

# Tradequity

A Newsletter of CUTS Africa

Year 9, No. 1/2010

## Economic Partnership Agreements

### *Eastern and Southern Africa Ministers meet the new Trade Commissioner*

*The Economic Partnership Agreements (EPAs) are trade and cooperation agreements being negotiated between African, Caribbean Pacific (ACP) states and the European Union (EU) to consolidate regional integration initiatives. They also aimed at fostering gradual integration of the ACP into the global economy on the basis of an open, transparent and predictable framework for goods and services.*

The EPAs were scheduled to enter into force by January 2008 but negotiations have been dragging due to differences. Many civil society organisations (CSOs) in Africa and development lobbyists have condemned the proposed EPAs, which they say the EU is imposing on ACP members and will not help attain development objective in Africa.

There have been no Eastern and Southern Africa (ESA)-EC EPA negotiations over the past months ever since the post signing of the interim EPAs in Mauritius in August 2009. On December 07, 2009 the ESA EPA ministers met and agreed to propose to their heads of government that negotiations continue towards a regional EPA with the EU. The ministers stressed that development and regional integration need to be at the core of the agreement. However, the development component under EPAs is very important because as countries within the ESA region open their markets, there will be need for them to have good infrastructure to create a competitive base.

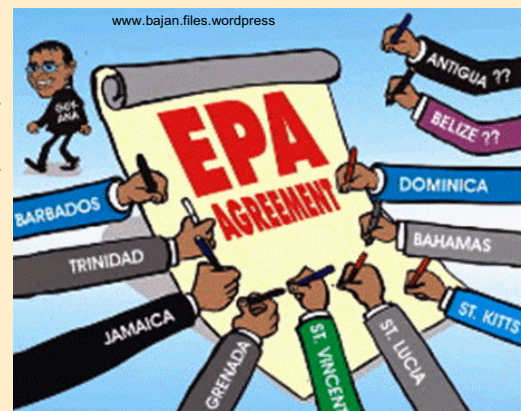
The EPA negotiations have reached at an advanced and critical stage but there are still a lot of loose ends, which will delay other trade negotiations. With the ESA-EC negotiations there are contentious issues in market access which are still hanging such as provisions on most-favoured nation (MFN), State

Administration for Taxation (SAT), export taxes, quantitative restrictions, infant industries, definition of standstill provisions and timeframe for tariff liberalisation for least developed countries (LDCs), rules of origin (RoO), special agricultural safeguards and modification of tariffs.

The ESA negotiations have taken long, a lot still has to be done. The countries are expecting that all the contentious issues will be addressed and not individual countries signing. The outcome of the meeting between the Ministers and the new trade commissioner remains vital as this will determine how the process will proceed.

The next ESA-EC Ministerial Meeting (a joint informal meeting) is scheduled between EC Trade Commissioner Karel De Gucht and EC Development Commissioner Andris Piebalgs and some ESA Ministers in Brussels on April 14, 2010. This will be the first meeting between EU Commissioners and ESA Ministers since the signing of the interim EPA in Mauritius on August 29, 2009.

The meeting is intended to establish a common understanding on issues under negotiation and chart a way forward. From the ESA side, the main objectives of the meeting are to seek flexibility from the EC on



market access, discuss development support and obtain political guidance in technical negotiations. This is necessary to give new impetus to the negotiations.

The ESA regional leaders have requested this meeting to establish a high-level political understanding regarding contentious EPA issues before continuing with technical-level negotiations.

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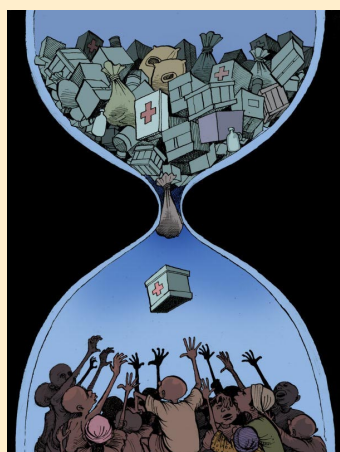
### EU Provides Aid for Roads

The EU has allocated €115mn (US\$142mn) for the development of roads in Zambia under the 10<sup>th</sup> European Development Fund (EDF). The 10<sup>th</sup> EDF multi-annual financial framework for Zambia began in 2008 and runs up to 2013. The EU delegation said that the Union has a long tradition in supporting the transport sector in Zambia.

