



MEMORANDUM N° 129/2011

15/08/2011

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ONE) – EU-27 TRADE IN GOODS WITH ACP COUNTRIES

In 2010, the overall trade in goods (the sum of imports and exports) between the EU and the ACP countries was valued at EUR 133 billion. This was a rise of 20 % compared with 2009 but failed to regain the value recorded in 2008. The growth was evenly shared between imports and exports. The trade deficit, which had persisted for nearly a decade, turned into a trade surplus in 2009 and continued in 2010 (EUR 3.8 billion). South Africa continues to be the most important trading partner among ACP countries accounting for more than a quarter in terms of EU-27 imports and exports. Nigeria and Angola follow in second and third places, although together they account for lower trade values than South Africa. The EU has now made comprehensive data available in a publication. (European Commission)

TWO) - KEY DEADLINE LOOMS IN EPA TALKS FOR SADC

A market access regulation giving SADC states, including Botswana, duty and quota-free access to the European Union is expected to elapse soon, potentially squeezing the affected states out of the world's biggest market for beef, minerals, textiles and other products, BusinessWeek has learnt.

However, Botswana will fall back on a 2009 interim Economic Partnership Agreement (iEPA) it signed with the EU, which will limit the potentially devastating effects of losing the EU market. It was revealed this week that the market access regulation, drafted and made available to the African states by the EU in January 2008, could expire within two years, leaving several countries in the cold. The regulation's expiry is linked to the "inordinate delay" in the finalisation of a comprehensive EPA between the EU and SADC states.

The EU's outgoing Head of Section (Politics, Trade, Press and Information), Lena Sund, told BusinessWeek the regulation was a transitory arrangement put in place while a full agreement was being worked out. "The regulation is a bridging facility put in place between the Cotonou Agreement and the iEPA," Sund explained. "It is what allowed Botswana and other countries duty and quota-free access to the EU. [...]"

It is understood high-level European Commission discussions on termination of the market access regulation are directly influenced by the dimming prospects for an early finalisation of a full EPA. On the state of play, Sund said current negotiations were focussed on tariff issues between the EU and South Africa which, once resolved, would allow for other SADC members to re-start the end-game towards a full EPA. (Mmegi Online)

THREE) – GERMAN MINISTER PRESENTS BMZ STRATEGY ON DEVELOPMENT POLICY

In Berlin, Dirk Niebel, German Federal Minister for Economic Cooperation and Development, presented the BMZ's new strategy on development policy. The paper outlines the guiding principles for Germany's development cooperation.

Dirk Niebel said: "This is the first time that we put down on paper in detail which ideas are to guide us in designing our development policy over the next few years. However, our work will not end with the presentation of the strategy. We will pursue an open and transparent process in which we will confidently approach the public and encourage debate about the strategy. When I say public, I mean our parliament and civil society, our implementing agencies, political foundations, and churches, but also the general public, who will be able to participate, among other things, on the basis of an online platform. I look forward to a fruitful exchange over the next two months. The input we receive in the course of that process will inform our further efforts to specify the strategy's ideas in greater detail." [...]"

The strategy is entitled Minds for Change – Chancen schaffen. Enhancing Opportunities – Zukunft entwickeln. "If you want to shape the future, you need to be able to 'think change' and go for innovation," Dirk Niebel said. The strategy centres around people and focuses on fighting the causes of poverty. The idea is to empower people in developing countries in such a way that they are able to take control of their own future. That is why human rights and good governance are key themes in the strategy. Other focal aspects are education, which is key to overcoming poverty, and economic development. Dirk Niebel said, "Entrepreneurship creates jobs and tax revenue, and inclusive growth leads to sustainable development. Government efforts alone cannot bring that about." (BMZ)

FOUR) - SOMALI WOMEN BEAR SUPERHUMAN BURDEN

While the exit of the rebel group Al Shabaab has led to the first U.N. relief airlift in five years in the capital of famine-wracked Somalia, the situation for women and children remains precarious, humanitarian workers warn. "We have heard very sad stories of women having to abandon their children along the way because they were too weak to carry them," said Andreas Needham, a public information officer for the [U.N. High Commissioner for Refugees](#) in Somalia (UNHCR).

The latest developments in Mogadishu are a "step in the right direction", Augustine Mahiga, U.N. Secretary-General Ban-Ki Moon's envoy to Somalia, said in an e-mailed statement on Aug. 6. "Real security risks, including from terrorist attacks, remain and must not be underestimated."

