COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA



STATEMENT BY THE SECRETARY GENERAL OF COMESA MADAM CHILESHE M KAPWEPWE

Presented by Mr. Berhane Giday Chief Programme Director Transit and Transport Facilitation The COMESA Yellow Card & RCTG COMESA

AT THE OFFICIAL OPENING OF THE REGIONAL STAKEHOLDERS WORKSHOP ON REGIONAL CUSTOMS TRANSIT GUARANTEE (RCTG CARNET) SCHEME

Vic Falls, Zimbabwe

13th to 15th December 2022

Chairperson

Officials from Customs Administrations Managing Directors and CEOs of Insurance Companies Representatives of Government Authorities Representatives of Clearing and Forwarding Associations Representative of African Export- Import Banks (Afreximbank) Distinguished Participants Ladies and Gentlemen Good morning

I would like, first of all, on behalf of the Secretary General of COMESA and indeed on my own behalf and my colleagues present here, to welcome you all to the Regional Stakeholders Workshop on Regional Customs Transit Guarantee scheme, popularly known as the RCTG Carnet.

Permit me, Mr Chairperson before I say a few words, to sincerely thank our guest of honour for having found time from his busy schedule to come and officially open this Regional Stakeholders Workshop on RCTG. This is a testimony of the commitment of the Government of the Republic of Zimbabwe to the Regional Customs Transit Guarantee and to the COMESA regional economic integration agenda.

Guest of Honour, allow me to express my profound gratitude, through you, to the government and the people of Zimbabwe for the support they have given and continue to give to the ideals and objectives of COMESA. Zimbabwe has always demonstrated total commitment to regional economic integration and regional cooperation.

Mr. Chairperson, we have among us today in attendance, Assistance Commissioners of Customs Administrations, CEOs of Insurance companies and representatives of the Clearing and Forwarding Associations from DR Congo, Malawi, Tanzania, Zambia and Zimbabwe. I would like to express our appreciation for their participation and for their continued support to the Regional Customs Transit Guarantee Scheme and other COMESA programmes.

I am sure their presence here will be of a great benefit to all of us and we look forward to their guidance during the deliberations of this meeting.

Mr. Chairperson, we have among us today in attendance, the Representatives of AFREXIMBANK –As you may be aware, AFREXIMBANK joined the RCTG Carnet in 2021 and their presence here is mainly to provide support and encourage you to deliberate positively and come up with a win-win outcome on the the modalities of RCTG Operations for the North-South Corridor. Afreximbank were also present during the National Stakeholders meeting in Zambia in August this year. Please allow me to thank AFREXIMBANK for the continued support.

I would also like to take this opportunity to thank the Insurance Council of Zimbabwe, the National Surety, for accepting to host; for the 2nd time this year; a physical RCTG and COMESA Yellow Card meetings and for the warm reception accorded to all delegates.

Coming to COMESA RCTG Carnet, I am pleased to inform you that the Carnet is growing from strength to strength. In 2022 alone, the following has been achieved;

- a) Over 1,282 RCTG (Regional) Customs Transit Bonds, amounting to US\$1billion were executed;
- b) Over 330,618 Carnets were issued for goods in Transit in the Northern and Central Corridors;
- c) The number of Clearing and Forwarding Agents and Sureties which are participating in the scheme has increased to 1,077 and 51 respectively, over 70% of the Clearing & Forwarding Agents are small and Medium-sized businesses; and
- d) 15 claims have been paid. Since inception

Mr Chairperson, I am happy to report that during the period under review Ethiopia, Djibouti and DR Congo have finalized their preparations including the integration of the RCTG-MIS with their National Systems and are ready to commence operations. Malawi and Tanzania agreed, last November among others to interface their Customs system, on the basis of a customized destination model adopted by East African Community (EAC) Single Customs Territory,

Today, landlocked or land-linked countries, such as Burundi, Rwanda and Uganda are moving transit goods from the ports of Mombasa and Dar-es-Salaam using only one regional bond and one Declaration. This has not only reduced premium payments, collateral requirements and documentation but also significantly contributed to the reduction of transit and transport costs and increased efficiency in the removal, movement and clearance of transits goods in the Corridors. The reduction is estimated at about \$500 per container, \$20 in documentation and significant reduction in transit time.

Chairperson, despite the encouraging progress made in the Northern, Central, Djibouti and Dar Corridors, there are delays in the implementation of the scheme in North-South Corridor due to the issue and concerns raised by Zambian Clearing and Forwarding Agents. The concern raised by stakeholders is genuine and should be addressed through give and take and compromise or mutual concession and cooperation among the Clearing and Forwarding Agents in the Corridor Countries.

In the next three days, you will be discussing issues of implementing the RCTG in the North-South Corridor counties. The recommendations that you make will make will determine whether our region will progress to the future or maintain the status quo. I believe if we all join our experiences, competences and forces we can make real contribution to economic growth and development in our region, thus helping to make our region a better place, for us and for our children.

I would like to end my address by wishing the Regional Stakeholders workshop on RCTG a success.

Thank you!