The EU has provided about €280mn (US\$346mn) for roads, focusing corridor projects. The EU delegation said that all the road corridors are part of the wider regional interconnectivity agenda and a considerable amount of EU's financial assistance to the road sector is being provided to the treasury via sector budget support. *(ZDM, 15.02.10)*

## Reflecting on Africa's Resilience

A Kenya Red Cross Society official distributes food to famine-stricken families in Turkana. The World Bank's Global Food Crisis Response Programme (GFRP) has already approved US\$710mn for 21 African countries. Africa's opportunities and its potential to be another source of growth for the world economy are already known.



The African Union (AU) will be a cornerstone of Africa's development. It draws together to recognise Africa's interdependence, its gains from integration: whether for energy, transport, water, trade, movement of people, security, and of course Information and Communication Technology (ICT). Sub regional integration is also a driver of economic opportunity in Africa. *(BD, 10.02.10)*

### Prospects for Africa's Growth

Closer regional integration and additional investment in energy, irrigation and transport could help solidify economic growth on the African continent following the devastating effects of the global economic downturn. The recently released Global Economic Prospects 2010 report indicates that the collapse of global trade in the wake of the crisis stunted growth in sub-Saharan Africa (SSA) to about one percent in 2009 compared to five percent five years ago, with the biggest effects being felt in key sectors such as tourism and commodity export trade.

In light of such challenges, most African countries opted to increase intra-regional trade or trade with markets in Asia such as China that had not been hard hit by the downturn. Most governments, including Kenya, further opted to release stimulus packages directed towards the enhancement of infrastructure such as irrigation in order to help curb the effects of the financial crisis on the economy. *(BD, 26.01.10)*

### Japan Extends 'Green Aid'

The Japanese government extended the environmental programme grant aid – the Project for Introduction of Clean Energy by Solar Electricity Generation System – totalling US\$7.14mn to the Republic of Malawi.

In Malawi, most energy consumption is provided by biomass fuel, which produces large amounts of carbon dioxide. Malawi is working to reduce the ratio of biomass fuel and to diversify energy sources under the objective of increasing the utilisation rate of renewable energy.

This project will provide the necessary funds to install a solar power generation system connected to the power system in Kamuzu Airport, which is Lilongwe's international airport. In this way, it will contribute to reducing greenhouse gas emissions and also to the smooth operation of airport facilities. *(AN, 19.02.10)*

### UNDP's Aid for Governance

The United Nations Development Programme (UNDP) has pledged US\$25mn towards strengthening credible national institutions like parliaments, human rights organisations and anti-corruption commissions in developing countries, during 2010. The funds will also go toward promoting inclusive governance programmes such as

access to information and channels that allow stakeholder voices to be heard in the governance processes.

It is important for the UNDP to ensure that democratic governance – with its focus on inclusive participation, responsive institutions and values regarding human rights, gender equality and women's empowerment – becomes a critical and strategic part of the response. *(AN, 19.02.10)*

### China in Africa

China has made a recommitment to forge ahead with the memorandum of understanding for the development of Africa under the new partnership agreed in 2009.

Chinese minister of Commerce, Chen Deming has said his country will immediately implement the "eight new measures" to strengthen China-Africa cooperation in the next three years.

Chen reminded that after the new measures, China will focus on improving African people's well-being, strengthening agriculture and infrastructure and expanding cooperation in human resources development.

The eight point measures also include support for Africa to increase its capacity for independent development, and in tackling challenges such as the global financial crisis and climate change, in a bid to promote China-Africa friendly cooperation and Africa's economic and social development. *(AN, 13.01.10)*

### AfDB's Trade Initiative

The African Development Bank (AfDB) has received applications from regional financial institutions for about US\$1bn in trade finance since launching its new facility a year ago to stimulate African trade flows following the global financial crisis.

The AfDB is processing several requests for its trade finance facility. It has signed letters of credit for US\$100mn for United Bank of Africa, which the bank would use to advance credit to corporate customers on the continent after the retreat of non-African lending institutions.

AfDB has also arranged a US\$1.2bn short-term loan to the Ghana Cocoa Board to buy the imminent cocoa crop, and has advanced US\$100mn to South Africa's Standard Bank as part of the global liquidity trade programme. *(BD, 24.02.10)*

## COMESA-ECOWAS Sign Pact

The Common Market for Eastern and Southern Africa (COMESA) has signed a memorandum of understanding (MoU) with the Economic Community for West African States (ECOWAS) to enhance private sector development in two regions. This is also to advance regional economic integration towards attaining the African Economic Community.

