

## **Closing the regional infrastructure gap:**

COMESA ministers call for enhanced resource mobilization



Rwanda Minister of State for Infrastructure, Eng. Patricie Uwase addressing the 13th meeting of infrastructure ministers

Ministers of infrastructure from the COMESA region conducted their 13th meeting in Kigali, Rwanda with a call for enhanced mobilization of funds from national resources, public private partnerships, foreign direct investment and development partners to close the rising infrastructure gap.

The joint meeting, which was attended by ministers and ministerial representatives responsible for transport and communications, information technology and energy, noted that since the onset of the COVID -19 pandemic, the infrastructure gap has increased as resources were shifted towards the needs of the pandemic.

It is estimated that African infrastructure gap increased in the year 2020 to between \$59 billion and \$96 billion.

Rwanda Minister of State in the Ministry of Infrastructure, Eng. Patricie Uwase, who opened the meeting said despite the positive efforts of Member States, regional infrastructure is still lacking in terms of its quantity and quality. In addition, she noted, national policies sometimes hinder ease of trade, mobility and logistics.

"Inadequate networks of road, rail, air and waterways make transport costs in Africa to be among the highest in the world. For the landlocked countries, these costs account for as much as 70 percent of the value of exports," she added.

She called on the ministers to provide policy guidance to facilitate development and adoption of practical solutions to mitigate the

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COMESA ASG Dr Mohamed Kadah (middle seated) and a section of delegates attending the joint technical committees meeting on infrastructure.

infrastructure challenges. This will ensure adequacy of the infrastructure in relation to current and future demand.

Making a case for the participation of the private sector in infrastructure funding, Secretary General of COMESA, Chileshe Kapwepwe called for clear Public Private Partnership frameworks, which guarantee legal protections for investors, easy acquisition of required investment permits and reduced legal and operational risks.

"As you may be aware, public funding itself is not enough to bridge the infrastructure gap, and we therefore need private sector participation. The private sector favours projects with adequate risk returns and with predictable and stable revenues," she stated during her virtual address to the meeting.

Burundi Minister

for Information and Communication Technology, Hon Leocadie Ndacayisaba who chaired the meeting, stressed the importance of developing climate resilient infrastructure.

The ministers meeting was preceded by the 13th Joint Technical Committees on Transport and Communications, Information Technology and Energy who reviewed the progress on the implementation of regional infrastructure programmes and made recommendations that were presented to the ministers for decision making. Among the programmes discussed were the Regional Infrastructure Financing Facility Project, the Tripartite **Transport and Transit** facilitation Programme, the Establishment of the Navigation Line between Lake Victoria and the Mediterranean Sea Project, the Support to Air **Transport Sector Development** Programme, the Enhancement of the Governance and Enabling Environment in ICT Sector among others.

In his address to the committees, Assistant Secretary General in charge of COMESA programmes, Dr Mohamed Kadah, urged member States to ramp up utilization of trade COMESA trade facilitation instruments. This will avoid unnecessary delays in transportation of goods, which result in higher costs of doing business and ultimately harm regional competitiveness.

"Notably, the transport facilitation instruments that COMESA have developed are now being used by non-Member States and replicated in other regions and across the continent," he noted. The next joint meeting of ministers of infrastructure responsible for transport and communication, information technology and energy will be hosted by Burundi in 2024.

### Eight papers presented at the 10th COMESA Research Forum



Theme: 30 Years of COMESA Regional Integration: Retrospect and Prospects

Virtual | 11 - 13 September 2023

A total of eight research papers prepared by researchers from across the African region were presented at the 10th COMESA Annual Research Forum conducted virtually on 11 – 13 September 2023.

The forum whose theme was "30 Years of COMESA Regional Integration: Retrospect and Prospects" was attended by policy makers, academia, think tanks and the private sector to discuss emerging topical issues in regional integration.

The annual event is part of capacity building initiatives in economic and trade policy research and analysis to strengthen integration and trade in COMESA region and the African continent. It is intended to narrow the gap between academia, private sector and policy makers in economic integration and regional trade policy formulation process.

Key topics in focus included the Role of the COMESA Free Trade Area in promoting trade efficiency; value added production and market linkages in COMESA and the Nexus between trade. Trade policy and climate change adaptability. Others were the Role of transport (road, rail, air and maritime) and intra-COMESA trade; Digitalization and small-scale enterprises/ cross border trade in COMESA and Emerging trends in circular economy in COMESA.

