Small Scale Trade Set to Rise at the Kenya- Ethiopia Border

Talks covered the implementation of the COMESA Simplified Trade Regime

Small scale trade along the Kenya-Ethiopia border is poised to thrive following bilateral negotiations between the two parties to agree on a Common List of products to be traded under the COMESA Simplified Trade Regime (STR).

The negotiations took place on 1st March 2022 at the Moyale border post and addressed the implementation of the STR between two countries. The STR was launched in 2010, to enable small-scale traders' benefit from COMESA's trade liberalization programme by simplifying and formalizing the trade.

The meeting was part of the implementation of a 15 million euros Cross-Border Trade Initiative, financed by the European Union under the 11th European Development Fund (EDF). Its objective is to facilitate small scale cross border trade among the targeted countries.

According to experts, effective implementation of the STR spurs growth, enhances production and productivity of the agricultural sectors through value addition and processing thereby creating jobs and increasing household incomes.

COMESA Director of Trade and Customs, Dr Christopher Onyango, who led the COMESA team, said that simplification and formalization of cross-border trade will help the region empower women and youths, who make up 70% of the traders.

"By having a working STR, the marginalized groups will find it easier to conduct business, earn incomes and improve their livelihoods. Thus, the STR will help our governments achieve balanced economic development to empower women and the youth," he said.

He added that the development of Common Lists of traded products, agreement of the STR threshold and application of other instruments such as the sanitary and phyto-sanitary measures are important for effective implementation of the trade regime.

The meeting marked a critical milestone in strengthening bilateral relations given that both countries have in the recent past built new infrastructure at each side of the border. Besides, they have signed and ratified the African Continental Free Trade Area (AfCFTA), thus opening the way for preferential treatment to be accorded to one another.

The Director encouraged the two countries to remove existing barriers to cross-border trade to expand opportunities to businesspeople.

"The STR should not only be seen as a facilitator of cross-border trade of buying and selling goods, but it also addresses consumer tastes, preferences, protection and enhances consumer welfare and overall well-being of the people," he said.
Ambassador Carr said her country’s interest in significantly stepping up engagement in Africa through her government’s strategy on expanding mutually beneficial trade, including increased private sector collaboration in agri-food and in the technology sectors.

“These priorities are also at the centre of work of COMESA, and I look forward to further discussions on how we can work together closely to bring the real change, particularly for women and young people in the region,” Ambassador Carr

Mr Pierre said the focus of collaboration with COMESA will include communication and visibility, monitoring political development of concern to African countries in the southern Africa region, liaising and harmonizing specific policies of the AU and monitoring integration and development in the region.

Secretary General said the Irish Government has had a long-standing relationship with COMESA, especially through the European Union and was a key contributor to the European Development Fund, which is the largest external funding mechanism for COMESA programmes.

Among potential areas of collaboration with Ireland are promoting of digital technology and innovation to facilitate intra-COMESA trade; development of COMESA Digital Free Trade Area to promote trade through ICT platforms and tools.

Likewise, Ms Kapwepwe noted, that collaboration with AU-SARO, will be critical in harmonizing policies of the AU and COMESA as well as promoting the socio-economic, political and cultural development in the region.

She invited the two to look through the COMESA Medium Term Strategic Plan, 2021 - 2025 with a view of identifying potential areas of collaboration for viable programmes or projects that could be jointly implemented.

Irish Ambassador to Zambia and Namibia, Ms Bronagh Carr and the Permanent Representative to the African Union - Southern Africa Regional Office (AU-SARO) Mr. David Claude Pierre, have been accredited to COMESA.

The two presented their letters to COMESA Secretary General, Chileshe Mpundu Kapwepwe, Wednesday, March 2, 2022, at the COMESA Secretariat in Lusaka. They now join the group of Special Representatives of their respective country and organization to COMESA, whose mandate is to enhance collaboration in various aspects of mutual interest.

