



CASABLANCA FINANCE CITY
القطب المالي للدار البيضاء

Newsletter

November 2014

Casablanca Finance City

Your Gateway to Africa

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of the United Nations Economic
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About CFC Authority

CFCA, formerly Moroccan Financial Board, is a public-private partnership dedicated to positioning Casablanca as a regional financial center and a premier gateway into African markets for multinationals, financial institutions and professional services firms. CFCA is empowered by law with the overall management and promotion of Casablanca Finance City.

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Editorial

Accelerating Africa's development rate is the shared vision of the African Development Bank (AfDB), Morocco, and Casablanca Finance City. The African market of tomorrow is already here. AfDB's new Africa50 Fund is a determinant step towards innovative South-South collaboration.

Africa50 aims at financing infrastructure projects in the region through private-public partnerships. Tas Anvaripour, the Fund's director, trusts that "Africa50 will be able to finance infrastructure projects across the continent with an estimated value of more than \$100 billion."

Among 10 African applicants, AfDB chose to host the Fund within our Casablanca Finance City walls, sending a strong message of trust in Morocco's political, economic, and social stability, as well as its institutional and structural reforms.

Another significant indicator of Casablanca's increasing economic vitality is its leap in the Global Financial Center Index (GFCI) ranking. Now ranked 51st, Casablanca gained 11 places in six months. The 16th GFCI was launched in Casablanca last September. We were honored to host the event as it was a first in Africa.

Does this define Casablanca as an emerging global financial center? A recent CNN article, "Nine finance hubs of the future ... they're not where you think", suggests so. Similarly, Carlos Lopes, the head of United Nations' Economic Commission for Africa and our honorable interviewee for this edition, envisions a long term approach to Africa's development; with the specific tools, mechanisms, and institutions.

I wish you a good read.
Best wishes

Said Ibrahimi,
Chief Executive Officer of CFCA



Casablanca Finance City hosts the "Africa 50" fund for infrastructures' investment in Africa

The African Development Bank (ADB) decided to establish the "Africa 50" Fund in Morocco in "Casablanca Finance City", following a depth assessment of tenders from nine African countries member of the ADB. This Fund shall be provided with an initial capital of \$ 3 billion, which will be subsequently increased to \$ 10 billion. It aims to attract funding from various sources, including States, international and regional financial institutions, pension funds, sovereign wealth funds and the private sector to accelerate the implementation of infrastructure projects in Africa.

Source: Moroccan Ministry of Economy and Finance

UAE firms sign contracts worth \$19bn for West Africa

UAE businesses have committed a total of \$19 billion in funding for 17 infrastructure projects in West African countries. The public-private partnerships cover roads, railways, bridges, checkpoints, dry-ports, airports, energy, and food security and water and will benefit eight member countries of the UEMOA (West Africa Economic & Monetary Union). The contracts were announced at the inaugural West Africa Investment Forum, held in Dubai on September, 9th.

Source: ArabianBusiness.com

IFC to invest \$2bn annually in Africa by 2018

International Finance Corporation plans to invest at least \$2 billion annually in Africa's agribusiness sector by 2018. The financial institution is currently expanding support to Africa's agricultural sector through its advisory services. The investments will be injected into firms that have positive impact in the continent.

Source: GlobalPost

Rothschild fund raises \$530 million to invest in Africa

Edmond de Rothschild, a Swiss private banking group has raised \$ 530 million for new investments in Africa. The fund will be managed by Amethis Finance, a company majority-owned by the Edmond de Rothschild. The fund will target minority stakes in small to medium-sized companies across Africa.

Source: Reuters

Actis completes \$202m Cameroonian electricity deal

Actis will pay \$202 million net of closing price adjustments for a 56% stake in Cameroon's national integrated utility, Société Nationale d'Electricité (SONEL), and in two independent power plants, Kribi and Dibamba. SONEL provides 933MW of generation and supplies electricity to over 800,000 customer connections throughout the country, while Kribi and Dibamba contribute a combined 302 MW towards Cameroon's generation capacity.

Source: Actis

Rwanda to issue \$1bn bond on international market in 2015

Rwanda plans to sell its bond, worth \$ 1 billion on international market in 2015, as it seeks to raise funds for infrastructure projects. The funds raised will be used by Rwanda to construct power plants and build an airport. In 2013, Rwanda had issued a bond of \$ 400 million with a 10-year tenure as investor confidence in the resurging economy continues to grow.

