

## e-COMESA newsletter

Issue #: 666 9th June, 2021

#### **Regional Ministers Urge Member States to Scale Up Infrastructure Programmes**

inisters of infrastructure have  $oldsymbol{oldsymbol{1}}$ called on regional States to scale up programmes to upgrade and maintain infrastructure and facilities, adopt and implement COMESA transit instruments to improve transport corridors' efficiency.

In their 12th joint meeting conducted virtually, today, June 2, 2021, the ministers responsible for transport, energy and Information, Communication Technology (ICT) acknowledged the huge infrastructure efficiency gap across the region as a pressing policy priority.

Estimates by the African Development Bank, (2018) places the annual infrastructure funding gap at between \$68 billion and \$108 billion across the continent.

In their communique, the Ministers invited Member States to take up the financing, technical assistance, and capacity building opportunities available under the Regional Infrastructure Finance Facility (RIFF) of the World Bank and other development partners to help address the gap.

The RIIF is one of the latest major infrastructure financing facility signed in August last year aimed at expanding longterm finance to private firms in selected infrastructure sectors in Eastern and Southern Africa. It has two components: US\$ 10 million grant to COMESA to provide technical assistance and capacity building to Member States, with special focus on private sector. The second is US\$415 million credit to Trade and Development Bank for infrastructure projects covering renewable energy, ICT and transport and technical assistance facility.



Hon. Joël Randriamandranto

Madagascar Minister of Transport, Tourism, and Meteorology, Hon. Joël Randriamandranto, who chaired the meeting said the infrastructure gap needs to be narrowed if the region hopes to accelerate regional economic development.

"Our region has found itself in this predicament due to lack of resources, both financial and technical. It is therefore imperative that we mobilize adequate resources to address this challenge in line with national and regional priorities," he said.

In their decision on facilitating transit infrastructure, the Ministers urged Member States to connect border posts to the national electricity grid or install backup power services to reduce time due to load shedding and power outages. They called on all agencies working at border posts to be harmonized by adopting Integrated Border Management systems to complement the One Stop Border Points (OSBP).

Further the Ministers urged Member States to deploy regional ICT systems such as

Corridor Trip Monitoring Systems (CTMS) to enhance data and information sharing, improve regulation and progressively digitise border transactions and avoid paper-based transactions which are easy to falsify and are a COVID-19 vector. The system enables operator, vehicle and driver information to be readily available along regional transport corridors at the roadside and at border posts to all regulatory and law enforcement agencies.

In her address, Secretary General of COMESA Chileshe Kapwepwe, underscored the importance of infrastructure in protecting the economy and people's lives.

"The Covid-19 pandemic has exposed the shortcomings of the African health infrastructure, the fragility of the transport sector (especially the aviation sector) and the vital role that ICT sector plays in sustaining economic and social activities during lockdowns and implementation of social distancing," she said citing the CTMS as one of the immediate remedial response to the pandemic.

The meeting welcomed the technical assistance provided under the Tripartite Transport Transit Facilitation Programme (TTTFP) funded by the European Union to assist Member States to domesticate and operationalize surface transport regulations, trade and transit facilitation instruments. They noted that the failure to implement COMESA facilitation instruments has been primarily due to lack of domestication at national level and lack of capacity to undertake oversight and the enforcement of the relevant protocols and Ministerial Council decisions

# Experts Discuss Progress in Transport & Communications, Information Technology & Energy

The 12th Joint COMESA Committee Meeting on Transport and Communications, Information Technology and Energy met on May 31 and June 1, 2021, to discuss the implementation of their respective programmes in the last two years.

The virtual meeting preceded the ministers meeting and brought together over 100 delegates comprising of technical experts from Member States led by Permanent/Principal Secretaries and their delegations, regional and international organizations, and cooperating partners.

Among the key highlights were reports on the development of energy sector, covering power generation, transmission and distribution which has been one of the key priorities for the Member States. According to a report presented at the meeting, a steady rise in the total installed power generation capacity in the COMESA region has been maintained. Currently it is estimated at 95,945 megawatts (MW) up from 65,791 megawatt in 2016 and 48,352 megawatts in 2012.

Thermal power dominates power generation accounting for about 78% of total installed capacity while Hydro and renewable energy account for 17% and 5% respectively.

Assistant Secretary General of COMESA, Dr Kipyego Cheluget told the delegates that many Member States are now engaged in initiatives to create a conducive environment for investment through enactment of suitable policy and regulatory frameworks and are also working on increasing the share of renewables in the energy mix.

"Djibouti and the DR Congo which previously did not have dedicated energy regulatory bodies, have each approved legislation to establish energy regulatory bodies," he said.

