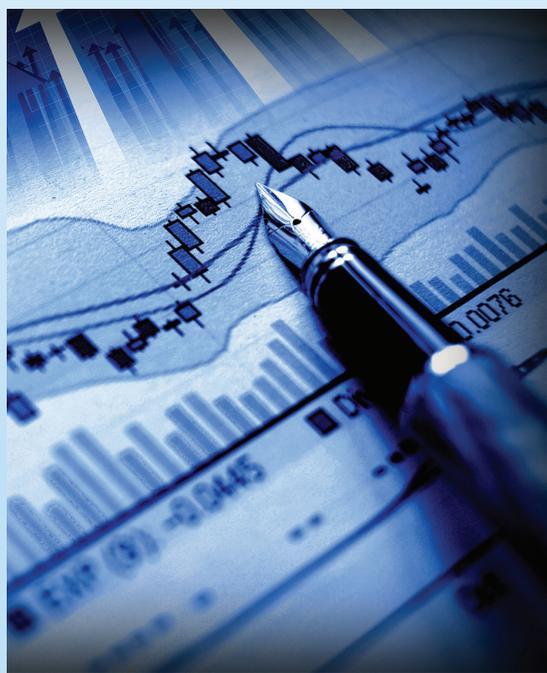


# 2014

## Annual Report



Private Sector. Integrate. Innovate. Compete. Develop.

...The Voice of the Private Sector in the region.

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## MISSION:

To promote a unified position of engagement for the COMESA private sector- as a driving force in the creation of a market driven economy, effective regional integration , competitiveness, trade and investment.

## VISION- PRIVATE SECTOR. INTEGRATE. INNOVATE. COMPETE. DEVELOP

- I. Private Sector; CBC is an institution that is positioned as the private sector arm of COMESA- a sole representative of business interests to all policy organs at the regional level. The institution speaks on behalf of private sector to the highest levels of decision making in the region.
- II. Integrate; CBC plays the critical role of steering the key drivers of regional integration into the direction of a successful market driven economy that supports growth, development and regional wealth.
- III. Innovate; CBC hosts a coordinating platform for the sensitization of private sector in business development. We endeavor to put in place systems and mechanisms that support private sector development to create overall sustenance and acumen in competitive global arena.
- IV. Compete; CBC is in the business of creating a more competitive business environment in the COMESA region. The institution is driven to provide more inclusive participation of industry in the economic integration agenda and boost intra-trade through regional and global market expansion.
- V. Develop; CBC is situated economically independent environment and a stronger, more influential private sector. The services provided are for the enhancement of export competitiveness in the region, developing Trade Capacity in the SME sector and improving the regional private sector.

## FOCUS

- I. Key drivers of the regional integration agenda through the establishment of a competitive business environment;
- II. Smart and strategy advocacy for business;
- III. Organizational development for Change and growth in Private Sector;
- IV. Membership development and services;

## VALUES

Integrity  
Excellence  
Service  
Partnership





***“The industrialization of the region lies in the growth and active participation of SMEs in regional and international value chains.”***

I am very honored and privileged to present to you the COMESA Business Council Annual Report for 2014, another momentous year for the growth of the private sector in our COMESA region.

While we watch the industrial agenda take form at a regional level, the CBC remains in the helms of the process, looking at opportunities for its membership to benefit from partnerships, investment and influential point of view- as drivers of private sector development. The COMESA region carries a large market of the African continent, with a population of more than 513 million consumers and total trade of US\$ 283 billion of 2013 . Intra COMESA trade has increased to US\$ 20. 9 billion as of 2013. With initiatives towards the development of the Tripartite Free Trade Area; such opportunities have even tripled.

As the CBC, we are recognized by the highest levels of decision making in the region, as the ‘voice of the private sector in COMESA’. Through our services that are structured on the pillars of Business and Policy advocacy, Business Intelligence and Development Services and Membership development we adopted inclusive approaches to ensure the private sector is represented in advocacy and dialogue platforms cemented by technical capacity strengthening initiatives that boost the competitiveness of our private sector.