Source: Ventures Africa

Atlas Mara increases stake in Union Bank of Nigeria with \$275m

Atlas Mara, the African investment vehicle of Bob Diamond paid \$275 million for a further 20.9 percent stake in Union Bank of Nigeria. This takes investment company's stake in the Nigerian Bank to 30 percent, it already held a 9.1 percent stake in the bank through its earlier purchase of Africa Development Corp.

Source: Ventures Africa

Bolloré and Timis will invest \$ 900 million for the Abidjan-Tambao railway construction

An agreement between Pan-African Mineral, a company in South Africa, and Bolloré, a French company, has been completed and the two sides will jointly build the railway from Abidjan to Tambao, which is in Burkina Faso. The railway, which will mainly be used for transportation of manganese ore in Tambao, is 1,550 km long and the project is worth \$900 million. The whole project should be completed in three years.

Source: Daily Economic

Qatar National Bank increases stake in African lender Ecobank

Qatar National Bank has become the dominant shareholder in pan-African lender Ecobank Transnational after increasing its stake to 23.5 per cent in a sign of growing Gulf appetite for African assets. The Gulf's largest lender had raised its stake in Ecobank after spending \$283m to buy an additional 11 per cent share in the lender.

Source: The Financial Times

Ghana sells \$1 bln Eurobond at less-than-expected rate of 8.125 pct

Ghana sold a \$1 billion Eurobond on Thursday at a coupon rate of 8.125 percent, lower than analysts had expected given the fiscal difficulties faced by the West African producer of cocoa, gold and oil. The bond was oversubscribed with orders of up to \$3 billion. The bond is a soft amortising bond, amortising in years 2024, 2025 and 2026 with principal repayment in three instalments of \$333 million in 2024 and 2025 and \$334 million in 2026.

Source: Reuters

China invests \$11 billion in Malian infrastructure

Mali has signed a string of agreements with China totaling about \$11 billion, most of it intended to finance two major railway projects linking the land-locked country to the coast. The agreements were signed during a four-day visit by President Ibrahim Boubacar Keita to China from Sept. 9 to 13 for the World Economic Forum in Tianjin.

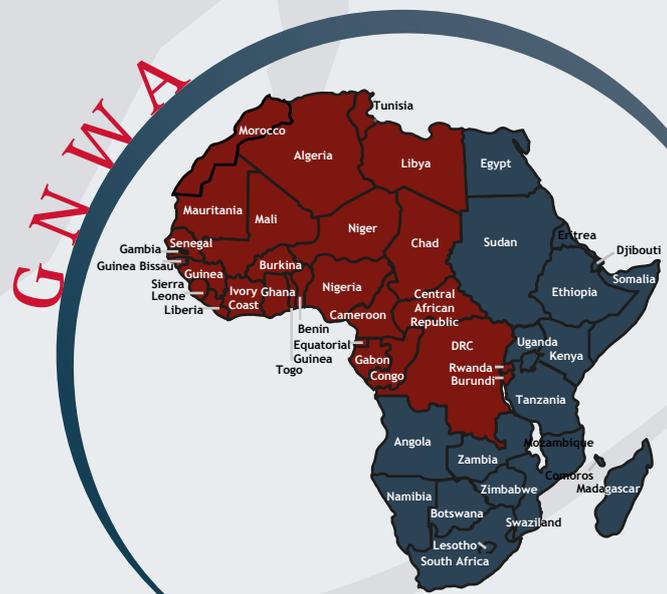
Source: Reuters

IHS Holding acquires 2136 towers in Nigeria from Etisalat Nigeria

IHS Holding, the pan-African leader in telecoms towers, acquired 2136 towers in Nigeria from Etisalat. Upon the conclusion of this transaction, IHS will manage over 6540 towers in Nigeria. IHS Holding has operations in Nigeria, Cameroon, Côte d'Ivoire, Zambia and Rwanda. IHS currently manages over 10000 towers in Africa, prior to this transaction. The transaction is scheduled to be finalized later this year.

Wendel is the largest shareholder of IHS Holding with more than 35% of the capital of the company.

