

COMESA Bags Top Prize at the Zambia International Expo



Zambia President H.E. Hakainde Hichilema (left) cheers the COMESA team after presenting the winning trophy at the Zambia International Trade Fair.

COMESA scooped the top award as the best international exhibitor at the just concluded international trade fair that took place in Ndola town in Zambia's Copperbelt Province 29 June – 5 July 2022.

Zambia's President H.E. Hakainde Hichilema presented the Best International Exhibitor trophy to the COMESA expo team after the official opening of the Trade Fair, Saturday, 3 July 2022. COMESA countries participating at the Fair included Egypt, Kenya, Malawi, Congo DR and the host country, Zambia.

The expo was the 56th in the Zambia series and

was anchored on the theme: "Promoting value addition for sustainable growth". This theme resonated perfectly with the COMESA's strategy of economic development through the promotion of value addition to the region's raw materials thereby promoting job creation for women, men and youths.

COMESA's participation at regional expos is part of its outreach strategy to directly engage with stakeholders, raise public awareness on the opportunities and benefits that its integration programmes present to its members and citizens. The trade fair presented an opportunity to showcase COMESA as an organization, its

programmes, its institutions, and to address any information gaps that might be existing.

At the Zambia expo, COMESA established an information resource desk where the staff team engaged with a wide cross section of stakeholders ranging from businesspeople, students, policy makers, small and medium entrepreneurs, among others.

In his keynote address, President Hichilema stressed the need for the countries in the COMESA region to partner with other COMESA member States involved in value addition by creating

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COMESA, Texas Agrilife Research Sign Pact to Address Key Impediments to Regional Trade

COMESA and Texas A&M Agrilife Research, USA have begun collaborating in risk management of mycotoxin involving aflatoxins and fumonisins for trade commodities and staples. This is a key pillar in enabling mutual recognition of certificates of analysis amongst trading countries. Aflatoxins and fumonisins are naturally occurring toxins and comprise key Sanitary and Phytosanitary (SPS) issues of trade concern in the COMESA region.

COMESA Secretary General Chileshe Kapwepwe and Texas A&M Agrilife Research Director Dr. Cliff Lamb signed the MoU in a virtual event, Monday 27 June 2022. Implementation of the MoU activities kicks off this month, July 2022, with the first Proficiency Testing (PT) Rounds conducted. The collaboration will support the technical activities under the COMESA/Alliance for a Green Revolution in Africa project on 'Enhancing Regional Agricultural Commodity Trade in COMESA'.

The key areas of cooperation relate to Non-Tariff Barriers (NTBs) to trade such as the SPS and Technical Barriers to Trade (TBTs) estimated to account for 70 percent of the NTBs within the COMESA Region. Among these are un-affordable and cumbersome conformity assessment systems, laboratory testing, certification schemes, inspection, market surveillance and sampling.



Dr Cliff Lamb

Through the COMESA-Agrilife collaboration, the application of regulatory science will help minimize these barriers and build capacity to measure and manage aflatoxin and fumonisin risk.

Further, there exists limited laboratory testing capacity in the COMESA region and competent and skilled laboratory technical staff in both the public sector and in small-and medium-size enterprises (SMEs) to accurately measure and manage mycotoxins. To process a transaction, traders in COMESA Member States go through



Aflatoxin infected maize

cumbersome procedures in obtaining sanitary and Phyto-sanitary measures documents, quality certificates and other documents.

Speaking during the signing ceremony, Secretary General cited the above impediments as having contributed to the low intra-regional trade in COMESA and affecting the region's competitiveness in agriculture products in the domestic, regional and international markets.

"The areas of cooperation outlined in the MoU document are very critical, pertinent, and timely as they seek to address key challenges that COMESA Member States continue to face especially on the low levels of trade at regional, continental and global levels," she said.

In his remarks, Dr Lamb described the partnership as a tremendous opportunity to facilitate economic growth in the region, which COMESA oversees, that will benefit the population and the agriculturists of Texas.

