Tradequity
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Zambian Miners Want Windfall Tax Back

The Zambian government has been urged to 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 International Lusaka Board Chairman, Ambassador Love Mtesa, was quoted saying "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". He added that it was common knowledge that the country's national wealth must benefit Zambians more than anyone else.

Ambassador Mtesa is further quoted saying "The government must appreciate that windfall and variable taxes introduced by late President Levy Mwanawasa after so much campaign were designed to enable Zambians benefit from the soaring copper prices and super profits earned by mining companies".

He noted that, while the Zambian government was dragging its feet over the re-introduction of the windfall tax, other countries such as Chile, Democratic Republic of Congo were making serious efforts to come up with mechanisms to generate more resources for workers, communities and their infrastructure development programmes.

The government has been further advised to consider learning from Australia, which had introduced a 40-percent on super profit by mines effective 2012 stating that these were the kind of efforts that should be replicated in a country like Zambia both in short and medium term.

It is noted that there was need for the government to also consider implementing key provisions of the amended Mines and Minerals Development Act to enable communities benefit from mineral royalties and to clearly define policy on the use of the resources in order to promote national development.

The question that ensues is should Zambians commit to these initiatives for the sake of image building to the international community, which is at the expense of ordinary people and development? The song of making the agriculture sector, a viable sector, to meaningfully contribute to the much-needed revenue gains for this country seems to be shrouded in mystery.

The only way the agriculture sector will flourish is through the allocation of more resources, even beyond the Maputo commitment. These resources can, to a greater extent, be raised locally, especially from the extractive industries, through the re-introduction of windfall taxes or raising mining taxes.

Zambia should learn from countries like Malawi, which has done relatively very well by committing more resources to the agriculture sector. The country is thriving at both international and domestic levels because of its fiscal commitment to the agriculture sector. By signing the Comprehensive Africa Agriculture Development Programme (CAADP) compact, the Government of Malawi committed itself to sustaining or increasing the CAADP recommended 10 percent of the national budget to the agriculture sector, with a view to achieving at least six percent agricultural growth.

However, Malawi is well above the CAADP target with an eight-percent growth and 14 percent of the national budget going to agriculture. The sector generates about 80 percent of foreign exchange for Malawi and subsequently 39 percent of the gross domestic product (GDP).

IN THIS ISSUE

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France Telecom Targets Africa

France Telecom is aiming to become the "champion of rural Africa" with a range of low-cost products and services aimed at doubling its sales in the area by 2015.

The French operator is counting on rapid expansion in fast-growing African and Middle Eastern markets to offset a gradual decline in its traditional fixed-line business and lower profits from mobile operations in France.

It set out its strategy for doubling its revenues in the region from US$4.7bn in 2009 through building networks, recruiting low-income rural customers and providing mobile internet services under its Orange brand. *(FT, 10.11.10)*

KQ Workers Disown Pay Deal

Workers in the aviation industry have denied claims of reaching an agreement with Kenya Airways (KQ) on contentious wage review talks and warned that they will call a strike, should the negotiations break down. The Chairman of the Aviation and Allied Workers Union (AAWU), Moses Ndiema, dismissed a statement by the national carrier stating that a deal on the protracted negotiations had been signed, saying the two parties had only selected a team to lead the talks.

Paul Kasimu, Human Resource Director, Kenya Airways, said that the airline had reached a final agreement with the union. There has been a new leadership at AAWU that has set new demands on the CBA that had been reached in April 2010. A staggering wage bill and increasing operational costs have eroded KQ's profitability in recent years, as the full implementation of the union's demands are set to push staff costs beyond US$12bn a year.

(BD, 15.11.10)

PPPs' Contribution to GDP

Actualisation of public-private partnerships (PPPs) in Zambia will contribute up to 10 percent to the gross domestic product (GDP) within five years, through increased inflow of investments in the economy. Zambia's GDP is forecast to grow by about 6.4 percent and reach US$19bn in 2010.

