

2010 Annual Report

CUTS Africa Resource Centre, Lusaka



CUTS Africa Resource Centre, Lusaka

ANNUAL REPORT 2010

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Consumer Unity & Trust Society (CUTS)

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Established in 1983 as a voice of the poor to express their developmental needs and aspirations, CUTS International (www.cuts-international.org) is a leading Southern voice and face of consumer empowerment through its rights-based approach and activities for influencing the process and content of inclusive growth and development. From consumer protection work in India it has expanded its scope and interventions to subjects such as good governance and social accountability, trade and development, economic and business regulations including competition, investment and corporate governance issues, and human development, particularly women's empowerment.

The organisation's Vision is 'consumer sovereignty in the framework of social justice and equality'. It conducts action (policy) research and evidence-based advocacy for policy and practice changes to bridge the gaps between the core and the periphery, that between the state and non-state actors. It believes that consumer empowerment not only serves national interest but also addresses many challenges faced by the global public goods. It aims to take forward the consumer movement to the political space at sub-national, national and international level with a holistic and balanced objective.

With its headquarters and three programme centres in Jaipur, India (Centre for Consumer Action, Research & Training, Centre for International Trade, Economics & Environment, and Centre for Competition, Investment & Economic Regulation), one in Chittorgarh, India (Centre for Human Development), a liaison office in New Delhi, India and resource centres in Calcutta, India; Lusaka, Zambia; Nairobi, Kenya; Hanoi, Vietnam and in Geneva, Switzerland the organisation has established its relevance and impact in the policy-making circles and among the larger development community in the developing world and at the international level.

It has created and is part of several networks to cross-fertilise ideas and actions for fostering equity and accountability in economic governance through South-South and South-North cooperation between and among the state and non-state actors. It serves at several policy-making bodies of the Government of India, in some other developing countries, and at the international level.

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From the Secretary General CUTS International

In our endeavour to go global, the establishment of CUTS Africa Resource Centre (CUTS ARC) in the year 2000 in Lusaka was a significant step, as it was the first overseas centre of CUTS International. The sole objective of launching this Centre was to promote South-South civil society cooperation on trade and development and create long-term capacity of civil society representatives to address issue of equity and accountability.

In ten years, through various programmes and activities, this Centre has been able to focus on expanding and consolidating the horizon of South-South civil society cooperation for which it was entrusted with the responsibility. Since its inception, the Centre has been engaged in establishing itself through implementation of projects independently and also with partner organisations. The present work programme contains research, advocacy, training/capacity building and networking on international trade, consumer protection, competition policy and foreign direct investment (FDI).

The Centre is currently implementing a project to raise people's awareness of their consumer rights and prevailing unfair trade practices across Zambia. The project is funded by the Capacity Building for Private Sector Development (CBPSD), a programme implemented by the European Commission (EC). The project aims to establish the 'missing link' between competition enforcement, on one hand, and achieving desirable impacts for common Zambian consumers, on the other. Four provincial workshops were organized in Southern, Copperbelt, Laupala and Eastern provinces of Zambia.

Another project on which the Centre worked was 'Fostering Equity and Accountability in the Trading System (FEATS)' Project which is being implemented by CUTS Geneva Resource Centre (CUTS GRC) with the support of The William and Flora Hewlett Foundation, US. FEATS project began in 2008 and will continue through March 2011 with the broad goals to raise awareness for better coherence between development and trade

policies, thus contributing to economic development and poverty reduction in project countries: Kenya, Malawi, Tanzania, Uganda, and Zambia. The Centre hosted an informal meeting for stakeholders in Zambia and a national dialogue meeting in Lusaka, on March 29, 2010 and October 04, 2010 respectively.

During the period, the Centre undertook a project entitled, 'Better Exploration of Trade as a Means of Poverty Reduction' (BETAMPOR) to build capacity of state and non-state actors, especially at the grassroots, in order to strengthen and influence participation in the EIF process, thus helping promote the utilisation and ownership of the process.

A media capacity building workshop on competition law, policy and economic development was organized by the Centre to enhance the understanding of the media practitioners of Zambia, in order for them to effectively understand and be able to report on the competition and its impact on development (including investment and trade issues).

CUTSARC continued to work on its focus areas during the period, including building capacity of the Centre through training workshops and participating in similar events at the national and international forums. The Centre acknowledges the support of various donor agencies in fulfilling its objectives. Though a good initiative has been made, much work remains to be done.