One cannot stress enough how important industrialization is, to the development of our local industries and the economic development of our countries. It is central to our vision to encapsulate activities that enhance such development. One project that is close to my heart is the CBC Local Sourcing for Partnerships Project that

we launched in November 2014 which represents a collaboration between CBC and Investment Climate Facility and United States Agency for International Development(USAID) on one hand; and the partnerships with corporates in the hotel and other industries and agro suppliers-on the other . Our efforts to promote sustainability of businesses at a regional and global scale is reflected in the capacity strengthening of the selected SMEs to implement compliant standards and food management systems; then linking them directly into the supply chain of hotels and other companies. Working with our stakeholders, we ensure that addressing the industry gaps in business from a policy and productive or technical capacity perspective, ensures growth, competition and an increase in intra-trade.

Over the four and a half years since our operations began, we have had significant milestones on our path of success in terms of implementing our strategic pillars. This year, we have initiated the program for the development of the Coalition of Services Industries program- working in partnership with the International Trade Centre(ITC). Services represent the fastest growing sector of the global economy accounting for about 70% of global Gross Domestic Product (GDP), 1/3 of global employment and approximately 24% of gross global trade but 45% of world exports in value added terms. Initiatives that focus on the COMESA private sector in the services industry have been long overdue. The Coalition of Services’ objective is to create a dedicated platform for engagement of the services industries within the CBC, that benefits from advocacy, business services (partnerships and linkages, trade information and market analysis) and membership development (productive and technical capacity building).

Going forward in 2015 , we will ensure that this platform is activated.

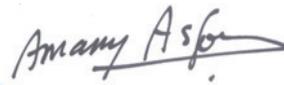
Other agendas include the the CBC participation and representation at the Tripartite Free Trade area negotiations on key issues such as Rules of Origins, Trade Remedies and the Movement of Business Persons. This has resulted in an inclusion of the inputs of the private sector on policy formulation processes.

Our sustainability as a young institution has also improved immensely, with the increasing membership growth, adopted corporate governance structures and a strong operations foundation that allows a focus on the business agenda. However, as the institution grows, there is need to expand on the existing platform and ensure that a an innovative strategy is put in place to take CBC to the next level as a strong , private sector driven institution of COMESA.

We have our eye on the success ball in 2015, as we focus on enterprise competitiveness, increased market linkages, stronger advocacy agendas and creating business facilitation tools to improve cross border trade and product promotions. This year promises to yield more returns as

we have engaged in collaborations to ensure our vision and mission of private sector development for the SME's, manufacturing and service sector is realized.

Behind all these activities I would like to applaud you all; my fellow Board members, the General Assembly, Business Community and the CBC Secretariat for your continued commitment and support to the activities of the institution. May I especially thank the COMESA Secretariat who have effectively supported the growth of the CBC over the past four years. I would also like to recognize our partners, United States Agency for International Development(USAID), International Trade Centre(ITC), Investment Climate Facility(ICF) and the Private sector, for the efforts put in place to ensure that the business community is at the forefront of the Regional Integration agenda. With these few words, I present to you the CBC Annual Report, 2014.



**Dr. Amany Asfour**  
Chairperson  
COMESA Business Council

# Board of Directors 2014- 2016



**CBC Board Chairperson- Egypt, Dr. Amany Asfour -Egyptian Business Women Association (EBWA)**

Dr. Amany Asfour holds various high level portfolios in African business platforms. She is the President and founder of Egyptian Business Women Association (EBWA), and President of the Business and Professional Women-Egypt (BPW -Egypt), African Alliance for Women Empowerment (AFRAWA) , Chair of Federation of Business Women Associations of COMESA(FEMCOM), Chair of Human Resources ,Science and Technology Cluster-African Union ECOSOCC ( Economic Social and Cultural Council. She has a passion for women entrepreneurship and empowerment and has participated in various international and regional structures for this cause. Dr. Asfour is a renowned businesswoman, the owner of medical supplies company in Egypt.



**CBC Board 1<sup>st</sup>Vice-Chairperson-Ethiopia, Mr. Solomon Afework; