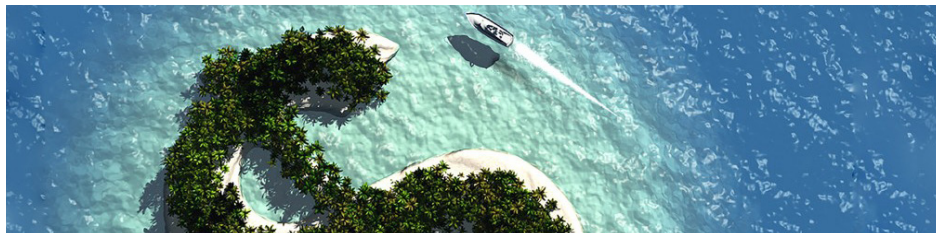


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## Book lifts veil of offshore tax havens secrecy

Tanzania has been urged to join hands with other African countries and development partners to strengthen the United Nations (UN) tax office to enable it to deal with illegal stashing of financial wealth to offshore tax havens.

Speaking at the official launch of a book, 'Lifting the Veil of Secrecy' - The Perspective on International Taxation and Capital Flight from Africa, one of the authors, Prof Odd Helge Fjeldstad, said there is need for international measures in curbing the problem.

Other authors of the book include Tanzanian senior economist, Prof Honest Ngowi, Sigrid Jacobsen and Peter Ringstad. Prof Fjeldstad said the fight against tax evasion and capital flight from Africa to tax havens needs vibrant media, civil societies and international community to raise alarm. He said studies show that at least 30 per cent of all financial wealth held by Africans is illegally stashed in offshore tax havens across the world.

"Individual countries have the role to play in this matter, however, this issue need to be addressed internationally, therefore, I urge both African countries and development partners to strengthen the UN tax office so that it could be able to address the problem," he noted.

Commenting on the book, one of the authors Prof Ngowi said African countries including Tanzania lose huge amounts of money in tax evasion. He said most countries where tax evaders open accounts have been benefitting from the business thus posing a big challenge for resolving the problem.

"It is very challenging because some of the countries benefit from this illegal business. Therefore, there is need for countries to come together for a lasting solution," he noted.

He said the book which comprises 167 pages gives an overview on how tax evasion undermines the domestic tax bases in most African countries. He said the book project started in 2014 and it has been developed as a part of research project Taxation, Institution and Participation (TIP) led by Chr. Michelsen Institute, Norway in collaboration with Mzumbe University Dar es Salaam campus college, Institute for Finance and Economics, Zambia and Tax Justice Network of Norway.

Estimates of the magnitude of wealth held in tax havens remain imprecise, as most of it is hidden and scattered across a vast network of secrecy jurisdictions. In 2014, it was estimated that USD 8T of personal financial wealth is in offshore accounts.

The figure captured only financial wealth with exclusion of tangible assets. In 2015, it was estimated that Africans hold USD 500B in financial wealth offshore, which amounted to 30 per cent of all financial wealth held by Africans. Also it was put clear that African governments lose roughly USD 15B dollars annually.

## Around the World

### French prisons to have landline phones installed in cells

France plans to install landline phones in prison cells in an ambitious attempt to improve rehabilitation rates and reduce rampant mobile phone trafficking behind bars. The justice ministry said it had called for bids to operate the service after successful tests at one prison since 2016. But inmates' new freedom to call up to four pre-approved numbers at any time of the day will not come cheap, with one prisoner advocacy group warning that calls could cost up to 80 cents (\$0.97) a minute.

### Uganda president signs bill lifting presidential age limit

The Parliament of Uganda announced that President Yoweri Museveni has assented to a controversial bill removing the presidential age limit of 75 years. Section 102 of the Ugandan Constitution had previously required that a candidate for president be between the ages of thirty-five and seventy-five. The latter provision was especially relevant to Museveni, who at 73 would be precluded from seeking another term in 2023 if Section 102(b) remained in effect.

### European High Court rules Uber must comply with taxi regulations

The European Court of Justice (ECJ) ruled that Uber must comply with existing transportation regulations. In doing so, the ECJ found that Uber operates more like a transportation company than an online platform that merely connects riders with drivers. This ruling will require Uber operating in an EU country to abide by the transportation regulations of an individual member state as opposed to the less restrictive e-commerce rules of the EU.

