

Business and Politics in the Muslim World

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POLITICS

GHANA

No definite date for district level elections - EC

The Electoral Commission (EC) on Wednesday said it could not set a definite date for this year's District Assembly and Unit Committee elections because of legal matters over the election. The Commission explained that the passage of the supplementary Legislative Instrument (LI) that sought to re-demarcate the electoral areas and unit committees' boundaries in light of practical implementation of LI 1967 was awaiting Parliamentary approval and as such it could not organise the election now.

In a colloquium in Accra jointly organised by the Ghana Centre for Democratic Development (CDD-Ghana) and the Coalition of Domestic Election Observers, the Commission said its earlier scheduling of October 26 for the exercise could not be met.

Mr David Adendze Kanga, Deputy Commissioner of the EC in charge of Finance and Administration told the colloquium that the Commission had finished with all the necessary preparation in terms of logistics and would announce a date as soon as Parliament passed the LI 1967. LI 1967 seeks to reduce the unit committee members from 15 per unit to five and aims to increase the number of electoral areas from the current 5,000 while the process of nomination of unit committee members would be abolished.

Mr Kanga said it was mandatory for the EC to conduct the elections every four years and expressed the hope that when Parliament passed the LI in November, the Commission would be in a position to announce a definite date for the exercise before the end of the year. "Our duty and mandate is to conduct elections in the country. We cannot go ahead and fix a date for the elections because we have to be certain whether we are going to deal with the new demarcation or the old electoral areas."

Mr Kanga said in spite of the enormous administrative challenges ahead, the Commission is ready with the necessary resources and structures to embark on the nationwide exercise including public education and running of the polls.

He commended Coalition of Domestic Observers (CODEO) and CDD-Ghana for the support and said the Commission would continue to collaborate with its partners to ensure smooth running of elections. The delay in conducting this year's elections is a challenge to district assemblies because the tenure of assembly members ends on September 30 and by law they cannot perform any function in the assemblies until they are re-elected.

Some CODEO members expressed concern about the EC's delay in educating the public about the legal implications of organising the elections. Professor Miranda Greenstreet, CODEO member who chaired the function, said there was the need for public education

to create awareness on the impending exercise even if there were challenges. "What the public and those who are seated here need to know is for the EC to organise a press conference and explain why a definite date cannot be set for the elections," she said.

COTE D'IVOIRE

Election, ID cards arrive in Ivory Coast for vote

Ivory Coast's identity and electoral roll cards arrived in the country on Friday after being printed in Germany, the electoral commission said, nudging the West African nation a step closer to long overdue elections.

The presidential polls, which have been put off since 2005, are meant to resolve years of crisis that have persisted since a 2002-3 war divided the world's top cocoa grower.

UN to send more troops to Ivory Coast before vote

The U.N. Security Council on Tuesday agreed to send additional peacekeepers to Ivory Coast ahead of elections planned for next month and urged the Ivorians not to postpone the vote after years of delays.

The council decided to send up to 500 additional peacekeepers to Ivory Coast for no longer than six months to reinforce the 8,500 blue helmets already deployed in the West African nation, the world's top cocoa producer.

"The members of the Security Council urge the Ivorian stakeholders to meet their commitments to organize the first round of elections on 31 October, as agreed by all parties," the 15-nation council said in a statement.

"They further stressed the need for the parties to ensure calm prior to, during and after the vote," it said.

Voting is scheduled for October 31, but six dates have already been missed in the past five years because of disputes over voters' identities and the disarmament of rebel groups. Elections are needed to draw a line under Ivory Coast's civil war of 2002 and 2003, which caused investors to flee what had been West Africa's economic success story. Voting could make way for reforms necessary to fix Ivory Coast's cocoa sector, which supplies two-thirds of world demand but has been hurt by under-investment.

U.N. special envoy to the Ivory Coast Young-Jin Choi told Reuters after the council meeting he was not worried about the possibility of violence in the run-up to the vote on October 31, a date he was optimistic the Ivorians can keep.

The situation was less certain in the event of a run-off election in November. Asked if there could be violence ahead of a run-off vote, Choi said: "I hope not."

President Laurent Gbagbo's signature on a decree this month validating definitive voter lists was hailed as a huge step considering he failed to approve earlier versions because he suspected they included names from Burkina Faso and Mali.

About 6.38 million people had registered to vote, but about 1 million of those were disputed, mostly on grounds of nationality. The issue fueled the initial conflict, when many Ivorians from the north said they had been wrongly excluded from a presidential election in 2000.

GUINEA

UN peacekeeper chiefs make poll plea to Guinea

Guinea's presidential candidates should push ahead with a delayed vote because of the risk of destabilising the region, the heads of U.N. peacekeeping missions across West Africa said in a joint appeal on Wednesday.

The call came after political parties acknowledged this week a new Oct. 10 target date for an election to restore civilian rule to the world's top bauxite producer was unlikely to be met due to a dispute over who heads the election authority.

"We appealed to the leaders of Guinea and the two candidates in particular to do all they can to overcome the current difficulties surrounding the leadership of the national election commission," Said Djinnit, the special representative of U.N. Secretary-General Ban Ki-moon in West Africa said.

