

Continental and Regional Trade Regimes Need Proper Management to Succeed

There is need for proper management of the interface between the continental and the regional free trade regimes to generate a range of win-win outcomes for various stakeholders in Africa's integration agenda.

According to Dr. Stephen Karingi, the Director, Capacity Building Development at the United Nations Economic Commission for Africa (UNECA), the successful implementation of the African Continental Free Trade Area (AfCFTA) will depend, on how smoothly or otherwise, it is interfaced with pre-existing regional economic communities FTAs and related instruments.

He was speaking on Monday, 19 October 2020 during his keynote address at the opening of the 7th COMESA Annual Research Forum anchored under the theme: "Harnessing Intra-COMESA Trade through the Interface with African Continental Free Trade Area (AfCFTA)".

"One of the main objectives of the AfCFTA is to accelerate regional and continental integration through the consolidation of the multiple and overlapping trading regimes, embodied in pre-existing RECs FTAs, such as the COMESA," Dr Karingi noted.

"AfCFTA, could lean on the progress that RECS such as COMESA have made in important areas of integration including the COMESA Investment Area..."

-Dr. Stephen Karingi



File/ UNECA's Dr Stephen Karingi addressing the 5th COMESA Research Forum in Kenya, August 2018

"However, as law scholars have already argued, some wordings in the AfCFTA Agreement suggest that this relationship is likely to be more complex. And although this is not what was originally imagined, it now needs to be properly analysed and understood."

He cited Articles 5 and 19 of the AfCFTA which are intended to help navigate the complexity of the relationship with pre-existing intra-African trade instruments. Article 5 for example, does not only recognize 'RECs' Free Trade Areas as building blocs for the AfCFTA, it also points to the need to leverage their best practices.

Further, Dr Karingi noted that some RECs, individually or collectively, have made great strides in some dimensions of integration, way ahead of what is currently envisioned in the AfCFTA with four African Union-recognized RECs having FTAs that have

achieved higher levels of integration than the AfCFTA at the time of its entry into force.

He therefore observed that the AfCFTA, could lean on the progress that RECs such as COMESA have made in important areas of integration including the COMESA Investment Area, COMESA Competition Policy, COMESA's progress on the issue of Intellectual Property Rights, and the COMESA Digital FTA.

He added: "The AfCFTA can also benefit from COMESA's experience in building trade supporting institutions, such as in the areas of trade finance, trade insurance, regional payment systems, and in the context of simplified trade regimes."

By safeguarding the achievements of RECs, he observed, the AfCFTA has in the short run, allowed for some level of flexibility on the co-existence of a web of connected, yet distinct, trade regimes, which would be consolidated at some later stage. He said this requires

careful and thoughtful management – backed by evidence-based research which the COMESA Forum provides.

In her statement, the Secretary General (SG) of COMESA Chileshe Kapwepwe noted that since 1950s, there has been a proliferation of regional integration agreements (RIAs), making them the centerpiece of many questions of global governance.

“For instance, do RIAs deliver the intended benefits for members? Why do governments sign these agreements, and do they work towards attainment of anticipated long-term consequences of doing so? Within the context of the Africa Continental Free Trade Area, what for instance are the optimal options for allocation of duties between regional economic communities, ACFTA, Member States and private sector?,” she posed.

“These are questions that only in-depth research and analysis can find appropriate solutions,” she said.

The SG said the capacity building interventions in research and training carried out by COMESA are aimed at enhancing not only the capacity of the COMESA Secretariat but also the capacity of the Member States in economic and trade policy analysis and research, as well as trade negotiations.

Mr. Escipi3n OLIVEIRA G3MEZ, Assistant Secretary General Structural Economic Transformation and Trade, Organisation of African, Caribbean and Pacific States (OACPS) said the COVID-19 pandemic has demonstrated that no country or region can go it alone. His organization was therefore keen to collaborate with regional economic communities towards implementation of innovative initiatives to promote integration.

Mr. Prudence Sebahizi, the Chief Advisor of AfCFTA & Head of AfCFTA Negotiations Unit, Africa Union Commission (AUC) kicked-off the presentations with a status report on the AfCFTA negotiations and the interface between AfCFTA and regional economic communities.