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## The Whistleblower and Witness Protection Act of 2015

A low level of knowledge about the existing Act was locking out prospective witnesses from testifying in law Courts for fear of being victimized.

The Assistant Director of Public Prosecutions (DPP), Neema Ringo said that although the Act came into force in 2015, not many Tanzanians were aware of its existence, posing challenges in delivering witness testimonies.

She was speaking at the international judiciary symposium organized by The Wayamo Foundation which called for more awareness and capacity building initiative in educating the public on the Whistleblowers Act.

“Despite the fact we have a legal provision that guarantees the protection of witnesses, very few people are aware of it. This calls for deliberate efforts in raising awareness among the public,” explained the assistant DPP.

According to Ringo, the special Court that deals with economic crimes and corruption uses the legal provision to protect witnesses who comes to the Court to submit their testimonies.

She however said they have so far been few cases of threats to witnesses, partly because the country has not had high profile cases which involve genocide and war criminals like in Rwanda and Kenya.

The Act, which came into force in 2015, was put in place to protect, reward and compensate whistleblowers and witnesses who give information in good faith that exposes potential corruption and unethical conduct. According to the Act, anyone exposing a whistleblower faces at least three years in prison or a minimum fine of TZS 5M or both.

## New by-laws to protect environment in the offing

Minister of State, Vice President’s Office-Union and Environment, Mr January Makamba said that his office has formed model by-laws aimed at strengthening efforts in fighting against environmental degradation.

Mr Makamba was speaking on the office’s performance in the period of two years. “We have done a lot in preserving environment and protecting the nature, we have also managed to resolve various challenges regarding Union matters,” said Mr Makamba.

He said his office formed a template on new by-laws and that if signed by the Minister, will assist in the war against environmental degradation. “The new by-laws are already on the table of the RALG Minister, I believe, they will soon become operational,” he said.

He said the new by-laws are expected to help both the government and the public in preserving the environment. “We believe the new by-laws will help us to protect environment and nature, it is obvious that environment is a major topic across the world, therefore, Tanzania like any other country must do everything in its capacity to protect the environment,” said Minister Makamba.

## Around the World

### Legal action over whether UK can stop Brexit gets go-ahead

The Court of session in Edinburgh has said a legal action can go ahead to establish whether the UK can unilaterally stop the Brexit process if British voters decide the final deal is unacceptable. The petition, brought by a group of MPs, MEPs and MSPs from four parties in Scotland, excluding the Conservatives, will now be served on the UK government, which has 21 days to respond.

### Australia legalizes same-sex marriage with House of Representatives vote

Australia’s House of Representatives overwhelmingly approved a bill legalizing same-sex marriage, with just four votes in opposition. The new law changes the definition of marriage from “the union of a man and a woman” to “the union of 2 people”. This comes after years of resistance from conservatives. There had previously been 22 unsuccessful attempts to make this change since 2004. This particular vote was preceded by a national postal survey in which 61% of over 12 million respondents were shown to be in favor of marriage equality. The response prompted the government to allow a free vote in Parliament.

### Donald Trump’s lawyers threaten Steve Bannon with legal action

The former chief strategist is accused of defaming the president in a row over a new book. Comments attributed to Steve Bannon described the US President as being ‘poorly prepared’. Lawyers for Donald Trump have written to his former chief strategist threatening him with legal action for talking to the author of a book about the president.

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## MPs embrace drones control bill

The Bill, which Attorney General George Masaju tabled in the last National Assembly proposes amendments to the Land Disputes Courts Act, Cap. 2016, the Land Survey Act Cap. 324 and the Natural Wealth and Resources Contracts (Review and Re-negotiation of Unconscionable Terms) Act of 2017.

The proposed legislation, if effected, introduces stern penalty of at least TZS 5M or a two year jail sentence to individuals convicted of taking aerial photographs without legitimate permit from the Land Surveyor.

The fine is an astonishing increment from the current TZS 2,000. "It's wise that the government agreed to raise the bar to ensure culprits don't take advantage of the small amount they are subjected to pay," said Parliamentary Committee on Constitution and Legal Affairs Chairperson Mohammed Mchengerwa.

He said the new amendments will protect and serve the national interests, "We had witnessed a lot of land disputes...the amendments aim at promoting professionalism in addressing land challenges in the country."