The MoU will provide an opportunity for member States to cooperate in various areas of mutual interest, including matters of inter-regional trade development. It will also improve the livelihoods of citizens. It is also expected that visibility and participation of women in business will be advanced as this is crucial to creating employment and increasing household incomes while effectively contributing to economic growth and poverty reduction.

(ZDM, 09.02.10)



www.uefgroup.com

### A Strong Nepad Secretariat Vital

One of the key decisions taken at the end of the 14<sup>th</sup> Summit of the AU was to establish a new body to take over the functions of the secretariat of the New Partnership for Africa's Development (Nepad).

It is time the Nepad secretariat underwent re-engineering and its mandate broadened. Right now, Africa badly needs a body to co-ordinate the operations of the several regional economic groupings. Trading arrangements and economic groupings have mushroomed to the extent that there are cases where countries find themselves belonging to more than one grouping.

The continent needs a body to take up the responsibility rationalising membership to existing regional economic groupings. The mandate of the re-engineered Nepad should be expanded to include refereeing differences among the various economic groupings on the continent.

(DN, 08.02.10)

### Crafting Export Tax Rules

East Africa's policy makers face a tough task crafting a new trade policy to accommodate firms on export promotion schemes without hurting ordinary investors in the East African Community (EAC) region. The export oriented firms – mostly foreigners lured into the region a few years ago to invest under schemes like export promotion zones (EPZs), duty drawbacks, duty or value added tax remissions or manufacturing under bond – have been piling pressure on regional governments to review market access rules

to allow more of their products into the regional market.

Uniform rules for investment promotions and a review of existing market entry rules for special scheme firms are high on the agenda of a meeting by ministers of trade, industry, finance and investment in the EAC.

(BD, 16.03.10)

### SACU Revenue Down

Falling revenues from the Southern African Customs Union (SACU) could cause severe financial difficulties in the region. The drop in SACU revenue as a result of reduced imports amidst the global economic downturn is far more serious than foreseen and could significantly affect development goals in most of the union's member countries – Botswana, Lesotho, Namibia and Swaziland (BLNS).

They will either have to cut expenditure in key areas such as health, education and infrastructure development, or accumulate additional debt, which would lower international credit ratings and make it difficult to attract foreign investments.

(IPS, 18.03.10)

### EA Monetary Union Challenging

State leaders in the EAC have announced 2012 for the year of a common currency in the five member states of Burundi, Kenya, Rwanda, Tanzania, and Uganda. An East African Monetary Union by 2012 was called for by the EAC heads of state and the government. The common currency is to further foster economic integration in the regional trade bloc.

A common market is to be established by July 01, 2010, providing for free movement of goods, labour, and services

among the five East African countries. Banking experts opine that the plans for a common currency by 2012 may be too ambitious as central banks in the five countries are given little time to prepare for the monetary union.

(AN, 17.03.10)

### Simpler Rules in Trading Blocks

The ESA Business Membership Organisation Network has called for the simpler, harmonised RoO in the EAC, COMESA and SADC. The organisation says that the harmonisation of RoO was vital to promote trade and investment in the three economic blocks.

The main objective of the organisation was to avoid trade deflection and ensure non-members do not benefit from market access privileges intended only for members. There are a lot of complications in administration which adds costs of compliance and administration to both the exporting firms and the customs officials involved.

(DN, 19.03.10)

### It's Time to Flex Some Muscle

The UK government has signed a pact with three African trading blocs that would see it play a more critical role in the planned merger and economic development in the region, signalling intention to solidify its influence in Africa in the wake of an onslaught by China.

In a deal between the UK's Department for International Development (DFID) and the leadership of the EAC, Southern African Development Community (SADC) and the COMESA, the former offered to help reinforce growth through various programmes.

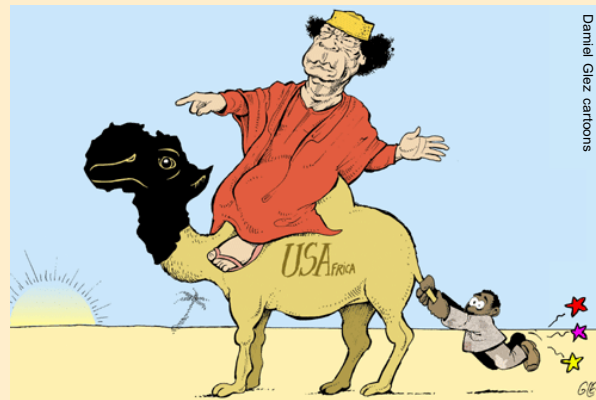
(BD, 05.02.10)

## EAC-US to Boost Business Ties

The EAC is poised to boost its business ties with the US in a new trade platform to be launched in February 2010. Operating under the Trade and Investment Framework Agreement (TIFA), the arrangement will help EAC member states to utilise the existing trade opportunities like the US Africa Growth and Opportunity Act (AGOA).

