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News Worth Knowing

The Daily Brief is taking a summer break from August 12 - August 23, and will be back on August 26.

Editor's note

The government of Sierra Leone is [reviewing mining licences and contracts](#), aimed at ensuring investments into extractives are in line with development needs.

This is part of a [pledge to clean up the sector](#) by president Julius Maada Bio, in office since April 2018, who has criticized an “extreme lack of transparency” under his predecessor Ernest Bai Koroma. Where necessary licences will be cancelled, and laws could be changed.

It's hard to argue with the plan.

Despite having significant reserves of diamonds, iron ore, titanium, and other resources, Sierra Leone is a typical example of an African country failing to benefit from its natural wealth. Mining accounts for 80% of exports, but generates just 15% of total revenues.

It's a familiar scenario in resource exporting African economies, with a mix of poor governance and corruption resulting in dodgy deals with mining companies. This is often seen as an inevitable consequence of the 'resource curse' - the paradox of natural wealth undermining, rather than contributing to national development.

Reality is more mundane, largely boiling down to governance. Resources have done nothing to harm development in places like Norway, Canada or Australia.

Time will tell if Sierra Leone is serious. Pledges like this are common - results less so.

That said, it's a good reminder that bad resource deals aren't inevitable.

Today's picks

From the continent

South African central bank governor Lesetja Kganyago has pledged to 'go to war' to defend the Reserve Bank's independence amid infighting within the ruling African National Congress about changing its mandate. The issue is adding to an already gloomy outlook for Africa's most advanced economy, which is struggling to clean up after mismanagement under former president Jacob Zuma. **More:** [Reuters](#)

Uganda plans to spend \$813m in the next decade to boost industrial development and private sector investment. This will be led by the Uganda Development Corporation, with a focus on services and mineral processing. **More:** [Bloomberg](#)

The Daily Stat

2,552.19

The ten-year low the Nairobi Securities Exchange's main index hit this week, attributed to foreign capital flight due to the escalating U.S - China trade war. **More:** [Reuters](#)

The Global Perspective

The U.S. State Department has said it is not ready to remove Sudan from its list of state sponsors of terrorism despite the signing of a three-year transition deal between the

military and opposition groups. Khartoum's inclusion on the list is seen as a major obstacle to mobilizing sorely needed private investment and donor funding. **More:** [Reuters](#)

A Zambian court has dismissed an application by Mumbai-listed Vedanta Resources to stop the liquidation of its Konkola Copper Mines project. The government announced plans to strip Vedanta of the asset in May, accusing the firm of breaching the terms of its licence. **More:** [Bloomberg](#)
