COMESA
SUCCESS STORIES

2013

VISION

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

MISSION

COMESA's mission to "Endeavour 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."

Editor's Note

Although a number of COMESA's multi-sectoral programmes run over periods of years, this publication of success stories continues offer insight into what has been achieved in the year 2012-2013. It is a highlight of the milestones in our programmes during that time.

These stories are intended to give you, our stakeholders, insight into the commitment that is behind the strategic goals, and the concerted efforts made to implement policies put in place and agreed on by COMESA's Policy Organs. They capture the essence of COMESA's commitment to being a fully integrated, internationally competitive, regional economic community within which there is economic prosperity and peace as evidenced by political and social stability and high standards of living for its people.

In that aspect, all of these stories point towards the achievement of our vision of achieving 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, communications and information, technology, industry and energy, gender, agriculture, environment and natural resources.

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Regional Payment and Settlement System 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 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. Channeling 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.

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.

Benefits of REPSS

The payment system expands trade by offering the following benefits:

* 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, and also a COMESA Member State.

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.

Tripartite NTBs SMS Reporting Tool Launched

The Tripartite Non-Tariff Barriers Online reporting, monitoring, and eliminating mechanism was launched on 09 April 2013 in Lusaka, Zambia. The NTBs have been identified as factors that still threaten the gains that have been achieved despite having steadfastly endeavored to implement regional policies that promote opportunities for trade growth.
This SMS reporting mechanism, by virtue of its coverage of the SMEs dubbed the "engines of growth" increases transparency and visibility of barriers constraining intra-regional trade.

Trade experts have said that non-tariff barriers contribute to the high cost of business transactions in the tripartite region, subsequently reducing the gains from trade by restricting domestic market access to regional exporters. In addition, the consumers are denied welfare enhancing opportunities which arise from access to reasonably priced regional imports.

"The NTBs affect the capacity of all our countries to trade both at inter and intra-regional markets. The strong intra and inter regional trade growth that is the target of the ongoing tripartite negotiations from the current levels of less than 10 percent to a desirable 25 percent should serve as a reminder of the prevailing potential for economic prosperity that we can all obtain; thus the importance of addressing the prevalent NTBs in our region," the Director of Trade at COMESA Secretariat Dr Francis Mangeni said.

COMESA, EAC and SADC have been collaborating in order to rationalize and harmonize the NTB reporting mechanisms culminating in the adoption of unified operational modalities for the elimination of NTBs within the three RECs. As a result, a comprehensive and sustained approach has been pursued, which includes: sensitization and information dissemination, harmonization of regional institutional mechanisms for elimination of NTBs, establishment of national focal points, and national monitoring committees.

In addition to on-line reporting, the NTBs SMS reporting system is a key milestone in scaling up the elimination campaign on trade restriction measures thus promoting a conducive environment for trade expansion.

The launch was attended by officials from COMESA Member States, and officials from the EAC and SADC secretariats.

African Global Business Forum to be Held Annually

The Africa Global Business Forum 2013 organized by the Dubai Chamber of Commerce & Industry and the COMESA Regional Investment Agency (RIA) was held on 1st and 2nd May 2013 at Madinat Jumeirah, in Dubai with a call for unity among African economies.
The Forum aimed to highlight the business opportunities in Africa and Dubai's strategic link between the continent and the rest of the world.

Around 3,750 policy-makers and global business leaders from Africa, the Gulf, Asia and Europe and beyond met and discussed current challenges and business opportunities in finance, agribusiness, logistics, and trade across most African economies.

The Forum targeted economic blocs namely: the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), the Southern African Development Community (SADC), the Indian Ocean Commission (IOC), the Economic Community of West African States (ECOWAS), the Economic Community of Central African States (ECCAS), the Intergovernmental Authority for Development (IGAD) and the mother body-the African Union (AU).

Speaking during one of the interactive sessions, Vice President and Prime Minister of the United Arab Emirates and Ruler of Dubai, His Highness Sheikh Mohammed bin Rashid Al Maktoum, ordered the organisers of the Africa Global Business Forum to make the event an annual forum in Dubai, as from next year 2014.

COMESA Council of Ministers Chairperson and Minister of Trade, Industry and Cooperatives of the Republic of Uganda, Amelia Kyambadde, pointed out that the COMESA region went to Dubai to learn from its leader and to benefit from its pioneering experience in investment and other sectors. Dubai has registered tremendous results in infrastructure projects like, airports and seaports, real estate, finance, tourism, security and others.

The forum marked a historic opportunity for COMESA to tap into Dubai's experience which is outstanding in the region and the rest of the world.

Representatives from the private sector were in attendance and they entered into various agreements for investment in a wide array of projects that include but are not limited to manufacturing, agriculture, infrastructure, energy and telecommunications which were prepared by the COMESA Regional Investment Agency. There are 13 infrastructure projects whose value is US $1 billion with an average return of 28 percent.

This forum followed the successful one that was held in 2011 which attracted more than 1,500 participants from 40 countries from Africa and 40 from the rest of the world.

Since the 2011 COMESA Investment Conference, trade between COMESA and Dubai has increased three fold, whilst investments have taken place in manufacturing, tourism, logistics, mining and agriculture including agro processing.

