

COMESA Region Largely Peaceful, only a few Areas of Concern

Forthcoming COMESA Summit to Discuss Regional Peace and Security

1



The COMESA region has to a large extent remained stable and peaceful, with a few areas of concern where conflicts have emerged or continued brewing. This was observed during the 18th Meeting of the COMESA Peace and Security Committee conducted virtually on 31 May 2023.

Notable progress towards peace building has been recorded in Somalia, Libya and Ethiopia. For Somalia, the committee noted that stakeholders have resolved the challenges and there is commitment to hold the next elections under universal suffrage.

Ethiopia was commended for settling the conflict in the Tigray region and the progress towards holding national dialogues this June. Positive developments were noted for Libya.

Speaking during the opening of the meeting, Secretary General Chileshe Mpundu Kapwepwe said despite the impressive progress made in some parts of the COMESA region, there is still need for the committee to provide the much-needed guidance to maintain stability across the bloc.

She cited the situation in Sudan and the Great Lakes region in the Eastern Democratic Republic of Congo as worrying and detrimental to regional economic integration.

‘Despite the impressive progress made in some parts of our region the two developments have caught our attention and re-ignited the urgent need for us to review the conflict prevention and peacebuilding strategies that have been employed in recent times,’ Ms. Kapwepwe said.

She added that the Secretariat through the Governance, Peace and Security Unit will continue to focus on addressing the economic and structural dimensions of conflicts in the region. This includes efforts to forge strategic partnerships to enhance synergies and maximise the efficient use of resources.

During the one-day meeting, reports were presented on the current peace and security situation, progress made on implementation of the conflict early warning system and implementation of programmes

developed to address conflict prevention and management. A report on the implementation of the COMESA component of the regional Maritime Security (MASE) programme was also presented and discussed.

The report of the Committee will be presented to the 18th Meeting of Ministers of Foreign Affairs on Tuesday, 6 June 2023, which will take place in Lusaka, Zambia, ahead of the 22nd COMESA Heads of State

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Supporting Member States in Managing Special Economic Zones

Special Economic Zones have become an increasingly economic development tool across the world. The main objective of creating these SEZs is to attract Foreign Direct Investments and to encourage innovation, productivity and ultimately economic growth. Due to liberal policies related to taxation, trading, quotas, customs and labour regulations, enterprises located in SEZs become more competitive and grow at a faster pace.

It is against this backdrop that the COMESA Industrial Strategy was developed focusing on promoting the SEZs as one of the important enablers for industrialization through enacting key policies.

Subsequently a draft COMESA Framework of Managing Special Economic Zones and Industrial Parks was developed and adopted by Member States at a Committee Meeting on Industry in May 2021 and is ready for full domestication or alignment in Member States based on demand.

At least eight COMESA countries are targeted to receive technical assistance on the

management of Special Economic Zones and Industrial Parks (SEZ/IPs) including Ethiopia, Tunisia, Kenya, Rwanda and others to be identified based on desk study. The support will mainly focus on promoting the operationalization of the COMESA Framework for managing SEZs/IPs.

On 11-14 April 2023, COMESA conducted a technical workshop in Nairobi, Kenya which provided an opportunity for Member States representatives to interact and align their national SEZs/IPs policy instruments with the regional framework in a way that promotes an integrated approach towards regional industrialization.

The participants included stakeholders from the private and public sector involved in the implementation of SEZs/IPs in Zambia, Zimbabwe, Malawi, Mauritius, Kenya, Sudan, Seychelles, Ethiopia and Egypt.

Speaking at the workshop, COMESA Director of Agriculture and Industry Ms. Providence Mavubi assured of COMESA's commitment to work with Member States to ensure that they receive the much need support for the SEZs

and IPs.

"With proper management and well-crafted incentives, SEZs can be an important tool for industrialization," She added that Member States need to enact policies and legislation that support the development of SEZs and promote investments in these economic zones.

The meeting also discussed other industrialization enablers related to SEZs which need to be supported including the establishment of industrial parks, export processing zones and free zones that take advantage of economies of scale as a result of expanding markets from regional integration initiatives.

The programme to support COMESA's vision of promoting SEZs in Member States is funded under the European Union Development Fund (EDF 11) through the Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP).



CBC Launch e-Portal to Boost Intra-COMESA Trade



Delegates at the launch in Livingstone

The COMESA Business Council (CBC) has launched an online learning portal, the e-Academy aimed at stimulating the entrepreneurial efficiencies and enterprise competitiveness of Micro, Small and Medium-sized Enterprises (MSMEs) in the region. This move is expected to deepen intra-COMESA trade.