Zambia has earmarked many projects in energy, transport and agriculture, which will be developed through PPPs to be financed by the government and the private sector. Other ongoing projects under the PPP include the construction of new hostels, shopping mall and mini-stadium at the University of Zambia and the itezhi-tezhi hydro-power project

(ZDM, 08.12.10)

Zambia to Reveal Mine Tax

The Zambian government should disclose the terms under which it has agreed the new tax regime with the foreign mining firms, says the Economics Association of Zambia. EAZ President, Noel Nkhoma, said the failure to disclose the contents of the agreement raised suspicion among key stakeholders. For the purpose of transparency, the government should be able to come out publicly and say we engaged the mines.

He warned that lack of transparency might lead to a repeat of the one-sided development agreement which suffocated the country's ability to raise mining tax revenues, even in face of high record high metal prices. Given the current copper prices, Zambians could benefit more if the government raised more from mine taxes. *(ZDM, 02.12.10)*

Zesco, TBA China Sign Deal

ZESCO Limited has signed an agreement with TBA of China, valued at US$334mn, to extend the 330 kilovolt (kV) power line from Pensulo in Serenje to increase the capacity supplied to Northern and Eastern provinces. TBA will finance 85 percent of the project cost through a loan to the government, while 15 percent of the cost will be provided by either the government or ZESCO.

The project is expected to shorten the distance for the implementation of the Zambia-Tanzania-Kenya interconnection project. Mupwaya said measures have been taken by ZESCO to extend the lines from 66 to 330 kV from Serenje to Kasama and another line from Serenje to Chipata. He said with this development, the gap between ZESCO and Tanzania Electric Supply. *(ZDA, 16.12.10)*

UK Grant to Ease Trade

The British government has released a total of US$110mn for starting the process for the implementation of the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and Southern African Development Community (SADC) North-South corridor infrastructure programme.

The project, when implemented, will enable faster border crossings and improved port facilities. Railways and highways will enable producers and traders, especially in landlocked countries, to transport their goods quickly and access more easily regional and international markets, stimulating economic growth and inward investment.

(TEABW, 06.12.10)

Adopt India's Growth Model

COMESA has advised Africa to reproduce India's private sector as growth model for the continent to succeed economically. COMESA Secretary, General Sindiso Ngwenya, praised the role played by the private sector in growing the economy of that country. He said the COMESA business council already had an MoU with the India Chambers of Commerce and emphasised the need to build on the already existing relationship.

He named technology transfer, with particular emphasis on leather and leather products, cotton textile and clothing, agro-food processing and ICT, as area that was of interest to the COMESA region. India's Minister of State for External Affairs stated that there was need to reinforce the India-Africa relationship and announced that her country would hold a summit in 2011 that will address the issue. *(ZDM, 15.11.10)*

End to Agro-produce Import

The Zambian agricultural 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 the government is promoting high production levels, the situation on the ground shows otherwise in promoting the sale of these crops. One such crop is potatoes, as has been seen with their importation by some fast food outlets from countries like South Africa.

Ambassador Mtesa has expressed concern on this issue. He says the government needs to be protective of its agricultural sector.

Potatoes are locally produced and readily available, which makes it easier for many Zambians to buy rather than importing from the South Africa and other countries. *(MT, 17.12.10)*

Boosting Zambian Economy

The Minister-in-Charge of Commerce Trade & Industry, Felix Mutati, says Zambia intends to benefit from Egypt's strong economy by inviting investors in agriculture, tourism and construction sectors. He said Egypt is strong in its agriculture and tourism sectors and the government will persuade more investors to invest in these sectors to boost Zambia's economy.

He said that this will also enhance trade between two countries and provide opportunities for citizens in both the countries. Egypt has stable food security and it attracted over 40 million tourists, while Zambia's was below 1 million in 2009. *(MT, 28.12.10)*

Zambia Kickstarts AGOA Forum

Zambia is scheduled to host the African Growth and Opportunity Act (AGOA) forum in 2011. The goal of the annual AGOA forum is to expand trade and investment with the US to review the implementation of the AGOA programme and explore new ways to enhance trade across the Atlantic.

The forum will further lobby the US government to extend the period of AGOA initiative beyond 2012 and increase items that can be exported to that market. Felix Mutati, Commerce, Trade and Industry Minister, Zambia said that, at the national level, the government is working with the US on issues related to the export of vegetables and horticultural products. Zambian products are not allowed in the US market because the US congress has to certify the products to ensure that they meet the standards.

