



# SOUTHERN AFRICA TODAY



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## BRICS and Africa Partnership for development

by Kizito Sikuka

AS THE impetus to reconstruct global affairs gathers pace, emerging economies and Africa are now exploring new models and approaches towards a more equitable and inclusive system that promotes sustainable socio-economic development.

Emerging economies, comprising Brazil, Russia, India, China and South Africa (commonly referred to as the BRICS) reaffirmed this shared goal towards global development, equality and cooperation during the 5th BRICS Summit held in Durban, South Africa in late March.

In a communiqué dubbed the “*eThekwin* Declaration” released soon after the historic summit -- which saw Africa make a maiden appearance at the meeting – BRICS countries said they are committed “to increasing our engagement and cooperation” with Africa to unlock potential for cooperation, as well as finding lasting solutions to challenges facing developing regions.

Noting that Africa faces challenges of infrastructure development due to insufficient long-term financing and foreign direct investment, especially investment in capital stock, BRICS countries decided to establish a development bank to contribute towards infrastructure development in Africa.

Infrastructure development is critical for the realization of the African integration and industrialization agenda.

“In March 2012 we directed our finance ministers to examine the feasibility and viability of setting up a new development bank for mobilizing resources for infrastructure and sustainable development projects in BRICS and other emerging economies and developing countries, to supplement the existing efforts of multilateral and regional financial institutions for global growth and development,” BRICS leaders said in a statement.

“Following the report from our finance ministers, we are satisfied that the establishment of a new development bank is feasible and viable. We have agreed to establish the new development bank.”

Although the location and other details of the bank are yet to be finalized, the leaders said that the initial contribution to the bank would be substantial and sufficient for the bank to be effective in financing infrastructure.

South African President Jacob Zuma, who is the new BRICS chairperson, welcomed the move to establish the bank, saying it can help forge a new funding model for Africa in which projects spanning a number of countries are favoured for finance.

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## BRICS and Africa Partnership for development

He said the major constraint for funding infrastructure in Africa was that most international financial institutions were often biased towards funding projects in single countries, rather than those spread across a number of countries.

"The BRICS process could lead to a funding model that promotes more multi-country projects and accelerates the pace of regional integration," he said, adding that Africa should take advantage of this facility to boost trade and deepen integration.

The establishment of a BRICS development bank is expected to provide major relief to most African countries, considering that the continent has gained little from other international financial institutions such as the International Monetary Fund (IMF) and World Bank (WB) due to a number of factors, among them stringent lending conditions as well as piecemeal funding packages.

Therefore, rather than wait for the reforms of existing multilateral financial institutions, BRICS countries have decided to act and establish a development bank to promote socio-economic growth in developing regions, thus reshaping global affairs.

Nevertheless, BRICS has reiterated its call for the reform of international financial institutions to make them more representative and to reflect the growing weight of BRICS and other developing countries in global affairs.

"The reform of the International Monetary Fund should strengthen the voice and representation of the poorest members of the IMF, including Sub-Saharan Africa," BRICS said, adding that the leadership selection

should be through an open, transparent and merit-based process and truly open to candidates from emerging market economies and developing countries.

On the selection of a new World Trade Organization (WTO) director-general, BRICS said the post should be filled by a candidate from a developing country.

Since the formation of these institutions, the top posts have never been occupied by a candidate from a developing country, raising suspicion that the institutions are meant to serve a few selected countries at the expense of the majority.

With regard to global politics, BRICS reaffirmed the need for a comprehensive reform of the United Nations Security Council, with a view to making it more representative, effective and efficient, so that it can be more responsive to global challenges.

The UN Security Council has been accused of "living in the past" and "treating countries differently", hence the call for urgent changes at the council to make it more democratic and credible.

The council, whose primary responsibility is to maintain international peace and security, is made up of five permanent members as well as 10 non-permanent mem-

bers who hold the seats for two-year terms.

The five permanent members are China, France, Russia, the United Kingdom and the United States. The other members at present are Argentina, Azerbaijan, Australia, Guatemala, Luxembourg, Morocco, Pakistan, Republic of Korea, Rwanda and Togo.

Under the UN Charter, all members of the UN agree to accept and carry out the decisions by the council, and while all other organs of the UN make recommendations to governments, the council alone has the power to take decisions which member states are obligated to carry out.

It is this kind of set-up that most developing countries are against and want reviewed to ensure equality. For example, they want a permanent seat reserved for developing countries.

With respect to climate change, BRICS made a commitment to work with Africa and other stakeholders to ensure a global agreement is reached by 2015.

Climate change talks are ongoing, albeit with challenges as most developed nations are not willing to fulfil their pledges, especially on increasing finance to developing countries and cutting down on green house gas emissions that cause climate change.

Developing countries, particularly in Africa, are worst affected by climate change due to limited resources, yet they are the least contributors of green house gas emissions.

On the internationally agreed development goals, including the Millennium Development Goals (MDGs), BRICS said "Africa and other developing countries of the South, cannot achieve the MDGs on their own and therefore the centrality of Goal 8 on Global Partnerships for Development to achieve the MDGs should remain at the core of the global development discourse for the UN System."

Furthermore, the summit urged stakeholders to accelerate the implementation progress to ensure the 2015 target is met.

"In this regard, we stress that the development agenda beyond 2015 should build on the MDG framework, keeping the focus on poverty eradication and human development, while addressing emerging challenges of development taking into consideration individual national circumstances of developing countries."

The 5th BRICS Summit was held on 27 March under the overarching theme, "BRICS and Africa: Partnership for Development, Integration and Industrialization".

Brazil will host the 6th BRICS Summit in 2014 following the conclusion of the first cycle of BRICS Summits, where each member has hosted a summit.

The BRICS mechanism aims to achieve peace, security, development and cooperation. It also seeks to contribute significantly to the development of humanity and establish a more equitable and fair world. r

### BRICS new areas of cooperation

THE BRICS Summit has agreed to expand its areas of cooperation to include:

- BRICS Public Diplomacy Forum
- BRICS Anti-Corruption Cooperation
- BRICS State Owned Companies / State Owned Enterprises
- National Agencies Responsible for Drug Control
- BRICS Virtual Secretariat
- BRICS Youth Policy Dialogue
- Tourism
- Energy
- Sports and Mega Sporting Events.

## SADC Secretariat upgrades systems

**THE SADC** Secretariat has completed an institutional capacity building exercise that has seen the organization meeting international benchmarks for good practice in accounting, audit, internal controls and procurement.

This achievement was made possible by a focused reform process, assisted by a major European Union (EU)-funded capacity-building programme and support from the German government through the German Society for International Cooperation (GIZ).

Following several years of intensive work on improving its institutional capacity, the SADC Secretariat was officially recognized in December 2012 as having international standards in accounting, audit, internal controls and procurement.

From 2010 to 2012, the SADC Secretariat worked on adopting new financial management and reporting practices to strengthen its financial functions and provide improved transparency and accountability.

Reforms included revision of the Internal Audit Charter, development of Terms of Reference for external audit of the Secretariat, and development of a new Enterprise Risk Management Policy and a new Enterprise Risk Management Framework.

The new regulations approved by the Council of Ministers in August 2012, will ensure improved financial management and good corporate governance through transparency, accountability and sound financial controls.

The reforms also saw the introduction of results-based management culture within the SADC Secretariat.

These changes have created a stable organizational platform, which has strength-

ened SADC's decision-making processes for priority setting, resource allocation and programme management – all of which support the regional integration objectives of SADC.

Achieving this status has allowed SADC to enter into

direct contribution agreements with the EU amounting to €50 million to support southern Africa's regional integration process.

