

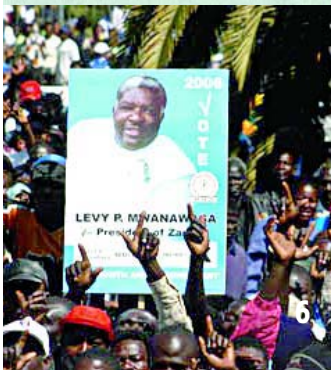


# THE SOUTHERN AFRICAN DEVELOPMENT COMMUNITY TODAY



SADC Today, Vol 9 No. 4 October 2006

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## Toward a SADC investment zone

by Joseph Ngwawi

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**SOUTHERN AFRICAN** countries are optimistic that a booming regional economy and political stability are the right ingredients for increased inflows of foreign direct investment (FDI) and deeper regional integration.

Buoyed by prospects of a six percent economic growth in 2006, SADC Member States have moved to strengthen the region's competitiveness as an investment destination.

The economy of the 14-member SADC expanded by five percent in 2005 and is expected to better that performance this year on the back of strong performances by countries such as Angola.

Angola achieved the highest real Gross Domestic Product (GDP) growth in 2005 of 15.6 percent, followed by Botswana at 8.3 percent, Mozambique at 7.7 percent and the United Republic of Tanzania with 6.9 percent growth.

Regional economic powerhouse, South Africa, registered a modest five percent real GDP growth last year, according to figures released in August at the SADC Summit in Maseru, Lesotho.

Angola's impressive growth has been driven by firming international oil prices and a subsequent scramble for its oilfields by investors.

There is a similar scramble for Madagascar's oilfields, with a number of international oil firms targeting the Indian Ocean island's vast reserves of the "black gold".

Statistics from the SADC Committee of Central Bank Governors show that there is great potential for investment within SADC. One of the indicators is the gross national savings as a proportion of GDP where countries such as Botswana, Lesotho and Mauritius had average savings of more than 20 percent per annum since 2000.

In terms of sources of FDI in SADC, the increasing role of South Africa as an investor in the region, and specifically in the services industries, is significant.

Since the mid-1990s, and particularly after 1997, there has been a distinct trend for the "internationalisation" of South African companies where they have made forays into southern African markets, particularly in the retail sector.

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# Toward a SADC investment zone

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To sustain the robust economic growth, leaders of the 14-member economic bloc approved the SADC Protocol on Finance and Investment, which aims to harmonise financial and investment policies of Member States and ensure that changes in policies in one country do not affect other countries.

The protocol is an important stepping stone for a region whose target is to become a free trade area by 2008 and a customs union two years later.

It was signed by seven Member States - Democratic Republic of Congo, Lesotho, Madagascar, Mauritius, Mozambique, South Africa and the United Republic of Tanzania. Other Member States require certain internal processes such as approval of their parliaments or the concurrence of their Attorney General before signing international agreements.

The SADC Protocol on Finance and Investment will enter into force 30 days after ratification by at least nine Member States.

The protocol will facilitate the creation of a favourable investment climate within SADC; attainment of macroeconomic stability and convergence; cooperation in taxation matters; and coordination and cooperation on exchange control policies.

Through the protocol, Member States will facilitate and create favourable conditions to attract investment into their countries via appropriate administrative measures and the expeditious clearance of project approvals.

According to information from national investment promotion agencies, it currently takes between two days and four weeks to have an investment project approved in the region.

Some countries such as the United Republic of Tanzania have stationed officials from all key departments within the Tanzania Investment Centre to provide information assisting investors to obtain approvals and permits. This one-stop investment facility ensures that investors do not have to move from one government department to another.

In the interest of creating a predictable investment climate, SADC Member States have also agreed not to arbitrarily amend or modify - to the detriment of investors - the terms, conditions and any benefits specified in letters of authorisation given to investors on approval of projects.

Governments have also agreed to support the development of local and regional entrepreneurs and enhance regional productive capacity through skills development, small-to-medium enterprise development and appropriate investment in support infrastructure.

A greater role is envisaged for public-private partnerships (PPPs). Member States have resolved to cooperate on policies and related issues that will encourage and facilitate the use of PPPs to ensure regional development.

The PPP concept will be crucial in the implementation of infrastructural projects. The role of the private sector has been identified in some of SADC's infrastructure projects such as the Transport and Trade Facilitation on the Walvis Bay/Trans Caprivi Corridors Project.

This project aims to, among other things, develop guidelines on the creation of one-stop border posts within the two corridors and develop infrastructure. It will be implemented by the Namibian government, the Walvis Bay Corridor Group and transport operators.

With regards to the protection of investments, the protocol

provides an undertaking that Member States will not nationalise or expropriate investments, except "for a public purpose, under due process of law, on a non-discriminatory basis and subject to the payment of prompt, adequate and effective compensation".

The Member States undertook to eventually harmonise their respective domestic policies and legislation within the spirit of non-discrimination of investors.

"State Parties shall pursue harmonisation with the objective of developing the region into a SADC investment zone, which shall, among other things, include the harmonisation of investment regimes, including policies, laws and practices in accordance with the best practices within the overall strategy

towards regional integration," reads part of the protocol.

The Member States will strive to attain macroeconomic convergence, one of the main building blocks in the quest to establish a SADC Free Trade Area and Customs Union.

The challenge for Member States will be to promote and establish predictability, confidence, trust and integrity by adhering to and enforcing open and transparent policies, practices, regulations and procedures on investment.

SADC countries also recognise the need to adhere to best practices in terms of safeguarding domestic health, safety or environmental measures and agree not to disregard international treaties they have ratified for the sake of getting investment.

## Highlights of the Finance and Investment Protocol

**FROM THE** date of entry into force of the protocol, Member States agree to take steps to:

- Converge on stability-oriented economic policies;
- Cooperate in taxation matters and coordinate their tax regimes within the region;
- Cooperate and coordinate exchange control policies;
- Harmonise the legal and operational frameworks of their respective central banks;
- Cooperate among their central banks with regards to payments, clearing and settlement systems;
- Harmonise banking supervisory standards and practices;
- Establish a Development Finance Institutions Network to increase cross-border capital flows;
- Strengthen domestic capital and financial markets with the intention of creating a regional capital and financial market;
- Strengthen cooperation among respective stock exchanges;
- Cooperate with regard to anti-money laundering;
- Establish a Project Preparation and Development Fund to provide technical assistance towards project identification, selection and feasibility studies. The Fund will also be used to finance selected projects; and
- Establish a Peer Review Panel which will meet once a year to conduct macroeconomic monitoring and surveillance.



# Ministerial taskforce to recommend action to fast-track implementation

SADC HAS established a ministerial taskforce to recommend action on fast-tracking implementation of agreed policies to unleash the potential of the regional economic community.

The taskforce comprises ministers of finance, economic development, planning, trade and industry from all SADC Member States.

SADC Heads of State and Government established the ministerial taskforce at their Summit in Lesotho in August, to work with the Secretariat to define a roadmap for "eradicating poverty and propose measures for fast-tracking implementation."

The leaders directed the taskforce to present recommenda-

tions to an extra-ordinary summit scheduled for "not later than October" at a venue to be advised.

The SADC leaders were highly critical of the slow pace at which regional programmes and projects are being implemented.

Difficulties caused by overlapping membership of Regional Economic Communities (RECs) could have contributed to delays in achieving regional integration targets such as the SADC Free Trade Area and Customs Union scheduled for 2008 and 2010, respectively.

Most SADC members belong to more than one REC, some of which have plans to create a customs union. World Trade Or-

ganisation rules, however, require that a country should not belong to more than one customs union.

Overlaps exist in the membership of SADC, the Southern African Customs Union (SACU), the Common Market for Eastern and Southern Africa (Comesa), East African Community (EAC) and the Regional Integration Facilitation Forum (RIFF).

The African Union Summit in Banjul, The Gambia, in July issued a moratorium on the recognition of new RECs while recognizing only eight existing ones across the continent. In east and southern Africa, only SADC, EAC and Comesa are among the eight.

The African Union decision brings yet another dimension, adding to the complexity within which SADC Member States have to make urgent decisions on the issue of overlapping membership.

## SADC refines institutional framework

THE COUNCIL of Ministers has directed the SADC Secretariat to refine the regional organisation's institutional framework to enhance its restructuring process and create a more efficient and focused body.

