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ENRC

Etisalat

CAMEC

Gold Star

Harris Stratex

IBM

Raytec Metals

Telkom

Trafigura

Meditel

CIC

World Bank

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Africa's Rice Production Up 18%

Rice production in Africa increased 18% in 2008, compared to 2007 levels, according to data from the Africa Rice Center.

The Food and Agriculture organization believes key policy measures that were adopted by member countries contributed to the production spike. Burkina Faso, for instance, experienced a 241% spike in rice production in 2008.

Burkina Faso, one of the countries rocked by food riots following last year's price hikes, experienced a 241% increase in rice production last year.

The Africa Rice Center attributes this turnaround in Burkina Faso's rice fortunes to government support to farmers that ensured access to high quality certified rice seed, including NERICA rice varieties developed by the Africa Rice Center, and other basic farm inputs. NERICA, or New Rice for Africa, is an interspecific cultivar of rice developed by the West Africa Rice Development Association to improve the yield of African rice varieties.

In the heat of the worst rice crisis in recent times, many African governments prioritized local rice production and are striving to create

Senegal, the world's eighth largest rice importer, also increased its rice production by 90% in 2008 through a presidential initiative that put in place a distribution system that ensured rice



Farmers plough a rice farm.

farmers could easily and readily access subsidized farm inputs such as certified seeds and fertilizers.

In the heat of the worst rice crisis in recent

See, **RICE**, Page 2

ENRC To Buy Mining Firm For £584 million

London-based Eurasian Natural Resources Corp. is acquiring Central African Mining & Exploration Co. or CAMEC for £584 million.



Copper mine

The deal gives ENRC access to large copper/cobalt resources in the Democratic Republic of the Congo with the potential to support significant,

scalable, low-cost production capacity. In addition to Congo assets, ENRC will assume ownership of CAMEC's interests in Mozambique, Mali and Zimbabwe.

The offer is expected to be funded through ENRC's available cash resources.

Camec was founded and run by former England test cricketer Phil Edmonds, who has a number of other African interests.

The offer will provide entry into copper, a metal with attractive fundamentals, ENRC said.

CAMEC has an portfolio of development

See, **MINING**, Page 2

Africa's Huge Agricultural Potential Underutilized

Africa has vast agricultural potential, yet \$19 billion of food is imported each year and 200 million Africans – a fifth of the population – are still going hungry, according to Syngenta, a global agribusiness.

In a published report, Syngenta argues that tapping into the continent's agricultural potential offers huge opportunities for Africans.

At over 500 million hectares, the potential agricultural area in Africa is larger than the European Union. However, large areas of high-potential cropland remain under-used.

Syngenta believes that the most viable farmland is in the continent's "breadbaskets" – areas with fertile soil, rainfall, good infrastructure and markets, as well as large numbers of smallholders and governments committed to agricultural development.

For example, viable cropland in Ethiopia and Tanzania remains unproductive. The barriers include lack of infrastructure (such as roads and storage facilities), restricted access to agronomic inputs — such as high quality seeds, fertilizers and crop protection products — limited farming knowledge and challenging markets.

Some 170 million hectares of sub-Saharan Africa are cultivated as farmland, with crops including cassava, maize, rice and sorghum. Much of this is subsistence farming, which supports millions of Africans who grow produce to live off and only sell any surplus they have left over.

They typically farm small pieces of land, in many cases less than a hectare, although this varies widely between different countries. Subsistence farmers typically use traditional methods and few agronomic inputs. Commercial agriculture in Africa is mostly small-scale, except in some countries such as Egypt, Kenya, Morocco and South Africa. Much of what commercial farmers produce is consumed by the urban African population or exported, including many of



At over 500 million hectares, the potential agricultural area in Africa is larger than the European Union.

the fruit and vegetables available in Europe during the northern hemisphere winter.

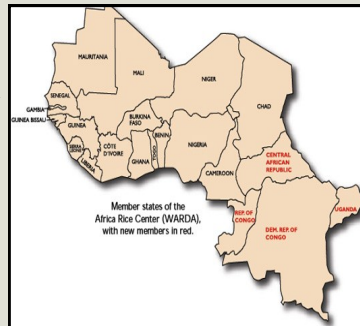
Increasingly, foreign investors are striking deals with African governments for the lease of large tracts of arable land. Foreign investment in land can provide much needed capital to improve local infrastructure and commercial farming for local and export markets, bringing significant financial benefits to African economies.

