

African Union

- **Africa:** About 75% of Africa's rural population lack access to electricity, forcing them to rely on expensive and dirty fuels like kerosene for lighting and diesel for generators. Recent years have seen rapid growth in the market for small-scale solar home systems (SHSs), which comprise solar panels, batteries, inverters and a distribution board.

About 75% of Africa's rural population lack access to electricity, forcing them to rely on expensive and dirty fuels like kerosene for lighting and diesel for generators. Recent years have seen rapid growth in the market for small-scale solar home systems (SHSs), which comprise solar panels, batteries, inverters and a distribution board. A number of decentralised energy service companies (DESCOs) have established themselves in African markets, including M-Kopa, Off-Grid Electric, d.Light, Bboxx, Mobisol and Nova Lumos. Pioneering DESCOs provide integrated renewable energy solutions comprising hardware, software, distribution, and financing. The companies supply affordable SHSs in varying sizes, together with efficient LED lights, mobile phone chargers and a variety of basic electrical appliances such as radios and TVs. Several of the DESCOs launched their operations in East Africa (Kenya, Rwanda and Tanzania) and West Africa (e.g. Ivory Coast). The major innovation has been the form of end-user finance. Several DESCOs have adopted a pay-as-you-go (PAYG) scheme, whereby customers pay a small up-front amount for the equipment and then monthly or weekly payments for the energy used, using mobile payment systems. The PAYG business model also requires capacity building among sales and distribution agents. For more information, read: <http://bit.ly/2F6lt3y>.

CAS View: While the article refers to 75% of Africa's rural population lacking access to electricity, this amounts to 60%+ of the total population. As mentioned many times, lighting up Africa is an important strategy. Currently, the SHSs are only empowering 700,000 people in West and East Africa. However, this is an important start. We also see many more players in the sector than just the well-known M-Kopa entering the playing field. We also see business opportunities for investors throughout the value chain. The sector has increased the relevance of mobile money applications. The article has also shown, once again, the increasing importance of solar mini-grids in Africa. The lowering cost of solar and the increasing efficiency thereof is making solar the preferred energy business model in Africa.

East Africa

- **Ethiopia:** Ethiopia's prime minister, Hailemariam Desalegn, has resigned in a surprise move amid protracted anti-government protests. His resignation follows a nationwide state of emergency in 2017. His stepping down is unprecedented in Ethiopia.

Ethiopia's prime minister, Hailemariam Desalegn, has resigned in a surprise move amid protracted anti-government protests. His resignation follows a nationwide state of emergency in 2017. His stepping down is unprecedented in Ethiopia. Hundreds of people have died in violence sparked initially by an urban development plan for Addis Ababa. The unrest spread in 2015 and 2016 as demonstrations against political restrictions and human rights abuses broke out. According to Desalegn, unrest and a political crisis have led to the loss of lives and displacement of many. He sees his resignation as vital in the bid to carry out reforms that would lead to sustainable peace and democracy. Desalegn said he was not quitting politics, but wanted to continue his work to reform Ethiopia. This week, disenchanted young men blocked roads and businesses stayed closed in and around Addis Ababa. In an attempt to ease tensions, the government last month began issuing a string of pardons and releasing prisoners. Desalegn said he would stay on as prime minister until the EPRDF and the country's parliament accepted his resignation and named a new premier. For more information, read: <http://bit.ly/2Bxe3aV>.

CAS View: This is indeed an unprecedented move in the political scene, not only in Ethiopia, but in Africa. Very few "democratic" leaders in Africa would have embarked upon this route. I cannot think of any "authoritarian" leaders that have resigned amongst similar conditions. I have many times stated that political stability in Ethiopia is a prerequisite for continued economic development. It seems President Hailemariam Desalegn has sacrificed his political career for the greater good of his country. It says a lot about the man. It will be interesting to see how he is going to continue his work to reform Ethiopia whilst not being prime minister. It will also be interesting to see how the next prime minister will proceed with shaping the policy environment and bringing about much needed reforms. It will also be interesting to see

whether this unusual move will reduce the level of political instability. There are interesting times ahead for this economic miracle in the Horn of Africa.

- **Tanzania:** The Alliance for a Green Revolution in Africa (Agra) has started an initiative to support 3.5 million small scale farmers to sustainably transform their mode of farming to be commercially viable and profitable.

The Alliance for a Green Revolution in Africa (Agra) has started an initiative to support 3.5 million small scale farmers to sustainably transform their mode of farming to be commercially viable and profitable. The programme aims at ensuring farmer incomes improve. To ensure farmers benefit, all Agra sponsors have signed contracts that will see them have a single coordinated point of contract to empower the farmers. Agra decided to come up with an agriculture model for industrialisation through joint investment in Tanzania, as they used to work separately earlier and doing the same thing without coordination. Their aim is to increase the farmers' ability to invest in sustainable systems that will lift them from poverty. Farmers should be able to handle climate and market shocks, invest in machinery and reduce post-harvest losses. Farmers need to have a system that ensures timely supply of inputs, irrigation through solar powered technology pumps. If the right systems are put in place, the government's vision of a country industrialised through agriculture will be realised. For more information, read: <http://bit.ly/2EuzNH9>.