The Secretariat will work in consultation with the Troika to produce recommendations on refining the restructuring process that SADC embarked on six years ago. He is expected to report back to Council at its next meeting in February 2007.

It was noted that at the current stage of regional integration, there was no need to centralise and prioritise all areas of cooperation.

The Troika comprises the SADC chairperson, Prime Minister Pakalitha Mosisili of Lesotho; deputy chairperson, President Levy Mwanawasa of Zambia; and immediate past chairperson, Botswana's President Festus Mogae.

SADC Executive Secretary, Tomaz Augusto Salomão, stated his priorities as being the stabilisation of the Secretariat and improvement of its capacity to implement the key priorities of SADC.

## Fund to fast-track projects

MEMBER STATES will have to shoulder greater responsibility for funding of SADC programmes and projects if the region is to progress faster towards attainment of a common vision.

The structure of SADC funding was a major cause for concern during the 2006 Summit in Lesotho, with the Heads of State and Government agreeing that the current financing scenario is unsustainable and does not show sufficient commitment to regional development.

Currently, 61 percent of the SADC budget comes from international cooperating partners, with the remainder being contributions from Member States.

"We need to show commitment by contributing significantly more from our own resources towards programmes

and projects," said President Festus Mogae of Botswana, the outgoing SADC chairperson.

The summit mandated the Secretariat to accelerate the process leading to the establishment of a SADC Regional De-

velopment Fund, which will finance development projects based on mobilisation of Member States' own resources such as insurance and pension funds, as well as other regional funding sources.

## Toward a SADC Protocol on Gender

THE ANNUAL SADC Summit held in Maseru endorsed the process of drafting a SADC Gender Protocol and directed the SADC secretariat to ensure that thorough consultations are undertaken with Member States.

The endorsement of the process to draft the SADC Gender Protocol will accelerate activities towards consideration

of the protocol, which is to be presented to the next SADC Summit of Heads of State and Government, in Lusaka, Zambia in 2007.

A taskforce to guide the process was constituted in March this year comprising the SADC Gender Unit, government and civil society representatives.

# SADC wants EU funding de-linked from EPA negotiations

SADC HAS established a technical committee to engage the European Union, with a view to de-linking development fund programming and the Economic Partnership Agreement (EPA) negotiations.

The European Union (EU) has expressed concern over the configuration of SADC Member States into two groupings for the EPA negotiations and is insisting on a fast-tracked SADC Customs Union as one condition for the negotiations.

The objective is to push SADC Member States into resolving the issue of multiple membership in Regional Economic Communities (RECs) so that they can undertake the EPA negotiations as a single bloc.

This approach has stalled the roll-out of the 10th European Development Fund (EDF) programming.

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, 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 as an observer, after concluding its own trade agreement with the EU in the late 1990s.

The SADC Council of Ministers, meeting ahead of Summit in Lesotho in August, resolved to engage the EU over the matter and concluded that any conditions set by the EU must take due regard of SADC's regional integration timelines.

"Council reiterated the SADC position that the EPA negotiations and the 10th EDF Programming are to be based on the SADC integration agenda outlined in the Regional Indicative

Strategic Development Plan (RISDP) and the Strategic Indicative Plan of the Organ on Politics, Defence and Security Cooperation (SIPO)," said Timothy Thahane, chairperson of Council and Lesotho's Minister of Finance and Economic Planning.

The ministers also noted that multiple memberships of RECs was a political and sovereign issue, over which only individual Member States can take a decision and cannot be dictated upon by anyone.

The EDF is the EU's main instrument for development cooperation in the African Caribbean and Pacific (ACP) countries. Each funding period is concluded for five years and the cycles have generally followed those of EU partnership agreements with ACP countries since the conclusion of the first partnership convention in 1964.

The ninth EDF was concluded at the same time as the Cotonou Agreement reached in 2000 between the EU and the ACP countries. The EPAs will replace the trade chapters of the Cotonou Agreement and the one-way trade preferences with reciprocal trade arrangements between the ACP and the EU.

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

A SADC/EU ministerial Troika meeting is scheduled for 16-17 November in Maseru, Lesotho, under the theme "Accelerating Implementation of the SADC Regional Integration and Development Agenda".

## Bridge to replace ferry at Kazungula

BOTSWANA, ZAMBIA and Zimbabwe have signed an agreement for the construction of a bridge at their common border on the Zambezi river.

Leaders of the three countries signed a Memorandum of Understanding (MOU) in Harare in August, signifying their commitment to greater intra-regional trade and the cross-border movement of persons.

A one-stop border control facility will be put in place at the Kazungula bridge once the legal

and administrative framework has been developed.

The countries will explore suitable financing for the bridge, to be constructed on the basis of competitive bidding in accordance with agreed procurement and tendering procedures.

"In all instances, the parties will make equal contributions towards all the costs of the design and construction of the bridge and the border control facilities," the MOU says. A technical steering committee will be established to coordinate the project.

## Limpopo-Shashe to have Transfrontier Conservation Area



The flow of nature is not bound by political boundaries.

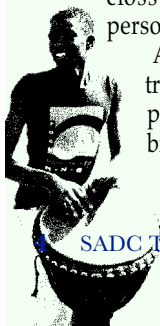
BOTSWANA, SOUTH Africa and Zimbabwe have signed a Memorandum of Understanding for the establishment of the Limpopo-Shashe Transfrontier Conservation Area, which will eventually cover 140,000 hectares.

There are conservation areas in all three countries at the confluence of the two rivers which will form one big international park. Large areas of the proposed park are still in private hands and it has taken 16 years

to draw up the international agreement.

Transfrontier conservation areas are a fairly new concept based on the principle that the flow of nature, including rivers, wind, vegetation and animals, are not bound by political boundaries.

Neighbouring countries can derive greater financial benefit from the natural resources that they share, in a process that also promotes peace and stability.



# SADC strengthens HIV and AIDS interventions

A TWO-YEAR US\$5.3 million funding arrangement to fight the spread of HIV and AIDS has been signed by SADC with a number of donors under the leadership of Swedish International Development Cooperation Agency (Sida).

The SADC Secretariat has also secured US\$30 million from the African Development Bank to support a programme to fight the triple communicable diseases of HIV, tuberculosis (TB) and malaria.

The Council of Ministers said SADC is determined to "forge ahead and scale down the pandemic by scaling up our interventions."

He announced the setting up of a ministerial committee to oversee the development of the Regional Fund for HIV and AIDS.

Thahane also announced the first donations from Member States. South Africa and Swaziland have remitted their pledges of R1 million (about US\$139,000) and US\$30,000, respectively. Lesotho has pledged US\$100,000 to the fund, while Angola has pledged US\$200,000.

"It is important that we take the lead in the fight against HIV and AIDS through availing of the resources needed," said Thahane, noting that the SADC HIV and AIDS programme faces numerous challenges, resulting in limited success in prevention interventions.

"This is tied to the feminisation of HIV and AIDS in the region due to gender inequality, low socio-economic status of women, gender-based violence; and inadequate access to treatment among women in most Member States," Thahane said.

According to the Joint United Nations Programme on HIV and AIDS (UNAIDS), only three



Timothy Thahane (Left), SADC determined to scale down the AIDS pandemic

southern African countries have achieved the "Three by Five" target. These are Botswana, Mauritius and Namibia.

The "Three by Five" initiative, launched by UNAIDS and the World Health Organisation in 2003, is a global tar-

get to provide three million people living with AIDS in low- and middle-income countries with life-prolonging ARV treatment by the end of 2005, as well as counselling on the accompanying nutritional needs.

The limited progress in the fight against HIV and AIDS, Thahane said, is "coupled with the lack of a locally driven research agenda in SADC Member States and the slow implementation of national, regional, continental and global commitments."

## Brazil assists Angola, Mozambique to strengthen public health research

**BRAZIL PLANS** to launch a project to boost public health research in Portuguese-speaking African countries.

The project will begin in Angola before being introduced to Mozambique and elsewhere.

Under the plan, Brazilian researchers will teach a two-year Masters course in public health research at the Angola National School of Public Health in Luanda, starting in October.

The Oswaldo Cruz Foundation (Fiocruz), a leading research centre linked to Brazil's Ministry of Health, is coordinating the project with support from the Brazilian federal research funding agency, Capes, and the Angolan government.

Together, the three institutions are providing just over US\$1 million for the project.