This kind of arrangement, under Contribution Agreements, enables the EU to pro-

vide more direct and flexible financial support to SADC.

Between 2013 and 2015, the EU-funded institutional capacity development programme will reinforce the process of maintaining institutional compliance.

The programme will also address the key factors of leadership, management and performance management to further strengthen SADC Secretariat's institutional capacity.

Through GIZ, Germany will between 2013 and 2016 focus on strengthening the linkages between SADC Secretariat and Member States, and support efforts for increased policy dialogue between the regional stakeholders. r

**THE EU** has committed €84 million to SADC under the 10th European Development Fund (EDF10) programme, of which €50 million will be funded through the following Contribution Agreements:

- Regional Political Co-operation, €18 million;
- Regional Economic Integration Support, €20 million; and
- Project Preparation and Development Facility, €12 million.

The EU and Germany will continue to support the organizational development and change management process in SADC through the following activities:

- Development of a "think tank" with the capacity to advise and guide Member States on the implementation of the SADC Common Agenda;
- Recruitment of a principal regional co-ordinator of policies, strategies and programmes of the regional integration process;
- Provision of support services to facilitate legal, administrative, financial and procurement services to technical SADC directorates, and convening annual consultative conferences and meetings of the SADC decision-making structures; and
- Recruitment of a professional programme manager to plan and budget, facilitate the implementation process, monitor prioritised programmes, and report on progress in co-ordination and co-operation with SADC stakeholders.

By meeting these standards and achieving this status, SADC is now eligible to receive and manage packages of financial assistance using its own internal systems and controls.

## Elections for SADC Executive Secretary begin

**THE PROCESS** to elect the new SADC executive secretary and the deputy has commenced, with at least two countries submitting their candidates for ES.

Speaking after the Council of Ministers meeting held in Mozambique in March, Angolan Foreign Minister, Georges Chikoti said the deadline for applications had already closed and the process of consultations and lobbying among Member States had started.

He noted that several candidates had submitted applications for the two top posts at the SADC Secretariat.

The term for the incumbent Executive Secretary, Tomaz Salomão, is due to end later this year.

Salomão has held the maximum two four-year terms since his appointment by the Summit of Heads of State and Government in August 2005. His term was renewed in 2009 at the Summit held in the Democratic Republic of Congo. r

## Council approves SADC budget, action plan for 2013/14

**THE SADC** Council of Ministers has approved the budget and action plan of the organization for 2013/14.

According to an announcement by Council chairperson and Mozambican Foreign Minister, Oldemiro Baloi, the SADC budget for the next year is estimated at US\$65 million.

The budget is to be financed by the countries membership fees (US\$33.7 million) and by International Cooperating Partners who are expected to pick up US\$31.3 million of the expenditure.

Council noted that the current costs structure of SADC is not sustainable due to increasing demand between the fixed costs related to the day-to-day running of the Secretariat and the investment costs regarding the programmes and projects on economic integration. r

# Chirundu One-Stop Border Post Benchmark for regional integration and trade facilitation

by Kizito Sikuka

**THE CHIRUNDU** one-stop border post between Zambia and Zimbabwe is a practical example of how southern Africa can deepen integration and promote regional trade.

Formally launched in November 2009 as a pilot phase of the one-stop border initiative, the Chirundu border post has significantly promoted the smooth movement of goods and persons across the region.

According to the Zambian Ministry of Commerce, traffic at Chirundu has more than doubled between 2009 and 2012.

Permanent Secretary Stephen Mwansa said clearance time for haulage trucks has been reduced from about six days to less than 24 hours. Clearance of passengers now takes less than five minutes from an estimated one hour previously.

He said reduction of clearance time is critical in keeping the cost of goods down since most transporters usually pass on the extra charges to customers.

"About 95 percent of the volume of cargo transported in the region is by road, and the typical charge for a stationary truck is between US\$200 to US\$400 a day," he said.

"Therefore, if a truck takes three days to clear at the border, the transporter will pass on an additional cost of between US\$600 to US\$1,200 for the cost of the truck sitting idle at the border to the importer."

The African Development Bank (AfDB) has hailed the Chirundu one-stop border post as a benchmark for other regions, adding that southern Africa and the rest of Africa



Chirundu one-stop border post between Zambia and Zimbabwe promotes regional trade in southern Africa.

should adopt similar facilities to boost trade in the continent, which has been hindered by bureaucracy at entry and exit points.

In its report entitled "Border Posts, Checkpoints, and Intra-African Trade: Challenges and Solutions", the AfDB says the one-stop border concept has been impressive in promoting regional trade through the removal of both tariff and non-tariff barriers at the border.

"Now, northbound trucks are checked and cleared only on the Zambian side, and southbound trucks are processed on the Zimbabwean side," the report said.

AfDB said bureaucracy and long delays have continued to hold back trade and economic growth in Africa.

"In Africa, the average customs transaction involves 20 to 30 different parties, 40 documents, 200 data elements, 30 of which are repeated at least 30 times, and the rekeying of 60 to 70 percent of all data at least once."

The report states that these lengthy procedures could be cut by bringing in automated systems for document checking.

"Also, time and money could be saved by not duplicating the process on both sides of the border. Border checkpoints are overstretched,

resulting in long delays. A container or truck can wait up to three days to cross a border in Africa."

Under the one-stop border post concept, travellers are cleared just once for passage into another country in contrast with the current situation where travellers have to complete immigration and customs formalities on both sides of the border.

The Chirundu border post is one of the pilot projects under the North-South Corridor initiative being jointly implemented by SADC, the Common Market for Eastern and Southern Africa (COMESA) and East African Community (EAC).

In the long run, the project seeks to harmonize customs and immigration laws at border posts within the three regional economic communities.

Other ports of entry identified for implementation of this concept include the Beitbridge border post between South Africa and Zimbabwe, and the Kasumbalesa border post between Zambia and the Democratic Republic of Congo.

Beitbridge and Chirundu are considered to be among sub-Saharan Africa's busiest border crossings with hundreds of southward or northward commercial trucks passing through the two border posts every day.

Under the North-South Corridor initiative, COMESA-EAC-SADC have identified border post refurbishment as one of the initiatives to improve infrastructure and increase intra-regional trade in eastern and southern Africa.

More than US\$1.2 billion has been raised as initial funding to implement the North-South Corridor project, which traverses eight countries in eastern and southern Africa.

The North-South Corridor (also known as the Durban Corridor) is the most extensive corridor in the region, linking the largest number of countries in eastern and southern Africa.

It interlinks to other corridors including the Trans-Kalahari, Beira, Lobito, Dar es Salaam and Nacala corridors.

This corridor is critical because South Africa is the largest African trading partner for most of the countries in the region and the port of Durban handles a significant portion of transit traffic for the landlocked states.

Planned programmes include the construction of more than 8,000 kilometres of road, rehabilitation of 600km of rail track and upgrading of the Dar es Salaam port in the United Republic of Tanzania – one of the biggest and busiest ports in Africa. r





## SADC infrastructure conference set for June

**THE SADC** infrastructure sector is preparing to attract vital investment at a high-level conference of investors scheduled for June in Maputo, Mozambique.

The infrastructure conference is part of a number of initiatives by the SADC Secretariat to lure potential investors to southern Africa in line with the recently launched SADC Regional Infrastructure Development Master Plan 2012-2027.

At the Maputo investment conference, SADC is expected to showcase its portfolio of 418 infrastructure projects in the six priority areas of energy, transport, information communication technology, tourism, meteorology and water.

