Common Market for
Eastern and Southern Africa

COMESA

2024
ANNUAL REPORT

"Accelerating Regional Integration through the Development of Regional Value Chains in
Climate Resilient Agriculture, Mining and Tourism''.

2024
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ACRONYMS AND ABBREVIATIONS

50MAWS	50 million African Women Speak
ACTESA	Alliance For Commodity Trade in Eastern and Southern Africa
AEO	Authorized economic Operators
AfCFTA	African Continental Free Trade Area
AfDB	African Development Bank
AFRM	African Fisheries Reform Mechanism
ALLPI	African Leather and Leather Products Institute
APSA	Africa Peace and Security Architecture
ASYCUDA	Automated System for Customs Data
AU	African Union
AU-IBAR	Africa Union Intra-African Bureau for Animal Resources
AUC	African Union Commission
BLO	COMESA Brussels Liaison Office
CAADP	Comprehensive African Agriculture Development Programme
CARSC	Customs Automation Regional Support Centre
CBC	COMESA Business Council
CBTAs	Cross Border Traders Associations
CCC	COMESA Competition Commission
CCH	COMESA Clearing House
CCIA	COMESA Common Investment Area
CCJ	COMESA Court of Justice
CEHA	COMESA EAC Horticulture Accelerator
CMI	COMESA Monetary Institute
COMFWB	COMESA Federation of Women In Business
COMSHIP	COMESA Seed Harmonization
COMSTAT	COMESA Statistics
COMWARN	COMESA Early Warning System
CSOs	Civil Society Organizations
DTAA	Double Taxation Agreements
EAC	East African Community
eCO	Electronic Certificate of Origin
ECOFISH	Ecosystems Improved for Sustainable Fisheries
EDF	European Development Fund
EGEE-ICT	Environment in the Information and Communications Technology Sector
EU	European Union
FAO	Food Agriculture Organization
FTA	Free Trade Area
GDP	Gross Domestic Product
GLTFIP	Great Lakes Trade Facilitation and Integration Project
ICP	International Comparison Programme
ICTs	Information Communication Technologies
IMF	International Monetary Fund
LEAs	Law Enforcement Agencies
M&E	Monitoring and Evaluation
MoU	Memorandum of Understanding
MSME	Micro Small and Medium Enterprises
MTSP	Medium Term Strategic Plan

NDC	Nationally Determined Contributions
NEPAD	New Partnership for Africa's Development
NIPAs	National Investment Promotion Agencies
NMCs	National Monitoring Committees
NTBs	Non-Tariff Barriers
OACPS	Organization of the African, Caribbean and Pacific States
PTA	Preferential Trade Area
RAERESA	Regional Association of Energy Regulators for Eastern and Southern Africa
RCTG	Regional Customs Transit Guarantee
RECAMP	Regional Enterprise Competitiveness and Access to Markets Programme
RECs	Regional Economic Communities
REPSS	Regional Payment and Settlement System
RIA	Regional Investment Agency
RIFF	Regional Infrastructure Finance Facility
ROW	Rest of the World
SADC	Southern African Development Community
SCD	Simplified Customs Document
SMEs	Small and Medium Scale Enterprises
SSCBTI	Small-Scale Cross Border Trade Initiative
STR	Simplified Trade Regime
TDB	Trade & Development Bank
TFA	Trade Facilitation Agreement
TFP	Trade Facilitation Programme
TFTA	Tripartite Free Trade Area
TIP	Trade Information Portal
TIS	Trade in Services
TOT	Training of Trainers
TWG	Technical Working Group
UNCTAD	United Nations Conference on Trade and Development
UNECA	United Nations Economic Commission for Africa
USAID	United States Agency for International Development
WCO	World Customs Organization
WTO	World Trade Organization

MESSAGES

CHAIRPERSON OF THE COMESA AUTHORITY

It is with honour and pride that I would like to share with you the achievements of our organisation, COMESA, whose dynamism and impact have continued to grow throughout 2024, the year covered by this report.

COMESA has remained firmly committed to advancing the African Integration Programme through its Medium-Term Strategic Plan (MTSP) 2021-2025, launched in 2021 in Cairo, Egypt. Articulated around four main pillars, namely; market integration, productive integration, physical connectivity and social integration, the MTSP, which is nearing completion, has been COMESA's Master Plan since 2021. Our Organisation's vision is to be "A fully integrated regional economic community, internationally competitive and characterised by a high standard of living for all its people".

This vision will be achieved through increased cooperation and integration in all areas of development, particularly trade, infrastructure, monetary affairs, information and communication technologies, industry, gender, agriculture and the environment. Although the COMESA Treaty defines a broad mandate for our organisation, trade and investment remain its top priorities.

COMESA has remained committed to deepening regional integration, firstly by promoting growth and sustainable development, and secondly by promoting shared prosperity for all its Member States.

Admittedly, the economic landscape of our region has faced some major challenges, including inflation, rising living costs, debt, geopolitical conflicts and the impact of global economic and political uncertainties. However, COMESA has continued to make significant progress in market integration, with intra-COMESA trade increasing from US$2 billion in 2000 to US$14 billion today. The growing use of digital tools to facilitate trade should help to boost intra-COMESA trade. In assuming the role of COMESA Chair, which was entrusted to me at the 23rd Summit held in Bujumbura on 31 October 2024, organised under the theme: " Accelerating regional integration through the development of regional value chains in climate-resilient agriculture, mining and tourism", I invited my COMESA peers to place particular emphasis on the development of these three key sectors, namely climate-resilient agriculture, mining and tourism.

Agriculture remains a key sector for the region, accounting for more than 32% of COMESA's GDP. We need to renew our efforts to advance the development of resilient, inclusive and sustainable agri-food systems in Africa.

Initiatives in this area are essential to ensure food security and the protection of our natural resources. Tourism remains a key sector; a collaborative approach to marketing tourism in the region should be encouraged in order to support the sector's strong growth potential.

Continued efforts in developing industrial strategies are essential for the management of special economic zones and industrial parks. The joint Zambia-Zimbabwe agro-industrial park is a good example of this and should be replicated in other Member States. The promotion of regional value chains in the leather, pharmaceutical and mineral processing sectors should be strengthened. Given that COMESA holds 40% of Africa's minerals, which represents a significant share of global reserves, it is important to develop a regional mining strategy emphasising the importance of value addition for mining.

Infrastructure plays a crucial role in facilitating trade and economic growth.The Region continues to prioritise infrastructure investments in key areas such as transport, energy and telecommunications.

For inclusive and sustainable development, the empowerment of women and young people, who represent more than 60% of the African population, remains our priority.

COMESA has chosen to focus on conflict prevention through structural vulnerability assessments and mitigation strategies. COMESA benefits from close cooperation with the African Union Commission and the African Peer Review Mechanism in this initiative.

Despite these achievements, significant challenges remain on our path to full regional integration. COMESA considers the following to be the major challenges facing our region:

First, we must address, at the level of Heads of State, the issue of slow integration and implementation of agreed continental and regional commitments. This situation is the result of fragmented policies and weak coordination. As Member States, we are not sufficiently equipped to navigate between multiple integration agreements and fragmented national policies that are not sufficiently aligned with regional and continental integration programmes.

Secondly, we must resolve the paradox between the strong desire for integration and the heavy dependence on external donors in the context of the recent reduction in international development aid. We must take bold decisions to eliminate this threat to sustainable integration. We must look within Africa for ways to finance the continent's development, and we have at our disposal the institutions of COMESA and other African financial institutions that can support our integration programme.

Finally, we must be consistent and actively support our integration programme. For example, the very low number of ratifications of the Protocol on the Free Movement of Persons, Labour, Services, Settlement and Residence is not conducive to the implementation of other integration efforts.

I am also convinced that the private sector should be given high priority in strengthening regional integration.
Before I conclude, I would like to express my gratitude to our development partners for their continued support for our projects and programming initiatives.

Some of the achievements during the 2024 financial year were accomplished under the leadership of my predecessor, His Excellency Hakainde Hichilema, President of the Republic of Zambia. I would like to commend his contributions while at the helm of COMESA for his visionary leadership in the development and deepening of our regional integration programme.

My deepest gratitude goes to my fellow Heads of Member States for their support during my tenure. Together, we will continue to promote market integration, regional value chains, infrastructure connectivity and human development, while actively supporting the African Union's vision of a united, prosperous and globally influential Africa.
Your unwavering commitment to the COMESA Secretariat clearly demonstrates your contribution to the regional integration programme and the achievement of the objectives of the African Economic Community.

His Excellency Mr Évariste Ndayishimiye

President of the Republic of Burundi
and Chairperson of the Authority of Heads of State and Government of COMESA

SECRETARY GENERAL

It is my honor and privilege to join His Excellency, Mr Évariste Ndayishimiye, President of the Republic of Burundi and Chairperson of the COMESA Authority, to preface my message on the 2024 Annual Report for the Common Market for Eastern and Southern Africa (COMESA), prepared in accordance with Article 175 of the COMESA Treaty.

Prepared on a yearly basis, it provides an overview of the activities, achievements, and challenges encountered by the Common Market, throughout the past year, under the guiding theme: "Accelerating Regional Integration through the Development of Regional Value Chains in Climate Resilient Agriculture, Mining and Tourism." The theme was approved by the 23rd Summit of Heads of State and Government held on 31st October 2024 in Bujumbura, Republic of Burundi. The Summit was a resounding success, and the event exceeded expectations in terms of organization, engagement, participation, and impact. The two events which preceded the Summit were also well organized, informative, and left a positive impression on all attendees.

In terms of programme implementation, the year 2024 was the fourth implementation period for COMESA's 2021-2025 Medium Term Strategic Plan (MTSP). We continued to remain steadfast in our commitment to the deepening of our regional integration agenda. Guided by our pillars of market integration, physical integration and connectivity, productive integration, gender and social affairs integration, we made headway in several key areas, including trade facilitation, strengthening of regional integration through the Tripartite Free Trade Area, and infrastructure development. The launch of the e-Certificate of Origin system, the operationalization of the Trade Remedies Committee, and launch of Clean Energy Access Transformation (ASCENT) programme were significant steps in the deepening of our regional integration Agenda. Additionally, COMESA celebrated its thirtieth anniversary and consolidated its partnership with many of its development partners.

The COMESA Simplified Trade Regime has been embraced by all the Small-Scale Cross Borders of the region. In October 2024, the Democratic Republic of Congo and the Republic of Burundi launched the Simplified Trade Regime for the benefit of their small-scale cross border traders. Since this instrument is very helpful for all small-scale cross borders, we aim to work towards increasing the threshold amount to further empower our SMEs.

In 2024, COMESA launched its Electronic Certificate of Origin (e-CO) system to modernize and facilitate trade. The instrument is currently being piloted by Eswatini, Malawi and Zambia who are part of the 15 Member States initially identified to pilot the e-CO system.

The COMESA-EAC-SADC Tripartite Free Trade Area (TFTA) Agreement came into force on 25th July 2024 following the attainment of the required threshold. The 29 Tripartite Member/Partner States represent 53% of the African Union's membership, more than 60% of continental GDP ($1.88 trillion), and a combined population of 800 million.

COMESA has continued to prioritize investments in infrastructural projects to provide accessible clean energy, road transport and ICT. In partnership with the World Bank, COMESA launched the USD 5 Billion Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) programme in June 2024. The ASCENT programme is aimed at accelerating energy access efforts in the eastern and southern African region, with a target delivery of new electricity connections for 100 million people through both grid and Distributed Renewable Energy (DRE)-based solutions. Some 20 countries in the Eastern and Southern Africa region will participate in ASCENT. With the increase in the use of information communication and technology tools, digitalization remains high on the regional agenda. COMESA is implementing the Inclusive Digitalization in Eastern and Southern Africa (IDEA) Project. The project focuses on building the foundations for affordable and quality broadband connectivity, data hosting capability, enabling access to digital technology and digital services among others.

The agriculture sector is a major source of livelihoods, particularly for the rural population, and a key driver of economic growth and development. The promotion of value addition to our commodities remains a critical objective to promote trade and address the food security challenge of our population.

2024 is also the year that marked the thirtieth Anniversary of the organization since its transformation into COMESA in 1994 from the Preferential Trade Area established in 1981. In 1994, when the Preferential Trade Area for Eastern & Southern Africa (PTA) became the Common Market for Eastern & Southern Africa (COMESA), our aggregate regional GDP was less than US$ 91 billion. Growth had, since the 1960s averaged 3.2 percent per annum, marginally above our population growth and domestic investment in the region had, for two decades, fallen below the requisite minimum investment ratio of 20 percent of GDP. Similarly, foreign direct investment into the region was negligible, at about 1 percent of COMESA's GDP. Thirty years later, the COMESA region's GDP is over US$ 1 trillion, and the average growth is around 5.7 percent. Our 21-Member States have a population of 682 million people (as per 2024 estimates) and they have reversed a trend where exports to the world were about 1 percent of the aggregate global figures. COMESA continues to promote women and youth empowerment to ensure that regional integration translates into positive opportunities for all citizens.

In 2024, several COMESA specialized institutions also experienced growth such as ZEP-RE (PTA Reinsurance Company), the Trade and Development Bank (TDB), Africa Trade and Investment Development Insurance (ATIDI), COMESA Competition Commission, and the Africa Leather and Leather Products Institute, among others. These institutions play a vital role in supporting regional integration and driving economic growth across our Member States. For example, more than 90% of the gross premium written in 2024 by ZEPRE were COMESA countries and its reinsurance revenue grew to US$338.13 million, compared to US$290 in 2023 and Shareholders' funds as of 31 December 2024 stood at US$359 million against US$336 million in 2023.

TDB has evolved from what was PTA Bank into a modern and more mature development finance group comprising subsidiaries and strategic business units (SBUs). In terms of financial performance, in 2024, the Group's shareholder capital and reserves grew to USD 2.3 billion and its portfolio to USD 7.3 billion. On the other hand, the African Trade Insurance Agency (ATI) established in 2000 rebranded to the African Trade & Investment Development Insurance (ATIDI) in Kigali in July 2023. ATIDI has been massively supporting trade and investments worth over USD100 Billion across COMESA and the rest of Africa. I also salute the tremendous work being done by the rest of the COMESA institutions.

Our successes do not come without challenges which still remain to be addressed. These include limited resources, capacity constraints, and delays in Member States' implementation of commitments. Stronger political will and prioritization will enable us to overcome these constraints. Of great importance is our partnerships with international organizations, development partners and agencies, and the private sector. This focus on inclusivity and sustainability in all our programs and policies is making a positive impact on the lives of our people. We are committed to working collaboratively with all stakeholders to achieve our shared future to build a more prosperous and resilient region for the people of Eastern and Southern Africa.

I extend my humble thanks and gratitude to His Excellency, Mr Evariste Ndayishimiye, President of the Republic of Burundi and Chairperson of the COMESA Authority and members of his Bureau for their visionary leadership and support. My sincere appreciation to our development partners and the governments of our Member States for their continued dedication and support. I would also like to thank the COMESA staff for their commitment to the regional integration agenda. Together, we can unlock the full potential of our region and create a brighter future for all.

Chileshe Mpundu Kapwepwe
Secretary General
Common Market for Eastern and Southern Africa (COMESA)

VISION

COMESA's vision is "to be a fully integrated, internationally competitive regional economic community with high standards or living for all its people ready to merge into an African Economic Community."

MISSION

COMESA's mission is "to endeavor to achieve sustainable economic and social progress in all member states through increased co-operation and integration in all fields of development particularly in trade, customs and monetary affairs, transport, communication and information technology, industry and energy, gender, agriculture, environment and natural resources."

The Objectives of COMESA

COMESA programmes are being implemented in fulfilment of the aims and objectives of the COMESA Treaty which provides, under Article 3, that the aims and objectives of the Common Market shall be:

1	To attain sustainable growth and development of Member States by promoting a more balanced and harmonious development of its production and marketing structure.
2	To promote the joint development in all fields of economic activity and joint adoption of macro- economic policies and programmes to raise the standard of living of its people's and to foster closer relations among its Member States
3	To co-operate in the creation of an enabling environment for agriculture, foreign, cross border and domestic investments including the joint promotion of research and adaptation of science and technology for development.
4	To co-operate in the promotion of the peace, security and stability among the Member States to enhance economic development in the region.
5	To co-operate in strengthening the relations between the Common Market and the rest of the world and the adoption of common positions in international fora;
6	To contribute towards the establishment, progress and the realization of objectives of the African Economic Community

Organs of COMESA

The organs of COMESA have the power to make decisions. These are: the Authority of Heads of State and Government; the Council of Ministers; the Intergovernmental Committee, the Court of Justice; and the Committee of Governors of Central Banks, the Technical Committees, the Secretariat and the Consultative Committee.

- **The Authority** made up of Heads of State and Government is the supreme Policy Organ of the Common Market and is responsible for the general policy, direction and control of the performance of the executive functions of the Common Market and the achievement of its aims and objectives. The decisions and directives of the Authority are by consensus and are binding on all COMESA Organs and Member States.

- **The Council of Ministers (Council)** is the second highest Policy Organ of COMESA. It is composed of Ministers designated by the Member States. The Council is responsible for ensuring the proper functioning of COMESA in accordance with the provisions of the Treaty. The Council make policy decisions on the programmes and activities of COMESA, including monitoring and reviewing of its financial and administrative management. As provided for in the Treaty, Council decisions are made by consensus.

- **The Inter-Governmental Committee** is composed of Permanent or Principal Secretaries as designated by Member States and is responsible for the development of programmes and action plans in all the sectors of co-operation except in the finance and monetary sector and reports to the Council of Ministers. Reports and recommendations from other committees, technical, administrative and finance, are first examined by the Inter-Governmental Committee and its recommendations then submitted to the Council of Ministers for approval.

- **The COMESA Court of Justice** is the judicial organ of COMESA, having jurisdiction to adjudicate upon all matters which may be referred to pursuant to the COMESA Treaty. Specifically, it ensures the proper interpretation and application of the provisions of the Treaty; and it adjudicates any disputes that may arise among the Member States regarding the interpretation and application of the provisions of the Treaty. The decisions of the Court are binding and final. Decisions of the Court on the interpretation of the provisions of the COMESA Treaty have precedence over the decisions of national courts. The Court, when acting within its jurisdiction, is independent of the Authority and the Council. It is headed by the Judge President.

- **The Committee of Governors of Central Banks,** comprising of Governors of the Monetary Authorities of Member States, is responsible, inter alia, for the development of programmes and action plans in the field of finance and monetary co-operation. It has in this context under its jurisdiction, two specialized autonomous Institutions – the COMESA Clearing House (CCH) and the COMESA Monetary Institute (CMI) to assist it in the fulfilment of its mandate.

- **Technical Committees** are responsible for the preparation of comprehensive programmes and monitoring and keeping under review the implementation with respect to the sectors.

- **The Secretariat** is headed by a Secretary General who is appointed by the Authority. The basic function of the Secretariat is to provide technical support and advisory services to the Member States in the implementation of the Treaty. To this end, it undertakes research and studies as a basis for implementing the decisions adopted by the Policy Organs.

- **The Consultative Committee of the Business Community and other Interest Groups** are responsible for providing a link and facilitating dialogue between the business community and other interest groups and other organs of COMESA.

COMESA Institutions and Agencies

COMESA Institutions and Specialized Agencies have been created to promote regional co-operation and development. Collaboration between COMESA and its institutions is essential pursuant to Article 175 of the COMESA Treaty. COMESA Institutions, Specialized Agencies and their objectives are presented in the table below.

Institution	Objective	Location
African Trade and Investment Development Insurance (ATIDI) [previously African Trade Insurance Agency (ATI)]	Provides political-risk insurance, trade-credit insurance and surety bonds to lenders, investors and traders doing business in Africa	Nairobi, Kenya
COMESA Clearing House	To facilitate the settlement of trade and services payments amongst Member States	Harare, Zimbabwe
COMESA Competition Commission	To promote and encourage competition in the region by preventing restrictive business practices and other restrictions that deter the efficient operations of markets, thereby enhancing the welfare of the consumers and protecting consumers against offensive conduct by market actors	Lilongwe, Malawi
COMESA Federation of Women in Business (COMFWB)	To support women in business in the region	Lilongwe, Malawi
COMESA Regional Investment Agency (RIA)	To make COMESA one of the major destinations for regional and international investors while simultaneously enhancing national investment	Cairo, Egypt
Africa Leather and Leather Products Institute (ALLPI)	To facilitate the development of the leather sector in Africa in general and in the COMESA Region in particular	Addis Ababa, Ethiopia
Trade Development Bank (TDB)	To advance socio-economic development and regional integration across its Member States by financing and fostering trade	Bujumbura, Burundi
The COMESA Re-Insurance Company (ZEP-Re)	To promote and develop the insurance industry of the region by fostering the development of the insurance and reinsurance industry in the COMESA Sub-Region; promoting the growth of national, sub-regional and regional underwriting and retention capacity; and supporting sub-regional economic development	Nairobi, Kenya
Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA)	To integrate small-scale farmers into national, regional and international markets through enhanced policy environment, expanded market services and improved commercial integration.	Lusaka, Zambia
COMESA Monetary Institute (CMI)	To undertake all technical and preparatory activities required to enhance the COMESA Monetary Cooperation Programme.	Nairobi, Kenya
COMESA Council of Bureaux on the Yellow Card Scheme	To facilitate the movement of vehicles, goods, people and services within the COMESA region	Lusaka, Zambia
Regional Customs Transit Guarantee Scheme	To provide to customs administrations with security to recover duties and taxes from importers and exporters should the goods in transit be illegally disposed of for home consumption in the country of transit	Lusaka, Zambia

COMESA Business Council (CBC)	To enforce strategic advocacy platforms for the private sector in priority sectors within COMESA region and ensure effective representation of private sector interests in COMESA decision making processes.	Lusaka, Zambia
The Association of Regulators for Information and Communications for Eastern and Southern Africa (ARICEA)	To support policy and regulatory harmonization and capacity building in the ICT sector.	Lusaka, Zambia
The Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA)	To promote regional energy integration and cooperation through strengthening institutional and regulatory frameworks to support a sustainable, competitive, and integrated regional energy market.	Lusaka, Zambia

COMESA Member States

Member States include Burundi, Comoros, DR Congo, Djibouti, Egypt, Eritrea, Eswatini, Ethiopia, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tunisia, Uganda, Zambia and Zimbabwe.

EXECUTIVE SUMMARY

This summary provides a brief overview of global and regional macroeconomic developments and highlights efforts made by COMESA in promoting regional development and sustainable development through trade and transit facilitation, sectoral and programmatic developments and institutional capacity building. Additionally, the summary highlights key challenges affecting implementation of COMESA's integration agenda and proposes recommendations to ensure continued progress towards long-term goals.

Macroeconomic Developments

The global economy managed to retain its growth momentum from 2023 (3.3%) into 2024 (3.2%) largely driven by the United States amidst a slowdown in the China and Indian economies. Despite this steady momentum, global economic growth continues to track below the 3.8% growth before the COVID-pandemic, indicating that the world economy is yet to fully recover. However, sustained geo-political disturbances and a shift from globalization may limit full recovery to pre-2020 growth rates.

Sub-Saharan Africa (SSA) registered increased growth in 2024 of 3.8% from a growth of 3.6% in 2023. The improvement was particularly driven by a recovery in the Nigerian economy. Rwanda, Ghana, Uganda, Tanzania and Senegal were amongst the countries that also registered a faster pace of economic growth in 2024. Although debt levels and debt service costs did not decrease, the debt outlook for Africa improved with several African countries being able to tap international bond markets for financing. The ability for African countries to re-finance and the oversubscription of these issuances has lowered the overall risk of debt distress for most African economies.

On the other hand, the average regional economic growth within the COMESA region, experienced a deceleration to 5.8% in 2024, from 6.1% in 2023, Underlying drivers of growth such as public investment, commodity exports, and diversification efforts, demonstrate the region's potential to grow in 2025.

The COMESA region witnessed a reduction in inflation to 25.4% in 2024. A monetary-tightening cycle, bolstered by decreases in the prices of food and energy contributed to an inflation decline across the region. Vigilant monitoring and proactive policy responses are needed to mitigate risks stemming from global market volatility. Targeted policies are essential for sustaining momentum and achieving more broad-based growth.

Improvements in the average fiscal deficit to -3.7% of GDP reflect ongoing efforts at fiscal consolidation, especially those with elevated debt vulnerabilities. A transparent fiscal framework is essential to reduce public debt levels to preserve fiscal sustainability.

The region's external current account deficit continued to narrow in 2024, a trend reflecting increased trade and higher commodity prices. Adequate reserve levels are crucial for managing external shocks.

The high levels of national debt call for increased revenue mobilization as tighter global financial conditions may constrain revenue growth. Further, during the same period, sovereign spreads in the region narrowed, suggesting improved investor sentiments.

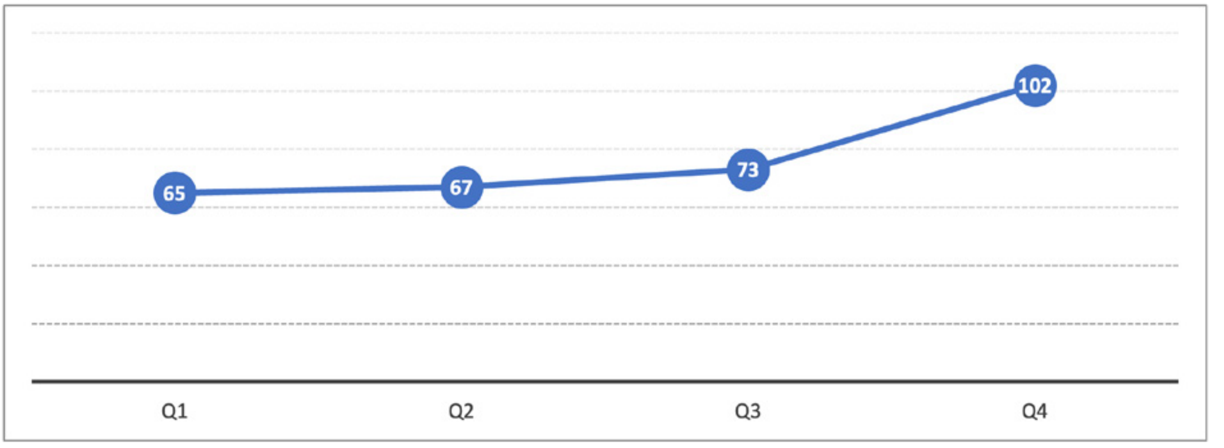
To sustain progress, COMESA must focus on enhanced coordination of fiscal, monetary, and exchange rate policies, as well as strengthening regional payment systems. Furthermore, diversifying regional economies and taking advantage of the African Continental Free Trade Area (AfCFTA) can increase climate-change mitigation through expanded trade ties and the reduction of associated climate risks. Further, continued sound macro policies will mitigate the macroeconomic imbalances in the region.

2024 Regional Trade and Investment Trends

In 2024, COMESA experienced a decline in total exports to the world, decreasing by 3.6% from US$ 187 billion in 2023 to US$ 181 billion in 2024. Meanwhile, its global imports grew by 3.9%, rising from US$ 263 billion to US$ 273 billion, primarily due to increased imports in countries like DR Congo, Egypt, Uganda, Ethiopia, Kenya, and Zambia.

Global Foreign Direct Investment (FDI) inflows increased slightly by 3.5%, reaching US$ 1.50 trillion in 2024, despite the volatile investment flows through European economies. Globally, developed economies, especially in Europe, saw significant FDI declines, whereas developing regions like COMESA experienced relatively stable or rising FDI levels.

Figure 1: Number of FDI Projects in COMESA Region (Jan – Dec 2024)



Source: Financial Times, FDI Market Report, January - December 2024

The top 10 countries invested in COMESA region during 2024 represented 43.3% of the total number of projects announced (307 projects). These countries are the DR Congo, Egypt, Eswatini, Ethiopia, Kenya, Rwanda ,Seychelles Tunisia, Zimbabwe and Zambia . United Arab Emirates ranked first as the top source country investing in the region with a total of 35 project, representing 11.4%% of the total number of announced projects, followed by the United States (10.4%), United Kingdom (8.1%), China (7.8%), and France (5.5%).

Out of 16 COMESA destinations countries receiving FDI projects during 2024, the top 10 destinations received 259 FDI projects representing 84.3% of the total FDI projects received during the above-mentioned period. Egypt ranked first as the top COMESA host destination with a total number of 144 projects representing 46.9%, followed by Kenya with 69 projects (22.4%), Tunisia with 21 projects (6.8%), Zimbabwe with 13 projects (4.2%), and Rwanda and Zambia with 12 projects each (3.9% each).

As far as sectors receiving FDI projects are concerned, five top 5 sectors represented 50.4% of total established projects. Business services attracted 50 projects representing 16.2% of total projects, followed by Software and IT Services 40 projects (13%), Renewable Energy 28 projects (9.1%), Communications 19 projects (6.1%), and Food and Beverages 18 projects (5.8%).

Key Sectoral and Programmatic Developments

COMESA's regional integration agenda is advanced through targeted programmes across several sectors.

Progress in market integration in 2024 remained substantial with intra-COMESA Trade of $14 billion from a mere figure of $2 billion in the year 2000. The increasing use of digital tools such as the COMESA Electronic Certificate of Origin, the Yellow Card Insurance, the Regional Customs Transit Guarantee Bond, Online Monitoring of Non-Tariffs Barriers, the Regional Single Window, Regional Automated Authorized Economic Operator System, the Regional Trade Information Portal, ASYCUDA World, and the Regional Balance Sheet, is boosting intra COMESA Trade.

The COMESA electronic Certificate of Origin (eCO) has seen initial implementation in Eswatini, Malawi and Zambia. An electronic Certificate of Origin (eCO) is a digitally issued document that verifies the origin of goods, replacing the traditional paper-based system. It's processed and transmitted electronically by an issuing authority and is used to determine if goods qualify for preferential treatment, such as reduced or zero tariffs, in the importing country. COMESA expects a greater uptake of the electronic certificate of origin, which is necessary for effective regional cooperation, however, this will require strong political support. Modern, digital trade facilitation will require strengthening of current frameworks in many COMESA-FTA non-participating states for economic benefits to materialize, as well as better coordinated customs systems.

Eight (8) Member States are implementing the Simplified Trade Regime (STR) which supports economic integration at the macro level and empowers businesses, particularly SMEs at the micro level to compete in a more transparent and efficient trading environment.

COMESA has a comprehensive Statistics Programme aimed at enhancing regional integration through improved statistical capacity and data management. The programme is guided by a Regional Strategy for the Development of Statistics (RSDS) for 2021-2025, which aligns with the COMESA Medium Term Strategic Plan (MTSP). The programme focuses on strengthening data collection, dissemination, and harmonization across Member States.

Agriculture accounts for more than 32% of COMESA's gross domestic product (GDP), provides livelihood to about 80% of the region's labour force, accounts for about 65% of foreign exchange earnings and contributes more than 50% of raw materials to the industrial sector. Programmes relating to the Comprehensive Africa Agriculture Development Programme (CAADP) are benefiting from strengthening of regional agricultural value chain, with a specific focus on trade diversification. To this effect, COMESA has provided technical and capacity-building support in the formulation and implementation of Member States' National Agriculture and Food Security Investment Plans (NAIPs). The planned Regional Seed Certification and Labelling System implemented by ACTESA, is a strategic step toward unlocking the agricultural sector through regional seed trade, reducing costs for producers, and ensuring that the millions of smallholder farmers across COMESA have access to high-quality seed. This initiative will combat counterfeit seeds, improve access to quality seeds, and boost regional agricultural trade.

Further, COMESA has provided technical assistance for value addition projects, management of special economic zones and industrial parks. This assistance has greatly benefitted Member States to develop their industrial strategies, notably the Zambia-Zimbabwe joint industrial parks and the promotion of regional value chains in leather, pharmaceuticals, mineral beneficiation, and the blue economy.

Recognizing the critical role of infrastructure in facilitating trade and economic growth, COMESA has continued to prioritize investments in key areas such as transport, energy, and telecommunications. It is supporting Member States in advancing the air transport market motivated by the economic benefits of the Yamoussoukro Decision. In the same sector, the operationalization of corridor management and rollout of additional one stop border posts remain a top priority. Additionally, COMESA is moving forward towards the development Victoria and Mediterranean Water Transport and Lake Tanganyika Projects under the Regulation Infrastructure Finance Facility. Progress in infrastructure is essential for regional integration. Despite political and bureaucratic challenges, the region should focus on building capacity and upgrading of existing infrastructure.

In the area of energy, COMESA is implementing a 5 billion USA dollars programme Accelerating Sustainable and Clean Energy Access Transformation (ASCENT), aimed at accelerating sustainable clean energy access transformation targeting 100 million people for countries eligible under IDA funding in the Eastern, Southern and Central Africa regions including countries that are not members of COMESA such as Lesotho, Tanzania, Mozambique and Sao tome and Principe.

COMESA has implemented key programmes for women and youth empowerment, including the 50 million African Women Speak Digital Platform in partnership with ECOWAS and EAC and initiatives supporting youth participation in policy formulation. COMESA is working to mainstream women and youth empowerment across all integration programmes. The empowering of women and youth who represent more than sixty per cent of the African population continues to be COMESA's priority. Skills training is being provided to women in business to enhance their businesses. Women and youth are encouraged to take on leadership roles and participate in decision making processes to promote gender and equality.
Regarding the governance, peace and security programme, COMESA amongst other interventions is focusing on conflict prevention through structural vulnerability assessment and mitigation strategies. COMESA has established effective cooperation in this undertaking with the African Union Commission and the African Peer Review Mechanism. In partnership with the African Union Commission, elections are monitored in Member States. Progress has also been made towards mainstreaming youth within peace and security initiatives.

COMESA recognizes the urgent need to address the challenges posed by climate change and promote sustainable development practices. The Climate Change programme has made significant strides in supporting COMESA Member States to meet their climate commitments through targeted interventions in enhanced transparency, Nationally Determined Contributions (NDC) implementation, negotiations, and resilience building. Notably, progress has been made in advancing the implementation of the Global Environment Facility – Capacity Building Initiative for Transparency (GEF-CBIT) regional project, enhancing the capacity of Eritrea, Comoros, Seychelles, and Zambia to comply with the

Enhanced Transparency Framework of the Paris Agreement, including the establishment of harmonized Monitoring Reporting and Verification (MRV) systems. COMESA actively engaged in regional and international climate negotiation processes to advance the interests of Member States. In Zambia, the Secretariat supported the development and launch of the Zambia Green Growth Strategy, while in Zimbabwe, it facilitated the rollout of energy, water, and HCFC audits in public and private institutions, promoting energy efficiency and the uptake of renewable energy technologies.

Way Forward

The COMESA region must maintain its drive towards economic integration to achieve a minimum economic growth of at least 7 % despite limited resources, which have restricted full implementation of some initiatives. Considering recent developments, the following are essential:

- The need to address the issue of slow domestication and implementation of agreed continental and regional commitments which arises from fragmented policies and weak coordination. Member States should be adequately equipped to navigate multiple integration arrangements and fragmented national policies that lack proper alignment with regional and continental integration agendas.
- The need to resolve the paradox of the need for integration and heavy reliance on external donors in the context of recent reductions in global development assistance. COMESA will need to take bold decisions to eliminate this threat to sustainable integration.
- Strategic Integration of Agendas: Combine integration agendas to align capacity-building programmes within the region to ensure sustained impact.
- Financial support and capital mobilization: Financial support from Member States, and regional and international partners is required to enhance resources and facilitate strategic goals.
- Maximizing regional influence: Prioritize participation in global-level discourse, such as debt treatment frameworks, and discussions with international partners.
- Enhance coordination between fiscal, monetary, and exchange rate policies to maintain stability and support sustainable growth.
- Promote structural transformation and diversification of individual economies to reduce vulnerability to external shocks.
- Improve implementation of existing agreements and policies, particularly in trade facilitation and NTB elimination.
- Continue to leverage digital technologies to enhance trade, investment, and financial inclusion.
- Integrate climate change considerations into regional policies and development strategies.
- Increase Member State engagement in COMESA activities and programmes.
- Prioritize investments in regional infrastructure, particularly in energy and transport.

