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INSIDE...

SADC launches Free Trade Area

SADC LAUNCHES its free trade area this August, signalling the creation of one of the largest free trade zones on the African continent with some 250 million people.

The official launch is expected during the 28th SADC Summit in South Africa, a historic event that will usher in a new era of economic integration and rapid industrialisation of the sub-region through expanded trading opportunities.

Premised on the gradual removal of barriers to trade, the Free Trade Area (FTA) is a culmination of an eight-year process that started with the signing of the SADC Trade Protocol in 1996, which came into force in 2000.

In addition to the Trade Protocol, SADC Member States have adopted the Regional Indicative Strategic Development Plan (RISDP), which outlines the roadmap for further regional economic integration.

The RISDP outlines economic integration targets that include the establishment of an FTA in 2008, a Customs Union by 2010, Common Market by 2015 and creation of a Monetary Union by 2016, while a regional central bank and common currency are expected by 2018.

Thus the creation of an FTA this August signifies the achievement of a major milestone towards the quest for deeper economic integration in SADC.

The FTA is rooted in the classical economics principle of comparative advantage. The crude argument is that Member States will produce for export only those goods for which they have a comparative advantage while importing from regional neighbours goods that they cannot produce more efficiently at home.

Industrialists will enjoy enhanced market access as well as benefit from economies of scale as they produce for a bigger regional, as opposed to a national market.

On the other hand, consumers will have access to a cheaper and wider product range on supermarket shelves as goods would now enter national boundaries free of customs duties.

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An FTA provides an ideal environment for rapid industrialization and modernization as firms up productivity levels to maintain a competitive edge over others.

These assumptions are of course burdened by many complexities in the everyday conduct of international trade and realities at the national level.

For example, with few exceptions, SADC Member State exports are not only similar but mostly primary and unfinished goods while imports are mainly capital and intermediate goods.

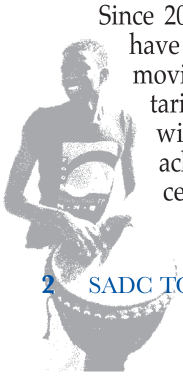
Furthermore, the majority of SADC economies are less developed, supported by nascent industries which still require some nurturing before they are exposed to the chill winds of international trade.

The lingering fears that goods from large economies such as South Africa may swamp weaker economies leading to collapse of their industries have tended to slow progress towards set targets.

In an attempt to address these fears, SADC has adopted the principle of variable geometry, which allows for asymmetrical trade liberalization based on the level of economic development in each country.

This approach has allowed South Africa, which is the most developed economy, along with its fellow members in the Southern African Customs Union (SACU) - Botswana, Lesotho, Namibia and Swaziland - to liberalise faster than the rest.

Since 2000, Member States have been gradually removing tariff and non-tariff barriers to trade with the aim of achieving an 85 percent threshold of intra-regional trade at zero tariffs by 2008.



The remaining 15 percent constitutes mainly sensitive products such as textiles, clothing and motor vehicles, which are to be liberalized by 2012. Few products such as precious and strategic metals (gold, silver and platinum) and second hand goods have been excluded from liberalization.

Principally, the FTA will allow goods originating from SADC Member States to enter neighbouring country economies free of customs duties. To qualify for duty-free, goods have to meet certain criteria as spelt out in the agreed rules of origin.

While growing, intra-SADC trade is still low at around 25 percent. Much of that trade is concentrated in the SACU region while most international trade is still taking place under bilateral agreements among fellow SADC Member States or with former colonial powers with limited utilization of the Trade Protocol.

Intra-SADC trade is also constrained by lack of infrastructure. It therefore comes as no surprise that SADC leaders have placed high priority on the development of regional infrastructure.

In light of the FTA and the Customs Union, the need for more efficient and seamless transport corridors that better connect the region has become more important than ever before.

New corridors are expected to complement traditional surface routes which were historically designed to ferry goods to and from the rest of the world via the regional sea ports. These are currently not sufficient to facilitate inter-state movement of goods. ❐

Key Export and Import Commodities of SADC Member States

Member State	Major Exports	Major Imports
Angola	Crude oil, diamonds, refined petroleum products, gas, coffee, sisal, fish and fish products, timber, cotton.	Machinery and electrical equipment, vehicles and spare parts; medicines, food, textiles, military goods.
Botswana	Diamonds, copper, nickel, soda ash, meat.	Foodstuffs, machinery, electrical goods, transport equipment, textiles, fuel and petroleum products, wood and paper products, metal and metal products.
DRC	Diamonds, copper, crude oil, coffee, cobalt.	Foodstuffs, mining and other machinery, transport equipment, fuels.
Lesotho	Manufactures 75% (clothing, footwear), wool and mohair, food and live animals	Food; building materials, vehicles, machinery, medicines, petroleum products.
Madagascar	Coffee, vanilla, cloves, shellfish, sugar, cotton cloth, chromite, petroleum products.	Capital goods, petroleum, consumer goods, food.
Malawi	Tobacco 60%, tea, sugar, cotton, coffee, peanuts, wood products, apparel.	Food, petroleum products, semi manufactures, consumer goods, transportation equipment.
Mauritius	Clothing and textiles, sugar, cut flowers, molasses.	Manufactured goods, capital equipment, foodstuffs, petroleum products, chemicals.
Mozambique	Aluminium, prawns, cashews, cotton, sugar, citrus, timber, bulk electricity.	Machinery and equipment, vehicles, fuel, chemicals, metal products, foodstuffs, textiles.
Namibia	Diamonds, copper, gold, zinc, lead, uranium; cattle, processed fish, karakul skins.	Foodstuffs, petroleum products and fuel, machinery and equipment, chemicals.
South Africa	Gold, diamonds, platinum, other metals and minerals, machinery and equipment.	Machinery and equipment, chemicals, petroleum products, scientific instruments, foodstuffs.
Swaziland	Soft drink concentrates, sugar, wood pulp, cotton yarn, refrigerators, citrus and canned fruit.	Motor vehicles, machinery, transport equipment, foodstuffs, petroleum products, chemicals.
Tanzania	Gold, coffee, cashew nuts, manufactured cotton.	Consumer goods, machinery and transportation equipment, industrial raw materials, crude oil.
Zambia	Copper/cobalt 64%, electricity; tobacco, flowers, cotton.	Machinery, transportation equipment, petroleum products, electricity, fertilizer; foodstuffs, clothing.
Zimbabwe	Cotton, tobacco, gold, ferroalloys, textiles/clothing.	Machinery and transport equipment, other manufactures, chemicals, fuels.

Implementation of SADC Trade Protocol on track

THE IMPLEMENTATION of the SADC Trade Protocol has been a long and painstaking regional process that will continue beyond the formal launch of the Free Trade Area expected in August.

Since 1996 when the Trade Protocol was signed, coming into force in 2000 following a ratification process, 12 SADC Member States have signed up to the protocol and are therefore part of the Free Trade Area (FTA), with the exception of Angola and the Democratic Republic of Congo who have asked for more time before joining the FTA.

The main instrument of trade liberalization as provided for in the protocol has been the elimination of customs tariffs and non-tariff barriers on the bulk of intra-SADC trade.

Once the Trade Protocol came into force in 2000, the first major step was for Member States to undertake negotiations for tariff phase-down which entails gradual removal of customs duties.

The negotiating process was conducted through the "request-offer approach" under the auspices of the Trade Negotiating Forum, which met regularly as provided for in the Trade Protocol.

Critical to the negotiating process was the principle of asymmetry, which was born out of the realization that, among other issues, SADC Member States were at varying levels of economic development. For purposes of implementation of the Trade Protocol, Member States were put into the following categories:

- ✦ Developed Countries (mainly South Africa but de facto, Southern African Customs Union - SACU);
- ✦ Developing Countries (Mauritius and Zimbabwe) and;
- ✦ Least Developed Countries -- LDCs (being the remainder i.e. Angola, DRC, Madagascar, Malawi, Mozambique, Tanzania and Zambia).

Based on these clusters, SADC pursued a tariff phase-down programme at variable scales of speed in which the developed countries cluster was expected to generally front-load their tariff reductions to achieve the "substantially all trade" threshold by about year-five of implementation, that is by 2005.