These include the proposed Mphanda Nkuwa hydro power project in Mozambique, development of a traffic management programme in the Seychellois capital Victoria and construction of Kazungula Bridge linking Botswana and Zambia, and development of SADC regional and national integrated broadband infrastructure.

More conferences of investors and road shows are planned for Asia, the United States and some European countries later this year to lure investment to southern Africa.

The infrastructure master plan is an ambitious programme to develop cross-border infrastructure. It is the framework for planning and cooperation among Member States and with development partners and the private sector. Estimated to cost US\$500 billion, the SADC master plan will be implemented over

three five-year intervals – short term (2012-2017), medium term (2017-2022) and long term (2022-2027).

The master plan will guide implementation of coordinated, integrated, efficient, trans-boundary infrastructure networks in the six priority sectors.

In the energy sector, the plan will address four key areas of energy security, improving access to modern energy services, tapping the abundant energy resources and increasing financial investment whilst enhancing environmental sustainability.

Regarding the sub-sectors of road, rail, ports, inland waterways and air transport networks, the Transport Sector Plan will address four key areas, namely improving access to the seamless transport

corridors value chain; reducing the cost of transportation; enhancing competitiveness and providing safe and secure transport services.

The Information Communication Technology (ICT) Sector Plan is designed to address four key areas: ensuring accessibility, including universal access to broadband ICT technologies; accelerating regional integration through broadband interconnectivity within and among SADC member states; reducing the cost of doing business; and improving reliability and security of ICT infrastructure.

The Water Sector Plan prioritizes five goals, which include increasing the overall water storage in the region; irrigated land for food security; hydropower generation for en-

ergy security; increasing access to safe drinking water; and enhancing sanitation services.

The Tourism Sector Plan is geared towards achieving enhanced socio-economic development; facilitating joint marketing of SADC as a single destination; increasing tourism arrivals and tourism receipts from source markets; and developing the tourism sector in an environmentally sustainable manner.

Emphasis for the Meteorology Sector Plan is put on the need to ensure the availability of timely early warning information relating to adverse weather and climate variability impacts. r

## Integrated transport plan for Lobito Corridor

**ANGOLA, THE** Democratic Republic of Congo and Zambia have agreed to develop an integrated plan for the rehabilitation, maintenance and operation of the railways network of Lobito Corridor in a bid to deepen integration and boost regional trade.

The decision was made during the inaugural meeting of ministers in charge of transport in the three countries, which was held in Luanda, Angola, in March.

The railway network of the Lobito Corridor integrates the systems of Benguela Railways, Société National de Chemin de Fer of DRC and Zambia Rail-

The integrated plan aims to provide the shortest and most effective railway transport line from the port in Angola to the DRC and Zambia.

The three countries also agreed to cooperate in the rehabilitation, maintenance and

management of road infrastructure network along the corridor.

This move is aimed at creating a road network to promote the smooth movement of goods, services and people across the three countries. r

## AfDB funds Malawi power project studies

**MALAWI HAS** received a US\$3 million grant from the African Development Bank (AfDB) to finance feasibility studies for the proposed Kholombidzo Hydroelectric Power Plant.

The grant aims to produce a bankable feasibility study for the development of the power generation project on the Shire

River, which is expected to contribute to the expansion of electricity generating capacity in Malawi and the SADC region.

The total cost of the feasibility studies is estimated at US\$3.27 million, with the Malawian government contributing the balance of US\$230,000. r

## Zambezi River Basin Transfrontier parks key to management of natural resources

by Eglina Tauya

**THE ESTABLISHMENT** of transfrontier conservation areas is one of the key initiatives for the sustainable management of natural resources in the Zambezi River Basin.

The eight countries in the Zambezi basin rely heavily on the exploitation of natural resources and the environment for their economies, and are thus taking steps to harmonise strategies for proper management of natural resources, many of which are shared.

According to a new publication, *the Zambezi River Basin Atlas of the Changing Environment*, six Transfrontier Conservation Areas (TFCAs) are at different stages of development within the Zambezi basin.

The Atlas reports that some Memoranda of Understanding have been signed to facilitate the establishment of the TFCAs, while other agreements are still at the conceptual stage.

Those with MoUs are the Malawi-Zambia TFCA, as well as the Kavango-Zambezi (KAZA) TFCA involving Angola, Botswana, Namibia, Zambia and Zimbabwe.

The joint venture by the tourism authorities covers the management of cultural heritage of local communities, hunting and fishing, and wildlife conservation.

KAZA is the world's largest transfrontier park and was launched in March 2012 by environment ministers from the five countries.

The historic launch followed the signing of the treaty by the Heads of State and Government of the respective countries in August 2011.



Situated in the Okavango and Zambezi river basins where the borders of the five countries converge, the KAZA TFCA covers an area of about 444,000 square kilometres. It consists of 36 national parks, game reserves, community conservancies and game management areas.

The conservation area boasts of numerous tourist attractions such as the Victoria Falls between Zambia and Zimbabwe, San rock paintings in Botswana and the absorbing wildlife population in the region.

This high concentration of attractions is expected to create an entirely new assortment of tourism opportunities in southern Africa, presenting new opportunities for socio-economic development in the Southern African Development Community (SADC), resulting in deeper integration among member states.

It would also allow participating countries to jointly market their attractions, presenting prospective tourists with a wide range of opportunities and experiences.

The KAZA partner countries have identified tourism

as one of the key drivers for socio-economic development in the region due to its strong multiplier effects and are determined to accelerate growth of the tourism industry in the region.

The development of the KAZA is receiving support from various development partners, with the German Federal Ministry for Economic Cooperation and Development (BMZ) contributing about €15.5 million towards its successful development in March 2013.

The launch of the KAZA is now a benchmark for other countries in the basin and the rest of southern Africa to emulate in a bid to deepen integration and promote development in the region.

The tourism authorities of Zimbabwe, Mozambique and Zambia reached an agreement in 2009 to establish the ZIMMOZA TFCA.

Other proposed transfrontier parks in the Zambezi basin are the Liuwa Plains-Mussumu TFCA involving Angola and Zambia, and the Selous-Niassa TFCA involving Mozambique and Tanzania.

The Liuwa Plains-Mussumu TFCA is home to the largest migratory population of blue wildebeest in the miombo ecosystem in Africa.

Every year massive herds of blue wildebeest migrate from Zambia to Angola and back again, traversing the plains in their thousands and very often mingling with zebra along the way.

The governments of Angola and Zambia are working towards formalising the TFCA.

The establishment of TFCAs is founded on the SADC ideals articulated in the Protocol on Wildlife Conservation and Law Enforcement of 1999, which commits member states to "promote the conservation of shared wildlife resources through the establishment of trans frontier conservation areas".

*The Zambezi River Basin Atlas of the Changing Environment*, the first of its kind in the basin and southern Africa, is a collaborative initiative with the objective of providing scientific evidence about changes that are taking place in the natural resources and the environment.

The Atlas was produced for SADC, the Zambezi Watercourse Commission (ZAMCOM), and Zambezi River Basin stakeholders, by the Southern African Research and Documentation Centre (SARDC) through its environment institute, the I. Musokotwane Environment Resource Centre for Southern Africa (IMERCSA) and GRID-Arendal, both collaborating centres of the United Nations Environment Programme (UNEP). [sardc.net](http://sardc.net)



## SAPP to commission 2,000MW to regional grid in 2013

**SOUTHERN AFRICA** expects to commission projects that will add about 2,000 megawatts (MW) of electricity to the regional grid this year.

The Southern African Power Pool (SAPP), which coordinates the planning, generation, transmission and marketing of electricity on behalf of Member State utilities in the SADC region, said the bulk of the new electricity, will come from South Africa and Botswana.