However, agreements must be carefully drafted with the needs of local communities in mind to ensure enough food production is allocated to the local population before crops are shipped overseas. The development of internationally accepted codes for such investments would help to ensure they are made responsibly.

Rice Production Up in Africa

Continued from Page 1
times, many African governments prioritized local rice production and are striving to create conditions that will enable farmers to begin to use Africa's largely untapped land and water resources to produce affordable rice.

Other African rice-producing countries that have recorded double-digit increases in rice production in a year are Mali, Benin, Nigeria, Ghana, Côte d'Ivoire, Guinea and Uganda.



Mining Deal Part of ENRC Strategy

Continued from Page 1

projects in commodities including coal, platinum and bauxite further enhancing ENRC's organic growth option.

ENRC will also benefit CAMEC's integrated African logistics business, as well as a strong operational management team with established regional knowledge and on the ground experience.

Meanwhile, ENRC will provide the necessary financial and management capability to realize the full value of CAMEC's asset.

The deal follows ENRC's stated strategy of diversifying its presence into a variety of natural resource assets in the Eurasian region and elsewhere in the world.

The offer is expected to be value accretive to ENRC shareholders with expected returns exceeding ENRC's

Etisalat Reportedly Eyeing Morocco's Meditel

Emirates Telecommunications or Etisalat is reportedly courting Morocco's second-largest carrier Meditel.

According to news reports, Meditel is also being pursued by a group of suitors that includes Oger Telecom, controlled by the Saudi Oger Grou and Qatar Telecommunications.

Some experts believe a deal between Etisalat and Meditel makes sense strategically.

Etisalat is currently the largest carrier of international voice traffic in Africa and the Middle East, and the 12th largest voice carrier in the world. This would perfectly complement its strategy in Africa, where it already made strategic investments in Egypt, Ivory Coast, Niger, Nigeria, Sudan, Tanzania, Togo, Central African Republic, Benin, and Burkina Faso, one expert said.

Etisalat stands 140th among the

Financial Times Top 500 Corporations in the world in terms of market capitalization, and is ranked by The Middle East magazine as the 6th largest company in the Middle East in terms of capitalization and revenues.

The corporation is the largest contributor outside the oil sector to development programmes of the UAE Federal Government, and is an award-winning socially responsible corporation.

Meanwhile, at the end of 2008, Méditel counted approximately 7.8 million users with revenues over 450 Million Euros and EBITDA of more than 2.3 Billion MAD.

Meditel is a multi service operator offering consumer and business solutions using various technologies including GSM (900 MHz), WIMAX, GPRS and lately was one of the first operators in the world to offer HSUPA mobile 3G+ internet solutions.



Etisalat ranks No. 140 on the Financial Times' Top 500 Corporations in the world.

The company has been ranked the 12th largest company in Morocco and employs close to 1000 people directly and more than 12 000 indirectly

World Bank Asks China To Invest in Africa Development

In his visit to China earlier this month, Robert Zoellick, president of the World Bank, and officials of China Investment Corp. discussed the possibility of investing in the bank's asset management corporation, which is developing equity investments in Sub-Saharan Africa and Latin America.

The World Bank's asset management corporation will potential engage in debt restructuring for the private sector, infrastructure funds, and other ventures.

"This idea could turn out to be a big development for the World Bank Group over the years," Zoellick said at a press conference.

The World Bank is hoping to convince the China Investment Corp. as well as other sovereign funds, to invest in development in Sub-Saharan Africa.

Zoellick says this concept is a different financial intermediation model as opposed to the Bank or the International Finance Corp. raising debt and then making loans or equity investments.

"We intermediate as an asset management corporation, and we've had some good interest from sovereign funds and pension funds that I hope we will be able to bring to



Zoellick in China.

completion later this fall. And CIC expressed interest in this as a commercial investment vehicle, but obviously there are no decisions made on their part," the World Bank chief said.

Zoellick also said that some Chinese manufacturing firms may be interested in investing in Africa. He said the firms are thinking about shifting some of their production to Africa.

Bogus Settlement

There is something particularly egregious, even sinister, about Trafigura's agreement to pay \$1500 each to people who were poisoned by the company's toxic sludge.