"Students from Angola and Mozambique already attend Fiocruz for Masters and PhD



Public health awareness assists in reducing the spread of infectious diseases.

courses, but they seldom find work opportunities in their countries when they go back," said Maria do Carmo Leal, Fiocruz's vice-president of education, information and communication.

The aim of the project is to help Portuguese-speaking countries to consolidate local research infrastructure that could absorb researchers trained elsewhere.

The master's programme at the new Angolan institute will focus on research relating to An-

gola's main public health issues, such as infectious diseases.

Students will spend three months of their second year in Brazil doing research and writing their dissertations in collaboration with supervisors at Fiocruz.

They will be given free access to over 10,000 scientific journals via a website currently used by Brazilian scientists.

The project also includes plans to renovate Angola's technical colleges and to equip their libraries.

# Zambia tests new voter system

ZAMBIA used a new computerised voter system during the 28 September tripartite elections as part of measures to improve the administration of elections and boost voter confidence.

The country voted for the President of the Republic, members of parliament and city councillors.

For the first time, the Electoral Commission of Zambia (ECZ) used an electronic system in which voter details were loaded onto a database, making it less prone to manipulation in the verification of voters' identification.

Previous polls have been conducted using national identification documents.

The new system uses "biometrics", that is, fingerprints, palm prints or iris scans to provide an accurate identification and verification of a voter.

The ECZ also produced Geographical Information System (GIS) maps for all constituencies. GIS is a system of creating, storing, analyzing and managing spatial data and associated attributes.

The use of the "biometrics" system was complemented by a set of new security measures announced on 22 August by the Inspector-General of Zambia Police, Ephraim Mateyo.

The security measures included the use of unarmed police officers to guard polling stations.

"The move will ensure that members of the public will vote without any intimidation," said Mateyo.



Some of the candidates vying for the presidency, from left, Mwanawasa, Hichilema and Sata.

Police officers were also not allowed to take firearms to their houses.

Officers-in-charge of police stations were allowed to authorise applications for public rallies by political parties. Previously, only provincial commanding officers were allowed to authorise political processions in consultation with the inspector-general of police.

More than 700 candidates contested for 150 elected parliamentary seats while four opposition leaders filed nominations to challenge President Levy Mwanawasa who was seeking the second tenure of office after assuming power in 2001.

The parliamentary election was contested by 705 candidates from the country's nine provinces.

The Eastern province, Zambia's breadbasket, had the biggest number of parliamentary candidates, with 136 vying for 19 seats. The Copperbelt province, which is the copper production base of the southern African country, had 100 candidates contesting for 22 seats.

The MMD was the only party to field candidates in all constituencies.

Zambia uses a unicameral parliamentary system, with 150 members of parliament elected by popular vote using the simple majority or first-past-the-post system. Eight members are appointed by the president. Members of parliament serve five-year terms.

## Zambian polls well-managed and credible: SADC

**THE SADC Election Observer Mission** described the Zambian elections as peaceful, transparent, well-managed and credible.

The mission, headed by the Minister for Good Governance of the United Republic of Tanzania, Philip Marmo, said the civil behaviour and enthusiasm demonstrated during the campaigning period, vote casting and counting bear testimony of total commitment and adherence to the laws and regulations governing electoral processes in Zambia.

"SADC is proud of Zambian political leadership and the electoral management authorities," Marmo said. He praised the

The president is elected by direct popular vote for a five-year term.

SADC sent a team to observe the conduct of the Zambian elections to ensure they conformed with the SADC Principles and Guidelines Governing Democratic Elections.

These include, among others, the need for political tolerance; regular intervals for elections as provided for by the respective national Constitutions; equal opportunity for all political parties to access the state media; and equal opportunity to exercise the right to vote and be voted for.

Electoral Act and the Electoral Code of Conduct, saying the legislation fully complies with SADC Principles and Guidelines Governing Democratic Elections.

SADC sent a 49-member observer mission comprised of 37 men and 12 women. The mission deployed one week before the elections and covered all nine provinces.

President Levy Mwanawasa was re-elected for a second five-year term. His party, the Movement for Multiparty Democracy also took the majority seats in parliament, winning in more than 50 percent of the constituencies.

## DRC presidential runoff set for 29 October

**FINAL RESULTS** of the Democratic Republic of Congo (DRC) presidential election were delayed after some opposition parties petitioned the Supreme Court over the legality of dates for the run-off set for 29 October.

The first round of voting on 30 July did not produce a winner with a clear majority of the valid votes cast.

Preliminary election results were announced on

20 August and a presidential runoff was called after President Joseph Kabila and his closest challenger, former rebel leader Jean-Pierre Bemba, failed to amass the required 50 percent-plus-one of total votes cast to avoid a second round of polls.

The run-off will be between Kabila and Bemba, who won 44.81 percent of votes and 20.03 percent, respectively.

Antoine Gizenga came third with 13.06 percent in this first

democratic election since the country's independence from Belgium in 1960.

The DRC Constitution states that the second round of the presidential elections shall be held within 15 days after the announcement of the initial election results.

The challenge could stall the completion of the electoral process, which would have seen the president-elect inaugurated on 10 December.

Neither of the main political alliances – Alliance for the Presidential Majority of President Kabila and Bemba's Regrouping of the Congolese Nationalists – reached the target of 251 elected Members of Parliament required to have a majority of seats.

President Kabila's coalition led the polls with 111 seats in parliament against Bemba's party that won 64 seats, and both were seeking addition coalitions.



# Prime Minister Pakalitha Mosisili, SADC chairperson

**THE PRIME MINISTER** of Lesotho, Pakalitha Mosisili, is the 2006/07 chairperson of SADC. He takes over the rotating SADC chair from President Festus Mogae of Botswana who led the region from August 2005.

Born on 14 March 1945, Mosisili has been Lesotho's prime minister since 29 May 1998 when he first led his party, the Lesotho Congress for Democracy (LCD), to a near-total victory in the elections.

He is a member of the African Languages Association of Southern Africa and the Southern African Pedagogical Society, and has contributed significantly to the development of African languages in the SADC region.

He started as an assistant teacher in the early 1970s and rose to become a lecturer in African languages at various tertiary institutions in the region, including the National University of Lesotho, and the Universities of Fort Hare, Transkei and Zululand, all in South Africa.

Mosisili was elected as member of parliament for the Qacha's Nek constituency in 1993 and sworn in as Minister of Education and Training, Sports, Culture

## Zambia to host Summit 2007

**ZAMBIA WILL** host the 27th SADC summit in Lusaka next year after joining the SADC Troika as deputy chair.

Following his election as deputy chairperson, President Levy Mwanawasa thanked SADC members for the trust they have in him and his country.

The tradition is that the deputy chair of SADC hosts the next summit during which it will take over the chair.



Lesotho, rich in textile and culture.

and Youth Affairs, later renamed the Ministry of Education and Manpower Development.

He was appointed Deputy Prime Minister in February 1995 and later became the minister responsible for home af-

fairs and local government, the position he held until the 1998 general elections.

He heads the SADC Troika at a time when southern Africa is enjoying relative peace and political stability and has

## Kikwete "the new Mkapa"

**THE UNITED** Republic of Tanzania is committed to the realisation of SADC's regional integration agenda, President Jakaya Kikwete pledged in his first address to summit following his election last year.

The new Tanzanian leader assured colleagues of his country's continued cooperation and commitment to SADC.

"I would wish to assure you that among the people of Tanzania there will be no shortage of fervour and enthusiasm in working with their kith and kin of southern Africa to realise the aims and aspirations of SADC," Kikwete said.

He will chair the SADC Troika on Politics, Defence and Security Cooperation for the coming year, and he promised to continue the legacy left by his predecessor, Benjamin Mkapa, who played a pivotal role in advancing regional integration.

He noted that some people have referred to him as "the new Mkapa" during his tour of regional capitals to introduce himself. As of August, he had visited nine SADC countries



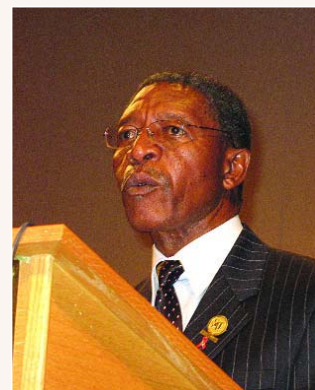
Jakaya Kikwete

since his election and inauguration in December 2005.