Speaking at a SADC Energy Thematic Group meeting held in Gaborone, Botswana, in late February, SAPP Coordination Centre Manager Lawrence Musaba said South Africa's Eskom will weigh in with 923 MW, while the Botswana Power Company will add a total of 600 MW.

The power from South Africa is expected to come from Medupi thermal station, Komati thermal station and another solar energy project, which is underway in the country. (See table below)

Medupi will contribute 722 MW, Komati 101 MW, while the remaining 100 MW will come from the solar energy project.

The new power in Botswana is expected to come from the Morupela B thermal project that is already under construction.

Zambia's Zesco will add 180 MW from its Kariba North hydro plan, while independent power producers in Namibia and Malawi will add 60 MW and 60 MW respectively to the regional grid.

The power from Namibia will be harnessed from wind, while that from Malawi will come from hydro.

Independent power producers in the United Republic

of Tanzania and Zambia will also add about 60 MW and 50 MW respectively. Tanzania's power will be from gas, and Zambia's from Ndola Energy.

The Democratic Republic of Congo's SNEL will weigh in

with 55 MW from the rehabilitation of Inga Dam project.

This new power is expected to help the SADC region boost its supplies as well as partially meet its growing demand.

In the year 2012, SAPP was able to add a total of 1,031 MW. Next year, the regional power pool is expected to commission projects that will add about 4,620 MW. r

### GENERATION PROJECTS - 2013 TARGET

No	Utility	Country	Name	Type	Capacity (MW)	Funding /Status
1	BPC	Botswana	Morupule B	Coal	600	Commissioning
2	IPP	Zambia	Ndola Energy	HFO	50	Commissioning
3	SNEL	DRC	Inga 1	Hydro	55	Rehab
4	IPP	Tanzania	Mwanza FHO	Gas	60	Under Construction
5	Eskom	RSA	Medupi	Thermal	722	Under Construction
6	Eskom	RSA	Komati	Thermal	101	Under construction
7	Eskom	RSA	Solar	Solar	100	Under construction
8	IPP	Namibia	Wind	Wind	60	Under construction
9	IPP	Malawi	Kapichira	Hydro	64	Under construction
10	ZESCO	Zambia	Kariba North	Hydro	180	Under construction
<b>TOTAL</b>					<b>1,992</b>	

## RERA develops five-year strategic plan

**THE REGIONAL** Electricity Regulators Association of Southern Africa (RERA) is developing a five-year strategic plan that will result in the crafting of energy regulatory frameworks and facilitating the creation of a viable regional energy market by 2017.

The strategic plan for 2013-2017 will aim to develop energy regulatory frameworks, instruments and methods to promote regional integration and harmonization. This is expected to facilitate the development of a viable regional energy market in SADC.

There are also plans to develop the capacity of existing energy and electricity regulators in the region.

This will include advocating for the establishment of autonomous national regulators in the region and developing a knowledge pool of

information on the energy sector.

RERA is presently made up of 10 regulatory bodies from Angola, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe.

Botswana, the Democratic Republic of Congo, Mauritius and Seychelles do not have energy regulators and are at various stages of energy sector reforms.

The Office for Electricity Regulation (ORE) of Madagascar is not yet a member of RERA.

Four of the existing RERA members are electricity regulators, five are energy regulators and two are multi-sector (energy/water) regulators.

The plan envisages the promotion of universal access to modern energy services by

facilitating the development of energy infrastructure for under-served countries and encouraging the migration towards cost-reflective charges, but also paying attention to low-income population.

In addition, there are plans to position RERA to proactively influence developments in the SADC energy sector. This will involve, among other things, transforming the organization from an electricity to an energy regulators' association as well as enhancing stakeholder communication and advocacy.

The strategic plan with details of specific initiatives under each of the strategic objectives will be distributed to cooperating partners and other stakeholders as soon as it is formally approved by the RERA Executive Committee at its first meeting later this year. r

# Day Ahead Market – Regional energy trading

## Competitive electricity market allows member states to b

by Kizito Sikuka

**SOUTHERN AFRICA** continues to make significant progress towards achieving a sustainable and competitive electricity market that allows member countries to easily sell and buy electricity from each other.

The competitive electricity market, commonly known as the Day Ahead Market (DAM), was commissioned in December 2009 and is administered by the Southern African Power Pool (SAPP).

SAPP is a regional body that coordinates the planning, generation, transmission and marketing of electricity on behalf of Member State utilities in southern Africa.

All the power utilities in mainland SADC, with the exception of Angola, Malawi and the United Republic of Tanzania, are interconnected through SAPP, allowing them to sell electricity to one another through a competitive market.

SAPP chief market analyst Musara Beta said, in an interview with this publication, that the DAM has allowed member utilities to have a wider choice in energy trading, particularly in terms of determining the price of electricity.

The DAM – which is the first competitive electricity market in Africa – is con-

ducted prior to the commencement of each day. Forward contracts are established for each hour of the coming day.

The DAM sets prices as of 11am the previous day, thus the term “day ahead”, based on generation and energy transaction bids that are offered in advance to the SAPP.

DAM prices are determined on an hourly basis for each of the power pool’s operating members.

This, therefore, means that the seller will only sell their electricity at a price they have set or even higher since there are some buyers who would have expressed bids for the same quantity at a higher rate.

On the other hand, the buyer can also only buy the electricity at their desired price or even less as some sellers will be selling the same quantity of electricity at a lower rate.

“Those (utilities) that are participating in the competitive market have realized huge financial rewards,” Beta said, adding that in the DAM there is no manipulation of prices as both the seller and buyer offer what they can only afford.

As of February 2013, the number of active participants on the DAM increased to six utilities from four in January 2013. More utilities have expressed interest to come on board, according to SAPP.

“The challenge is that energy trading in most SADC countries is regulated,” Beta said, adding this is affecting active participation by all member utilities.

Another challenge is that the DAM has come at a time when most countries are fac-

ing a shortfall in energy supplies, hence the energy trading market is viewed as insecure.

“Despite all these challenges, we are still happy with the way the competitive market is progressing,” he said.

He said since the launch of the competitive market in 2009, SAPP has managed to conclude bids amounting to 216 Gigawatts (GW).

However, of these total bids, only about 60.8 GW was moved from seller to buyer due to various constraints, chief among them the lack of transmission paths as well as congested transmission corridors.

“All the concluded volumes could not go through, which just goes to show how serious transmission constraints are affecting trade on the DAM,” Beta said.

“The potential to trade in the DAM is there but the current transmission capacity is not allowing member countries to fully exploit the competitive market. The problem is not with the market but with the system.”

In this regard, he said SAPP was working on implementing energy generation projects to boost energy production in the region.

Plans are also underway to build more transmission interconnections across the borders of member state, particularly to connect the unlinked three member countries – Angola, Malawi and Tanzania – to the regional power grid.

Fuller integration on the SAPP grid would ensure that any new generation capacity installed in any of the three countries is also real-



ized by the nine other SAPP members, namely Botswana, the Democratic Republic of Congo, Lesotho, Mozambique, Namibia, Swaziland, South Africa, Zambia and Zimbabwe.