Jaipur
September 2010

Pradeep S Mehta
Secretary General

CUTS International Lusaka Centre

Under the Societies Rules (Sec 7(2) of Societies Act Cap 119) of Zambia, Consumer Unity & Trust Society Africa Resource Centre (CUTS ARC), Lusaka has changed its name to CUTS International Lusaka effective from May 24, 2010.

CUTS International Lusaka, formerly known as CUTS ARC, Lusaka began its operation as a registered non-governmental organisation (NGO) in Zambia in December 2000. This year marks the tenth year of CUTS-International, Lusaka in Zambia. The Centre is affiliated to CUTS International and bears the historical transformation of the organisation to gain an international recognition. Over the past years, the Centre has established itself and contributed effectively in the policy-making processes in Zambia and the region, as a whole. This has been due to the Centre's strength in research, advocacy and networking.

Mission

The mission of the organisation is to function as a resource, co-ordination as well as networking centre to promote South-South cooperation on trade and development, by involving state and non-state actors (NSAs).

Objectives

With respect to achieving its objectives, CUTS International Lusaka has established links with NGOs, donor agencies, inter-governmental and



governmental bodies, especially in Eastern and Southern Africa (ESA). The Centre has also established working relations with regional bodies such as the Common Market for Eastern and Southern Africa (COMESA), the Southern African Development Community (SADC) and the Consumers International Regional Office for Africa (CI-ROAF).

The Centre aims to:

- establish civil society cooperation in the areas of trade, economic policies and environment in Africa ever since its inception;
- form national, regional and international co-ordination system and alliance building among organisations working on similar social and economic issues;
- function as a resource centre for Africa-based NGOs, consumer organisations, government and regulatory agencies; and
- conduct capacity building activities on regional and international trade, consumer protection and foreign investment and competition policy issues at national, regional and international levels.

In the coming years, the Centre will continue to work on its traditional areas such as trade, but more focus will be on competition and consumer protection. The institution will also explore other new challenges, which are instrumental in the development of Zambia, in particular, and Africa, in general.

Structure

The governing structure of the Centre comprises the Executive and the Advisory Committee. The functions of these committees are as follows:

- The Executive Committee provides policy direction and guidelines to the organisation and ensures that the aims and objectives of the organisation are achieved.
- The Advisory Committee gives advice on project works being undertaken by the Centre, upon being consulted, and attend meetings of the Centre as resource persons, when called upon by the Centre.

Human Resources

The staff comprises of a Co-ordinator, two Programme Officers, an Administrative Assistant and Office Assistant. Of the five staff members, two are females and three are males. It is a deliberate policy of CUTS to have at least one-third ratio of females as members of the staff.

Strategic Plan

Planning of activities of the Centre has been done by the staff in consultation with CUTS Jaipur to avoid duplication and bring in convergence in programmes. As part of the planning process, the Centre has identified a number of researches, advocacy, networking with other organisations and donor agencies for collaborative work.

The Centre has achieved success in its target of becoming a reputed regional resource centre for policy research, advocacy and training on international trade, consumer protection, economic and regulatory policies having outreach to all Anglophone countries in Africa. However, for this target to be achieved, the Centre still needs to do a lot more. In order to achieve its short-term objectives, the Centre has decided to draw up workable plans, which would be suitable to the national and regional context. CUTS International Lusaka would focus on advocacy, research and training programmes having national and regional coverage.

Projects and Programmes

Of its ten years of existence, the Centre has established itself through clear and workable projects, which it has implemented independently and also with partner organisations. The present work programme contains research, advocacy, training and capacity building and networking on international trade, consumer protection, competition policy and FDI. Its strength in networking has been seen through its links with other consumer organisations such as the Zambia Consumer Association (ZACA) and other civil society groups in the COMESA SADC countries.