The developing countries cluster was expected to generally mid-load their tariff reductions to achieve the same threshold by about year seven or eight of implementation, that is by 2007-8 while the last category, the LDCs, was expected to back-load their tariff reductions to beyond the 8-year threshold but not to exceed 12 years.

However, for category A and B products (see box), tariffs were to reach the zero percent level by 2008 in line with the World Trade Organization requirement which stipulates that substantially all trade should be free in an FTA.

The "substantially all trade" threshold for SADC is made up of 85 percent of all products, constituting category A and B products but excluding category C products.

A Mid-Term Review commissioned by SADC in 2004 revealed that Member States were implementing the Trade Protocol but progress was generally slow. One of the key recommendations to ensure compliance was that Member States were to effect tariff phase-downs on the 1st of January every year.

An audit done by the Southern African Trade Hub for the SADC Secretariat indicated that as of February 2008, Mauritius, Mozambique, SACU countries, United Republic of Tanzania, Zambia and Zimbabwe had gazetted their tariff offers or issued notices effecting the 2008 tariff phase-down. Malawi would consider further reductions during the 2008/09 budget while Madagascar only acceded to the Protocol in 2006 and is allowed more time to catch up.

In addition to removal of tariffs, Member States have also agreed to several other trade facilitation measures such as the elimination of non-tariff barriers to trade. Removal of non-tariff barriers involves harmonization of customs rules and procedures, the harmonization of sanitary and phyto-sanitary measures as well as adoption and implementation of common rules of origin.

Member States are currently developing a model Customs Act that will facilitate the harmonization of customs regulations and procedures. Work on the SADC Customs Bond Guarantee Scheme has been completed while a decision is expected soon on the Single Customs Document and the Regional Goods Transit System, both of which have already been piloted.

Given that not all products qualify for duty-free under an FTA, a considerable amount of time was spent on negotiating the rules of origin, which were eventually agreed as being product specific. A SADC Certificate of Origin, which authenticates goods that originate from the region, is already in use in Member States.

The rules of origin are to ensure that goods not originating from the region do not enjoy tariff preference. They are also to ensure that the region is not flooded with imports from third countries.

While considerable work has gone into negotiating and agreeing regional instruments of the FTA, the focus will now shift to the national level where compliance matters most. ❐

Product Categorization for SADC Tariff Phase-down

Product category	Description
A	Products whose tariffs would move to 0% (or were already 0%) at start of the phase-down process, i.e. in 2000
B	Products subject to tariff phase-down to 0% over an eight-year period to 2008
C	Sensitive products, phase-down over 12-year period to 2012
E	Excluded from preferential trade

States face overlapping membership decision

WITH THE SADC region moving closer towards a Customs Union, the question of overlapping membership is becoming more pertinent.

A Tripartite Task Force involving SADC, the Common Market for East and Southern Africa (COMESA) and the East African Community (EAC) has been established to find ways of harmonizing trade regimes of the three trading blocs.

The work of the task force will feed into a Tripartite Summit expected in October 2008.

Membership overlaps exist in SADC, COMESA and EAC, and challenges have been created by the fact that all three plan to create customs unions, a situation that presents technical challenges as a country cannot belong to more than one customs union.

With the SADC Free Trade Area (FTA) taking effect this year, momentum has now gathered towards completion of a Custom Union in 2010. Comesa, which created its own FTA in 2004 plans to launch its Customs Union by December 2008, while plans for an EAC Customs Union are also underway.

All members of the Southern African Customs Union (SACU) belong to SADC, which means that with the creation of a SADC Customs Union, the SACU arrangement automatically falls away.

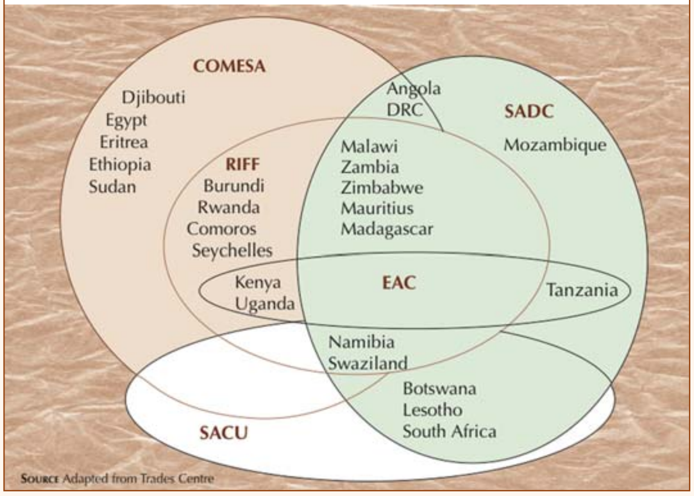
Seven SADC countries – Angola, DRC, Malawi, Mauritius, Swaziland, Zambia and Zimbabwe – are members of both SADC and Comesa. The United Republic of Tanzania is a member of the EAC.

Overlapping membership presents challenges, particularly when trading blocs move towards deeper levels of economic integration.

For example, Zambia belongs to both SADC and Comesa. Under the SADC Protocol on Trade, Zambia is to extend duty-free treatment to South African products. However, because of its Comesa membership, Zambia is to implement a common external tariff in line with the Comesa Customs Union, which excludes South Africa. In essence, Zambia has agreed to simultaneously promote free trade with South Africa and maintain Comesa tariffs against that same country.

The multiple membership conundrum has also fragmented SADC countries during negotiations for Economic Partnership Agreements (EPAs) with the European Union with some Member States negotiating outside the SADC umbrella. ❒

Regional trading blocs in east and southern Africa



SOURCE Adapted from Trades Centre

Zimbabwe, Zambia sign agreement on border post

ZAMBIA AND Zimbabwe have signed a bilateral agreement, which will result in the transformation of Chirundu into a one-stop border post.

The project is in line with plans for regional economic integration under SADC and Comesa.

Speaking at the signing of the agreement in Harare, Zimbabwe's Industry and International Trade Minister, Obert Mpofu, said, "The coming into fruition of the one-stop border concept is an important milestone towards deepening the level of economic integration."

The agreement will see the two countries increasing trade by 20 percent while at the same time saving over US$450 million through reduced transit times.

Speaking at the same occasion, Zambian Minister for Commerce, Trade and Industry, Felix Mutati, said, "Whilst the signing of the agreement will ensure the consolidation and deepening of economic integration within the realm of the Comesa/SADC 2008 and 2010 goals, it is critical that the underlining challenges of multiple agencies and clearing procedures are addressed."

Some of the envisaged benefits would be the reduction of time spent at the border posts, reduced costs of doing business while indirectly dealing with the socio-economic issues that were arising as a result of delays at the border post. ❒

Trade pact boosts SACU ties with South America

THE SOUTHERN African Customs Union (SACU) has finally concluded a preferential trade pact with the South American trading bloc, Mercosur, after nearly three years of negotiations.

The deal is an extension of the original trade arrangement between SACU and Mercosur -- which comprises Argentina, Brazil, Paraguay and Uruguay -- concluded in 2004 but was deemed lacking in many areas.

SACU's chief trade negotiator, Xavier Carim, recently said all technical negotiations had been concluded on the deal, which includes 2000 product lines.

The agreement would now be submitted to the national authorities to ensure compliance with national laws, after which a date would be set for ministerial signature and ratification.

But a large portion of goods manufactured in the two trade regions will still face tariff barriers upon entry, notably automotive products, which remain heavily protected in some regional countries such as South Africa and Namibia.

New-generation issues such as services and investment were also not included.

Carim said, however, that the agreement included a provision for the future broadening of the deal, should the parties wish to pursue that.

The deal is expected to be in force before the end of the year. ❒

Towards seamless infrastructure corridors

Increased intra-SADC trade requires vibrant transport infrastructure.

AS SOUTHERN Africa takes regional integration to unprecedented levels with the inauguration of the Free Trade Area (FTA) in August 2008, the need for efficient, seamless and cost-effective infrastructure corridors has become more urgent than ever before.

Trade in SADC is hampered by the multiplicity of borders and the delays at many border posts while documents and cargoes are checked.

As noted by the Director of Infrastructure and Services Directorate at SADC Secretariat, Remmy Makumbe, the success of a free trade zone hinges upon an effective plan to implement infrastructure development corridors at national and regional levels.

