

Angola: African Development Bank funds \$530 million electricity project to expand renewable energy and regional connectivity

The project, once operational in 2023, will avert the consumption of 46.8 billion liters of diesel per year in the south, cutting 80 megatons of CO2 emissions

The African Development Bank (www.AfDB.org) has committed \$530 million to finance the construction of a 343 km, 400 kV central-south transmission line that will connect the north and south transmission grids in Angola and allow for the distribution of clean energy between the two regions.

The north of Angola has a surplus of more than 1,000 MW of mostly renewable power, whereas the south relies on expensive diesel generators, supported by government subsidies. Transmission capacity will increase by 2,250 MW and eliminate the need for polluting, diesel-powered generators in southern provinces. The project,

once operational in 2023, will avert the consumption of 46.8 billion litres of diesel per year in the south, cutting 80 megatons of CO2 emissions. The government of Angola will save more than \$130 million per year in diesel subsidies. The finance package, approved in December 2019 by the Board of Directors of the African Development Bank, consists of \$480 million in financing from the Bank, along with \$50 million from the Africa Growing Together Fund, a \$2 billion facility sponsored by the People's Bank of China and administered by the African Development Bank. The funding covers the first phase of the



Energy Sector Efficiency and Expansion Program (ESEEP) in Angola, which will assist the government to connect the country's transmission grids and tackle limited operational capacity within the Angolan power distribution utility ENDE. Around 80% of residential customers in Angola are not metered, resulting in financial losses and reliance on government subsidies. As part of the ESEEP, 860,000 pre-paid meters will be installed and 400,000 new customers will be connected to the grid and effectively metered. At the regional level, the ESEEP will be the first step to enabling a connection to the Southern Africa Power Pool (SAPP). The new transmission line will become

the backbone for the distribution of power to the southern provinces of Angola and Namibia and will enable further power trading between countries in the region. The funding follows two other recent Bank contributions to Angola's energy sector strategy. In 2015, the Bank approved a \$1 billion power sector reform loan for Angola, which resulted in the creation of an independent regulator and the unbundling of the sector into distribution, transmission and distribution companies.

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Beginning the journey to online trading

Some online trading brokerages provide bonus incentives to boost traders initial deposit and give them a better platform to start on

Online trading is becoming increasingly popular, with Modern Trader reporting that the number of global online traders has grown from 9.5 million four years ago, to more than 15 million today.

Dany Mawas, Regional Director at INFINOX, a leading CFD and FX broker with an international presence including in Africa, attributes this growth to technological advances, which makes trading convenient and fast. Traders can now trade from anywhere and at any time, and will get quick, easy access to the markets. "Apart from the potential of achieving lucrative financial returns, additional benefits of online trading includes greater financial knowledge and developing associated skills with

trading like discipline and emotional control," he adds. How to start trading There are those that are apprehensive about starting online trading, due to the associated financial risk. To put them at ease, Mawas notes that while fine-tuning trading skills comes with experience, the best way to start is to open a demo account with one of the many online trading partners available today. "A demo account is a simulation account that provides users with the opportunity to place trades and to become accustomed to how markets move," he says. Additionally, some online trading brokerages provide bonus incentives to boost traders initial deposit and give them a better platform to start on. With INFINOX, traders are only required to deposit as little as US \$50 and will, in turn, receive an additional US \$25 bonus. Meaning that 33% of their at risk

capital is the bonus. However, he points out that traders should also do their due diligence when selecting the brokerage to partner with and not only base their decision on the starting bonus. "This includes investigating where the brokerage is regulated, and ensuring it has a physical presence instead of merely being an online entity," says Mawas. Determining your plan of action Mawas notes that although there are several game plans that beginner traders can adopt to gain profits on their investments, the old adage of 'over-analysis leads to paralysis' couldn't be more true. "When developing a strategy it is vital to spend time researching and learning what works best. The more you perfect managing your risk, the better you become. If I could give one piece of advice, it would be to start simple and keep it simple." Mawas emphasises that trading is a humbling experience due to its binary



outcome of either making the right or wrong decision. "As such, it is important for traders to have emotional

control and the willingness to learn from their trading mistakes." Being emotionally invested can be detrimental to success, he adds. "Often, when the market dips, traders will make the emotional decision to continue trading in the hopes that they recover quickly, which often doesn't happen. It's imperative to assess each situation for what it is and to make the most informed decision." Why trading is more accessible Current affairs such as COVID-19, the U.S election, and Brexit have prompted people to stay more up-to-date with current news, says Mawas. "This is important as the outcomes of these events have an affect on the markets. Nowadays people are more clued up than they think they are when it comes to knowing what is happening and what could impact their trading. This knowledge makes trading more accessible for those that wish to start." He also states that the internet is full

of useful information for new traders to digest, and that websites such as IX Intel (bit.ly/3bNvghP) offers manuals and how-to guides to help traders learn the basics of a successful trading career. Mawas points out that the rise of social trading has also increased accessibility for beginner traders. "Social trading apps such as IX Social (bit.ly/311j47b), allows users to access all the financial markets at their fingertips with the added bonus of tapping into other traders' knowledge. Users can auto-copy top traders and receive the same results that they do." "Today, online trading is an easily accessible journey, and anyone can be successful if they use the right tools and spend time developing the necessary skills and acumen," concludes Mawas.