(ZDM, 19.11.10)

Zambia-DRC Enhancing Trade

The bilateral trade agreement between Zambia and the Democratic Republic of Congo (DRC) once concluded will enable Zambian products to enter the Congolese market duty and quota-free according to the Zambia Development Agency (ZDA). The bilateral trade agreement with the DRC would further stimulate trade as Zambian products would become price competitive on the DRC market.

ZDA Director General Glyne Michelo, said once the one-stop border post being constructed under the public private partnership (PPP) framework at Kasumbalesa becomes operational, trade will be enhanced.

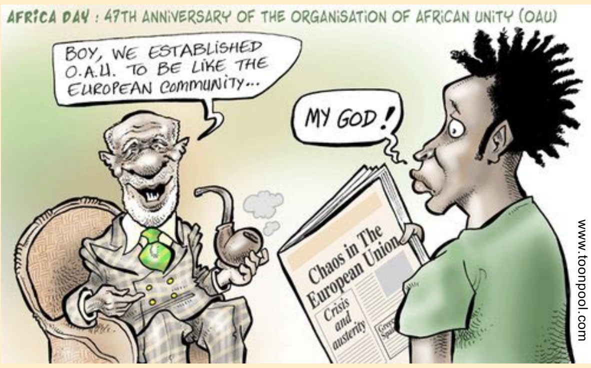
Michelo said trade will be enhanced through swift clearing of goods and traffic, thereby reducing the long time exporters in both countries face. The agreement would be important in terms of trade facilitation and removing barriers to trade caused by poor infrastructure and cumbersome trade rules. *(ZDM, 15.11.10)*

China in Africa!

China's engagement in Kenya continues to grow exponentially. China enjoys a large trade surplus with Kenya; exports increased by more than 25 percent a year from 2004-2008. The China National Offshore Oil Company (CNOOC) is drilling for oil in the Isiolo region. China may be a potential partner in the development of the new mega port at Lamu.

In addition, China is heavily involved in various infrastructure projects across Kenya, primarily with roads. China is also providing weapons to the Government of Kenya in support of its Somalia policies and increasing its involvement with the Kenyan National Security and Intelligence Services by providing telecommunications and computer equipment. Recently, China signed an economic and technical cooperation agreement with the Government of Kenya. *(ZDM, 11.12.10)*

New Dawn for Africa

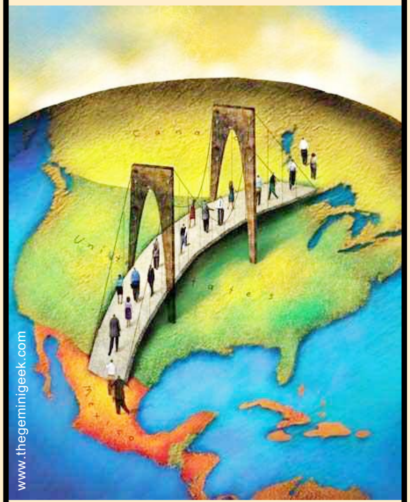


Africa and Europe have agreed on a new plan of action aimed at strengthening relations between the two continents. The Action Plan 2011-2013 was adopted at the recent Africa-EU Summit held in Tripoli, Libya. It replaces the First Action Plan 2008-2010 that was approved at the last summit three years ago.

Both plans of action are based on eight strategic partnerships. These focus on energy, climate change, peace and security, Millennium Development Goals (MDGs), trade and infrastructure, among other sectors. Under energy, Europe and Africa aim to improve access to reliable, affordable, cost-effective, climate friendly and sustainable energy services for both continents, with a special focus on achieving the MDGs in Africa.

Africa and Europe also plan to double the capacity of cross border electricity interconnections, both within Africa and between Africa and Europe, thus increasing trade in electricity while ensuring adequate levels of generation capacity. *(TH, 10.12.10)*

Remove African Trade Barriers



African countries need urgently to tear down the trade barriers that have been limiting trade on the continent, women and child rights activist Graca Machel said. African countries are not making the most of the continent's impressive turnaround after the global recession, which has been faster than 80 percent of countries.

