Tradequity

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BRICS Competition network, and its role in Africa

African competition agencies are in urgent need of technical assistance and capacity on competition issues, and this provides an opportunity for the BRICS competition network to contribute

Almost exactly two years after the inaugural meeting in Kazan (Russia), competition agencies from Brazil, Russia, Indi.a, China and South Africa jointly organised the second BRICS International Competition Conference in Beijing (China) on September 21-22, 2011. Nearly 300 participants from over 50 countries attended this event, hosted by the Chinese government and recognised unanimously the role of competition policy and law in combating financial crisis and economic meltdown.

Being referred as the Beijing Consensus (not to be confused with the existing expression 'Beijing Consensus' coined by Joshua C Ramo in 2004 to refer to an alternative model of economic development), the agreement between the BRICS competition agencies called for continued elimination of barriers to trade and investment, to ensure free flow of goods and people, as well as effective allocation of resources. It reflects key elements of the agreement reached at Sanya (China) in April 2011 between BRICS leaders to, "continue further expanding and deepening economic, trade and investment cooperation" among the countries, and to "refrain from resorting to protectionist measures".

Sharing their views and experiences pertaining to "competition enforcement in the context of economic globalisation", competition agencies from these five emerging economies highlighted the significance of an effective competition policy and law "for ensuring fair competition, protecting the interests of consumers and promoting the healthy development of a market economy". While, some participants felt that the conference remained largely a political gesture and lacked a robust action agenda, others felt that a strong political undercurrent was indispensible in this case and would help achieve greater political buy-in for the initiative.

It is now critical that specific activities are undertaken under this network and showcased at the next conference to be held at New Delhi (India) in 2013. This would make this initiative more visible, and also silence the detractors.

The Sanya Declaration further affirms the commitment of the countries to "advance BRICS cooperation in a gradual and pragmatic manner, reflecting the principles of openness, solidarity and mutual assistance" with "increasing engagement and cooperation with non-BRICS countries, in particular emerging and developing countries, and relevant international and regional organisations".

The possibility to cement a strong partnership with some of the non-BRICS developing countries (with young or evolving competition regimes) in Africa is a possible option to be considered, as it is opportune. African competition agencies are in urgent need of technical assistance and capacity on competition issues, and this provides an opportunity for the BRICS competition network to contribute. The process of cooperation can be channelled through the Africa Competition Forum (ACF) – a network of competition agencies from the continent launched a couple of years ago for discussing technical assistance and capacity building needs on the subject. Given its mandate and future activities, the ACF is ideally suited for the BRICS competition coalition to explore partnership with, and take its agenda to cooperate with non-BRICS countries forward. It also offers a win-win situation for both these newly established entities.

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AU Team Faults Kenya's Growth

Despite making economic progress, Kenya's uneven development and regional disparities have been cited as major challenges to its growth. The disparity is one of the key issues the public have been raising through the African Peer Review Mechanism (APRM) – a voluntary organisation made up of 30 African countries which is holding sittings across the country.

The regional disparities exist in terms of infrastructure and basic services such as water, health, education, electricity and access to government services. Inequalities are also found in economic production where some regions are large producers while others are far below par. The sittings are part of Kenya's second review under the APRM. After the sittings, a report will be presented to the Government to address the issues raised. *(BD, 29.07.11)*

Best Investment Destination?

South Africa's good infrastructure and favourable tax laws are some of the factors that make it a favourite destination for investors on the continent. SA must now adopt bold measures in order to remain ahead, in an environment where competition for FDI is high.

Botswana and Mauritius have introduced a comprehensive set of tax breaks, deregulation and improved on their business climates. Both countries have no exchange controls and are more tax-friendly than South Africa. They are more free economies, and the South African government's latest attempt to relax regulation hasn't matched the level of economic liberty in the two countries.

(www.tradeinvestafrica.com, 15.09.11)

BAZ Address High Interest Rates

The Bankers Association of Zambia (BAZ) is working with various stakeholders to find common ground in addressing high interest rates on borrowing, Chairperson Mizinga Melu said. She said as a key stakeholder in the financial services sector, BAZ, through its members, was committed to providing access to competitively-priced credit to the Zambian public.