Three more areas in southern Somalia were added to the famine zone in the past week, and the U.N. warns that without urgent intervention, all of southern Somalia will be engulfed in famine.

The drought that struck the area was worsened by the presence of the armed militia group, active for almost 20 years. "Many women lost their husbands while fighting, and they're widows now that may find themselves in a worse situation than where they were before," Needham said.

As Matthew Johnson, a press officer at the U.S. Agency for International Development (USAID) told, "Under Somali culture, women face the extra burden of societal expectations that they bear the primary duty to care for and sustain their families, especially children and the elderly, which is a superhuman burden in times of extreme scarcity and insecurity."

What has been declared the worst famine in the last 60 years in the area has so far cost the lives of more than 29,000 children and left another 640,000 malnourished.

But dying of starvation is just the tip of the iceberg, one of the many dangers that women and children face on a daily basis.

According to Janusz Czerniejewski, head of [Intersos](#) at the Kenya and Somalia Mission, conflict over scarce resources increases during drought, putting women and children at higher risk of experiencing sexual violence.

"As they flee Somalia to safety, women and children are passing through areas where armed groups and bandits roam, only to arrive in crowded and potentially dangerous camps. The protection aspects of this crisis are acute and life-threatening. Gender-based violence (GBV) like rape, domestic violence and female genital mutilation is a significant issue in all parts of Somalia," he said.

A report released by the [International Rescue Committee](#) in July showed that violence against women and girls is a serious danger even after they reach the camps, particularly when they must leave to collect firewood or use the forest as a latrine.

Research on sexual violence undertaken by the Protection Monitoring Network (PMN) covering 600 reported cases of rape showed that after a period of six months, 10 percent of the assaulted women committed suicide and 25 percent disappeared.

Johnson said that when many women reach refugee camps, they are forced to assume a role they are not culturally adjusted to, and often lack confidence to perform, as effective heads of the family in the absence of male relatives.

Currently, the U.N. children's agency [UNICEF](#) is scaling up operations to meet the rising humanitarian needs of Somali children and families in the Dadaab refugee camps in Kenya and the surrounding communities.

Somali refugees arrive in Dadaab at an average rate of 1,300 per day. Eighty percent of them are women and children. The total population of the three camps near Dadaab is now more than 400,000, becoming the new third largest city in Kenya.

"Many Somali families who cross into Kenya at Liboi do not realise they must walk another 100 kilometres before arriving at the refugee camps in Dadaab," said Olivia Yambi, UNICEF Kenya representative. "The health of some malnourished children crossing at Liboi is so precarious that they simply cannot wait until they get to Dadaab for treatment," she added.

For that reason, UNICEF has increased supplies of ready-to-use therapeutic food to hospitals and nutrition stabilisation centres in the Dadaab camps and surrounding host communities for the treatment of malnutrition in children under five.

UNICEF has dispatched medicines to existing health centres, including health kits sufficient to support about 10,000 people.

"The positioning of health and nutritional supplies close to the border will save children's lives that might otherwise have been lost on the long journey to Dadaab," Yambi said.

Over 100,000 children have already been vaccinated thanks to the UNICEF's support to integrated campaigns for measles and polio immunisation in different host camps.

"We are acting now because these diseases can spread very quickly in overcrowded conditions like we have now in the camps," said Ibrahim Conteh, UNICEF Dadaab emergency coordinator.

In education, UNICEF is planning to construct 146 new learning centres in the outskirts of the camps to accommodate newly-arrived refugees.

UNICEF estimates it will need almost 315 million dollars over the next six months to scale up operations to reach children in the affected areas with emergency and preventative assistance.

FIVE) – SIERRA LEONE: EU SUPPORT TO BOOST PUBLIC SERVICE

The EU is to help the African country of Sierra Leone upgrade its Public Service. According to the EU, the country's economic development has been held back by decades of weak and deteriorating performances by its Public Services and improvements is high on the list of priorities..

A sustainable approach to Public Service reform in Sierra Leone is planned to convert its PS into a comprehensive and holistic organisation which is financially sustainability and professional.

The EU's assistance would also be designed to contribute to the economic development of the country by supporting the Government's growth agenda, and introducing ways to promote environmental protection and sustainability.

Three projects are to be adopted by the European Commission, the EU's executive arm, to support Public Service reform and assist the Sierra Leone Government build a transparent, accountable and performance-oriented Public Service.

