

STATEMENT BY

H.E. CHILESHE MPUNDU KAPWEPWE

COMESA SECRETARY GENERAL,

AT THE OPENING OF THE VIRTUAL SEVENTH COMESA ANNUAL RESEARCH FORUM

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THE ASSISTANT SECRETARY GENERAL, ORGANIZATION OF AFRICAN, CARIBBEAN AND PACIFIC STATES

REPRESENTATIVES OF UNECA, UNCTAD, ACBF, THE AFRICAN UNION, THE AFCFTA, AFREXIM BANK, AND OTHE PARTNERS PRESENT HEREIN

DISTINGUISHED DELEGATES,

INVITED GUESTS, EXPERTS AND PROFESSIONALS,

LADIES AND GENTLEMEN,

It is my singular honor and privilege to have this opportunity to welcome you to the 7th Annual Research Forum. For the last 6 years since the year 2014, we call for research papers on topical economic integration issues from prominent scholars, researchers, regional and international experts which are eventually discussed in the Research Forums. The papers are eventually published in the COMESA Research Publication Series "Key Issues in Regional Integration series".

This year's Research Forum is funded by COMESA, the Organization of African, Caribbean and Pacific States (OACPS) and the European Union through the TradeCom II Capacity Building Programme. This programme is under the COMESA Project on *"Enhancing COMESA Capacity in Trade Policy Analysis, Research and Training for Deeper Regional Integration and Participation in Global Economy"*.

Let me express my profound gratitude to all participants herein today for finding time to be with us despite your busy schedules, amidst the COVID-19 pandemic challenges.

Ladies and Gentlemen,

Allow me at the very outset to point out that the advent of the Coronavirus has caused untold suffering in the world ranging from disease, strain on health systems, subdued production, disruption of travel and trade and deaths. The COMESA region has not been spared by the pandemic and therefore there is need to strengthen openness, coordination and collective approach by Member States in facilitating movement of goods and services amidst restrictive measures. We need to safeguard the existing trading arrangements and avoid erosion of gains already made on trade liberalization in COMESA and support local production, regional value chains and availability of products. It is widely accepted in Africa that regional economic integration remains a critical part of the solutions to the pandemic. To this end, evidence-based policy research on trade policy issues will play a critical role in our post-Covid-19 recovery path.

Distinguished Participants,

Allow me to expound more about the COMESA TradeCOM Project – II, which carries a mixed basket of outputs. First, the outputs from this Research Forum aims at sharing expert ideas on regional economic integration. In this particular case, leveraging on the Africa Continental Free Trade Area (ACFTA) to advance regional economic integration and providing readily applicable recommendations for policymakers.

In addition, the Project acts as a training ground for building the capacity of young researchers, trade experts, public servants and analysists who are looking towards horning their skills in the area of research and policy analysis.

Besides, the other important component of the programme is the collaborative Masters Degree Programme on Regional Integration. The latter is a professional course designed for government officials handling trade, aspiring trade policy analysts and a whole range of business and trade related professionals. So far, Kenyatta University based in Nairobi, Kenya and the University of Mauritius have already admitted the first batch of students to undertake the two-year virtual course.

Distinguished participants,

Since the 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?

These are questions that only in-depth research and analysis can find appropriate solutions to.

Ladies and Gentlemen

COMESA has organized six research forums since 2014. The Forums bring together the academia, Government officers, private sector, policy think tanks and development partners. The policy implications from these papers are presented through the COMESA policy organs meetings and have been forming the basis for the policy decision-making in our region. Member States have continued to appreciate the critical role of the policy analysis and many of them have been implementing the policy recommendations contained in various papers presented in the previous research forums. There is therefore ready demand for the research outputs emanating from these Forums.

As I indicated earlier, this is the Seventh COMESA Annual Research Forum whose theme is *"Harnessing intra-COMESA trade through interface with African Continental Free Trade Area".* The theme of this forum could not have come at a better time when there is renewed impetus for shaping the African political, economic and social development. Indeed, the ACFTA is the strategic framework for delivering on Africa's goal for consolidating a single market, fostering structural transformation, and attaining inclusive economic growth and sustainable development.

Distinguished Participants

It may be useful to recall that historically, early stages of structural transformation have involved an increase in industrial activity and manufacturing. Alongside industrialization, structural transformation has been associated with increases in export quality, diversity and the size of private firms. New patterns are now emerging with services sectors increasingly playing bigger roles in shaping structural transformation. That is why I am happy to note that this year an increasing number of research papers are focusing on the services sector. Although this sector constitutes over 50% of GDP in most COMESA Member States and in Sub-Saharan Africa, it remains largely un-exploited. Yet it has the greatest potentials to industrialization and job creation.

In addition, structural change does not work the same for everyone. For instance, there is overwhelming evidence that women typically have fewer opportunities to engage in higher productivity sectors. Women are less likely to be employed in the formal sector, receive lower pay for work they perform, and female-owned firms are consistently less productive than male owned.

Distinguished participants,

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.

Furthermore, COMESA Member States recognize and appreciate the role of regional integration in boosting trade and economic development as evidenced by their participation in the COMESA FTA, and actively championing the negotiation and development of the various instruments of the ACFTA. Indeed, the prospects for the larger markets and supporting infrastructure will spur industrial development. This will not only create jobs, but it will also have the added advantage of diversifying Africa's economies that are largely dependent on raw materials. The associated technology development will lead to the creation of new industries.

Trade among the regional economic communities over the last decade has been dominated by intermediate products and manufactured goods, contrary to the common belief that African countries are trading in similar products. These trends underscore the potential role of the Africa Continental Free Trade Area as a driver of industrial development and in the manufacture of high-value products.

Distinguished participants,

Before concluding my remarks, allow me in a special way to thank and recognize the Organization of African, Caribbean and Pacific States and the European Union who have partnered with us in making this forum possible. In the same vein, appreciate African Capacity Building Foundation who supported the research forums from 2014-2017. I would also like to express profound gratitude to UNECA and AFREXIM Bank for the continued support and collaboration in several fronts in championing the integration agenda. Last but not least, I wish to express my deepest appreciation and gratitude to various professionals, mentors, researchers and policy makers for your endeavors to make trade policymaking evidence-driven.

Let me seize this opportunity to listen, advise, critique and improve the research papers presented in this forum for the good of COMESA and the African Continent at large.

Distinguished participants,

It is now my pleasure to declare this seventh COMESA Annual Research Forum officially opened.

I thank you for your kind attention.