COMESA has congratulated the newly elected 7th President of Zambia, H.E Hakainde Hichilema and the people of Zambia for yet again upholding democratic practices in the country’s political transition.

In a statement issued by the Secretary General Chileshe Kapwepwe, COMESA described the conduct of the just concluded Presidential, Parliamentary and Civic elections as having underlined Zambia’s outstanding democratic credentials.

“Through a democratic process, the people of Zambia have overwhelmingly demonstrated their faith and confidence in your ability to steer the country to greater economic prosperity and peace,” the Secretary General stated in a congratulation message.

“We pray for God’s guidance and wisdom as you take up the responsibilities of this high office.”

Mr Hichilema will be sworn into office on Tuesday 24 August 2021.

Madam Kapwepwe also paid tribute to the outgoing President Edgar Chagwa Lungu for his service to the country over the last six years and for respecting the democratic will of the people.

COMESA was one of the international organizations that followed the electoral process and deployed a short-term observer mission to the General Election of 12th August 2021. Arising from its observers’ feedback, COMESA commended the Electoral Commission of Zambia, the voters, and all political stakeholders for conducting the election in a credible, free, fair, and largely peaceful manner despite its highly competitive nature as well as the challenges presented by the COVID-19 pandemic.

The organization deployed 42 observers across the 10 provinces in Zambia who witnessed the pre-elections preparation, polling, and commencement of counting at the polling stations. Its preliminary report was issued two days later, on 14 August in a joint press conference with the African Union counterpart team.

In the report, the observer teams expressed confidence with the electoral process on transparency and the generally peaceful voting environment.
COMESA, with financial support from the European Union has been implementing the Small-Scale Cross Border Trade Initiative (SSCBTI) which aims at increasing small scale cross-border trade flows in the COMESA Tripartite region. This is being done by facilitating small-scale cross border trade between targeted countries through effective policy and governance reforms, institutional capacity building, improved border infrastructure and better gender disaggregated data collection and monitoring.

Launched in May 2018, the COMESA SSCBTI has so far conducted over 600,000 interviews through 52 enumerators deployed at the targeted borders at Mwami/Mchinji between Zambia and Malawi, Kasumbalesa between Zambia and the Democratic Republic of Congo, Chirundu between Zambia and Zimbabwe and Nakonde/Tunduma between Zambia and Tanzania.

Under Result Area 4 of the SSCBTI programme, the focus is on gender disaggregated statistical data and analysis that is systematically collected, compiled, harmonized and disseminated. Gender disaggregated data can reveal deprivations and inequalities that may not be fully reflected in aggregated data.

“The goal is to remove gender-related constraints that women face in participating in trade and understand the obstacles to cross border commerce that happens within the region,” according to a report by the COMESA Statistics Unit that coordinated the data collection.

For now, the SSCBTI is focusing on the five border posts along key corridors in the region with the purpose of piloting upgrades and trade facilitation measures that can be replicated elsewhere in the COMESA region and beyond. The expectation is to increase evidence-based knowledge on the topic and inform better trade policy-making processes at both national and regional levels.

From the summary analysis for Zambia SSCBT data covering the period 2019/Q4 to 2020/Q3, 23 percent of small-scale cross border traders interviewed were females. On average, 66 percent of the traders used a bicycle as the means of transport while 20 percent were carrying goods on their heads. 90 percent of the female and 74 percent of the male traders were married/co-habiting or living together.

In terms of value for SSCBT covering the same period 2019/Q3 – 2020/Q4 for Zambia, Nakonde border recorded the highest value with over USD$30million in imports while about USD$15.7million was recorded in exports. Integration and harmonization with respective national trade statistics databases is anticipated for all the data collected from Zambia, Tanzania, Malawi and Zimbabwe.

The small scale cross-border trade data for Zambia is available and can be accessed on the COMSTAT data portal (http://comstat.comesa.int) under the section for Small Scale Cross-Border Trade).
Good Practices Recorded in Zambia’s General Election

The COMESA Election Observer Mission to the recently held 12 August 2021 Zambia General Elections noted several good practices that were implemented during the electoral process. Among them, the establishment of conflict management infrastructure to deal with election related conflict.