Why would anyone in their right mind think this settlement serves the interest of the more than 100,000 Côte d'Ivoire residents who suffered numerous illnesses, some unknown at this point, after a tanker chartered by the Dutch oil trader dumped hundreds of tons of toxic waste on Ivorian soil?

What fair-minded person thinks this settlement amounts to a fair compensation?

It's been reported in various publications that Trafigura, which has maintained its innocence since the 2006 incident, views the settlement as vindication that it did nothing wrong. If that's the case then the British law firm that has agreed to accept this settlement on behalf of 30,000 victims has done a great disservice to its needy clients.

If Trafigura truly seeks to be vindicated, it should allow the case to go to trial and decided by competent jury.

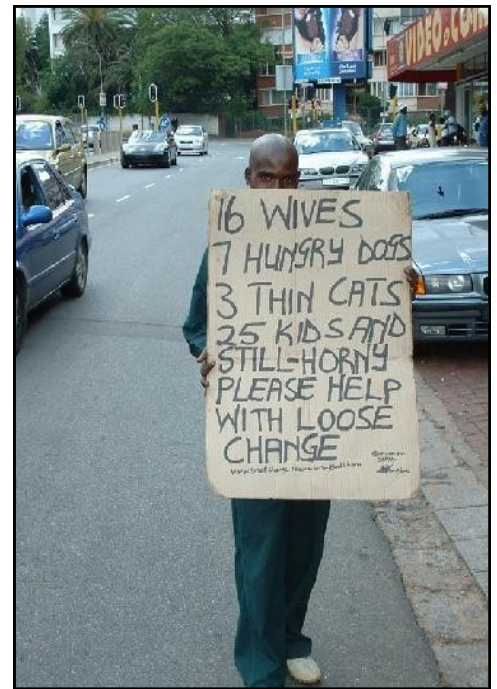
After all, the company has managed to dismiss every study, including one recently conducted by the UN's top pollution expert, that has suggested that the toxic sludge dumped in various locations in Abidjan is connected to at least a dozen deaths and illnesses suffered by hundreds of thousands of people. Trafigura has even refuted the recently-surfaced internal e-mails that show that certain executives were aware that the waste was hazardous.

We believe these arguments and evidence would certainly interest a jury. And, we're certain a court of law is the proper venue to decide how much compensation the victims deserve, if any.

Hiding behind a bogus settlement to claim vindication is injustice in its purest form.

A Choosy Beggar?

It's hard to find a beggar with a sense of humor on any continent, much less in Africa. Here's an anomaly in South Africa.



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Trafigura Seeks To Settle Abidjan Pollution Case

Without admitting guilt or liability, Trafigura, one of the world's biggest commodities trader, has agreed to settle claims filed by Côte d'Ivoire residents who claim to have fallen ill after the Swiss company dumped toxic waste near Abidjan in 2006.

According to news reports, each of the 31,000 claimants could receive about 950 pounds or \$1,553.

A group representing the victims has rejected the offer, and accused the company of exploiting Africa's poverty.

Meanwhile environmental group Greenpeace has petitioned Dutch prosecutors to consider criminal charges against Trafigura executives. Greenpeace recently announced it has new evidence, consisting of internal emails, that shows the executives knew the toxic stew was dangerous.

The toxic sludge is blamed for the deaths of 15 people, and causing more than 100,000 people to fall sick.

A UN toxic waste expert, Okechukwu Ibeanu, recently concluded in a report that there is a "strong prima facie evidence that the reported deaths and adverse health consequences are



The toxic sludge dumped in Abidjan in 2006 created an environmental nightmare.

related to the dumping of the waste from the Probo Koala".

In response, Trafigura said Ibeanu reached "premature, inaccurate and potentially damaging conclusions that are entirely unsupported by verifiable evidence."

Trafigura has always maintained that the dumped slops could never have caused the deaths and serious illnesses

which have been alleged. "Despite making brief references to Trafigura's position in this respect, Professor Ibeanu frequently conveys the impression that the slops did indeed cause serious illnesses, without having ever commissioned any scientific research nor having provided any scientific evidence from other sources to validate these claims," the company said.

Israel's Pitch to Africa: We'll help solve your problems

Israel's Deputy Foreign Minister and Minister of Foreign Affairs, Avigdor Liberman, concluded a tour of Africa on Sept. 10, after visiting Ethiopia, Kenya, Ghana, Nigeria and Uganda.