## EA laws yet to take precedence over domestic ones

Regional laws are yet to take precedence over the national legislations as required under the Treaty for the Establishment of the East African Community (EAC). "The supremacy of the regional laws over the similar national ones is not tangible yet," said President of the East African Court of Justice (EACJ), Dr Emmanuel Ugirashebuja during a symposium on the quality of public institutions in Africa.

He said although the EAC Treaty was explicit on the supremacy of the regional laws over the national legislations of the partner states, this was not the case, attributing it to lack of commitment by some leaders to the regional integration.

Besides the laws, Article 8 of the Treaty - a key document guiding the operations of the regional bloc- gives more say to community organs and institutions when dealing with matters pertaining to regional integration.

Dr Ugirashebuja, who was speaking at a symposium organised by the Pan African Centre for Policy Studies (PACPS), said similar problems have affected other regional economic communities (RECs) in Africa for what he believes are due to 'political prejudice'.

He cited a case where the High Court of Ghana held decisions of the Economic Community of West African States (Ecowas) for which Ghana is a member cannot be enforced by the Courts in Ghana.

The West African state, a founder member of the regional bloc in 1975 and the first black African to gain independence in 1957, is reported to have not adopted the protocols of the Ecowas Court.

He added that lack of information channels among the African states may have led to dismal performance of the RECs.

"National institutions may not be fully informed on the nexus between the regional framework and national framework," he pointed out.

## Around the World

### Ethiopia officials using spyware to monitor government critics

Ethiopian officials have renewed their campaign of collecting intelligence against government critics abroad through the use of commercial spyware, Human Rights Watch said. According to Citizen Lab, an independent research group in Toronto, Ethiopia, along with other countries such as the US and UK, are spying on government critics through a spyware company, Cyberbit, by attaching documents in emails disguised as Adobe Flash updates and PDF plugins. If successful, these attachments infect the receiving computer with spyware, which can enable the spyware's operator to access virtually any information that is on the computer, take screenshots, enable the computer's microphone, and activate the computer's camera for heightened surveillance.

### Sweden plans change in law to require explicit consent before sexual contact

Sweden is moving closer to making changes to its rape laws that would require people to get explicit consent before sexual contact. The deputy prime minister, Isabella Lövin, said the recent #metoo anti-harassment campaign had "shown that there is a need" for the new legislation. Under the proposal, rape could be proved if the accuser hadn't given their explicit verbal agreement or clearly demonstrate their desire to engage in sexual activity.

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He called on the Arusha-based Centre to take stock of the performance and effectiveness of RECs in order to stimulate the integration of the continent.

He added: "Diverse legal systems, priorities, lack of information channels and political prejudice may pose challenges to the alignment of regional framework to national legislation."

The deputy clerk of the Pan African Parliament, Mr Yusuba Jobe said the African Union (AU) should coordinate the activities of various RECs in the continent because none of them can operate alone.

## African Courts urged to modernise working systems

The Principal Judge, Dr Ferdinand Wambali, has called for effective justice system, major reforms and modernisation of judicial services within national judiciaries in order to meet the expectations of people in the African continent.

In his address while opening the three-day "Third African Judicial Dialogue", Dr Wambali pointed out that an effective justice system that interprets and applies the law fairly, impartially and without undue delay was fundamental to citizens' rights and a well functioning economy.

"Our respective judiciaries therefore cannot do better in improving effective justice without increasingly engaging with the citizens and other Court users to gain more insights on what should be done to serve the society better," he said.

The principal judge explained at the meeting that brought together Chief Justices and Presidents of Supreme and Constitutional Courts from the 55 AU Member States that it was important to understand that quality, independence and efficiency were key components for an effective justice system.

"Indeed, access to effective justice system is an essential right which must be at the foundation of democracy recognised by constitutional traditions. Nobody can deny the fact that everyone is entitled to a fair and public hearing within a reasonable time by an independent and impartial organ," he said.

According to him, in order to improve efficiency of judiciaries, there was need to undertake reforms to the justice system, which are not isolated and geared towards piecemeal solutions. He stressed that such reforms are to take more comprehensive approach for more uniform results.

On modernisation of judicial services, Dr Wambali told 150 delegates from Africa Union Member States that to cope with current developments in the electronic age, Courts should streamline virtually all their judicial and administrative process through new information communication and storage technology.

