,” a cluster of tech start-ups in the region that had been flourishing. Deprived of the Internet, Silicon Mountain entrepreneurs were forced to drive to other parts of Cameroon whenever they wanted to go online. These long drives ate into work time.

“Money is being lost. Some of us can’t engage with our foreign clients because of the suspended Internet service. It’s disruptive to everyone,” said Churchill Mambe. Mr. Mambe is the owner of Njorku, an employment and hotel services company recently listed among the top 20 African start-ups by Forbes magazine.

Julie Owono, a lawyer and executive director of Internet without Borders, a Paris-based Internet rights organisation, told Africa Renewal that between January and June 2017, nine countries globally experienced Internet blockades, including three in Africa—Cameroon, Egypt and Ethiopia.

A few months after Cameroon’s Internet disruption, a nationwide blackout was imposed in Ethiopia over concerns about cheating at exams. Ethiopian government spokesperson Mohammed Seid explained that: “The shutdown is aimed at preventing a repeat of exam leaks that occurred last year.”

Since last May the Egyptian government has blocked 62 websites, including those of Qatar-based Al Jazeera television and prominent independent news site Mada Masr, accusing them of inciting
The rise in Internet shutdowns comes as an increasing number of Africans are communicating via the Internet, observed Ms. Owono. “Governments that have been used to closed societies where information is centralized see connectivity as a threat rather than an opportunity,” she said.

The Brookings Institution, a Washington, DC-based think tank, analysed the costs to an economy from a shutdown of the Internet. In seven African countries surveyed in 2016 where the Internet was shut down, they lost an estimated $320 million in revenue.

There is also the issue of digital rights. In July 2016 the United Nations Human Rights Council passed a resolution condemning countries that prevent or disrupt online access and information, and called for free speech protections. Governments hide under the cover of threat to national security to justify shutting down the Internet, says Ms. Owono. But so far, no government has allowed a judicial authority to determine if national security actually had been threatened, she says. On the contrary, shutdowns have happened during times of political tension, giving weight to arguments that the goal is to silence dissent.

Arsene Tungali, a Congolese activist and founder of Rudi International, a digital rights advocacy and security training company, said that in the past seven years, the DRC government has orchestrated an interruption of online communications on several occasions. In 2015 and 2016 the Congolese government blocked access to phone text messages (SMS) and the Internet after protests erupted in response to the extension of President Joseph Kabila’s time in power.

A similar blackout happened in the Republic of Congo as President Denis Sassou Nguesso moved to prolong his 32-year rule.

The growing number of shutdowns has mobilized Internet access advocacy groups and global campaigns, including the #KeepitOn campaign at RightsCon, which focuses on highlighting the economic costs of shutdowns. Natasha Musonza, founder of the Digital Society of Zimbabwe, observes that the economic argument cannot alone deter governments from blocking the Internet.

“We need to highlight other practical effects, such as the human impact. We are also better off suggesting useful alternative solutions to problems such as exam cheating or maintaining peace in the face of public protests,” she suggested.

The African Network Information Centre (AFRINIC), which assigns and manages Internet addresses in Africa, proposed deactivating delinquent governments’ online platforms for 12 months as punishment for shutting down the Internet. However, the proposal was shot down by AFRINIC members at the fifth African Internet Summit, held in Nairobi last June. The members said the proposal would be difficult to implement and could antagonise governments or even worsen the situation.

To skirt Internet blockages, many civil and digital rights organisations have now increasing their digital security knowledge, especially on encryption, mitigation against surveillance and tools for safe online communication. Also, many Internet consumers in Cameroon, the DRC, Uganda and Zimbabwe say the use of virtual private networks, which are used to avoid blockages, has increased.
More women in politics
from page 26

women’s political power,” notes that “when money dominates politics, women lose out. With women having persistently lower incomes for many reasons, they are far less likely than men to be in the social and business networks that pour money into political campaigns.”

Major political parties rarely nominate women for elected positions during primaries because of the belief that women stand a slim chance of winning against men. In Kenya, for example, all the leading parties nominated men as presidential candidates for the August 2017 elections.