The public would be interested to know that bank lending rates are determined independently by individual banks based on market factors such as the rate of inflation, their cost of funds, the rate of government securities and the market credit risk, among others. These lending rates are reviewed periodically by individual banks in order to achieve price competitiveness and provide benefit to bank customers. *(ToZ, 12.07.11)*

Unlocking Investment in Africa

The increased interest in Africa exhibited by Private Equity and Venture Capital funds provides a good opportunity for promising entrepreneurs and businesses on the continent to tap into these lucrative sources of capital.

According to statistics released by Emerging Markets Private Equity Association (EMPEA), an independent global membership association whose mission is to catalyse Private Equity (PE) and Venture Capital (VC) investment in emerging markets, 2010 saw PE activity in the emerging markets rebound from a sluggish 2009. Total funds raised for investment grew by four percent, to US$23.5bn from US$22.6bn. This recovery marked a return of investor confidence in the PE asset class. *(BD, 19.07.11)*

Priortising Infrastructure

Political leaders while attending the 13th African Renaissance Conference in Durban argued that increased infrastructural connectivity between African countries should be prioritised, as it would create an important platform for social, political, and economic development on the continent.

At present, only about 10 percent of African trade was intra-continental, while the balance was with countries in Europe, Asia, and the Americas. South Africa's Public Enterprises Minister Malusi Gigaba argued that yearly infrastructure investment of US$38 billion would be required over the next 10 years to deal with the current deficits and to create the basis for greater trade and investment within the continent and with trade partners. *(ENO, 05.08.11)*

Broadband Access for All

While the South African government has an ambitious target of ensuring broadband access to all by 2020, the funding of that initiative remains unclear. In July 2011, the Department of Communications held a workshop with 30 top ICT companies and agreed that by 2020 the industry must achieve 100 percent broadband penetration and 100 percent access for all.

Telkom was the single biggest contributor to the USF fund of just under one billion rand, contributing just more than half of that value. The government's policy was evolving all the time, despite not yet even effecting the broadband policy. It was not yet clear where South Africa would end up in terms of speed.

(www.businesslive.co.za, 08.09.11)

Boost to Fertiliser Sector

Greenbelt Fertiliser, a Zambian owned company will produce over 10,000 metric tonnes of fertiliser under the 2011-2012 farming season. Company Customer Relations Manager Moomba Nang'amba said the fertiliser will be distributed to commercial and small scale farmers countrywide.

He said the fertiliser to be distributed include green and blue fertiliser which has been blended to suit various soil samples. Earlier, Greenbelt Fertiliser Agronomist John Boucher said his company will continue to promote conversional farming and promote new technics for small scale farmers. *(ZNBC, 21.08.11)*

Support for SMEs an Imperative

The Bank of Zambia (BoZ) Governor Caleb Fundanga said that microfinance institutions should support production by providing finance to agriculture and manufacturing instead of merely providing consumption related salary backed loans.

He said increasing access to financial services by the small and medium enterprises (SMEs) who form the back born of the economy was critical. He further stated that the SMEs were an important segment of economic growth in the country. This sector provides employment for many people who cannot be absorbed into formal employment.

(ToZ, 03.07.11)

Border Post Underway

The construction of the US$25mn modern facility at Kasumbalesa border on the Democratic Republic of Congo (DRC) side started with about 40 percent work being done. The new facility would be offering 24 hours service, unlike the old arrangement when the border operated from 06:00 to 18:00 hours and only cleared 250 trucks in a day.