Other priorities include environmental governance and ensuring that the core functions of the Government are implemented at both national and Local Government level.

Support is to be given to the Sierra Leone Investment and Export Promotion Agency to support its capacity as a key player in the growth agenda by promoting development of the private sector.

The overall package, which will cover the period 2008-2013, will cost 264 million Euros (\$A345 million) and additional support is made available through regional and specific themed programs.

SIX) – EU-FUNDED WEATHER INDEX PROJECT TAKES OFF IN AFRICA

This week, the Kenya College of Insurance in collaboration with the World Bank and the European Union's All ACP Agricultural Commodities Programme (AAACP) started the Weather Index Capacity Building Programme. The aim is to equip insurers with knowledge and skills on how to develop weather indexed crop insurance products. The trainings will be conducted in Burundi, Malawi, Uganda, Rwanda, Zambia, Ethiopia, Tanzania, Zimbabwe and Mozambique.

Weather Index insurance is insurance that is linked to an index, such as rainfall, temperature, humidity or crop yields, rather than actual loss. This approach solves some of the problems that limit the application of traditional crop insurance in rural parts of developing countries. An example of index insurance and the most common application in developing countries so far, is the use of an index of rainfall totals to insure against drought related crop loss. Payouts occur when rainfall totals over an agreed period are below an agreed threshold that can be expected to result in crop loss. [...]

As shortage of rainfall ravages the Horn of Africa region with devastating effect on the food security situation, the insurance industry is digging in to offer a long term solution that could see the region remain food sufficient even when rainfall fails. The solution is in the form of agriculture insurance. The aim is to encourage innovation around weather related agriculture insurance to help farmers face the risk of rainfall shortage that affects yields and lead to loss of income and food shortage.(Coastweek)

SEVEN) – NIGERIA: OIL SPILLS - SHELL TO PAY \$410M TO Ogoniland

In the first case of its kind, a British high court sitting in London has ordered oil major, Royal Dutch Shell to pay compensation of potentially more than £250m (\$410m) to the Bodo community of Rivers State, after the Anglo-Dutch oil group admitted liability for two spills around the community, following a class-action lawsuit brought in England by the Niger Delta community.

Martyn Day of the London-based law firm Leigh Day & Co. represented the Bodo Community and brought the legal claim for damages against Royal Dutch Shell plc. (RDS) and its subsidiary, Shell Petroleum Development Company (Nigeria) Ltd. (SPDC).

It was the first time the companies faced claims in England for damages resulting from their operations in Nigeria. The lawsuit was filed in England in April this year over two oil leaks in 2008 and 2009 that caused devastating damage to the environment and the waterways in particular to the fishing community of Bodo. (AllAfrica/Leadership Nigeria)

EIGHT) – MAURITIUS SUGAR PRODUCTION 7.1% LOWER THAN EXPECTED

Due to poor weather conditions, Mauritius has been forced to correct its sugar production forecast for 2011 by 7.1 percent. The government expects a weak harvest with a mere 390,000 tons of sugar as opposed to 420,000 in prior predictions, said Prime Minister Navinchandra Ramgoolam. Overall, sugar makes up 1.2 percent of Mauritius' GDP. After a WTO verdict, the EU had to cut its guaranteed price policy for sugar exporting ACP countries by 36%, prompting Mauritius to focus more strongly on the export of value-added sugar. (Reuters)

NINE) – MALAWI: REMAINING IN THE DARK

Malawi's attempts to improve trade and investment in the country have taken a huge step backwards following a decision by the Millennium Challenge Corporation (MCC), a United States government foreign aid agency leading the fight against global poverty, to put on hold 350.7 million dollars meant to improve the country's flawed energy sector.

Power interruptions are common in this southern Africa country where households and businesses go for up to six hours at a stretch without electricity. A day barely passes without the electricity being switched off and at most times it goes out without prior warning.

Now economic commentators say the country's chances for trade growth have been ruined as the MCC rescinded its decision to improve the energy sector. The country's unreliable power supply has always presented a difficult environment for both local and foreign investors.

Chancellor Kaferapanjira, chief executive officer of the Malawi Confederation of Chambers of Commerce and Industry, a partnership of enterprises and associations representing all sectors of Malawi's economy, told IPS that the hope for a better energy sector has been shattered. "The powers that be in this country are not doing much to help the situation. The energy crisis is being made worse by the local authorities. Government knew from the start that the MCC would demand good governance in exchange for the assistance it pledged to Malawi," said Kaferapanjira.