Sange Accident Victims Compensated

The COMESA Yellow Card Insurance Scheme paid out US $400,000 to the 394 victims of the Sange, South Kivu. A fully laden Kenyan fuel truck in transit to Uvira from Kenya through Rwanda to deliver petrol overturned and exploded in Sange Village, South Kivu Province in the Democratic Republic of Congo (RDC) on Thursday, 02 July 2010.

The truck, which was insured under the yellow card scheme, overturned as it passed through the village of Sange, approximately 70km south of the town of Bukavu in South Kivu, spilling vast quantities of fuel. As a result of the explosion, 322 villagers died on the spot as they tried to collect the spilled oil, while 58 people survived with serious fire burns and 14 people had their property damaged.

The South Kivu Province Governor, Marcelin Cishambo expressed happiness at how fast COMESA had responded to the cries of the accident victims. He said that the pace at which the Yellow Card team had responded to the request by the accident victims was a testimony that regional integration under COMESA is yielding positive results to the Member States and especially to the local communities.

Investment Promotion and Private Sector Development Acting Director, Thierry Kalonji Mutombo said the money should be directed to the victims of the accidents as it is meant to help mitigate some of the problems they have encountered from the time the accident happened. The money came from COMESA' Reinsurance Company (PTA Reinsurance), which is one of the organisation's institutions, which provide re-insurance cover to insurance companies in the region.

The business community in Member States has since been urged to use the yellow card scheme as it is an effective trade facilitation tool which facilitates the free movement of people, goods and vehicles throughout the region and offers a minimum guarantee to would-be road traffic accident victims.

SONAS Director in charge of Katanga, North and South Kivu regions, Bushiri Ramazani said he is very happy with the response and the manner in which COMESA's re-insurance company handled the claim.

Mr Ramazani said ZEP-RE under COMESA has helped lift the profile of his company because of the quick payment.

The handover ceremony was held in Uvira and was attended by high ranking officials from the DRC local government, South Kivu Province, North Kivu province and high level officials from the National Insurance Company (SONAS).

Zimbabwe Launches Leather Sector Strategy

The Government of Zimbabwe has stepped up measures to curtail the exportation of raw hides and skins in order to boost the leather sector in the country which has suffered a lot of setbacks in the last ten years.

Industry and Commerce Minister, Prof. Welshman Ncube said the strategy constitutes a private-public platform for action and is expected to make the country's leather sector a vibrant and internationally competitive industry. He said efforts are being made to add value, because the leather sector was presently failing to absorb all raw hides and skins that are produced.

"More hides are being exported from Zimbabwe in their raw form, instead of being exported at least in the first stage of value addition, the wet blue stage. For example 5,440 tonnes of raw hides, including crocodile skins worth US $28 million, were exported in 2011," he said.

The average value of leather and leather products exported globally in 2010 was US $184 billion of which hides, skins and leather made up US $27 billion. Of this amount, 40 percent of the value was exotic leather. In 2011, only 2.2 million pairs of footwear of all types were produced while four million pairs of mainly cheap synthetic shoes were imported essentially making the region a net importer of footwear.

Prof. Ncube said the strategy is aligned to the country's industrial development policy; and it provides a clear roadmap resulting from agreements between each of the value chain stages. The analysis was based on market-led approaches that holistically considered economic and social issues together with cross cutting and enabling factors such as policy, access to finance and extension services.

"History has shown that resource rich countries tend to grow slower than economies without substantial natural resources and stakeholders need to defy this historical background because the COMESA region is resource-rich," Prof. Ncube said.

The major objectives of the leather strategy includes improved access to finance throughout the value chain so as to buttress the sector players' cash flows; improved market intelligence of all enterprises and stakeholders and improved quality and collection of hides and skins. COMESA had requested the Government of Zimbabwe through the Ministry of Industry and Commerce, to come up with a National Leather Sector Development Strategy crafted within the confines of the regional leather and leather products strategy.

In the period 2001-2012, COMESA's leather value chain experienced a positive performance,

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particularly with regard to the primary segments of the value chain. The region's stock of goat skins increased by 28.6 percent whereas at world level the same segment declined by 4.2 percent.

Analysts say the overall market potential of COMESA leather can grow from an estimated value of raw materials of US $378 million to an estimated value of US $875 million for fully finished leather, which represents a value addition of roughly US $500 million - about 150 percent of the value of raw materials.

"If all the raw hides and skins are transformed into finished goods like footwear, garments and other leather goods, the industry would balloon to US $2.5 billion from the present value of US $450 million," Secretary-General, Sindiso Ngwenya emphasized.

Innovation Council Commences Duty

The COMESA Innovation Council was fully constituted, and inaugurated on 08 April 2013, in Kampala, Uganda. The Council was inaugurated by the Prime Minister of Uganda, Rt Hon. Amama Mbabazi.