Sometimes a political party will attempt to curry favour by nominating women, yet will not fully back the female politicians to win elections, explains Ms. Ekwunife.

Women candidates are more vulnerable than their male counterparts to electoral violence, including physical attacks on the candidates themselves, their families or supporters, from the campaigns to election time, says Ms. Mabona.

The Kenyan government pledged to enhance security for women aspirants in the lead-up to the August 2017 general election. The cabinet secretary for interior security, the late Joseph Nkaissery, in June announced the government’s intention to protect women candidates, but also told them to be “tough,” without explaining what he meant, leaving pundits to infer a tacit approval for women to be violent.

Ms. Mabona herself witnessed raw violence early this year during her political party’s fiery primaries in her Mbita Constituency in western Kenya. Her bodyguard was killed and her house was burned down.

Will the ground be level anytime soon for women politicians in Africa? Dismas Mokua, a political analyst with Trintari International, a Nairobi-based public relations firm, says women in Africa have made some impact in politics but could do better. Most societies are patriarchal and don’t expect women to take up leadership positions, explains Mr. Mokua.

“Running for a public office requires resources. A lot of women candidates may not have the requisite finances,” says Mr. Mokua.

Against all odds, the time is now for Africa’s visionary female politicians to join politics and change the narrative.

The new face of the Sahel
from page 27

of the US Geological Survey show a visible re-greening of wide areas, with more trees and shrubs in the densely populated areas of Zinder as well as other locations.

A similar expansion of tree cover is going on in parts of Burkina Faso, Mali and Senegal but it is happening in Niger on “a spectacular scale, unique for the Sahel and probably unique for Africa,” comments Mr. Reij.

In turn, denser vegetation has boosted the yields and diversity of farm production, generating strong commitment from farmers. Donor-funded programmes have contributed to the re-greening phenomenon. But the most important factor, researchers argue, has been the emergence of village committees to protect and manage trees.

Studies of farmer-led tree management efforts indicate that women have been particularly active, in part because they are prime beneficiaries. Some tree varieties produce fruit and leaves that they can sell for extra income, while the availability of more trees overall helps reduce the time women spend collecting fuelwood.

In Keita town, central Niger, women are planting “trees for peace,” as in similar campaigns by Kenyan women environmentalists, reports professor Ousseina Alidou, a scholar from Niger teaching at Rutgers University in New Jersey, US.

She also notes that some groups in Burkina Faso, Niger and Senegal are fighting for gender equality and “pushing the boundaries” of women’s status within current family laws. They are also agitating for legal adoption of refugee children and orphans, an innovation under prevailing local Islamic legal practices.

In Burkina Faso, Senegal and elsewhere in the Sahel, civil society organisations are also campaigning against practices such as female genital mutilation and child marriage.

Citizen engagement
Likewise, political life is beginning to show the impact of citizen involvement. In Burkina Faso and Senegal, civil society groups remain active, mounting campaigns against corruption, for greater transparency in mining industries, for better public services and around other issues.

Civil mobilizations in elsewhere in the Sahel have been more sporadic, but at times have nevertheless been notable.

In countering threats of terrorism and armed violence, all governments of the Sahel are aware that they need to strengthen their security forces and cooperate more closely with each other.

In February the presidents of the Group of Five, also known as G5 Sahel, (Burkina Faso, Chad, Mali, Mauritania and Niger) agreed to boost joint military training, intelligence sharing, and logistical infrastructure, as well as to form a joint military force against terrorism and drug trafficking.

In some countries, including Burkina Faso and Senegal, military officers are trying to improve relations with civilians.

Civilians are also taking initiatives of their own to counter jihadist ideology. In Dori and Gorom-Gorom in Burkina Faso’s far north, a Muslim-Christian civil association regularly organises interfaith dialogues.

However, for such efforts to make real headway, the region’s governments must do much more to reach out to their own citizens, argues Ahmedou Ould-Abdallah, president of the Center for Strategy and Security in the Sahel-Sahara, headquartered in Mauritania.

