

COMESA NEWS



Bracing for **COVID-19's** **Impact** and Aftermath

Editorial

COVID-19: Time to Implement the COMESA

Digital Free Trade Area



Three years ago, COMESA decided to shift focus to promote digital economic integration and adopted the theme: **COMESA - Towards Digital Economic Integration**.

By then, Coronavirus (Covid-19) was nowhere. The decision was based on the understanding that the region stood on the brink of a new industrial revolution, driven by new-generation information technologies. It

was about empowering traders to do cross-border trade using ICT as a tool to minimize physical barriers and provide the necessary environment and infrastructure for enhancement of global trade. The adoption of the Digital Free Trade Area (DFTA) was intended to reinforce the implementation of the Free Trade Area, which was launched in October 2000 to facilitate regional integration. Over the years, save for inconveniences such as delays at points of entry and transit, everything seemed just fine until Covid-19 global pandemic happened. What has ensued is an unprecedented havoc on the health sector and the national economies. Regional trade, which is an economic lifeline was thrown into a spin as countries placed restrictions on movement of people and closed borders to keep Covid-19 away. Regional trade, which has to a large extent been based on manual processing of documentation was threatened and so was the supply of essential and even life-saving goods and services. Coronavirus had exposed the vulnerability of being dependent on manual operations. It had, inadvertently underlined the critical need for our countries to embrace digital systems efficiency in cross-border transactions and building resilience against future shocks. It is no longer a convenience for the region to implement the DFTA but a critical imperative if we hope to keep our economies functioning in good and bad times.

Mwangi G

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EDITORIAL TEAM

EDITOR:

Mwangi Gakunga

Sub Editor:

Edward Ssekalo

CONTRIBUTORS:

Muzinge Nampito-Chibomba
Daniel Banda

ARTWORK/LAYOUT:

Philip Siphon Kambafwile
Matthews Lungu

PHOTOGRAPHY

Daniel Banda,
Mwangi Gakunga
Muzinge Nampito-Chibomba
Matthews Lungu

Bracing for COVID 19 Impact and the Aftermath



As the Corona Pandemic began rampaging across the globe, COMESA region had by end of March started to bear the brunt of the disease with cases crossing the 1,000 mark. By then, out of the 21 Member States, only three were yet to report any case.

The region was however bracing for the worst and started taking far reaching measures to stave off the devastating effects on human lives and the aftermath of the pandemic on the regional socioeconomic infrastructure.

In mid-March, Secretary General of COMESA Chileshe Kapwepwe, issued the first statement on the pandemic urging the regional States to learn and apply best practices that were effective elsewhere in slowing down the spread of the virus.

"Our countries must brace themselves for increased disease burdens – social and financial burden of the COVID-19,"

she said. "Let us mobilize our human and financial resources and coordinate preventive measures to counter the likely spread of the pandemic."

Already, Member States had taken various containment measures including imposing restrictions on travel and congregational gatherings and encouraging working from home, cashless transactions, disinfecting public places, enhancing screening and intense public awareness.

"The magnitude of the effects on trade and investments for African countries will depend on the sizes and economic structures as well as characteristics of the various economies," Ms. Chileshe Kapwepwe said.

In addition to health challenges expected, the SG also outlined the key economic sectors that would mostly be adversely affected by the pandemic, among them trade and investments, manufacturing and tourism.

The most affected regions and countries were the major trading partners for COMESA, that is the European Union, China and the United States. The SG noted that any economic slow-down in these countries have global repercussions given the interconnectedness and fragmentations in production, trade and investments.

"The magnitude of the effects on trade and investments for African countries will depend on the sizes and economic structures as well as characteristics of the various economies," She said.

"For the big economies, the effects would be much larger owing to their stronger interconnectedness with the rest of the world compared to smaller economies."

Thermal Power Dominating Power Generation in the Region

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Ethiopian State Minister of Water, Irrigation and Energy Dr. Frehiwot Woldehana

Thermal power accounts for 69% of the total installed power generation capacity in the COMESA region which is currently estimated at 92,000 megawatts (MW) with hydro power, (large and small) taking 30% share.

According to the Chair of the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA), Dr Fredrick Nyang, the region needs to promote production from renewable energy sources, for which the COMESA region has expansive potential, in terms of solar, wind, geothermal, bioenergy, among others.

Addressing the 9th Annual General Meeting of the RAERESA that took place on 5 – 6 March 2020, in Addis Ababa, Dr Nyang said there was need for stimulating energy efficiency in order to reduce electricity demand, especially at peak periods.

“The main challenge for many COMESA countries is that generation capacity is not enough to cover the nations own needs and allow for cross-border trade,” he said. “Even though there are plans

underway to improve the transmission capacity across borders, there is not yet enough transmission capacity to secure an unimpeded trade across the countries and regions.”

Sixteen countries including Ethiopia, Burundi, Egypt, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Uganda, Zambia, Djibouti, Eritrea, Somalia and Tunisia attended the AGM which was opened by the Ethiopian State Minister of Water, Irrigation and Energy Dr. Frehiwot Woldehana.

In his speech, Dr. Woldehana said new approaches are needed to increase generation capacity and minimize the current system losses of electricity. He noted that Africa was losing 12.5% of production time as a result of chronic power outages thus holding back the continent's potential for growth.

Citing recent studies, the Minister said the low levels of competitiveness of countries in the local and regional markets was due lack of adequate infrastructure in energy in the COMESA region.

“Our region is a paradox of energy, richly endowed with power generating natural resources of which only few are harnessed, thus resulting in severe power shortfalls. We must tap our indigenous resources so that we are not dependent upon imports of fuel to light our cities and power our growth,” the Minister said.

As a way forward, he said there is need to move and evacuate energy efficiently from areas of production and surpluses to areas of deficit, domestically or across borders by investing in energy trade transport through transmission interconnectors and pipelines.

Currently, the Cape to Cairo electricity corridor is on course with the ongoing implementation of the Zambia-Tanzania-Kenya (ZTK) power interconnector project. This project will interconnect the Southern Africa Power Pool and East Africa Power Pool, enhance and pave the way for a competitive regional power market.

COMESA Assistant Secretary of Programmes, Dr Kipyego Cheluget said the energy challenges facing the region should be seen as an investment opportunity for power generation.

“High priority should be accorded to the development of regional energy infrastructure which would assist to achieve economies of scale,” he noted.

Dr Cheluget called on governments including energy sector players, multilateral and bilateral Institutions, private sector, academia and other stakeholders to explore modalities and innovative means of financing the energy infrastructure deficit in the COMESA region.

COMESA Region Annual Inflation Rate at 31.6%

The year-on-year inflation rate in the COMESA region, as measured by the Harmonized Consumer Price Indices (HCPI-COMESA), stood at 31.6% in January 2020. It means that the prices of goods and services increased by an average of 31.6% between January 2019 and January 2020.

Using a particular or common currency, an item that cost an average of 100.00 cents in January 2019 increased to 131.60 cents in January 2020. The annual rate measures the price change between a particular month and the same month one year earlier. This measure is responsive to recent changes in price levels, but it can also be influenced by one-off effects in either of the two end months.

According to a report released by the COMESA Statistics Unit, the rate was based on the main components of household expenditure. Housing, water, electricity, gas and other fuels recorded the highest annual inflation of +75.9% whilst the restaurants and hotels registered the least average price change of 12.5%.

HCPI-COMESA comprises of twelve divisions of expenditure which registered the following average price changes during the month of January 2020 compared with January 2019: food & non-alcoholic beverages 44.2%; alcoholic beverages and tobacco 30.9%; clothing and footwear 40.3%; housing, water, electricity, gas and other fuels 75.9%; furnishings, household equipment and routine household maintenance 24.3%; health 57.1%; transport 22.0%; communication 26.9%; recreation and culture 20.8%; education 17.9%; restaurants and hotels 12.5% and miscellaneous goods and services 40.5%.

Seychelles recorded the least annual inflation rate of 0.9%, while Zimbabwe recorded the highest year on year inflation rate of 534.8% followed by Sudan at 83.0%.

The participating Member States that contribute to HCPI-COMESA registered the following rates of total inflation in January 2020 compared to January 2019: Burundi 6.2%; Democratic Republic of Congo 4.6%; Djibouti 4.4%; Egypt 12.8%; Eswatini 3.1%; Ethiopia 16.6%; Kenya 5.2%; Madagascar 4.2%; Malawi 11.0%; Mauritius 1.1%; Rwanda 7.9%; Seychelles 0.9%; Sudan 83.0%; Tunisia 6.1%; Uganda 3.9%; Zambia 14.4%; and Zimbabwe 534.8%.

HCPIs are produced by the COMESA Secretariat in collaboration with the Member States with the aim of measuring inflation in similar ways and can therefore be compared directly with each other without the need for making special adjustments.

Harmonized Method

The HCPIs benefit from incorporating many of the international developments in consumer price index theory and methods in recent years. The Member States HCPIs are compiled by the respective countries, using harmonized methods laid down in COMESA Regulations. The aggregated figures are compiled by the COMESA Secretariat.

An aggregated HCPI is known as an "HCPI-COMESA". The aggregates are calculated as weighted averages of the national HCPIs, using as weights each country's total household expenditure in the national accounts converted to a common currency using purchasing power parities supplied by the African Development Bank and the World Bank.

Bracing for COVID 19....

The statement added that more diversified economies would most likely experience less severe effects compared to low diversified ones in the wake of reduced demand for exports and cut down in supply from import sources. Thus, commodity dependent countries in COMESA such as DR Congo and Zambia and beyond, such as Nigeria and Ghana were likely to be hard hit by the crisis following reduced demand for copper and cobalt.

Services-oriented economies, such as Egypt, Ethiopia, Rwanda and Kenya where air transport services, financial services and tourism services are relatively strong were more vulnerable, given the nature of the epidemic.

The cancellation of air flights, travel bans and restriction of movements of persons was expected to slow down growth leading to job cuts. As part of mitigation and post crisis recovery, the Secretary General said Central Banks in all countries should keep interest rates low to encourage private sector (including SMEs) borrowing to stimulate domestic production and consumption.

She noted: "Our governments must provide and sustain a conducive environment to private sector to expand production capacities and enhance competitiveness and reduce over-reliance on extra-African imports even for basic commodities."

In the meantime, COMESA remained in solidarity with its Members States as they faced the greatest socioeconomic threat in living memory.

