

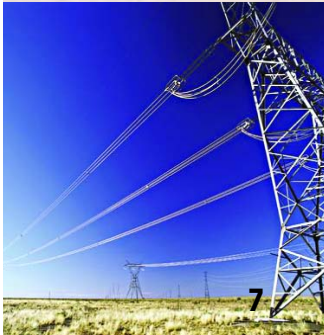


THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY TODAY



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Infrastructure development top priority for regional integration

by Joseph Ngwawi

SADC MEMBER STATES are cooperating on infrastructure development and have identified four key intervention areas to drive initiatives in this area.

Infrastructure support intervention has been placed at the core of the region's community-building agenda and concerted efforts are being made to ensure the availability of an integrated, efficient and cost-effective system to sustain regional economic development and trade.

The intervention areas are highlighted in SADC's Regional Indicative Strategic Development Plan (RISDP)– the region's 15-year blueprint.

These include ensuring the availability of reliable and cost-effective energy supplies; and use of tourism to achieve sustainable socio-economic development and as an incentive for conservation of the region's natural resources.

Other intervention areas are the provision of efficient, cost-effective and safe transport, communications and meteorology systems; and promotion of integrated water resources development and management and their equitable sharing for mutual benefit.

Significant strides have been made to improve the level and quality of infrastructure in the region in order to attract investment, increase competitiveness and promote trade.

In the area of energy, power pooling has been at the core of regional initiatives. The plan is to achieve 100 percent connectivity to the regional power grid for all Member States by 2012 and to have at least 70 percent of all rural households with access to electricity by 2018.

A lot of effort has gone into boosting southern Africa's electricity generation capacity, with almost 50 short and long term projects currently underway or earmarked for future development.

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Infrastructure development

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The new projects will increase SADC's total electricity generation capacity by more than 42,000 megawatts (MW) between 2007 and 2027. Present combined capacity is only 52,743 MW, of which 45,000 MW is available for distribution to consumers.

The ultimate goal is to transform the Southern African Power Pool (SAPP) from a cooperative to a competitive pool and to create a regional electricity market.

To strengthen self-sufficiency in petroleum and gas resources, southern Africa is also undertaking joint exploration and development of these commodities.

Cooperation in this area includes harmonisation of policies, regulations and legislation to facilitate cross-border trade, improve capacity utilisation and liaison in joint procurement of petroleum products in the world market.

Robust tourism infrastructure is also seen as key to deepening regional integration and development. Among the targets for SADC Member States is the introduction of a universal visa by 2008.

The SADC UniVisa system will facilitate intra-regional travel through the removal of visa restrictions and harmonisation of immigration procedures, as well as easing the cross-border movement of international tourists.

Harmonisation of tourism and immigration policies, legislation and standards must be completed by 2008.

Encouraged by the Protocol on the Facilitation of Movement of Persons in SADC signed in August 2005, at least seven countries in the region have signed bilateral agreements to waive

visa requirements for each other's citizens.

The region's transport systems, particularly the railways, were initially constructed to radiate from the coastal ports to provide former colonial powers with access to and control over the inland areas. As urban and industrial centres began to develop, the focus switched to inland transport.

However, from a regional perspective, port-based routes or corridors continue to be important for the landlocked countries, particularly in international trade. The regional transport system offers most of the landlocked countries a choice of

routes to the sea via road, rail and port systems of adequate capacity. Recent and ongoing investments are expected to increase the range of choice.

There has also been considerable interest in transport corridors, which link ports and their connecting road and rail systems to investment in industry, mining, agriculture and tourism. The concept is being rolled out all over the region. (see p 12-14)

A lot of work has also been put into facilitating development of water infrastructure, particularly comprehensive, integrated basin-wide plans and improvement of the legal and regulatory

framework at national and regional levels to ensure harmonised policies and legislation.

A strategic Water Infrastructure Development Programme is being developed, aimed at addressing the three pillars of water for food security, water supply and sanitation, and water for hydropower generation.

The SADC Protocol on Shared Watercourses, which took effect in September 2003 after ratification by two-thirds of SADC Member States, has been instrumental in strengthening cooperation in joint management of the region's 15 shared river basins and avoiding conflict over water resources.

Railway network spans 36,000 route-kilometres

SOUTHERN AFRICA'S railway network spans the SADC mainland.

The network covers 36,000 route-kilometres, operates 150,000 freight wagons using 4,000 locomotives and conveys over 200 million tonnes of traffic per year.

The network constitutes the biggest proportion of the 51,000 route-km in the whole of Africa, and has an estimated capacity of 350 million tonnes per year.

The steady decline of rail traffic share in the region in the early 1990s and the inability by governments to continue financing subsidies necessitated the adoption of market-based approaches to the railway business.

Cost efficiency and the provision of one-stop seamless services became the goals.

The heads of all railways in southern Africa met in 1993 and agreed on a Regional Action Plan (RAP), with implementation to be spearheaded by the Southern African Railway Association (SARA) after its formation in 1996.

The RAP entailed a redesign of rail services in line with customer requirements and provision of the service at competitive cost, improvement of predictability and safety of the rail transport services and the offering of a seamless one-stop service throughout the region irrespective of national borders.

Harmonised standards and practices were seen as a contribution to the promotion of trade within the region as well as on the international global market by reducing the contribution of transport to the cost of production.

Regional cooperation in this area has revolved around common and reciprocal replacement of spare parts on rolling stock, exchange of equipment including pooling of resources to increase utilisation, uniform maintenance cycles for equipment and joint staff training.

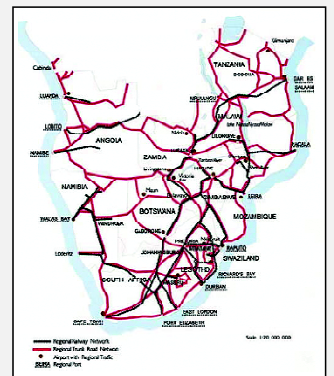
While general harmonisation of practices was recognised as key to improved services, the variances in the nature of traffic flows in the different sections of the region meant



that some railways had to work more closely with one another than with others.

As a result, the various national railway companies were categorised into corridor groups, each consisting of railways that formed a route carrying consistently similar flows of traffic.

Eleven corridors were initially identified but these were later aligned to some of the regional economic corridors created to spearhead development by attracting investment.



Towards a new partnership

SADC Consultative Conference 2006

A NEW partnership framework is expected to emerge from a high-level consultative conference between SADC and its International Cooperating Partners (ICPs) in the Namibian capital, Windhoek, on 26-27 April 2006.

The 2006 SADC Consultative Conference seeks to mobilise resources for the implementation of the regional community's two development blueprints. These are the Regional Indicative Strategic Development Plan (RISDP) and the Strategic Indicative Plan of the Organ on Politics, Defence and Security Cooperation (SIPO).

The two strategy documents identify the main intervention areas that will drive the region's integration and development agenda over a 15-year period. They range from socio-economic development to politics, defence and security issues.

With milestones that are divided into periods of one year, five years and 15 years, the blueprints are structured and aligned to the wider goals, objectives and implementation framework of the New Partnership for Africa's Development (NEPAD) and the Millennium Development Goals (MDGs).

In addition to helping Member States achieve national, continental and internationally agreed goals, the strategic plans play a critical role in positioning SADC as one of the building blocks of the African Union, and a key global player.

The regional plans were adopted by Summit of Heads of State and Government in 2003 and launched the following year. The missing link has been the partnership that can drive, sustain and monitor their implementation.

Under the theme, "Partnership for the Implementation of the SADC Regional Indicative Strategic Development Plan and

the Strategic Indicative Plan of the Organ on Politics, Defence and Security", the Windhoek Conference will do precisely that – rally a new partnership involving member states, SADC Secretariat, ICPs, civil society and the private sector.

"The expected significant outcome of the Conference will be an agreement on a SADC/ICP New Partnership," said Balezi Goathe, Botswana's minister of finance, when he announced the adoption of the conference theme document during the Council of Ministers in February. Goathe is the current Chairperson of the SADC Council of Ministers.

The "Windhoek Declaration on a New SADC/ICP Partnership", will be tabled for adoption. Goathe said the Conference will review development cooperation between SADC and its ICPs, and determine the way forward in various areas of common interest.

The 2006 Conference has been structured in a way that

ensures optimum interaction and exchange of views among delegates. Discussions will dwell on SADC's common intervention areas which have been consolidated into sub-themes on:

- Trade, Economic Liberalisation and Development;
- Infrastructure Support for Regional Integration;
- Sustainable Food Security;
- Social and Human Development;
- Implementation of SIPO;
- HIV and AIDS; and
- Crosscutting Issues such as Gender, Statistics, Environment and Sustainable Development, Private Sector Development, and Science and Technology.

Attendance is expected to be high level, attracting ministers from Member States and ICPs, as well as civil society and business leaders from the region.

The coming on board of SADC's two development plans, which clearly define the regional

community's development aspirations, has prompted the need to review development cooperation. The Windhoek Declaration will specify the roles of all key stakeholders in future development cooperation.

The historic Windhoek Declaration favours a holistic programme approach as opposed to implementation of isolated projects. The agreement is expected to mandate a SADC/ICPs Joint Task Force, consisting of Member States and ICPs, to undertake follow-up activities in order to realise the objectives of the new partnership.

While there is no doubt about Member States' commitment to funding the RISDP and SIPO, resource constraints mean that cooperating partners are called upon to play a critical role. The magnitude of the regional plans is such that more substantive participation by cooperating partners is needed than before.

Structure of the meeting

THE CONSULTATIVE conference, which has been structured in a way that ensures optimum interaction and exchange of views among delegates, will be a combination of plenary and interactive working group sessions.

The plenary sessions will be convened for the official opening and closing sessions. The opening plenary will include some speeches, followed by presentations on:

The relations between the African Union (focusing on the NEPAD Framework) and regional economic communities such as SADC. The thrust of this presentation will be to demonstrate the AU as a continental institution while the Regional Eco-

nommic Communities (RECs) are the implementing bodies or building blocks. Clear synergies and linkages will be drawn between NEPAD and the RISDP and SIPO.

Overview of the RISDP and the SIPO. This presentation will be a brief overview of the SADC Vision, Mission and Common Agenda; the scope and purpose of the RISDP and SIPO; social, economic and political situation in the SADC region; priority intervention areas; sustainable financing; implementation and coordination mechanisms; and monitoring and evaluation mechanisms.

The New SADC-ICP Partnership. This presentation will

make a case for the need for a New Partnership for the effective implementation of the RISDP and SIPO. It will outline the overall goal of the New Partnership, its objectives and guiding principles. It will also make proposals on the effective structure for dialogue and respective roles of the key stakeholders in the New Partnership.

The presentations will then be followed by open discussions. The interactive working group sessions will deliberate on the implementation of the RISDP and SIPO, in the context of the sub-themes. The presentations will cover the priority intervention areas focusing on the overall goals, focal areas, strategies and targets.

New energy pact for the region

by Patson Phiri

SADC HAS taken a decisive step to avert a looming energy deficit by signing a revised agreement that brings in new players and takes into account present realities in the sector.

The agreement, signed on 23 February by the Council of Ministers in Gaborone, is a revision of the 1995 Inter-Governmental Memorandum of Understanding establishing the Southern African Power Pool (SAPP).

The revised MOU is an "integral part of SADC's efforts to create an appropriate enabling environment for the development of the private sector and foreign direct investment into the region," said Baledzi Gaolathe, Botswana's finance minister, who chaired the Council.

The reconstituted power pool takes on board private investors to widen supply and meet demand that is rising with industrial growth amid lack of corresponding investment.



SADC ministers sign the revised SAPP agreement. The chairperson of Council, Botswana's Minister of Finance, Baledzi Gaolathe, is on the left.

The revised agreement also recognises other new developments such as the restructuring of SADC and its institutions, particularly the dissolution of the electricity sub-committee, and puts in motion a joint effort by electricity utilities and their governments to combine resources in the supply of power.

SAPP membership has increased from 10 to 12 countries, thus covering all mainland SADC countries. The Indian Ocean islands of Madagascar and Mauritius are not parties to the agreement.

It is estimated that the region has a combined total installed generation capacity of 52,743

megawatts (MW) while net generation output is about 45,000MW.

A generation reserve capacity of 10.2 percent must be maintained but it is feared this may be exhausted as early as 2007 at current demand growth levels.

SAPP is now undertaking efforts to implement the priority generation and transmission projects as spelt out in its 2005-2010 strategic plan. The targeted projects are those that are intended to address the impending deficit in generation capacity.

