

COMESA Secretary-General Sindiso Ngwenya has called for modernisation of the rules of origin if the region is to achieve the COMESA-EAC-SADC Tripartite arrangement taking into consideration the globalisation process of production, logistics and distribution of the value chain which has changed a lot with time.

He said that governments in the Tripartite region must move away from the ideology of thinking that a country needs to produce in order to be industrialised saying it is the reason why COMESA has failed to take advantage of the foreign markets like the European union and the AGOA.

“If you start with the manufacturing plant say for edible oils, it will trigger investments from foreign and local investors in the agricultural sector. Many suppliers will then provide services from a closer location to you and tap into the available market for raw materials,” Ngwenya said.

He added that China exports about US \$1.5 billion worth of ipod-phones to the United States of America, and yet China only contributes 10 percent of value addition to the products while the USA only contributes 15 percent in form of intellectual property and the rest of value addition is done from Korea and South Korea sharing the rest of the percentages.

While addressing the COMESA Business Council in Kampala on 20 November, Mr Ngwenya called on the CBC to identify and implement COMESA programmes that will contribute to job creation in the region especially in production.

“The time to talk during meetings and summits should come to an end and work towards implementing programmes which will help in the uplifting of the living standards of the people in the COMESA region in particular and the tripartite in general should commence in full swing.”

“It is now time to work and be practical. You are the engine of economic development in Africa as the private sector; you are the people who drive the economies of most African countries and so it is important that you realise the role that you play in development,” he added.

He also called upon the COMESA Business Forum to start using the regional payment resettlement system by the COMESA Clearing House under the auspices of the Bank of Mauritius because it provides for the fastest money clearances in Africa.

“It takes two days to clear funds transfer from one country to another. Using the COMESA Clearing House will enable the businessmen and women in the region to make a saving of up to US \$400 million per year.

The Secretary-General wondered why the region keeps talking about non-tariff barriers instead of reforming.

“For this reason the COMESA Council of Ministers has approved the disruption of the existing practices by the introduction of the COMESA Virtual Transit Facilitation System (CVTFS), which allow for all customs in the various COMESA Member States to track the movements of the goods through the various corridors. This system will also make the owners of the trucks and goods in transit to know exactly where their trucks and goods are at every given point because they have been installed with a device that allows you to even tell when a driver is trying to steal fuel from the truck,” Mr Ngwenya said.

He also highlighted the COMESA Electronic Market Exchange (CEME), which will allow the manufacturers, the buyers and the middlemen to have linkages.

“This system will be better than the Amazon.com and Alibaba.com which is a Chinese system, and I therefore appeal to the members of the business community to work with the various private sector organisations to make the system real as soon as possible.”

The Eighth COMESA Business Forum being held at Munyonyo Commonwealth Resort in Kampala has attracted businessmen and delegates from all over the region and the world.