CUTS Africa in Action

April-September 2011



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EVENT

Better Exploration of Poverty as a Means for Poverty Reduction

CUTS Africa Resource Centre (CUTS ARC), Lusaka with the support of Finnish Embassy is implementing a project entitled, 'Better Exploration of Trade as a Means for Poverty Reduction: An Inclusive Approach to Aid for Trade and Enhanced Integrated Framework in Zambia (BETAMPOR)'. The objective of the project is to build capacity of state and non-state actors in order to strengthen and influence participation in the Enhanced Integrated Framework (EIF) process thus helping promote the utilisation and ownership of the process.

Chipata

A review meeting was held at the Eastern Province Chamber of Commerce (EPCCI) in Chipata on April 19, 2011. The objective of the meeting was to follow up on the Charter and see its functioning. The representatives of the Chamber of Commerce, the Investrust Bank, the Cross Borders Association and the Agriculture Commodities Marketing Programme attended the meeting.

Another objective of the meeting was to re-emphasise the objectives of the BETAMPOR project and the process of the EIF and how the province could benefit. It was agreed that the EPCCI would take over the overseeing of the Eastern Charter while coordinating its colleagues to rally behind the project and put up proposals that could be forwarded to the NIU.

Kitwe

A review meeting was held at the Ministry of Agriculture and Cooperatives office in Kitwe on April 18, 2011. The meeting was a follow up, because the Copperbelt Charter had not made any progress, which was due to lack of communication. Simon N'gona of CUTS advised the Charter to come up with projects with sustainability programmes. He informed that there was need for a working Charter, because the Finnish Embassy cannot fund an organisation which had already been funded, but could fund through the Charters.

He further advised the Charter to come up with the terms of reference (ToR) so that the it could be linked to the available opportunities and funds.



A National Consumer Roundtable

CUTS ARC, Nairobi, in partnership with the Monopolies and Price Commission of Kenya and the US Federal Trade Commission, organised a national consumer roundtable in Nairobi, Kenya on July 12, 2011. The participants comprised key stakeholders from the civil societies, consumer groups, legislative officers, government institutions/ agencies and development partners.

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FORTHCOMING EVENT

Facilitating Equitable Agricultural Development in sub-Saharan Africa

CUTS ARC, Nairobi in partnership with CUTS Geneva Resource Centre supported by Hewlett Foundation is implementing a project entitled "Facilitating Equitable Agricultural Development in sub-Saharan Africa". The objective of this project is to develop an enabling environment for private sector-led agriculture policies and identify main elements to an enabling business environment and farmer-friendly development of agriculture.

A national workshop will be held in Nairobi, Kenya, on October 20, 2011 to validate the draft research of the project.

PUBLICATION

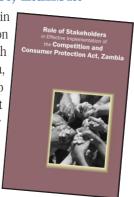
Role of Stakeholders in Effective Implementation of the Competition and Consumer Protection Act, Zambia

To redefine and highlight the role of stakeholders in the implementation and enforcement of competition laws, CUTS International Lusaka in partnership with FES, held a stakeholders meeting in Lusaka, Zambia, on March 07, 2011. The workshop sought to help promote an inclusive approach to the enforcement of the new law and fostered the creation of a better informed constituency that would participate in policy processes actively and effectively.

The booklet is not a conference report but rather takes the deliberations as a starting point for general

information on the topic. This booklet will stimulate discussions on a needed change in the legislation of consumer protection in Zambia.

www.cuts-international.org/ARC/Lusaka/RSPCZ/Role_of_Stakeholders_in_Effective_ Implementation_of_the_Comp_and_Consumer_Protection_Act_Zambia.pdf