Such a situation would, therefore, boost the regional competitive electricity market, allowing member countries to easily sell and buy

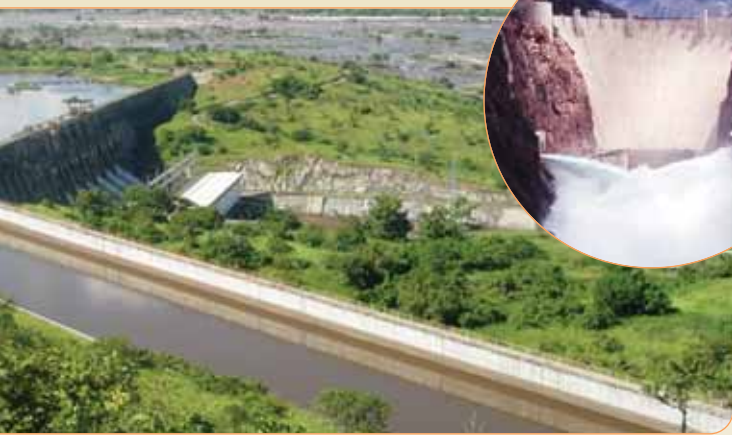
## Major boost for th ...as SAPP, Norway

**THE REGIONAL** competitive electricity market is expected to record some significant improvement following the signing of a three-year agreement between Norway and the Southern African Power Pool to support the energy trading market.

The agreement, jointly funded by Norway and Sweden, is worth NOK35.25 million (about US\$6.14 million) and covers various activities, including implementation of the regional competitive electricity market as well as capacity-building and software issues regarding energy trading.



# gains momentum buy and sell



## Countries adopt RERA cross-border guidelines

SEVEN SADC Member States have adopted common guidelines governing cross-border power trading. The guidelines for national regulators were developed by the Regional Electricity Regulators Association of Southern Africa (RERA), and adopted by SADC Energy Ministers in 2010.

The RERA Guidelines on Cross Border Power Trading in Southern Africa aim to provide an enabling framework for cross-border trade and investment in infrastructure that will reduce some of the uncertainties deterring investment and undermining efforts to improve security of supply through cross-border trading.

They represent the first concrete step to harmonising national regulatory systems and encouraging large cross-border transactions by ensuring that regulatory arrangements in the region are compatible.

There are a large number of proposed cross-border generation and transmission projects in southern Africa that are not moving forward due to regulatory constraints, despite being technically and economically feasible.

In most SADC countries, authorities responsible for regulating cross-border trading are the national electric-

ity regulators, which have powers to make decisions on tariffs, licensing and service standards. However, energy ministers in most SADC Member States also retain some decision-making powers.

RERA members that have adopted the guidelines for implementation are the regulatory bodies of Lesotho, Malawi, Mozambique, Namibia, South Africa, United Republic of Tanzania, and Zambia.

A number of other SADC Member States including Botswana, Madagascar and Swaziland are in the process of establishing separate regulators.

The RERA regulatory guidelines focus on the decisions affecting cross-border trading, regardless of whether the decision-maker is an independent agency or the government.

The aim of the guidelines, written in the form of principles, rules and procedures, is to ensure that efficient cross-border deals are not constrained by unclear or complicated processes for making decisions.

The guidelines do not have a formal legal status over the decisions of individual national regulators. In order to have legal effect, national regulators will need to implement the guidelines in their own countries. r

surplus electricity from each other.

“We are working hard to link all the member utilities to the regional grid to promote the sharing of surplus energy on the DAM,” he said.

The DAM also has other numerous benefits, including the capacity to open up the energy sector to new players and investments.

Lack of investment in the energy sector has been identified as one of the main factors that have contributed towards the current power deficit in southern Africa.

“We might be experiencing some challenges with regard to the competitive market, but we will not give up. We will soon get there,” Beta said. r

## Regional energy competitive market sign agreement to support DAM

Other activities such as the implementation of energy generation projects to boost production in the region, and building more transmission interconnections will also be covered under this agreement. The project will run from January 2013 to February 2016.

The competitive electricity market, commonly known as the Day Ahead Market (DAM), allows SAPP member utilities to sell surplus electricity to others, and meet shortfalls through purchases from others.

It is administered by the SAPP Coordination Centre in Harare, Zimbabwe.

SAPP is a regional body that coordinates the planning, generation, transmission and marketing of electricity on behalf of member state utilities in southern Africa.

The agreement was signed on 27 February in Gaborone, Botswana, by Lawrence Musaba, SAPP Coordination Centre Manager and Tove Bruvik Westberg, Ambassador of Norway to Mozambique. The signing ceremony was witnessed by members of the SADC Energy Thematic Group who met earlier the same day. r

## COMESA-EAC-SADC Tripartite FTA negotiations on course

**THE TRIPARTITE** Trade Negotiation Forum (TTNF) involving three trading blocs is now engaged in phase one of negotiations to launch an integrated market covering 26 countries in eastern and southern Africa.

The Common Market for Eastern and Southern Africa (COMESA), the Eastern African Community (EAC) and SADC are conducting their negotiations for a Tripartite Free Trade Area (FTA) which are done in different phases.

According to a roadmap adopted at the second joint summit of heads of state and government of the three Regional Economic Communities (RECs) held in June 2011, the negotiations will be con-



SADC Executive Secretary, Tomaz Salomão



ducted in three phases – preparatory phase, phase one and phase two.

The preparatory phase mainly involved the exchange of all relevant information, including tariffs applicable in each country, as well as trade data and measures.

It was aimed at ensuring that the three regional economic communities adopt

terms of reference and rules of procedure for the establishment of the TTNF.

This phase began in December 2011 and was expected to last between six and 12 months. Following its completion in November 2012, the tripartite negotiations have now moved into phase one of negotiations.

Phase one will cover core FTA issues of tariff liberalization, rules of origin, customs procedures and simplification of customs documentation, transit procedures, non-tariff barriers, trade remedies and other technical barriers to trade and dispute resolution.

Facilitating movement of business persons within the region will be negotiated in parallel with phase one.

The last stage of negotiations – phase two – is expected to cover trade in services and trade related issues including intellectual property rights, competition policy, and trade development and competitiveness.

According to the roadmap, all negotiations for the so-called “Grand” FTA should be completed within 36 months. Thereafter, COMESA-EAC-

SADC is expected launch its single FTA by 2016.

The proposed FTA is expected to bolster intra-regional trade by creating a wider market, increased investment flows, enhanced competitiveness and the development of cross-regional infrastructure.

The integrated market would comprise a combined population of almost 600 million people and a total Gross Domestic Product (GDP) of about US\$1 trillion.

This would open borders to literally half of the continent, spanning the entire southern and eastern regions of Africa – from Cape to Cairo.

The “Grand” FTA is within the framework of establishing an African Economic Community and the overall African Union Vision and Strategy presented in the 1980 Lagos Plan of Action and the Abuja Treaty of 1991.

Africa aims to establish a continent-wide free trade area by 2017, and regional trade arrangements such as the Tripartite FTA are regarded as some of the building blocks of the envisaged African Economic Community. r

**THE COMESA-EAC-SADC** Tripartite was established in 2005 with the main objective of strengthening and deepening economic integration of the southern and east Africa regions.

This is being achieved through various initiatives aimed at harmonizing policies and programmes of the three RECs in the areas of trade, customs and infrastructure development, and implementing these in a coordinated manner, and wherever possible jointly.

The Tripartite agenda is focused and underpinned by a robust vision and strategy which is implemented through a wide-ranging work programme whose main pillars include:

- harmonization and improvement of functionality of regional trading arrangements and programmes, including establishing a Tripartite FTA encompassing its 26 member countries;
- enhancement of trade facilitation to improve flow of goods along transport corridors by lowering transit times and the cost of trading;
- joint planning and implementation of infrastructure programmes, which mainly comprise of surface (road, rail, border posts, seaports) and air transport, ICT and energy; and
- free movement of business persons within the Tripartite region to facilitate the conduct of business.