Mkapa is credited with spearheading significant macro-economic reforms in the United Republic of Tanzania.

He also left a regional legacy in the agricultural sector through hosting a summit of SADC leaders on agriculture and food security that set development targets and plans, including a regional food reserve.

He was at the helm of SADC when the regional organisation produced its 15-year blueprint, the Regional Indicative Strategic Development Plan, which was launched in A rusha, and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation.



Prime Minister Pakalitha Mosisili

scored some successes on the economic front.

Political stability has returned to Angola, the Democratic Republic of Congo and Mozambique, with these countries leading a resurgence of the SADC economy in the past five years.

Mosisili's deputy is Zambia's President Levy Mwanawasa. The SADC Troika for the next 12 months includes these two leaders and the outgoing chairperson, Botswana's President Festus Mogae.

The United Republic of Tanzania will chair the Organ on Politics, Defence and Security Cooperation for the coming year, with Angola as deputy. Namibia, the immediate past chair, completes the Organ Troika.

## Decision on Seychelles deferred

**SUMMIT DEFERRED** a decision on the readmission of Seychelles and resolved to engage in further consultations.

Seychelles has applied to re-join SADC after pulling out of the regional bloc in 2004, citing financial constraints.

Its readmission has been stalled by discussions over how much the country must pay before coming back. SADC had initially written off arrears amounting to US\$2.6 million previously accumulated by Seychelles.

The SADC Secretariat was mandated to engage Seychelles in further consultations on the way forward.

# Foreign direct investment trends in southern

AS SOUTHERN Africa steps up efforts to lure Foreign Direct Investment (FDI), a survey of global flows into Africa reveals some issues and trends relevant to current initiatives.

One such global trend, reflected in the SADC region, is the growth of FDI flows in the services sector.

According to the United Nations Conference on Trade and Development (UNCTAD), service industries accounted for 49 percent of total FDI flows in 1990, growing to 60 percent by 2002.

A 2005 study conducted by the Namibian Economic Policy Research Unit (NEPRU) confirms that this global trend is seen in southern Africa, albeit with a few exceptions.

The period beginning 1990 saw a strong push towards privatisation and trade liberalisation. Before that, most infrastructure services such as transport and telecommunications were predominantly state-owned enterprises.

Despite new efforts by SADC Member States, after the privatisation period, to direct FDI towards manufacturing and other areas such as mining, investment flows have tended to favour the services sector, with new areas such as banking and retailing becoming increasingly popular.

The NEPRU study notes yet another trend - the role of South African companies increasing investments in the region, particularly in the services sector.

NEPRU says the rapid movement of South African companies into the region could be partly explained by the "internationalisation of South African corporates" such as South African Breweries, Anglo American, Old Mutual, Sasol and others that are now listed in London, New York, Frankfurt and Paris.

"The comparative efficiency and business experience of these firms in a southern African context and in Africa more broadly, have led to a new era of multinational corporate activity in Africa - with South African firms emerging as the new multinational corporations," says NEPRU.

However, investment by the South African private sector in other countries in the region has not been without criticism, particularly where it has represented an extension of the country's retail networks throughout southern Africa and further afield.

For instance, in 2002, a South African retail firm, Game Stores, was dragged before the Zambia Competition Commission, accused of unfair trade practices by a local company. The commission ruled in favour of the Zambian company.

"For those countries in the region that do not have competition law and policy and a competent enforcement agency, such

practices would go unchecked," says NEPRU in its study report.

"Otherwise the benefits to regional integration from such intra-regional investment and the associated trade flows will accrue asymmetrically and so bring the risk of attempts to stall processes to enhance regional integration."

## Angola, South Africa lead in attracting FDI flows

The NEPRU study confirms UNCTAD figures that show An-

gola and South Africa as by far the most important destinations for FDI in southern Africa.

The largest chunk of investment into South Africa flowed from the privatisation of Telkom in 1997, which resulted in the purchase of a 20 percent stake by SBC from the United States and Telkom Malaysia Berhad. The unbundling of cross-shareholding between the London-based Anglo American and the related mining con-



Left to right, The venue of the SADC summit in Lesotho in August, the refurbished Lesotho-Southern African Development Community (SADC) headquarters in Maseru, and incoming SADC chairperson.

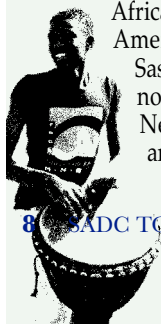
## FDI in SADC countries 1997-2003

(US\$ millions)

Country	1992-1997 Annual Average	1998	1999	2000	2001	2002	2003
Angola	304	1,114	2471	879	2,146	1,643	1,415
Botswana	-10	96	37	57	31	405	86
Democratic Republic of Congo	-6	61*	11*	23*	82	117	158
Lesotho	25	27	33	31	28	27	42
Madagascar	13	16	58	69	84	8	50*
Malawi	10	12	59	26	19	6	23*
Mauritius	27	12	49	277	32	33	70
Mozambique	46	235	382	139	255	155	337
Namibia	106	77	20	186	365	181	84
South Africa	1045	561	1,502	888	6,789	757	762
Swaziland	45	109	100	91	51	47	44
United Republic of Tanzania	90	172	542	282	467	240	248
Zambia	93	198	163	122	72	82	100
Zimbabwe	72	444	59	23	4	26	20*
Total	1,860	3,134	5,486	3,093	10,425	3,727	3,439

\* = Estimate

Source: World Investment Report 2004, UNCTAD





glomerate De Beers substantially accounted for South Africa's FDI performance in 2001.

In 2005, South Africa's FDI came through the R33 billion acquisition of a local bank, ABSA, by the British-based bank, Barclays.

Foreign investment into Angola has mainly been through the oil industry, whose offshore operations survived decades of civil war. The advent of peace

## Factors influencing investment decisions

- o Economic and political stability;
- o Large and expanding markets;
- o Low and stable interest and inflation rates;
- o Effective competition policy;
- o Low transaction and business costs for labour and trade regulation, entry and exit rules;
- o Human capital with diverse, modern skills;
- o Low cost infrastructure such as efficient communication systems and transportation links; and
- o Free trade and foreign exchange regimes.

*The BusinessMap Foundation*

## Rapid increase in South-South FDI inflows

Although Africa has been attracting as low as two percent of global FDI, a key emerging trend acknowledged by UNCTAD is the South-South dimension.

UNCTAD says that, over the last 10 years, there has been a rapid increase in South-South FDI flows into developing countries, Africa included.

In fact recent trends show that "South-South flows have grown far faster than North-South flows," according to another report, entitled *Africa in the World Economy - The National, Regional and International Challenges*, published in December 2005.

The report says the key source of South-South investment into Africa is Asia as represented by China, Taiwan and India. The investment is into industries such as mining, IT, automotive, steel and pharmaceuticals.

The report says the second major source of South-South investment into Africa is from South African firms which in 2004 had as many as 600 projects throughout the continent.

Much less investment is coming into the continent from South America, says the report, noting the contribution of Brazilian firms that are "starting to move quite actively into the ... Lusophone countries in Africa, Angola and Mozambique in particular."



Africa border post and Prime Minister Pakalitha

has opened the country to massive FDI, particularly into infrastructural reconstruction and mining.

While the bulk of the SADC states have received FDI in the services sector in the last 15 years, Lesotho's major attraction has been its textiles industry. Until recently, Lesotho enjoyed preferential access into the US market through the Africa Growth and Opportunities (AGO) trade preferences.

However, the trade preferences ended last year, opening Lesotho's once thriving garment-making industry to the chilly winds of international competition and leaving more than 10,000 Basotho factory workers to face an uncertain future.

The current global trading system does not favour small nations and as NEPRU says, "... the experience of Lesotho offers lessons to the region."

## Loss of textile market costs African jobs

by Gumisai Mutume

AFRICAN TEXTILE producers and exporters are reeling from the impact of new World Trade Organization rules opening up to free market forces a sector previously protected for more than 30 years.

January 2005 marked the expiry of a quota system in industrial nations which, as a side effect, had provided a ready market for textiles and apparel from Africa and other developing countries.

The result is that more than 250,000 jobs have been lost in Africa, affecting more than one million family members, reports the International Textile, Garment and Leather Workers' Federation (ITGLWF).