"At present there is no open conflict (in West Africa). We have to ensure that remains the case," he said after talks with peacekeeping chiefs of U.N. missions in Liberia, Guinea-Bissau, Ivory Coast and Sierra Leone.

After the bloody ethnic wars of the 1990s, West Africa is enjoying a period of relative stability that is attracting investors back to a region with as yet largely untapped reserves of oil, iron, gold and other minerals.

A statement issued after the peacekeeper talks in the Senegalese capital Dakar noted, however, that the region's busy election calendar over the coming year was "considered a factor of instability and threat to social peace".

Aside from Guinea, neighbouring Ivory Coast has set Oct. 31 for a presidential election that has already been delayed six times, while Liberians head to the polls in late 2011.

STREET CLASHES

Guinea's location bordering six countries in the region makes it vital to wider security, with clashes between its ethnic groups seen having the potential to spark refugee movements across borders and so raise tensions elsewhere.

Its two presidential candidates, Celou Dalien Diallo and Alpha Conde, draw their support heavily from the Peul and Malinke groups respectively and there were already street clashes between the two factions this month.

Diallo's camp had been pressing for an early election. But last week it accused Louency Camara, newly appointed head of the election commission CENI, of supporting Conde and said it could not accept an election organised by him.

The dispute has prevented junta leader Sekouba Konate from formally approving Oct. 10 as the run-off date, with some officials now talking of a new date late in October.

In a transcript of an interview published on its website on Wednesday, French radio RFI cited Konate as warning that his patience was running out.

"If necessary I will install a civilian in charge of this country by force," RFI quoted Konate as saying.

On Tuesday the U.N. Security Council agreed to send a further 500 peacekeepers to Ivory Coast ahead of the elections to add to the 8,500 blue helmets already deployed.

The council this month also agreed to keep its 9,400-strong Liberian force of soldiers and police at its current level, resisting calls from some quarters to cut down the \$500 million-a-year mission.

I Don't Care About Power, Says Guinea's Konaté

Guinea's interim leader Sékouba Konaté has told RFI that he wants to quit politics as the date for a run-off in the country's presidential election has yet to be set.

"I don't give a damn about power. All I want is to do is slam the door, but the people close to me are stopping me," says Konaté.

On 3 September, Guinean parties involved in the electoral process signed an agreement guaranteeing peaceful elections in the presence of Burkina Faso President Blaise Compaoré.

"At Ouagadougou, they twisted my arm, I never should have accepted to stay," Konaté insists.

Konaté says he will accept no further delays and threatens to step down if a run-off vote does not take place quickly. The first round of what was touted as Guinea's first democratic election took place in June.

The election process was again thrown off course this week. Political parties acknowledged that a new 10 October target date for an election to restore civilian rule was unlikely to be met due to a dispute over who heads the election authority.

Konaté says that it is a struggle to work with current Guinean political leaders.

"Several times, I told them to meet but they won't listen, meanwhile ethnic tensions are growing."

"I still don't understand politics," he says, adding that he leaves such matters to his top aide Tibou Kamara.

Konaté threatens to force rival presidential candidates into action.

"If the two candidates fail to reach an agreement, I will gather soldiers from the garrisons and impose a civilian at the head of the country," he says, although RFI's journalist says that it is difficult to tell whether the threat is serious.

ECONOMY

GHANA

Germany and Switzerland support Ghana's Tax Reforms

Germany and Switzerland have jointly committed approximately Euros 9 million to support reforms in tax policy and tax administration in Ghana. A memorandum of understanding (MOU) to this effect has been signed between the Ministry of Finance and Economic Planning and the two development partners: the Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ) and the Swiss State Secretariat of Economic Affairs (SECO).

Over the last decade Ghana's tax policy and administration framework has seen reforms which have come with the introduction of value-added tax and revised income tax scheme. These have led to the doubling of the tax to GDP ratio to 21.38% and a change in tax structure towards taxation of consumption. However, the tax base needs to be widened and the tax net broadened. Additionally Ghana's tax system must induce investments and improve the business climate while ensuring efficiency in tax collection.

It is these challenges that have led the Government to embark on further reforms to establish the Ghana Revenue Authority (GRA) as a modern and unified revenue authority and the Tax Policy Unit (TPU) at the Ministry of Finance and Economic Planning to provide research and analysis on tax legislation. GTZ and SECO have provided the technical assistance to tackle these challenges.

The support of GTZ and SECO is in its second phase. In the first phase the two development partners jointly supported the establishment of the Tax Policy Unit within the Ministry of Finance and Economic Planning.

The TPU was established to strengthen the capacity of the Ministry of Finance and Economic Planning to advise the Government to pursue accountable, transparent and sustainable tax policies which will contribute to improvements in fiscal performance. The first phase of the joint support helped the TPU to build capacity of staff and also provided office equipment and specialized software for tax analysis and forecasts.

This MoU marks the beginning of the second phase which has the objective to institutionalize the TPU within the Ministry of Finance and Economic Planning and support the integration of the Internal Revenue Service (IRS), Customs Excise and Preventive Service (CEPS) and the Value Added Tax (VAT) Service into a unified tax authority-Ghana Revenue Authority.