The Tripartite is also addressing challenges of overlapping membership through harmonizing programmes across the three RECs. r



## SADC, EU determined to boost cooperation

by Kizito Sikuka

**SOUTHERN AFRICA** and the European Union have made a commitment to strengthen cooperation in various socio-economic areas to promote development in the two regions.

SADC and the EU made the pledge at a ministerial political dialogue held in Maputo, Mozambique in late March. The meeting marked 19 years since the commencement of the SADC-EU dialogue.

At the meeting, the two regions signed a €20 million agreement that would assist SADC implement a new programme entitled Regional Economic Integration Support (REIS), which is aimed at boosting trade and deepening integration through the removal of barriers to trade and improving the business environment in the region.

SADC Executive Secretary Tomaz Salomão signed the agreement on behalf of SADC while Head of Delegation of the EU to Botswana, Ambassador Gerard McGovern represented the EU.

The REIS is intended to further regional economic integration which is the key focus of EU-SADC cooperation under the 10th European Development Fund (EDF) and is based on the SADC Common Agenda and on the priorities set in its Regional Indicative Strategic Development Plan (RISDP).

The proposed REIS will focus on two protocols that are key to providing the basis for regional economic integration – the SADC Trade Protocol and the Protocol on Finance and Investment – and will also support negoti-

ation and implementation of the Economic Partnership Agreement (EPA).

The REIS is intended to address implementation issues of these two protocols at the regional level and particularly in the SADC Secretariat.

The specific objective of the programme is to create the enabling environment through the SADC Secretariat to enhance the movement of goods and services within SADC, facilitate investment, and secure World Trade Organisation compatible market access arrangements between SADC EPA countries and the EU.

On EDF 11, which would cover the period 2014-2020, the regional organizations agreed to start consultations in April to identify SADC's priorities for funding for the next seven years.

Consultations are expected to be completed by the end of the year and an agreement has been made to ensure that the support focuses on the core mandate of SADC and the linkage between national and regional development.

With regard to infrastructure development, the two regions agreed to work together in improving infrastructure in southern African.

The EU said it would support the recently approved Regional Infrastructure Development Master Plan and other cross border infrastructure development projects from the EU-Africa Infrastructure Trust Fund.

In respect to SADC's RISDP that is currently under review, both regions agreed on the importance of effective and focused implementation of the development blueprint as the roadmap for the region's economic integration.

SADC invited the EU and other International Cooperating Partners (ICPs) to share experiences and support the review process.

On the ongoing EPA negotiations with the EU, SADC emphasised the need to conclude discussions as soon as possible in a manner that will bring about an outcome that will assist developing countries in the long run.

Various issues have stalled negotiations, including how to navigate the complex and numerous trade arrangements in southern Africa while maintaining coherence within the region.

Other challenges are how to deal with services, investment and other trade-related issues such as rules of origin, as well as some provisions of the interim EPA text that seem to favour one party over another.

The SADC negotiating group comprises Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland

and the United Republic of Tanzania.

The other SADC countries – Madagascar, Malawi, Mauritius, Zambia and Zimbabwe – negotiated under the Eastern and Southern Africa group (ESA), while the Democratic Republic of Congo is in the Economic Community of Central African States (CEMAC).

South Africa participates in the SADC group but only as an observer as the country already has a trade agreement with Europe.

It was agreed that the meetings be held periodically with a SADC-EU senior officials meeting taking place on a yearly basis, while the SADC-EU ministerial level meeting is to be organized every two years.

The venue of the meetings will alternate between the SADC and EU regions. Therefore, the next senior officials meeting and ministerial-level meeting will be held in 2014 and 2015, respectively, in Brussels, Belgium. r



### Africa, South America Towards south-south cooperation



**AFRICA AND** South America (ASA) have started implementing a total of 27 projects signed at the 3rd ASA Summit held in Malabo, Equatorial Guinea.

The projects cover several areas of common interest, including education and culture, peace and security, institution-building, gover-

nance and public administration, trade, investment and tourism.

Other sectors are infrastructure, transport and energy, science and technology, agriculture and the environment, social issues, health, sport, gender and youth. The implementation plan will be for the period 2013 to 2016. r

## Mining income and economic development

**THE RELATIONSHIP** of governments and national treasuries with mining companies is being reviewed in several countries in southern Africa, with the objective of increasing revenue and securing sustainable income for national development.

Tanzania, Zambia and South Africa, among others, have reviewed or are reviewing mining royalties, and Zimbabwe is implementing a policy of economic empowerment through share ownership to address the needs of previously disadvantaged people.

South African President Jacob Zuma said in his State of the Nation address in February that his finance minister would commission a study of tax policies this year "to make sure that we have an appropriate revenue base to support public spending."

"Part of this study will evaluate the current mining royalties' regime, with regard to its ability to suitably serve our people."

South Africa is the world's biggest producer of platinum, chrome and manganese, among others.

According to the Department of Mineral Resources, nine loss-making platinum mineshafts were closed last year, and Anglo-American Platinum, the biggest producer, announced plans to "idle" four shafts, which could cost 14,000 jobs, although Anglo's diamond unit, De Beers, announced plans to invest US\$2.3 billion in a new underground mine.

The mining industry in South Africa directly employs 500,000 people, according to Bloomberg, contributes some

nine percent of Gross Domestic Product (GDP) and generates two-thirds of exports.

At the start of diamond mining in South Africa in the 1860s, Afrikaner farmers fleeing British rule settled in the Rustenburg valley and displaced local communities without regard to the traditional rights of ownership by the Bafokeng. They surveyed and registered farms, parceling them among themselves.

The chief of the area during that time, Kgosi Mokgatle, recognised that ownership of traditional Bafokeng land was likely to be seized. He ordered young men from the community to walk to Kimberley, 484km away, to work and earn money that was accumulated in a central community fund to buy farms in the area. Most of the land owned by the Bafokeng was acquired in this way over a 20-year period.

Today, through various economic empowerment schemes, the Royal Bafokeng community owns sizeable stakes in Implats, the new Bafokeng Rasimone platinum mine, and SA Coal Mining, as well as stakes in blue-chip companies providing cellular phone services and insurance.

Zimbabweans share the same history with other indigenous people in southern Africa who were forcibly driven off their land to make way for white settlers.

Zimbabwe has embarked on a policy of involving previously disadvantaged indigenous Zimbabweans in the economic activities of the country to ensure equitable development of communities through ownership of the country's resources.



Through the Zimbabwe Indigenisation and Economic Empowerment Act, passed in 2007 but implemented from 2010, foreign firms must sell at least 51 percent of their shares to indigenous Zimbabweans over a four-year period starting from February 2011.

The annual indigenisation targets are as follows:

- Year 1 – 26% shareholding;
- Year 2 – 36% shareholding;
- Year 3 – 46% shareholding;
- Year 4 – 51% shareholding.

Various measures have been instituted to ensure broad-based participation by a broad spectrum of indigenous Zimbabweans, including the introduction of management and employee share ownership trusts and community share ownership trusts.

More than 120 mining companies have complied with the indigenisation laws and 400 employee share ownership trusts have been established as vehicles for participation by local communities in the shareholding of businesses operating in their areas, including Zimbabwe Platinum (Zimplats), which is majority-owned by South African platinum group, Impala Platinum (Implats).

To date up to five community schemes, with seed capital of more than US\$100 million, have been launched by President Robert Mugabe.

The proceeds from such participation are to be properly accounted for and used in projects that benefit the communities.

Government policy is that management and employees should acquire some shareholding as part of the 51 percent indigenisation requirement, while at least 10 percent of the shareholding in qualifying businesses should be reserved for communities through community trusts.