The three days Forum will review nine best research papers selected from a list of 39 submitted to COMESA in response to a call for papers made early this year. It is funded by COMESA, OACPS and the European Union.

50 Million African Women Speak Platform Launched in Eswatini

Eswatini became the fifth COMESA Member State to launch the 50 Million African Women Speak (50MAWSP) platform on Thursday 15 October. The platform was unveiled in Mbabane, Eswatini at a colourful ceremony presided over by the Deputy Prime Minister Honourable Senator Themba Masuku.

The national launch of the platform kept in tradition with previous launches and was conducted under a hybrid arrangement where a limited number of local participants gathered physically at the launch venue and were joined virtually by several invited guests.

COMESA Secretary General Ms. Chileshe Mpundu Kapwepwe led the regional bloc’s high-profile participation. Also, in attendance were Assistant Secretary General Amb. Dr. Kipyego Cheluget, FEMCOM Chief Executive Officer Ms. Ruth Negash, World President of Business and Professional Women Association Dr Amany Asfour as well as dignitaries from the African Development Bank (AfDB) and Government officials from the Kingdom of Eswatini.

Chief Guest Hon. Themba Masuku said the 50 Million African Women Speak platform could not have come at a better following the social and economic disruptions by COVID-19.

“Let us take advantage of this initiative”, the Eswatini Deputy Prime Minister urged eSwatini women. “I urge all women to embrace the platform so that their businesses survive after the pandemic.”

Hon. Themba Masuku commended COMESA and the AfDB for their support over the last two years which has made it possible to realise the platform.

“The launch of the 50MAWSP is yet another example of the results of our strong relationship. COMESA also deserves credit for ensuring closer collaboration at Member State level,” he said.

COMESA Secretary General Ms. Chileshe Kapwepwe on her part said that the platform would give women a lifeline post-COVID.

“The disruptions caused by the pandemic are not the end of your business, or your entrepreneurial aspirations. They are simply the beginning of life on the 50 Million African Women Speak platform,” Ms. Kapwepwe said.

“Nothing beats 50 Million African Women Speak as a tool specifically built to create a new world of opportunities for women in our COMESA region, and indeed, the African continent as a whole. It speaks directly to the needs of



Deputy Prime Minister Hon. Senator Themba Masuku

the iSwati woman by providing information on where she can access financial services, training facilities and opportunities for mentorship, among others,” the Secretary General said.

Ms. Kapwepwe thanked the African Development Bank for the financial support which has made the 50 Million African Women Speak platform possible and urged the government of the Kingdom of Eswatini to devote the required resources to ensure its sustainability.

The 50 Million African Women Speak platform aims to facilitate a dynamic and engaging exchange of ideas among women entrepreneurs, using in-built social media functionality to connect them with one another in ways that will foster peer-to-peer learning, mentoring and the sharing of information and knowledge within communities, and access to financial services and market opportunities between urban and rural areas, and across borders and between countries.

Owing to the pandemic, national launch events of the platform will be held either virtually or as a hybrid of virtual and conventional launches. Launch events in 10 other COMESA Member States are planned. The next launch is scheduled for 22 October 2020 in the Democratic Republic of Congo.

“The launch of the 50MAWSP is yet another example of the results of our strong relationship. COMESA also deserves credit for ensuring closer collaboration at Member State level,”

- Hon Themba Masuku



COMESA Supports Zambia to Launch Gold and Gemstone Development Strategy

“Gold and gemstone mining in Zambia have been characterized by informal artisanal and small scale mining and trading activities resulting in huge losses to government revenue, environmental degradation, influx of foreign nationals, lack of tangible wealth creation and no impact on poverty reduction,” Minister Musukwa added.

