

Zambia on course with CAADP



The Permanent Secretary in the Ministry of Agriculture and Livestock, Dr David Shamunenga says Zambia has made tremendous progress in the implementation of CAADP owing to the support rendered by COMESA and other co-operating partners.

Dr Shamunenga said that through broad stakeholder consultations, Zambia has now launched the process of formulating the CAADP investment plan for agricultural development and is targeting to have the investment plan ready before the end of 2012.

He said this when he officially opened a CAADP regional partners' meeting the Taj Pamodzi Hotel in Lusaka, Zambia on 04 October 2012.

He said that the development of the investment plan is an important milestone in the CAADP implementation process as it forms the basis for strong agricultural development in the country.

"Zambia will build on the vast potential for investment that exists in the agriculture sector; and the government is committed to economic growth and national development and is putting in place incentives to encourage investments in the agriculture sector," he added.

He however called upon the donor community to continue supporting the development programmes in the individual national agricultural investment plans to allow for sector growth that will translate into increased job creation and reduced poverty levels in the region.

The Assistant Secretary-General in charge of Finance and Administration at the Secretariat, Amb. Nagla El-Hussainy, said agriculture is the engine that drives economic development in the region and it is a priority in the integration agenda.

She said agriculture is key in the fight to eliminate extreme poverty and hunger

and in turn achieving economic growth in the region.

"Firstly, agriculture accounts for more than 32 percent of the region's GDP, secondly it supplies 65 percent of raw materials for industries and finally, it employs 80 percent of the region's population."

"It is for this reason that COMESA embraced the CAADP Framework and we are committed to facilitating and coordinating the process in our Member States," she added.

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Let us use the two-year extension to understand the Customs Union – Sichinga



in Lusaka on 02 October 2012, the Minister of Commerce, Trade and Industry, Bob Sichinga said COMESA's leap towards the formation of a Customs Union used be used as a platform for further regional development through enhancing intra-Africa trade.

"The two-year grace period must be used wisely by all Member States in understanding the implications of the Customs Union on the region. I have no doubt that all the fears manifested in this regard will be addresses by all, including the private sector and civil society," Mr Sichinga said.

He said that if Africa has to make transformational progress in the promotion of micro, small and medium enterprises, it is important to put on the table and address all issues that impact on trade, bearing in mind that some of the priorities such as industrial capacity building and infrastructure development have been the subject of specific decisions and plans by Africa's political leadership.

"All these matters are important and need to be seriously discussed by this meeting," he said.

He added that infrastructure and

services along with other trade facilitation measures such as removal of non-tariff barriers, simplification of customs procedures and documentation, and flawless operation of COMESA's transport and transit corridors are fundamental to trade.

Secretary-General, Mr Sindiso Ngwenya said COMESA needs infrastructure programmes that can support trade facilitation.

"Our regional integration arrangement as articulated in the Treaty is clear on production, marketing and distribution among many others need to ensure there is value added to the abundant natural resources that we have in this region," he said.

He added that COMESA has launched the micro, small and medium enterprises programme that will help build capacities in the various sectors of development to help boost the lives of the people in the region.

"Building productive capacity is an essential element of enhancing competitiveness in regional and international trade. COMESA has put in place mechanisms to unlock value in sectors such as agriculture, industry and services, which are dominated by SMES."

The Zambian Government has urged other Member States to utilise the two-year extension for the implementation of the Customs Union to seal all loopholes that could make implementation difficult.

While officially opening the Fourth Extra-Ordinary Meeting of the Senior Officials at the Grand Palace Hotel



Five VSATs commissioned at Uganda border posts

Five VSAT terminals have been installed, tested and commissioned at Uganda border posts along the Northern Corridor. The terminals are installed at Malaba, Busia, Entebbe, Katuna and Mpondwe. The VSAT network will facilitate the sending of information in advance before the arrival of trucks at the border posts. This gives an opportunity for border posts staff to check the documents in advance.

The main objective is to improve the exchange of information through good communication along the border posts. The result is to optimize border posts crossing time and reduce cost of doing business, fast exchange of information, data security and trade efficiency, promote competitiveness and consolidate regional integration.

