Tradequity

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High Level Forum on Aid Effectiveness

The long awaited high level forum on the mid-term review of implementation of the Paris Declaration on Aid Effectiveness, was held in Accra, Ghana, on September 04, 2008. Ministers of developing and donor countries and heads of multilateral and bilateral development agencies endorsed the Accra Agenda as a basis for Action. However, this development was the result of months of lengthy discussions, together with last-minute political negotiations to try and save the agreement from being a complete wash-out. It was through this meeting that developed and developing countries agreed to take bold steps to reform the way aid is given and spent. The resolutions, though with earlier fears that the US and Japan may not agree to all points, made the forum successful. Below article is an assessment of some of the major issues discussed at the forum:

Use of Country Systems

This was one of the most contentious areas of debate, with strong resistance from the US, but it was a key priority for developing countries with support from the EU. The Paris Declaration shows that there has been extremely uneven progress by donors in this area, even in countries which have improved the quality of their systems. Final negotiations resulted in the inclusion of a new indicator; donors will aim to channel 50 percent or more of government to government assistance through country fiduciary systems. Donors also committed to use country systems as the first option for aid to the public sector.

Untying Aid

There was no further progress beyond what the Organisation for Economic Cooperation and Development/ Development Assistance Committee (OECD/DAC) had agreed in May 2008 to extend untying to eight further countries that were part of the Heavily Indebted Poor Countries (HIPC) initiative. Donors agreed to elaborate individual plans to untie their aid to the maximum extent but there is neither date by when they should produce these plans, nor any target. There was no agreement to extend untying to technical assistance or food aid. There was resistance from many donors including EU for the former, and intransigence from the US even to mention the words "food aid", despite a push from France for including language on more flexible use of food aid.

Transparency & Accountability

More transparency had been a key demand by civil society organisations (CSOs). The Accra event was also an opportunity to launch a new CSO initiative "the Publish what you Fund Campaign". There was stronger language in the Accra Agenda for Action (AAA) on transparency and accountability, with commitment by donors to publicly disclose regular, detailed and timely information on volume, allocation, and when available results of development expenditure for an open review.

Conditionality

Donors would switch from reliance on perspective conditions about how and when aid money is spent to conditions based on the developing countries own development objectives.

Predictability of Aid

There was partial success in improving the medium-term predictability of aid with a commitment from donors to provide regular and timely information on their rolling three to five year forward expenditure and or implementation plans. The challenge for developing countries will be to ensure that the donors give them useful and disaggregated information for their country, not just overall spending plans.

Global Funds

There is recognition that global funds can contribute to increased fragmentation and there was a commitment by donors in the AAA to ensure that existing channels for aid delivery are used, and if necessary, strengthened before creating separate new channels that risk further fragmentation and complicate coordination at country level. A strong push by Brazil and other newer donors resulted in the inclusion of a paragraph recognising the important role of South-South cooperation. Brazil, together with some developing countries, was very critical of the current aid governance system.

Conclusion

The final results were not revolutionary. Nonetheless, the combination of consistent pressure from CSOs inside and outside the official process, organised inputs from developing country governments and last minute coordinated political impetus in particular from European governments resulted in a small step forwards in agreeing to improve aid quality. The proof will be in the pudding, or in what donors actually put into practice. Nevertheless the AAA also proposed that the conclusions from Accra be presented at the Millenium Development Goals (MDGs) summit in September and the Financing for Development (FFD) meeting in Doha in November.

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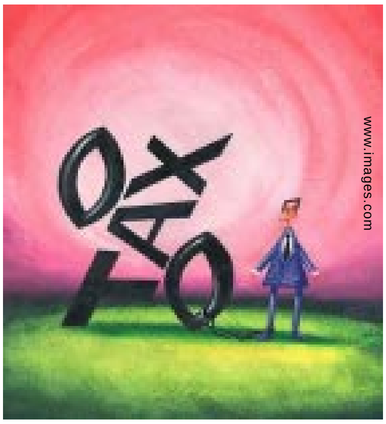
A Forum on Tax

In the bid to facilitate trade and promote business growth in Rwanda, Rwanda Revenue Authority (RRA) and Private Sector Federation (PSF) have established a Tax Issues Forum (TIF). The forum, which will be meeting on quarterly basis, was constituted to discuss tax concerns after PSF raised concerns that RRA was partly to blame for the low tax compliance levels in the country.