The MCC said in a statement on Jul. 26 that it made the decision to withhold the funds because of the use of force by Malawian authorities to prevent peaceful demonstrations on Jul. 20 and 21. Restrictions had also been imposed on the media reporting on those demonstrations.

Up to 275 arrested in the demonstrations staged against President Bingu wa Mutharika in protest against frequent fuel shortages, acute shortage of foreign exchange, recurrent and long spells of power outages, and water scarcity. The MCC funds, which were to be utilised within five years from 2011, were to be used to increase the efficiency of existing power generation and to upgrade the transmission and distribution network.

It was also meant to provide support towards building capacity in the Electricity Supply Corporation of Malawi (ESCOM), the country's sole supplier of electricity; the Malawi Energy Regulatory Authority, the energy regulator; and the ministry of natural resources, energy and the environment - the executive policy-making ministry for energy.

The project was aimed at reducing power outages and technical losses, enhancing the sustainability and efficiency of hydropower generation, and improving service to electricity consumers. The MCC indicated that it was doing this to improve productivity in the agriculture, manufacturing and services sectors and to support the preservation and creation of employment opportunities in the economy.

Malawi has been trying to improve the power situation and it has been in consultations with Mozambique pursuing a power interconnection deal. However, this remains a plan; Malawi is poor and depends on donors for developmental work.

Up to 40 percent of Malawi's national budget has been dependent on donors and 80 percent of the country's development budget was being provided under the Common Approach to Budget Support, which includes funding from Britain, Germany, the African Development Bank, Norway, the European Union and the World Bank. The British and German governments are already refusing to release up to 400 million dollars, accusing the Malawi leadership of dictatorship and failure to uphold the rule of law.

Kaferapanjira said there is now uncertainty among the business community on how they would continue plying their trade without a reliable power supply.

"As a country we're going backwards. We are facing inadequacies (meeting) the import needs because the manufacturing industry (cannot) perform to its best capability due to the frequent power outages," said Kaferapanjira.

The frequent power blackouts cost the country 215.6 million dollars per year in business and industrial production losses, according to Kaferapanjira.

John Kapito, executive director of the Consumers Association of Malawi, a local non-governmental organisation that protects and promotes consumer interests, told that consumers feel let down by their own government for acting in a way that has put the energy sector in jeopardy. "The MCC money was coming in as a much-needed relief to consumers and the business community. We were all looking forward to boosting trade and having cheaper prices for consumers as we anticipated that commodity prices would be reduced because of availability of energy. We now feel let down by our own government," said Kapito.

Since 2006 Madalitso Gamaliele has been running a small-scale business in the country's capital, Lilongwe. She grinds and processes maize and groundnut into flour, which is used as food by many Malawians.

Gamaliele said she is experiencing huge losses at the moment due to the erratic power supply. "I have to close down the mill every time power is switched off and people, especially women who come to have their food ground, stay for long hours before they have their food processed. I used to make up to 100 dollars per day but now I make just about 20 dollars per day," said Gamaliele.

She said she had hoped that the MCC funds would improve the energy situation for the country and her business. "I am not sure if I can continue with my business now. It looks like the power outages will continue for a long time," she said. "The way forward is to engage everyone in the country, especially government, to commit towards the promotion of good governance and respect for democracy so that we don't lose out on such important funding," said Kapito.

At the beginning of July ESCOM announced that the country would begin to experience longer power outages until the end of the year due to maintenance work taking place at the main hydro power station in the country's commercial centre, Blantyre.

The funds from the MCC were supposed to come into effect before the end of this year and were to be used to improve the performance of Malawi's hydro-electrical power, which has a generation capacity of 287 megawatts (MW) against a demand of 300 MW.

MCC projections indicate that the generation requirements for 2015 and 2020 are 603 MW and 829 MW respectively.

Government authorities have not said much on the issue. Malawi's Finance Minister Ken Kandodo told the media soon after the MCC announced its decision that the country will be holding discussions with the U.S. agency to work on clearing issues with the MCC and to get it to reverse the verdict.

Meanwhile, power interruptions continue and businesses continue to suffer.

TEN) – SWAZILAND: WOMEN AND CHILDREN BEAR BRUNT OF LAWYERS' STRIKE

The standoff between the Law Society of Swaziland and the Judicial Services Commission is negatively affecting women, and their children, who are seeking justice from abuse.

