

AFRICA ACTION SHEET



BREXIT—Trade Deals kept in the dark!

Spring 2018

Millions of people from the poorest countries rely on trade with the UK and we on them. The Trade and Customs Bills are going through Parliament - two vital pieces of legislation that will shape the UK's trading relations after we leave the EU.

Currently there is no guarantee that people or Parliament will have any say over future trade agreements. But the Bills include provisions that allow the government to replicate controversial EU trade deals with countries like Ghana. These deals, known as **Economic Partnership Agreements**, undermine local businesses and jobs in poorer countries and would be a step in the wrong direction.

We need MPs to call for change to the **Trade and Customs Bills** and make sure our future trade is guided by poverty reduction, sustainable development and democracy.

Read more: www.traidcraft.org.uk/brexit and contact your MP

Helping to revive Tanzania's badly damaged textile industry

Although Tanzania once had 24 garment-making factories, there are now just a handful.



The story behind the sector's collapse is complex. Poor foreign currency reserves made it hard to buy parts to maintain factory machinery. Meanwhile, the economic liberalisation forced on Tanzania by the World Bank flooded the market with cheap garments from overseas and allowed the import of second-hand clothing from wealthy nations like Canada, Australia, Britain and the United States. Local producers simply could not compete.

Known locally as *mitumba*, imported second-hand clothes are everywhere in Tanzania. The government wants to phase out the *mitumba* trade by the end of next year and has an ambitious plan to grow the economy by clothing the nation in garments that are "Made in Tanzania" from Tanzanian cotton.

So far, the government has enticed a number of mainly Chinese investors to set up garment-making factories, by offering them generous tax breaks. However, it also needs a skilled workforce, which is where the Salesians come in.

College principal, Fr Babu Augustine, explains that, in Dar es Salaam alone, 240 young people will complete a six-month tailoring course. Another 560 young people are enrolled in identical courses at other Don Bosco sites across Tanzania – all funded by the government.

After finishing their classroom studies, all the students must complete a two-month internship in a textiles factory, after which they are ready to join the job market.

Read more: www.thetablet.co.uk/.../stitches-just-in-time-helping-to-revive-tanzania-s-badly-damaged....

UK leading transparency revolution for empowerment and growth

The UK is driving greater transparency across the developing countries we work in to deliver greater value for money and accountability, boosting economic growth and improving the lives of poor people.

We are leading the way to drive transparency standards across the world to make governments, company ownership and the oil and mining sectors more accountable, more responsive and more open.

By opening up all areas of spending in the countries we work in, including national budgets and income from trading natural resources, we empower citizens, close down global opportunities for corruption, let people everywhere see how decisions are made and hold their leaders accountable - leading to better economic growth and helping countries to improve their standards of governance.

"Transparency transforms people's lives for the better by enabling countries to collect taxes, improve public services, and ensure a level-playing field in which businesses can flourish."
Harriet Baldwin, Minister of State for International Development, Feb 2018

The UK was a founding member of the **Extractive Industries Transparency Initiative (EITI)**, a global standard to promote the open and accountable management of oil, gas and mineral resources. Ghana, for example, revised its mining tax law after joining the **EITI**, which led to revenues more than doubling between 2010 and 2011, from \$210 million to \$500 million.

www.gov.uk/government/news/uk-leading-transparency-revolution-for-empower....

Global mining firms sue Kenya for Sh334bn compensation

Pending before the **International Centre for Settlement of Investments Disputes (ICSID)** is a Sh200 billion claim by Cortec Kenya Limited and a Sh61.8 billion claim by WalAm Energy Incorporated.

Cortec's prospecting licence for Niobium and rare earth at Mrima Hills in Kwale County was revoked months after it obtained a National Environmental Management Authority permit and subsequently announced a planned Sh44 billion investment in the venture. The government said Cortec's 21-year licence was issued against the laid down regulations that banned exploration of minerals in a gazetted forest.



We have seen how vague language in investment treaties can result in massive payouts. Kenya has developed a model investment treaty and an investment agreements policy with clear rules and responsibilities," said Mr Kiptoo at the 11th Annual Forum of Developing Country Investment Negotiators in Nairobi. 2018. Read more: www.bilaterals.org/?global-mining-firms-sue-kenya-for



TANZANIA'S NATURAL RESOURCE REGULATORY REFORM

Like other African countries, Tanzania is rethinking the regulation of foreign investment and how it can better ensure that investment benefits its citizens.

In Africa, many have seen **BITs (Bilateral Investment Treaties)** as being one-sided in favour of investors. The benefit of local populations through the promotion of sustainable investment is the political and legal goal of many countries, including Tanzania.

The transition to more sustainable development-oriented policies will take some time, and will require the development and consideration of a range of factors—including, for instance, the assessment of manufacturing capabilities in a country like Tanzania.

Tanzania is undoubtedly in the middle of a complex and politically sensitive reform process, one that reignites the age-old questions over **natural resources**. In the era of **BITs**, what will be their impact on Tanzania's regulatory reform aspirations, and how can the government best ensure that its **BIT** network does not hinder these much-needed reforms?

From an African perspective, it is time to rethink the **BIT** regimes, particularly in the context of their impact on states' regulatory space. Read more <https://www.iisd.org/itn/tag/bits/>

KENYAN ANTENNA—ADVOCACY TRAINING COURSE

Over 35 representatives from religious congregations and faith based organizations came together to learn the modern dimensions of advocacy held at Mary Ward Centre in Nairobi on February 15th-16th

The training attracted a wide range of religious men and women as well as key partners working in the media and in areas of advocacy and human rights: Edmund Rice Advocacy Network, Justice Peace and Integrity of Creation, Franciscan Africa, AMECEA, National Justice and Peace Commission of the Bishops, Radio Waumini and Radio Domus Mariae, Tangaza Justice and Peace Centre and Hakimani Jesuit Centre.

Congratulations on the foundation of the new Kenyan Antenna!

Forests fall, animals die, Uganda's burning problem

Charcoal is an integral part of everyday life in Uganda, where most people rely on some form of wood fuel to cook or boil water. For many, the sale of trees also provides a valuable income. Yet this levelling of the landscape, which causes loss of habitat for wildlife and leads to climate change

Demand for charcoal has increased dramatically over recent years, driven by Uganda's population growth and urbanisation. Campaigners warn the trade is now unsustainable, and local leaders are trying to crack down on the cutting of trees for charcoal is unsustainable.

In Nwoya, local government officials are developing an incentive plan to encourage landowners to keep their trees, funded by the penalty fines. Landowners who don't sell their trees for charcoal burning are to be paid 1m Ugandan shillings each year.

Last year, to mark the International Day of Forests, Nwoya district gave 1,000 pine seedlings to 2,000 farmers for each to plant roughly two acres of new trees.

Read more: www.ecologyway.info/

The Africa Action Sheet is produced by the

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