Priority is also on connecting the SADC Member States that are not yet linked to SAPP: Angola, Malawi and the United Republic of Tanzania. Efforts are underway to connect the remaining countries to the regional grid.

Another ambitious new project, the Western Corridor Project, aims to initially interconnect power utilities of Angola, Botswana, Democratic Republic of Congo, Namibia and South Africa, before extending the initiative to the rest of the region.

Council approves budget for 2006/07

THE COUNCIL of Ministers has approved the 2006/07 budget of US\$40.5 million for SADC institutions and programmes.

The budget, approved by Council in February, represents an eight percent increase from last year's US\$37.5 million.

The increase is meant to cater for the newly constituted SADC Tribunal and financing of the ongoing restructuring of the Secretariat. The restructuring process has centralised management at the Secretariat in Gaborone, clustering the previous 21 country-based sector

coordinating units and commissions into five directorates.

The directorates are Trade, Industry, Finance and Investment; Food, Agriculture and Natural Resources; Infrastructure and Services; and Social and Human Development and Special Programmes. A fifth directorate on Politics, Defence and Security Affairs was recently created.

Council allocated resources to programmes that are critical to the deepening of regional integration, poverty alleviation and sustainable development.

The budget will fund activities and programmes articulated in the Regional Indicative

Strategic Development Plan (RISDP) and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation (SIPO).

The two are the development blueprints of SADC and set out priority areas for the region over a 15-year period.

After the SADC RISDP was approved in 2003, the SADC Secretariat spent the first two years unbundling it into smaller packages that are easier to implement and monitor. An implementation plan was put in place in 2004 with three five-year plans.

The first five-year plan covering the period 2005-9 was broken down into yearly business

plans, defining short-term milestones and resource needs.

SADC principal economist, Angelo Mondlane, said regional integration cannot be achieved without the intervention areas.

He stressed that regional integration is a long and winding process that must absorb various critical issues to be dealt with by Member States as they move towards the agreed long-term objectives.

He explained that before SADC could create a common market in 2015, it had to transit through a free trade area in 2008, and a customs union in 2010.

Challenge of overlapping membership in EPA negotiations

by Elijah Munyuki

STICKY MARKET access concerns and technical barriers to trade have generally dominated economic partnership negotiations with the European Union but the real challenge for SADC has proved to be the issue of overlapping membership.

Malawi, Mozambique sign trade agreement

MALAWI AND Mozambique have signed a preferential trade agreement, which will strengthen trade relations between the two countries.

The agreement replaces a 1959 trade pact signed between Portugal and the then Federation of Rhodesia and Nyasaland.

It will facilitate trade in sugar, manufactured and unprocessed tobacco, edible oil, poultry and petroleum products.

Implementation of the agreement is expected to start in July. The Malawi-Mozambique trade agreement comes at a time when SADC is working towards a Free Trade Area target for 2008.



Preferential agreement to strengthen bilateral trade in sugar and other products.

Economic Partnership Agreements (EPAs) are trade and development contracts that the EU is presently negotiating with the six African, Caribbean and Pacific (ACP) regions: the Caribbean; Central Africa; Eastern and Southern Africa; Pacific; Southern Africa (the SADC group) and West Africa.

Several countries in the region have signed or are in the process of negotiating bilateral agreements. For example, as part of a trade pact, Mozambique and South Africa agreed in 2005 on a waiver of visa requirements.

The free movement of people, coupled with the removal of barriers to trade between countries in the region, is essential in achieving economic integration and closer ties among member states.

The Mozambique-South Africa preferential access agreement is a wide ranging preferential arrangement regulating mine labour, railway and port matters, and trade.

The EPAs will replace the trade chapters of the Cotonou Agreement reached in 2000 between the EU and the ACP countries. This will replace the one-way trade preferences under the Cotonou Agreement with reciprocal trade arrangements between the ACP states and the EU, more in line with the World Trade Organisation (WTO) regulations.

Substantive negotiations started in January 2005 and will run until June 2007. These negotiations are on market access for agriculture and non-agriculture products and fisheries, trade in services, development cooperation, other trade-related issues and legal provisions.

They will seek to strengthen SADC integration in all these areas and, over time, define a reciprocal trading relationship between SADC and the EU.

Finalisation of the agreement should take place by December 2007 and the EPA will enter into force on 1 January 2008.

The issue of overlapping membership has forced SADC Member States to negotiate under different banners.

Member states with dual membership of both SADC and the Common Market for Eastern and Southern Africa (COMESA) are negotiating as the Eastern and Southern Africa (ESA) regional grouping. These are the Democratic Republic of Congo, Madagascar, Malawi, Mauritius, Seychelles, Zambia and Zimbabwe.

SADC-EU talks were launched in Windhoek, Namibia in July 2004, with seven countries negotiating under the SADC configuration. These are Angola, Botswana, Lesotho, Mozambique, Namibia, Swaziland and the United Republic of Tanzania. South Africa participates only as an observer, after concluding its own trade agreement with the EU in the late 1990s.

The ESA group met the EU in Mauritius in February and closed

the first phase of the negotiations while the SADC group was expected to hold its Regional Preparatory Task Force (RPTF) meeting in late March 2006.

On both groupings much is yet to be agreed upon with the EU. Sticking points remain on Technical Barriers to Trade, Sanitary and Phytosanitary Standards, Rules of Origin, access to EU legislation, the effect of the EU's farm trade reform, and fisheries.

Some ACP countries have complained that they are into the negotiations without vital information on the implication of the EPAs regime. Important impact assessment studies are yet to be done for some, and the constraint has been lack of funding.

The divided SADC is expected to have a negative effect on the quality and progress of the negotiations with the EU.

The issue of regional configurations is a sore point in the negotiations, particularly with respect to the ESA group.

The SADC members in the ESA group have made it clear that negotiations should not proceed as if these countries belong only to COMESA, reflecting the existence of other regional obligations.

The depleted SADC and loose ESA configurations are not the best tools for negotiating deals that can be good for regional integration. The problem has the potential of holding up the talks until appropriate institutional mechanisms are in place.

SADC-COMESA relations will converge with respect to those states with dual membership of both blocs.

Elijah Munyuki is a Programme Associate with the Southern and Eastern African Trade Information and Negotiations Institute (SEATINI) working mainly on the EPA negotiations.

Route cooperation drives regional air transport

REGIONAL COOPERATION in air transport has been the cornerstone of southern Africa's aviation industry, with activity revolving around the Johannesburg International Airport.

Johannesburg airport functions like the regional air traffic "switchboard" through which flights to and from other destinations in the region are directed.

About four out of every five trans-boundary commercial flights pass through Johannesburg International Airport, from where passengers are re-routed to their destinations within the region or elsewhere.

This arrangement has, however, not been without its own disadvantages, particularly in terms of airfares and other costs to business.



Air Mauritius is one of the regional airlines which pass through Johannesburg International Airport.

There are no direct flights between most countries, meaning that travellers have to use the circuitous route of going via Johannesburg. This

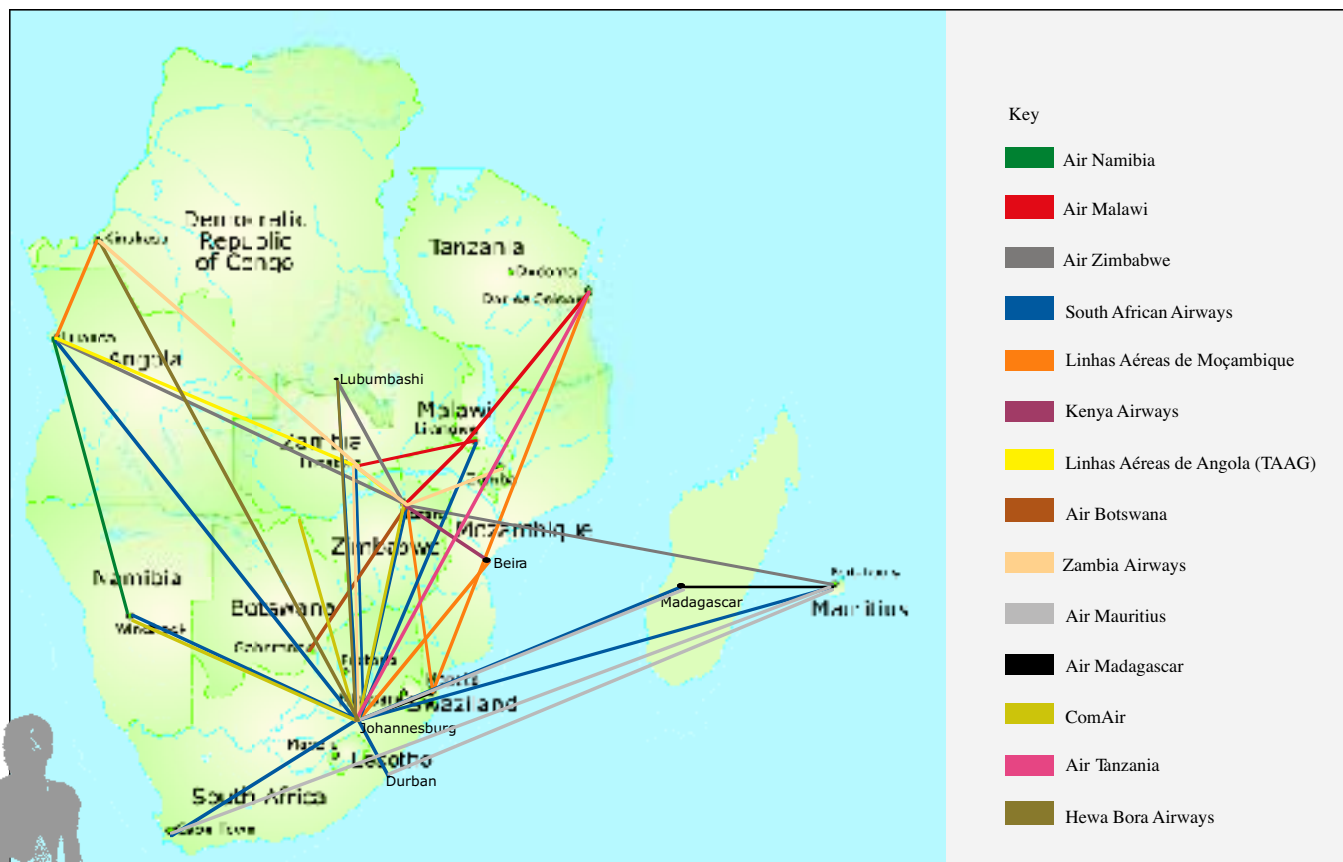
makes it expensive to travel by air across borders, especially where countries are neighbours and are a bit further from South Africa.

There are also costs associated with time wasted in waiting for connections from Johannesburg.

Safety is paramount in civil aviation and a project to develop capacity at regional level for safety oversight is currently being developed.

SADC Executive Secretary, Tomaz Augusto Salomão, told a meeting of African aviation experts in January that there is a need to ensure there are more direct flights between countries in the same region.

"Europe has overcome this undesirable phenomenon with regular inter-state city to city flights and it is now possible to travel from any significant city in Europe directly to another. Africa needs to realise such a dispensation and even adopt a radical review of its freedoms of the air," he said.



Rising demand, low investment behind South Africa's power shortages

SOUTH AFRICA'S Western Cape is facing a power crisis that has also affected Namibia and Eskom has embarked on a programme to return the damaged Koeberg nuclear station to full production.

Rising demand for electricity caused by high economic growth, lack of investment in new generation capacity and damage at the Koeberg nuclear station near Cape Town have triggered power blackouts in the Western Cape and Namibia.

Koeberg is a major source of electricity for Namibia, which imports about half its power from South Africa.

South-western parts of South Africa have been plagued by power outages since December 2005 when one of the generators at Koeberg was damaged by a loose bolt.

Eskom, South Africa's power utility company, has announced plans to repair the nuclear power plant, which is capable of producing about 1,800 megawatts (MW) of electricity. The Western Cape requires about 5,000MW of electricity to power its industries and households.

Eskom chief executive, Thulani Gcabashe, said the utility had acquired a 200-tonne rotor needed to repair the plant.

A delay is anticipated in bringing the nuclear station to full production due to refuelling and maintenance that will need to be carried out at the plant. It is expected to take until the end of July to finish the maintenance.