The project will improve monitoring and collection of customs duty and other fees applicable. There would be proper office space, new weight bridge and the x-ray machines. Kasumbalesa attracts traffic originating or destined to the ports in South Africa, Mozambique, Tanzania, and Namibia as well as traffic to and from various Southern African Development Community (SADC) and Common Market for Eastern and Southern Africa (COMESA) countries. *(ToZ, 02.08.11)*

Zambia ups COMESA Exports

Zambia increased export into the COMESA region from US$107.2mn in 2003 to US$646.2mn in 2009, Defence Minister Kalombo Mwansa said. Zambia's performance in the intra-COMESA trade was remarkable. Zambia increased penetration into the regional market, increasing from US$107.2mn in 2003 to US$646.2mn in 2009.

COMESA Secretary General Sindiso Ngwenya said the region recovery from crisis induced slowdown was underway adding that the region average inflation also tendered downwards from 19.5 percent in 2009 to 6.1 percent in 2010 reflecting the increased supply of agriculture products, excess capacity and competitive pressures with the advent of another sharp increase in food and fuel prices exhibited in the first half of 2011. *(ToZ, 14.07.11)*

Exploit DRC Market

"Zambian entrepreneurs should take advantage of the huge prevailing consumer market opportunities offered by the DR Congo that is accounting for over 39 percent of total non-traditional export earnings", Zambia Development Agency (ZDA) Director for Export Promotions Glyne Michelo said.

He stated that there was an absence of industrial activities and commercial agriculture in that country because it was not fully developed. He further said that Zambians should aspire to maintain a foothold in the market and expand its market share and also introduce new companies. It is imperative for ZDA to relentlessly undertake such export promotional activities. *(TP, 23.07.11)*

Scrap Metal Trade

Dealers in scrap metal challenged steel and iron manufacturers to create their own reserves by bidding for raw materials from the mines' salvage yards rather than influencing the government to impose the export ban of scrap metal.

The government has imposed various measures aimed at developing the steel industry in Zambia because the importation of steel and iron products was affecting local manufacturers. Other measures include the introduction of 25 percent duty on importation of grinding mill balls. But dealers said the government should level the playing field since local manufacturers offered lower prices that force them to export the raw material. Fabian Chisulo, a dealer said scrap metal prices needed to be revised to international standards. *(TP, 15.07.11)*

FRA Refutes Reports

Zambia is yet to export maize to Kenya, says the Food Reserve Agency (FRA).

FRA Marketing Information Coordinator Joseph Mulambu dismissed reports that the Kenyan government rejected maize from Zambia.

Mulambu said the deal on the maize exports to the east African nation had not been finalised and added that the agency, however, was exporting to neighbouring DRC, Mozambique, Namibia and Zimbabwe. The country's strategic grain reserves have fallen and the government has cut the country's 2011-2012 maize output projections from 39.8 million 90 kg bags of maize to 25 million due to low yields as a result of poor rainfall. *(TP, 11.07.11)*

Firms Shrug off Tax Rules

The income tax rules that Uganda introduced on firms with cross-border operations will not slow down the expansion of Kenyan companies to the landlocked nations. The impact of transfer pricing regulations that Uganda gazetted on July 01, 2011 will be minimal on Kenyan and other East African firms with branches in Uganda as the region applies uniform corporate tax rate at 30 percent.

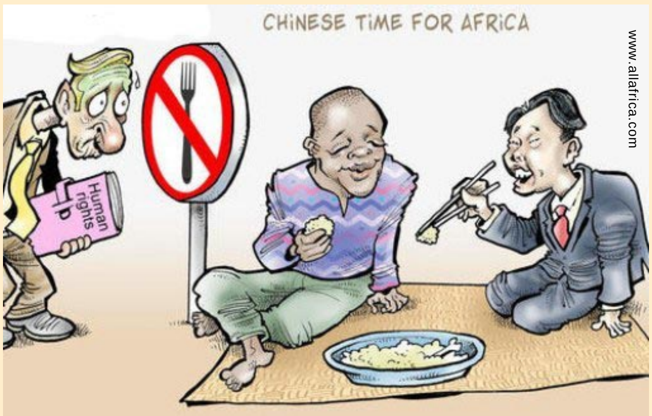
Kenyan firms with cross-border operations face no significant financial losses in the changed legal landscape but they will now be compelled to comply with both Kenyan and Ugandan law on transfer pricing. *(BD, 14.07.11)*

China-SA Ink US$2.5bn in Deals

China has agreed to US$2.5bn in investment projects with South Africa, the African Nation's Deputy President Kgalema Motlanthe said. He said that the agreement was made between the Development Bank of South Africa and China Development Bank, and that the two countries had also signed a memorandum of understanding on "geology and mineral resources".