Japan restores Yen loan facility to Ghana

The Japanese government has restored the Yen loan facility to Ghana after Japan blocked the facility when the previous administration opted for the Highly Indebted Poor Countries initiative in 2001.

This was the outcome of the closed door bilateral meeting between the Prime Minister of Japan, Naoto Kan, and President John Evans Atta Mills in the Japanese capital of Tokyo.

Briefing journalists after the talks, Director of Communications at the Presidency, Koku Anyidoho, said the Japanese government has also agreed to accept about one hundred Ghanaians annually for a three-year training in industrial development, education, agriculture and infrastructural development at Fukushima which is the birth place of Dr Noguchi.

The Director of Communications at the Presidency, Koku Anyidoho also highlighted some areas that the Japanese government has expressed interest to support Ghana. These areas include roads, hospitals, Schools, the Shea Butter Industry, the Jute Factory and the SADA Project.

NPA warns oil companies

ALEX Mould, acting Chief Executive of National Petroleum Authority (NPA), has warned private companies licensed to operate under the de-regulation exercise to abide by the rules and regulations governing their operations.

He explained that when the companies were given the licenses, they were equally given rules and regulations to abide by; explaining that investigations carried out by the NPA suggested that a lot of them were violating the rules.

Mr. Mould said the shortage of the Liquefied Petroleum Gas (LPG) in the country would have been a different story had the said companies followed the laid down rules, and pointed out that what appears to be a shortage of LPG is not really so and that the problem is as a result of improper distribution of the product.

“The NPA is going to be very strict on them this time round to ensure that they obey the rules and regulations so that in the next two years, we will be able to alleviate some of the problems Ghanaians are now facing,” he stated.

The NPA boss said the de-regulation allows private companies to import petroleum products into the country and own tank farms and loading gantries but most of them were not doing so.

Mr. Mould, who was touring the Tema Oil Refinery (TOR) last Friday with journalists to acquaint himself with LPG situation at the refinery, insisted that the current LPG situation in country was as a result of lack of proper distribution.

They visited the tank farm, the loading gantries and the jetty at TOR.

Mr. Mould explained that TOR has tanks that can take 6,500 Metric Tonnes whiles the refinery can only produce 250 tonnes a day.

“The present demand is artificial. We have a demand of 1,000 metric tonnes a day, which is mainly caused by vehicles, because the LPG is heavily subsidized about 40%, but the refinery can produce between 200 and 250 tonnes daily,” Mr. Mould stated.

The NPA boss explained that his outfit was considering how the jetty, the pipe lines and the tanks could be expanded, adding that they were also considering building another storage depot outside Tema because the jetty at Tema was the only one in the country. He warned that if anything should happen to the present jetty, there will be no LPG in the country and the only option then would be to import from neighbouring countries.

“Producing the product here at the refinery is far cheaper as compared to importing it. We are compelled to import it so as to augment the shortfalls of the refinery based on the current configuration of the refinery and the type of crude oil being brought into the country,” the NPA boss remarked.

Mr. Mould suggested that the subsidy on LPG should be removed for the domestic users or vehicle users be banned from purchasing the product. These, in his view, would be the only way to solve the perennial shortage of LPG.

Economy to attract more inflows

The government has won the hearts of development partners for the country to continue enjoying Official Development Assistance (ODA), which is normally concessionary lending to the country.

The Vice-President, Mr. John Dramani Mahama, who made the case for the country, said although Ghana was on track to producing oil in commercial quantities at the end of the year and re-categorise her economic status to a middle income one, revenues from the oil flow would not be a panacea for the immediate transformation of the economy.

Speaking at a high level meeting of government officials and senior directors from Ministries, Departments and Agencies (MDAs) and development partners in Accra yesterday, Mr. Mahama said although the oil flow would increase Ghana's Gross Domestic Product (GDP) growth rate to 15 per cent in 2011 from the 6.5 per cent projected for the year, the growth would later return to the region of eight per cent, to require more ODA inflows to help grow and diversify the economy.

"There is significant opportunity for mobilising fiscal space from oil and gas revenues for sustainable economic growth. However, we must appreciate the fact that these revenues are unlikely to transform the country's status immediately. Ghana would still very much require the support of its development partners to achieve the 'Better Ghana' agenda," the Vice-President stated.

The Consultative Group Meeting brought together Government Ministers, senior level officials of MDAs, bilateral and multilateral development partners, Civil Society Organisations and the media to discuss issues such as the draft Medium-Term National Development Policy Framework and the Ghana Shared Growth and Development Agenda (GSGDA), which sets out the country's development priorities and strategies for 2010-2013.

The Vice-President called on the donor community to partner the government to manage the expectation of Ghanaians by giving out more resources to develop infrastructure and make other areas equally lucrative to diversify the economy.

He said the government was capable of managing the transition into a middle-income status as it had demonstrated by bringing remarkable stability into the ailing economy it inherited in 2009, with high inflation and unprecedented fiscal and balance of payments

deficits.

"The transition will be difficult but our delivery on the economy so far shows that we can rise to the occasion," Mr. Mahama stated, stressing that "we have restored the health of the economy and we are poised for rapid growth".