"We cannot deny the fact that we live in a very fast moving world, where things change by seconds, and the law and justice must keep pace with the changing times. I see this Dialogue has laid emphasis on the use of technology in justice delivery," he said.

## Around the World

### Recreational cannabis use becomes legal in California

California has become the largest state in the US to legalise recreational cannabis use. As of 1 January 2018, adults aged over 21 can possess up to an ounce (28 grams) of the drug and can grow up to six marijuana plants at home. Opponents say the law will lead to more driving under the influence of the drug and introduce young people to drug use. But business is eyeing what could be an industry worth tens of billions of dollars in the next few years.

### Lancashire school dinner halal row faces legal challenge

Plans to ban schools from serving unstunned halal meat have been delayed pending a legal challenge. Lancashire County Council made the decision to stop using the meat in 27 council-run schools in October, saying it was "cruel" to not stun animals before slaughter. Lancashire Council of Mosques is now seeking a judicial review claiming the authority did not consult adequately over the decision.

### US law firms increasingly 'potent' in London

US law firms have made a major impact on the London marketplace, gaining leading roles in big-ticket work and leaving UK law firms increasingly squeezed. Despite many of the 100 or so in London not covering all their costs, they are picking up lead roles on M&A and private equity transactions and corporate and securities investigations as well as pouncing on the best lateral hires. According to the 2018 Client Advisory report, a club of about 15 law firms have emerged, 10 US firms and five Magic Circle firms - which get the best work globally leaving the next tier of UK law firms on the sidelines when it comes to winning major transactions.

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## Ministry clarifies order on dollar ban

The Ministry of Finance and Planning has said services that can be charged in foreign currencies are only those offered to tourists and foreigners.

A statement to clear the air on the issue was released, after the Finance and Planning minister Philip Mpango issued an order for businesses to stop charging all Tanzanian residents in US dollars or other foreign currencies.

It noted that services such as accommodation, travel, airport and visa, as well as transit trade and cargo handling fees at the Dar es Salaam Port can be charged in US dollars or other foreign currencies.

The targeted clients are tourists and non-residents. But where the services are offered to residents, payment has to be made in shillings.

"Tourists and non-residents who are charged in US dollars or other foreign currencies must provide their IDs or passports for proper identification," the statement said.

In case the price quotation is done in foreign currencies but the payment is made in the local currency then the exchange rate to be used must be the market rate of the particular day as determined by bureaux de change and commercial banks, the statement added.

"No Tanzanian resident should be forced to pay in foreign currencies for services or commodities sold in Tanzania," the statement added. The statement further noted that the government has noticed that some services, including rent in leafy suburbs and in commercial buildings, university fees and the selling of electronic appliances, have been charged in US Dollars in contravention of the country's laws.

The implementation of the directive starts effective on January 1, 2018 and that the Police will make checks to see whether businesses comply, the statement further added.

Dr Mpango spoke of the need to amend the law to completely restrict the use of foreign currencies to residents.

"The law does not prohibit making price quotations using foreign currencies. It only provides penalties for those refusing to accept the Shilling in payments. Amendments will have to be made to make it illegal charge residents in foreign currencies."

## Around the World

### **Brazil introduces tougher regulations on 'Fake News' ahead of 2018 elections**

In early December 2017, Brazil's government established a committee to monitor and possibly order the blocking of false news reports on social media ahead of the 2018 presidential elections. The news has raised concerns about censorship among the public.

The "Consultative Council on Internet and Elections" proposed to create a tool through which users could file reports to the Council itself of news that appeared suspicious. This would work as an extension of existing hotlines and website forms where voters can submit complaints to report irregularities in traditional media.

### **Norway Court rules against environmental groups to allow Arctic drilling**

The Oslo District Court ruled that the government may allow Arctic drilling. The ruling was a defeat for environmental groups Nature and Youth and Greenpeace Nordic, which had argued that allowing the drilling would violate the country's obligations under the Paris Agreement on climate change as well as the Norwegian Constitution. The groups had sued the government to invalidate drilling licenses. The Court rejected their arguments and ordered them to pay 580,000 kroner (USD \$71,435) in legal fees. The groups have decried [press release, in Norwegian] the Court's decision and are considering appeal.

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## TCRA announces new five-year interconnection rates

The Tanzania Communications Regulatory Authority (TCRA) has termed Tanzania as one of the fastest growing countries in internet and mobile phone subscription in Africa as it announced new interconnection rates among telecommunication network service providers effective January next year.