Liberman was accompanied by a contingent of Israeli business leaders interested in doing business in Africa. The foreign minister met government leaders, signed political, economic and development cooperation agreements. The Foreign Minister also inaugurated joint projects between Israel and the African host countries.



FM Liberman meets with Ethiopian FM Seyoum Mesfin, left.

In Ghana, for instance, Liberman offered his country's expertise in dealing with environmental problems.

"We have the know how. We know how to deal with problems. We can bring very efficient solutions for agriculture, water management and education. We're ready to share our knowledge with you. And we came to give an example of how to cooperate, how to resolve problems and share the knowledge, and to move together toward a better future," he said,

Liberman made a similar pitch in Kenya. "Israel is also a small country with big problems. First of all, our biggest problem since the beginning, like in Kenya, is the shortage of water," he said to a group of Kenyan leaders. "We resolved our problems with technology, with a very unique approach to the water problems. Today in Israel we are recycling 80% of our water for agriculture purposes. We're purifying wastewater, using 80% of it for agriculture. And we keep our drinking water for drinking."

EVENTS

U.S. Africa Business Summit

Join the Corporate Council on Africa and more than 1,500 top leaders from the private and public sector to discuss business and investment opportunities in Africa, the very place where some of today's major business deals are taking place.

The CCA's 2009 U.S.-Africa Business Summit will be held Sept. 29 to Oct. 1, at the Walter E. Washington Convention Center in Washington, D.C.

Businesses of all sizes, representing various industries will be in attendance, eager to find new opportunities to grow and positively impact their bottom line.

The event reflects the growing importance of African as a continent that continues to show potential as a leading foreign direct investment destination for



American businesses, despite the economic downturn nations around the globe are currently experiencing.

According to the IMF, Africa is still expected to maintain a positive growth rate of 3.4% for 2009, an impressive achievement for the continent. The con-

tinents are seeing increasingly higher levels of investment in industries such as infrastructure, financing, tourism, agribusiness, health, and energy.

West Africa Project Fair

The 5th annual West Africa Project Fair will be held in Cotonou, Benin from November 4 to 11.

The project fair aims to bring together Rotary clubs worldwide to help enable and implement projects that will benefit countries in West Africa.

Attendees will meet West African Rotarians and learn about their service projects for which they are seeking partners.

The program will include a project exhibition, project site visits, and a Rotary Foundation seminar.

BRIEFS

Harris Stratex, Zain Launch Center

North Carolina-based Harris Stratex Networks is partnering with Zain Nigeria, a leading mobile operator serving 24 countries in the Middle East and Africa, to launch a new network operations center in Lagos.

The center, which Zain commissioned in July, is part of a full, turnkey project completed by Harris Stratex. The new facility is designed to boost the resilience and robustness of Zain's network, enhancing the customer experience while drastically reducing the amount of operational downtime.

The state-of-the-art center is designed to monitor and manage multi-vendor, multi-protocol network infrastructure, including subscriber access, 4G/WiMax access, IP backhaul and core network technologies, as well as network elements providing energy, security and surveillance controls.

It provides around-the-clock network surveillance, performance monitoring and trouble ticket management for voice, video and data networks.

Telkom, PCCW Reportedly in Deal Talks

South Africa's integrated communications services provider Telkom SA is reportedly holding discussions with Hong Kong-based telecom provider PCCW Ltd about a possible deal between the two firms to expand in Africa. A successful deal between the two companies could result in a co-operation agreement similar to the one Telkom has with US-based AT&T or an exchange of shares.

China Crescent Begins Kenya Project

China Crescent Enterprises has selected Chinese telecom equipment manufacturer Huawei Technologies for its first planned broadband wireless WiMAX project in Africa.

China Crescent has targeted Kenya as its next foreign market expansion opportunity. China Crescent recently participated in telecommunications conference in preparation to begin operations in Kenya. Kenya already has a fiber-optic cable infrastructure in place throughout the country, and three submarine cables under construction or currently coming on line.

The Company anticipates the first phase of its first WiMax project in Africa to be online in the first quarter of 2010.