The Co-chair of the group representing the Development Partners, Mr. Ishac Diwan, said the donor community agreed with the government's position for increased and more concessionary loans, saying issues had been discussed very frankly and honestly at the meeting.

Mr. Diwan said to the extent that the oil could become a curse to the country, it was the view of the donor community to continue to support the country to deliver the other supporting infrastructure that would make the oil deliver the best results.

He said the development partners also reckoned with the fact that the country needed to perform even much better on the Millennium Development Goals (MDGs) and build infrastructure to open the economy wider to absorb bigger investments and would, therefore, continue to assist.

He noted that they had also agreed not to impose conditionality on the country but use the country's own systems to deliver aid and where necessary develop more efficient mechanisms to enable Ghana to mobilise resources from all sources.

Producer price of cocoa goes up by 33%

The producer price of cocoa for the 2010/11 season has gone up by 33.33 per cent, Finance Minister Dr Kwabena Duffuor announced in Accra on Tuesday.

The new price is GH¢3,200 per tonne up, from GH¢2,400 per tonne. A bag of 64 kg gross weight will sell at GH¢200. This represents 75.15 per cent of the net Free on Board (FOB) price. Dr Duffuor said the new price will take effect when the season opened on Friday, October 1, 2010.

The Minister, who is also the Chairman of the Producer Price Review Committee, said the new price was agreed to fight the high incidence of smuggling and motivate farmers to produce more to attain the target of one million tonnes by 2012.

The committee also approved other rates and fees for the Licensed Buying Companies (LBCs) in the industry.

The fees include the buyers' margin, hauliers' rate, Cocoa Marketing Company's internal marketing costs, as well as fees for disinfestations, grading and sealing as well as scale inspection. Dr Duffuor said to further reward the hardworking farmers, Government had directed the Ghana Cocoa Board to work out and pay bonuses to farmers on the 2009/2010 main crop and ensure that the payment of the bonus is effected before December 2010.

The plans must be done and submitted to the Minister of Finance and Economic Planning for approval within a week, the minister said. The committee also agreed to continue funding the Cocoa Farmers' Housing Scheme and the Cocoa Farmers' Pension scheme and asked COCOBOD to expedite action on the modalities for implementing the pension scheme. Mr. Anthony Fofie, Chief Executive Officer of Ghana Cocoa Board, said the projection for cocoa purchases in the season is 700,000 tonnes. As at September 24, provisional figures for purchases for the 2009/10 season stood at 632,024 tonnes. Mr Fofie said the new price would address smuggling and motivates farmers to produce more in the coming season. "The new price is a two-prong approach to stem smuggling by addressing the price differentials between Ghana and her neighbours and to improve the quality of life of cocoa farmers," he said. Mr Fofie said the Board was still working on the modalities for the Pension fund. Nana Agyei Kramo, Volta Region Chief Cocoa Farmer, welcomed the new price, saying it was a good response from government to cocoa farmers' request and expressed the hope that the new price, in addition to other incentives, would stimulate farmers to produce more.

Remittances to Ghana Hits \$4.2 Billion Mid-Year

Balance of Payment data from the Bank of Ghana (BOG) indicates that total private money transfers to Ghana between January and May this year is \$4.2 billion.

The figure represents 22.2 per cent increase over that of the same period last year.

Deputy Governor of BOG, Dr. H. A. K. Wampah who disclosed this at the launch of a new money transfer system by Ecobank Ghana dubbed Rapidtransfer. He says out of the total, \$626.6 million went to individual Ghanaians this year, compared to \$604 million last year.

At the global level, \$300 billion was transferred in remittances last year, out of which \$40 billion was in Africa alone.

Dr. Wampah says remittances outstripped Foreign Direct Investment and Development Assistance put together.

He says this explains why policymakers in Africa are creating incentives to make private money transfer desirable to attract more remittances.

Dr. expressed the hope that Ecobanks new money transfer system will further improve the easy movement of money within the continent.

Head of Retail Banking at Ecobank Ghana, Mr. George Mensah-Asante says Rapidtransfer is a system that allows Ecobank customers and non-customers to transfer cedis to 30 African countries and the recipients will receive it in their local currency.

He says the system allows money to be transferred and received within 10 minutes either within Ghana or from Ghana to other African countries. Mr. Mensah-Asante says one

does not need to have an Ecobank account to use the Rapidtransfer system, adding that it eliminates the risk of carrying money around.

IMF warns Ghana on debt build-up

The International Monetary Fund urged Ghana to improve its fiscal performance to avoid an unsustainable build up of public debt through increased foreign borrowing. IMF mission chief to Ghana, Peter Allum said initial estimates for 2011 and the medium term showed "substantially larger budget deficits and public borrowing than envisaged under the (IMF) program."

The IMF approved a \$602.6 million loan program for the West African country in July 2009 to ease financial strains caused by the global economic slowdown.

Allum said widening in Ghana's budget deficit reflected a costly public sector pay regime and the rise in external borrowing to finance infrastructure projects.