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Regional energy experts have approved a set of tools to promote renewable energy and efficiency. Among them is the grid capacity guideline report for integrating renewable energy, monitoring tool for the Renewable Energy and Energy Efficiency Strategy and Action Plan (REEESAP) for the Eastern Africa, Southern Africa and the Indian Ocean (EA-SA-IO) region.

The others are the inter-pool and inter-Regional Economic Community (REC) Memorandum of Understanding and market surveillance and compliance framework for East Africa Power Pool (EAPP) and Southern Africa Power Pool (SAPP). The validation workshop was conducted on 3-4 March 2022 in Lusaka, Zambia.

Delegates at the meeting also agreed on the provision of technical support to four countries, namely Democratic Republic of Congo, Comoros, Djibouti and South Sudan regarding the establishment of national energy regulators. This includes aligning the Member States’ national legislation/regulation with adopted harmonized regional regulatory framework.

Nine guidelines on renewable energy and energy efficiency and a monitoring tool to assess progress made by Member States towards achieving renewable energy and energy efficiency targets have since been developed. These are expected to take the region to the next level of green and clean economy and an enhanced sustainable energy security and accessibility.

The meeting brought together five Regional Economic Communities: The Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), Intergovernmental Authority on Development (IGAD), Indian Ocean Commission (IOC), and the Southern Africa Development Community (SADC).

Others were the Regional Association of Energy Regulators, Regional Power Pools, Renewable Energy and Energy Efficiency Centers. The COMESA Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) coordinates the implementation of the programme.

The programme has three result areas namely; a regionally harmonized energy regulatory and policy framework that integrates gender perspectives; enhancement of regulatory capacity of the National Regulatory Authorities and Power Pools to proactively influence developments in the energy sector; and lastly, enhancement of renewable energy and energy efficiency to attract investments in clean energy and build capacity in clean energy in the region as well as the domestionation on a demand driven basis.

Speaking at the opening ceremony, Assistant Secretary General in charge of programmes at COMESA, Ambassador Kipyego Cheluget, noted that with the ongoing developments, the EA-SA-IO region will enhance electricity trading at regional level.

"Investment in energy infrastructure should be supported by policy initiatives that promote generation, maintenance, and efficient utilization of energy infrastructure capacity," he said. "The current regional economic growth trends require a corresponding growth in energy infrastructure and efficient utilization to cater for both current and future demand."

To address current challenges, he said, an aligned regulatory framework was necessary to stimulate investments in power production and transmission as well, noting that the EA-SA-IO region has expansive potential in solar, wind, geothermal, bioenergy among others.
The COMESA Monetary Institute (CMI) has developed a User’s Guide on application of econometric software to cross-sectional data using financial inclusion data and its implications on financial stability.

The Guide was presented to delegates from Member States for validation during a virtual workshop conducted by the CMI from 21 – 25 February 2022.

The Guide aims at strengthening the skills of researchers in analysing cross-sectional data, to inform policy makers on enhancing financial inclusion regarding access and use of finance as well as its quality and impact. It presents practicing researchers with a simplified practical exposition of the Financial Access Household Survey Data set, and application of econometric software for analysis.

“Such analysis will help to better understand the financial access landscape regionally and internationally and improve the measurement of financial inclusion by COMESA member countries,” said the Director of CMI, Mr Ibrahim Zeidy when he addressed the participants.

Thirty delegates from 10 Central Banks from Burundi, Democratic Republic of Congo, Comoros, Egypt, Libya, Malawi, Mauritius, Rwanda, Sudan and Zambia, attended the workshop.

Besides the validation of the guide, the workshop also equipped the users with econometric tools for the analysis of survey datasets as well as insights on the development of survey instruments and how they can be replicated in other research areas.

Participants had practical experience of FinAccess Household Survey Data with emphasis on hands-on application using STATA econometric software.