African Women Business Platform Launched

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Zambia First lady Mrs. Esther Lungu (middle) launches the 50MAWSP flanked by COMESA SG Chileshe Kapwepwe (R) and Zambia Minister of Gender Ms. Elizabeth Phiri.

An online business networking platform aimed at connecting 50 million women entrepreneurs across Africa was launched in Zambia on 28 February 2020. This was the inaugural national launch, with others planned to be rolled out in 38 countries that are members of the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC) and the Economic Community of West African States (ECOWAS).

The 50 Million African Women Speak Platform (50MAWSP) is an initiative of the three regional economic communities supported by the African Development Bank. The Platform was developed to empower women in Africa to enable them access real-time information on financial and non-financial services mainly through mobile phones and other communication devices. It is custom-built and dedicated to serving the information needs of women by providing an avenue through which to improve their ability to network, share knowledge and do business with each other.

Zambia's First Lady, Mrs. Esther Lungu launched the platform in Zambia.

COMESA takes the lead in the national launches in 15 countries, with Zambia being the first off the blocks. Other launches are lined up in Zimbabwe, Seychelles, Ethiopia, Eswatini, Eritrea, Djibouti, Egypt, Sudan, Malawi, Madagascar, Comoros, DR Congo, Tunisia, and Mauritius.

The development of the platform was conceived in 2016 and a Memorandum of Understanding signed between COMESA, the EAC and ECOWAS to jointly implement the project. This followed a study conducted by the AfDB that found that about 70% of women in Africa are financially excluded.

"To give you just one more grim static; women alone, who contribute the larger percentage of Africa's population and form the majority of those engaged in key sectors such as agriculture and trade, face a financing gap of close to US\$16 billion," COMESA Secretary

General Chileshe Kapwepwe told guests at the launch.

She added that even where financing is provided it is not always accessed owing to lack of information about the available financial products such as affordable credit, business training, and mentorship, among others.

In COMESA Member States, the platform will ride on the trade facilitation tools that have already been developed and removal of restrictions to trade



Young women attending the national launch of 50MAWSP in Zambia

across borders, such as the COMESA Simplified Trade Regime. Being a tech-driven platform, the women can begin to transact or share information with millions of people in the 38 countries where the platform is present, within seconds of signing up.

The platform is accessed at: www.womenconnect.org

Urging the women in Zambia to sign up on the platform the First Lady said:

"With this platform you have your own space as an entrepreneur to post your merchandise and advertise it free of charge. Alternatively, it could be the place where you connect with suppliers, or even business mentors. All these features, ladies are available to you at absolutely no cost."

Mrs. Lungu urged governments, policy makers, trade and business support institutions and women business leaders to support rural women and the youth to participate in the Platform so that they are not left behind.

"Let us roll and reach out to this untapped potential by providing them with internet training and skills for them to participate," she said. "Other stakeholders and partners can go a mile further and facilitate the acquisition of the internet tools, the smart phones."

Zambia Minister of Gender Hon Elizabeth Phiri said that an initial team of 50 has been trained to support women enlist in the platform.

Other national launches will be conducted in Members States as soon as countries contain the COVID-19.

Malawi and Zimbabwe Review Common List of Products

The Governments of Malawi and Zimbabwe have reviewed and added more products to their Common List, which will be traded between the two countries using the COMESA Simplified Trade Regime (STR). Each country is expected to have the List gazetted by 28 February 2020.

This follows a decision made during a bilateral meeting between the two countries held in Mponela, Malawi in November 2019. COMESA Secretariat through the Small Scale Cross-Border Trade Initiative (SSCBTI) was part of the meeting.

According to COMESA SSCBTI Team Leader Mr Tasara Muzorori, the countries will compile their import and export regulations applicable to products on the Common List and share with the Cross-Border Traders Associations and the Secretariat as soon as possible.

The Secretariat is expected to publish the amended STR list and conduct awareness events for both traders and border officials in the two countries. "The STR is meant to empower the small-scale traders so this exercise was important, and the meeting agreed to regularly review the Common List to keep it up to date as guided by the CBTAs," Mr Muzorori added.

Director of Trade in Malawi's Ministry of Industry, Trade and Tourism Mrs Christina Chatima who officially opened the meeting, commended both governments for bringing the parties together adding that the last review of the Common List was conducted in 2013.

"Small scale traders play an important role in supplying essential products

across borders and providing incomes to the traders who in turn support their families. So, this review is crucial for the benefit of both traders and consumers," Mrs Chatima said.

Head of the Zimbabwe Delegation Mr Mamvura Mabika, who is also Deputy Director in the Ministry of Women's Affairs, commended the two governments for their commitment to facilitate trade by small-scale cross border traders. He said this will help in providing incomes and livelihoods to a sizeable section of populations of the two countries.

The STR is meant to empower the small-scale traders so this exercise was important, and the meeting agreed to regularly review the Common List to keep it up to date as guided by the CBTAs,"

-Mr Muzorori

During the workshop, COMESA Secretariat staff made a presentation on the Small-Scale Cross Border Trade Initiative, a 15 Million Euro project financed by the European Union under the European Union Development Fund (EDF 11). The programme is being implemented by COMESA in collaboration with the International Trade centre and the International organization for Migration.

The two-day meeting was attended by government officers, customs officials and representatives from the CBTAs from both countries.

COMESA Initiatives Cited as Good Practices at Global Forum on Trade and Investment

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The COMESA Innovation Award, the Annual Research Forums and the Virtual Master's Degree programme in regional integration have been acknowledged as some of the best practices in trade and investment.

The three were presented during a Knowledge Sharing on Trade and Investment Good Practices forum conducted in Brussels 4-5 February 2020. Arising from the presentation made by COMESA representatives and subsequent deliberations, the Organization of Eastern Caribbean States (OECS) expressed interest in collaborating with COMESA on the Master's Degree programme in regional integration.

The knowledge sharing forum was organized to disseminate good practices developed by Trade Com II supported programmes. This followed a contribution agreement signed between COMESA and the European Union under the ACP TradeCom II Capacity Building Programme in July 2019. The Grant aims at supporting COMESA in trade policy analysis, enhance capacity for trade policy research and training and build practical skills and knowledge to support regional integration.

At the forum, COMESA was represented by Research Fellow Ms. Jane Kibiru, and Finance Specialist Ms. Fungwa Kabati. Ms. Kibiru presented a paper on "Enhancing Capacity of Trade Policy Analysis and Training for Deeper Regional Integration" under trade policy and regulation cluster. In the paper, she outlined the envisaged outputs under the Grant including training of policy makers/trade officials in economic and trade policy analysis and trade negotiations; undertaking applied trade policy research, dissemination of

research outputs, implementation of the Virtual Master's degree programme in regional integration and scholarships opportunities available to students.

The presentation also highlighted the enhanced capacity in trade and economic policy research and negotiations and increased partnerships and networks to be undertaken under the grant.

Regarding the COMESA Innovation Award, Ms Kibiru informed the delegates



File photo: Dr. Patrick Gomes, the Secretary General of ACP Group addressing a COMESA Policy Organs meeting in Lusaka, November 2019.

that prize money given to the winning innovators was instrumental in providing seed capital for commercialization of innovations. She cited the 2015 award winner, who was featured in the Africa Forbes under 30 List, 2019 in the technology category as one of the success stories.

The knowledge sharing forum was opened by Dr. Patrick Gomes, the Secretary General of ACP Group who underscored the role of the ACP Secretariat in building and sharing knowledge across the TradeCom II Programme.

He noted: "Uncertainties in the multilateral trade system demand solid knowledge and stronger capacities to innovate and enhance knowledge on global trade issues and to deal with the difficulties emerging from the demographic dividends, such as the youth who leave their countries in search of better opportunities."

The Forum coincided with the 8th Meeting of the TradeCom II Steering Committee. At the meeting, COMESA highlighted activities undertaken during the period July-December 2019 including the Sixth Annual Research Forum on the theme "Promoting intra-COMESA Trade through Innovation," the COMESA Innovation Awards and the review and

mounting of teaching modules for the Master's Degree programme on the digital platform. The meeting called on COMESA to fast track commencement of the Master's Degree programme to ensure that the scholarships are utilized before the end of the Grant.

The forum was attended by among others, representatives of the European Commission, ACP Group, United Nations Commission for Africa (UNECA), Trade Policy Training Centre in Africa-The Eastern and Southern African Management Institute (TRAPCA-ESAMI), OECS, international organizations and ACP beneficiary countries: Botswana, Cameroon, Comoros, Cote D'Ivoire, Djibouti, Guyana, Haiti, Ivory Coast, Kenya, Mauritania, Mauritius, Mozambique and Zimbabwe.

COMESA to Lead Regional Meat and Live Animal Value Chain



COMESA will lead in the identification of comprehensive data and information for the meat and live animal value chain for southern and Horn of Africa required for inclusion in the design of the third Animal Resource Information System (ARIS 3).

This was part of the outcomes of a consultative workshop organized by AU- IBAR in Nairobi, Kenya, 3-7 February 2020, to identify priority data and information to be included in ARIS 3 to better handle information of priority regional livestock value chains.

Participants represented ministries responsible for livestock development from all 54 Member States of Africa and representatives from all Regional Economic Communities (RECs) including COMESA. Dr. Yoseph Mamo, Senior Livestock Officer, represented COMESA Secretariat.

"We agreed that AU-IBAR finalize the design of ARIS 3 and give appropriate trainings on the use of the application and that RECs statistical Units to be given training on ARIS 3 and be linked

to Member States responsible unit to provide the required data," Dr Mamo said.

Each region chaired by the representative of the regional economic community identified comprehensive data and information required to be included in the design of ARIS 3. The southern region and the Horn of Africa were assigned to assess and identify data and information for meat and live animals, Northern and East Africa to provide on dairy products whereas Central and West Africa will handle poultry and eggs value chain.

Value Chains

It was also agreed that Development Partners will support the initiatives to promote livestock value chains in Africa for better economic integration.

The objectives of the Nairobi workshop were: to conduct a comprehensive assessment of data and information needs by various stakeholders across the prioritized livestock value chains on regional basis (poultry, dairy, meat, and live animal) and identify critical data content for selected livestock value

chains to help develop a comprehensive continental data collection framework. Participants were drawn from the Member States, Regional Economic Communities, Experts, Development Partners and Commodity Producer Associations. They agreed on the benefits from implementing the ARIS 3 and Livestock Development Strategy for Africa (LiDESA).

The initiative is part of the AU-IBAR activities for the sustainable development of livestock for livelihoods in Africa Live2Africa to transform priority regional livestock value chains through strengthening systematic capacity building across member States. This is part of implementation and coordination of ARIS for the sustainable development of Animal Resources.