In Zambia, has been working hand in hand with organisations such as the Zambia Competition Commission (ZCC) and the Ministry of Commerce, Trade and Industry (MCTI), where it sits on a number of working groups, which include the Trade Expansion Working Group (TEWG), the National Working Group on Trade Facilitation, the Trade and Industry Sector Advisory Group, among others, and was recently appointed to the technical implementation team of the policy framework for investment Zambia project. The organisation, which is also a member of the Centre for Trade Policy development (CTPD), formerly known as the Civil Society Trade Network of Zambia (CSTNZ), has been instrumental in providing input into the Sixth National Development Plan both in CSOs and government-organised platforms. It also has good relationships with organisations such as the Zambia Investment Centre (ZIC), the Ministry of Finance and National Planning (MoFNP) and the Ministry of Foreign Affairs (MoFF) and other intergovernmental agencies. The Centre is currently running the following projects:

- Fostering Equity and Accountability in the Trading System (FEATS);
- Raising Awareness at the Grassroots on Competition Policy and Consumer Protection Issues in Zambia; and
- Better Exploration of Trade as a Means for Poverty Reduction (BETAMPOR).

Fostering Equity and Accountability in the Trading System (FEATS)

CUTS GRC with the support of The William and Flora Hewlett Foundation, US, and in collaboration with CUTS ARCs, is implementing the Fostering Equity and Accountability in the Trading System (FEATS) Project. The FEATS project began in 2008 and will continue through March 2011, with the broad goals to raise awareness for better coherence between development and trade policies thus contributing to economic development and poverty reduction in the project countries: Kenya, Malawi, Tanzania, Uganda and Zambia. The objective of the project is to raise awareness for better coherence between development and trade policies, thus contributing to economic development and poverty reduction in project countries.

Advocacy and Networking

FEATS Informal Meeting

The Centre organised an informal meeting for stakeholders in Lusaka, Zambia on March 29, 2010. The main objective of the meeting was to strengthen the interaction with and among key stakeholders (i.e. relevant government ministries, key CSOs, select private sector umbrella organisations, etc.)

FEATS National Dialogue

The Centre organised the last national dialogue meeting on October 04, 2010. The objectives of the dialogue were to:

- present the final drafts of the second-phase country research studies on issues related to agriculture, trade and development for discussion and validation;
- consolidate the networks established, particularly the FEATS country National Reference Groups (NRGs); and



- contribute to advocacy and broader dissemination of key messages and recommendations emerging from FEATS research.

The meeting was attended by representatives from the government institutions, CSOs, the private sector, the EU and the Egyptian Ambassador.

Raising Awareness at the Grassroots on Competition Policy and Consumer Protection Issues in Zambia

CUTS implemented a six-month project to raise people's awareness of their consumer rights and prevailing unfair trade practices across Zambia. The project was supported by the Capacity Building for Private Sector Development (CBPSD), a programme implemented by the European Commission (EC). The project's aim was to establish the missing link between competition enforcement, on the one hand, and achieving desirable impacts for common Zambian consumers, on the other. The project will enhance the capacity of consumers to better comprehend consumer protection and competition policy issues and engage with policymakers to facilitate relevant policy reforms. This six-month project was formally launched in Lusaka, Zambia, on October 21, 2009.

The objectives of the project are to:

- increase the awareness and understanding among various stakeholders, especially consumers at the grassroots, on the relevance and benefit of competition for consumers;
- empower consumers with information about their rights and how they can mobilise others to generate advocacy responses that would help address their challenges and needs; and
- strengthen the capacity of the consumer groups to take up action-oriented research and advocacy on competition and regulatory policy issues.

Advocacy and Networking

Southern Province Sensitisation Workshop

CUTS organised the first sensitisation workshop in Southern province on February 08-09, 2010; second in the Copperbelt province on February 22-23, 2010; third in Luapula province on February 25-26, 2010; and last in the Eastern province on March 15-16, 2010 respectively.



The objectives of the workshops were to increase awareness and understanding among various stakeholders, especially the consumers at the grassroots, on the relevance of competition for consumer welfare and that the empowered consumers/groups who are fully aware of their rights will also be able to mobilise others to generate advocacy responses that would help address their challenges and needs.

National Sensitisation Workshop

CUTS organised a national sensitisation workshop on March 04, 2010. The objective of the workshop was to bring all the regulators and other CSOs to meet and discuss the transformations in different sectors, on the one hand, and seek possible alternatives for nurturing the competition regime in a way it benefits consumers.

TV Quiz on ZNBC on Competition and Consumer Protection

The Centre organised a nine-week school quiz programme. This featured live on the country's main local Television (ZNBC) from February 13-April 10, 2010.