Regarding power generation, transmission and regulation, several initiatives are also underway including the setting up of an electricity trading platform and rules, by the Eastern Africa Power Pool. This is in readiness for the regional electricity trading which is expected to be launched within the next two years.

On transport, the adoption of the COMESA instrument on trade and transit facilitation has



Amb. Dr Kipyego Cheluget

"Djibouti and the DR Congo which previously did not have dedicated energy regulatory bodies, have each approved legislation to establish energy regulatory bodies," he said.

been a key accomplishment. These instruments cover licensing of transit and cross-border transporters, third party insurance (the Yellow Card), harmonization of axle load limits, vehicle overload control, gross vehicle masses, vehicle dimensions and road user charges.

Specifically, the COMESA Yellow Card has gained acceptance beyond the region with non-COMESA member States such as Angola, Lesotho, Mozambique and South Sudan adopting it. These countries are in the process of domesticating the Yellow Card through technical support under the Tripartite Transport and Transit Facilitation Programme. The programme is financed by the EU covering the COMESA, SADC and EAC regions. The recommendations arising from the experts meeting was presented to the joint meeting of ministers of infrastructure on Wednesday June 2, 2021 and adopted.

#### COMESA Updates Libya on the Regional Energy Programme

OMESA Secretariat working with the Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) conducted a one-day virtual sensitization workshop on 24 May 2021 for Libyan stakeholders on the regional energy programme and projects.

The objective was to appraise the stakeholders on the COMESA energy programme with specific focus on the RAERESA whose mandate includes the promotion of regional energy regulation and protection of consumer welfare and facilitating integration of the energy markets.

RAERESA Chief Executive Officer Dr Mohamedain Seif Elnasr said Member States had adopted the report on the status of the energy efficiency and environment in the electricity sector in the region. Subsequently, several energy guidelines, including feed-intariffs guidelines, public private partnership guidelines, guidelines on regulatory framework on off-grid electrification and guidelines on joint development of a project have been developed.

"Using the renewable energy guidelines, some COMESA Member States such as Egypt, Ethiopia, Kenya, Rwanda, Uganda and Zambia have managed to attract investments in the sector through independent Power Producers," Dr Elnasr said.

COMESA countries have continued to implement energy reforms using the RAERESA guidelines by adopting transformation plans on the structure, operation, and financing of their state-owned operators. These are articulated in their national energy policies which are compliant to the COMESA Model Energy Policy Framework.

The COMESA Energy Programme promotes regional cooperation in energy development,

Inisters responsible for transport, energy and Information, Communication
Technology (ICT) have called for post
COVID-19 recovery plans to ensure the survival of the aviation industry. The recovery plan is meant to deal with the aviation sector's post pandemic challenges based on the African and international initiatives.

During their 12th meeting on June 2, 2021, the Ministers specifically called for collaborations among African airlines and strategic partnerships with global counterparts. Further, they urged Member States to maintain a united front against the pandemic, notably on the potential imposition of travel certificates by some parties in line with African common position, as well as harmonizing the cost of COVID 19 tests and mutual recognition of certificates.

Said the Ministers: "Aviation has immense potential to contribute to economic growth and development through opening markets, facilitating trade and enabling African firms to link into global supply chains."

In 2020, international travel in Africa declined by 70.5% in passenger numbers compared to 2019, while domestic travel went down by 63.16%. Similarly, revenue accruing from international aviation business fell by \$11,204 million and \$2,345 million for the domestic sector. This is according to the International Civil Aviation Organization.

The Meeting noted that five regional economic communities had jointly formulated an €8 million Support programme to the Air Transport Sector Development (SATSD) in the Eastern Africa, Southern Africa and Indian Ocean (EA-SA-IO) region, whose objective is to contribute to the promotion of regional integration and equitable economic growth of the air transport sector. These are COMESA, East African Community, Intergovernmental Authority on Development, Indian Ocean Commission and the Southern Africa Development Community.

COMESA Secretariat, which is the programme lead, signed the Grant Contribution
Agreement with the European Union (EU) in
December 2020 with the first Project Steering

#### Aviation Sector Urged to Develop Post-Covid Recovery Plans



Committee meeting conducted on 29 - 30 March 2021.

The ministers therefore invited Member States to support implementation of the program by providing requisite information; align their national programs to the regional program and identify areas requiring support in line with the project design.

The meeting was attended by delegates

from Burundi, Democratic Republic of Congo, Djibouti, Egypt, Eswatini, Ethiopia, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, Zambia and Zimbabwe. Regional associations representing transport, energy and ICT sectors and economic communities (Southern Africa Development Community – SADC and the East African Community) among others, participated.