Machel said systems imported from around the world by African businesses are "collapsing", and Africa should learn to do things its own way and so build prosperity. Johannesburg Chamber of Commerce CE Keith Brebnor said there is a need for more political will and logistical improvements in order to facilitate efficient trading on the continent.

Without making all these improvements, African businesses will continue to find it easier to do business with Europe and the US instead of their own continent.

(BD, 07.10.10)

Integrating Trade Issues

The Rwandan private sector is set to benefit from US$160-fund run by Enhanced Integration Framework (EIF), an international body based in Geneva. EIF supports least developed governments in trade capacity building and integrating trade issues into national development strategies.

According to a EIF study entitled, 'Diagnostic Trade Integration', access to electricity, high costs, low data availability on trade matters and monitoring capacity on trade issues and access to trade finance were identified as some of the major challenges affecting private sector productivity. This is in addition to insufficient equipment and capacity to test products for standards compliance and poor conditions of roads.

(RT, 03.12.10)

Zambia Earns from Tobacco

Zambia has sold tobacco valued at US$98.9mn to international markets during the 2010 tobacco marketing season. And, over 450,000 jobs in the tobacco industry may be lost if tobacco production and trade are stopped. Minister of Agriculture and Co-operatives, Eustarckio Kazonga, said tobacco is a source of employment for more than 450,000 people and is contributing significantly to the national treasury through tax revenue.

Kazonga said the government is worried over the anti-tobacco spirit that is mushrooming in the region in which most of the countries rely on tobacco for their economies. He said the World Health Organisation has, through the Framework Convention on Tobacco Control, embarked on developing guidelines for tobacco production by farmers, marketing, processing and tobacco use through various articles of the convention.

(ZDM, 17.10.10)

Building Africa with BRICs

The BRIC grouping (Brazil, Russia, India, and China) is the most powerful emerging block of nations, encapsulating about 15 percent of global GDP, 25 percent of world output, and close to 50 percent of the world's population.

Jacob Zuma, President, South Africa, crisscrossed the BRIC countries to negotiate entry into these nations. At present, South Africa is a member of IBSA (India, Brazil and South Africa), trading US$7bn at 2007 figures alone.

The rationale for increased relations between BRICAF (BRIC-Africa) is even greater in the context of the south-south cooperation on the back of a tripling of trade and investment, to eradicate poverty from the bottom of the pyramid, giving hope to millions of inhabitants of Africa.

(TN, 16.11.10)

Africa Fails to Benefit from Trade

Poor market access for African products in the international markets is one of the reasons for poverty crippling the continent.By selling unprocessed agricultural commodities and natural resources, many African countries have lost a huge portion of their share in international trade.

While global trade and services increased by 6.7 percent between the 1970s and the late 1990s, Africa's share fell from about five percent to around 1.5 percent. The 48 least developed countries (LDCs), most of them in Africa, are even more affected, losing about 80 percent of their share of international trade in non-fuel commodities in the last 30 years and now account for only 0.5 percent of world trade.

(TC, 21.10.10)

Tanzania Sees Gold Exports Boom

Gold has again become the major source of Tanzania's export earnings, with both production and world market prices rising significantly during the last year, a new report reveals. According to the newest economic review by the Bank of Tanzania, export revenues from the country's gold mining sector strongly increased during 2009.

In 2009-10, revenues from Tanzania's gold exports amounted to US$1,365mn, up from US$845mn in 2008-09. The value of gold exports went up by 61.5 percent, following a rise in the export volume as well as price in the world market. This means that gold contributed with 43.5 percent to the total value of Tanzania's exports during 2009.

(AN, 11.10.10)

Regional Round Up

Women's Role in Development

Maureen Mwanawasa said the SADC should take women's economic participation as one of the keys to sustainable development. She said this at a high-level policy meeting under the theme "Why SADC Should Focus on Informal Cross Border Trade Advancing Trade and Women's Empowerment in Harare Zimbabwe".