PSF alleged that poor customer care among some RRA staff, harsh penalties, value added tax (VAT) on insurance and premium force tax payers to be compliant, therefore the meetings will enable the two parties discuss and find solutions to tax concerns.

The forum was in line with Government's desire to have a private sector-led economy as reflected in the Vision 2020. *(allafrica, 24.08.08)*

Development Component in EPAs

The CSOs in Zambia recently challenged that Economic Partnership Agreement (EPA) and other trade agreements must be coherent with national poverty reduction strategies and national development plans of least developing countries (LDCs).

In a joint statement, Consumer Unity & Trust Society (CUTS), Jesuits Centre for Theological Reflection (JCTR), Civil Society Trade Network and Civil Society for Poverty Reduction (CSPR) said that lack of development component in the EPAs will not lead to development in LDCs like Zambia as the EU tends to give more prominence on trade and commercial aspect than on development.

There is also need to do away with the reciprocal trade arrangements and build regional and improved markets and attainment of objectives of social economic indicators rather than timeframes and percentages of traded goods.

(Simon Ng'ona, 29.09.08)

Split Over WTO Farm

The differences turn on two technical measures in the proposals on agriculture in the World Trade Organisation (WTO) Doha Round talks – "special products" and the "special safeguard mechanism". These safeguards are at the core of the development outcome of the Round as they involve the concerns of food and livelihood security and rural development in developing countries.

Developing countries, such as India, China and Indonesia have argued for measures at the WTO to protect their millions of subsistence farmers from the impact of trade liberalisation. But developing countries' food exporters like Thailand and Uruguay believe that increased sales of farm produce to other poor countries are a key source of growth and development.

"India does not have a monopoly on poverty. When an employee wants to keep his job he does not care whether exports go to a developing or developed country", said Ronald Saborio Soto, Costa Rica's Ambassador to the WTO. *(BD, 29.07.08)*

EU to Fund African Trade

The EU has agreed to finance the creation of a larger trading bloc in Eastern and Southern Africa (ESA) which will give momentum to the project that is expected to increase the region's competitiveness in the global arena. The move is also aimed at restricting the outbreak of numerous inter-governmental trade spats.

The finance package worth US$823mn was announced at the ongoing meeting between the EU and the ESA states, convened by the Inter-regional Coordinating Committee (IRCC), in Dar es Salaam. The EU appreciated the opportunities that exist in the regional integration projects and will make the finance available through the European Development Fund (EDF).

The EU's decision to allocate the region funds through the EDF is expected to help the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA) and Southern African Development Community (SADC) to consolidate their planned merger into what could potentially be Africa's largest trading bloc.

(BD, 22.07.08)

Threat to Regional Integration

The current state of the EPAs poses great danger to regional integration. Countries in the East African region are largely confined to the production of the same limited basket of primary commodities for export outside the region.

Market infrastructure frameworks tend to have an outward orientation, and the intra-regional enabling environments for trade tend to be weak. These realities add up to lack of immediate complementarily from neighbouring countries for intra-regional trade.

"Without first addressing these structural weakness in a way leads to increased economies of scale and regional economic integration within developing countries negotiating blocs, there is little possibility of equitable economic exchange with an economic giant like the EU", said CUTS Africa Resource Centre (CUTS ARC), Lusaka during the commemoration of the 'Stop EPA Day' held in Lusaka, Zambia, on September 27, 2008.

(Simon Ng'ona, 26.09.08)

Slow Progress on Aid

Aid agencies who attended an international meeting in September 2008, in Accra, on the effectiveness of aid have not made enough progress in addressing long-term problems on aid.

About 800 participants from donor and aid agencies, recipient countries, financial institutions, and civil society at a high-level forum discussed how to improve donor assistance in order to meet the 14-aid effectiveness targets by 2010. Donor governments and partner countries endorsed these targets in the Paris Declaration on Aid Effectiveness in 2005, to build stronger partnerships so that governments could achieve their developmental goals.

Expected conference topics included timing aid to make it more effective, improving donor coordination, avoiding unnecessary bureaucracy, and improving monitoring of spending and outcomes.