Most jobs have been lost in Lesotho, South Africa, Swaziland, Nigeria, Ghana, Mauritius, Zambia, Madagascar, Tanzania, Malawi, Namibia and Kenya.

The ITGLWF is calling on African governments to convene an urgent continental conference on the future of the clothing, textile and footwear industries so that governments, trade unions and producers can develop plans to respond to the current crisis, increase efficiency, attract

investment and improve the welfare of workers.

The Multi-Fibre Arrangement (MFA), set up in 1974, was designed to protect producers in the world's biggest markets - the US, Canada and the European Union (EU) - from the more efficient ones emerging in Asia at the time.

For decades, there was a limit to the amount of textiles other countries could export to the largest markets. This limit mainly affected the world's major producers, such as China, India, Hong Kong, Taiwan and the Republic of Korea. But these restrictions brought advantages to the many smaller textile-exporting countries that stepped in to fill the gap.

Textile companies from the major Asian producers set up subsidiaries in less developed countries such as Lesotho, a country that enjoyed duty-free access to the US under the African Growth and Opportunity Act of 2000. As a result, textiles and clothing became Lesotho's economic mainstay, and at one point the industry employed 56,000 workers, accounting for

virtually every manufacturing job in the country.

Today, Lesotho provides a telling example of the grave impact of the expiry of the MFA.

"Most if not all our foreign investors come from Asia, mainly Taiwan and China," says Daniel Maraisane, head of the main clothing workers' union. With the end of the quota system, those investors "say it's now easier and cheaper to manufacture in China and India. So they are starting to go back home.... There's simply no way little Lesotho can compete with such giants."

By the end of 2004, six of the country's 50 clothing factories had already closed in anticipation of the deadline, leaving 6,600 workers without jobs or termination benefits. The surviving companies, faced with shortfalls in export orders, placed 10,000 workers on short-term work, using them only when needed.

"If things go on like this," says Maraisane, "we are afraid that unemployment, which already stands at 40 per cent, will end up reaching 70 percent." (*Africa Renewal*)

# Science and technology protocol on the cards

SADC HAS resolved to elevate the role of science and technology in the region and is working on a draft Protocol on Science, Technology and Innovation to be tabled for consideration at next year's summit.

In view of the rapid growth of communications technology, the digital divide and issues of access, the Council of Ministers endorsed the decision of the ministers responsible for science, technology and innovation to promote these issues as a critical cross-cutting programme in support of regional development objectives.

A SADC Protocol on Science, Technology and Innovation will be "formulated, adopted and enter into force within one year as a binding instrument to regulate collaborative initiatives in the region and support the im-



Hartebeesthoek Astronomy Observatory in South Africa.

plementation of the Regional Indicative Strategic Development Plan (RISDP) and Africa's Science and Technology Consolidated Plan of Action."

South Africa has offered to provide requisite human and financial resources to fast-track the development of this protocol if need be to facilitate the tabling of the protocol before

summit for approval and signature during its next meeting.

Science and technology is a key driver of socio-economic development and, through the RISDP, the region acknowledges that the achievement of most of the objectives of the SADC Common Agenda may be facilitated by scientific and technological solutions.

Technological innovation, on the other hand, is an important factor in the development and competitiveness of regional economies, leading to wealth creation and improvement in the quality of life for SADC citizens.

Most of the challenges facing SADC such as food insecurity, energy shortfalls, water shortages, and poor transport and communications infrastructure, will require scientific and technological solutions.

The RISDP identifies some of the areas of regional focus as the strengthening of cooperation; development and harmonisation of science and technology policies; boosting research capacity in the region; and raising public awareness of science and technology issues.

## South Africa flexes muscle in space technology

SOUTH AFRICA will launch an earth-orbiting satellite that will act as a research vehicle to support disaster management, food security, land use and national security.

The low earth-orbiting satellite, which has been christened SUMBANDILAsat, will be launched into space from a Russian submarine in December.

The craft is part of a three-year satellite development programme unveiled in 2005 by South Africa's Minister of Science and Technology, Mosibudi Mangena.

The project is aimed at providing South Africa with affordable access to space technology and to demonstrate the country's space science capabilities.

The name *Sumbandila* means "lead the way" in Venda, and was

chosen from more than 3,000 entries in a national schools competition initiated by the department of science and technology.

SUMBANDILAsat will rotate about 80km above the earth. The high resolution images it can generate will, among other things, help to manage disasters such as oil spills, fires and floods. It will also assist in the monitoring of crops and urban planning.

The 1.8m-long satellite will also gather data on climate change such as sea temperature measurements, rainfall, wind, vegetation covers, and sea levels.

The data will be received at the Hartebeesthoek Satellite Application Centre, which is managed by the Council for Scientific and Industrial Research (CSIR). The centre will also operate, track and control the craft.

## Pan-African e-network hub may go to Mauritius

MAURITIUS HAS been short-listed as one of four African countries able to host a continental hub earth station being developed as part of a Pan-African e-network project funded by India.

The giant project - estimated to cost more than US\$1 billion - is to connect 53 African countries via satellite, fibre optic and wireless links.

The "Hub Earth Station" in Africa will be the main connection point for the continent, linking African participants with their Indian counterparts.

The main service location would be in India.

The other three countries short-listed are Ghana, Ethiopia and South Africa.

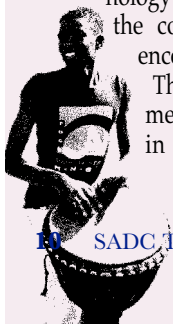
The Pan-African e-network project was announced by the Indian President, Abdul Kalam, at an African Union (AU) conference in Johannesburg, South Africa, in September 2004.

A memorandum of understanding was signed between the Indian government and the AU in October 2005, after which Telecommunications Consultants India Limited (TCIL) was selected to implement the project.

The project is expected to be the largest Information Communication Technology (ICT) infrastructure project in Africa. It will promote tele-medicine, tele-education and Voice over Internet Protocol (VoIP) connectivity.

VoIP is a technology that allows telephone calls to be made using a broadband Internet connection instead of a regular telephone line.

The e-health and e-education services are to be provided by seven universities - two in India and five in Africa - and eight hospitals, five of which will be in Africa. Pilot projects have been initiated in Ethiopia and Ghana. (*Afrol*)



# South African hospitals to go electronic

**PATIENT CARDS** could soon be a thing of the past if an ambitious plan by the South African government to introduce paperless health facilities goes through.

The dog-eared clinic card may one day be little more than a curious historical artefact if the government's plan to overhaul

the way patient records are stored is successful.

The dream is that one day every South African will have their own "smart card" containing their entire medical history and current conditions - vital information that could mean the difference between life and death in an emergency.

The project will see the introduction of a nationwide electronic-health record system in South Africa.

The South African government called for information technology companies to bid for the project, which is estimated to cost more than R500 million (about US\$70 million).

There is no uniform standard for gathering and storing patient data in South Africa, making it difficult for clinics and hospitals to share information to reduce the risk of duplication or misdiagnosis, said the health department's director-general, Thami Mseleku.

This also makes it difficult for the health department to obtain reliable data on the country's disease patterns and resource allocation.

Patient records and management systems range from state-of-the-art computerised operations to simple pen and paper.

So far, the 849-bed Inkosi Albert Luthuli Central Hospital in KwaZulu-Natal is the only paperless public hospital in South Africa, while most of the country's clinics still rely almost entirely on paper systems.

Although a significant proportion of public hospitals have introduced computerised patient records, their use is generally confined to administrative tasks.

## Fish laboratory for Namibia

**NAMIBIA IS** set to become the second country in southern Africa to establish a fish laboratory that will test for microbiological properties and the possibility of toxins in fish.

The facility will be built in 2007 at Walvis Bay with the assistance of Thailand.

Only South Africa has set up two such laboratories in the SADC region. Namibian shellfish producers have to send their shellfish to Pretoria or Cape Town for testing before they can export the product, thus losing time and money.

International standards demand that shellfish be tested for toxins before export.

Thailand has offered to train a team of Namibians to run the laboratory while the Namibian government will fund the construction of the facility.

Thailand has a vibrant fish industry, with technical expertise in handling and assessing the quality of fish.

Namibia's fishing industry is one of the country's three major foreign currency earners. The performance of the industry has, however, been on a downward spiral for the past four years, resulting in several companies shutting down and the retrenchment of thousands of workers.

