

# **COMESA Summit:** Leaders Close Ranks on Priority Issues



President Hakainde Hichilema (L) takes over the chair of COMESA from President Abdel Fattah El Sisi.

Promoting intra-regional trade, addressing the challenge of climate change, industrialization, value addition and peace and security formed the key talking points of the leaders that spoke at 22nd Summit of the COMESA Heads of State and Government conducted in Lusaka, Zambia, on 8 June 2023.

President Hakainde Hichilema of Zambia who will now lead the regional bloc after taking over the chair from President Abdel Fattah El Sisi of Egypt indicated that these were pressing issues for the region and would remain in his focus.

"We have a mammoth task ahead to take stock of where we are and define growth paths that are resilient to exogenous forces," he said noting that many of the countries in the region are saddled with a high debt burden, unemployment and economic stagnation.

He observed that slowed growth rates and food insecurity affect many parts of the region. He attributed this to the effects of climate change, the Covid-19 pandemic, and political instability caused by conflict situations.

"It is therefore incumbent upon ourselves to combine our resources to promote trade and investment that will support sustainable growth and create jobs," he

#### added.

In his address as the outgoing chair, President El Sisi appreciated the commitment of Member States to achieve full integration as witnessed by the steady focus that has been maintained through his tenure. "Notwithstanding the challenges that our countries have faced in the recent period, our integration agenda has remained on course," he said.

He highlighted some of the programmes whose implementation have remained on course. They include the implementation of trade facilitation instruments such as digitization of customs clearances, removal of Non-Tariff Barriers and support to small scale traders and empowerment of vulnerable groups-women, youth and disabled people.

He said industrialization through the COMESA industrialization strategy remains at the core of the integration agenda and central to the diversification of the regional economic growth.

President William Ruto of Kenya observed that the entire world is experiencing intertwined economic, geopolitical and climatic crises which have exerted enormous adverse impacts on the continent and COMESA region. He said the promotion of green investment to power a zero-carbon global industrial order is a priority.

"Through robust policy, we have taken positive measures to construct an investment climate that attracts high quality global capital to our economy, and to promote a business environment that encourages value addition and secondary manufacturing," he added.

President Lazarus Chakwera of Malawi stressed the need for Member States to move with speed on the key pillars of economic integration including working together to increase productive capacities in key sectors such as agriculture, tourism, and mining.

The theme of this year's Summit is "Economic integration for a thriving COMESA, anchored on green investment, value addition and tourism."

Secretary General of COMESA, Chileshe Kapwepwe described this theme as most appropriate to address the key concerns after a period of turbulence caused by Covid-19 pandemic, conflict in Europe and effects of climate change.

The next Summit will be hosted by Burundi whose Head of State, President Evariste Ndayishimiye attended the Summit and took over as the Vice Chair of the COMESA Authority.

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COMESA Secretary General Chileshe Kapwepwe (R) presenting the state of integration report during the Summ

# **Key Achievements in the COMESA Region**

The recent COMESA Summit presented an opportunity for the COMESA Secretariat to brief the Heads of State on the state of integration and the milestones that have been covered this far.

In a state of integration report, Secretary General Chileshe Kapwepwe detailed the key developments and achievements in the past year focusing on the market integration and physical integration pillars.

Under trade liberalization which falls under market integration pillar, she noted that the membership to the COMESA Free Trade Area has remained at 16 States with the four countries the DR Congo, Eritrea, Eswatini and Somalia at different stages of full liberalisation.

"There was significant increase in COMESA's trade globally and within the region above the pre-COVID-19 pandemic levels," the SG said. "The value of COMESA's total exports to the world significantly increased by 56% from US\$ 100 billion in 2020 to US\$ 156 billion in 2021. The sectors that contributed to this increase were manufactures, fuels, ores and metals and food."

The value of Intra-COMESA total exports increased by 28% from US\$ 10 billion in 2020 to US\$ 13 billion in 2021. Key exports

include palm oil, cement, copper ores and concentrates, beet/cane sugar, live animals and petroleum oils.

Among the largest exporting countries in the COMESA region, are Egypt, DR Congo, Tunisia, Seychelles, Uganda, Zimbabwe, Kenya and Zambia. They registered a combined increase of 41% in exported manufactured products in 2021 compared to 2020.

On the liberalization of Trade in Services, she highlighted the Secretariat's continued support to negotiations in six priority areas in business, financial, transport, communications, tourism construction and energy services.

On trade facilitation, implementation of trade facilitation instruments to overcome barriers and accelerate intra-regional trade and investments has been strengthened with financial support from European Union, World Bank, African Development Bank, Afrexim Bank, and others.

On the Tripartite Free Trade Area, she said engagement with countries that have not ratified it has been ongoing. The goal is to get three more signatures to attain the required threshold of 14 countries to enable the agreement to enter in force. Currently a total of 26 signatures and 11 ratifications have been received.