(IRIN, 02.09.08)

Bridging Less Budget Support

In a view that Sweden, the main donor to Mozambique's state budget, has decided to reduce support by US$3.3mn. The Planning and Development Ministry has decided to use domestic revenue to cover up this expenditure. This comes after most donors were promising to lessen budget support in 2009 than that of 2008 citing fears of corruption and poor governance.

Chairperson for the 19 (known as the programme Aids Partners) Irish Ambassador Frank Sheridan, stressed that although the Government's performance in 2007 was regarded as sufficiently satisfactory for the donors to continue direct budget support, it was not being expanded nor aided the projects and programmes outlined in the budget.

(allafrica, 19.08.08)

Opposition to Cotton Deal

African countries are pushing for a halt to the implementation of a new business and trade agreement that will give Asian countries unrestricted entry to the US market through the African cotton and textile industry. Africa is bogged down by high costs of business, poor infrastructure and a negative growth of the textile and cotton industries.

The African Cotton & Textile Industries Federation (ACTIF) has sent a list that point out their grievances that should be addressed before the trade arrangement brokered by the WTO is effected.

Fred Kang'ong'o, Trade and Programme Manager, ACTIF said that the African textile and apparel sectors cannot match the competition from Asian LDCs, which include Cambodia, Bangladesh, Thailand and China.

(EAS, 19.08.08)

EU-South Africa Partnership

The very first summit between EU and South Africa was held in Bordeaux, France, on July 25, 2008. During the summit, EU and South Africa relations were visibly put on a higher level making South Africa a true strategic partner.

The EU Council President Nicolas Sarkozy, Commission President José Manuel Barroso and Development Commissioner Louis Michel met South African President Thabo Mbeki to discuss current political, security and social issues, such as migration, climate change and peace.

"This summit shows that our relationship is no longer about trade and developmental aid only, but shows that we have a true partnership based upon mutual respect and a desire to work together on a whole range of issues from the food price crisis, climate change, business and migration to peace and security", said José Manuel Barroso. *(APO, 25.07.08)*

A Development Master Plan

In July 2008, Kenyan Government launched Vision 2030 – a development master plan – that is expected to transform Kenya into a newly industrialising, middle income country by the year 2030.

The development blueprint was conceived in 2004 and a team of technocrats was appointed to the National Economic and Social Council (NESC) to offer advice on critical issues on the country's overall development needs to aid in crafting a long-term vision for the country.

The team of experts was drawn from the public and private sectors, the academia and civil society. The document which is expected to drive Kenya's economic agenda for the next 23 years is hinged on three key pillars: the economic, social and political.

(BD, 22.08.08)

EACU in Force

One of the major developments to have occurred in East Africa since the last regional business summit is the coming into force of the East African Customs Union (EACU) in 2005. The protocol that established the Customs Union (CU) was aimed at further liberalising intra-regional trade, promoting efficiency in production within the community and enhancing cross border and foreign investment in the region.

The EAC council of ministers Eriya Kategaya said trade within the community has increased by 20 percent rising from US$1.52bn in 2004 to US$1.9bn in 2008, among the three founder member states: Kenya, Uganda and Tanzania.

Rwanda and Burundi were excluded because they have not migrated to the CU. However, despite the progress in the form of movement of goods and labour, non-tariff barriers (NTBs) to trade remain a major challenge. The other concern is infrastructure. *(EA, 27.07.08)*

UK 'Aid to Africa'

According to UK Permanent Under-Secretary of State for Trade and Consumer Affairs Gareth Thomas, through its "Aid for Trade" initiative as part of the EPAs, the UK will spend approximately US$750mn in Africa by 2010.

The EPAs are entered into each African country, committing them to certain trade agreements with the EU in an attempt to create free trade areas (FTAs).

Thomas emphasised that a global trading system that is open, fair and relatively simple is crucial to economic growth and increased trade. This will help economic growth and job creation that Africa needs. South Africa is the most significant source of investment in Africa, delivering about US$1bn to the continent Africa per annum. *(BuaNews, 09.07.08)*

Campaign for Poverty Eradication

Millennium Campaign Director Salil Shetty recently advised the oil producers and the financial industry to take urgent collective action to eradicate extreme poverty. He said global food, financial and climate change crises caused by the rich countries were wreaking havoc on the world's 1.4 billion poorest people.

