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EVENTS

Building an Inclusive East African Community

CUTS Africa Resource Centre (CUTS ARC), Nairobi jointly with CUTS Geneva Resource Centre (CUTS GRC) and with the support of Deutsche Gesellschaft für Technische Zusammenarbeit (GTZ), Germany has implemented a two-year project entitled, 'Building an Inclusive East African Community' (BIEAC). It is implemented in five countries of the East Africa Community (EAC): Burundi, Kenya, Rwanda, Tanzania and Uganda. Two awareness raising workshops were held in Nairobi, on September 14 & 24, 2010 respectively.

Media Awareness

The workshop aimed at providing a platform to share and discuss the findings of two researches done on "Informal Cross Border Trade and Implications on EAC Growth and Integration", and "Harmonisation of EAC Tax Policies and Laws for Fostering Small Business Development and Regional Economic Growth"; and share with the media other outputs, mainly trade guides, positional papers, and policy briefs produced by the two researches. The event was attended by media both from print and electronic who aired the views from the presentations during TV business news.

National Awareness

The key question for the forum was "What reforms can be envisioned in the EAC harmonised taxation systems to foster SME development and their cross-border establishments as well as foreign investments and formal trading?" More than 70 participants attended the event. Everest Munyupundu, GTZ/EAC Tax Harmonisation Officer made a presentation on 'EAC Tax Harmonisation Issues' while Clyde Mutsotso, Tax and Audit Expert made a presentation on 'Tax Harmonisation in the EAC'.

Sensitising Media on Trade and Economic Issues

CUTS organised a media briefing in Lusaka, on October 01, 2010. The main objectives of the briefing are to:

- share CUTS observations on economic, social issues pertaining to trade, investment, competition and consumer protection state in the Zambia; and
- provide a platform for further engagement with the media.

Fostering Equity and Accountability in the Trading System

CUTS ARC, Lusaka in collaboration with CUTS GRC organised a National Dialogue under the 'Fostering Equity and Accountability in the Trading System' (FEATS) project in Lusaka, on October 04, 2010. The main objectives of the dialogue are to:

- present the final drafts of second phase country research studies on issues related to agriculture, trade and development for discussion and validation;
- consolidate the networks established, particularly the FEATS country national reference groups (NRGs); and
- contribute to advocacy and broader dissemination of key messages and recommendations emerging from FEATS research.



FORTHCOMING EVENTS

Taking East African Regional Integration Forward

CUTS GRC in collaboration with CUTS ARC, Nairobi and other partners under the BIEAC project would be organising a final regional workshop entitled, ‘Strengthening the Role of Civil Society in EAC Regional Integration: Perspectives from the BIEAC Project’ in Arusha, on November 02, 2010.

This event is a culmination of the BIEAC project where a discussion will be made based on a synthesis paper of 13 research studies undertaken in both phases of the project and also come up with five areas of work beyond the BIEAC project.

Pre-LDC IV African Civil Society Forum

CUTS GRC in collaboration with CUTS ARC, Nairobi and with the support of the Commonwealth Secretariat and the Commonwealth Foundation are organising a Pre-LDC IV Africa Civil Society Forum entitled, ‘CSO-LDCs Partnership for Development’ in Arusha on November 03, 2010. The forum will aim to:

- provide a platform for the CSOs from African LDCs to discuss the implementation of the Brussels Programme of Action;
- contribute to better understanding of CSOs from African LDCs issues related to LDCs thus enabling them to contribute more substantively towards a successful LDC IV;
- reduce the ‘advocacy’ gap on developmental challenges faced by the LDCs; and
- prepare appropriate recommendations for the consideration of LDC IV.

NEW PROJECTS

Better Exploration of Trade as a Means for Poverty Reduction

CUTS ARC, Lusaka with the support of Embassy of Finland would be initiating a project entitled, ‘Better Exploration of Trade as a Means for Poverty Reduction: An Inclusive Approach to Aid for Trade and Enhanced Integrated Framework in Zambia (BETAMPOR)’. The duration of the project would be of two years, i.e. December 2010-December 2012.



Embassy of Finland

The objective of the project is to build capacity of state and non-state actors (especially at the grassroots) in order to strengthen and influence participation in the Enhanced Integrated Framework process thus helping promote the utilisation and ownership of the process.