The former first lady said this was one way of empowering women economically by ensuring that they have access to education and training and productive assets, including land credit and time serving technology. She, however, observed that women were exposed to sexual harassment and abuse at borders due to corrupt practices when clearing goods for purposes of paying customs duty and taxes. *(TP, 08.11.10)*

Tripartite Free Trade Area in 2011

The three regional blocs in Eastern and Southern Africa (ESA) will launch the tripartite Free Trade Area (FTA) to deepen regional integration and address concerns of dual membership in 2011. The programme is expected to lead to faster and deeper integration that facilitates trade both internally and globally.

The tripartite FTA comprises COMESA, SADC and EAC. The Minister of Finance and National Planning, Situmbeko Musokotwane, said in order to take advantage of the regional potential, there was need to move forward the regional agenda and enhance implementation of regional programmes at the national level. This will allow the creation of a uniform and predictable environment for the private sector, which is the driver of the economy. *(ZDM, 18.11.10)*

Police Roadblocks in Kenya

Roadblocks and cumbersome business licensing procedures in Kenya and Tanzania have been cited as the greatest setbacks to trade in the East African region. A survey by the United Nations Conference on Trade and Development (UNCTAD) says the two problems also block trade in Uganda and urges for reforms to boost efficiency in doing business.

Uganda is Kenya's single-largest export destination, taking up huge consignments of key items such as steel. As a landlocked country, Uganda depends on its neighbours, Kenya and Tanzania, to provide it access to the sea and trade facilitation services, which include rail, road, sea freight, port, clearing and forwarding services. *(TEA, 16.12.10)*

Smuggling Ivorian Cocoa

Ghana is due to pump its first commercial oil after the discovery of the offshore Jubilee Field three years ago. A consortium, led by UK-based Tullow Oil, hopes to produce 55,000 barrels per day, increasing to 120,000 barrels in six months.

Ghana is expected to earn US$400mn in the first year. The government is working to get an oil bill passed and has forecasted that the oil will boost Ghana's economic growth rate from five percent in 2010 to as much as 12 percent in 2011.

Ghana already earns billions from cocoa and gold. The Jubilee Field is estimated to hold 1.5 billion barrels of oil. A second offshore field was discovered in September that is believed to hold another 1.4 billion barrels. The fields are some of the largest oil deposits found in recent years. *(AR, 15.12.10)*

Malaria Success in Africa

Malaria is in retreat in many countries of sub-Saharan Africa after a huge effort in the last two years to get bed nets and indoor spraying into areas where the disease is endemic, but the gains are fragile, according to the World Health Organisation.

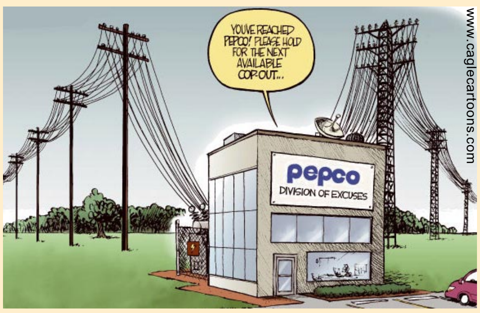
Malaria cases or hospital admissions and deaths have been cut by half in 11 African countries over the past decade. Outside Africa, in 32 of the 56 remaining malaria endemic countries, the gains have been even greater. Eight more countries have seen reductions in the number of cases of between 25 and 50 percent. Many more people now have access to the best drug treatment artemisinin combination therapies. *(TH, 16.12.10)*

Turkey Wants FTA with Region

To foster cooperation, the Turkish want FTA negotiations initiated and a business council established to enhance interaction of their business organisations. The Turkish Deputy Prime Minister, Bulent Arinc, called for Uganda's support in the fast implementation of an FTA between Turkey and the five EAC countries of Kenya, Uganda, Tanzania, Rwanda and Burundi, saying such an agreement was the key to improving economic relations.

Turkey's growing interest in the East African region was signified by the launch in 2010 of the Turkish Airlines direct flights from Istanbul to Entebbe international airport. Arinc said the parties assessed improvement of cooperation in economy and trade and issues extending from energy to agriculture and from health to tourism. *(EABW, 06.12.10)*

Boosting Power Supply



The steady availability of electricity is important to enhance further growth and development of any economy. Electricity is the backbone of economies and industries as well as an enabler of development. Currently, Zambia and many other countries in the SADC are faced with electricity deficit arising from increased economic activities in the region.