Implementation of the ARIS 3 is a follow up to the stakeholder workshop held in Cairo, Egypt in August last year, where key strategic actions and priority interventions were proposed. One of the crosscutting intervention was establishment of livestock value chain based information management system.

Working with AGRA to Fast Track Seed Harmonization

Lack of quality and improved seed in the COMESA Member States contributes significantly to food insecurity and poverty with 123 million people out of total population of 650 million (22.8 percent in sub-Saharan Africa) affected. In light of this, the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), a Specialized Agency of COMESA has been working with Member States' governments and nongovernmental organizations in joint strategies to respond to food insecurity challenges in the region.

Currently, ACTESA is collaborating with the Alliance for a Green Revolution in Africa (AGRA) to fast-track trading by seed companies on the harmonized COMESA Seed Trade Platform. A draft proposal between COMESA and AGRA has been developed aimed at contributing to regional seed trade in staple food crops of maize, rice, cotton, soybeans and rice in COMESA region.

The draft agreement of COMESA and AGRA with its COMSHIP consortium members titled: "Improved Regional Seed Trade in the Common Market for East and Southern Africa" is expected to establish a regional platform for regulatory dialogue and learning trips as well as enhancing the efficiency of information and communication technology (ICT) systems used to clear of shipments at borders.

According to ACTESA Seed Expert Dr John Mukuka, over 500 million people living in the region depend on seed-based crops such as beans, maize, rice, cotton,

wheat, cassava, potatoes, soya beans and, small grains for their livelihoods.

"The availability of quality seed in this region in terms of variety, accessibility, and volume currently stands at a meagre 25%. Total seed being traded in the COMESA Member States as of beginning of 2020 is averaging USD1.9 billion, equivalent to less than 2% of global seed trade values and volumes," he said.

With a harmonized system, seed trade within the region is expected to grow from \$1.9 billion to \$5 billion in the next ten years as a result of the incentives embedded in the COMESA Seed Harmonisation Implementation Plan (COMSHIP).

In February, COMESA and AGRA held a joint meeting with its COMSHIP Consortium Members, namely African Seed Trade Association (AFSTA), Cellsoft Technologies, New Markets Lab (NML), Emerge Centre for Innovations (ECI) and AGcuity Consulting Nairobi, Kenya to finalize activities to be implemented on the overall project.

The meeting also reviewed the approach used by private sector to regional variety catalogues and support to the development of a digital information portal in each country for access to information on seed trade volumes.

COMSHIP Consortium Members also agreed to support seed trade associations to play key advocacy roles in seed trade, including the implementation of harmonized seed laws in their individual countries.

COVID 19 Fears Grow as COMESA Secretariat Retreated to Working Off-Site

COMESA Secretariat staff in Lusaka, Zambia, began working from home from Monday, 30 March 2020. This was part of the social distancing measures to prevent infections and transmission of the Corona Virus.

To ensure the Secretariat continued to render services, staff were trained on the use of information technology to enable them work and communicate seamlessly. This included hosting virtual meetings amongst themselves and with stakeholders in Member States.

Only a small number of critical and essential staff were left behind to man the Secretariat and respond to urgent matters during the period as heads of divisions, units and projects developed Business Continuity Plans and workflows to guide off-site delivery of service.

Sections of staff whose services were not be required were advised to take leave in the short term as management monitored the effects of the pandemic in Zambia. Zambia was among countries that had recorded COVID-19 cases and the numbers were steadily rising while the Government was gradually tightening restrictions.

The move to isolate staff and to promote social distancing, was part of the measures that the World Health Organization had recommended as a strategy to contain the spread of the virus.

Countries that adopted this strategy early, such as Singapore, South Korea and China had successfully managed to contain the spread of the pandemic and many others were following suit.

Located in downtown Lusaka, COMESA Secretariat was particularly vulnerable as it is ringed with informal small-scale markets, public transport termini and vendors, thus compromising stringent pandemic control measures.

Plans to Acquire new Headquarters for COMESA

Yellow Card Scheme to Commits US\$3.6m to the Project

The deal was reached during the 48th Meeting of the Management Committee of the Yellow Card Scheme

The Yellow Card Scheme (YCS) has committed US\$3.6 million towards the acquisition of the proposed new headquarters of COMESA. This is part of the US\$33 million that the PTA-Reinsurance Company (Zep-Re) is selling its new state-of-the-art Business Park building in Lusaka suburb.

Both the Yellow Card and ZEP-Re are specialized agencies of COMESA with the former being a regional Third-Party Motor Vehicle Insurance Scheme. It provides legal liability cover and compensation for medical expenses resulting from road traffic accidents caused by motorists visiting countries in the Scheme.

The deal was reached during the 48th Meeting of the Management Committee of the Yellow Card Scheme, which was held on 23 - 25, March 2020 at the COMESA Secretariat though video conferencing.

The meeting agreed to recommend to the Council of Bureaux of the Yellow Card that the Project should acquire one floor of the Zep-Re Business Park building for US\$ 3,666,667. The meeting noted that the COMESA Secretariat was already processing partial payment.

The two COMESA Assistant Secretaries Amb. Dr Kipyego Cheluget (Programmes) and Dr Dev Haman (Administration and Finance) attended the meeting. Participants were drawn from Member National Bureaux from Burundi, D R Congo, Ethiopia, Malawi, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe. Staff from the COMESA Competition Commission (CCC),



The new Zep-Re building

PTA Reinsurance Company (ZEP-Re) and the COMESA Secretariat also attended the meeting. Subsequent meetings, will also be conducted through video conferencing in the wake of COVID 19 pandemic

The Zep-Re building was opened in December 2019 by the Zambian President H.E Edgar Chagwa Lungu.



President Edgar Lungu tours the facility before the opening ceremony in December 2019

Regional Energy Experts Conducting Peer Review on Member States

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Energy experts representing energy regulatory authorities at the 9th RAERESA AGM in Addis Ababa

Energy regulatory authorities in countries that are members of the COMESA Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) are set to go through peer reviews to ensure their operations are benchmarked against regional best practices.

The first peer review was conducted from 4 – 6 March 2010 on the Ethiopia Energy Authority (EEA). The preliminary findings were presented to the RAERESA Annual General Meeting (AGM) which took place in the same week in Addis Ababa.

A select team of energy experts from 13 countries that are members of RAERESA conducts the reviews on the regulatory authority of the Member State that host the AGM of the regional association of regulators. Member countries of RAERESA are those that have established energy regulatory authorities. These are Ethiopia, Burundi, Egypt, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Uganda, Zambia and Zimbabwe.

Chief Executive Officer of RAERESA, Dr Mohamedain Elnasr said the peer review

is enhance knowledge in regional best practice in regulating regional energy markets and strengthen co-operation with other regulators within the region.

“It is envisaged that a sustained peer review process will result in significant benefits for the region such as capacity building, information and experience exchange relating to promotion of renewable energy, regional power projects implementation and regulation, integration of gender perspectives, and management of the energy sector,” he said during the start of the peer review in Ethiopia



Dr Mohamedain Elnasr

The peer review supports capacity building and information sharing through exposure to national, regional and international best practices; identifies best practices to improve effectiveness of the energy sector; and takes stock of tools developed and used by RAERESA in influencing the practices of national regulatory institutions in carrying out their oversight role.

In Ethiopia, a team of five energy experts from the Member States was constituted to carry out the review over a period of three days. The final report would be published and circulated to all the relevant stakeholders as part of information and knowledge sharing of regulatory matters in the eastern, southern and the Indian Ocean region.

RAERESA is a COMESA institution whose role is to support Member States energy regulators build their capacity and information sharing; facilitate energy supply policy, legislation and regulations; inter-regional cooperation; and regional energy regulatory co-operation.

Presently, six COMESA countries are in advanced stages of establishing their national energy regulators. These are Democratic Republic of Congo, Comoros, Djibouti, Eritrea, Libya and Somalia. The six are currently associate members of RAERESA.

During the same function new logo for the Regional Association of Energy Regulators for Eastern and Southern Africa – RAERESA) was unveiled. The logo was adopted for use at the 9th Annual General Meeting of the RAERESA on 6 March 2020. RAERESA did not have its own visual identification and was using the COMESA logo.

Regional Regulatory Framework Needed to Bridge Gaps in Electricity Sector



Delegates at the regional consultative workshop for energy regulatory authorities

The COMESA Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) is developing a regulatory oversight framework for electricity sector in the region. The framework is expected to enhance the efficiency of regional power trading on the continent.

To move the process forward, RAERESA conducted a regional consultative workshop in Dar es Salam, 22 – 23 January 2020 in Dar es Salaam to develop the framework under the EU funded project on Enhancement of Sustainable Regional Energy Markets (ESREM) for Eastern, Southern Africa and the Indian Ocean.

ESREM is a seven million Euro ESREM project to promote a regional energy market, with the dual objectives of attracting investment and encourage sustainable development.

Participants to the workshop were drawn from Members of the regional power pools, regulatory agencies, regional centers of renewable energy and energy efficiency. Representatives from Ministries of Energy from Angola, Botswana, Burundi, Comoros, Democratic Republic of Congo, Egypt, Eritrea, Eswatini, Ethiopia, Kenya and Lesotho also attend the consultative

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The COMESA Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) is developing a regulatory oversight framework for electricity sector in the region

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workshop. Others were from Malawi, Madagascar, Mauritius, Namibia Rwanda, Seychelles, Sudan, South Sudan, the Host Tanzania, Tunisia, Zambia and Zimbabwe.

Energy Economist at COMESA Secretariat Mr Chileshe Malama, who represented the organization at the workshop, said significant investments have taken place in the sector, resulting in many ongoing projects in power generation and transmission.

“A regional framework is required to facilitate regional power trading as it would provide requirements and guidelines for handling the various issues that would arise at regional level,” Mr Malama added.

The workshop was officially opened by Senior Energy officer in the Ministry of Energy of Tanzania, Mr. Emilian Nyanda.

Tunisia Moves to Entrench Itself in the Regional Marketplace

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File Photo: Tunisia joining COMESA, July 2018

In less than two years since Tunisia joined COMESA, the country has actively embarked on activities to integrate its economy into the regional market and benefit from wide market access of over 560 million people. But unlike the common trend where countries liberalize their market in measured steps, some running into decades, Tunisia has done it in a record time.

Tunisia joined COMESA in July 2018, signed the COMESA Free Trade Agreement, ratified the Agreement and deposited the ratification instruments in a span one and half years.