Makumbe further underscored the need to mobilise resources in order to address the issue of transport infrastructure, especially roads, rail and ports. This he said will require US$20 billion funding which is expected to come from Member States and co-operating partners.

The increase in intra-SADC trade requires a vibrant transport infrastructure while seamless networks are needed to interconnect landlocked countries as well as link them to the major ports.

Historically, the SADC region has had several traditional surface transport corridors operating as natural routes to and from the sea. These have been used primarily for export of raw materials from the region to the rest of the world as well as import of finished products from the rest of the world into the region.

However, the operations of some of these corridors, said Makumbe, have been hampered to varying degrees by infrastructure bottlenecks such as "poor roads, bridges, curves, border infrastructure layout and logistics, as well as lengthy and unnecessarily complicated and non-harmonised customs border procedures and documents."

"The performance of these corridors, when benchmarked against transport corridors around the world, has revealed poor levels of efficiency, poor turnaround and hence high costs of transportation, resulting in poor competitiveness of exports from the region in global markets as well as high landing costs of imported products in the region," said Makumbe, who is also the Acting Chief Director of SADC.

Inevitably, these high costs have been passed on to the final consumer by the various service providers. This situation has given rise to a relatively lower quality of life for the majority of SADC citizens.

In response to a directive by the 2007 SADC Summit, the Secretariat is developing a SADC Corridor Strategy in consultation with the Member States. Makumbe said that SADC has launched a study to put together the best corridor practices of the region as well as those from elsewhere around the world as an integral part of the wider corridor strategies to develop and modernize all the SADC Corridors.

The SADC Corridors that are being developed in conjunction with the Member States include: the Dar es Salaam Corridor, Mtwara Development Corridor, Nacala Development Corridor, Shire-Zambezi Waterway, Beira Corridor, Limpopo Corridor, Maputo Corridor, Libombo Development Corridor, Lesotho Railway, Trans-Kalahari Corridor, Walvis Bay Corridor, Trans-Caprivi Corridor, North-South Corridor, Trans-Kunene Corridor, Lobito Corridor, and the Malanje Corridor.

The proposed Kazungula Bridge, which is meant to link Botswana, Zambia and Zimbabwe, is one project that is pivotal in stimulating trade within the context of the SADC Free Trade Area and Customs Union in 2010.

"I am convinced that even though the three countries are implementing this project, its impact will be felt in the [SADC] region as a whole," said Makumbe.

Consultations are underway on the implementation of the Kazungula Bridge Project and a contract is expected to be signed once all outstanding issues are agreed upon by the parties involved.

The construction of the Kazungula Bridge is meant to replace the existing ferry, which constitutes a major bottleneck to free movement of persons and goods between the three countries. ❐

Poor roads slow down movement of goods

SADC TRANSPORT Ministers have raised concern over the poor state of roads in the region that is constraining the flow of transport.

At a recent meeting in Namibia convened to review progress on corridor development, the ministers said that poor infrastructure in the region is responsible for the high cost of goods especially in landlocked countries of the region.

"Roads in the northern and central corridors need to be fixed as they make it impossible for the easy flow of transport and movement of goods and services," the ministers agreed.

The ministers also noted that there must be a master plan for the modernization of the railways for the region, adding that a modern high-speed railway line for the region will ease the burden from the roads and increase the speed of movement of bulk cargo into and outside the region. ❐

AU defers continental government to next year

AFRICAN LEADERS have deferred their discussion of a union government until January next year after failing to reach a consensus at their Summit in Egypt in July.

A high-level expert group of 12 heads of state was established at the 10th African Union (AU) Summit in Ghana early this year, specifically to accelerate the process of establishing a union government but consensus remains elusive.

Heads of State and Government attending the 11th Session of the AU Summit on 30 June and 1 July in Egypt, decided to defer the discussion to their next summit in January 2009, to be held in Addis Ababa, Ethiopia.

In the discussions to date, African leaders have retained different perspectives on the timeframe for implementation, with Libya and some West African states including Senegal pressing for the immediate establishment of a union government and appointment of ministers.

Other countries, including South Africa, Ethiopia and most of eastern and southern Africa have adopted a more cautious approach to implementation, wanting more consensus and clarity on the operations and mandate of such a government.

While the AU is agreed on the movement towards a union government, there are different views on the timing and model of governance.

East and southern Africa advocate strengthening the Regional Economic Communities (RECs) as building blocks, taking time to build regional economies.

Libya and Senegal are insisting on immediate transformation to a United States of Africa, advocating a top-down approach starting with the formation of a union government and election of its leader as a matter of urgency, to replace the current AU Commission.

"We are going to announce the union government next January," Senegalese President Abdoulaye Wade said after the Summit.

The areas of divergence recall the original debates at the founding Summit of the Organisation of African Unity (OAU) in May 1963 when President Kwame Nkrumah of Ghana wanted immediate unification of the few countries that were independent, in a pan-African government.

President Julius Nyerere of the United Republic of Tanzania was equally eloquent in advocating a "brick-by-brick" approach, starting with the pursuance of political independence for the remaining countries under colonial rule or apartheid, which then included most of southern Africa.

The current debate was reignited after the completion of political independence marked by the end of apartheid rule in South Africa in 1994, signalling the achievement of political independence and the subsequent transformation of the OAU to the AU.


President Jakaya Kikwete
Chairperson, African Union

At the conclusion of the Summit, African leaders expressed their commitment to national strategies and action plans for achieving the Millennium Development Goals (MDGs) target for water and sanitation over the next seven years. ❐

RECs urged to promote African integration

THE AFRICAN Union Summit held in Egypt urged Regional Economic Communities (RECs) to move the integration agenda forward in a bid to attain the overall objectives of the continent.

The integration agenda includes the movement of people and goods throughout the continent, which is home to about 900 million people.

As part of this integration initiative, a meeting of the Coordination Committee of the African Union, African Development Bank (AfDB) and the RECs was held on the margins of the 11th Session of the African Union Summit.

Chairperson of the African Union Commission, Jean Ping, reaffirmed commitment towards a stronger AU cooperation with the RECs.

"We cannot afford to fail. Failing would mean failing our populations and leading them deeper into poverty," Ping said. ❐

ADB to spend $1.2 billion on water in Africa

THE AFRICAN Development Bank (AfDB) will invest $1.2 billion on development of water infrastructure in Africa over the next three years.

This was confirmed by the bank's president, Donald Kaberuka, at the 11th Session of the African Union Summit in Egypt held under the theme, "Meeting the Millennium Development Goals (MDGs) on Water and Sanitation."

"The implementation of this water development [programme] will be carried out both in the urban and rural areas of African countries with poor facilities of access to water and sanitation," Kaberuka said. ❐

AU Summit Resolution On Zimbabwe

The African Union Assembly, meeting in its 11th Ordinary Session held on June 30 to July 1, 2008 in Sharm El Sheikh, Egypt,

DEEPLY CONCERNED with the prevailing situation in Zimbabwe;

DEEPLY CONCERNED with the negative reports of SADC, the African Union and the Pan-African Parliament observers on the Zimbabwean Presidential run-off election held on June 27, 2008;

DEEPLY CONCERNED about the violence and the loss of life that has occurred in Zimbabwe.