One of the expected outcomes is a culture of dialogue and inclusiveness for “policy ownership and coherence” which would be developed in Zambia and expected to be replicated in other least developed countries in the future. The activities will be implemented in phases. The activities earmarked in the first phase of the project include:

- Periodic visits
- Launch meeting
- Research would look at the current state of the implementation of the aid for trade agenda in Zambia in the context of the country’s development
- Preparation and printing of advocacy materials
- Three provincial workshops

Scenario Planning for EAC Agricultural Development

CUTS ARC, Nairobi with support from Trade Mark East



Africa (TMEA) is implementing a project entitled ‘Scenario Planning for East African Community (EAC) Agricultural Development’.

The objective of this project is to propose the direction for agricultural development in the EAC through a Common Agriculture Policy to realise sustainable food security by 2020. The six-month long study would cover five EAC in its scope – Burundi, Kenya, Rwanda, Tanzania and Uganda.

CUTS has carried out scoping study in each of the five EAC countries with stakeholders in agricultural trade and policy stakeholders for the purpose of executing this project.

PUBLICATIONS

Harmonisation of EAC Tax Policies and Laws: *Proposals for Taxation Regime for Fostering Small Business Development and Regional Economic Growth*

The harmonisation of tax regimes should be one of the priorities of the EAC member states in order to ensure a successful functioning of their common market. The current wide differences between the member states' tax regimes are an obstacle in the progress of the common market. This policy brief shall seek to address the importance of small businesses in the EAC region and provide suitable approaches to design an appropriate harmonised tax regime for them.

http://www.cuts-international.org/ARC/Nairobi/BIEAC/PDF/BIEAC-Harmonisation_of_EAC_Tax_Policies_and_Laws.pdf



How Might EAC Reduce Negative Implications of Informal Cross-Border Trade to Support Regional Trade Integration and Development?

Informal cross border trade is especially evident in the East African Community (EAC) and is growing rapidly as a market response to the cost of meeting the export/import procedures and doing business through the formal channels. Its negative effects include revenue loss, unfair competition and a lack of quality and innovation. This Policy Brief seeks to present the implications of ICBT on EAC regional trade integration, specifically, under the goals of increasing production, trade, and investment prized to steer development; the nature of the linkage between ICBT and formal trade in the EAC and suggest policy measures to expand formal trade links in a beneficial manner including for small-scale traders.

http://www.cuts-international.org/ARC/Nairobi/BIEAC/pdf/BIEAC-How_Might_EAC_Reduce_Negative_Implications.pdf



REPRESENTATIONS

Ambassador Love Mtesa and Simon Ng'ona attended the investment guide review meeting for Zambia at UNCTAD office on July 12, 2010. The purpose of the meeting was to review the investment guide document for Zambia that is being prepared by UNCTAD and International Chamber of Commerce.

Patrick Chengo and Ambassador Love Mtesa attended the Trade Expansion Working Group meeting at Ministry of Commerce Trade and Industry Conference hall, Lusaka, on July 05, 2010. The meeting mainly looked at the matrix of the EIF.

Simon N'gona participated in a meeting entitled, 'Dissemination of the Impact of Public Expenditure Irregularities on Poverty Reduction Report' organised by the Civil Society for Poverty Reduction in Lusaka, on September 09, 2010.

Ambassador Mtesa participated at the United Nations Conference on Least Developed Countries (LDCs) sponsored by the Swiss Government held in Lusaka, on September 10, 2010. The objective of the meeting was to make an input into the UNCTAD meeting to take place in Istanbul, Turkey looking at the problems being faced by LDCs.

Daniel Okendo Asher participated and made a presentation during the 2nd Annual African Consumer Dialogue held in Arusha, on July 12-14, 2010.

Fredrick Njehu attended a public forum convened by the Competition and Regulation Programme of the Institute of Economic Affairs, in Nairobi, on June 15, 2010. The discussions were based on the 'Price Control Bill' which was passed by the Kenyan Parliament.

Victor Ogalo attended the launch of the WTO Chair Programme at the University of Nairobi on June 19, 2010.

Victor Ogalo attended FES workshop on 'Politics of Food Security' and made a presentation on 'Food Security: Threat of Investment Opportunity' in Nairobi, on September 06, 2010.

Samson Odhiambo attended a workshop on 'Aligning Agricultural Policies to the Current Constitutional Regimes' organised by the Centre for Governance and Development, in Nairobi, on September 23-25, 2010.

Samson Odhiambo made a presentation on the Draft Report 'Status of Competition in Agriculture in Kenya – Case of Milling and Bulk Handling' during the peer review workshop in Nairobi, on July 27, 2010.