ADM Gets Heap of Business Plans

The African Diaspora Marketplace received 733 business proposals last month, following an open call. The ADM is a business entrepreneurship program fostering economic development ideas from U.S.-based African diaspora to create plans for sustainable start-up and established businesses in 19 countries in Sub-Saharan Africa. A collaboration between Western Union and the United States Agency for International Development, the ADM aims to leverage the know-how and commitment of diaspora communities to help address poverty and unemployment issues in the region.

IBM Launches Technology Center in Cape Town

IBM has opened an Africa Innovation Center in Cape Town to foster the development of information technology and business skills and to expand its customer and business partner ecosystem in the region.

The center will help local businesses develop and deploy new technologies that support key digital infrastructure opportunities in government, banking, insurance, retail, and travel and transportation industries.

The IBM Africa Innovation Center in Cape Town will provide local customers, business partners, start-up companies, independent software vendors (ISVs), IT professionals, and the academic community with access to training workshops, consulting services, a broad technical infrastructure, and hands-on assistance to help solve business challenges and bring new technologies to market.

The center supports IBM's efforts to help grow the burgeoning local IT ecosystem and is a key addition to IBM's US\$120 million, two-year market expansion investment in sub-Saharan Africa.

As the second IBM Africa Innovation Center established in Sub-Saharan Africa, the Cape Town center will help connect businesses and academics with the Johannesburg center, which opened last year, and additional local IBM initiatives. The new center will support skills development by



Africa Innovation Center in Cape Town

demonstrating and providing training and access to open standards-based and emerging technologies such as cloud computing, Web 2.0, service oriented architecture and energy efficient IT solutions.

Through its expansion efforts, IBM has grown its South African business partner community by 40 percent since the beginning of 2008, adding more than 200 new companies to a group that now totals over 700 local resellers, solution integrators and ISVs today.

Undersea Cables To Boost Africa's Broadband Capabilities

Total broadband adoption in Africa will increase 28% through 2013 as new undersea cables boost Africa's international bandwidth, according to a new report from Pyramid Research, the telecom research arm of the Light Reading Communications Network.

Over the next three years, five major new cables and a host of smaller ones are expected to be deployed and launched.

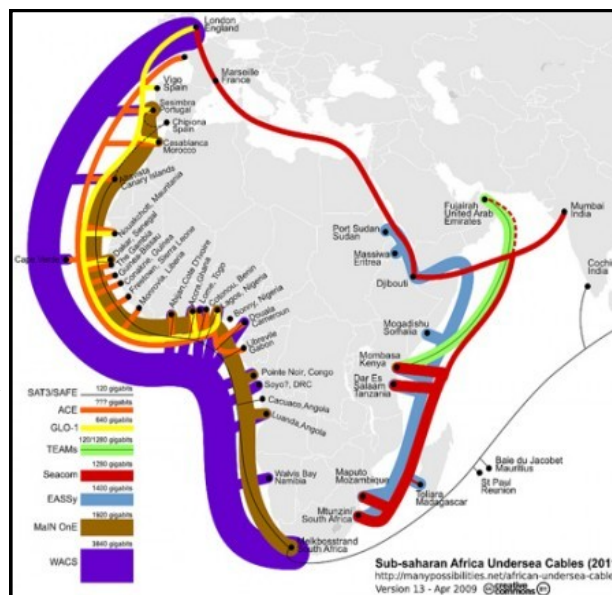
According to the report, the biggest change to African telecom markets over the next three years will be invisible. "Twelve new undersea cables planned for launch between third quarter 2009 and mid-2011 will remove the most serious obstacle that has historically prevented operators from taking advantage of Africa's great unmet demand for

broadband services," says Dearbhla McHenry, analyst at Pyramid Research and author of the report.

"As a result, the cables will increase

Africa's total international bandwidth from about 6 Tbps to as much as 34 Tbps and will reduce the number of coastal countries without any cable access from 19 to one," she adds.

"Through the end of second quarter 2009, 40% of continental Africa's 47 nations had no direct cable connections at all, forcing operators to rely on expensive satellite links," McHenry explains. The quintupling of Africa's international bandwidth will support the upcoming boom in African broadband adoption by increasing capacity and bringing down prices for end users. "By early 2011, we expect that more than half of all African markets will have 3G, while broadband coverage is increasing daily via both wireless and wireline technologies," said McHenry.



Ghana Must Engage Youth in Productive Employment

Since independence in 1957, Ghana has been a beacon of hope in Sub-Saharan Africa.