CONSIDERING the urgent need to prevent further worsening of the situation and with a view to avoid spread of conflict with the consequential negative impact on the country and the sub-region;

FURTHER CONSIDERING the need to create an environment conducive for democracy, as well as the development of the people of Zimbabwe;

EXPRESSING its appreciation to SADC, and its Organ on Politics, Defence and Security Co-operation, as well as the Facilitator of the intra-Zimbabwe dialogue, His Excellency Thabo Mbeki, President of the Republic of South Africa, and His Excellency Jean Ping, Chairperson of the African Union Commission for the ongoing work aimed at reconciling the political parties;

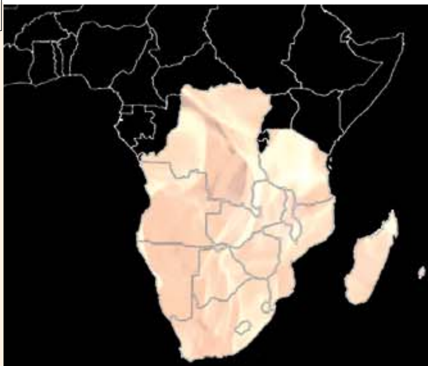
RECOGNISING the complexity of the situation in Zimbabwe;

NOTING the willingness of the political leaders of Zimbabwe to enter into negotiations to establish a Government of National Unity;

NOTING FURTHER the preparatory discussions on this matter had already started, under SADC facilitation;

Hereby decide:

1. TO ENCOURAGE President Robert Mugabe and the leader of the MDC Party Mr Morgan Tsvangirai to honour their commitment to initiate dialogue with a view to promoting peace, stability, democracy and the reconciliation of the Zimbabwean people;
2. TO SUPPORT the call, for the creation of a Government of National Unity;
3. TO SUPPORT the SADC Facilitation, and to recommend that SADC mediation efforts should be continued in order to resolve the problems they are facing. In this regard SADC should establish a mechanism on the ground in order to seize the momentum for a negotiated solution;
4. TO APPEAL to states and all parties concerned to refrain from any action that may negatively impact on the climate of dialogue;
5. In the spirit of all SADC initiatives, the AU remains convinced that the people of Zimbabwe will be able to resolve their differences and work together once again as one Nation, provided they receive undivided support from SADC, the AU and the world at large.



ENERGY
IN SOUTHERN AFRICA

Oil price hikes put squeeze on regional economies

by Richard Nyamanhindi

SOUTHERN AFRICA is grappling with rising global fuel prices caused by a number of factors which have pushed the price of a barrel of crude oil towards the unprecedented US$150 mark.

Global crude oil prices rose from less than US$100 a barrel (bbl) at the beginning of 2008 to a record high of US$146 in early July, with economists warning that the price will hit US$200 bbl before year end.

The current rise in oil prices represents a 25 percent increase in the last four months and 400 percent since 2001.

In real terms, except for the 1979 oil shock, this is the highest price of oil ever.

While some analysts blame the increased demand from East Asia, especially China, others have put the fault on the strong demand in developed countries, and political disruptions in oil-producing countries such as Iraq, Iran and Nigeria.

SADC consumers are feeling the pinch of rising oil prices in the form of increases in food and transport costs, increased interest rates, and a generally high inflationary economic environment.

In the month of June, interest rates went up in Botswana, Namibia and South Africa by more than five percent.

Fossil fuels account for 95 percent of the energy used in transport, making the sector the most prone to surges in oil prices. Although people are likely to continue with their daily business, they will inevitably be forced to cut down on other basic requirements.

In the past two months alone, the price of public transport has increased by more than 60 percent in some SADC countries.

For example in Namibia, the price of fuel went up for the sixth time this year in July, a situation which was summarised by the Minister of Mines and Energy, Erkki Nghimtina, as "detrimental to the travelling public".

The cost of petroleum products affects just about every economic activity, directly or indirectly.

Since petroleum drives agriculture, its increased cost will also drive up the price of food, making more and more people, especially those in the rural areas, vulnerable to poverty.

For net oil importing countries, of which these are the majority in the region, the rise in oil prices tends to slow down economic progress.

For example, countries such as South Africa and Zambia, which have enjoyed a healthy growth rate of between 3 and 5 percent per year, have been forced to revise their growth prospects due to higher fuel prices.

The African Development Bank estimates that the current high price of oil will translate - as a first round effect - into a higher average inflation of 1 to 3 percentage points for most countries in SADC for 2008 and 2009 respectively.

Second, as the short-run demand for oil is highly inelastic, consumers are forced to reduce their consumption of other goods and services to meet higher energy bills.

Third, net oil importing countries face balance of payment constraints, as they must secure additional resources to pay for the higher oil import bill.

Concomitantly, governments face tighter budget constraints, which can affect their capacity to finance social programmes while some may be forced to borrow more from external sources, threatening another debt trap.

High fuel prices have prompted countries to reconsider their over-reliance on fossil fuels and brought to prominence the need to make greater use of alternate clean energy resources such as biofuels and geothermal energy. ❐

SADC power supply-demand remains u

by Richard Nyamanhindi

THE ELECTRICITY supply-demand situation in the region continues to be unstable as evidenced by the recurrence of blackouts and load shedding in virtually all SADC countries with the exception of Mauritius.

This is according to a mid-year status report by the Southern African Power Pool (SAPP).

"This situation is undesirable and has negative consequences on trade, industry, social services and the general economic development in the affected countries if not reversed," says the report.

The report warns that this situation is likely to impact on the SADC regional integration agenda, which depends on the availability of energy and infrastructure services.

In view of this, the SADC Secretariat in conjunction with the SAPP Coordinating Centre has been closely monitoring the situation to ensure that short-term rehabilitation and generation projects are on track to complement power supply in the region.

The report observes that the region's installed capacity of 55,000MW is not enough to forestall the inevitable energy shortage that the region is experiencing.

"Indeed, had there been sufficient investment in the energy sector, the Democratic Republic of Congo (DRC) would have achieved a generation capacity of more than 44,000MW at its Inga Dam on the Congo River," notes the report.

To date, this facility is producing less than 3,000MW.

The situation is the same at hydropower generating plants in Angola, Mozambique, Tanzania, Zambia and Zimbabwe where lack of investment has restricted power generation and transmission capacity.

The shortfall is expected to be reduced to zero through the implementation of short-term generation and rehabilitation projects that Member States are involved in.

The current challenge for the region is to be able to meet the ever-increasing power demand, noting that the installed capacity and the available capacity are not increasing at the same rate.

Interconnector projects are central for SADC power supply-demand needs.

Installed *versus* Available Capacity

No.	Country	Utility	Installed Capacity [MW] *Apr-08*	Available Capacity [MW] *Dec-06*	Available Capacity [MW] *Apr-08*	% Change
1	Angola	ENE	1 128	590	943	60
2	Botswana	BPC	132	120	90	-25
3	DRC	SNEL	2 442	1 170	1 170	0
4	Lesotho	LEC	72	70	70	0
5	Malawi	ESCOM	302	241	246	2
6	Mozambique	EDM	233	174	173.8	0
		HCB	2 250	1 675	2 075	24
7	Namibia	NamPower	393	360	360	0
8	South Africa	Eskom	43 061	36 208	38 764	7
9	Swaziland	SEB	51	50	70	40
10	Tanzania	TANESCO	1 186	680	780	15
11	Zambia	ZESCO	1 737	1 095	1 200	10
12	Zimbabwe	ZESA	2 045	1 085	1 125	4
TOTAL SAPP			55 032	43 518	47 067	8
Total Interconnected SAPP			52 416	42 007	45 098	7

Source: SAPP

s unstable, SAPP

The installed capacity of the SAPP as of April 2008 was 55,032MW while dependable capacity was about 47,067MW indicating a deficit of about 8,000MW without giving cognisance to the requisite 10 percent reserve margin.

A new generation plant was commissioned in South Africa (1,050MW) and another plant that had been temporarily put out of operation was brought to service (2 x 190MW) at Camden.

In Swaziland, 20MW of new plant was commissioned in December 2007. In Angola 2x130MW units were commissioned at Capanda in March and July 2007, respectively.

Angola, Tanzania and Malawi are still non-operating members of SAPP meaning that they are not yet connected to the SAPP grid and thus do not enjoy the benefits of energy trading in the region.

Operating members are Botswana, DRC, Lesotho, Mozambique, Namibia, South Africa, Swaziland, Zambia, and Zimbabwe.

The situation is expected to be reversed by 2011 in most SADC countries when rehabilitation of generating plants will end and new hydropower stations will come on stream.

Once SADC recaptures self-sufficiency in electricity, it is expected that planned inter-connectors will then be built.

These include the Mozambique-Malawi 220-kv interconnector, the Zambia-Tanzania-Kenya 330-kv interconnector, DRC-Zambia 220-kv upgrade, DRC-Zambia 330-kv second interconnector, Zambia-Namibia 220-kv interconnector, the Hwange-Livingstone 330-kv interconnector and the Cambambe-Luanda third 220-kv line in Angola.

The difference between the installed and available capacity is mainly due to remedial maintenance, power station auxiliaries, fuel constraints and ageing infrastructure.

SAPP has urged its members that power utilities should strive to commission generation projects as planned. Any delays will lead to more capacity deficiency.