Better Exploration of Trade as a Means for Poverty Reduction

CUTS International Lusaka submitted a "Better Exploration of Trade as a Means of Poverty Reduction" (hereinafter referred to as BETAMPOR) project proposal to the Finnish Embassy. The objective of the project is to build capacity of state and non-state actors, especially at the grassroots, in order to strengthen and influence participation in the EIF process, thus helping promote the utilisation and ownership of the process.

The proposal was approved by the Finnish Embassy and the contract was signed on November 22, 2010. The first activity that was implemented was the first provincial tour to the Copperbelt and Luapula provinces. These were meant to touch base with the identified small entrepreneurs that CUTS Lusaka has identified, with the view of building their capacity, so that they can fully engage in the EIF process and be able to formulate and write fundable project proposals, to enable them access Tier-2 funds.

Other Activities

Media Capacity Building Workshop on WTO

CUTS, in partnership with Caritas Zambia, organised a Capacity Building Workshop for the media on WTO and other trade-related issues on June 10, 2010. This workshop is held annually. The objectives of the workshop were to:

- enhance understanding of the media practitioners of Zambia, in order for them to effectively understand and be able to report on the WTO issues, as they relate to development and poverty reduction in Zambia;
- give an update on the key issues for analytical reporting on the Doha negotiations; and
- discuss the national priorities for the 2009 WTO Ministerial Conference.

Media Capacity Building Workshop on Competition Law, Policy & Economic Development

CUTS, in collaboration with Caritas Zambia, organised a one-day Media Capacity Building Workshop on Competition Law, Policy & Economic Development on December 16, 2010. The objective of the workshop was to enhance the understanding of the media practitioners of Zambia, in order for them to effectively understand and be able to report on the competition and its impact on development (including investment and trade issues). The resource persons included, among others, two directors from Competition Consumer Protection Commission and George Lipimile.

EPA Update Meeting

The Centre organised an EPA update meeting at CUTS office on March 01, 2010 whose objective was to discuss the status of the EPA negotiations and strategise CSOs engagement on the EPA negotiations. CUTS facilitated this meeting in order to provide continuity in analysing EPA negotiations by CSOs and the meeting resolved around the following actions:

- analysing the contentious issues and providing new dimensions to the EPA negotiations; and
- conducting a public symposium on the state of play of the EPA and inviting key stakeholders to deliberate.

Media Briefing

CUTS International Lusaka organised a media breakfast briefing whose aim was to share CUTS' observations on economic, social related issues pertaining to trade, investment, competition and consumer protection in Zambia; and to provide a platform for further engagement with the media.

World Competition Day

CUTS, in collaboration with the Competition Consumer Protection Commission (former ZCC), organised a media briefing on World Competition day. The briefing was a result of the recently reviewed Set at the UNCTAD's 6th Review Conference at Geneva in the midst of enthusiastic delegates from over 100 developed and developing countries. The Day was also celebrated as the 30th anniversary of the Set.

It was also agreed that the Day be used to raise awareness on the issue of air cargo cartels, which have been causing serious harm to consumers and the economy. It is in this light that CUTS Lusaka, through the media, is trying to bring competition issues to the fore, by highlighting such anti-competitive practices and the importance of competition to economic development.

Representations

In accordance with the mission of the Centre, the Centre took part in activities organised by its partners. During the reporting period, the representatives of the Centre took part in the following events:

Date & Place	Event & Organiser	Issue/Objective	Participant(s)
Lusaka, Zambia, February 04, 2010	Summary Report on the Industry and Trade Sector Advisory Group (SAG)	Update the SAG on the progress of the technical working groups	Angela Mwape Yeukai Sayenda
Addis Ababa, Ethiopia, March 04-05, 2010	LDC Watch Meeting	Accordance with the General Assembly Resolution A/64/423	Simon Ng'ona
Lusaka, Zambia, April 16, 2010	National MDG Strategic Meeting for Zambia organised by the Global Call to Action against Poverty Zambia and the United Nations Millennium Campaign	Roll out a country strategy for Zambia	Patrick Chengo
Johannesburg, South Africa, April 28-May 01, 2010	A two-day Training Workshop on Access to Genetic Resources and Benefit Sharing	Enhance the capacities of government officials and civil	Patrick Chengo