"For us engaging in an MoU with COMESA will enhance the capacities of all the countries within the region and also help Texas A&M Agrilife in multiple ways for global food security and food safety, which are really important for us," said Dr Lamb.

Specific areas of cooperation enunciated in the MoU include a co-regulation driven regulatory regime for trade in aflatoxin and fumonisin safe staples (maize, soya bean, sorghum and groundnuts) and the Aflatoxin Proficiency Testing

and Control in Africa programme (APTECA). Elements within APTECA include capacity building through a competency framework for regulators, conformity assessment through proficiency testing (PT) rounds and technical training sessions.

AgriLife is uniquely positioned to provide this technical support through the Office of the Texas State Chemist (OTSC), which provides regulatory oversight for the Texas feed and fertilizer industry. The unique relationship of a regulatory agency housed within AgriLife Research is the academic component of systematizing knowledge and practices that can be extended globally, according to Dr. Tim Herman, Professor, State Chemist and Director of OTSC, who also participated in the signing ceremony.

Under the pact, there will also be virtual training courses in regulatory science in food systems, laboratory quality management systems, and risk-based approaches to regulation, which will be done in collaboration with the COMESA Virtual University.

The collaboration initiative started in 2015 when the COMESA Secretariat facilitated the participation of 12 regulatory testing laboratories from six Member States; Kenya, Uganda, Rwanda, Malawi, Zambia and Zimbabwe in the APTECA programme, which was run by Texas A&M Agrilife Research. At least 16 Member States are targeted to participate in the new Rounds of the APTECA PT Scheme.



Enabling Governments to Deal with Monetary Risks

CMI rolls out a training programme on testing fiscal stress

One of the key roles of a government is to develop the national budget as a guide towards achieving specific development and social objectives. This includes determining the resource envelope namely; domestic revenue (tax and non-tax revenue), donor grants, and the borrowing needs for funding the identified priorities.

Quite often, fiscal outturns differ substantially from the budget forecasts, owing to factors outside the government's control such as deviations of economic growth from expectations, terms of trade shocks, natural disasters, calls on government guarantees, among others. This poses challenges to the attainment of the government's intended objectives.

Specifically, the occurrence of fiscal risks, defined as the deviation of fiscal outturns from initial forecast, leads to additional government obligations, revenue losses, larger public debts, and occasionally, refinancing difficulties and crises. Moreover, unexpected spending pressures or revenue losses often require disruptive adhoc adjustments during the fiscal year.

This challenge prevails among COMESA countries hence, addressing fiscal risks is a key element of the COMESA Multilateral Macroeconomic Surveillance Framework. Pursuant to this effort, the COMESA Monetary Institute (CMI) has developed a training programme on how to deal with fiscal risks.

On 27 June - 1 July 2022, CMI organized Fiscal Stress Testing training that brought together 35 delegates from 12 Central Banks and Ministries of Finance from the Democratic Republic of Congo, Djibouti, Egypt, Eswatini, Kenya, Malawi, Rwanda, Seychelles, Sudan, Uganda, Zambia and Zimbabwe. The training was aimed at providing a deeper understanding of how to deal with fiscal risks.

Fiscal stress test examines how the public finances would respond to fiscal risks. A comprehensive disclosure and analysis of fiscal risks can help governments to ensure that fiscal policy settings can respond to a range of potential future economic and fiscal shocks; those specific risks are actively monitored and managed; and that abrupt and disruptive changes in policy are avoided when risks materialize. Fiscal stress test is therefore, an important activity that all countries are

required to perform for prudent public finance management, in order to understand how public finances would respond to significant economic and/or financial shocks.

Addressing the delegates, Director of the CMI, Mr. Ibrahim Zeidy, underscored the importance of conducting fiscal stress tests in COMESA member countries.

"Countries need a more complete understanding of the potential threats to their fiscal position, in form of fiscal risk test that can help policy makers simulate the effects of shocks to their forecasts and their implications for government solvency, liquidity and financial needs," he said.