In the efforts to strengthen democratic governance, inclusivity and promote peace and stability, she underlined COMESA's continued support towards entrenching good governance which is the foundation of peace and security. Activities under this initiative included mounting election observer missions to Member States that have been conducting elections.

The report also highlighted some of the key challenges and constraints that have been experienced in the implementation of programmes. They include slow and delayed domestication of agreed protocols, proliferation of non-tariff barriers, low levels of value addition, slow harmonization/ weak coordination of multiple integration arrangements, restrictions to free movement of persons, labour and services and technical and financial constraints.

Going forward, the Secretary General urged Member States to eradicate barriers to trade, free movement of people, strengthen connectivity and invest in clean technologies to achieve the desired intra-regional trade and sustainable economic development.



## New Home for COMESA HQs is Now Within Sight

Ben Bella Road in Lusaka is the typical downtown city street characterized by traffic congestion, crowding and general disorder. Swirls of trash and dust and a cacophony of noises from street vendors and public service vehicles rends the air all daylong and early evening. Calm and quiet prevails only when the sun sets, and night claims the space.

It is on this street that the Secretariat of COMESA, the largest economic community in Africa has had its permanent headquarters for decades. This location defies the general expectation of an international diplomatic mission, as these are commonly found in serene, orderly and upmarket environs.

For years, various initiatives to move COMESA HQs of out this location have been made, but all have faced formidable headwinds. Could it be that its name: the Common Market has something to do with this destiny!

Way back in 2015, Zambian government allocated 10 acres of land to the headquarters project. Located about four kilometres from the Kenneth Kaunda International Airport this is an ideal location. But funding challenges to develop the facility has kept this project on hold. Now there is light at the end of the mythical tunnel: a commitment from the highest authorities in the land.

In their final Communique issued at the end of the 22nd COMESA Heads of State and Authority, conducted in Lusaka, Zambia, the leaders acknowledged the need for construction of a new Headquarters. Hence, they called upon COMESA Secretariat to engage with the Host country and urged the Government of Zambia to lead and support the process.

The call by the leaders was timely, given that President Hakainde Hichilema of Zambia, is now the Chair of the COMESA Authority of Heads of State and Government. Besides, as he took over the mantle to lead the regional bloc, he stated clearly that a new home for the Secretariat will be a priority during his tenure as chair.

Now, the COMESA HQs project has acquired the critical ingredient to succeed: the political will at the highest level. It is no longer about if but when this long-awaited project will lift off the ground.



Dr Mohamed Kadah (L) takes the Oath of Office aided by the Registrar of the COMESA Court of Justice Hon. Nyambura Mbatia

### COMESA has a New Assistant Secretary General

Dr Mohamed Mansour Kadah is the new Assistant Secretary General of COMESA in Charge of Programmes. He was sworn-in during the 22nd COMESA Heads of State and Government Summit in Lusaka, Zambia on 8 June 2023.

Dr Kadah, an Egyptian national, succeeds Dr Kipyego Cheluget of Kenya whose term ended in February this year. He is a career diplomatic and has served in various positions in the Ministry of Foreign Affairs of Egypt and diplomatic positions in Africa and beyond. Prior to his appointment to COMESA, he served as Deputy Assistant Foreign Minister for African Organizations.

He has also served as the Egyptian Ambassador to South Sudan, Deputy Chief of Mission in the Egyptian Embassy in Germany, Yemen and Portugal and Deputy Director for African Organizations in the Ministry of Foreign Affairs of Egypt.

At COMESA, he will oversee the following programmes: trade and customs, infrastructure and logistics, gender and social affairs, agriculture and industry, information and networking. COMESA Ministers of Foreign Affairs conducted their 18th Meeting on 6 June 2023 ahead of the COMESA Summit where they lauded the resolution of the conflict in the Tigray region in Ethiopia. They also appreciate progress on Libya in getting back on track towards implementing components of the Ceasefire Agreement.

However, the Ministers expressed concern with the recently witnessed deadly escalation of fighting in Sudan where intense fighting was raging causing death and displacement of many and destruction of key infrastructure.

During the meeting which was opened by Zambia Vice President Mrs Mutale Nalumango and attended by 18 of the 21 Member States of the regional bloc, the Ministers noted the resurgence and escalation of activities of the M23 Movement in the Great Lakes region. This was also discussed as an area of concern that needs more to be done to resolve the issues.

In her statement, the Vice President commended the Ministers for allocating time to discuss issues of regional democracy, peace and security. She noted that no meaningful integration and sustainable development can be realized in the absence of peace.

"While Africa, and COMESA in particular is making strides in shaping a continent beaming with tremendous progress towards peace and restoration of power to civilian governments, the conflict in Sudan, is indeed regrettable," she added. "Therefore, it is in COMESA's interest to ensure that peace prevails at all times

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### COMESA Foreign Affairs Ministers Push for Resolution of Conflicts in the Region

because instability anywhere on the continent is instability everywhere."

The Ministers also reviewed the programmes under the Governance, Peace and Security Unit of the Secretariat and commended efforts to address root causes of conflict and recognising the impact of climate change on peace and security dynamics.