Now the country is actively participating in the FTA and hosting forums to entrench itself in the regional marketplace. The latest such forum was the "Tunisia-Africa Business Council FITA 2020 and Launching of Prosper Africa" held on 4-6 February 2020 in Tunis. This was meant to introduce Tunisians entrepreneurs to the African business

networks for linkages and partnerships and assess opportunities and challenges for solutions aimed at facilitating, joint ventures, investment and trade.

The objectives of the meeting were: to share knowledge on available opportunities, experiences and lessons learned and deepening the existing networks on trade and private investment between Tunisia and Africa. Enough time was equally allocated to the business community for aside "business-to-business" meetings that helped to initiate or conclude business and investment deals.

The attendance to the forum was impressive. About 100 high level officials including Ministers and Chief executives from 40 countries as well as 4,000 businesspeople from Tunisia attended the Forum. COMESA was represented by Senior Investment Promotion Officer, Mr. Joseph Mpunga.

In addition to hosting trade forums,

the country has established networks with key stakeholders in the investment and trade in Tunisia and Africa as well as with other international partners. This has been done through sharing of information among participants on the existing opportunities for investment and trade growth.

COMESA used the forum to showcase investment opportunities in other Member States for participants including Tunisian business community and global investors.

The Tunisia-Africa Business Council is a private sector led organization established by the Government to create and increase private sector investment and trade linkages between Tunisia and the rest of Africa. The body delivers on its mandate by organizing inwards and outwards visits of the private sector and government officials in Africa with the Financing Investment and Trade in Africa (FITA) being an annual event.

Tunisia Begins Trading under the COMESA FTA



File Photo: COMESA delegation and Tunisia government team meeting in Tunis, September 2019

Tunisia can now export its products to 15 member States of the COMESA Free Trade Area without paying import duties after completing the process of developing and issuing the legal instruments for trading.

In a communication by the Tunisia Minister of Trade Hon. Mohamed Msilini to COMESA Secretary General Chileshe Kapwepwe on 3 March 2020, Tunisia declared its readiness to apply the COMESA FTA.

"I am pleased to inform you that the Tunisian Customs Authority and the chambers of commerce and industry, as designated issuing authorities are now completely ready to implement the COMESA Free Trade Area," Hon. Msilini stated.

At the same time, the minister forwarded the legal document

published by the Tunisia Customs authority on the implementation of the COMESA FTA as well as the final adopted template of the COMESA Certificate of Origin to be used by the Tunisian operators when exporting to COMESA member States.

"This is excellent news and a result of great teamwork by all who were involved," the SG said as she congratulated the teams involved in the negotiation process.

The Secretariat subsequently informed the rest of the member States that they could henceforth trade with Tunisia as an FTA member and also shared with them the legal instrument and sample certificates.

Consequently, the Secretariat would provide Tunisia with the official stamps and the signatories of each of the FTA member States issuing authorities in

order to facilitate the COMESA exports entry to the Tunisian territory.

Minister Msilini said: "As for the beginning of this new era of enhanced partnership, we deeply rely on your usual support to ensure its success for the benefit of all our countries, especially by ensuring a smooth resolution of the technical and practical challenges that may arise for the Tunisian exporters."

Tunisia joined COMESA in July 2018, signed the COMESA Free Trade Agreement, ratified the Agreement and deposited the ratification instruments in a span one and half years. With the commencement of trading under the FTA, Tunisia products will now access the markets of the other FTA members. These are: Burundi, Comoros, Djibouti, Egypt, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Tunisia, Sudan, Uganda, Zambia and Zimbabwe.

Zambia and Zimbabwe Planning Joint Industrialization Programme

The Governments of Zambia and Zimbabwe with support from the COMESA Secretariat are planning a joint industrialization programme, which will build on the experiences and lessons learned from the existing joint ventures.

The two countries are already cooperating in a number of sectors for structural and economic transformation since the federation of Rhodesia and Nyasaland. These include the joint power generation at Kariba Dam, the proposed Batoka hydroelectric power station and the joint tourism programme for the Victoria Falls among others.

The Officer in Charge of the Division of Industry and Agriculture Mr Innocent Makwiramiti revealed in Lusaka, in January this year, that the two countries have developed a roadmap for the joint industrialization cooperation programme.

"The cooperation in industrialization will enable the two countries to harness comparative advantages from their diverse natural resources and synergies in resources utilization, improve the competitiveness and reap the benefits of economies of scale," Mr Makwiramiti added.

Both countries have prioritized industrialization in their National Development Plans as a critical engine for driving their economic development and growth. They also have developed industrialization strategies. These are aligned to the COMESA and SADC regional industrialization policy and strategies.

The 1st technical meeting to actualize the cooperation was held in Lusaka in November 2019 and was attended by officials from the Ministry of Commerce,

Trade and Industry of Zambia and the Ministry of Trade and Industry of Zimbabwe. They were joined by representatives from Embassy of Zimbabwe, COMESA Secretariat and the Head of the Rural Economy Division at the African Union Dr Janet Edeme as an observer.

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"The cooperation in industrialization will enable the two countries to harness comparative advantages from their diverse natural resources and synergies in resources utilization..."
.....

-Mr Makwiramiti

More Countries Ratify Tripartite Free Trade Area Agreement

Namibia is the eighth country to ratify the Tripartite Free Trade Area (TFTA) Agreement moving the region closer to having a fully operational Agreement within this year. Six more countries are required for the Agreement to enter into force.

Tripartite Coordinator at COMESA Secretariat, Dr Seth Gor confirmed in Lusaka, in late January, that seven more countries from the EAC-COMESA-SADC were at advanced stages of ratifying the important document which will spur intra-regional trade.

"We are optimistic that the remaining six countries will ratify the Agreement and we can have it fully operational this year," Dr Gor said.

The TFTA is a building block for the African Continental Free Trade Area (AfCFTA) and its aim is to gradually reduce the tariffs for all goods traded in the bloc to zero percent. It focuses on three pillars, Market Integration, Industrial Development and Infrastructure Development. These have been prioritised to support the regional economic integration efforts in the region and the continent.

Other Member States that have so far ratified the TFTA Agreement are Egypt, Uganda, Kenya, South Africa, Rwanda, Botswana and Burundi.

The TFTA was launched in Sharm-el-Sheikh, Egypt on 10 June 2015 and signed by 22 of the original 26 countries

covered by the deal. Tunisia, Somalia and South Sudan have since joined the configuration, bringing the total membership to 29 countries. These countries together represent 53 percent of the African Union membership, 60 percent of continental GDP and a combined population of 800 million. According to trade experts, if the TFTA countries were one country, it would be the thirteenth largest economy in the world. Merchandise trade within the Tripartite region grew from US\$23 billion in 2004 to US\$55 billion in 2012 – an increase of 140 per cent during this period, reinforcing the 'Africa rising' narrative.



The priorities of safety, security, and innovation can all be effectively catered for, within the regulatory framework," he said



COMESA to Establish Drone Technology Regulation

COMESA is set to establish model regulation for drone technology, which can be applied at regional level. This is line with the Decision of the COMESA ministers responsible for infrastructure, made in 2017, that mandated COMESA Secretariat to come up with regulations on drone technology.

Pursuant to this decision, COMESA participated in the first-ever African Drone Forum (ADF) organized by the Government of Rwanda in collaboration with the World Economic Forum and the World Bank Group in Kigali, Rwanda 5 - 7 February 2020. The Forum brought together policy makers, civil aviation authorities, business community and civil society from across the continent.

Its objective was to appreciate the drone technology and emerging policy and regulatory issues, which would help COMESA Secretariat to establish regional drone technology regulations. COMESA team comprised of the Director of Director Infrastructure and Logistics Jean Baptiste Mutabazi and

Telecommunications Officer Mr. Leonard Chitundu.

The Forum provided an opportunity to different stakeholders from Africa and around the world to review and devise new approaches to the management and regulation of drones. Participants appreciated the current applications of drone technologies in agriculture, health, education, survey among others, deployment challenges encountered and implementation solutions.

The Forum focused on technology demonstrations and creation of an enabling environment to unlock the social economic benefits of drone technology and maintenance of public safety.

Over 600 delegates from across the world participated with the official opening conducted by the President of Rwanda H.E. Paul Kagame. In his opening remarks, he stressed the need for regulatory policies and regulations that promote and not slow down

innovation.

"The priorities of safety, security, and innovation can all be effectively catered for, within the regulatory framework," he said and challenged African countries to strengthen cross border cooperation in the adoption of the technology saying that it would boost the impact of technology.

At the same time, the COMESA team held talks with the Director General of Rwanda Utilities Regulatory Authority (RURA) to discuss the hosting of the Association of Regulators of Information and Communications for Eastern and Southern Africa (ARICEA) Secretariat and Regional Cybersecurity Centre. Discussions centered on the draft host agreement for ARICEA Secretariat and MoU between COMESA and Rwanda Information and Security Agency (RISA) on the establishment of the Regional Cybersecurity Centre.

Construction of Eswatini Trade Hub reaches 70%

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Ambassador Kipyego Cheluget (R) with Eswatini government officials inspects construction works at the Inlanguisela Yabomake Trade Hub in Manzini

Construction of the Inlanguisela Yabomake Trade Hub in Manzini, of the Kingdom of Eswatini has reached an advanced stage with over 70% of works being completed. The Trade Hub and Private Sector Support Project will cost 1.2 million euros.

The Trade Hub is expected to provide market space for over 500 Small and Medium Entrepreneurs with a large focus on women in business. It will have sleeping quarters, which will accommodate more than 200 traders, a trading floor as well as storage facilities. Part of the building has already been roofed and plastered while the ablution block is at the roofing level.

Assistant Secretary General in Charge of programmes Ambassador Kipyego Cheluget accompanied by the Coordinator of the COMESA Aid for Trade (COMAid) Hope Situmbeko and Mwape Kaunda, a senior finance officer toured the facility on 29 January 2020 soon after the Project Steering Committee meeting held in Mbabane.

The support provided Eswatini is part of over Three million Euros allocated

through the COMESA Adjustment Facility with funding from the European Union.

Speaking during the official opening of the steering committee meeting, Ambassador Cheluget said effective implementation of economic programmes happens at national level or through joint actions of countries that link their production and trade processes for mutual benefits. This he said is done through an active private sector, supported by public institutions.