The fully constituted Innovation Council comprises:

1. Prof. Venasius Baryamureeba (Uganda) - Chairperson
2. Dr Dhanjay Jhurry (Mauritius) – Vice Chairperson
3. Dr Jonathan M. Tambatamba (Zambia) - Rapportuer
4. Prof. Aggrey Ambali (Malawi)
5. Prof. Lydia Makhubu (Swaziland)
6. Prof. Marie Claire Yandju (DRC)

7. Prof. Meoli Kashorda (Kenya)

8. Mr Mohammed El-Sayed Aboud (Egypt)

9. Mr Michael Savy (Seychelles); and

10. Prof. Chris C Mutambirwa (Zimbabwe).

Prime Minister Mbabazi stated that the creation of the COMESA Innovation Council represents a landmark in Africa's institutional history for two important reasons.

"First, it is the first major political recognition of the critical role that technological innovation can play in enhancing Africa's global competitiveness. But more importantly, the advisory council that I am going to inaugurate today is made up of African experts. This is a break from the past when such advisory functions would normally be performed by consultants or experts from international agencies," Prime Minister Mbabazi said.

He noted that Africa is developing in an era where reliance is continuously being placed on knowledge and information as a prerequisite for growth and competitiveness and shifting away from dependence on what have been traditional factors for production.

"Today there is a very large pool of scientific and technological knowledge at the disposal of African region that can be deployed for economic development, so there is a need for Africa to leap-frog in development by virtue of being a technology latecomer," he added.

The Innovation Council is in charge of, among other things, selecting finalists for the innovation awards, meant to recognize and celebrate individuals and institutions that have used science, technology and innovation to further the regional integration agenda. The awards will be given every year to recognize the technological or economic innovations that globally benefit society.

The aim is to harness, nurture and grow the innovative capacities of the youthful population in the region. Through this initiative, COMESA envisages an increase in intra-COMESA trade volumes from US $19.3 billion in 2012 to US $42 billion by 2017 because the enhanced technological innovations foster the development of small and medium sized enterprises (SMEs).

The COMESA Innovation council at its inauguration in April 2013 in Kampala - Uganda

Eastern and Southern Africa Climate Change Media Network Born

Over 40 journalists from 23 countries in the Eastern and Southern Africa have established the first ever Eastern and Southern Africa Climate Change Media Network, which will act as a forum for the exchange of views on the implications of climate change on people's lives and also act as a channel to convey climate information to the public.

The network, which is to also act as a partner to COMESA-EAC-SADC Climate change programme to sensitize the public on adaptation and mitigation to climate change, was established in Kampala, Uganda in a meeting that took place in April 2013.

The three day meeting, organised by COMESA in conjunction with the Network of Climate Journalists of the Greater Horn of Africa (NECJOGHA), elected an interim five-member committee, which will coordinate the network's activities. The chairperson is Mr Patrick Luganda, a regional climate journalist and advocate.

"There is need for continuity and sustainability of efforts to adapt to the recurrent changing climate trends. This journalists' network will work towards strengthening these efforts," Mr Luganda said.

Judith Akolo, a climate journalist with the Kenya Broadcasting Corporation and a member of the elected committee said that just talking about climate change as an individual has never been helpful.

"Coming together is going to help us share experiences, put together information and jointly work to disseminate it within our communities. Climate change effects know no boundaries. What happens here is also what happens elsewhere; thus, the need to put our efforts together," she added.

The other three members are from the Comoros Islands, Malawi and Zambia; and the interim committee with the support of COMESA will meet again to come up with concrete activities for the network's engagement and advocacy activities; as well as the sustainability of the network.

The COMESA-EAC-SADC Climate Change programme is supported by a number of co-operating partners, mainly the EU, Norway and DFID.

Innovative Technology for Aflatoxin Control

An innovative scientific solution, which reduces aflatoxins on the crop and during storage, has been developed. The solution, known as Aflasafe was developed in by the US Department of Agriculture (USDA) and the International Institute of Tropical Agriculture (IITA) in the form of bio-control (or bio-pesticide).

Aflasafe reduces aflatoxin contamination of groundnuts and maize consistently by more than 80 percent. In the COMESA region of East and Southern African the two crops are the most prone to aflatoxins, which are associated with acute and chronic health effects on humans including stunted growth in children, in addition to constraining regional and international trade.

The first year of field trials for the product, using competitive atoxigenic land races of Aspergillus flavus (the fungus that produces aflatoxins) from eastern Zambia has now begun.

A similar project is taking place in Kenya and Mozambique with the aim of extending it to Malawi and Zimbabwe. The benefit of this being the optimization of resources, sharing of expertise and wider application of the bio-control technology with a possibility of developing a product based on strains common to all three countries and thus a regionally applicable product.

However, a key challenge to the adoption and use of the bio-control solution on commercial scale is the lack of a regulatory framework for bio-pesticides. The majority of the COMESA countries have legal frameworks that do not apply to natural products such as bio-pesticides/ bio-controls or Aflasafe.

In 2012 the USDA-FAS initiated the development of a regional bio-pesticide regulatory framework “Regional Registration Guidelines” for Africa in a project involving USDA- Agricultural Research Service (ARS), Agriculture Technology Foundation (AATF), IITA and COMESA. With support from USDA, and AATF, terms of Reference for this work were developed and a technical working group was established to spearhead the work.

COMESA has participated in the technical working group involved the development and operationalising of the “Regional Guidelines for registration of bio-pesticides in Africa since March 2012. The final “Guide” was road tested in a workshop that took place in Lilongwe, Malawi on 06-07 August 2013, beginning with countries that have significant trade in groundnuts and maize on the Nacala Corridor; Malawi, Zambia and Mozambique. Nacala Corridor is an area of high poverty and with high incidences of child stunting, and liver cancer.