The world is lagging behind in progress to reduce extreme and improve basic health and education for our fellow citizens. The global food, financial and climate crises have exacerbated the situation and much of the responsibility rests on the shoulders of a few financial speculators, emitters of pollutants and oil producers.

Shetty also observed that while the MDG progress report showed that concrete plans were needed to achieve the goals, some of the poorest countries in the world had taken positive actions. He further cautioned oil producers to reduce oils prices because it has direct impact on food prices. *(TP, 17.09.08)*

Justice to the Back Burner

Zimbabwe's stop-start talks, stalled negotiations and the lexicon of logjam and political impasse have all conspired to consign the issue of transitional justice to the back burner.

The country's history since independence, as well as its colonial past, makes it ripe for considering transitional justice measures to find a political solution that range from doing absolutely nothing to the prosecution and punishment of those involved in human rights abuses.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But Transitional Justice Options, co-authored by Max du Plessis, law professor at the University of KwaZulu-Natal, and Jolyon Ford, from the Australian National University, argued that deliberately forgetting Rhodesia's excesses has had a debilitating influence on Zimbabwe's present. *(IRIN, 10.09.08)*

Speedy Implementation

The East African business community has called for the speedy implementation of the EACU to enable it to move forward. According to a recent survey commissioned by the East African Business Council (EABC), businesses in the region want the implementation expedited so that they can fully benefit from it.

Businesses have suggested that Member states should address major problems hampering intra-regional trade. There is a need to implement the NTB monitoring mechanism, as well as eliminate NTBs and harmonise customs operations.

Furthermore, the business community stressed the need for an effective tracking and monitoring of the CU operations. The EACU is expected to accelerate intra-regional competition amongst businesses, enhance domestic, cross border and foreign investments as well as increase industrial diversification and economic develop1ment. *(TC, 25.09.08)*

Financial Pledge for Integration

The EU has pledged US$1.01bn towards regional integration for ESA region. It will also offer US$1.5bn for 2008-09 budget support to handle the current food crisis within Africa and stimulate agriculture.

While speaking at the EU Inter-Regional Co-ordinating Committee Meeting organised under the theme "Accelerating regional integration in Eastern and Southern Africa", the EU Development Commissioner Louis Michel said challenges facing the region were enormous, citing high cost of transport and electricity in the region as most difficulties, which hamper cross border trade within neighbouring countries.

Michel said the US$1.5bn facility will support structural measures to facilitate access to inputs and agricultural services, such as seeds and fertilisers, or support information and early warning systems on harvests. *(EA, 29.07.08)*

Regional Grain Reserve

The SADC announced on August 26, 2008 will go ahead with plans to set up a regional grain reserve, while urging Member states not to impose export restrictions on maize as the region grapples with high food prices.

In a significant move, the SADC has revived plans to launch a strategic grain reserve to help bail out countries experiencing food shortages, as part of a pre-emptive strategy to minimise the impact of natural disasters on food security.

"The recently held Integrated Committee of Ministers Meeting in Manzini, Swaziland, urged Member states to remove restrictions and the countries with surplus maize to sell their produce within the region", said Margaret Nyirenda, head of the SADC's Food, Agriculture and Natural Resources Directorate. *(IRIN, 26.07.08)*

Harmonisation of Trade

The COMESA, SADC and the EAC will convene a tripartite meeting in October 2008 to discuss the harmonisation of trade in the region.

New COMESA Secretary-General Sindiso Ngwenya said the meeting would address issues of the creation of a free trade union and a CU. It would also consider establishing an institutional mechanism to aid the implementation of the tripartite meeting's decisions and programmes.

He added that monetary cooperation among COMESA member states was aimed at establishing a common monetary area with a greater measure of monetary stability in order to facilitate the economic integration efforts. *(DM, 16.07.08)*

Wary of COMESA CU

Uncertainty still hangs over Uganda's accession to the COMESA CU, which is only five months away. The CU will guarantee preferential rates to the country's exports.

Uganda is a member of COMESA, but unlike the EAC member states of Kenya, Rwanda and Burundi, has since 2000 remained indifferent to joining the COMESA CU, which comes with lower market access tariffs than the current terms under which the country exports into several countries of the bloc.