Source: Reuters



They talked about CFC

CNN

Nine finance hubs of the future ... they're not where you think

Katie Pisa

« Mention Morocco and most would first think of the exotic markets of Marrakech, the desert dotted with ancient kasbahs and, of course, the classic 1942 wartime film "Casablanca."

But Casablanca, the main port city of Morocco, is among the places being tipped by experts as emerging future global financial centers.

As the gateway between Europe and Africa, Casablanca aims to take advantage of its geographical position and also act as a hub for North, West and Central Africa, said Hicham Zegrari, director of operations and institutional affairs at the Casablanca Finance City Authority (CFCA).

...

What's more, GFCI asked international financial services professionals which cities they believed will likely become more significant in the next few years: Casablanca was the name that came up most.

<http://edition.cnn.com/2014/09/05/business/9-finance-capitals-of-the-future/>

Financial Times

Investors use Casablanca Finance City to tap Africa's potential

Fiona Rintoul

Launched in 2010, Casablanca Finance City aims to be a financial hub for north and west Africa...In March, the CFC was included in the Global Financial Centres Index for the first time, ranking 62nd overall and second in Africa. In the four years since its launch, the CFC has attracted 50 companies, including well known names such as BNP Paribas, AIG and Boston Consulting Group.

<http://www.ft.com/cms/s/0/cff88604-0783-11e4-b1b0-00144feab7de.html#axzz3FISKzFmm>





Overview

Cameroon covers 475 440 km² and is located in the west central Africa region. As of 2013, its population was estimated at 22.3 million, 53% of which is urban. Its principal natural resources are oil, gas, aluminum, cotton, cacao and wood.

Cameroon remains one of the most stable countries in the region. President Biya was re-elected in October 2011 for a seven-year term. Parliamentary and local elections in 2013 ran smoothly, bolstering socio-political stability. These elections redistributed the roles of the president's ruling party and the opposition, but the president still holds a comfortable parliamentary majority.

Cameroon is a member of the Economic and Monetary Community of Central Africa (CAEMC) and participates actively in regional integration among CAEMC and Economic Community of Central African States (ECCAS). Cameroon accounts for 31% of CAEMC's GDP as of 2013. Cameroon has a trade surplus with all CAEMC countries except Equatorial Guinea. Outside CAEMC, Nigeria is Cameroon's main trading partner, ahead of the major European countries.

The growth forecasts for 2014 and 2015 are promising. The extractive industries are expected to grow thanks to improved yields expected from existing wells, the surge of gas production and more intensive exploitation of the Logbaba gas field. The tertiary sector outlook is good, driven by high growth in the other sectors as well as from strong perspectives in the transport, telecommunications and hotel and restaurant industries. The tertiary sector is therefore forecast to grow by 5.4% in 2014 and 5.5% in 2015. Real GDP growth should hover at around 5% from 2014, despite uncertain world economic perspectives.

The economy of Cameroon is dominated by the tertiary sector (47.8% of GDP). The primary and secondary sectors accounts for respectively 22.5% and 29.7% of GDP. The fastest-growing sectors are trade, hotels and restaurants (19.9% of GDP), agriculture (16.9%), manufacturing (14.5%), and the extractive industries (8.2%). Together, these five sectors represent 60% of GDP. The primary sector recorded growth of 3.6% in 2013, recovering from the weak performance of export-based industrial agriculture (-3.7% in 2012). This trend is supported by the upturn in export-based industrial agriculture and the strong growth in subsistence agriculture. These sectors have benefited from new state subsidies and an increase of local banks loans. Secondary-sector growth was 5.7% in 2013, up from 4.9% in 2012. This acceleration has been mainly driven by the surge in oil production (+4.5%), construction (10.5%), and electricity production (+6.5%) and impacted positively the manufacturing industries, which recorded real growth of 5.2%. Tertiary-sector real growth increased from 5.5% in 2012 to 5.9% in 2013, thanks to the upturn in the primary and secondary sectors. This growth is mainly driven by the trade, hotel and restaurants sector (19.9% of GDP) as well as finance, real estate and business services (11% of GDP). Furthermore, the increase in the transport sector's supply-side capacity supports the growth of the transport and communications sectors (8%).