The Lilongwe workshop was attended by regulators from Zambia, Malawi and Mozambique, experts from AATF, SA USAID Trade Hub, IITA, USDA, COMESA and Southern Africa Development Cooperation (SADC). The regulators, with support from the Consultant and experts, applied the “Regional Guidelines” to their own national regulatory frameworks and action plans were agreed on adoption of principles of the Regional Guidelines, including “equivalence of registration systems “to each individual country’s registration process. Registration is the first step towards commercialization. Equivalence of registration systems means that a product produced and registered in one of the three countries, will not need additional scrutiny before it is accepted in the other two countries, thus maximizing economies of scale and encouraging investments in the manufacture and distribution of Aflasafe and other bio-pesticide products.

Currently, IITA is developing regional strains that will be formulated into a commercial product with wider application in the region. The SA USAID Trade Hub will support local investors willing to manufacture and distribute Aflasafe.

COMESA Develops Online M&E System

COMESA has developed an online Monitoring & Evaluation system to facilitate data capture and reporting on the implementation of its program in all its 19 Member States. The "COMESA 24/7 M&E Online" system is intended to help the organization keep pace with the high rate growth of its programme portfolio which is fast outpacing the current monitoring and evaluation structures.

Funded through a US $869,000 World Bank grant to build capacity in monitoring and evaluation, the system seeks to leverage on information technology to make it easier to collect, analyze, exchange and store data and information.

Amb. Nagla El-Hussainy, Assistant Secretary General, Administration and Finance, said the weakest areas of monitoring are the lack of consistent, complete, cumulative information on physical progress.

"There has been lack of a simple system to help record basic facts and figures as part of normal implementation process. The status of implementation is not clear, actual results often exceed what are captured and this makes the progress reports incomplete as the results are underreported," said Amb. Nagla when she opened a two day regional workshop to validate the System.

She further observed that problems that affect performance are not detected or resolved and even duplication of activities occur. She asked the countries' focal persons drawn from COMESA Member States to assess the system and give feedback on how it can be improved. The focal persons were trained on how to use the online system from their respective countries. The System is expected to be rolled out to Member States from October 2013 and cover at least 10 Member States by the close of the year. It will be officially launched during the COMESA Policy Organs meetings in DR Congo later this year.

So far, national workshops have also been undertaken in a number of countries in order to gauge the needs of the system and country preparedness.

COMESA to Participate in Sudan Electoral Process

Sudan has formally called on COMESA to support its preparations and its electoral process for the 2015 general elections. This is the first time that the regional organization has been invited to take part in the Republic of Sudan's electoral process.

In a letter delivered to the COMESA Secretary General, Mr Sindiso Ngwenya, the Chairman of the Sudan National Elections Commission (NEC) Prof. Abdalla Ahmed Abdalla formally requested for technical and financial assistance from COMESA.
Prof. Abdalla said that Sudan requires support in strengthening its electoral process to ensure that the next elections are free and fair. Among the key areas identified are: capacity building for electoral commission staff through best practices from COMESA Member States and other countries outside COMESA, voter education, voter registration and resource mobilization.

"The lesson we learned in our last elections in 2010 was that we need to improve on our electoral practices especially our register of elections to avoid complains and accusations of forgery from stakeholders," said NEC Commissioner Mahasin El-Safi who delivered the request.

She said Sudan would like to use the biometric voter registration cards in the next elections and was counting on the experience of other COMESA States such as Zambia, which has used them successfully in the past.

"Given that electoral management equipment is expensive, the commission is considering using materials from other Members States under certain agreed terms," she said.

Mr Brian Chigawa, Director, Legal and Institutional Affairs received the Sudanese Delegation on behalf of the COMESA Secretary General. Mr Chigawa appreciated the positive steps that the Republic of Sudan is taking to consolidate democracy in the country as well as promote the rule of law in line with its commitments under the COMESA Treaty.

Mr Chigawa informed the delegation that the Secretariat has noted that various Member States are working together in peer education and information sharing to consolidate democracy as well as peace and security, which is a fundamental pre requisite for the attainment of sustainable development in the region.

"Through the governance programme COMESA has been assisting its Member States to enhance management of electoral bodies as well as develop regional principles and guidelines for conducting democratic elections. If not properly managed, electoral processes can be a source of national and regional instability, and we have both best and worst case studies in the region to attest to this," Mr Chigawa said.

Following the request, the Secretary General shall be engaging the Government of Sudan to determine the priority areas for technical support from the Secretariat and other Member States, as well as co-operating partners.

While in Zambia, the Sudanese delegation also visited the Zambian Independent Electoral Commission in a study tour on voter registration, voter education and other related areas of electoral processes.

Aid-for-Trade Strategy in Place

The COMESA Aid-for-Trade Strategy covering the four year period (2012-2015) has been launched. The strategy is the regional framework for the continued mobilization, coordination, utilization, monitoring and reporting on development partner resources that address Member States' needs regarding trade facilitation, infrastructure, policy and regulations; and trade related adjustments.