1

MACRO-ECONOMIC DEVELOPMENTS IN THE COMESA REGION IN 2024

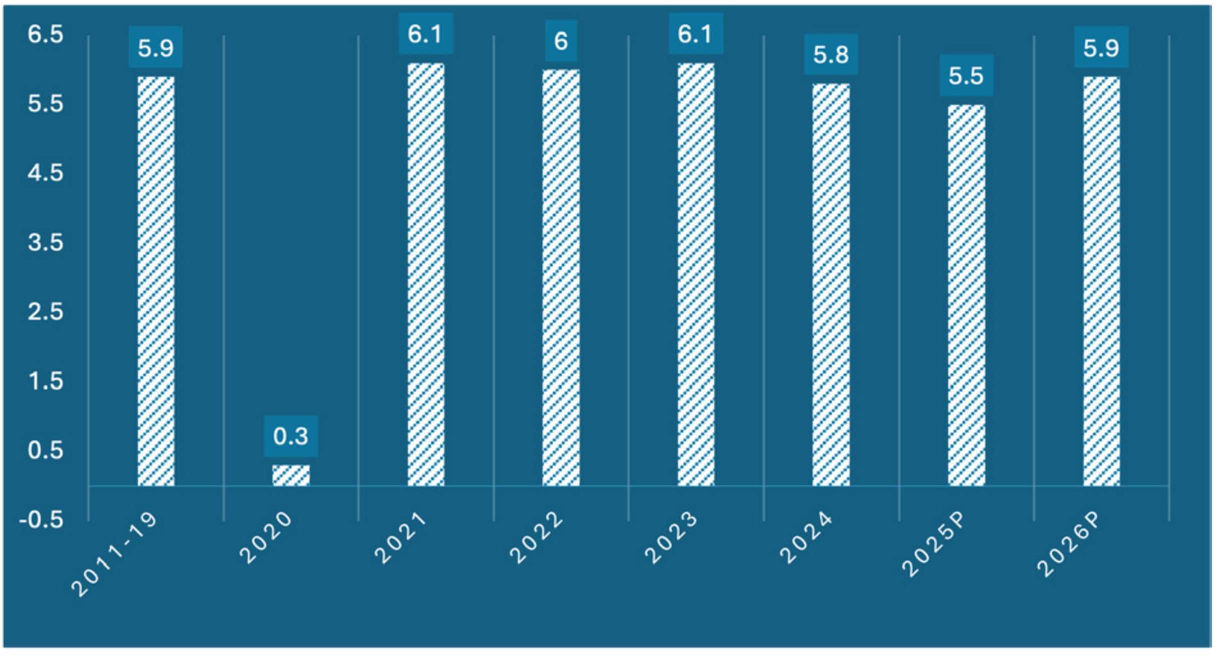
Background

This section analyses developments in key macro-economic performance indicators in the region, assesses the medium-term prospects and provides policy recommendations in the short-to-medium term and discusses the risks to the outlook.

Economic Growth

During the year under review, average region-wide growth relative to 2023 slowed to 5.8% in 2024 from 6.1% and is projected to slow down further to 5.5% in 2025, before recovering somewhat in 2026 to 5.9% (***Figure 2***). Growth, in 2024, was driven primarily by public investment, commodity exports, ongoing efforts at diversification and improved policies mirrored in narrowing in macroeconomic imbalances including slowdown in inflation and the stabilization of public debt.

Figure 2: COMESA average real GDP Growth (y-o-y % change)



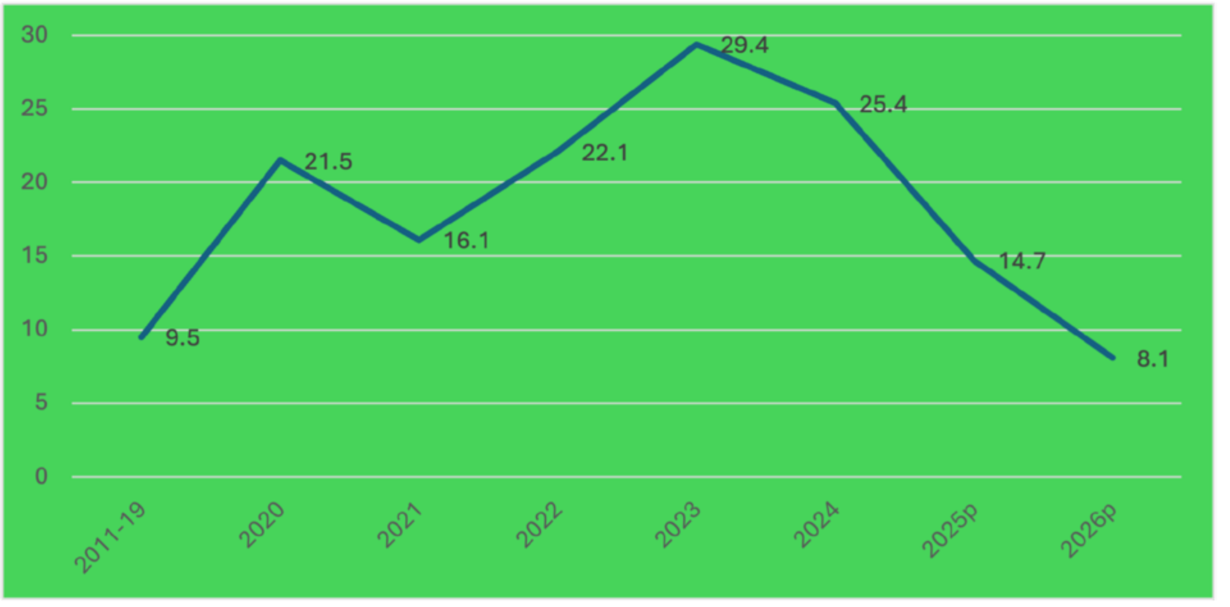
Source: IMF REO Sub Saharan Africa, April 2025.

Looking outward, the region's growth momentum is projected to slow down in 2025 owing to several downside risks, before recovering somewhat in 2026. Recovery in 2026 is premised on continuing recovery in private consumption and investment and implementation of structural reforms including the pace of trade integration and improving ease of doing business which could result in additional foreign direct investments.

Inflation Rate

The COMESA region's wide average inflation rate decelerated to 25.4% in 2024 from 29.4% in 2023 and is projected to ease further to 14.7% in 2025 and even further to 8.1% in 2026 **(*Figure. 3*).** The moderation in 2024 was on account of the impact of monetary policy tightening, and lower global food and energy prices. Inflation declined in most member countries but remained particularly entrenched in countries targeting monetary aggregates for which monetary authorities had less help from fiscal adjustments.

Figure 3: COMESA average Consumer Prices (annual av., % Change)



Source: IMF REO Sub Saharan Africa April 2025

In 2024, 12 COMESA Member States, namely Comoros, Djibouti, Eswatini, Kenya, Libya, Madagascar, Mauritius, Rwanda, Seychelles, Somalia, Tunisia and Uganda achieved the COMESA macroeconomic Convergence Criteria of average annual inflation rate of 7% (with a band of +/-1%). Looking outward, on account of the turbulent global conditions, the IMF assessed that the impact of lower external demand and subdued international commodity prices could outweigh that of the exchange rate depreciation. This coupled with the likelihood that the region's central banks would anchor inflation expectations should inflationary pressures threaten to strengthen, could reduce overall inflationary pressures in the region.

Monetary and Macro-financial Policy and Exchange Rate developments

In 2024, the region made significant progress in addressing macroeconomic imbalances. Monetary tightening cycles, helped by lower global food and energy prices appear to have brought inflation down from the post Covid-19 peak of 29.4% in 2023. Higher commodity prices improved the terms of trade, while remittances remained buoyant. External balance has been improving to -4.7% (narrowed by one percentage point relative to the pre-pandemic average of -5.7%). These developments helped moderate exchange rate pressures and boost reserves to an average of 2.8 months of import cover of goods and services.

While the COMESA region is yet to recover fully from the previous four-year sequence of shocks, it faces another shock—the abrupt shift in global policy priorities, which has heightened the uncertainty, clouding the outlook. The pace of disinflation and monetary easing across the major markets is likely to be less rapid, implying that ensuring higher interest rates globally will deter capital flows to the region. This poses renewed pressures on the exchange rate and reserves, adding to inflationary pressures. Moreover, it implies that the higher funding costs faced by the regional economies will likely be sustained for longer. In jurisdictions where inflation remains persistently high and elevated, policy makers continue to face a difficult task of safeguarding macroeconomic stability and debt sustainability while supporting the still-fragile recovery. Enhanced coordination between fiscal, monetary and exchange rate policies remain crucial. Given the differences in public debt levels and specifically where debt levels are elevated, fiscal policy is key to bringing them down decisively. Further monetary tightening is warranted in countries with rising inflation especially considering the shifting global environment to fend off exchange rate pressure and keep inflation expectations anchored. In Member States where inflation pressures have abated and inflation is within target, central banks may consider easing the monetary stance to support growth. However, in the context of the region's more uncertain outlook, authorities will need to remain cautious going forward and stand ready to reverse course if unexpected shocks materialize.

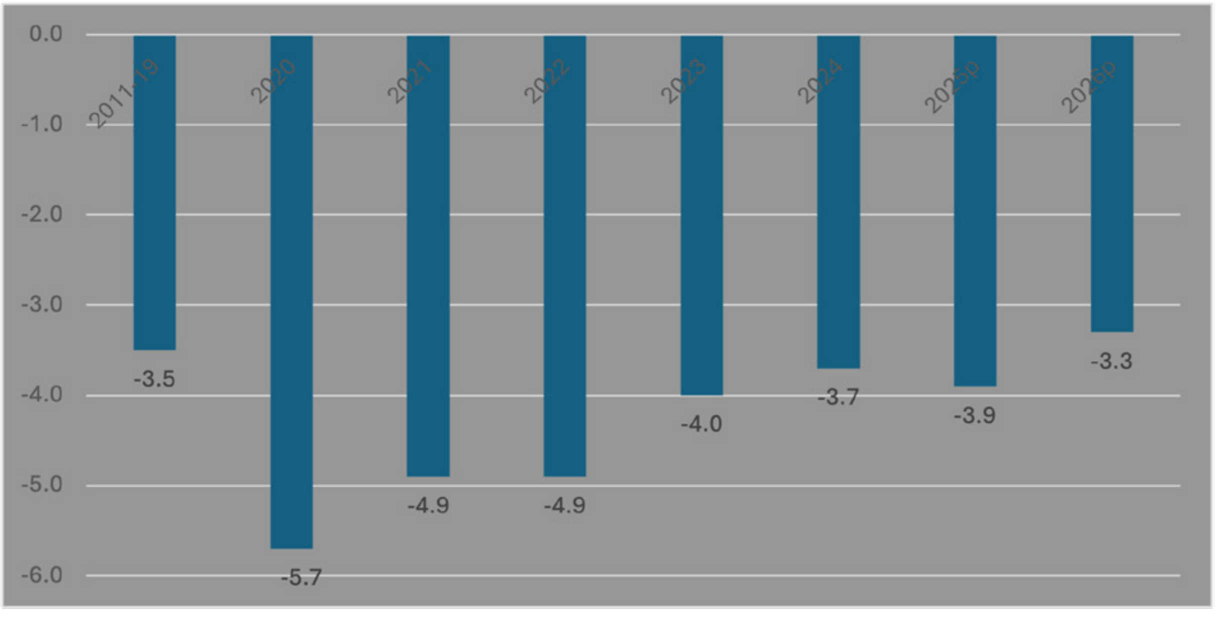
While lower international commodity prices, particularly oil, may help alleviate price pressure for many oil-import dependent countries in the region, exchange rate depreciation—stemming from weaker exports, lower capital inflows or shifts in confidence—will potentially feed through to domestic prices. Central banks will have to be vigilant about exchange rate pressure that can de-anchor inflation expectations. For countries in the region under a flexible exchange rate, central banks should stand ready to undertake foreign exchange interventions to smooth exchange rate volatility, but not to resist fundamentals-based movements as this comes at a significant cost. In this case, tighter and consistent monetary and fiscal policies will be needed to support exchange rates, even in the face of weak economic activity. On the other hand, pegged countries will need to keep a close watch on inflation trajectory while keeping policy rates in lock with the anchor policy rate to preserve external stability and foreign exchange reserves.

Going forward, therefore, monetary policy needs to be increasingly data-dependent depending on country specific circumstances. Striking the delicate balance between anchoring inflation expectations and reducing policy rates to support fragile economic growth and recovery, will be critical.

Overall Fiscal Balance Including Grants

The region's average fiscal deficit including grants as a percentage of GDP started to decline from -4.9% in 2022 to -3.7% in 2024 (***Figure. 4***). The improvement reflects fiscal consolidation efforts—expenditure cuts and efficient government spending and domestic revenue mobilization as countries continue to consolidate their public finances to preserve fiscal sustainability (particularly those with elevated debt vulnerabilities) on the path to a credible and transparent medium-term fiscal policy framework. Moreover, access to international bond markets improved substantially in 2024 and has continued through early 2025, with Kenya, for example, issuing Eurobond in early 2025. Moreover, sovereign spreads in the region also narrowed, on account of improved investor sentiments and significant progress on debt restructuring. These external flows, over the past few years, have helped to alleviate immediate liquidity constraints of governments and reduced near-term rollover risks.

Figure 4: COMESA average Overall Fiscal Balance (incl. Grants, % of GDP)



Source: IMF REO Sub Saharan Africa April 2025

While access to international bond markets continued to improve in 2024 and early 2025, global financial markets are tightening. External borrowing costs for market-access have increased remarkedly, on account of the recent turmoil in global financial markets leading to an increase in the global benchmark yields and prompting a notable increase in the spread of emerging and frontier market sovereigns. Rising external costs have encouraged domestic borrowing, contributing to higher domestic interest rates, incentivized shorter maturities and increased exposure to bank-sovereign risks. This, combined with a shift to non-concessional and market-based borrowing, higher borrowing costs have added to the region's fiscal burden. In this context, the region's debt-service needs, mainly from public debt, are likely to remain elevated over the medium term, offsetting the region's consolidation efforts. However, with most Member States in the region having elevated debt with limited fiscal space, there is need to continue fiscal consolidation given the continued need to rebuild buffers and reduce debt.

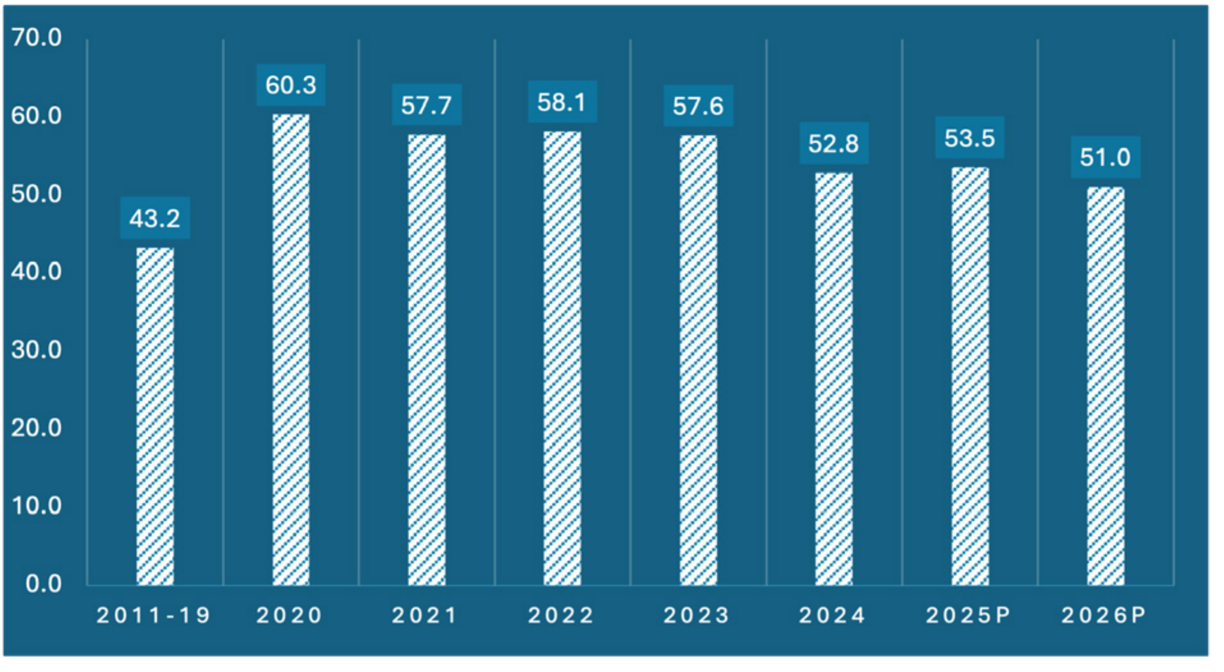
Government Debt

The region's average Government debt as a share of GDP moderated to 52.8% in 2024, compared to 57.6% in 2023 **(*Figure. 5*),** on account of narrowing fiscal deficits due to fiscal consolidation efforts—expenditure cuts and efficient government spending and domestic revenue mobilization—driven by the need to rebuild buffers and reduce debt.

In 2024, 9 COMESA Member States, including, Burundi, Comoros, D R Congo, Djibouti, Ethiopia, Eswatini, Madagascar, Seychelles and Uganda achieved the revised COMESA secondary Convergence Indicator of total government debt as a share of GDP of less than 65%.

Notwithstanding the improvement in access to international markets in 2024 and efforts at fiscal consolidation, in some of the Member States, debt is still elevated, and vulnerabilities remain. External borrowing costs have increased markedly alongside the tightening global financial market conditions over the past few years, encouraging domestic borrowing which has pushed up domestic interest rates, incentivized shorter maturities and increased exposure to bank-sovereign risks.

Figure 5: COMESA average Government Debt (% of GDP).



Source: IMF REO Sub Saharan Africa April 2025

Higher borrowing costs, combined with tighter financing envelopes marked by continued decline in foreign aid over the past one and a half decade has pushed countries in the region to widen the variety of debt instruments, diversify the creditor base and engage in complex debt negotiations. This, in addition to the escalating geo-political tensions in the region and threats of rising political instability, with increasing vulnerabilities to global external shocks and the frequent climate change events offsets some of the countries' fiscal consolidation efforts, raising the risk of fiscal slippage. Going forward, average region government debt to GDP ratio is projected to rise, albeit mildly to 53.5% in 2025, before easing somewhat to 51.0% in 2026.

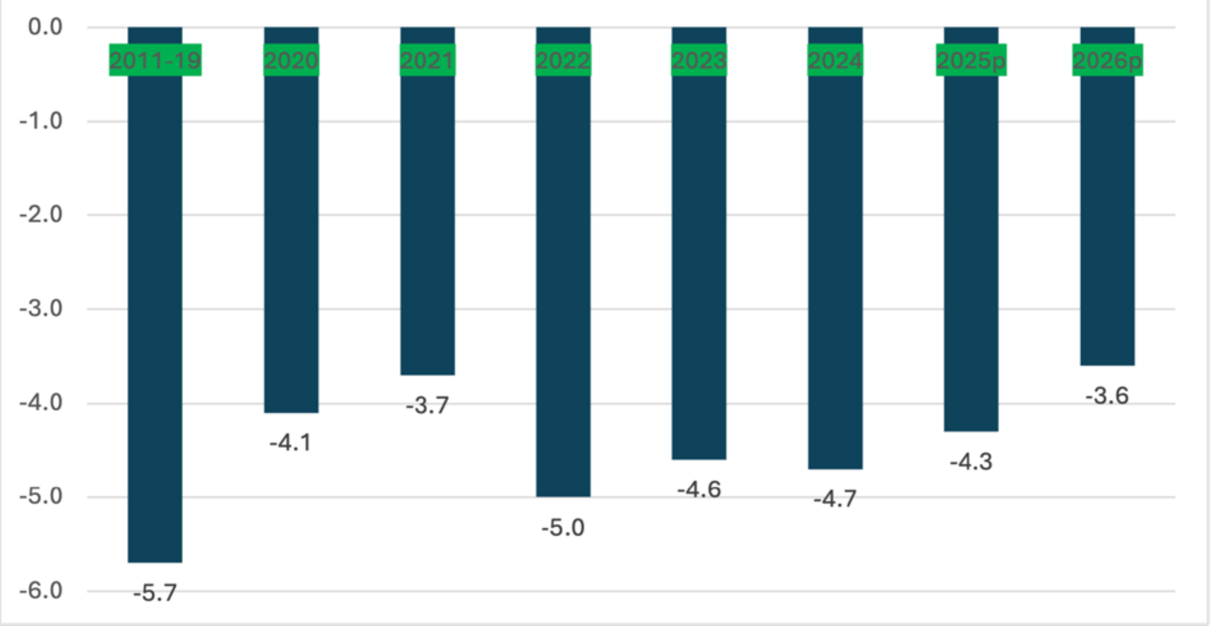
Currently, the debt to GDP ratio for some of the individual countries portrays a more severe and dire situation with some countries debt to GDP ratio projected to rise past 70% of GDP. Thus, unless measures are implemented to curtail growth in debt, these Member States could face an flare-up in the stock of external debt and servicing costs. If left unchecked, the rate of debt accumulation could result in a major source of macroeconomic instability. It's therefore vital for creditors to implement a well-functioning "debt-resolution framework" for Member States faced with aggravated debt vulnerabilities and require debt reprofiling or restructuring, to create fiscal space and to introduce a standstill on debt service.

External Current Account Including Grant

The COMESA region's external current account including grants, as a percentage of GDP, has been improving for the past three consecutive years to 2024, narrowing to an average of -4.7%, which is one percentage lower than the pre-pandemic average of -5.7% (***Figure. 6***). This improvement reflects increased trade (exports and imports), higher commodity prices (gold, cocoa and coffee), more stable exchange rates and buoyant remittances during the period.

The external current account including grants is projected to improve further to -4.3% of GDP in 2025, and further to -3.6% of GDP in 2026. However, this outlook is clouded by the on-going turbulent global conditions, with the outcome of softer global demand and subdued commodity prices. This, along with uncertain prospects for foreign aid, might reverse the gains in narrowing the external current account deficit.

Figure 6: COMESA average External Current Account (incl. Grants, % of GDP)

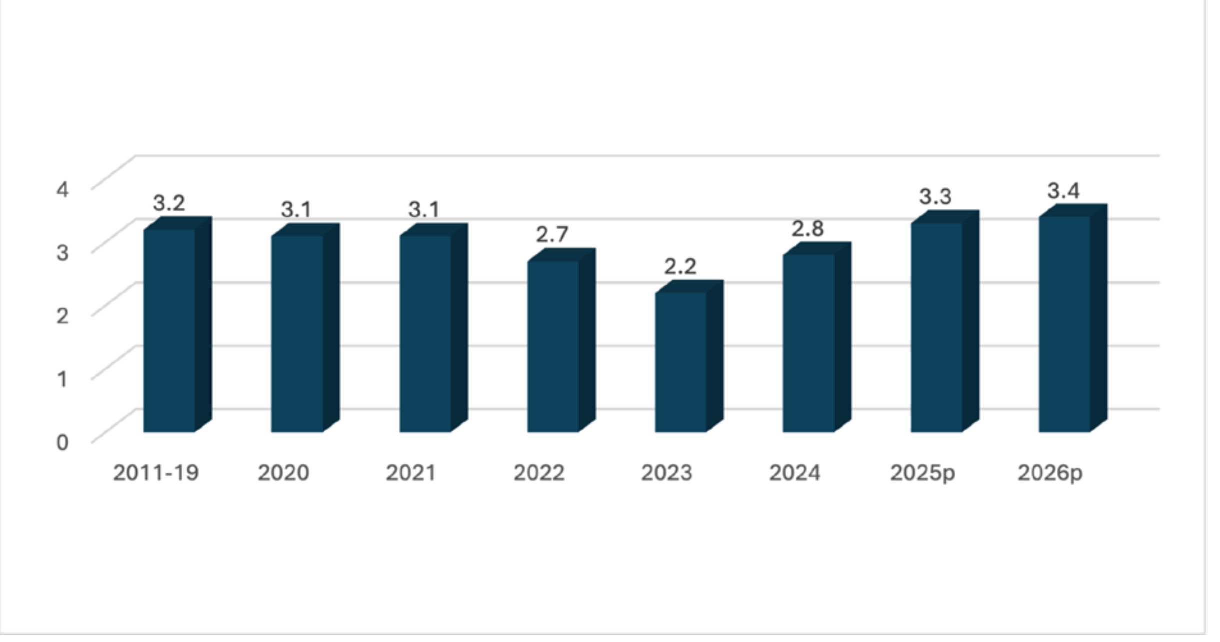


Source: IMF REO Sub Saharan Africa April 2025.

Reserve Accumulation

Adequate reserves help countries better manage their economies and respond to external shocks, while appropriate reserve management is essential for minimizing the opportunity cost of holding reserves and maximizing returns. The COMESA region's external reserve cover improved to an average of 2.8 months of imports cover for goods and services in 2024, from 2.2 months of import cover for good and services in 2023 **(*Figure. 7*).** The boost in external reserves during the year under review reflects considerable improvement in external balance, helped by higher commodity prices (gold, cocoa and coffee), more stable exchange rates and buoyant inward remittances, along with the continued fiscal consolidation which helped moderate exchange rate pressures.

Figure 7: COMESA average Reserves (Months of imports cover for goods and services)



Source: IMF REO Sub Saharan Africa April 2025

At an average of 2.8 months of imports cover for goods and services, reserves are closing in to the standard import-cover benchmark for the COMESA macroeconomic Convergence Criteria of External Reserves of equal to or more than 3 months. Eight (8) COMESA Member States, including, Comoros, Egypt, Kenya, Madagascar, Mauritius, Rwanda, Seychelles and Zambia met the threshold on reserves in months of imports cover for goods and services. The region's reserve cover, in 2025 and 2026, is projected to improve further to 3.3 and 3.4 months of import cover for goods and services, largely on improvement in the current account, and tighter and consistent, monetary and fiscal policies.

Medium Term Prospects and Recommendations

In the context of the ongoing vulnerabilities related to funding squeeze and higher borrowing costs for the regional economies, the upturn in global uncertainty, accompanied by a further tightening of global financial conditions, implies the ensuring higher interest rates globally will hurt capital flows to the region. This poses renewed pressures on the exchange rate and reserves, adding to inflationary pressures. Moreover, it implies that the higher funding costs faced by the regional economies will likely be sustained for longer. These challenges, generally, represent additional difficulties to the region's recovery. Addressing these extraordinary uncertainties amidst the dwindling fiscal space, the regional economies should consider the following:

a) Enhancing the coordination between fiscal, monetary and exchange rate policies to strike balance between containing the ongoing inflationary pressures and supporting the on-going economic recovery, while at the same time managing exchange rate volatilities but not to resist fundamentals-based movements as this comes at a significant cost. In this case, tighter and consistent monetary and fiscal policies will be needed to support exchange rates, even in the face of weak economic activity. Pegged countries, on the other hand, will need to keep a close watch on inflation trajectory while keeping policy rates in lock with the anchor policy rate to preserve external stability and foreign exchange reserves.

b) Strengthening regional payment arrangements, such as REPSS, to particularly allow for settlement in local currencies can soften demand for foreign exchange and promises to substantially reduce the risks associated with relying on third-party currencies, while making intraregional payments easier, faster and less expensive.

c) Considering the shifting global environment, further monetary policy tightening is warranted in Member States with rising inflation to fend off exchange rate pressure and keep inflation expectations anchored, and in Member States where inflation pressures have abated and inflation is within target, central banks may consider cautiously easing the monetary stance to support growth but stand ready to reverse course if unexpected shocks materialize.

d) To reign in the threatening debt levels, and uncertain prospects for foreign aid and to adapt to an environment with tighter financing conditions while aiming to preserve fiscal sustainability, Member States will require to double efforts at boosting revenue mobilization and prioritize and increase the efficiency of spending where possible, while minimizing possible negative impacts on growth and poverty. Boosting revenue mobilization can help attract more external financing as a country's revenue stream is a main metric for its debt repayment capacity. Beyond these revenue and spending measures, Member States at high risk of debt distress should avoid borrowing at non concessional terms, and prioritize debt management operations that create fiscal space, including, in particular, switching out of high interest rates or short maturities debt instruments. However, in the near-term, authorities will struggle to secure external financing and debt vulnerabilities are likely to worsen in the current environment of rising borrowing and debt servicing costs.

e) For Member States faced with aggravated debt vulnerabilities /or are likely to experience the same and require debt reprofiling or restructuring, a well-functioning debt-resolution framework is vital if they are to create the much-needed fiscal space. Countries have widened the variety of debt instruments; the creditor base has also become more diversified; and negotiations more complex. In this environment, it is crucial that creditors increase their reliability and predictability, co-ordinate credit delivery systems and make it more transparent and introduce a standstill on debt service during the debt treatment process.

f) In the medium term, structural transformation and economic diversification of individual economies in the region will be crucial, particularly reforms that raise potential growth by bolstering private sector development and increasing the benefits from trade. The African Continental Free Trade Area (AfCFTA) offers an excellent opportunity to expand trade relationships and mitigate risks associated with economic downturns in individual countries. The success of AfCFTA depends on the progress made to substantially reduce tariff and non-tariff barriers, enhance trade facilitation and improve trade environment and infrastructure across the continent. Bolstering continental and regional trade integration will forge a larger and more interconnected market and transform the continent into an attractive investment destination.

Risks to Outlook

After four years of crisis marked by a cascading series of shocks, such as, the COVID-19 Pandemic, geopolitical tensions, climate shocks, the globalization of inflation from advanced economies and advanced economy interest rate hikes, the region faces another shock—an abrupt shift in the external economic landscape occasioned by a series of sizable tariff measures by stronger economies and counter measures by trading partners. On account of this, softer global demand, subdued commodity prices and tighter global financial conditions are expected to slow down global growth. Although the direct exposure of the region to the revised tariffs is limited, indirectly, softer global demand, and lower commodity prices are likely to have severe implications for the region owing to the region's biggest trade partners namely, China, India and South Africa.

Moreover, uncertainty about future trade policies could discourage investment, dislocating production location and pricing weighing on consumer demand. Thus, in the context of the ongoing vulnerabilities related to the funding squeeze and higher borrowing costs for the regional economies, the increase in trade tensions and tightening of global financial conditions, it implies that the higher funding costs faced by the regional economies will likely be sustained for longer. This, along with uncertain prospects for foreign aid will present a challenge in the monetary and fiscal policy space, requiring continued efforts to sustain recovery and enhance the region's resilience to shocks. Further, the region faces additional risks from regional conflicts, increased geopolitical fragmentation and continues to experience the adverse impact of climate related shocks.

COMESA Trade Developments

In 2024, COMESA's total exports to the world declined by 3.6 %, dropping from US$ 187 billion in 2023 to US$ 181 billion in 2024. Conversely, the region's global imports increased by 3.9% during the period, rising from US$ 263 billion to US$ 273 billion. This import growth was primarily driven by countries including DR Congo, Egypt, Uganda, Ethiopia, Kenya, and Zambia.

Table 1: Global COMESA Trade by Country, 2022 - 2024, values in US$ million

Reporter	**2022**		**2023**		**2024**		**% Change (2024)**	
Country	**Total Exports**	**Imports**	**Total Exports**	**Imports**	**Total Exports**	**Imports**	**Total Exports**	**Imports**
Burundi	192	1,297	206	1,158	153	994	*-25.6*	-14.2
Comoros	54	213	32	273	33	377	3.0	38.3
Democratic Republic of Congo	30,291	13,039	30,372	14,608	30,000	26,500	-1.2	81.4
Djibouti	544	8,412	394	7,484	3,830	4,385	872.1	-41.4
Egypt	51,643	94,460	42,061	83,188	42,137	86,333	0.2	3.8
Eritrea	774	451	336	406	482	571	*43.3*	*40.6*
Eswatini	1,958	2,115	2,046	2,028	2,339	2,237	*14.3*	*10.3*
Ethiopia	2,977	17,209	2,704	16,536	3,269	18,996	*20.9*	*14.9*
Kenya	7,370	21,122	7,170	18,626	8,229	20,106	14.8	7.9
Libya	60,300	28,856	49,694	29,073	29,603	17,566	-40.4	-39.6
Madagascar	2,879	5,355	1,268	4,499	2,670	4,911	110.5	9.2
Malawi	890	1,566	966	3,145	959	3,183	-0.6	1.2
Mauritius	1,879	6,568	1,859	6,250	1,751	6,615	-5.8	5.9
Rwanda	2,048	5,398	2,417	6,200	3,010	6,356	24.5	2.5
Seychelles	605	2,112	714	3,208	952	3,426	33.4	6.8
Somalia	544	5,276	87	3,728	1,100	4,200	1171.4	12.7
Sudan	5,490	10,188	3,119	5,553	3,770	4,820	20.9	-13.2
Tunisia	18,684	26,836	20,049	25,566	19,943	26,027	-0.5	1.8
Uganda	2,637	8,570	4,160	11,698	7,700	14,200	85.1	21.4
Zambia	11,651	9,037	10,485	10,165	11,198	11,195	6.8	10.1
Zimbabwe	6,586	8,668	7,226	9,225	7,434	9,775	2.9	6.0
Total	**209,997**	**276,751**	**187,363**	**262,616**	**180,562**	**272,776**	**-3.6**	**3.9**

Source: COMSTAT & UNCTAD

Foreign Direct Investments Inflows in COMESA

Global Foreign Direct (FDI) inflows (commitments) registered a rise of about 3.5 % in 2024, despite the volatile financial trade flows through several European economies that serve as transfer points for investments. In nominal terms, FDI rose from US$ 1.45 trillion in 2023 to US$ 1.50 trillion in 2024.

Globally investments dropped sharply in 2024 across developed economies, particularly in Europe. In contrast, developing economies such as COMESA saw generally stable FDI inflows, with some countries experiencing notable increase. Egypt, in particular, recorded an unprecedented 373% rise in FDI, with inflows jumping from US$ 9.8 billion in 2023 to US$ 46.5 billion in 2024, largely driven by the oil sector.

Similarly, Zambia recorded a significant rise in FDI inflows, with investments mainly directed towards mining, energy, agriculture, and manufacturing sectors. Additionally, Eswatini recorded a rise in inflows, particularly in agriculture, energy, infrastructure, mining and manufacturing sectors.

Table 2: FDI Inflows Into COMESA, 2019 to 2024 (Values in US$ million)

Country	2019	2020	2021	2022	2023	2024	Growth (2023/2024)
Burundi	44.4	16.2	16.5	20.1	29.9	31.7	6.1
Comoros	3.7	3.9	4.0	3.8	5.0	7.1	42.0
Democratic Republic of Congo	1,488.1	1,646.9	1,870.0	1,845.8	2,576.1	3,112.9	20.8
Djibouti	175.0	158.2	168.0	190.9	137.0	67.8	-50.5
Egypt	9,010.0	5,851.8	5,122.0	11,399.9	9,840.6	46,578.0	373.3
Eritrea	-60.7	-30.3	-31.2	-32.0	2.1	-27.9	-1450.0
Eswatini	130.2	35.9	117.5	14.5	29.3	92.6	215.5
Ethiopia	2,548.7	2,381.0	4,259.5	3,670.1	3,269.0	3,984.4	21.9
Kenya	1,098.4	1,509.6	1,406.2	1,597.2	1,504.3	1,502.6	-0.1
Libya	-	-	-	-	-	-	-
Madagascar	474.3	358.5	357.5	467.8	414.5	413.3	-0.3
Malawi	55.2	252.2	129.5	198.7	214.0	220.4	3.0
Mauritius	444.1	224.7	260.5	545.9	759.8	681.3	-10.3
Rwanda	353.8	259.5	399.3	496.4	716.5	819.0	14.3
Seychelles	36.8	202.6	225.3	212.1	237.2	298.6	25.9
Somalia	447.0	534.0	601.0	636.0	676.5	765.0	13.1
Sudan	825.4	716.9	522.9	573.5	548.2	-	-
Tunisia	844.8	652.1	660.2	713.7	771.7	936.5	21.4
Uganda	1,303.0	1,191.5	1,648.2	2,952.9	2,993.5	3,304.9	10.4
Zambia	859.8	245.2	394.2	-65.1	85.9	1,237.6	1340.6
Zimbabwe	280.0	194.0	250.0	395.1	634.7	596.7	-6.0
COMESA	**20,362**	**16,404**	**18,381**	**25,837**	**25,446**	**64,622**	**154.0**
Africa	**46,663**	**40,944**	**82,201**	**54,567**	**55,414**	**97,032**	**75.1**
World	**1,658,784**	**868,563**	**1,676,523**	**1,389,526**	**1,454,976**	**1,508,803**	**3.7**

Source: COMSTAT & UNCTAD

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COMESA REGIONAL COOPERATION AND INTEGRATION PROGRAMMES

1. MARKET INTEGRATION

This pillar aims at strengthening market integration to facilitate the seamless flow of goods, services, capital, and people within the COMESA region by lowering the cost of cross-border trade through removal of trade barriers.

