

# OFFICIAL GAZETTE



Of the  
**COMMON MARKET FOR  
EASTERN AND SOUTHERN AFRICA**

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By Order of the Council

Mr. Erastus J.O. Mwencha MBS  
Secretary-General  
COMESA

**IT IS HEREBY NOTIFIED** that the COMESA Council of Ministers, at its Ninth Meeting held in Mauritius on 15 and 16 May 2000 issued the following Legal and General Notices:

**(a) TRADE, CUSTOMS AND MONETARY**

**Request by Namibia and Swaziland for a further extension of the Derogation from applying COMESA Preferential Rates**

**Decision**

1. Council agreed to the request for an extension of the derogation accorded to Namibia and Swaziland which falls away on 31<sup>st</sup> October, 2000 and mandated the Bureau of Council and Secretariat in consultation with Namibia and Swaziland, to initiate a process of dealing with the outstanding technical issues affecting trade relations of Namibia and Swaziland with COMESA member States, in view of the ongoing re-negotiations of the SACU Agreement.

**Status of Implementation of Tariff Reduction**

**Decisions**

2. Council:

- (a) requested all member States to comply with the Authority decision to implement by 31<sup>st</sup> October 2000 the 100% tariff reduction on COMESA originating products;
- (b) urged member States with grievances on compliance with preferential access within COMESA to submit them to the COMESA Secretariat for tabling at the next meeting of the Trade and Customs Committee; and
- (c) urged the member States to complete their respective national studies of their industrial structures and the situation will be reviewed at the next meeting of the Trade and Customs Committee.

**Guidelines on Application of Remedial and Safeguard Measures**

**Directive**

3. Council directed that the guidelines on the application of remedial and safeguard measures should be submitted to the next meeting of the Trade and Customs Committee.

**Activities on the Countdown towards the Free Trade Area**

**Decision**

4. Council urged Member States to fully participate in the COMESATEX 2000 to take place in Lusaka, Zambia, in October, 2000.

**Essay competition in Secondary Schools**

**Decision**

5. Council urged COMESA Co-ordinating Ministries, in collaboration with Ministries of Education, to ensure that the Essay Competition is conducted in their countries.

**Authority decision on the Establishment of a Cabinet Committee on COMESA**

**Decision**

6. Council urged all Member States which have not established a COMESA Cabinet Committee or equivalent, to do so without further delay.

## **COMESA Song**

### **Decision**

7. Council urged Member States which have not started playing the COMESA song on their national radio and television, to do so as soon as possible.

## **The Multilateral Trading System after Seattle and the EU-ACP Partnership Agreement**

### **Decisions**

8. Council:
- (a) requested member States to adopt, to the extent possible, a common approach to multi-lateral negotiations, especially with regard to the forthcoming negotiations on services in the WTO;
  - (b) directed the Secretariat to convene a workshop on WTO issues to strengthen the capacity of member States in the WTO negotiations; and
  - (c) mandates the Secretariat within the framework of the OAU, and in collaboration with the ACP Secretariat to monitor the implementation of the Partnership Agreement and to assist in building the capacity necessary to negotiate new trading arrangements provided under the Partnership Agreement.

## **Small-Scale Cross-Border Trade**

### **Decision**

9. Council requested member States to facilitate the issuance of visas for Cross-Border Traders and ease the restriction on the maximum number of days allowed in a year to visitors, in order to promote regional trade.

## **Promotion of Cross-Border Traders Associations (CBTA)**

### **Decisions**

10. Council:
- (a) urged member States to assist the Small-Scale Cross-Border Traders Association in the mobilisation of financial and technical assistance from co-operating partners to support the CBTA programmes; and
  - (b) directed the Secretariat to undertake a study on the specific obstacles that small-scale cross-border traders face at each COMESA border post and prepare a handbook cataloguing the obstacles and another handbook describing in detail all the legislation, procedures and documentation required in the clearance of goods and movement of cross-border traders.

## **Reform and Modernisation of Customs and External Trade Statistics (Asycuda and Eurotrace)**

### **Decision**

11. Council urged member States to support the Project by committing the necessary resources at national level to complement EU funding of the Regional Harmonisation of Customs and Trade Statistics Systems Project.

## **Monetary Affairs**

### **Initiative to Introduce Regional Training Programmes in Financial Investigation, Corporate Governance and Airport Security**

#### **Decision**

12. Council approved the programme in principle and requested the Secretariat to work out details of the programmes with Edith Cowan University to develop a programme of action.