One measure aimed at boosting the power supply in the region is the setting up of the high voltage direct current transmission link, also known as Caprivi link Inter-connector, between Zambia and Namibia. The power line will supplement the existing power transfer route in the central corridor, which goes through Zimbabwe. It will now facilitate exchanges of power between ZESCO and Nampower of Namibia for trade purposes as well as during emergencies where there are deficits on either side. *(ZDM, 18.11.10)*

Somali Piracy Raises Import Cost

Consumers of imported goods are headed for a festive season marked by high prices as Somali gangs, who have been attacking ships in the Indian Ocean, shift their activities close to the East African coastline away from the heavily militarised high seas a new report indicates.

The report from the office of Kenya's Prime Minister says there is evidence that the pirates have concentrated their activities close to, or within, the Kenyan territory, away from the Gulf of Aden transport corridor that is now closely monitored by the European Union (EU) NATO, the US and Chinese warships.

Data from the office of the Prime Minister shows that, this year alone, nine pirate attacks have occurred within Kenya's Exclusive Economic Zone, which is 360 kilometres from the coastline, compared to zero incidents last year.

(TC, 08.12.10)

State Secures Additional Storage

The Zambian government has secured an additional 100,000 metric tonnes of storage space for maize and spent US$11mn for the construction of sheds in some parts of the country.

And, the government is in talks with cooperating partners to help it secure US$50mn required for construction of sheds countrywide. Minister of Agriculture and Co-operatives, Eustarckio Kazonga, said the capacity to store maize was inadequate after the country recorded a bumper harvest. He said more space was sourced through the use of concrete slabs covered with tarpaulins and renting private sheds.

Kazonga said a total of 2,522 metric tonnes storage is required for securing the crop and this has been acquired and distributed. He said sheds have, so far, been constructed in Chambishi, Kapiri Mposhi, Petauke and Mbala districts. He said phase two of the project will require government engaging cooperating partners.

(ZDM, 13.11.10)

OneStop Business Registry

The Private Sector Development Reform Programme (PSDRP) says the one-stop registration centre is expected to to reduce the cost of doing business in Zambia. The registration centre is meant to enable faster, simpler registration of a company and support other services for business at one-stop shop contact point. And, the World Bank Group, under the International Finance Corporation, has committed US$500,000 to the implementation of these reforms.

PSDRP co-ordinator, Kayula Siame, said the project will initially be piloted in Lusaka in the central business district and then spread to regional offices to accommodate those in urban and rural areas to make business registration quicker and less costly. *(ZDM, 01.10.10)*

Metrology Laboratory to ZABS

The EU has handed over a US$42bn testing and metrology laboratory to the Zambia Bureau of Standards (ZABS) which is expected to help check the quality of imported and exported products.

The laboratory will help the country export quality products to America and European markets. Mutati said the EU funding to ZABS was provided under a five-year Capacity Building for the Private Sector Development project which comes to an end in December 2010.

ZABS's new equipment has the capacity to test standards, microbiology, packaging, food and agriculture testing, condom testing, petroleum, timber technology, textiles and paint testing.

(ZDM, 18.11.10)

Stanchart Rolls Mobile Payment

Standard Chartered Bank (Stanchart) Zambia has started rolling out utility payment bills on its mobile banking system with Nkana Water and Sewerage Company and Lusaka Water and Sewerage Company. The roll-out will enable the bank's customers to settle their utility bills with the two utility firms through their mobile phones.

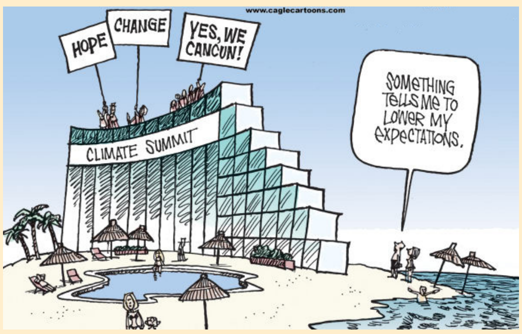
The service will be available 24 hours a day and throughout the week. Stanchart Managing Director, Mizinga Melu, said the roll-out will enable the bank to significantly enhance its service to customers in the country. "We differentiate our brand in Africa through our ability to leverage on our international expertise and product capabilities to introduce innovative services into our Africa markets," she said. *(ZDM, 18.11.10)*

Drugs Strain China-Ghana Ties

With a ready market, especially among the illiterate, Chinese medicines are making it big in Ghana. However, a lingering grouse in Africa has been that China is taking advantage of the booming economic ties to flood the market with sub-standard goods and its drugs are now coming under close scrutiny.

