World Bank Approves $250m for Small Scale Trade in the Great Lakes

The new project scales up many of the elements of previous and ongoing World Bank projects in the region.

Burundi, the Democratic Republic of Congo (DRC), and neighboring countries within the Great Lakes Region of Eastern Africa are set to benefit from the new Great Lakes Trade Facilitation and Integration Project approved on June 9, 2022, by the World Bank's Board of Executive Directors.

The $250 million International Development Association (IDA) financing aims to facilitate cross-border trade and enhance the commercialization of selected value chains, primarily targeting small-scale and women traders in the borderlands of the Great Lakes region.

"Local cross-border trade, if properly facilitated, can be an important way to address poverty, food insecurity, conflict, and other socioeconomic vulnerabilities that populations in the border areas face," said Dr. Chris Onyango, Director of Trade and Customs of the Common Market for Eastern and Southern Africa (COMESA).

He added "We seek to reduce the cost and time to trade and improve the volume and quality of goods that are traded to boost incomes, prosperity, and stability in Burundi, the DRC, and the wider region."

The project incorporates interventions combining policy and procedure reforms to address a mix of constraints related to poor infrastructure, insecurity, cumbersome trade requirements, poor handling of products post-production, and limited trust between traders and border agencies, among other factors.

In addition to traders (particularly women and youth), beneficiaries include producers, trade service providers such as transporters and boat operators, market vendors in the border areas, port authorities and border officials, medium and small-scale enterprises, and trade officials in COMESA states.

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Petite Barrière pedestrian crossing on the DR Congo, Rwanda border
Ministers responsible for health from the COMESA region have adopted Rules of Procedure to guide the establishment of a COMESA health desk and a regional statutory committee on health matters.

This follows the recommendations by the 42nd COMESA Council of Ministers Meeting held in November 2021 which directed that a committee on health be established. Towards this goal, health experts and ministers of health meetings were scheduled to develop a plan to mitigate the effects of the COVID-19 pandemic and other diseases.

Once established, the health committee will develop the COMESA health programme and monitor illegal commercial practices in the medical and pharmaceutical sector in the region. The newly adopted Draft Rules of Procedure have been discussed and reviewed by health experts in consultation with other Regional Economic Communities and partners such as the Africa Union Center for Diseases Control (AU-CDC).

Specifically, the COMESA health desk is expected to facilitate the development of policy and strategic frameworks on health, promote and coordinate the implementation of health programmes, promote research and sharing of best practices on health, promote local manufacturing of medicines, prepare reports and service meetings of Member States.

Speaking during the opening of the first meeting of COMESA health ministers on Wednesday 22 June 2022, Zambia’s Minister of Health Ms Sylvia Masebo described the proposed health desk as the foundation upon which the COMESA health programme will be built.

She said COVID-19 had provoked the region to act on an area of the integration agenda that had been ignored.

“We can ill-afford to be caught unawares ever again,” she stressed. “We all agree that establishing mechanisms to predict and avert possible challenges relating to our region’s health sector is critical. Similarly, the need to put in place the infrastructure to coordinate our responses to any health risks, or needs, has become a matter of urgency”.

Hon. Masebo, who was Chairing the virtual meeting, urged the delegates to pay attention to what the statistics indicate about the relationship between the economies and disease noting that the very existence of the regional bloc is anchored on promoting trade.

A study by the International Monetary Fund titled ‘The Long Economic Hangover of Pandemics’ which interrogated the impact of pandemics from the past, came to the conclusion that nations require at least 20 years to recover from the effects of the slowdown in business which these pandemics cause.

In her address, Secretary General Chileshe Kapwepwe said the health desk will enable the region deal with diseases such as Malaria, Tuberculosis, Hepatitis and HIV/AIDS, Cancers, and maternal and child health matters and other diseases that have had a devastating impact on the population in the COMESA region.

Centre for Disease Control (CDC) Africa Director, Dr Ahmed Ouma said his organisation will support the operationalization of the COMESA health desk which he described as a step towards regional health security.

“Indeed, the health desk will be one of the steps to achieving health security of the citizen through coordination of programmes on health in COMESA health desk and will support building resilience in health systems, COVID-19 vaccine rollout, cross border disease surveillance, and other means to limit the transmission of existing and emerging health threats,” Dr Ouma added.

The meeting also discussed the need to support the COMESA with financial resources once it is launched to effectively achieve its mandate.

Earlier, senior officials from the health sector reviewed the draft rules of procedure and the report on the operationalization of the COMESA Health Desk before presenting to the Ministers.
The Fifth Meeting of the COMESA Sub-Committee on the Kenya Sugar Safeguard conducted a virtual two-day meeting 15-16 June 2022 to consider issues relating to the implementation of the Safeguard.

Over the years, Kenya has been granted safeguards by the COMESA Council of Ministers to enable it undertake measures to re-structure its domestic sugar sector to attain competitiveness and become a profitable sector. The Committee oversees implementation of Kenya sugar safeguard measures and address challenges that may arise therefrom.