This role was cemented with the visit of US President Barack Obama in July of 2009. President Obama's visit was rightfully marked by great euphoria and his speech to the Ghanaian parliament on July 11th carried with it a powerful message which highlighted among many things a role for the youth in Ghana and Africa.

He argued that "Africa's future is up to Africans" and "Above all, it will be the young people — brimming with talent and energy and hope — who can claim the future..." that many African's desire. The youths' ability to claim this future for Ghana and Africa faces tremendous challenges. First is the lack of jobs and second is the culture of emigration which has been inculcated in the Ghanaian society.

Youth unemployment has been pervasive in Ghana and SSA over the years. For example, official 2006 data in Ghana showed that youth (ages 15 – 24) unemployment rate was 25.6% about twice the rate of individuals aged 25 – 44.

Supply – side solutions which favor education and training cannot resolve the problem. Demand – side solutions are necessary. What use is a well – educated twenty – two year old to development if he or she cannot find employment in their field of study?

Also what use is a well educated twenty – two year old if they emigrate? Further, uneducated youths' who are plentiful in urban centers across Ghana and SSA have a bleak future since their educated colleagues' even struggle to acquire gainful employment.

Their futures continue to be tied with employment that does not provide stable income and decent working conditions. Embedded in the questions and observations above is an identification of the role of the state especially on the demand side of the



Official 2006 data in Ghana showed that youth (ages 15 – 24) unemployment rate was 25.6% about twice the rate of individuals aged 25 – 44.

labor market.

Ghana has taken a bold step with its National Youth Employment Programme (NYEP). This program aims

Perspectives By *Richard Dadzie*

to actively engage youth in productive employment in areas such as health extension services, waste and sanitation workers and paid internships in industry.

Job creation in agriculture and agro – based industry also presents a great opportunity to take advantage of the agricultural resources of Ghana

In spite of the current efforts put forth in the NYEP, only a small number of youths' have gained employment through it. Achieving fair and decent working conditions remain a challenge largely due to funding and commitment issues that plague the program, one expert said recently

What can Ghana do to allow its young people to claim a better future for themselves and their children? The NYEP is a step in the right direction but a bolder attempt such as an Employer of Last Resort or ELR jobs program is needed to address the demand and

supply side problems of the youth labor market.

On the supply side, it will emphasize training and education to better equip youths'. On the demand side, it will charge the government with being an ELR thereby guaranteeing all those who have the proper skill set gainful employment at a living wage.

This wage will compete with wages in the private sector and will be counter – cyclical such that during recessions, ELR jobs will be higher as private sector jobs struggle and during booms private sector jobs will be higher as firms need more employment to produce their goods and services.

Jobs in the ELR could include those outlined in the current NYEP. The success of an ELR program in Ghana requires the country to once again become a beacon for the continent.

It requires the government to recognize as did President Obama that its youth is its biggest asset and that the achievement of economic development with social equity lays not in simply creating programs but in showing a commitment to development and carrying out that commitment through proper implementation, funding and evaluation of an ELR program.

As Obama said, "the 21st Century will be shaped by what happens not just in Rome or Moscow or Washington, but by what happens in Ghana as well."

Project Focus: Shire-Zambezi Waterway Project

By David Dankwa

The Shire-Zambezi Waterway project is a \$6 billion project aimed at reopening the Shire-Zambezi Waterway from an inland port of Nsanje in Southern Malawi to the Indian



Ocean Port of Chinde in Mozambique, a distance of approximately 238 kilometers.

The whole idea is to foster regional commerce and transportation by enabling barges and medium sea-going vessels to ply between Chinde and Nsanje, thereby providing direct waterway access to the Indian Ocean.

The project is designed to benefit

Malawi, Zambia, Mozambique and Tanzania.

Recently, an agreement was signed to conduct a comprehensive feasibility study to ascertain the navigability of the Shire and Zambezi rivers. German firm Hydroplan Ingeniuer had previously carried out a European Union-sponsored pre-feasibility study.

The Zambezi River is the second largest river in Africa in terms of annual water discharge and its basin comprises an area of 1.2 million square kilometres covering Angola, Botswana, Congo DR, Malawi, Mozambique, Zambia and Zimbabwe. The Shire is a tributary of the Zambezi and originates from Lake Malawi/Niassa.



Barge service on the Shire-Zambezi waterway was disrupted by war in Mozambique.



The goal is to allow barges and medium sea-going vessels to access various ports on the Shire and Zambezi rivers.

History

A century and a half ago, the Shire - Zambezi waterway was successfully used as a transport waterway by explorers and missionaries. During that time, the port of call was in Nsanje District formerly known as Port Herald along the Shire River. As recently as 1970, Mawtam operated a barge service transporting molasses from Chiromo in Malawi to Chinde on the coast of Indian Ocean in Mozambique. This operation was disrupted by the war in Mozambique.

The Project

The construction involves:

- Dredging and conversion of the waterway into a modern canal;
- Construction of Chiromo Rail/Road Bridge;
- Rehabilitation and upgrading of railway line from Nsanje through Blantyre, Lilongwe, Mchinji to Chipata on the Zambian border;
- Provision of barges on lake Malawi to serve people in Malawi, Mozambique and Tanzania
- Construction and rehabilitation of the road from Salima through Lilongwe and Mchinji to Zambia
- Construction and rehabilitation of the road from Nkhatabay through Mzimba into Zambia, Rwanda and Burundi.
- The construction of the road from Nsanje to Chiromo to Thyolo which is ongoing.

Benefits

The overall objective of the project is to reduce the cost of transport for countries sharing the Zambezi River Basin. Malawi, which mostly uses the Tanzanian route, will no longer be landlocked. Whereas goods going to the country these days have to travel 1,200 kilometres, the new route is only 238 kilometres.

Country Focus: Angola

By Asha Attoh-Okine

Our attention this month is on Angola, a country endowed with significant natural wealth and resources but confronted with daunting poverty among its populace and low living standards as reflected in most social indicators measurement.

Economic Transformation

Before independence from colonial rule, Angola was one of the world largest staple food producers in Sub-Saharan Africa. Angola was once one of the largest exporters of maize and fourth largest coffee exporter during that era. In the early seventies, the structure of the economy changed as mining and service sector gained an increased share of the country's GDP.

Currently, Angola is the second largest oil producer in Africa and the world's fourth largest producer of rough diamonds in terms of value. In addition to oil and diamonds, the country has significant untapped agricultural resources.

Table I shows the key economic ratios and trends.

Broad Based Economic Growth and Equity

The 2007 World Bank Angola country study identified six core areas which have been found to inhibit growth and equitable development in Angola.



The six core areas which needs to be addressed are as follows: Angola needs to complete the transition to a market economy; address policy deficiencies in tackling infla-

tion and public expenditure; sound governance and transparency in management of the country's growing oil and diamond wealth; improvement in the business environment and investment climate; policies to improve the agricultural sector; and improving the quality and supply services to all, including the poor.

Given the progress in tackling some of these six core areas, more needs to be done to strength public sector management, promote growth of non-mineral sector and improve public service delivery to the poor.

Given the abundance of natural resources and as post conflict nation, Angola has the opportunity to use its resources to reduce tensions and adopt sound economy measures to put it on a sustainable economic development path.

KEY ECONOMIC RATIOS AND TRENDS

	1987	1997	2006	2007
GDP (US\$ billions)	7.4	7.7	45.2	58.5
Percentages				
Gross capital formation/GDP	16.0	25.5	13.7	14.4
Exports of good and services/GDP	32.6	68.2	73.8	67.2
Gross domestic savings/GDP	19.3	25.9	49.5	40.6
Gross national savings/GDP	13.8	10.8	37.0	20.8
Current account balance/GDP	6.1	-14.6	23.3	6.5
Interest payments/GDP	...	1.9	1.8	...
Total debt/GDP	...	129.6	21.2	...
Domestic Prices: Annual Percentage Change				
Consumer prices	0.8	221.5	12.9	11.9
Implicit GDP deflator	7.7	94.3	14.7	0.2
Average Annual Growth Rates (%)				
	1987-97	1997-07	2006	2007
GDP	-2.0	9.8	18.6	23.4
GDP per capita	-4.8	6.8	15.3	20.1

Source: Development Economics LDB database

The Africonomist, launched in Feb. 2009, is a financial newsletter focused on investments and economic development in Africa.

Our primary goal is to inform our readers about developments shaping the economic landscape in Africa.

Send all comments to
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