The establishment of the Election Support Centres at both national and provincial levels to coordinate logistical, administrative aspects and to monitor potential electoral risks or challenges was considered a best practice for providing local solutions to local problems across the regions.

In a Preliminary Statement issued by the Head of the Observer Mission Amb. Ashraf Rashed two days after the polling, COMESA Observers identified the use of duplicate registers by political party agents as an important initiative in ensuring enhanced transparency. They also cited the self-funding of election activities and electoral processes.

The mission also acknowledged the large participation of women and youth in the electoral process with many serving as electoral staff and candidates.

‘One out of the sixteen presidential candidates was a woman while four of the candidates had a female running mate. In addition, 21% of the candidates contested for national assembly positions whilst 12.8% of the council chairperson/mayor contestants were women,’ the observers stated.

The use of technology including the biometric voter registration and biometric voter identification was among those listed as best practices.

The observer mission also made a number of recommendations to help improve future elections in the country. These included the need to cap the number of voters per polling station to avoid overcrowding and delays, the need to ensure that necessary and adequate materials are provided to all polling stations, including inks, lighting, markers and envelopes. These arose from the observers’ experiences at the polling stations.

They underscored the need for the Electoral Commission of Zambia to provide more space for polling stations in highly populated areas to avoid overcrowding and to hasten the election process. The mission also called for equal opportunity in public media for all candidates and political parties to engage with the public.

The COMESA Mission comprised forty-two observers drawn from ten Member States namely Burundi, Egypt, Democratic Republic of Congo, Kenya, Malawi, Rwanda, Somalia, Sudan, Uganda and Zimbabwe as well as staff from COMESA Secretariat. Prior to their deployment, COMESA observers received training on 7-8 August 2021.
The year-on-year inflation rate for the COMESA region dropped from 131.1% in May 2021 to 129.8% in June mainly due to prices changes in 12 key areas of expenditure namely clothing and footwear, housing, water, electricity, gas and other fuels, household equipment, transport and communications and recreation and culture.

According to the Harmonised Consumer Price Index (HCPI) Monthly News Released compiled by the Statistics Unit at COMESA Secretariat, other areas that recorded price changes included education sector, restaurants and hotels, food and non-alcoholic beverages, alcoholic beverages and tobacco, furnishings, miscellaneous goods and services.

The month-on-month inflation rate in the COMESA region as measured by HCPI-COMESA stood at 9.5% for the month of June 2021, down from 8.1% registered in May 2021. It was 10.0 % in June 2020.

Participating Member States that contributed to HCPI-COMESA registered the following rates of total inflation in June 2021 compared to June 2020. Burundi (-5.4%); Democratic Republic of Congo (+9.9%); Djibouti (+0.8%); Egypt (+1.3%); Eswatini (+6.4%); Ethiopia (+22.2%); Kenya (+6.1%); Madagascar (+8.2%); Malawi (+9.3%); Mauritius (+5.3%); Rwanda (-0.4%); Seychelles (+6.6%); Sudan (+315.4%); Tunisia (+5.9%); Uganda (+2.0%); Zambia (+30.6%); and Zimbabwe (+105.9%).

Various statistics compiled by eminent Global Financial Institutions have shown that in Africa, the informal private sector, which is mainly made up of women and the Youth make up to 40% of regional economies and play a pivotal role in the livelihoods of communities.

“The informal sector in Africa, mainly made up of women and the youth, contribute up to 40% of the regional economies and play a pivotal role in the livelihoods of communities,” Negash said.

To help improve the lives of the women in the region, COMFWB, has partnered in with the African Electronic Trade Group; which is championing public-private-partnership in developing and implementing a continental e-commerce platform called SOKOKUU. This platform is an enabler for digital transformation boosting intra-African trade for women and youth in the context of the implementation of the AfCFTA and the African Union’s Agenda 2063.