Signing of TIFA has been necessitated by the absence of formal platform where the EAC can engage the US. He added that the agreement can be renegotiated in future into a trade and investment pact, which gives legal protection to trade preferential market access embodied in AGOA.

(TEA, 25-31, 01.10)



Daniel Giez cartoons

### Kenya Miss out on Carbon Trade

Kenyan companies are missing billions of shillings in new revenue because of lack of expertise to develop projects that help reduce carbon dioxide emissions and therefore earn from the global carbon trading market.

The global carbon trading market, which rewards projects that help reduce emission of carbon dioxide into the atmosphere, is now worth estimated US\$170bn, but only a very small fraction of this money, estimated at two percent, is coming to Africa.

Kenyan companies have opportunities to develop carbon emission reduction projects from their existing operations by, for example, reducing use of fossil fuel to run their machines and vehicles, reducing staff travel by using video conferencing, redesigning their buildings to use less electricity for lighting and air conditioning.

(BD, 04.03.10)

### Red Tape Aggravates Food Woes

Stringent quality standards, red tape and unawareness of the customs union top the list of challenges that the EAC heads of state face in their renewed bid to promote free flow of agricultural commodities in the region to avert looming hunger. While policy experts acknowledge that the region has a capacity to produce enough food for its population, official barriers have slowed the movement of food crops from surplus to deficit areas, leading to glut in some parts as others within the region grapple with hunger.

The region's heads of state have organised a special summit in Arusha in March 2010 aimed at crafting the region's food security and climate change policy that seeks to eliminate all the official and informal barriers that hinder trade in grain.

(BD, 08.02.10)

### WTO Threatens Africa's Bananas

A thousand people working on Cote d'Ivoire's banana plantations face uncertainty as the EU begins implementing a new agreement governing tariffs on bananas. An agreement finalised in mid December 2009 aims to comply with regulations governing non-discrimination between member states of the World Trade Organisation (WTO). The agreement provides for over EU tariffs on bananas from Latin America.

The tariff will drop from the present US\$218 per tonne to US\$141 per tonne by 2017. This will make bananas from Latin American producers-mostly grown and exported by powerful multinational like Dole and Chiquita- more competitive against bananas from growers in African, Caribbean and Pacific countries.

(ZDM, 10.02.10)

### Asian Investment Rises in Zambia

Asian investment in Zambia has steadily risen over the last six years with China accounting for US\$6.1bn. Between 1993 and 2006, Chinese investments amounted to US\$377mn but this shot up to US\$6.1bn in 2009. According to the Zambia Development Agency (ZDA), Asia is among top sources of foreign direct investment (FDI) in Zambia accounting for 20 percent of total investment.

The Government of Zambia is making efforts to build stronger ties with Asian partners. ZDA intends to coordinate the participation of Zambian companies in specific sector or specialised exhibitions in Hong Kong and China to promote local products. ZAD plans to undertake specific studies to identify markets for Zambian products in anticipation of volume growth in trade between Zambia and Asia.

(ZDM, 05.01.10)

### SA, UK Agree to Double Trade

"South Africa and Britain have agreed to double bilateral trade, which fell to around US\$5.39bn in 2009 due to the global recession", South African Trade and Industry Minister Rob Davies said. He was briefing the media on the work of the business delegation that accompanied President Jacob Zuma on his recent state visit to the UK.

He said trade between the two countries between 2000 and 2008 doubled to some US\$10.4bn. South Africa still exports mainly primary goods and the delegation expressed a keen interest to export more value-added products.

The UK delegation also showed interest in investing in industries located in South Africa that would produce goods for infrastructure projects, as well as in engineering opportunities in SA, Davies said. Currently 26 of the 27 Business Process Outsourcing operations, such as call centres in South Africa, are British.

(BuaNews, 12.03.10)

### Fear of Fresh Chaos Hurts Trade

According to a survey, entrenched ethnic divisions and differences in the ruling coalition could return Kenya to violence ahead of the 2012 general elections. The small and medium enterprises (SMEs) surveyed said fear of violence could worsen the current business climate and dim chances of recovery.

Traders have therefore asked the government to speed up land reforms, end tribalism and prosecute post-election chaos suspects or any person who incites violence. SMEs also want an end to early political campaigns which, they said, were stoking ethnic tensions.