## Online tax returns for South Africans

**SOUTH AFRICAN** taxpayers can now submit tax returns via the Internet following the launch of an electronic tax return and submission service in June.

eFiling is a secure electronic tax return and submission service offered by the South African Revenue Service (SARS) that removes the risks and hassles of manual tax returns. It also allows taxpayers to settle their tax obligations online.

The introduction of eFiling is in line with the 2002 SADC Memorandum of Understanding (MOU) on Cooperation in Taxation and Related Matters.

The MOU provides for the creation of a SADC tax database and commits Member States to work together in responding to information technology and digital challenges.

The Member States have committed themselves to a review of issues relating to e-commerce, e-billing or e-customs clearance, and the impact this may have on tax revenue collection and on the flow of goods and services.

Harmonisation of taxation policies is one of the building blocks towards the establishment of a SADC Customs Union by 2010. The Customs Union is a precursor to the SADC Common Market set for 2015.

## National policy on traditional medicine in Madagascar

**THE GOVERNMENT** of Madagascar has shown its political commitment to traditional medicine by supporting, through an interministerial convention, a commission to study regulations on traditional medicine and its pharmacopoeia in the country.

An Advisory Committee on Traditional Medicine was created in 2002. The committee brings together the principal

public and private stakeholders in a spirit of partnership, and has recently drafted the national policy on traditional medicine, which will move forward to be validated by the World Health Organisation (WHO).

The general objective of this traditional medicine policy is to improve access for the population, especially the most vulnerable populations, to quality care and service.

Madagascar is endowed with a flora of unique global importance on account of its biodiversity, endemism, and ethnomedical uses.

Out of some 13,000 species present in Madagascar, over 80 percent are endemic to the island, and more than 3,500 are reported to have medicinal properties. (*IK Notes, World Bank*)

# Madagascar next centre in Africa's oil boom

INTERNATIONAL OIL conglomerates are scrambling for a share of Madagascar's oil sector as the Indian Ocean island is fast emerging as the next centre of Africa's energy boom.

Initial projections are that Madagascar could produce 60,000 barrels per day in three to four years, with revenue of several billion dollars, which would quickly make the oil industry the main contributor to the country's Gross Domestic Product (GDP). The GDP was US\$5.5 billion in 2003.

The government has started auctioning oil-drilling rights and, according to Hugues Rajaoson of the Ministry of Energy

and Mines, the potential for production is high.

"The sector could contribute up to 15 percent of GDP within five years," Rajaoson said.

Among the global oil giants scrambling for a share of Madagascar's resources are those from the United States, the United Kingdom, France,

the Netherlands, Norway, China and South Korea.

Official estimates put offshore reserves as high as five billion barrels, but the exact size remains unknown.

If development of the oil industry proceeds as planned, Madagascar will join Angola as a beacon of SADC in the oil in-

dustry. Namibia has also been assessing the feasibility of establishing a viable oil sector.

Angola is sub-Saharan Africa's second largest oil producer after Nigeria.

Madagascar's economy emerged from a recession in 2002, and reached a growth rate of 9.8 percent in 2003.

The country's other major export is vanilla, for which it is the largest producer in the world. It is also the second largest producer of rice in Africa.



Vanilla and rice, two of Madagascar's major exports.

## Second phase of Lesotho Highlands Water Project planned

LESOTHO AND South Africa plan to construct the second phase of the Lesotho Highlands Water Project to meet the needs of their growing economies.

According to the Trans-Caledon Tunnel Authority, the bulk-water infrastructure company owned by South Africa, a treaty signed by the two countries in 1986 envisages four possible phases of the project.

Phase One, which cost R16.7 billion (about US\$2.4 billion), was completed in 1998 with the construction of Katse Dam and delivery tunnels to transfer water to the Vaal River system in South Africa.

The project aims to meet the needs of South Africa's Gauteng province, which generates about 60 percent of the country's industrial output and 80 percent of its mining output. The province needs more water than its main source - the Vaal River - can provide.

A tender was issued last December for a joint feasibility study on the next phase.

## Parliamentarians lobby government over uranium

LEGISLATORS IN the United Republic of Tanzania are lobbying the government to consider exploration of uranium reserves for electricity generation.

Tanzanian reserves of uranium are known but have not been exploited despite the adoption of an Atomic Energy Act in 2003.

Uranium has not been included in the mining sector's plan of action because it falls under the Science and Technology Ministry, rather than the Energy and Minerals docket, say experts.

Parliamentarians, led by Mohamed Habib Mnyaa, are pushing the *Bunge* (Parliament) to amend the Atomic Energy Act No. 7 of 2003 to place uranium exploration under the Ministry of Energy and Minerals.

The Mkuju river basin in the south of the country boasts 2,000 sq km of uranium-rich land. An estimated one-third of the continent's known uranium deposits are located in this region. Yet

Tanzanian industry has been severely disrupted by recent shortages of electricity.

The Deputy Minister of Energy and Miner-

als, Lawrence Masha, has said the use of nuclear technology in the United Republic of Tanzania would be limited by low electricity demand.

## Indian firm to manage Tanzania railway network

RAIL INDIA Technical and Economical Services (Rites) has won the tender to run the operations of Tanzania Railways Corporation (TRC) on a 25-year lease beginning in September.

Rites is to pay US\$100.5 million to the Tanzanian Railway Asset Holding Company over the life of the concession, and will be responsible for rehabilitating infrastructure and train operations, both passenger and freight.

The Indian company is expected to offload 19 percent of its shares to Tanzanians and to remain with 51 percent of shares so as to outsource capital more smoothly through such international funding institutions as the World Bank and the African Development Bank, according to the 25-year concession agreement.

A single nuclear plant generates at least 500 megawatts (MW), while Tanzania's peak demand is about 400 MW.

Rites, which is wholly owned by the Indian government, now has 35 ongoing projects in 13 countries, mostly in the transportation sector.

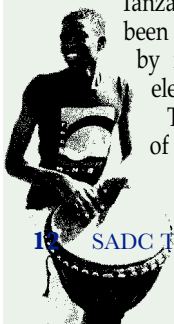
TRC is a state-owned enterprise that runs a railway network that once was part of the East African Railways Corporation operating in Kenya, Uganda, and the United Republic of Tanzania.

TRC is the largest transportation enterprise in Tanzania, providing services to both domestic goods and cross-border cargo to neighbouring Burundi, Rwanda, Uganda and the Democratic Republic of Congo.

### CURRENCY CHECKLIST

Country	Currency	(US \$1)			
Angola	Kwanza (100 lweie)	80.37	Botswana	Pula (100 thebe)	6.07
Lesotho	Maloti (100 lisente)	7.11	Madagascar	Ariary	9,275.00
Mauritius	Rupee (100 cents)	32.75	Mozambique	Metical (100 centavos)	25.86
South Africa	Rand (100 cents)	7.19	Swaziland	Lilangeni (100 cents)	7.18
Zambia	Kwacha (100 ngwee)	3,887.50	Zimbabwe	Dollar (100 Cents)	250.00
			DRC	Congo Franc	462.00
			Malawi	Kwacha (100 tambala)	137.16
			Namibia	Dollar (100 cents)	7.19
			Tanzania	Shilling (100 cents)	1,312.00

September 2006



# Towards a common vision to end poverty

**THE LEVEL** of awareness and knowledge among diverse interest groups about southern Africa's development strategies needs to be intensified if the different poverty reduction efforts are to yield a common objective.

SADC leaders attending the 2006 Summit in Maseru were critical of the slow pace in implementing the region's two socio-economic and political development blueprints.

These are the Regional Indicative Strategic Development Plan (RISDP) and the Strategic Indicative Plan for the Organ on Politics, Defence and Security Cooperation (SIPO) which were developed as part of a restructuring exercise that began in 2001.

Implementation has not progressed further than the un-

bundling of the blueprints into 1-year, 5-year and 15-year business plans. This exercise was done in the 2004/05 financial year.

In a discussion that ran parallel to the summit and was broadcast live on SABC Africa, panelists cited a lack of knowledge about the RISDP and SIPO among the wider regional community as a key factor hampering positive contribution by other stakeholders.

The panel discussion, organized by the UK-funded Southern Africa Trust and a network of non-governmental organizations, attracted a wide range of stakeholders from media, civil society, business, government and cooperating partners.