Short-term plans to improve supply to the Western Cape include securing non-Eskom co-generators for an additional 80 MW at a cost of US\$18.8 million, and procuring a number of mobile generation plants for an additional 100MW in the winter period.

Most of South Africa's power stations are coal-fired, which



The Koeberg nuclear station near Cape Town (left) and fuel pools inside the power station (right)

makes the Western Cape vulnerable because it has no coal resources and is furthest from Mpumalanga where the bulk of the stations are located.

The province is vulnerable because the transmission line connecting it to the national grid can only take 3,500MW, leaving a shortfall of 1,500MW.

The cost to the national econo-

my is estimated at more than US\$81 million, according to the South African Chamber of Business.

The South African economy has expanded at an average of five percent per annum and, according to Eskom, demand for electricity has been growing by 1,200MW a year.

This translates to a need to

build one nuclear power station similar to Koeberg every 18 months.

There has been no investment in new generation capacity in South Africa since a 1998 proposal by the department of minerals and energy to increase competition in the electricity sector by reserving 30 percent of generation capacity for inde-

Namibia considers water, power rationing

NAMIBIA IS taking precautionary measures to save water and electricity in the face of power blackouts experienced by South Africa.

The country's water utility, NamWater, has warned that the power shortage could also affect the supply of water around the country.

NamWater chief executive, Vaino Shivute, said the shortage of electricity was affecting his company's ability to pump water to its customers.

NamWater and NamPower, the country's power utility, have been meeting business leaders to inform them of the electricity shortage and pre-

pare them for the effects it could have on them.

One of the options being considered is the introduction of load-shedding measures although NamPower managing director, Leake Hangala, says such action will only be taken as a last resort.

The power utility has also asked mining companies to use less power to prevent outages.

Hangala said NamPower planned to invest N\$8 billion over the next four years to strengthen Namibia's capacity to import power from countries other than South Africa.

Namibia is also working on long-term projects such as Kudu gas and Baynes hydropower stations to increase its power generation capacity.

Current generation capacity is only 384 megawatts when all its stations are operating at full capacity, compared to a peak demand of 500 megawatts.



Electricity pylons facilitate regional trade in power

Regional body aims to ease Tanzania's electricity problems

THE SOUTHERN African Power Pool (SAPP) is looking for funds to help the United Republic of Tanzania reduce the impact of a power crisis that has seen the country undergo a lengthy load-shedding programme.

In the spirit of regional cooperation, SAPP wants the United Republic of Tanzania to tap into the Zambian power grid.

Invocavit Swai, director for planning at the Tanzanian Ministry of Energy and Minerals, said SADC has approached the New Partnership for Africa's Development (NEPAD) for funding of the project.

The Tanzania-Zambia interconnector project will bring the United Republic of Tanzania into the regional grid.

A feasibility study on the project has already been completed and construction work will start once funding is available.

Swai said the new Inter-Governmental Memorandum of Understanding, signed at the SADC Council of Ministers in February, will enable new private power utilities such as Independent Power Tanzania Limited to boost regional supply of electricity.

The revised SAPP Inter-Governmental MOU aims to bring on board member states that are not yet connected to the regional power grid and encourage participation by private players in electricity generation.

Due to poor rains, the United Republic of Tanzania's energy production is at its lowest. (*East African*)

Gender considerations in rural electrification

by Patience Zirima

GENDER MAINSTREAMING is one of the key strategies of ensuring equal benefits for women and men from infrastructure projects taking place in southern Africa.

There is recognition within the region that, in order to be meaningful, infrastructure development has to address gender disparities in the availability, management and usage of facilities.

This is aptly captured in SADC's Regional Indicative Strategic Development Plan, a 15-year blueprint for the region, which advocates for an efficient and least-cost infrastructure system that will unleash the potential of communities.

Rural electrification has been one of the strategies employed to ensure women benefit from development of infrastructure in the region.

The target is to have at least 70 percent of rural communities within southern Africa having access to electricity. Member states undertook to implement rural electrification programmes between 2004 and 2018, during which they should meet or surpass the agreed regional target.

Zambia passed a Rural Electrification Authority Act in 2003. About 17 percent of



Infrastructure development to incorporate gender mainstreaming

Zambia's population has access to electricity at present and its Rural Electrification Programme aims to raise this figure above 50 percent.

Namibia plans to increase the electrification level to 250,000 households by 2010 while Zimbabwe has extensive plans to provide electricity to rural homes and small and medium rural industries using funds raised from a levy on power tariffs.

To empower the rural communities, the Zimbabwe Electricity Supply Authority pro-

vides equipment for income-generating projects, which it loans out to women and other groups.

The United Republic of Tanzania is finalising preparations for the establishment of a Rural Energy Fund (REF) to be used to finance rural electricity projects.

The REF will be used to bring down the cost of investing in modern rural energy projects and investors will get subsidies or grants to enable them to co-finance rural electrification.

The rationale is to reduce investor risks and improve re-

turns on modern rural energy investments in the United Republic of Tanzania.

Other SADC Member States have similar programmes to electrify their rural areas, either through solar energy or by connecting households to national power grids.

Most rural communities use traditional sources of fuel such as firewood for household energy needs. This is, however, unsustainable as it contributes to deforestation, soil erosion and land degradation.

Increased deforestation and lack of accessible fuel sources force most women to walk long distances to get firewood.

The consequences are that women spend a lot of time on survival activities, which have a low productive value within cash economies.

Access to electricity has long-term benefits to do with health, poverty reduction, easing of task loads for rural women.

In addition to efforts to mainstream gender in the energy sector, SADC wants to increase participation of small-to-medium enterprises, marginalised communities, the youth and women in the tourism sector.

This involves programmes to encourage increased private investment in tourism projects in marginalised communities.

DRC polls 18 June the first in four decades

by Juakali Kambale

THE DEMOCRATIC Republic of Congo (DRC) has set 18 June as the date for its first democratic elections in over four decades.

This follows the promulgation of a new Constitution and electoral law in February and March, respectively.

Apollinaire Malu Malu, president of the country's Independent Electoral Commission, announced on 9 March that presidential and parliamentary polls would take place on 18 June and not 29 April as previously planned. The postponement was due to delays in enacting the electoral law.

Registration of candidates was initially set to end on 23 March but was extended by a further 10 days to 2 April, with the country's Interior Ministry saying some 270 parties had registered to contest the polls by the close of the initial deadline.

Aspiring presidential candidates were required to pay a non-refundable nomination fee of US\$50,000 while parliamentary candidates were to pay US\$250 to file nomination papers.

These are part of new measures contained in the electoral law and aimed at discouraging opportunists from contesting the polls.

"This is to prevent some adventurers from applying," said Olivier Kamitatu, president of the Congolese National Assembly, after the promulgation of the country's new Constitution on 19 February.

At least 27 candidates, including three women, have declared interest in contesting for the presidency of the former Zaire.

They include President Joseph Kabila who will represent the People's Party for Reconstruction and Democracy (PPRD); Azarias Ruberwa contesting on a Rally for Congolese Democracy (RCD) ticket; and Pierre Pay-Pay wa Syakassighe

of the Convention of Democratic Congolese (CODECO).

Others include Jean-Pierre Bemba of the Movement for the Liberation of Congo (MLC) and Etienne Tshisekedi of the Union for Democracy and Social Progress.

The three women candidates are Justine Kasavubu of the

Movement for Democracy, Wivine Nlandu of Bandundu-Bas Congo-Kinshasa Holding (BBK-Holding) and Cathérine Nzuzi wa Mbombo, leader of Movement for Popular Revolution.

Kasavubu is daughter of the first post-independence president, Joseph Kasavubu and has

served as a minister for civil administration and also ambassador to Belgium during the administration of the late Laurent Kabila, father to the incumbent president.

These will be the first democratic elections in the DRC since its independence from Belgium in 1960.

Previous attempts to hold elections have faltered due to armed conflict often triggered by disagreements on the Constitution and how the vast central African country should be run.

Conditions for the holding of democratic elections brightened after the 2003 signing of an all-embracing peace deal that ushered in a transitional government led by President Joseph Kabila.

The transitional government had until 30 June 2005 to organise polls, a deadline later moved to 30 June this year.



DRC voters waiting to cast their ballots in December 2005 referendum

Focus on roads and telecoms as peace beckons in DRC

by Juakali Kambale

THE FIRST stage of the peace process in the Democratic Republic of Congo (DRC) ends in June 2006 with the installation of an elected leadership.

Since the signing of the peace agreement in South Africa on 17 December 2002, the former belligerents have been trying to work as a functional government should do.

While they are implementing the electoral process – their main mandate under the peace deal – they are also trying to repair what was destroyed during the civil war. The transitional government has identified two priority areas of construction of roads and the telecommunications infrastructure.

The main objective is to reunify the country, according to the Minister of Planning, Alexis Thambwe Mwamba. The DRC is a huge country,

measuring more than 2.3 million sq kms.

Years of war have destroyed most of the infrastructure in DRC, particularly the road network. It is presently not possible to join two major cities by road. The consequence of this is that, while people are going hungry in urban centres, there is an abundance of crops in rural areas that cannot be transported because of poor roads.

In the North Kivu province in eastern DRC, people have to leave their homes with perishable crops and travel long distances to sell their produce. As a result, most of these products waste away.

In cooperation with the World Bank and other international financial institutions, the DRC government has embarked on a programme to rehabilitate roads.

So far, the road linking Kinshasa to Matadi, the gateway to the Congo river, has been rehabilitated.

Work is underway on other major roads such as that connecting the agricultural belt of North Kivu province to Kisangani in the eastern province. Kisangani is an important river port from where goods are easily moved to Kinshasa via the Congo river.

The reunification of the country also depends on an efficient telecommunications infrastructure. The DRC had one of the first mobile phone networks in Africa, Telecel, which started operating in the country in the early 1990s.

Two new private companies – Celtel and Vodacom – were installed during the time of Laurent Kabila who was the DRC president between 1998 and 2001.

According to Vodacom and Celtel, more than 50 percent of people in Kinshasa use mobile phones. Internet facilities are also available in the major cities.

Mozambique strengthening management of natural disasters

by Bayano Valy

THE VIOLENCE of the waters six years ago washed away a 10-metre tract of the road, isolating the Mozambican capital of Maputo from its satellite industrial city of Matola, about 10 km to the northwest.

Ironically, nature dealt a further blow to both cities by cutting an alternative road somewhere else, causing delays for thousands of commuters travelling daily between the cities. For almost two weeks, road travel was interrupted, resulting in major losses to business in both cities.

Maputo was also cut off from neighbouring South Africa and Swaziland.

In addition, low-lying areas of Xai-Xai, 200 km north of Maputo, remained swamped by floodwaters of the Limpopo river for more than two months after the defensive dykes were breached.

The year was 2000, and this is just a microcosm of what happened throughout the country during the 2000 floods. When the waters finally receded and the counting began, more than 700 people had died, a quarter of a million people had lost their homes, and as much as 12 percent of the population had been seriously affected.

Some 140,000 hectares of cultivated and grazing land was lost in the floods, about 200,000 head of cattle drowned. Agriculture took severe losses because of an estimated 90 percent loss of irrigation infrastructure, and tellingly, an economy that was previously growing at a two-digit rate sputtered to four percent growth.

At a United Nations donor conference in Rome, the Mozambican government requested US\$450 million for

post-flood reconstruction activities – not all the money was disbursed.

Six years on, significant infrastructure development has taken place. In the Limpopo valley the dykes have been shored up. However, there is still a long way to go before Mozambique can deal effectively with natural disasters.

Climatology history shows disasters are tied to a cycle, with floods and droughts.

Scientists are well aware that one way to forestall the insidi-

ous cycle is putting infrastructure such as dams in place. The rationale is that during the rainy season the dams would hold the bulk of the water flowing into the sea, which would prevent flooding; and then the same water could be used for irrigation purposes during the dry season.

The Mozambican government has proposed a hydropower scheme, the Mphanda Nkuwa dam, 70 km downstream of the Cahora Bassa Dam. The Mphanda Nkuwa

dam is expected to be one of the most competitive regional power projects in southern Africa, and a priority project for the New Partnership for Africa's Development (NEPAD).

With the region preparing to face a power deficit by next year, the Mphanda Nkuwa dam would help to avert the impending power crisis. The hydropower project is expected to generate 1300 megawatts (MW) at a total cost of approximately US\$2 billion.

The Mozambican government is in the promotion phase of the project to attract potential investors from around the world.