They must heed “the popular demand for better management of African economies and political rights,” says Mr. Ould-Abdallah, a former UN Secretary-General’s representative to Somalia, adding that “Demanding better governance...less corruption, more social inclusion, more professional and less tribalized security forces, and good border policies will all contribute to fighting violent extremism more effectively.”

---

In Keita town, central Niger, women are planting “trees for peace,” as in similar campaigns by Kenyan women environmentalists, reports professor Ousseina Alidou, a scholar from Niger teaching at Rutgers University in New Jersey, US.

She also notes that some groups in Burkina Faso, Niger and Senegal are fighting for gender equality and “pushing the boundaries” of women’s status within current family laws. They are also agitating for legal adoption of refugee children and orphans, an innovation under prevailing local Islamic legal practices.

In Burkina Faso, Senegal and elsewhere in the Sahel, civil society organisations are also campaigning against practices such as female genital mutilation and child marriage.

In February the presidents of the Group of Five, also known as G5 Sahel, (Burkina Faso, Chad, Mali, Mauritania and Niger) agreed to boost joint military training, intelligence sharing, and logistical infrastructure, as well as to form a joint military force against terrorism and drug trafficking.

In some countries, including Burkina Faso and Senegal, military officers are trying to improve relations with civilians.

Civilians are also taking initiatives of their own to counter jihadist ideology. In Dori and Gorom-Gorom in Burkina Faso’s far north, a Muslim-Christian civil association regularly organises interfaith dialogues.

However, for such efforts to make real headway, the region’s governments must do much more to reach out to their own citizens, argues Ahmedou Ould-Abdallah, president of the Center for Strategy and Security in the Sahel-Sahara, headquartered in Mauritania.

They must heed “the popular demand for better management of African economies and political rights,” says Mr. Ould-Abdallah, a former UN Secretary-General’s representative to Somalia, adding that “Demanding better governance...less corruption, more social inclusion, more professional and less tribalized security forces, and good border policies will all contribute to fighting violent extremism more effectively.”
United Nations Secretary-General António Guterres has appointed Phumzile Mlambo-Ngcuka of South Africa as Executive Director of UN Women for a further term of four years. Before her role at UN-Women, Ms. Mlambo-Ngcuka worked with women and girls within civil society, as well as focused on political and economic rights and girls’ education. She was the first female deputy president of South Africa and had earlier served as a cabinet minister.

Masimba Tafirenyika of Zimbabwe has been appointed as director of the United Nations Information Centre in Pretoria, South Africa. He most recently served as Chief of the Africa Section in the UN Department of Public Information and Editor-in-Chief of its Africa Renewal magazine.

David McLachlan-Karr of Australia has been appointed as deputy special representative of the secretary-general in Guinea-Bissau. He most recently served as UN resident coordinator, humanitarian coordinator and UNDP resident representative in Jordan. Mr. McLachlan-Karr succeeds Maria do Valle Ribeiro of Ireland.

Mukhisa Kituyi of Kenya has been appointed as Secretary-General of the United Nations Conference on Trade and Development (UNCTAD) for a further term of four years. Mr. Kituyi served an initial four-year term as UNCTAD’s seventh secretary-general. He has an extensive background as an elected official, an academic, coupled with wide-ranging experience in trade negotiations, and in African and broader international economics and diplomacy.

Pramila Patten of Mauritius has been appointed as special representative on Sexual Violence in Conflict. She most recently served as a barrister-at-law and since 2003, as a member of the committee on the elimination of all forms of discrimination against women. Ms. Patten succeeds Zainab Hawa Bangura of Sierra Leone.

Lieutenant-General Frank Mushyo Kamanzi of Rwanda has been appointed as force commander of the United Nations Mission in South Sudan (UNMISS). He most recently served as force commander of the African Union-United Nations Hybrid Operation in Darfur (UNAMID).

The book, Managing and Transforming an African University: Personal Experience at Makerere University 1973-2004 by John Pancras Mukasa Ssebuwufu provides a vivid account of the author’s three decades at the institution (1973 to 2004) and an insight into the challenges of managing an African university. Having been a former student and staff member, Mr. Ssebuwufu later became Makerere University’s eighth vice-chancellor.