The discussion noted that the weakness in implementation is

not an indication of lack of political will and commitment by Member States. Rather, Member States have to attend to competing objectives and balance national with regional priorities to achieve acceptable trade-offs within national budgetary constraints.

The lack of self-financing instruments is yet another factor that continues to hamper SADC's central coordinating institutions such as the Secretariat and the National Committees.

When SADC centralized its administration, it created Na-

tional Committees which are supposed to drive implementation of SADC programmes at the national level. The wide spectrum of stakeholders at the national level is expected to feed through the National Committees.

However, these committees remain largely non-functional in most Member States.

It was noted that regional representative groups of stakeholders can still engage with the RISDP and SIPO by placing a person at the Secretariat, a proactive arrangement that has worked well for business.

## 2006 SADC Media Awards presented

**WINNERS OF** the 2006 SADC Media Awards were presented with their prizes at the SADC Summit in Maseru.

The awards were presented in the four categories of television, radio, photojournalism and print media. The winners are from Mozambique, South Africa and Zimbabwe.

Alfredo Lazaru Mueche of Mozambique won the award for the best photojournalist from the region in 2006.

There were five entries in the radio categories and the winner was Fazila Dahall of South Africa whose entry portrayed the many facets of HIV and AIDS.

AndreSmith of South Africa was the best television journalist for his entry that explored the notion that HIV and AIDS is a black disease and depicted the stigmatised racial definitions of risks of contracting the disease. The documentary encouraged white South Africans

to also acknowledge their place in the pandemic.

Takawira Musara of Zimbabwe took the prize in the print category. His entry focused on the effects of HIV and AIDS in southern Africa and the need for a regional response to the pandemic.

The aim of the awards is to encourage the media to play a leading role in the dissemination of information on SADC and to recognise the role of journalists in the promotion of regional integration.

The 2007 SADC Media Awards competition was also launched during the summit. There will be no theme for the 2007 competition, which means that all entries promoting regional integration will be accepted.

Entries are invited from work published or broadcast in a recognised media house or agency between January and December 2006.

## Winners of Schools Essay Competition announced



Winners of the Schools Essay Competition with President Festus Mogae (right).

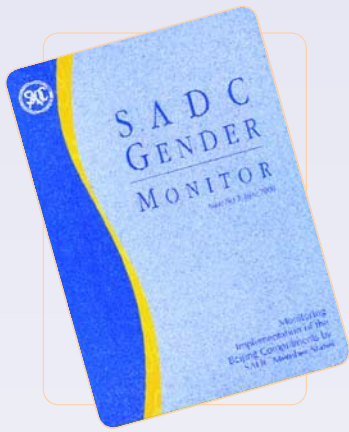
**WINNERS OF** the SADC Schools Essay Competition for 2006 were announced during the SADC Summit and presented with their prizes.

The topic for the 2006 competition was "Food and Nutrition in the SADC region has been unsatisfactory for many years now. Discuss the causes of this situation and suggest possible actions which the people and governments of SADC should take to ensure that there is adequate food available for proper nutrition in the region."

Herry Mapesi of Benjamin W. Mkapa High School in the United Republic of Tanzania won first prize.

The second prize went to Boitshwarelo Mokgethi of Botswana while Lorraine Chitereka of Lesotho took third prize.

The competition aims to raise awareness among the youth about the activities and programmes of SADC and to bring to their attention issues that affect them.



## Where we are now... Where we are going

THE SADC Gender Unit has published a new edition of the SADC Gender Monitor, giving progress toward gender equality in the region, and presenting the steps to be taken over the next year in preparation for a gender protocol to be presented to the SADC Summit in Lusaka in 2007.

The head of the SADC Gender Unit, Magdeline Mathiba-Madibela, says in her Foreword that "Southern Africa has scored relatively good results in the implementation of the gender commitments set by the Beijing Platform for Action and its Declaration, and the SADC declaration on Gender and Development (1997) and its Addendum (1998). However, a lot still needs to be done to fully address the critical areas of concern and special target groups such as the poorest of the poor, rural women, women with disabilities and the girl child.

"The SADC Secretariat's role to coordinate and facilitate the implementation of the commitments on gender should not be viewed in isolation. As affirmed by the RISDP, the role of all stakeholders is crucial in the realisation of gender equality targets in the region."

For Southern Africa, "this is an important time to reflect and re-strategise for the future and make full utilisation of the investments that we have made to date in pursuing gender equality in the region."

The SADC Gender Monitor is produced for SADC by the Southern African Research and Documentation Centre (SARDC) Women in Development Southern Africa Awareness (WIDSAA) programme.

Available from SADC registry@sadc.int or SARDC widsaa@sardc.net

Full text online at Southern Africa Virtual Library www.sardc.net



## Report of Think Tank on HIV Prevention in High-Prevalence Countries in Southern Africa

IN A bid to increase the pace of HIV prevention in Africa, SADC, with the support of the regional HIV Prevention Group, convened a three-day think tank meeting in Maseru, Lesotho in May 2006 focusing on HIV prevention in high-prevalence countries in southern Africa.

In the foreword, SADC Executive Secretary, Tomaz Augusto Salomão, acknowledged that the scale of the epidemic in southern Africa makes HIV and AIDS the "single greatest threat" to attaining SADC's objective of sustainable and equitable socio-economic growth and development.

The findings and recommendations of the meeting were compiled into a report,

which established that in Uganda, Kenya and Zimbabwe, the reduction in multiple sexual partners was the most extensive contributing factor for the decline in HIV incidence.

The meeting observed that high-risk sexual activities such as casual sex are no longer main drivers of new infections.

The report recommended that there is need for alignment of national policies and programmes to regional and continental commitments, and urged community monitoring of the dynamics of the pandemic..

Available from SADC Secretariat

Email registry@sadc.int

Website www.sadc.int

## PUBLICATIONS

### HIV/AIDS and Militaries in Southern Africa

CCR and UNAM

Cape Town and Windhoek, 2006

The Centre for Conflict Resolution and the University of Namibia convened a two-day policy advisory group seminar in early 2006 under the theme, "Namibia's Chair of the SADC Organ: HIV/AIDS and Militaries in Southern Africa", bringing together a diverse group of policy-makers, representatives of civil society, military experts, HIV and AIDS management and mitigation practitioners. This report captures their discussions.

Available in electronic format from Centre for Conflict Resolution, University of Cape Town, 31-37 Orange Street, Cape Town 8000, South Africa. Email mailbox@ccr.uct.ac.za

Website <http://ccrweb.ccr.uct.ac.za>

### Global Trade: Past Mistakes, Future Choices

Greg Buckman

South Africa, Cape Town, Zed Books, 2005

294pp

The author details possible future directions in global energy supplies and balance of payments imbalances. He argues that, just as current trading arrangements have been the product of past decisions emerging out of apparently unrelated considerations, factors such as future fossil fuel costs, global warming, and the economic imbalances between the North and South are likely to impel a radical reshaping of the World Trade Organisation and the principles enshrined in its agreements as well as the global trading system in general.

Available from Zed Books, c/o David Philip, Cape Town, 99 Garfield Road, Claremont 7700. P O Box 46962, Glosderry 7702,

Email [info@newafricabooks.co.za](mailto:info@newafricabooks.co.za)

Website [www.zedbooks.co.uk](http://www.zedbooks.co.uk)

### Human Rights Monitoring and Enforcement Mechanisms: a Practical Guide to the United Nations and the African Union Human Rights Protection Mechanisms

Philiat Matsheza and Leonard Zulu

Harare, Zimbabwe: SAHRI, 2006

109pp

This guide seeks to explain what human rights law means and the main human rights enforcement and implementation mechanisms of the United Nations and the African Union. The handbook has been updated and republished to take into account changes in the international and regional protection and enforcement systems.

Available from Human Rights Trust of Southern Africa (SAHRI), 12 Ceres Road, Avondale, PO Box 2448, Causeway, Harare, Zimbabwe. Email [sahrit@sahrit.org.zw](mailto:sahrit@sahrit.org.zw) Website [www.sahrit.org](http://www.sahrit.org)

### The Millennium Development Goals: Raising the Resources to Tackle World Poverty

Edited by Fantu Cheru and Colin Bradford

South Africa, Cape Town, Zed Books in

association with Helsinki Process, 2005

238pp.