### **Macro-economic Performance of member States**

#### **Decision**

13. Council decided that the Secretariat should continuously monitor the macro-economic performance of member countries and indicate lessons that could be derived from good performers in the region.

### **Monetary Harmonization Programme**

#### **Decisions**

14. Council decided that:

- (a) member States implement the second phase of the Monetary and Fiscal Policies Harmonisation Programme as defined by the COMESA Authority of Heads of State and Government;
- (b) member States continue to implement appropriate monetary and fiscal policies to underpin overall stabilisation efforts which are key in promoting greater regional trade and investment; and
- (c) the Secretariat should continue to monitor the status of macro-economic convergence among the member States, on the basis of the general criteria already agreed upon.

### **National and cross-Border Payment Systems**

#### **Decisions**

15. Council decided that:

- (a) member States who have not set up national Payment System Modernisation Committees to be responsible for all policy matters related to the modernisation on the national payment systems are urged to do so;
- (b) member States increase co-operation from all stakeholders to ensure commitments and proper co-ordination with decision makers and all key systems;
- (c) member States take measures on capacity building to enhance skills in payment systems;
- (d) member States upgrade telecommunication facilities in order to have efficient payment systems;
- (e) member States undertake measures to address the fraud and security problems in the payment systems; and
- (f) COMESA should work with SADC on the modernisation of payments systems for COMESA countries which are not members of SADC.

## **Revenue Implications of eliminating Customs Tariffs on Intra-COMESA Trade**

### **Decisions**

16. Council decided that:
- (a) the IMF be requested to cover the rest of the member States in its study of the revenue implication of the COMESA Free Trade Areas;
  - (b) compensatory mechanisms for member States experiencing revenue losses be developed;
  - (c) all member States should make an allowance for the revenue implications of the COMESA Free Trade Area in their next national budgets;
  - (d) all member States should publish the necessary statutory instrument or gazettes for implementing zero customs tariffs on COMESA originating products by 31<sup>st</sup> July, 2000.

### **(b) Investment Promotion and Private Sector Development**

#### **Decision**

17. Council urged member States to advise their National Investment Promotion Agencies if they have not submitted comments on the proposed terms of reference for the Regional Investment Agency to do so without further delay for incorporation in a paper to be considered at a workshop planned for August 2000.

## **COMESA Regional Economic Conference**

### **Decisions**

18. Council:
- (a) commends Egypt for the successful hosting of the First Regional Economic Conference held in Cairo from 28-29 February, 2000.
  - (b) endorsed the decision of the COMESA co-ordinating Ministers during their informal meeting in Cairo, Egypt, on 29<sup>th</sup> February, 2000, to hold the regional economic conferences annually and to convene the second Conference in Cairo, Egypt, in 2001.

## **COMESA Business Community Forum**

19. Council urged member States to strengthen the relationship between the public and private sectors, particularly with regard to affording the private sector a role in the decision-making process relating to policy reforms.

### **(b) AGRICULTURE AND INDUSTRY**

#### **Decision**

20. Council urged Member States to send delegates to the Second Meeting of the Committee on Agriculture Co-operation, to be held on 14-16 June, 2000 in Lusaka, Zambia, to review programmes and projects in the sector.

## **Fisheries and Development**

### **Decisions**

21. Council:
- (a) requested member States that have not submitted Needs Assessment Reports on the Status of the fish handling and processing industry to do so to facilitate the

smooth implementation of the project on upgrading quality and safety of fishery products;

- (b) directed member States having inland fisheries to submit to the Secretariat current programmes in research, law enforcement and training, including fishing regulations to facilitate the smooth implementation of the project on setting up a common framework for managing shared inland fisheries in the COMESA region;
- (c) urged member States to send fisheries experts to the next meeting of the Committee on Agriculture Co-operation to consider the proposals to set up a common COMESA marine fisheries investment and management policy.

## **Metallurgical Industries**

### **Decisions**

22. Council:

- (a) urged member States to fully support the e-maintenance network (the maintenance system undertaken using the internet and e-mail);
- (b) urged member States to support the request by the COMESA Iron and Steel Industry Association (COMESAMIA) for mobilisation of funds from Austria and UNIDO for a second phase of the project; and
- (c) requested member States, particularly those with iron ore resources to attend the international Symposium on unlocking Africa's Iron and Steel potential through direct Reduction Technology.