Uganda's procrastination over embracing the FTA was premised on what protectionists – and the country's manufacturing lobby, the Uganda Manufacturers Association regarded as a threat to its nascent industry. *(EA, 22.07.08)*

Smart Partnership Dialogue

Zambia hosted the Global Southern Africa International Smart Partnership Dialogue under the theme "Smart Partnership in Economic Development and Diversity" in July 2008.

Smart partnership is a unique brainchild of the common wealth grouping that has its roots in the 1995 Commonwealth Heads of Government meeting in New Zealand.

Zambia's Vice President Rupiah Banda expressed happiness that Smart Partnership Dialogue discussed challenges in the petroleum industry and the current food crisis, among other major challenges the region was facing.

He also suggested that Zambia should have a local smart partnership dialogue arrangement as a way of resolving the country's challenges and that he would suggest cabinet to constitute a local smart partnership dialogue because it was the best forum to use in resolving problems. *(ZDM, 01.07.08)*

Coffee Trade via New System

The Ethiopian Commodity Exchange (ECX) has announced plans to trade coffee through a new electronic system. In order to participate in the electronic trade, sellers will be required to produce warehouse receipts while buyers will have to show pre-trade deposits in banks.

Ethiopia has won trademark rights for three of its specialty coffees, Sidamo, Harar and Yirgacheffe, and has signed an agreement with 70 global companies to promote its coffee brands.

The country is the largest coffee producer in Africa, priding itself as the birthplace of the coffee beans. During last season, a total of 170,888 tonnes of coffee was exported, which earned US$525.2mn. *(Reuters, 24.09.08)*

Kenya to Curb Poverty

The recent failure of the Doha Round at the WTO, as well as the long-standing failure of aid, does not necessarily spell disaster for African economies, says Alec Van Gelder, a Director at the International Policy Network in London.

The means to promote growth and prosperity are in reach, as three of the world's top 10 pro-growth reformers are found in Africa, according to the World Bank 'Doing Business 2009' report.

Useful reforms in Africa have increased by over 150 percent in the past five years which has helped to maintain a record six percent per annum growth rate over the past decade. The top reformers in the African continent are Botswana, Burkina Faso and Senegal, which have focused specifically on simplifying the procedures for trading with the rest of the world. *(BD, 17.09.08)*

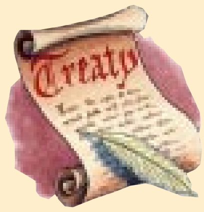
Rise in Exports to China

Natural resource exports from sub-Saharan Africa (SSA) to China increased to US$22bn in 2006 from only US$3bn in 2001, according to a report by the World Bank. Petroleum dominates, accounting for 80 percent of total exports to China.

Other important African export commodities include iron ore and timber, followed by manganese, cobalt, copper, and chromium. There is a synergy between Africa and the Chinese economy.

China is, however, not the only emerging financier playing a key role in Africa. It nevertheless makes sizeable investment commitments in SSA's infrastructure, helping to fill annual needs estimated at US$22bn by the Commission for Africa. *(TD, 15.07.08)*

MPs on Climate Change



A Parliamentary Forum has called for increased investment in agriculture as well as a review of trade agreements in order to enhance food security in Africa. Over 100 Ministers of Parliament (MPs) from a number of African nations attended a seminar in Nairobi on 'Sustainable Development and Aid Effectiveness'. They said that new international trade treaties should "allow African farmers to compete effectively with those from the North".

One conclusion of the meeting was that African MPs should educate their constituents on the "basic facts" of climate change. A large number of recommendations will only succeed if they are accompanied by laws to support their implementation. This should be done through "deliberate tracking and monitoring" of the Comprehensive Africa Agriculture Development Programme. *(BD, 01.09.08)*

Policies to Tackle Oil Prices

Britain recently urged Zambia to look at ways of adjusting its policies to tackle problems emanating from soaring oil prices. Outgoing High Commissioner Alistair Blaster said that oil importing countries could avoid terrible consequences of rising prices of crude once Government considers making adjustments to its policies.

Rising oil prices are a problem for virtually all oil-importing countries apart from major producers of the commodity. He said that the most important thing countries like Zambia can do is to learn lessons of what happened in the past and make appropriate policy adjustments such as an adjustment to spending. *(TP, 4.07.08)*

Appetite for Business

The business landscape in Zambia is changing rapidly. This is because Zambians have developed the appetite for doing business and are opting to be active players in the economy than mere spectators.