Provides an up-to-date and detailed analysis of the diversity of new proposals and mechanisms currently being discussed in order to raise the necessary financial resources to make the achievement of the MDGs a reality by 2015. Some key issues examined include development aid, foreign direct investment, remittances by migrants, commodity export prices and new ideas to secure sustainable debt relief, including debt cancellation, revaluation of IMF gold reserves, debt arbitration and other proposals.

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SADC TODAY is published six times a year by the Southern African Research and Documentation Centre (SARDC) for the SADC Secretariat in Gaborone, Botswana, as a reliable, knowledge source on the Southern African Development Community. The contents consider the Millennium Development Goals (MDGs) and the New Partnership for Africa's Development (NEPAD) as integral to the region's development.

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SADC TODAY welcomes contributions from individuals and organisations within the SADC region in the form of articles, photographs, news items and comments, and also relevant articles from outside the region. A standard fee is paid for articles, photos and illustrations used in the publication. The publishers reserve the right to select or reject items, and to edit to fit the space available. The contents do not necessarily reflect the official positions or opinions of SADC or SARDC.

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SADC TODAY is published in English and Portuguese and is available electronically in English, Portuguese and French at [www.sadc.int](http://www.sadc.int) [www.sardc.net](http://www.sardc.net).

**DESIGN & LAYOUT**

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p1, Copyright South African Tourism; 4, D Martin, P Johnson, DEAT;  
4, 16 CDF; 5, (top left) 7, 8, 13, SARDC; 6, Mackson Wasamunu;  
9, HartRAO (South Africa); 12, IRIN;

**ORIGINATION & PRINT**

DS Print Media, Johannesburg

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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.

Thanks to the following airlines for assisting with distribution of SADC Today:  
Air Botswana, Linhas Aeresde Moçambique, Air Namibia, South African Airways,  
Air Mauritius, TAAG Angolan Airlines, Zambian Airways and Air Zimbabwe

**EVENTS DIARY 2006**

October  
3-6 Namibia

**Tourism 2006**

This is the third in a series of investment promotion meetings held under the auspices of the EU-SADC Investment Promotion Programme (ESIPP). Tourism 2006 is a unique forum aimed at encouraging the 14 SADC countries to engage in international, financial, technical and commercial collaboration for development of tourism and hospitality in the region.

17-19 South Africa

**Energy Summit in Africa**

The summit to be held in Cape Town will provide a forum for all the main actors in the energy sector (government, NGOs and energy companies) to debate and propose recommendations oriented to the African energy sector.

18-19 South Africa

**African Business Leaders Forum**

The forum aims to identify and propose implementation of sustainable solutions to the continent's developmental challenges. The fourth forum will have leaders from public and private sectors to discuss critical issues such as service delivery, infrastructure development and poverty alleviation.

25-27 Italy

**World Congress on Communication for Development (WCCD)**

The WCCD aims to analyse and evaluate new developments in the field of communication for development. The congress will focus on the importance of communication to development and make recommendations of how to apply it in developmental policies.

TBA

**SADC Extraordinary Summit**

The extraordinary summit will consider the report of a ministerial taskforce set up during the 26th SADC Summit of Heads of State and Government in Maseru in August. The taskforce was tasked to come up with recommendations on overlapping membership of regional economic communities, staffing of the SADC Secretariat and implementation of SADC programmes and projects.

November  
16-17 Belgium

**EU-Africa Business Forum**

The first EU-Africa Business Forum, will take place in Brussels, to provide an opportunity for African business to boost private sector development and encourage European investors to consider opportunities in Africa.

29-1 Dec. Zambia

**Mines 2006**

Mines 2006 is the fourth in a series of sectoral partnerships meetings funded by the EU-SADC Investment Promotion Programme (ESIPP). It focuses on the mining sector in the 14 SADC countries by encouraging international financial, technical and commercial partnerships.

December  
4-5 Switzerland

**Implementation and follow-up of WSIS Meeting**

As follow up to resolutions of the WSIS conference held in November 2005, an experts meeting will be held under the theme "Using ICTs to Achieve Growth and Development". The meeting will discuss the impact ICTs have on aspects of development such as industrial sectors, international trade and employment.

3 Madagascar

**Madagascar Presidential Elections**

These will be the eighth presidential elections held since 1965. The President is elected by direct popular vote for a five-year term and the country's electoral system provides for the conduct of a run-off in the event that there is no clear winner from the first round.

# 20 years 1986 - 2006

## Samora Machel remembered

**SOUTHERN AFRICA** will commemorate in October the 20th anniversary of the death of Samora Moises Machel, Mozambique's first president and leader of the Front for the Liberation of Mozambique (Frelimo).

Machel and 34 others, including some of his closest aides and advisors, died when the presidential plane, returning from a summit in Zambia, crashed at Mbuzini in South Africa on 19 October 1986.

The cause of the crash has not been officially determined, although circumstantial evidence points to a false navigational beacon placed by the former apartheid regime in South Africa to draw the plane off course.

President Armando Emilio Guebuza, who chaired the Mozambican inquiry in 1986 which did not have full access to materials held by South Africa, said his government will not rest until the circumstances of the death of the country's first president have been fully clarified.

Unveiling a plaque in memory of Machel, Guebuza described him as "as farsighted leader and a visionary politician."

He was speaking at ceremonies in the north of the country, in Pemba, to mark Armed Forces Day, the anniversary of the launching on 25 September 1964 of the liberation war to free the country from Portuguese colonial rule.

This year, the date marks the start of a month of commemorations of the 20th anniversary of Machel's death, including a ceremony at Mbuzini.

The memorial at Mbuzini is perched on an isolated hillside and has embedded in a cement base 35 vertical steel pillars, one for each person who died. They cast long shadows over the base, and the wind causes a permanent whispering through small incisions in the pillars.

The monument was designed by the well-known Mozambican architect, José Forjaz, who is Director of the Faculty of Architecture at Eduardo Mondlane University in Maputo. Forjaz says the memorial "has a number of meanings – symbolic, aesthetic, and even acoustic..."

Machel was the leader of Frelimo, which toppled the colonial Portuguese administration through guerrilla warfare.

Machel became the first president of Mozambique at independence on 25 June 1975, and his government accommodated liberation fighters from South Africa and Zimbabwe who were still battling to overthrow the apartheid and Rhodesian regimes.



### WE WILL REMEMBER

The aeroplane carrying President Samora Moises Machel of the Republic of Mozambique and 34 of his compatriots and colleagues crashed here in Mbuzini, in unexpected circumstances, on 19 October 1986.

### SAMORA MOISES MACHEL

Born: 29 September 1933 Died: 19 October 1986

"Throughout the day we shall mourn with you a mighty soldier, a courageous son, a noble statesman. We must believe his death will strengthen your and our resolve to be finally free... Our struggle has always been linked and we shall be victorious together."

(Message of condolence from Nelson Rolihlahla Mandela, while still imprisoned, to President Machel's widow, Graça Machel)

Declared, National Monuments Council, 1998

## Cultural centre in honour of Neto

A **CULTURAL CENTRE** in honour of Angola's first president and leader of the liberation struggle for independence, António Agostinho Neto, is being built in his home area in the Northern Bango province. The centre, being built on a 19,000 sq m plot in Neto's Catete village, will comprise of a museum, arts exhibition room, conference halls, kiosks, an auditorium and playgrounds.

### Public holidays in SADC October - December 2006

1 October	Public Holiday	Botswana
2 October	Public Holiday	Botswana
4 October	Independence Day	Lesotho
4 October	Reconciliation Day/Peace Day	Mozambique
9 October	Mother's Day	Malawi
14 October	Mwalimu Nyerere Day and Climax of "The Uhuru Touch Race"	Tanzania
21 October	Divali	Mauritius
24 October	Eid-UI-Fitr *	Mauritius, Tanzania
24 October	Independence Day	Zambia
1 November	All Saints Day	Madagascar
2 November	All Saints Day	Angola
2 November	Arrival of Indentured Labourers	Mauritius
11 November	Independence Day	Angola
9 December	Independence Day	Tanzania
10 December	International Human Rights Day	Namibia
16 December	Day of Reconciliation	South Africa
22 December	National Unity Day	Zimbabwe
25 December	Christmas Day	All SADC
26 December	Boxing Day	Botswana, Lesotho, Swaziland, Malawi
26 December	Family Day	Namibia
26 December	Day of Goodwill	South Africa
26 December	Public Holiday	Zimbabwe

\* Depends on visibility of the moon