REPRESENTATIONS

- **Simon N'gona** participated and made two presentations at the workshop on Trade Policy for Commonwealth Parliamentarians in Southern Africa organised by the Commonwealth Secretariat in association with the Africa Development Bank (AfDB) in Livingstone, Zambia on May 03-04, 2011.
- **Clement Onyango** participated in an "EAC PSO/CSO stakeholder workshop" organised by the EAC Secretariat, Trade Mark East Africa and GIZ/EAC in Arusha, Tanzania on May 03-06, 2011.
- **Ambassador Love Mtesa** participated in the Fourth UN Conference on the LDCs in Istanbul, Turkey on May 09-13, 2011.
- Victor Ogalo attended the United Nations Conference on LDC IV in Istanbul, Turkey on May 10-13, 2011. He participated in a roundtable discussion organised by the German Marshall Fund of the US and Istanbul Policy Centre on "Promoting Trade and Development in sub-Saharan Africa: Opportunities for Transatlantic Partnership with Emerging Economies at the G-20"
- Victor Ogalo and Fredrick Njehu attended a workshop for Parliamentarians on Economic Partnership Agreement organised by FES Kenya in collaboration with East Africa Legislative Assembly in Nairobi, Kenya, on June 04, 2011. Victor presented a paper on "EU Future Trade Relations with the European Union: What are the options"?
- **Victor Ogalo** attended the induction of the Trade Mark East Africa staff on "Understanding the regional integration landscape for civil society and private sector organisations" in Nairobi, Kenya on May 09-10, 2011.
- **Ambassador Love Mtesa, Simon N'gona** and **Lee Haamunji** attended the 10th AGOA forum in Lusaka, Zambia on June 08-10, 2011.
- **Ambassador Love Mtesa** and **Parret Muteto** attended a two-day COMESA Monitoring and Evaluation Meeting in Lusaka, Zambia, on June 20-21, 2011.

- **Fredrick Njehu** attended a workshop on "Promoting Impact Investing from China into Africa" organised by Gordon Institute of Business Science, University of Pretoria, Global Impact Investing Network in collaboration with the Rockefeller Foundation." in Nairobi, Kenya on June 27, 2011.
- **Victor Ogalo** attended a Comparative View Workshop on "State and development" organised by FES Kenya in collaboration with Institute of Economic Affairs, Kenya in Nairobi, Kenya on June 27-28, 2011.
- **Ambassador Love Mtesa** and **Lee Haamunji** attended a stakeholders meeting organised by National Implementation Unit at the Ministry of Commerce, Trade and Industry in Lusaka, Zambia on June 28, 2011.
- **Clement Onyango** attended an EAC Vision Group meeting organised by FES Kenya and Tanzania in Dar es Salaam, Tanzania on July 21, 2011.
- **Fredrick Njehu**, as a session chair, attended a policy Roundtable on Harmful Tax Competition organised by Tax Justice Network Africa in collaboration with Action Aid International in Nairobi, Kenya on July 26-27, 2011.
- **Simon N'gona** featured on the African Dialogue Teleconference, in Lusaka, Zambia on July 28 2011. The topic of discussion was deceptive mortgage advertisements.
- **Simon N'gona** attended and chaired a two-day Research Forum under the theme "Africa Trade Blocks: Challenges and Prospects" in Arusha, Tanzania, on August 08-09, 2011.
- **Daniel Asher** attended an annual African Consumer Dialogue Conference organised by the Federal Trade Commission of the US and the Consumer Protection Council of Nigeria in Abuja, Nigeria, on September 12-15, 2011.

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State should curb rising fuel prices

Business Daily Africa, April 20, 2011

Daniel Asher

The increase in fuel prices is not acceptable under the current economic situation where consumers are already grappling with the effects of high basic food prices in the country. With many consumers already locked out of basic industrial goods and services including transport to their working places as a result of sky rocketing fuel prices in the country, the reluctance by the government to intervene is quite depressing. The situation is a real threat to the life of millions of families living below the poverty line in rural and informal urban settlements as the impact of the increasing fuel prices is replicated in almost all basic consumer goods and services.

www.cuts-international.org/ARC/Nairobi/article-State_should_curb_rising_fuel_prices_in_Kenya.htm

Civil Society bodies vital to Development

Trade Law Centre for Southern Africa, April 29, 2011 Fredrick Njehu

Civil society organisations, popularly known as the fourth estate, have been known to play a very significant role in our societies economically, socially and politically. Most of these organisations have been very instrumental in changing the face of the world. As much as they may not be as well-resourced as their counterparts in the state and private sector, they have been known to utilise the few resources at their disposal to make a significant contribution to the society. The majority of their activities have been informed by evidence based research and analyses which have been used widely to complement other stakeholders' efforts, such as the state, and influence policy at high levels.

www.cuts-international.org/ARC/Nairobi/article-Civil_society_bodies_vital_to_development.htm