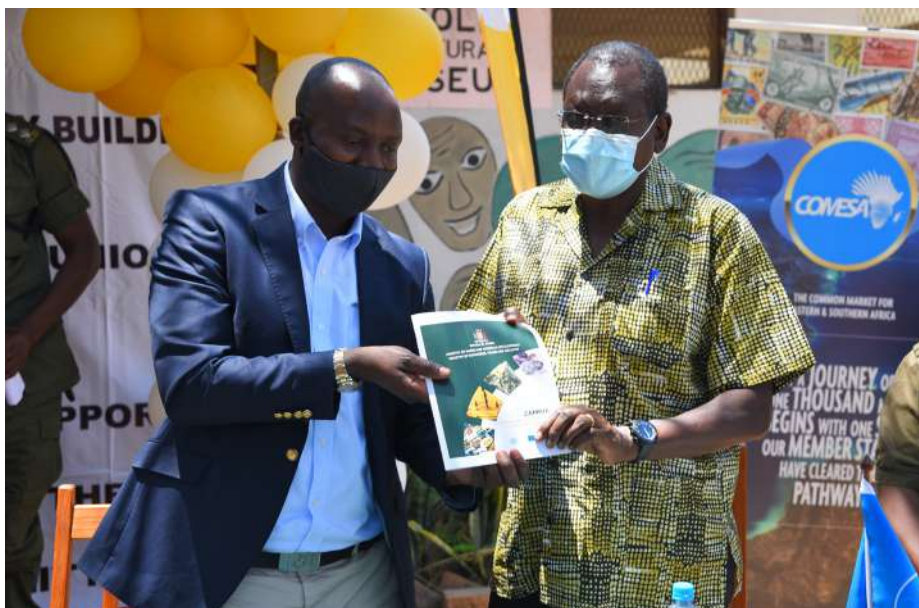
With support from the COMESA RICB and the SADC Trade Related Facility Project, the Ministry of Mines has attained key milestones such as geological assessment of the areas to delineate economical mineralization that would underpin the project, training of cooperative members and purchasing of equipment for use by the cooperatives. So far, 214 members of the cooperatives have been trained in various disciplines such as cooperative governance and management as well as gold safe mining practices.

Zambia Minister of Commerce, Trade and Industry Hon. Christopher Yaluma said the strategy provides strategic interventions including setting up value addition parks for gold and gemstone lapidary shops in Lusaka, Copperbelt and Livingstone in Southern Zambia. In addition, it will facilitate the establishment of gold processing plants in areas where a resource has been defined, establishment of gold trading centers in strategic locations and providing equipment and mining technical services and cooperative governance to artisanal and small-scale miners among others.

Speaking at the same event, COMESA Assistant Secretary General Dr Kipyego Cheluget said the launch of the Strategy was a culmination of the joint effort of COMESA, building on efforts made by SADC.

“This is representative of the principles of regional integration that require Member States and regional organizations to work together in building the African Continental Free Trade Area,” he said. He urged the Zambian government to ensure that the local communities are not exploited but supported to reap the full benefits of the minerals value addition. He commended the European Union for continued support to COMESA and its Member States through the COMESA Adjustment Facility. So far the EU has provided funding of 111 million Euros with total support to Zambia of 5.8 Million Euros covering leather, textiles and clothing value chains.

The delegation also visited the Kamilulu Gold Mining Processing Plant which is being established by the Zambia Consolidated Copper Mines Investment Holding (ZCCM HI) to work with the cooperatives to extract gold.



Minister of Mines Hon. Richard Musukwa (L) and Dr Kipyego Cheluget present the new Strategy

Zambia has launched its Export Diversification Strategy in Gold and Gemstone Mining. The strategy will guide the formalization of the sector and stop illegal trading of the commodities in the country. It was developed with support from the European Union through the COMESA Regional Integration Capacity Project (RICB) as well as other cooperating partners through the Enhanced Integrated Framework (EIF) and the TradeCom II Projects.

The strategy was launched in Rufunsa District 170 kilometers east of Lusaka on Saturday 17 October 2020. Zambia's Minister of Mines and Minerals Hon. Richard Musukwa said the Strategy will help to curb illegal mining and selling of the minerals which are mostly smuggled out of the country by foreign nationals without paying any revenue to the government.

The Strategy is also expected to lead the formalization of the sector which is mainly dominated by artisanal and small-scale miners who in most instances operate illegally.

In its quest to economically empower its citizens, the government of Zambia embarked on the formalization of mining activities through the formation and registration of cooperatives. These interventions are intended to promote transparent, secure and verifiable value and supply chains in line with the seventh National Development Plan which emphasizes the need to develop non-traditional mining sectors and the promotion of value chains.

The government has gone further to declare gold as a strategic mineral that plays a important role in diversification, job creation and economic development of the country.