Tangible Results

"I am pleased to note that, the support being provided through the Trade Hub and Private Sector Project, allows the COMESA to support both private and public sector for the achievement of tangible results that have a direct impact on the economy," Cheluget added.

Under Secretary and chair of the project steering committee in Eswatini, Mr Siboniso Nkambule said the project will enhance performance of the leather value chain, improve quality infrastructure services and capacities for investment promotion and provide

support to the Project Implementation Unit.

Planned activities will address capacity and other constraints to make the country's exports competitive in the regional and international markets. They also aim at improving the business and investment climate to enable Eswatini achieve its strategic policy objectives.

The project has a large focus on supporting women in business in line with the COMESA programme in gender that aim at promoting the role of women and youth. It also complements the 50 Women Speak programme that has been rolled out in the country.

It is also in line with COMESA's Industrialization Strategy and Policy on attainment of sustainable growth and development of the member States by promoting balanced and harmonious production and marketing structures. The support has been structured with a vision to realize the benefits of a larger Market at the COMESA level as well as in the context of the Tripartite Agreement and the Africa Continental Free Trade Area.

Botswana Deposits Tripartite FTA Ratification Instruments



H.E. High Commissioner Matlhaku handing over the Ratification Instrument to SG Chileshe Kapwepwe

Botswana has deposited the Instruments of ratification for the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA Agreement) bringing the number of countries that have done so to eight. The other countries that have finished the process are Burundi, Kenya, Egypt, Rwanda, Uganda, South Africa, and Namibia.

The ceremony took place in Lusaka, at the COMESA Secretariat on 30th January 2020. Botswana High Commissioner to Zambia, Mr. Alpheus Matlhaku handed over the ratification instrument to the Chairperson of the Tripartite Taskforce (TTF) Ms Chileshe Mpundu Kapwepwe, who is the Secretary General (SG) of COMESA.

With the ratification of the tripartite agreement by the required number of States, Ambassador Matlhaku said Botswana looks forward to tapping into the wider market of the EAC-COMESA-SADC region.

Commending Botswana, the SG said the TFTA offers a bigger market and it will enable countries to trade more duty free, a move that will increase the levels of intra-Africa trade.

"All Annexes to the Agreement have been finalized, 93.4 percent of the rules of origin have been agreed on, and the exchange of tariff offers is near complete," she said. "More critically, negotiations between SACU and EAC have now been concluded and this will pave way for the commencement of trade between the two blocs to which Botswana belongs."

She noted that the implementation of selected priority tripartite instruments and programmes, which do not require ratification is on-going. These include online mechanism for reporting, monitoring and elimination of non-tariff barriers, the SMS based NTBs reporting system and the transport facilitation and infrastructure programmes.

She reiterated the importance of the TFTA adding that its implementation will result into positive real income gains for partner states, an increase in net exports and cross border flow of investments and creation of decent jobs the women, youth and men. She called on other countries to ratify the instruments to ease movement of goods, services and people in the region. For the TFTA to enter into force, 14 ratifications are needed.

The TFTA was launched in June 2015 to bring together, in one common market, countries in the three regional economic blocs namely the East African Community (EAC), the Common Market for Eastern and Southern Africa (COMESA) and the Southern African Development Community (SADC). The Tripartite FTA brings together a population of 700 million people with an estimated Gross Domestic product of

COMESA Invited to the China International Fair for Investment & Trade

The COMESA Secretariat has been invited to participate at the 2020 China International Fair for Investment and Trade scheduled for early September in Xiamen China. The fair will focus on investment negotiation and policy promotion, coordinated development of national and regional economies, as well as economic and trade exchanges. Asia-Africa Digital Economy Cooperation Forum Executive Chairman Mr. Sindiso Ngwenya delivered the invitation to Secretary General Chileshe Mpundu Kapwepwe in Lusaka during a recent visit.

Mr Ngwenya, who is also immediate former Secretary General of COMESA, recommended the China fair as strategic for the organisation to be a part of. He added that Ms Kapwepwe's presence at the annual fair will add value to the event and offer a rare opportunity for COMESA to showcase its activities and potential.

"We would be delighted to have you personally and COMESA as an organisation to join us in September for this important event," Mr Ngwenya added.

Secretary General Kapwepwe will be expected to deliver a keynote address to the gathering. In welcoming the former SG, Ms Kapwepwe thanked him for his role in enhancing regional integration in the 21-Member bloc.

Digital Financial Inclusion for MSMEs Project Key – CBC

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Participants at the business case study under the CBC Digital Financial Inclusion Project for Micro Small and Medium-Sized Enterprises (MSMEs) in Egypt.

The COMESA Business Council is lobbying Micro, Small and Medium Enterprises (MSMEs) to embrace digital finance in their day to day running of business transactions as this will ease trade facilitation. Pursuant to this objective, CBC has been conducting a business case study under its Digital Financial Inclusion Project for MSMEs.

So far, the studies have been carried out across nine pilot countries, namely: Zambia, Malawi, Tanzania, Rwanda, Uganda, Kenya, Ethiopia, Egypt and Mauritius. The study will help CBC to develop a business case for a Regional Common Digital Payment Policy guideline and framework that supports the development of the digital payment scheme for MSMEs in the region.

Early this year, CBC team was in Egypt and met with key industry stakeholders including Ministry of Finance, Ministry of Communications and Information Technology (MCIT), the Agricultural Export Council (AEC), and the Central Bank of Egypt. Other meetings were held with the Egyptian Micro Finance Federation, Agricultural Bank of Egypt, Agricultural Export Council, AFREXIM

Bank and Egyptian Bank Co.

The discussions helped the CBC team to understand the country's financial inclusion agenda in its monetary reform and establish multiple synergies with the project. The Digital Financial Inclusion MSME training workshop, organised in collaboration with the Federation of Egyptian Industries' SMEs was also a resounding success.

Wider Markets

Interactions helped the team to gain invaluable insights for the project, coupled with a lively session delving into the scope of how CBC's Business Facilitation services can support the SMEs in gaining access to wider markets across the region.

In Mauritius, CBC in partnership with the Mauritius Chamber of Commerce and Industry (MCCI) ran a successful project awareness and consultative workshop with local SMEs and engaged various key stakeholders and drivers of digital financial inclusion to facilitate an understanding of the mechanisms of current trade dynamics.

The meetings also highlighted how digital payments, and partnerships across the region could ease trade and enhance the assimilation of SMEs into larger competitive markets in COMESA through digitally integrated solutions.

Amongst the stakeholder at the meetings were the Bank of Mauritius; Mauritius ICT Authority; the Ministry of Technology, Communication and Innovation (TCI); Ministry of Financial Services and Good Governance; Economic Development Board (EDB); Mauritius Export Association (MEXA); Mauritius Ports Authority; MCB Microfinance; Standard Chartered Bank; Emtel, and SME traders and companies.

CBC Chief Executive Officer Sandra Uwera who led the team said:

"From these information-sharing sessions, we were able to gain an appreciation of the existing gaps and collaborative opportunities around electronic payment systems in the COMESA region and their immense potential to revolutionize payments in the region," Ms Uwera said.



Smallscale cross border traders at Kasumbalesa between Zambia and DR Congo

Lack of market infrastructure near borders reduces the connection between traders and customers. In addition, poor quality, or absence of storage facilities often result in traders selling perishable stock at losses to prevent spoilage. Women cross border traders who deal primarily with low value, perishable primary products are particularly susceptible to this occurrence. This is clearly not conducive environment to have a competitive business.

To help alleviate the problem, the COMESA Secretariat and other stakeholders including Cross Border Trade Associations (CBTA) conducted a detailed needs assessments at selected border areas in Zambia on one hand and Malawi, DR Congo, Zimbabwe and Tanzania. The activity is supported under the European Development Fund (EDF 11) Small Scale Cross Border Trade Initiative (SSCBTI) Result Area 5) covering Mwami/Mchinji, Kasumbalesa, Chirundu and Tunduma/Nakonde border points.

The assessment aims at identifying infrastructure that will support small scale cross border traders to operate with ease, reduce trading times and costs and improve the general livelihoods of border communities and other people who depend on border trade to earn a living.

Benchmarking Study conducted for Cross-Border Market Infrastructure

The initial study took place at Rubavu Cross-Border Market in Rwanda from 20 to 24 January 2020. It was spearheaded by Mr. Tasara Muzorori, Team Leader, Cross Border Trade Expert. The main objective was to collect benchmarking data that will form evidence-based technical recommendations to stakeholders who have submitted preliminary designs and bills of quantities for reviewing and advice. The data will assist to support further steps arising from the findings and recommendations of the detailed needs assessments.

During the mission, the team reviewed the operations and infrastructure that support small scale cross border trade initiative in Rwanda and Congo DR at Rubavu/Goma One Stop Border Post. It also assessed the operating model between cooperatives and the local authorities at Rubavu cross border market. This is to enable evidence-based technical advice to CBTAs and local authorities who have provided land for border market construction, including management structure and security arrangements.

The team also reviewed the process taken from needs identification, feasibility studies, concept designing, detailed designing, construction and operating of the border markets, including lessons learnt and areas of improvement.

The needs assessments came up with border specific recommendations of the infrastructure that will be developed and delivered at Chirundu, on both the Zambian and Zimbabwean sides; Mwami, at Chipata; Kasumbalesa, on both the Zambian and DR Congo sides, and Nakonde on the Zambian side.

A total of six sites have been identified for construction of border markets. High level concept or preliminary designs will be required to form the basis for feasibility study at the identified sites. The outcomes of the study will inform the detailed designs and provide the basis of preliminary costs for each site. It is on this background that the Secretariat carried out the study tour of the Rubavu/ Goma border market in Rwanda to benchmark and collect evidence of good practice and lessons learnt.

Double win for Zambia as FEMCOM Launches Cassava Cluster and Textile Factory

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ZAM President Ezekiel Sekele (in red tie), COMESA Secretary General Chileshe Kapwepwe and part of the textile and garments equipment at the ZFAWIB textile cluster in Lusaka

African patterns are gaining recognition as truly fashionable and iconic pieces, with international fashionistas and fashion houses integrating more and more African influences in their latest collections," she noted.

The Federation of National Associations of Women in Business in Eastern and Southern Africa (FEMCOM) launched the Kanakantapa Cassava Cluster factory situated in Chongwe area about 50 kilometers east of Lusaka, Zambia.

FEMCOM also handed over textile equipment worth over Euro 100,000 to

the textile and garment cluster based in Lusaka's Villa Elizabeth area. The equipment was provided by the Zambia Association of Manufacturers.