The policy implications from the research papers are presented to COMESA policy organs and form the basis for various policy decisions.

Speaking at the opening of the forum, Secretary General of COMESA, Chileshe Kapwepwe, described it as one of the key avenues through which COMESA Secretariat harnesses knowledge and policy insights from eminent scholars, researchers, academics, and policy makers.

As the regional bloc approaches its 30th anniversary, next year, she said it is important to take stock of its regional integration journey, its achievements, its challenges, and the prospects for promotion of further regional economic integration as an instrument for sustainable economic growth and development.

She cited the growth of intra-COMESA exports from US\$1.5 billion in 2000 to US\$12.8 billion in 2021 as part of the significant achievements under the free trade area regime. "Despite this growth, intra-COMESA exports remain low at about nine percent of its total exports. Recent studies indicate that inter-COMESA export potential is in excess of US\$100 billion," she noted. She added that a lot more work, including research was required to unlock the potential and enable Member States to better utilize the preferences embedded in the Free Trade Area regime.

Some of the constraints hindering exploitation of the export potential include weak productive capacities, poor infrastructure connectivity, high transport costs, non or slow implementation of COMESA free trade agreement, non-tariff barriers, and trading in similar products.

Assistant Secretary General of COMESA in charge of programmes, Dr Mohamed Kadah, assured the participants that the outputs of the two-day forum would be integrated in planning for regional integration programmes to be implemented.

Speaking at the forum the Executive Secretary of the African Capacity Building Foundation (ACBF), Mr. Mamadou Biteye applauded COMESA for sustaining the research since it was initiated in 2014 with funding from his organization. He underscored his organization's commitment to continue supporting capacity building.

Other organizations that have supported the research forum include the African, Caribbean and Pacific States (OACPS)

#### COMESA – GEF Climate Change Programme Steering Committee meets for the first time



COMESA Climate Change Programme Steering Committee (PSC) meeting in session.

The first COMESA Climate Change Programme Steering Committee (PSC) meeting for the Global Environment Facility - funded Capacity Building Initiative for enhanced Transparency (COMESA-CBIT) Project took place, Tuesday, 5 September 2023 on the margins of the Africa Climate Summit and Africa Climate Week in Nairobi, Kenya. The project is supporting four COMESA Member States; Eritrea, Comoros, Seychelles, and Zambia, to build capacity for enhanced transparency in climate change, monitoring, reporting and verification as defined in the Paris Agreement.

The PSC meeting brought together a diverse group of stakeholders and experts who play pivotal roles in shaping the direction and success of the COMESA-CBIT Project. They included government officials from Comoros, Seychelles and Zambia as well as representatives from Conservation International (CI) and Regional Centre for Mapping of Resources for Development (RCMRD).

COMESA Assistant Secretary General in charge of Programmes, Ambassador Dr. Mohammed Kadah, chaired the meeting, which provided an opportunity to establish a collaborative framework and a shared vision for the project.

Discussions centred on the project's overarching objectives, emphasizing the key priorities and goals and outlining the preliminary timelines with key milestones to guide its progress. Also discussed was resource allocation and budget planning to support the project's various components.

Further, the meeting emphasized the need to leverage on the current COMESA-CBIT project to mobilize additional financial resources from GEF and other potential funders, given that most COMESA Member States face financial stress due debt burdens and budget deficits.

Dr. Kadah expressed appreciation to the project's Member States and the two partners, CI and RCMRD for their technical assistance, which has collectively entrenched a collaborative spirit and commitment.

"The success of our inaugural Steering Committee meeting reinforces our dedication to delivering exceptional results with the COMESA-CBIT project," he said. "We are confident that the collective expertise and experience of our committee members will propel us toward achieving our project goals."

He expressed COMESA's commitment to maintain

transparency and provide regular updates on the progress of the COMESA-CBIT project.

"As the project unfolds, stakeholders and the public can expect to hear more about COMESA's efforts to build the technical and human capital of Member States to meet the Enhanced **Transparency Framework** (ETF) requirements. These are critical, as Parties to the **UNFCCC** and Signatories to the Paris Agreement are required to report under the new ETF regime on their Green-House Gases (GHG) data inventories," he added.