In the period under review, the Secretariat focused on the following:

- **Trade Facilitation:** Key interventions to support trade facilitation include Elimination of Non- Tariff Barriers, integration and piloting of the COMESA Electronic Certificate of Origin (e-CO) system, simplification of Customs procedures through automation, upgrading of both hard and soft infrastructure at selected border posts, development of documents for the COMESA Regional Authorized Economic Operator (AEO) Programme, development of the COMESA Regional Trade Information Portal (TIP), development of the Customs Automation Regional Support Centre (CARSC), and development of the COMESA Electronic Single Window system (COMSW). Additionally, support is provided to the implementation of the Simplified Trade Regime (STR), the Small-Scale Cross Border Trade Initiative, and the COMESA-EAC-SADC Tripartite Free Trade Area (TFTA). Additionally, the Great Lakes Trade Facilitation and Integrated Project (GLTFIP) is implemented.

- **Economic and Trade Policy Research:** The COMESA Annual Research Forum is held to support evidence-based decision-making on matters relating to regional integration and development. In addition, research studies are undertaken, and support is provided to the Master's Degree Programme in Regional Integration.

- **COMESA Governance, Peace and Security Programme** is implemented to support peace and security efforts to facilitate regional integration and development. Interventions include, conflict prevention, consolidation of democracy, post-conflict reconstruction, climate change and youth peace and security.

1.1 COMESA Free Trade Area (FTA)

In the period under review, DR Congo, Eritrea, Ethiopia, Somalia, and Eswatini were yet to join the COMESA FTA. However, following the coming into force of the Tripartite FTA, Eswatini indicated its intention to comply with COMESA FTA obligations and begun the process. Initiatives to encourage participation, including national workshops and high-level missions, were ongoing. DR Congo and Ethiopia are at an advanced stage in preparing to join the COMESA FTA.

Elimination of Non- Tariff Barriers

Capacity building was provided to 15 Member States namely, Burundi, DR Congo, Egypt, Eswatini, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Somalia, Sudan, Tunisia, Uganda, and Zambia on NTBs management platforms, institutional arrangements and the role of the National Monitoring Committees (NMCs). The Member States further notified their NMCs to the Secretariat.

Challenges

Challenges included frequent turnover of NMC members and delays in resolving long-standing NTBs which have led to a shift in market focus away from the COMESA region, contributing to the low levels of intra-COMESA trade.

Further, budget constraints compelled the Secretariat to rely on virtual capacity building formats, making it challenging to monitor the participation of NMC committee members and measure the impact of the training.

Way Forward

- To continuously engage DR Congo and Ethiopia who are at an advanced state to join the Free Trade Area in 2025
- To operationalize the Tripartite Free Trade Area to enable Eswatini to participate in the Free Trade Area
- Continuous capacity building for NMC members on a training-of-trainers basis is essential to enable them to educate a broader range of stakeholders on NTBs regulations.
- Providing policy papers analysing the impact of long-standing NTBs on the COMESA market.
- Collaboration with development partners to implement activities under the NTBs programme effectively and achieve the set goals to deepen the COMESA regional integration.

1.2. Customs and Trade Facilitation

During the reporting period, the COMESA Secretariat in collaboration with Member States implemented various customs and trade facilitation programmes aimed at strengthening and supporting the efficiency of border agencies thereby reducing release times. Progress in the programmes is highlighted below:

EDF 11 – Trade Facilitation Programme (TFP)

The Trade Facilitation Programme was signed between the COMESA Secretariat and the EU in November 2018 and running initially up to May 2022. The programme was granted two no-cost extensions and concluded in December 2024. In the period under review, the following activities were undertaken:

Rules of Origin and Electronic Certificate of Origin

The implementation of the COMESA Electronic Certificate of Origin was launched by the Chairperson of the Council of Ministers on 27th November 2024 in Lusaka, Zambia. As of December 2024, Eswatini, Malawi and Zambia had launched the COMESA Electronic Certificate of Origin at the national level. Implementation of the electronic certificate of origin will resolve the challenges that are experienced due to the use of the paper version of the Certificate. The usage of the electronic Certificate will reduce delays in the clearance of goods as verification of the authenticity of the Certificate will be done online and within a short time. The Secretariat will promote a greater uptake of the electronic certificate of origin as it is necessary for effective regional cooperation and integration, through capacity building and strong political buy in.

Additionally, during the period under review, the Secretariat continued to provide technical guidance on the interpretation and application of the COMESA Rules of Origin. With joint support from the EU-WCO Rules of Origin Africa Programme and the EDF - 11 Trade Facilitation Programme, a review of the COMESA Rules of Origin was undertaken to update the technical provisions of the Rules in line with continental and global developments and to incorporate provisions that will facilitate extended cumulation between the COMESA trade regime and AfCFTA.

Authorized Economic Operator (AEO) Programme

The Authorized Economic Operator (AEO) Programme is a globally recognized initiative designed to enhance supply chain security and facilitate legitimate trade. It involves businesses that are deemed reliable and compliant with customs regulations and security standards, thereby benefiting from expedited customs procedures and reduced controls. Following a Regional Workshop of the AEO Experts held on 3rd to 5th April 2024 in Entebbe, Uganda, Member States agreed to expedite the preparations towards piloting the Regional AEO Programme. COMESA continues to provide capacity building support to Member States who are ready to commence piloting of the programme. In this regard, a follow-up action matrix indicating the key activities to be undertaken at Secretariat, and the Member States level was agreed on for implementation.

Coordinated Border Management (CBM)

Coordinated Border Management (CBM) is an approach where multiple border control agencies work together to streamline trade and travel, ensuring both efficiency and security. This collaborative effort is crucial for trade continuity and resumption, particularly in times of crisis or disruption. CBM aims to harmonize procedures, share information, and optimize resource allocation to facilitate legitimate trade while maintaining effective control. A regional workshop on the CBM Implementation Guidelines and Strategy was held from 20 – 22 March 2024 in Zambia. The objective of the workshop was to appraise Member States on the provisions of the COMESA Regional CBM Guidelines and get an update on the implementation of CBM by Member States. Additionally, the workshop aimed to assist Member States with modalities for implementation of the COMESA CBM Guidelines and Implementation strategy.

The workshop reviewed potential modalities for developing a regional CBM programme to support adoption and implementation. Member States highlighted the findings from a regional consultative workshop on WTO TFA Measures held in September 2023, which identified transit-related measures as a priority area for regional collaboration. The workshop recommended that the Secretariat develop a regional CBM implementation programme based on capacity building and the technical requirements submitted by Member States. The Secretariat, through the EDF 11 TFP, continued providing support to select border posts in Djibouti, Ethiopia, Kenya, Malawi, Zambia, and Zimbabwe for upgrades to improve the customs control and trade facilitation. Under sub-delegation agreements with Member States, implementation of the border upgrade projects is ongoing at Chirundu (Zambia/Zimbabwe), Mwami/Mchinji (Zambia/Malawi), Nakonde/Tunduma (Zambia/Tanzania), Galafi (Djibouti/Ethiopia) and Moyale (Ethiopia/Kenya). Several Member States are implementing the Coordinated Border Management. For instance, the "Border Management and Facilitation Bill, 2025 of Zambia aims to streamline cross-border transactions, simplify trade arrangements, and improve border infrastructure. Simultaneously, the CBM is being rolled out, reducing the number of border agencies to six and appointing the Zambia Revenue Authority (ZRA) as the lead agency.

Electronic Single Window (ESW)

As of December 2024, national electronic single windows (eSW) for trade facilitation and logistics are operational or at development stage in 15 Member States namely, Burundi, Djibouti, DR Congo, Egypt, Ethiopia, Kenya, Madagascar, Mauritius, Malawi, Rwanda, Sudan, Tunisia, Uganda, Zambia and Zimbabwe. As has previously been reported, instruments on the electronic single window namely, the Legal Framework, Implementation Strategy and Road Map, and Terms of Reference on the development of the regional electronic single window system (COMSW) were developed and adopted by the 44th Meeting of the Council of Ministers where it was decided that the COMESA Single Window be developed building on the COM-IPS. Engagement is still ongoing with UNCTAD on modalities of the development of the COMSW in accordance with the decisions made by the Council.

Customs Automation

The Secretariat signed a co-delegation agreement with UNCTAD to develop and implement the Customs Automation Regional Support Centre (CARSC) to provide sustainable technical and financial support to Member States and standardize and harmonise systems to enhance connectivity and electronic data exchange among Member States. Under the co-delegation agreement, UNCTAD has commissioned a CARSC Prototype and an Inter-Connectivity Platform for data and document exchange. The development, installation, and setup of the servers and software at the COMESA Secretariat have been finalized. Engagement with UNCTAD is ongoing for the technical configuration of CARSC, with support from ASYCUDA technical experts from Member States who will be seconded to work at the Secretariat under a fellowship programme.

Regional Trade Information Portal (TIP)

UNCTAD finalized the development of the COMESA Regional Trade Information Portal (TIP), expected to be launched in 2025. Further, the Secretariat is in discussion with selected Member States to support the development of national TIPs based on COMESA's regional guidelines. With AfDB support, Madagascar developed a national NTIP based on these COMESA guidelines.

The following challenges affected the implementation of the customs and trade facilitation programme within the COMESA region:

- Delays in the clearance of goods under the COMESA FTA arising from the usage of the paper version of the Certificate of Origin. In some cases, there is a lengthy process to verify the authenticity of the paper version of the certificate in Member States.

- Delays in the transmission to the Secretariat of updated specimen signatures and stamp impressions for authorized signatories to sign COMESA Certificates of Origin.
- Underutilization of COMESA Trade preference due to low awareness of COMESA Rules of Origin by the trading community.
- Limited financial resources for the implementation of COMESA Customs and Trade Facilitation Programmes

Way Forward

- Capacity building and sensitization for greater uptake of the electronic certificate of origin.
- Review of COMESA Rules of Origin with an aim to make them simpler more responsive and business friendly.
- Continuous sensitization and awareness for the private sector on COMESA Rules of Origin
- Mobilization of financial resources for the implementation of COMESA Customs and Trade Facilitation Programmes

1.3. Trade in Services

Trade in services within COMESA is a significant contributor to the region's economy, with the services sector accounting for roughly 50% of the GDP. COMESA is actively working to liberalize and facilitate trade in services, with a focus on priority sectors including business, communication, financial services, transport, construction, and energy-related services. During the period under review, as part of the implementation of activities on liberalization of trade in services, the following were undertaken:

i. Developed draft procedures for the rectification, modification, and withdrawal of schedules.
ii. Continued to provide capacity building on concrete good international practices for facilitating gradual liberalization of trade in services and analysis of information required to promote domestic reforms.

In efforts to gain traction in the implementation of the services commitments as per the Regulations on Trade in Services - General Obligations and the agreed schedules of commitments, a lead expert at the Secretariat was engaged.

Way-Forward

- A dedicated programme focusing on the implementation of obligations and commitments is required.
- A political decision to direct the implementation of obligations is required to improve commitment by Member States on trade in services.
- Development of an implementation strategy/matrix to guide the process.
- A complementary process focusing on services trade development and services export promotion initiatives is required guided by the COMESA Trade Promotion Framework, adopted by Council in November 2024.

1.4 Developments in the Simplified Trade Regime (STR)

Currently, eight (8) COMESA Member States are implementing the STR namely, Burundi, DR Congo, Kenya, Malawi, Rwanda, Uganda, Zambia and Zimbabwe. The STR reduces the costs for small traders and increases the speed of crossing the border through the use of a Simplified Customs Document (SCD). The process is supported by simplified customs clearance procedures. Trade Information Desk Officers (TIDOs) have been deployed at select border posts to assist small scale traders with information on border crossing procedures and form filling.

Burundi and DR Congo Governments officially launched STR implementation at their common border posts on 30th October 2024. The launch event took place at Gatumba/Kavimvira Border Post. Prior to the launch, Burundi and DR Congo domesticated the STR Instrument through Inter-Ministerial Decrees on STR implementation signed on 26 July

2024 and 15 October 2024 respectively.

Way Forward

- There is need for greater political will to ensure that commitments made in the implementation of the STR are attained.
- Non-FTA countries to join the FTA so as to facilitate the effective implementation of the STR in the COMESA region.

1.5 The Small-Scale Cross Border Trade Initiative (SSCBTI)

In the period under review, a key achievement of the SSCBTI was facilitation of the construction of a cross-border market at the Mwami Border Post between Zambia and Malawi aimed at supporting and facilitating trade for small-scale cross-border traders. Additional activities undertaken by the initiative included the following: Policy Dialogue on the STR, National Stakeholder Meetings, Training of TIDOs focusing on equipping them with the latest information on customs and immigration procedures, and trade and gender, Remedial works on the Luangwa Mini-Lab, facilitation of the Electronic Border Pass System (e-jeton) at the Kasumbalesa Border, An Awareness Raising and Capacity Building Training Workshop on Trade Facilitation, Establishment of the Moyale Small Scale Cross Border Traders' Association, and holding of the 1st General Assembly of the Tunduma Cross Border Traders Association.

The following are some of the reported challenges of the initiative:

- Delays in the construction of the Walkway at Kasumbalesa affected the timely set up and operationalization of the e-jeton system between D.R Congo and Zambia; and
- Slow construction of other infrastructure components was recorded at some of the border markets due to a combination of internal and external factors such as the limited financial capacity of contractors, inconsistent coordination among stakeholders, delays in obtaining VAT and duty exemptions, and securing performance guarantees in a timely manner to facilitate contractor payments and maintain progress.

Way-Forward

- Development partners to consider additional support to activities relating to the capacity building of the CBTAs including the newly formed CBT-NESA.
- Documentation of success stories under the initiative to enhance visibility and COMESA impact at national level.
- Engagement with respective governments of implementing countries to explore alternative funding opportunities for the completion of the outstanding construction works at selected border points.

1.6 Great Lakes Trade Facilitation and Integrated Project (GLTFIP)

During the year 2024, the following activities were undertaken under the Great Lakes Trade Facilitation and Integration Project (GLTFIP):

- A technical meeting which brought together delegates from Burundi and DR Congo, and two (2) Training of Trainers (TOTs) on the STR.
- The establishment and equipment of Trade Information Desks (TIDs) at Gatumba/Kavimvira border post was finalized.
- The project conducted training for Trade Information Desk Officers (TIDOs).
- A training on small scale cross-border trade data collection was organized and aA supervision mission conducted.
- The project finalized the development of the Project Communication Strategy.
- The First Meeting of the Great Lakes Trade Facilitation and Integration Project (GLTFIP) Regional Coordination Committee was organized.
- The project team convened six coordination meetings with Burundi and DR Congo Project Implementation Units respectively.

- COMESA Secretariat co-launched with Burundi and DR Congo implementation of the STR.
- Conducted a capacity building workshop for Burundi and DR Congo delegates on the online and SMS NTBs Reporting, Monitoring and Elimination Platforms.
- Facilitated a bilateral meeting between Burundi and DR Congo authorities to discuss the modalities of reopening Buganda/Nyamoma and Mparambo/Rubenga border posts.

The project experienced a challenge in establishing and operationalising Trade Information Desks at Buganda/Nyamoma and Mparambo Border Posts which have remained closed following the outbreak of COVID-19. In efforts to resolve the matter, the project facilitated a bilateral meeting between Burundi and DR Congo on 3 - 4 December 2024, in Uvira, South Kivu Province, DR Congo to discuss the modalities of reopening the closed border posts. During the meeting, the respective governments agreed on a roadmap to guide the reopening of the border posts.

Way-Forward

- Burundi and DR Congo Governments to timely implement the action points agreed in the joint roadmap for the reopening of closed border posts.
- COMESA Secretariat to convene a follow up meeting on the implementation of the above-mentioned roadmap.
- The restoration of the security situation as peace building processes are important for effective project implementation.

1.7 COMESA-EAC-SADC Tripartite Free Trade Area (TFTA)

Following the achievement of the required fourteen (14) ratifications for the Agreement to enter into force, the TTFA Agreement entered into force on 25 July 2024. The following Member/Partner States have ratified the agreement: Angola, Botswana, Burundi, Egypt, Eswatini, Kenya, Malawi, Lesotho, South Africa, Rwanda, Namibia, Uganda, Zambia and Zimbabwe. Member/Partner States thereafter initiated preparations to operationalize the Agreement. The T-RECs Secretariats continued their efforts to obtain more ratifications and made follow-ups with Tanzania, Djibouti, Comoros, South Sudan who reported that they are at an advanced stage in processing their ratifications.

During the reporting period, the T-RECs commenced plans to convene Tripartite Policy Organs Meetings to launch the start of trading under the TFTA Agreement. The Tripartite Task Force (TTF) continued engaging development partners including AfDB, EU, Afrexim bank, and AGRA for funding of programmes in the three pillars to address the challenges that include limited funding and expertise as well as capacity building.

The TFTA is facing various challenges including but not limited to the following:

i Lack of resources to effectively implement the Tripartite activities.

ii Implementation of the Tripartite Work Programme has been affected by human and technical capacity constraints particularly at the REC Secretariats and at Member States levels.

iii Slow progress in establishing institutional structures to run the affairs and activities of the TFTA. Presently, the coordination of Tripartite activities is carried out by the RECs on a rotational basis.

Way-forward

- Concerted efforts are required to engage development partners to support the Tripartite Resources Mobilization Strategy.
- The Tripartite Task Force should expedite follow up engagement with AfDB, EU, WCO, UNCTAD, World Bank, AFREXIM, and other development partners to secure funding for various Tripartite programmes and activities.
- Political will to support implementation of the Tripartite as a complement to hastening continental integration.

1.8 Economic and Trade Policy Research

Annual Research Forum

The 11th COMESA Annual Research Forum under the theme, "Fostering Economic Integration and Inclusivity in COMESA through Value Addition, Green Investments and Tourism," was held during the reporting period. The Forum brought together policy makers, academia, think tanks and the private sector. The forum facilitated feedback on the research papers and dialogue on emerging issues in trade and regional integration.

The following papers were presented at the forum:

- Evaluation of Economic Feasibility of Renewable Energy and Compost Production from the Food Waste from the Hospitality Industry in Zimbabwe
- Economic Diversification and Natural Resource Depletion in COMESA
- Mapping Potentially Risky Import Products in COMESA
- Travel and Tourism Industry in COMESA: A Diamond Factor Model Perspective
- Climate Change Vulnerability and Resilience of Tourism Sector in COMESA
- Determinants of Tourism Demand in the COMESA Region
- Fostering Sustainable Regional Integration: The Complementary Roles of Unpaid Work Reforms and Entrepreneurship Training for Women and Youth in COMESA. Cases of Zimbabwe and Democratic Republic of the Congo
- Climate Financing in the Common Market for Eastern and Southern Africa (COMESA)

Research Studies

The following studies were undertaken.

- i Status of Transport and Logistics in COMESA - Effects on Intra-Regional Trade
- ii The Impact of African Continental Free Trade Area on COMESA
- iii Assessment of Potential Socio-economic Impacts of the COVID-19 Pandemic in the COMESA Region: A Computable General Equilibrium (CGE) Analysis
- iv Development of COMESA AfCFTA Implementation Strategy
- v Publication of Vol 11 and 12 of the "Key Issues on Regional Integration"

Training and Capacity Building

COMESA is supporting the master's degree Programme in Regional Integration. The following activities were undertaken during the reporting period:

- Eleven students graduated from the University of Mauritius and Kenyatta University with Master of Arts Degree in Regional Integration; and
- Facilitated subscription to e-journals and e-books for the Master's Degree Programme for use by students and lecturers.

Challenges

- Lack of adequate funds to undertake research and capacity building activities.

Way forward

Mobilization of resources to support research and capacity building on trade-related issues, and support to master's degree scholarships and innovation awards.

1.9 COMESA Governance, Peace and Security Programme

The COMESA Heads of State and Governments Summit in 1999 took a deliberate decision that COMESA should address the issue of peace and security to facilitate regional integration and development. The Authority consequently mandated the COMESA Ministers of Foreign Affairs to oversee and address issues of peace and security in line with specific provisions of the COMESA Treaty and aims and objectives of the Common Market. Interventions under the programme include, conflict prevention, consolidation of democracy, post-conflict reconstruction, climate change and youth peace and security.

Early Warning

Through the Africa Peace and Security Architecture (APSA), the Governance Peace and Security Programme in the period under review continued to roll out the Structural Vulnerability Assessment (SVA) Methodology to Member States. In 2024, two additional Member States namely, Burundi and Rwanda held their National Multistakeholder Consultations during which SVA Early Warning Reports outlining forecasted structural vulnerability and resilience factors were disseminated to stakeholders. This brings to ten the total number of Member States in the region that have jointly reviewed their SVA Early Warning Reports and have established a response structure in form of National SVA Bureaus. Further, COMESA in collaboration with the AU commenced the process of implementation of the comprehensive and participatory Country Structural Vulnerability and Resilience Assessment (CSVRA) and the Country Structural Vulnerability Mitigation Strategy (CSVMS) for Malawi and Kenya. The CSVRA/CSVMS is a voluntary self-assessment process developed by the AU and the Regional Economic Communities (RECs). The objective of the process is to identify country specific structural vulnerabilities, strengthen existing resilience and develop mitigation strategies to address vulnerabilities. Furthermore, efforts were made to enhance the knowledge and capacities of Member States in understanding and appreciating the COMWARN SVA Methodology and the Continental Structural Conflict Prevention Framework (CSCPF). Thirty-one (31) delegates from Kenya, Malawi, Zambia, Seychelles and Burundi benefitted from the training.

Anti-Money Laundering/ Combating Financing of Terrorism (AML/CFT)

The COMESA intervention focused on capacity building of Financial Intelligence Units (FIUs) and Law Enforcement Agencies (LEAs), supports Member States in reviewing laws and policies and collaboration with new partners.

COMESA, in collaboration with GIZ organized a regional training of Judges and Prosecutors on Investigation, Prosecution and Adjudication of Money Laundering and Terrorist Financing Cases. Further, COMESA in collaboration with the Eastern and Southern Africa Anti-Money Laundering Group (ESAAMLG) organized an in-Country Assessor Training for Eritrea LEAs in preparation for Eritrea' evaluation under the Financial Action Task Force (FATF) Framework. Additional capacity building was extended to FIU officials in the region to enhance their strategic analysis and operational effectiveness to identify financial crimes related to money laundering and terrorist financing. Furthermore, COMESA supported Zambia's 2nd National Risk Assessment on Money Laundering and Terrorist Financing to identify potential vulnerabilities and resilience in the country and comply with the risk-based framework of FAFT. COMESA in partnership with the United Nations MASC Foundation organized a regional training for National Counter-Terrorism Centers to build their capacities on tackling terrorism and violent extremism and to enhance capacities and cross-sharing of knowledge among and between national counter-terrorism centers and Civil Society Organizations. Additionally, exchange visits were conducted between the Zambia and Uganda NCTCs and the Malawi and Kenya NCTCs. The objective of the exchange visits was to facilitate peer learning, information sharing and exchange of best practices among NCTCs.

Climate Change, Peace and Security Nexus

Understanding and responding to climate related risks has become a strategic priority for COMESA, owing to the realization that issues of climate change have a potential to generate conflict. In this context, COMESA synthesized the reports of the five cluster studies on the nexus between climate change and peace and security conducted in 2023. The cluster studies included the following clusters: Horn of Africa, Islands, Tropics, Southern Africa and the Northern Africa. The synthesized report came up with the Programmatic Action Plan (PAP) to operationalise the recommendations from the cluster reports. The PAP highlights resilience and adaptation mechanisms to climate change and identifies responsibilities of various stakeholders in the various clusters to strengthen mitigation measures. The synthesized report further highlights best practices that peacebuilding entities including Government agencies, Civil Society Organizations, development partners, and local authorities can apply in addressing, mitigating and resolving climate change-induced conflicts in the region. The focus included utilization of the COMESA Handbook on Mediation of Natural Resource-Based Conflicts. Building on this process, in the period under review, a total of 139 local peacebuilders were equipped with skills to address and manage natural resource-based conflicts.

Elections Observation

Cognizant of the importance of elections in the consolidation of democracy in the region, COMESA in partnership with the African Union observed elections in the Republic of Rwanda in July 2024. COMESA's participation in election observation in its Member States is in line with the provisions of Article 6(h) of the COMESA Treaty which commits all COMESA Member States to the promotion of democracy and the rule of law. Credible and legitimate democratic elections are a foundation to sustainable peace, security, and stability in the region. A democratic COMESA Region will create a conducive environment for foreign and domestic investment that will translate into economic benefits and development for its people. The elections were observed in line with the COMESA Election Observation Guidelines and the 2007 African Charter on Democracy, Elections, and Governance, the 2012 OAU/AU Declaration of Principles Governing Democratic Elections in Africa, and Agenda 2063. The joint mission provided recommendations on areas of improvement in the conduct of future elections. The recommendations are geared towards improving the electoral processes and strengthen democracy in the region.

Youth Peace and Security Agenda

Progress was made towards institutionalizing the Youth, Peace and Security (YPS) Agenda. Particularly, the Policy Organs validated and adopted Guidelines for the Establishment of National Youth Councils. The objective of the Guidelines is to strengthen the National Youth Councils in the region. To further strengthen youth engagement in the YPS agenda, a High-Level Ministerial Conference was organized by COMESA in collaboration with the Government of Madagascar and partners in December 2024 in Antananarivo, Madagascar. The conference focused on enhancing youth involvement in the peace and security agenda across the Island States and more specifically, the role of Governments and AU/RECs/RMs in the promotion of the YPS Agenda in the Islands States. Additionally, COMESA in collaboration with the Government of Burundi and partners organized the Third Regional Capacity Building of National Youth Councils, Youth-led and Youth Focused Organizations on the Implementation of the "AU Silencing the Guns Initiative" (STG). The objective of the workshop was to enhance the understanding of the youth on the YPS agenda and to provide a platform to mobilize the national youth councils and youth organizations to take key actions

to fast-track the implementation of the Silencing the Guns Initiative as well as fast-track the development of National Action Plans on Youth Peace and Security in the Eastern Africa Region.

Children Affected by Armed Conflict

COMESA continued to prioritize issues of Children Affected by Armed Conflict (CAAC) in the region. COMESA developed three policy guiding documents namely:

i) COMESA Strategy on Children Affected by Armed Conflicts

ii) Technical Guiding Note for Troop and Police Contributing Countries on Disarmament, Demobilization and Reintegration of Children Formerly Associated with Armed Forces and Armed Groups in the COMESA Region.

iii) Guidance Notes on Involvement of Children in Post-Conflict Reconstruction and Development.

The documents intend to guide regional initiatives and provide a framework for effective delivery of programmes on children affected by armed conflict. The policy documents will further guide Member States in implementing and dealing with CAAC issues. The desired outcome is that all CAAC initiatives within the region are informed by the policy documents to avoid ad hoc engagements by regional child rights duty-bearers.

Post-Conflict Reconstruction and Development

On post-conflict reconstruction and development, a key achievement was the establishment of a formalized Joint Border Committee at the Kipushi Border Area of the Republic of DR Congo and the Republic of Zambia as well as the finalization of the Impact Assessment Study of the Trading for Peace Programme. The report will be validated in 2025.

2. PHYSICAL INTEGRATION/CONNECTIVITY

This pillar aims to reduce trade barriers and enhance regional connectivity through physical infrastructure development and connectivity. It includes programmes on transport, ICT, and energy, with a focus on policy and regulatory harmonization. Additionally, the programme addresses logistics challenges to improve border infrastructure and cross-border trade flows. Strengthening of the development of economic infrastructure is central to COMESA's broader goals of regional integration and economic growth.
The Secretariat focused on the following:

- **ASCENT Programme:** Moving from the planning stages to active implementation, ensuring that the programme begins to deliver tangible results in expanding energy access.
- **RIFF Project Environmental Activities:** Ensuring projects financed under RIFF adhere to environmental standards and contribute to sustainable development.
- **Electricity Regulation (RAERESA):** Creating a consistent regulatory landscape to facilitate cross-border electricity trade and investment.
- **Transport Sector Developments:** Focusing on strengthening transport infrastructure advanced through multiple initiatives, efforts included improvement of corridor management, support to the development of the air transport sector across the EA-SA-IO region, and exploration of maritime and river transport opportunities.
- **Telecommunications/ICT:** Focusing on creating an enabling environment through policy and regulatory reforms through implementation of the EGEE-ICT Programme. Further, efforts included boosting digital infrastructure investments, enhancing digital skills and innovation, and promoting cybersecurity.
- **Inclusive Digitalization for Eastern and Southern Africa (IDEA):** The IDEA Project, funded by the World Bank with USD 10 million, aims to build affordable broadband, develop trusted data platforms, and enable digitally driven growth in targeted sectors.

2.1 Energy Programme

Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) Programme

The ASCENT Programme, a $5 billion initiative funded by the World Bank, aims to provide electricity access to 100 million people in Eastern and Southern Africa, with COMESA implementing a regional $50 million Technical Assistance Programme. Launched jointly in June 2024, four countries namely, Rwanda, Somalia, São Tomé, and Tanzania have signed agreements to participate in the programme. Key progress includes designing a Project Preparation Facility (PPF) to assist countries to develop fundable projects and developing a Digital Monitoring, Reporting, and Verification (DMRV) Platform, Prospect, to track results and facilitate carbon credit monetization. The platform is expected to be operational in early 2025.

Challenges faced by the programme impacting implementation include slow Member State responses and VAT exemption issues. Looking ahead to 2025, the focus of the programme will be on approving legal frameworks, launching the PPF and support facilities, and operationalizing the Prospect DMRV Platform to advance energy access and climate-smart technology integration across the region.

Regional Infrastructure Finance Facility (RIFF) Project

The World Bank funded Regional Infrastructure Finance Facility (RIFF) Project, has the objective of expanding long-term finance to private firms in selected infrastructure sectors in Eastern and Southern Africa. Implementation of the RIFF Project in 2024 registered satisfactory progress across multiple initiatives. Key achievements include developing and operationalizing a Solar Product Registration System in Zimbabwe, supporting Malawi in adopting and enforcing solar energy standards and providing tariff-setting training in DR Congo and Uganda. Further, the project advanced energy policy updates for Zimbabwe and support for South Sudan, despite administrative delays. Additionally, milestones were reached in developing regional PPP guidelines and laws.

Harmonizing Electricity Regulation (RAERESA)

The Regional Association of Energy Regulators for Eastern and Southern Africa (**RAERESA**) is a specialized agency of COMESA established to promote regional integration and investment in the energy sector by harmonizing regulatory frameworks among Member States.

2.2 Transport Sector Developments

In 2024, the Secretariat focused on strengthening transport infrastructure advanced through multiple initiatives, including efforts to improve corridor management, support the development of the air transport sector across the

EA-SA-IO region, and explore maritime and river transport opportunities. Key achievements included establishing corridor management institutions in Djibouti and Port Sudan, conducting awareness campaigns on the Single African Air Transport Market (SAATM), and completing a feasibility study for a shipping line connecting COMESA Island States and the establishment of a Nile-Mediterranean navigational route - VICMED which promises to enhance regional trade, reduce costs, and promote socio-economic integration. Further, the second phase of the Tripartite Transport and Transit Facilitation Programme (TTTFP2) was formulated, supporting harmonization of cross-border transport laws and agreements.

2.3 Telecommunications/ICT

COMESA focused on the critical role of ICTs in socio-economic development and regional integration, focusing on creating an enabling environment through policy and regulatory reforms, boosting digital infrastructure investments, enhancing digital skills and innovation, and promoting cybersecurity.

Enhancement of Governance and Enabling Environment in the ICT sector (EGEE-ICT)

In the period under review, the region made notable progress through implementation of the EGEE-ICT Programme which focused on developing policies on roaming, interconnections, open access, and broadband cooperation, and capacity-building efforts. Additionally, audits were undertaken to affirm strong governance and financial management.

Inclusive Digitalization for Eastern and Southern Africa (IDEA)

The IDEA Project, funded by the World Bank with USD 10 million, aims to build affordable broadband, develop trusted data platforms, and enable digitally driven growth in targeted sectors. Overall, the project underscores ongoing efforts to foster a more inclusive, secure, and innovative digital economy across Eastern and Southern Africa. The first phase of the Multiphase Programmatic Approach (MPA) will include four operations for COMESA, DR Congo, Angola, and Malawi. The rationale for commencing the IDEA MPA with COMESA is to ensure that an appropriate Regional Economic Community (REC) leads regional coordination of IDEA and creates key foundations and a mechanism for learning for regional implementation. The region will benefit from this project as follows:

- 180 million people will gain new or improved access to internet connectivity.
- 100 million people, including refugees and persons with disabilities, will benefit from digital IDs and accessible technologies.
- 100 million+ expected to benefit from digital services and income-generating platforms.
- At least 50% of all beneficiaries will be women.
- ICT service providers (e.g., mobile operators, ISPs, cloud providers) will benefit from infrastructure and procurement opportunities.
- Start-ups and entrepreneurship hubs will receive TA and grant support.
- MSMEs will gain access to internet, Dynamic Frequency Selection (DFS), smart devices, and skills training.
- Digital businesses will benefit from access to larger regional markets.
- Ministries, regulatory bodies, and agencies for ICT, trade, Dynamic Frequency Selection (DFS), and data protection will receive technical and financial support.
- Unconnected public institutions, including schools, clinics, and government offices, will benefit from new infrastructure.

3. PRODUCTIVE INTEGRATION

This pillar aims to promote the development of competitive, sustainable and profitable agriculture and industries that contribute to economic and social prosperity of the COMESA region.

The Secretariat focused on the following:

- **COMESA Agriculture Programme:** To support sustainable food production and ensure food and nutrition security through the implementation of programmes including the Comprehensive Africa Agriculture Development Programme (CAADP), agri-food data systems, and livestock and fisheries development.

- **Blue Economy:** With the aim to advance the region's maritime, fisheries and tourism sectors.

- **Fostering Industrialization:** Ensuring support to the domestication and implementation of regional frameworks aimed at fostering industrialization and SME development across its Member States.

- **Investment Promotion:** Focused on advancing regional investment and business development initiatives including development of Guidelines for Enhancing the Business and Investment Environment for SMEs and review of the COMESA Double Taxation Avoidance Agreement (DTAA) Model and the COMESA Common Investment Agreement (CCIA).

- **Sanitary and Phytosanitary (SPS) and Technical Standards (TBT):** Focused on strengthening the COMESA Reference Laboratory System, Plant Health and Food Safety, Regional Metrology Infrastructure, and advancing implementation of Mutual Recognition Agreements (MRAs) to enhance intra-regional trade in agricultural commodities.

- **Climate Change Programme:** With a key focus to support Member States with Nationally Determined Contributions (NDC) revisions, assisting in climate change negotiations, and fostering resilience building.

3.1 COMESA Agriculture Programme

The COMESA Secretariat has made notable progress in the implementation of planned interventions under its agriculture and food security agenda. In collaboration with the African Union Commission (AUC), AUDA-NEPAD, and other partners, the Secretariat advanced the implementation of the Comprehensive Africa Agriculture Development Programme (CAADP). Technical and capacity-building support was provided to Comoros, Zambia, Seychelles, and Eritrea in the formulation and implementation of their National Agriculture and Food Security Investment Plans (NAIPs). Further, the Secretariat co-organized regional stakeholder consultations, contributing to the development of the Post-Malabo CAADP Strategy and Action Plan (2026–2035), which was adopted by the AU Specialized Technical Committee on Agriculture, Rural Development, Blue Economy, and Sustainable Environment in October 2024. This new strategy marks a shift from agriculture-led growth to a comprehensive agri-food systems approach, with six strategic objectives: intensifying sustainable food production and trade; increasing investments and financing; ensuring food and nutrition security; promoting inclusive and equitable livelihoods; enhancing resilience; and strengthening governance.

Furthermore, COMESA prepared a regional policy brief based on the 2023 (4th) CAADP Biennial Review Report. Despite some progress, the report revealed that no COMESA Member State was on track to meet the Malabo Targets by 2025, including those on hunger eradication, poverty reduction, and intra-African agricultural trade. The brief provided strategic policy recommendations focused on increasing financial investments, strengthening technical and institutional capacities, and enhancing the participation of youth, women, and the private sector, while addressing trade barriers to promote regional integration.

Regarding the strengthening of the agri-food data systems, the Secretariat advanced the development and implementation of a pilot Regional Food Balance Sheet (RFBS) Initiative. Key achievements included establishing a governance structure, designing the RFBS tool and analytics, coordinating stakeholders, identifying data sources, and launching a Minimum Viable Product (MVP) of the platform. A final assessment revealed widespread stakeholder adoption, with governments utilizing the tool for food trade and policy planning, and private sector actors applying it in business decision-making. Phase I of the RFBS initiative aimed to contribute to food security, regional trade, and improved livelihoods. Building on this success, Phase II of the initiative—titled "Strengthening Systems for Agri-Food Data and Information Generation and Dissemination" was developed and funded, aiming to expand coverage to additional Member States and commodities over the next three years.