As the lawyers strike in Swaziland continues, cases have stalled in the courts as there seems to be no end to the lawyers' strike, which started on Aug. 1. Prosecutors and government lawyers are not involved in the strike.

The Law Society of Swaziland (LSS) is challenging the Judicial Services Commission (JSC) to institute a probe against Chief Justice Michael Ramodibedi. The LSS accused Ramodibedi of sexual harassment against female High Court staff, among other things. "We have many cases around maintenance which should be processed through the courts. (But) the lawyers representing the women who have filed for the claims are not appearing in court," said Save the Children Swaziland director Dumisani Mnisi.

Swaziland Action Group Against Abuse (SWAGAA) director Cebile Manzini-Henwood concurred and added that it is disheartening for people who have been violated and victimised to be caught up in the judicial

crossfire."Even under normal circumstances cases at the courts move very slowly and they hardly reach completion," said Manzini-Henwood.

She said people whose rights were being violated would lose confidence in the country's judicial system because of the standoff in the courts. SWAGAA is an organisation that helps victims of abuse, mainly women and children, with counselling and accessing justice."We live in a society where the concerns of women and children are not prioritised," said Manzini- Henwood. "As we speak there are no family courts in Swaziland and every case has to go through the mainstream court process, which has created the backlog."

As the backlog piles up, Lomcebo Dlamini, the coordinator of Women and Law in Southern Africa, thinks the fragile justice system is crumbling."There is a lot that is not right with the administration of justice in the country," said Dlamini. "This boycott is adding to the burden."

The LSS accused Ramodibedi of interfering with the judicial process after he suspended High Court judge Thomas Masuku for alleged misconduct. The LSS argued that Ramodibedi had no jurisdiction to suspend Masuku because King Mswati III, through the JSC, appoints judges. (This southern African nation is ruled by the monarchy and political parties are not allowed to contest for power.)

Ramodibedi levelled 12 charges against Masuku, which includes a charge of insulting the King. Masuku is alleged to have done this when he passed judgment earlier this year on a case between Mkhindvo Maseko and the country's Commissioner of Police. The police had allegedly seized 32 herds of cattle from Maseko without a court order as they allegedly belonged to the King.

In his judgment Masuku had said the King could not violate the same laws he expected the nation to uphold.

Many have seen the charges against Masuku as absurd. Masuku was also accused of insubordination against Ramodibedi for allegedly threatening to resign. And Masuku was even accused of having an affair with a female High Court judge.

Masuku's disciplinary hearing was held in camera on Aug. 11 and judgment was reserved. The suspension of Masuku has also affected his cases.

The residents of Madonsa township in Manzini, the commercial capital, protested at the High Court demanding his reinstatement as he was about to pass judgment on their case.

The residents are facing eviction after a company, Tisuka Taka Ngwane, claimed it owned the land they lived on. "This matter has dragged on for too long," said Themba Mamba, one of the affected residents. "It has been through many judges and just when Masuku was about to pass judgment, he got suspended." He said while litigation is very expensive, the process is also not smooth and clear and it was why many people failed to get justice.

"Right now we have this axe hanging over our head," said Mamba. "What if Tisuka (Taka Ngwane) were to come and kick us out tomorrow when the lawyers are on strike? Who will defend us in court?"

Ramodibedi has neither acknowledged nor responded to a petition by the residents.

The JSC, chaired by Ramodibedi, refuses to take action against him arguing that the LSS was supposed to direct its complaint to King Mswati III because constitutionally he appoints the country's judges.

JSC secretary Lorraine Hlophe also accused the LSS of falsely accusing the chief justice.

"The Judicial Service Commission is deeply concerned about the fact that, according to credible evidence in its possession, some of your members (of the Law Society) have been touting staff members at the High Court to falsely implicate the Chief Justice in the sexual harassment charges," wrote Hlophe.

Ramodibeni has refused to answer questions from the Swazi media but poured out his heart to the Lesotho press where he denied the LSS' allegations. He further accused Swazi lawyers of being xenophobic by referring to him by his nationality. He is a Lesotho national.

The boycott, however, goes on with the LSS now intensifying their stance by refusing to work for clients who want to register bonds with the country's banks.

Prime Minister Sibusiso Barnabas Dlamini has appealed to the lawyers to allow the law to take its course regarding the charges against Masuku.

Fernando Matos Rosa

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