South Africa exports about US$5.5bn a year in minerals to China, and Africa's largest economy has increasingly been a destination for Chinese foreign direct investment (FDI).

China in 2010 invited South Africa to join the Brazil, Russia, India and China (BRIC) grouping. It was seen by analysts as a Chinese stamp of approval for the country's role as a stepping stone to the African continent. *(Reuters, 30.09.11)*



New Trade-centered Diplomacy

Kenya has taken a new trade-centred diplomacy stance that will see country deploy foreign nationals to head commercial departments of its missions across that globe. The plan is to hire nationals of the target markets with right skills and networks to head the charm offensive instead of sending Kenyans with little or no connection.

The move not only marks a major shift in the county's diplomatic positioning but also makes significant departures from the way Kenya has traditionally staffed its embassies and high commissioners abroad. The new policy puts Kenya in step with countries such as the UK, India, Columbia, Brazil, Costa Rica that have effectively used diplomacy to champion economic interests and tilt trade balance in their favour across the globe.

(BD, 12.07.11)

Hard Time Ahead

Economists have predicted harder times for Ugandans as Bank of Uganda (BoU) moves to limit the acquisition of loans from local banks. The Central Bank, which regulates the financial markets, increased its lending rates to 16 percent from 14 percent in August 2011, signalling a further increase in interest rates by other commercial banks.

The surge in the Central bank rates by two percentage points is expected to be replicated by major lenders to business and individuals in the economy.

(BD, 08.09.11)

Nigeria not Attracting Investment

The decline in FDI into Nigeria since 2007 entered a new low in 2010. The Central Bank of Nigeria (CBN) 2010 Annual Report showed that the FDI figure was US$668mn in 2010 and US$3.31bn in 2009.

This is a dismal figure for a country seeking to transform its economy through trade and investment. Though there are no figures for domestic investment, it is often rare that the two move in opposite direction.

In the same CBN 2010 Annual Report, it is a different case with portfolio investment, which is usually short term and in paper instruments, as it climbed to over US$3bn for the first time. Effectively, there is now a preference for short term instruments in Nigeria rather than long term investments by foreigners in Nigeria.

(BD, 22.08.11)

New Waiver on Sugar Imports

Kenya is likely to request for an extension of special safeguard against duty free sugar imports from the COMESA region bloc, owing to a slowed implementation of reforms. Under a pact reached with COMESA in December 2007, the country is expected to fully liberalise its sugar market by March 2012 allowing for unrestricted flow of duty-free imports from the block.

Critics say Kenya's sugar industry has been held back by high production costs and a lack of credit for inputs, leading to low yields and an annual national sugar deficit of more than 200,000 tonnes. The high cost of production is linked to poor roads in the cane growing zones as well as aging factory machines. *(BD, 14.07.11)*

Informal Trade Increase Exports

Rwanda is developing informal trade along its borders to tap into growing revenues from the sector, as it seeks to cut back the rising trade deficit. While the country's trade deficit increased in the first-half of 2011 to US$587mn, compared with US$543.7mn in June 2010, informal trade balance recorded a surplus, statistics from the Central Bank indicate.

Rwanda's informal cross-border trade hit US$9.33mn between April-June 2011, dominated by DR Congo on the export side and Uganda on the import side. Currently, informal cross border trade accounts for 20 percent of the total exports. The study was conducted at 53 big and small posts, including unofficial border posts, to determine the magnitude (in terms of value and volume) of informal cross-border flows. *(EA, 05-11.09.11)*

African FDI Fell in 2010

Africa's FDI decline by nine percent in 2010 to US$55bn, the 2011 World Investment Report by the UN Conference on Trade and Development (UNCTAD) revealed. But the report notes that global FDI modestly increased to US$1.24tr in 2010.

