

## Democratic Gains in the Region Faces COVID-19 Test



File photo/ A member of the COMESA Committee of Elders Amb. Ashraf Rashed, observes elections in a Member State

With the outbreak and the global spread of the Coronavirus, the looming socio-economic and political ramifications will be severe. This is largely because of the costly but necessary measures that have been established to contain the spread.

According to an analytical report prepared by the Governance, Peace and Security (GPS) Programme at COMESA Secretariat, it is apparent that governance, peace and security, both at the national and regional levels will be impacted in several ways. One of them being the current democratic gains.

"Since the reintroduction of multiparty democracy in the region in the 1990s, member States have made steady progress towards institutionalizing and consolidating democracy," the Report says. One of the measures for democratization, is how and when elections are conducted, as this

has a ripple effects on other measures such as transparent competition and inclusiveness.

Over the years, most countries in the region have organised elections periodically and strengthened the key institutions of governance to ensure participation, transparency, accountability, the rule of law and promotion of national cohesion.

"With the Coronavirus raising concerns about close contact and individual health safety, the elections scheduled for this year in countries such as Malawi, Burundi and Seychelles are likely to be postponed to later dates, while in some cases, indefinitely," the Report says, noting that Ethiopia has already postponed both presidential and parliamentary elections.

The postponement of these elections will likely alter the electoral calendars and every effort will have to be made to ensure that they do not

have spill-over effects in other sectors such as education. Further, rescheduling of elections, could in some cases trigger disagreement among political players who may not agree to the new dates or other electoral modalities that may be put in place.

"The postponement of elections, unless well managed, could raise anxiety among the political players and the electorates as has happened in the past, especially where the stakes are high," the Report further notes. "The situation is further likely to impact on campaigns and subsequently on voter turnout even after the COVID-19 is contained."

The Report states: "If for example, governments decide to continue to implement stringent measures to prevent reinfection and further spread of the virus, then campaigns may be restricted in some situations. As a result, political

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parties may not be able to adequately share their policies and programmes with the electorates.” If the past is anything to go by, the Report notes, opposition parties in such cases could accuse the government of deliberately disenfranchising and profiling voters in certain areas (especially areas perceived to be opposition zones), and such allegations have often led to conflicts.

It is also expected that the respective governments may not have enough resources to organise elections, having diverted most of it to contain the COVID-19 pandemic. In addition, the donor countries, who have also been hit hard economically, are unlikely to extend much resources for the running of elections as they have done in the past.

## The COMESA GPS programme supports member countries in governance, peace and security issues including election observations.

It is therefore likely that, critical stages in the electoral cycle such as voter registration, civic and voter education will be affected. This will negatively affect voter turnout and participation of the electorates in the scheduled elections. Cumulatively, these challenges are going to erode the gains made in consolidating democratic values in the region.

The Report concludes that consensus building among electoral stakeholders will be critical in setting the new dates and averting conflict and political disagreement, which is most undesirable in the aftermath of COVID-19.

The COMESA GPS programme supports member countries in governance, peace and security issues including election observations. This is in response to directives of the COMESA Ministers of Foreign Affairs. Owing to the current uncertainties occasioned by COVID-19, COMESA will not be able to roll out its programme on elections and democratization for now.

# Over \$100m Transacted through the Regional Payment and Settlement System



The COMESA Regional Payment and Settlement System (REPSS) has transacted over \$138 million dollars and nearly one million Euros in value, through nine participating Central Banks over the last five years.

According to the Executive Secretary of the COMESA Clearing House (CCH) Mr. Mahmood Mansoor, this value is expected to grow as more Central Banks from within and outside the COMESA region, which have shown interest joins.

The nine countries whose Central Banks are live on the system are: Democratic Republic of Congo, Egypt, Kenya, Malawi, Mauritius, Rwanda, Eswatini,

Uganda and Zambia. Central Banks of Burundi, Djibouti, Sudan and Zimbabwe are in advanced stages of preparations to join.

According to Mr. Mansoor, the Central Banks of Tunisia and Somalia have been engaged by the CCH for admission. Non-COMESA countries such as Nigeria and Ghana have also expressed keen interest to join the REPSS.

“With the nine Central Banks on the live platform, and new ones coming on board, we expect the value of transactions processed on the system to rise significantly,” Mr Mansoor notes.

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-Mr. Mahmood Mansoor

REPSS is a multilateral netting system with end-day settlement in a single currency. It allows regional trade transactions using local currencies thus reducing dependency on dollars and euros. This cuts on collateral requirements as Central Banks are directly involved in the system and trade is mainly amongst members.

“Member States have embraced the system as it boosts regional trade by eliminating mistrust among traders because their respective Central Banks are involved,” Mr. Mansoor says. Currently, the Bank of Mauritius acts as settlement bank of the system.

At the July 2018 COMESA Summit, the Heads of State and Government urged Member States, whose Central Banks had not yet met the requirements for joining REPSS to do so and start transacting.