The launch is a response to a study conducted on the state of national and regional payment systems that found that due to little or no knowledge, informal traders experience great difficulty in carrying out digital transactions that are transparent, affordable, secure and provide access to formal working capital. The e-Academy is an initiative of the CBC's Digital Financial Inclusion Programme.

"Today about 400 million adults in Africa, 60% of whom are women, remain financially excluded. Failing to provide financial services to millions of African adults means limiting their opportunities to escape poverty and increasing their vulnerability to economic shocks," said CBC's Chief Executive Officer Mr Teddy Soobramanien.

He was speaking in Livingstone, Zambia on Friday 26 May 2023 during the official launch of the platform where over 50 women-run

MSMEs were awarded certificates for their completion of a three-day training workshop on Digitalisation Toolkits for Greater Financial Inclusion that preceded the launch.

Further expounding on the programme, the CEO added that the DFI Programme particularly had a keen focus on the empowerment of women and youth in trade, and the customers they transact with at the bottom of the financial pyramid.

The Mayor of Livingstone Her Worship Ms. Constance Nalishebo Mukelabai, who was the Guest of Honor, urged the participants to take full advantage of the e-Academy and learn the

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right skills, embrace financial digital services and to grow their business.

"The information acquired through this platform will demystify the classical norms of operating small-scale businesses, particularly for those who wouldn't otherwise get equal access to regional markets due to lack of access to knowledge," she stated.

The e-Academy's content has been created in a beginner-friendly, compact, and well-structured approach, that will complement the traditional in-person training courses. The modules are designed to provide instructive, professional, and enjoyable learning experiences, focusing on the thematic areas of, among others, financial literacy, e-commerce, business plan development, negotiation, and sales technique skills development.

More modules, which will be tailored to address the knowledge-gaps of various participants of the COMESA Digital Retail Payments Platform, are on course to be developed.



Participants attending the training in Zimbabwe

More than 100 Small Businesses Trained on the 1st African Trade Portal

The COMESA Business Council (CBC) in collaboration with the International Trade Centre (ITC) has trained staff from more than 100 firms and public agencies in Eswatini and Zimbabwe on the first continental portal, the Africa Trade Observatory.

The portal is meant to unlock the continent's trade opportunities and is one of the five operational instruments of the Africa Continental Free Trade Area (AfCFTA) to drive intraregional trade of small businesses. The online dashboard is critical for helping businesses identify and compare emerging opportunities across the continent. It provides integrated and reliable trade intelligence on international market performance and opportunities as well as market access conditions.

The trainings were conducted on 3– 5 and 8 – 10 May with support from the 11th European

Union Development Fund through COMESA's Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP). Business Eswatini and the Zimbabwe National Chamber of Commerce were also partners in the trainings.

The trainings will also complement other COMESA initiatives such as the COMESA Digital Retail Payments Platform, and the Regional Customs Single Window, according to CBC Chief Executive Officer Mr Teddy Soobramanien.

Speaking during the opening of the training sessions, Mr Soobramanien noted that availability of good quality data is critical for business success in the ever-evolving regional and global economic landscape.

"This capacity building initiative is vital and timely as COMESA Member States continue