(DN, 24.03.10)

**Botswana Diversify Exports**

Botswana government plans to strategically diversify its export markets going forward, to buffer the country from the consequences seen last year of overly depending on a few destinations, it has been learnt.

The economies of the US, Europe and Japan, which collectively consume 75 percent of Botswana's diamonds, were all blighted by the recession in 2009, contributing to an estimated 57 percent drop in diamond revenues between 2008 and 2009. The government now expects to earn US\$0.953bn from diamonds for 2009-10.

Loago Raditedu, Executive Director, Botswana Exporters and Manufacturers Association welcomed government's initiative, saying it would tie in to other efforts underway to develop the country's export sector and enhance its competitiveness. (*www.mmegi.bw, 15.02.10*)

**Europe Set to Boost Tea Earnings**

Increased demand arising from the winter season in European markets and a global shortage are set to boost tea earnings. Improved supplies due to the ongoing rains will enable the country to fill the current deficit and meet demand arising from Europe's chilly weather.

With other global black tea producers such as Sri Lanka, India and China preoccupied with meeting internal needs, Kenya's improved exports for the black variety will help reduce the 130 million kgs current global shortfall. But contrary to a bumper 2009, tea prices have plunged almost 20 percent since the beginning of 2010. The ongoing heavy rains in the world's largest exporter are set to boost

supplies, cooling off the high prices in one of last year's best performing commodities. (*TS, 13.01.10*)

**Kenya to Export through Internet**

A United Nations Agency on International Trade is promoting Kenyan cotton at the global market hoping to uplift dwindling production and export in a move that would also spur growth of the sector. Kenya's textile sector has suffered from poor farming methods and marketing, which have seen farmers' earnings dwindle over the years. Supply to apparel manufacturers has also been reduced due to poor quality.

The International Trade Centre (ITC), a joint agency of the WTO and the United Nations with the mandate to help businesses in developing countries become more competitive in order to speed up economic progress and meet UN development goals. (*DN, 05.02.10*)

**Ivory Bids Fall on Poaching Fears**

A new investigation by a panel of international and local experts that implicated senior government officials in the illegal ivory trade and the rise in elephant poaching in Tanzania is believed to have led to the country being denied permission for a one-off sale of its US\$20mn ivory stockpile.

The report said that the illegal international trade in ivory is conducted by organised criminal syndicates with the collusion of corrupt Tanzanian officials. It reveals that, since January 2009, Tanzania has been implicated as the source of nearly 50 percent of the ivory seized worldwide – about 11.632 tonnes – while poaching of elephants in Tanzania is increasingly unsustainable. (*TEA, 29.03.10*)

**Local Exporters to Earn More**

Business might be much better for Kenyan exporters in 2010. A new survey by the International Monetary Fund (IMF) has projected an increase in commodity prices on the strength of the improving global economy. Kenya highly depends on forex earnings from export of commodities such as tea, coffee and horticultural produce to external markets in Europe and the Americas.

Tea exporters were however lucky to enjoy record high prices due to a global production shortfall occasioned by poor weather conditions. Horticulture suffered a big blow as suppressed demand triggered a massive dip in prices in the main market, leaving very little headroom for exporters to even sufficiently recover their production costs as well as other overheads. (*BD, 03.01.10*)

**Curbing Illegal Tobacco Trade**

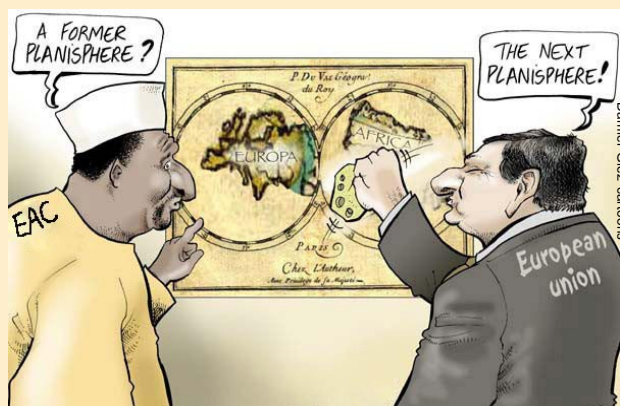
British American Tobacco (BAT) says urgent measures are needed to address illicit trade in tobacco which represents a major competitor. Benedict Mwala, Finance Director, BAT stated that the company performed well in 2009 to record sales volumes worth 949 million sticks of cigarette to post a 2.4 percent growth, despite the global financial challenges.