General Information

Capital city	Yaounde
Official languages	French, english
Area	475 440 km ²
Population	22.3 million
Currency	Central African CFA franc
Time zone	UTC +1

Macroeconomic Indicators

GDP (Current USD)	\$ 29.275 billion
GDP (PPP - current international dollars)	\$ 53.287 billion
GDP per capita (PPP - current international dollars)	\$ 2,422.79
GDP composition by sector:	
Agriculture	22.5%
Industry	29.7%
Services	47.8%
FDI- Net inflows	\$ 571.98 million (2013)
GDP growth rate	5.5%
Inflation	1.9%
Unemployment rate	3.8%
Labor force	8.900 million
CPI	144
Country risk assesment	C
Credits rating (S&P, Fitch)	B
Human Development Index	0.504

Monetary data

Reserves of foreign exchange and gold	\$ 3.353 billion
Central bank lending rate	3.25% (nov 2013)
Market cap	\$ 283.184 million (sept 2014)
Currency conversion rate	0.002 \$

Natural Resources

Crude oil production	62.76 thousand barrels per day
Oil proved reserves	200 million barrels
Gas production	5.83 billion cubic feet
Gas proved reserves	4.77 trillion cubic feet

Trade/ FDI

Imports	\$ 6.795 billion
Exports	\$ 6.002 billion
Stock FDI (inflows)	\$ 6.238,6 billion

National Account

Budget balance (%GDP)	-6.2%
Current account balance (% GDP)	-4.1%
Public debt (% GDP)	19.3%

Source: The World Bank, IMF, CIA factbook, UN Data, S&P, Coface





Focus: Agriculture in the economy

Cameroon is endowed with an abundance of natural resources, value timber species and agricultural products including coffee, cocoa beans, cotton, rubber, bananas, oilseed, grains, manioc, livestock, and timber. Cameroon is the 6th largest cocoa producer and the 8th largest coffee producer in the world.

Currently, agriculture contributes to 22.5% to the GDP and employs 70% of the work force. Subsistence farming is the predominant mode of agricultural production, the majority of Cameroonian farmers operating as small-holders, working small plots of land with traditional methods (small-holders are responsible for the majority of cash crop production). Agricultural exports account for 60% of the country's total exports, and Cameroon is now shipping out more than 250,000 tons of bananas, 70,000 tons of coffee, 120,000 tons of cocoa, and 100,000 tons of palm oil per year. Most of the country's exports are destined for the European Union.

Agricultural production is expected to increase in the near future as many development projects aimed at boosting agriculture will begin to show results; however, climate change, and infrastructure challenges- such as a lack of land rights, a lack of credit, a lack of storage facilities, and a lack of investment-may prevent the agricultural sector from reaching its potential.

Bilateral relations between Morocco and Cameroon

- **April 1974:** Agreement on Cultural Cooperation, Science and Technology
- **June 1974:** Agreement on Economic and Technical Cooperation
- **April 1987:** Trade Agreement
- **April 1988:** Cooperation Agreement between the Chamber of Commerce and the Casablanca Chamber of Commerce and Industry and Mines of Cameroon
- **July 1991:** Agreement on Cooperation in the field of tourism
- **January 2007:** First session of the Morocco-Cameroon Joint Commission in Rabat and signature of the agreements below:
 - Framework Agreement on Cooperation in the fields of Energy, Mines and Geology between the Government of Morocco and the Government of the Republic of Cameroon
 - Memorandum of Understanding between the Ministry Delegate to the Prime Minister of Housing and Urban Development of the Kingdom of Morocco and the Ministry of Urbanism and Housing of the Republic of Cameroon
 - Agreement between the Government of Morocco and the Government of the Republic of Cameroon on the Encouragement and Reciprocal Protection of Investments
 - Agreement on Cooperation in the field of Higher Education between the Government of Morocco and the Government of the Republic of Cameroon
 - Executive Program of the Cultural Agreement between the Government of Morocco and the Government of the Republic of Cameroon for the years 2007 to 2010
 - Cooperation Agreement between the Government of Morocco and the Government of the Republic of Cameroon in the area of vocational training
- **September 2012:** Second session of the Morocco- Cameroon Joint Commission in Yaoundé and signature of the agreements below:
 - Convention for the avoidance of double taxation and prevention of fiscal evasion with respect to taxes on income
 - Agreement on Cooperation in the field of Small and Medium Enterprises
 - Agreement on Cooperation in the development and promotion of Handicraft
 - Memorandum of Understanding in the field of Technical and Vocational Education
- **July 2014:** Ratification of the agreement signed on January 2007 related to the Encouragement and Reciprocal Protection of Investments





Casablanca Finance city participated to the International Financial Forum 2014 in July, hosted by our partner Paris Europlace.



