

## COMESA, EU Signs €10m Facility to Support the Private Sector



Ambassador Alessandro Mariani and Secretary General Chileshe Kapwepwe

The business community in COMESA Member States is set to benefit from Euro 10 Million kitty provided by the European Union to support increased private sector participation in regional and global value chains.

This follows the signing of a financing agreement between the EU and COMESA to implement the Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP). The funding was signed on Monday, February 18, 2019 in Lusaka, Zambia. RECAMP is supported under the 11th European Development Fund.

The Secretary General of COMESA Ms. Chileshe Kapwepwe and the Head of the EU Delegation to Zambia and COMESA, Ambassador Alessandro Mariani signed for their respective organizations.

The RECAMP programme will run for five years focusing on three priority value chains, namely; agro-processing, horticulture and leather and leather products.

Ambassador Mariani said the targeted value chains were selected for having high demand both in the region and international markets.

“We believe that these present the biggest opportunities for participation of women and youth-led small and medium enterprises through development of strong partnerships with large corporations in the upstream of the value chains,” he said.

The programme has two key result areas: the first is to ensure that competitiveness and market access of small and medium enterprise (SMEs) and other firms in the targeted value chains are sustainably enhanced.

Under this result, the programme will facilitate networking, access to knowledge, vital market information and support formal business linkages between SMEs, key regional suppliers and lead firms. Further, it will support more formalised governance structures in the value chains and enhance capacities of SMEs and other actors in adhering to sanitary and phytosanitary measures (SPS) and technical standards (TBT) to comply with regional markets requirements

The second result area will focus on improving the business environment for SMEs and other firms in the selected value chains by complementing current national strategies developed by member states for economic transformation through industrialization. Activities will include supporting peer learning with the front-runner countries sharing experiences.

# COMESA to intensify lobbying its MS to sign air transport commitment



COMESA will this year intensify advocacy activities in 15 of its 21 Member States to ensure they sign the Solemn Commitment to Implement the Single African Air Transport Market (SAATM). So far only six COMESA countries comprising Egypt, Ethiopia, Eswatini, Kenya, Rwanda and Zimbabwe have signed the commitment.

On 28 – 29 January 2019, Africa aviation industry stakeholders met in Dakar, Senegal, and agreed to finalize and execute the SAATM Implementation Road Map in 2019. They also agreed on the need for early completion of the 55-country study on SAATM socio-economic benefits to Africa.

The Single African Air Transport Market was launched by the African Union Heads of State and Government in January 2018. Shortly after, a prioritized joint action plan for 2018-2019 was developed by aviation industry stakeholders to operationalize the SAATM.

“One of the key activities in the prioritized action plan was the signing and implementation of the Memorandum of Cooperation (MoC) between African Civil Aviation Commission (AFCAC) and the Regional Economic Communities (RECs),” said Mr. Bernard Dzawanda, COMESA Senior Transport Economist who attended the Dakar meeting on the implementation of the Prioritized Action Plan for Operationalization of the Single African Air Transport Market 2018 – 2019.

COMESA signed the memorandum on the establishment of SAATM with AFCAC in 2018. It is currently the lead REC on the formulation and implementation of an eight million euros Eastern and Southern African aviation programme to be funded under 11th European Development Fund (EDF 11).

One of the three result areas of the four-year programme is to facilitate and support the operationalization of the single African air transport market.

“COMESA will intensify lobbying for the implementation of SAATM at its statutory meetings which involve directors of civil aviation, joint technical committee and ministers of infrastructure meetings from its Member States,” said Mr. Dzawanda.

The Dakar meeting provided a platform for aviation industry stakeholders to report on concrete actions taken towards implementation of the Abidjan Plan and proposed actions for 2019, including any other on-going interventions in the civil aviation industry.

The East African Community (EAC) and the Economic Commission of Western Africa States (ECOWAS) were part of the RECs that reported on progress. EAC was the first to sign the memorandum on the implementation of

the SAATM with AFCAC and is participating in the EDF 11 funded aviation programme led by COMESA.

In ECOWAS, 13 out of its 15 members have signed the Commitment with the remaining two states expected to come on board soon.

The prioritized action plans of the SAATM are based on six pillars: advocacy for effective operationalization of Single African Air Transport Market; a regulatory framework to ensure availability of appropriate regulations for the oversight of the SAATM; operationalization of SAATM; aviation infrastructure; enhancing safety and security and aviation financing.

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Ms. Kapwepwe cited supply side constraints as a major contributor to low competitiveness and productivity of industries in the region, as well as inability of SMEs especially women and youth owned enterprises to participate in regional production networks.

“According to the findings of a profiling exercise of SMEs in the footwear, garments and cassava processing that was undertaken by the COMESA Secretariat, it was noted that at least 65% of SMEs operating in the region are facing most of these constraints,” Ms. Kapwepwe explained.