## **Investment Promotion and Industrial Information Networking**

### **Decisions**

23. Council:

- (a) urged member States without websites to send their information on national investment opportunities to the Secretariat for posting on the COMESA website;
- (b) requested member States to regularly update their investment information on their web pages;
- (c) directed member States to participate in the INTIB programme by liaising with the Secretariat on the matter; and
- (d) urged member States to encourage experts and the business community that deal with building materials and those in real estate development to participate in the forthcoming seminar/exhibition on Building Materials to be held in June 2000 in Harare, Zimbabwe.

## **Standardisation, Quality Assurance, Metrology And Testing (SQMT)**

### **Decision**

24. Council urged member States to work closely with the SQMT project on implementation and note the ongoing co-operation arrangements with SADC regarding this project.

### **(c) TRANSPORT AND COMMUNICATIONS**

#### **Priority Projects in Transport and Communications**

25. Council urged member States to submit detailed information on projects with a regional dimension and also called on them to be adequately represented during the planned donor conference.

## **The Great Lakes Railway Project**

### **Decision**

26. Council urged member States participating in the project to ensure that all stakeholders in their respective countries play their role in support of the Project.

### **Transit Traffic Facilitation**

#### **Decision**

27. Council urged member States which have not implemented the relevant instruments to do so to ensure the smooth flow of traffic in the region.

### **Road Safety Development**

#### **Decisions**

28. Council:

- (a) urged member States in selected corridors to provide adequate support to the implementation of this programme; and
- (b) requested member States to ensure enforcement of their national road safety regulations.

### **Air Transport Liberalisation Programme**

#### **Decision**

29. Council urged Burundi, Djibouti, Comoros, Eritrea, Madagascar, Zambia and Tanzania to report to the Secretariat on their position regarding implementation of the Air Transport Liberalisation Programme.

### **COMTEL Memorandum of Understanding (MOU)**

#### **Decision**

30. Council urged Comoros, Djibouti, Ethiopia, Madagascar, Namibia, Seychelles, Swaziland and Tanzania to report to the Secretariat their positions on the signing of the COMTEL MOU.

### **CNS/ATM formal offer by SASG**

#### **Decisions**

31. Council decided that:

- (a) the COMESA CNS/ATM Co-ordinating Committee comprising: Kenya, Sudan, Malawi, Uganda, Ethiopia, Burundi, Zambia and EAC be established;
- (b) the Secretariat should invite SADC to become a member of the CNS/ATM Committee;
- (c) the Committee should include experts from civil aviation, Ministries responsible for Finance and Legal Affairs;
- (d) member States should submit their comments on the Formal Offer by 31<sup>st</sup> May, 2000;
- (e) the Co-ordinating Committee should meet in the middle of June, 2000 to formulate a negotiating position;
- (f) the negotiating position formulated by the Co-ordinating Committee shall be submitted to the DCA/Aeronautical Authorities. Thereafter, the negotiations will commence with SASG;

- (g) the outcome of the negotiations will be submitted to the Ministers responsible for Civil Aviation; and
- (h) the Secretariat should formulate basic principles and guidelines for governments on the use of new system of GNSS within the COMESA region, to be incorporated in a legal instrument to be compiled by providers of these services to COMESA States. This task would be referred to the Interim Air Transport Regulatory Board for consideration with the possibility of constituting a special committee or referring it to a group of experts to set up the required principles and guidelines.

### **COMESA Common Air Transport Policy**

#### **Decisions**

32. Council:

- (a) urged member States to formulate a Common Policy for the management of the COMESA internal air transport market; and
- (b) established a Committee comprising Kenya, Ethiopia and Zambia to assist the Secretariat to formulate this common policy.

### **Maritime and Inland Waterways Transport**

#### **Decision**

33. Council urged States to visit the COMESA website for information on the needs of users of shipping services and provided additional information to the COMESA Secretariat on a regular basis.

### **Telecommunications**

#### **Decisions**

34. Council:

- (a) urged member States to encourage their respective national telecommunications operators to expedite the ratification of the COMTEL Investment Company's shareholder agreement; and
- (b) encouraged member States to participate fully in the COMESA Telecommunications Regulatory Harmonisation Programme Study.

#### **(d) AGREEMENT ESTABLISHING THE AFRICAN TRADE INSURANCE AGENCY**

#### **Decisions**

35. Council:

- (a) adopted the final Draft Agreement issues as a separate document No. COM/LEG/IV/9 and agreed that the Agreement be opened for signature on 18<sup>th</sup> May, 2000 for member States that are willing to participate in the Scheme; and
- (b) directed the Secretariat to inform the next meeting of the OAU/AEC-Economic and Social Commission (ECOSOC) about the details regarding the Agreement particularly the fact that participation is open to all OAU member States.