The training will enhance the implementation of the COMESA multilateral fiscal surveillance framework and skills to identify specific fiscal risks and design stress test scenarios for fiscal stress test.

Rwanda SMEs Set to Access Egyptian Market



Rwanda's Small and Medium Sized Enterprises (SMEs) engaged in horticulture and agro-processing are set to access the Egyptian market following a successful trade mission facilitated by the COMESA Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP).

Fourteen SMEs from the Private Sector Federation accompanied by two officials from the Ministry of Trade and Industry of Rwanda, participated in the four-day trade mission to Egypt 16 – 19 May 2022 and explored trade and investment opportunities.

Rwanda qualified for this support after meeting the criteria set under the Technical Assistance Facility (TAF) in which the RECAMP is funded. The TAF is funded by European Union under the 11th European Development Fund (EDF).

TAF is designed to provide additional support to COMESA countries to implement activities, focusing on national level commitments

related to Result Area 1 of the RECAMP, which is; competitiveness and market access of SMEs and other firms in the targeted value chains/sectors are sustainably enhanced.

While in Egypt, the Rwanda delegation participated in trade and investment conference which brought together government officials and 300 businesses under the Egyptian Federation of Industries with discussions focusing on trade and investment opportunities. Most of the businesses were in textile, construction, agro-processing and the manufacturing sector.

Rwanda SMEs also got an opportunity to showcase some of their products to potential wholesale customers and distributors at an ongoing trade fair where business-to-business dialogue was conducted, and this enabled experience-sharing and mutual learning.

The teams discussed market access, opportunities and joint ventures which led to one coffee supplier from Rwanda successfully

securing market access for their products to Egypt. Field visits to Egypt's largest industrial parks were also conducted to industries which use raw materials that could help boost industrialization in Rwanda.

"We expect that the overall translation of the success of the trade mission will be, improved viable and sustainable market access of the products on the Egyptian market and thereby ensure increased trade flow between Egypt," said Mr. Kajangwe Antoine, Director General of Trade and Investment in Rwanda.

RECAMP aims to enhance competitiveness and market access of SMEs in COMESA Member States by championing development of value chains in agro-processing (maize, livestock, fish, dairy, poultry, meat) and agro-inputs in particular quality seeds, horticulture and leather and leather products.



Coming Soon: COMESA Financial Stability Report



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Standing (L-R): Dr. Thomas Bwire, Senior Economist, CMI; HusamEldin Omer Ibrahim, Analyst, Financial Stability Unit, Central Bank of Sudan; Dr. Ahmed Sahloul, Assistant sub-Governor for Banking Supervision, Central Bank of Egypt; Nason Kapako, Senior Economist, Macro Prudential Analysis, Bank of Zambia; Dr. Lucas Njoroge, Senior Economist, CMI; and Jacob Omondi Oyoo, Senior Administrative Assistant, CMI.

Seated (L-R): Faith Njau, Administrative Assistant, CMI; Yuki Mafuankadi, Deputy Director, off Site Control, Banking Supervision, Banque Centrale du Congo; Ibrahim Zeidy, Director, CMI; and Mrs. Divya Seewon, Ag. Analyst, Financial Stability Division, Bank of Mauritius.

The COMESA Monetary Institute (CMI) has commenced preparatory work towards the production of a Financial Stability Report (FSR) for the COMESA region. The first working group of experts meeting took place in Nairobi, Kenya on 22 – 24 June 2022 with participants from the Central Banks of DR Congo, Egypt, Mauritius, Sudan and Zambia.

The FSR will contain reviews of the developments in the financial sector in the COMESA region to identify key risks,

vulnerabilities and challenges facing the financial systems of member countries and provide policy recommendations to mitigate such risks and strengthen stability.

The decision to produce the FSR came from the COMESA Committee of Governors of Central Banks during their 25th meeting in March this year.

The report will also highlight the link between macroeconomic stability and financial stability in the region. This will go a long way in enhancing

the implementation of the COMESA Financial System Development and Stability Plan.

