



STATEMENT BY

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COMESA SECRETARY GENERAL,**

DURING

THE EIGHTH VIRTUAL COMESA ANNUAL RESEARCH FORUM

13 September 2021

The Assistant Secretary General of the OACPs,

Distinguished Delegates,

Invited guests,

Ladies and gentlemen,

It is my great pleasure to welcome you to the Eighth COMESA Annual Research Forum. Allow me at the very outset to express my profound gratitude to all the researchers, discussants and all those who have facilitated this event in one way or the other. And to all participants, I appreciate your finding time from your busy schedules to join us this morning. This is testimony to the importance you attach to research and in particular, its importance in fostering regional integration and economic development.

Distinguished Participants,

We gather today as the Covid-19 pandemic continues to cause unprecedented social and cultural consequences across the globe. The pandemic has been devastating with an estimated 214 million people infected, 192 million recoveries and 4.46 million deaths as at 25th August 2021.

I am happy to note that vaccines against the virus are now available in most if not in all our member states, although new variants of the virus continue to emerge. It is worth noting that our Governments, with support from development and specialized agencies, are making every effort to ensure availability of vaccines for our people. This remains the first critical step in protecting our people and creating conditions for opening economies and launching recovery process.

Distinguished Participants

Ladies and gentlemen,

The theme of this year's Research Forum is "*Rethinking Trade and Doing Business in the Wake of COVID-19 Pandemic*". This theme resonates well with fundamental need to

build resilience around productivity, productive capacities and sustained regional trade even amid the worst shocks. Indeed, enhancing regional trade remains a key strategy to recovery of our economies. But the conduct of trade must shift away from the “business as usual” to take a new path guided by the dictates of the 4th Industrial revolution bolstered by policies to encourage innovation and integration to propel the region into new frontiers of business and human development.

COMESA region has not been spared of the devastating effects of the pandemic and that regional policy cooperation is essential in addressing its effects and fostering the much-needed recovery strategy. Manufacturing and supply chains have been disrupted to a large extent. Besides, the gains made through the United Nation’s Sustainable Development Goals (SDGs) in health, education and poverty reduction have been significantly eroded. Through its integration agenda, COMESA remains focused in restoring and upscaling of local production, regional value chains and ensuring availability of products through seamless flow of goods and services. To this end, evidence-based policy research and exchanges in analytical works will no doubt play a critical role in facilitating post-covid-19 recovery path.

Distinguished Participants,

Since 2014, COMESA Research Forums bring together the academia, Government officers, private sector, policy think tanks and development partners. The policy implications from the papers contribute towards the policy making decisions in several areas including domestic policy reform in Member states.

Distinguished participants,

As indicated before, the theme of this forum is motivated by the global shock triggered by COVID-19 pandemic which has plunged the global economy into a deep recession comparable only to the 2008 global financial crisis and the Great depression of the 1930’s. According to International Monetary Fund (IMF), the global economy contracted

by 3.3 percent in 2020, and is projected to recover at 6 percent in 2021 and 4.4 percent in 2022. The Economic disruptions caused by COVID-19 resulted in an unprecedented deterioration of international trade, the volume of world trade of goods and services contracted by 8.5 percent in 2020 and it's projected to grow by 8.4 percent in 2021 and 6.5 percent in 2022.

Distinguished participants, the pandemic has also reversed the gains made in poverty reduction. Globally, an additional 95 million people are expected to have been pushed to extreme poverty in 2020. In Africa, about 30 million people were pushed to extreme poverty in 2020 while 39 million could fall into extreme poverty in 2021.

Covid-19 pandemic coupled with other factors such as extreme weather conditions and conflict has affected food supply systems, security, and nutrition. The number of people in the world facing severe food insecurity increased by 20 million in 2020. This brings the number to 155 million people facing acute food insecurity across 55 countries and territories. Most of the countries experiencing the worst food crises are in Africa.

Distinguished participants, COMESA Member States have not been spared from the adverse effects of the pandemic. As of 8th July 2021, COMESA region had registered 1.9 million infections and 57,586 deaths. COMESA's Gross Domestic Product (GDP) contracted by 5.6 percent, and it is projected to rebound to 9.3 percent in 2021. Oil exporters, resource intensive and tourism dependent countries were most hit by the pandemic. COMESA's global trade was affected due to subdued growth in most of our main trading partners which led to reduction in demand for COMESA's goods and services. Intra-COMESA trade has also been severely affected due to closure of borders, curfews, and delays caused by additional measures including testing for COVID-19 and quarantines.

Distinguished participants, COMESA's trade performance in 2020, like most regional economic blocs was affected by the Covid-19 outbreak. Our total exports to the world decreased by 27% in 2020 and global imports also decreased by 29% in 2020. The

value of Intra-COMESA total exports declined by 11% from US\$ 10.9 billion in 2019 to US\$ 9.7 billion in 2020. Despite the decline in trade, our region was the second largest export market for our products after the EU. The Covid-19 pandemic has proved to us that regional integration can play a critical role in meeting the supply and demand needs of goods and services in our region.

Ladies and Gentlemen, Measures imposed to combat the spread of the pandemic have led to reduced business activities and especially those that require physical proximity. Generally, small, and medium enterprises have been hardest hit, large firms have equally borne the brunt of the pandemic, especially air transport and tourism operators, including the hotel industry.

So far, it is evident that women have been hit the hardest by the economic downturns owing to their roles and participation in informal economies, agricultural production, food supply chains and maintenance of social and cultural stability in households.

Distinguished participants, Despite the challenges, the pandemic has also created opportunities for firms to innovate, develop new strategies and products such as, repurposing production lines to produce COVID-19 essential products. Firms offering IT related services have experienced boosts in business due to shift to offsite working and online transactions.

As Secretariat, we have continued to be proactive to ensure limited disruption of cross border flow of goods and services during the pandemic period. For instance the Guidelines for the Movement of Goods and Services across the COMESA Region were adopted in May 2020. The regional guidelines facilitate rationalization of mitigation measures, customs clearance procedures across borders and encourage information sharing, while at the same time ensuring adherence to the WHO's safety protocols. We also developed an online portal for exchange of information on production and availability of essential products within the region to ensure the sustained supply of the much-needed pharmaceuticals and food supply across the region. We encourage

Member States to continue making use of these platforms even as other strategies are being developed.

Distinguished participants, effective decision-making requires good policies informed by intensive research and analysis. The new challenges brought about by the Covid-19 pandemic require rigorous analytical work across various disciplines. I am happy to note that analytical work on cross-cutting topical areas will be discussed during this forum. After all, regional integration is multi-faceted and aims at improving livelihood in general, through sustainable growth and development. I am also happy to note the mix of participants, from very experienced researchers and academicians and the pool of young upcoming scholars being prepared to take the mantle of leadership in our region.

It is also important to mention that we shall also showcase some selected innovative and creative work during the forum. This is part of our efforts to encourage innovations as an important strategy to responding to emerging challenges within the advent of technological transformation. Let me take this opportunity to welcome any well-wishers to support this initiative as we strive to upscale Science, Technology, and Innovations in our integration agenda.

Ladies and Gentlemen,

I therefore call upon all of us to make this Forum as interactive as possible and build the capacity of our young researchers for posterity. The outcome of your deliberations would help the region refocus attention on how best to navigate emerging global issues in the wake of Covid-19 pandemic and beyond.

Distinguished participants,

As I conclude my remarks, allow me to thank and recognize Organization of African, Caribbean and Pacific States (OACPS) and the European Union (EU) who have partnered with us in making this forum possible through the TradeCom II Capacity Building Programme which is supporting COMESA in Capacity building in Trade Policy

Analysis, Research and Training. I also thank the African Capacity Building Foundation (ACBF) who supported the research forums from 2014-2017.

Distinguished participants, it's now my singular Honour and privilege to declare this eighth COMESA Annual Research Forum officially open.

I thank you all again and look forward to an active and successful forum.