#### **(e) COMESA PROTOCOL ON THE FREE MOVEMENT OF PERSONS, SERVICES, LABOUR, THE RIGHT OF ESTABLISHMENT AND RESIDENCE**

#### **Decisions**

36. Council:

- (a) adopted the following amendment to the Protocol by the deletion of Article 14 and substituting the following:

#### **Article 14**

##### **Status of Protocol and Entry into Force**

1. This Protocol shall be an integral part of the Treaty.
2. This Protocol shall enter into force on the date it shall be signed and ratified by at least seven member States.
3. For each member State ratifying or acceding to this Protocol after deposit of the seventh instrument of ratification or accession, the Protocol shall enter into force on the date of deposit by that member State of its instrument of ratification or accession.

- (b) agreed that the Protocol be opened for signature to all member States.

#### **Terms of Reference for a Study Leading to the Full Operation of the COMESA Protocol on the Free Movement of Persons, Labour, Services, Right of Establishment and Residence**

##### **Decision**

37. Council directed that a study on the full implementation of the Protocol on the Free Movement of Persons be carried out in accordance with the Terms of Reference adopted by the Fourth Meeting of the Committee on Legal Affairs on 13-14 April, 2000.

#### **Report on the Study on Public Procurement Laws and Practices in COMESA**

##### **Decisions**

38. Council directed that:
- (a) the Study and the observations of the Committee be analysed and synthesised further by the Secretariat;
  - (b) recommendations on the subject be submitted to the next meeting of the Committee on Legal Affairs for consideration and adoption.

#### **(f) LEGAL AND INSTITUTIONAL AFFAIRS**

##### **Membership, Signature and Ratification of COMESA Legal Instruments**

##### **Decision**

39. Council urged member States that have not signed or ratified certain Legal Instruments to do so as soon as possible.

##### **Progress Report on the Determination of the Seat of the COMESA Court of Justice**

##### **Decision**

40. Council requested member States that had previously offered to host the Court to indicate in writing to the Secretariat whether they can still make their offers on the basis of the criteria adopted by Council.

#### **(g) INFORMATION AND NETWORKING**

##### **Decision**

41. Council urged member States to equip their co-ordinating Ministries with Internet access and e-mail facilities so that they may facilitate communication with the Secretariat as well as providing the experts with up-to-date information on relevant material.

**(h) TECHNICAL CO-OPERATION AND RESOURCE MOBILISATION****Decision**

42. Council expressed gratitude to all co-operating partners, particularly the European Union, USAID, IDRC, World Bank (including FIAS), IMF, UNDP, FAO, UNIDO, OAU, AfDB, UNECA, WTO other UN agencies, COMSEC, ITU, WMO, TDRS AND CFC.

**(i) PUBLIC RELATIONS****Decisions**

42. Council:

- (a) urged member States to hold events to promote the aims and objectives of COMESA;
- (b) requested member States to implement the Council decision to play the COMESA song on national radio and television;
- (c) directed the Secretariat to prepare broad guidelines on how member States should publicise COMESA; and
- (d) requested member States to actively promote COMESA at national level through the issuance of promotional materials and other publicity activities.

**(j) REGIONAL INTEGRATION SUPPORT PROGRAMME (RISP)****Decisions**

43. Council:

- (a) directed the Secretariat to take into consideration the comments and concerns expressed by the member States; and
- (b) directed the Secretariat to convene a meeting of experts which will be tasked with developing the RISP further for eventual consideration by the Policy Organs.

**COMESA Small and Medium Enterprises Network****Decisions**

44. Council:

- (a) directed the Secretariat to hold a workshop in Cairo in collaboration with the Egyptian Social Fund for Development (SFD) to further develop the proposal and to prepare clear terms of reference for the COMESA SME Network to be considered by the Committee at its tenth meeting; and implications of the COMESA SME Network;
- (b) the workshop should identify the organisational structure and cost

**(k) COMESA INSTITUTIONS****Progress Report on the COMESA Court of Justice****Decision**

45. Council urged member States to support the COMESA Court of Justice by honouring their obligations urgently in order to enable the Court to function properly.