Ghana, which is due to join the club of commercial oil supplies by the end of this year, sealed nearly \$13 billion in loans from two Chinese banks earlier this month to finance oil and gas infrastructure and agricultural development.

"Discussions focused on the impact that higher deficits and higher borrowing would have on Ghana's rising public debt stock, and on the importance of tailoring spending plans to projected revenues, which oil incomes will increase only modestly in the coming years," Allum said.

He said talks were continuing on options for reducing projected deficits by limiting spending growth and strengthening domestic revenue.

Government data is expected to show a "substantial" upward revision in the size of Ghana's economy and per capita incomes, he added.

"These data will be important to provide a more reliable assessment of recent economic performance, and better gauge Ghana's fiscal and debt management situation and challenges," Allum said.

He said Ghana's financial performance in its power sector had improved since mid-2010 increases in electricity tariffs and by savings in power supply costs due to gas deliveries via pipeline from Nigeria.

"While power tariffs are now at or close to cost-recovery levels, the proposed quarterly review of power tariffs will be important to avoid the emergence of new subsidy costs," he noted.

LIBERIA

IMF Concludes Fifth Economic Review Visit

An International Monetary Fund (IMF) mission led by Mr. Christopher Lane, visited Liberia September 21–October 1, 2010 to conduct discussions for the fifth review under the Extended Credit Facility and the 2010 Article IV Consultations.¹ The mission met with: Minister of Finance, Augustine Ngafuan; Central Bank of Liberia Executive Governor, Joseph Mills Jones; other senior officials and members of the Legislature; representatives of the private sector, civic society, and development partners, and briefed President Johnson Sirleaf.

At the end of the mission, Mr. Lane issued the following statement in Monrovia:

“After a slowdown in 2009, economic activity is strengthening in 2010 with subdued inflation and a stable exchange rate. Real GDP growth is expected to rise to above 6 percent from 4½ percent in 2009. Exports have rebounded on account of rising rubber production and prices. Foreign direct investment commitments have increased sharply following the ratification of several iron ore and palm oil concession agreements. A number of legislative acts that will significantly support private sector development and strengthen governance have been approved by the Legislature.

“Performance under the Fund supported economic program has been good. All quantitative performance criteria under the program through end-June 2010 were observed. Implementation of structural benchmarks through end-September has been generally satisfactory, although completion of national accounts data and a computerized registry of government assets have faced delays.

“The 2010/11 Budget was approved in September along with amendments to the Revenue Code. The budget envisages an increase of revenue and grants on account of budgetary grants and signature payments for concession agreements. Tax revenue growth is modest on account of a reduction of top rates of corporate and personal income tax effective January 1, 2011. Details of expenditure are being finalized. Budget financing is presently limited to a drawdown of uncommitted deposits. A supplementary budget will be tabled should new financing sources become available.

“The mission discussed with the authorities the significant medium-term challenges, including financing of the development strategy, Liberia Rising Vision 2030, and accelerating growth outside of mining and agricultural concessions. Discussions focused on funding sources for infrastructure over the medium term based on detailed fiscal projections and financial models of concessions. Concessions are projected to provide additional government revenue to finance a significant share of infrastructure development needs.

However, tackling deep-seated structural impediments to private sector investment outside concessions will be critical to facilitate growth and employment opportunities for the young and growing population. In this regard, the mission discussed the efforts to transform the financial system to support inclusive growth and the development of small and medium size enterprises. The mission and authorities recognized that the pace and quality of growth would also depend on training and capacity building, securing property rights and maintaining security.

“Following the conclusion of discussions on technical issues relating to the 2010/11 budget, the fifth review of the ECF-supported program will be submitted for consideration by the IMF’s Executive Board. Liberia would receive a disbursement of SDR 4.44 million (approximately US\$6.9 million) on completion of the review.

“The mission wishes to thank the Liberian authorities and its other counterparts for the constructive and cooperative discussions that took place in Monrovia.”

The ECF has replaced the Poverty Reduction and Growth Facility as the Fund’s main tool for medium-term financial support to low-income countries. Financing under the ECF currently carries a zero interest rate, with a grace period of 5½ years, and a final maturity of 10 years. The Fund reviews the level of interest rates for all concessional facilities every two years. In the Article IV Consultation, IMF staff discusses a country’s economic situation with country authorities to identify and forestall future financial and macroeconomic problems.

COTE D’IVOIRE

Ivorian candidate offers cocoa farmers price pledge

Ivory Coast opposition presidential candidate Alassane Ouattara would push for a better share of cocoa profits for farmers if elected, he said.

The elections in the world's top cocoa grower, scheduled for Oct. 31, look likely to be a close contest between President Laurent Gbagbo and his two main challengers, Ouattara, a former prime minister, and Henri Konan Bedie, a former president.

Ouattara told Reuters in an interview late on Thursday he would guarantee that cocoa farmers get half of the market price for the cocoa they grow, putting him in line with the Gbagbo government's plans for reform.

"The farmers must have half the international price. There have been big fluctuations in it, so we have to ensure that their earnings are based on the international price, to encourage them," he said.

Ouattara said that instead of four bodies overseeing the sector, as proposed by a reform committee under the current government, he would have just one to cut bureaucratic costs.