Following the launch of Phase II, the Secretariat convened a regional public-private policy dialogue informed by RFBS analytics. The dialogue addressed key challenges such as export bans, trade predictability, food safety standards, and youth engagement and provided a platform for networking between private sector players and policymakers. In addition, the Secretariat participated in a high-level regional seed policy dialogue in Lusaka, Zambia, where it contributed to discussions on addressing policy bottlenecks in seed trade and harmonization.

In the period under review, the Secretariat finalized a regional strategy on irrigation development and agricultural water management, along with technical guidelines for the establishment and management of Strategic Food Reserves (SFRs). Due to budget constraints, technical support for domestication was limited to Malawi. Broader domestication efforts are pending approval of the strategy by the COMESA Sectoral Committee and Council.

To mobilize technical and financial resources, the Secretariat co-developed two regional project proposals: a US$22 million initiative on building resilient and inclusive agri-food systems under the AfDB Transition Support Facility (2024 Call), and a US$10 million project on promoting blue economy trade corridors and resilient fish value chains under the AfDB Regional Public Good (RPG) Call. Additionally, in collaboration with the Blue Economy Programme, the Secretariat drafted a partnership framework with the University of Manitoba to promote competitive and inclusive dried fish value chains aimed at improving food and nutrition security. A Memorandum of Understanding (MoU) to formalize this partnership is under development. Further, the Secretariat supported the formulation of an MoU with the United Nations Economic Commission for Africa (UNECA), focusing on agricultural value chains, green energy promotion, and climate-resilient agriculture. Furthermore, a MoU was established with AKADEMIYA2063 to strengthen Member States' technical capacities for evidence-based policymaking and data analytics, aimed at improving food security, climate resilience, and regional market competitiveness.

Livestock and Fisheries Development

The Livestock Development Programme has been actively engaged in collaborations with COMESA Member States' veterinary and animal production authorities, regional economic communities (RECs), and global organizations, including the African Union Inter-African Bureau for Animal Resources (AU-IBAR), the United Nations Food and Agriculture Organization (FAO), and the World Organization for Animal Health (OIE). The partnerships aim to enhance animal production, productivity, and trade in animal products. The following activities were successfully completed by the Fisheries and Livestock Programme:

Livestock Programme

The programme made significant strides in improving livestock production and trade. Key achievements include enhancing the participation of the private sector, especially small and medium-scale animal producers and value chain actors, in sustainable regional and global value chains. Representatives from ten COMESA Member States met in Nairobi, Kenya, for a three-day consultative meeting resulting in an agreement to strengthen the capacity of producers, producer organizations, and other value chain actors to boost competitiveness, value addition, and market access.

Another key initiative was the experience-sharing visit to the Kenya Meat Expo, where business-to-business deals were facilitated. This visit allowed participants to identify challenges and areas where capacity building was needed to enhance competitiveness and market access. The programme focused on improving resilience within pastoralist production systems, which are prone to drought and resource conflicts. A partnership with RECs and AU-IBAR led to the establishment of the African Pastoral Markets Development (APMD) Platform. During the APMD Platform Meeting held in Nairobi, Kenya a range of initiatives were introduced, including trade facilitation instruments and the promotion of integrated livestock marketing systems.

Enhancing Regional Dairy, Poultry, Live Animal, and Meat Value Chains

At the 16th Pan African Meeting organized by AU-IBAR in partnership with RECs and the OIE, participants discussed the impact of endemic diseases on livestock production and productivity, focusing on dairy, poultry, small ruminants, and beef production. A key outcome was an agreement to introduce minimum farm gate prices for milk producers in order to protect them from price volatility, drawing lessons from Kenya's experience. Additionally, the meeting addressed challenges in the poultry sector, such as the limited number of breeder farms in the region and emphasized the need for investment in poultry processing facilities and technology. The discussion on the meat and live animal value chain highlighted the importance of quarantine feedlots and the inspection of abattoirs by importing countries to ensure the safety of live animal exports.

Enhancing Animal Health to Control Transboundary Animal Diseases (TADs)

The programme took significant steps in strengthening animal health management to support access to export markets. In partnership with the World Organization for Animal Health (WOAH), it organized a meeting in Lusaka, Zambia, to evaluate the status of Contagious Bovine Pleuropneumonia (CBPP), a major transboundary animal disease in Southern Africa. A range of measures were agreed upon to control and eradicate the disease. Further, the programme supported Madagascar in evaluating the performance of its veterinary services, focusing on clinical, SPS, and laboratory services at both national and regional levels.

Additionally, the programme has been instrumental in the control of other transboundary animal diseases (TADs) through the Global Framework for the Progressive Control of TADs (GF-TADs). COMESA supported Member States in reporting outbreaks of TADs and facilitated control measures where necessary. The programme participated in the 91st General Assembly of the World Organization for Animal Health, during which African positions on animal health standards were presented and an MoU signed between COMESA and WOAH.

3.2 Blue Economy

The Blue Economy Programme has made significant progress in advancing the region's maritime, fisheries and tourism sectors. A major achievement in the period under review includes the development of the COMESA Policy Framework and Reform Strategy for Fisheries and Aquaculture (PFRS) with support from AU-IBAR. The PFRS serves as a blueprint for the sustainable management and development of the sectors and was validated by 18 Member States in a meeting held in September 2024, in Kampala, Uganda. Efforts are underway to mobilize resources for its implementation with five (5) Member States receiving support.

In collaboration with the University of Birmingham, a technical report on the Status of Collaborative and Community-Based Fisheries Management in the COMESA Region was completed and validated by 18 Member States in August 2024. The report proposes recommendations for the effective implementation of co-management of a fisheries management tool in the region.

The ECOFISH Programme supported regional training on communication skills to raise awareness of the importance of fisheries and aquaculture, resulting in numerous articles produced by journalists across the region. Pilot activities in 4 Member States were undertaken, and lessons learned shared through a regional workshop.

In the period under review, COMESA actively implemented the African Fisheries Reform Mechanism (AFRM) to promote the adoption of reforms aimed at transitioning Africa's fisheries to sustainable practices. Additionally, the programme established regional women's chapters to support women and youth in the fisheries sector, where over 60% of fish traders are women. Through initiatives in Uganda and Kenya's Busia Border, more than 200 women and youth were trained on fish quality assurance and safety to facilitate market access.

In collaboration with the United Nations Development Programme - Regional Service Centre for Africa (UNDP-RSCA) COMESA provided technical support to two short term projects under the Ocean Innovation Challenge which were successfully implemented from July-December 2024 in Kenya focusing on fisheries and Madagascar focusing on blue tourism. The innovations aimed at creating/ disbursing innovative technologies that support ocean sustainability in ocean communities.

The Secretariat further launched a situational analysis on women's engagement in the fisheries sector across the COMESA region. This initiative seeks to generate evidence-based recommendations that will inform the design of gender-sensitive interventions aimed at increasing women's participation in the fish value chain. In support of national strategies, the Secretariat developed Terms of Reference (TORs) to aid the formulation of National Blue Economy strategies for Rwanda and Burundi.

Additionally, the Blue Economy Programme initiated promising collaborations - A letter of intent (LOI) is under development in partnership with IFAD, and a collaboration research agreement is being formulated with the University of Manitoba, Dried Fish Matters Office. Further, the programme co-developed two project proposals with various internal stakeholders and partners, which have been submitted to the Agence Française de Développement (AFD Bank) for funding support.

3.3 Fostering Industrialization

In 2024, the COMESA Secretariat continued to support the domestication and implementation of key regional frameworks aimed at fostering industrialization and SME development across its Member States. The frameworks included the COMESA Regional Industrial Policy and Strategy, the Regional MSME Framework, and the Regional Local Content Policy Framework. The Secretariat focused on mobilizing both technical and financial resources to drive industrialization efforts, while promoting competitiveness and market access for the private sector, with particular attention to women- and youth-owned enterprises. Several significant milestones were achieved throughout the year.

A notable initiative was the Zambia–Zimbabwe Joint Industrialization Programme, which will culminate in the establishment of a Common Agro-Industrial Park (CAIP). Potential sites for the park were identified at Musokotwane Farm Block in Kazungula District, Zambia, and five locations in Mashonaland West Province, Zimbabwe. Work is ongoing to establish a Special Purpose Vehicle (SPV) to manage the initiative, which, upon successful implementation, is expected to serve as a model for replication in other COMESA Member States.

Further, the Secretariat initiated and finalized the Mid-Term Review of the COMESA Industrialization Strategy, aimed at assessing progress against its objectives. The review is currently awaiting validation by Member States and is expected to inform future strategic directions for regional industrialization. Additionally, the Secretariat began a comprehensive review of the COMESA MSME Policy, with the development of an Implementation Strategy and a costed Action Plan. The initiative seeks to align the policy with evolving global and regional business environments, to enhance the role of MSMEs, and guide future COMESA interventions in this sector.

In collaboration with UNECA, the Secretariat implemented a project to domesticate the African Union (AU) Guidelines on Regional Agriculture Value Chains (RAVCs), focusing on the maize and dairy value chains in Zambia and Zimbabwe. This project involved the development of policy frameworks, institutional reviews, and export strategies, as well as stakeholder training on integrating RAVCs into national development plans to support diversification and intra-African trade.

Another key area of focus was the development of the regional pharmaceutical sector - Following the establishment of a Project Implementation Unit (PIU) for the COMESA Support Towards Regional Pharmaceutical Sector Development, the Secretariat held introductory engagements with Member States and key partners, including Africa CDC, AUDA-NEPAD, WHO, UNIDO, and USAID. The inaugural Project Steering Committee Meeting was held on 24 May 2024, with over 30 stakeholders from 10 Member States in attendance. The procurement process for the COMESA Green Pharmaceutical Manufacturing Strategy and Business Plan, which is set to guide the sector's development over the next decade was completed in December 2024.

In partnership with the African Medicines Regulatory Harmonization (AMRH) Programme, the Secretariat supported capacity building of National Medicines Regulatory Authorities (NMRAs) and harmonization efforts across Member States. Notably, in November 2024, the Secretariat commissioned a policy framework and roadmap to promote gender equity in the pharmaceutical sector, aiming to mainstream gender considerations throughout the value chain. A training workshop on regulatory information management systems, held on 2–4 December 2024, was attended by 27 participants from 14 Member States. The event facilitated the sharing of knowledge and the uploading of medicine registers from Madagascar and Sudan onto the continental platform. Concurrently, an assessment of laboratory capacity for medicine testing and certification was conducted, paving the way for the procurement of equipment to strengthen quality control laboratories.

The Secretariat continued its work in capacity building and gender-sensitive research. In August 2024, a regional networking and mentorship meeting for women in the pharmaceutical sector was held in Kigali, Rwanda, with support from WomenLift Health. This event, attended by 24 participants from 11 Member States, identified key actions to dismantle cultural barriers, enhance gender-disaggregated data collection, and create more networking opportunities. Two studies were conducted as part of this initiative: the first study focused on women's specific health needs, such as reproductive health, breast, and cervical cancer, and the second on drug and alcohol abuse among youth in the region.

The Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP) made significant strides in 2024. The programme which aims to deepen regional economic integration by increasing private sector participation in regional and global value chains, achieved several key milestones. Noteworthy achievements included organizing business dialogues and trade missions, strengthening business intelligence by educating 577 SMEs on digital marketing platforms, and expanding the BIZNET platform to cover horticulture, agro-processing, and leather products. Additionally, the programme supported the development of a hides and skins traceability system and the certification of eco-friendly leather products across 14 Member States.

Additionally, RECAMP's interventions included the implementation of the Global Markets Programme on Sanitary and Phytosanitary (SPS) Measures in 10 Member States, through developing standard operating procedures for 11 staple food crops and rolling out Technical Assistance Facility (TAF) Projects In 9 countries. Key results included the establishment of a beef feedlot in Eswatini, the strengthening of Malawi's rice value chain, and the enhancement of Zimbabwe's leather sector. Collectively, these efforts have played a pivotal role in advancing regional integration, improving SME competitiveness, enhancing market access, and strengthening cross-border business linkages.

3.4 Investment Promotion

In the period under review, significant progress was made in advancing regional investment and business development initiatives. Under RECAMP, the Secretariat developed and validated Guidelines for Enhancing the Business and Investment Environment for Small and Medium Enterprises (SMEs). The guidelines serve as a reference for good practices that Member States may adopt or adapt to improve SME competitiveness and the overall business climate. The guidelines were adopted by 16 Member States, namely Burundi, Comoros, Djibouti, DR Congo, Egypt, Eswatini, Kenya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, and Zambia. Encouragingly, several countries have begun implementation, with one Member State formally requesting assistance to align its national reforms with the regional guidelines.

Additionally, the Secretariat finalized the revision of the COMESA Double Taxation Avoidance Agreement (DTAA) Model under RECAMP. The revised model, aligned with international standards such as the OECD and UN Models, was validated by 16 Member States, including Comoros, Djibouti, DR Congo, Egypt, Eswatini, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, and Zambia. This revised DTAA Model will serve as a reference framework for Member States when drafting or reviewing their bilateral or multilateral tax agreements within COMESA or with third parties. The Secretariat will continue to support Member States in aligning their national DTAAs with the regional model.

In response to the slow ratification and domestication of the 2017 COMESA Common Investment Agreement (CCIA) and in light of the African Union's 2023 Protocol on Investment, the Secretariat collaborated with the United Nations Conference on Trade and Development (UNCTAD) to revise the CCIA. This process incorporated Member States' feedback and ensured alignment with continental frameworks such as the AfCFTA Protocol on Investment. A validation workshop attended by 19 Member States endorsed the revisions and affirmed the importance of the CCIA in supporting regional integration.

To facilitate continuous learning and experience-sharing among Member States, the Secretariat launched the COMESA Investment Community of Practice (CICOP), a regional platform developed under RECAMP. Nineteen Member States participated in the launch and welcomed the initiative. CICOP aims to foster knowledge exchange, best practices, and networking among investment stakeholders, providing access to up-to-date investment information, discussion forums, and technical resources that promote value chain development and investment climate reform.

In terms of capacity building, the Secretariat organized two regional workshops for investment promotion stakeholders. The first focused on designing responsible agricultural investment contracts, equipping government officials with skills to negotiate balanced and sustainable agreements that reduce investor-state disputes. The second workshop centered on the minimum tax global rule, enhancing Member States' understanding of its implications for national investment policies. As an outcome, Member States requested the development of a COMESA Regional Model Investment Contract Template for which the Secretariat secured technical assistance from the International Institute for Sustainable Development (IISD).

The Secretariat strengthened strategic collaborations with several international organizations including IISD, UNCTAD, OECD, UN Tourism, UNECA, and the Intergovernmental Forum on Mining and Minerals. A Memorandum of Understanding has been signed with IISD, and another with UN Tourism is at an advanced stage of negotiation. The partnerships will be instrumental in advancing the Secretariat's investment promotion agenda and enhancing regional cooperation in line with global best practices.

3.5 Sanitary and Phytosanitary (SPS) and Technical Standards (TBT)

Under the COMESA Trade Facilitation Programme, efforts to strengthen the COMESA reference laboratory system advanced through the identification and designation of additional reference and satellite laboratories. Between 27 May and 2 August 2024, on-site assessments of 33 proposed laboratories were carried out across ten Member States: Egypt, Ethiopia, Kenya, Malawi, Madagascar, Mauritius, Tunisia, Uganda, Zambia, and Zimbabwe. A validation workshop held from 1–3 October 2024 confirmed the assessments and laboratory recommendations. Ten reference laboratories, two for Animal Health, five for Food Safety, and three for Plant Health were identified and are pending formal designation by the Council of Ministers. Additionally, 12 satellite laboratories one for Animal Health, six for Food Safety, and five for Plant Health, have been validated, awaiting designation.

In the domain of plant health and food safety, eleven Member States Egypt, Eswatini, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, Somalia, Tunisia, Zambia, and Zimbabwe completed eLearning courses on Pest Risk Analysis, Phytosanitary Inspection, Export Certification, and Surveillance and Reporting Obligations. The Pest Risk Analysis course has been translated into French and is being adapted for eLearning delivery by COLEAD, with all materials hosted on the FAO platform and accessible to all COMESA Member States. From 22–26 April 2024, a hands-on diagnostic training course on Fusarium TR4 was delivered in collaboration with the IPPC Secretariat and the International Atomic Energy Agency (IAEA). Fifteen participants from Burundi, Comoros, DR Congo, Eritrea, Eswatini, Ethiopia, Kenya, Madagascar, Malawi, Seychelles, Somalia, Uganda, Zambia, and Zimbabwe attended. This was complemented by a virtual surveillance training course on Fusarium TR4 from 6–10 May 2024, attended by 17 officials from the NPPOs of the same countries. Additionally, a hands-on training in partnership with Kenya's NPPO (KEPHIS) focused on emergency preparedness and pest management strategies using Fusarium TR4 as a case study.

In strengthening regional metrology infrastructure, COMESA procured metrology equipment worth €2.7 million covering mass, volume, temperature, and dimensional measurement based on a 2020 assessment of National Metrology Institutions (NMIs) and Legal Metrology Organizations (LMOs). Equipment delivery was made to 16 NMIs and LMOs across 14 Member States: Burundi, Djibouti, Egypt, Ethiopia, Eswatini, Madagascar, Malawi, Seychelles, Sudan, Uganda, Zambia, Zimbabwe, DR Congo, and Rwanda. Due to the complexity and diversity of equipment types, deliveries spanned the full reporting period.

Efforts to strengthen the regional conformity assessment infrastructure continued under the 11th EDF Programme -This intervention focuses on enhancing testing laboratory capacities for mutual recognition of test results, which is essential for intra-regional trade. Accreditation to ISO/IEC 17025 is the benchmark for ensuring testing reliability and consistency. To support accreditation, COMESA, in collaboration with Texas A&M AgriLife Research Centre, conducted a proficiency testing (PT) round on fumonisins in cereals in August 2023. A subsequent evaluation and capacity-building workshop was held from 15–17 April 2024 in Kigali, Rwanda, focusing on measurement uncertainty, method validation, and quality control. Twenty participants from Ethiopia, Kenya, Malawi, Rwanda, Uganda, Zambia, and Zimbabwe attended.

COMESA, with support from AGRA, advanced implementation of Mutual Recognition Agreements (MRAs) to enhance intra-regional trade in agricultural commodities. This initiative was piloted in Kenya, Uganda, Malawi, Rwanda, Zambia, and Zimbabwe, covering maize, groundnuts, soybeans, rice, beans, and sorghum. National stakeholder consultations were conducted through National Technical Working Groups (NTWGs), and six bilateral negotiations took place: Kenya–Uganda, Malawi–Zimbabwe, and Zambia–Zimbabwe. The Zambia–Zimbabwe MRA was cleared by Zimbabwe in November 2024 and by Zambia in December 2024 with comments requiring reconsideration. The Malawi–Zimbabwe MRA was cleared by Zimbabwe but was still pending clearance by Malawi as of the reporting period's end. Kenya and Uganda agreed to sign their MRA in Q1 2025, pending clearance by their respective legal authorities, starting with Uganda. A high-level engagement is scheduled for February 2025 to accelerate this process.

To enhance the capacity of Certification Bodies in the region, COMESA, with technical support from the German Metrology Institute (PTB), implemented an intervention to address the scarcity of affordable, accredited certification services an issue often raised by the private sector. A regional assessment identified priority gaps, and on 5–9 February 2024, a capacity-building workshop was held in Addis Ababa. Training focused on ISO 17020 (inspection bodies), ISO 17021 (audit and certification of management systems), and ISO 17065 (certification of products, processes, and services). Two parallel sessions were held in English and French. Twenty-seven participants from 13 English-speaking Member States Egypt, Eswatini, Kenya, Malawi, Mauritius, Seychelles, Somalia, Sudan, Tunisia, Uganda, Zambia, Zimbabwe, and Ethiopia participated, along with eight officers from four French-speaking countries: Burundi, Comoros, DR Congo, and Madagascar.

3.6 Climate Change Programme

The Climate Change Programme has been actively involved in providing capacity building, supporting Member States with Nationally Determined Contributions (NDC) revisions, assisting in climate change negotiations, and fostering resilience building. Through these interventions, the Secretariat aims to enhance the capacity of COMESA Member States to comply with the enhanced transparency requirements of the Paris Agreement. The Secretariat has also been instrumental in supporting climate change mitigation and adaptation initiatives, with a specific focus on developing and implementing a harmonized domestic Measuring, Reporting, and Verification (MRV) System.

In 2024, the Climate Change Programme continued to implement the Global Environment Facility (GEF) CBIT regional project, which focuses on building the capacity of four COMESA Member States namely, Eritrea, Comoros, Seychelles, and Zambia to meet the enhanced transparency framework of the Paris Agreement. This initiative includes strengthening national transparency frameworks through the development of fully functional MRV systems for effective NDC implementation and other transparency-related activities. The Unit has conducted multiple workshops, including Greenhouse Gas (GHG) and MRV technical training for government officials of the four countries, and supported the improvement of institutional arrangements for data collection and reporting.

In Zambia, the Secretariat successfully supported the launch of the Zambia Green Growth Strategy, which aligns with the UN Sustainable Development Goals and focuses on transitioning the country to a low-carbon, resource-efficient, and climate-resilient economy by 2030. Additionally, the Secretariat contributed to the development of Zambia's National Resource Mobilization Strategy, which emphasizes the need for accessible financial resources to support Zambia's green economy transition.

In Zimbabwe, the Secretariat supported a project aimed at upscaling energy, water, and Hydrochlorofluorocarbon (HCFC) audits in private and public sector institutions. The project aims to facilitate the adoption of energy efficiency measures and the use of renewable energy sources, in line with Zimbabwe's revised NDC, which identifies economy-wide mitigation and adaptation measures for climate resilience.

As part of its efforts to support climate change negotiations, the Secretariat actively participated in the 60th Subsidiary Body for Implementation and the Subsidiary Body for Scientific and Technological Advice (SBSTA) Bonn Meetings, where it supported Member States in advancing key climate issues such as climate finance, loss and damage, and carbon markets. Furthermore, the Unit engaged in resource mobilization, submitting six proposals to potential funders to support NDC capacity building for Member States, with three of these proposals currently in pre-contract negotiations.

Through these efforts, the Climate Change Programme continues to play a critical role in driving climate action and fostering the sustainable development of COMESA Member States in alignment with global climate goals.

The programme faced a range of interrelated challenges that hindered effective implementation of its 2024 workplan. Key among these was inadequate financial resourcing, which restricted implementation of key activities, and delayed operationalization of major initiatives including the COMESA Resilience Framework and Reference Laboratory System. Additionally, limited staffing undermined responsiveness to Member States' technical needs. Implementation was further delayed by lengthy procurement and approval processes, slow data collection, and frequent changes in national officials. Further, Member State engagement was low, particularly in self-funded activities, affecting the domestication of regional agreements and continuity. Key policy and strategic recommendations faced operational barriers, which included persistent food trade restrictions. Additionally, climate change and conflict in pastoral areas negatively affected livestock and fisheries productivity. Operational issues, including shipping delays due to Red Sea instability and delayed VAT approvals hampered efficiency and delivery.

Way Forward

To address these challenges, the programme emphasized the following:

- Strengthened resource mobilization through partnerships with development agencies and technical institutions such as UN Institutions, African Union institutions, European Union, Arab Development Bank, and AfDB. Concept notes and project proposals should be developed to access additional funding opportunities like GEF and the NDC Partnership.
- Enhancing Member State engagement to be prioritized, with strategies such as hybrid meetings, increased focal points, and encouraging domestic resource allocation.
- Internal collaboration within COMESA and COMESA institutions and improved coordination with stakeholders to avoid duplication of efforts and enhance programme sustainability.
- Public-private partnerships and stakeholder dialogues to scale up production and implement policy recommendations.
- Addressing regulatory barriers, improving procurement efficiency, and operationalizing key infrastructure such as the Reference Laboratory System to achieve programme targets.
- Integrate cross-sectoral planning linking sectors like agriculture, energy, industry, natural resources and finance to align development with the pillar's objectives.
- Tailored capacity-building approaches, particularly training-of-trainers models and hands-on technical support as opposed to one-size-fits-all strategies in preparing countries for Biennial Transparency Reports and National Communications.
- Continuous stakeholder engagement, strong Member States and private sector involvement, and effective staff onboarding for programme sustainability and impact.
- Strategic partnerships, particularly with institutions like AU-IBAR, IISD, UNECA and UNIDO in resource mobilization and technical support.
- Better coordination across governance levels, respecting the subsidiarity principle, to be reaffirmed. COMESA's convening power will be leveraged to engage stakeholders and promote collaboration.
- The use of digital platforms to enhance communication, visibility, and knowledge sharing.
- Tailored support to contribute to tangible improvements in trade facilitation and integration.

4. GENDER AND SOCIAL INTEGRATION

This pillar aims to foster gender equality and social development to reduce gender inequalities and strengthen inclusion of women and youth in social, political and economic development. In 2024, key focus areas included the following:

- **Gender Mainstreaming and Empowerment of Women:** Interventions focused on integrating gender perspectives into COMESA policies and programmes and empowerment of women to fully participate and benefit from development efforts.
- **Social Development and Youth Empowerment:** Supporting the development of inclusive policies and programmes that enhance social integration and enhance youth participation in business activities, and access to economic opportunities.
- **Operationalization of the COMESA Health Desk:** Focusing on ensuring a healthy and resilient population across the COMESA region.
- **Promoting Culture and Tourism:** Focusing on cultural integration within the COMESA region to enhance tourism, promote creative arts, job creation for women and youth, and safeguarding of intellectual property rights.
- **Compilation of Gender-Sensitive Statistics:** Focusing on strengthening the capacity of Member States to compile gender-sensitive statistics that align with COMESA's regional integration agenda.

Gender and Social Affairs Programme

Development frameworks, such as the African Union's (AU) Agenda 2063 and the United Nations Sustainable Development Goals (SDGs), emphasize gender equality, women's and youth empowerment, and social justice—including the right to good health—as fundamental elements for achieving inclusive and sustainable development. Aligned to the continental and global development agendas, the COMESA Programme on Gender and Social Affairs focuses on fostering gender equality and social development with five result areas aimed to strengthen gender and social inclusion, enhancing an enabling environment and effective participation of women and youth in social, political, and economic life. This objective is central to COMESA's broader vision of regional integration and sustainable development, recognizing that gender equality and social inclusion are essential drivers of economic growth, stability, and peace in the region.

In 2024, the COMESA Secretariat continued to implement gender and social integration programmes that promoted inclusive social, health, and economic development, sensitive to the needs of women and youth, significant achievements were made across multiple initiatives as follows:

Development of evidence to support the well-being of youth and gender-specific health needs: Two comprehensive studies were completed and validated by stakeholders on Alcohol and Drug Abuse Among Youth, and the Pharmaceutical Health Needs of Women and Men. The studies provided the groundwork for inclusive policies and programmes that enhance social integration. Specifically, the studies aim to prioritize youths well-being by developing prevention and rehabilitation initiatives on alcohol and drug abuse, while facilitating the sharing of best practices among Member States. The recommendations from the pharmaceutical needs study addresses gender-specific health challenges and promotes equitable access to healthcare services.

Promoting Culture and Tourism - A desk study on cultural events across COMESA Member States was conducted to foster cultural integration within the region. The initiative is set to enhance tourism, promote creative arts, job creation for women and youth, and safeguarding intellectual property rights.

Gender Mainstreaming efforts were advanced in several projects, including SSCBTI, GLTFP, RECAMP, Aviation, ASCENT, and ICT. Additionally, contributions to economic empowerment of women and youth were made through support for the 50MAWS Digital Platform and trade fairs, providing opportunities for growth.

Enhancing Access to Business Information for Women and Youth: Efforts were made to enhance women and youth participation in business activities, and access to economic opportunities. The 50million African Women Speak (50MAWS) Digital Platform for women in business was actively promoted, offering a wealth of valuable information, networking opportunities, and capacity-building services to women and youth across all Member States of COMESA, EAC, ECOWAS, and beyond. Remarkably, the platform attracted over 700,000 users, reflecting its impactful reach and utility.

Capacity Building of Women Entrepreneurs: A business training boot camp for 1,000 women entrepreneurs, organized in partnership with the African Development Bank (AfDB) and hosted on the 50MAWS Digital Platform, was successfully conducted. The programme provided participants with critical business knowledge and tools to empower their entrepreneurial journeys.

Promoting Market Access for Women and Youth SMEs in Collaboration with the COMESA Federation of Women in Business (COMFWB): The Secretariat played a key role in promoting market access for women- and youth-led small and medium enterprises (SMEs). This was achieved through trade fairs, exhibitions, business linkages, and capacity-building initiatives reaching 2,762 participants and 100 exhibitors. Additionally, efforts were made to raise awareness of the opportunities and challenges affecting women's effective participation in regional trade.

Improved legal, Policy and Programme Environment: The Secretariat made significant strides in promoting women's economic empowerment and advancing health initiatives through promotion of the gender policy, development of strategic frameworks on women economic empowerment and health. Key accomplishments include:

Development of the Regional Women's Economic Empowerment Strategy: The strategy serves as a roadmap for fostering gender-inclusive economic growth. Additionally, the Secretariat facilitated public and private sector dialogues aimed at raising awareness and promoting the implementation of the COMESA Gender Policy. These efforts are geared toward creating a supportive trade environment that empowers women economically, particularly in cross-border areas.

Operationalization of the COMESA Health Desk: Launched in February 2024, the Health Desk is dedicated to ensuring a healthy and resilient population across the COMESA region. Its vision underscores health and well-being as foundational pillars for economic prosperity, international competitiveness. The health desk developed a Draft COMESA Health Strategy 2025–2030. This draft strategy establishes the strategic direction for the COMESA Health Desk and its health programmes, aimed to align efforts with broader regional health and development objectives.

Strengthening Capacity for Gender and Youth Integration in Programmes Implemented by Member States, COMESA Secretariat, and COMESA Institutions, achievements included capacity building on gender, multi-stakeholder dialogues and promotion of gender mainstreaming and career opportunities for girls in the aviation sector. Below are the highlights.

- Capacity Building National Workshops: The Secretariat successfully organized and conducted national workshops on the COMESA Gender Policy and other relevant frameworks. The workshops reached stakeholders in Tunisia, Madagascar, and the Comoros, enhancing their understanding and capacity to implement gender-focused initiatives.
- Multi-Stakeholder Engagement and dialogues were successfully conducted with representatives from both the public and private sectors in three COMESA Member States namely Kenya, Madagascar, and Tunisia. Through the engagements, over 316 women and youth in business were sensitized on key COMESA trade instruments, the implementation of the COMESA Gender Policy, and the digital platform designed to empower women in business.
- Promoting Gender Mainstreaming in the Aviation Sector: Capacity-building workshops focused on gender mainstreaming in the aviation sector were organized in Eswatini, Ethiopia, Zambia, and Tunisia to open career opportunities for women. The workshops drew participation from stakeholders across the transport and aviation industries, ministries of education, justice, labour and social affairs, and airlines operating within these countries. Additionally, a showcase programme targeted at high school students was held to inspire young women to explore aviation career paths. This initiative successfully engaged over 300 female students, raising awareness of the opportunities available in the aviation industry.

Strengthened Capacity of Member States to Compile Gender-Sensitive Statistics that Align with COMESA's Regional Integration Agenda, achievements included training of three Member States namely Comoros, Eswatini and Madagascar. The training sessions brought together representatives from diverse sectors, including National Statistics Offices, Ministries of Gender, Agriculture, and Trade, as well as participants from UN agencies, NGOs, CSOs, and the private sector. Additionally, a similar capacity-building initiative was carried out for the Gender Technical Working Group at the Secretariat, further bolstering expertise in gender statistics.

The achievements highlighted were made possible through partnerships and support from the Africa Centre for Disease Control (Africa CDC), AfDB, Africa Resource Centre (ARC), European Development Fund, Investment Climate Reform Facility (ICR), amongst others.

Way-forward

- Continue facilitating public-private dialogues and stakeholder workshops to ensure that programmes are responsive to evolving needs.
- Expand multi-sectoral partnerships, particularly with youth organizations, civil society, and private sector entities to promote inclusive development.
- Extend successful training initiatives on gender statistics and social inclusion to all Member States.
- Develop gender-disaggregated data systems and digital tools for real-time monitoring and evaluation of gender and youth inclusion efforts.
- Finalize and operationalize the Draft COMESA Health Strategy 2025–2030, ensuring alignment with health-related SDGs.
- Review and mainstream gender and social inclusion considerations into all regional policies, trade frameworks, and development programmes.
- Public-Private Dialogues (PPDs) to serve as critical avenues for gathering valuable stakeholder feedback to ensure that programmes remain relevant and impactful through raising awareness on the COMESA Gender Policy, STR, and the digital platform for women in business.
- The training on gender statistics to be extended to all Member States.
- Collaboration with entities such as the Investment Climate Reform Facility (ICR), Africa Resource Centre (ARC), Africa CDC, and financial institutions (AfDB, World Bank) to enhance resource mobilization and programme effectiveness.

5. EFFECTIVE SECRETARIAT

The aim of this pillar is to strengthen the capacity of COMESA and improve the performance of the COMESA Secretariat. The Secretariat focused on the following:

- **Resource Mobilization and International Cooperation:** Supports resource mobilization and strengthening of cooperation/partnerships between COMESA and national, regional and international organisations and partners. This includes the COMESA Brussels Liaison Office (BLO).
- **Legal and Corporate Affairs:** Provides legal advisory services to the Common Market, COMESA Secretariat and COMESA Institutions and Specialized Agencies.
- **Corporate Communications:** Ensures information access, raising public awareness on COMESA regional integration programmes, their positive impact, and opportunities.
- **Information and Communication Technology (ICT):** Focuses on advancing regional trade and integration through support in the development and deployment of various digital systems and maintaining the Secretariat's operational equipment, software and infrastructure.
- **Human Resources and Administration:** Ensures support on issues related to an organizational structure aligned to the 2021-2025 MTSP, knowledge and information services, conferencing, procurement, and general support services.
- **Monitoring and Evaluation:** Focusing on the operationalization of the COMESA Online M&E System to facilitate reporting processes and capacity building of COMESA Secretariat staff in M&E and Member States in monitoring and reporting on COMESA Legal Instruments and Council Decisions.
- **The COMESA Statistics Programme** guided by the Regional Strategy for the Development of Statistics (RSDS 2021-2025) focuses on supporting implementation of the pillars of the COMESA Medium-Term Strategic Plan (MTSP) through reliable, harmonized, and timely statistics.

5.1 Resource Mobilization and International Cooperation

Resource Mobilization remains a key priority for the COMESA Secretariat to fund its various programmes and activities. An average of USD 100 million is required annually to fund the programmes and activities contained in the 2021-2025 COMESA Medium Term Strategic Plan (MTSP). However, the implementation of regional integration programmes, aimed at achieving economic growth and job creation in the region, is heavily dependent on development partners. While COMESA Member States are obligated to annually contribute to the budget, there is need to ensure timely contribution of funds to ensure effective implementation of programmes and sustainability. Additionally, there is a need for COMESA to reduce its reliance on development partners and to establish diverse avenues to mobilize resources which include amongst others implementation of a Common Market Levy as outlined in Chapter 30, Article 168 of the COMESA Treaty. A decision to institute a Common Market Levy has been made by COMESA Authority and is guiding current efforts.

Partnership with the European Union

COMESA has made significant progress in securing financing agreements with the European Union under the Neighborhood, Development and International Cooperation Instrument (NDICI) () Framework, which replaced the previous European Development Fund (EDF) System. The NDICI provides a unified funding approach for EU external action for the period 2021–2027, focusing on key areas including trade, digitalization, environment, and regional integration.