Member States should also implement Demand Side Management (DSM) measures which have proved to relieve pressure on the power system in South Africa in order to influence the time, pattern and amount of electricity demand as a short term alternative measure to system expansion. ❐

SAPP grid restored

THE SOUTHERN African Power Pool (SAPP) grid is now fully operational after having operated as three separate "islands" for the past five months owing to technical faults on the main interconnectors.

According to SAPP Coordination Centre Manager, Lawrence Musaba, the last interconnector to be brought on the grid was the Zambia-Zimbabwe one that came online on 1 July.

The Zambia-Zimbabwe interconnector went down in January and since then Zambia has been standing on its own unable to trade with the other members on the SAPP grid.

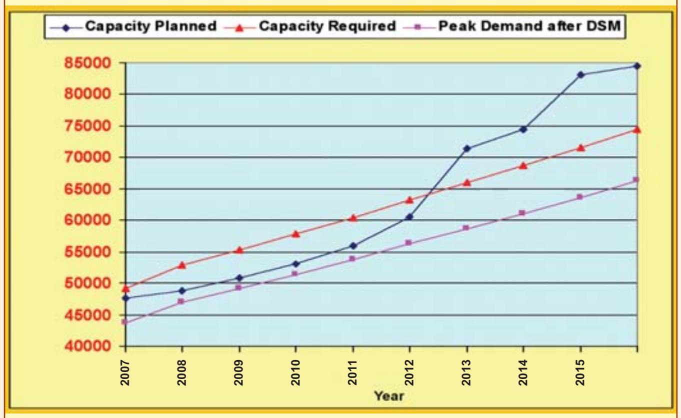
The disconnection also meant that Zambia and the Democratic Republic of Congo (DRC) were unable to import or export power in the southern region.

The other interconnectors that were affected in February are the Zimbabwe-Mozambique (ZESA and EDM/HCB) and the South Africa, Botswana, Mozambique, Lesotho and Namibia (Eskom, EDM, LEC and NamPower).

Musaba confirmed that SAPP is in the process of making sure that the other members of SADC who are not yet connected to the SAPP grid are linked in the immediate future. ❐

Demand and supply forecast 2007-2015

The following graph shows the demand and supply situation in the medium term. Adequate generation capacity would be attained by the year 2013. The situation might improve sooner if load management measures are put into place.



Source: SAPP

Africa's power providers to standardise electricity grids

AFRICA'S ELECTRICITY providers meeting in Kenya recently agreed to start a process that will culminate in common electricity standards across the continent.

The move aims to speed up the pace of interconnection across national borders, which has been blocked by the different standards in different countries.

The power systems in most African countries run on different operating frequencies and voltage, have different methods of procurement and equipment standards.

Power generation and distribution standards are also different. This is despite the fact that nearly all of the continent's regional trading blocs have established frameworks for sharing electricity through power pools and have a long-term aspiration to establish a continental pool.

An Africa-wide pool is seen as the best solution to ensuring adequate and regular power supply, especially for countries facing shortages.

The pool is expected to facilitate development of untapped potential of power generation in countries such as the Democratic Republic of Congo.

Data from the Southern African Power Pool (SAPP) shows that the DRC has a 44,000MW hydro resource potential on the Congo River that is yet to be harnessed. There are plans to tap this potential and export it to other countries in the region.

Energy experts say regional interconnection is important because it protects countries from emergency electricity demand. ❐

Solar Power: Cheap energy source for the region

Due to shortfalls in electricity production and the high oil prices on the global market, countries in southern Africa are seeking alternatives to give rural families efficient means to cook food and light their homes.

Stand-alone sources of energy, such as solar and wind, can help fill the gap.

Under the New Partnership for Africa's Development (NEPAD) it has been agreed that to achieve the desired social and economic prosperity, countries must boost access to cheaper and reliable energy, as just 20 percent of people in the region have access to electricity, mostly in urban areas.

This figure falls to an average of two percent in rural areas where the majority of the people live - far from the 35 percent consumption level which African leaders pledged to achieve at the 8th Session of the African Union Summit in 2007.

To realise the NEPAD vision, cheaper energy sources must be found while minimising environmental hazards and ensuring sustainability. In this regard, solar power, which is clean and renewable, fits the bill.

The majority of people in southern Africa still rely on traditional energy sources. Wood, or other biomass such as crop waste, is the dominant fuel for cooking. This comes at a huge cost to the environment as families continue to cut down trees for much-needed fuel.

Perhaps the most ambitious project for harnessing solar energy was a project in Zimbabwe supported by UNDP through the Global Environment Facility (GEF).

Under this initiative, some 9,000 solar power systems were installed throughout the country in a bid to improve living standards, but also to curtail land degradation and pollution.



Cleaner and cheaper alternative energy sources are ideal for the region.

With all their advantages, solar systems are not cheap to install; a typical home system in the region costs anywhere between US$500 and US$1000, according to the African Development Bank.

The use of innovative financing schemes, such as fee-for-service arrangements, is one way to overcome these high up-front costs. Installing solar panels to power multiple houses at once can also cut down on costs.

Regional cooperation to facilitate energy trading is another major goal.

A UNDP-GEF report on solar financing and delivery models notes that private sales, through dealers, initially dominated the market in South Africa, but that the government later initiated a massive off-grid effort that is now fully active.

Botswana, Namibia, Swaziland and Zambia have developed solar markets, in many cases with special funds to support consumer credit.

Apart from domestic use, people are harnessing solar power to run small businesses.

No major marketing is needed to convince regional citizens to turn to solar. The demand is high. What is lacking is affordability and availability of solar units in the rural areas where they are needed most. ❐

Appetite for alternative energy sources grows

Southern African governments have strengthened efforts to harness renewable energy amid fears of a continuous rise in the global price of oil and shortages of electricity in the region.

The South African government announced that it was setting aside about US$300 million for alternative energy over the next three years.

The Namibian government issued a directive at the beginning of 2008 saying that all government buildings must be fitted with solar water-heating panels as an energy-saving measure.

The directive includes all government parastatal buildings and agencies.

In Zimbabwe, new policy measures have reintroduced biofuels to reduce costs and counter the escalating global oil prices.

According to Energy and Power Development Minister, Mike Nyambuya, the policy instructs all oil companies to carry out their business activities with a target to use alternative cleaner fuel in the next five years.

One of the projects under the bio-fuels programme is the resuscitation of petrol-ethanol blending. A plant was commissioned at Triangle in southeastern Zimbabwe and production of fuel-grade ethanol has already started. ❐

Energy in Southern Africa is produced in collaboration with the Southern African Power Pool and with support from the Norwegian Ministry of Foreign Affairs

Carbon trading key to sustainable development

by Tigere Chagutah

SOUTHERN AFRICAN countries are exploring new ways of mitigating human-induced climate change, which threatens to derail developmental progress.

A key challenge in the battle against climate change in the region is how to reduce greenhouse-gas emissions while, at the same time, advancing development efforts.

The Kyoto Protocol -- the current global framework for reducing greenhouse gas emissions by 2012 -- provides three market-based mechanisms through which emission reductions can be achieved cost-effectively while promoting local sustainable development.

The mechanisms -- Clean Development Mechanisms, Joint Implementation and Emissions Trading -- together make up the "carbon market", a global market in which carbon emissions trading takes place.

The Clean Development Mechanism (CDM) has emerged as the most concrete way in which countries in the region can currently access the growing carbon market, with South Africa leading the race to participate in carbon emissions trading as other countries continue to assess the market.

The CDM allows a country with an emission-reduction or emission-limitation commitment under the Kyoto Protocol to implement emission-reduction projects in developing countries.

Such projects can earn saleable certified emission reduction (CER) credits, each equivalent to one tonne of carbon dioxide gas (CO_2) – the most common greenhouse gas.

Under the CDM, investors in developed countries can buy these certified carbon credits to help meet their targets.

In 2007, the World Bank estimated that the global CDM market was worth over US$13 billion, with Africa accounting for five percent of total sales.

In 2006, about 475 million tonnes of CO_2 were traded at prices between US$6/tonne and US$27/tonne.

Examples of CDM projects include rural electrification using solar panels, the installation of more energy-efficient boilers and renewable energy generating projects.