The delegation touring Kamilulu Gold Mining Processing Plant in Rufunsa

New Rwanda and British Ambassadors Accredited to COMESA



(L-R) Rwanda Ambassador H.E. Amandin Rugira, COMESA SG Chileshe Kapwepwe and British High Commissioner H.E. Nicholas Woolley

Ambassador of Rwanda to Zambia Mr. Amandin Rugira and the British High Commissioner to Zambia Mr. Nicholas Woolley have been accredited to COMESA as Permanent Representative and Special Representative respectively. The two presented their letters of credence to COMESA Secretary General Chileshe Kapwepwe on Thursday 15 October 2020 at the COMESA Secretariat in Lusaka.

In his remarks, Amb. Rugira reiterated his country's commitment to regional integration pledging to build on what his predecessor had done towards serving the regional community's interests for deeper economic integration.

Mr. Woolley said the United Kingdom attaches great importance to having strong regional institutions such as COMESA to tackle key regional issues.

"Today's formal accreditation sets the scene for a stronger future relationship between COMESA and the UK, framed around our ambition for stronger partnerships for mutual benefit," he said.

As part of the collaboration, the UK government has announced a new partnership between Trademark East Africa and Zambia to improve trade flows at one of Southern Africa's busiest borders – the Nakonde border post between Zambia and Tanzania where 135,000 trucks pass every year.

Two weeks ago, the UK Minister for Africa Mr. James Duddridge visited the COMESA Secretariat and held discussions with Secretary General on various areas including COVID-19 response, trade facilitation, the African Continental Free Trade Area (AfCFTA), support for development of regional value chains and countries' preparation for COP26 submissions

At the same time, the Minister announced that the UK is partnering with the UN International

Organisation for Migration (IOM) to provide advice and training to traders, governments and border agencies. This is intended to enable traders at key border posts in Zambia, South Africa and Malawi to resume their business legally and safely.

On COVID response, the UK will invest up to 20 million Pounds in the African Union's COVID-19 Response Fund which will directly benefit COMESA Member States.

Secretary General congratulated the two on

their appointment and briefed them on COMESA programmes, interventions on COVID-19, the link between COMESA and continental integration, the status of implementation of the Tripartite Free Trade Area (TFTA) and developments in the AfCFTA among others.

She also highlighted the potential areas of cooperation, which included the use of technology and innovations to facilitate trade among Member States mainly the Digital Free Trade Area as well as strengthening women and youth participation in regional trade.



Ambassador Amandin Rugira (above left) and High Commissioner Nicholas Woolley (below right) presents their credentials to COMESA SG Chileshe Kapwepwe





Include Post-Covid Recovery in Regional Work Programme - Heads of Customs

Heads of Customs from the COMESA region have agreed on prioritizing Post COVID-19 recovery in the 2021-2023 Customs and Trade Facilitation Work Programme. In a virtual meeting conducted last week, 14 October 2020, the officials said this will enable the identification and prioritization of activities that will enhance post COVID-19 recovery for Member States.

According to the Report from the Sixth Meeting of Heads of Customs Sub-Committee, COMESA Secretariat should engage donors for financial and technical support for the implementation of these prioritized interventions.

The meeting also recommended that Member States should continue building on the trade facilitation measures adopted in response to the COVID-19 pandemic and ensure sustainability by providing national legislative and institutional frameworks for the new modalities for operating.

The objective of this meeting was to consider the Report of the Customs Experts meeting held 12-13 October which focused on the progress of implementation of the three-year COMESA Customs and Trade Facilitation Work Programme (2018-2020). Key issues under this programme are the implementation of Electronic Certificate of Origin (eCO), draft Customs training manuals, proposed amendments to the Protocol on Rules of Origin, implementation of the COMESA Regional Trade Information Portal and the Customs Automation Regional Support Centre.

Other recommendations made during the one-day meeting was the need for Member States to implement coordinated testing in accordance with the agreed guidelines to avoid delays and congestion at borders. They urged the Secretariat to facilitate a regional consultative meeting involving health, trade and customs officials to consider

harmonizing COVID-19 testing fees. These recommendations will be presented to the Trade and Customs Committee Meeting set for end of October.

COMESA's Director of Trade and Customs Dr Christopher Onyango who opened the meeting urged the Customs' administration to build on the innovations they have introduced in response to the COVID-19.