As of December 2024, six key programmes had been agreed upon between the EU and COMESA, mobilizing a total of approximately Eur0 146 million to support various regional initiatives. Below is a summary of the programmes and their status:

i. **Africa Trade Competitiveness and Market Access Programme (ATCMAP)** – Is a Euro 40 million grant funded programme. The financing agreement has been signed and implementation expected to commence in 2025. The programme focuses on enhancing trade competitiveness and improving access to regional and international markets.
ii. **SWITCH to Circular Economy in East and Southern Africa** is a Euro 40 million grant funded programme which aims to promote circular economic practices across East and Southern Africa and

will commence implementation in 2025.

iii. **Competition and Consumer Product Safety in Sub-Saharan Africa Programme** with a grant of Euro 10 million supports the COMESA Competition Commission.

iv. **Safe Digital Boost for Africa (SDBA)** is a Euro 10 million grant under the COMESA component programme focusing on creating a sustainable African Single Digital Market, particularly in the areas of eCommerce, ePayments, eGovernance, and cybersecurity building on financial inclusion initiatives implemented by COMESA programme. The programme is at design stage with implementation expected to commence in 2026.

v. **Trade in Services Programme** is a Euro 8 million grant funded programme expected to be launched in 2025. The programme will support intra-African trade in services, which is a key agenda item under the AfCFTA.

vi. **Support Measure for Regional and Multi-Country Programmes in Sub-Saharan Africa** with a total grant of Euro 4 million
will provide targeted support to enhance regional coordination and implementation capacities and is expected to commence implementation in 2026.

Partnership with the World Bank

i The Regional Infrastructure Finance Facility (RIFF) Project is an Investment Financing Facility Project with funding from the World Bank to COMESA and the Trade and Development Bank (TDB). The project is scheduled to run from July 2020 to September 2025 and is made up of the following three components: Project and Infrastructure Finance Facility (US$325million), COVID Infrastructure Sector SME Response (US$75 million) and Technical Assistance (US$25 million). The 2024 implementation of the RIFF Project has shown satisfactory progress across multiple initiatives. Key achievements include developing and operationalizing a Solar Product Registration System in Zimbabwe, supporting Malawi in adopting and enforcing solar energy standards, and providing tariff-setting training in DR Congo and Uganda. Additionally, the project advanced energy policy updates for Zimbabwe and support for South Sudan.

ii Accelerating Sustainable and Clean Energy Access Transformation (ASCENT) Programme, is a $5 billion initiative funded by the World Bank, which aims to provide electricity access to 100 million people in Eastern and Southern Africa, with COMESA implementing a regional $50 million Technical Assistance programme. Launched jointly in June 2024, four countries namely, Rwanda, Somalia, São Tomé, and Tanzania have signed agreements to participate in the programme. ASCENT will leverage the proposed International Development Agency (IDA) envelope of US$5 billion to signal the World Bank's commitment to achieving SDG7 in the Eastern and Southern Africa region and mobilize an additional US$10 billion from development partners, governments, national utilities, private-sector and commercial funders, carbon markets, climate and other impact-oriented financiers, and philanthropic and other partners.

iii The Inclusive Digitalization for East and Southern Africa (IDEA) Programme is a USD 10 million facility that aims to build affordable broadband, develop trusted data platforms, and enable digitally driven growth in targeted sectors, with key activities extending into 2025.

iv The Great Lakes Trade Facilitation and Integration Project (GLTFIP) is a six-year regional lending operation implemented by the Governments of the Republic of Burundi and the DR Congoand COMESA with funding from the World Bank. It is a USD 250 million project in which DR CONGO is provided with USD 152 million, Burundi with USD 90 million and the COMESA Secretariat with USD 8 million.

African Development Bank (AfDB)

As a key development partner of COMESA, the African Development Bank has provided funding for various programmes, in 2024 notable funding including the following amongst others: ***Towards Regional Pharmaceutical Sector Development*** - USD 6.6 million, ***Supporting Regional Regulatory Harmonization***- USD 1.5 million, and ***The Feasibility Study On Africa Cloud Eco System To*** -USD 550,000.

COMESA has developed two regional project proposals namely, a US$22 million initiative on building resilient and inclusive agri-food systems under the AfDB Transition Support Facility (2024 Call), and a US$10 million project on promoting blue economy trade corridors and resilient fish value chains under the AfDB Regional Public Good (RPG) Call.

In addition to the above-mentioned partnerships, COMESA is implementing programme initiatives highlighted in this report with the support of the Global Environment Facility (GEF) Implementing Agency, The Alliance for Green Revolution in Africa (AGRA), The Bill and Melinda Gates Foundation and Statistics Norway amongst others.

International Partnership and Cooperation

In the period under review, the Secretariat continued to strengthen international partnership and cooperation through enhancement and promotion of COMESA participation and influence with other regional, continental and international organizations. For 2024, the Secretariat undertook the following:

- i Accreditation of six ambassadors and/or heads of diplomatic missions of Rwanda, Uganda, Norway, China, ILO, and UNDP.
- ii Participated in the following events: Africa-China (FOCAC), AfDB Annual Meetings, AfDB-RECs and Financial Institutions Meetings.
- iii Organized and hosted bilateral meetings with existing and new partners to strengthen cooperation and partnerships with the view of mobilizing resources and technical support for the implementation of COMESA programmes these included AfDB, and Indian Ocean Commission, among others.
- iv Signed Memorandum of Understandings (MoUs) with Akademya2063, IISD, CSRV, IATA, AFUR, AU-IBAR, ALLPI, Ministry of Energy Egypt, MOESNA, UN Tourism, UNHCR, ISS, and PATH, among others.

5.2 COMESA Brussels Liaison Office (BLO)

The COMESA Brussels Liaison Office (BLO) serves as a strategic bridge between the COMESA Secretariat and key European and multilateral institutions, including the European Union (EU), the Organization of African, Caribbean, and Pacific States (OACPS), and other regional and international partners in Brussels, Belgium. Its main objectives are to support regional integration, resource mobilization, capacity building, and the development of strong institutional relationships to advance COMESA's strategic goals.

In 2024, the BLO focused on strengthening cooperation with the Organisation of African, Caribbean and Pacific States (OACPS), enhancing partnerships with the EU and its institutions and promoting dialogue with the AU Permanent Mission and REC representatives in Brussels.

Strengthening cooperation with the Organization of African, Caribbean and Pacific States (OACPS)

Between November 2023 and June 2024, multiple high-level engagements were undertaken within the framework of the OACPS and EU partnership. These included participation in the Special Meeting of the OACPS Council of Ministers, the 46th ACP-EU Council of Ministers, and the Samoa Agreement Signing Ceremony in Samoa. In 2024, active involvement extended to the 64th Session of the OACPS Parliamentary Assembly and the inaugural session of the EU-OACPS Joint Parliamentary Assembly in Luanda, Angola in February 2024. Additional contributions included engagement in the Extraordinary OACPS Ministers of Trade Meeting, discussions on critical raw materials, and the adoption of declarations related to WTO MC13. Follow-up actions involved reviewing reports from trade officials and supporting the development of OACPS multilateral trade strategies. Key meetings addressed operationalization of the OACPS Inter-Regional Organizations Coordinating Committee (IROCC), finalizing its Terms of Reference, and participating in related senior officials' and regional meetings in April and June 2024. Engagement extended to the OACPS Ambassadorial Crisis Management Group, focusing on addressing challenges facing OACPS through stakeholder collaboration. These activities highlight diplomatic efforts to strengthen regional and multilateral cooperation within the OACPS framework, notably in trade, regional integration, and crisis resolution, and set the stage for high-level meetings which included the IROCC Heads of Regional Organizations Summit held in September 2024.

Enhancing partnership with the European Union (EU) and its Institutions

From November 2023 to November 2024, active participation by BLO was maintained in numerous high-level meetings and fora concerning regional programming, EU-REC relations, and multilateral collaborations. Efforts included engagement in the Dialogue Platform on Sub-Saharan Regional Programming between RECs and the EU, notably in the high-level meeting with EU INTPA, EEAS, and other regional organizations, and the preparation and reporting of the Regional Multiannual Indicative Programme for Sub-Saharan Africa. The activity involved following up on the European Commission's suspension of certain customs procedures during COVID-19, effective from May 2024, and facilitating virtual and physical participation in related technical meetings and forums including the World Circular Economy Forum 2024 in Brussels. Bilateral meetings with EU officials, the AU, and OACPS were organized to strengthen strategic partnerships, with discussions held on regional investments, sustainable development, and frameworks for future collaboration, which included the 3rd AU-EU Ministerial Meeting held in 2024. Engagement extended to dialogues with the EU-Africa Business Forum to explore synergies in trade and investment, and participation in the Ministerial Consultations on local manufacturing held in Geneva on the sidelines of the World Health Assembly. Additionally, involvement was undertaken in the First EU-African Cyber and Digital Ambassadors Meeting, co-organized by the Belgian Presidency of the EU Council, and activities concerning EU legal frameworks, such as the EU's Deforestation-Free Supply Chain Regulation, were monitored for their regional impacts. Preparation and contribution to the 8th Technical Meeting of the Dialogue Platform, focused on the Multiannual Action Plan for 2025-2027 with an EU contribution of EUR 688.8 million with additional top-ups, underscored ongoing efforts to align regional priorities with EU development initiatives. In the reporting period, continuous updates were provided on the new EU-OACPS Partnership Agreement, which sets the legal foundation for relations with 79 OACPS countries over the next two decades, emphasizing regional-specific needs and cooperation frameworks.

Promote Dialogue with the AU Permanent Mission and RECs Representatives in Brussels

From September 2024 to November 2024, active participation covered a wide range of high-level diplomatic and strategic meetings. These included engagements with African Ambassadors in Brussels alongside the European External Action Service (EEAS) and the European Commission, focusing on Africa-Europe Investment Package, Global Gateway, Green Deal, EU Deforestation Policies, and Implementation Modalities. Further, BLO Participated in plenary sessions with the Group of African Ambassadors in Brussels (GAAB) and the EU on migration issues, as well as AU sessions on cyber diplomacy and innovative mechanisms to reduce carbon emissions from diesel vehicles. Additional activities included discussions with GAAB and EEAS to establish periodic consultations for implementing the AU-EU strategic partnership, and a meeting on the regional protocol of the Samoa Agreement, aiming to strengthen cooperation between Africa and the EU from June 2024. The Extraordinary African Group Session in March 2024 addressed food security concerns and the EU Green Deal's impact on third countries. Collaboration with RECs representatives led to the ACP Ministerial Decision to institutionalize the Inter-Regional Organizations Coordinating Committee (IROCC), which coordinates COMESA's positions with other regional bodies relating to EU and OACPS cooperation, including drafting its Terms of Reference in line with the Revised Georgetown Agreement. Preparation for the March 2024 consultative meeting with the OACPS Secretariat and other RECs provided an opportunity to present COMESA priorities and progress on EU-funded regional programmes under NDICI, reflecting ongoing efforts in regional programming for Sub-Saharan Africa (2021-2027). Coordination with regional organizations in drafting Decision Number 5 of the OACPS Council of Ministers reinforced the roles of RECs and OACPS in programme monitoring. The period culminated with the inaugural meeting of the IROCC at the executive level in New York on September 21, 2024, held on the sidelines of the UN Summit of the Future and the 79th General Assembly, to advance regional cooperation and strategic alignment within the EU-Africa partnership framework.

5.3 Legal and Corporate Affairs

The Legal and Corporate Affairs Arm of the COMESA Secretariat provides legal advisory services to the Policy Organs of the Common Market, COMESA Institutions and Specialized Agencies and Member States.

Progress on Implementation

- The Secretariat supported the Office of the Secretary General, COMESA Institutions and Member States during meetings of COMESA Policy Organs including COMESA Council, Governors of Central Banks, Intergovernmental Committee, other subsidiary committees including the Committee on Legal Affairs.

- The Secretariat actively contributed to drafting and finalizing several key legal instruments, including the COMESA Court of Justice Staff Rules (2024), amendments to Article 20 of the COMESA Treaty, and the Staff Rules for the COMESA Regional Investment Agency (RIA) and Competition and Consumer Protection Commission (2024).
- Provision of multiple legal opinions on matters including staff gratuity schemes, cross-border payment schemes, ongoing recovery proceedings, trade remedies, appointment processes, and contractual issues related to COMESA operations.
- Support in the negotiations, drafting, and conclusion of donor-funded agreements namely the COMESA-World Bank ASCENT and IDEA Programme were supported. Further,
- Management of notable legal cases, including Agilis Ltd vs. Mauritius and former employee vs. the Council of Bureaux, which involved safeguarding trademarks and ongoing arbitral proceedings.
- Under the EDF 11 Programme, the Intellectual Property Component identified priority areas for Intellectual Property Rights interventions, conducting consultancies and validation workshops.
- In the migration domain, efforts included preparing digital informational materials on the Visa Protocol and conducting a study on the socio-economic benefits of labor mobility, culminating in a stakeholder validation workshop held in Kigali in August 2024.

Challenges included funding and human resource particularly long-term funding for the Intellectual Property Programme and delays in implementing activities within the Migration Programme due to Member States' slow responsiveness. Recommendations include incorporating legal assistance into partner grants during negotiations and ensuring dedicated budget provisions for hiring qualified legal personnel to support programme implementation

Way-forward

- Incorporate legal staffing into partner funding during negotiations with development partners and donors and embed provisions for funding dedicated to legal officers and legal advisory support.
- Secure long-term budget allocations: advocate for dedicated budget lines within the COMESA financial framework to sustainably support legal affairs, intellectual property, and migration programmes.
- Leverage donor and partner support: engage with existing partners (e.g, World Bank, EU, AU, and bilateral donors) to prioritize long-term technical and financial support for key legal and institutional initiatives.

5.4 Corporate Communications

During the period under review, COMESA's Corporate Communications Programme's focus was to enhance access to information on COMESA's work for increased visibility, demonstrate the value and impact of COMESA and build the capacity of COMESA's communication structures for the effective realization of the organization's objectives. To achieve these objectives, the following activities were undertaken in 2024:

COMESA Week

The inaugural COMESA Week was launched and conducted on 24 – 29 June 2024 in Antananarivo, Madagascar with a series of publicity and outreach activities. These included a multimedia campaign, a trade expo, media sensitization, multi-stakeholders dialogue targeting women and youth, high level engagement with policy makers and university students. As a result, 30 small scale entrepreneurs in Antananarivo were facilitated to market their products, 35 media practitioners representing all media organizations in the country were sensitized about COMESA. Additionally, over 250 women entrepreneurs from 20 COMESA Member States participated in the COMFWB Trade Fair, and 100 women and youth were reached during the multi- stakeholders' dialogue.

COMESA 30th Anniversary

The activities to commemorate COMESA's 30th anniversary were launched in June 2024 in Madagascar focusing on COMESA Impact. Key visibility activities included a Golf Tournament held in Lusaka which attracted a notable number of corporates and individuals. Further, a "*COMESA at 30*" video and anniversary brochure were produced and published highlighting COMESA's milestones and success stories. Additionally, a stakeholder panel discussion comprising of Heads of COMESA institutions, and the current Secretary General and her predecessors was held. Further, multimedia publicity campaigns were conducted throughout the year including during the COMESA Summit held in Bujumbura, Burundi in October 2024.


Hollard
Insurance
COMESA
30

International Trade Fairs in Zambia

Media Awards at the 23rd COMESA Summit

Publications

In the period under review, four quarterly newsletters with news and information on the implementation of various COMESA programmes and activities were compiled, edited and published for public dissemination. Eighteen editions of the bi-weekly newsletter, e-COMESA were produced and shared with internal and external stakeholders using online platforms. Additional publications included, the 2023 COMESA Annual Report, the COMESA Gazette No.29, the Culture and Creative Industry Report, the COMESA eCO Brochure, the Solar Standards Final Report, the COMESA Model Energy Policy Framework and visibility material for the Southern Africa Migration Management Project amongst others.

Capacity Building

The Corporate Communications Programme facilitated National Media Workshops in Malawi and Madagascar in March and June 2024. During the workshops, a total of 65 journalists and communication officers were reached and enlisted in the COMESA communication network which uses various communication platforms.

Outreach and Stakeholder Engagements

The COMESA Corporate Communications Programme participated in three International Trade Fairs in Eswatini, Kenya and Zambia to facilitate direct engagement with key categories of stakeholders including business people, students, and policy makers amongst others. During the events, an array of COMESA publications and brochures were distributed, and feedback received from the stakeholders on key issues to guide follow up.

To further engage stakeholders, the programme hosted more than 120 students and pupils from three learning institutions in Lusaka, Zambia and more than 100 students from the University of Antananarivo.

In addition, the First COMESA Institutions Awareness Forum was conducted in Mauritius in April 2024. The forum attended by more than 350 delegates raised awareness on the various activities undertaken by COMESA Institutions in specific sectors.

Audio/Visual Production

In the period under review, a notable number of videos highlighting key COMESA programmes and events were produced and disseminated. These included: Launch of the Pilot Electronic Certificate of Origin in Malawi, the COMESA e-CO Regional Launch, COMESA@30, ASCENT Programme Launch, 30 Years of COMESA Impact - Celebrating African Freedom Day and the Stakeholders Dialogue in Mauritius amongst others. Additionally, the programme produced radio programmes on success stories of various projects and programmes aired during key events including the 2024 COMESA Summit.

COMESA Media Awards

The purpose of the COMESA Media Awards is to promote reporting on the COMESA regional integration agenda by recognizing and rewarding journalists whose work contribute to raising the visibility of COMESA in the region. In 2024, a total of 52 entries were received for consideration. Resultantly, four winners were selected from Burundi, Kenya, Mauritius and Zambia and awarded during the 23rd COMESA Summit held in Bujumbura, Burundi.

Challenges

A key challenge identified was the low involvement and participation of communication coordinators in activities and programmes implemented by COMESA at the national level which affected publicity and awareness in Member States.

Way-forward

- Involvement and engagement of COMESA Communication Coordinators at the national level to enhance COMESA publicity.
- Member States undertake continuous sensitizations at national level.

5.5 Information and Communication Technology (ICT)

In 2024, COMESA made significant strides in advancing regional trade and integration through the development and deployment of various digital systems. Key achievements included the finalization and pilot of the web-based

Electronic Certificate of Origin (eCO), which went live in Eswatini following its launch in November 2024 and development of the Trade in Services Negotiations Portal to facilitate sectoral negotiations among Member States. Further, the Customs Automation Regional Support Centre (CARSC) development was supported, and mechanisms for eliminating non-tariff barriers via mobile apps and SMS tools were improved. Additionally, regional digital initiatives including the Africa Cloud Ecosystem, the Seed Variety Catalogue, and the Food Balance Sheet Platform were supported. These efforts aim to create a seamless, transparent, and efficient cross-border trading environment, leveraging ICT for economic growth. Reported challenges included delays in procurement and data collection, which are being addressed through improved processes and capacity building.

5.6 Human Resources and Administration

Human resources management plays an integral role in the success of COMESA's regional integration agenda as it ensures effective recruitment and management of organizational staff. A key role of COMESA's Human Resources and Administration Division in the period under review was to ensure that the organization's structure approved by the Policy Organs was aligned to the 2021-2025 Medium Term Strategic Plan (MTSP) and to ensure a healthy and productive workforce.

COMESA provides an Information and Resource Center which in the period under review, continued to play a critical role in managing, securing, and providing access to the Secretariat's intellectual capital resources. The Information and Resource Center is responsible for delivering comprehensive information services and knowledge management in support of COMESA programmes, facilitating information access and sharing among Member States, and supporting research in regional integration. As the custodian of organizational memory, the Information and Resource Center continued to maintain archival copies of key reports including Council Reports, COMESA working documents, reserve publications, and technical programme reports amongst others.

Conference management and documentation support services are critical to the COMESA Secretariat, Member States and other relevant stakeholders. The COMESA conference services in the period under review provided tailored conference facilities including provision of documentation support, translation and interpretation services as well as availing all general meeting and workshop management support systems, in line with approved quality standards.

Procurement of goods, works, and services for the COMESA Secretariat, its Institutions, and specialized agencies, is undertaken on key principles including transparency, competitiveness, and cost-effectiveness. Activities undertaken during the period under review in support of the objectives outlined in the 2021-2025 MTSP included the following:

i. In consultation with stakeholders, development of the annual procurement plan in line with the procurement rules. This enabled the Secretariat to carry out procurement of goods and services in a systematic and coordinated manner.
ii. Provision of services to user entities, including consultancy services and procurement of goods and equipment in line with the approved budget, workplan and procurement plan.
iii. Coordination of the development of an Electronic Procurement System that will automate and digitalize the procurement processes resulting in the reduction of the turnaround time on all procurements by eliminating duplications. It is envisaged that the system will go live in the first quarter of 2025.
iv. The estates section facilitated the maintenance and rehabilitation of the COMESA premises, properties and assets and equipped the offices with the required logistics to ensure that staff have a conducive working environment.
v. The travel section facilitated the provision of travel services for staff, delegates, and other stakeholders for both inland and air travel to support implementation of COMESA programmes and activities in the Member States.
vi. Supported several Member States meetings, workshops, and conferences through timely acquisition of meeting venues, conferences facilities, transport and logistics.
vii. Provision of technical assistance in matters related to procurement and professional capacity building to COMESA Institutions including RIA, COMFWB, Yellow Card, CBC and RAERESA.
viii. Facilitated the board of survey exercise and asset disposal of non-functional assets.

5.7 Monitoring and Evaluation

Monitoring and Evaluation is an integral function which responds to COMESA's vision, mission and objectives through tracking results and effective utilisation of allocated resources. This is realised through evaluating the contribution of the various pillars of the Medium-Term Strategic Plan (MTSP) and ensuring the alignment of objectives, results and related performance indicators, baselines and targets.

In the period under review, the COMESA Online M&E System saw increased usage and adoption by Secretariat staff. The system facilitated the streamlining of data management and reporting processes, improving efficiency and timeliness in the generation of reports. To ensure sustained system functionality, a Service Level Agreement (SLA) was signed and implemented with the system suppliers, establishing clear service delivery standards. To improve monitoring and evaluation of programmes, capacity building remained a priority in 2024, with 27 M&E champions (55% female) trained by the University of Zambia in M&E theory and practice. This training strengthened staff's ability to support the implementation of COMESA M&E activities and rollout of the Online M&E System. Further, representatives of 18 Member States were trained in monitoring and reporting on COMESA Legal Instruments and Council Decisions. The training included an orientation on the Council Decisions and Legal Instruments modules of the Online M&E System. This activity is expected to enhance compliance and reporting on legal instruments and Council Decisions at the Member State level.

Way-forward

- Conduct regular reviews of the MTSP indicators to ensure that they accurately reflect COMESA's strategic goals and priorities.
- Develop clear linkages between project-level M&E data and the MTSP indicators to facilitate aggregation and reporting on progress towards overall COMESA objectives.
- Conduct annual learning reviews to identify best practices and lessons learned.
- Regularly evaluate and update the Online M&E System to ensure it meets the evolving needs of COMESA and its Member States.

5.8 COMESA Statistics Programme

COMESA continued to strengthen its statistics programme, guided by the Regional Strategy for the Development of Statistics (RSDS 2021-2025) with a focus on supporting implementation of the COMESA Medium-Term Strategic Plan (MTSP) and fostering regional integration through reliable, harmonized, and timely statistics. The programme therefore supports all the pillars of the MTSP.

■ Strengthening Statistics that Supports Market Integration

International Merchandise Trade Statistics (IMTS)

i. Ten technical assistance missions were conducted to Seychelles, Zambia, Zimbabwe, and Kenya.
ii. Enhanced data validation, standardized extraction protocols, and Eurotrace reconfiguration for improved data comparability and reliability.

Small Scale Cross Border Trade (SSCBT) Statistics

i. Data validation workshops held in Zambia, Zimbabwe, Kenya, Malawi, and Tanzania improved informal trade data quality.
ii. Targeted support to Burundi and DR Congo addressed country-specific challenges.
iii. The SSCBT Programme concluded in December 2024, marking progress in formalizing small-scale trade data.

Harmonized Consumer Price Indices (HCPI)

i. The HCPI reference period was rebased to reflect current consumption patterns.
ii. A Technical Working Group (TWG) Meeting in September 2024 facilitated experience sharing.
iii. Somalia's request for technical assistance highlighted growing demand for harmonized price statistics.

Migration Statistics

i. Collaboration with the African Union Commission and Statistics Sweden led to comprehensive

migration statistics training.

ii. National Technical Working Groups (NTWGs) were established in Burundi, Malawi, and Zimbabwe, with a focus on gender and displacement.
iii. The first Gender Statistics Bulletin was published, providing insights into gender dynamics in migration.

International Comparison Programme

i. The 2021 ICP results were released in May 2024, providing updated purchasing power parity data for policy planning.

National Accounts Statistics

i. Capacity building focused on the NADABAS IT System for compiling national accounts was conducted.
ii. The September 2024 Technical Working Group Meeting addressed data submission challenges and reinforced the need for timely, high-quality data.

Statistical Support to Productive Integration

Agriculture Statistics

i. Technical assistance was extended to Comoros, Egypt, Eswatini, Seychelles, and Zambia.
ii. Data collection and validation was undertaken covering 17 Member States.
iii. Zambia's 2019-2023 Food Balance Sheet was reviewed and validated.
iv. A new Horticulture Value Chain Data Framework was launched.
v. Implementation of the Blue Economy Fisheries Satellite Account Project advanced, with resource mobilization and technical collaboration ongoing.

Food Security and Nutrition Statistics

i. Guidelines on how to process food data from Household Consumption and Expenditure Surveys (HCESs) were endorsed by the UN Statistical Commission (UNSC).
ii. Six Member States participated in national and regional capacity building workshops with Somalia publishing and disseminating its first food security fact sheet.

Environmental Statistics

i. Support was provided for designing, printing, and publishing environment statistics compendiums.
ii. Participation in FAO regional workshops enhanced cooperation.

Statistical Support to Physical Integration/Connectivity

i. Training on investment needs and energy systems modelling was conducted in February 2024.
ii. The African Information Highway System was upgraded, improving data sharing.
iii. Phase 1 of HCPI-SDMX data transmission was rolled out in five Member States.
iv. Automated data pipelines and the COMSTAT portal modernized data management, with increased user engagement.

Statistics to Support Gender and Social Integration

i. National capacity-building workshops in Madagascar, Comoros, and Eswatini, facilitated training of 80 gender statistics experts.
ii. A regional network of gender data champions was established to integrate gender perspectives in policy.

Coordination, Partnerships, Strategic Planning & Innovation

i. Active participation in technical group meetings strengthened regional harmonization.
ii. The AfDB approved COMESA's application for the Infrastructure Statistics in Fragile States Project.
iii. Ongoing collaboration with Statistics Norway advanced the Food Security Statistics Project.
iv. Implementation of Reproducible Analytical Pipelines (RAP) automated statistical operations.
v. The RSDS Mid-Term Evaluation provided feedback for the remaining implementation period.

Challenges

i. Delays in Data Transmission: Persistent delays from some Member States hampered timely production and dissemination of regional statistics.
ii. Capacity Constraints: Some Member States face resource and technical limitations.
iii. Need for Further Digitalization: Manual processes and lack of automation hindered efficiency.

Way-forward

- Accelerate Timely Data Transmission: Prioritize timely data submission.
- Expand Technical Assistance and Capacity Building: Increase targeted support, training workshops, and peer learning, especially in emerging domains including digital economy, climate change, and the blue economy.
- Enhance Data Harmonization and Standardization: Intensify harmonization of methodologies and tools, update regional guidelines, and promote international standards.
- Strengthen Strategic Partnerships: Deepen collaboration with regional and international partners including AU, AfDB, FAO, and Statistics Norway and leverage joint projects and shared platforms.
- Promote Digital Transformation and Innovation: Invest in digital infrastructure and innovative tools such as RAP and automated pipelines and expand online data dissemination (e.g. COMSTAT portal).

3

COMESA INSTITUTIONS

3.1 ZEP-RE (PTA REINSURANCE COMPANY)

ZEP-RE (PTA Reinsurance Company) is an institution of COMESA established by an Agreement signed by Heads of State and Government on 23 November 1990 in Mbabane, Swaziland.

Signatories and Shareholding

The signatory Member States to the Agreement establishing the Company include Angola, Burundi, Comoros, Djibouti, DR Congo, Ethiopia, Eritrea, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Rwanda, Somali, Sudan, Tanzania, Uganda, Zambia, and Zimbabwe. ZEP-RE is headquartered in Nairobi, Kenya, and operates eight country offices in Abidjan, Addis Ababa, Harare, Kampala, Khartoum, Kigali, Kinshasa, and Lusaka.

ZEP-RE currently has 41 shareholders, including 8 governments in the region namely, Djibouti, Ethiopia, Kenya, Mauritius, Rwanda, Somalia, Sudan, and Zambia, 13 government-owned insurance and reinsurance companies, 16 private companies, the COMESA Secretariat, and the Trade Development Bank, and 2 development finance institutions namely the African Development Bank and the German Investment and Development Company (DEG).

Vision and Mandate

ZEP-Re's vision is to become a world-class leading reinsurer in Africa. To achieve this objective, the company is focusing on various key strategic business objectives under its current strategic plan, including identifying, developing, and maintaining a sustainable business growth model that emphasizes profitability, enhanced shareholder value, best risk management, and contributing to the economic development of the COMESA region. The company is working with Member States to implement policies that enable access to insurance services and ensure premium retention, promote increased insurance penetration in the region, and enhance investments within the region.

Market Performance

Global and Regional Market Trends

The global insurance market is expected to register a real growth rate of 2.6% in 2025. This is lower than the 4.6% estimated growth rate of 2024, however it is higher than the past 5 years average (2019 – 2023) of 1.6%. Growth has been boosted by the lower inflation figures which have been recorded in recent years. The emerging market growth rate was 5.8%.

Challenges and Opportunities in Key Markets

The company's key markets continue to face challenges which include inter alia, low economic growth, lack of tailor-made insurance products, shortage of key financial actuarial skills to support IFRS17, growing malpractices and fraud. The company continues to see opportunities from low insurance penetration currently at less than 3%, expanding middle class and the positive regulatory environment in some of its key markets.

Company Performance

During the period under review, COMESA remained ZEP-RE's key market with its contribution rising to 89%, up from 87% in 2023. Conversely, contribution from the business from markets outside the main COMESA region declined to 11%, compared to 13% in 2023. The COMESA region was the main contributor to this growth and most of the company's top ten markets, namely Kenya, Uganda, Zimbabwe, Ethiopia, Zambia, Tanzania, DR Congo, Rwanda, Mauritius and Mozambique collectively contributed 92% to the gross premium written in 2024.

Figure 8: A map demonstrating Top Markets

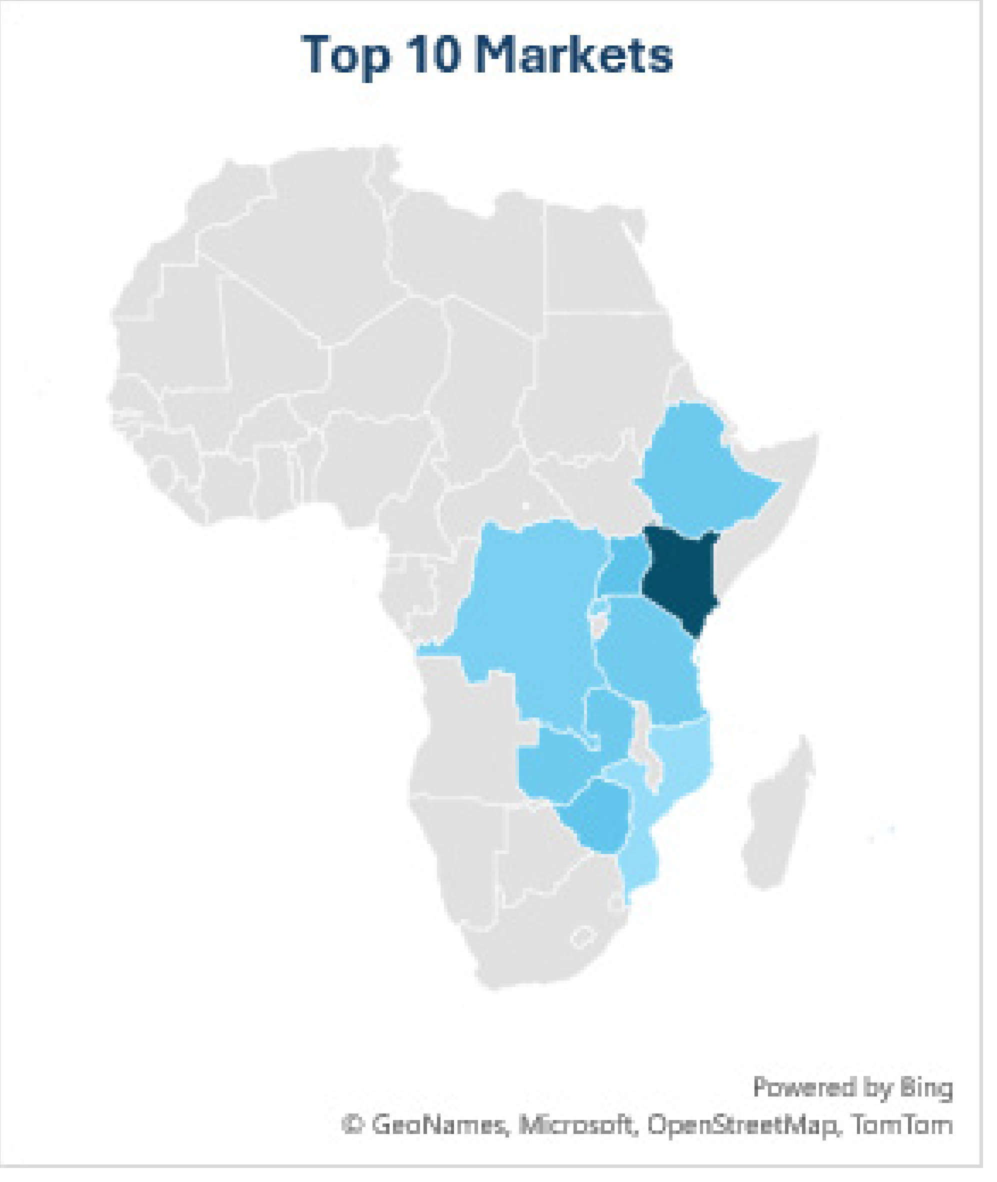
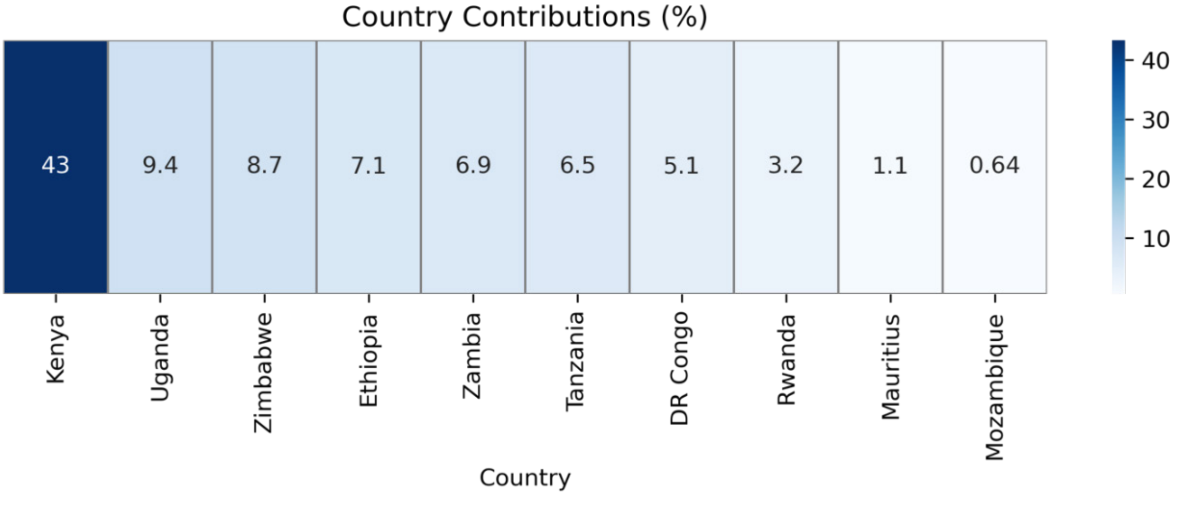


Figure 9: ZEP-RE Country Contributions



The company's total reinsurance revenue for 2024 was US$338.13 million, compared to US$290 million reported in 2023. The company achieved positive underwriting results in the financial year characterized by continued pressures on premium rates, price undercutting and low insurance penetration. The insurance service result in 2024 was US$21million compared to US$28 million in 2023.

The company posted a profit of US$14.19 million in 2023, compared to US$31.6 million in 2022. This was mainly due to the decline in investment income and the impact of exchange losses arising from the depreciation of major African currencies. Shareholders' funds as of 31 December 2024 stood at US$359 million against US$336 million in 2023. The company's total assets in 2024 amounted to USD 516 million.

Table 3 Details key performance indicators.

