

New Regional Forum Established to Deal with Escalation of NTBs



Small Scale traders crossing the Uganda/DRC border

COMESA has established the Non-Tariff Barriers Regional Forum comprising of National Monitoring Committees and NTBs Focal Points. This new structure is aimed at further strengthening the Trade and Customs Committee and Trade and Trade Facilitation Sub-Committee as part of the institutional structures for the elimination of NTBs at the regional level.

The first meeting of the Forum began Tuesday, March 16, 2021 attended by over 60 NTB National Monitoring Committees and NTB focal points from COMESA Member States to learn about the provisions of the Revised COMESA NTB's Regulations and Working Procedures focusing on the institutional arrangements and provisions for identification and elimination of NTB's.

The establishment of the Forum follows the decision of the 41st Council of Ministers, meeting in November last year, which adopted the Revised COMESA Regulations on the Elimination of NTBs and Working Procedures.

Addressing the delegates, COMESA Director of Trade Dr Christopher Onyango attributed the prevalence of reported and unreported Non-Tariff Barriers to the constrained intra-regional trade

noting that Member States have justified most of these as measures necessary to regulate trade.

"To date, intra COMESA NTBs constitute 21.9% of total NTBs reported in the Tripartite Online reporting, monitoring and eliminating mechanism, out of which 82% emanate from operational issues while the remaining 18% are policies/measures that have resulted in NTBs," the Director said.

He expressed concern that although all Member States have appointed effective NTBs Focal Points, only five Member States had formalized and notified the composition of their National Monitoring Committees (NMCs) to the Secretariat. Yet a well-functioning NMC was critical to the implementation of the Regulations and elimination of NTBs.

Noting that the use of NTBs has escalated following the outbreak of the COVID-19 pandemic, the Director observed that worldwide, they have become the major trade policy tool to protect domestic economies, accounting for on average 55% of the implemented protectionist interventions.

"Some NTBs have remained unresolved for periods ranging from one year to more than a decade. In contrast, since 2009, only 20% of all implemented protectionist interventions could be attributed to an increase in tariffs.

"This explains why the Secretariat, has continued to foster engagement with Member States to address the shortcomings that had stalled implementation of the NTB Regulations and prepared Working Procedures/modalities to facilitate their effective implementation," he added.

Dr Onyango described the three days meeting as a critical step towards ensuring Member States do not fall back to uncoordinated restrictive trade policies whenever there is a crisis. For such strategies do not only fuel anti-trade free trade rhetoric but result into even stronger slow-down in economic growth of our economies.

The meeting marks the beginning of a process where elimination of NTB's will now be controlled through strict adherence to the provisions of the COMESA NTB's Regulations. It is expected that effective implementation of a rules-based approach to addressing NTB's will result in considerable increase in intra-COMESA trade.



Assistant SG for Programmes Ambassador Kipyego Cheluget handing over the mobile prover to PS Ministry of Commerce, Trade and Industry Mushuma Mulenga

Zambia Receives Fuel Meters Calibration Equipment Worth \$155,000

COMESA has handed over to the Zambian government a mobile Prover worth USD155,000 to be used by the national metrology agency. Mobile Prover is used in calibration of bulk meters in the fuel sector to increase accuracy in the standards used thus enhancing confidence in the quantity purchased or sold. These in turn facilitate fair local and international trade practices.

COMESA Assistant Secretary General in charge of programmes, Ambassador Kipyego Cheluget handed over the equipment to the Permanent Secretary, Ministry of Commerce Trade and Industry, Mr. Mushuma Mulenga, Tuesday, March 16, 2021 at the Zambia Government Complex.

The provision of the equipment is part of a comprehensive COMESA Regional Integration Support Programme (RISM) extended to Zambia under the COMESA Adjustment Facility. The programme is funded by the European Union. The total support granted to Zambia amounts to 5.8 million EURO's and has included support to the adoption and implementation of harmonised standards and metrology requirements to strengthen regional and international fair-trading practices.