**PTA Bank****Decision**

46. Council urged member States which have not yet joined the Bank to do so urgently.

### **PTA Re-Insurance Company (ZEP-RE)**

#### **Decision**

47. Council urged member States to implement their past decisions on the need for member States to support ZEP-RE so as to facilitate the operations of ZEP-RE.

### **Leather and Leather Products Institute (LLPI)**

#### **Decision**

48. Council requested COMESA member States which are not members of LLPI but have leather industries to join LLPI by acceding to its charter.

### **COMESA Clearing House**

#### **Decisions**

49. Council:

- (a) expressed appreciation to the World Bank for its invaluable assistance in the implementation of RTFP in the COMESA region and for its demonstration of strong support to the process of regional integration;
- (b) endorsed the Action Programme for establishing the RTFP and empowered the Bureau of Governors to continue working on the project, with the Secretary General of COMESA supervising the direct operationalisation of the project;
- (c) urged member countries who have not joined the project to do so;
- (d) decided that member States who are not IDA-eligible should be assisted to secure funding to join the RTFP;
- (e) thanked the IMF and EU for their invaluable assistance so far given in the establishment of COMPASS in the region;
- (f) a technical working group from member States and the COMESA Bankers Association be set up to address all the technical issues of COMPASS before recommendations were made to the Governors;
- (g) work on the study of COMPASS be carried out against the background of the state of individual member countries' payments systems and that a mid-term report should be submitted to the Committee for review by June 2000;
- (h) Central Bank, commercial bankers' associations and commercial banks should co-operate with the Project Team to ensure relevancy and markets responsiveness of the end product; and
- (i) The COMESA Bankers Association be requested to assist in conducting the Market Demand Survey and to sensitise members on COMPASS.

### **Establishment of African Commerce Exchange (ACE)**

#### **Decisions**

50. Council decided that:

- (a) the Clearing House and the COMESA Bankers' Association should help to identify potential participants in member States; and
- (c) the Clearing House should divest itself of the duties on the establishment of ACE, as soon as potential participants in the ACE have been identified; and

- (d) the Clearing House should not incur any further expenses in implementation of the ACE.

### **Regional Integration Support Programme**

#### **Decisions**

51. Council agreed that:
- (a) the Bureau of the Ministers of Finance should develop a programme, in close liaison with the Ministerial Committee on the implementation of the FTA, for negotiating with co-operating partners on the provision of support for economic reform; and
  - (b) the Secretariat should convene a meeting of technical experts to consider the programme stated in (a) above.

### **Progress Report on Implementation of the Smart Card**

#### **Decisions**

52. Council agreed to set up an alternative structure to ensure that the project is reconsidered in the best interests of the stakeholders. In this regard the Council decided that:
- (a) a project steering sub-committee comprising senior officials representing each of the five member States on the Bureau and Kenya is set up to management the project;
  - (b) the sub-committee shall review the work so far undertaken, identify and address the various concerns and on the basis of its findings, determine and recommend the appropriate way forward for the project for consideration by the Bureau; and
  - (c) the sub-committee shall meet before 31<sup>st</sup> May, 2000.

### **Activities of the COMESA Bankers Association**

#### **Decisions**

53. Council decided that:
- (a) each Central Bank should encourage all banks operating in its territory to join the COMESA Bankers Association in order to accelerate the process of regional integration;
  - (b) each Central Bank should nominate a contact person in order to exchange information on banking fraud and to set up a data base;
  - (c) the Association should sign a memorandum of Understanding with Interpol on Co-operation;
  - (d) the Association should establish a code of banking practices for the banking community in the region; and
  - (e) national bankers associations that are not members of the COMESA Bankers Association are encouraged to work closely with the COMESA Bankers Association in implementation of (a) to (d) above.

### **Yellow Card Third Party Motor Vehicle Insurance**

#### **Decisions**

54. Council decided that:
- (a) member Countries who have not implemented the scheme should join the Scheme before 31<sup>st</sup> October, 2000;

- (b) member countries who are party to the scheme but have not yet started issuing Yellow Cards should do so, as soon as possible, and preferably before 30<sup>th</sup> June, 2000; and
- (c) COMESA should liaise with SADC in order to agree on how to proceed on the extension of the Yellow Card to SADC countries who are not members of COMESA.

### **Food Security**

#### **Decision**

55. Council agreed that the Secretariat should monitor the food situation in the Horn of Africa and collaborate with co-operating partners and UN specialised Agencies in mobilising international support to avert the impending human catastrophe.