

Key recommendations of the 9th COMESA Business Partnerships Forum & Linkages Fair, 21-22 February 2014, Kinshasa, DRC

1. In the session on- Localizing supply chains have improved Efficiency and value addition for companies the summary key recommendations are as follows:

- **Building Skills and Technical Capacity Building of SME's**

-SME's must invest in measures to boost their professionalism, skills, technical capacity and the management of their companies to be able to match global competition and standards. These are also some of the criteria for participation in regional and global value chains.

-SME's need to package their ideas into bankable ideas that can be financed by banks or through partnerships.

- **Establishing Skills Institutes and Technology Hubs**

-Government and private sector needs to build technology and skills institutes or Innovation hubs in Africa so that multi-national companies can transfer the technology and, "know how" to African industries instead of exporting raw / semi – processed materials to other manufacturing bases.

- **Promoting SME's clusters or partnerships**

-SMEs need to integrate amongst themselves so that they can supply into the chain as a singular entity or a cluster

- **Enabling Policy and Regulatory Framework promotes growth of regional value chain and industrialization in the region.**

-This includes policies that promote local content requirements, value addition requirements, export restrictions on raw products, and preferential procurement regulations in favor of national or regional companies or products.

-Transferring technology; ensuring that multinational companies locate some of their manufacturing bases in Africa to transfer technology and expertise.

- **Investment in technology development, infrastructure and alternative sources of energy**

- Investment in quality infrastructure; including alternative and renewable energy sources as key to industrialization.

2. In the session on -The Dynamics of Chains- From product to market – A company perspective; An Approach to the risks of integrating local businesses at firm level the summary key recommendations are as follows:

- **Standards development to boost competitiveness of regional products**

-The importance of investment into technology, product quality and standards compliance benchmarked on international standards, including compliance with organic certification to enhance product competitiveness.

-The need for Public Private Collaborations and partnerships to invest in infrastructure or measures that promotes quality and standards compliance. This also includes strengthening national standards bodies and private sector participation in standardization processes.

- **Promoting Agriculture Development including agro manufacturing**

-There is a need for a certain percentage of GDP that needs to be invested in agriculture, and be utilized in a manner that supports small holder farmers' ability to actively participate in agriculture market at a national and regional level.

- The importance of investment in technology and standards for agricultural competitiveness.

- **Creating Information and Business linkages platforms for increased trade**

-The development of a virtual trading platform in the COMESA Region, as a means of technology to promote access to information and regional integration in the COMESA region.

3. In the session on- Upgrading Company and product standards to meet Global Standards the summary key recommendations are as follows;

- **Liberalization and Trade Facilitation**

-The need for market liberalization policies in the agriculture sector to encourage increased trade in agriculture commodities in the region, and to boost agriculture production.

- **Harmonization of Policies at Regional level**

-The importance of harmonization of standards and seed regulation across the COMESA Region to facilitate intra-regional trade in seed. This includes measures for the signing and implementation of the Protocol on the Harmonization of Seed Regulation.

4. In the session on Focus on EFFICIENCY – Can We Be Partners? The criteria for promoting partnerships in business, the summary key recommendations are as follows;

- **Establishment of Skills Development Institutions**

-The need to establish a national and regional capacity building institution at COMESA with tailored training programmes for SME's.

- **Establishment of COMESA SME Bank**

-The need to establish an SME Development Bank to deal with SME's financial needs and develop schemes that are specifically tailored for SMEs.

- **Establishing Regional Information Portal and online business directory**

-To increase business linkages and information sharing amongst the members and business community in the COMESA, and to create a regional database or informational portal at COMESA, linked to chambers on the various businesses in the region.

5. In the Regional Debate- Public and Private Sector; the Promotion of Manufacturing Sector in the Region, the summary key recommendations are as follows;

- **Promoting Agriculture development**

-There should be measures to upscale the utilization of seeds and fertilization, so that they can input into the Agricultural market.

- **Establishment of COMESA SME Bank and tailored national financial institutions for SME's**

-Develop financial mechanisms that are specifically tailored for the needs of SMEs in the region, including the establishment of a COMESA SME Fund or Bank. Furthermore, the need for Streamlining, Resuscitating and Resourcing of financial and institutional mechanisms for SME' development at national level.

- **Skills development measures for SME's and Mentorship Programmes**

-Development of skills and technical capacity of SME's so that they can effectively participate in global and regional value chains; through various strategies including mentorships programmes by large corporates.

- **Increased Public Private Dialogue and private sector participation in policy making**

-Develop stronger Public Private Platforms at national and regional levels and the participation of the private sector in development of industrialization frameworks, SME's policies ad strategies.

- **Investment in technology and innovation**

-To invest in technology and innovation as one of the keys to industrial development.

6. In The session on -Innovation and Technology- Finding the Right Solutions for Your Company, the summary key recommendations are as follows;

- **Increased awareness on financial services and mobile innovations**

-The need to make a conscious decision as a population- building the ecosystem for mobile money and financial literacy in the region.