Under the program, champions or lead firms within the selected value chains that have both backward and forward linkages with SMEs and other intermediary firms, will be identified to enhance effect coordination reduce coordination failures and improve competitiveness.



## AfDB extends funding to the Tripartite Capacity Building Programme

The African Development Bank (AfDB) has provided USD 2.9 million supplementary funding for the Tripartite Capacity Building Programme (TCBP). The funds will be used to complete critical activities that are essential to the smooth operationisation of the TFTA.

Among them is the completion of the industrial and Non-Tariff Measures (NTMs) databases, training of border staff and women traders in risk based sanitary and phytosanitary measures, finalization of the manual on use of Tripartite Rules of Origin and implementation of the Value Chain action plans that are outstanding.

AfDB President Mr. Akinwumi Adesina confirmed the extra funding when he met Secretary General of COMESA Ms Chileshe Kapwepwe in Abidjan on February 4, 2019. The two discussed the TCBP and other areas of regional integration that the Tripartite Task Force needs to pursue.

The initial TCBP grant of US 7.5 million was signed in November 2013 to support market integration, industrial and infrastructure

development pillars of the tripartite work programme. As the executing agency, COMESA applied for supplementary funding in April 2018 following the depreciation of the initial funding against the USD dollar which had resulted in a reduction of the amount to USD 7 million.

The mission to the AfDB offices in Abidjan Cote D'Ivoire this January, enabled COMESA to meet with the bank officials and follow up on the matter.

Noting that COMESA was one of the most dynamic Regional Economic Communities (REC)s in Africa, Mr Adesina said this was evident by the high number of AfDB funded projects in the regional bloc.

Ms Kapwepwe observed that a number of programmes implemented by the Tripartite RECs, such as the Tripartite Capacity Building Programme, were aligned to the Bank's Regional Integration Policy and Strategy.

"The technologies for African Agricultural Transformation and the Trade Financing,

programs of the Bank, have ready complementarity in the existing tripartite programmes and are therefore good candidates for this cause," Ms Kapwepwe said.

The two affirmed their commitment to strengthen the existing partnership between the Bank and the Tripartite RECs by championing programs in which priorities of both institutions converged.

Mr Adesina underlined the role of women in trade and called on the tripartite RECs to partner with the Bank in seeking ways to empower women. He further called on partnerships on the area of Investment, trade financing, and development of staple processing zones.

Other officials present in the meeting were the Director for Regional Integration at AfDB Ms Moono Mupotola, the Director of Trade and Customs at COMESA Dr Francis Mangeni, AfDB Regional Integration Officer Ms Zodwa Mabuza and TCBP Programme Coordinator Dr Seth Gor.

# Cross Border Traders Association Poised for Support



The Cross-Border Traders Association of Zambia last week hosted its 20th Conference under the theme; “Building Cross Border Traders Association Membership, entrenching good governance and partnership for trade support.”

The conference took place at the COMESA Secretariat in Lusaka on 14 February 2018. It was addressed by COMESA Secretary General Ms Chileshe Kapwepwe, who is the patron of the association, and the Permanent Secretary at the Ministry of Commerce, Trade and Industry of Zambia Mrs. Kayula Siame.

In her statement presented by the Director of Agriculture and Industry, Mr Thierry Kalonji, the Secretary General promised to provide capacity building for the association to support enterprise and banking solutions and inclusion and sensitization on the role of good governance.

“This conference is a step in the right direction, to instill trust and confidence to the key stakeholders in managing public and project resources entrusted to the association,” the SG said.

In her remarks, presented by the Director of Foreign Trade, Ms. Lillian Bwalya, the PS acknowledged the close collaboration

between, her government, COMESA and CBTA as a key mechanism for the implementation of the Simplified Trade Regime. This has been actualized through the establishment of Trade Information Desks at border points to facilitate cross border trade.

“We expect in the near future to have more Trade Information Desks set up through the COMESA Cross Border Trade Initiative

funded by the European Union under the 11th European Development Fund”, she said. “This will contribute to increased intra-regional trade among COMESA Member States.”

At the conference, the CBTA launched the Cross-Border Trader Magazine which will be used as an information sharing and advocacy tool.



## COMESA Receives AU Service Passports

COMESA Secretariat has received the first batch of the African Union travel document known as the Laissez Passer (LP) for the use by members of staff. A total of 123 AU Service LPs and seven Diplomatic LPs were handed over to the COMESA Assistant Secretary General for Administration and Finance Dr Dev Haman (R) in Lusaka last week.



## Pre-Election Observation Mission to Comoros

The five day Pre-Election Observation Mission to the Union of Comoros ahead of the Presidential elections set for 24th March 2019. The delegation was led by Madam Hope Kivengere a member of the COMESA Committee of elders from Uganda. The deployment of the pre-election assessment mission is in line with the Decision of the 16th Meeting of Ministers of Foreign Affairs that was held in Lusaka that called on the Secretariat to support Member States planning to hold elections. The mission also covered Anjouan and Moheli Islands.