The Kanakantapa Cassava Cluster factory is 'wholly women-owned and women-run' cassava processing plant and a major milestone in the implementation of the of the Cassava Cluster projects. It is owned and fully managed by a women's cooperative under the National FEMCOM Chapter, the Zambia Federation of Association of Women in Business (ZFAWIB).

ZFAWIB had been working with the women's associations and the Government of Zambia in the promotion of women in business activities in the cassava value chain, textiles and creation of market linkages for its members. Cassava is one of the strategic food security commodities in the COMESA region which has been prioritized for commercialization.

Speaking during the inauguration of the factory, Secretary General Chileshe Mpundu Kapwepwe, said the project proves that women are determined to create wealth and change the course of economic development in Africa and Zambia in particular.

"This project is testimony that with a little more effort, women can make a huge difference in their lives, those of their families and communities," she said. "There is compelling evidence that entrepreneurship is a powerful driver of economic growth and that women make significant contribution to the economy through their entrepreneurial activities."

FEMCOM Executive Director Ruth Negash said it was good to see the potential that lies in women being realized through the inauguration of the Kanakantapa cassava processing plant.

"If more projects such as the processing plant continue to flourish, by the year 2063, over 90% of rural women would

have access to productive assets, including land, credit, inputs and financial services.

She requested the Government of Zambia to provide land for the cassava farmers to expand their businesses as the launch of the plant is expected to increase cassava production and create more jobs in the country.

She added that FEMCOM has specifically tailored its strategic plans towards supporting practical interventions in the regional value chains and cassava and textiles.

At the relaunch of the ZAFWIB textile and garment factory in Lusaka, COMESA SG said the demand for African textiles and garments was increasing globally.

"African patterns are gaining recognition as truly fashionable and iconic pieces, with international fashionistas and fashion houses integrating more and more African influences in their latest collections," she noted.

She thanked the Zambia Association of Manufacturers (ZAM) that supplied the equipment adding that the factory will empower women and youths with skills and generate income for economic benefits through mass production of and access to regional and international markets.

ZAM President Ezekiel Sekele thanked the women for reviving the textile sector. He said the equipment will help remove secondhand clothes which have affected the production in the sector.

ZFAWIB Chief Executive Officer and FEMCOM Chapter Chair, Maureen Sumbwe said:

"The hard work by the women in business in Zambia is now yielding results especially with the help coming from stakeholders like COMESA, FEMCOM and ZAM.

Burundi Gets €150,000 Equipment to Raise Quality Standards



Burundi Bureau of Standards (BBN) officials inspect the new equipment at their offices in Bujumbura

The Burundi National Bureau of Standards (BBN) received equipment worth €150,000 to support its operations and improve regional market access for Burundi products. The supply, which arrived in Bujumbura on 1 March 2020, included laboratory equipment for building materials, metrology, electrical and plastic, chemistry, microbiology and field vehicles. Under the same package, staff that will use the equipment were trained in advance.

The equipment was provided through the financial support of the European Union under the COMESA Regional Integration Support Mechanism (RISM). The objective is to support the regional integration process in Burundi by strengthening the operational capacities of the BBN.

Once installed the equipment will enable the country to certify the standards of goods and services produced in the country. This will result in improved products which meets regional

standards as well as other markets which acknowledge the COMESA standards.

They will also help to improve market surveillance through verification of legal metrology and calibration of industrial metrology as well as on-site inspection. A Global Positioning System (GPS) for evaluating and verifying the global positioning of the capacities of processing units is also part of the package. Strengthening the capacities of the BBN is motivated by the country's concern to reduce the deficit in its trade balance by improving its foreign trade.

Already, products from niche markets to be traded in regional markets are being identified. Going forward, the BBN will be well placed to grant certificates of conformity and allow Burundi products to easily cross borders and become competitive in the regional market and beyond.

COMESA and Sudan Engage on Regional Integration Issues

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Sudan Prime Minister H.E. Abdalla Hamdok (R) with Secretary General Chileshe Kapwepwe (middle) and TDB President Mr Tadesse Admassu.

Secretary General (SG) Chileshe Mpundu Kapwepwe in the second week of January 2020 led a high-level delegation comprising of Heads of COMESA institutions, Directors and Senior Officers to Khartoum, Sudan. The mission was to engage with the leadership on Sudan's participation in regional integration programmes spearheaded by COMESA.

The delegation met Prime Minister Right Hon. Abdalla Hamdok in his office in Khartoum where they discussed various issues on COMESA programmes and reviewed the level of implementation. Hon. Hamdok reiterated his government's commitment to COMESA and pledged to continue working with the 21-member trade and development bloc in order to deepen regional integration.

He said Sudan considers COMESA a strong and dependable Regional Economic Community (REC), to support his country's development programme. "I am happy that you are here as Secretary General with your team so that we can re-engage on the many programmes that we are implementing. We believe COMESA is a strong organisation and it will help us achieve our desires of developing our nation," PM

Hamdok said.

He briefed the delegation on the various interventions being implemented in trade and appealed for support to move the country from exporting raw materials to value addition on products for export. This will create jobs for women and youths. The PM also requested for support from COMESA in areas of infrastructure development, finance, energy and agriculture.

Tripartite Free Trade Area

Both sides committed to working together on women and youth development. The SG urged Sudan leadership to ratify the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA) ahead of the launch scheduled for Rwanda during the course of this year. Ms Kapwepwe, who was on her maiden visit to Sudan as SG, commended the PM and his government for their continued dedication to deepening regional integration. Sudan is a founding member of COMESA and has been an active participant in COMESA programmes.

Ms Kapwepwe also held a brief meeting with the Minister of Industry and Trade

Honourable Medani Abbas Medani and the Under-Secretary Mr Mohamed Ali Abdella at the Ministry of Trade.

During the five-day mission, the COMESA delegation met with the Foreign Affairs Minister Hon. Asma Mohamed Abdalla, Under-Secretary at the Ministry of Justice Ms Siham Osman and Central Bank Governor Dr Badruddin Abdul Rahim. A one-day workshop was also conducted with the business community.

COMESA delegation included President, Trade and Development Bank (TDB) Mr Tadesse Admassu, COMESA Competition Commission Chief Executive Officer Mr George Lipimile, COMESA Court of Justice Registrar Ms Nyambura Mbatia, Federation for Women in Business in Eastern and Southern Africa (FEMCOM) Chief Executive Officer Ms Ruth Negash and ZEP-RE Country Manager Dr Hatim Abbas Mudawi.

Others were the Director of Gender, Mrs Beatrice Hamusonde, Acting Director of the Agriculture and Industry Mr Innocent Makwiramiti, Legal Affairs Officer Mr Gabriel Masuku, Trade Expert Dr Seth Gor and COMAID Coordinator Mrs Hope Situmbeko.

FEMCOM Sudan Chapter Signs MoU with Government



Under-Secretary in the Ministry of Trade and Industry Mr Mohamed Ali Abdella (L) signs an MoU with FEMCOM CEO Ms Ruth Negash

The Federation of National Associations of Women in Business from Eastern and Southern Africa (FEMCOM) has signed a Memorandum of Understanding (MoU) with the Government of Sudan as a framework for cooperation in empowering women.

FEMCOM Chief Executive Officer Ms Ruth Negash and Under-Secretary in the Ministry of Trade and Industry Mr Mohamed Ali Abdella signed the MoU.

The two parties agreed to work together in addressing barriers that prevent women in Sudan from fully participating in economic activities and advancement of gender equality and equity. This will be done through promoting women's economic empowerment by supporting the growth of women-owned enterprises in the country.

"This MoU will also help the FEMCOM Chapter and government to strengthen their collaboration in the area of women inclusiveness in many areas with a particular focus on finances and promoting access to justice," Ms Negash added.

This is the first FEMCOM Chapter to officially sign an MoU with the government and the CEO. The FEMCOM Chapter in the Democratic Republic of Congo has also signed an MoU between the government and the local chapter chairperson.

Ms Negash revealed that the institution is working to ensure that all the 18 chapters in the Member States sign MoUs with the governments. This, she said, will also help encourage ownership of the chapters by the governments.

"This MoU will also help the FEMCOM Chapter and government to strengthen their collaboration in the area of women inclusiveness in many areas with a particular focus on finances and promoting access to justice," Ms Negash added.

COMESA Team Meets Sudanese Business Community

Members of the Sudanese Businessmen and Employer's Federation interacted with the COMESA delegation during a full-day workshop held in Khartoum on 21 January 2020. Secretary General Chileshe Kapwepwe joined by Heads of COMESA institutions, Directors and Experts in Trade, Industry and Economics participated in the interactive session, which was the first of its kind for the Secretariat in that country.

The COMESA team made presentations on the different institutions, programmes and projects that COMESA is implementing and how Sudan could fully participate in the activities. The event provided an opportunity for the businesspeople to ask questions and get answers on the burning issues and how they can take advantage of the regional market.

Chairperson of the Sudanese Chamber of Commerce Dr Osman Hassan commended the COMESA team for sparing time to spend with the business community and added that this would greatly help the business community in addressing some of their challenges.

Presentations were made by the Trade and Development Bank (TDB), FEMCOM, the COMESA Competition Commission (CCC), ZEP-RE, Division of Trade, Division of Gender, Division of Industry and Agriculture and the COMAID project.

COMESA and ReNAPRI to Strengthen Relations in Agriculture Policy Research

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Acting CEO of ACTESA Dr. John Mukuka (R) with Dr. Nalishebo Meebelo, Head of the Secretariat of the Regional Network of Agriculture Policy Research Institutes (ReNAPRI) during the meeting at the secretariat

The COMESA Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) and the Regional Network on Agriculture Policy Research Institutes (ReNAPRI) will strengthen collaboration in Agriculture Policy Research and outreach in the region through an existing Memorandum of Understanding (MoU).

The MoU provides for the establishment of a framework within which the parties will jointly explore and coordinate policy research and development activities that are of mutual interest. This will be done in a manner that conforms to their respective policies; to encourage joint efforts on the basis of equality and mutual benefit.

This followed a meeting at COMESA Secretariat in Lusaka on 10th February 2020 between the Acting ACTESA CEO, Dr. John Mukuka, and the Head of the Secretariat of ReNAPRI Dr. Nalishebo Meebelo. Dr Mukuka said ACTESA was

ready to partner with ReNAPRI under the MoU and to pursue potential areas of collaboration in 2020 and beyond.