Africa's development needs strong institutions

Business Daily Africa, June 21, 2011 Fredrick Njehu

The emergence of new powers in global economics has changed how institutions of global governance are shaping the political economy. New institutions are being formed while the old ones have been revitalised in a rejuvenation of the South-South co-operation. The presence of Brazil, India and China has been a challenge to the dominance of the traditional Western powers that have previously shaped the international political economy.

www.cuts-international.org/ARC/Nairobi/article-Africas_development_needs_strong_institutions.btm

Fund local firms to penetrate AGOA market

Zambia Daily Mail, April 08, 2011 The Private Sector Development Association has urged financial institutions in the country to disburse funds to local companies so that they can add value to their products earmarked for the American market under the African Growth and Opportunity Act (AGOA). The PSDA chairperson, Yusuf Dodia, said most of the local companies have financial...quality products for local and international markets.

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

CUTS advises review of mining tax system

The Post Online, June 24, 2011 Key measures should be instituted to prevent revenue leakages from the mining sector, says CUTS International Zambia. Commenting on the recent decision by the Tanzanian Parliament to approve a US\$27.4bn five-year development plan that backs the introduction of a superprofit tax on mining companies, CUTS acting Centre Coordinator, Simon Ngona, said Zambia needed to review the whole mining tax system to achieve optimum benefits from the country's mineral wealth.

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

CUTS Demands Sound Regulatory Framework

MUVI TV, July 08, 2011

CUTS International says Zambia requires a sound regulatory framework for the financial sector. The consumer rights advocacy body says only a sound regulatory framework will make the financial sector become more competitive. CUTS Zambia Acting Centre Coordinator, Simon Ng'ona, says the relevant bodies must, to this effect, diagnose the sector bottlenecks and further institute remedial measures. Ng'ona was speaking in an interview in the backdrop of the Bank of Zambia's concerns over the low levels of competition in the financial sector.

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

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Banks Have Sabotaged Local Economy

The Post Online, July 12, 2011 Zambia's economy has been sabotaged by the banking sector due to the bank's failure to inject enough liquidity in circulation as a result of higher interest rates, CUTS. Commenting on BoZ Governor Caleb Fundanga's concern over low competition in the banking sector, CUTS International Zambia acting coordinator, Simon Ng'ona, said commercial banks are the only variable that appears not to be responding to the much-talked-about improved and sustained macroeconomic environment in Zambia.

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

Uganda Oil Revenues Can Spur EAC growth

Business Daily Africa, August 04, 2011

Fredrick Njehu

There has been a lot of debate surrounding the oil and petroleum sector in Uganda since the discovery of this vital natural resource. First and foremost, it is important to appreciate the concept of international law, which grants every country's sovereignty over its natural resources and, in this case, Uganda has all the powers to extract, explore and sell any natural resource within its jurisdiction, in accordance with its national laws. Nevertheless, the discovery of oil deposits in Uganda will have a huge impact in the future for the development of the East African region.

www.cuts-international.org/ARC/Nairobi/article-Uganda_oil_revenues_can_spur_EAC_growtb.btm

How the Wind Can Fall – The Windfall Tax

Lusaka, June 23, 2011

There has been a lot of debate surrounding the windfall tax, both based on informed position and uninformed position. Several countries have introduced certain tax systems meant to capture the "wind as it fell" during the course of operations when their industries were enjoying rising prices, with Tanzania being the most recent, after introducing a super tax on Extractive Industries meant to raise revenue to support the newly institutionalised US\$ 27.4 development strategy. The application has varied from the taxes being a deductible expense for calculating the profits, subject to income tax or a levy on excess profits, the payment of which does not form part of the tax deductible for income tax purposes.

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

BoZ's Handling of Finance Banks' Sale Not in the Interest of Competition

Lusaka, September 28, 2011 The sale of Finance Bank to First National Bank (FNB) of Zambia raises an assortment of questions, queries and uncertainty. If the responses in the number of press reports on the issue are anything to go by, the general view is that the sale of the bank to FNB was not done in an appropriate manner and this view is justified as events preceding this sale raise eyebrows. For Consumer Unity and Trust Society (CUTS) International, the issue is not about the actual sale or the amount tendered for this bid, but about how the whole process was managed by the sector regulator, the Bank of Zambia (BOZ), vis-à-vis its effects on the tenets of other regulators, especially the competition regulator, Competition and Consumer Protection Commission (CCPC). www.cuts-international.org/ARC/Lusaka/press-

BoZs_bandling_of_Finance_Banks_sale_not_in_the_interest_of_Comp-