One such project developed by the City of Cape Town in partnership with SouthSouthNorth, implements energy efficiency in building design, lighting and solar water heating into social housing in Kuyasa, part of Khayelitsha township in Cape Town.

The project will see 2,300 low-cost houses built in a way that gives them hot water, reduced energy bills and more comfortable houses.

The houses will maintain a temperature of 21 degrees Celsius while energy bills will be reduced by about US$100 for each household a year.

The local benefits include fuel savings for the 2,300 households while total emission reduction for each household has been calculated at 2.75 tonnes of carbon dioxide avoided annually.

Greater energy efficiency will ensure less burning of fuels indoors thereby ensuring reduced indoor air pollution and improved health and safety. ❐

Emmissions such as this one from a cement factory in South Africa are harmful to the environment.

African environment ministers launch environment atlas

by Clever Mafuta

AFRICAN MINISTERS of environment have launched the *Africa: Atlas of Our Changing Environment*, which shows a rapidly changing landscape, prominent of which is the disappearance of glaciers on Mount Kilimanjaro in Tanzania and the Ruwenzori Mountains in the Democratic Republic of Congo.

The atlas, launched at African Ministerial Conference on the Environment (AMCEN) in June in South Africa, brings to light stories of environmental change across every country in Africa.

Using current and historical satellite images, the atlas provides scientific evidence of the impact that natural and human activities have had on Africa's environment over the past decades.

"The intent of the book is to bring compelling visual and scientific evidence of environmental change derived from the Earth Observation Sciences to a broader audience and to build the awareness of our rapidly changing environment," said executive director of the United Nations Environment Programme, Achim Steiner at the launch.

The atlas also offers 36 years of environmental change, including "the swell of grey-coloured cities over a once green countryside, protected areas shrinking as farms encroach upon their boundaries, the tracks of road networks through forests, pollutants drifting over borders of neighbouring countries, the erosion of deltas, and shrinking mountain glaciers."

The Africa-wide atlas features a number of changes in southern Africa. The changes include the widening corridors of deforestation in the DRC following timber harvesting and the opening of new roads and the expansion of old ones. The satellite images also highlight positive signs that natural resource management is protecting against, and even reversing, environmental degradation.

According to the atlas, deforestation is a major concern in 35 countries, including DRC and Malawi.

Africa is losing four million hectares of forests per year, and this is twice the world's average deforestation rate.

Biodiversity loss is rampant in 34 countries, while land degradation is a major concern in 32 countries, including Malawi, South Africa and Zimbabwe. ❐

SADC countries fight illegal fishing

THE EIGHT coastal countries in SADC have agreed on tough measures to curb illegal fishing and the landing and marketing of such catches at their ports.

Overall, illegal fishing is estimated to cause revenue losses of US$1.1 billion a year in the SADC region.

"We have signed a commitment agreement that entails the establishment of a regional task force, a regional monitoring, control and surveillance centre, stiff penalties for vessels caught with illegal catches and to prohibit such vessels to enter our ports," Namibia's fisheries and marine resources minister, Abraham Iyambo, said.

"We will further implement a ban on the trans-shipment of catches from trawlers to other and larger vessels at sea in SADC waters.

"Any vessel transiting through areas under our national jurisdiction must notify its entry and exit from the exclusive economic zones of any SADC Member State," Iyambo added.

He was speaking at the conclusion of a three-day technical and ministerial conference on illegal, unreported and unregulated fishing, which threatens fish stocks and the livelihoods of local communities.

All eight coastal countries in SADC – Angola, the Democratic Republic of Congo (DRC), Madagascar, Mauritius, Mozambique, Namibia, South Africa and the United Republic of Tanzania were represented at the conference.

Illegal fishing deprives the costal countries of taxes, port fees and jobs that would otherwise have been created in fish processing.

The eight countries will have to draw up their national action plans to curb illegal fishing, a task Namibia has already completed. ❒

Angola, China sign financial accords

ANGOLA AND China have signed three complementary financing accords under the China-Exim Bank credit line.

The first accord concerns an agreement for the funding of the electricity network rehabilitation and expansion project for the cities of Dundo and Saurimo, estimated at around US$50 million.

The second agreement is estimated at US$28.79 million with financing designed for the rehabilitation of a residual water treatment station in Luanda and the construction of a distribution centre in Cacuaco district, as well as establishing new housing projects.

The third will provide funding for the improvement of roads in the cities of Caxito, Uíge and Negage, estimated at US$56 million.

This funding will also allow Angola to launch a project in the Port of Luanda valued at US$116 million to be implemented over a five-year period.

The project will increase the terminal's container storage capacity and introduce an advanced system to increase productivity and use of the terminal, thus reducing operating costs. *(Angola Economic Bulletin)* ❒

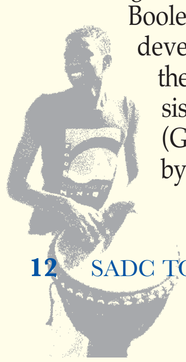
Madagascar, Mauritius, Mozambique set up regional company for food security

THREE SADC countries – Madagascar, Mauritius and Mozambique -- have set up a regional food company as a measure to increase food security in the region.

The Mauritian minister of Agro-Industry, Arvin Boolell, confirmed the development, saying the Global Food Crisis Response Facility (GFCRF), instituted by the World Bank with a fund of US$1.2 billion, will be utilised for this project.

Apart from state organisations of the three countries, shares will also be sold to international and local financial institutions, individual investors, and small and medium farmers.

Boolell said the African Development Bank has agreed to help Mauritius in cross-border initiatives with Mozambique and Madagascar. ❒



Mozambican ports serve DRC and others

MOZAMBIQUE SAYS the central port of Beira is now handling goods destined for the Democratic Republic of Congo (DRC).

The chairperson of Mozambique Confederation of Business Associations (CTA), Salimo Abdula, said from the beginning of July, the DRC has been shipping petroleum products, cement and other commodities through Beira.

"Now that we are investing in quality ports, the region will rely on them for all their shipping requirements. Only in the past three months, the DRC shipped 1.2 million litres of petroleum products through the Beira port, and we hope Botswana will increase its usage of the port as well," Abdula said.

Currently the port of Beira serves landlocked Malawi, Zambia and Zimbabwe.

Mozambique plans to invest US$900 million to upgrade its two main ports in the northern and central regions as part of its drive to become a top service provider in SADC, increasing investments on the Nacala and Beira ports, including the upgrading of roads and railways linking landlocked neighbouring states. ❒

Anglo-American to invest US$400m in Zimbabwe platinum mining

ANGLO-AMERICAN, the London-based mining giant says it will invest US$400 million into the development of a platinum mine in Zimbabwe.

"We are developing the Unki platinum project because we have a responsibility to our employees, contractors and the local community," said the spokesperson.

The company employs 188 people and a further 450 contractors at Unki.

In February the global giant reported a 2007 net profit jump of 18 percent to US$7.3 billion. ❒

SADC gender protocol to be presented to Summit

by Patience Zirima

JUSTICE MINISTERS from southern Africa met recently to consider the regional draft Protocol on Gender and Development in the last stage of consultations before it is presented to Heads of State and Government during Summit in August.

The draft Protocol will be discussed by the Standing Committee of Senior Officials and the Council of Ministers of SADC who meet from 10-12 August and 14-15 August respectively before it is presented to Heads of State and Government when they meet 16-17 August in South Africa.

Although the draft was discussed by Heads of State and Government at the previous Summit in Lusaka in 2007, they referred it back to Member States for further consultation at national level.

The consultation process seeks to ensure that the draft Protocol that is submitted to Summit is solid and that Member States reach a consensus so that the document can be adopted.

Consultation with a wide range of officials in key ministries such as gender and justice will ensure practical ownership of the document on implementation.

SADC leaders made it clear at their previous meeting that they want a realistic protocol that can be implemented and monitored.

Once signed, the Gender Protocol is expected to speed up the process of achieving gender equality and equity, and improve the status of women in the region.

The draft has specific time-bound goals and targets to ensure accountability in addressing inequalities in constitutional and legal rights; governance; education and training among other issues.

In the region, women suffer discrimination due to non-uniform marriage and divorce laws, the application of customary property laws and lack of equal access to education.

The draft proposes that SADC Member States ensure that women and men enjoy equal rights and are regarded as equals.