CAS View: Agriculture is increasing its relevance as a driver of change in Africa. Transforming the sector into a lucrative one, is an important step to convince various stakeholders to see farming as a good business opportunity. The industrialisation of the sector has been punted for various years as the route to go. This will help them deal with the imperatives of the modern world of agriculture, a necessity to help Africa increase its productivity and reduce imports. It is also imperative to see the sector as an integral whole, hence tapping into all the relevant subsystems. This has been said many times. Hopefully Agra will lead to practical steps to bring about these outcomes. Coordinating efforts across various fields will provide a huge step forward.

- **Tanzania:** Tanzania is among the 4 East African countries set to benefit from the global programme on Climate Smart Agriculture (CSA). The CSA is an approach for transforming and reorienting agricultural systems to support food security under the new realities of climate change.

Agriculture remains the mainstay of Tanzania's economy, contributing close to 30% of its GDP. It's also employs more than 75% of the population. However, the sector still faces a number of challenges, including low productivity, post-harvest losses, low investment and climate-related risks like droughts. Tanzania's agriculture is dominated by smallholder farmers, most of who unfortunately depend on seasonal rains. They are therefore easily affected by climate changes. Tanzania is among the 4 East African countries set to benefit from the global programme on Climate Smart Agriculture (CSA). The CSA is an approach for transforming and reorienting agricultural systems to support food security under the new realities of climate change. Threats can be reduced by increasing the adaptive capacity of farmers, as well as increasing resilience and resource use efficiency in agricultural productive systems. These are the kinds of initiatives that will help sustain agriculture and ensure food security and economic development. More needs to be done. It is also time insurance was taken seriously to help especially smallholder farmers against poor yields resulting from adverse climatic conditions, disease and damage by insects. For more information, read: <http://bit.ly/2Ew7rMs>.

CAS View: Here we find another article addressing the need to stimulate the productivity of agriculture in Tanzania. There is clearly no shortage of initiatives in this sector in the country. This article addresses some challenges brought about by climate change. As for insurance for smallholder farmers, making this affordable will be a challenge. Initiatives such as Agra and CSA all have a role to play. They need to be coordinated to ensure that nothing falls through the cracks and that all areas of importance are addressed. Overlaps must be avoided. Food security is a major issue in Africa and must be a goal for all governments in Africa!

- **Uganda:** In its effort to lift the country's tourism numbers, government has embarked on searching for international public relations and marketing companies to promote Uganda in emerging markets.

In its effort to lift the country's tourism numbers, government has embarked on searching for international public relations and marketing companies to promote Uganda in emerging markets. According to information from the Uganda Tourism Board (UTB), the government's tourism promotional agency, the emerging markets they are eyeing in addition to traditional markets are: China, the Gulf States, Japan and the Nordic countries. The UTB should ensure that these firms include tour operators, travel agents, airlines and transportation providers in their programmes if they are to understand Uganda's tourism offer and how they can sell it to their clientele. Uganda needs to identify a brand that can sell the country. Experts in the tourism industry say that if Uganda attracts visitors from China, this will boost the numbers, revenues will increase, and jobs will be created. According to the chairman of the East African Tourism Platform, the focus should be put on China and India because they have the numbers and that is what they want to grow tourism in Uganda and the region. For more information, read: <http://bit.ly/2GcOOte>.

CAS View: As stated by the authors of Making Africa Work, tourism is one of the most – perhaps the most – promising sector for many African countries, because it offers a possibility for the creation of a large number of jobs, especially for new entrants to the labour market. Unfortunately, some African tourism markets are perceived as difficult to access, and some are seen as having security challenges. Africa must address these challenges and position itself as a tourist destination of note. Countries such as China and India have large numbers of people and must be targeted. The same goes for the ASEAN region (~600 million people). The recent adoption of the Single African Air Transport Market, which is aimed at facilitating the ease of travel between African states, has the potential to boost tourism significantly. The same goes for an African passport, a project of the African Union. We are already seeing regional tourism visas in some cases. The potential of tourism (generating revenue and creating jobs) is of such a nature that all the stakeholders in Africa must do its utmost to support the growth and development of the sector. It also creates business opportunities for foreign investors. CAS is hosting its next African Angle Breakfast Session on Wednesday 7 March, where Singaporean Cherisa Kwong, owner of tourism startup, [TribeXplorers](#), and Ugandan Mark Aikiriza, will be sharing their experiences on growing and facilitating tourism to Africa.

Southern Africa

- **South Africa:** President Jacob Zuma, South Africa's president until 14 February 2018, resigned on Valentine's Day. It can be seen as the best Valentine's gift ever!