During the three days meeting, the experts interrogated the 2021 data on FSR which was submitted by member Central Banks. They deliberated and agreed on the structure and content of the FSR and distributed the assignments among themselves. They also agreed on the timelines within which the 2021 FSR for the COMESA region will be prepared.

COMESA Diary

Date	Event	Venue/Format	Organizer
6 -8 July	COMESA Early Warning Structural Vulnerability Assessments	Mauritius	COMESA Secretariat
18-21 July	National Training for Law Enforcement Agencies for Zambia	Lusaka	COMESA Secretariat
25-29 July	Inter-ministerial Youth Conference	Harare, Zimbabwe	COMESA Secretariat

COMESA Stand at the Zambia International Trade Fair



COMESA Bags Top Prize at International Expo

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regional value chains to fast track economic recovery post COVID-19.

He cited the signing of Memorandum of Understanding between Zambia and the Democratic Republic of Congo for mineral beneficiation which will see the two countries add value to their mineral resources.

Majority of the visitors to the COMESA stand were keen on COMESA trade facilitation programmes, information on available markets in the region, financial support to women entrepreneurs, cross border motor vehicle insurance and general information on its programmes.



Mr Benjamin Masila, COMESA expo mission team lead



Delegates at the national consultations on COMWARN in Mauritius

Process of Establishing Early Warning Response Structures in Mauritius Begins

National Multi-Stakeholder Consultations on COMWARN SVAs conducted in Mauritius

National consultations on the COMESA Early Warning System (COMWARN) Structural Vulnerability Assessments Methodology (SVAs) got underway in Mauritius on 6 July 2022 involving government and key stakeholders.

The three days consultations held in Port Louis aim at developing an early warning system based on structural data. These reports provide Member States with the projected structural drivers of the COMESA Peace and Prosperity Index (CPPI). The forum will build the capacity of all the relevant national stakeholders on COMWARN, provide them with the opportunity to interact with the COMWARN SVA model and enhance ownership.

Stakeholders will be taken through the COMWARN SVA model to understand how indicator profiles are created, analysed and how the regional and country specific CPPI forecasts are made. Further, they will learn how to interpret the CPPI forecasted drivers, and this will enhance demand for such forecasts leading to greater ownership at national level.

Speaking at the opening of the meeting, the Minister of Foreign Affairs, Regional Integration and International Trade



Mr. Alan Ganoo said regional peace and security are vital for a successful regional integration.

“Our government is committed to working closely with COMESA and the African Union to explore the structural vulnerability structures that are inherent to our country as a small Island developing State and ensure the successful use of the COMWARN SVA methodology,” he said.

He added that the maintenance of regional peace and security are prerequisites to sustainable socio-economic development.

COMESA Assistant Secretary General in charge of Programmes, Ambassador Kipyego Cheluget urged the participants to fully engage and understand the SVAs and the important role they play in fostering peace in the region.

“These consultations will serve as an opportunity to continuously validate the SVA methodology, the CPPI forecasts for targeted Member States as well as develop possible response structures and feedback mechanisms for the SVAs,” said Amb. Cheluget.

The forum which was organized by COMESA Secretariat through the Governance, Peace and Security Unit, provided both COMESA and the African Union the opportunity to commence the process of establishing early response structures in Mauritius.

Ultimately, the participants are expected to collectively and jointly develop appropriate structures that will prompt the establishment of national and regional early response mechanisms. Through the participation of civil society and private sector organizations, the interaction will increase the chances for future implementation of SVAs at the grass-root level.



COMESA Management Retreats for Team Building

Management and Senior staff at COMESA Secretariat participated in a two-day team building retreat in Lusaka from 29 – 30 June 2022. This followed over two years of flexi-working, from home or office since the onset of COVID-19. The retreat was an opportunity to

reconnect, meet and bond with new staff that have joined the organization during the past two and half years. It was themed: "Enhancing our workspace through team building"

Secretary General Chileshe Kapwepwe said the

activity was necessary as human resource is the number one asset. "We can have the best results or the best action plan, but it has to be executed through people and the people must be in a situation where they are working together."



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