The draft also addresses emerging issues of concern in the region such as trafficking of women and girls and proposes legislation to prevent trafficking in the region by 2015.

Among contentious issues that needed to be ironed out, as identified by gender ministers when they met in April ahead of the justice ministers' meeting, were that the language used in some of the articles is too mandatory and the financial obligations that it places on state parties is enormous.

A Protocol is the most binding of SADC legal instruments and if the Gender Protocol is approved, it would ensure attainment of gender targets set within the time-frame 2010-2020. ❐

Making the SADC Free Trade Area gender inclusive

More than 70 percent of cross-border traders in SADC are women

AS SADC launches its Free Trade Area in August, many are hoping that the new trade regime takes into account special needs of women involved in cross-border trade if it is to be gender inclusive.

According to a regional study by the Southern African Research and Documentation Centre (SARDC), some 70 percent of informal cross border traders in SADC are women. The study showed that although the trade is informal, it has a number of positive implications on the regional national economies.

Although the SADC Trade Protocol has been criticised for being gender blind, the need to consider the gender dimensions of trade is outlined in the draft SADC Protocol on Gender and Development, to be presented at Summit in August 2008.

Article 17 of the draft Protocol that focuses on economic empowerment encourages state parties to, by 2015, adopt policies and enact laws which ensure equal access, benefits and opportunities for women and men in business, taking into account the contribution of women in the formal and informal sectors.

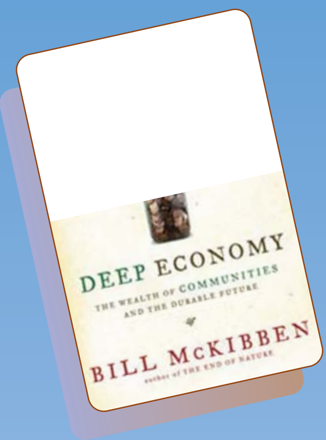
The establishment of the FTA could potentially address some of the challenges that informal cross border traders face such as excessive customs charges; cumbersome registration processes in obtaining trader's licenses and numerous checkpoints at border posts that frustrate most traders.

Interviews with cross border traders in SADC revealed that the majority of traders do not know about the Trade Protocol and do not understand the implications it may have on trading activities.

Even if informal traders were armed with information on the Trade Protocol, measures set out to facilitate trade are more likely to benefit established companies than they would benefit the small traders.

For example, the SADC Certificate of Origin, which validates whether or not goods qualify for duty-free entry into Member States has little relevance to small traders because the document specifically requires that in cases where the producer is not the exporter, then the latter should furnish the exporter with a written declaration to the effect that the goods qualify as originating in the Member States.

Small traders, the majority of whom are women, often deal in several product lines in small quantities and therefore it would not be feasible to get a certificate of origin for each product line. ❐



Deep Economy: The wealth of communities and the durable future

COMPELLINGLY ARGUED with statistics and anecdotes from around the world, this book says humanity must move towards an updated version of community-based economics that emphasizes buying and selling at the local level first.

Specifically, humanity should shift to eating more locally grown food, to using more locally produced energy, and, even, to new local financial arrangements. ...

Such a shift would reduce carbon emissions by reducing the energy used to transport food while at the same time serving to de-couple food and energy production from centralized, oil-intensive sources.

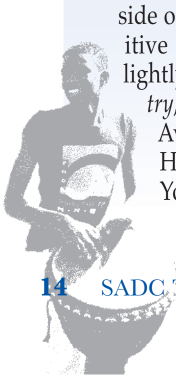
This would in turn open the door to a rediscovery of the joys of community life, which lies at the foundation of human happiness, as opposed to the endless consumerism and "hyper-individualized" approach to life that is currently marketed worldwide as the epitome of civilization.

"Growth is bumping against physical limits so profound - like climate change and peak oil - that continuing to expand the economy may be impossible; the very attempt may be dangerous.

"But there's something else too, a wild card we're just now beginning to understand: new research from many quarters has started to show that even when growth does make us wealthier, the greater wealth no longer makes us happier."

Deep Economy, by Bill McKibben, is written in a voice and style that encourages readability. The book is a treasure chest of ideas for how humanity might ameliorate the dark side of consumption. It is, at least, a positive prescription for how to live more lightly on our small planet. (*One Country*, Jan-March 2008)

Available from Times Books/ Henry Holt and Company, New York, 2007 ❐



UNEP Yearbook 2008

An Overview of Our Changing Environment "Climate change is real"

CLIMATE CHANGE is happening and with great impact as confirmed by the Fourth Assessment Report of the Intergovernmental Panel on Climate Change, and this is the focus of the UNEP Yearbook 2008.

In three sections, the yearbook takes the reader through the developments and events on the environment front as well as scientific findings, with a particular focus on climate change.

Section one provides a calendar of selected significant events, chief among them is the December meeting in Bali which resulted in the adoption of the Bali Road Map.

The SADC region had its own impacts with Mozambique having the worst floods in six years and South Africa its first significant snowfall since 1981.

Under the Features Focus section, emphasis is placed on the responses to climate change, including private sector players. The role of government is emphasized, to set standards, support research and provide incentives for the transition to an environmentally sound, low-carbon economy.

The last section looks at emerging challenges including the Arctic Climatic, methane from thawing permafrost and methane from hydrates. The release of large amounts of methane into the atmosphere could lead to abrupt changes in the climate that are likely to be irreversible.

Formerly titled the GEO Year Book to accompany the Global Environment Outlook (GEO) published every four years, most recently in 2007, this is the 5th annual report produced by the United Nations Environment Programme and is available from UNEP in Nairobi, Kenya (2008).

Email: uneppub@unep.org
Website: www.unep.org ❐

PUBLICATIONS

Official SADC Trade, Industry and Investment Review 2007/2008

Gaborone, Botswana, Southern African Marketing Co. (Pty) Ltd. and SADC, 2007
287pp.

This 12th edition of the annual publication focuses on business opportunities in the SADC region, and presents the SADC corporate profile. It includes Directorate reports, SADC projects, country profiles, trade and industry update, investment opportunities, business contacts, and the trade exhibition calendar for the SADC region, and covers the years 2007 and 2008.

Available from SADC Secretariat, Private Bag 0095, Gaborone, Botswana; and Southern African Marketing Company (Pty) Ltd, Box 201112, Gaborone, Botswana
Website: www.sadcreview.com

Trade as an Instrument for Achieving the Millennium Development Goals in Southern Africa

Judith Kaulem and Donald P Chimanikire
Harare, Zimbabwe, Trade and Development Studies Centre, 2007
22p.

This publication analyses some key trade areas as they relate to the UN Millennium Goals in southern Africa, focusing specifically on Goal 8. This views trade as an instrument for meeting MDGs in southern Africa, the challenges to trade as an instrument for achieving MDGs and how trade could help to deliver on targets. It concludes that trade must be fair and structured in a way that permits fragile economies to participate.

Available from Trade and Development Studies Centre, 3 Downie Avenue, Belgravia, Harare, Zimbabwe
Email: tradesc@tradescentre.co.zw Website: www.tradescentre.org.mw

Economic Report on Africa 2008 Africa: Progress Towards Attaining the Millennium Development Goals 2007

Tunis, Tunisia, Economic and Social Statistics Division, Statistics Department, African Development Bank (AfDB), 2007

Country specific data is presented including charts showing the progress of African countries in reaching the targets for the Millennium Development Goals. The goals are to eradicate extreme poverty and hunger, attain universal primary education in all countries by year 2015, promote gender equality and empower women, improve maternal health, combat HIV and AIDS, malaria and other diseases, ensure environmental sustainability, and develop a global partnership for development.

Available from AfDB Temporary Relocation Agency, BP 323, 1002 Tunis Belvedere, Tunis, Tunisia
Email: statistics@afdb.org
Website: www.afdb.org

Biopiracy of Biodiversity: Global Exchange as Enclosure

Andrew Mushita and Carol B. Thompson
Asmara, Eritrea, Africa World Press, 2007
330p.

This book provides a revealing analysis of the theft of biodiversity from Africa and how Africans are working to prevent this in the 21st century. The analysis lays out the context of previous stripping of continental resources, such as the theft of people during the slavery era and the theft of minerals, even up to this day. The study refers to the African continent in general and specifically southern African from where it draws real life experiences.