President Jacob Zuma, South Africa's president until 14 February 2018, resigned on Valentine's Day. This ended nine years of his scandal-marred administration. Cyril Ramaphosa was sworn in as president on 15 February 2018. Markets cheered the transition of power. Ramaphosa is widely expected to adopt business-friendly policies, prompting the rand to rise more than any other currency against the dollar since his election as ANC leader on 18 December 2017. The road ahead is perilous - the ANC remains deeply divided, the cabinet needs a clean-out and a moribund economy requires a jump-start. Stocks climbed the most since June 2016 and the yield on the local-currency bond due in 2026 dropped five basis points to 8.34%. The first signal of Ramaphosa's intentions may come in the state-of-the-nation address he's scheduled to give on Friday, 16 February 2018. For the ANC, Zuma's departure gives Ramaphosa more time to convince voters before elections in 2019 that he's committed to meeting his pledges to rebuild a battered economy and clamp down on graft. Growth has averaged just 1.6% a year since Zuma took office in 2009, undermined partly by a series of policy missteps and inappropriate appointments that rocked investor and business confidence. For more information, read: <https://bloom.bg/2o25JIB>.

CAS Views: South African newspaper headlines were ablaze with headings such as "Gone at Last." Zapiro, a well-known and popular cartoonist, published a cartoon "End of an Error." History will not be kind to Jacob Zuma's legacy. It is ironic that the same people that supported him not that long ago, ditched him after Cyril Ramaphosa was elected as president of the ANC. It shows upon how fickle such political support can be. One wonders if this would have been the route we would have seen if Nkozasana Dlamini-Zuma had been elected as ANC president. I do not believe this. But fortunately for South Africa, we do not need to wonder. What now remains to be seen is to what extent Ramaphosa will clean up his cabinet

and root out corruption. Many are looking at the politically sensitive position of Minister of Finance. Malusi Gigaba was brought in by Zuma to replace the respected Pravin Gordhan. Gigaba in turn, does not enjoy the same respect by a long shot. Gigaba's challenge is that in addition to doubts as to his skills, character and integrity, his boss knows more about running an economy than he does. Ramaphosa will, however, need to balance his clean-up act and the needs of his party with great caution. At this stage he does not enjoy overwhelming support in the ANC. We will probably see a Fabian strategy and blitzkrieg tactics – decisive actions spread over a long period of time. He will need to ensure that the global investment community are convinced by his actions that he has South Africa's best interests at heart. Generally speaking, Ramaphosa enjoys a lot of support amongst South Africans from all walks of life. South Africa is now waiting to see what is going to happen with the 783 charges of corruption against Zuma. Interesting times ahead, for sure!

- **Zimbabwe:** Zimbabwe's leading opposition politician, Morgan Tsvangirai, who was the arch political rival of ex-President Robert Mugabe, has died in a hospital in South Africa. He was 65 and had colon cancer.

Zimbabwe's leading opposition politician, Morgan Tsvangirai, who was the arch political rival of ex-President Robert Mugabe, has died in a hospital in South Africa. He was 65 and had colon cancer. Tsvangirai came to symbolize courageous resistance to Mugabe's repressive regime — and changed politics in Zimbabwe. He founded the opposition Movement for Democratic Change in 1999. Many were convinced he won outright the first round of the 2008 presidential election against Mugabe. Tsvangirai pulled out of the second-round vote, pointing to beatings, killings and arbitrary imprisonment of opposition supporters by Mugabe's security forces. There was global indignation when Mugabe was declared the winner of the election. In a negotiated settlement brokered by South Africa, a power-sharing deal was accepted, with Mugabe remaining as president and Tsvangirai a reluctant prime minister in a coalition Cabinet. Despite global goodwill toward Tsvangirai as prime minister, Zimbabwe's economy hit rock bottom, with unparalleled hyperinflation. Tsvangirai tried to unseat Mugabe again in elections in 2013. It was another hopeful moment — but Tsvangirai lost and cried foul. In November 2017, when Mugabe was driven out of power in a military takeover, backed by popular support, an ailing Tsvangirai was visibly suffering from colon cancer. In January 2018, Tsvangirai hinted he would retire and not lead the party's campaign ahead of elections in Zimbabwe later in 2018. For more information, read: <http://n.pr/2ErFtgM>.

CAS View: Morgan Tsvangirai fought a brave battle, both in the political domain in Zimbabwe and in his battle against colon cancer. He certainly made a difference in Zimbabwe's political scene, in spite of not winning any of the elections he participated in. Through his actions, he highlighted the abuses of Robert Mugabe's government. If the AU of 2008 had the same courage of an ECOWAS after the presidential election in December 2016, where they intervened to remove Yahya Jammeh and make space for the democratically-elected Adama Barrow, Tsvangirai would have become the president of Zimbabwe. However, history will tell another story. He was a courageous man and deserves respect.