Ghana's Food and Drug Board is currently on a crusade to wipe out suspect drugs from the West African country's market and this has led to the arrest of some Chinese businessmen said to be behind the bustling trade. Bilateral relations between the two countries are at a high, with the Chinese government pouring billions of dollars into Ghana's economy. *(AR, 13.12.10)*

Climate Change Conference Vital



The Minister of Tourism, Environment and Natural Resources, Catherine Namugala, says the climate change conference is crucial to restoring global confidence in the process and delivering tangible outcomes that will help save the planet. She said there is need for the conference to deliver a legally binding outcome to effectively address the challenges of climate change.

Outlining Zambia's expectations from the summit, Namugala said Zambia strongly feels that adaptation has not received sufficient attention in global efforts to address climate change. She said, it was clear that climate change impacts were derailing the attainment of MDGs which are important for economic development.

(ZDA, 13.11.10)

Africa's Most Valuable Assets

– Richard Branson*

I visit Africa often, and it is apparent that a "yes, we can" attitude is spreading across the continent, as awareness of its business and investment opportunities reaches around the globe.

Africans have much to be proud of, including some recent major economic successes. In September, Wal-Mart made an offer to buy the South African retailer Massmart for US$4.2bn. And this summer's FIFA World Cup generated more than US$3bn in revenue for South Africa, the host country.

In September 2010, Wal-Mart made an offer to buy the South African retailer Massmart for US$4.2bn

Still, there is much to be done.

Analysts and business leaders often focus on mineral resources when considering prospects for Africa's future the continent is the source of much of the world's platinum, diamonds and gold. But I believe Africa's most valuable assets are its wonderful people, particularly its entrepreneurs.

Millions of men and women are carefully building small businesses suited to local markets, working off the radar in regions untouched by big business. They are the real diamonds. These entrepreneurs are agents of change, taking risks that may someday generate jobs and build communities.

Yet, many lack the financial resources and support networks needed to help them scale up their businesses. Some have such limited access to teachers and mentors that simple training on pricing, marketing and product design can have a massive impact. With the right support, their entrepreneurial efforts can produce even more opportunities, leading to the prosperous dynamic of progressive capitalism.

That's why Virgin Unite, our non-profit foundation, established the Branson School of Entrepreneurship in Johannesburg to support and celebrate young South Africans as they launch new ventures. We help them expand their businesses by connecting them with entrepreneurs from South Africa and around the world people who can provide mentorship, help them gain access to markets and raise capital.

We're also directly investing in some African businesses, from small start-ups to larger companies. Indeed, one of our best investments is Virgin Active in South Africa. It was recommended to me by Nelson Mandela almost 10 years ago when he asked me to rescue a chain of health clubs that had gone into receivership. Today, the business has grown to 92 clubs across the country; it has half a million customers and is planning to expand to more than 100 clubs in 2011.

In the meantime, across the border, the people of Zimbabwe need more international investment and expertise to help them revitalize their country, which has been suffering under years of dictatorship and disastrous economic policies. In September, Virgin Unite, together with Humanity United and the Nduna Foundation, launched Enterprise Zimbabwe to help Zimbabweans attract and foster investments from philanthropic and commercial donors. This organization will target small businesses and social initiatives in key areas such as health, small-scale agriculture and education.

An example of one of our early projects: in partnership with American and Australian entrepreneurs, Enterprise Zimbabwe is investing in a growers' association that represents 2,000 farmers near Harare. We hope to assist a small number of these farmers to revitalize their operations over the next six months. We will then assess the impact of this pilot project, and pay attention to what is needed on the ground.