The project was also selected on the basis of its low unit generation cost and its additional function to provide re-regulation for Hydro Cahora Bassa. Development of Mphanda Nkuwa is supposed to enable Hydro Cahora Bassa to increase the value of the energy it produces by producing more during peak hours and less during low-tariff periods. This is currently not possible due to the requirement to maintain a river level variation at a certain level.

But the Mphanda Nkuwa is just one such project. Owing to its geographical location, Mozambique lies downstream of most regional rivers and is more prone to floods because of its low capacity to hold water.

Therefore, investment in dams can forestall the cycle of disasters and spur development not only in hydropower, but also in agriculture. It is critical that the violence of the waters be harnessed in order to boost and sustain regional economic development.



The strong earthquake that hit Mozambique on 23 February 2006 measured 7.5 on the Richter scale. The epicentre was at Espungabera, Mossurize district in Mozambique's Manica province but the tremors were felt throughout central and southern Mozambique, and as far as Botswana, South Africa, Swaziland, Zambia and Zimbabwe. Earthquakes are a common occurrence in Africa's Great Rift Valley, which stretches from Eritrea to the Save river in central Mozambique, but this was the first one to occur at its southern tip. Tremors in the valley are normally felt up to 1,000 km from the epicentre due to unique rocks in the area. The mostly homogenous rock above the junction of the South African plate and Somali plate offers few obstacles for travelling seismic waves.

Region forecasts a million tonne cereal deficit

SOUTHERN AFRICA is projecting a cereal deficit of about 1.07 million tonnes during the 2005/06 agricultural season and countries with shortfalls will have to rely on intra-regional trade to meet their consumption requirements for this year.

Preliminary figures released during the SADC Council of Ministers in February show an overall cereal supply for the 2005/06 marketing year of 30.94 million tonnes, made up of about 26 million tonnes of gross harvest and 4.68 million tonnes of carry-over stocks.

This is insufficient to meet a regional requirement of 32.01 million tonnes of cereals and the shortfall is almost equivalent to the 2004/2005 deficit of 1.11 million tonnes.

According to the SADC Food Security Early Warning System, all SADC countries, except South



Harvesting wheat in the SADC region

Africa, are assessed with overall cereal deficits, ranging from 100,000 tonnes in Zambia to 1.62 million tonnes in Zimbabwe.

The region is, however, projecting a maize surplus of about 2.28 million tonnes in 2005/06, resulting from significant increase in maize production and huge carry-over stocks in South Africa.

Shortfalls are expected in all the other cereal crops, including wheat (2.18 million tonnes), rice (1.05 million tonnes) and sorghum/millet (121,000 tonnes).

South Africa has surplus maize assessed at 5.46 million tonnes. Price and other factors permitting, the maize surplus in South Africa is more than enough

to cover import needs of the other Member States.

SADC Member States had made plans to import 5.56 million tonnes of cereals by mid-January 2006, including intra-regional imports of maize mainly from South Africa.

SADC Executive Secretary, Tomaz Augusto Salomão, told journalists ahead of the Council of Ministers in February that about 10 million people will need humanitarian assistance in the region.

"Current reports indicate that the number of people in need of humanitarian assistance has gone up from 9.71 million people to 10 million people since the April/May 2005 vulnerability assessments in the six countries of Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe," said Salomão.

Drought insurance cover for Malawi farmers

SMALLHOLDER FARMERS in Malawi are set to benefit from a new pilot programme that gives them access to agricultural loans and risk cover in the event of drought.

The programme was launched at the end of last year and seeks to boost the farmers' ability to recover from the effects of droughts.

Malawi's National Smallholder Farmers' Association and the Insurance Association of Malawi designed the scheme, with the support of the World Bank and the Opportunity International Network.

The insurance will help farmers to obtain the financing necessary to get certified seeds, which can produce increased yields and revenues, with greater resistance to disease.

The Drought Insurance Pilot Project will give small-scale farmers an opportunity to get loans from banks and have their money secured when there is drought.

If there is a drought that necessitates a payout from the insurance contract, funds will be paid directly to the World Bank to pay off the farmers' loans.

Nearly 900 farmers in four areas will participate in the pilot phase of the programme, which covers groundnuts. If success-

ful, the project could be scaled up to include other crops, such as maize, and may be introduced in other parts of Malawi and Africa.

"This project is being implemented for the first time in Malawi and there are likely to be a lot of challenges. One major

challenge is that the rainfall pattern in Malawi is not equal. So it will still happen that some farmers will not harvest enough to ensure that they repay the loans as required," said Duncan Warren, crop production director for the National Smallholder Farmers' Association.

Southern Africa prepares Bird Flu plan

SADC MEMBER States are co-operating on ways of curtailing the impact of the avian flu virus in the region and health authorities have taken measures to prevent the spread of the disease.

These measures include bans on imports of poultry products in some countries and mobilisation of resources to facilitate disease diagnosis and surveillance.

Stephen Sianga, Director of Social and Human Development and Special Programmes at the SADC Secretariat, said the region is ready to deal with a possible threat posed by the avian influenza.

"Our health and agricultural authorities at all levels are coordinating efforts to evaluate the risks, prevent and prepare for the outbreaks including surveillance, public awareness creation on the flu to avoid anxieties, as well as sharing information, expertise and facilities," said Sianga.

Ministers responsible for agriculture, health, wildlife and livestock in SADC Member States met in April in South Africa to consider the SADC Avian Influenza Epidemic Preparedness Plan.

Avian flu, also known as bird flu, is a disease that normally attacks birds and is believed to be caused by the H5N1 virus. The virus is an Influenza A subtype that occurs mainly in birds and is highly contagious among the species.

Bird flu does not spread easily among humans, but there are some fears that the virus could mutate to a more deadly strain communicable among humans.

Migratory wild bird species are thought to facilitate the long-distance spread of the disease from Asia and Europe.



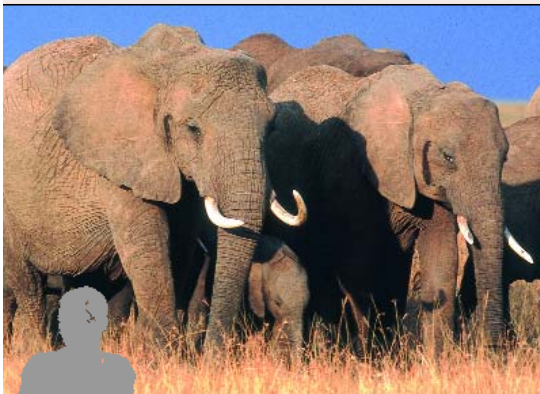
Cabeça do velho, "old man's head", a prominent feature near Chimoio in the Beira Corridor.



Cahora Bassa dam in the Zambezi corridor is a major source of hydroelectric power for the region.



Bridge infrastructure such as this one over the Limpopo river facilitates movement of people across the region.



The Lubombo Spatial Development Initiative is home to diverse wildlife resources.

Corridors driving infrastruc

CORRIDORS ARE the focal point for regional development initiatives. Initially based on transport routes, the corridors are critical to the achievement of the region's economic and political objectives. This is particularly so given that almost half of the SADC Member States are landlocked and require efficient regional transport links for access to the sea.

Over the past decade, the corridors have become microcosms of regional integration as manifestations of initiatives targeted as regional development within the framework of Spatial Development Initiatives (SDIs).

We profile some of the corridors in this issue.

Beira and Zambezi Development Corridors

The Beira and Zambezi development corridor initiatives aim to develop an economic region linking Malawi, Mozambique, Zambia and Zimbabwe, anchored to the port of Beira.

Key objectives are to re-establish and upgrade the infrastructural linkages inland. Infrastructure development projects include upgrading of Beira port, electricity supply, gas and liquid fuel pipelines; the proposed Harare-Beira toll road, the Harare-Beira railway line upgrade and upgrade of airports.

Projects already being implemented include the Sena railway line commissioned in 2004. Development of the Shire and Zambezi rivers into navigable waterways is a strategic project aimed at increasing transport options for access to the sea for landlocked Malawi.

The implementation of a number of natural resources-based projects include re-opening of Moatize coking coalmine and development of a thermal power station, agricultural development in Dondo and Chimoio, as well as tourism in the Eastern Highlands of Zimbabwe and the Zambezi Valley.

Limpopo Development Corridor

This initiative by Mozambique, South Africa and Zimbabwe (and ultimately Botswana and Zambia) is spatially focused on the Limpopo river basin. The primary development and investment focus areas are in the agriculture, mining and mineral processing, tourism, and related infrastructure sectors.

The mining and mineral processing projects are focused on mineral sand deposits at the Limpopo river mouth. Rehabilitation and expansion of irrigated agricultural development in the Combomune-Chokwe area is in progress.

A programme has been implemented to rehabilitate the irrigation infrastructure and work is underway to re-establish sugar growing and processing activities at Maragra Sugar and at Xinvane Sugar.

The initiative also aims to establish a nature-based tourism development zone of some 260,000 sq km. This will include the key anchor projects of the Great Limpopo Trans-Frontier Park.

Lubombo Spatial Development Initiative

The Lubombo SDI covers eastern Swaziland, the southern part of Maputo province in Mozambique and the north-eastern areas of KwaZulu Natal in South Africa. At its epicentre is the development of new roads and upgrading of others to open up the area to agriculture and tourism uses.

The Lubombo region has six major interlocking ecosystems. The area has great diversity of plant and birdlife, game reserves and an extensive unspoiled coastline.

The natural resources include coastal lakes such as the St Lucia Wetland Park, which is a World Heritage site, and a range of archaeological sites.

The climate and soils in the Lubombo area combine to provide an excellent environment for agriculture and there is a thriving sugar and forestry industry.

Tourism projects planned in the area are the Machangulo Peninsula and Maputo Elephant Reserve, and Trans-Frontier Conservation Areas.

ural developments in SADC

Mtwara Development Corridor

The Mtwara Development Corridor falls within the territories of Malawi, Mozambique, the United Republic of Tanzania and Zambia.

The corridor runs from the port of Mtwara in the east to Mbamba Bay in the west on Lake Malawi. Transport projects include expansion and upgrading of the Indian Ocean port of Mtwara, and the ports of Mbamba Bay and Manda located on Lake Malawi/Nyasa/Niassa. Other projects include upgrading of Mtwara Airport, and road and railway infrastructure.

The Unity Bridge, proposed across the Rovuma River, will contribute significantly to improved road network connectivity within the region. Other important projects are the Mchuchuma Thermal Power Station, the Mtwara-Mbamba Bay petroleum pipeline and Songo Songo gas.

Maputo Development Corridor

The Maputo Development Corridor was the first of the SDIs to be implemented in 1995. It links Gauteng province of South Africa to the port of Maputo in Mozambique.

Developments along the corridor have focussed on rehabilitation and upgrading of the traditional trade and transport links as a basis for broad economic development. The road, railway and port infrastructure and operations have been concessioned in Mozambique.

Private sector participation plays an important role in the corridor, particularly investment in the construction of a toll road linking Witbank in South Africa to Maputo (the N4 toll road), and the improvement of rail and port operations in Mozambique.

Other major private sector investments include the Mozambique Aluminium Smelter (MOZAL), the Maputo Iron and Steel Plant, Beluluane Industrial Park and various natural gas industry projects. It is estimated that the corridor developments have created over 15,000 jobs.

The Maputo Corridor Logistics Initiative (MCLI) was launched in 2004 as a public-private sector partnership to create greater awareness and utilisation of the corridor. The MCLI has emerged as one of the most vibrant and inclusive private-sector-driven corridor institutions in southern Africa.

Walvis Bay Corridor

The Walvis Bay Corridor serves the central and southern parts of SADC, via the Trans-Kalahari Corridor linking Botswana, Namibia and South Africa, and via the Trans-Caprivi Corridor connecting Namibia and Zambia to Zimbabwe and the DRC. It also links Angola and Namibia via the Trans-Cunene Corridor.

Due to its location and efficiency, the port of Walvis Bay offers substantial reliability gains for time-sensitive cargo. Initiatives within the corridor have focussed on strategies to strengthen efficiency of the corridor transport systems along its three arms.

Initial development efforts focussed on the Trans-Kalahari Corridor. Botswana, Namibia and South Africa have already concluded an agreement to strengthen use of the corridor.

The northeastern arm, the Trans-Caprivi Corridor, was completed in 2004 with the opening of a new bridge at Katima Mulilo and provides an alternative import-export route for the Copperbelt and for agricultural and agro-processing industries in the DRC and Zambia.

The Trans-Cunene Corridor has great potential as a supply route for the infrastructure and economic rehabilitation of southern Angola.