	2024	2023
Reinsurance Revenue	338,394,331	290,172,447
Reinsurance Expenses	115,237,982	140,860,167
Reinsurance Results	21,249,217	28,927,594
Profit for the Year	23,152,857	14,187,025
Total Equity	359,261,374	336,558,890
Total Assets	516,571,790	483,535,635

Impact

ZEP-RE remains committed to supporting regional growth through policies and activities enhancing insurance penetration, innovation, and financial inclusion.

Leveraging Partnerships in COMESA and Beyond

As a specialized regional institution of COMESA, ZEP-RE was established to promote regional economic integration and support the growth of the insurance and reinsurance industry across Member States. ZEP-RE's success is deeply rooted in its collaborative engagements with COMESA Member States, the COMESA Secretariat, and similar institutions. These partnerships enable the company to deliver sustainable, innovative solutions aligned with regional development priorities such as trade facilitation, financial inclusion, climate resilience, and infrastructure development. The synergy between ZEP-RE and COMESA institutions exemplifies the value of regional cooperation in addressing Africa's development challenges while driving insurance sector transformation.

Notable engagement areas during 2024 included:

- COMESA Yellow Card Scheme: ZEP-RE managed the Scheme's Reinsurance Pool across 13 countries, where 550,004 Yellow Cards were issued, generating US$ 31.2 million in premiums. Business-to-Business (B2B) issuance rose to 62,255 cards. The pool realized a gross premium income of US$ 5.3 million and a profit of US$ 3.53 million.

- COMESA RCTG Scheme: A key regional customs bond facility for the transit of goods across COMESA borders. In 2024, over US$ 699 million worth of bonds were issued, and 477,000 carnets were processed. The Reinsurance Pool recorded gross premium income of US$ 1.11 million and a profit of US$ 307,554.

- Trade and Development Bank (TDB): Through a cross-shareholding and joint project financing structure, ZEP-RE and TDB co-invested in initiatives such as the Resilient and Inclusive Housing Project, focusing on trade facilitation and climate resilience.

- Africa Trade and Investment Development Insurance (ATIDI): Collaborated with ZEP-RE to enhance reinsurance and technical capacity within the RCTG scheme, supported by donor funding for retrocession and market training.

- COMFWB : Partnered on the Capacities of Women and Youth-Led Enterprises for Regional Trade Initiative to strengthen inclusive access to finance for MSMEs across COMESA.

The ZEP-RE Academy: Capacity Building and Industry Development

The ZEP-RE Academy, established in 2016, has become a continental centre of excellence for insurance education, market innovation, and regulatory support. In 2024, the Academy trained over 9,059 professionals, marking an 18% increase in reach from the previous year. Of these, 6,130 participants attended structured training programmes across 57 countries, with 3,927 earning certifications.

Significant achievements in 2024 included: -

- Delivery of 19 in-person training sessions across COMESA countries and 40 webinars, promoting best practices in underwriting, actuarial practice, and reinsurance.

- Launch of 10 CII-accredited programmes, enhancing global recognition and professional development in the region.

- A major focus on inclusivity, with 56% male and 37% female participation.

Figure 10: A illustrating top country representation of participants

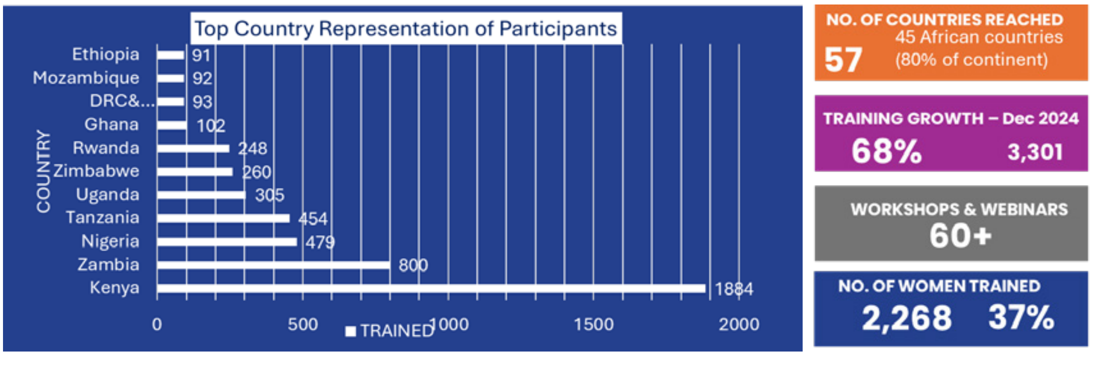
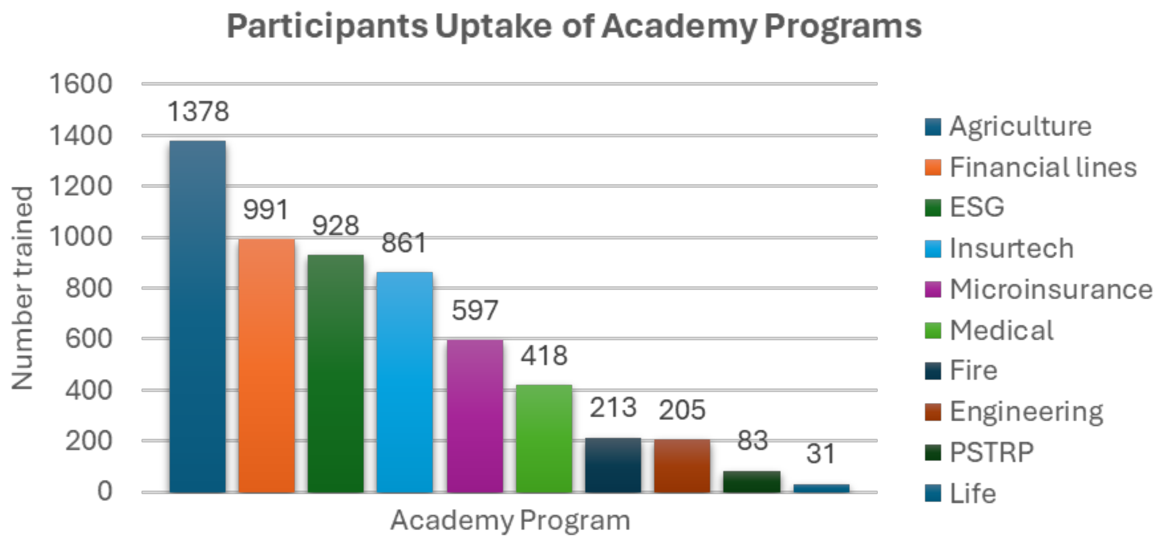


Figure 11: Shows participants uptake of Academic Programmes



Driving Climate Resilience and Financial Inclusion

ZEP-RE scaled up its climate finance work through the DRIVE programme and other targeted initiatives:

- DRIVE - Under DRIVE, over 470,000 parametric drought insurance policies were underwritten, with 56% of beneficiaries being women. The project opened 412,000+ digital accounts and reached 3 million people with financial literacy programmes across Kenya, Ethiopia, and Somalia. ZEP-RE mobilized USD 254 million in private capital, cementing its role in sustainable climate risk solutions. Additionally, the Academy trained 2,929 stakeholders under DRIVE to strengthen capacity in index-based livestock insurance (IBLI).

- Agriculture-focused projects in Zambia:

+3 MILLION

pastoralists & dependents (56%women) received access to financial services

$51.4M

Total Premium collected (8.9M pastoralists/ 42.5M Gvts) illustrate market demand & paths to sustainability

+412K

Digital Accounts Opened
85% of the pastoralist have opened a digital bank

$254M

Private capital employed (value derisked /sum insured) highlight confidence &

i. In partnership with IFC and ACRE Africa, ZEP-RE trained insurers and regulators on parametric insurance solutions.
ii. Through the "Grain for Premium" Project in collaboration with DEG Impulse, ZEP-RE enhanced climate protection, sustainable farming, and women/youth empowerment in rural cooperatives.

Thought Leadership and Regulatory Reform

The Academy further entrenched its leadership through:

i Two influential publications namely the Africa's Bold Bet on Microinsurance and the Tech-Driven Insurance Revolution.

ii Groundbreaking research on compulsory insurance regimes in 37 countries, generating evidence for regulatory reform and market deepening.

iii Technical support for the Somalia Takaful Framework, delivered in collaboration with the World Bank and Central Bank of Somalia, to build the country's nascent Islamic insurance sector.

Innovation and Technology as Market Enablers

ZEP-RE positioned itself at the forefront of insurtech, enhancing sector-wide innovation through the following:

i Its Innovation Hub received 119 startup applications, incubated 20 solutions, and presented the top 10 at a regional demo day.

ii Strategic investments focused on artificial intelligence (AI), telematics, and satellite risk analytics to enhance underwriting, claims processing, and fraud detection.

iii Collaboration with firms including Westerwelle, Altron, and regional insurers yielded practical innovations, including the rollout of new motor insurance products in Kenya.

Expanding Access and Outreach

Through partnerships with regulators, DFIs, academia, and global reinsurers, ZEP-RE advanced market development by:

- Supporting national agricultural insurance schemes in Kenya, DR Congo, Uganda, Zambia, Zimbabwe, Malawi, and Tanzania.
- Contributed to the response to the 2024 Southern Africa drought, with over USD 5 million in payouts facilitated through ACRE products and ZEP-RE's reinsurance capacity.

ZEP-RE's 2024 business performance and development impact reflects its strategic alignment with COMESA's goals of supporting capacity development, deepening regional integration, fostering financial inclusion, and building climate resilience. Through targeted underwriting practices, training, regulatory partnerships, and digital innovation, ZEP-RE is shaping a more inclusive, sustainable, and shock-resilient insurance landscape across Africa.

3.2 Trade and Development Bank

The Eastern and Southern African Trade and Development Bank (TDB) is a multilateral development finance group established pursuant to Chapter 9 of the Treaty for the establishment of the Preferential Trade Area for Eastern and Southern African States (PTA Treaty).

Over the years, TDB has evolved from what was PTA Bank into a modern and more mature development finance group comprising of subsidiaries and strategic business units (SBUs) including Trade and Development Banking, TDB Asset Management, the Trade and Development Fund (TDF), TDB Captive Insurance Company (TCI), the ESATAL Asset Management Company, TDB Academy and various special purpose funds, such as the ESATF Trade Fund and COMESA Infrastructure Fund (CIF).

The evolution involved several reforms, institutional innovations and extension of TDB Group's geographic scope to the Tripartite region comprising COMESA, EAC and SADC, and selected AfCFTA markets hosting major regional institutions. The various reforms and innovations were approved by the TDB Group Board of Governors, TDB's shareholder body, and endorsed by the COMESA Heads of State Summit.

In 2024, TDB Group continued to play a pivotal role delivering on its mandate, despite a challenging operating environment, marked by continued geopolitical tensions. This was accompanied by uneven growth levels, continued trade fragmentation, slower than expected demand from importing markets and insufficient forex buffers. Access to finance remained tight, alongside persistent high interest rates, double-digit inflation, and increasing living expenses. Several countries have been implementing challenging reforms aimed at macroeconomic stability which has resulted in a number of countries improving their external positions, and others still experiencing debt sustainability difficulties.

In this context, notably, since 2020, TDB has been supporting its Member States navigating the adverse macroeconomic effects brought on by the COVID-19 pandemic and subsequent shocks, both global and domestic, whose effects continue to reverberate. Some of the measures TDB has undertaken to accommodate sovereigns include debt rescheduling and stand still measures, particularly for critical trade finance facilities that support the importation of strategic commodities and pharmaceuticals, the flow of which should not be interrupted. It is indeed within TDB Group's mandate as a regional multilateral development bank (MDB) to act in a countercyclical capacity – at times as lender of last resort – when conditions are difficult and deploy extraordinary support to its Member States when they need it the most, and to safeguard strategic issues such as food and energy security, and the availability of medicine.

In the face of current debt sustainability challenges in the region, several TDB Member States have engaged in G20 and/or International Monetary Fund (IMF) debt restructuring programmes and related facilities. The Member Sates have continued to honour their payment obligations to TDB as a regional multilateral development bank providing trade financing. In some cases, TDB has restructured the outstanding trade finance loans to give these countries breathing room in the face of severe shocks. Notwithstanding, there is a case where a sovereign that has benefited from significant debt restructuring has stopped honoring its obligations to TDB, while servicing other multilaterals and other lenders, presenting a novel risk for TDB shareholders and other Member States. This is despite the fact that trade finance loans, in general, should typically be excluded from deep debt restructuring due to their strategic nature. This situation has been a subject of serious discussions in the Board of Governors and Board of Directors, as it has introduced a risk that threatens to compromise the institution's credit ratings, damage the region's trade finance asset class and degrade the broader African multilateral financial ecosystem.

In terms of financial performance, in 2024, the Group's shareholder capital and reserves grew to USD 2.3 billion with a 5-year CAGR of 11% and its portfolio to USD 7.3 billion with a 5-year CAGR of 6%. Assets remained relatively flat around the USD 10 billion mark at USD 9.9 billion with a 5-year CAGR of 8%, while profits and operating income decreased to USD 171 million and USD 298 million respectively with nevertheless positive 5-year CAGRs of 2.4% and 4.6% each.

As volatility prevailed in the Group's operating environment, the Bank remained solid on its feet, closing the year with Capital Adequacy Ratio increasing to 38%, a non-performing loans ratio of 3.71%, a stable leverage ratio of above 3X and a cost-to-income ratio of 14% – denoting its efforts to remain lean, efficient, and financially robust, while maintaining high asset quality. The number of TDB Group employees as well increased marginally to 223, 42% of whom are women.

Underscoring its strong and consistent performance track record, and agility in navigating the operating environment, TDB maintained solid credit ratings – with the Japan Credit Rating Agency (JCR) extending to the Bank an inaugural A- investment grade rating with a stable outlook, and GCR affirming the Bank's BBB+ investment grade ratings with a stable outlook. A number of TDB Group's Member States having been downgraded following debt sustainability concerns putting downward pressure on the Bank's other ratings, with Fitch affirming the Bank's BB+ ratings with a revised negative outlook, and Moody's revising TDB's rating to Ba1 with a stable outlook.

Conversely, TDB Group had positive rating issuances during the period under review, with JCR extending an inaugural A- investment grade rating to the ESATF Trade Fund, and CARE Ratings (Africa) Private Limited (CRAF), extending a 'CARE MAU AAAf' investment grade rating to the fund as well. This underscores its diversified and healthy portfolio, comfortable collateral coverage, solid investment and credit guidelines which are conservative enough to minimize risks and forward-looking enough to deliver high returns. ESATF's non-performing loans since their launch have been less than 0.1%, with returns reaching 10%.

Shareholding, Capital Structure and Institutional Investor Strategy

2024 was a year of continued innovation, resilience and diversification for TDB Group. Amidst an adverse global and regional macroeconomic backdrop, TDB Group continued to attract new capital, in line with the Group's growing importance in the region and its 5-year Strategic Plan.

Despite prevailing fiscal challenges, Class A sovereign and public sector shareholders remained steadfast in honoring their subscription commitments. In its Class B tranche, pension funds in its community of institutional shareholders doubled its stake in the Group by purchasing additional shares. Fundo Soberano de Angola (FSDEA) joined the Bank's shareholding, effectively opening Angola up for TDB Group operations. Building on the success of Class B shares, TDB Group continued expanding its reach in green and sustainable finance by onboarding catalytic Class C Green+ shares. AfDB announced a follow-up equity investment of USD 15 million in TDB's pioneering Class C Green+ shares to support clean technology and low carbon projects in its Member States. Namely via the establishment of a project preparation facility to boost investment in clean technologies. This demonstrates the Group's commitment to green and SDG-aligned initiatives and sets the stage for attracting further investment from impact-driven investors.

Furthermore, TDB Group has continued to be agile, further evolving its capital structure, alongside its strategy to mobilize institutional investors, in order to continue remaining fit-for-purpose to serve its Member States and deliver more value. As such, non-sovereign investors are being welcomed into the Group's quasi-equity classes, with TDB Group introducing a hybrid capital segment in its capital structure, enabling it to further leverage its balance sheet, while maintaining healthy capital adequacy ratios.

Likewise, several institutional investors have continued investing in the ESATF Trade Fund, the above-mentioned special purpose vehicle (SPV) which is managed by the TDB Group-owned ESATAL asset management company. A similar vehicle the Group is introducing is the TDB African Medium-Term Trade Fund which is being set-up to finance trade-led economic and social development, via medium-term trade finance transactions. This new fund is designed to accommodate institutional investors and to respond to the demand of the institutional investor community for longer tenors, reaching up to 5 years.

Impact

Sustainability Framework

TDB Group continues to refine its Sustainability Framework - as it remains committed to sustainability principles with a strategy anchored on a robust Environmental, Social and Governance (ESG) Framework. Among others, TDB Group's ESG Framework comprises an Environmental and Social Management System (ESMS) which was updated in 2024, a Sustainability and Development Impact Monitoring System (SDIMS) and a Corporate Social Responsibility Policy. The framework is aligned to the global sustainable development agenda as guided by SDGs, Agenda 2063 and the Paris Agreement. Integrated, end-to-end, in the Bank's credit cycle process, from deal origination through to final loan repayment, the ESMS reinforces TDB Group's commitment to continuously improving management of ESG risks and opportunities in sustainable financing. Complementing its ESG framework and looking at long-term opportunities and challenges, TDB Group finalized its Climate Finance Strategy in 2023, with a green taxonomy aligned to international best practices, to strategically boost climate finance in its Member States, and help them achieve their Nationally Determined Contributions (NDCs). Recently, TDB Group was accredited by the Green Climate Fund (GCF).

Operations

TDB Group provides bespoke financing solutions in numerous sectors that allow its sovereign, financial institutions, and corporates clients, including SMEs, to do business and contribute to supporting activities which are critical to the economic, social and environmental sustainability of its Member States. In 2024, among several other results, the Group supported 1.3 million jobs, 51% of which are held by women, with 5.5 million individuals and 309,248 households benefiting its financing.

Trade and Development Banking

The Group's Trade and Development Banking SBU offers bilateral and syndicated short-term trade and long-term project finance. This is undertaken by using one or a combination of modes of financing, including direct financing via senior and mezzanine debt or equity, often in co-financing arrangements with local and foreign lenders. Additionally, it provides export credit, co-financing and non-financial products such as advisory and agency services.

Via its long-term project and infrastructure finance window, in 2024, funds were deployed particularly towards the region's need for clean, accessible and efficient energy, the promotion of trade and regional integration, innovative industrialization and other infrastructure. Solutions offered included direct loans, lines of credit, loan guarantees, equity participation, mezzanine debt, advisory and appraisal services, guarantees, syndications, and leasing. In 2024, the Group's project and infrastructure portfolio increased to USD 2.3 billion, with a 5-year CAGR of 1%.

Through its trade finance window, in 2024, the Group continued playing a countercyclical role availing finance, at times as lender of last resort, contributing to bridging the trade finance gap, and bolstering inter and intra-African trade as well as food and energy security, and the availability of vital pharmaceuticals. Financing was deployed particularly on financial services, agribusiness and energy access, which allowed Member States to secure the sourcing and export of strategic commodities via continued trade flows, as well as specialized equipment to support key development projects across several sectors. Products offered under this window include import and export financing, structured commodity finance, pre- and post-shipment finance, issuance of LCs, guarantees, bonds, as well as supplier-focused working capital solutions including receivables purchase financing and invoice discounting. In 2024, the Group's trade finance portfolio increased to USD 5 billion, with a 5-year CAGR of 9%, and accounted for over two thirds of the total portfolio. Furthermore, the Bank participated in and arranged several syndicated loans and co-financing initiatives to avail vital strategic commodities in the region, bolster investment in infrastructure, and boost clean and reliable energy access. Consequently, there was a 9% increase in total syndicated loans in which TDB Group was either mandated lead arranger (MLA) or participant, reaching USD 20.9 billion, and as MLA, its loans grew by 10%, managing USD 4.4 billion in structured financing.

Asset Management

TDB Group has an asset management arm – TDB Asset Management (TAM) – which is focused on the design, origination, and growth of stand-alone investment vehicles for a wide range of investors and development partners. Among others, the above-mentioned ESATAL Fund Management Company, a wholly-owned TDB Group subsidiary domiciled in Mauritius. ESATAL manages the ESATF Trade Fund an open-ended collective investment scheme also domiciled in Mauritius.

In 2024, the ESATF trade fund continued to invest in trade finance, structured commodity finance, export finance, amongst others, to expand the triple bottom line impact and reach of TDB Group activities in the region it serves, while delivering steady returns with low volatility. ESATF celebrated its 5th anniversary in 2024. This fund, which was launched in 2019, has grown almost five-fold as of the end of 2024, from an initial TDB seed investment of USD 50 million to over USD 220 million in Assets Under Management (AUM), with over 40 investors in its diverse stable. Over the years, the ESATF Trade Fund has made significant contributions to several sectors and SDGs. Via the streamlining of financial inclusion in its operations, the fund has strongly impacted SMEs including women-led SMEs, either directly or via financial institutions targeting SMEs and women as their client-base. In the same way, it has significantly impacted smallholder farmers through its transactions.

Trade and Development Fund

The Trade and Development Fund (TDF) is TDB Group's concessional and grant window. Its mandate is to support the sustainable development agendas of its Member States by providing them with alternative financing solutions, including concessional and impact-driven funding, technical assistance and programme management services. TDF's initiatives serve a wide range of stakeholders, from sovereign entities to financially underserved groups such as MSMEs, women, and youth. In 2024, TDF continued lending to SMEs and provided technical assistance. Its board approved a USD 100 million Pan-African Programme providing financial and capacity-building services to young women in rural and peri-urban areas, leveraging fintech solutions with alternative credit scoring models. The 3-year, USD 18.2 million pilot programme is scheduled to be launched in 2025.

TDB Captive Insurance Company

The TDB Captive Insurance Company (TCI) provides risk insurance and reinsurance cover exclusively for TDB Group, in view of furthering efficiencies in the Group's risk management. In 2024, TCI provided USD 278 million in insurance coverage through 13 transactions and contributed USD 9.3 million to the Group profitability.

TDB Academy

TDB Academy is the capacity building arm of TDB Group, offering training, seminars, conferences, study tours and other human and institutional capacity development interventions in the financial and investment segments of interest to TDB Group and its partners. In 2024, TDB Academy hosted flagship events including the first African Attorneys General (AGs) Roundtable Meeting, trained 218 internal stakeholders and 305 external stakeholders. This is in addition to several brownbag sessions organized for staff throughout the year on critical topics relevant to the Group's growth journey.

Funding

TDB Group continued to enhance its funding diversification and alternative funding strategy, amidst the difficult operating environment and higher borrowing costs. In 2024, it signed several facilities and partnership agreements with strategic partners and tapped into the syndicated loan market, to raise a total of over USD 3 billion.

Awards

- **Award: African Banker of the Year: Admassu Tadesse, TDB Group President and Managing Director-** African Banker Awards- This accolade celebrated TDB Group President and Managing Director, Mr. Admassu Tadesse as African Banker of the Year. Among the criteria the judges considered for this distinguished award, was the demonstration of influential and inspirational leadership marked by outstanding integrity, a clear institutional vision, coupled with an active dedication to advancing socio-economic empowerment and development.

- **Award: Best Bank for Trade Finance in Emerging Markets-** Global Finance – Trade and Supply Chain Finance- This global-level award received for the 2nd year running celebrated the Bank's excellence in providing impactful and innovative trade finance solutions to sovereign, financial institutions and corporate clients in its Member States. Global Finance selected best trade finance providers based on various criteria including transaction volume, scope of global coverage, customer service, execution skills, commitment to the business, and innovative technologies.

- **Award: ECA Syndicated Loan: TDB Group's €349mn MIGA 7-year guaranteed trade finance syndicated loan-** EMEA Finance - In December 2023, MIGA and TDB expanded their cooperation, with MIGA issuing an additional EUR 349 million 7-year guarantee for a loan provided by Standard Chartered Bank (SCB) as agent on behalf of a syndicate of banks, including Citibank as the arranger. This award, received in 2024 from EMEA Finance recognize this important transaction which will contribute to addressing the trade finance gap in Africa.

- **Award: Best Bank for Trade Finance in Mauritius-** Global Finance – Trade and Supply Chain Finance- With Mauritius hosting one of the Bank's principal offices, TDB received recognition as the

Best Bank for Trade Finance in Mauritius for the 3rd time.

- **Award: Silver Award for having Been Rated A+ in the 2023 AADFI PSGRS Rating-** African Association of Development Finance Institutions (AADFI)- This PSGRS Rating Award, received in 2024, is conferred upon institutions that have participated in the AADFI Prudential Standards, Guidelines, and Rating System (PSGRS) self-assessment exercise, and achieved 80% and above on the Compliance and Rating index, and are rated in Category A following the PSGRS Rating Exercise. The PSGRS is a robust framework that aids institutions in elevating their governance, operations, and financials.

3.3 The COMESA Regional Investment Agency (COMESA RIA)

The COMESA Regional Investment Agency (COMESA RIA) was launched in Cairo, Egypt, in 2006 with the mandate to make COMESA one of the major destinations for regional and international investors while simultaneously enhancing national investment and carry-out activities in investment promotion, facilitation and advocacy.

On promoting the COMESA Region as an attractive investment destination, RIA:

I. Organized the first edition of the COMESA Investment Forum (CIF2024) in Tunisia. The forum aimed at promoting intra-COMESA cross-border trade and investments by showcasing the diverse business opportunities available in Member States to potential business leaders from the region. The forum facilitated a total of around 350 B2B meetings between COMESA Investment Promotion Agencies and Tunisia private and public sectors.

II. Facilitated introductions between potential leads enquiring about specific investment opportunities on the COMESA Investment Map in various Member States. The enquiries were forwarded to COMESA NIPAs and follow up action was taken to respond to the potential leads.

III. FDI stakeholders in COMESA RIA's database received continuous updates on RIA's activities and significant business news from the Member States through RIA's e-newsletter, social media channels and online portal.

IV. Supported the organization and/or facilitated the participation of COMESA National Investment Promotion Agencies (NIPAs) at the following events:

   a) Annual Investment Meeting (AIM) 2024 held in Abu Dhabi, UAE - The forum was attended by COMESA Member NIPAs from Egypt, Seychelles, Somalia, and Uganda.

   b) Africa Investment Conference (AFSIC 2024) held in London, UK - Six (6) COMESA NIPAs participated at the event from Kenya, Mauritius, Rwanda, Seychelles, Uganda, and Zambia. Additionally, a networking session was organized dedicated to promoting investments in the COMESA region.

On Investment data and opportunities collection and dissemination, RIA:

I. Developed the Practical Guides to Doing Business for Burundi and Madagascar in collaboration with Burundi Development Agency (BDA) and the Economic Development Board of Madagascar (EDBM). The guides give an overview on the Member State's investment and business climate that is important for investors to recognize during their investment decision making process.

II. Developed the 2024 COMESA Investment Teaser in collaboration with COMESA Member States. The publication includes more than 250 investment opportunities available in different sectors of strategic importance to Member States. And updated the COMESA Investment Map with the collected investment opportunities.

III. Developed the COMESA 2024 Investment Handbook which provides detailed information on Member

State's economic and investment trends overview, priority sectors and investment potential, country advantages and investment location, COMESA Institutions, and benefits of investing in the region.

Capacity Building Activities for COMESA National Investment Promotion Agencies (NIPAs), RIA:

I. Developed five Investors Tracking Systems for the following NIPAs; Comoros, Djibouti, Malawi, Somalia, and Zambia. The solution was customized to respond to organizational structure and investment promotion model/process and to fulfil the exact needs of each NIPA. Additionally, officials were trained on how to use and maintain the tracking systems. The solution is expected to assist NIPAs in tracking and managing the relationship with investors effectively, as well as to enhance NIPAs reporting capabilities.

II. Initiated the process of upgrading and redesigning the Investor Tracking System (ITS) of the Tunisia Foreign Investment Promotion Agency (FIPA-Tunisia ITS) -The project is expected to be finalized in 2025.

III. Organized a regional capacity building webinar on Sector Studies Development and Delivery to Investors, with the participation of 105 CEOs and officials of NIPAs. The webinar provided insights on the research process necessary to identify priority sectors and how to build a convincing value proposition to investors.

IV. Organized a regional capacity building webinar on Virtual Interactive Tools for Effective Investment Promotion with special focus on Interactive Investment Maps, with the participation of 65 CEOs and officials representing 14 NIPAs. The webinar provided insights on existing investment maps solutions, content and rationalizing the right project information for greater impact as well as tracking the results of investment maps.

V. Organized a regional capacity building workshop (physical) on Leveraging Innovative Strategies for Foreign Direct Investment in the COMESA Region, with the participation of 50 CEOs and officials from COMESA NIPAs. The workshop focused on digital tools necessary for successful investment promotion, targeting intermediaries and site selectors and strategies to collaborate with them.

VI. Organized a Study Tour of Innovation City (Sousse, Tunisia). During the tour, NIPAs were introduced to services offered by the technological business park and center of academic excellence, advanced IT, mechanics, electrical and electronics solutions which have made strides in the medical field and banking sectors.

VII. Facilitated the participation of COMESA NIPAs at various capacity building workshops on the side-lines of the Annual Investment Meeting (AIM 2024) held in Abu Dhabi, UAE. The workshops discussed digital marketing solutions and benchmarking location competitiveness in target sectors to develop high impact value propositions.

VIII. Supported the review of the COMESA Common Investment Area Agreement (CCIA) and participated in the sensitization workshop in collaboration with the Secretariat and the United Nations Conference on Trade and Development (UNCTAD).

3.4 The COMESA Monetary Institute (CMI)

The COMESA Monetary Institute (CMI) is dedicated to advancing regional monetary and financial stability through two primary programmes. The first involves implementing the COMESA Monetary Integration Programme via the Multilateral Macroeconomic Surveillance Framework, which assesses Member States' macroeconomic performance to ensure the sustainability of monetary integration and regional stability, with recent revisions to the Macroeconomic Convergence Criteria enhancing responsiveness to external shocks. The second programme, focuses on regional financial system development and stability, achieved through the revised and more data-driven COMESA Financial Stability Assessment Framework, which has facilitated the publication of regular Financial Stability Reports. To support these initiatives, CMI conducts capacity-building activities, including training and research, to strengthen macroeconomic management and financial stability across member countries, with notable progress made throughout 2024.

Capacity Building Activities

The CMI undertook the following trainings:

i. Macroeconomic Linkages and Economic Policy Analysis;
ii. Climate Change Statistics and application to Monetary Policy;
iii. Implementation of Basel III Standards 2017 Post Crisis Reforms and Application of IFRS 9;
iv. Econometric Modelling of the impact of Climate change on Monetary policy;
v. Monetary Policy formulation and implementation in an era of IT regime;
vi. Nowcasting and Near-Term Forecasting of GDP;
vii. The application of Data Science for Financial Stability Analysis;
viii. Developing of Macroprudential Policy frameworks;
ix. Financial Crisis Management and Resolution Framework for Banks and NBFIs;
x. Impact of Cyber, Climate, FinTech risks on Financial Stability; and
xi. Applications of Big Data Analysis and Artificial Intelligence to Central Banking, offered in collaboration with Central Bank of Egypt.

Research Activities

CMI undertook and validated country specific research studies, in partnership with member Central Banks on the following:

i. Macroeconomic Impact of Climate Change and the role of Central Banks; and
ii. Impact of the Sovereign-Bank nexus on Financial Stability.

Published the following:

CMI Working Papers after a full cycle of the peer-review process:

i. Interbank Markets and Effectiveness of Monetary Policy in Malawi;
ii. Real Effective Exchange Rate Misalignment and Monetary Policy in Developing Countries: The Case of Uganda;
iii. Equilibrium Real Effective Exchange Rate and Monetary Policy Implementation in Rwanda;
iv. Equilibrium Real Effective Exchange Rate and Monetary Policy Implementation in Zambia;
v. Impact of Financial Systems Development on Macroeconomic Stability in Zimbabwe;
vi. Impact of Financial Systems Development on Macroeconomic Stability in Sudan;
vii. Impact of Financial Systems Development on Macroeconomic Stability in Rwanda;
viii. Impact of Financial Sector Development on Macroeconomic Stability in Mauritius;
ix. Impact of Financial Systems Development on Macroeconomic Stability: A Case of Eswatini;
x. Impact of Financial System Development on Macroeconomic Stability in Kenya;
xi. Implications of Fintech on Financial Stability: Evidence from Zambia; and
xii. Implication of FinTech on Financial Stability in Rwanda

Special Reports which are available on COMESA and CMI Websites

i. Role of Artificial Intelligence (AI) in Central Banks: Implications for COMESA Member Central Banks;
ii. The Role of the Interbank Market in Inflation Targeting Regimes: Lessons for COMESA Central Banks;
iii. Exchange Rate Regimes in the COMESA region: Implications for Macroeconomic and External Stability; and
iv. The Role of Central Banks in the era of Climate Change: Lessons for COMESA member Central Banks

Other reports which are available on CMI Website

i. Macroeconomic Developments in the COMESA Region in 2023, published in COMESA Annual Reports; and

ii. COMESA wide Financial Stability Report for 2023.

In collaboration with member Central Banks, the peer-review process of the papers on

i. Exchange Rate Pass-Through to Domestic Prices in member countries; and
ii. Impact of Climate Change on Financial Stability in member countries

3.5 African Trade and Investment Development Insurance (ATIDI)

The African Trade Insurance Agency (ATI) rebranded to the African Trade and Investment Development Insurance (ATIDI) in July 2023, has been supporting trade and investments worth over USD100 Billion across COMESA and the rest of Africa, since its inception in 2000 by African Governments and Shareholding institutions. To date, ATIDI's geographical footprint on the continent counts over 24 African Member States, 1 Non-Regional Member State and 13 Institutional Shareholders who have contributed to the following financial results in the year under review:

- **ATIDI's Gross Exposure amounted to USD9.6billion in 2024** , demonstrating that business has remained resilient in a challenging year characterized by disruptive global headwinds and inflation affecting several COMESA Member States;
- **ATIDI's Net Investment increased by 45% from USD20.6 million last year to USD29.8 million in 2024** with better investment yields in the market as well as additional invested funds arising from operations and new capital from Shareholders and Strategic Partners;
- ATIDI's was **upgraded by Moody's from A3/Stable to A2/Positive – while S&P reaffirmed its A/Stable rating,** reflecting the organization's strong financial management and strategic direction.
- ATIDI recorded **a total comprehensive income of USD62.1 million** in 2024 despite the challenging business dynamics demonstrating the soundness of the organization's business strategy and resilience in the face of global challenges;
- ATIDI held its 24th Annual General Meeting of Shareholders in Livingstone, Zambia in June 2024 with the President of the Republic of Zambia as the guest of honour. During the AGM, 5 new shareholders were welcomed namely; Angola, NEXI Japan, Mali, Chad and Burkina Faso alongside approving the membership applications from the Government of Mauritania and the Export Credit Agency of Poland.
- ATIDI's Board of Directors recently welcomed the appointment of new members including the election of Professor Kelly Mua Kingsley (Cameroon) as the new Board Chairman and Ms. Christina Westholm- Schröder (CHUBB) as Vice-Chair in line with ATIDI's continued commitment towards strong corporate governance. The new Board includes ATIDI's first Independent Director who will play a critical role in steering the organization's strategic direction and governance, further enhancing the organization's efforts to foster sustainable growth across the continent;
- In commemoration of COMESA's 30th Anniversary in 2024, ATIDI signed a EUR15 Million Financing Agreement with the German Development Bank (KfW) towards leveraging the organisation's limited capital resources and underwriting expertise towards supporting regional integration and SME Development across COMESA Member States. The main emphasis of the agreement is scaling up the COMESA RTCG Programme (Yellow Card) facilitating trade corridors and enhancing SME Development in COMESA Member States.

ATIDI's gross exposure portfolio was US$9.6 billion worth of trade and investment projects supported across COMESA Member States in 2024 impacting various sectors including agriculture, forestry and fishing, construction, energy and gas, financial and insurance activities, information and communication, manufacturing, mining and quarrying, transporting and storage, water supply, and wholesale and retail trade.

Looking forward, ATIDI has embarked on its next 5-year corporate strategic plan, covering 2023 – 2027 in line with its vision, mission, mandate and values. ATIDI will seek to be Developmental Transformational, Robust and Reliable (DTR²) and focus on building partnerships for the financial inclusiveness and sustainability of COMESA Member States and Africa at large. With the support of Member States, Institutional shareholders and Developmental Financial Institutions, ATIDI is well positioned to continue playing its countercyclical role as a facilitator of private and multilateral lending in development sectors such as health, education, energy and infrastructure to support trade, investment and economic growth across Member States.