It also includes the procurement of the Central Processing Centre (CPC) Equipment which has connected Zambia Metrology Agency (ZMA) to the Zambia Electronic Single Window (ZESW). This system rides on the Zambia Revenue Authority (ZRA) Customs System the ASYCUDA World and enables the agency to monitor products and

instruments of metrology interest as they are imported into the country through all the 28 Zambia's automated entry points.

In a statement presented by Dr Cheluget, the Secretary General of COMESA Chileshe Kapwepwe noted that owing to the opening of wider regional market of 1.3 billion people under the African Continental Free Trade Area (AfCFTA), there is great importance in investing in quality infrastructure that ensures integrity of exports and quality control.

"For the region to fully achieve its potential, the facilitation of a conducive environment for the growth and development of the private sector is key," she noted. "This is why the Central Processing Centre is so important as it will help in the surveillance of imported pre-packaged products ensuring that the minimum metrology requirements are met."

In his remarks, Mr Mulenga noted that the Zambia Metrology Agency will be able to monitor, regulate and assure compliance of imported goods, without unnecessary disruption.

"The accuracy of bulk flow meters is very critical in ensuring fuel security for the country as they inform the decision-making process in fuel supply management for our nation," he said. "With the acquired equipment, monitoring will be undertaken in real-time, thereby enabling the ZMA to carry out its regulatory functions effectively."

CMI is Helping Member States to Allay Financial Shocks

In an effort to safeguard the financial systems in the region against the build-up of systemic risk, the COMESA Monetary Institute, last week mounted a training to enhance Member States' understanding and mitigation measures.

The virtual training took place on 8 - 12 March, 2021, attended by participants drawn from 12 Central Banks of COMESA Member States namely: Burundi, Democratic Republic of Congo, Egypt, Eswatini, Ethiopia, Libya, Malawi, Madagascar, Sudan, Uganda, Zambia and Zimbabwe.

Anchored under the theme: *Transmission Mechanism of Macro Prudential Shocks to the Financial System*, the forum sought to enhance the capacity of analyzing the most important features of transmission channels of the risks - also referred to as macro prudential shocks - on the financial system, especially during periods of extreme widespread financial distress.

Mr Ibrahim Zeidy, Director of the Institute observed that successful implementation of macro prudential regulations requires an accurate assessment of how fast they propagate to other parts of the financial system and the timing and size of these effects.

"It is important for the sector players to be well versed in application of Vector Auto Regressions (VAR), Structural VAR (SVAR) and Vector Error Correction Models (VECM) as they discharge their duties," he said.

The training was motivated by the fact that macro prudential shocks have potential to disrupt the normal credit intermediation channel and may result in a widespread curtailment of credit to bank dependent borrowers, thereby disrupting the entire financial system. Hence it was intended to uncover the process (call it the transmission mechanism) through which macro prudential policy impacts the financial system.

The training which was based on the 2021 Work plan for CMI, was approved by the Bureau of the COMESA Committee of Governors of Central Banks. Further, it was meant to help deepen understanding of the interdependencies among key financial and macroeconomic variables and the feedback effects thereof, share experiences and create networks.



COMESA, AFREXIMBANK Sign Deal to Implement US\$ 1 billion Continental Transit Scheme



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COMESA and the African Export-Import Bank (Afreximbank) signed an Agreement to implement the COMESA Regional Customs Transit Guarantee Scheme, commonly known as RCTG-CARNET. This marks the beginning of the implementation of the Bank's US\$1 billion AfCFTA Adjustment Facility to support countries from significant tariff revenue losses as a result of the implementation of the AfCFTA Agreement, of which about US\$200 million is earmarked for the COMESA region.

President and Chairman of the Board of Directors, Afreximbank, Prof. Benedict Oramah and the Chairperson of the COMESA Council of Regional Customs Transit Guarantee (RCTG Carnet) Dr Elirehema Doriye signed the agreement in a virtual ceremony on Wednesday, March 10, 2021.

The Agreement set the stage for the implementation of the Continental Transit Guarantee Scheme using the COMESA RCTG under which the Afreximbank will be the regional and continent-wide guarantor. It will provide transit bonds covering the full range of borders that goods are required to cross. This will be done in collaboration with the African Union, COMESA and other Regional Economic Communities.