Walvis Bay has been ranked among the best three harbours in Africa since 2000. In 2003 the UN Conference for Trade and Development (UNCTAD) chose it as a model corridor on the African continent.

Tazara Development Corridor

The Tazara Corridor (also called the Dar es Salaam Corridor) is a strategic artery linking southern Africa with east and central Africa. There is increasing traffic on this route from two directions: from South Africa, Zimbabwe and Zambia in the south, and from the Nacala Corridor in Malawi and Mozambique. The traffic is largely sugar, cement, fuel and machinery.

The Tazara Corridor, which provides the shortest distance by rail from the Cop-



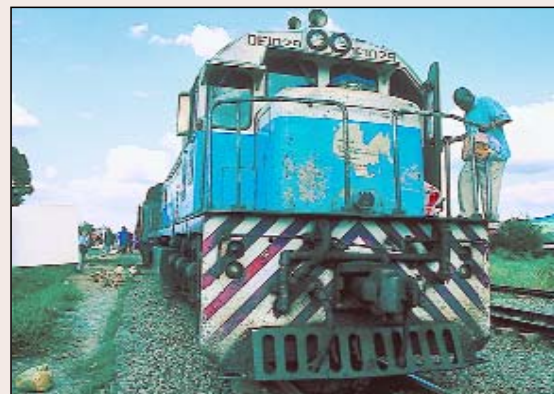
Kitulo National Park in the Mtwara Corridor has outstanding botanical diversity.



The N4 toll road links Maputo and Witbank.



Walvis Bay Corridor is rated a model corridor in Africa.



Tazara Corridor is the shortest distance by rail from Zambia's Copperbelt to Dar es Salaam port.



Lake Malawi/Nyasa/Niassa in Nacala Development Corridor

perbel to a port, is owned by the United Republic of Tanzania and Zambia. The corridor traverses some of the most fertile land in southern Tanzania and northern Zambia, and has potential for agriculture, tourism, mining, forestry and fishing.

Nacala Development Corridor

The Nacala Development Corridor aims to develop an economic corridor linking landlocked Malawi to the port of Nacala in Mozambique. About 70 percent of Malawi's population lives in the corridor.

There is need to expand and rehabilitate the transport infrastructure to unlock the investment potential in the corridor.

Railway systems in Malawi and Mozambique have already been concessioned and rehabilitation work has started on sections that are in poor condition.



An aerial view of part of the vast Okavango delta.

Swaziland/South Africa Tourism and Biodiversity Corridor (STBC)

The south-eastern part of Mpumalanga province in South Africa and western Swaziland are endowed with rich plant and animal species, ancient geology and archaeology.

The Barberton Greenstone Belt rocks in the area evolved between 3.5 and 3.2 billion years ago, making them the second oldest in the world. The STBC aims to combine these areas into a contiguous band for the protection of ecosystems, species and geology. The strategic objective is promotion of

sustainable and collaborative socio-economic development.

Specific objectives aim to utilise tourism and conservation potential, and to increase the benefit to rural communities.

Okavango Upper Zambezi International Tourism (Ouzit) SDI

The Ouzit was initially conceived and presented as a wildlife sanctuary to be located within the context of the Okavango and Zambezi wetland systems. The project centred on a core development area comprising 260,000 sq km incorporating game parks in Angola, Botswana, Namibia and Zimbabwe.

Infrastructure development projects within the SDI comprise of the networking of the inland park regions, the fast-tracking of improvements to the air traffic and transport infrastructure in participating countries, and establishment and management of a logistics platform linked to the improved regional air transport system. The Ouzit SDI connects to the Namibe Development Corridor in southern Angola.

Lobito Development Corridor

The Lobito Development Corridor provides a strategic outlet to the sea through Angola for much of the DRC and Zambia, and is the shortest route linking the major mining regions to their export markets. The corridor serves several regions of Angola, about 40 percent of the population.

The main transport infrastructure is the port, the Benguela Railway line and the roads to the DRC and Zambia. Critical initiatives are the ongoing rehabilitation and upgrading of the Benguela Railway and the port of Lobito. The other key element is the rehabilitation of the existing road network that extends for about 1,800 kilometres.

North-South Corridor

This is a transport corridor linking South Africa to countries to its north and is the busiest regional transit link in eastern and southern Africa. The North-South Corridor (also known as the Durban Corridor) is also the most extensive corridor in the region, linking the largest number of countries in eastern and southern Africa.

It connects eight countries and 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. Key infrastructure is the port, the roads and the railway lines. The port of Durban has the largest capacity among regional ports.

While the corridor is a strategic road route, rail transport handles a significant amount of cross-border freight traffic. The opening of the Beitbridge-Bulawayo railway link in 1999 contributed significantly to reducing railway distances.



North-South corridor to and from Durban, a busy regional transport link.



Air travel is a catalyst to regional trade and tourism.

Expanding the frontiers of delivery for sustainable development

The Development Bank of Southern Africa, in partnership with NEPAD



DBSA in Midrand, South Africa

SOUTHERN AFRICA'S reasonably well-developed infrastructure and diverse natural resource base have the potential to play a leading role in driving Africa towards a more prosperous 21st century.

Awareness of past mistakes, together with new opportunities, demands that a fresh look be taken at the roles that governments or public sector agencies and the private sector should play in providing more efficient and more responsive infrastructure for Africa's development. The challenge is to determine those areas in which competitive market conditions can work and those that require public intervention.

The Development Bank of Southern Africa (DBSA), through partnership and mobilization of its resources, contributes to this leadership opportunity through the funding of necessary supporting economic infrastructure. It is through this growth-driven strategy that the DBSA intends to act as catalyst for the common vision of an empowered and integrated region.

The effective and integrated delivery of financial and non-financial (or knowledge) products and services is at the heart of the DBSA.

The Bank's ability to combine financial support and development knowledge is what sets the DBSA apart from commercial funding institutions. Through its unique product and service offering, the DBSA is able to address the needs of clients and potential clients in a comprehensive and sustainable manner.

In this context, the DBSA plays a triple role of Financier, Advisor and Partner to mobilize finance and expertise for infrastructure and development projects.

Smart Money targets sustainable development

The DBSA aims to be a source of "smart money" in southern Africa that will improve the financial and operational efficiency of both public and private companies to enhance economies so the region can become further integrated, more competitive, better developed and wealthier.

"Smart money" refers to funds that are directly targeted at addressing the development needs of the region in a sustainable manner. This implies structuring finance in a way that addresses needs and, in some cases, this may involve an appropriate mix of non-investment funds such as technical assistance for capacity-building or knowledge products.

To deliver on its mandate to promote economic development in southern and South Africa, the DBSA focuses on those economic sectors that provide an enabling environment for development and private sector involvement, and that contribute most to regional integration.

In this regard, the Bank has been focusing primarily on power, telecommunications, transport, tourism, mining, agri-industrial, commercial and financial services.

The DBSA has financed over 60 percent of the public power utilities operating in the region and the commitment beyond financing is illustrated by the longstanding relationship with Zambia Electricity Supply Corporation (ZESCO). Since 1998, the Bank has assisted ZESCO overcome many challenges, through investment and extensive technical assistance, with the result that today ZESCO is a commercialised utility looking to tap commercial markets.

The DBSA's cumulative commitments in SADC exceed US\$ 1.2 billion, and comprise medium and long-term finance in a range of currencies for both public and private institutions and projects.

The distinct ability to invest in both public and private sector projects means that the DBSA can offer comprehensive solutions to the region's development needs.

Smart Partnerships deepen development impact

As a partner, the Bank leverages private, public and community players in the development process. By combining forces and sharing resources we are able to enhance the commercial viability of our projects whilst at the same time deepening the project's development impact.

The Bank's involvement in the Maputo Port Rehabilitation Project, as the first Port Public-Private Partnership on a Build Operate Transfer (BOT) basis in southern Africa, provided significant comfort to private and institutional lenders. DBSA's role, in addition to partly funding the project, included facilitating participation of other lenders and contributing to structuring of the deal to ensure its bankability.

The Bank's insistence on inclusive, transparent, participatory planning processes often contributes significantly to the success of the projects it supports, and has enabled the DBSA to build a cohesive network of key players in the region.

The DBSA's participation in large, complex projects such as the Mozal Smelter, the N4 Toll Road between Witbank and Maputo, the Marromeu Sugar project and the Lesotho Highlands Water project has resulted in the strengthening of relationships with commercial and development finance institutions.

Where commercial banks' participation is limited because of the tenor of the loan or the perceived riskiness of the project, the DBSA will partner with its sister Development Finance Institutions (DFIs), donor agencies and the Multi-lateral Lending Agencies (MLA).

It is this recognized relationship with the international DFIs, amongst others, that won the DBSA the mandate to lead, arrange and underwrite the ZAR1.47 billion DFI tranche of the Sasol Gas Pipeline Project.

"Partnership is a fundamental principle... DBSA believes that development is co-created with others."

Developing local financial markets for economic growth

In addition to providing limited recourse funding with long maturities, the DBSA is able to credit enhance projects by underwriting some of the financing (thus providing comfort to the market) or by providing a partial risk guarantee on a bond issue where there may be a lack of investor appetite or the pricing does not adequately reflect the risk.

The objective is the development of local capital markets, seen as a prerequisite to unlock local capital to achieve sustainable economic growth. This will also reduce the enterprise's exposure to foreign exchange risk, a barrier to doing business in the region.

DBSA has been involved in bond issues in SADC, such as the Lunsemfwa Hydro Power Company's US\$7 million corporate bond issue in early 2004 in Zambia.

Also in 2004, together with the International Finance Corporation (IFC), the DBSA structured and provided the City of Johan-

nesburg with a 40 percent partial guarantee for a 12-year bond issue worth R1 billion. The Bond had a higher credit rating than the Municipality, allowing Johannesburg to issue at a longer maturity with a substantially lower spread.

Given the need for capital markets development, the DBSA has reoriented itself to include financial advisory and arranging services for clients wishing to raise funds and broaden their capital base. The importance of local enterprise in creating employment and broadening the tax base is often undermined by the lack of appropriate capital to support long-term investments.

The DBSA attempts to play a major role in removing this constraint to enterprise development in SADC by providing long-term credit lines to strong financial intermediaries with the capacity and specific mandate to support this sector of the economy.

DBSA has extended several credit lines to intermediaries in Angola, Mauritius, the Unit-

ed Republic of Tanzania, and Zambia. In addition to the impact that longer term financing offers to local economies, the DBSA ensures that its activities are complemented by skills transfer and capacity-building of its partners.

With NEPAD in support of regional integration

The DBSA is recognised for its ability to provide financing using innovative instruments, ensuring that its participation provides comfort to private investors. This has positioned the Bank as anchor financier and as an ideal conduit for international funds directed to NEPAD projects.

Through its African Partnership Unit, the Bank can provide an early review of NEPAD projects and advise on the criteria necessary for projects to achieve bankability. If necessary, the DBSA is able to grant technical and preparatory assistance by way of the joint Project Preparation Facility in partnership with Agence Française de Développement.

Regional projects that have received support through this initiative include the East Africa Submarine Cable Project and the Zambia-Tanzania-Kenya Inter-connector.

Having the NEPAD Secretariat housed in the DBSA ensures that the Bank remains well informed and very close to NEPAD.

A regional partner of choice

DBSA's unique ability to provide long-term finance in a number of currencies to both the private and public sector, combined with its appetite and mandate to take risk and its broad focus on financing viable projects to promote socio-economic development, ensures its position as the regional partner of choice.

An excellent network and relationships with key players in the region, combined with vast experience and in-depth understanding of the challenges in financing infrastructure development, ensures DBSA a central role in realizing the common vision of a region free of poverty, inequity and dependency.

Partners in Knowledge for Development

SADC DEVELOPMENT plans set targets and timeframes for goals in various fields of co-operation ranging from trade liberalisation to macroeconomic convergence, human development to food security, infrastructure development to environmental management, and gender equality to good governance.

One of the greatest challenges now lies in strengthening mechanisms for monitoring and evaluation in order to track progress towards the set targets. For this purpose, a smooth and efficient flow of information and knowledge becomes essential.

In order to take up the challenge of effectively implementing the two strategic plans, SADC's partnerships with knowledge institutions must be strengthened.

Prof. J. A. van Ginkel, former rector of the United Nations University noted that, "An Africa without a sustainable, strong knowledge sector of its own will always remain in a dangerously dependent position."