The growth was still 15 percent lower than the level recorded before the onset of the global economic crises in 2008. The report also urged African countries to take policy measures to attract more FDI. It notes that Africa needs to deepen political and regional integration in ways that enhance intra-regional trade and investment within the continent.

(AR, 28.07.11)

Economic Partnerships a Must

The Zimbabwe Investment Authority (ZIA) told Parliament that Economic Partnership Agreements (EPAs) were good as they would liberalise the economy by 80 percent and give access to the European Union market and preferential trade treatment to Zimbabwe.

ZIA Chief Executive Officer Richard Mbaiwa said that one of the issues under consideration in EPAs is that whatever product is produced in the market will have to meet specific standards. This will help Eastern and Southern African countries to rebuild regional markets and improve standards of their products.

He further stated that while investment opportunities and lines of credit might improve, the only fear was there might be an influx of imported goods into the country, which might lead to de-industrialisation. *(ND, 20.07.11)*

EAC to Negotiate as a Bloc

The East African Community (EAC) Secretary General Ambadssador Dr Richard Sezibera said that the World Trade Organisation (WTO) is considering negotiating with the EAC partner states as a single bloc instead of individual partner states.

"The WTO review would consider East Africa as a bloc, not individual Partner States, all of which underpins the importance of integrating the region," Sezibera said at the opening of the 23rd meeting of the EAC Council of Ministers held in Arusha, Tanzania. "It is good that recently we harmonised axle load weight regulations and partner states should now remove all non-tariff barriers."

He also called for collective efforts to address the persistent power shortages and the rapid implementation of the EAC Food Security Action Plan and Climate Change Policy to address food insecurity in the region. *(EABW, 20.09.11)*

Members Submit Lists of Products

COMESA Secretary General Sindiso Ngwenya says 11 countries have submitted their tentative lists of sensitive products under the Customs Union (CU). Ngwenya said the region had also agreed on the threshold for sensitive products in the overall COMESA tariff.

He said the listing of the sensitive products was a sign of the progress the CU had registered in terms of implementing some aspects of the roadmap milestones. The 11 countries that have submitted their lists of sensitive products are Congo DR, Malawi, Burundi, Rwanda and Kenya. Others include Mauritius, Sudan, Swaziland Comoros Island, Madagascar and Uganda. *(TP, 10.07.11)*

COMESA Approves ACTESA

COMESA Ministers of Agriculture approved focus areas of the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) aimed at improving competitiveness of the staple foods market through enhanced micro and macroeconomic policies.

According to a statement the focus areas, if implemented, will result in a prosperous agricultural sector in the COMESA region. It stated that ACTESA's commitment to realising the market expansion; food and nutrition security objectives of the Comprehensive Africa Agriculture Development Programme must be reinforced.

The key areas, which are outlined in the 10 year strategic plan, will focus on improved competitiveness of staple foods market through enhanced policies and other areas include improved and expanded market facilities and services for staple foods commercialisation and increased commercial integration of staple foods producers into national and regional markets. *(TP, 08.08.11)*

SADC Needs External Protection

Southern African leaders are asking for a deepened discussion on "how to protect the Southern Africa Development Community (SADC) economies from external shocks and to restructure the regional economies in order to combat poverty".

The request was made at the summit in Luanda, Angola, where heads of state and government put that responsibility on the shoulders of the Ministerial Task Force on Regional Economic Integration.

Reports put before the summit did note improvements in the economic performance within the region. However, the summit also noted vulnerability of the region to risks coming from the financial and economic volatilities in the developed economies. *(NE, 24.08.11)*

SACU Considers New Formula

It is still a long way before Botswana, Lesotho, Namibia, South Africa and Swaziland, the five member states of the Southern Africa Customs Union (SACU), endorse and eventually agree on a new revenue sharing formula.