- **The need for harmonization of Legal and Policy frameworks in telecommunications and financial services, including collaboration amongst regulators.**

-Need for supportive legislative and regulatory frameworks for banks and telecommunications providers for mobile money and other innovative solutions.

- **Promoting Skills Capacity development as key to accessing finance**

-SMEs should develop their technical capacity and management skills so that they can effectively tap into and access financial services from the banking sector. Furthermore, there is a need to raise awareness for SMEs on formalizing a relationship with banks so that they can utilize financial services, and access loaning facilities.

7. In the session on Speed to Market; The Relationship Between Manufacturers And The Distributors, Retail Chains And Consumers, the summary key recommendations are as follows;

- **Investment in technology, standards and quality compliance measures to improve product quality.**

- The need for producers and retailers to invest in packing and branding and quality standards to increase the visibility of their products.

- **Facilitating Research Development And Innovation**

-There should be collaboration between research institutions and economic operators, and there is also need to create a research center at COMESA- linked with the research centers at universities.

- **Promoting Free Movement of Business Persons in the COMESA region**

-To work towards the creation of a visa free zone; particularly for traders and business persons and promote the free movement of business persons.

- **Developing Transport infrastructure and Trade Facilitation**

-Member states need to develop transport infrastructure that connect our countries together to facilitate more intra-regional trade. This includes the harmonization of procedures and trade policies that is applicable to the freight forwarders across the region. Also increased investment through PPP's to improve the road and transport network to reduce costs of movement in the region.

8. In the Session on INNOVATION = VALUE ADDITION, Linking Innovation to the efficiency of SME Manufacturers in the region, the summary key recommendations are as follows;

- **Establishing Holistic SME Development Strategy and Policies**

-SME Development strategy should be anchored by Policy, Institutions and Finances to actually support the frameworks that Member states put in place.

- **Standards development and compliance**

-The importance of compliance with standards, branding also add reputation to be a high value product. To harmonize standards within the region benchmarked on regional and international standards.

- The need to implement the voluntary standard regionally such as the COMESA origin label for authentic African products.

- **Utilizing the Intellectual Property protection regime effectively for protection of African products**

-The need to integrate intellectual property into industrial policy at national level and at company level-business strategies, from issues like branding and relying on innovative approaches to protection of innovations such as geographical indications for protection of creative industries products.

- **Promoting Regional and International Business Linkages**

-The importance of conducting business linkages and continental trade fairs to promote and increase regional awareness on African products.

9. In the Session on- The Role of Economic Cooperation in Enhancing the Efficiency of SMEs and Contributing to Private Sector Development in the Region, the summary key recommendations are as follows;

- **Harmonization of Policies and visions at regional and international level, including the development of policy positions that benefit the region**

-The importance to have an African focus and vision, and recognize the importance of intra African trade-and the vast opportunities that lies within the continent. There is need for enhanced partnerships and collaboration and coherence amongst African countries, our partners at national, regional and international level.

-Trade negotiations and Policies like Economic Partnership Agreements, Bilateral Investment Treaties (BIT's) should take into account the development levels of Africa and promote industrialization in the region.

- **Promoting Business linkages and networking at Continental level**

-The need to have business linkages and continental Fairs- All African Trade Fair being revived for concretizing opportunities at the regional level. There are initiatives towards the development of African Business Council to increase continental private sector development.

10. In the Session on -Boosting investment in the Agricultural sector, the summary key recommendations are as follows;

- **Increased Public Private Partnerships and private sector participation in CADAAP processes at national and regional level**

-The importance of Public Private Partnerships and dialogue to enhance intra-regional trade in the region, and the increase participation of the private sector in CADAAP processes, Agriculture Investment Plans at national and regional level.

- **Increased Trade Facilitation and removal of NTB's to facilitate intra-regional trade**

-The need for removal and elimination of non-tariff barriers hindering intra-regional trade.

11. In the Session on- Approaches on Responding to Partnership for Profit and Competitiveness, Corporate Social Investment (CSI) For Value; the summary key recommendations are as follows;

- **Establishing Corporate partnerships with SME's**

-Large corporates to work with SMEs in their value or supply chains, to build their capacity and allow them to feed into their respective chains.

-Large corporate to work with the COMESA Business Council on technical and productive capacity building programs directly injected into enterprise development in the region.

- **Building Technical skills institutions**

-The need for institutional frameworks at national and regional level to support the skills and technical capacity of SMEs that includes hands on training and education and vocational skills aligned with production needs of the manufacturing sector.

- **Strengthening industrial clusters**

-The need to adopt Clustering strategies in industrial development at national and regional level to create economies of scale and the ability to input into regional supply and value chains.

- **Empowering Women and Youth entrepreneurs**

-To consider and address the cultural and education constraints of female entrepreneurs in effectively participating in industrial development and trade in the region.

- **Promoting Accessible finance for SME's**

-Development finance especially from the development partners should be specifically tailored for SMEs and even though channeled through commercial banks, special lending frameworks should be made applicable for SMEs.