# **CUTS Africa in Action**

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#### **EVENTS**

## Fostering Equity and Accountability in the Trading System

CUTS Geneva Resource Centre (CUTS GRC) in collaboration with CUTS Africa Resource Centres: Nairobi and Lusaka is implementing the 'Fostering Equity and Accountability in the Trading System' (FEATS) project. This three-year project, funded by the William Flora and Hewlett Foundation, US, envisages multi-stakeholder capacity building on trade and agriculture-related issues in Kenya, Malawi, Tanzania, Uganda, and Zambia through organically linked research, advocacy and networking activities. Two national dialogues were held in Lusaka and Nairobi, on October 04 & 15, 2010 respectively.

#### Lusaka National Dialogue

The objectives of the dialogue were to present the final drafts of second phase country research studies on issues related 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, representatives from private sector, the EU and member of the diplomatic core.

#### Nairobi National Dialogue

The meeting presented the final draft of the second phase country research studies on issues related to agriculture, trade and development for discussion and validation. It also consolidated the networks established and contributed to advocacy and broader dissemination of key messages and recommendations emerging from FEATS research.

#### **Building an Inclusive East African Community**



ARC, Nairobi in association with CUTS GRC, organised a final conference under the project entitled, 'Building an Inclusive East African Community' (BIEAC) in Arusha, on November 02, 2010.

The project raised awareness workshops in each East African Community (EAC) member states between 2008 and 2010 and this particular conference was to bring together project partners, civil society and other stakeholders in Arusha, the headquarters of the EAC.

The aim of the conference was to discuss key lessons and challenges of regional integration based on a synthesis paper prepared from all 13 research papers conducted during the project period. The meeting also discussed the way forward on key messages emanating from the project related to EAC regional integration.

#### **Pre-LDC IV Africa Civil Society Forum**

GRC in collaboration with ARC, Nairobi supported by the Commonwealth Secretariat and the Commonwealth Foundation organised a Pre-LDC IV Africa Civil Society Forum in Arusha, on November 03, 2010. The main aim of the forum was to provide a platform for civil society organisations (CSOs) from African least developed countries (LDCs) to discuss the implementation of the Brussels Programme of Action.

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Other aims included to contribute to better understanding of CSOs from African LDCs issues related to LDCs thus enabling them to contribute more substantively towards a successful LDC IV, to reduce the "advocacy" gap on developmental challenges faced by the LDCs and to prepare appropriate recommendations for the consideration of LDC IV.

#### **Call for a World Competition Day**

ARC, Lusaka in collaboration with Competition and Consumer Protection Commission (former ZCC) organised a media briefing on World Competition Day at the Centre on December 06, 2010. The briefing was a result of the recently Set reviewed at Geneva at the UNCTAD's 6th Review Conference in the midst of enthusiastic delegates from over 100 developed and developing countries, which was also celebrated as the 30th anniversary of the Set.

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

#### Media Capacity Building Workshop

ARC, Lusaka in collaboration with Caritas Zambia organised a one day Media Capacity Building Workshop on Competition Law, Policy and Economic Development on December 16, 2010. The objectives of the workshop were to enhance an understanding among the media practitioners in 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); and unpack related reporting complications related to the completion environment and how best media practitioners can then relate issues on the ground to competition.

The resource persons included among others; two directors from Competition and Consumer Protection Commission and George Lipimile.

#### FORTHCOMING EVENT

ARC, Nairobi with support from Trade Mark East Africa (TMEA) is organising a regional workshop under the project entitled, 'Scenario Planning for East African Community Agriculture Development and Sustainable Food Security by 2020' in Nairobi, on February 21-22, 2011.

The objective of the project is to strengthen agriculture development in the EAC and contribute to formulation of policies that will lead to achievement of sustainable food security.

The approach is to assemble senior agriculture policy makers, planners and scholars to establish possible future scenarios that could influence the direction of food security in EAC given the complexities and uncertainties in the development of EAC countries, specifically their agriculture sector, and therefore map out practical policies and strategies to bring about the envisioned sustainable food security for EAC.