Through the scheme, Afreximbank will ensure that, when goods do not complete their transit, sums are paid in line with the duties and taxes that would have been required, thereby enhancing tax collection for African nations. In addition, the transit guarantees provided by the Bank will enable

businesses to release working capital otherwise tied up as collateral against transit bonds, while also accelerating the movement of goods across borders. By speeding up transit times and reducing costs, the scheme will provide a boost to African manufacturers, ensuring they can easily access the inputs they need for their business and enabling them to pass savings on to consumers.

Currently, African States require businesses transiting goods through their countries to secure transit bonds, which protect against the risk of transit goods being disposed-off in the transit countries. However, the limited implementation of regional transit guarantee schemes means that traders are required to obtain national bonds for each border they cross. As a result, transit costs in African countries are 63% higher compared to the average in developed countries and 135% higher than in Europe.

Prof. Oramah described the launch of the COMESA-AFREXIMBANK Collaboration on RCTG Carnet as a milestone in Africa's journey towards deepening regional integration and a key tool for delivering on the vision of the African Continental Free Trade Area that will accelerate trade, reduce the cost of trading, release capital for businesses investment, improve the bankability of intra-African trade, and in the end, reduce prices for consumers,"

"With this COMESA RCTG scheme, the Cape to Cairo road project will become a financially viable cross-continental trade route," Prof. Oramah stated.

Studies show that the average costs of freight as a percentage of the total value of imports is 11.4% compared to 6.8% in developed nations. Transit costs in the region are estimated at around US\$450 per truck per day. By implementing an effective transit guarantee scheme the continent will save more than US\$300 million per year.

Dr. Doriye, in his remarks said that by joining the continental scheme, the implementation of the COMESA RCTG will be accelerated beyond COMESA and promote the implementation of the AfCFTA amongst its members.

"Reaching an Agreement might not be that easy implementing the Agreement is equally challenging and, in this regard, I would like to assure you that COMESA Council of RCTG will provide the necessary support to ensure the successful implementation of the Agreement," he said.

Secretary General of COMESA Chileshe Kapwepwe noted that the reduction or elimination of tariffs would greatly reduce the transaction costs across the continent

"It is however imperative that the tariff reduction should be complimented with trade facilitation instruments, such as, the Regional Customs Transit Guarantee- RCTG Carnet -to reduce the high transit and transport costs and boost productivity," she said in a statement delivered by Assistant Secretary General (Administration) Dr Dev Haman.

COMESA Joins Sudan to Launch 50 Million African Women Speak Platform

The platform will help Sudanese business women to connect with local regional markets and enhance their access to financial services



COMESA in partnership with the Sudanese Government launched the 50 Million African Women Speak (50MAWSP) in Khartoum, Sudan on Thursday, March 4, 2021. The platform is an information and networking hub for women which provides a one-stop shop for them to start, grow and scale up their businesses and to access financial and non-financial services.

Presiding over the launch, the Undersecretary in the Ministry of Social Development in Sudan, Mr Mohamed Elshabik expressed the country's commitment to harness technological capabilities to motivate women who are economically active to join the platform by introducing them to it, increasing training opportunities, building capacity and providing finance for them.

"The launch of the 50 Million African Women Speak Platform in Sudan is happening at a crucial time in the country's history, at a time when they are witnessing radical transformations in the march of women in Sudan after the victorious December revolution," Mr. Elshabik said.

The 50MAWS platform offers a great opportunity for Sudanese women to get online and find new connections and create business opportunities that will help them mitigate the effects of the COVID-19 pandemic.

The COMESA Assistant Secretary General in Charge of Programs Ambassador Dr. Kipyego Cheluget expressed his gratitude to Sudan for the support it has rendered to the 50 Million African Women Speak Project and

acknowledged the hard work which has ensured the project's successful implementation.

Dr. Cheluget explained that it is imperative that Sudanese women are provided with assistance in overcoming the challenges that hinder their social and economic growth and development, saying: "We are convinced that new technologies offer African women an opportunity to stake a claim in spheres which were previously male-dominated.

"By harnessing technology, the platform we are launching today will enable the sharing of experiences and success stories of women for the benefit of other women and show them that it can be done. We need to take every opportunity to offer practical solutions that can give them greater confidence to take on new opportunities."