The International Monetary Fund and World Bank have laid down reform of the cocoa sector, including cutting taxes and reforming the regulatory body, as a condition of debt relief worth \$3 billion.

The first thing Ouattara would do if elected is integrate the country's national and rebel armies to guard security gains, he said.

SUPPORT PACT

Ouattara said he was confident polls would be transparent and free of violence.

They are seen as key to restoring peace after a failed rebellion against Gbagbo in 2002 split the West African nation, but there is a history of violently disputed elections.

The vote, which is also needed to usher in the urgent reforms of the cocoa sector, has been repeatedly postponed since 2005 because of political wrangling over voter registration and rebel disarmament.

Those issues have been resolved and Gbagbo signed the final electoral list into law last month.

"The electoral list is consensual. We (the political parties) are all agree on the process, so we expect transparency to be more or less guaranteed," Ouattara said late on Thursday after a political rally in front of thousands of cheering supporters in eastern Ivory Coast, near the Ghanaian border.

"All of us have to accept the results. If we lose, we'll have to say the people have chosen, so I don't think there will be violence," the former IMF deputy director said.

The opposition has accused Gbagbo of attempting to manipulate the process in the past, a charge he denied.

Analysts say Ivory Coast's peace process has been set up in such a way as to make electoral rigging difficult.

Ouattara said he would respect a deal signed between him and Bedie to mobilise their supporters to back each other in case one ends up in a second round with Gbagbo.

"If there is a second round, Bedie will support me against Gbagbo and vice versa," he said.

Electoral cards were expected to arrive on Friday, after being printed in Europe, one of the last major technical hurdles to holding the polls on time.

They are to be distributed next week. Then some 66,000 electoral agents must be hired and the list posted.

Cocoa reform last hurdle to Ivory Coast debt relief-IMF

Only cocoa reform stands in the way of Ivory Coast receiving debt relief, as all other conditions have been met, but the reforms must be enacted six months before any debt is annulled, the International Monetary Fund (IMF) said on Wednesday.

The West African nation is in the process of completing an IMF and World Bank programme of \$3 billion of debt relief under the Heavily Indebted Poor Countries scheme, a move likely to spark a rally in its \$2.3 billion Eurobond which is Africa's biggest.

Cocoa reforms are on hold until polls meant to reunite the world's top cocoa grower, which supplies two-thirds of the market. The election is currently set for Oct. 31.

"All the other conditions have been met," Doris Ross, head of an IMF mission that spent two weeks in Ivory Coast told Reuters at its conclusion.

"Reform of the institutions that manage the (cocoa) sector will have to be implemented at least six months before the completion point can be reached."

Ross said there were two parts to the reform: changing the tax regime, and restructuring the cocoa authorities.

"The change in taxation is about to be signed and implemented ... (But) the new structure hasn't been agreed or begun to be applied."

An official from the cocoa reform body told Reuters on Tuesday that no big changes to the export tax are likely to be announced when the new cocoa season opens on Friday.

"GREAT STRIDES"

Ivory Coast has been divided in two since a 2002 rebellion against President Laurent Gbagbo left its north in rebel hands.

Although six election dates have been missed since 2005 as the crisis has dragged on, differences over the electoral list and rebel disarmament appear to have been resolved.

The political limbo has not helped the cocoa sector, which still produces around 1.2 million tonnes a year but is suffering from ageing trees and lack of investment. Gbagbo has vowed to get cracking with cocoa reforms as soon as the polls are over, while opposition candidates have not outlined a cocoa reform policy. Gbagbo is a marginal favourite to win, although analysts say a close election is likely. Ross said Ivory Coast had made progress in macroeconomic stability, budget reforms and transparency.

"There has been quite a bit of progress making information accessible ... the oil sector has made great strides."

Ivory Coast currently pumps around 40,000 barrels per day.

Ross said the IMF was working on a conservative assumption of at least 4 percent growth next year.

"It's very difficult to forecast growth in a year in which so much is changing. We very much hope for a peace dividend."

In April Ivory Coast swapped a \$2.3 billion Eurobod for defaulted Brady bond debt, due in 2023.

Its yield has declined since a deal was reached between parties on the electoral list, and stands at 10.64 percent compared to 11.3 percent last month, and analysts are bullish.

Standard Bank has said the holding of polls could take it down to 7 percent. Debt relief would be likely to push it down further.

Ivory Coast's progress towards debt relief

Only cocoa reform stands in the way of Ivory Coast receiving debt relief, as all other conditions have been met, but those reforms must be enacted six months before any debt is annulled, the International Monetary Fund (IMF) said on Wednesday.

Following is a list of IMF and World Bank economic conditions for debt relief and what has been achieved:

COCOA

* Adoption of a new regulatory framework for the cocoa sector and implementation for six months before debt relief.

Status: Not achieved. Cocoa reforms have been drafted by a special committee but look likely to be on hold until after Oct. 31 elections.

* Cuts in cocoa taxes to no more than 22 percent of cost of insurance and freight.

Status: Not achieved. Expected to be announced with other cocoa reforms, although reform committee says cocoa taxes are presently under threshold due to high world prices.