This digital service, will create equal platform and open a new door for African women and youth businesses to conduct their businesses, link with each other forming innovative value chains; from the comfort of their homes and stay competitive in the regional and international markets,” Ms. Negash said.
COMESA Monetary Institute has trained staff of Central Banks from the COMESA region on "Practical application of Bayesian Vector Auto Regressions (BAVR) Approach to the analysis of Monetary Policy Transmission Mechanism".

The training took place from 2nd to 6th August 2021 with 29 delegates from seven Central Banks of COMESA Member States participating, namely Democratic Republic of Congo, Egypt, Kenya, Madagascar, Malawi, Mauritius and Zimbabwe were represented.

The training familiarized participants with the tool-kit of Bayesian Vector Auto Regressions (VAR) approach to the analysis of monetary policy transmission mechanism. It focused on the interdependencies among key macroeconomic variables and the feedback effects thereof.

Participants were also trained on a step-by-step approach in the deployment of the Bayesian VAR approach to the analysis of monetary policy transmission mechanism using COMESA data on real and price variables.

The training was motivated by the developments in the analysis of monetary policy transmission mechanism, based on the Bayesian VAR approach, which is fast gaining traction in recent years for the following key reasons. It is more adept at dealing with different data sources or incorporating information from other studies; is precise at parameter estimates; has limited mathematical complexities; and it produces more efficient forecasts.

Director of the CMI Mr Ibrahim Zeidy said the training would enable the participants to share knowledge and experiences and enhance capacity to conduct analytical works in monetary policy analysis and forecasting.

"The BVAR is an important addition to the suit of analytical tools that COMESA member countries can use to unravel the channels through which monetary policy is most effective," he said.

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Sub-Committee on Kenya Sugar Safeguard Measures Reviews Progress

The Sub-committee on Kenya Sugar Safeguard Measures recently held its 2nd extra-ordinary meeting to review implementation of the Safeguard Measures which are intended to enable the country restructure its domestic sugar sector to attain competitiveness and be a profitable sector that can compete regionally and beyond.

The meeting held 17-18 August as a follow up to the 4th Kenya Sub-Committee Meeting held in April 2021 which noted COMESA Council decisions that have continuously extended the safeguards to Kenya. The 41st Council of Ministers meeting granted a two (2) year extension of the Kenya sugar safeguard beginning March 2021- February 2023 based on the provisions of Article 63(2) of the Treaty.

The same Council requested the Government of Kenya to provide a detailed roadmap on how to enhance the sugar sector competitiveness during the extended safeguard period and to give priority to COMESA originating sugar.

Speaking at the opening of the meeting, Assistant Secretary General for Programmes Amb. Kipyego Cheluget urged the participants to use the opportunity to reflect on the remaining period of the safeguard and strategies in place and review if the current performance reflects the expected results.

He noted progress to increase production of sugar by Kenya in line with the roadmap presented at the last Council meeting. "I wish to commend the efforts by the government of Kenya to take advantage of the granted extension to ensure Kenya reaches her targets in the production and desired competitiveness of the sugar industry."

The extra-ordinary sub-committee meeting held virtually also looked at modalities for reallocation of the unutilised Kenya sugar quotas by Member States, reviewed the impacts of implementation of the Kenya Sugar safeguard that includes cost of production along with sugar production figures and they received the status report on the utilization of the quotas and associated recommendations.

Recommendations from the Sub-Committee will inform the COMESA Council of Ministers through the Trade and Customs Committee on how best to ensure effective and efficient administrative of Kenya Sugar Safe guard measures. Among the key issues to be included, is equitable distribution and allocation of quotas, streamlined system in issuance of import permits and enhanced transparency and predictable sugar trade environment across the COMESA region.

Despite the looming challenges brought about by the COVID-19 pandemic, Amb. Cheluget states that COMESA has remained optimistic for a promising future in which Member States embrace economic integration with growing energy determination and commitment.