

Consumer Watch

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EDITORIAL

Need to Address Challenges in Manufacturing Industry

Zambia Institute for Policy Analysis and Research's (ZIPAR's) latest report entitled 'The Expansion of Regional Supermarket Chains: Implications for Local Suppliers in Zambia' states that there is need to address challenges being faced by the Zambian manufacturing sector. The sector is dominated by agroprocessing since it continues to hold unexploited potential for increased industrialisation and a wider export base.

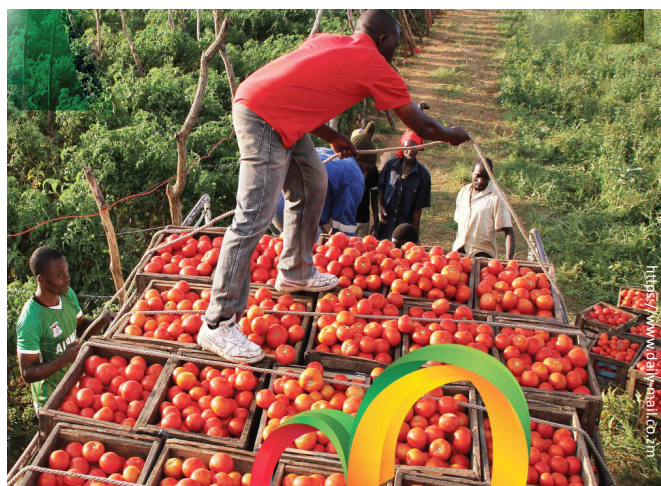
According to ZIPAR, the spread of supermarket chain stores, growing demand for processed foods and household products in the region present a market opportunity for finished high-value goods.

"The country's favourable climate and arable land give Zambia a comparative advantage in the production of agricultural commodities that serve as inputs for processed foods. However, the country's liking for imports, while offering more choice to consumers, forbids Zambia the opportunity for increased industrialisation and associated knock-on effects for employment creation and economic growth", the report conveys.

ZIPAR also stated that the rising domestic and regional demand for fast-moving consumer goods also provides an opportunity to stimulate agro-processing and light manufacturing, which can contribute towards industrialisation.

However, Zambia needs to acquire a competitive advantage in agroprocessing and the manufacturing of household products for domestic and regional markets, the report indicated.

(Zambia Daily Mail, 27.04.17)



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NEWS

Deceiving Mealie-meal Dealers to be Punished

The Zambia Consumer Association (ZACA) has endorsed that the cost of Mealie-meal remains high despite the government's intervention to reduce the price of the staple food. It was loudly and indignantly questioned as to why the price of Mealie-meal is still high despite the government supplying subsidised maize to select millers.

Recently, the millers and grain traders have signed an agreement to reduce Mealie-meal prices to at least K85. Terms of the agreement were that grain traders would supply millers with 245,000 tonnes of maize, while the Food Reserve Agency (FRA) would supply 300,000 tonnes and prices of Mealie-meal would then be reduced to K85 countrywide.

It was quite surprising that the agreement was not working for the advantages of



consumers and it was realised that the government should get tough on millers who are not fulfilling their promises. Moreover, this statement is based on the fact that Mealie-meal prices have far-reaching consequences.

(Times of Zambia, 30.04.17)

RTSA's Road Safety Campaign Gets Support from Zambian Breweries

Zambian Breweries has handed over a cheque for K200,000 to the Road Transport and Safety Agency (RTSA) as part of its partnership, support and commitment of ensuring road safety.

Zambian Breweries has a standing partnership and commitment with RTSA. The Memorandum of Understanding (MoU), which they signed in 2016, is aiming at curbing drink and driving and ensuring safety on roads with a view of reducing road accidents.



During the handover of the cheque at the Ministry of Transport and Communications offices in Lusaka, Zambian Breweries country Director Annabelle Degroot said that the company was committed to its cause of ensuring responsible drinking and maintaining its awareness programmes to ensure safe driving.

"At Zambian Breweries, safety is one of the key concerns in our plants and roads because our staff spends many hours driving to distribute and sell our products. Equally as important our consumers are and their safety, which is key to the success of our business and to the community", Degroot indicated.

(Lusaka Times, 27.04.17)

ZABS Urges Traders and Retailers to Ensure Quality Products

Zambia Bureau of Standards (ZABS) Director Manuel Mutale has urged traders and retailers in Mongu to take advantage of the Kuomboka Ceremony, which was held on April 08, 2017, to sell safe and quality products to the consumers.

Mutale said that it was important for the



traders and retailers to be quality and safety conscious by ensuring that the products that they bring in the market are meeting the minimum basic requirements of the Zambian Standards.

“The Kuomboka ceremony is one of the biggest and most celebrated traditional ceremonies in Zambia as it attracts a significant number of both local and foreign tourists who are eager to sample our rich Zambian culture”, added Mutale.

(Lusaka Times, April 06, 2017)

Power Tariffs to Result in Chicken Price Hike: PAZ

The President Rodney Sisala of Poultry Association of Zambia (PAZ) said that the cost of eggs and chickens in Zambia is likely to increase once the upward adjustment in electricity tariffs is implemented.



Sisala mentioned recently that the poultry industry is heavily dependent on electricity in many ways and any upward adjustment in electricity would result in increased cost of production.

Sisala said about 60 percent of the cost of producing eggs and chickens goes towards feedstock and for the feedstock to be milled and processed.

“Processing stock feed requires use of electricity and as soon as the cost of electricity increases, the price of feed automatically rises. It should be remembered that feed is one of the major costs in producing chickens and eggs and so naturally that cost is passed on to the consumers”, Sisala mentioned. He said poultry farms also require a lot of power and this is linked to the cost of electricity.

(Zambia Daily Mail, 25.04.17)

ZABS Seizes 19 Bales of Used Underwears

The ZABS has seized 19 bales of used underwears worth more than K30, 000 in Lusaka. This is in its continued effort to promote the health and safety of consumers in Zambia.

ZABS Head, Marketing and Public Relations, Hazel Zulu said that the Bureau, through its inspectorate department, conducted a market surveillance inspection, and discovered bales of used under garments in some warehouses in Lusaka.

“The bales amounting to K30, 250 were seized from Bellion Limited, Golden Cost Investment and Sajer Limited Company in Lusaka. Further, 7 bales were seized from Golden Cost while 12 bales were seized from both Bellion Limited and Sajer Limited Company”, Zulu informed.

ZABS seized the consignment in line with the compulsory standard ZS559, which is a code of practice for the inspection and acceptance criteria for used textile products in Zambia. The standard prohibits the importation and sale of used under garments in the country.

(Lusaka Times, 17.03.17)

