Africa: a continent that goes green.

The new and renewable energy sectors are presented as an option to reach the goals of social and economic growth in Africa. The continent has major investment opportunities in various areas: biomass, geothermal, hydro, solar and wind power.

An overview of a vast energetic potential.

Promoted by governments for more than eight years, investments in the sector of renewable energies are growing on the continent. Ranked number one in 2012, by the annual environmental performance survey by the United States University, Yale, Gabon has positioned itself as one of the pioneers of green economy. Determined to protect the Congo Basin, the country has turned 11% of its territory into national parks. In June 2008, Nairobi announced the creation of a 300MW wind farm, which will cover 20% of the country’s electricity needs by 2014, for an investment of over 585 million Euros. The largest producer of wind power on the continent remains Morocco, with, by 2020, an expected production capacity of 2,200 MW, supplemented by 2,000 MW solar energy. Algeria has chosen the same energy source, announcing the creation of a solar park of 20,000 MW by 2030. The same is the case for Cameroon, which has confirmed that by early June this year two solar plants of 35 MW each would be operational. In 2007, South Africa opened the first African-based power plant using fermented methane. This gas, which is a much greater pollutant than CO2, is recycled 20 times. Other countries, such as Tanzania, Malawi, Uganda and Ethiopia, have chosen biomass. Finally, extensive reforestation programs have been launched to fight desertification in Niger, Burkina Faso and Mauritania.

An offer to build.

- By 2030, the objectives are to reach 700GW to satisfy the demand;
- The average annual solar radiation in Africa ranges between 5 and 7 Wh/m², which ranks it with those found on the Arabian Peninsula, in northern Australia and in northern Chile;
- The continent has a capacity of 114GW, enough to cover the needs of one billion people;
- Only 21 out of 53 countries profitably operate hydro-electric power.
Senegal a land of opportunities for renewable energy

With the country’s higher energy needs, it has opted for national production of the country’s bio-fuels.

These gouvernement initiatives have been build open:
- A legislative and regulatory framework for the development of renewable energy;
- The creation of a national committee on bio-fuels;
- The implementation of an energy diversification policy in the charcoal, solar and bio-fuels sectors;
- The cultivation of bio-energy crops in semi-arid areas and in remote land areas;
- The production of bio-ethanol from sugarcane and biodiesel from jatropha.

A wide range of investment opportunities

- Solar Energy
- Hydropower
- Power plants (domestic fuel etc…)
- Bio-fuels
- Wind energy
- Oil exploration and research

Dakar: the hub of the green economy in West Africa

The first ECOWAS (Economic Community of the States of West Africa) investment forum on renewable energy took place in Dakar this year. The aim of the forum was to find funding for the green economy and thus allow a large part of the population an easy access to new sources of energy. To meet its environmental challenges and to emphasize access to energy by encouraging investments, ECOWAS set up a center for energy productivity. The center targets 35% renewable energy consumption for all member states of the ECOWAS. At the forum, the African Development Bank confirmed its financial support of $ 170 million to finance the project of the setting up the energy interconnection among Ivory Coast, Liberia, Sierra Leone and Guinea. Senegal and Gambia are also on the list for wind and solar projects.

Partnership with Brazil for the development of bio-fuels

As early as 2008, Senegalese engineers were sent to Brazil for training and have benefited from their experience. A study has been undertake in Senegal, mapping the energy crops that can be grown in different areas. Brazilian specialists and researchers were able to identify three major crops in the country: sunflower, sugar cane and jatropha.
Favorable investment code and incentives

The new device of the Investment Code and Status Free Export Company (CFCE) has been simplified to ensure fast and secure installation. It supports private investment in the world by streaming administrative procedures.

Benefits during the realization of the investment cover a period of three years:

- Exemption from customs duties on the importing of equipment and materials not produced or manufactured in Senegal and are intended for the production or operation;
- Exoneration of VAT on entry of equipment and materials not produced or manufactured in Senegal and which are intended for the production or operation;
- Exoneration of VAT charged by local suppliers of goods and services.

Benefits during the operating phase:

- 5-year CFCE exemption; if more than 200 jobs are created or if less than 90% of the jobs created are located outside the Dakar region, the exemption is extended to eight years;

Tax reductions on profits: under income tax regulations, new businesses are allowed to deduct from taxable income a portion of investments, up to 40% of the amount of the total investment.

Special measures for the expansion of business:

- 5-year CFCE exemption; if more than 100 additional jobs are created, or if less than 90% of the jobs are located outside the Dakar region, the exemption is extended to eight years.
- Tax reductions on profits; under income tax regulations, expansion projects are allowed to deduct from taxable income a portion of the investment, up to 40% of the amount of the retained investment. Companies are allowed to propose limited employment contracts for persons hired for period not exceeding five years.

Looking for a partner to develop iron ore mines in Africa, two pieces of land, respectively 30Km2 and 40Km2. The plots are rich in all kinds of minerals, and with a possibility of finding all types of other minerals. Exploration license available.

The WTC Dakar will be the Head of delegation and bring Senegalese companies to the 2013 edition of Futurallia, from 5th to 7th June, an international business meeting place especially designed to conquer new markets shares.

The 18th Futurallia Forum is:

- More than 600 participants gathered in one place;
- More than 30 countries represented;
- More than 20 sectors;
- More than 8000 appointments organized;
- In two days, up to 16 pre-programmed face-to-face appointments for each participant.

Informations at: futurallia@wtcdakar.com
Senegal News

Senegal and Belgium have entered into partnership for the Barvafor (Retention Basin Recovery and Forages) project launched by President Macky Sall. Belgium is providing 7 million CFA francs. The objective of the Barvafor project is to strengthen the agro-forestry-pastoral production in five distinct areas: Diourbel, Fatick, Kaffrine, Kaolack and Thies. The first steps have made it possible to retain two sites, seven for re-equipment of drilling and 15 for heavy construction.

The admission of Senegal to become fully compliant with the EITI. The “Extractive Industries Transport Initiative” is an asset for the mining industry in the country. The advantage of this global standard is its ability to track income and payments made by mining companies and the use of these resources by the state. The country wants to join the group of countries that meet the requirements of the EITI by July 2014.

The Financial Stability Committee (FSC) of the Central Bank of West African States (BCEAO) reported in early 2013 a return of economic growth in the West Africa Economic and Monetary Union (WAEMU). The projected growth will be 5.8% as compared with 0.6% in 2011. This acceleration is essentially due to the recovery of agricultural production and the resilience of the mining sector. For 2013, the real growth rate of the Gross Domestic Product (GDP) is close 6.5% in the WAEMU.

Senegal and the European Union (EU) signed an agreement earlier this year for funding amounting to 10 billion FCFA for the rehabilitation of the road to Passy-Sokone which extends 25 kilometers, before the end 2014.