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Date & Place	Event & Organiser	Issue/Objective	Participant(s)
	(ABS) organised by The Community Technology Development Trust and the Centre for Environmental Policy and Advocacy, through the Southern African Biodiversity Policy Initiative	society representatives for the effective implementation of ABS regimes in environmental and agricultural sectors	
Lusaka, Zambia, May 08, 2010	Aid Effectiveness Consultative Meeting organised by the Civil Society for Poverty Reduction (CSPR) in partnership with the Jesuit Centre for Theological Reflection and Council of Churches in Zambia	Deepen CSOs position on aid effectiveness and seek to broaden the debate to include a development component to the aid effectiveness agenda	Simon Ng'ona
Congo Brazzaville, June 04-06, 2010	Right to food meeting organised by the African Network on the Right to Food	Train stakeholders on the right to food campaign on the means of lobby and advocacy using the FAO voluntary guidelines	Simon Ng'ona

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Date & Place	Event & Organiser	Issue/Objective	Participant(s)
July 15, 2010	Trade Expansion Working Group	EIF matrix	Patrick Chengo Ambassador Love Mtesa
Lusaka, Zambia, September 09, 2010	Dissemination of the Impact of Public Expenditure Irregularities on Poverty Reduction Report organised by the CSPR	How misappropriation/ misapplication of funds affected poverty reduction efforts?	Simon Ng'ona
Lusaka, Zambia, October 12, 2010	Stakeholder Consultative Meeting on the Policy Framework for Investment organised by the Ministry of Commerce Trade and Industry	A framework for assessing the investment environment in Zambia	Parret Muteto
Lusaka, Zambia, November 01, 2010	Report Presentation Meeting on the Public Expenditure organised by Civil Society for Poverty Reduction and hosted by the World Food Programme UN	Disseminate a report by CSPR which highlighted the implication of misapplied and misappropriated funds on poverty reduction	Simon Ng'ona

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Date & Place	Event & Organiser	Issue/Objective	Participant(s)
November 18-19, 2010	Consumer and Competition Review Meeting organised by CCPC	Inform the members of the new competition law passed by the Parliament, which is yet to be enforced	Ambassador Love Mtesa
November 23, 2010	EIF Planning and Monitoring Meeting	Aid for trade related issues, including the EIF and ascertain which programmes have been implemented so far	Ambassador Love Mtesa Simon Ng'ona
Dhaka, November 24-26, 2010	Exploring a New Global Partnership for the LDC in the Context of the UN LDC IV	Prepare for the IV UN Conference on LDCs (UN LDC IV), which will be held in Istanbul in May 2011	
Lusaka, Zambia, November 24, 2010	Civil Society Index National Workshop organised by the Zambia Council for Social Development	Build a common understanding of the current state of civil society and a joint agenda for civil society strengthening initiatives	Lee Hamunji
Lusaka, Zambia, November 25, 2010	Launch of Zambia's Hosting of the African Growth and Opportunity Act (AGOA) Forum	Presentation on highlighting CSO role in advocacy and lobby ensuring that was an enabling environment for producers to benefit from the provided market	Simon Ng'ona Ambassador Love Mtesa

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Date & Place	Event & Organiser	Issue/Objective	Participant(s)
Lusaka, Zambia, November 26, 2010	29 th National Working Group on Trade Facilitation Meeting	Discuss the expectations of the upcoming WTO trade facilitation meeting in Geneva and to get details of the operations of the One-Stop Boarder post in Chirundu	Thindwa Mwamba
Lusaka, Zambia, November 30, 2010	Steering Committee Meeting convened by the steering committee on the One-Stop Border Post (OSBP)	Chart the way forward as well as discuss the challenges faced and the accomplishments that have been made since the OSBP procedures began	Thindwa Mwamba

Outreach

The Centre has been involved in advocacy under all its programme areas by producing brochures, posters, TV documentaries, press, newsletters, e-newsletters and workshops.

Newsletters

Consumer Watch

This quarterly e-newsletter is published with the objective of enhancing consumer welfare, through sensitisation, information dissemination and capacity building of consumers, business entities and the government. While addressing consumer concerns, the newsletter also focuses on bringing out issues such as violation of consumer rights and measures to be taken by the relevant authorities to protect stakeholders.

Tradequity

The Centre produces the quarterly e-newsletter, entitled Tradequity, on trade and development issues. It is distributed to partner organisations, development agencies, government and other stakeholders.

E-Newsletters

Weekly Trade Highlights

The Centre also produces weekly trade highlights and circulates it to its partners and other stakeholders. The highlights are part of updating and enhancing understanding on trade-related issues.