Announcing some of the Authority's achievements for the past two years since the 5th phase government assumed office; TCRA Director General, Eng James Kilaba (pictured) said almost half of the country's population can now access internet services.

According to the recent statistics recorded as of September this year, Tanzania had over 22 million internet users, up from 17 million in 2015. "This is a tremendous growth in the communications technology and we will strive hard to maintain this record and surpass it since it has multiple advantages both socially and economically," he said.

On the mobile phone lines, Eng Kilaba said more than 40 million lines have been registered, up from 3 million in 2005 and 39.6 million in 2015. He mentioned another achievement as sharp increase in the cash transaction using mobile phones that have increased from 17.6 million in 2015 to over 21 million transactions this year worth trillions of shillings.

On the interconnections rates, Eng Kilaba said following the public hearing on the proposed rates that was held earlier this month, TCRA has come out with new rates applicable for the next five years effective January next year.

For the next five years, the voice call termination rates will be reduced to 15.60/- from January 2018 to be followed by another reduction to 10.40/- in January 2019, 5.20/- in January 2020, 2.60/- in January 2021 and finally 2.00/- in January 2022.

The new rates automatically phases out the current rates pegged for the last five years which were 34.92/- in March 2013, 32.40/- in January 2014, 30.58/- in January 2015, then 28.57/- in 2016 and 26.96/- in January 2017.

"Many times operators have not been able to come into amicable agreements due to conflicting commercial interests forcing the regulator to intervene and determine rates after following a due process stipulated by the relevant sector law," said Eng Kilaba.

## Govt to issue e-passports, tight screws against misuse

The government will soon start replacing the current passport with the technologically savvy e-passport.

The Minister for Home Affairs, Dr Mwigulu Nchemba revealed that the government has reached a good stage in preparing new passports and that soon it will start issuing them to qualified Tanzanians.

Dr Nchemba said 75 per cent of the project has been completed. "I can confirm that we have reached a good stage, only a quarter has remained before completing all procedures of issuing electronic passports," he said.

According to Dr Nchemba, the new passport will exclude all people who have been using illegal means to obtain Tanzanian passports. "Some people have been arrested in various countries doing illegal activities, when the police interrogate them, they claim to be Tanzanians ... and they are found with Tanzanian passports, but later we realise that they got such documents illegally and sometimes they do not even belong here," he noted.

## Around the World

### Shenzhen admits first foreign law firm

Chicago law firm Brinks Gilson & Lione is the first foreign law firm to get approval to practice in China's 'Silicon Valley'. The Chicago-based IP law boutique, which has just launched its office in the city, was granted approval from China's Ministry of Justice in August 2017. It is the firm's first international foray and will be headed up by Brinks shareholder Harold Johnson, who lives in Shenzhen. Mr Johnson has more than three decades of experience in IP law and will be joined by Fei Hu who was, most recently, senior legal counsel for chipmaker ARM, a processor for mobile phones and tablet computers. He was previously senior legal counsel to Huawei Technologies which is headquartered in Shenzhen. Before that, he was corporate legal counsel to Tencent.

### Chinese move to integrate AI into legal system in university link-up

Peking University Law School has joined forces with a Chinese data analytics and artificial intelligence company to establish the Peking University Legal AI Lab and Research Institute to focus on the analysis, development and application of AI across China's legal ecosystem. The move follows earlier announcements by the Chinese government to establish a top global AI innovation centre, announced last year in its 'Next Generation of Artificial Intelligence Development Plan' with plans to specifically target the legal sector.

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According to immigration, the new passport will come with tamper proof electronic features and help the department end misuse or fraud associated with the current manual passport issuance system.

On the National Identification process, Dr Nchemba said so far a total of 15 million Tanzanians have been registered countrywide. He said the exercise is set to start in other four regions soon. "We are registering all Tanzanians; I would like to ask all Tanzanians who meet the criteria to appear for registration in their areas," he said.

He warned people who illegally stay in the country to surrender themselves to the authority, so that they can be instructed on the proper procedures of staying in the country. "With this registration, every Tanzanian is going to be identified; I am therefore advising those who are in the country contrary to the law to follow immigration procedures," he said.