#### Member States

representatives at the meeting pledged to support the implementation of the project, while RCMRD which hosted the meeting, committed to continue the technical support. Equally the CI representative committed to continue supporting the project and promised further collaborative resource mobilization efforts through upcoming funding windows such as GEF 8 and GEF 9.

Going forward, the PSC will facilitate collaboration among the stakeholders, monitor project progress, review key deliverables, and ensure that the delivery of the project goals and the broader objectives are in line with the Paris Agreement and development goals of Member States. It will be meeting bi-annually to review project progress and provide overall guidance and strategic direction for the project. The next PSC meeting was scheduled for January 2024.

Prior to the PSC meeting, Dr Kadah paid a courtesy call on the Director General of RCMRD, Dr. Emmanuel Nkurunziza where they discussed potential collaborative projects between their organizations. They appreciated the critical role of geospatial mapping to ascertain the resource endowments of COMESA Member States and promote sustainable utilization of natural resources and achievement of sustainable development.

They identified key thematic areas of collaboration including climate change, ecosystems monitoring and

## Did you know?

#### COMOROS MEANS "MOON".

The name "Comoros" is derived from the Arabic word Qamar which means "moon". Initially, the name was given by Arabic merchants to the island of Madagascar but was later applied to the islands of which Comoros consists today as well.

Source: www.imamreza.net

# Zambia – Tanzania border post upgrade worth €2.6m gets underway



Trade flow along the Zambia – Tanzania corridor is set for better times once a Euros 2.638 million project to upgrade the Tunduma border post is completed. The project which is being implemented through a sub delegation agreement between COMESA and the government of Tanzania kicked off on 15 August 2023 when the site was handed over to the contractor.

The finalization of the award of contracts for works and supplies at the Border Post now paves way for the commencement of the construction of a modern market for small scale traders, a verification shed and warehouse all of which are expected to contribute to improved service delivery. Stakeholders at the Tunduma project site

The upgrades will also include installation, configuration and commissioning of ICT equipment such as desktops, laptops, printers and smart gates among others.

This development is being done through COMESA with support from the European Union 11th Development Programme. The EU is funding the upgrading of selected corridors and border posts in the COMESA-EAC-SADC Tripartite bloc.

The COMESA-Tanzania sub-delegation Agreement is worth Euros 2.638 million and covers the construction of a market for small-scale crossborder traders at Majengo and various priority infrastructure interventions. All these are being implemented under the Trade Facilitation Programme

#### (TFP).

Speaking at an event to handover the site to the contractors on 15 August 2023 in Songwe, Tunduma, Director of Regional Integration in the Ministry of Industry and Trade of Tanzania Mr Ombeni Mwasha commended the European Union for the support. He said the project would benefit all users of the One Stop Border Post which handles 75 percent of cargo destined for countries in Eastern and Southern Africa.

He noted the limited timeframe remaining to deliver on the TFP and called for close collaboration between the Tanzania Revenue Authority, Ministry of Trade, COMESA Secretariat and the contract managers.

### COMESA, EU provides €120,000 worth of equipment to bolster security at regional border points



**C**OMESA and the European Union have provided the government of Zambia with information and communication technology equipment and metal detectors valued at Euro 120,000 to be used by its Road Transport and Safety Agency and the Police Service.

The equipment which includes metal detectors and ICT devices were handed over to the beneficiaries in a short ceremony conducted at the Ministry of Commerce, Trade and Industry in Lusaka, Zambia on 1 September 2023. This is part of the Zambia Border Posts Upgrade Project whose implementation is underway.

The equipment are expected to enhance safety and security measures related to trade, goods, and, most importantly,

Handing over equipment to enhance border security

the well-being of the public within the COMESA region. They will have a direct impact on the operations of the three One Stop Border posts, namely Chirundu, Mwami, and Nakonde.

Further, the equipment is expected to facilitate the implementation of the Single Window and the Coordinated Border Management under the Zambia Revenue Authority, as the lead agency.

COMESA Assistant Secretary General in charge of programmes Ambassador Dr. Mohamed Kadah, and the EU Programme Manager, Ms. Christiane Haziyo, jointly handed over the equipment to the Permanent Secretary in the Ministry of Trade, Ms. Lillian Bwalya, who passed them on to Deputy Inspector General of Police, Ms. Alita Mbahwe and Chief Executive Officer of the Road Transport and Safety Agency, Mr. Amon Mweemba.