Money accruing to the trusts from such shareholding in a business is already being used for the provision of social and economic infrastructure in line with the priorities of the communities concerned, such as schools and other educational institutions; educational scholarships; support to local hospitals and clinics; maintenance of roads, water works and sanitation facilities.

"This agreement underlines our commitment to good corporate citizenship and lays the foundation for the creation of a sustainable Zimbabwean platinum mining company capable of attracting the investment needed to deliver future benefits to our shareholders, the people of Zimbabwe, our employees and the local community," said Implats chief executive, Terence Goodlace. r

## Tanzania to lead SADC intervention force in DRC

**THE UNITED** Republic of Tanzania will command the SADC military contingent in the Democratic Republic of Congo, as part of an international intervention force whose deployment was approved by the United Nations Security Council in March.

SADC Standby Force Chief of Staff, Brigadier General Maaparankoe Mahao said nine SADC Member States

have pledged personnel to be deployed when the mission starts.

These are Angola, Lesotho, Malawi, Mauritius, Namibia, South Africa, Tanzania, Zambia and Zimbabwe.

Mahao said Mozambique, Tanzania and South Africa

have pledged battalions while Malawi and Lesotho will contribute companies. Zimbabwe has committed to send several units to join the force.

He said it was difficult to estimate the cost of the mission in the DRC "as we do not know how much time we are going to spend there."

The security situation in the DRC was the only item under discussion at an Extraordinary SADC summit held in Maputo in February.

Speaking to reporters after the meeting, the SADC Executive Secretary, Tomaz Salomão, said the deployment plan has been drawn up and Member States are making troops available.

"Now we are waiting for a UN mandate for the SADC military intervention which should not be confused with an invasion."

Salomão recognised the complexity of the situation in DRC, where SADC has decided to deploy a neutral intervention force in a joint initiative with the United Nations.

In addition to the mandate, there are other sensitive questions under discussion such as the security of the soldiers who will be stationed in eastern DRC.

"You can't just take soldiers and put them in a place that's unstable. We have to work on logistical and security questions," Salomão said.

These preparations include the procedures to be followed in the event of the death of any members of the regional force.

The DRC slid into political turmoil last year when anti-government rebels calling themselves the March 23 Movement invaded and captured the city of Goma, caus-

ing the displacement of people and loss of lives and property.

The rebels have since threatened to march on Kinshasa, the capital of the vast, mineral-rich country.

SADC has demanded the cessation of hostilities and called for a peaceful and durable resolution of the conflict, saying it can be resolved through collective dialogue. r

### UNSC approves DRC intervention force

**THE UNITED** Nations Security Council has unanimously approved an unprecedented offensive "intervention brigade" with a mandate to operate in eastern DRC.

However, while the enabling resolution authorizes the first-ever offensive unit of 2,500 troops to engage the rebels in the resource-rich eastern region, with or without government troops, on "an exceptional basis and without creating a precedent" for UN peacekeeping operations, it insists on a "clear exit strategy" before expiring in one year.

The special unit will become part of the UN Stabilization Mission in the DRC (MONUSCO).

Its objective is to counter the "destabilizing activities of the March 23 Movement and other Congolese and foreign armed groups operating in the eastern Congo," for violations of international humanitarian law. *Xinhua* r



### Peace and security framework for DRC signed

**SADC AND** other regional and international organizations have signed a Peace and Security Cooperation Framework for the Democratic Republic of Congo that aims to resolve the conflict in the eastern part of the country.

Signed in February in Ethiopia by the DRC, its neighbours in the Economic Community of the Great Lakes Countries (CEPGL) and SADC, the framework affords opportunities to all stakeholders to commit themselves to attaining lasting peace in the DRC.

The framework was signed by 11 southern and eastern African countries, with all the signatories pledging to refrain from supporting Congolese rebel groups. However, none of the various Congolese rebel militias were present at the signing.

The United Nations has committed to undertake a strategic review of its peacekeeping force, the UN Stabilization Mission in the DRC (MONUSCO).

The UN and the African Union are guarantors to the agreement. r





## Zimbabwe endorses draft constitution

**ZIMBABWEANS VOTED** overwhelmingly in favour of a new Constitution during a referendum in March, paving the way for general elections later this year.

According to the results released by the Zimbabwe Electoral Commission (ZEC), a total of 3,316,082 people cast their ballots during the referendum held on 16 March.

Of the total votes cast, 3,079,966 (93 percent) voted in favour of the draft Constitution, while 179,469 voted against. There were 56,627 rejected ballots.

Voting was open to all Zimbabwean citizens aged 18 years and above who could present valid identification, regardless of whether they are registered as voters or not.

Voter turnout was higher than the last referendum held in 2000 and the March 2008 general elections when 1.3 million and 2.5 million people voted, respectively.

The draft Constitution, whose development was facilitated by an inter-party parliamentary committee, has since been gazetted in the form of a Constitutional Bill for a period of at least 30 days as required by the law.

The Bill will be tabled in the House of Assembly on 7 May for debate and final approval by at least a two-thirds majority, and then forwarded to the Senate for approval by a two-thirds majority, after which it will be sent to the President for signature.

The date of the harmonized presidential/parliamentary/local government elections is expected to be announced soon after the new Constitution becomes law. The duration of the current Parliament ends on 29 June.

The draft Constitution will replace the present Lancaster House Constitution, which was negotiated in London before Independence and has been amended 19 times since 1980.

The draft Constitution proposes a number of sweeping measures, including increasing the number of women in decision-making positions.

The Parliament will be made up of the National Assembly and the Senate. The National Assembly will comprise of a total of 270 members, consisting of 210 MPs elected by secret ballot from 210 single-member constituencies and 60 additional women elected by proportional representation – six each from the country's 10 administrative provinces.

The Senate will comprise of 80 members, six elected from each province through a system of proportional representation, based on the votes cast for candidates representing political parties in the National Assembly elections and selected from party lists based on the "zebra" system in which "male and female candidates are listed alternatively, every list being headed by a female candidate."

Election observers from SADC endorsed the referendum on Zimbabwe's new Constitution, urging Zimbabweans to remain peaceful ahead of watershed general elections later this year.

In a preliminary statement issued at the conclusion of the referendum, the SADC Election Observation Mission (SEOM) applauded the peaceful and orderly conduct of the referendum.

SEOM noted that despite concerns about the resources available to ZEC for prepara-



tion of the referendum, limited time for voter education, and a polarised media, the overall preparations and voting processes were conducted in a credible manner.

"In general, the mission observed that the polling process was conducted in a peaceful, transparent and smooth manner," Hon. Bernard Membe said.

"The Mission observed that the counting process began immediately after the closing of the polling stations. The counting process was conducted procedurally."

Membe, who headed the SADC observer mission, is a Member of Parliament in the United Republic of Tanzania, and Minister of Foreign Affairs and International Cooperation.

The SADC mission noted that, over and above general adherence to the relevant national legal instruments and the SADC Principles and Guidelines Governing Democratic Elections, some "best democratic practices and lessons" were observed in the referendum.

These included the provision of adequate logistical and material support by the ZEC to ensure that all citizens of voting age were able to participate in the referendum; prompt accreditation of observers; provision of several polling streams that expedited the voting process; use of indelible ink to prevent double voting; use of translucent bal-

lot boxes; and high state of preparedness by the Zimbabwe Republic Police in providing adequate security.

The SEOM was officially launched in Harare on 10 March and deployed 78 observers to Zimbabwe's 10 provinces. r

## Madagascar presidential poll postponed to July

**THE FIRST** round of presidential elections in Madagascar was postponed to 24 July from May due to logistical challenges, the Independent National Election Commission of the Transition (CENIT) said.


