COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA

MARCHE COMMUN DE L'AFRIQUE ORIENTALE ET AUSTRALE

 Tel
 : +260 122 9725/32

 Fax
 : +260 122 7318

 Email
 : secgen@comesa.int

 Web
 : http://www.comesa.int



MERCADO COMUM PARA AFRICA ORIENTAL E AUSTRALE

> COMESA Centre Ben Bella Road P O Box 30051 LUSAKA 10101 Zambia

CALL FOR PAPERS 2022 FOR THE 9TH COMESA ANNUAL RESEARCH FORUM

Background

Trade and competitiveness are integral to spur growth, productivity and job creation. Trade success is fundamental for a country's economic competitiveness, and competitiveness in turn boosts the success of firms and economies in global trade, in particular to integrate into Global Value Chains (GVCs). The competitiveness of economies in an integrated world determines how well they convert the potential created by access to global markets into opportunities for their firms, farms and people (World Economic Forum, 2015)

Competitiveness can be defined as the set of factors, policies, institutions, strategies and processes that determine the level of sustainable productivity of an economy, be it the world, a continent (or macro region), nation, region or even a city (World Economic Forum, 2014). Competitiveness centres on productivity which is the efficiency with which an economy uses available inputs to produce outputs. It determines the rate of return on investments, which fundamentally drives economic growth (World Economic Forum, 2015).

The International Trade Centre (ITC) defines competitiveness as the demonstrated ability to design, produce and commercialize an offer that fully, uniquely, and continuously fulfils the needs of targeted market segments, while connecting with and drawing resources from the business environment, and achieving a sustainable return on the resources employed. Several factors at the firm, business ecosystem and national levels influence the capacity of a company to be competitive.

According to ITC's competitiveness framework, there are three pillars of competitiveness; compete, connect and change. Capacity to compete focuses on factors for a firm to deliver output of appropriate quantity, quality and cost. Capacity to connect describes a company's ability to exploit information to underpin strategy and operations. Capacity to change refers to factors that support a firm's capacity to make changes in response to, or in anticipation of, dynamic market forces.

The World Bank's Global Competitiveness Index 4.0 (GCI 4.0) measures factors and attributes that drive productivity, growth and human development in the era of the Fourth Industrial Revolution. It includes 12 pillars of competitiveness: Institutions; Infrastructure; ICT adoption; Macroeconomic stability; Health; Skills; Product market; Labour market; Financial system; Market size; Business dynamism; and Innovation capability (World Economic Forum, 2019) The pillars are organized in three sub-indexes; basic requirements, efficiency enhancers and innovation and sophistication factors.

The competitiveness index score is measured on a 0-100 scale, where 100 represents the 'frontier', an ideal state where an issue ceases to be a constraint to productivity growth. The average GCI score across the 141 economies studied in 2019 was 60.7, with a deficit of 40 points implying that on average, most economies continue to be far from the competitiveness "frontier" (World Economic Forum, 2019).

COMESA's average GCI score was 49.0 in 2019. Six Member States were ranked among the top 100. These are Mauritius with a score of 64.3 and ranked 52, followed by Seychelles (score 59.6, ranked 76), Tunisia (score 56.4, ranked 87), Egypt (Score 54.5, ranked 93), Kenya (score 54.1. ranked 95) and Rwanda (score 52.8, ranked 100).

Resilience is the capacity to withstand disruption. Firms display the ability to absorb shocks with situation-specific responses, based on how robust, related and responsive they are. Robust firms have strong management and operational procedures to withstand pressure during a crisis. Related firms leverage internal and external connections to access resources and support during a crisis. Responsive firms overcome crises with inventive, well-adapted strategies to absorb shock, transform and cope with the new reality. Resilient firms emerge from a crisis as strong, or stronger, than before (International Trade Center, 2021). According to ITC, a firm's resilience is likely to be closely linked to its competitiveness.

According to a recent study by Secretariat, COMESA's export potential stood at US\$ 100.1 billion in 2019. However, the potential remains unutilized mainly due to weak productive capacity in information and communication technology, transport, structural change, energy, institutions and human capital; high freight and transport costs mainly due to inadequate export cargo to ensure sufficient return cargo for the vessels; high banking charges; lack of information on production capacities and available goods in the region; problems in payment settlements; slow implementation of COMESA FTA agreement; and non-tariff barriers.