Newspapers/Media Interaction

Clarify the Appointment of First Rand Bank

Lusaka, December 23, 2010

Consumer Unity and Trust Society (CUTS) International wishes to seek clarification from the Bank of Zambia on the reasons behind the appointment of the First Rand Group to manage the operations of Finance Bank Limited on behalf of the Central Bank, when this group has a subsidiary in Zambia, which is a competitor.

www.cuts-international.org/ARC/Lusaka/press_release-Clarify_on_the_appointment_of_FirstRand_Bank-CUTS.htm

Dismayed with Water Utility Services

Lusaka, October 04, 2010

CUTS Lusaka is dismayed by the laxity being exhibited by the Lusaka Water and Sewerage Company (to address some of the water related concerns being brought before the utility company. It's unforgotten that the utility company is failing to answer and address some of the consumer related concerns that are being raised and this questions on the company's effectiveness and efficiency.

www.cuts-international.org/ARC/Lusaka/press_release-CUTS_Dismayed_with_Services_of_Water_Utility_of_Zambia.htm

Listen to the People Over Windfall Taxes

Lusaka, October 22, 2010

The Zambian government should seriously consider the many concerns being raised, not only by Zambians, but also by a good number of cooperating partners over the re-introduction of windfall taxes or considering hiking the mining taxes being paid by the mines. CUTS Lusaka board Chairman, Ambassador Love Mtesa says by instituting the reintroduction of windfall taxes or raising mining taxes, Zambians would be able to get a fair share of proceeds from natural resources mined in the country...

www.cuts-international.org/ARC/Lusaka/press_release-Listen_to_the_people_over_windfall_taxes.htm

EPAs Have Drained Zambia's Resources

QFM Radio, December 21, 2010

The Consumer Unity & Trust Society (CUTS) Zambia has observed that the economic partnership agreement EPAs have already drained too much of the nation's resources. Speaking in an interview with QFM, CUTS acting National Coordinator, Simon N'gona, said that Zambia has to be very cautious before entering into any of the looming trading agreements.

www.cuts-international.org/ARC/Lusaka/media-EPAs_have_drained_Zambias_resources-CUTS.htm

End to Importation of Agro-produce

Muvi TV, December 17, 2010

The Zambian agriculture sector has made tremendous progress following the diversification of the economy. The sector among other crops has seen an increase in maize production with a bumper harvest of 2.8 million metric tonnes in the 2009-2010 farming season. However, whilst government is promoting high production levels, the situation on the ground shows otherwise in promoting the sale of these crops. One such are potatoes, as has been seen with their importation by some fast food outlets from countries like South Africa.

www.cuts-international.org/ARC/Lusaka/media-CUTS_calls_for_end_to_importation_of_agro_produce.htm

CUTS Cites Bad Roads for Zambia's Trade Woes

The Post Online, November 29, 2010

Zambia has one of the poorest road infrastructures in the world. ZAMBIA faces difficulties in enhancing regional integration trade because it has one of the poorest road infrastructures in the world. CUTS Zambia coordinator, Simon Ng'ona, said the country lacked the fundamental transport infrastructure needed to boost trade.

www.cuts-international.org/ARC/Lusaka/media-CUTS_cites_bad_roads_for_zambias_trade_woes.htm

Electricity Hike too High for Consumers to Bare

Lusaka, Zambia, July 30, 2010

The newly approved electricity tariffs are too high to say the least. The Energy Regulation Board authorised Zesco to hike electricity tariffs by 25.60 percent, despite the utility's performance against the agreed Key Performance Indicator being unsatisfactory. However, CUTS is dismayed by this increase as 25.60 percent is very high and will have multiplier effects on the economy.

www.cuts-international.org/ARC/Lusaka/press_release-25.60_Percent_Electricity_hike-Too_High_for_consumers_to_bare-CUTS.htm

Zambia Challenged on AGOA

Muvi Television, August 04, 2010

The African Growth and Opportunity Act (AGOA), an initiative by the American government, was put in place to stimulate trade between developing nations with the US. AGOA, has however, not

benefited countries like Zambia owing to the stringent requirements. Patrick Chengo of CUTS stated that Zambia has a challenge of putting its house in order if it is to benefit from AGOA. He said the country needs to improve not only the quality of products to be exported in to the American market but also infrastructure development.

www.cuts-international.org/ARC/Lusaka/media-Zambia_Challenged_on_African_Growth_Opportunity_Act.htm