In his remarks, Dr Kadah emphasized the importance of securing national borders by delicately balancing effectiveness of control and efficiency in clearance of people and cargo. "The ICT equipment will help to secure and protect the borders in detecting illegal trade as well as trade in dangerous products and at the same time allow legitimate trade and travel to flow," he said.

PS Bwalya said the COMESA-EU support in trade facilitation has led to increased trade volumes especially at the Mwami - Mchinji one stop border post between Malawi and Zambia which was launched in December 2022. From trade worth 50 million Kwacha (\$2.5m) then, it has increased to 70 million Kwachas (\$3.5m) between January and August 2023.

In her Statement, the EU Programme Manager Ms. Christiane Haziyo stressed the significance of collaboration between different government entities, the private sector, and the community at large.

"It is through this unified approach that we can effectively address the multifaceted issues that affect the free movement of people, goods and services in the COMESA region," Haziyo added.

The Zambia Border Posts Upgrade Project is financially supported under the Eleventh European Development Fund (EDF) – COMESA Trade Facilitation Programme, with a total budget of 48 million Euros.

#### Enhancing apex banks' expertise in Big Data Analytics and Artificial Intelligence



The COMESA Monetary Institute (CMI) has embarked on a programme to build the capacity of the central banks in the region on the utilization of Big Data Analytics and Artificial Intelligence (AI).

The program is aimed to equip the regional banks' staff with comprehensive knowledge regarding Big Data, including its origins, characteristics, value, acquisition methods, and potential implementation challenges they might encounter. It is part of the CMI's workplan which was approved by the Bureau of the Committee of Governors of Central Banks in November 2022.

The need for the training is further informed by the nature of interconnectedness of AI and Big Data due to the vast amount of data generated and AI's capability to proficiently manage such data analytics.

Hence, according to the CMI director, Dr Lucas Njoroge,

the training will enable the adoption of Big Data technology and AI, along with relevant use cases in the financial and banking sector, particularly within Central Banks.

He was speaking during the training titled "Utilizing Big Data Analytics and Artificial Intelligence (AI) in the realm of central banking," conducted in conjunction with the Central Bank of Egypt on 27 - 31 August 2023 in Cairo.

He added: "The massive data generated and AI's ability to expertly work with such big data analytics make the two, AI and Big Data now seemingly inseparable."

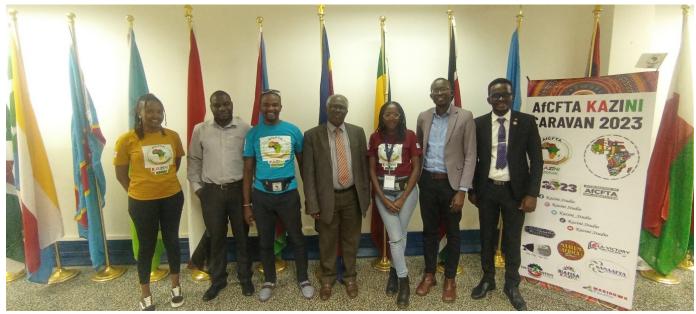
A total of 29 delegates from nine Central Banks of COMESA member countries attended this training. They included Burundi, Djibouti, Egypt, Eritrea, Libya, Mauritius, Uganda, Zambia, and Zimbabwe.

Addressing the participants, Advisor for Africa Affairs to the Governor of the Central Bank of Egypt Dr. Naglaa Nozahie described the training as an answer to the emergence of new financial products and services in the private sector, such as digital wallets, mobile payment applications, and novel digital assets like cryptocurrencies and stable coins.

"The rapid convergence of technological advancements, demographic shifts, and evolving consumer behaviour, underscores the imperative for central banks to enhance their competencies in the domains of Big Data and AI," she stressed.