Revenue grew from US\$0.018mn to US\$0.0241mn and profit from operations also grew by 32.5 percent. However, illicit trade may by the stakeholders to address this concern, which represents a major competitor and addressing illicit trade may provide a potential source of growth for the industry and tax revenue for the government. (*TP, 10.03.10*)

**EAC-EU Trade Deal**

The EPA between the EAC and the EU will be signed in December 2010, John Bosco Kanyangoga, Rwanda's trade expert said. The EPA deal, which was supposed to be sealed by end December 2007, is meant to bring less stringent trade rules and lesser tariffs on EAC exports to the EU.

It would also replace the decolonisation era trade system between the EU and the ACP Group of States that expired in 2007. He said that the two trading blocs agreed to push the deadline because they failed to reach a consensus on trade and development issues. The EAC member states initialled the EPA deal in 2007 and secured EU market access but they have refused to sign the agreement, which means that there are no legally binding commitments.



(*RT, 26.03.10*)

### 'Red Flag' over Food Situation

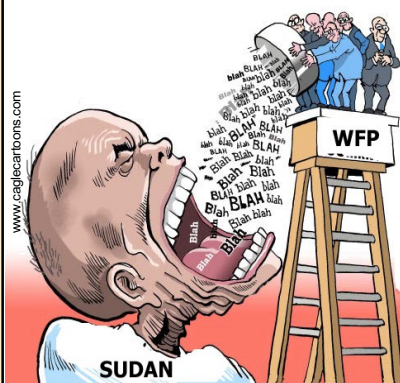
An estimated 3.8 million Kenyans will require emergency food aid amid a relentless rally in prices of key cereals. The latest outlook report by the Food and Agriculture Organisation shows that the 2009 drought continues to impact on the country's food situation.

"Harvesting of 2009 long-rains season maize crop, which accounts for 80 percent of total annual production, is about to be completed and production is officially forecast at 1.84 million tonnes, about 28 percent below average", the report said blaming the situation on erratic and low cumulative rainfall levels estimated at between 10 to 50 percent of normal.

(BD, 03.02.10)

## Feeding the Hungry is Lucrative

From the expanses of Iowa's green cornfields to the Horn of Africa, subsidised US corn flows into the bellies of some of the hungriest people on the planet. In war-torn Southern Sudan, the World Food Programme estimates that 1.2 million people are already facing serious food insecurity. Throughout the region, hunger is the result of decades-long civil war and multi-year drought.



The Sudanese government has had little choice but to waive a ban on genetically modified organisms to receive food aid to sustain the population and avoid famine. Their calls for emergency food aid have repeatedly been met by the US Agency for International Development who still refuse to acknowledge the threats of GE corn, despite several African nations' having expressed concerns.

(BD, 24.01.10)

### Sub-standard Malaria Medicines

The first results from a large-scale study of key anti-malarial medicines in ten SSA countries have revealed that a high percentage of medicines circulating on national markets are of sub-standard quality and thus may contribute to the growth of drug-resistant strains of *Plasmodium falciparum*, the most virulent form of malaria.

According to the information, the samples were collected from the public and regulated private sectors in these countries, as well as from informal markets, as many patients obtain their medicines from these sources.

Sub-standard and counterfeit versions of antimalarial medicines are highly problematic throughout Africa, Asia and Latin America because of the direct threat they pose to the lives of individual patients as well as their contribution to the development of drug-resistant strains of these diseases.

(AN, 08.02.10)

### Fuel Increment a Big Threat

Fuel increment undertaken by the government would undermine whatever economic gains the country has made. The Zambia National Farmers Union (ZNFU) said that an increment is a big threat to the availability of agriculture enterprises which are already struggling to survive.

The ZANFU has questioned the relevance of fuel Strategic Reserve Fund in moderating local fuel price. According to ZANFU, the increment in fuel prices would have negative consequences on agriculture. Diesel was one of the huge expenses in the products to the market.

An increase in fuel will lead to an increase in the costs of production and this will require that producer price to transporting input and farm products to the market.

(TP, 18.01.10)

### Response to Climate Change

Climate change has become the most pressing global threat at the moment. It will impose an additional burden on sustainable development in Africa, even as the continent contributes very little to the total global greenhouse gas emissions. The modest gains that the continent has achieved in the past decade could be reversed by climate change.

While both mitigation and adaptation are important in the long run, but less

attention is being paid to adaptation in the international agenda. Adaptation in the present is fundamental to the achievement of poverty reduction and sustainable development, which are indeed needed in order to strengthen the continent's ability and disposition towards charting a low carbon development pathway.