The five SACU member states have been mulling over two ideas – either setting up a dedicated development fund or increasing the development component under the revenue sharing formula. There is already a general agreement, adopted during the first heads of state summit early in 2010, that the revenue pool within the union should address development, and strengthen industry development, taking care of the countries with smaller economies in the group.

The initial draft report suggested either to have "an expansion of the current development component or setting up a dedicated development fund for infrastructure development to promote spatial development initiatives and cross-border infrastructure". *(NE, 05.08.11)*

SA Inches Forward

Southern Africa has moved forward with regional integration, but challenges remain. No less than 400 programmes focusing on regional integration were conducted in the SADC alone, with a combined value of US$8bn.

A number of infrastructure projects were completed and several protocols signed. The SADC Free Trade Area (FTA) has liberalised 85 percent of its internal tariffs and intra-SADC trade has doubled between 2000 and 2010. *(BD, 13.09.11)*

AGOA Extension Likely

The African Growth and Opportunity Act (AGOA), enacted in May 2000, is now in its second decade. By any measure, AGOA has been a major success during its first decade. But the AGOA third-country fabric provision, which has been essential to the success of the AGOA apparel programme, is due to expire on September 30, 2012, and the overall authorisation of AGOA runs only through September 30, 2015.

African Cotton & Textile Industries Federation has for two years been involved in high-level lobbying to convince the US government to extend the AGOA third-country provision to September 30, 2015, and for any additional period beyond that for which AGOA is extended. These efforts received a major boost at the AGOA Forum, which was held in Lusaka, Zambia June 07-10, 2011. *(CA, 06.08.11)*

Tackling Food Insecurity in Africa

Of the world's almost seven billion people, about one billion are starving, owing to a long list of unfortunate local events and circumstances, together with steadily increasing demand, unpredictable weather patterns and poor financial management. And, food shortages could grow much worse, as world population is expected to reach nine billion by 2050, or earlier. But, with the right programmes, enough food for everyone can be produced. Indeed, by taking the right actions now, we can eradicate starvation.

To meet the expected demand over the next 20 years, global food supplies must increase by an estimated 50 percent. Therefore, sustainable agriculture-led growth is needed to increase supplies and keep prices affordable. This can be achieved through a programme for subsistence farmers that not only improve productivity but also reduce weather dependency and provide simple financing instruments to encourage investment in new technologies and equipment, increased land ownership and easier access to local markets.

Lifting subsistence farmers out of their precarious position would be equivalent to halving the number of hungry people. But, it is a programme that can be achieved only if international organisations like the UN's FAO work hand in hand with national governments and private donors and partners. *(BD, 19.07.11)*

Banks to Sabotage Economy

Zambia's economy has been sabotaged by the banking sector due to the bank's failure to inject enough liquidity in circulation as a result of higher interest rates, observes Consumer Unity & Trust Society (CUTS) International.

CUTS International Zambia Acting Coordinator Simon Ng'ona said commercial banks are the only variable that appears not to be responding to the much talked about improved and sustained macroeconomic environment in Zambia.

He challenged the Bank of Zambia (BoZ) and the Competition Commission to diagnose the bottlenecks that halt the progressive realisation of the fruits associated with a healthy banking sector. *(PZ, 12.07.11)*

Fake Seed Poses Serious Threat

Grain seed provider, Seed.Co said the growth and sophistication of fake seed grain is posing a serious food security risk to the country which has recently made significant gains in the agricultural sector.

Seed.Co Public Relations and Communications Manager Marjorie Mutemererwa said the growth in the agricultural sector in the country was also bringing with it a growth in fake seed dealers. She said in an effort to come up with security features on the seed, the product was just becoming more expensive and posed a new risk to national food security.

She said after a fake grain seed factory was burst two years ago, the dealers had changed system of operation and we instead of stocking the fake seed, were only producing it on demand and quickly selling it to unsuspecting farmers. *(ToZ, 12.08.11)*

Telecom has Enough Players

Zamtel Zambia Managing Director Hans Paulsen said that Zambia does not need another player in the telecommunication industry. Three existing players – Airtel, MTN and Zamtel – were enough for the Zambian market.