#### COMESA Updates Libya on the Regional Energy Programme

trade and capacity building to address the supply side constraints, reduce the cost of doing business and enhance regional and global energy market competitiveness.

COMESA Energy Economist, Mr Malama
Chileshe informed the delegates that despite
notable accomplishments in the energy
sector, the region lagged in infrastructure
development, which could partly be addressed
through public, private partnerships.

The total installed power generation capacity in the region is gradually rising and is now estimated at 95,945 megawatts from 65,791

megawatts in 2016 and 48, 352megawatts in 2012.

"Using the renewable energy guidelines, some COMESA Member States such as Egypt, Ethiopia, Kenya, Rwanda, Uganda and Zambia have managed to attract investments in the sector through independent Power Producers," Dr Mohamedain Seif Elnasr



COMFWB Libyan Chapter Delegation to the Libya-Algeria Economic Summit (L-R) Waity Tatanaki , COMFWB Libyan Chapter Chairperson Ibtisam Ben Amer, Salma Hassan Bek , Sobhia Elissawy and Fatma Elghadi

### Libyan/Algerian Economic Forum Attracts Women in Business

The Libyan chapter of the COMESA Federation of Women in Business (COMFWB) was among participants at the Libyan/Algerian Economic Summit held in Algiers, 29 – 30 May 2021.

Over 500 economic operators from both countries, took part in the forum which marked the signing of an agreement establishing an Algerian-Libyan Business Council to strengthen trade and increase the level of investment flows between the two countries.

A series of recommendations relating to the reactivation of bilateral agreements, taking into account the regulatory framework of partnership existing between the two countries, were signed during the meeting.

COMFWB Libyan Chapter Chairperson, Mrs. Ibtisam Ben Amer, led the Libyan Women in Business to the forum which provided opportunities on women's access to finances for trade. The women engaged with counterparts and chief executives of Islamic banks among others.

Participants also resolved to pursue logistical and technical measures to make the joint border at Debdeb-Ghadamès operational for persons, goods and services. Other agreements signed, included that of easing taxes on trade and securing borders to ease transfer of goods among both countries. Libyan Delegation was headed by Prime Minister, Mr. Libyan Prime Minister Abdul Hamid Dbeibeh.

in the Eastern and Southern Africa (ESA) region through improved competitiveness of staple food markets and the development and harmonization of regional agricultural policies.

In line with its new Strategic Plan 2021-203, ACTESA is expected to provide an answer to the region's agricultural challenges, including market access-related constraints, low productivity, technological and policy-related constraints.

Mr. Scarpone expressed gratitude for the appointment noting his previous working experience with COMESA Regional Agroinputs Programme (COMRAP) between 2010 and 2012.

"I look forward to having ACTESA assist the private sector in developing agribusiness in the COMESA Member States," he said.

Secretary General of COMESA, Ms. Chileshe Kapwepwe, observed that with the new governance structure in place, ACTESA should deal with the practical implementation of agricultural programmes such as the enhancement of the regional value chains to exploit economies of scale, lower production, and marketing costs, and assist in removing non-tariff barriers.

"Given that most COMESA Member States mainly export primary commodities, ACTESA's role will be key in facilitating input supply chain in the region to stimulate productive synergies within the continent and ultimately boost intra-Africa trade currently at 20% across all commodities," she noted.

Going forward, ACTESA is expected to work with alliance partners that include private sector actors (staple food and seed traders), governments, farmer organizations, trader organizations and agricultural-based NGOs to deliver inclusive impact-oriented programs in the region.

The alliance partners are already in existence at the national and regional levels and will therefore assist in catalysing and supporting the achievement of tangible results and contribute to the development of the value chain in areas that relate to policy, markets, trade, and stakeholder capacity building.

#### **New ACTESA Board Unveiled**

The Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) has unveiled a new board of directors to lead this specialized institution of COMESA in its mandate to promote trade in agricultural commodities.

The board is comprised of members from partner organizations including: COMESA Member States of Egypt and Madagascar; Southern African Confederation of Agricultural Unions (SACAU); East African Farmers' Federation (EAFF); African Fertilizer Agribusiness Partnership (AFAP); African Seed Trade Association (AFSTA); African

Development Bank Group (AfDB) and Eastern African Grain Council (EAGC).

The inauguration of the Board was conducted on 17 May 2021, six months after the COMESA Council of Ministers gave the nod on its 41st meeting held on 26 November 2020. Mr. Jason Scarpone, President, and chief executive of AFAP was elected ACTESA Board Chairperson while Dr. John Mukuka was appointed Interim Chief Executive Officer.

With the board in place, ACTESA is expected to effectively address food security challenges

COMESA SECRETARIAT
COMESA Center
Ben Bella Road
P.O. Box 30051