This Strategy was approved by the Council of Ministers in November 2012 and is aligned to the COMESA Medium Term Strategic Plan (MTSP). It has since been published and circulated to the stakeholders towards promoting national ownership of the common regional approach to mobilizing and using aid for trade resources for both national development and regional integration.

COMESA's efforts in Aid-for-Trade have, among others, focused on addressing trade related adjustments. As such the institution is implementing the European Union funded Regional Integration Support Mechanism programme which is underpinned by a Contribution Agreement which was negotiated and signed in 2007 to the tune of €78 million.

In 2009 and 2010, under the 1st and 2nd Call for Submissions, about €35 million was disbursed as revenue loss compensation to Burundi and Rwanda for joining the EAC Customs Union. The remaining €42 million was reprogrammed under the RISM rider, an extension that accommodates both adjustment support financing and revenue loss compensation towards improved implementation of regional programmes. The RISM rider was approved in April 2012 which led to the launch of the 3rd and 4th Call for Submissions in 2012 and 2013 respectively. The activities were undertaken under the framework of the COMESA Adjustment Facility (CAF) which is one of the two windows under the COMESA Fund protocol created to provide adjustment support in recognition of the adjustment challenges associated with regional integration.

In response to the 3rd Call for Submissions, a total of ten Member States submitted their Regional Integration Implementation Programmes (RIIPs). The COMESA Fund Ministerial Committee met in December 2012 and approved nine submissions with resources amounting to €9,748,054 to be disbursed to Burundi, Comoros, Kenya, Mauritius, Rwanda, Seychelles, Uganda, Zambia and Zimbabwe.

A subsequent Call for Submissions was launched in April 2013 which has received fourteen responses out of the current 15 Member States representing 93% of eligible MS under the COMESA Fund. This represents a substantial increase in the number of countries effectively participating in the programme from initially 10 percent in 2010 to 73 percent of total Member States as at August 2013.

In addition to contributing resources for the implementation of national level trade related programmes, the positive results have included improved national level coordination among Member States, improved monitoring implementation of commitments at national level. Further, the CAF/RISM process has also strengthened the identification of specific national level challenges in implementation of programmes which allows the formulation of targeted responses to the Member States. It is also expected that the involvement of European Union Delegations at national level will enhance complementarities between national and regional programmes.

In moving forward, progress is being made in mobilizing additional resources for the RISM consolidation programme to be funded under the 10th European Development Fund (EDF) envelop with expected additional resources of €33 million for adjustment support to Member States in 2014 and 2015.

Zimbabwe Allocates US $1.5 million annually for Innovations Programme

Zimbabwe has set aside US $1 million for a national innovation fund. The fund is to be utilized for research, development and commercialization of innovations and will be disbursed through the Ministry of Science and Technology and Development annually on a competitive basis.

This is the first COMESA Member State to implement the decision of the first COMESA meeting of ministers responsible for science, technology and innovation (STI) held on 28 June 2012 in Lusaka, Zambia. The decision urged Member States to set aside not less than US $1 million each to establish national innovation funds.

Secretary-General Mr Sindiso Ngwenya in commending Zimbabwe said it was not the level of funding that mattered but the political commitment behind it. The Zimbabwe Government had announced that the fund will be used to support research on nanotechnology, energy, water and indigenous knowledge systems and technologies.

Prof. Calestous Juma, co-chair of the African Union's High Level Panel on Science, Technology and Innovation welcomed the move and said it is an important step in efforts by African countries to become knowledge-based economies.

"In the past African countries relied on donor funding for research. It is gratifying to see them now take the lead in investing in innovations. We are looking to a future where African countries will start implementing their decisions on STI at a speed that matches the rate of change in technological fields," said Prof. Juma, a professor at the Harvard Kennedy School.

Footwear Artisans Trained in Kenya

Kenya is one of the countries in the region that demonstrates a high level of vibrancy in the leather sector most especially at the MSMEs level. These MSMEs are the main drivers of leather footwear and leather goods production in the country. The number of MSMEs has risen over the years and jobs amounting to 10,000 have been created. This phenomenal growth has contributed approximately over KES 150 million to Kenya's GDP. It is projected that by the year 2020, the SME sector will contribute about KES 10 billion to the economy.

Leather footwear production in the country currently stands at 10 million pairs per annum; of 85 percent output is attributed to MSMEs. The total footwear consumption is estimated at 34 million pairs per annum based on a per capita of 0.85 pairs per year, thus creating a supply deficit of 22-24 million pairs. This shows that 70 percent of the footwear market in Kenya depends on imports.

It is, therefore, imperative that the footwear sub-sector should be supported in order to enhance its skill base and also its production scale through technical and financial interventions.

The MSMEs survey that was undertaken by the COMESA Cluster Development experts identified skills shortage as one of the factors undermining growth of footwear enterprises, among others. In response to these findings, a capacity building programme was designed that target to develop skills of footwear artisans in a number of the Member States. The first training of this kind was recently completed at Ahiti-Kabete, Nairobi, Kenya.