One characteristic of knowledge is that it can be obtained from individuals, groups of people, and sometimes in organizational routines and processes. It is delivered through structured media such as documents, Internet and person-to-person interactions. New knowledge is created or acquired through experience, interacting and learning.

In organizations, knowledge often becomes embedded not only in documents or repositories but also in organizational routines, processes, practices, and norms. The same can be said about countries and regional communities, SADC included.

Whatever the form, the right knowledge needs to be harvested, managed and availed to the right people at the right time if it is to be relevant to any aspect of social advancement.

SADC needs strong regional knowledge centres that fully understand the region's historical context and share its development agenda and vision. Among these are the DBSA and the Southern African Research and Documentation Centre (SARDC), a long-time knowledge partner of SADC for more than a decade, whose founding patron was *Mwalimu* Julius Nyerere, the first chairperson of the Front Line States.

In a paper to the Economic Commission for Africa, Jacques L. Hamel says, "As we move into the 21st century, superior development knowledge bases, knowledge assets and knowledge capital are conceivably the ultimate development resources for the sustainable advancement of the African continent."

This is pertinent for SADC as the regional community rolls out its RISDP and SIPO.

www.sadc.int

www.dbsa.org

www.sardc.net

Investor

To contribute to the delivery of basic services and promote economic growth through infrastructure funding.

Advisor

To build institutional, financial, technical and knowledge capacity for development.

Partner

To leverage private, public and community players in the development process.



Southern Africa

ENVIRONMENT OUTLOOK

THE SOUTHERN Africa Environment Outlook (SAEO) 2005 assesses the current state of the environment in the region, provides an integrated analysis and offers a reflection on trends over the past decade and the next one beyond.

The book, to be published during the first half of 2006, highlights key emerging environmental issues in southern Africa and presents a set of future scenarios for the region.

The SAEO comes a decade after the first comprehensive *State of the Environment in Southern Africa* published by SADC and partners at the end of 1994, and five years after the first report on a single ecosystem, *State of the Environment Zambezi Basin 2000*.

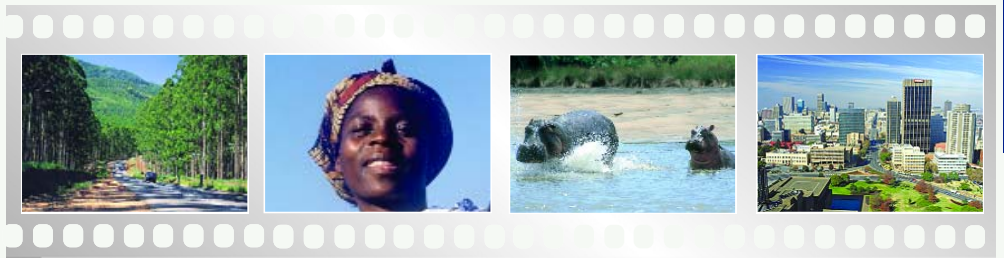
Preparation of the *Outlook* was based on a wide consultative and participatory process in the region, during which consensus was built around regional perspectives and priorities.

The findings were constructed around a firm data and indicator development process. In particular, regional projects on geographic information systems and on indicator development for environment assessment and reporting were supportive to the process.

Experts from specialised organisations and from national institutions mandated to carry out state of environment reporting were involved in providing inputs, as well as in the review of the manuscript. This ensured regional balance, scientific credibility and comprehensiveness of the report.

Communicating the Environment Programme

This process was coordinated by Communicating the Environment Programme (CEP), which is a long-established partnership of the Southern African Development Community (SADC) with IUCN-The World Conservation Union and the Southern African Research and Documen-



Diverse subjects covered in the Southern Africa Environment Outlook

tation Centre (SARDC) through the Musokotwane Environment Resource Centre for Southern Africa (IMERCSA).

IMERCSA is the collaborating centre in southern Africa for the *Africa Environment Outlook (AEO)* and the *Global Environment Outlook (GEO)*, produced by United Nations Environment Programme (UNEP).

The *Southern Africa Environment Outlook* benefited from a capacity development process driven by UNEP through the Africa Environment Information Network (AEIN). Areas covered in the capacity-building initiative included integrated environmental assessment and reporting, policy analysis, scenario building, and data management and analysis.

The process leading to this *Outlook* started in 1998, initially to build the foundation through issues identification, consensus building on the ideal framework to use in the analysis, as well as agreement on the core datasets and indicators to support the analysis.

The research and compilation of data for the various topics started in 2002, and contributors were engaged in 2003 to develop chapters containing data and analysis. Priority was given to research and writing of the manuscript following a CEP partners meeting hosted by SADC in Gaborone in October 2003.

This meeting acknowledged the targets for environmental reporting given in the Regional Indicative Strategic Development

Plan (RISDP) and the fact that 10 years have elapsed since the first regional report.

Ten contributors were engaged to research and write the chapters. The draft manuscript was then reviewed at a regional workshop in South Africa. This gave a cross-section of stakeholders an opportunity to discuss the draft chapters and the structure of the report. Comments from the workshop and from regional reviewers were used by the Technical Editor to finalise the chapters, for review by the partners.

Although this has been an ambitious undertaking, it was deemed to be a worthy initiative that continues to showcase the results of SADC activities and partnerships, and it is a targeted output of the RISDP.

Framework

The traditional approach of environmental reporting in the region focused on national boundaries, sectors or natural resources. In this report, the issues are presented in an integrated manner, using the Drivers Pressure State Impact Response (DPSIR) framework.

Drivers and pressures are defined as the root causes of environmental change, and they can be natural or human-induced. The State is a reflection of the current situation and trends over the last decade, while Impacts are the consequences of the environmental change on human and ecological systems, and on social and economic development potential.

Responses include national policies, plans, laws and strategies, and regional and global agreements and strategies for co-operation.

The DPSIR framework describes societal developments and natural processes to explain change in environmental state, using appropriate indicators to show trends over time. An analysis of the impact of the various pressures on ecosystems and human welfare in the region is made, and appropriate responses that have been taken to mitigate the impacts articulated.

The integrated assessment and reporting approach, through the DPSIR framework, answers four questions that are key to effective decision-making. The questions are:

- What is happening to the environment?
- Why is it happening?
- What can we do, and what are we doing about it?
- What will happen if we do not act now?

Format

The *Southern Africa Environment Outlook 2005* contains nine chapters, which are interlinked as they address the southern African region, its physical environment and the way its people interact with the resources.

The book includes a regional overview and covers topics such as land, atmosphere, freshwater resources, marine and coastal resources, forests and woodlands, wildlife, and human settlements.

continued on page 18

Global impacts

Are current floods in the region an indicator of climate change?

by Tigere Chagutah

THE PLANET is heating up, almost certainly due to the increase in greenhouse gases caused by human activity, and the signs are to beginning show in various parts of the SADC region.

Debate on climate change and its link to natural disasters has been revived in the wake of recent floods that swept across some areas of the region following a prolonged drought.

Speaking at the UN Climate Change Conference held in Quebec, Canada, in December 2005, the principal secretary in the Ministry of Lands, Housing and Surveys in Malawi, George Mkondiwa said although local scientists are yet to publish their findings, there is no doubt that climate change has influenced climate trends in southern Africa over the last decades.

"Everyone is asking questions such as, '...is this due to climate change or not?' We don't think that there is any doubt that this is due to climate change," said Mkondiwa.

The flooding followed heavy and continuous rains that pounded many parts of southern Africa from December 2005 through March 2006 and caused considerable structural damage, destroying schools, crops, telecommunications and roads while in some places whole villages were flooded prompting the relocation of people and livestock to higher ground.

In Zambia, the floods disrupted power supplies after the main hydroelectric power station at Kafue Gorge was damaged.

Ironically, the downpour compounded the challenges of a severe drought which caused Botswana, Malawi and Zambia

to declare a state of disaster as starvation threatened.

With recent research showing that due to global warming the 12,000-year-old glaciers at the summit of Mt Kilimanjaro are melting so quickly that they could be gone by 2020, there is well-founded concern that excessive emission of greenhouse gases may have already set in motion irreversible climatic changes.

The sub-Antarctic Marion Island, 1,700 km southeast of Cape Town and the site of a South African weather station, is one of the most isolated places on earth and is presented by scientists as another clear indicator of the impact of global warming.

There is alarming new data from the island on rainfall patterns, temperature, plants and animal behaviour. The data reveal that monthly rainfall figures are dropping, the island is hotter than ever, and overrun with rats, mice and alien vegetation.

The South African National Weather Services regional office has been monitoring annual rainfall patterns on Marion Island for the past 20 years, showing a steady decline from around 2,500mm to 1,750 mm, and says, "...it just seems to be getting drier and drier."

Scientists and government officials in South Africa have warned that such changes could soon be common throughout the region as the planet heats up.

South Africa has set up monitoring and research mechanisms, and the Department of Environmental Affairs and Tourism has called for climate issues to be integrated into all levels of government.

In the Zambezi Basin climate variability has been most felt through water shocks

caused by droughts and floods, and this has worsened food insecurity. The variation in the beginning of the wet season has left farmers in the basin unsure about when to plant their crop.

According to Mkondiwa, in 2004 Malawian farmers who had planted during the first rains on the advice of agricultural extension scientists had to helplessly watch their crops wilt.

Zambia has experienced a shift in recent years in the onset of the rainy season and when the rains do come they are interspersed with dry spells. This resulted in a food deficit for 2005 as production fell from 1.2 million tonnes in 2004 to 866,000 metric tonnes.

In the SADC Zambezi Action Plan Project 6, Phase II (ZACPRO 6.2) initiative, development of measures to mitigate the effects of hydrological extreme events (floods and droughts) is a key activity.

According to Jaffer Sakupwanya, the Water Resources Expert in the ZACPRO 6.2 project, hydrologists from the eight basin states are spearheading a process to establish synergies with all meteorological departments in the basin. Early warning and communication mechanisms in the region still need to be improved.

All countries in SADC have acceded to the United Nations Framework Convention on Climate Change which compels them to regulate levels of greenhouse gas concentration in the atmosphere so as to avoid the occurrence of climate change on a level that would impede sustainable economic development, or compromise initiatives in food production.

The entire African continent produces only five percent of total output of greenhouse gases worldwide.

ENVIRONMENT OUTLOOK

continued from page 17

The final Outlook chapter is a presentation of trends and scenarios, giving a 10-year, forward-looking analysis of the way three scenarios are likely to play out: Market Forces, Policy Reform and Fortress World.

Call for Action

The SAEO is also a call for action, emphasising the need to address environment and development together, as one option for reducing poverty and moving towards a sustainable development path.

A key aim is to provide policy options for reversing the current environmental degradation trends in southern Africa.

Of concern to the report is progress towards achieving goals

and targets as set out in key continental and global strategies such as the RISDP, NEPAD, Johannesburg Plan of Implementation and the UN Millennium Development Goals (MDGs).

Therefore the target audience for the book includes decision and policy makers in governments, environmental practitioners and organisations, educational institutions, private sector, cooperating partners and development agencies, parliaments, journalists and editors, people of the South and people of the North.

The *Southern Africa Environment Outlook 2005* is the beginning of a long-term process contained in the strategic plan for the region, the RISDP, which calls for five-yearly state of environment reports.



High-tech voting system for Angola

ANGOLA PLANS to introduce a new electoral management system that will enable voters to register electronically

and identify voters through fingerprints.

The new system was unveiled in Luanda recently by

the country's National Electoral Commission (CNE) and the Inter-Sectoral Commission for the Electoral Process (CIPE).

CNE president, Caetano de Sousa, said the system meets the requirements of the electoral process and is fast.

He noted that the system will also serve as a voters' roll, with voters identified by their fingerprints. (*Angola Press Agency*)

Nguni hides for car seat-covers

SOUTH AFRICA has embarked on a project to turn Nguni cowhides into car seat covers.

The project is a partnership between the University of Limpopo, the Limpopo Department of Agriculture, and the Industrial Development Corporation (IDC) of South Africa.

The IDC has provided funding, which will be used to buy Nguni cattle, build facilities, offer training to farmers, research and other resources to roll out the project.

Each farmer will be given three to five cattle for breeding purposes over the next five years.

Nguni cattle are indigenous to Africa and were chosen for the project because they cope well during droughts, have



Nguni cowhides, trendsetting innovation from southern Africa

high resistance to ticks and a strong immunity against tick-borne diseases.

The cattle also have beautiful markings and the cows can produce at least 10 calves in their lifetime, about one every year.