Way-forward

- All COMESA Member States and Non ATIDI Member States are invited to join ATIDI by acceding to its Treaty in order to reap from the benefits and opportunities of ATIDI Membership, Guarantees and Insurance products tailored made to derisk trade, investment and political risks in Africa and;
- Member States with outstanding payments to facilitate the refund of sovereign claims paid on their behalf by ATIDI and to make necessary arrangements to reimburse ATIDI in fulfilment of their membership obligations and the respect of ATIDI's Preferred Creditor Status conferred to the institution by parliamentary ratification of its Treaty by Member States.

3.6 Africa Leather and Leather Products Institute (ALLPI)

In 2024, the Africa Leather and Leather Products Institute (ALLPI) made progress in advancing the leather sector across the COMESA Member States. This was done through enhanced productivity, trade, and sustainability within the industry through targeted capacity-building programmes, market integration initiatives, and strategic partnerships aligned with COMESA's strategic goals, Agenda 2063, and Member States' industrialization objectives.

The impact of ALLPI's interventions is demonstrated in the feedback from cooperatives and clusters that were supported. See box 1.

Aggrey Dzama, Chairperson of Lilongwe Leather and Leather Products Cooperative, said: Since 2018, the Lilongwe Leather and Leather Products Cooperative has benefited immensely from ALLPI's support. Following the training in December 2024 and the provision of working capital, we successfully transitioned into commercial production. Our product line now includes belts, sandals, and leather for car seats, with a secured market for automotive leather supply. The cooperative generates consistent sales, aiming to reach 1.2 million Malawian Kwacha in monthly revenue. We strive to create sustainable income for members while reinvesting in business growth. We are deeply grateful for ALLPI's support, which has empowered us to scale operations and improve livelihoods.

Fungai Zvinondiramba, CEO of Bulawayo Leather Cluster, had this to say: The Bulawayo Leather Cluster was established in 2014 with ALLPI's capitalization with machinery valued at USD 163,000 under the EU RISM programme. SMEs in the Cluster are reaping the benefits of joint procurement, production, and marketing; and are now supplying major retail stores and regional markets. With ALLPI's ongoing support, the cluster is evolving into a fully-fledged incubation centre, aligning with key stakeholders' development objectives. The training on Cluster Design and implementation received from ALLPI over the years, has seen the Bulawayo Cluster supporting the designing and formation of fifteen Clusters with a total membership of 750 MSMEs.

Box 1: Voices of Cooperatives and Clusters

Key Achievements

Institutional and Human Capacity Building - Value Addition and Quality Enhancement
Capacity building is one of ALLPI's core activities, ranging from flaying skills to hide and skin preservation techniques improvement, leather processing, product design and development, and business management. To this end, ALLPI trained 250 enterprise representatives or owners in product design and development, vegetable tanning, resource optimization and tanning, cluster designing and implementation, and hides and skins traceability design and implementation. These skills are being cascaded to close to 2,500 workers employed by these enterprises across the COMESA region.

Capacity building aligns with the COMESA industrialization strategic objective and the vision of the continent to enhance the manufacturing sector's contribution to GDP. Advanced economies and newly industrialized countries have reached high-income status owing to manufacturing growth. This is an important step towards Africa's attainment of a high-income status. ALLPI is proving to be a reliable partner in this process by providing training sessions and showcasing of products whose quality can compete globally as seen below. ALLPI recognizes that intra trade is low in the region and continent at large, owing to the high concentration and production and trade in raw materials. Thus, value addition is the foundation of intra-trade growth which ALLPI is contributing towards.

ALLPI is working with the Leather and Hides Council of America to promote the use of leather products through a design competition reaching over 750 million people worldwide. ALLPI's prominence in promoting the development of the leather industry has grown significantly through partnerships and membership with the Leather and Hides Council of America, COTANCE, International Tanners Council, Academia Dela Moda and Sustainable Leather Foundation. This has positioned ALLPI as a centre of excellence in the leather development sector in Africa as feedback from beneficiaries' is captured below in Box 2:

Andrew Chihungu, Director & Designer- Chihungu Creations, Zambia, had this to say: ALLPI's training has transformed my design and product development skills. I have gained practical skills in sketching, material selection, and prototyping, significantly improving my creative process. Beyond technical skills, networking opportunities have expanded my industry knowledge and market access. Through ALLPI's masterclasses, I have embraced sustainable fashion and storytelling in design, further enriching my craft. Additionally, participation in exhibitions and trade fairs has strengthened my business acumen and international market reach. I am now empowered to train others, extending the impact of ALLPI's programs within Zambia's leather industry.

Box 2: Voices of Designers

Enterprises' participation in Trade Fairs and Networking Events to Access Markets

ALLPI has facilitated enterprises' participation in national, regional and global fairs, including the Asia, Pacific Hong Fair, India Fair, All Africa Leather Fair, Africa Sourcing and Fashion Week, and the East Africa Textile Leather Week. Positive feedback from the beneficiaries is illustrated in Box 3

Mrs Tigist Seyfe Haile, Root in Style—Owner and Managing Director, had this to say about ALLPI interventions: I want to thank ALLPI for supporting my company's participation in different trade fairs and forums in Africa, which has created marketing opportunities. In the past, we participated in Trade Fairs in Europe, but it was not easy to enter the market. ALLPI support has helped us secure African markets, thus tapping into the ACFTA.

Mr. Yoram Atuhamize, Director, Jora Shoes Co, Ltd, Uganda: ALLPI's interventions have provided Jora Shoes access to regional and global production and marketing platforms, strengthening our business growth and consumer alignment. Participation in trade fairs has enabled us to source machinery, accessories, and components, improving our production quality and advancing toward ISO certification. For instance, at the India International Leather Fair, facilitated by ALLPI, we identified new technologies and sourcing opportunities for our manufacturing process.

Box 3: Voices of Success in Market Integration

ALLPI has strengthened African enterprises to enter premier global markets by piloting the Hides and Skins Traceability Systems, which are critical pillars for the certification of tanneries under the Leather Working Group (LWG) Certification. LWG is a respected certification which is globally recognised by top fashion brands. Positive feedback from a beneficiary is shown below in Box 4.

Tilahun Yihaeyis Meshesha- Deputy General Manager, ELICO, Ethiopia We extend our heartfelt gratitude to ALLPI for its strategic interventions that have enhanced the competitiveness of the leather sector in an increasingly competitive market. ALLPI organized a training programme on Sustainable Leather Tanning and Resource Optimization and Hides and skins traceability, which was crucial in preparing ELICO for the LWG Certification Audit. We proudly announce that ELICO has achieved Gold status in the LWG certification process thanks to this invaluable support. We sincerely appreciate ALLPI, COMESA, and the EU's unwavering support in our journey toward excellence.

Box 4: Impact of Traceability Piloting & attainment of the Gold LWG certification

Triple Helix, Policy and Strategy Development

To enhance policy design and implementation, ALLPI successfully held the 17th Africa Leather Value Chain Consultative Forum in Kigali, Rwanda, which made strategic resolutions on strengthening the leather value chain in Africa. The resolutions are contributing towards the preparation of a position paper in partnership with UNECA and AU-IBAR. The position paper will advance the development of the Continental Programme for the Development of Leather Sector, which will be submitted to the AU Specialized Steering Committee in August 2025. Additionally, ALLPI facilitated the development, validation, and launch of the COMESA Leather Value Chain Strategy through a participatory process.

Launch of the COMESA Leather Value Chain Strategy.

Future Outlook

- Expansion of training programmes to include digital leather design and smart manufacturing.
- Strengthening of regional supply chains through enhanced SME cluster collaboration.
- Scaling up sustainability initiatives to align with global environmental standards.

Digitization is in progress with the EU-funded investment in the Leather Institute of Zimbabwe, Design Studio which is set to host regional training programmes on product design and development.

3.7 COMESA Business Council (CBC)

The COMESA Business Council (CBC) is a business member organization bringing together a diverse group of businesses and associations in the region and is the recognized regional apex body of the private sector and business community in the COMESA region. The vision of CBC is, "Building Regional, Going Continental, and Global" and its mission is "To enhance the role of the private sector in deepening regional integration towards a unified continental market." The basic goal of CBC is to facilitate the business growth and development in COMESA region. CBC undertakes activities to fulfill the following objectives:

- To enhance sustainability of CBC and adaptability to shocks.
- To enhance competitiveness and resilience of COMEA Businesses
- To enhance/expedite regional and continental integration.

In addition to the above objectives, CBC is expected to address cross-cutting issues such as circular economy and climate change. In the period under review, CBC undertook various activities to fulfill the above-mentioned objectives based on four service pillars and projects namely: Business Policy and Advocacy, Business Development, Membership Development; Institutional Development as well as various projects.

Business Policy and Advocacy

CBC Workgroups-Platform for Advocacy

In 2023, the CBC Board expressed the need to strengthen and rationalize the Workgroups for effective policy advocacy in the COMESA region. The four (4) workgroups included Agriculture; Manufacturers; Pharmaceutical, Medical Equipment and Health care Services; and Tobacco. An assessment was done which recommended the maintenance of the current four (4) workgroups in line with the CBC Regional Business Advocacy Agenda and proposed establishment of four (4) new workgroups namely Circular Economy and Environment, Digital Financial Inclusion, Technology and Tourism and Travel Duty Free Retail. As a result, CBC currently has eight (8) workgroups and is working with its members to ensure that they have the right leadership in place in readiness for their operationalization in 2025.

17th COMESA Business Forum 2024

The CBC, in collaboration with the COMESA Secretariat and the Government of the Republic of Burundi, convened a successful 17th COMESA Business Forum on 28th October 2024, in Bujumbura, Burundi. The Forum was held with support from the European Union through the Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP) Project of 11th European Development Fund. The objective of the Forum was to provide a platform for the public and private sectors to discuss the challenges and opportunities in the COMESA region, and to agree on measures to address them. The Forum was hosted under the theme, "*Accelerating Regional Integration through the Development of Regional Value Chins in Climate Resilient Agriculture, Mining and Tourism*". The outcome of the Forum was the COMESA Business Declaration 2024, which was presented to the 23rd Summit of the COMESA Heads of State and Government which took place on 31st October 2024. A key recommendation of the Forum was the drafting of a regional private sector development strategy for the COMESA region.

Business Development

The CBC, in collaboration with the COMESA Secretariat, participated in three (3) International Trade Fairs held in Kenya, Uganda, and Eswatini. CBC's presence was part of an outreach strategy to reach and interact with a wide spectrum of key stakeholders. Additionally, the Trade Exhibition under COMESA Business Forum 2024, which was held alongside the Forum provided an opportunity for businesses to network and establish business linkages at the same time creating an opportunity for engagement with potential members.

Membership and Communication

Communication

In the period under review, CBC through various media and platforms facilitated effective communication and provision of business-related services through constant engagement with the CBC membership and business community in the COMESA region. In addition, the Biznet Newsletter was published and disseminated all the stakeholders. The newsletter serves as a platform for CBC members to share their content as part of providing visibility to the members.

Membership Development

During this period, CBC undertook a membership drive in Uganda, where three potential members were identified for the purpose of onboarding. Additionally, CBC successfully recruited a new member from Kenya. Recruitment and retention of new members to CBC workgroups and general membership remains a key agenda item. Further, the membership application and follow-up data base was revamped under the Customer Relationship Management (CRM) system to ensure effective membership applications and follow up, thus, enhancing membership application and recruitment procedures.

Increased Visibility

CBC continued to develop innovative ways and platforms envisaged to increase brand presence and visibility to its membership and the business community. In 2024, CBC strengthened visibility of its projects towards beneficiaries and stakeholders using different publicity and media channels.

Institutional Development

CBC Strategic Plan 2024-2026

In the period under review, CBC published a 3-Year Strategic Plan for the period 2024-2026 building on its previous strategy with a focus to reinforce its commitment and approach in addressing members' issues, including recruitment and retention, improvement of services, broadening the membership base, enhancing communication, and restructuring of platforms including workgroups. It is expected that the strategic plan will guide CBC to strengthen its membership base and responsiveness to the needs of members and strengthen its institutional capacity and sustainability through the development of a sustainability plan.

CBC Annual General Meeting (AGM) 2024

CBC successfully convened an Annual General Meeting (AGM) on 30th April 2024, during which new Board Directors were elected and a revised constitution was adopted. This process adhered to CBC's established governance procedures to ensure transparency, fairness, and inclusivity throughout the COMESA region. These developments reflect the CBC's continuous efforts to enhance good governance and institutional strengthening aimed at the effective discharge of its mandate.

Financial Performance 2024

CBC's revenue base is comprised mainly of the membership subscription fees from its principal members, corporate members, sponsorship, and administration fees from the projects. In 2024, CBC continued to pursue measures to enhance its resource mobilization through broadening of its membership base and increasing the collection of fees as part of its efforts towards strengthening its financial sustainability.

Status of CBC Projects

a) Development of a Digital Retail Payment Platform under the Digital Financial Inclusion (DFI) Programme: CBC continued to implement the 3-Year Digital Retail Payment Platform through the support of the Gates Foundation. The project is in Phase III of implementation which commenced in October 2022 and is expected to conclude in July 2025. The project focuses on the development of a digital retail payments scheme and technical capacity development for micro, small and medium enterprises and stakeholders in the COMESA region. The platform is expected to be operational in 2025.

b) Institutional Development under Federation of German Industries (BDI) and CBC Project: The BDI has partnered with CBC to improve the effective representation of private sector interests in COMESA Member States under the Institutional Development Project. The 3-year Project concluded on 31st October 2024 and has been extended by the German Government to Phase II for a period of 3 years effective 1st November 2024.

c) Capacity Building Project under CBC-EU Technical Assistance Facility (TAF): The project focusing on COMESA French Speaking Member States namely Burundi, Comoros, Djibouti, DR Congo, Mauritius, Madagascar, Rwanda, Tunisia and Seychelles commenced in March 2024 and concluded in August 2024. The objective of the project was to help the targeted Member States to gain a better understanding of trade dynamics, and opportunities unfolding from the AfCFTA. A Trade Expert was recruited to address the issue of limited engagement by the CBC with the Member States, mainly due to language barrier. A stakeholders' sensitization workshop on ACFTA was held in July 2024 and a follow up training workshop held in December 2024 in Seychelles. Following the extension of the project to 2025, follow up workshops including an advanced training workshop and a training of trainers were planned to be held in Antananarivo, Madagascar.

Collaboration with COMESA Secretariat

The COMESA Secretariat is working closely with CBC in the implementation of a project on COMESA Support Towards Regional Pharmaceutical Sector Development (CSTRPSD) supported by the African Development Bank. The principal objective of the project is to provide institutional support for the development of the pharmaceutical industry through strengthened capacities of the region's pharmaceutical regulatory bodies, quality control and management systems, research, and development of institutions for effective manufacturing of safe and quality pharmaceutical products in the region.

In addition to the above, CBC is working closely with COMESA Secretariat to promote the free movement of businesspersons in the region through gradual relaxation and eventual elimination of visa requirements. A joint study conducted by COMESA Secretariat and CBC in 2024, pointed out that most of the Member States have made tremendous progress in the area of visa relaxation and therefore recommended that the Member States should go beyond entry requirements by focusing on rights of establishment and residents including work permit regimes.

3.8 COMESA Competition Commission (CCC)

The COMESA Competition Commission is mandated under the COMESA Competition Regulations to promote and encourage competition within the common market thereby playing a key role in facilitating regional integration. The Commission performs its mandate by preventing restrictive business practices, unfair deceptive, and fraudulent business practices towards consumers and other businesses, that deter the efficient operation of markets. The Commission regularly engages and cooperates with Member States through sensitization and advocacy programmes.

The Commission's activities for the year 2024 outlined below were implemented in line with its 2021 – 2025 Strategic Plan.

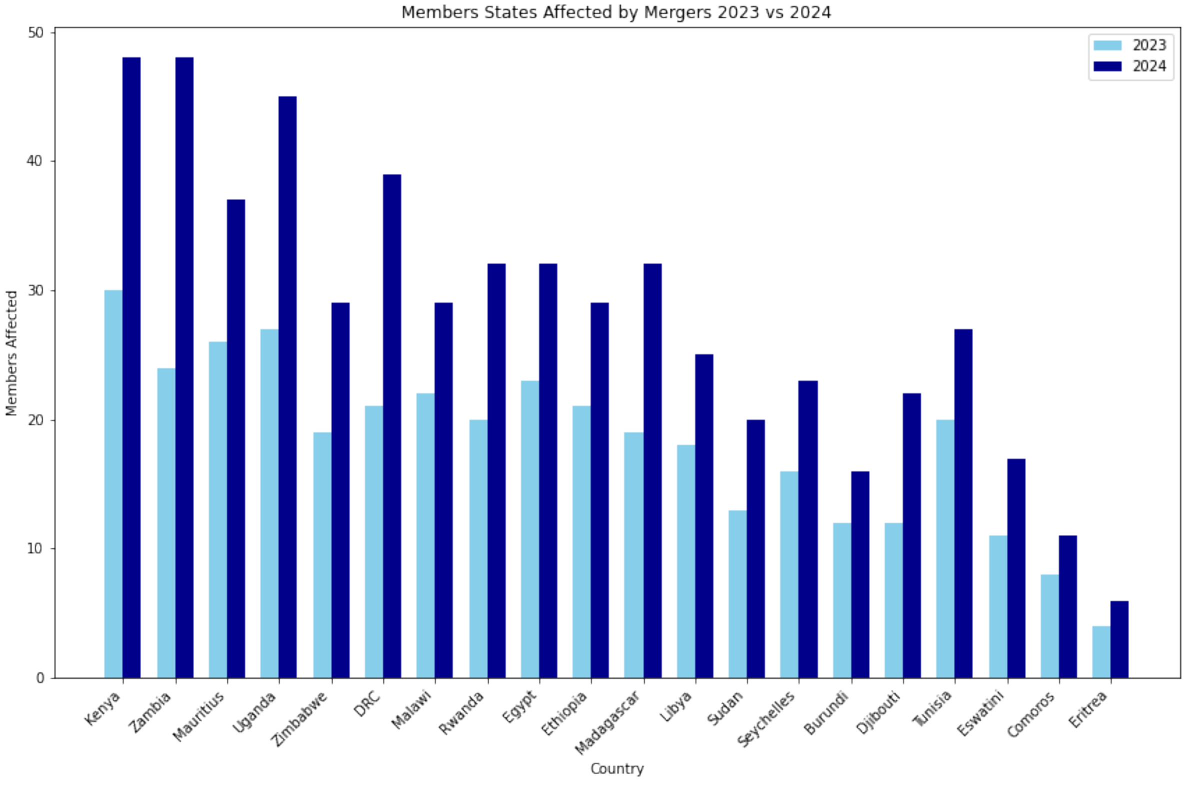
Determination of Conduct Harmful to Competition in the Market - The Commission's goal in this area is to support effective and timely assessment of mergers and restrictive business practices to prevent any likely competition harm in the region. Additionally, the Commission seeks to enhance consumer protection and strengthen market monitoring to detect any competition and consumer rights infringements.

Effective and Timely Assessment of Competition Cases

- **Mergers and Acquisitions**

In 2024, the Commission received **fifty-six (56)** merger applications, assessed and approved **forty- three (43)** mergers within the statutory period of 120 days provided for under the Regulations. Five (5) were granted comfort letters, one (1) was abandoned, and seven (7) cases were carried forward to 2025 as they were still under assessment. As illustrated in ***Figure 11***, the mergers assessed and approved by the Commission affected all the Member States in various economic sectors.

Figure 12: Number of Mergers by Affected Member States, 2024

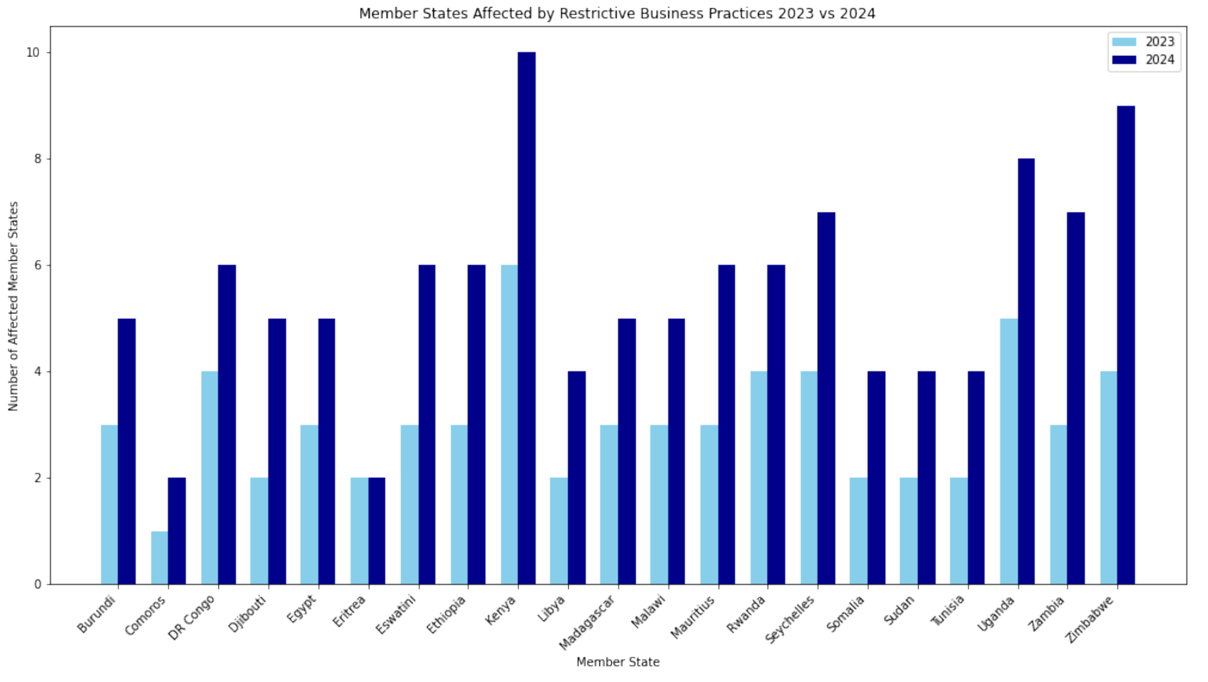


The Member States most affected by the cases assessed in 2024 were Kenya and Zambia, with an equal number of cases, followed by Uganda, DR Congo and Mauritius, with the least number of cases affecting Eritrea and Comoros. It was noted that there were some changes compared to 2023, where the largest number of cases affected Kenya, followed by Uganda and Mauritius, with the least number of cases affecting Eritrea and Comoros.

- **Restrictive Business Practices**

In 2024, the Commission undertook 9 investigations pursuant to Article 22 of the Regulations, which presented an increase from 7 in 2023. Additionally, there was an increase in the number of cases investigated pursuant to Article 21 from 2 in 2023 to 3 in 2024. The number of applications for authorizations pursuant to Article 20 remained the same at 1.

Figure 13: Number of RBP Cases per Member State



It was noted that the majority of cases affected Kenya, followed by Zimbabwe in 2024 while in 2023, the majority of cases affected Kenya followed by Uganda. Member States including Uganda, Seychelles, Zambia, DR Congo, Eswatini, Ethiopia, Mauritius and Rwanda received a higher number of cases compared to Comoros and Eritrea which received the least number of cases.

Matter involving the Memorandum of Understanding between Lagardere Sports SAS and SuperSport International (Pty) Limited

On 18 December 2024, the Appeals Board issued its decision on the appeal by CAF against the decision of the Committee Responsible for Initial Determination (CID) dated 4 December 2023 in the matter involving the Memorandum of Understanding between Lagardere Sports SAS and SuperSport International (Pty) Limited. The Appeals set aside the decision and consequently ordered CAF:

I. To award all future exclusive media rights on the basis of an open, transparent, and non-discriminatory tender process, based on a set of objective criteria which shall be shared with the CCC prior to launching the tender and to continue to publish the results of all tender exercises conducted on its website, subject to redaction of confidential information;

II. Not to enter into new exclusive agreements for a duration that exceeds four years and where CAF has justifiable grounds to enter into a future agreement for a duration which exceeds four years to notify the CCC for authorization of such agreements; and

III. Offer the various media rights as separate, commercially viable packages. No single undertaking should be allowed to purchase all the media packages. Where CAF has justifiable grounds to grant all the media packages to a single purchaser, it shall inform the Commission.

- **Bilateral Cooperation with Member States**

Among the functions of the Commission is to cooperate with Member States National Competition, Consumer Protection or Competent Authorities (NCAs) in competition and consumer protection law enforcement. The Commission achieves this mainly through, inter alia, the conclusion of Memorandum of Understandings (MoUs) with Member States NCAs. The areas of focus under the MoU's include the exchange of information, joint sensitization and advocacy programmes, and most importantly, enforcement cooperation. As of 31 December 2024, the Commission had concluded MoUs with 16 Member States. Further to signing the MoUs, the Commission develops implementation frameworks to facilitate smooth implementation.

Strategic Objective: Strengthening Enforcement

■ Comprehensive Review of the Regulations and Rules

In the period under review, the Commission commenced the process of repealing and replacing the COMESA Competition Regulations and Rules of 2004 to address practical challenges encountered in their enforcement. The new COMESA Competition and Consumer Protection Regulations and Rules will include provisions on emerging issues in competition and consumer protection, such as digital markets, protection of consumers, particularly the young from harmful digital content and Environmental, Social and Governance issues (ESGs). The new regulations and rules have been considered by the COMESA Sub-Committee on Legal Affairs and are expected to be considered and approved by the Policy Organ Meetings in 2025.

Enhance capacity to enforce the COMESA Competition Regulations by case officers at National Competition and Consumer Agencies

In 2024, the Commission engaged Member States on technical assistance and capacity building activities. Assistance was provided towards the development of appropriate instruments for the effective operation of national competition authorities and the implementation of national competition legislation. In this respect, the Commission provided technical assistance to Burundi, DRC, Djibouti, Egypt, Eswatini, Ethiopia, Libya, Malawi, Mauritius, Rwanda, and Zimbabwe.

Regional Case Handlers Workshop

The Commission held the Case Handlers' Workshop which is one of its annual signature events in June 2024 in Kigali, Rwanda. The training was attended by more than 70 case handlers from nineteen (19) Member States namely, Burundi, DR Congo, Comoros, Djibouti, Egypt, Ethiopia, Eswatini, Kenya, Libya, Malawi, Madagascar, Mauritius, Rwanda, Seychelles, Sudan, Tunisia, Uganda, Zambia, and Zimbabwe. Additionally, members of the African Competition Forum including Namibia, Mozambique and Cape Verde attended the workshop.

Strategic Objective: Advocacy and Strategic Collaboration

Enhancing the Visibility of the Commission

The Commission implemented several advocacy and sensitization activities through international cooperation, outreach, and networking which included capacity building workshops for key stakeholders, participation in relevant conferences, lectures at universities and corporate social responsibility events.

3.9 COMESA Court of Justice (CCJ)

The COMESA Court of Justice was established in 1994 under Article 7 of the COMESA Treaty as one of its organs. Its primary function is to uphold the rule of law through the interpretation and application of the Treaty. The Court is composed of two Divisions: The Appellate Division with five Judges and the First Instance Division with seven Judges. The day-today operations of the Court are coordinated by a Registry headed by the Registrar.

The Court activities for the year 2024 were implemented following the 2024 CCJ Annual Work Programme developed in line with its Medium-Term Strategic Plan 2021-2025 as summarized below.

Dispensation of Justice

The dispensation of justice is the core function of the Court. In 2024, the Court heard and concluded various matters that came up for hearing.

Institutional Strengthening

To strengthen its institutional capacity, the Court developed a Resource Mobilization Strategy and a Communication Strategy. Additionally, the Court reviewed the Staff Rules and developed Rules of Procedure for Administrative Meetings and a Code of Ethics for Staff.

Further, the Court finalized the recruitment of two professional staff, namely, the Manager for Human Resources and Administration, and General Services and a Procurement Officer.

The Court participated in several conferences, workshops and training programmes that were relevant to the discharge of its mandate to build capacity in its efforts to promote the best judicial practices and improve service delivery.

Further, twelve Judges (five for the Appellate Division and seven for the First Instance Division) were elected by the 27th Meeting of the Ministers of Justice and Attorneys General held in Lusaka, Zambia on 21 November 2024 to replace the current bench which is completing its ten-year tenure on 5th June 2025. The formal appointment and swearing in of the new Judges will take place in 2025. The gender distribution of the elected judges was 33% female and 67% male.

Operations of the Court

In 2024, the Court Registry temporarily relocated to Lusaka, Zambia thus allowing for the smooth and stable operations of the Court and the safety of staff members.

Visibility of the Court

To enhance its visibility, the CCJ carried out various activities in 2024 to sensitize various stakeholders and partners on its functions and jurisdiction. Additionally, it increased its social media presence to publicize its activities and mandate.

Among the activities undertaken was the publication of the CCJ's first newsletter which highlighted its achievement in its 30 years of existence.

Information and Communication Technology

The Court continued leveraging ICT to enhance delivery of service and access to justice, through among other ways, availing the option for the electronic filing of court documents and the facilitation of virtual court sessions.

Challenges

Reported challenges included delay or non-remittance of budgetary contributions by some Member States which adversely affected the Court's service delivery.

3.10 COMESA Federation of National Association of Women in Business (COMFWB)

The COMESA Federation of National Associations of Women in Business (COMFWB) in pursuant of Articles 28, 154 and 155 of the COMESA Treaty, is implementing its 2021-2025 Medium Term Strategic Plan (MTSP) which aims to strengthen institutional capacity, strengthen the resource mobilization capacity, strengthen development programmes for women in business and enhance the advocacy, public image, and branding of COMFWB.

During the reporting period, the institution accomplished the following under the approved 2024 Work Plan:

Institutional Strengthening and Governance

Medium Term Review of COMFWB MTSP

The COMFWB Secretariat conducted a Mid-Term Evaluation of the 2021 – 2025 Medium Term Strategic Plan (MTSP). This independent evaluation assessed the implementation of the plan for the past three years to ascertain whether it was achieving the intended objectives. The Mid-Term Evaluation of MTSP acknowledges that the framework and its implementation reporting tools have been valuable in steering the implementation of planned intervention programmes and activities and in reporting progress on results. The evaluation further revealed that COMFWB has registered several achievements in the realization of its objectives. COMFWB will thus need to ensure that sustainability and impact be embedded in the design of all its interventions.

Chapter Programme Support

To strengthen its Chapters, COMFWB has engaged the services of Liaison Officers in 19 Member States. The COMFWB Liaison Officers are responsible for supporting the Chapters in resource mobilization and programme implementation as well as being a major link between the Chapters and COMFWB Secretariat on technical matters. The Liaison Officers were trained on resource mobilization and drafting of proposals and expressions of interest.

Legal instruments

COMFWB has developed a Safeguarding Policy for the organization which aims at safeguarding women and youth working with COMFWB against discrimination and abuse.

Board Meetings

COMFWB convened 4 board meetings during the reporting period which reviewed the progress made in the implementation of the 2023 Work Plan and Budget. Additionally, the Board reviewed the progress in the implementation of the AGM Decisions of 2022, and audit findings. Further, an orientation workshop for the new board was held which covered areas of governance and specific roles and responsibilities of the members.

Annual General Assembly

COMFWB held its Extra-Ordinary General Assembly on 20th February 2024 in Kigali, Rwanda. All twenty (20) Member States were in attendance with the aim of enhancing implementation of COMFWB's legal framework and pass decisions to bolster the organization's effectiveness. In the opening remarks, the Rwandan Minister of Trade and Industry emphasized the pivotal role of women in business as the cornerstone of regional economies specifically within the COMESA region. He stressed the significance of transparency and accountability in supporting women in business and urged all COMESA Member States to fully support them. Key decisions made by the Board during the General Assembly included appointment of the CEO and review of policy matters.

On 27th June 2024, COMFWB held its Ordinary Elective General Assembly in Antananarivo, Madagascar. The General Assembly elected the new COMFWB Board which will be in the office for a period of 2 years. The members of the Board are:

1. Ms. Maureen Sumbwe, representing the COMFWB Zambia national chapter ZWAFIB was re-elected as the Board Chairperson.
2. Mrs. Leila Belkhiria Jaber from the COMFWB Tunisia Chapter/ CNFCE / Chambre Nationale des Femmes Cheffes d'Entreprises emerged as Vice Board Chairperson while
3. Ms. Angie Wibabara, from the COMFWB Rwanda was reelected Rapporteur of Board of Director
4. Ms. Selina Mwenelupembe from the COMFWB Malawi Chapter/ Federation For National Association of Women in Business Malawi,
5. Ms. Zintombi Thandi from the COMFWB Eswatini Chapter,
6. Ms. Ibtissam Ben Amer from the COMFWB Libya Chapter,
7. Ms. Claudette Albert from the COMFWB Seychelles Chapter,
8. Ms. Fanja Razakaboana from the Comfwb Chapter Madagascar/ Groupement des Femmes Entrepreneurs de Madagascar (GFEM)
9. Ms. Choukri Abdillahi from COMFWB Djibouti Chapter.

COMFWB Monthly Business Conferences

COMFWB convened virtual monthly business conferences which were attended by representatives of the COMFWB Chapters. The conferences focused on amongst others, implementation of RECAMP and partnerships with renew capital, a Canadian company implementing a programme on enhancing the participation of SMEs in the African Continental Free Trade Area (AfCFTA).

Strengthening Capacities of COMFWB National Chapters

Support to COMFWB Chapters included the following: provision of two (2) laptops to the Mauritius Chapter, capacity building on governance for the Madagascar Chapter, facilitated participation of the Malawi Chapter in the Women's Day exhibition in Mzimba, the Malawi International Trade Fair and the Zambia Agriculture Show.

Website Development and Publications

COMFWB has continued to update information on its website, and profiles on LinkedIn, and Facebook. Additionally, COMFWB produced a magazine in preparation of the trade fair and business conference in Madagascar.

Resource Mobilization

COMFWB engaged several partners on supporting the implementation of its women in business programmes. The following engagements were undertaken:

a. Master Card Foundation supported - UNDP and COMFWB: COMFWB has partnered with UNDP Country office in Zambia, TDB, AfDB, ZEPRE, and ITC in co-creating a programme which will support the creation of decent jobs for 200,000 young women in Botswana, DR Congo, South Africa, Zimbabwe, and Zambia. The programme was submitted for approval to the Master Card Foundation.

b. CO-WATER – FIRST Programme - COMFWB has partnered with Co-Water international in the implementation of the Facilitation Inclusive and Resilience Sustainable Trade (FIRST) Project. FIRST aims to improve economic growth in Sub-Saharan Africa that is inclusive, environmentally sustainable, and that empowers women, youth, people with disabilities (PWD) and/or other vulnerable and marginalized groups by implementing a series of interrelated interventions. This will be undertaken with the support the Ministries of Trade, Industry and Commerce, trade-related institutions and MSMEs particularly those led by women and other vulnerable and marginalized groups and small-scale cross-border traders in DR Congo, Mozambique and Zambia.The Canadian Government has provided US$9.7 Million for the implementation of this project.

c. Social Protection and Financial Inclusion Project - COMFWB is collaborating with NEPAD-AUDA in the implementation of the Social Protection and Financial Inclusion Project. The project is a comprehensive and structured approach towards bolstering social protection and financial inclusion across Africa. The Programme for Strengthening National Institutions Supporting Vulnerable Communities: Social Protection, Financial Inclusion, and Access to Opportunities, relies on four foundational pillars that are strategically designed to address various levels of governance and implementation, from national institutions to continental policy reforms, and ensuring a holistic and integrated effort towards achieving the objectives set forth by the African Union's Agenda 2063. A meeting was convened in Lusaka in June 2024 which validated this programme.

d. TDB-AFAWA Programme - COMFWB has been implementing the credit guarantee scheme, however, there have been some challenges in engaging financial institutions to participate in the scheme. In Kenya, the financial institution selected has noted that there is a need for the Chapter to identify women organizations/enterprises to participate in the scheme. COMFWB is working with TDB to raise more concessional funds from AFAWA building on its previous efforts to design an unfunded guarantee and the need to convert it to a funded instrument.

e. Development of the COMFWB Headquarters and Business Complex - COMFWB has been engaging with financial institutions to support the development of COMFWB Headquarters and Business Complex. Discussions were held with Afrexim Bank focusing on forging a partnership on the development of the building.

f. CSA Programme with WFP covering Eswatini - ACTESA - COMFWB, the Centre for Financial Inclusion (CFI), and the World Food Programme (WFP) entered a tripartite partnership to cooperate regarding the achievement of common goals in Eswatini to improve food security and the nutrition portfolio. The tripartite programme has harmonized actions aimed towards creating an enabling environment anchored upon local and regional market linkages, facilitation to critical inputs and strengthening capacities of smallholder cluster groups, women and youth, to ably participate in agricultural value chains. The cooperation is strongly underpinned within the auspices of Home-Grown School Feeding (HGSF) Programme.