It is important to have excellent communication between the customs authority headquarters and the borders posts, and the link will facilitate this by sending data, documents, information, and letters. The private communications network optimises the cost of communication and provides security. It also provides an unlimited, reliable and affordable channel.

SME cluster trainees graduate

COMESA's cluster initiative is putting the private sector in the region at the centre of development.

Secretary-General, Mr Sindiso Ngwenya, said the private sector cluster based development initiative has been identified as an effective strategy towards the promotion of pro-poor agenda.

Mr Ngwenya said this is because COMESA has realized that a thriving private sector can alleviate poverty by contributing to economic growth, job creation and increase the poor people's incomes.

"This intervention is targeting micro and small scale medium enterprises that are dominated by both men and women from the lower economic levels of in our Member States," Mr Ngwenya said.

"People like the shoemakers we see here today, as our studies have shown, are at the moment delinked from most support institutions yet you hold the potential of transforming the economies of Zambia and the region in a significant manner with minimum investment."

He was speaking at the graduation ceremony of the COMESA SME clusters for the Zambian footwear at the Zambia National Service Skills Training Camp in Kitwe on 05 October 2012; in a speech read for him by Director of Gender at the Secretariat, Mrs Emiliana Tembo.

He said that COMESA in partnership with the Ministry of Commerce organized the training in order to equip the Chisokone market shoe makers with skills on how to improve the quality of their product and how to manage their business professionally.

He added that the training is the

beginning of many to empower the poor in the region in order to help alleviate poverty and meet the MDG of halving poverty by half by 2015.

Speaking at the same function, Kitwe ZNS Skills Camp Commander, Lt Col Lawrence Katongo appealed to the graduates to put the skills learnt to good use so that they can uplift their lives in the community.

"As you get your certificate today, make sure that you show an impact in the communities you live by changing the way you do things so that you can inspire others," Lt Col Katongo said.

He said the training was tailored in such a way as to enable the shoe makers produce high quality shoes that would match international standards.

"You are now role models in the shoe manufacturing industry not only in Kitwe, the copper belt but also Zambia in general and so you need to lead by example by showing that you were trained here at the ZNS training camp," he said.

And Copperstone University Chairperson and Vice-Chancellor, Dr Sitwala Mundia said his university is more than ready and happy to contribute to the development of the cluster projects that COMESA has introduced in the country and the region at large.

"We are more than happy and ready to play our part in contributing to the development of employable skills and give Zambians from all walks of life entrepreneurial chance of sustainable employment pathways," Dr Mundia said.

He said Copperstone is a great believer in partnerships and the sharing of best practices and is therefore ready to build long term partnerships with COMESA and the Zambia National Service.



COMESA'S Regional Payment and Settlement System (REPSS) goes live

The much anticipated cross border payment system in the African region, the Regional Payment and Settlement System (REPSS), started live operations on 03 October 2012 and registered its first transaction between Bramer Bank of Mauritius and Fina Bank of Rwanda, through their respective Central Banks. This is indeed a great milestone in COMESA's quest to achieve regional economic integration.

The system, whose main participants are central banks, allows Member States to transfer funds within COMESA on the same day and at a lower cost. It benefits exporters and importers in the region by allowing for a faster, safe and secure transfer of funds and eliminates the need for confirmed letters of credit and associated costs, with central banks guaranteeing payment through pre-funding of commercial banks' accounts held with the concerned central bank. The system also paves way for trading on open account, the predominant method of payment within the EU and other parts of the world.

It is worth noting that the estimated cost for cross-border payment for COMESA's intra-regional trade for 2012 is US \$600 million. Channelling such payments through REPSS will save our region a huge proportion of that cost. The absence of a secure and reliable payment infrastructure within the region has also been hampering further development of the market.