He observed: "The role of concrete evidence in the formulation of agriculture related policy and decision-making is cardinal to the development of the region and the continent as a whole. We look forward to increased collaboration between us so that we can help reduce the poverty levels of our people in the region and beyond through agriculture research, which will assist us revamp the ailing agriculture sector due to climate change."

Market Access

Dr Meebelo said ReNAPRI was keen to work with COMESA as its focus is on strengthening trade related capacities for increased market access and generally its interest in enhancing agricultural development, food and nutrition security.

"ReNAPRI is well positioned to be the

regional Think Tank, and to heighten the visibility of COMESA through its communication and outreach platforms. We therefore seek to strengthen collaboration amongst national policy institutes within the Eastern, Southern and West Africa regions to provide relevant and timely national and regional policy support to stakeholders such as national governments and Regional Economic Communities (RECs)," she added.

Established in 2012, ReNAPRI's vision is to support leading national agricultural policy research institutes in Eastern, Southern and West Africa to be centres of excellence that guide and inform national and regional agricultural and food security policy issues.

ACTESA is a specialized agency of COMESA formed to address staple food production and marketing in order to increase market access; food production; food productivity and removal food trade barriers.

COMESA Institutions to Partner with AeTrade Group in Regional Trade Facilitation



AeTrade Group's Founder and CEO, Mr. MuluAlem Syoum (2nd Left) and former CBC Chairperson, Dr. Amany Asfour exchange the signed MoU as AU Commissioner for Trade Mr Albert Muchanga, (3rd left) CBC CEO Sandra Uwera and Secretary General Chileshe Kapwepwe (extreme right) applaud.

The COMESA Business Council (CBC) and Africa Leather and Leather Products Institute (ALLPI) have joined forces with AeTrade Group to advance intra-Africa trade. This will be done through cooperation on matters of digital business facilitation, technical skills development, trade partnerships and private sector development, with a specific focus on empowering Small and Medium Enterprises (SMEs).

This deal symbolically reached through the signing of Memoranda of Understanding by the two COMESA institutions with AeTrade Group on 10th February in Addis Ababa, Ethiopia. The event was conducted on the sidelines of the 33rd African Union Ordinary Session Summit themed, "Silencing the Guns: Creating Conducive Conditions for Africa's Development."

Former CBC Chairperson, Doctor Amany Asfour, ALLPI Executive Director, Professor Mwinyikione Mwinyihija and AeTrade Group's Founder and CEO, Mr. MuluAlem Syoum, each signed on behalf of their organisations. Secretary General Chileshe Mpundu Kapwepwe and CBC Chief Executive Officer Sandra Uwera

witnessed the signing.

Speaking at the event, the chair of the CBC Mr. Marday Venketasamy said:

"This partnership is a real opportunity to transform the region's socioeconomic landscape, strengthening industries and SMEs through financial inclusion, business linkages and facilitation of market access."

The cooperation will concentrate on, but not limited to the establishment and/or consolidation of regional electronic trade

The three institutions will further explore and implement as appropriate, actions that support solutions to some of Africa's trade and economic challenges. These are identified as priorities in line with the implementation of the Agreement on African Continental Free Trade Area, with a specific focus on the master plan of the African Union Strategy on Micro Small and Medium-Sized Enterprises (MSMEs).

"Our aim is working together to reap synergies and drive transformation faster in line with our respective mandates," said AeTrade Group's Founder and CEO, Mr. MuluAlem Syoum.

The cooperation will concentrate on, but not limited to the establishment and/or consolidation of regional electronic trade, and development of sustainable efforts in the areas of fair and transparent business models and practices.

The collaboration is a response to the low levels of intra-Africa trade, and will provide an opportunity to empower and support small and medium enterprises across the continent to take full advantage of the African Continental Free Trade Agreement (AfCFTA) and its opportunities in the digital market.

Both the public and private sectors are urged to explore ways that they can partner with the CBC, ALLPI and AeTrade Group, in facilitating the delivery of intra-regional trade enhancing solutions, through multi-stakeholder processes and mechanisms, befitting for the African context.



Regional Approach is Best in Fighting Army Worms

COMESA seed development expert has called for a regional approach towards the fight against army worms, which have attacked agriculture fields in some Member States.

Speaking to COMESA News in February this year, Dr John Mukuka said both small-scale and commercial farmers need to work together with governments and agriculture institutions to ensure that the army worms and other pests are eliminated before more damage is done to crops.

He said the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) through the COMESA Seed Harmonization Implementation Plan (COMSHIP) was working in close collaboration with several key national and regional institutions and have developed management options to help deal with the Fall Army Worm (FAW).

"The Fall Army Worm is a transboundary pest and a regional approach on its management is inevitable at all levels which include the EAC-SADC-COMESA Tripartite level and at the African Continental Free Trade Area (AfCFTA)

level," Dr Mukuka added.

He however emphasized that an Integrated Pest Management (IPM) for the FAW is the best option as no single method is effective, especially that other options including biorational pesticides, transgenic resistance, native genetic base and seed treatment can only protect the fields up to 2-3 weeks.

The management options within the COMSHIP framework include planting maize varieties which are resistant or partially resistant to the African Army Worm. The maize varieties with husks extending 50-80 mm beyond the top of the cob and closing tightly around the silks restrict the entry of larvae into the cob. Available varieties can be accessed from existing seed companies on the COMESA Variety Catalogue.

According to Dr Mukuka, the Fall Army Worm can now be found in 44 countries in Africa covering more than 22 million square kilometers and it has also spread globally from Meso-America and North America.

In the 2015/16 season, a new attack

of the Fall Army Worm was reported in the COMESA Member States of Malawi, Uganda Zambia and Zimbabwe as well as northern parts of South Africa and Mozambique.

The mature caterpillar is about 1.5 to 2 inches (51 mm) in length and feeds in large numbers on leaves and stems of more than 80 plant species, causing major damage to economically important cultivated grasses such as maize, rice, sorghum, sugarcane but also other vegetable crops and cotton.

Recommended insecticides which are generally effective for African Army Worm control when applied as sprays or dusts or in combination with trenching include: Endosulphan (1 litre/ha), Carbaryl (310g/ha), Cypermethrin (150ml/ha) and Fenitrothion. "As larvae are most active at night, spraying in the afternoon or evening may produce the best results, Dr Mukuka advised.

The COMESA Seed Programme was created in response to food and seed insecurity experienced in the period 2007/08 season. COMSHIP is aimed at enhancing the availability of quality and improved seed to 80 million small-scale farmers currently found in the 21-member COMESA region.

COMESA, WIPO Sign Cooperation Agreement to Boost Intellectual Property Rights



Secretary General Chileshe Mpundu Kapwepwe signing the cooperation agreement with WIPO

COMESA and the World Intellectual Property Organization (WIPO) signed, in February this year, a cooperation agreement for collaboration in capacity building programmes on Intellectual Property Rights (IPRs) for COMESA Secretariat staff and Intellectual Property Officers in Member States. The Agreement was intended to support awareness creation on the importance of IPRs and assist to develop programmes in the COMESA region to facilitate inventors in protecting their inventions.

WIPO Director General Mr. Francis Gurry signed the Cooperation Agreement on 10th February 2020 in Geneva, Switzerland while COMESA Secretary General (SG) Chileshe Mpundu Kapwepwe signed on 20 February 2020 at her office in Lusaka.

"The Agreement demonstrates the desire of WIPO and COMESA to promote knowledge-based trade and the need to protect and ensure sustainable usage of IP for the benefit of the region and the African continent as a whole," she said.

"Through signing of this Cooperation Agreement COMESA is taking strides to partner and form an alliance with WIPO in the quest to attain trade

diversification into knowledge driven commerce in the realm of IPRs."

The Agreement came at a time when the COMESA-EAC-SADC Tripartite Free Trade Area Agreement and AfCFTA negotiations were proceeding to Phase II, with IPRs forming part of these negotiations, thus underscoring the need for diversification of the regional and continental economies from tangible goods to "intangible" knowledge-based assets.

"COMESA will be calling upon WIPO for technical support to the negotiations to ensure that the region and the continent obtain the best possible result for the IP package of the negotiations," the SG said.

WIPO and COMESA entered into their initial Cooperation Agreement in 2003 with a limited scope of cooperation. Over the years, the IPR landscape has changed into what it is now 17 years after.

WIPO is an intergovernmental organization situated in Geneva, Switzerland and functions as a global forum for intellectual property services, policy, information and cooperation. It was established in 1967 and has 192 Member States.

Monetary Policy Formulation Guide Developed

COMESA Monetary Institute has developed a User's Guide on the Basic Dynamic Stochastic General Equilibrium (DSGE) Modelling and Forecasting for Monetary Policy Formulation. DSGE is an economic tool kit or method used by economists to explain the working of the economy from micro-economic principles (foundations). The tool kit models interactions of household, firms, government and external sector behaviour, such as agents that constitute the economy, to inform economic policy.

Finance experts from COMESA Central Banks validated the User's Guide during a workshop conducted in Nairobi, Kenya on 2 – 6 March 2020. This was part of the CMI's workplan for 2020. Participants were drawn from 10 countries including D R Congo, Egypt, Eswatini, Kenya, Malawi, Rwanda, Sudan, Tunisia, Zambia, and Zimbabwe.

Knowledge Product

The Guide will serve as a knowledge product to enhance analytical capacity and also to develop the skills of staff in Central Banks in COMESA, to build small to medium scale DSGE models for their respective countries. Ultimately, it will contribute to improved monetary policy formulation and enhance the implementation of the COMESA monetary integration programme by all member countries.

"Contemporary monetary policy formulation requires information and forecasts on the interaction between sectors and variables in the economy, which can be better understood through DSGE modeling, which have richer micro-foundation that captures economic relationships than other comparable models," Mr. Zeidy told the delegates.

New Partnership to Drive Agriculture Transformation

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The Centre for Coordination of Agricultural Research and Development for Southern Africa (CCARDESA) is seeking collaboration with COMESA to drive agricultural transformation in the COMESA/SADC regions. The need for collaboration is informed by the dual membership of countries to COMESA and Southern Africa Development Community (SADC), convergence of common interests and the need to rationalize resources and create synergies.

CCARDESA is a SADC agency responsible for implementing matters related to agricultural research and development and is currently placing emphasis on agriculture transformation and industrialisation.

Last week, the Acting Executive Director Dr Simon Mwale paid a courtesy call on the Assistant Secretary General in charge of Programmes, Dr Kipyego Cheluget at the COMESA Secretariat in Lusaka for talks on collaboration.