Carmaker BMW has shown an interest in the Nguni cattle project. (*BuaNews*)

Zimbabwe herbal medicine shows promise

ZIMBABWE SAYS a new concoction of herbal drugs under clinical tests in the country has proved effective in prolonging the lifespan of people living with HIV and AIDS.

According to the country's Deputy Minister of Health and Child Welfare, Edwin Muguti, clinical tests done on the herbal medicine, locally called *gun-damiti*, have so far proved that it possesses healing properties for people living with HIV.

Clinical trials started on 1 December 2005 with 45 patients. Muguti said preliminary results are encouraging as the condition of patients on the herbal therapy has improved tremendously with some opportunistic infections disappearing.

"I can safely say their CD4 count had increased, while viral load decreased," the deputy minister said, adding, "This herbal combination is very safe with no deaths recorded and no side effects detected so far." (*Daily Mirror*)

Namibia introduces community forests

SOME COMMUNITIES in Namibia now have rights to manage forests in their vicinity under a new empowerment programme.

The Namibian government has designated eight forests in the north of the country as community forests and has, with technical assistance from German Development Service (DED), been offering training in forestry management and planning.

The eight community forests in the Kavango and Caprivi regions as well as Tsumkwe, are part of 13 gazetted by the Namibian government in February.

The Community Forestry in North-Eastern Namibia (CFNEN) is a joint venture between the Ministry of Agriculture, Water and Forestry, DED and the German Development Bank.

The project also promotes the establishment of private orchards and vegetable gardens.

"Within the declared community forests local people are able to control the sustainable use and protection of valuable wood and non-wood forest resources against over-utilisation, illegal harvesting and wild fires," said DED.

The communities now have the right to issue permits for use of trees, firewood and other forest products, and can link resources utilisation to management plans and relevant regulations or by-laws. (*Namibian Economist*)

Maize-power fuel plant on the cards in South Africa

SOUTH AFRICA is about to embark on a large-scale maize-to-ethanol project following the announcement of a US\$1.1 billion venture to build the first of eight ethanol plants in major maize-producing areas.

The ethanol plant will be built in the Bothaville area, which has large quantities of maize. Of the 400,000 tonnes of maize produced in Bothaville annually, the plant is capable of consuming as much as 375,000 tonnes, according to Ethanol Africa, one of the companies spearheading the project.

Construction of the first plant is expected to commence this year and should be in full production by the middle of 2007.

The plant is expected to produce more than 470,000 litres of ethanol daily and the initiative is expected to supply up to 12 percent of South Africa's fuel needs by 2015.

Ethanol Africa was established by commercial farmers to turn surplus maize into environmentally friendly biofuel. It is being partnered in the project by Sterling Waterford. (*Business Day*)

Southern Africa leads the way in IT trends

SOUTHERN AFRICA has some of the most developed Internet country markets on the continent. As a result, a number of trends developing in the region are beginning to spread across the continent. These are the findings of a new report published by Balancing Act.

The region has the largest broadband market. South Africa leads the way in this area, with 120,000 users at the end of 2005,

and is the largest broadband market in sub-Saharan Africa.

Outside of South Africa, competition on fibre infrastructure is growing with four companies getting licenses in the past year, two in Zambia and two in Zimbabwe.

Most of these companies are power utilities and the network of regional energy providers offers many opportunities for connecting the region.

Mozambique, Portugal conclude negotiations on Cahora Bassa

MOZAMBIQUE HAS concluded an agreement with Portugal for the transfer of ownership of the giant Cahora Bassa Dam.

Teams from the two countries finalised "technical negotiations" in March, paving the way for signing of the final agreement by President Armando Guebuza of Mozambique and Portuguese Prime Minister, José Socrates.

"The two countries will later agree on the date for the formal signature in Mozambique of the document resulting from the negotiations," said Salvador Namburete, Mozambique's Minister of Energy.

A memorandum of understanding (MOU) on Cahora

Bassa Dam was signed in November last year during President Guebuza's visit to Portugal.

Under the MOU, control of the company that operates the dam, Hidroeléctrica de Cahora Bassa (HCB), would pass from Portuguese into Mozambican hands. Portugal owns 82 percent of shares in HCB, with Mozambique holding the remainder.

On conclusion of the agreement, Mozambique will control 85 percent of the company, with Portugal owning the remaining shareholding.

The deal requires Mozambique to pay US\$950 million before transfer of the dam and company. (*Aim*)

Fair showcases Angola's mining industry

ANGOLA PLANS to hold an international mining fair to showcase its mining industry and source funding for the sector.

The International Mines Fair, which will take place from 27-30 April, is being organised by the country's Ministry of Geology and Mining, Angola Diamond Company and Expo-Angola.

The event will be used to establish new partnerships for Angolan mining industry.

According to Edgar de Carvalho, director of studies at the Ministry of Geology and Mining's Planning and Statistics Office, the fair has attracted huge interest from local and international companies. (*AllAfrica.com*)

The region is also a pioneer in terms of Voice over Internet Protocol-based (VoIP) calling. VoIP is a technology that allows one to make phone calls using broadband Internet connection instead of a regular (analog) telephone line.

Zambia reduces petrol prices

ZAMBIA REDUCED prices of petroleum products by up to seven percent in January, passing on the benefits of its appreciating currency.

In trying to encourage the use of unleaded petrol, the country's Energy Regulation Board (ERB) has made prices of leaded and unleaded fuel the same.

"The ERB has benchmarked the new prices to those of unleaded petrol," ERB chairperson Mwangala Zaloumis said. Unleaded petrol used to cost more than leaded fuel.

Zambia has announced that it will phase out leaded petrol from March as part of an African Union pledge to use cleaner fuels considered less harmful to human health and the environment. (*The Post*)

Namibia joins dry dock elite

A MASSIVE dry dock arrived in the Walvis Bay harbour in January – the first of its kind along the western coastline of Africa.

The floating dock represents an alternative to Cape Town and Durban as the only ship-repair facilities in the region.

"This is a deliberate effort by the Namibian government through NamPort to intensify ship-repair activities with the aim of job creation and economic development," said NamPort managing director, Sebby Kankondi. (*The Namibian*)

South Africa again leads the way in this area but at least two other countries in the region (Zambia and Zimbabwe) have embarked on policy processes that will see VoIP legalised. (*AllAfrica.com*)

Telkom eyes Angola, Botswana, DRC

SOUTH AFRICA'S Telkom has set its sight on expansion into five African countries – including Angola, Botswana and Democratic Republic of Congo – it considers ripe for investment.

Faced with tough competition from cellphone operators at home, the fixed-line operator has turned its attention to the three SADC member states as well as Kenya and Nigeria in its quest to boost revenues. (*Business Day*)

De Beers to invest in new Tanzanian plant

THE DE Beers Group has announced plans to invest US\$150 million in a new processing plant at Mwadui Williamson Diamond Limited (MWDL) in the United Republic of Tanzania.

The world's leading diamond mining company said the new processing plant will enable the firm to process 16 million tonnes of ore annually and increase diamond production to a million carats.

Presently MWDL has a production capacity of 3.5 million ore tonnes a year and the new plant will increase diamond production to 1 million carats from 190,384 carats.

The expansion and construction of the processing plant would enable MWDL to extend the life of the mine by a further 25 years. (*East African*)

CURRENCY CHECKLIST

Country	Currency	(US \$1)						
Angola	Kwanza (100 lwei)	80.36	Botswana	Pula (100 thebe)	5.44	DRC	Congo Franc	432.00
Lesotho	Maloti (100 lisente)	6.15	Madagascar	Ariary	9,400.00	Malawi	Kwacha (100 tambala)	132.72
Mauritius	Rupee (100 cents)	30.68	Mozambique	Metical (100 centavos)	26,775.00	Namibia	Dollar (100 cents)	6.16
South Africa	Rand (100 cents)	6.16	Swaziland	Lilangeni (100 cents)	6.15	Tanzania	Shilling (100 cents)	1,193.25
Zambia	Kwacha (100 ngwee)	3,295.00	Zimbabwe	Dollar (100 Cents)	99,201.00			

March 2006

Oscar winning film raises regional profile on film industry

TSOTSI, A South African drama film, put the southern African filmmaking industry under the international spotlight when it won an Oscar for the best foreign language movie.

The film is about a township thief who learns to take care of an infant whose mother he shot during a car hijacking.

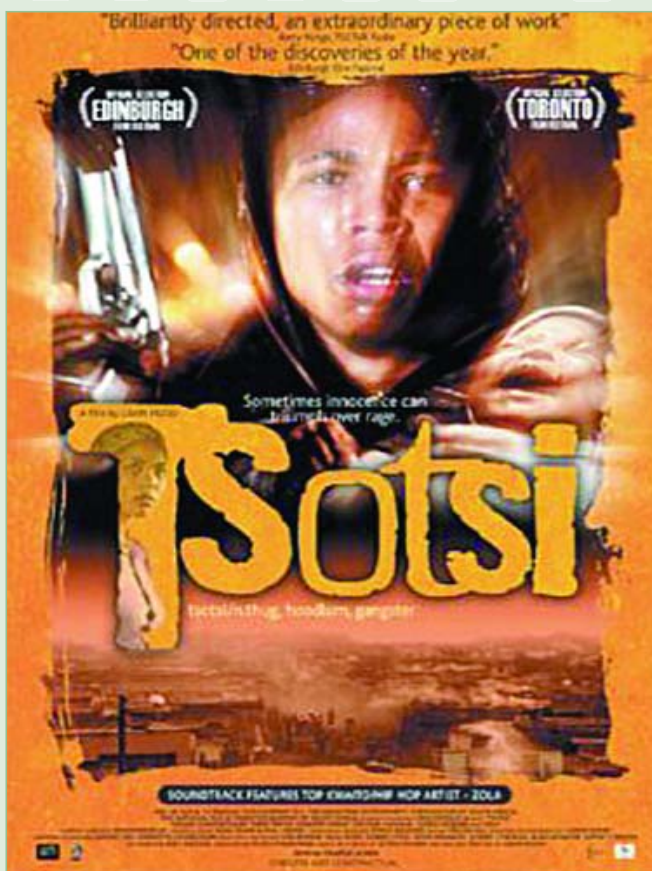
This was the second time a South African was nominated for the Oscars, the highest recognition that a film can get in the United States. Last year's nominee was *Yesterday*, a feature film about a woman who was HIV positive.

Directed and written by Gavin Hood, *Tsotsi* stars Presley Chweneyagae as a violent young gangster who realises the value of human life after discovering a baby in a car he had stolen. His outlook to life changes after being forced to care for the baby.

It beat four other films that were also vying for the Best Foreign Language Film Award. These were *Paradise Now* (Palestine), *Joyeux Noel* (France), *The Final Days* (Germany) and *Don't Tell* (Italy).

The Oscar for *Tsotsi* dramatises southern Africa's filmmaking renaissance and points to the vast talent available in the region.

The region's filmmaking industry has undergone major changes since the late 1990s and



has in the past few years produced award-winning films such as *Everyone's Child* by Zimbabwean film-maker Tsitsi Dangarembga and *Fools*, a collaborative effort between South African production house, Na-

tive At Large, and Mozambique's Ebano Multimedia.

Other countries in the region such as Angola, Mauritius and Mozambique have produced short films that have featured at international festivals.

Regional cooperation has been crucial to the development of the industry, with events such as the Zanzibar International Film Festival, Zimbabwe International Film Festival and Cape Town World Cinema Festival playing an important role.

Theatre project to "save this generation"

ARTISTS AND the youth from southern Africa are set to benefit from a continental project on fighting HIV and AIDS through theatre.

The puppet theatre project resulted from one of the resolutions taken by representatives of the organisation, African Theatre for Children and Youth Centres, at its annual meeting in the United Republic of Tanzania in March.

Puppet theatre is an innovative way of getting across the message on HIV and AIDS to children and young people.

The project is designed to enable young people to contribute to the alleviation of HIV and AIDS by supplementing efforts by their governments. It is targeted at artists and nationals of southern, west and east Africa, and will be implemented around the theme, "Save This Generation".

SADC is represented by Botswana, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, United Republic of Tanzania, Zambia and Zimbabwe. Other participating countries are Benin, Burundi, Cameroon, Ghana, Kenya, Nigeria, Rwanda and Uganda.

The 18 countries are members of the International Association of Theatre for Children and Young People. The African network and cooperation programme is funded by the Swedish International Development Cooperation Agency (Sida). (*New Era*)

Mozambique hosts Music Crossroads

ABOUT TEN groups from five SADC countries are to compete in a regional musical contest in Mozambique.