However, the capacity to transform business from Small Medium Entrepreneur (SME) to the wealth-creating corporation is something that many entrepreneurs in Zambia lack. The establishment of the Citizens' Economic Empowerment Commission (CEEC) by the Government is a way to making capital accessible to local people.

Meanwhile, CEEC Chairman Jacob Sikazwe said that lack of modern business knowledge is another factor hindering many Zambian businessmen and women from the realising their full potential in a competitive environment. *(TP, 24.07.08)*

US-SACU Trade Agreement

Two important trade and investment agreements which will further deepen and expand US trade ties with Africa were signed by US Trade Representative Susan Schwab and her counterparts from ESA.

This important agreement will provide a framework for the US and SACU to work together to create the building blocks that could lead to a an FTA in the long term.

Tswelopele C Moremi, Executive Secretary, SACU said that the agreement is "an important step in reaching a long-term and sustainable trade relationship" between the African trade bloc and the US which will improve investment flows on both sides.

(America.gov, 18.07.08)

Potential Flood Victims

The World Health Organisation (WHO) estimates 500,000 people are at the risk of additional flooding in Benin.

The WHO says expected storms, the number of people living in and near recently-flooded areas, coupled with people's unwillingness to relocate could convulse the country in more chaos if there is not a forced evacuation plan.

Red Cross of Benin disclosed that flooding had affected almost 7,000 people, including displacing 1,560 children. Disaster workers say almost all of the displaced are taking shelter with family and friends, making it hard to know exactly how many have been forced out of their homes. *(IRIN, 03.09.08)*

Re-branding of Celtel

Mixed reactions have met the recent re-branding of Celtel to Zain in Zambia, with some customers fearing it could affect the company's service delivery.

Zain is Zambia's largest and fastest growing mobile phone service provider with a customer subscriber base of more than two million people of the 11.7 million Zambians.

But the re-branding of the company to its parent name, Zain, seemed to have worsened disturbances to a host of its services, thereby angering thousands of subscribers. Mobile phone internet service collapsed, the short message service (SMS) facility became problematic, and the automatic missed call notification went off.

However, Zain Group CEO, Saad AL-Barrack assured the former Celtel subscribers of better services and lower international charged between Africa and Middle East. *(DM, 04.08.08)*

Zesco to Connect Customers

Zesco limited has applauded to the formation of two companies on the Copperbelt province to manufacture transformers and meters locally and says this will enhance its capacity to connect new customers.

The two companies to be based in Ndola will not only enhance Zesco's operations but will also create jobs for the local residents in the area.

Zambia Electricity will be producing 10,000 metres per month and the company had commenced production of meters, adding that the target was for Zesco to have all its customers with meters. *(ZDM, 04.08.08)*

Energy Deficiency in SDC

Availability of affordable and reliable electricity supply in the SADC region is critical in attracting sustained flows of investment thereby contributing to quality living standards of the people.

The energy shortages being experienced in the SADC region, has become a source of grave concern to governments as the power deficits have potential to reverse the significant economic gains scored so far. Zambia is one of the countries in the region which has been adversely hit by this development.

Currently, the country is surviving on a switch of and save basis and utilising any surplus power that that may be available among its partners within the Southern African Power Pool (SAPP) in cushioning the power deficits and looking at building new power plants. *(TP, 16.07.08)*

New Malaria Control Policy

In a bid to strengthen malaria control in the country, the Ministry of Health is pushing for a couple of policy guidelines that should be operational before the end of 2008. Among the major changes expected is the reclassifying of the first line anti-malarial Coartem from a prescription to a non prescription drug.

Dr George Mukone of the Malaria Control Programme said it is this constriction in the law that has rendered the over 30,000 community medicine distributors inactive as far as availing Coartem to communities is concerned.

The move to change the law comes at a time when the Government is partnering with the private sector in eight districts under a pilot scheme to help the rural poor access the much needed anti-malarial drugs cheaply. *(TM, 24.09.08)*

Counterfeits Products Worry

Specialised Systems formerly Philips have expressed concern at the influx of counterfeit products on the local market which are using the Philips trademark. Marketing Manager Olivia Phiri said that most of the products using the Philips trademark were of poor quality and did not conform to the required standards.