Hapag-Lloyd acquires Africa specialist NileDutch

Customers to benefit from an even denser network

Acquisition significantly strengthens Hapag-Lloyd's (Hapag-Lloyd.com) position in the African market; customers to benefit from an even denser network.

Today, Hapag-Lloyd and NileDutch have signed a sale and purchase agreement where Hapag-Lloyd acquires all shares of the Dutch container shipping company Nile Dutch Investments B.V. (NileDutch). With over 40 years of expertise, NileDutch is one the leading providers of

container services from and to West Africa. The company is present in 85 locations across the world and has 16 own offices in the Netherlands, Belgium, France, Singapore, China, Angola, Congo and Cameroon. With 10 liner services, around 35,000 TEU of transport capacity and a container fleet of around 80,000 TEU, the company connects Europe, Asia and Latin America with West and South Africa. Headquartered in Rotterdam, NileDutch has some 350 employees worldwide with particular expertise in the African

market. "Africa is an important strategic growth market for Hapag-Lloyd. The acquisition of NileDutch strengthens our position in West Africa and will be an excellent addition to our existing activities on the continent. Our combined customer base will benefit from a denser network from and to Africa as well as from a much higher frequency of sailings. We welcome the new colleagues from NileDutch and hope that together we can further develop our business in Africa in the years to

come," said Rolf Habben Jansen, CEO of Hapag-Lloyd. Wim van Aalst, President of NileDutch, added: "Hapag-Lloyd and NileDutch are a very good fit and I am happy that we join forces. Combining our business and expertise in West Africa with Hapag-Lloyd's worldwide network will enable us to make the next step and further develop the Africa business." The completion of the transaction is subject to the approval of the responsible antitrust authorities.



How next generation financial services platforms are driving global financial inclusion

Next generation tools that provide essential financial services are becoming a powerful force for change by driving financial inclusion in developing economies

With the World Economic Forum warning of a deepening digital divide that will ultimately exacerbate global inequality, the role of intuitive digital financial services platforms in bridging this divide is becoming more important than ever before. Indeed, next generation tools that provide essential financial services - savings accounts, global money transfers, loans, etc - to customers in an accessible way, are becoming a powerful force for change by driving financial inclusion in developing economies. The global health crisis and national lockdowns have illustrated this point - and revealed that when informal cash out services became less accessible to communities, for instance, people were able to turn to intuitive digital financial services platforms, supported by physical distribution infrastructures, to

send and receive money when they needed it most. And having interacted with these digital channels for the first time, many users discover that they can fulfil other financial aspirations and needs simply by following the user journey and providing ongoing feedback. Today, it is these seamless and increasingly digitised user journeys, supported and driven by incremental, customer-led fintech innovation, that are disrupting the financial services ecosystem, effectively banking the unbanked...and elevating financial literacy where it is most needed. Simply by looking at recent trends in remittance flows, one can grasp the growing role of digitised banking services in empowering marginalised communities and people with new financial tools. For instance, despite predictions by the World Bank that global remittance flows would dramatically decline in the wake of the pandemic, evidence in countries such as South Africa, Zimbabwe, Malawi and Zambia suggest that formal remittance flows across African borders have actually increased - and in fact, are

proving to be more resilient than many other financial services. The GSMA also stated that 'remittances are expected to retain or even exceed their current levels of importance with Foreign Direct Investment flows into LMICs expected to decline by as much as 35% over 2020.' Yet remittances are only the beginning of a digitised and customer-led journey to financial inclusion and upliftment in many of these economies. Importantly, when fintech banking platforms are able to not only provide multiple channels - USSD, an app, WhatsApp, live chats, etc, whereby customers can transact, but also the ability to sign up without having to physically interact with a bank or branch, then the opportunity for self-empowerment and financial emancipation is further amplified. At Mukuru (Mukuru.com), we listened to customer feedback and provided this opportunity in the form of self-sign up channels. This was met with a phenomenal surge in interactions with Mukuru's next generation financial services platform: in South Africa, up to 30% of users are engaging



with the platform by signing up to the service via self help channels, up from 0% this time last year. Added to this, over 86%

of money transfers generated on the Mukuru platform are self-service initiated transactions. The Mukuru app, which has recently been relaunched with new features and capabilities, demonstrates the way in which digitised user journeys are a powerful and equalising force within global financial services. As we have seen across our own digital banking channels, grassroots financial services innovation is about meeting customers where they are - and providing intuitive ways to transact, save and send on various channels, and with any device. When users engage with an app or tool that provides a highly visual, multi-stranded presentation of financial information, they are immediately empowered by the decision-making capabilities that this type of engaging interface engenders. Over the long term, this is essentially about going beyond fintech and providing an ecosystem which empowers users on a gradual but progressive journey to financial inclusion. For instance, as customers embrace elements such as self sign-up and digital onboarding, they begin to build up a comprehensive and

detailed financial transaction profile. Over time, diaspora remittances and this increasingly robust digital footprint can be harnessed as a strong indicator of creditworthiness - and in many instances, these profiles could be leveraged to gain access to credit for capital accretion (vs consumption). The security aspect of emerging digital banking platforms is also becoming more of a focus point as financial crime and cyber theft spikes worldwide. Mobile money electronically records all transactions, which radically improves the security of payments as well as their transparency (the consequences of which are far-reaching for every economy). Providing this layer of safety, transparency and accountability to users for everyday transactions is paramount to both financial upliftment in the short term, as well as the longer term goal of greater financial inclusion