Benefits of REPSS

Aimed at promoting and expanding

trade within COMESA, REPSS offers benefits such as

- Payments are made through established and reliable systems.
- Payments originate and are received in the formats of the financial institutions' existing payment systems resulting in minimal system modifications.
- There is predictability in payment timing and reduced payment cycle time as compared to other international payment alternatives.
- The cost effectiveness of REPSS payments translate into savings for the Originator.
- It provides one easy process for making cross-border payments.
- The system is very secure as the funds reside at the Bank of Mauritius, the Settlement Bank of the system, which is also a member of COMESA.

How REPSS works

Importers and exporters deal with their local commercial banks for trade documentation. The commercial bank of the importer then makes a payment, for the benefit of the exporter, using the local payment infrastructure to the local Central Bank. The Central Bank of the country of the importer transfers the funds to the Central Bank of the exporter using REPSS. The Central Bank of the exporter remits the funds to the beneficiary as a local payment.

REPSS operates on the basis of same day settlement in USD and EUR and beneficiaries receive money on the same day if the local payment infrastructures are automated. The whole process is fully backed by Central Banks and is therefore more secure.

REPSS also compliments other payment solutions already in use in the region and will help integrate payment platforms to achieve COMESA's vision of economic integration.

REPSS is the fruit of a participative collaboration of all COMESA Member States and is a homegrown solution to effect payments within Africa at low cost. The system, which received funding from the European Union under its Contribution Agreement with COMESA and to whom COMESA is very grateful, is run by the COMESA Clearing House (CCH) headquartered in Harare, Zimbabwe and hosted at the premises of the Bank of Mauritius which is also the Settlement Bank in the setup.

The COMESA Secretariat would like to thank all who have tirelessly participated in the success of our system and urge commercial banks and all stakeholders to promote the use of REPSS for the benefit of our region. The Secretariat also wishes to congratulate Bramer Bank in Mauritius for making the first transaction on REPSS and Fina Bank in Rwanda for being the first recipient of these funds.

COMESA celebrates with Uganda as the country marks 50 years of independence

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On 09 October Ugandans from all walks of life celebrated 50 years of independence attained from the British in 1962. The ceremony was described by many as a memorable event of a lifetime with 15 heads of state and governments in attendance.

Heads of State from the following COMESA Member States attended the celebrations: Burundi, Ethiopia, DR Congo, Kenya, Sudan, Egypt, Kenya, Zimbabwe, Rwanda and Swaziland.

Plenipotentiaries also represented Zambia and Eritrea.

The President of Uganda, His Excellency Yoweri Kaguta Museveni said the technological advancements that the country is currently enjoying should

help leapfrog their economic potential especially that the country has currently discovered oil, which he said will help fund other developmental projects.

“With the oil and gas that we recently found, it will be easy to fund infrastructure projects for electricity, the roads, the railways, and piped water as well as scientific research and innovation,” President Museveni said.

He added that there are two sovereign actors in modern economies: the investor who encapsulates entrepreneurship, savings and ability to deploy appropriate technology in creating a product on the one hand; and the consumer on the other hand.

President Museveni concluded that if a

country does not have one of these two, a modern economy cannot sustainably grow and there are no investors, local or foreign to produce products and provide services, there will be no creation of employment, no foreign exchange, and no generation of taxes and no funds for services, security and infrastructure.

COMESA Secretary-General, Mr Sindiso Ngwenya, who was in attendance at the celebrations told e-comesa that on the margins of the country's Golden Jubilee he conferred with their Excellences from Burundi, DRC, Egypt, Swaziland, Botswana, Somalia and the incoming chairperson of the COMESA authority, His Excellency President Yoweri Kaguta Museveni.

NOTICE OF CONSTRUCTION WORKS AT THE SECRETARIAT

TO: All Staff and Tenants

SCOPE OF WORK:

To rebuild the gutted sections of the Secretariat following the fire incident late last year.

DURATION OF WORK:

1st October - 14th May 2013.

ADVISORY:

The Contractor will construct barricades and signs to protect and redirect pedestrians and/or traffic. The work may affect staff on the first and ground floors beneath the affected Zones. You are advised to keep away from the construction areas and also to be cautious when near the construction areas.

The Project Team appreciates your patience and understanding and requests your cooperation to help maintain a safe environment during construction.