Thirty participants were drawn from Kariokor Market in Nairobi of which 17 percent of these were women. The training focused on the following aspects of footwear production process: identification and selection of quality and appropriate raw material, tools and equipment involved in the shoemaking process, principles of leather manufacture; costing; designing,


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stitching and finishing. This was the first time women participated in the cobbler training course previously a male dominated trade.

The training embraced both theory and practical approaches to ensure maximum participation and understanding of the trainees. The group was relatively small, thus, enabled maximum trainer-trainee interactions and full participation of all involved. Trainees were able to discuss, ask questions and even request for demonstrations where applicable. A figure below shows an instructor discussing designing issues with two trainees.

After the completion of the course, participants were interviewed by the Corporate Communications Unit, Kenya Leather Development Council. They revealed that they are optimistic that the training will play a critical role in their individual development and their views are summarized as below:

- Skills-building is an important exercise especially for cobblers who lack proper skills because most are self-trained;
- More women should be encouraged to participate proactively in the sector due to its potential and higher earnings;
- Measures should be put in place to allow cobblers to acquire machines at competitive prices;
- High interest rates were undermining the growth of their enterprise and
- A course on business and finance management must be contacted for the cobblers.

The zeal of the participants is demonstrated by a broad smile from one of the participants as she showcases one of her products, see picture below.

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 were 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.

Seychelles Tourism Guru Picked by UNWTO

Elsia Grandcourt, the former Chief Executive of the Seychelles Tourism Board, has been appointed the new Director for Africa at the United Nations World Tourism Organization (UNWTO). The announcement was made by the Taleb Rifai, the Secretary General of the UNWTO during the ongoing 20th General Assembly at the Royal Livingstone Resort in Victoria Falls, Zambia.

Elsia Grandcourt replaces Ousmane Ndiaye who had been the Regional Director for Africa at the UNWTO for many years; and she studied hotel management in Singapore. She has previously worked in the hotel, airlines, and destination management industries.

“We knew that someone from our islands was going to be named as the Director for Africa for the UNWTO, and it was important to have the person with us as part of our team. Elsia Grandcourt has done Seychelles proud, and everyone in our islands who has Seychelles at heart will be rejoicing that a Seychelloise from the whole world of tourism has been singled out to take up such an important position in the world’s tourism umbrella body,” Minister

Alain St. Ange said at the meeting in Zambia.

Also, the Seychelles Minister responsible for Tourism and Culture, Alain St. Ange, who was leading the country's delegation to the 20th UNWTO General Assembly, did his country proud when the Seychelles candidature was successful at the Commission for Africa (CAF) of the UNWTO for a full seat on the Executive Council.

"We are, of course, happy to now have a seat on the Executive Council of the UNWTO. This United Nations tourism body remains the most important grouping for the tourism industry. Our presence will help us to get Africa more in focus when decisions on or about tourism are being made," Minister St. Ange added.

Seychelles has experienced remarkable growth in visitor arrival numbers with the 2013 figures showing a 14 percent increase over those of 2012. The islands have been active on regional integration and now hold the Presidency of the Indian Ocean Vanilla Islands Regional Organization. The country has also been actively promoting twin-center holiday options with the African mainland using the tag line "From the Big Five of Africa...to the Best Five of the Seychelles."

COMESA and UNDP Launch Project to Advance Regional Grain Value Chains

The United Nations Development Programme (UNDP) African Facility for Inclusive Markets (AFIM) and the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA), an agency of COMESA, have launched a new initiative – the Southern Africa Project Facilitation Platform (RPF) to support the development of high potential regional value chains through presentation and facilitation of selected projects in maize, ground nuts and soya beans.

The project facilitation platforms were embedded into specialized training on inclusive market development, value chains and inclusive business finance, and an agribusiness leaders and

CEO's meeting to exchange views with regionally active corporations who represent prospective project partners.

The concept of such platform is a proven innovation that has been implemented in Eastern Africa with the East African Community (EAC) and West Africa with the Economic Community of West African States (ECOWAS). The platforms facilitate and accelerate the implementation of target regional value chain projects together with key stakeholders including government, the private sector, financier, donors and development partners.

The aim of the activities is to concretely implement "activities leading to a better understanding of regional value chain development, solid agreements towards concrete project progress, benefitting thousands of farmers," said Gerd Trogemann, UNDP Manager of the Regional Service Center in Johannesburg. In addition to catalytic funding, AFIM provides technical assistance to project stakeholders such as smallholders, co-operatives and producer associations.

The collaboration between UNDP-AFIM and COMESA-ACTESA which began in 2011 followed by the AFIM week in May this year is a clear testimony that the regional facilitation platform has reached a new stage that will be sustained through practical partnership between UNDP and with the support of other stakeholders, including the Private Sector COMESA-ACTESA.

The initiative is supported by the Ministry of Foreign Affairs of Japan to develop the capacity of selected regional economic communities (EAC, ECOWAS, COMESA and SADC), to engage and mobilize support from the private sector to design and implement regional value chains in the agribusiness.

"We see great merit in partnering with UNDP-AFIM and other stakeholders including the private sector as it will assist us in identifying regional value chains with great potential to yield the required results," said Dr Chungu Mwila, ACTESA's Chief Technical Advisor.