ECONOMY

* Maintenance of macroeconomic stability, according to a programme whose performance is to be assessed by the IMF.

Status: Missions concluded this was "broadly satisfactory".

BUDGET TRANSPARENCY

* Quarterly publication of: budget revenue and spending breakdown, procurement and concession contracts, external and domestic debt, for a year.

Status: achieved.

* Certification by the judiciary of conformity to law of activities during the fiscal year.

Status: A draft budget review law for 2008 was forwarded to Audit Chamber in October 2009.

Status: achieved so far.

* Regular publishing of financial flows from extractive industries (oil, gas and minerals), as set out by the Extractive Industries Transparency Initiative (EITI).

Status: Achieved so far.

* Annual publication of statements from government petroleum company PETROCI.

Status: achieved so far.

POVERTY REDUCTION

* Preparation of a poverty reduction strategy paper (PRSP), with input from stakeholders, and implementation for one year.

Status: Cabinet adopted a PRSP in 2009 after wide consultations. The first annual report on it was submitted to the World Bank International Development Agency this year.

* Increase in trained midwives involved in birth deliveries to 65 percent (from 2006 figure of 56 percent)

Status: rate of assisted child births 64.5 percent in 2009.

* School textbooks must be provided to 90 percent of pupils in public primary schools.

Status: in 2009 it reached 70.90 percent but the IMF forecasts it to hit target by 2010/11 school year start.

HEALTH

CAMEROON

Cholera Death Toll Exceeds 400

This death toll from a cholera epidemic in Cameroon's North and Far North provinces stands at 420, according to public health minister André Mama Fouda. The outbreak of the waterborne disease throws an unwelcome spotlight on inadequate access to clean water and sanitation, particularly in the country's rural north.

The Cameroonian government is struggling to implement an effective cholera strategy, despite the fact that the epidemic could be eradicated with simple measures.

Cholera is an intestinal infection caused by a bacterium in water or food and leads to profuse watery diarrhoea, loss of fluids, vomiting and abdominal pain. About 7,000 citizens have contracted the disease this year.

Civil society groups blame government for not drawing up an efficient plan to combat cholera, demanding more money is made available to implement basic measures, such as sanitation, clean water and education about personal hygiene.

"The government is fully aware that this part of the country is prone to cholera," laments Honoré Ahmed, programme officer at aid organisation Association of Septentrion Development. "By now, we should have permanent measures in place with which to fight the epidemic."

The discovery of new cholera cases in the country's main cities, Yaoundé and Douala, in early September has cast additional doubts about government's capacity to prevent the disease.

Cameroon's frontline opposition leader, Ni John Fru Ndi, who heads the Social Democratic Front, lambasted the performance of the country's ruling party, Cameroon People's Democratic Movement: "I cannot comprehend or accept that a nation, which is supposed to be an emerging economy, will be killing its own children through the carefully orchestrated absence of basic necessities, like water and public hygiene." He criticised President Paul Biya and his government for spending the country's wealth on "leisure trips abroad", while Cameroonians continue to die from a preventable disease. In Cameroon, only one in 20 residents have access to toilets and less than a third of the population has access to safe drinking water, admits Mama Fouda.

In the country's north, the situation is even worse. Patrice Hassana, an engineer who works in the region, complained in an open letter to government: "Today, we have only one toilet serving 4,000 people in the Far North Region."

To eradicate cholera, government will need to address water and sanitation issues, but also poverty. Dr Yves Kueté Fotié, medical practitioner at the Mokolo Health Unit in the Far North told journalists at a press briefing that "poverty is no doubt the main cause and facilitator of the disease. You can tell people over and over to wash their hands with soap before meals, but what happens when they don't have the means to buy soap?"

According to the 2005 national population and housing census, 40 percent of Cameroon's 19.4 million people live on less than one dollar a day.

In response to the outbreak - and the accompanying harsh criticism of the country's health policies - government has started to roll out a two-phase plan to address cholera, worth five million dollars.

During the first phase of the programme, which started in August, government has started to supply water purification tablets and truck clean water to vulnerable areas in the North and Far North regions as well as parts of the Adamawa region. It has also handed out medical kits to local health workers and trained them in cholera emergency response. Phase two will start in December and address the root causes of the recurring outbreaks, government promises. Over eight months, it will renovate 200 wells and drill 50 new ones. Moreover, 200 latrines will be constructed in the two most affected regions where people generally defecate in the bush.

Government has also launched a public awareness campaign, during which Mama Fouda called on the population to "avoid drinking unchlorinated water and eating at makeshift markets where food is not well preserved".

He also encouraged Cameroonians to prepare their own oral rehydration solution to treat diarrhoea by mixing salt, sugar and lime fruit in boiled water. State media have been commissioned to produce programmes in all national languages that will give additional practical advice on how to avoid contracting the disease and how to treat it.

International aid organisations have also come to the party and are assisting government in efforts to educate the population.

Children's aid organisation Plan International and the Red Cross have sent out 200 volunteers to the Far North and North regions to educate people about hygiene. And as schools opened their doors for the new school year in early September, United Nations

children's fund UNICEF began to educate school children about basic hygiene, such as hand washing before meals, using latrines and boiling water.

In addition, some school administrations have banned the sale of cooked food on school campuses or asked food vendors to present a sanitation certificate before they are permitted to sell food to pupils.

HUMAN RIGHTS/ GENDER/ SOCIAL ISSUES

COTE D'IVOIRE

Election hopes fuel mood of optimism in Ivory Coast

As Ivory Coast looks closer than ever to elections aimed at putting eight years of crisis behind it, cautious optimism has replaced despair among investors keen to revive West Africa's former star economy.

Breakthrough deals this month in disputes over voter eligibility mean that after six cancelled dates in five years, a presidential election slated for Oct. 31 might just go ahead.

In the commercial hub of Abidjan, a sprawling lagoon-side city of skyscrapers, multi-lane highways, cocoa factories and palm trees, businesses say they are more confident than they have been for years.

"Ivory Coast has come through some tough times but we are hopeful that as we come out of the crisis, economic activity can get back to normal," said Toure Karamoko, director of advertising design and printing firm Indigo Publicite.

"But it is going to be hard work resolving our problems and bringing investment back.

An election is no magic wand," he said as he watched workers weld a billboard together.

A failed 2002 rebellion against President Laurent Gbagbo left the world's top cocoa grower divided in two and paralysed its once-buoyant economy. Investors, most from Ivory Coast's former colonial master France, fled and sold up at knock-down prices, often to more risk-tolerant Lebanese businessmen.

Foreign direct investment fell from \$400 million in 2003 to \$300 million the year after as many investors ran scared of putting money into a country seen on the brink of conflict.

As Ivory Coast struggled on, investment by 2008 recovered to its 2003 level, with the economy set to see three percent growth this year, above the zero percent growth at the height of the crisis but nowhere near enough to tackle mass unemployment.

GAME-CHANGER

The game-changer was the election body's announcement on Sept. 2 that it had resolved a long dispute over who is eligible to vote, and Gbagbo's approval of the list a week later.

"We were very sceptical about the possibility of an election, but there was a breakthrough: it seems it is going to happen," said London-based analyst Samir Gadio at Standard Bank.

The yield on Ivory Coast's 2032 Eurobond -- with a face value of \$2.3 billion the biggest in Africa -- has declined steadily since the voter list accord, reaching 10.64 percent now compared to 11.3 percent last month.

Gadio forecast the Oct. 31 election could push the yield down to 7.0 percent, with most risks over the outcome of the election already priced into the bond.

Analysts polled by Reuters this month forecast a successful staging of elections would push economic growth to 4.5 percent in 2011, closer to levels at which Ivorians would start to see an impact on their lives.

Most acknowledge that the poll in itself will not bring instant stability, and that the long-standing rancour between Gbagbo and challengers Henri Konan Bedie and Alassane Ouattara means that any result could be disputed violently.

But there is a widespread view that any violence will be short-lived, with some analysts seeing Gbagbo as favourite to win and then prepared to offer government jobs to his rivals.

"He holds most of the cards: he controls the cocoa sector, he controls the army and the security forces, and he holds the south, which is the economically most dynamic part of the country," noted Mark Schroeder of analyst company Stratfor.

Successful elections would be a boost to Ivory Coast's cocoa industry, which supplies just over two thirds of the world's cocoa but which is in structural decline because of underinvestment and ageing trees. Reforms have been put on ice until after the vote.

The World Bank has tied a decision on debt relief worth \$3 billion to Ivory Coast holding the vote. An International Monetary Fund mission is in the country this week assessing the bid and a decision is due late next year.

For many business people, the simple fact of holding elections is a welcome break with their troubled past.

"People go on the Internet, they see travel warnings and rebels," said travel agent Fanny Assata. "We need an election to change our image."

SIERRA LEONE

UN lifts 13-year-old arms embargo

The United Nations Security Council is to lift a 13-year-old arms embargo against Sierra Leone after being assured that the nation is sufficiently stable following the civil war that ended in 2002.

The 15-member council said this week that it was removing the last U.N. sanctions on the country because the government had fully re-established control over its territory and former fighters had been successfully disarmed and demobilized.

Nevertheless, the council agreed that Sierra Leone still needed international support and extended the mandate of the country's U.N. peace building office by one year.

The peace building office, launched in October 2008, replaced a U.N. peacekeeping force that disarmed and demobilized more than 75,000 ex-fighters.

Tens of thousands of people were killed in Sierra Leone's 1991-2002 civil war that was marked by militia members who hacking off the limbs, noses or lips of their victims, and the recruitment of child soldiers.

The U.N. arms embargo was first imposed on Sierra Leone in 1997 after a military coup of the joint forces of the military and revolutionary United Front rebels and ongoing human rights violations.

Security-General Ban Ki-moon warned the council during consultations on that political stability could be undermined ahead of national elections in 2012 if the government pursues an inquest into the military junta's 1992 execution of the police inspector-general and 27 other people.

The 1992 executions took place under a military regime that toppled a civilian government led by the All People's Congress. That is the party now led by President Ernest Bai Koroma, who was elected in 2007, according to media reports out of UN.