The training covered among other topics, the evolution, and the overall ecosystem of Big Data and AI applications in central banking, Machine Learning and the potential benefits in the financial and banking sector and understanding digital and cryptocurrency and their impact on Central Banks. The rapid convergence of technological advancements, demographic shifts, and evolving consumer behaviour, underscores the imperative for central banks to enhance their competencies in the domains of Big Data and AI

# Youth leaders visit COMESA: express interest in trade information



A group of leaders from the Youth Motion Kenya visited the COMESA Secretariat for an information sharing session. They were in Lusaka to attend the African Continental Free Trade Area Youth Symposium, held on 21-23 August 2023. The visit to COMESA Secretariat was held on Wednesday 23rd August 2023. They were interested in COMESA trade related initiatives which present good opportunities to young people from the region, especially those who are in cross-border business.

# Region steps up efforts to enhance peace and prosperity



OMESA Member States have developed new targets to enhance the implementation of the COMWARN Structural Vulnerability Assessments (SVAs) at the national level. This is done through early identification of future potential country-specific and regional drivers that, if managed early through actionable response options would promote achievement of higher targets of peace and prosperity for a country.

Uganda is one of the States that has done so as revealed during the 5th Training of Trainers Session on COMWARN (SVAs) and the AU Country Structural Vulnerability and Resilience Assessments (CSVRA) held from 11 - 13 September 2023 in Uganda.

The training attracted more than 30 participants from Government agencies and Civil Society groups from seven COMESA Member States. They included Participants in the 5th Training of Trainers Session in Kampala, Uganda

Kenya, Madagascar, Malawi, Seychelles, Uganda, Zambia and Zimbabwe.

Acting Director for Regional and International Political Affairs in Uganda's Ministry of Foreign Affairs Amb. Philip Odida, who spoke at the training, underlined the importance of this methodology. He said it opens avenues for strengthening resilience to counter the negative effects of pandemics, epidemics and climate change, among others.

He called for continued engagement of all stakeholders including local, national and the international community to ensure national local ownership of these theory informed, data-driven and evidence based (scientific) methodologies.

In her remarks, Head of the Governance, Peace and Security Unit at the COMESA Secretariat Ms. Elizabeth Mutunga noted the remarkable progress recorded with each training of trainers' session, including having new entrants such as Malawi and Seychelles.

In addition, Kenya has also volunteered for the AU CSVRA processes which seamlessly blends with COMWARN SVAs by further extending the assessment and development of response strategies to the grassroots level. So far, more than one third of the region – eight Member States - have hosted national mutistakeholder consultations on SVAs.

COMESA and AU will also be focusing their efforts during the year to support the commencement and finalisation of the Kenya and Zambia CSVRA/ CSVMS processes, respectively.

Partners organisations that participated in the TOT included the African Development Bank, International IDEA and Save the Children.

### Customs and IT Officers trained on the integrated customs management system for international trade and transport operations - ASYCUDAWorld



A bout 103 Customs and IT officers from COMESA Member States have been trained on functional and technical courses on the Automated System for Customs Data also known as ASYCUDAworld, which ran from March 2022 to September 2023.

In addition, the COMESA Secretariat has finalized the process of procurement of servers, software license and computer software training for the implementation of the COMESA Customs Automation Regional Support Centre (CARSC) and the COMESA Regional Trade Information Portal (CRTIP).

This was revealed during the opening of the 2nd Meeting of the COMESA technical working group on Customs Automation held virtually on 13 and 14 September 2023.

The objective of the meeting was to consider progress in the development of the CARSC and the CRTIP and provide a platform for the Member States to share their experiences in modernizing customs management systems. The two programmes are funded under the COMESA EDF 11 – Trade Facilitation Programme.

COMESA is implementing the regional Digital Free Trade Area Action Plan, hence the CARSC and CRTIP are among the prioritized component of the Digital FTA.

"Considering the progress made so far, we are hoping that the CARSC and the RTIP systems will be deployed on the COMESA database Centre and launched before the end of this year 2023," COMESA Director of Trade and Customs, Dr Christopher Onyango said at the meeting.

The Regional Digital Free Trade Area Action Plan was adopted by the COMESA Council of Ministers to provide traders with the necessary digital tools and infrastructure for enhancement of intra trade and global trade. It has three thrusts, namely E-Trade, E-Logistics and E-Legislation. Customs Automation Regional Support Centre (CARSC) and Trade information Portal (TIP) are among the prioritized components of the Digital FTA Instruments.

