

Six presidents have confirmed participation in this week's COMESA heads of state summit to be held on November 23, 2012 in Kampala.

Amelia Kyambadde, minister of trade, industry and cooperatives on Thursday announced that presidents Mwai Kibaki (Kenya), Salva Kiir (South Sudan,) Paul Kagame (Rwanda,) Pierre Nkurunziza (Burundi), Robert Mugabe (Zimbabwe) and Joyce Banda (Malawi) will attend the presidential summit while Eritrea, Ethiopia, Comoros, Swaziland, Seychelles and Zambia will be represented by their vice presidents.

Cabinet last Wednesday approved a recommendation by the minister of trade for Uganda to join the Common Market for East and Southern Africa (COMESA) free trade area (FTA).

The decision effectively makes Uganda the 15th COMESA FTA member and opens up the opportunity for increased trade competitiveness mainly through increased earnings from exports.

Kyambadde said joining the FTA will enhance Uganda's tourism and will help businesses access cheap finance from regional banks like the PTA. The other is that by chairing the COMESA for the next one year, Uganda will be able to influence decisions and deepen the idea of regional integration.

By remaining outside the FTA, Uganda's exports were subjected to taxes on imports in those countries.

"These made our exports less price competitive which certainly impaired us from fully exploiting the benefits of regional integration," said Kyambadde.

COMESA has a general population of 467 million people and a combined GDP of \$799 billion by 2010, making it one of the biggest trade blocs.

"I am sure it is much higher now, COMESA has on average provided a market for 57% of the value of Uganda's exports annually," said Kyambadde adding this has earned the country \$1.3 billion in export revenues per annum.

She said joining the FTA will also consolidate and improve consumer welfare since Uganda's imports will not be subject to import duties hence lower consumer prices.

The other is that it will make our products more competitive.

Uganda delayed to join the FTA because the treasury was apprehensive that the country

would lose revenue especially from import and export taxes.

"Now that we have ratified, our exports are going to rise by 50% and the number of big transactions will multiply.

Kyambadde acknowledge that despite the milestones, Uganda's import bill at \$4.6 billion is still very huge compared to the export of about \$2.6 billion. She called for more value addition to help the country gain value especially in agriculture where it has the competitive edge.

*By: **By David Mugabe***

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