CENIT president Atallah Beatrice said the second round, if necessary, will be held with the parliamentary election on 25 September. The run-off was initially set for 3 July while legislative elections were originally scheduled for July.

The two main political rivals in Madagascar have resolved not to stand in presidential elections amid regional and international pressure to give the island nation a fresh start after four years of constitutional crisis.

Andry Rajoelina, President of the Transitional Authority, and former president Marc Ravalomanana have both said they will not stand in the elections. r

## Events April-June 2013

April 15-17, Namibia	<b>SADC Digital Broadcasting Migration Forum</b> SADC broadcasters will discuss activities that would ensure all member states are ready for digital broadcasting transition.
May 6-8, Zambia	<b>SADC Water Resources Technical Committee</b> The committee comprising government technical experts on water meets at least once a year to discuss water resources management in the region, reporting to the Committee of SADC Water Ministers.
8-10, South Africa	<b>World Economic Forum on Africa 2013</b> The theme for this year's forum is "Delivering on Africa's Promise." The meeting will be attended by various regional and global business, government and civil society leaders to further Africa's integration agenda and renew commitment to sustainable growth and development.
9-10, Zimbabwe	<b>Regional Researchers Consultative Workshop on RISDP Mid-Term Review</b> This two-day workshop will enable researchers from institutions in the region to make a direct input into the RISDP review process.
14-16, Lesotho	<b>SADC Energy Ministers</b> SADC Energy Ministers will meet to discuss the energy situation in the region, and the prevailing power deficits. The meeting will be preceded by a preparatory meeting of senior officials.
15-17, South Africa	<b>Women in Entrepreneurship, Infrastructure and Sustainable Energy Development</b> The conference aims to review global progress in implementing targets since the designation of 2012 as the International Year of Sustainable Energy. Delegates will assess available infrastructure and sustainable energy opportunities, and impacts on the social and economic development of communities.
19-27, Ethiopia	<b>21st African Union Summit</b> Coinciding with the 50th anniversary of the OAU/ African Union, African leaders will discuss ways to deepen integration and advance development. The theme for the golden jubilee is "Pan-Africanism and African Renaissance". The Organisation of African Unity was established on 25 May 1963 with a political agenda to liberate the continent from colonial rule and apartheid. After achieving that, it was transformed into the African Union in 2002 to pursue unity and development.
20-24, Lesotho	<b>SADC Ministers Responsible for Telecommunications, Postal and ICT</b> SADC ministers will discuss telecommunications infrastructure in the region and projects to support other sectors including tourism, commerce and industry.
27-31, Angola	<b>SADC Water Ministers</b> SADC Ministers responsible for water resources will meet in Luanda to discuss the state of water in the region, and progress toward implementation of the Regional Strategic Action Plan on integrated water resources development and management.
June TBA, Mozambique	<b>SADC Infrastructure Investment Summit</b> The conference will seek to attract potential investors for the SADC regional infrastructure development programme, and will be followed by roadshows in Asia, Europe and the United States.



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# 50 years on

## African vision of development and prosperity

**FIFTY YEARS** ago the leaders of the 32 independent African countries established the Organization of African Unity on 25 May 1963 in Addis Ababa, Ethiopia.

The main vision of the founding fathers of the OAU was to accelerate the political liberation of the African continent and those African nations still under colonial rule, a goal they achieved more than 30 years later with the end of apartheid in 1994.

They also committed to promote unity and cohesion among the newly independent African states while advancing their economic development.

The founding fathers reasoned that the promotion of unity, integration and solidarity among African states was crucial for securing the continent's long-term economic and political future. The OAU was reconstituted as the African Union in 2002 for this purpose.

Today the founding of the OAU is celebrated and commemorated every year on 25 May as Africa Day, a day when, regardless of their whereabouts or situations, Africans celebrate the liberation of the continent and the dream of African unity.

Three southern African states were among the OAU founding members – Democratic Republic of Congo (then known as Congo Léopoldville), Madagascar, Tanganyika and Zanzibar. The last two countries united the following year to form the United Republic of Tanzania.

The newly independent states were faced with formidable tasks such as developing their economies and transforming their societies while they remained heavily indebted to Western entities such as the World Bank and the International Monetary Fund.

The OAU played a pivotal role in eradicating colonialism and minority rule in Africa.

An OAU Liberation Committee was established and hosted in the then Tanzanian capital, Dar es Salaam, to provide material assistance to independence movements, mainly those from southern Africa who



had to take up arms to liberate their countries.

The founding fathers of the OAU included the host, Emperor Haile Selassie I of Ethiopia, and the founding Presidents of Ghana and Tanganyika, Osagyefo Kwame Nkrumah and Mwalimu Julius Nyerere, who were the leading proponents of Pan-Africanism in the latter half of the 20th century. Selassie I was the first chairperson of the OAU from May 1963 to July 1964, followed by Gamal Abdel Nasser of Egypt (July 1964-October 1965) and Nkrumah (October 1965-February 1966).

South Africa became the 53rd nation to join the OAU after overcoming apartheid and electing a new democratic government in 1994, leaving only Western Sahara still a colony of Morocco. Morocco left the OAU in a dispute over Western Sahara.

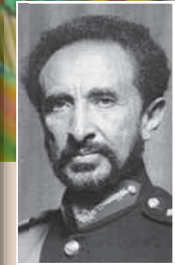
The OAU was officially disbanded on 9 July 2002 by its last chairperson, former South African President Thabo Mbeki, and replaced by the African Union.

At the time of its disbanding, 53 out of 54 African states had become members of the OAU.

To commemorate 50 years since the founding of the OAU, various events have been organized by the AU Commission.

These include the symbolic lighting of torches by all member states. The torches symbolise Africa's desire to reverse the present negative image of despair "into the real narrative of opportunity and potential."

"These torches are also a symbol of our collective will to brighten Africa's future," said AU Commission chairperson, Nkosazana Dlamini-Zuma. r



### A time for Africa - Mbeki

**"TIME HAS** come that Africa must take her rightful place in global affairs. Time has come to end the marginalisation of Africa. We call on the rest of the world to work with us as partners." Former South African President Thabo Mbeki in a speech at the disbanding of the OAU and the launch of the African Union, 9 July 2002 in Durban, South Africa.

### PUBLIC HOLIDAYS IN SADC

April- May 2013

1 April	Easter Monday	Botswana, Lesotho, Madagascar, Malawi, Namibia, South Africa, Swaziland, Tanzania, Zambia, Zimbabwe
4 April	Peace and Reconciliation Day	Angola
7 April	Sheikh Abeid Karume Day	Tanzania
	Women's Day	Mozambique
8 April	Public Holiday	Mozambique
11 April	Ougadi	Mauritius
18 April	Independence Day	Zimbabwe
19 April	King's Birthday	Swaziland
25 April	National Flag Day	Swaziland
26 April	Union Day	Tanzania
27 April	Freedom Day	South Africa
30 April	Youth Day	DRC
1 May	Workers Day	Lesotho, Zambia
	Labour Day	Mozambique, Namibia, South Africa, Tanzania, Zimbabwe
		Angola, Botswana, Malawi, Madagascar, DRC, Mauritius, Seychelles, Swaziland
4 May	Cassinga Day	Namibia
9 May	Ascension Day	Botswana, Lesotho, Madagascar, Namibia, Swaziland
14 May	Kamuzu Day	Malawi
17 May	Liberation Day	DRC
19 May	Whit Sunday	Madagascar
20 May	Whit Monday	Madagascar
25 May	Africa Day	Angola, Lesotho, Namibia, Zimbabwe
	Africa Freedom Day	Zambia