The two agreed that the envisaged collaboration in projects and programmes should attract funding in priority areas that can drive agricultural transformation in the region.

Dr Cheluget observed that in the next steps, there will be need to develop a concrete way of working together, by starting with a few initiatives that can be scaled up.

"We need to develop a strategy that will help in strengthening the priority areas of collaboration and enhance trade within the region," Dr Cheluget said.

He cited climate change as an important factor particularly, for the island Member States which are more vulnerable to the effects of climate variability and related risks.

The coming together of CCARDESA and COMESA is timely as the latter pushes its Member States to ratify the Tripartite Free Trade Agreement (TFTA). The TFTA will bring together all the countries within COMESA, EAC and SADC to leverage their resources and drive regional agricultural and industrial development.

Action Plan for STR Implementation by Djibouti Developed



File photo: Small scale cross border traders

COMESA has developed a draft Action Plan to be used by Djibouti in the implementation of the Simplified Trade Regime (STR) with its neighbouring Member States. The Draft National Road Map and Action Matrix will be considered by senior management officials in their respective ministries, institutions and administration before it is implemented.

The Plan was prepared during a national sensitization workshop on 28-29 January 2020 in Djibouti. It is intended to create awareness amongst relevant stakeholders on the importance of Djibouti formally adopting STR and other COMESA trade facilitation instruments.

The workshop was attended by national officials representing the public and the private sector (cross-border traders) from the capital city and the regions. Djibouti Minister of Trade and Industry, Hon. Hassn Houmed Ibrahim who was represented by Secretary General in the Ministry Mr. Ali Doud opened the workshop. He observed that sensitization on the STR would secure stakeholder buy-in that will lead to its successful implementation.

COMESA Team Leader/Cross Border Trade Expert Mr. Tasara Muzorori and

Coordinated Border Management Expert Mr. Ahmed Salih led the deliberations.

COMESA STR aims at simplifying and harmonizing customs and border procedures and improving efficiency of border clearance process for small-scale cross border traders. Hence, the traders can benefit from the COMESA preferential trade regime.

The development of the Action Plan is meant to support the adoption and implementation of the COMESA STR in Djibouti in trading with its neighbours Ethiopia and Eritrea.

Once the Action Plan is adopted and finalized, bilateral negotiations will be facilitated to agree on the implementation of STR, with COMESA providing demand-driven support.

The COMESA Cross Border Trade Initiative is funded under the 11 EDF programme that was signed between COMESA and the EU Delegation in Zambia on 8 May 2018. The programme aims at facilitating small-scale cross border trade flows between targeted countries through effective policy and governance reforms, institutional capacity building, improved border infrastructure and better data collection and monitoring.

Zimbabwe Leather Sector Looking up

Bulawayo Leather Cluster set to supply over 20,000 pairs of shoes to Namibia

Leather sector in Zimbabwe is set for better times if what is happening at the Bulawayo Leather Cluster is anything to go by. The cluster has a standing order to supply shoes worth USD 25,000 for schools in Namibia and this is expected to rise to USD 540,000 by end of this year.

Cluster Secretary Mr. Fugai Zvinoramba told a COMESA Secretariat team that visited their factory in February, that the initial contract with Namibia is to supply 1,000 pairs and steadily increase to 20,000. The revitalization of the cluster was supported by COMESA under the Regional Integration Support Mechanism (RISM).

Until the year 2000, Zimbabwe produced 17 million pairs of leather shoes annually and had a vibrant leather industry comprised of highly skilled Small and Medium Enterprises (SMEs), including livestock farmers, hides collectors, tanners and manufacturers. Given the high potential that the leather sector has, the government is now keen to recapitalize the leather and footwear sub-sector so as to increase industrial capacity utilization and boost exports.

"We are now happy to see that we are able to work together as a leather cluster of Bulawayo because of the support that you have provided to us which has enabled us to penetrate the Namibian market," Mr Zvinoramba said. "As a cluster we also plan to expand supply of our products within the COMESA Member States and other countries beyond the region."

COMESA Aid for Trade Coordinator, Hope Situmbeko, emphasized the need for the



COMAid Coordinator Hope Situmbeko (3rd left) engages with Bulawayo Cluster workers in Bulawayo during a tour of clusters in Zimbabwe

full application of harmonized leather product standards across the region to ensure that compliance and quality assurance is attained by the players in the sector.

"Consumer demand is based on high quality production of goods that compete favourably in the open market. This applies to local, regional and international markets and therefore the cluster should aspire for the highest standards of leather products," Ms Situmbeko said.

Speaking during a Standards Training Workshop for members of the Bulawayo Leather Cluster prior to the factory visit, Ms Situmbeko said compliance to common standards would benefit the industry in achieving sufficient supply capacities through collaboration amongst national and regional leather clusters. She added that such collaboration would allow for full

employment of national facilities like the leather design studios which have production capacities of over 500 shoes per day."

She called for increased participation of women and youth to bring in higher innovation in the design and production as well as skills transfer from the experienced designers and producers.

"For any product to succeed it has to be responsive to the demands of the youths as a single largest consumers in today's world," Ms Situmbeko stated.

The workshop was conducted by the Standards Association of Zimbabwe.

.....
"Consumer demand is based on high quality production of goods that compete favourably in the open market."
.....

-Hope Situmbeko

Two New Information Desks Established at Rwanda/DR Congo Border

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Trade Information Desk Officers at the orientation workshop at Kamanyola border post

Two new trade information desks have been established at the Rwanda/ DR Congo border to promote small scale cross border trade. The two: Bugarama (Rwanda) and Kamanyola (DRC) brings to 12 the total number of Trade Information Desks (TIDs) established in the eastern DR Congo under the COMESA led Great Lakes Trade Facilitation Programme (GLTFP).

Four additional Trade Information Desk Officers (TIDOs) have been recruited and trained to man the two border points bringing the total number of TIDOs in the region to 24.

The launch of TID at Kamanyola took place on 11 February 2020 with Bugarama scheduled to be launched later. The two are the most recent set-up, reflecting the demand from Rwanda and D R Congo for TIDs to boost cross border trade and respective border markets.

The decision to establish the two desks was part of the priority activities and timelines agreed upon during the World Bank Implementation Support Mission

held in June 12, 2019. The GLTFP is supported by the World Bank.

The joint border is crucial for development and expansion of trade between the two countries and also with Burundi. Most of the commodities traded by small scale traders are agricultural and hence contribute to enhancing incomes for local communities and improving household food security.

The GLTFP Coordinator, Thomas Barasa said the establishment of additional trade information desks and officers is intended to enhance access to information among small scale cross border traders and boost trade.

"The traders are expected to better understand government regulations and procedures related to cross-border trade and avoid use of illegal crossings and pay relevant taxes that are due to governments of both DRC and Rwanda," he said.

"Overall better understanding between small-scale cross-border traders and border officers will promote bilateral

trade, food security, harmonious co-existence, peace and prosperity for local communities in both countries."

The project staff will provide on-the-spot information to traders on the COMESA Regulations and the STR, support the clearance process (e.g. by helping filling the required forms), seek to resolve disputes between traders and officials as well as collect relevant data on STR transactions at the Kamanyola and Bugarama borders, among other duties.

At the launch, the TIDOs were introduced to the local community and leadership. This was followed by an orientation programme on their roles and responsibilities, to enable them clearly to understand their tasks, including reporting obligations and how to facilitate small scale traders.

The Kamanyola launch was attended by border officials from immigration, customs, police, health, Ministry of Commerce, D R Congo at Provincial level and by the Coordinator of GLTFP, South Kivu, among others.

Madagascar Law Enforcement Agencies Equipped to Fight Money Laundering



Madagascar Law Enforcement Agencies in training

COMESA Maritime Security (MASE) programme has trained 54 law enforcement personnel to strengthen the country's and the regional capacity to fight money laundering and terrorism financing. They include magistrates, prosecutors, police/gendarmerie, officials from financial intelligence unit, anti-corruption commission, central intelligence services, among others.

The latest capacity building event was a two-day workshop that took place on 4th and 5th March 2020 in Antananarivo, in response to a request from Madagascar authorities. The Director General of Madagascar Financial Intelligence Unit (FIU- SAMIFIN), Mr Boto Tsara Dia Lamina opened the workshop.

At the same time, a Numeric Platform that was developed by the COMESA MASE programme was handed over to Mr Lamina for use by stakeholders in the country.

Mr. Lamina thanked COMESA for the support, which he said will facilitate information sharing thus reinforcing the efforts to crack down on transnational organized crimes such as money

laundering and other related illicit financial flows crime.

COMESA has also supported Madagascar to attain full membership of the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG).

During the workshop, participants were taken through various investigative techniques including surveillance, undercover operations, wiretapping and accessing computer systems. The COMESA Component of the MASE

COMESA is one of four regional bodies implementing the EU funded Regional Maritime Security Programme, each of which is implementing a component based on its comparative advantage.

programme, has the overall objectives of strengthening the capacity against money laundering and the financing of terrorism. It is customised to fit the specific needs of the

respective countries in view that the countries are at different stages of the development of their Anti-Money Laundering (AML) regimes.

MASE Coordinator for COMESA, Ms. Dalitso Bonongwe encouraged the Law Enforcement Agencies (LEAs) to work together and put in place formal means of cooperation, such as Memoranda of Understanding over and above the informal settings, with Financial Intelligence Units.

"In the fight against money laundering, the interventions of LEAs need to be effective in order to deter criminals from perpetrating such crimes," she said adding that ineffective interventions can provide a conducive environment for prospective criminals.

"As LEAs, think beyond the traditional offences of money laundering and illicit financial flows and start to follow the dirty money and recover all the associated "dirty" assets," Ms Bonongwe said. Respective countries are expected to work with COMESA to identify the specific AML capacity building needs that can be supported by the Programme.

The task of law enforcement agencies in the fight against money laundering includes investigations, prosecutions and asset recovery. LEAs are tasked to use the intelligence from FIUs to bring criminals to book. Hence, if LEAs lack the expertise to investigate and prosecute the criminals, then all invested efforts by other stakeholders will be in vain.

COMESA is one of four regional bodies implementing the EU funded Regional Maritime Security Programme, each of which is implementing a component based on its comparative advantage. The others are the Inter-Governmental Authority on Development (IGAD); the Indian Ocean Community (IOC) and the East African Community (EAC).



COMESA SECRETARIAT
COMESA Center
Ben Bella Road
P.O. Box 30051. Lusaka, Zambia



+260 211 229 725



www.comesa.int



info@comesa.int



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