"Take advantage of the technical and financial support available under the EDF 11 Trade Facilitation Programme to reinforce implementation of customs automation innovations and trade facilitation measures provided for under the COMESA Treaty and COMESA Management Regulations and WTO Trade Facilitation Agreement," he said.

Delegates from Comoros, Egypt, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Uganda, Zambia and Zimbabwe participated.

Promoting an Integrated Digital Common Payment Scheme for MSMEs



Mr. Marday Venkatasamy, Chairperson, CBC

COMESA Business Council is promoting the harmonization of policies for an integrated digital common payment scheme for Micro Small and Medium Enterprises (MSMEs). Recently, CBC brought together over 73 representatives of regional financial services regulators for one-day virtual meeting towards promoting this initiative.

Stakeholders from Central Banks, Ministries of Finance, Revenue Authorities, Information Communications Technology (ICTs) regulators, Mobile Network Operators and Microfinance institutions from Egypt, Ethiopia Kenya, Malawi,

Mauritius, Rwanda, Tanzania, Uganda and Zambia participated in the meeting.

The engagement was necessitated by the challenges impacting industry competitiveness in the region such as the lack of an affordable and effective platform which accommodates digital cross border payments for Small and Medium Enterprises (SMEs).

In response to this, the CBC has piloted the Digital Financial Inclusion Programme in nine COMESA countries which is expected to catalyse the transition of MSMEs from a cash-dominant to a cash-lite economy, where they have access to affordable, secure and real-time digital financial transactions.

Speaking during the meeting on Tuesday 13 October, CBC Chairperson Mr Marday Venkatasamy said digital payment systems is a focal area on to improve the efficiency and performance of SMEs in the region.

"This is therefore a very important forum which provides Government to Business, Business to Business and Business to Consumer, key policy aspects that needs to be addressed in order to promote intra-COMESA trade which is currently very low," Mr Venkatasamy added.

Assistant Secretary General for Programmes Dr Kipyego Cheluget said multi-sectoral stakeholders' engagement was meant to harmonize existing policy platform at a regional level, to allow for the development of a low value regional digital payment scheme for SMEs.

The deliberations attached great importance to the need to promote SMEs' competitiveness across the region.

COMESA Clearing House Executive Secretary Mr Mahmood Mansoor who was also in the meeting said:

"This will require concerted efforts from both the public and the private sectors, with the public sector ensuring a business-friendly environment and legislation for the promotion of private sector development and investment."

...CBC has piloted the Digital Financial Inclusion Programme in nine COMESA countries which is expected to catalyse the transition of MSMEs from a cash-dominant to a cash-lite economy...



The Charge d' Affaires at the Embassy of the State of Libya in Lusaka His Excellency Omar B.A. Abdulkarim (L) pays a courtesy call on Secretary General Chileshe Kapwepwe at the Secretariat on Thursday 15 October 2020. The two held discussions on regional integration and implementation of programmes amid COVID-19.




Longest Service HR Staff Bows Out


Last week, COMESA Secretariat bid farewell to one of its longest serving staff in the Human Resources Division. Mr Lavy Felix Kayeyi (R) retired this month after serving at the Secretariat for 28 years since 1992. For more than 10 years during this time, at least until 2008, Mr Kayeyi was the only HR officer handling Human Resources issues for the Secretariat. Director of HR and Administration Mrs Martha Elimu (L) and Acting Director of Budget and Finance Mr Gordon Jeranyama presents gifts to Mr Kayeyi.



The COMESA Diary

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|----------------------------|--|
| 19-21 Oct 2020 | Seventh COMESA Annual Research Forum Organised by: Secretariat (Trade & Customs) Venue: Virtual |
| 27 - 29 Oct 2020 | 36th Trade and Customs meeting Organised by: Secretariat (Trade & Customs) Venue: Virtual |
| 11-12 Nov 2020 | 41 st Meeting of the Administrative & Budgetary Committee Organised by: Secretariat Venue: Virtual |
| 23-24 Nov 2020 | 41 st Meeting of the Intergovernmental Committee Organised by: Secretariat Venue: Virtual |
| 26-27 Nov 2020 | 41 st Meeting of the COMESA Council of Ministers Organised by: Secretariat Venue: Virtual |

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