The Music Crossroads Southern Africa contest takes place from 27-30 April and will feature musical groups from Malawi, Mozambique, United Republic of Tanzania, Zambia and Zimbabwe.

The show is part of an international programme that empowers young people aged between 15 and 25 years through

musical skills and HIV and AIDS education.

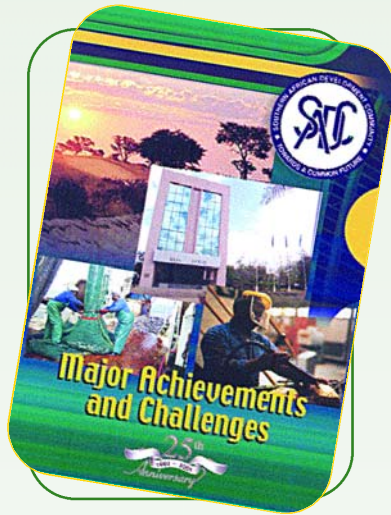
It also seeks to increase the level of professionalism among musicians and acts as a platform for launching their careers. It encourages the participants to take pride in their cultural heritage.

Each competition is preceded by a workshop where the young musicians learn marketing skills, public relations, music management, contract negotiation, copyright laws and musician rights.

Winners of this year's competition will land a trip to Europe and a recording contract.

Music Crossroads was initiated by Jeunesses Musicales International (JMI) recognised as the premier global network for youth and music. JMI has members in 70 countries worldwide.

The Norwegian Agency for Development Cooperation, Swedish International Development Cooperation Agency and UNESCO have funded the programme since 1996.



SADC: Major Achievements and Challenges – 25th Anniversary 1980-2005

THIS BOOK was published to commemorate 25 years of regional cooperation and integration since the founding of the Southern Africa Development Coordination Conference (SADCC), which fostered confidence and a spirit of solidarity that laid the foundation for the Southern African Development Community (SADC) established through the Windhoek Treaty in 1992.

The book profiles “a region with potential”, gives some historical background and explains the institutional restructuring and financing. It reviews policies and strategies, including the Regional Indicative Strategic Development Plan (RISDP) and the SADC Organ on Politics, Defence and Security Cooperation (SIPO).

Many achievements are noted, especially the signing and ratification of a number of protocols in areas such as trade, finance and management of shared watercourses, agreements on sugar, textiles and clothing among others, and establishment of the Southern African Power Pool (SAPP).

The book also presents current challenges facing the region, including HIV and AIDS, socio-economic and human resources challenges, political, defence and security challenges, as well as regional integration, institutional restructuring, and policy harmonization and implementation.

In closing, the book reviews the way forward as SADC moves into higher levels of integration as a building bloc of the African Union.

The book is available from the SADC Secretariat registry@sadc.int or <http://www.sadc.int>.

Africa: Speaking with Earth and Sky

THIS GEM of a book taps into a wealth of research and experience to depict the relationship between Africans and our environment, including conservation of the land by those who have had the longest connection with it over time. It captures on paper startling and unusual film images that can last only a second or split second on screen. The images in this book are exceptional not only for their visual impact and beauty, but for the vision they communicate of oneness with the physical world

and their exploration of the relationship between people and animals, the physical and the spiritual. The book of 154 pages is written by Damon and Craig Foster with Michael Hutchinson, and has a Foreword by the South African President, Thabo Mbeki. Published in 2005 by New Africa Books in Cape Town, this source of knowledge and imagery is available through bookshops or contact the publisher. info@newafricabooks.co.za <http://www.newafricabooks.co.za>

PUBLICATIONS

What UN for the 21st Century? A New North-South Divide

The South Centre, 2005
170pp.

This is a collection of comments and working papers prepared in the context of the most recent drive to reform the United Nations. It begins with the paper entitled “Multilateralism Besieged”, which was submitted in June 2004 as an input into the proceedings of the High Level Panel on Threats, Challenges and Change. It ends with a comment on the UN Secretary General’s Report “In Larger Freedom: Towards Development, Security and Human Rights for All”, which was circulated to the member states of the Group of 77 in June 2005.

Available in electronic and print format from South Centre, P O Box 228, Chemin du Champ d’Anier 17, 1211 Geneva 19, Switzerland.

south@southcentre.org
<http://www.southcentre.org>.

Why Developing Countries Need Tariffs? How WTO NAMA Negotiations Could Deny Developing Countries’ Right To A Future

by Ha-Joon Chang
The South Centre, 2005
129pp.

If they are to fulfill the developmental promises made in Doha and prevent the creation of a world economy divided by a growing gulf between haves and have-nots, the powerful players in the World Trade Organization (WTO) must ensure that any NAMA (Non-Agricultural Market Access) agreement gives

developing countries the largest possible policy space so that they can work out what is good for them and find their own ways to achieve it. An immediate suspension of the NAMA negotiations until a new and pro-development text can be agreed would be a good place to start.

Available in electronic and print format from South Centre, Geneva, Switzerland.
E-mail: south@southcentre.org
<http://www.southcentre.org>.

Knowledge Management and the Development Bank of Southern Africa: A Knowledge Strategy

by Debbie Blackburn, Snowy Khoza and Graham Tate

South Africa, Development Bank of Southern Africa, 2003

61pp

Internationally, it is well recognised that corporate society is on the verge of a new horizon in which intellectual capital is rapidly becoming the new currency. In this context, the question of implementing a knowledge management way of doing things becomes one of paramount importance and will enable it to align more closely with emerging global trends. In adopting this path the Bank allows itself the freedom to apply institutional resources to all types of socio-economic development. Available in print and electronic format from the DBSA Development Information Business Unit, P O Box 1234, Halfway House, 1685 Midrand, South Africa.
debbieb@dbsa.org
<http://www.dbsa.org>



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Information 21 Websites

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SADC TODAY is supported by the Belgian government under the SADC Information 21 project, whose aim is to strengthen regional integration through information and knowledge-sharing, based on the longstanding historical, social and cultural affinities and links among the peoples of the region, and to advance SADC's agenda into the 21st century.

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April
2-5 South Africa

World Conference on Injury Prevention and Safety Promotion

Theme is "Data to Action". The focus of the 8th conference is on how injury and safety information can be translated into concrete prevention policies and practices. Injury and safety researchers, practitioners and decision-makers will attend the conference.

25-30 Zimbabwe

Harare International Festival of the Arts

A multi-cultural celebration of the arts, encompassing theatre, visual arts, dance and music, and attracting participants from all over southern Africa and other parts of the world.

26-27 Namibia

SADC Consultative Conference

Since the last Consultative Conference in 2002, SADC has developed a 15-year Regional Indicative Strategic Development Plan (RISDP) that provides strategic direction for SADC programmes. The 2006 Consultative Conference is aimed at marketing the RISDP and the Strategic Indicative Plan of the Organ on Politics, Defence and Security Cooperation (SIPO). Focus will be on mobilisation of resources for implementation of the plans and adoption of a Windhoek Declaration on a New SADC/ICP Partnership. International Cooperating Partners, representatives of civil society, the private sector and governments will attend the Conference under the theme: "Partnership for the Implementation of the SADC Regional Indicative Strategic Development Plan and the Strategic Indicative Plan of the Organ on Politics, Defence and Security."

27-30 Angola

International Mines Fair

An international mining fair organised by the Ministry of Geology and Mining, Angola Diamond Company and Expo Angola, to showcase the country's mining industry, establish new partnerships and source funding for the sector.

May
24-26 Ethiopia

International Conference on ICTs for Development

The conference is a capacity-building event for stakeholders engaged in planning and implementation of technology-supported learning and training in Africa. Supported by the United Nations Commission for Africa, the conference will be accompanied by an exhibition.

31-2 June
South Africa

Africa Economic Summit

Organised by the World Economic Forum, the summit brings together private sector, civil society and political leaders to discuss trade and investment opportunities in Africa.

June
17-20 South Africa

Cape Town Book Fair

In partnership with Frankfurt Book Fair, the Publishers Association of South Africa will host the country's first international book fair. To be held at the Cape Town International Convention Centre, the fair will showcase leading international and local publishers and is expected to attract thousands of visitors.

21- 23
South Africa

Regional Adjudication on the SADC Media Awards

A SADC sub-committee is to adjudicate on the entries for the 2006 media awards. This year the media awards will focus on HIV and AIDS to encourage dissemination of information on the pandemic.

12 years since 27 April 1994

Lest we forget...

The long road to South African freedom

THE ROAD to freedom in South Africa was littered with institutionalised racial discrimination, brutality and cross-border forays targeted at liberation movements and their supporters.

Through a series of repressive laws, successive South African regimes entrenched the system of white supremacy and disenfranchised millions of blacks, Indians and people of mixed race.

Enactment of apartheid laws in 1948 institutionalised racial discrimination. Race laws touched every aspect of social life, including prohibition of marriage between non-whites and whites, and introduction of "whites only" jobs.

The Bantu Authorities Act of 1951 was used to create ethnic governments in African reserves, known as "homelands". The homelands were "independent" states to which all non-whites were assigned according to the record of origin, even though many of them did not actually live in these areas.

All political rights, including voting, held by non-whites were restricted to the designated homelands. The idea was that they would be citizens of the homeland, losing their citizenship in South Africa.

The homelands denationalised millions of South Africans who became aliens in their own country following the introduction of a requirement that they must have passports to enter South Africa.

The 1950 Population Registration Act required that all South Africans be racially classified into one of three categories: white, black (African) or coloured, with the latter including major sub-groups of Indians and Asians.

All blacks were required to carry "pass books" containing fingerprints, photo and information that determined where they could live and work.

Resistance to the apartheid system eventually led to majority rule in 1994. The resistance came from black, Indian and coloured movements, political parties and other countries, organisations and individuals.

Led by the African National Congress (ANC) of South Africa and the South African Indian Congress, South Africans launched a Defiance Campaign in 1952 in which they abandoned tactics of moderation such as petitions in favour of militant protest. This included mass actions, boycotts, strikes and civil disobedience.

About 300 black South Africans in Sharpeville refused to carry their passes, resulting in a state of emergency. The emergency lasted for 156 days, leaving 69 people dead and 187 wounded in Sharpeville on 21 March 1960.

The Sharpeville Massacre, as the event became known, signalled the start of armed resistance in South Africa, and prompted worldwide condemnation of South Africa's apartheid policies.

All of South Africa's neighbours right up to the United Republic of Tanzania – long independent but targets of the apartheid regime's destabilisation campaign – provided logistical and moral support to South African exiles and freedom fighters.

Responsibilities of independence

"OUR ACHIEVEMENT of independence imposes upon us a heavy responsibility, not only to defend our hard won liberty, but also to set for ourselves higher standards of equality, justice and opportunity for all, without regard to race, creed or colour." – Sam Nujoma, first post-independence president of Namibia, in his inauguration address on independence day, 21 March 1990.



Mwalimu Julius Kambarage Nyerere joins the soils of Tanganyika and Zanzibar at a ceremony to mark their union as the United Republic of Tanzania on 26 April 1964.

Public holidays in SADC April - June 2006

4 April	Peace and National Reconciliation Day	Angola
7 April	Women's Day	Mozambique
7 April	Sheik Abeid Amani Karume Day	Tanzania
14 April	Good Friday	All except Mauritius, DRC, Mozambique, Madagascar
15 April	Public Holiday	Botswana
15 April	Holy Saturday	Zambia
15 April	Easter Saturday	Zimbabwe
17 April	Easter Monday	All except Mauritius, DRC, Mozambique, South Africa
17 April	Family Day	South Africa
18 April	Independence Day	Zimbabwe
19 April	King's Birthday	Swaziland
21 April*	Maulid Day	Tanzania
25 April	National Flag Day	Swaziland
26 April	Union Day	Tanzania
27 April	Freedom Day	South Africa
1 May	Labour/Workers Day	All
4 May	Cassinga Day	Namibia
25 May	Ascension Day	Botswana, Lesotho, Madagascar, Namibia, Swaziland
25 May	Africa Day	Angola, Zambia, Lesotho, Namibia, Zimbabwe
1 June	International Children's Day	Angola
5 June	Whit Monday	Madagascar
14 June	Freedom Day	Malawi
16 June	Youth Day	South Africa
25 June	Independence Day	Mozambique
26 June	Independence Day	Madagascar
30 June	Independence Day	DRC

* Depends on visibility of the moon