Key issues in the agenda of the sub-committee were deliberations on the progress report on the implementation of the Kenya sugar safeguard measures and review of the implementation of the country’s sugar recovery plan. The sub-committee also considered proposals related to administration of the quotas allocated to member countries that export sugar to Kenya, which has been a key issue.

In attendance were representatives from the sugar exporting countries that constitute the Committee members: Burundi, D. R. Congo, Egypt, Eswatini, Malawi, Mauritius, Tunisia, Zambia, Zimbabwe and Kenya, which is implementing the safeguard.

Speaking at the opening of the meeting, COMESA Assistant Secretary General in charge of programs, Dr Kipyego Cheluget, observed that challenges around the Kenya sugar safeguard measures and its administration continue to persist and different approach may be required to make a difference.

“The modalities for the administration of the safeguard measures have so far been stable and serve all parties fairly under the circumstances. My plea to all of us is to avoid introducing drastic changes in the modalities, which may bring discomfort or dissatisfaction to some members or section of Member States given the diversity of sugar production regimes in the entire region,” he urged the delegates.

Dr Cheluget called for technological flexibility to diversify from sugar production for food consumption to production of energy or ethanol. Citing the current disruption of global value chains following the Ukraine-Russian conflict, he said such energy production would cover supply shortfalls and arrest runaway prices while stimulating sugar production.

He further urged the participants, who are policy advisors in their respective governments, together with backing of private sector to look at the bigger picture beyond the safeguards measures.

“As revealed in one of our recent studies, there exist potential to increase intra-COMESA exports in excess of US 100 billion in products such as textiles, fish and fish products, vegetables, natural gas, cement, mineral ores, sugar among others,” he said and urged Member States to make good use of COMESA’s research outputs.

In its report, Kenya indicated a steady increase in sugar production due to enhanced investments by both Government and private players, but had not reached self-sufficiency in sugar production as several mills continue to operate inefficiently and below capacity.

“For this reason, the country has been filling the deficit by importing sugar, especially from the COMESA region,” said the report.
A public awareness campaign to promote the implementation of the COMESA Common Investment Agreement (CCIA) across Member States is underway targeting government and the private sector. The CCIA is a promotional tool to guide Member States in various programmes aimed at harmonizing investment best practices and facilitating the private sector operations development in the region.

The CCIA instrument is expected to be owned by COMESA Member States through ratification and domestication. Major programmes to be implemented under the CCIA provisions include, national treatment to be equally granted to COMESA investors and citizens of all Member States.

In 2014, the COMESA Council of Ministers recommended that the CCIA be reviewed to take into consideration the new emerging issues in the arena of international investment regimes and specific standards regarding investor protection, the rights and obligations of investors and the rights and obligations of the host countries. The revised version was finally adopted by the Council of Ministers in November 2017.

Domestication of the instrument will ensure that investment and investors are protected and encourage countries to undertake more reforms and liberalization by opening economic sectors for growth to all investors, particularly the ones originating from the region. The CCIA is also aligned to the Pan African Investment Code championed by the African Union and inspired negotiations on Investment Protocol under the African Continental Free Trade Area (AfCFTA).

On Thursday, June 23, 2022, a public awareness meeting was conducted at the COMESA Secretariat in Lusaka, for Zambia, attended by representatives from the government and the private sector.

Addressing the participants, COMESA Director of Industry and Agriculture Ms. Providence Mavubi said the CCIA was timely as the region cannot implement the industrialization strategy, trade policy initiatives, develop agricultural value chains and regional infrastructure without referring to private investment support initiatives.

"For COMESA region, our FDI inflows per year have been averaging $18 billion during five years before the COVID-19 pandemic outbreak, which is little in comparison with the existing potential," she said. "This is therefore the right time, as Member States and the Secretariat are actively participating in the ongoing negotiations on the Investment Protocol under the African Continental Free Trade Area (AfCFTA) framework."

Leader of the Zambian delegation, Ms. Bessie Chelemu, who is the Director of Foreign Trade, said the CCIA will contribute towards attracting investments for the development of intra-African value chains under the AfCFTA. She added that the AfCFTA presents the best opportunity for the African continent, including COMESA, to build resilience and promote more trade and investment.

"Abundant natural resources that call for more value addition through industrialization, unique tourism attractions, available of human resources seeking infrastructure development is among the numerous areas for investment in the COMESA region," she added.

The awareness activities on CCIA will be carried out under the Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP).
COMESA will support regional coordination to maximize the positive spillovers of the project. While it focuses only on two countries, the project interventions are a practical implementation of the measures necessary to achieve the ideals and objectives of trade integration across Africa, both at the continental and regional levels.

"The African Continental Free Trade Agreement (AfCFTA) provides a solid policy platform for African countries to accelerate economic transformation, but it is at the regional level that many concrete actions are needed to address major constraints to trade integration. This project brings specificity to local and regional constraints and provides solutions," said Boutheina Guermazi, World Bank Director for Regional Integration for Sub-Saharan Africa, the Middle East and Northern Africa.

The new project scales up many of the elements of previous and ongoing World Bank projects in the Great Lakes region. In addition to financing infrastructure at additional border posts, as well as ports and roads access, it addresses border communities' lack of resources to improve trade facilitation by including specific support for value chain development and commercialization. The COVID-19 pandemic encouraged small-scale traders to work in associations, thereby improving their organization and enabling them to reduce their trade costs and potentially increase the quantity and quality of goods that can be traded.