COMESA global exports declined by 26.9 percent from US\$123.4 billion in 2019 to US\$90.3 billion in 2020. Global imports reduced by 28.7 percent from US\$223.1 billion in 2019 to US\$ 159.1 billion in 2020. The decrease in global trade may be attributed to the effects of covid-19 such as restrictions of international travel, closure of borders and disruptions in global and regional values chains. Intra-COMESA trade was not an exception, exports declined by 11 percent from US\$10.9 in 2019 to US\$9.7 billion in 2020. This was mainly due to Covid-19 restrictions imposed by governments such as restrictions on movement of people, border closures and shutdowns which affected cross border trade. The following export sectors contributed to the decline; fuels (63%), agricultural raw materials (47%), food (10%) and manufactures (6%). Most Member States recorded decrease in intra-COMESA exports except Burundi, Djibouti, Congo DR, Kenya, Uganda, Zambia and Zimbabwe.

Objective of the call for papers

The objective of this call is to seek empirical and/or policy-oriented research papers to address issues pertinent to regional integration agenda in the context of Enhancing business competitiveness and resilience to boost intra-COMESA trade. Selected papers will be presented at the 9th COMESA Annual Research Forum to be held in September 2022.

Research Theme

COMESA therefore calls for papers under the theme; "ENHANCING BUSINESS COMPETITIVENESS AND RESILIENCE TO BOOST INTRA-COMESA TRADE"

The theme should be considered along any of the following sub-thematic areas:

- i. Macroeconomic shocks and intra-COMESA trade;
- ii. Value addition, product diversification and intra-COMESA Trade;
- iii. Integrating SMEs into Regional value chains and intra-COMESA trade;
- iv. Digitalization and intra-COMESA trade;

- v. Barriers to trade and intra-COMESA trade; and
- vi. Transport, logistics and intra-COMESA trade.

Proposed Structure

It is expected that each paper will have the following structure:

Title of the study: topical issues drawing from the sub-thematic areas in the context of **Enhancing Business Competitiveness and Resilience to Boost Intra-COMESA Trade**.

Background: The context of the research underlining the issues that necessitate investigation, existing gaps of knowledge that the research paper attempts to fill, stating clearly the problem/issue being investigated;

Objective(s): A clear statement of the specific research objective/s, the issues addressed or to be addressed. The Research questions or hypothesis that the paper attempts to answer;

Existing knowledge: a review of the relevant literature, and previous research on the issue under study including data, methodological approach, scope, parameters, and results among others. Also highlighting the existing policies on the research topic;

Methodology: a description of the research methodology including econometric and/or survey tools where applicable, a discussion of data requirements, sources, availability and data analysis tools and methods used and, where necessary, data collection strategy;

Results/Findings: a succinct discussion of the research findings and how they compare to findings of similar studies; and

Policy Implications: a detailed discussion of the value added to existing knowledge, and the policy relevance, including emerging issues/areas for future research and policy debate.

The Call

COMESA now invites researchers to submit extended abstracts and full papers under the different sub themes. The abstracts and papers will be reviewed, and successful authors invited to make presentations at the 9th COMESA Annual Research Forum proposed to be held in September 2022. Selected papers will be peer reviewed and considered for publication in the COMESA flagship publication "Key Issues in Regional Integration", Volume XI

Important Deadlines

Submission of draft full papers or extended abstracts: 21 March 2022 Notification for acceptance of papers or extended abstracts: 10 April 2022 Submission of final papers: 30 May 2022

Editorial Policy

The papers shall be written and presented in accordance with the COMESA Editorial Policy and should not exceed 10,000 words.

Submission

Please submit the extended abstracts and papers in Word in electronic form by email to: Jane Kibiru Email: <u>Jkibiru@comesa.int</u> Telephone: +260211229725/32

With a copy to

Frederick Msiska

Email: Fmsiska@comesa.int Telephone: +260211229725/32

Roider Kabisa Email: <u>Rkabisa@comesa.int</u> Telephone: +260211229725/32