Most products ranging from light bulbs and tubes to electric appliances carried the fake Philip trademark in order to capture more customers. She appealed to the Zambia Bureau of Standards (ZABS) and other relevant bodies to quickly address the issue and protect genuine dealers.

She further said that the company was working closely with Zesco and Energy Regulation Board (ERB) to sensitise the masses on the use of electricity conservation appliances. *(ToZ, 11.07.08)*

Task Force on Food Prices

The rising food crisis which has rocked the world has not spared both developed and developing counties with some business firms in some countries manipulating the situation by exorbitantly hiking food process at the expense of consumers.

This development has compelled the Government of the Republic of Zambia to set up a task force that would deal with managing the rising food prices, examine the factors contributing to the rising prices and develop an action plan that would ensure sustainable food production in the short, medium and long-term.

The team which will be headed by one of the Permanent Secretaries at the Ministry of Agriculture and Cooperatives will also address the issue of operationalising the Irrigation Development Fund. *(ZDM, 18.08.08)*

Taking a Fresh Look: National Stakeholders Meetings on Competition Issues in West African Countries

CUTS has been implementing a project entitled, 'Strengthening Constituencies for Effective Competition Regimes in Select West African Countries' (also referred to as the 7Up4 project) in seven countries of West Africa: Burkina Faso, The Gambia, Ghana, Mali, Nigeria, Senegal and Togo. As a first exercise to familiarise themselves with the prevailing competition scenario in the project countries, the partner organisations have been busy in preparing preliminary country papers in each of them.

The draft version of these papers were discussed with a select group of national stakeholders (referred to as the National Reference Group, NRG) through half day meetings organised in The Gambia, Ghana, Nigeria, Senegal and Togo in September 2008. The NRG meetings will be organised in Burkina Faso and Mali, in October 2008.

Before familiarising these stakeholders of the findings as captured in these preliminary papers; the partners briefly introduced the project to them, elaborating its activities and expected outcomes. This endeavour helped about sensitise these stakeholders the overall goal of the project, motivating them to contribute meaningfully in shaping its implementation schedule. The project provided an opportunity for the stakeholders (referred as NRG members) to review research outcomes/findings and provide inputs for undertaking policy advocacy at the national levels.

For more information on the project, please visit: *http://www.cuts-ccier.org/7up4/En/index.htm*

Joint Africa Trade Strategy Project

CUTS ARC, Lusaka and Friedrich Ebert Stiftung (FES) Kenya organised a two-day regional conference on "Joining Forces in the Global Trading Arena-Formulating African Trade Strategy" in Lusaka, Zambia, on July 24-25, 2008.

The main objective of the conference was to discuss and provide modalities for formulating a joint African Trade Strategy (ATS) that can further Africa's integration and its beneficial interaction with the rest of the world trading economy. The event drew 26 participants from different Africa's regional trading blocs.

It was emphasised that the exiting challenges facing creation of a joint ATS can be surmounted by strengthening inter-regional trade. It became obvious that there is low intra and inter-regional trade among African countries. It emerged that the various Regional Economic Communities (RECs) in Africa are yet to develop joint and effective approaches to harmonise their varied trade strategies.

The final outcome of the meeting was that the formulation of the joint ATS will be very crucial in the integration process of Africa. Hence to ensure the formulation process is robust; the process ought to be a "bottom up" all-inclusive and continuous approach and the debate would be more effective if it started from the ground level and all the stakeholders including: the business community; Ministries in charge of regional affairs, trade, industries, finance and foreign affairs; RECs; and multilateral organisations including the African Union (AU) and United Nations Economic Commission for Africa (UNECA) were all drawn into the process.

TDP Workshop for Farmers

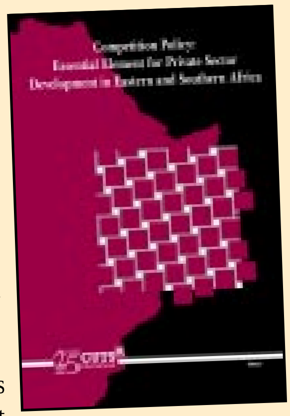
CUTS ARC, Lusaka and the Organisation Development and Community Management Trust (ODCMT) conducted an advocacy workshop on 'Linkages between Trade, Development and Poverty Reduction', in Katete District in Eastern Province of Zambia on August 06, 2008.