Available from Africa World Press, Box 48, Asmara, Eritrea; Box 1892, Trenton, NJ 08607, USA
Website: www.africaworldpressbooks.com

THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY TODAY
SADC Today, Vol 11 No 1 August 2008

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EVENTS DIARY 2008

August 31 July – 1 August Namibia	**SADC Technical Meeting on Environment** Directors of environment in SADC countries meet to discuss progress on the implementation of the Environment Programme of Member States, the SADC Regional Environmental Educational Programme, and the development of a regional programme on Climate Change, as well as the imminent launch of the Southern Africa Environment Outlook.
11- 12, Libya	**Experts Conference on the African History Project** The aim of the conference will be to show the historical relationships between the various parts of the continent, too frequently subdivided in works published to date. Organised by UNESCO and AU, the conference will review Africa's historical connections with the other continents.
10-12, South Africa	**Standing Committee of Senior Officials of SADC** The technical advisory committee to Council of Ministers meets in advance of Council and is chaired by Zambia, as current chair of SADC.
14-15, South Africa	**SADC Council of Ministers** Council comprises ministers of foreign affairs, international cooperation, economic development or planning and finance from each Member State. Council precedes the Summit and prepares policy recommendations for adoption by SADC leaders.
16-17, South Africa	**SADC Summit** The Summit of Heads of State and Government is the ultimate policy-making institution of the SADC. The Summit in Mid Rand will witness the official handover of the rotating SADC Chair from President Levy Mwanawasa of Zambia to President Thabo Mbeki of South Africa.
18-21, Turkey	**Africa-Turkey Summit** The summit gives participants from Africa and Turkey the opportunity to exchange views and consider areas of cooperation. Discussions will centre on the proposed Africa –Turkey Cooperation Forum.
28-30, Ethiopia	**6th Conference on African Traditional Medicine** The conference hopes to underscore the importance of traditional medicine in Africa in the prevention, diagnosis and treatment of social, mental and physical illnesses before the advent of conventional medicine. The conference will be jointly hosted by the African Union and UNESCO.
September 5, Angola	**Parliamentary elections** Legislative elections will be held for the first time since the formal end of the 27-year civil war in 2002. The last elections took place in 1992. The elections have been delayed for more than a year to allow for the completion of voter registration.
11 - 12, South Africa	**Conference on Transport Infrastructure** The conference plans to strengthen the understanding of the effects of globalisation on transport infrastructure in Africa. Hosted by the African Transport Federation, the conference also hopes to recognise the need to build a strategic freight network consisting of high volume routes and nodes.
TBA	**Parliamentary elections in Swaziland** Parliamentary elections will take place after the completion of voter registration in July. Nationals in the Diaspora will be able to vote for the first time through postal votes.

42 years 1966-2008

Namibia, the struggle for independence

CELEBRATED ANNUALLY on 26 August, HEROES' DAY also known as Namibia Day commemorates numerous events in Namibian history. Officially, the day honours those Namibians who died for independence during the liberation struggle which began on 26 August 1966.

National celebrations take place annually in places such as the town of Eenhana in the Ohangwena region on the Angolan border, where people gather to watch leaders such as the current President Hifikepunye Pohamba and the founding President Sam Nujoma, officially commemorate the veterans of the People's Liberation Army of Namibia (PLAN), SWAPO's military wing during the war.

The war of liberation brought to an end to apartheid South Africa's illegal occupation of Namibia.

SWAPO under the leadership of Nujoma and the late PLAN military commander Peter Nanyemba, waged a protracted war for independence which ended with the ceasefire and democratic elections in 1989, and independence on 21 March 1990.

Each year, thousands of Herero people also converge on the town of Okahandja on 26 August to honour Herero chief Samuel Maharero and his post-mortem return and reburial in the town in 1923. They march in military formations and wear traditional clothing at the event.

It is considered "a gesture of defiance and a symbol of regained pride" for people of Herero origin after the Herero and Namaqua genocide at the turn of the 20th century during the German colonial period.

The essential contribution of the liberation heroes who paid with their lives presented in the autobiography of Sam Nujoma, *Where Others Wavered*, where he says that "the blood of all the sons and daughters of Namibia watered the tree of our liberty and will always be remembered by present and future generations in the Republic of Namibia."

The monument at Omugulu-gOmbashe dedicated to the victims and survivors of the first battle of the war of liberation is inscribed: "26 August 1966. The torch of the armed struggle was lit and the path to freedom was illuminated. Independence was their aim."

SWAPO fought on several fronts, through mobilizing the people inside the country as well as the international community to support its cause of national independence, and through military training of its cadres as well as educating them to build the nation.

A key factor in the liberation struggle in Namibia, as elsewhere in the region, was the support from neighbouring countries. SWAPO had its headquarters and rear base first in Tanzania, then Zambia, and Angola. The solidarity of other southern African countries contributed significantly to the success of the fight for independence in Namibia.

SWAPO President Sam Nujoma (centre) with the SWAPO representative to the United Nations in New York, Theo-Ben Gurirab (right), now Speaker of the National Assembly, and Sean MacBride, the UN Commissioner for Namibia, in discussion outside the UN Security Council Chamber in New York, 28 September 1978.

DRC: A decade after the Great War

THE SECOND Congo War, also known as the Great War of Africa, began 10 years ago in August 1998 in the Democratic Republic of the Congo (DRC).

The largest war in modern African history, it directly involved eight African countries, as well as 25 armed groups.

The First Congo War (November 1996 to May 1997) ended when rebel forces backed by Uganda and Rwanda overthrew President Mobutu Sese Seko in May 1997, in the country he called Zaire. Insurgent leader Laurent Kabila was sworn in as president.

The war set the foundation for, and was quickly followed by, the Second Congo War, which began on 2 August 1998.

Kabila had fallen out with his old allies who accused him of not honouring his agreement to guarantee peace and security on their borders. A rebel group backed by Rwanda and Uganda emerged and quickly dominated the resource-rich eastern provinces.

In less than two weeks, by 13 August, the rebels had moved across the country and held the Inga hydroelectric station that provides power to Kinshasa and the SADC region, as well as the port of Matadi through which most of the Kinshasa's food passes.

The diamond centre of Kisangani fell into rebel hands on 23 August and forces advancing from the east begun to threaten Kinshasa by late August.

A besieged Kabila sought help from the neighbouring states. The rebel offensive was abruptly reversed as Kabila's efforts at diplomacy bore fruit.

The first African countries to respond to Kabila's request for help were members of the Southern African Development Community (SADC). The governments of Angola, Namibia, and Zimbabwe sent troops to support the Kabila government after a meeting in Zimbabwe on 19 August.

This intervention saved the government and pushed the rebel frontlines away from the capital. Several more nations joined the conflict in support of Kabila, notably Chad, Libya and Sudan. By September 1999 the rebels had agreed to a ceasefire deal and in February 2000 the UN Security Council authorised a 5,500-member force to monitor the ceasefire, but clashes persisted.

Public holidays in SADC August - October 2008

1 August	Parents' Day	DRC
4 August	Farmers' Day	Zambia
8 August	Farmers' Day	Tanzania
9 August	National Women's Day	South Africa
11 August	Heroes' Day	Zimbabwe
12 August	Defence Forces Day	Zimbabwe
15 August	Assumption Day	Madagascar, Mauritius
26 August	Heroes' Day	Namibia
1 September	Umhlanga/Reed Dance Day	Swaziland
4 September	Ganesh Chathurti	Mauritius
5 September	Legislative Elections	Angola
6 September	Somhlolo Day (Independence Day)	Swaziland
7 September	Victory Day	Mozambique
17 September	Founder of Nation and National Heroes' Day	Angola
24 September	Heritage Day	South Africa
25 September	Armed Forces Day	Mozambique
30 September	Botswana Day	Botswana
1 October	Public Holiday	Botswana
3 October	Eid ul Fitr*	Mauritius, Tanzania
4 October	Independence Day	Lesotho
4 October	Reconciliation Day/Peace Day	Mozambique
13 October	Mothers' Day	Malawi
14 October	Mwalimu Nyerere Day and Climax of "Uhuru Torch Race"	Tanzania
21 October	Divali	Mauritius
24 October	Independence Day	Zambia

* Depends on visibility of the moon