

Issue #: 574_25th Feb 2019

Coming Soon: A Regional Code on Anti-Corruption Compliance



COMESA will soon develop a Regional Model
Code on Anti-Corruption Compliance to help
enterprises in the region improve their business
environment. The initiative is part of the activities
under the COMESA Business Council (CBC)
Integrity Project which is being implemented
in partnership with the Center for International
Private Enterprise (CIPE).

The objective of this initiative is to build the capacity of the private sector to stem corruption and enhance their participation in transparency and reform initiatives thereby achieve a good and enabling business environment.

The regional code will provide a guide for anticorruption compliance amongst enterprises in the COMESA region and will be available for their use and adoption.

The World Economic Forum estimates that corruption increases the cost of doing business by up to 10% on average. Countries that score badly on the World Bank's Doing Business

Indicators also score poorly on the Corruption Perceptions Index. This suggests that highly corrupt countries also have difficulty attracting business.

Research by the International Monetary Fund has further shown that investment in corrupt countries is almost 5% less than in those that are relatively corruption-free. The African Union also estimates that Africa loses up to US\$ 15 Billion dollars a year due to corruption.

Business Integrity Project

Cognizant of the high cost of corruption on the regional economies and its adverse effect on the growth of enterprises, CBC has rolled out an anti-corruption training programme across COMESA Member States under the business integrity project. So far, trainings have been conducted in Ethiopia, Rwanda and Mauritius with Zambia next in line on 27 – 28 February 2019.

The trainings are specifically targeted at compliance professionals including management,

procurement, finance and sales personnel. The aim is to equip them with knowledge to set up anti-corruption compliance systems within their enterprises.

The skills will also enable them to investigate and articulate the need for corruption prevention measures within their business, appreciate and understand the methods for mapping and developing an effective compliance program that meets international standards and operationalize components of the anti-corruption ethics and compliance program.

In Zambia, the training in Zambia is initially targeted at 60 businesses. It is jointly organized by the CBC, CIPE, Bankers Association of Zambia, the Zambia Association of Manufacturers and the Zambia Bureau of Standards under the theme: Towards strengthening business integrity for SMEs in COMESA.

CIPE is one of the four core institutes of the National Endowment for Democracy and a nonprofit affiliate of the U.S. Chamber of Commerce.

Development of Port Sudan Corridor is Underway

Preparations have started to establish the Port Sudan Corridor (PSC). This will serve as a gateway to international markets, especially Asia, for countries in the eastern and southern African region.

Specifically, the corridor will directly serve COMESA States; Ethiopia and Sudan, and later Uganda. Afterwards it will extend beyond the SP bloc to Central Africa Republic, Chad and South Sudan.

The decision to establish the Port Sudan Corridor was made by the COMESA Ministers of Infrastructure during their 10th meeting in Lusaka, Zambia in October 2017.

"The corridor concept has improved the management of international traffic as it provides scope for harmonization of operating procedures, policy, skills, infrastructure and equipment hence directly supporting regional integration," Senior Transport Economist at the COMESA Secretariat Mr. Bernard Dzawanda (in picture) said during the meeting of stakeholders from all Corridor States in Khartoum, 21 – 24 January 2019.

The meeting was part of the preliminary activities towards the establishment of the corridor. Its objective was to review and validate the project's strategic plan and financial strategy and the Corridor Work Programme and Sustainability Strategy. A draft Corridor Agreement developed by COMESA was presented to the delegates.

The formation of a corridor management

Institution known as the Port Sudan Corridor Authority (PSCA) was identified as priority activity. The need to establish the corridor institution is to address operational efficiency and reduce the cost of doing business.

Among the activities proposed for the Authority include: facilitating the removal of physical and non-physical barriers to goods and people transiting through the corridor; monitoring corridor performance; advocating for and coordinating infrastructure development and maintenance and promoting business development along the corridor.

66

The corridor concept has improved the management of international traffic as it provides scope for harmonization of operating procedures, policy, skills, infrastructure and equipment hence directly supporting regional integration," Mr. Bernard Dzawanda

Others are setting up stakeholders' network, policy development, regulation and harmonisation, streamlining and harmonisation of documentation and procedures as well as promoting the use of COMESA transit transport facilitation instruments.

The meeting also agreed to support capacity building initiatives in key institutions

engaged in transport operations and provide information services to stakeholders and other interested parties.

The meeting also considered the draft financial strategy and identified three sources of funding the PSCA namely; contribution by Corridor Member States, User levy and Development Partners contribution.

A number of corridor authorities have been established in the COMESA region and the Eastern and Southern African region in general all of which have produced positive results on infrastructure development and smooth flow of trade.

Mr. Dzawanda says the corridors have enabled the application of transit trade facilitation instruments such as the harmonized axle load limits and vehicle dimensions, harmonized road user charges, COMESA Carrier Licence, Regional Customs Transit Guarantee and the COMESA Yellow Card.