Other outcomes included building the capacity of Central Bank staff and policy analysts on how to successfully roll out surveys and carry out analysis using modern statistical software for policy, enhancing the implementation of the COMESA Financial System Development and Stability Plan and knowledge-sharing.

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**COMESA Diary**

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<th>Dates</th>
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<td>8 – 10 March</td>
<td>Sustainable Air Transport Sector Development/AFCAC Workshop</td>
<td>Kigali, Rwanda</td>
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<td>10 March</td>
<td>4th COMESA Digital Financial Inclusion Public-Private Dialogue</td>
<td>Hybrid/Lusaka</td>
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<td>14 - 17 March</td>
<td>COMESA SCB V Regional Workshop on National Strategies for Development of Statistics</td>
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<td>17 – 19 March</td>
<td>The 3rd ECOFISH and COMESA Steering Committee</td>
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<td>22 – 25 March</td>
<td>COMESA Regional Labour Migration Trends Report Validation Workshop</td>
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The COMESA Seed Committee has approved the inclusion of Barley, scientifically known as Hordeum vulgare L., as one of the staple food crops on the COMESA Variety Catalogue.

This development was made during a virtual meeting held on 27th January 2022. The meeting was attended by technical experts in variety release, seed certification, phytosanitary/quarantine measures for seed import and export from Egypt, Ethiopia, Kenya, Seychelles, Eswatini and Zambia with the private seed sector represented by the African Seed Trade Association (AFSTA), Nairobi, Kenya.

The meeting was facilitated by the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) a Specialised Agency of COMESA mandated to integrate small-holder farmers into national, regional, international markets through improved agricultural policy environment and facilitation to market access.

ACTESA Interim Chief Executive Officer Dr John Mukuka, who is the COMESA Seed Committee Secretary, revealed that Barley has been added to 12 COMESA Staple food crops. These include Irish potatoes, rice, maize, common bean, pearl millet, sorghum, groundnut, soybean, wheat, sunflower, cotton and cassava. These can be found on the COMESA Variety Catalogue in line with the COMESA Seed Trade Harmonisation Regulations.

He added that Barley is a cash crop and will directly benefit farmers who cultivate the crop and enhance small-scale farmers crop rotation system and give the brewing industry (among others) the opportunity to substitute imported barley with local production in the COMESA Region. This is key in ACTESA’s mandate of providing solutions to COMESA region’s agricultural challenges including market access related constraints, low productivity, technological and policy related constraints. Ultimately, this will contribute to integrating smallholder farmers into domestic, regional and international markets through an improved policy environment, expanded market facilities, services and capacity building.

According to the experts, the global production volume of barley amounted to 159.7 million metric tons in the 2020/2021 crop year. The five major global producers of barley are Russia (18.0 million MT), Germany (10.7 million MT), France (10.3 million MT), Ukraine (9.4 million MT) and Australia (9.0 million MT). In the COMESA region, the major producers for barley range are Ethiopia (2.6 million MT), Tunisia (328,000 MT), Egypt (120,000 MT), Eritrea (67,000 MT), Kenya (55,000 MT), Libya (54,900 MT) and Zambia (10,000 MT). Ethiopia is the 16th highest producer of barley in the world.

**About the Crop**

Barley is a member of the grass family and may be cultivated in a wide variety of climates across many geographical areas. Most of the crop varieties prefer temperatures of around 12-15°C during growing period and around 30°C at maturity.

However, its crop cultivation is limited by lack of high-quality seed. Seed is an important input in crop production as it sets the limit crop production. The seed contains genetic information for performance which a farmer undertakes to exploit by employing appropriate agricultural cultivation practices. All other inputs for crop production such as fertilizer, irrigation, disease control, pest control are generally meant to facilitate the exploitation of genetic potential contained in the seed.

A variety registered on the COMESA Variety Catalogue may be traded in the whole of the COMESA region. The Catalogue is available on: https://varietycatalogue.comesa.int/login. Varieties registered under this catalogue comply with requirements of a variety having been registered in two COMESA Member States.