Casablanca Finance City participated in August to the International Enterprise (IE) Singapore's Africa Singapore Business Forum (ASBF), a platform for fostering investment, trade and thought leadership between Africa and Asia. Hosted in Singapore since 2010, the forum has brought together close to 1,000 business and government leaders from 30 countries to develop opportunities and partnerships between these two dynamic regions.



CFC participated to the General Arab Insurance Federation (GAIF) conference in Sharm El Sheikh, Egypt from 1 to 4 September. GAIF Conferences are important events that bring GAIF members together. Insurance and reinsurance companies and brokers come from all corners of the world to share professional experiences, expand professional networks, receive updates on the latest developments in the insurance and reinsurance industry.



CFC participated to "The Insurance Insider's annual Pre Monte-Carlo executive briefing" in London on September 10. The event brings together 400+ of the industry's most discerning executives and investors on the eve of the Rendez-Vous of Monte Carlo. The Insurance Insider's Pre-Monte Carlo Executive Briefing is an established London market tradition. CFC also sponsored the event.



CFC participated to the Monte Carlo Rendez-vous event from September 15 to 17. The international and informal reinsurance congress gathers participants around (re)insurance market issues. It allows for high-level networking which often leads to strategic alliances. The Monte Carlo Rendez-Vous has been increasingly successful: more than 2,600 professionals from 80 countries meet in Monte Carlo. Countries with the largest representation are Great Britain, France, the United States, Italy and Germany.



The 16th Global Financial Centers Index (GFCI) report was released on September 22nd in Casablanca. The conference was hosted by Casablanca Finance City Authority.



Chosen among ten competitors, Morocco now hosts the Africa 50 Fund, created by the African Development Bank (AfDB). The fund aims to finance infrastructure projects in Africa.

Some of the upcoming events...



Casablanca Arbitration's Day

(Co-organized by CIMAC) to be held in Casablanca November 28 and 29



Africa finance forum

To be held in Berlin on November 3

For further information about the above events, please contact us.



Cultural Section

The latest African Cultural News

The Africa Center, a gateway between Africa and the US

Opening in 2015

New York now has its Africa Center, the world's leading civic African institution, once known as the Museum for African Art. Spanning culture, policy and business, The Africa Center aims to transform the international understanding of Africa and promote direct engagement between African artists, business leaders and civil society and their counterparts from the United States and beyond. Created by billionaire and philanthropist Mo Ibrahim and his daughter Hadeel, the 21st Century institution reflects the rise of the continent of the 21st Century.

Why Africa?

« Africa is the new frontier for business. With unprecedented growth in the natural resources sector and the services industry, at last Africa is turning a corner. What underpins the growth story is the improvement in governance, transparency, gender and human rights over the last decade. By 2035, Africa's labour force will be larger than China. 15 of the 20 fastest growing cities in the world between 2015 and 2020 will be African.

Today, Africa's top trading partner is the EU followed closely by China. The US is a very distant third. That was not the case some years ago. The US needs to reconnect with Africa. That is why the Africa Center is relevant."

Mo Ibrahim, Entrepreneur and Philanthropist

Some events...

Year of Morocco at Louvre Museum



The Year of Morocco at Louvre Museum in Paris, France. « From Idrisid to Marinid: Morocco founder of empires ». The event runs from October 9 2014 to May 1st, 2015.

Launch Rabat Grand Theater Building works



October 7 2014

Launch Rabat Grand Theater building works. The institution will open in 2018 and is part of the Development Program "Rabat, City of Light, Morocco's Cultural Capital."

Opening of the Mohammed VI Museum for Modern and Contemporary Art



Opening of the Mohammed VI Museum for Modern and Contemporary Art, a leading project which will contribute to preserving and spreading Morocco's artistic and civilizational heritage. The inaugural exhibition is entitled "1914-2014: a century of creation".

Arab World Institute



The Arab World Institute (IMA) in Paris will host, from 23 September 2014 to 11 January 2015, the exhibition "Morocco in a thousand colors."