The main objectives of the workshop were to draw lessons and experiences on linkages between trade and poverty reduction among farmers in the district; and facilitate the synergy between Government and CSOs so as to learn from each other and strengthen perspectives and position on trade, development and poverty reduction in the district.

The workshop drew the participation of 30 people from Government, Small Scale Farmers and CSOs, and was characterised by presentations and floor discussions both from the audience and facilitators. The meeting discussed issues with regard to trade and agricultural opportunities and challenges in the district. It also looked at a case study on cotton growing and agro-processing.

PUBLICATIONS

Competition Policy: Essential Element for Private Sector Development in Eastern and Southern Africa



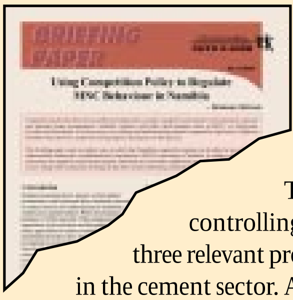
Most African countries adopted market-oriented reforms as part of the globalisation and liberalisation process initiated in the early 1990s. But due to various reasons, distortions have arisen in the working of the market processes, which has restricted the emergence of a vibrant private sector in most countries and thereby creating speed breakers in their ability to contribute towards poverty alleviation. A dynamic private sector requires the right enabling environment to thrive. An essential element of the enabling environment is a sound, fair and transparent regulatory environment, of which an effective competition regime is an imperative.

This monograph highlights impediments to the effective operationalisation of competition regimes in the region, which has been argued to be an imperative for private sector development therein. It collates knowledge and evidences from the countries to explore the contribution of a sound competition regime to private sector development in the region. It adds to the body of literature to motivate the business community in supporting competition reforms at the national and regional levels.

For more, please visit: http://www.cuts-ccier.org/7up3/pdf/Comp_Policy_and_PSD_in_ESAfrica.pdf

Using Competition Policy to Regulate MNC Behaviour in Namibia

(C-CIER No 13/2008)



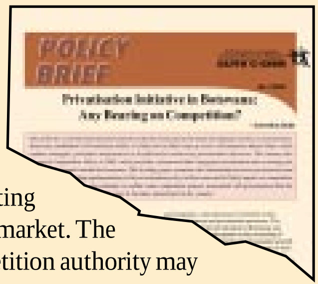
Competition policy has become one of the most important economic regulatory instruments in international, regional and national trade arrangements. Namibia, together with other small member states of the Southern African Customs Union (SACU), i.e. Botswana, Lesotho and Swaziland, is in the process of evolving and implementing national competition legislations. Different members have however, achieved varying degrees of progress in this process.

This Briefing Paper seeks to explore ways in which the Namibian competition regime can be effective in controlling unfavourable behaviours of multinational corporations (MNCs) operating in Namibia. It outlines three relevant provisions that might be useful in this regard; and looks at the recent anti-competitive practices by MNCs in the cement sector. Along with the conclusions, it brings to the fore certain interesting areas for further research.

For more, please visit: http://www.cuts-ccier.org/7up3/pdf/BriefingPaper04-2008.pdf

Privatisation Initiative in Botswana: Any Bearing on Competition?

(No 1/2008)



One of the key economic liberalisation initiatives that has been pursued in many developing countries is privatisation. Botswana established a Privatisation Policy in 2000, and came up with a Privatisation Master Plan in 2005, which outlines the strategies, principles and practices to be followed to achieve key privatisation objectives. The country also adopted a Competition Policy in 2005, which provides a framework that integrates privatisation into a strategy for promoting a dynamic market-led economy.

This Briefing Paper examines the relationship between privatisation and competition, highlighting implementation of the privatisation policy in Botswana and its likely impact on competition in the market. The paper also attempts to outline some competition aspects associated with privatisation that the competition authority may look into once it becomes operational in the country.

For more, please visit: http://www.cuts-ccier.org/7up3/pdf/PolicyBrief6.pdf

Sources

APO: African Press Organisation; BD: Business Day; DM: Daily Monitor; EA: East African; EAS: East African Standard; IRIN: Integrated Regional Information Network; TC: The Citizen; TD: This Day; TM: The Monitor; TP: The Post; ToZ: Times of Zambia; ZDM: Zambia Daily Mail

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