The meeting agreed that the implementation of CARSC and other inter-connectivity platforms requires the Customs Automation Experts (Customs Procedures and IT Experts) at regional and national levels to work closely and collaborate with stakeholders from public and private sectors and share experiences and information through consultations, meetings and other methods.

To further push this agenda, the Technical Working Group on Customs Automation was established to initiate work and studies on all aspects of the use of Information Technology increase the efficiency and effectiveness of Customs control, and identify the potential for improving existing systems and reducing costs of doing business.

# Small scale cross border programme undergoes review



Delegates attending the Project Steering Committee of the small scale cross border trade initiative

The project steering committee (PSC) of the COMESA, Small Scale Cross-Border Trade Initiative conducted its 4th meeting in Lusaka, Zambia 18 – 20 September 2023 to review progress of the project's implementation, five years since its inception.

The project is funded by the European Union with a total investment of 15 million Euros and focused on facilitating the transition of informal sector traders into the formal trade sphere. Among the activities under implementation is the construction of border markets to provide decent trading spaces for the traders. This is in addition to training the traders on trade facilitation to equip them with knowledge on the importance of formalizing their businesses.

Specifically, the Cross-Border Trade Initiative has supported the design and implementation of trade facilitation policies and instruments such as the Simplified Trade Regime and the Green Pass. It has assisted development of tools and systems for reduction in corruption, bribery and harassment at the selected border posts and collection of gender disaggregated data on small scale cross border trade.

"The SSCBTI has focused on these important aspects, to increase the formalization of small-scale cross-border trade flows in the COMESA/tripartite region," Dr Mohamed Kadah, Assistant Secretary General of COMESA said at the meeting.

"Ultimately, this will lead to higher revenue collection for governments at the borders, increased security and higher incomes for small-scale crossborder traders." His statement was presented by the COMESA Director of Gender and Social Affairs Mrs Beatrice Hamusonde.

Permanent Secretary in the Ministry of Commerce, Trade, and Industry of Zambia, Mrs. Lillian Bwalya encouraged Member States, to provide the guidance needed to deliver benefits to the small-scale cross border traders so that the activities remain impactful and sustainable.

Speaking at the event, the European Union Head of Cooperation to Zambia and COMESA, Cladio Bacigalupi called for faster implementation of the initiative across the selected border crossing.

The PSC meeting is the 4th since the programme started in 2018 and brought together representatives from Small Scale Cross-Border Traders> Associations from Malawi, Somalia, the Democratic Republic of Congo, Kenya, Tanzania, Zambia, and Zimbabwe.

In attendance were representatives from the European Union, the International Organization for Migration, the International Trade Centre, and delegates from ministries that coordinate COMESA activities at the national level.

The project is poised to close by December 2024.

## US, Cuba, Russia Ambassadors accredited to **COMESA**



L-R: Amb. Michael Gonzales (USA), Amb.Azim Yarakhmedov (Russia) and Amb. Marileydis Morales (Cuba) presents their credentials to COMESA Secretary General Chileshe Kapwepwe

ew Ambassadors of USA, Cuba and Russia to Zambia have been accredited as special representative to COMESA. Amb. Michael Gonzales (USA) presented his credentials to the Secretary General, Chileshe Kapwepwe on Monday, 18 September 2023 while Amb. Marileydis Morales (Cuba) and Amb. Azim Yarakhmedov (Russia) presented theirs on Tuesday, 19 September 2023. The events were conducted at the COMESA Headquarters in Lusaka, Zambia,

Receiving the US ambassador, Secretary General noted the numerous Agreements

and Programmes that have been implemented through the USAID partnership, since 1994. The most recent one being the Regional **Development Objective Grant** Agreement signed in 2016.

Amb. Gonzales said the US has invested more than \$226m Secretary General noted that to strengthen COMESA's capacity to provide its Member identified specific areas of States a solid foundation for bolstering regional integration through increased intraregional trade and shared economic growth.

Amb. Morales undertook to promote mutually beneficial cooperation between

COMESA and Cuba, by supporting initiatives that enhance the impact of science, technology and innovation. Amb. Yarakhmedov said Russian Federation is keen to support industrialisation in the COMESA region.

COMESA and Russia have collaboration such as energy, ICT, Trade, Sports and Culture among others. In addition, she said, COMESA will engage Cuba for possible collaboration on gender and youth programmes.





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