#### **NEW PROJECT**

ARC, Nairobi with support from TMEA is implementing a project entitled 'Scenario Planning for East African Community Agriculture Development and Sustainable Food Security by 2020'.

The objective of this project is to propose the direction for agricultural development in EAC through a Common Agriculture Policy (CAP) to realise sustainable food security by 2020.

The six-month long study is covering the five EAC in its scope — Burundi, Kenya, Rwanda, Tanzania and Uganda. For the purpose of executing this project, CUTS has carried out scoping study in each of the five EAC countries with stakeholders in agricultural trade and policy.

#### **PUBLICATIONS**

#### **Research Outputs under BIEAC Project**

#### Trade Guide

Issues for Tax Harmonisation and Cross-Border Trade Reforms to Consider to Foster Investment, Trade and SME Development in EAC <a href="https://www.cuts-international.org/ARC/Nairobi/BIEAC/PDF/Final\_Trade\_Guide-SBT\_Harmonisation\_and\_ICBT.pdf">www.cuts-international.org/ARC/Nairobi/BIEAC/PDF/Final\_Trade\_Guide-SBT\_Harmonisation\_and\_ICBT.pdf</a>

#### **Position Paper**

Formal Recognition of the Role Played by Informal Cross-Border Trade is the Start of Developing Measures to Address its Challenges Within EAC (BIEAC Issue No. 2/2010)

www.cuts-international.org/ARC/Nairobi/BIEAC/PDF/Positional\_paper\_Informal\_Cross\_Border\_Trade\_in\_EAC.pdf

#### **Position Paper**

Harmonising EAC Taxation Regimes Must Provide Measures that Foster Small Business Development (BIEAC Issue No. 1/2010) www.cuts-international.org/ARC/Nairobi/BIEAC/PDF/Positional\_paper-Harmonisation\_of\_EAC\_Tax\_Policies\_and\_Laws.pdf

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#### REPRESENTATIONS

- Clement Onyango attended a regional stakeholder meeting on Trade Related Aspects of Intellectual Property Rights (TRIPs) and Pharmaceutical Industry in the EAC organised by *Deutsche Gesellschaft für Technische Zusammenarbeit* (GTZ) in collaboration with the United Nations Development Programme in Arusha on December 06-09, 2010.
- **Thindwa Mwamba** attended the 29<sup>th</sup> National Working Group on Trade Facilitation Meeting in Lusaka, on November 26, 2010.
- **Victor Ogalo** participated in a regional workshop on 'Regional Cooperation in East Africa: Implications for Agricultural Development and Food Security' organised by GTZ in Nairobi, on October 25-26, 2010.
- Clement Onyango attended Forum on 'Positioning EAC Regional Integration in context of the Economic Partnership Agreements' organised by Southern and Eastern African Trade Information and Negotiations Institute (SEATINI) Uganda in Kampla, on November 25-26, 2010.
- **Fredrick Njehu** attended a conference on the theme 'Africa-China Relations' in Arusha, on November 25-26, 2010.

- **Ambassador Mtesa** attended the workshop entitled, 'Exploring New Global Partnership for the LDC in Context of the UN LDC IV' in Dhaka, on November 24-26, 2010.
- **Lee Hamunji** attended Civil Society Index National Workshop organised by the Zambia Council for Social Development (ZCSD) in Lusaka, on November 24, 2010.
- **Ambassador Mtesa** attended Consumer and Competition Review Meeting organised by Competition and Consumer Protection Commission (former ZCC) in Lusaka, on November 18-19, 2010.
- **Samson Awino** attended a Trade Policy Training Course organised in collaboration with Sussex University, UK and funded by Department for International Development (DFID), UK in Addis Ababa, on November 15-19, 2010.
- Simon Ngona attended the Report Presentation Meeting on 'Public Expenditure and its Implication on Poverty Reduction' organised by Civil Society for Poverty reduction (CSPR) and hosted by the World Food Programme, UN on November 01, 2010.