The book is a rich blend of old and current history of Makerere University, and is a valuable addition to the literature on one Africa’s oldest and most enduring educational institutions and centres of excellence. The University was established in 1922 as a technical school by the department of education under the British Protectorate Government and was converted to a university in 1970.

Mr. Ssebuwufu’s book enriches the literature on achieving transformational leadership and sustainable development on the continent through innovation that enhances quality higher education. With detailed descriptions of the various phases of higher education development in Makerere, the author adroitly links the past to the present. Mr. Ssebuwufu’s experience, sprinkled throughout the book, will fascinate scholars and managers of higher educational institutions in Africa and beyond.

The book is published by the Dakar-based Council for the Development of Social Science Research in Africa (CODESRIA), which launched a Higher Education Leadership Programme six years ago with funding from the Carnegie Corporation of New York.

CODESRIA supports research networks, policy forums and publications to document and provide an understanding of transformations with regard to the governance and leadership of higher education institutions in Africa.

— Abdarahmane Wone

The book, Managing and Transforming an African University: Personal Experience at Makerere University 1973-2004 by John Pancras Mukasa Ssebuwufu provides a vivid account of the author’s three decades at the institution (1973 to 2004) and an insight into the challenges of managing an African university.

Having been a former student and staff member, Mr. Ssebuwufu later became Makerere University’s eighth vice-chancellor.

The book is a rich blend of old and current history of Makerere University, and is a valuable addition to the literature on one Africa’s oldest and most enduring educational institutions and centres of excellence. The University was established in 1922 as a technical school by the department of education under the British Protectorate Government and was converted to a university in 1970.

Mr. Ssebuwufu’s book enriches the literature on achieving transformational leadership and sustainable development on the continent through innovation that enhances quality higher education.

With detailed descriptions of the various phases of higher education development in Makerere, the author adroitly links the past to the present. Mr. Ssebuwufu’s experience, sprinkled throughout the book, will fascinate scholars and managers of higher educational institutions in Africa and beyond.

The book is published by the Dakar-based Council for the Development of Social Science Research in Africa (CODESRIA), which launched a Higher Education Leadership Programme six years ago with funding from the Carnegie Corporation of New York.

CODESRIA supports research networks, policy forums and publications to document and provide an understanding of transformations with regard to the governance and leadership of higher education institutions in Africa.

— Abdarahmane Wone

The book, Managing and Transforming an African University: Personal Experience at Makerere University 1973-2004 by John Pancras Mukasa Ssebuwufu provides a vivid account of the author’s three decades at the institution (1973 to 2004) and an insight into the challenges of managing an African university.

Having been a former student and staff member, Mr. Ssebuwufu later became Makerere University’s eighth vice-chancellor.

The book is a rich blend of old and current history of Makerere University, and is a valuable addition to the literature on one Africa’s oldest and most enduring educational institutions and centres of excellence. The University was established in 1922 as a technical school by the department of education under the British Protectorate Government and was converted to a university in 1970.

Mr. Ssebuwufu’s book enriches the literature on achieving transformational leadership and sustainable development on the continent through innovation that enhances quality higher education.

With detailed descriptions of the various phases of higher education development in Makerere, the author adroitly links the past to the present. Mr. Ssebuwufu’s experience, sprinkled throughout the book, will fascinate scholars and managers of higher educational institutions in Africa and beyond.

The book is published by the Dakar-based Council for the Development of Social Science Research in Africa (CODESRIA), which launched a Higher Education Leadership Programme six years ago with funding from the Carnegie Corporation of New York.

CODESRIA supports research networks, policy forums and publications to document and provide an understanding of transformations with regard to the governance and leadership of higher education institutions in Africa.

— Abdarahmane Wone
Your one-stop source for news and information about Africa and the UN.
Now available on smartphones, tablets and eReaders.

Africa is changing and so is Africa Renewal, with a new website, new features and a new commitment to supporting the partnership between Africa and the United Nations.

Africa Renewal Online. It’s a new Africa. It’s a new Africa Renewal.