He said having too many players did not guarantee better services for the customers and that what was important was for the service providers to be creative and give customers the right products.

He said he has seen African markets with seven players but nobody is making money and then the quality becomes poor. The telecommunication sector in the country had taken long to grow because there was no competition and innovation. *(PZ, 25.07.11)*

Famine Spreads Across Somalia

The food crisis in the Horn of Africa is likely to continue for most of 2011 and famine is expected to spread to the whole of southern Somalia. The Office for the Coordination of Humanitarian Affairs (OCHA) said that in Somalia, the crisis is expected to worsen, "with all areas in the south slipping into famine.

The agency cited high levels of severe acute malnutrition and under-five mortality, below-average harvest forecasts, a deterioration of pastoral conditions and continued increases in cereal prices.

UN agencies reviewed the humanitarian requirements upwards and now say US$2.48bn is needed, of which US$1.5bn has been contributed to date. At present, 12.39 million people are severely affected across the region and need urgent life-saving assistance. This figure could go up by 25 percent in the coming months. *(IRIN, 29.07.11)*

Cholera, Measles Kill Hundreds

Outbreaks of measles and cholera in parts of the Democratic Republic of Congo have killed hundreds of people, with thousands more infected, says an official of the UN World Health Organisation (WHO).

Close to six million children were vaccinated in the most affected areas in April and May 2011, but the epidemic spread to other provinces not covered in the immunisation campaign. WHO and the UN Children's Fund (UNICEF) are seeking an additional US$9mn to carry out campaigns in September and the first semester of 2012.

The Health Ministry and partners are also setting up water chlorination points and providing free cholera treatment to contain the outbreak. *(IRIN, 14.07.11)*

Why Africa is leaving Europe behind

– William Wallis*

A stage once dominated by jaded former colonial powers queuing up top seize opportunities

Africans are relishing something of a reversal in roles. The former colonial powers in Europe are wrestling with debt crises, austerity budgets, rising unemployment and social turmoil. By contrast much of sub-Saharan Africa can point to robust growth, better balanced books and rising capital inflows. There is an opportunity in this novel scenario: for Africa to assert itself on the global stage, and for European countries to take advantage of their historic footprint in Africa by stimulating commercial expansion to their south. But it is far from clear either side will grasp it.

The problems faced by western governments are all too familiar to African countries. They too found their public services hollowed out in the 1980s and 1990s under the strict conditions of World Bank and International Monetary Fund bail-outs. In the worst instances, state authority was fatally weakened as discontent boiled over on the streets.

Africa has been enjoying this reversal of roles. As rioting spread from London to other cities, South Africa's foreign ministry took the unusual step of issuing a travel advisory warning its citizens against visiting the UK. There was also retaliation for past jibes about their country's capacity to organise the 2010 football World Cup, by questioning whether London can be trusted to host a safe Olympics.

The response from Westminster's politicians also failed to serve as much of a model. As one veteran Nigerian diplomat wryly put it to me, Prime Minister David Cameron seemed to echo Libya's Colonel Gaddafi – who blames "terrorists" for the insurgency on his doorstep – when he blamed the worst violence on the UK mainland in generations simplistically to "criminals.

If British society is sick, and the European project is flailing, there are of course patients in Africa in far worse shape. It only took the improbable appearance this week of Andrew Mitchell, Britain's development secretary, in Mogadishu – a city no UK minister has visited since 1992 – to serve a reminder.

Mitchell's visit would have been bolder if it had taken place last year, when the seeds of the current famine were already sown and the absence of a functioning state was blighting the region with piracy and Islamist extremism. But it did serve as a contrast to the abnegation of responsibility in the crisis in the Horn of Africa by regional leaders.