## Personal Data Protection Law on horizon

Works, Transport and Communication Permanent Secretary, Dr Mary Sassabo, said during a public hearing on the proposed Personal Data Protection Act, 2018, that it intends to empower people with the right of personal identity "but will require all to keep their data."

"Formalities for the law were delayed by internal and external deliberations," she said, pointing out that the drafting process started way back in 2009. "This law will provide solutions to problems stemming from rapid technological advancements."

Dr Sassabo said the nation had witnessed how technology had enabled some people to manipulate information, noting that the law would set procedures and guidance on protecting personal data. "It will also set appropriate procedures for gathering personal information," she added.

The Permanent Secretary said the law would also play a crucial role in the development process as individuals' information would be centralised in one single system. She said users would be allowed to access specific information according to available circumstances.

She said members of the public had been victims of cyber attack in one way or another. The information targeted in the legislation included image and names.

"This information if not well protected, may cause social problems for individuals, community members and the nation at large." She further explained that the new proposed legislation did not contradict seemingly similar one such as the Cybercrime Act, 2015 and The e-transaction Act, 2015 but covered gaps that were not addressed by preceding laws.

## JPM cracks whip on data spin doctors

President John Magufuli instructed the National Bureau of Statistics (NBS) to take serious legal action against individuals, institutions and non-governmental organisations (NGOs) accused of airing or publishing false statistics.

Publishing unofficial state data other than that produced by NBS is liable to jail terms of up three years or fines of up to TZS 10M or both, according to the 2015 law on statistics. "Statistics are key to the country's economic development... especially so when they're correct," president Magufuli said.

## Around the World

### Israel legislature passes amendment requiring majority vote to cede land

Israel's legislature, the Knesset, passed a constitutional amendment regarding status of land in the city of Jerusalem, now requiring a large majority vote of the Knesset to cede any land in Jerusalem to a foreign party. The amendment was passed by a vote of 64 to 51 with one abstaining vote. The amendment affects Sections 5, 6 and 7 of the part of the constitutional laws designated Basic Law: Jerusalem, Capital of Israel. Section 5 defines Jerusalem's borders and was repealed. Section 6 prohibits the transfer of authority regarding land in Jerusalem to a foreign power, and Section 7 originally allowed for a majority vote to alter Sections 5 and 6. With this amendment, the language of Section 7 was changed to specify that the majority must be at least 80 members. The original law, passed in 1980 and subsequently amended in 2000, only required 61 of the 120 members to vote for any change in the status of sovereignty of land in Jerusalem.

### Record-breaking year for law firm mergers

With 15 cross-border mergers and 102 US law firms signing deals, many law firms are turning to merger in a move to gain traction in a difficult marketplace. The US marketplace had a record-breaking year in 2017 with 102 law firms going down the merger route. This beats the previous record of 91 and is the highest annual total recorded in the eleven years by Altman Weil's MergerLine

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“This should be a warning to media houses and online platforms.” The Head of State explained that some institutions and individuals had been giving misleading statistics over the government’s performance contrary to the ones published by the state-run Bureau.

President Magufuli said the government proposed its enactment, and was duly passed by Parliament and subsequently sealed by the presidential signature. “Authorities should not hesitate to take action against those giving out false reports.”

The President said the least (minimum) penalty in keeping with current legal provisions was six months imprisonment or a million shillings in fines, but added, “... if I were the judge I would apply the last option,” which is three years imprisonment and TZS 10M fines.

## Vice President enact by-laws to enforce tree planting

Vice President Samia Suluhu Hassan has directed regional and district authorities to enact by-laws, which would ensure every household supports the green city programme.

She made the remark in Dodoma during the launch of the first phase of the sustainable programme, which aims at making the capital a green city.

Speaking at the launch, Ms Hassan said it was high time the authorities passed the laws to support planting of trees in each household, school, universities and open places, stressing that stern action should be taken against violators. “The bylaws made should not be there only to govern us, but we all should feel responsible and thus plant more trees for the good of the region,” she said.

The Vice President added that afforestation provides economic opportunities because forests help in the production of food, medicine and charcoal.

Moreover, she added that the programme is a continuation of the 1973 campaign, which was started by the late former President, Julius Kambarage Nyerere. It focused on restoring ecosystem to curb desertification in the semi arid region.

## Judiciary to electronically register all advocates, promote accountability

In a move to promote transparency and accountability in its operations countrywide, the judiciary is working to establish an electronic database for all advocates. Chief Justice (CJ), Prof Ibrahim Juma, said that the system will enable all advocates to be registered electronically, thus getting rid of fake advocates in Court premises.