They appreciated the peaceful conduct of elections in the region and called for the review of electoral processes to draw lessons and provide recommendations to consolidate



democracy across the region are some of the positive strides.

COMESA Secretary General Chileshe Kapwepwe outlined some of the key programmes being implemented such as the silencing of the guns, enhancing youth participation in governance, support to Member States to strengthen their anti-money laundering efforts and the robust early warning system (COMWARN).

"The positives recorded in the region gives us more incentive to reinvigorate our collective determination to address the issues of conflicts and insecurity in our region because these inevitably accentuates the effects of such global threats," she said.

The report of the Ministers' meeting was presented to the 22nd COMESA Heads of State and Government Summit held in Lusaka, Zambia on Thursday 08 June 2023.



# **Business Community Issues 14-Point Plan to Spur Regional Trade**

Over 500 regional and international businesses from the 21 COMESA Member States participated in the 16th COMESA Business Forum that took place in Lusaka, Zambia. The forum was a multisectoral platform for the promotion of quality products and services that are currently breaking ground in terms of high value and high demand in regional and international markets, with a focus on the COMESA market.

The one-day forum and exhibition on 7 June 2023 provided an opening for the business community to create opportunities for valuable linkages within the African market. Zambia's Minister of Commerce, Trade and Industry Mr Chipoka Mulenga, who opened it described it as most ideal for enabling the private sector to be more effective drivers of industrialization, economic diversification, trade and investment in the region.

Panel discussions by experts, keynote addresses, expo and a high-level roundtable were the key events of the forum whose main outputs were captured in a 14 points Declaration presented to the Heads of State and Government at the COMESA Summit. The Declaration covered the following issues in the COMESA region:

On private sector development, the business community called upon COMESA Secretariat and COMESA Business Council Secretariat to collaborate in drafting a regional private sector development strategy. On digital financial inclusion, they urged Member States to support the ongoing efforts on the implementation of regional digital retail payment platform for Micro, Small and Medium Enterprises (MSMEs) and to develop and domesticate relevant digital Financial Inclusion policy framework for payment scheme in COMESA region.

On facilitation of implementation of product standards, they called on Member States to develop a framework to guide the implementation of product standard and a mutual recognition framework to reduce the barriers to trade that result from multiplicity of compliance requirements with respect to standards.

On enhancement of regional and continental integration, they urged MS to fast track the ratification process of the Tripartite Free Trade Area Agreement and hasten the development of regional implementation strategy for AfCFTA with full participation of private sector players.

Regarding anti illicit trade, they urged for setting up a regional coordination and cooperation mechanism in the enforcement of legislation on illicit trade and to develop a regional track and trace system for products in COMESA region affected by illicit trade. On industrialization and value addition they urged Member States to fast track the domestication of COMESA Industrialisation Policy and Strategy and promote diversification of export products of strategic sectors.

With regard to skills development, they called

upon States to revamp the education system to embrace technology i.e digitalization and to build capacity and develop skills among SMEs to enhance competitiveness of their products for entry into regional, continental and international markets. In the declaration, the private sector also called for the full implementation of existing trade facilitation instruments and also embracing of new trade facilitation instruments such as COMESA Digital Free Trade Area by adopting e-certificate of origin, e-commerce etc.

To attract investment from the continent, they urged Member States to embrace the concept of African Direct Investment in different areas including in agriculture and further urged financial institutions to consider structuring their financing to the sector to conform with industry practices.

Other calls made in the declaration were: to adopt harmonised seed regulations and standards to promote cross border movement of quality seeds in the region, develop the pharmaceutical Industry, promoting the recovery from COVID 19 pandemic through tourism, cooperation in the management of natural resources and environment.

Finally, the Declaration called for the full implementation of the COMESA protocol on the gradual relaxation and eventual elimination of visas (Visa Protocol) to facilitate the movement of businesspersons in relation to both trade in goods and services as a trade facilitation measure as well as enhancing integrated border management.



President Hakainde Hichilema (3rd left) COMESA Secretary General Chileshe Kapwepwe (3rd Right) flanked by the media award winners: Hany Fouad Caroline Tomno (L) and Gerald Tenywa (R) and Rakotomiarintsoa Claude

## Journalists Recognized for Promoting Regional Integration

Four journalists whose works have contributed towards promoting regional integration were recognized and awarded during the COMESA Summit. They included Carolyn Tomno (Kenya), Rakotomiarintsoa Claude (Madagascar), Hany Fouad (Egypt) and Gerald Tenywa of Uganda.

They were picked among 65 entries submitted by journalists from the COMESA Member States. This followed a call for entries was made in November 2021. Their winning entries covered various topics including the use of technology to boost agriculture in COMESA region, the effects of climate change and how COMESA strategy on climate change can help address unsustainable charcoal production which was accelerating deforestation in the region.

Chair of the COMESA Authority, President Hakainde Hichilema flanked by Secretary General of COMESA presented the trophies to the journalists.









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