The leaders’ call was motivated by the need to stimulate economic growth through enhanced intra-regional trade by enabling importers and exporters to pay and receive payment for goods and services through an efficient and cost-effective platform.





# Transport Sector hit Hard but has a Key Role in COVID-19 Management

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**R**oad and air transport have borne the brunt of the Coronavirus impact as countries put stringent measures to stop the spread of the pandemic. Border congestions, which have been a persistent headache in better times have worsened, with ripple effects on sanitation services.



*File photo/ Cargo trucks mass at Kasumbalesa Border post between Zambia and DR Congo*

In aviation, the grounding of aircrafts poses the biggest threat to the survival of the airlines given that most of them were struggling even prior to the pandemic. This sector has been central to the transmission of COVID 19 owing to its global connectivity.

This can however be turned around by enlisting the services of the two sectors to contribute to the eventual control of the pandemic. Pursuant to this, the Division of Infrastructure, COMESA Secretariat, has developed proposals to help the two sectors withstand the effects of the Coronavirus pandemic.

Director of Infrastructure, Mr. Jean Baptiste Mutabazi says, the two sectors are central to underpinning efforts towards effective containment of the pandemic if deployed properly.

"Chances of having passenger airline resuming operations soon are minimal and losses are expected to deepen with more consequences on the airline industry," Mr. Mutabazi observes. "In view of this challenge, it will be prudent for airlines and governments to adopt strategies

that will mitigate their losses, while at the same time reinforcing efforts towards containing the pandemic."

Due to the heavy reliance on road transport in the region for movement of goods, Mr. Mutabazi says there is need to manage and not block transport corridors in the wake of the COVID pandemic to avoid breaking supply chains.

"It is proposed that COMESA Member States work closely with a clear common approach to allow for exemption of movement of essential supplies," he says. "This will reduce serious disruption of the supply chain for medical supplies, food (particularly perishables) and fuel, which will derail efforts to contain the virus in the region."

To achieve this, the Director, says countries could agree on a common list of essential supplies, which should be exempted from the lock down measures. Further, transport operators delivering such supplies can be identified and allowed to operate on rotational basis to continue with freight movement. This could be done in consultation with Transport Associations and in line with best

practices to prevent any possibility of COVID 19 transmission.

To facilitate clearance of essential supplies, Customs Authorities could develop common systems for preclearance before the goods reach the borders to minimize delays at border crossings.

In the aviation sector, opportunities should be given to the airlines to transport COVID 19 essential supplies using passenger aircrafts to help them recoup some of the revenue losses. "Passenger aircrafts can be used on chartered cargo operations and transport for relief workers, emergency medical supplies and food aid in support of COVID 19 relief effort among others," Mr Mutabazi notes.

Aircraft owners and civil aviation authorities may also use this period to maintain, repair and/or overhaul their aircraft and facilities, positioning for immediate deployment once the pandemic challenge is overcome.

# COMESA RIA Upscales Techniques to Bring-in Investors



*File Photo/ COMESA Secretariat stand at the first Intra-African Trade Fair (IATF ) in Cairo, Egypt, December 2018, facilitated by COMESA RIA*

The COMESA Regional Investment Agency, (RIA) has developed an investment tool known as Investment Teaser to guide potential investors to the available opportunities in the region. The current Teaser contains more than 350 investment opportunities from different sectors of strategic importance to COMESA Member States.

The Teaser, which was developed last year, is a collaborative effort between RIA and National Investment Promotion Agencies of COMESA Member States. It is the first of its kind in the region and includes detailed information covering feasibility studies and project concept papers. Some of the projects in the Teaser are ready for implementation.

In addition, RIA has also produced two booklets: Practical Guide to Doing Business in Tunisia and the other on Uganda. The Guides provide an overview of each country's investment and business climate, that helps

potential investors in making informed decisions.

To expand its outreach, COMESA RIA is partnering with international events' organizers focusing on trade and investments. In the recent past, it successfully partnered with seven international events organizers that focused on investment, trade competitiveness and development in Africa, Europe and Asia.

They include the Annual Investment Meeting- AIM2019 (Dubai, UAE), African Tourism Investment Summit (Cape Town, South), International CEOs' Economic Summit

(Brussels, Belgium), and World Economic Forum for FDI (Sydney, Australia).

Through these partnerships, experts from COMESA Secretariat and its institutions and National Investment Promotion Agencies, participated in 11 high level speaking engagements. Eighteen member NIPAS participated in the events and exhibited their services at no cost.

COMESA RIA was launched in 2006 to help make the regional bloc a major destination for all investors.

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## The COMESA Diary

<b>15</b> April 2020	Virtual Meeting of the COMESA Bureau of Council <b>Organised by:</b> Secretariat
<b>23-24</b> April 2020	7th Meeting of the Technical Working Group of the RCTG Carnet <b>Organised by:</b> Yellow Card/ RCTG
<b>29-30</b> April 2020	5th Meeting of the IT Committee on the Digital Yellow Card <b>Organised by:</b> Yellow Card/ RCTG

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*NB: The meetings will be virtual*