The development came in the wake of the recent incident of a person who masqueraded as an advocate at the High Court Land Division. “As part of promoting accountability, from next year, the judiciary will establish a special electronic database for advocates,” Prof Juma said during admission ceremony of new 296 advocates.

The database, according to CJ, will contain essential details of advocates like law firms, physical and postal addresses. In the same vein, Justice Juma directed the Council for Legal Education that by the end of 2018, every practising advocate must carry special identity card that will show his or her status at Court premises.

“We cannot afford another incident when any person can appear at Court premises as an advocate,” he stressed. CJ also warned advocates against engaging themselves in corruption, saying the judiciary has no room for such vice.

## Around the World

### East Africa ready to compete with the world’s best for arbitration

Although international arbitrators from the United Kingdom, France and the United States are generally considered to be among the “best in the world,” Africa’s top international arbitrators can make a strong case for being included in those ranks. Africa already has six established centres for international arbitration, with a seventh being formed. Burundi, Egypt, Mauritius, Rwanda and Uganda each have one such centre, while Kenya has two: the Nairobi Centre for International Arbitration and the soon-to-be operational Law Society of Kenya International Arbitration Centre.

### Japan needs to empower general counsel

Corporate scandals will only be avoided in Japan if general counsel get more respect from their companies. Japanese companies need to respect their general counsel more if corporate problems are to be avoided. It has been noted that the weak role of general counsel in Japan, have an ‘enfeebled role’ and that, with a few notable exceptions, the general counsel in Japanese corporations are not respected within their companies.

### Kering strikes up landmark agreement with Alibaba over IP enforcement

French luxury group Kering, Alibaba Group and its affiliate Ant Financial Services have come to a groundbreaking agreement to cooperate in their efforts to protect intellectual property and take joint enforcement actions online and offline against infringers in order to provide the best consumer experience and a trusted environment. As part of the agreement, Kering has agreed to dismiss the lawsuit filed against Alibaba and Alipay, an Ant Financial subsidiary, in the US District Court in New York.



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“There are unethical advocates who are agents of corruption as they ask from their clients and some of them are going extra mile to charge extra fees, saying a portion of the amount will be handed over to judges to help their cases. Stern and disciplinary measures will be taken against corrupt advocates and judiciary officers,” he said, adding that the new advocates should not be part of the syndicate.

## Radical changes loom in insurance industry

The Tanzania Insurance Regulatory Authority (TIRA) issued a new circular detailing sweeping changes in the insurance business in the country.

The circular, issued by Commissioner for Insurance Baghayo Saqware, specifically seeks to address market challenges resulting from externalisation of insurance business outside the country through a practice known as reinsurance.

It particularly prohibits the externalisation of long-term insurance business in the country, while also placing some limits on the size of short-term insurance business that could be externalised.

“No long term business written in Tanzania shall be externalized; Long term insurers shall endeavour to place locally all long term business written in the country through reinsurance with locally registered reinsurers, co-insurance with other insurers transacting similar classes of business, insurance pools or such similar arrangements,” reads a statement in the circular.

The changes highlighted in Circular No. 55/2017 are also intended to raise the contribution of the insurance sector to the national economy.

While noting that externalisation of insurance risks is a normal business practice in the insurance industry, the circular says that the practice has been largely abused in Tanzania, resulting in a number of drawbacks.

“With abuse, the practice denies other participants within the market with opportunities to enhance their incomes and market share due to non-involvement in the risks,” says Dr Saqware. It also retards the local insurance industry’s technical capacity to handle large and complex risks, which are placed with entities in other markets thus denying the local economy financial resources which could be invested locally.

Dr Saqware said the circular was a result of consultations with insurance stakeholders in and outside Tanzania, adding that it was a response to such abuses as 100 per cent externalisation (fronting) of risks which could be partly retained locally. Some players have also been reportedly fronting extremely low value risks with low sums insured, resulting in low premiums payable and low premium levy to Tira.

During the June 2017 parliamentary sitting, the House passed the Written Laws (Miscellaneous Amendments) Act 2017, which amended the Insurance Act, Cap 394 with a view to empowering the Commissioner for Insurance to streamline premiums charged by various indemnity (insurance) firms and set minimum and maximum charges.