Morocco Philharmonic Orchestra



Part of the series "Orchestra for all" by Jean-François Zygel, the Morocco Philharmonic Orchestra will give a concert in Rabat on December 2 and 3. The Orchestra will play Beethoven's Pastoral Symphony.



4 Questions to...

Carlos Lopes



Carlos Lopes is the Executive Secretary of the United Nations Economic Commission for Africa (ECA). He was appointed by United Nations Secretary-General Ban Ki-moon on 23 March 2012.

He brings to the position more than 24 years of experience at the United Nations as United Nations Development Programme (UNDP) Resident Coordinator and Resident Representative in Brazil and Zimbabwe. A member of several African academic networks, as well as a strategist and socio-economist, Dr. Lopes has vast experience in capacity-building and technical cooperation on the continent, and focuses on building consensus among the various stakeholders to ensure that ECA is a key player in the economic and social development agenda for Africa.

1/ What do you think about the Greater North West Africa (GNWA) economic and financial potential?

Like other parts of the continent, the two sub-regions of North and West Africa offer real potential for economic integration and carry many opportunities. West Africa is experiencing an unprecedented demographic window of opportunity. Cities and regions have become fields of creativity, innovation, wealth, but also hold risks. If this demographic potential is accompanied by the right reforms, it will yield substantial and unique economic dynamism in the continent. North Africa has already completed its demographic transition. The region's integration can only allow West Africa's demography to fully express its potential. Regarding the region's overall potential, I think of the development of all forms of infrastructure, cooperation in energy, particularly renewable energy, but also the development of regional value chains between the two sub-regions, based on African financial institutions that are already active in this economic area.

Of course, the CEA supports all stakeholders in the integration on the continent, including the institutions of regional integration such as the Regional Economic Communities. But it goes beyond promoting convergence, exchanges and integration among sub-regions. The continental integration is moving toward a continental free trade zone which, as you know, should be effective by 2017.

2/ What are your views on Casablanca Finance City? The initiative is a financial hub city for the region. It aims at fostering regional financial integration by aggregating the GNWA opportunities in a single platform.

Casablanca Finance City is becoming a hub of economic and financial relations between North and South, but also between South and South. CFC explicitly includes among its main objectives to accompany and support the sustainable development and growth in Africa by channeling foreign investments on the African Continent.

For example, the recent agreement on the investment fund Africa50, between CFC and the pan-African sister institution ADB, is promising. With an initial capitalization of \$3 billion, which will quickly reach 10 billion dollars, Africa50 Fund aims to attract investment from various sources, including: African States, international and

regional financial institutions, pension funds, and private sector entities.

Structural socio-economic transformation of the continent, with its rapid urbanization, suggests very high growth prospects. It is not about getting carried away by a passive Afro-optimism, but rather to have long-term strategic thinking as well as facilitate and promote the development tools, mechanisms and institutions that will support this transformation. The daily efforts of the ECA are heading in this direction. As such, CFC is a financial institution fully in line with this logic.

3/ As the Executive Secretary of the UN Economic Commission for Africa, you are a key actor for Africa's development, where you bring about meaningful change. What is your greatest success in Africa?

It would be presumptuous to attribute success to my work, but I am glad I have managed to make the ECA an organization that generates ideas for economic transformation on the continent.

4/ You have travelled the world; what do you like most about Morocco?

As Executive Secretary of ECA, I follow Morocco's South-South cooperation; especially what I call its 'Africa Project'. Its main strength is its inclusive and integrated approach. His Majesty King Mohamed VI, with his vision and action, gave paramount political impetus. He allowed all stakeholders- large national enterprises, the private sector, government departments, women and men of different culture and faiths- to act effectively, according to their role and the added-value they can bring to strengthen cooperation with African countries. Note run on sentence preceding this one. His Abidjan speech, which paved the way, then his memorable speech at the last General Assembly of the UN, confirm his pragmatic approach of African-African cooperation where the main actors themselves are responsible for their development. They are willing to create a win-win reality for the men and women on the African continent.

On a more personal note, I would say I am a big fan - and consumer - of Moroccan craftsmanship which I find quite dynamic. It reminds us of the importance of our roots while resolutely evolving to adapt to the demands of modern life.

“Casablanca Finance City is becoming a hub of economic and financial relations between North and South, but also between South and South.”