#### REFLECTIONS FROM MEDIA

#### **East Africa Trade Talks With EU**

The Citizen Daily, November 20, 2010

The fate of the region's long running search for a binding preferential trade pact with Europe hangs in the balance after the East African Community refrained from providing direction on crucial trade pacts last week. The Economic Partnership Agreements (EPAs) are seen as the only recognisable trade instruments through which the region will safeguard its preferential relations with Europe in the years to come as the world shifts away from non-reciprocal trade pacts....

www.cuts-international.org/ARC/Nairobi/media-Anxiety\_over\_exploitation\_mars\_East\_Africa\_trade\_talks\_with\_EU.htm

### Friendly Taxes Way to Go for Informal Sector

The East African, October 18, 2010

East African countries need to establish a tax regime to legitimise the informal business sector in the region. This will see the sector help increase the region's combined gross domestic product of US\$66bn by 44 percent or US\$29bn, on average. A new survey titled 'Harmonisation of EAC Tax Policies and Laws: Proposals for Taxation Regime for Fostering Small Business Development and Regional Economic Growth', found that the informal sector constitutes nearly 60 percent of Tanzania's GDP, 45 percent in Uganda, 41 percent in Rwanda, 39 percent in Burundi, and 36 percent in Kenya.

www.cuts-international.org/ARC/Nairobi/media-Friendly\_taxes\_way\_to\_go\_for\_informal\_sector.htm

## **Growing Financial Complexity Calls for Improved Structures**

Business Daily Africa, October 08, 2010

#### Daniel Asher

Every year the global economy adds an estimated 150 million new consumers of financial services, mainly in developing countries where consumer protection and financial literacy are still in their infancy. The opening up of markets for transnational corporations to invest and do business freely has increased competition among financial institutions such as commercial banks, insurance companies, SACCOs or mutual funds; combined with improvements in their technology and infrastructure have resulted in highly complex financial products sold to the public.

http://www.cuts-international.org/ARC/Nairobi/mediagrowing\_financial\_complexity\_calls\_for\_improved\_structures.htm

#### **State Must Protect Consumers from High Prices**

Business Daily Africa, November 29, 2010

#### Daniel Asher

The over reliance on moral Suasion by the Ministry of Energy and ERC rather than overt regulatory measures to align downward prices to international oil prices is yet to return favourable petroleum products prices for consumers. The MPC has not only been reluctant but is yet to implement part IV of the Restrictive Trade Practices and Price Control Act, which deals with pricing since 1995 following the decontrol of prices which suspended price fixation in all sectors including the retail prices in the petroleum industry rendered MPC and ERC powerless in setting petroleum retail prices even under obvious circumstances.

www.cuts-international.org/ARC/Nairobi/media-State\_must\_protect\_consumers\_from\_high\_prices.htm

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#### REFLECTIONS FROM MEDIA

#### East Africa: Region's Youth Hold Key to Regions Growth

East African Business Week, December 20, 2010 Frederick Njehu

The EAC provides a platform for the youth to rise up and reap and benefits from the recently launched common market. The voice of the youth has thus been recognised as an important dynamic in the evolution of EAC regional strategies and youth involvement in the process of seeking solutions is increasingly considered vital because the decisions made now will have an effect on the decisions of the future leaders.

http://www.cuts-international.org/ARC/Nairobi/media-East\_Africa\_Regions\_Youth\_Hold\_Key\_to\_Regions\_Growth.htm

#### Clarify on the Appointment of First Rand Bank

Lusaka. December 23. 2010

CUTS 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. We recognise and appreciate the fact that the move by the Bank of Zambia is accordance with the Central Banks powers enshrined in sections 81(1) (c), 81 (2) (a), of the Banking and Financial Services Act.

www.cuts-international.org/ARC/Lusaka/press\_release-Clarify\_on\_the\_appointment\_of\_FirstRand\_Bank%E2%80%93CUTS.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 unformatted 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.

http://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

CUTS Lusaka 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 says 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