Dr Saqware said the changes would also empower local insurance firms by ensuring that all products imported into the country were provided with insurance cover by a companies that were registered locally.

## Around the World

### Don’t call “Xi the Bun” — Chinese Netizens are being jailed for chatroom jokes

In 2017, at least three Chinese netizens were arrested and jailed for making politically sensitive jokes in a chat room. Wang Jiang Feng, a netizen from Shangdong was sentenced to 22 months in jail in April 2017 after being convicted of “picking quarrels and provoking trouble” when he jokingly referred to Chinese President Xi Jinping as Xi Baozi or “Xi the Steamed Bun”. The maximum penalty for this crime is five years in prison.

“Baozi” or “Steamed Bun” has been Xi Jinping’s nickname online since his surprise visit to a Beijing chain restaurant in December 2013, in which he ordered buns, causing a flurry of state media coverage that many netizens felt overstated the significance of buns in Chinese cuisine. The nickname Baozi also has a negative connotation as the expression “Tubaozi” means “country bumpkin” in Chinese.

### The Chinese Communist Party forbids members from celebrating Christmas, calling it a festival of humiliation

A number of Chinese Communist Party provincial headquarters issued notices forbidding their members from celebrating Western festivals. These include Valentine’s Day, Easter, April Fool’s day, Halloween and, most recently, Christmas. During the Christmas period, media outlets were instructed not to report any news related to Christmas, a celebration that the party feels is an unwanted reminder of China’s historical humiliation by the West. The movement against Western festivals emerged about a decade ago and was led by a group of contemporary Confucian scholars against a “Western cultural invasion”. Recently, Chinese President Xi Jinping has embraced this idea of a national cultural revival.

November/December 2017

## Retirement age for academics, medical experts set for extension

The government has drafted a bill which seeks to extend the retirement age for professors, senior lecturers and medical specialists in public institutions from 60 to 65 years.

The bill, which is expected to be tabled in Parliament during its next sitting, seeks the amendment of the Public Services Act by introducing a new section that would provide for a new retirement age for public servants. Also proposed is a new retirement scheme for academics in public universities, namely professors and senior lecturers, as well as medical specialists in public hospitals.

"This new scheme intends to extend voluntary retirement for the service of the above-named categories to be sixty years, while the compulsory retirement age is extended to sixty-five years," Attorney General George Masaju says in a statement. He adds that the amendment aims at implementing the recent government decision to change the retirement age of professors, senior lecturers and medical specialists in public universities and public hospitals.

Extension of the retirement age is also aimed at addressing the shortage of professors and senior lecturers in public universities and medical specialists in public hospitals.

It is also expected to reduce the cost incurred by the government in rehiring on contract retired professors, senior lecturers and medical specialists. Extension of the retirement age will also enable professors, senior lecturers and medical specialists to serve the nation longer and at the same time groom their successors.

## Bill tabled to amend Land Act imposing restrictions on mortgages

- All moneys obtained from a mortgage from a local bank or financial institution must be invested in Tanzania.
- Investing moneys obtained from a mortgage in places outside Tanzania constitutes a breach of conditions of a right of occupancy.
- Money obtained from a mortgaged 'undeveloped' or 'underdeveloped' land must be invested to develop that land otherwise mortgage invalid and constitutes a breach of conditions of a right of occupancy.
- Increased risk for banks as 'undeveloped' or 'underdeveloped' land not defined.
- Mortgagor required to submit a declaration of compliance with above requirement.
- No third party mortgage in respect of 'undeveloped' or 'underdeveloped' land.
- Regulations to be created to grandfather mortgages created before this amendment.

Mid last month, the Written Laws (Miscellaneous Amendments) (No.5) Act 2017, which amends several laws, was presented for first reading in the National Assembly. Among the laws sought to be amended is the Land Act which will have an enormous impact on the banking sector and may affect liquidity in the market. While the proposed new amendments retains the right of holder of a right of occupancy to mortgage his/her land for purposes of developing that land or for any other investment, there is a restriction that all moneys obtained from a mortgage from a 'local bank or financial institution' must now be invested in Tanzania. This move is geared at boosting local development of plots. It is proposed that investing moneys obtained from a mortgage in places outside Tanzania constitutes a breach of conditions of a right of occupancy and thus entitles the President to revoke such right of occupancy.

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