If Zimbabwe is going to recover, it's critical for the global community of business leaders and philanthropists to come together to support the people who will rebuild its economy. In 2011, Enterprise Zimbabwe will help to arrange a number of trips to the country, so that entrepreneurs and leaders of charitable foundations can meet Zimbabweans. We hope to help these leaders to understand how they can help, and to match them with emerging businesses and social development opportunities.

Every time I visit the continent, I am impressed by what daring African businessmen and women are accomplishing in the face of tough social and economic challenges. I am certain that Africa will someday occupy a more prominent place on the world stage. US President Barack Obama summed it up well last year in his famous speech to the Ghanaian parliament: Africa is not a world apart, it is a "fundamental part of our interconnected world".

While we often hear what's wrong in Africa, I would like to hear what Africans are doing right. Inspiration comes from leaders who care about communities. Let's find those entrepreneurs who are making a meaningful impact.

* *Founder of the Virgin Group. Abridged from an article that appeared in Livemint, on November 01, 2010.*

ReguLetter

The October-December 2010 issue of newsletter, 'ReguLetter' encapsulates 'Call for World Competition Day' in its cover story, which state that cartels in the air cargo industry should be of concern to all stakeholders as they have a serious negative impact on efforts towards economic development and poverty reduction in developing countries. What is, therefore, apparent that competition authorities in developing countries also need to be in a position to join in and prosecute such international cartels once they are discovered.

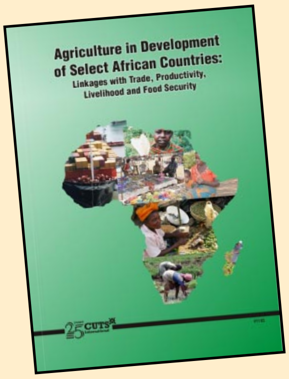
The lead story is followed by regular sections focussing on news, views and policies related to corporate restructuring, regulations of utilities and finances, corporate governance etc. of different countries in particular, the developing nations. Besides, annual roundup of competition laws, mergers & acquisitions, corporate issues etc. is another highlight of the edition.

A special article by Frederic Jenny and David Lewis says that had a regional African competition law covering all African countries existed, the market-sharing agreement between Castel and SABMiller could have been prohibited and vibrant competition could have been preserved.

About a Competition Law looks at the competition scenario in China, the institutions of competition law in the country and the scope of improvement in the law.

This newsletter can be accessed at: http://www.cuts-ccier.org/reguletter.htm

FORTHCOMING



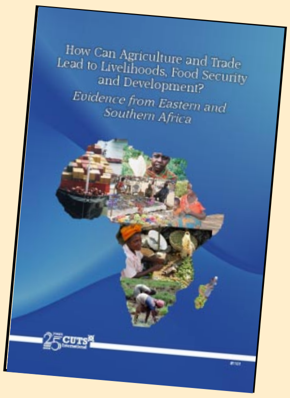
Agriculture in Development of Select African Countries:

Linkages with Trade, Productivity, Livelihood and Food Security

The publication undertakes a systematic study of the current aims and objectives of the key economic and agricultural policies in the five African countries. It brings to light the diverging concerns between the landlocked countries (Zambia, Uganda and Malawi) and the non-landlocked countries (Kenya and Tanzania) in their pursuit of achieving their targeted development through trade. It encapsulates the social, political, economic as well as cultural factors present in the countries that drive the importance of linking trade and agriculture to rural livelihoods and food security.

How Can Agriculture and Trade Lead to Livelihoods, Food Security and Development?

Evidence from Eastern and Southern Africa



The monograph summarises the analysis around ten themes that range from the importance of agriculture to the role of governments, donors and CSOs. The themes also include international and regional (including informal) trade, education and capacity building needs, and multi-stakeholder consultations and coordination. This presentation brings out all the relevant issues and their interlinkages. It also offers comprehensive and yet concrete suggestions for action by all concerned. This holistic approach and inter-weaving of crisp analysis and specific recommendations should be particularly useful for policy makers.

Sources

AR: Africa Review; AN: Afrol News; BD: Business Daily; EABW: East African Business Weekly; FT: Financial Times; MT: Muvi Television; RW: Rwanda Times; TC: The Citizen TH: The Hindu; TN: The Nation; TP: The Post; ZDA: Zambia Development Agency; ZDM: Zambia Daily Mail

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