(BD, 12.02.10)

### Lower Telephone Costs Soon

Mobile phone service users in Zambia will soon start enjoying lower service charges following a decision by the government to allow MTN Zambia and Zain Zambia to use the international gateway.

The government is also working on reducing the licence fees for the international gateway that was pegged at US\$12,000, a rate said to be the highest in the region.

According to the Zambia Communication Technology Authority, the decision to use the international gateway will lower the price for international calls.

Granting of licences to two operators will result in competition in international services. Now that there is competition, mobile operator can choose which route to get international services.

(ZDM, 05.03.10)

### ZCC Seeks More Powers

The Zambia Competition Commission (ZCC) is seeking stronger administrative powers such as imposition of a maximum 10 percent fine on a company' turnover for failing to comply with the proposed Competition and Fair Trading Act and Consumer Protection Policy. Currently, the ZCC has powers to prosecute offenders through the High Court and impose maximum punishment or fine.

Brian Lenga, Director for Consumer Welfare and Public Relations, ZCC during a sensitisation workshop on consumer awareness and competition policy in Kitwe, said consumer protection was a big challenge because of its in nature.

The government was reviewing the Act that was enacted in 1994 and formulating a policy on consumer protection, to enhance it.

(TP, 24.02.10)

## Raising Awareness at the Grassroots on Competition Policy and Consumer Protection Issues in Zambia

CUTS is currently implementing a project to raise people's awareness of their consumer rights and prevailing unfair trade practices across Zambia. The project is funded by Capacity Building for Private Sector Development (CBPSD), a programme implemented by the European Commission (EC). The project aims to establish the 'missing link' between competition enforcement on one hand and achieving desirable impacts for common Zambian consumers on the other.

The project will enhance the capacity of consumers to better comprehend consumer protection and competition policy issues and engage with policymakers to facilitate relevant policy reforms. This six-month project was formally launched in Lusaka, Zambia, on October 21, 2009.



The objectives of the project are to:

- Increase awareness and understanding among various stakeholders, especially the consumers at the grassroots on the relevance and benefit of competition for consumers;
- Empower consumers with information about their rights and how they can mobilise others to generate advocacy responses that would help address their challenges and needs; and
- Strengthen the capacity of the consumer groups to take up action-oriented research and advocacy on competition and regulatory policy issues.

### *Sensitisation Workshops*

Three sensitisation workshops were organised in Southern province on February 08-09, 2010; in Copperbelt province on February 22-23, 2010; and in Luapula province on February 25-26, 2010 respectively.

The objective of the workshops were to increase awareness and understanding among various stakeholders, especially the consumers at the grassroots on the relevance of competition for consumer welfare. The empowered consumers/groups who are fully aware of their rights will also be able to mobilise others to generate advocacy responses that would help address their challenges and needs.

### *National Sensitisation Workshop*

A national sensitisation workshop was organised in Lusaka on March 04, 2010. The objective of the workshop was to bring all regulators and other civil society organisations (CSOs) to meet and discuss the transformations in different sectors, on one hand, and soliciting possible alternatives in nurturing the competition regime in a way it benefits consumers, on the other.

Rijit Sengupta of CUTS made presentations on the Introduction to Competition Policy and Law & Consumer Welfare; and 'Role of Stakeholders in Promoting Competition for Consumer Welfare'.

### FORTHCOMING EVENT

## Strengthening the Role of Civil Society in Deepening EAC Regional Integration

CUTS Africa Resource Centre (CUTS ARC), Nairobi jointly with CUTS Geneva Resource Centre (CUTS GRC) under the project entitled, 'Building an Inclusive East Africa Community' (BIEAC) is organising a regional workshop on 'Strengthening the Role of Civil Society in Deepening EAC Regional Integration' in Nairobi, Kenya on May 27-28, 2010. The aim of the BIEAC project is to empower and strengthen civil society in the EAC in their roles as proactive agents in the promotion and deepening of regional integration in EAC.

The objectives of the workshop are to:

- provide a forum to share the BIEAC Phase-II research outputs with the civil society and other stakeholders from all five EAC countries involved in and/or relevant to the implementation of the project in order for them to use it in their advocacy initiatives of promoting and enhancing the benefits of EAC regional integration; and
- provide a discussion forum to deliberate on various aspects of the involvement of civil society organisations (CSOs) in regional integration in EAC.