Regulator to Protect Interests of the Insured

Business Daily Africa, July 27, 2010

By Daniel Asher

The insurance industry used to be a symbol of hope for consumers. It was a monopoly of sincerity, while brokers and agents were flawless. Insurance companies were reliable shoulders upon which consumers could lean. These were the days when consumer was a king in the industry and treated with all the dignity he deserves. Detailed information regarding the insurance policies offered by various companies ranging from premium payments to claims applications was quickly availed and the compensation was prompt.

http://www.cuts-international.org/ARC/Nairobi/media-regulator_must_protect_interests_of_the_insured.htm

Electricity Hike too High for Consumers to Bare

Lusaka, Zambia, July 30, 2010

The newly approved electricity tariffs are too high to say the least. The Energy Regulation Board authorised Zesco to hike electricity tariffs by 25.60 percent, despite the utility's performance against the agreed Key Performance Indicator being unsatisfactory. However, CUTS is dismayed by this increase as 25.60 percent is very high and will have multiplier effects on the economy.

www.cuts-international.org/ARC/Lusaka/press_release-25.60_Percent_Electricity_hike-Too_High_for_consumers_to_bare-CUTS.htm

Zambia Challenged on AGOA

Muvi Television, August 04, 2010

The African Growth and Opportunity Act (AGOA), an initiative by the American government, was put in place to stimulate trade between developing nations with the US. AGOA, has however, not benefited countries like Zambia owing to the stringent requirements. Patrick Chengo of CUTS stated that Zambia has a challenge of putting its house in order if it is to benefit from AGOA. He says the country needs to improve not only the quality of products to be exported in to the American market but also infrastructure development.

www.cuts-international.org/ARC/Lusaka/media-Zambia_Challenged_on_African_Growth_Opportunity_Act.htm

Handle Labour Movement Carefully

East African Business Week, September 07, 2010

By Fredrick Njehu

The East African Community common market has been received with much enthusiasm locally and internationally. Basically, the four freedoms granted (labour, capital, goods and services) have been regarded as pivotal to economic, social and ultimate political integration of the East African region. In the minds of East Africans... see increased cross-border trade in sectors where each partner state has a comparative edge. Labour movement is likely to be the major market access tool in the era of the common market.

www.cuts-international.org/ARC/Nairobi/media-Ease_labour_movement_in_EAC_market.htm

An EAC Negotiations Act is Crucial

Daily Monitor, Uganda, September 07, 2010

By Fredrick Njehu

According to a report by the East African Court of Justice, East Africans have nowhere to present any disputes that may arise from a Common Market. East African Joint Trade Negotiations Act was assented to by the Summit in 2007. To date, the Act is yet to be effected and no progress has been made and the mechanisms that were put in place have not yet been initiated by partner states.

www.cuts-international.org/ARC/Nairobi/media-why_an_EAC_negotiations_Act_is_Crucial.htm

Weaknesses in New Consumer Bill

The Post Zambia, September 21, 2010

CUTS observed that the new competition and consumer protection bill has some weaknesses that should be addressed immediately in order to ensure full consumer protection. Parliament has passed the new bill, which is awaiting Presidential assent. The bill has new features that will strengthen the business competition regime and enforcement of consumer protection mechanism. But Simon Ng'ona of CUTS said the proposed legislation has revealed some inadequacies.

www.cuts-international.org/ARC/Lusaka/media-CUTS_observes_weaknesses_in_news_consumer_bill.htm

To Thrive, EAC Needs Competition Policy

East African Business Week, September 21, 2010

The East Africa common market is already up and running since its inauguration in July 2010. Though not much attention has been given to enactment of a functional competition policy, it would still be necessary for governments to adopt a competition policy if they are to promote the enjoyment of the four freedoms...and prohibit restrictive trade practices within the EAC economies.

www.cuts-international.org/ARC/Nairobi/media-EAC_must_put_in_place_a_working_competition_plan.htm

Africa Must Boost Trade Ties with America

Business Daily Africa, September 29, 2010

By Fredrick Njehu

The year 2008 was memorable not only for Americans, but the entire world when Barack Obama was elected US president. Africa was not left behind as many were optimistic that its relations with US would be a catalyst to development on the continent. The Obama administration came at a time when the US was tackling rising unemployment and the global financial crisis and that's what might have undermined any intentions regarding Africa.

www.cuts-international.org/ARC/Nairobi/media-African_states_must_boost_trade_ties_with_America.htm