"All these instruments are included in the COMESA Virtual Trade Facilitation System (CVTFS) providing an integrated Regional Single Window," Mr. Bernard Dzawanda said. This has proved to be very valuable in improving efficiency through coordination and streamlining of procedures."

The stakeholders meeting was organized by COMESA with support from the European Union under the eleventh European Union Development Fund (EDF 11) and the Japan International Cooperation Agency (JICA).



COMESA seeks to raise its global share of seed trade value to 5%

COMESA targets to increase its share of the total global seed trade value from 2% to 5% in the next three years. This will be done through the implementation of the COMESA Seed Harmonisation Implementation Plan (COMSHIP).

To this end, the COMESA Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) is collaborating with the AfricaSeeds - the implementing Agency on seed programmes of the Africa Union - in coming up with an integrated seed sector within the Comprehensive Africa Agriculture Development Plan (CAADP) agenda aligned with the National Agriculture and Food Security Investment Plans (NAFSIPs).

This collaboration has led to the establishment of a comprehensive seed information system for Africa, known as Seed Knowledge Gateway (SKG). This will complement COMSHIP, whose objective is to increase production and quality, reliability, trade and competitiveness of the seed industry.

SKG is a web-based computerised database set up by Africaseeds. It will be used for seed data, statistics and information necessary for the seed sector planning and operations. It will be available for all seed development partners in the African continent.

In a mission report prepared by Dr John Mukuka, a Seed Development Expert at ACTESA, the increase in the regional seed trade value will be accelerated through the implementation of the COMSHIP complemented by the new SKG platform.

Dr Mukuka represented COMESA at the African Union's Seed Knowledge Gateway (SKG) meeting that took place, in Akosombo, Ghana, 11 – 14 February 2019. The objective of the meeting was to review and validate the development, implementation strategy and work plan of the preparatory phase of the SKG.

In attendance were delegates from AfricaSeeds partner countries and

institutions, namely Ghana, Zambia, Zimbabwe, Ethiopia, Senegal, Burkina Faso, Cote d'Ivoire, Nigeria and Kenya. Others were from the Forum for Agricultural Research in Africa (FARA), African Development Bank (AfDB) and Africa Agricultural Transformation Scorecards Compacts.

The meeting affirmed its strong collaboration with FARA on enhancing AfricaSeeds' role as technical partner of the SKG.

"The proposed partnership with FARA will be crucial for the proper development and use of SKG and AfricaSeeds and FARA needs to expedite the processes to achieve the desired linkage," Dr Mukuka said.

The meeting finalized and validated an outline that guided the preparation of the Seed Knowledge Gateway project document and the key deliverable of the preparatory phase.

Regional Integration: Reaching out to defence forces



Director of Trade and Customs, Dr Francis Mangeni (in blue suit) with trainees from the Zambia Defence Forces Staff Training College in Lusaka.

As part of COMESA stakeholders' outreach programme, members of the defence forces from the region were conducted on a public lecture aimed at deepening their understanding of regional integration and the role of peace and security.

The lecture was conducted by the Director of Trade and Customs, COMESA, Dr Francis Mangeni, February 20, 2019 at the Zambia Defence Forces Staff Training College in Lusaka. The military officers were drawn from various African countries and were attending a Masters programme at the college.

66

This programme is also intended to bring together world class academics, researchers and practitioners from leading institutions around the world through an e-learning platform," Dr Mangeni added

Acknowledging the security forces interest in regional integration, Dr Mangeni observed that the task of educating people on such matters was not a preserve of COMESA alone.

"It should be a responsibility of all Member States to include the integration agenda in their curriculum to help build skills that will help address the challenges each country is facing especially in domesticating and implementing regional commitments," he said.

He cited the COMESA Virtual University hosted at the Kenyatta University in Kenya as one outstanding project which will greatly contribute to knowledge on regional integration. Under this project, officials from governments and the private sector dealing with trade, integration and international cooperation issues will be enrolled for a Masters degree programme on regional integration.

"This programme is also intended to bring together world class academics, researchers and practitioners from leading institutions around the world through an e-learning platform," Dr Mangeni added. Twenty-two universities in COMESA Member States are participating in the project.

The Director implored participants to lobby for inclusion of regional integration issues in the national curriculum from basic schools' level to inculcate understanding of the subject at an early age. This would help to change the mindsets of many people in Africa regarding issues of integration.

He said: "Through an entrepreneurial approach to education, human capital is built that will spark change and create individuals who shall not only graduate but also come up with bankable innovative projects that will produce new products needed for trade across our region."

He advised that education systems in the Member States should develop partnerships between industries and students so that the later can do practicals in the subjects they learn thereby perfecting their skills.