The 50MAWS platform is jointly implemented by COMESA, the East African Community (EAC) and the Economic Community of West African States (ECOWAS). It is funded by the African Development Bank (AfDB) and enables women in 38 countries in

the three regional blocs to find information on how to run businesses, where to access financial services, how to create business opportunities online and where to access training resources, among others.

The national launch event coincided with the rollout of a COMESA campaign named '30 days of women in business' which is promoting the platform over the next one month on radio and social media channels in the Member States where COMESA is implementing the 50 Million African Women Speak Project. These include: including Comoros, Djibouti, DR Congo, Egypt, Ethiopia, Eritrea, Eswatini, Madagascar, Malawi, Mauritius, Seychelles, Sudan, Tunisia, Zambia and Zimbabwe.

The campaign invites women to log onto the platform at www.womenconnect.org, or to download the 50MAWSP app from the Google or Apple stores. To participate, women will be required to visit the platform and submit short stories about their most admired businesswomen giving the reasons why, and what they would tell them if they had a chance to meet them in person. The most compelling of these submissions will be published on the platform and those who submitted them may have an opportunity to meet their role models.

Dates	NAME OF MEETING	VENUE	ORGANIZER
16 – 18 March 2021	First Meeting of the COMESA Non-Tariff Barriers (NTBs) Regional Forum	Virtual	Secretariat
18 March 2021	Rwanda P-IMA Validation Meeting- Mainstreaming SPS Priorities into National Policy and Investment Frameworks to Enhance Trade Capacity	Virtual	Government of Rwanda and Secretariat
24 – 25 March 2021	Regional Consultative Meeting: Optimizing returns from intra-African trade in animals and animal products under the African Continental Free Trade Area (AFCFTA)	Virtual	Secretariat & African Union Inter-African Bureau for Animal Resources (AU-IBAR),
18 March 2021	Launch of the 50MAWSP in Ethiopia	Virtual	Secretariat



1st Annual Africa Gender Equality Conference

COMFWB Participates in the 1st Annual Africa Gender Equality Conference

The COMESA Federation of Women in Business was one of the institutions that participated in the 1st Annual Africa Gender Equality Conference (#AGEC2021) High Level Round Table Discussions during the International Women's Day under the theme: "Women in leadership: Achieving an equal future in a COVID-19 world".

This was the first ever such Conference took place in Lilongwe, Malawi from the 8th to 10th March 2021 and was broadcasted to the African continent virtually. Over 3,000 delegates from government, civil society, academia, gender equality advocates and activists participated.

The Conference provided a platform for Celebrating progress made towards attaining gender parity, 26 years post-Beijing, championing gender equality, Crowd-sourcing the development of home-grown solutions to addressing existing inequalities exacerbated by the Covid-19 pandemic and building the future by charting new pathways to attaining gender equal societies that are resilient to

future crises.

One of the High-level events, sponsored by COMFWB and the UN Spotlight Initiative, was round-table discussions of policy makers, society influencers and development partners on approaches to collectively create a world free-of-violence for women and girls. The event featured prominent personalities from the UN, European Union, COMFWB, Ministry of Gender, Community Development and Social Welfare, the Ministry of Local Government and Rural Development, the Police and Chiefs of traditional leadership.

As an implementation institution, COMFWB acts as an intermediary between government/development partners and women MSMEs in 21 countries to deliver services using national Chapters.

In the round table discussions, COMFWB CEO Ms. Ruth Negash stated:

"It is critical to create in all countries a gender inclusive, conducive business environment

fostering policy consistency to tackle Violence Against Women and Girls at the workplace."

She noted that long lasting behavioral change to eliminate Violence Against Women and Girls (VaWG) can be expedited if the young generation learns through school curriculum and the society is exposed to the message through continuous Media campaign of denouncing VaWG.

Malawian Minister of Gender, Community Development and Social Welfare, Hon. Patricia Kaliati said the government is working with UN Spotlight Initiative and other development partners in building capacity in the society to sensitize and put sustainable systems and programs to eliminate violence against women and girls.



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