The new project will also build on these social structures. An additional financing for the Great Lakes Trade Facilitation Project provides a grant of $23 million to the DRC to finance a resettlement action plan and modernize border infrastructure at Petite Barrière in Goma, North Kivu Province.

On the border between DRC and Rwanda, Petite Barrière is the busiest pedestrian crossing point in the Great Lakes Region, handling more than 50,000 pedestrian crossings per day. More than three quarters of traders are women and there is also a significant community of people with disabilities who provide important services such as the transport of goods.

However, trade has been constrained by poor and limited infrastructure. The additional financing will directly benefit these groups as well as hundreds of thousands of people residing in eastern DRC, Rwanda, and the wider region of East Africa.

The World Bank’s International Development Association (IDA), established in 1960, helps the world’s poorest countries by providing grants and low to zero-interest loans for projects and programs that boost economic growth, reduce poverty, and improve poor people's lives.

(Source: The World Bank)

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**COMESA Diary**

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My Journey of Faith

Testimonial on COMESA Youth Development Programme

In recent years, the Common Market for Eastern and Southern Africa, COMESA has institutionalized Internship Programme as part of its programme to enhance the participation of youth in its regional integration programmes. This presents a unique opportunity to harness the demographic dividend and empower the continent’s youthful population to advance their contribution to economic development. COMESA Court of Justice taken up the initiative and purposely targeted the disadvantaged youth: those with physical disabilities.

Victor Malombe, a 31-year-old graduate whom the COMESA Court took on board as an intern is a case study. Here is his story:

Firstly, I express my deepest appreciation to the COMESA Court of Justice for allowing me to intern in their organization. It has indeed been an enormous opportunity for both personal and organizational growth.

I was born normal like any other perfect child on 14th September 1990. I grew up in Umoja, Eastlands, in Nairobi. While in grade six, I noticed that I couldn’t read books with small fonts. I began to have difficulties taking part in sporting activities such as football which was my favorite. At age fifteen, my vision got more blurred. I was given corrective spectacles after a visit to the eye clinic. The optician assured my parents that all was well and that low vision was a common problem, and I would get better vision with spectacles. His words boosted my faith. I dedicated my time to reading. I was glad to have worn spectacles and associated them with professors, a thing I would use to put off teasers.

Soldering On

In succeeding years, the deterioration of my sight continued despite the use of spectacles. The condition got worse, and in 2005, when I was preparing to sit for my final Primary exams, I would frequently trip over things or knock people coming in my direction. By God’s Grace, I did my exams and managed to score 407 out of 500 marks. I got an admission to join Upper Hill High School in Nairobi. I soldiered on and became an excellent listener as compensation for my failing sight. I sat for my high school examination and later joined the Catholic University of East Africa, Kenya for my Law Degree. My childhood dream was unfolding.

I graduated from campus with Second Class Honors, Upper Division, enrolled in Kenya School of Law for a postgraduate diploma in Law, and passed. In 2017 I was admitted to the bar as an Advocate of the High Court of Kenya. It was a dream come true. I had long fancied the idea of being a Senior Counsel from my formative years in school.
In the same year, I got married to Nicole Munyiva Musembi.

I enrolled in Management University of Africa in 2018 for a Master’s Degree in Business management and leadership. Studies proved to be strenuous compelling me to drop. I couldn’t recognize people’s faces and frequent headaches made studies difficult. At the time, I was working for The National Council of Churches of Kenya (NCCK).

**Impaired Vision**

While working, I visited various hospitals for specialized ophthalmology tests. I was diagnosed with a condition known as Retinitis Pigmentosa. It’s a degenerative condition that damages the retina causing visual impairment. In my case, the condition is compounded by maculopathy, a secondary progressive condition that also affects the retina. The condition is characterized by night blindness, impaired peripheral and central Vision. There is no known cure, but the condition has several medical research to its credit.

2020 was not devoid of challenges in December I lost my job at NCCK. This loss broke my heart, not to mention struggles with visual disability, taking care of my family, and my marriage was fairly young. I had seen and heard stories of marriages that collapsed after one spouse was diagnosed with a long or permanent health condition. I thank God for Nicole who turned out to be my pillar of strength.

Later, I registered and joined the Kenya Society for the Blind and began to undertake a rehabilitative course in mobility and adaptive computer training. I also registered with the National Council for Persons with Disabilities and the association for the physically disabled.

**Coming to Terms**

Coming to terms with reality, that I may totally be blind, has not been easy. My vision is very low but am still hopeful of a curative discovery. Nonetheless, I am taking measures not to be caught ill-prepared. Adherence to doctors’ advice on the use of special diets, food supplements, constant observational visits has not been easy given their expensive nature and my family’s limited income.

It is my appeal to COMESA and other partner institutions and employers to break the back of social inequity and embrace affirmative action and be more inclusive of People with Disabilities, women, and the marginalized. Disability is a matter of perception if I can do things well when given a task to do.