Mtesa Expresses Reservations on Zesco's Service Delivery

The Post Zambia, August 10, 2010

CUTS Executive Board Chairperson, Ambassador Love Mtesa, has expressed great reservations on whether or not ZESCO Limited will improve its service delivery, even after being offered the 25.6 percent electricity tariff hike. According to Ambassador Mtesa, every time the power utility company is authorised by the Energy Regulation Board (ERB) to increase tariffs, there is less improvement in service delivery.

http://www.cuts-international.org/ARC/Lusaka/media-Mtesa_expresses_reservations_on_Zesco%E2%80%99s_service_delivery.htm

Weaknesses in New Consumer Bill

The Post Zambia, September 21, 2010

CUTS observed that the new competition and consumer protection bill has some weaknesses that should be addressed immediately in order to ensure full consumer protection. Parliament has passed the new bill, which is awaiting Presidential assent. The bill has new features that will strengthen the business competition regime and enforcement of consumer protection mechanism. But Simon Ng'ona of CUTS said the proposed legislation has revealed some inadequacies.

www.cuts-international.org/ARC/Lusaka/media-CUTS_observes_weaknesses_in_news_consumer_bill.htm

Competition in Sugar Production - The Only Recipe for Lower Prices

Lusaka, August 16, 2010

The announcement by the Ministry of Foreign Affairs that Indian commercial farmers, mostly specialised in sugar production, are expected in the country in December to explore prospects of investing in the Nansanga farm blocks is a welcome move. More investment in the sugar production in Zambia is needed in order to bring about competition in the industry. The industry needs such investment so as to create competitive prices that will enable consumers afford this basic commodity.

www.cuts-international.org/ARC/Lusaka/press_release-Competition_in%20sugar_production.htm

Media Relations

CUTS International Lusaka has built a very good relationship with the media, such that they just walk in and conduct interviews without being called upon. Recently, the Centre held a media briefing whose aim was to share CUTS observations on economic and social-related issues pertaining to trade, investment, competition and consumer protection state in Zambia and to also just provide a platform for further engagement with the media.

The Centre has also had a number of paper articles released in the newspapers, e.g.,



Networking with Stakeholders and other NGOs

The Centre has established links with most of the CSOs working on trade and development issues in ESA. The Centre gives priority to collaborative work with like-minded organisations, with the objective of skill-sharing and achieving its objective of South-South civil society cooperation on trade and development. The Centre has established networks with CSOs and consumer organisations in Uganda, Kenya, Malawi, Zambia, South Africa, Seychelles, Mozambique, Namibia, Mauritius, Ethiopia and Zimbabwe. The representatives of these organisations have been participating in various training and other programmes being organised by CUTS International Lusaka.

The Centre has been actively involved in networking with CSOs, regulatory and government agencies, inter-governmental bodies and business associations, etc. Advocacy work on international trade barriers faced by poor countries has been carried out through publications of policy briefs, news bulletins, press releases, lobbying and workshops. The Centre has been involved in advocacy work on competition policy, consumer protection, development-oriented FDI policy, fair trade, poverty reduction and stakeholder involvement in decision-making. The target group comprises of civil society/consumer organisations, government/regulatory agencies, chambers of commerce, labour unions et al. Advocacy works on development-oriented FDI policies have been conducted through national reference group meetings, newsletters, brochures, media interactions, etc.

The Road Ahead

The Centre is committed to strengthening its collaborative work with various stakeholders in the coming years. The Centre has continued to establish new contacts with organisations in the region and Zambia for collaborative work and networking. A dynamic mailing list has been prepared by the Centre for distribution of printed and electronic publications. So far, the Centre has become a reputable regional resource centre for policy research, advocacy and training on international trade, consumer protection, economic and regulatory policies and outreach to most Anglophone countries in Africa and it hopes to expand its outreach further. In order to achieve its short-term objectives, the Centre draws up workable plans which would be suitable to the national and regional context.

Audit Report

REPORT OF THE AUDITORS TO THE MEMBERS OF CONSUMER UNITY & TRUST SOCIETY INTERNATIONAL

We have audited the Financial Statements on pages 5 to 15 which have been prepared under the historical cost convention and accounting policies set out on pages 8 to 9.