While COMESA-ACTESA and UNDP AFIM have played a catalytic role in launching the first Southern African Regional Project Facilitation Platform, the initiative aims to imbed the capacity to continue such fora within COMESA by working closely with regional apex business organizations such as the COMESA Business Council and NEPAD Business Foundation. In addition, more partnerships will be developed with relevant regional agricultural associations to further advance this concept which is aimed at improving food security and reducing poverty as underscored in the Millennium Development Goals.

COMRAP Enhances Seed Availability, Agro-Dealer Development and Rural Finance

The COMESA Regional Agro-Inputs Programme (COMRAP) implemented by the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA) mainly in the eight landlocked COMESA Member States of Burundi, Malawi, Zimbabwe, Ethiopia, Zambia, Swaziland, Rwanda, and Uganda; contributed to the improvement of rural household food security and livelihoods. This was done through training and capacity building of the national and regional input providers, harmonisation of the regional input regulations and support to the seed sector. The following were achieved under the three result areas of COMRAP:

Nature and delivery of financial services improved:

- Over 775 bank executives, front office staff, insurance officers, farmers and other stakeholders trained in rural finance management, and over 795 insurance officers, bank executives, front office staff and other stakeholders were trained on weather index insurance;

- 25 products of financial services developed;

- Weather index insurance successfully piloted in Rwanda, Uganda, Malawi and Zimbabwe. The promotion of the adoption of weather index insurance will promote the sustenance of the credit packages. This will be used to secure agricultural loans for small-holder farmers and a total of 1,867 farmers benefitted from weather index insurance pilots; and

- The meteorological stations were capacitated through provision of the automated weather equipment to ensure quality use of weather index insurance that was piloted in Zimbabwe, Malawi, Uganda and Rwanda.

Agro-dealer network strengthened or established:

* New national associations established in Malawi, Rwanda, Zambia and Zimbabwe. These associations will play an instrumental role in advocacy, joint procurement and bargaining on business transactions;
* A total of 5,279 Agro-dealers trained;
* A total of 2,034 agents trained;
* Over 40 percent of agro-dealers/agents trained joined their national associations as new members and four new national associations were formed in Malawi, Rwanda, Zambia and Zimbabwe; and
* An accreditation toolkit was successfully developed and a total of 126 inspectors were trained to undertake inspection of agro-dealers operations.

Seed and plant material commodity chain is supported:

* During the seed multiplication activities, 26,116 metric tonnes (MT) of seed was produced and 25 percent of this seed will be multiplied further as certified seed in the 2012/13 season. The seed multiplication activities increased the volumes of quality seed and germ-plasm of new varieties through the foundation seed multiplication to be availed to small-holder farmers;
* The procured seed certification and processing equipment will contribute to better quality seed assessed by small-holder farmers in the COMESA region through increased laboratory and field inspections and further processing of seed availed by small-holder farmers; and
* The draft COMESA Seed Trade Harmonisation Regulations harmonising regional seed

certification, variety release and common quarantine pest list were developed.

During implementation of COMRAP, participation of women agro-dealers and or women seed multipliers were deliberately encouraged and the use of safe crop protection and fertilizer were an integral component of the agro-dealer training in line with good agricultural practices recognized globally in crop production.

The programme also managed to link suppliers/manufacturers to agro-dealers who were able to secure consignment stocks (trade credit) from suppliers and manufacturers. Overall, COMRAP contributed to creating systems and structures for the delivery of inputs, micro-finance to smallholder farmers and building the capacity of agro-dealers including initiation of accreditation of agro-dealers.

Farmers in Kenya vow to continue with Green House technology

COMESA funded green house farmers in Kenya have reiterated their commitment to use green house technology, saying that it is more lucrative than the conventional farming methods.

One of the farmers talked to in Trans Nzoia County said that given a chance to choose between a 10 hectare maize farm and one green house, he would rather get a green house because it uses a small space while the yields are very high.

“The money I get from one green house cannot be compared to a 10 hectare maize farm because a green house is less labor intensive. From this green house I got 200,000 Kenyan Shillings after I sold the first harvest of tomatoes. I cannot get that amount of money from a maize field ten times bigger than the green house,” he said.

Another farmer, Lawrence Kadima of Sibanga farm said modern farming methods should be embraced by all COMESA Member States if the region is to become the food basket of Africa.

Kadima added that his farm has started involving surrounding schools in the area by inviting pupils to learn how green house technology can change the lives of the community if well managed.

The farmers have since called on COMESA to roll out the green house project in all Member States so that all people in region can benefit from the technology.

They however pointed out that they have faced challenges in water harvesting and finding market for the produce, as at times the markets are flooded with the same commodity

COMESA Climate Advisor, Dr George Wamukoya, assured the farmers that COMESA is doing everything possible to create financial and market linkage for the farmers saying this would be done through creating cooperatives and embracing the use of latest information and communication technologies.

Dr Wamukoya who visited the farmers in Trans Nzoia, Kakamega and Kwale counties said the Secretariat is aware of the challenges the farmers are facing and has since started training the farmers in business skills and farm management.

He said COMESA has so far concluded training sessions for the farmers in Zambia and Kenya in various topics regarding green house farming and business management.

“We have farmers from Zambia and Kenya who have just been trained and we know that this training will change the way they manage their green houses and animal farms and crop field,” Dr Wamukoya said.