## EPA Update Meeting

CUTS ARC, Lusaka organised an EPA update meeting in Lusaka on March 01, 2010 whose objective was to discuss the status of the EPA negotiations and strategise CSO engagement in the EPA negotiations. CUTS facilitated this meeting in order to analyse EPA negotiations by CSOs. The meeting resolved around the following actions:

- Analysing the contentious issues and providing new dimensions to the EPA negotiations;
- Conduct a public symposium on the state of play of the EPA and inviting key stakeholders to deliberate;
- Lobby a meeting with the ESA chair so as to exchange ideas on the EPA negotiations; and
- Lobby for a column a print media organisation and educate the masses about EPA and why the CSO's position.

## Forthcoming Projects

### State of Competition in Agricultural Sector

CUTS is currently implementing a project entitled, 'State of Competition in Agricultural Sector: *A Case of Milling and Bulk Storage in Kenya*' with the support of the Institute of Economic Affairs (IEA), Kenya. The objective of the project is to analyse the state of competition in the agricultural sector, with specific reference to the milling and bulk storage markets. The duration of the project is of three months, i.e. May-July 2010.

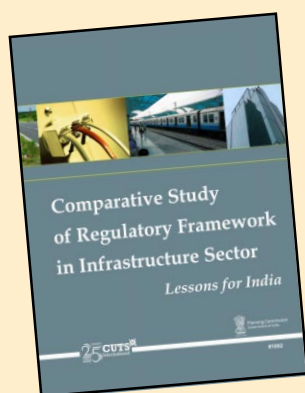
### Mapping out the Institutional-Policy and Issues Affecting Small-Scale Farmers

CUTS is currently implementing a project entitled, 'Mapping out the Institutional-Policy and Issues Affecting Small-Scale Farmers and Options for Enhanced Productivity and Market Access Development in Kenya' with the support of the Ford Foundation, Office of Eastern and Southern Africa, Nairobi. The project would contribute to poverty reduction and improvement of livelihoods in Kenya through improved agricultural production and sustainable access of Smallholder producers to markets. The duration of the project is of three months, i.e. April-June 2010.

### Scenario Planning for East African Community Agriculture Development

CUTS is currently implementing a project entitled, 'Scenario Planning for East African Community Agriculture Development and Sustainable Food Security by 2020' with the support of the Trade Mark East Africa (TMEA). The objective of the project is to achieve sustainable food security by 2020 in the East Africa Community (EAC) within an overall productive agricultural development; and establish a regional food security policy for the EAC that fosters poverty reduction and improvement of standard of living. The duration of the project is of five months, March-July 2010.

## PUBLICATIONS



### Comparative Study of Regulatory Framework for Infrastructure Sector – *Lessons for India*

For the Indian economy to achieve and sustain a high growth rate, creation of quality infrastructure is critical. The Report focuses on how such a regime can be developed by studying international experience in infrastructure regulation. It analyses and compares the institutional and governance aspects of regulatory frameworks in seven countries: Australia, Brazil, Canada, Philippines, South Africa, Sri Lanka and UK. On the basis of such comparison lessons are identified for India.

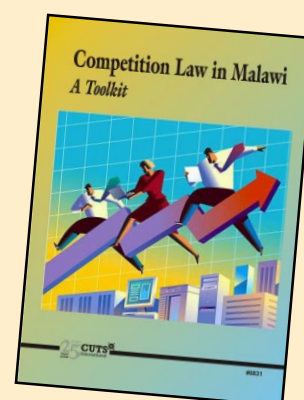
*Research Report*

*Suggested Contribution: Rs 495/US\$60*

### Competition Law in Malawi: A Toolkit

This toolkit, researched and compiled by CUTS and customised in the context of Malawi, is meant to provide a simple and concise handbook on various implementation issues surrounding the Malawi Competition and Fair Trading Act (CFTA) (hereinafter "the Act"), 1998. It provides definitions and characteristics of and ways to deal with trade practices, which are forbidden by the Act, 1998, but are prevailing in the Malawian economy. Practical case studies are intended to help the readers understand the issues relating to competition in Malawi.

[http://www.cuts-ccier.org/7up3/pdf/Comp\\_Law\\_in\\_Malawi\\_Toolkit.pdf](http://www.cuts-ccier.org/7up3/pdf/Comp_Law_in_Malawi_Toolkit.pdf)



#### Sources

AN: Afrol News; BD: Business Daily; DN: Daily Nation; IPS: Inter Press Service; RT: Rwanda Times; TEA: The East African; TP: The Post; TS: The Standard; ZDM: Zambia Daily Mail

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