RESPECTIVE RESPONSIBILITIES OF THE DIRECTORS AND AUDITORS

As described on page 2 and 3 the Financial Statements are the responsibilities of the Directors. It is our responsibility to form and express an independent opinion, based on our audit on the Financial Statements.

BASIS OF OPINION

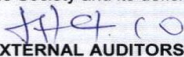
We conducted our audit in accordance with International Standards on Auditing. These Standards required that we plan and perform the audit so as to obtain reasonable assurance about whether the Financial Statements are free of material misstatement.

An audit includes examination on test basis of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of significant estimates and judgements made by the Directors and whether the accounting policies are appropriately disclosed.

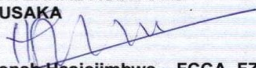
We planned and performed our audit so as to obtain all information and explanations, which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Financial Statements are free from material misstatement whether caused by fraud or other irregularity or error.

OPINION

In our opinion, the Financial Statements give a true and fair view of the financial position of the Society and its deficit for the year then ended.


EXTERNAL AUDITORS
LUSAKA

DATE: 19/10/2011


Jonah Hasiciimbwe – FCCA, FZICA.
MANAGING PARTNER

**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL
INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

	2010 K	2009 K
INCOME	521,234,546	402,881,450
EXPENDITURE	<u>(582,420,498)</u>	<u>(399,162,761)</u>
(DEFICIT)/SURPLUS FOR THE YEAR	<u>(61,185,952)</u>	<u>3,718,689</u>

MOVEMENT TO ACCUMULATED FUNDS

Balance at 1 January 2010	(1,034,311)	(6,306,000)
(Deficit)/ surplus for the year	(61,185,952)	3,718,689
Reclassification from Deferred Income	-	<u>1,553,000</u>
BALANCE AT 31 DECEMBER 2010	<u>(62,220,263)</u>	<u>(1,034,311)</u>

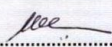
**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL
COMPREHENSIVE INCOME STATEMENT
FOR THE YEAR ENDED 31 DECEMBER 2010**

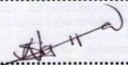
	NOTES	2010 K	2009 K
INCOME			
Revenue	2	414,296,880	403,009,450
Other receipts	3	106,937,666	-
Overdrawn on deferred income		-	(128,000)
		521,234,546	402,881,450
ADMNI EXPENSES			
Constitution review costs		-	1,700,000
Accountancy		3,000,000	15,112,500
Publicity/Adverts		1,712,400	-
Bank charges		1,890,500	4,321,955
Subscription/donations		1,693,370	1,951,295
Depreciation		468,000	275,000
Administrative expenses		5,116,450	4,418,000
Water and electricity		2,860,000	1,130,000
Printing and stationery		14,448,617	18,870,600
Communication		30,508,426	30,600,615
Facilitation expenses		-	1,750,000
Travel and expenses		41,447,150	21,553,950
Transport costs		34,648,000	25,222,268
FEATS		22,159,000	12,422,959
Office rent		74,250,000	56,344,000
Office maintenance		8,759,334	5,618,740
Office Teas and cleaning		-	695,160
Consultancy		18,500,000	23,745,200
Insurance		1,480,686	1,350,053
Conferences/seminars		28,585,079	-
Computer maintenance		700,000	1,800,000
Casual labour		1,550,000	2,650,000
Research costs		-	4,551,775

**CONSUMER UNITY AND TRUST SOCIETY INTERNATIONAL
STATEMENT OF FINANCIAL POSITION
AS AT 31 DECEMBER 2010**

	NOTES	2010 K	2010 K
NON CURRENT ASSETS			
Tangible fixed assets	4	1,257,000	953,000
CURRENT ASSETS			
Balance at Bank	6a	-	3,719,836
Cash in Hand		36,625	374,960
Receivables	5	18,464,552	28,598,772
TOTAL ASSETS		<u>19,758,177</u>	<u>33,646,568</u>
ACCUMULATED FUNDS AND LIABILITIES			
Accumulated funds		(62,220,263)	(1,034,311)
CURRENT LIABILITIES			
Bank overdraft	6b	32,379,373	3,997,628
Payables	7	49,599,067	30,683,251
TOTAL FUNDS AND LIABILITIES		<u>19,758,177</u>	<u>33,646,568</u>

The Financial Statements on pages 5 to 15 were approved and signed on behalf of the Board by:-

.....  Board chairperson

.....  Board Secretary

Date: 30-09-2011



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