It is Western governments and charities, along with the UN, that have stepped into the African breach, providing the finances and expertise to manage a crisis has already claimed thousands of lives and may have repercussions in the region for years to come. For all Africa's failures, however, the west must not draw the wrong conclusions. It is tempting to see only a familiar picture of African weakness. But in some ways the famine is a chapter that ill befits the times.

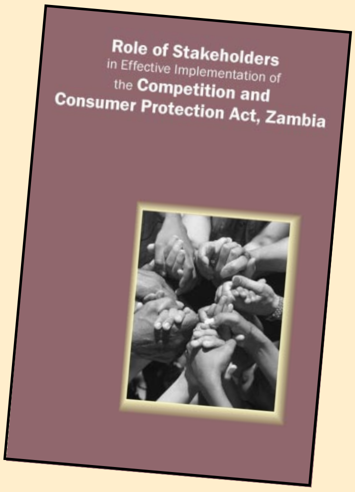
In the decade and more since China began sketching out the terms of its new engagement with Africa, the continent has undergone a transformational shift in its relations with the outside world. A stage once dominated by cautious western donors and jaded former colonial powers now hosts Brazilians, Indians, Russians, Turks and others queueing up to seize the opportunities of African resources and markets. The relative decline of western influence and commercial dominance forms part of the same narrative.

The contours of this new order are still being defined. Yet neither European nor African governments appear to have seized the opportunity presented: for African governments to stake out a more independent role and greater say in world affairs, and for Europeans to unshackle themselves from the unhealthy paternalism of the past and compete on more equitable terms for the business opportunities provided by rapid economic expansion to their south.

Europe has surrendered moral high ground as well as commercial dominance in Africa. But it is not too late to reverse that. On the former, at least, Europeans and Americans have remained by far the biggest donors during the famine, where African and emerging nation voices have been absent. On the latter, Africa's economic recovery has only just begun.

* *Financial Times Africa Editor. Abridged from an article that appeared in the* Financial Times, *on August 19, 2011.*

Role of Stakeholders in the Enforcement of Competition and Consumer Protection Law



To redefine and highlight the role of stakeholders in the implementation and enforcement of competition laws, CUTS International Lusaka in partnership with FES, held a stakeholders meeting in Lusaka, Zambia, on March 07, 2011. The workshop sought to help promote an inclusive approach to the enforcement of the Competition and Consumer Protection Act (2010) and fostered the creation of a better informed constituency that would participate in policy processes actively and effectively.

The booklet is not a conference report but rather takes the deliberations as a starting point for general information on the topic. This booklet will stimulate discussions on a needed change in the legislation of consumer protection in Zambia.

The report can be viewed at: www.cuts-international.org/ARC/Lusaka/RSPCZ/Role_of_Stakeholders_in_Effective_Implementation_of_the_Comp_and_Consumer_Protection_Act_Zambia.pdf

ReguLetter

The July-September 2011 issue of ReguLetter encapsulates 'Google and Facebook: Competition Concerns to Watch Out for' in its cover story. CUTS has recently filed two Preliminary Information Reports (PIRs) with the Competition Commission of India (CCI) urging them to investigate the activities of Facebook and more recently Google with reference to related relevant markets in India. The PIR also marks innovation in legal process, a new instrument created by CUTS analogous to the FIR which allows the CCI to investigate a potential anti-competitive abuse without obliging them to do so.

A special feature by Joseph Kieyah states that while the intentions of price control are good, its implementation may adversely affects the very venerable Kenyans it purports to protect. Without guaranteeing the supply of essential commodities, imposing arbitrary price control will lead to shortage and unemployment. Another special article by Michael Lind says that American antitrust law is a relic of 19th century agrarian populism.

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

Sources

AFP: Agence France Presse; BD: Business Daily; BBD: Botswana Business Diary; COMESA: Common Market for Eastern and Southern Africa; DB: Dainik Bhaskar; DN: Daily Nation; ET: Economic Times; FT: Financial Times; RP: Rajasthan Patrika; TEA: The East African; TG: The Guardian; TP: The Post; TS: The Standard; ToZ: Times of Zambia; ZDM: Zambia Daily Mail

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