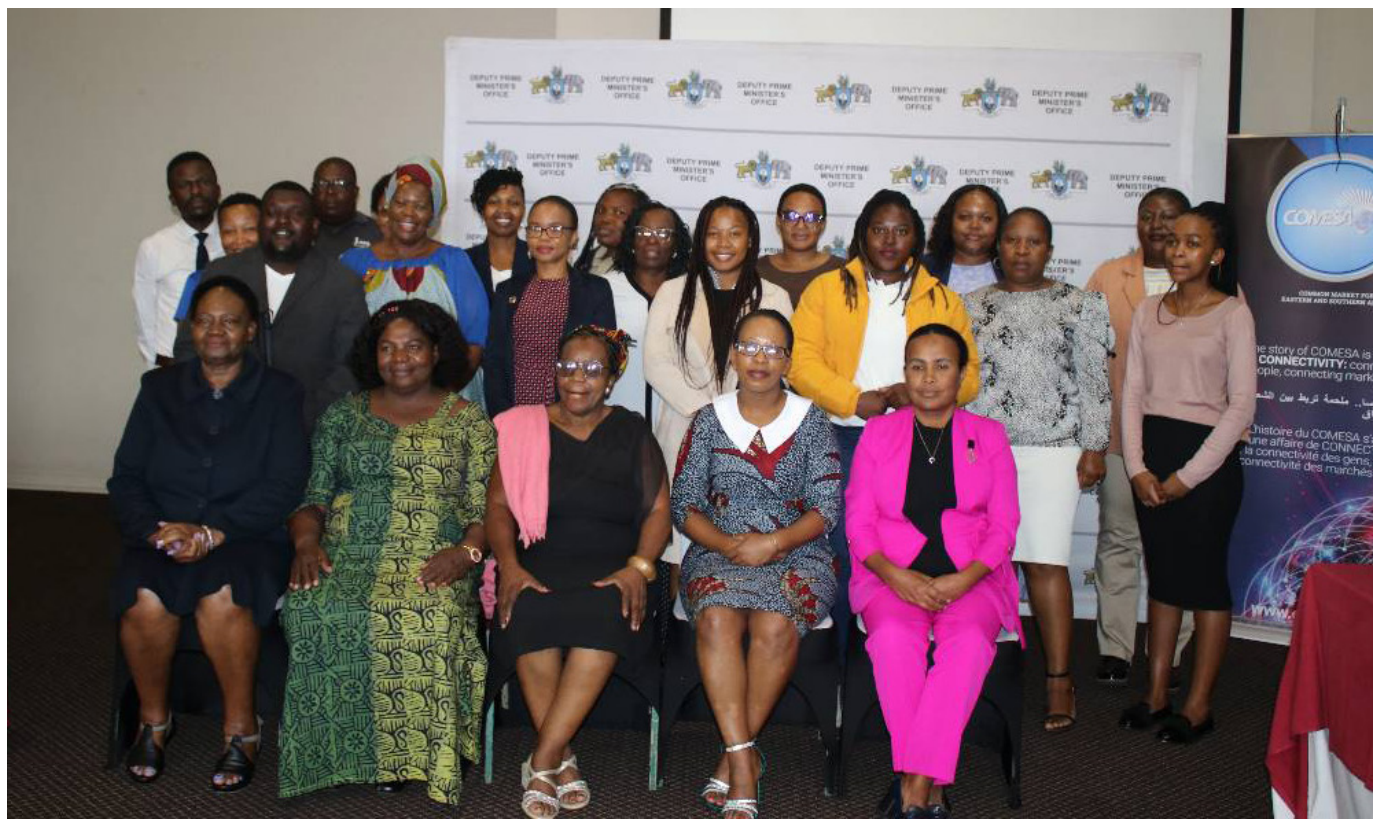
to position themselves for commercially meaningful trade under the AfCFTA," he said.

He observed that small and medium-sized enterprises contribute over 70% to the region's economic growth, hence galvanizing their transition into regional and global value chains is fundamentally important to the regional integration agenda.

So far, similar trainings have been carried out in Zambia, Malawi, Egypt and Ethiopia. Four more are earmarked for the third and fourth quarters of the year in Kenya, Seychelles, Rwanda and the Democratic Republic of Congo.



Gender Stakeholders in Malawi, Zimbabwe Trained on COMESA Gender Policy, Instruments



Participants at the Gender Workshop in Malawi

Representatives from different government ministries, Non-Governmental Organisations, Civil Society, women business groups and individuals in Malawi and Zimbabwe were recently trained on the COMESA Gender Policy, Implementation Plan and Gender Planning Guidelines.

The training was intended to empower them to address gender inequalities and contribute to the achievement of gender equality, women empowerment and sustainable development in their respective countries.

In Malawi, the Principal Secretary for Gender, Community Development and Social welfare Mrs Roselyn Makhumula said the workshop was timely as it coincided with the review of its National Gender Policy and other strategic document, which will now be aligned to the COMESA Gender Policy.

"As Malawi, we have already signed the Charter," Mrs Makhumula said during the opening of the workshop on 17 April 2023.

She said the workshop created awareness in the public sector especially for policy makers, practitioners, NGOs and the private sector on the

COMESA Gender Policy and its instruments such as the Social Charter and other Member States to sign.

She further urged the participants to customize the COMESA documents and understand how they could work for Malawi to assist the women most of whom have continued to earn less compared to men because of being involved in Micro, Small and Medium Enterprises instead of large scale businesses.

In Zimbabwe, the participants were encouraged to strive to understand the COMESA Gender Policy and instruments in order for them to effectively work on women empowerment and gender equality.

Chief Director for Gender, Policy Planning and Programme Management in the Ministry of Women Affairs, Community, Small and Medium Enterprises Development Mrs Lillian Matsika Takaendisa stated that the ministry was making use of sector specific gender disaggregated data that gives evidence on gender discriminatory laws, policies, institutional setups, practices, societal norms and beliefs.