Programmes on Women in Business Empowerment

Business Incubation Initiative

COMFWB has continued to implement the Business Incubator for African Women Entrepreneurs (BIAWE) Project. Discussions are currently underway with NEPAD-AUDA on this project following successful mobilization of 20 million Euros for the implementation of the successor project to BIAWE. The project will be implemented for a period of 5 years - NEPAD-AUDA has agreed to disburse the funds directly to COMFWB.

Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP)

COMFWB continued to implement the Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP) which was extended from January 2024 to June 2025. Progress has been made in developing seven (7) documentaries on best practices. Further, capacity building activities were undertaken in DR Congo, Zimbabwe, and Madagascar focusing on promoting competitive and diversified industrial development in the COMESA region - 75 entrepreneurs were supported under the project.

The COMFWB Cluster Development Programme

In the period under review, COMFWB continued to implement the COMFWB Cluster Development Programme which has put in place mechanisms to unlock value in sectors dominated by SMEs including agriculture, industry, and services. These sectors face challenges namely inadequate skills, inappropriate technology, and limited access to finance. COMFWB's cluster approach aims to create intra-trade and technology transfer initiatives among SMEs within a country and across all Member States by supporting cassava and horticultural projects.

Trade Fair and Business Conference

COMESA in collaboration with the Government of Madagascar hosted the 5th COMESA Federation of Women in Business (COMFWB) Trade Fair and Business Conference in Antananarivo on 28th - 29th June 2024. Under the theme "Enhancing Participation of Women Entrepreneurs in the COMESA Regional Markets under the African Continental Free Trade Area (AfCFTA) focusing on Green Investment, Value Addition, and Tourism," the event aimed to facilitate trade among women entrepreneurs and promote the development of policies supporting women in business. The key achievements of the Trade Fair and Business Conference were as follows:

- Over 170 delegates from more than 25 countries, including COMESA Member States were in attendance.
- Over 140 women in business and 16 countries exhibited their products.
- More than 5000 persons visited the exhibitions.
- More than 1 million views were recorded during live streaming of all the events.
- More than 60 international experts participated.
- Over 1600 participants attended the business conferences and the business talks.

Facilitated the Participation of Women Entrepreneurs at the COMESA Business Forum in Burundi

COMFWB facilitated the participation of nine (9) entrepreneurs from Tunisia, Madagascar, Uganda, Kenya, Rwanda, DR Congo, Malawi, Burundi and Ethiopia at the COMESA Business Forum in Burundi held on 29th October 2024. The women entrepreneurs exhibited their product offerings during the forum.

3.11 The Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA)

The Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), a specialized agency of COMESA was established as an engine of agriculture development, critical in enhancing food security, with an overall goal of boosting intra-regional agricultural trade through the support of small-scale farmers' access to agricultural input, output and financial markets. Its mandate is to address regional food security challenges through improved competitiveness of staple food markets in the Eastern and Southern Africa (ESA) region.

ACTESA's commodity focus includes cereals and pulses; oil seeds; horticulture; roots and tubers; tree crops; forestry products; livestock and agricultural inputs. Research in the COMESA region has revealed that the production of staple foods in Africa is dominated by 80 million smallholders and 90% comprising staple producers' smallholder farmers. Less than 10% of the world's smallholder farmers have access to improved, quality seeds that can halt hunger and tolerate the impacts of climate change and other environmental stresses. Whereas agricultural production has grown at an average of 2%. A broader look at the extent of food insecurity, beyond hunger, shows that 17.2% of the

world population, approximately 1.3 billion people, have experienced food insecurity at moderate levels. This means that they do not have regular access to nutritious and sufficient food, demonstrating a greater risk of various forms of malnutrition and poor health.

Key Achievements of ACTESA Staple Food Programme

COMESA EAC Horticulture Accelerator (CEHA)

The COMESA EAC Horticulture Accelerator (CEHA) is a transformative initiative aimed at catalyzing the growth and competitiveness of the horticulture sector within the COMESA and East African Community (EAC) regions. CEHA is financially funded by the Bill and Melinda Gates Foundation (BMGF), and the Foreign Commonwealth Development Office (FCDO). During the period under review, the CEHA programme supported the establishment and launch of National Chapters in Kenya, Rwanda, Uganda, Ethiopia and Tanzania. To ensure effective implementation, and the success of CEHA initiatives, the CEHA Partners Meeting was held in Lusaka, Zambia on 20th November 2024, whose outcomes among others were doner commitment to support the implementation of the CEHA Regional Strategy and Action Plan 2025-2035.

EU-RECAMP/AATF- Supported (COMESA Seed Harmonizations Implementation Plan) COMSHIP Activities

The Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP), a European Union funded Programme implemented by COMESA aimed at increasing private sector participation in regional, global value chains and the African Agricultural Technology Foundation/Technologies for African Agricultural Transformation (AATF), a unique charity facilitating and promoting partnerships with public and private sector entities, supported ACTESA in implementing the COMESA Seed Harmonization Implementation Plan (COMSHIP). COMSHIP is designed to assist COMESA Member States in domesticating the COMESA Harmonized Seed Regulations at the national level and coordinate implementation at the regional level. COMSHIP provides the initial steps of an ongoing and constantly evolving and improving process to domesticate the COMESA Seed Trade Regulations. The domestication of the regulations is expected to lead to increased seed production, reliability, trade and competitiveness of the seed industry in the COMESA region. Towards awareness creation of the COMESA-aligned Seed Laws/ Regulations, ACTESA in partnership with AATF undertook sensitization workshops of the wider seed stakeholders in

COMESA Member States namely, Ethiopia, Eswatini and Tunisia. The workshops provided an opportunity to provide information on COMSHIP status at the regional level and were used as a platform to identify the key challenges in the implementation process of COMESA Seed Trade Harmonization Regulations at the national level. Further, the sensitization workshops facilitated capacity building of the Member States on the COMSHIP.

Registration and Annual Renewal of COMESA Varieties on the COMESA Variety Catalogue

The COMSHIP is a framework describing the implementation plans and modalities required to effectively implement, monitor and ensure compliance and execution within MemberStates of the COMESA Seed Trade Harmonization Regulations. The implementation plans and actions are intended to bring about consistency in domestication, application, monitoring and improvement across COMESA Member States. This initiative allows plant breeders/ seed developers to register varieties in the COMESA Catalogue and seed users to find varieties which can be legally commercialized among Member States. During the period under review, a total of 6 new seed varieties from seed companies that include maize varieties of SC423, SC 449, SC 665, SC 561, SC v653 and SC 665 belonging to Seed-co and Soyabean Variety TGX 2014-16FM belonging to the International Institute of Tropical Agriculture (IITA) were registered on the COMESA Variety Catalogue. As of December 2024, the total number of varieties on the COMESA Variety Catalogue was 111.

Support of ACTESA Staple Food Programme Development and Re- engagement with Alliance Partners

ACTESA has partnered with the European Social Label (EUSL), to mobilize resources for financing its staple food programmes. Through this partnership, the Social Development and Empowerment Programme (SDEP) and the Efficient SDG Fulfilment for Regions in Transition Programme (EFFORT) in collaboration with UNDP, for national, cross-border regional and international research collaboration and solutions implementation, has been introduced. This transformative initiative addresses critical socio-economic challenges with a focus on sustainable development, food security, and empowering rural farming communities. This partnership has culminated in the development of the ACTESA Staple Food Programme SDEP and ECHO Implementation (ACTESA SFPSEI) that aligns with the ACTESA Regional Strategic Plan 2021-2031. Programmes under ACTESA SFPSEI include CEHA, COMSHIP, COMESA Biotechnology Implementation Plan (COMBIP), COMESA Bioprotectant Harmonization Programme (COMBIHAP) and COMESA Fertilizer Regional Programme (COMFREP).

ACTESA signed a Memorandum of Understanding (MoU) with the International Service for the Acquisition of Agri-Biotech Applications (ISAAA AFRI) Center to implement the COMBIP. The MoU signed in Lusaka on 5 June 2024 outlines several areas of collaboration, which include rolling out a communications strategy on agricultural biotechnology and biosafety to raise awareness and address misinformation through facilitating appropriate stakeholder engagement platforms. Through the MOU, ACTESA has been able to formulate a panel of experts on biotechnology from the COMESA Member States who will be focal points on the implementation of COMBIP activities in their respective Member States.

Stakeholders Engagement Meeting on Biotechnology and Biosafety in the COMESA region

ISAAA in partnership with ACTESA organized a pivotal meeting in September 2024 in Lusaka, Zambia focusing on advancing biotechnology and biosafety across the region. The meeting brought together key stakeholders with the goal of enhancing understanding of biotechnology and biosafety among Member States, fostering informed decision-making and robust policy development. The meeting laid a solid foundation for advancing biotechnology and biosafety in the region.

Future Initiatives

ACTESA and the European Union Social Labels (EUSL) entered into a partnership agreement that includes the EUSL's Ecological, Circular, Hållbar and Optimization (ECHO) and Social Development and Empowerment Programme (SDEP). The ACTESA SFPSEI will be a game changer in 2025 as it aims to contribute to a growth rate of 10% per year in inter-regional agricultural trade through concerted efforts targeting agricultural productivity and market access for the major staples in the region, namely maize, beans, soybeans, wheat, bananas, cassava, rice and horticultural products. ECHO seeks to revolutionize infrastructure development by providing an all-encompassing platform which includes energy solutions, water management, waste treatment, smart technologies, and fostering the creation of resilient and sustainable communities.

3.12 COMESA Clearing House

The objective of the COMESA Clearing House (CCH) is to facilitate payments and settlement of trade and services amongst Member States. CCH operates in Harare, Zimbabwe.

Regional Payment and Settlement System (REPSS)

The Clearing House introduced REPSS which allows Member States to transfer funds more easily within COMESA. The facility is built on open standards and is accessible to Non-Member States. REPSS is a Multilateral Netting System with End-of-Day Settlement in a single currency (US$ or Euro), with the system allowing for settlement in a multicurrency environment (US$, Euro or any other specified currency). The main aim of the system is to stimulate economic growth through an increase in intra-regional trade by enabling importers and exporters to pay and receive payment for goods and services through an efficient and cost-effective platform. Local banks access the payment system through their respective Central Banks. Any participating bank is, therefore, able to make payments to, and receive payments from, any other participating bank. The linkages through Central Banks avoid the complex payment chains that may sometimes occur in correspondent bank arrangements. The system operates through member countries Central Banks.

Digital Retail Payment Platform

The Clearing House is working on a Cross Border Digital Retail Payment Platform (DRPP) as part of the Digital Financial Inclusion Programme. The platform aims to enhance financial inclusion, streamline cross-border transactions, and foster economic integration within the COMESA region. The project is designed to build on the existing REPSS, which facilitates high-value cross-border payments among Member States. The DRPP will efficiently extend this capability to retail payments, enabling instant, low-cost transactions for individuals, micro, small, and medium-sized enterprises (MSMEs), and other stakeholders.

Progress on Implementation

REPSS is operational in nine (9) Member States, namely at the Central Banks of DR Congo, Egypt, Eswatini, Kenya, Malawi, Mauritius, Rwanda, Uganda and Zambia. It is hoped that additional Member States will join the system in due course, in line with the variable geometry approach to implementation of its programmes. The value of transactions processed on the system is growing, reaching nearly US$ 550 million over a 6-year period, as at 31 December 2024. The near totality of transactions carried out so far on REPSS have been without Letters of Credit. Based on the estimated amount of the transactions over the period and at an average cost of 5% of the value of these transactions which would have gone through Letters of Credit, the importers have saved an estimated amount of over US$ 27.5 Million by channeling their payments through REPSS. The value of transactions processed account for less than 10% of total intra-COMESA trade, signaling the need to shift strategies for REPSS.

Initiatives

i. The Clearing House secured approval from the COMESA Committee of Governors of Central Banks for the upgrade of REPSS and its migration to ISO20022 message standard. The upgrade will bring several strategic benefits including enhanced system efficiency and speed, interoperability with emerging and other payment systems, strengthened resilience and security, all geared towards increased participation on the system.

ii. Approval was secured for a cooperation agreement between the Clearing House and Afreximbank. This follows the MOU signed between both institutions in 2022 under which a case was made for integration of the two institutions' payments systems, REPSS and Pan African Payment and Settlement System (PAPSS), respectively. Afreximbank and CCH will establish a strategic collaboration between PAPSS and REPSS. This partnership seeks to integrate their respective payment systems for the enhancement of both Intra-COMESA and Pan African Trade through trade finance and other related facilities. The goal of both parties is the creation of an interoperable payment network for fast, efficient, reliable and cost-effective processing of transactions, supporting trade promotion in COMESA and within the Continental Free Trade Area (AfCFTA).

iii. Regulatory support for the Digital Retail Payment Platform was established, paving the way for its implementation through a phased approach, working closely with the REPSS User Group. The platform leverages existing national payment systems, fintech innovations, and foreign exchange providers to facilitate low-value transactions across borders, particularly benefiting micro, small, and medium-sized enterprises (MSMEs), informal traders, and other underserved segments. Key features include interoperability, local currency payments and settlement and real time instant transactions.

Looking Ahead

- REPSS upgrade & migration to ISO20022 message standard is expected to be completed in November 2025
- Digital Retail Payment Platform expected to be piloted, approved and available for live operations by end of 2025.

Following these developments, market awareness is expected to form a big part of the Clearing House's activities through 2025 and beyond.

3.13 Council of Bureaux - The COMESA Yellow Card Scheme

The Regional Third-Party Motor Vehicle Insurance Scheme popularly known as the COMESA Yellow Card, was established by a protocol signed by the Head of States and Governments on 3rd December 1986, which is Annex II to the COMESA Treaty. The Scheme became operational in July 1987. The main objective of the COMESA Yellow Card Scheme is to facilitate the movement of vehicles, goods, and people by providing, at least minimum guarantees of a compulsory third-party motor vehicle insurance scheme as those required by the laws in force in the territories of the visited COMESA Member States and/or countries outside the region. The current Member States and Countries of the COMESA Yellow Card Scheme are Burundi, Djibouti, DR Congo, Eritrea, Ethiopia, Kenya, Malawi, Sudan, Rwanda, Tanzania, Uganda, Zambia and Zimbabwe.

Additionally, the Yellow Card Scheme is operational under the Business to Business (B2B) Alternative Arrangement Framework on a pilot basis, in Mozambique, South Africa, and South Sudan. The preparations to operationalize the B2B in Botswana and Namibia are at an advanced stage.

2024 Milestones

a) Implementing a fully-fledged Council of Bureaux Secretariat and operationalizing the Council of Bureaux and its governance organs structure through the establishment of a Finance and Investment Sub-Committee, and the recruitment of a Finance and Administration Officer at the Yellow Card Secretariat.
b) Implementing the Council of Bureaux Administrative, Financial and Procurement Guidelines and Procedures, including, Salary Structure, Recruitment and Promotions Guidelines, Performance Management Guidelines, Staff Benefits and Allowances and Code of Ethics, Staff Medical Cover, Staff Revolving Fund, Records Management Policy and Travel Policy.
c) Consolidating implementation of digitalization of the Yellow Card Scheme operations in all Member Countries.
d) Implementing the B2B Arrangement for issuance of Yellow Cards to motorists in Botswana and Namibia.
e) Official launch of the Yellow Card USSD Code Verification at the selected check points in Zambia.
f) Evaluation of the implementation of the Yellow Card Scheme Strategic Plan 2020-2024 and development of a successor strategic plan for the period 2026 – 2030.
g) Harmonization of the Yellow Card Premium Rating Structure.
h) Implementing the re-aligned Reinsurance Pool Arrangement overhauling instruments, including finalization of the Council Bureaux Fund Investment Policy and appointment of Fund Managers to invest the Council of Bureaux Fund.
i) Branding and style guidelines for the Council of Bureaux Institution.

Consolidated Reporting for the period 1st July 2023 to 31st December 2024

According to real time data extracted from the Digital Yellow Card System (DYC), a total of 550,004 Yellow Cards were issued and a total premium of US$ 31.2 million was generated for the 18 months transition reporting period. Compared to the period July 2022 to December 2023, during which 493,582 Yellow Cards were issued and a total premium of US$ 26.1 million was recorded. The number of Yellow Cards issued has shown an increase of 11%, whereas the premium generated during the period under review increased by 20%.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Business to Business Alternative Arrangement Framework (B2B Framework)

Reports have shown that Yellow Card production of 62,255 cards were issued under the B2B Framework, with a total premium income of US$2.4 million for the period July 2023 to December 2024, compared to 41,213 Yellow Cards issued, with a total premium income of US$1.7 million recorded in the previous period, July 2022 to December 2023. The B2B Framework issued Yellow Cards grew by 51%, whereas the premium generated during the period under review increased by 43%.

The key performance measurement for premium growth, as indicated in the Updated Yellow Card Scheme Strategic Plan (YCSSP) 2020-2024, is pegged at 5% year-on year, while the growth under both the mainstream and B2B is 20%, which indicates a phenomenal growth rate.

Outlook and Initiatives in 2025

a) Strategy 2026-2030 development
b) COMESA Yellow Card Scheme expansion under the B2B Framework
c) Marketing and awareness creation on the COMESA Yellow Card Scheme
d) Stakeholder engagement and capacity building
e) Digitalization and Council of Bureaux Website launch

3.14 COMESA Regional Customs Transit Guarantee (RCTG CARNET)

The COMESA Customs Transit Guarantee Scheme, popularly known as the RCTG Carnet, is a customs transit regime designed to facilitate the movement of goods under customs seals in the COMESA Region. The Carnet, one of COMESA's trade facilitation instruments, contributes to the reduction of the cost of transport and transit thereby facilitating intra and extra trade. The main objective of the scheme is to provide customs administrations with security to recover duties and taxes from importers and exporters should the goods in transit be illegally disposed of for home consumption in the country of transit. In addition, the scheme provides a uniform basis for transit movement throughout the region, where only one guarantee is used for the transit of goods through all transiting Member States. There are currently 13 COMESA Member and non-Member States who have signed and ratified the RCTG Agreement and joined the scheme, namely: Burundi, Djibouti, DR Congo, Ethiopia, Kenya, Madagascar, Malawi, Rwanda, South Sudan, Sudan, Tanzania, Uganda and Zimbabwe. AFREXIMBANK joined the scheme in 2021. COMESA is collaborating with AfCFTA and Afreximbank in the development and implementation of the Continental Guarantee System.

Performance of the RCTG Scheme

Currently the RCTG Scheme is operational in the Northern and Central Corridor countries, which include Burundi, Kenya, Rwanda, Tanzania and Uganda. Ethiopia and Djibouti are expected to commence operations before the end of 2025. DR Congo, Malawi and Zimbabwe have made progress towards the implementation of the Scheme.

On the status of operations for the period from July 2024 to June 2025, over 1,327 RCTG Customs Transit Bonds, amounting to US$ 826.5million were executed, compared to 1,243 amounting to US$755.3 million issued during the same period last year, showing an increase of 6.8% and 9.4% in the number of RCTG Bonds executed and amount of bonds lodged respectively. During the same period, over 482,442 Carnets were issued for transfer of goods in the Northern and Central Corridors, compared to 468,267 Carnets issued in the previous year showing an increase of 3 %. The number of clearing and forwarding agents and sureties participating in the scheme has reached 744 and 44 respectively, over 70% of the clearing and forwarding agents are small and medium-sized businesses. Since inception of the scheme, over 18 claims have been paid to customs administrations. Further, the RCTG has a reinsurance pool with assets worth USD3 million.
Despite good progress made in the operations and implementation of the RCTG Carnet in the region, the scheme has the following challenges:

a) As Zambia, a transit hub to the Southern Corridor is yet to join the Scheme, its implementation by DR Congo, Malawi and Zimbabwe has stalled.

b) Ethiopia and Djibouti have carried out major activities for implementation, however the Member States are yet to commence the operation; and

c) Duplication of the scheme by other regional bodies has presented challenges in implementation of the scheme amongst stakeholders.

3.15 The Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA)

The Regional Association of Energy Regulators for Eastern and Southern Africa (RAERESA) is a specialized COMESA Agency responsible for promoting regional energy integration and cooperation. Established on March 16, 2009, with approval from the COMESA Council of Ministers, RAERESA serves as a key platform for capacity building, knowledge sharing, regulatory convergence, and policy harmonization among twenty-one member states. Its role is vital in strengthening the institutional and regulatory frameworks necessary to support a sustainable, competitive, and integrated regional energy market.

RAERESA has made notable progress in advancing regional energy cooperation. In 2024, the Regional Harmonization of Regulatory Frameworks and Tools for Improved Electricity Regulation in COMESA were developed with support from the African Development Bank. A major outcome was the creation of the COMESA Regional Energy Regulatory Principles (CRERP) and Key Performance Indicators (KPIs), a comprehensive regulatory guide aimed at addressing systemic issues and promoting uniform adoption of frameworks, including grid codes. Additionally, the COMESA Regional Harmonised Comparison of Electricity Tariffs (CRCET) and the Cost Reflectivity Framework and Assessment Tool (CRFAT) were developed, ensuring consistent tariff-setting approaches and providing a monitoring tool to track progress toward cost reflectivity. Additionally, RAERESA expanded the COMESA Regional Utility (CRU) KPIs to facilitate performance benchmarking and incentive-based regulation, while establishing the RAERESA Information Management System Database, a centralized data repository that supports evidence-based regional energy planning and policy development.

Diagnostic assessments conducted by RAERESA highlight ongoing structural and institutional gaps within Member States. A major challenge remains the limited adoption of regionally approved frameworks and tools, which impedes harmonization efforts. Market structures are often dominated by single-buyer models with minimal utility reform and weak accounting separation, limiting competition and efficiency. Several jurisdictions lack legal and financial independence for their regulatory agencies, constraining their effectiveness. Additional issues include fragmented legal frameworks, the absence of independent appeals mechanisms, incomplete grid codes, and inadequate provisions for third-party access to networks. Further, monitoring and stakeholder consultation mechanisms are underdeveloped, with insufficient KPI systems, limited transparency, and weak public participation—factors that obstruct effective regulatory oversight and accountability.

Key achievements include:

- Finalized and adopted regional electricity regulatory principles, including framework reports, key performance indicators (KPIs), and tariff comparison tools, which were approved by the COMESA Council of Ministers for national domestication.
- Developed and launched the RAERESA Energy Information Management System (IMS), creating a centralized platform for regional energy data collection, monitoring, and reporting. This enhances transparency, regional collaboration, and informed decision-making.
- Facilitated the alignment of regulatory frameworks across 12 Member States, promoting efficient electricity regulation, tariff harmonization, and improved utility performance.
- Secured and managed a USD 1.5 million AfDB-funded project supporting regional regulatory harmonization, contributing to sustainable electricity sector development.
- Provided technical assistance to the following Member States, Zimbabwe, South Sudan and Malawi.

Way Forward

Over the next five years, RAERESA plans to build on its accomplishments by accelerating the adoption of existing frameworks and developing new regulatory tools to address emerging issues. Future initiatives include creating a Strategic and Business Plan, establishing a standardized method for calculating the Regulated Asset Base (RAB) across COMESA, and conducting a baseline assessment of structural challenges. Additionally, a comprehensive regional regulatory framework for electricity mobility will be developed, covering tariff methodologies for electric vehicle charging infrastructure and power supply to electrified rail networks. RAERESA will lead the development of a Regional Green Hydrogen Framework and Strategy to promote policy consistency, attract investments, and foster a sustainable hydrogen market in the region. Institutional capacity will be enhanced through support for establishing new regulatory bodies in South Sudan and Comoros, along with strengthening emerging regulators in Djibouti and Somalia.

The success of these efforts will largely depend on the political will and institutional capacity of Member States to adopt and implement regional policies. It is hoped that COMESA Member States will continue to demonstrate a strong commitment to regional integration. Effectively domesticating energy regulatory frameworks will not only boost the resilience and sustainability of the regional energy sector but serve as a key step in advancing the Mission 300 Programme and contributing to the realization of the African Union's Agenda 2063.

3.16 The Association of Regulators for Information and Communications for Eastern and Southern Africa (ARICEA)

The Association of Regulators for Information and Communications for Eastern and Southern Africa (ARICEA), launched in January 2003 is an association of regulators in the ICT sector in the Eastern and Southern Africa (ESA) Region. Its overarching aim is sustainable growth and development through trade and regional integration. Efficient information and communication technology (ICT) services are essential for the achievement of this aim. Therefore, ICT infrastructure development, policy and regulatory harmonization are among the important components of the programmes of COMESA.

The aims of the association are as follows;

- The exchange of ideas, views and experiences among members on aspects relating to facilitating and regulating the development and application of ICTs;
- Promote the sustainable development and application of efficient, adequate and cost-effective ICT networks and services in the ESA sub-region;
- Coordinate cross-border regulatory issues on ICTs; and
- Contribute to the achievement of sub-regional and regional integration.

The establishment of the ARICEA Secretariat has been progressing well with Rwanda accepting to be the host. The Secretariat will be operational when the prerequisites are finalized including the signature of the host agreement.

In the period under review, COMESA, through the support of the EU funded Enhancement of Governance and Enabling Environment in the ICT Sector (EGEE-ICT) Programme, provided technical support to ARICEA in terms of development of business models and training in the areas of strategic and financial management and emerging technologies. This support is to enhance ARICEA operations to ensure sustainability for the future. Pending issues for future development is to ensure that the ARICEA Secretariat is established, and staff are employed.

Annex

Financial Statements

INDEPENDENT AUDITOR'S REPORT

TO THE SECRETARY GENERAL OF COMESA SECRETARIAT

Opinion

We have audited the financial statements of the Common Market For Eastern and Southern Africa (COMESA) Secretariat which comprise the statement of financial position as at 31st December, 2024, the statements of income and expenditure and other comprehensive income, changes in accumulated funds and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information as set out on pages 14 to 64.

In our opinion, the financial statements give a true and fair view of the financial position of the COMESA Secretariat as at 31st December 2024 and its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards, the requirements of the COMESA financial rules and regulations and the COMESA Financial Manual 2014.

Basis for Opinion

We conducted our audit in accordance with International Standards for Supreme Audit Institutions (ISSAIs). Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the COMESA Secretariat in accordance with the International Standards of Supreme Audit Institutions 130-Code of ethics (ISSAI 130) as promulgated by the International Organization of Supreme Audit Institutions (INTOSAI) and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code). We have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Secretary-General for the financial statements

The Secretary General is responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards, the requirements of the COMESA rules and regulations and the COMESA Financial Manual 2014 and for such internal control as the Secretary-General determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Secretary General is responsible for assessing the Institution's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Secretary General either intends to liquidate the Secretariat or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISSAIs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISSAIs we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Thomas K.B. Makiwa
COBEA Chairperson
Auditor General (Malawi)

Date: 4th July, 2025

Fadhila Gargouri
COBEA Member
Acting President of the Court of Accounts
of the Republic of Tunisia
Date: 4th July, 2025

RAKOTONDRAMIHAMINA Jean de Dieu
COBEA Member
President de la Cour des Comptes de Madagascar
(President of the Court of Accounts of Madagascar)
Date: 4th July 2025

Edward Akol
COBEA Member
Auditor General (Uganda)

Date: 4th July 2025

COMESA – Secretariat

Statement of Financial Position

as at 31 December 2024

In COMESA Dollar

	Note	2024	2023
Assets			
Non-current assets			
Property and equipment	5&6	**26,393,153**	27,318,521
Investment in equity	7	**3,124,495**	3,061,309
Member states contributions receivable repayment plan	8(a)	**12,024,501**	9,601,821
Total: Non-current assets		**41,542,150**	39,981,651
Current Assets			
Member States contributions receivable	8(b)	**10,131,447**	9,791,895
Amounts due from other COMESA entities	9(a)	**835,687**	514,326
Grant overheads receivable	9(b)	**343,426**	1,537,930
Amounts due from other regional economic communities	9(c)	**-**	197,759
Other receivables	10	**1,087,967**	996,547
Cash and cash equivalents	11	**29,849,557**	28,538,623
Total: Current assets		**42,248,084**	41,577,080
Total: assets		**83,790,233**	81,558,731
Accumulated funds and liabilities			
Accumulated funds and reserves			
Reserve fund	12	**20,689,336**	21,175,531
Staff loan revolving fund	13	**180,393**	136,997
Accumulated funds	23	**38,567,742**	35,375,824
Revaluation reserve	23	**16,031,475**	16,557,649
Total: Accumulated funds and reserves		**75,468,946**	73,246,002

Non-current liabilities			
Capital grants	14	**434,686**	606,306
Funds from closed grants	9(f)	**441,782**	317,461
Deferred revenue	22	**2,623,042**	2,128,818
Total: Non - current liabilities		**3,499,510**	3,052,585
Current liabilities			
Trade payables	15	**341,261**	683,552
Amounts due to COMESA entities	9(d)	**209,737**	134,712
Trust Creditors	9(e)	**3,056,603**	2,945,793
Post-employment benefit	16	**40**	20,474
Accruals and provisions	17	**1,214,136**	1,475,613
Total: Current liabilities		**4,821,777**	5,260,144
Total: liabilities		**8,321,287**	**8,312,728**
Total: accumulated funds and liabilities		**83,790,233**	**81,558,731**

These 2024 financial statements of COMESA Secretariat were approved by the Secretary General on 4th July 2025 and signed by:

Chileshe Mpundu Kapwepwe
Secretary General

Dr. Dev Haman
Assistant Secretary General (Administration and Finance)

Auleria Olunga
Director of Budget and Finance

COMESA – Secretariat

Statement of Income and Expenditure and Other Comprehensive Income

for the year ended 31 December 2024

In COMESA Dollar

	Note	2024	2023
Income			
Member States contributions	8(b)	**12,511,624**	12,511,626
Other Member States contributions	8(c)	**3,753,383**	2,976,933
Grant Overhead contributions	18(a)	**370,939**	1,494,853
Other income	18(b)	**949,580**	1,011,295
Total income		**17,585,526**	17,994,708
Expenditure by function			
Executive management - huge increase		**(1,984,284)**	(1,536,705)
Human resources and administration		**(2,565,090)**	(2,769,225)
Budget and finance		**(1,300,064)**	(927,167)
Trade and customs		**(680,104)**	(738,189)
Infrastructure and logistics		**(446,812)**	(504,272)
Agriculture, environment, and natural resources		**(774,044)**	(489,099)
Legal and institutional affairs		**(392,320)**	(363,834)
Gender and social affairs		**(401,884)**	(364,208)
Information technology		**(1,110,315)**	(1,218,755)
Internal audit		**(467,415)**	(390,635)
Resource mobilisation and international cooperation		**(244,486)**	(229,863)
Strategic planning		**(144,373)**	(199,975)
Public relations		**(333,360)**	(340,923)
Resource Centre		**(168,135)**	(155,576)
Estates unit		**(552,035)**	(367,408)
Brussels liaison office		**(337,233)**	(337,965)
Statistics unit		**(292,342)**	(50,691)
Governance, peace and security		**(445,792)**	(736,625)
Monitoring & Evaluation		**(145,534)**	-
External audit framework		**(170,000)**	(170,000)

Bad debts expense		**(264,627)**	(260,026) *
Impairment	20(b)	**2,619,378**	(3,088,020) **
Depreciation of property and equipment	5	**(1,273,505)**	(796,448)
Total expenditure: Member States funded	19(a)	**(11,874,375)**	(16,035,608)
Finance income	20	**749,641**	503,617
Finance costs	21	**(74,013)**	(101,557)
		675,627	402,060
Operating surplus		**3,386,778**	2,361,159
Other comprehensive income			
Items that will be reclassified subsequently to profit or loss			
Increase in fair value of investments	18(c)	**27,972**	-
		6,414,750	2,361,179
Items that will not be reclassified subsequently to profit or loss			
Amortisation of revalued assets	18(c)	**531,757**	645,660
Litigation re-imbursement		**-**	175,522
Total Comprehensive Income for the year		**6,946,507**	**3,182,341**

COMESA – Secretariat

Statement of Changes in Accumulated Funds

for the year ended 31 December 2024

In COMESA Dollar

	Reserve funds	Staff Loan Revolving Fund	Accumulated funds	Revaluation Reserve	Total
As at 01 January 2023	19,122,237	131,609	37,480,357	17,093,199	73,827,403
Surplus for the year	-	-	3,182,341	-	3,182,341
Transfer to Reserve Fund	(1,127,271)	-	1,127,271	-	-
Receipt into reserve fund	6,410,745	-	(6,410,745)	-	-
Withdrawal of regular budget	(2,976,933)	-	-	-	(2,976,933)
Withdrawals for COMESA institutions	(253,248)	-	-	-	(253,248)
Transfer from Revolving Fund	-	(120,732)	120,732	-	-
Receipt into Revolving Fund	-	122,447	(122,447)	-	-
Interest received	-	3,673	-	-	3,673
Amortisation of capital grants	-	-	19,141		19, 141
Amortisation of Revaluation Reserve	-	-	-	(535,550)	(535,550)
Prior year adjustment	-	-	(20,825)	-	(20,825)
As at 31 December 2023	**21,175,531**	**136,977**	**35,375,824**	**16,557,649**	**73,246,002**
As at 01 January 2024	**21,175,531**	**136,977**	**35,375,824**	**16,557,649**	**73,246,002**
Surplus for the year	-	-	6,946,507	-	6,946,507
Receipt into Reserve Fund	7,179,443	-	(7,179,443)	-	-
Transfer from Reserve Fund	(3,468,219)	-	3,468,219	-	-
Withdrawals for regular budget	(3,286,876)	-	-	-	(3,286,876)
Withdrawals for COMESA institutions	(443,870)	-	-	-	(443,870)
Withdrawals for Secretariat – Cost of Living Adjustments	(466,507)	-	-	-	(466,507)
Receipt into Staff Revolving Fund	-	139,467	(139,467)	-	-
Transfer from Staff Revolving Fund		(100,200)	100,200	-	-
Interest received		4,129	-	-	4,129
Bank Charges	(165)	-	-	-	(165)
Amortisation of revaluation reserve	-	-	-	(526,174)	(526,174)
Prior year Adjustment	-	-	(4,100)	-	(4,100)
At 31 December 2024	**20,689,336**	**180,393**	**38,567,742**	**16,031,475**	**75,468,946**

COMESA - Secretariat

Statement of Cash Flows
for the year ended 31 December 2024

In COMESA Dollar

	Note	2024	2023
Surplus for the year		**6,946,507**	3,182,341
Adjustments for:			
- Depreciation	5	**1,273,505**	796,448
- Movement in fixed assets		**(6,720)**	(534,534)
- Dividend Income	18(b)	**(4,357)**	(35,162)
- Finance income	20	**(749,641)**	(503,617)
- Movement in the reserve funds	23	**(4,723,563)**	(3,763,743)
		2,735,732	(858,267)
Changes in:			
- Member states contributions receivables	8(b)	**(2,762,233)**	2,379,175
- Investment in equity	7	**(63,186)**	(143,351)
- Amounts due from other COMESA entities	9(a)	**(321,361)**	(153,059)
- Grants overheads receivable	9(b)	**1,194,504**	(865,966)
- Amounts due from other regional economic communities	9(c)	**197,759**	112,605
- Other receivables	10	**(91,420)**	(49,814)
- Capital grants	14	**(171,620)**	146,910
- Trade payables	15	**(342,291)**	(24,819)
- Member States payable	8(d)	**-**	(521,690)
- Amounts due to other COMESA entities	9(d)	**75,025**	(446,209)
- Trust creditors	9(e)	**110,810**	35,183
- Funds from closed projects	9(f)	**124,321**	317,461
- Post-employment benefits	16	**(20,434)**	17,271
- Deferred revenue	22	**494,224**	2,128,818

- Accruals and provisions	17	**(261,477)**	(198,996)
		898,353	1,875,250
- Interest received	20	**749,641**	503,617
Net cash utilized in from operating activities		**1,647,994**	2,378,867
Cash flows from investing activities			
Dividend received	18(b)	**4,357**	35,162
Proceeds from disposal of equipment		**-**	57,941
Acquisition of property and equipment	5	**(341,418)**	(282,472)
Net cashflows in investing activities		**(337,061)**	(189,369)
Net (decrease)/increase in cash and cash equivalents		**1,310,934**	**2,189,499**
Cash and cash equivalents at beginning of the year	11	**28,538,623**	**26,349,124**
Cash and cash equivalents at end of the year	11	**29,849,557**	**28,538,623**

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