He added that COMESA is working with the various governments in the region in coming up with better ways of water harvesting as this has been one of the major drawbacks to successful management of green houses.

“We know that especially here in Kwale county water is a big challenge to your farming and we shall engage the relevant government authorities in making sure that this problem of water is solved by coming up with modern methods of water harvesting,” he said.

Since the 2009, COMESA has been sensitising and supporting farmers in the region to practice climate smart as well as conservation agriculture. Conservation agriculture is defined as reduced tillage, mulching, inter-cropping with legumes, integrating trees into farms, improved rangeland management, and other agricultural practices that build climate resilience or mitigate climate change. Beside the examples of greenhouses given above, COMESA working with local and regional NGOs has been supporting climate smart agricultural practices in several countries including Uganda, Malawi, Zambia and Zimbabwe.

In 2013 COMESA sub-granted seven organisations to promote climate smart agriculture in the region proving resources of millions of dollars for the purpose. This is part of a wider COMESA-EAC-SADC tripartite climate change. The overall objective of the programme is to address the impacts of climate change through successful adaptation and mitigation actions aimed at building socio-economic resilience of communities through climate smart agriculture. The programme is funded through a multi-donor financial commitment equivalent to US $90 million from the Government of Norway; the European Union Commission; and the Government of the United Kingdom and Northern Ireland, and Rockefeller Foundation.

LLPI and Zambian University Sign MOU

An institution of higher learning in Zambia, Copperstone University and the COMESA Leather and Leather Products Institute (LLPI) signed a Memorandum of Understand in May that will help build capacity in the leather sector in the COMESA region. The MOU is backed by a mandate of the COMESA/LLPI anchored at building strong linkages with various partners.
The Executive Director of LLPI Dr Mwinyikione Mwinyihija revealed that the Leather and Leather products Institute is already working with other institutions in the various Member States but Copperstone University and the Lusaka Business College have been earmarked in the southern part of the region.

LLPI is already working with Nairobi University who are offering courses in leather from diploma to PHD level. Another higher learning institution in Ethiopia and the Zimbabwe Leather Institute have also partnered with the regional leather institution.

The body is also in the process of building an inventory of Small and Medium Scale entrepreneurs in Leather and leather products in the region so that linkages can easily be created among the various players.

Dr. Mwinyihija added that LLPI is in talks with the Korean Institute of leather as a way of expanding the base from where technology and other knowledge based benefits can be tapped from, as the country is one of the leading institutes in the leather sector saying there will be a lot of technological transfer from Korea to Africa.

12 Member States on board the agricultural development agenda

On 30 July 2013, Sudan became the 12th COMESA Member State to sign the CAADP Compact. Secretary-General, Mr Sindiso Ngwenya, represented COMESA at the ceremony, while the African Union Commissioner for Rural Economy and Agriculture Mrs Rhoda Tumusiime represented the African Union.

CAADP compacts are high level documents outlining commitments by several stakeholders in the agricultural sector. These stakeholders include: representatives of government, private sector, farmers' organisations, development partners, civil society organisations and the African Union.

Other Member States that have signed their CAADP compacts include: Burundi, Democratic Republic of Congo, Ethiopia, Djibouti, Kenya, Malawi, Rwanda, Seychelles, Swaziland, Uganda and Zambia. This brings the total to 33 countries across the continent of Africa. Rwanda was the first country to sign the Compact in the region, in 2007, as well as Burundi, Ethiopia and Malawi now have access to the Global Agriculture and Food Security Programme funding.
This funding assists the countries to invest in agricultural development, ultimately improving the livelihoods of the people.

Beyond compacts the countries are expected to come up with well-costed National Agriculture

Investment Plans which provide a framework for attracting agricultural investment financing from development partners and the private sector. Eight (8) of the COMESA member states have fully developed these plans, and these are: Rwanda (2009), Uganda (2010), Kenya (2010), Ethiopia (2010), Malawi (2011), Djibouti (2012), Democratic Republic of Congo (2013) and Zambia (2013).

Following the development of the national agricultural investment plan, an independent technical review is done to assess the plan's alignment to the CAADP vision and the compact commitments.

Other notable successes of the CAADP implementation process include increasing political commitment and attention to the agricultural sector. This has seen incremental budgetary allocation to agriculture in Malawi, Kenya, Ethiopia, Rwanda and Zambia.

Capacity building at national and regional level is another strategic focus area and in August 2013, COMESA successfully organised the first regional capacity building workshop on sustainable land and water management. The workshop was organised in conjunction with the University of Zambia, a regional centre of excellence and lead institution for CAADP Pillar I focusing on land and water management.

With increasing support and goodwill from development partners and Member States, COMESA hopes to leverage the CAADP agenda to promote economic growth, trade and regional integration not only in the region but on the entire continent of Africa.

CAADP is the Comprehensive Africa Agriculture Development Programme, instituted by the 2003 Maputo Declaration on Agriculture and Food Security in Africa. It embodies the resolution by African Heads of State at the Second Ordinary Assembly of the AU to accelerate African led economic growth and poverty reduction using agriculture.

COMESA acknowledges the support of the following co-operating partners who have greatly assisted in the implementantion of the success stories highlighted:

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