"Efforts are being made across all sectors to narrow the gender gaps. Gender equality creates the

conditions to boost economic development. Women contribute substantially to development and should be given the opportunity to participate effectively," said Mrs Takaendisa during the workshop on 19 April 2023.

According to the 2021 Zimstats Survey, over 56% of SMEs in Zimbabwe are owned by women. However, the majority of female businesses are at micro level.

Director of Gender at COMESA Secretariat Mrs Beatrice Hamusonde said the workshops were part of the process of engaging governments to make consideration for women in a disadvantaged position to participate in regional trade.

To improve the state of women in the region, she said COMESA Treaty emphasizes that Member States should take action and revise gender discriminatory legal frameworks and policies in different sectors including trade, industry and agriculture sectors.



Participants attending the CMI training on the Bayesian VAR approach

Monetary Institute Roll out Capacity Building Programmes

The COMESA Monetary Institute (CMI) conducted a training on the “Practical Application of Bayesian Vector Auto Regression (BVAR) Approach to the Analysis of Monetary Policy Transmission Mechanism using coding in R software”. The training was organized from 8th to 12th May 2023 in Nairobi Kenya. Twelve economists from seven (7) Central Banks of COMESA Member States namely: Burundi, Congo DR, Egypt, Eswatini, Uganda, Zambia and Zimbabwe attended the training. It provided a platform for knowledge sharing and networking

among staff from member Central Banks.

While opening the training, the CMI Director Dr Lucas Njoroge observed that developments in the BVAR approach to the analysis of monetary policy transmission mechanism is fast-gaining traction in recent years because it is more adept at dealing with different data sources or incorporating information from other studies. Besides, it is precise at parameter estimates yet with limited mathematical complexities; and produces more efficient forecasts.

The training was intended to enhance familiarity of the Bayesian VAR approach as a tool kit to the analysis of Monetary Policy Transmission Mechanism. This will lead to improvement in the capacity to conduct analytical works in Monetary Policy and Forecasting, deepen understanding of interdependencies among key macroeconomic variables and the feedback effects thereof, and ultimately enhance the implementation of the COMESA Monetary Integration Programme by all COMESA member countries.

Meanwhile CMI, convened the 3rd meeting of the working group of experts, in Nairobi, Kenya between 17 - 19 April 2023. The objective was to review the existing COMESA Financial Stability Assessment Framework (FSAF) and prepare for the production of COMESA- wide 2022 Financial Stability Report (FSR).

The meeting was attended by experts from the Central Banks of Egypt, Mauritius, Uganda and Zambia. Dr. Ahmed Sahloul, Assistant Sub-Governor for Banking Supervision, Central Bank of Egypt, who chaired the meeting, noted that the key task in reviewing the existing COMESA FSAF was to identify elements that had become redundant. Based on best practices, improve on the elements of the FSAF that are still a going concern and make new additions to the FSAF and eventually come up with a revised FSAF.

The revised FSAF now awaits submission to the Bureau for approval and thereafter adoption by the COMESA Committee of Governors of Central Banks.

COMESA DIARY

Date	Activity/Event	Venue/ Format
6 June 2023	18 th Meeting of COMESA Ministers of Foreign Affairs	Lusaka, Zambia
7 June 2023	COMESA Business Forum and Exhibition	Lusaka, Zambia
8 June 2023	22 nd COMESA Heads of State and Governments Summit	Lusaka, Zambia



Secretary General Chileshe Kapwepwe interacting with one of the patients at the Children's ward

COMESA Support Children's Ward at Zambia's Biggest Hospital

COMESA Secretariat through the 'Make a Difference Initiative' presented assorted equipment and items to the Hematology Ward at the Children's Hospital based at the University Teaching Hospital in Lusaka.

The donation included adult beds, baby cots, a fridge, heater, microwave and various items all meant to compliment government's efforts in providing quality health care for all. The ward caters for patients with blood disorders aged

from two months with the total number of patients going up to 40 at a given time.

Secretary General Chileshe Mpundu Kapwepwe led the COMESA team in the initiative as part of Corporate Social Responsibility and handed over the items to UTH management. In the recent past, the Secretariat using the same 'Make a Difference Initiative' supported the COVID-19 intervention by donating face masks and hand sanitisers. In 2020, a \$10, 000 cheque

was presented to the Children's cancer war at the University Teaching Hospital Cancer Hospital in Lusaka.

UTH Children's Hospital Chief Medical Superintendent Dr. Mulaku Mwenechanya commended COMESA Secretariat for the kind gesture and appealed for more support.





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