

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA



**KINSHASA DECLARATION
OF THE
9TH COMESA BUSINESS PARTNERSHIPS FORUM AND LINKAGES
FAIR
HELD
IN
KINSHASA, DEMOCRATIC REPUBLIC OF CONGO
21- 22, FEBRUARY, 2014**

WE the Regional Business Community, under the umbrella of the COMESA Business Council, gathered under the Annual Public Private Dialogue, herein known as the 9th COMESA Business Partnerships Forum, held in Kinshasa, DRC, on the 21st and 22nd February, 2014, to deliberate and adopt practical solutions for the private sector in the region, under the theme, *“A merger between business and innovation” Integrating Competitiveness For Supply And Value Chains In The COMESA Region.*

EXPRESSING our utmost appreciation to His Excellency, Joseph Kabila Kabange, the President of the Democratic Republic of Congo, the Government and people of DRC for hosting this high level event which has brought together policy makers and the business community from the region, to discuss pertinent issues relating to establishing partnerships to integrating Small and Medium Enterprises- SMEs into the larger supply and value chains in Africa;

RECOGNISING the role of the private sector in the creation of opportunities for employment, trade and food security;

FURTHER RECOGNISING the efforts being carried out at national and regional levels in the areas of strengthening MSMEs ;

AFFIRMING our decisions at the 8th COMESA Business Forum in Kampala, Uganda in 2012, that focused on improving the competitiveness of SMEs and boosting intra- trade in COMESA region;

WELCOMING and **APPRECIATING** the support of the COMESA Secretariat and cooperating partners , to the Private Sector Led COMESA Business Council;

HEREBY DECLARE AS FOLLOWS:

1. Policy and Regulatory framework that supports SME inclusiveness in public procurement;

Member states are requested to promote and support SMEs through deliberate interventions that allow public authorities to dedicate a certain percentage of public procurement to SMEs that meet specified local content requirements.

2. Integrating SMEs in the industrialization process ;

Member states are requested to encourage industrialization through value addition, and discourage the exportation of raw materials by businesses in the region.

Furthermore, member states are requested to put in place an industrialization policy that:

- Supports the active participation of Small and Medium Enterprises (SMEs) in national and regional markets;
- Obliges Multi-National Companies to integrate local suppliers and distributors within their value chains; and
- Increases the competitiveness of SMES to increase their roles in the value chain.
- Enables SMEs to meet the set criteria of standards to compete regionally.
- Dedicates a percentage of National budget to industrialization.

3. On promoting efficiency for SMEs;

Member states are requested to establish a dedicated institution for SMEs at a central government level. The institution should prioritize the need for tailored approaches to SME development which includes;

- Tailored technical capacity building to deal with product development and focusing on competitive standards and quality requirements through the use of appropriate technology.
- Business incubation Centers, Business development centers, mentorship and internships programs for skills development and transfer of technology; and

- Business management training which includes corporate governance systems, accounting systems.

4. Access to Finance for SMEs;

Member states are requested to establish national SME Development Banks that will meet the specific requirements of financing SMEs. The member states should establish a customized SME fund to provide finance for SMEs at a regional level . PTA Bank is requested to support SMEs through the establishment of an SME financing product.

5. Financial services;

Member states are requested to support the harmonization of regulatory frameworks of the banking sector in the COMESA region, with regards to the payment systems to support cross border transactions.

Member states are requested to develop a regulatory framework for the banking and telecommunication sector that promotes increased collaboration, innovation and financial inclusion.

6. On Infrastructure and trade facilitation ;

Member states are requested to harmonize the rules and procedures of transport and logistics operations in the region.

Member states are requested to accelerate infrastructure development related to road-rail and maritime, energy sources, soft infrastructure which includes broad bandwidth and increased fiber optic cabling across Africa. This will reduce the costs of doing business in the region.

7. Free movement of business persons;

Member states are requested to accelerate the implementation of the COMESA Business Visa ;

Member states are requested to accelerate the ratification of the COMESA Protocol on the Gradual Relaxation and Eventual Elimination of Visa Requirements and the Protocol on Free Movement of Persons, Labour, Services, the Right of Establishment and Residence .

8. Regional Integration and Private Sector Inclusiveness

Member states are requested to include private sector representatives in all policy organ meetings at the national and regional level.

Member states are requested to establish information sharing platforms and the integration of the trading platform in the COMESA Region, to promote access to markets and regional integration in the COMESA region.

9. Innovation, Science and Technology;

- Member states are requested to ensure that scientific research and technology is linked to serving industrialization, value addition and market needs for economic growth and development.

10. Promoting authentic African Products- Supporting COMESA origin products into regional markets.

- Member states are requested to work with COMESA Secretariat to establish the “Made in COMESA” brand to ease market access and encourage consumer preference for products that originate from the COMESA region .
- Member states are requested to establish instruments that protect the intellectual property of authentic African Products and innovations.

11. Agriculture and Agri- business processing

Member states are requested to ensure that the agreement on harmonization of agricultural inputs such as seeds and fertilizers is implemented to ensure that there is inclusiveness within the regional agricultural market;

Member states are requested to put in place mechanisms to empower small scale farmers to increase productivity, agro-processing and their role in the value chain. Furthermore member states are requested to collaborate with private sector and stakeholders to raise the quality and

quantitative output of finished goods and build the capacity to produce high quality agricultural food products to supply local industries and to tap into the huge export markets.

Member states are requested to work with the COMESA Business Council to ensure private sector awareness in regional standards technical regulations harmonization so as to improve on the volume of intra COMESA and Africa trade.

12. Women and Youth inclusion in the Regional Private Sector Agenda.

Member states are requested to put in place programs that engage Women and youth entrepreneurs in the regional integration agenda as they constitute the majority of SMEs in Africa.

WE as the voice of the private sector in the region, commit ourselves to fulfilling the decisions taken in the 9th COMESA Business Partnerships Forum and Linkages Fair, working in close collaboration with member states and other key stakeholders.

Adopted, this 22nd day of February, 2014, in Kinshasa, DRC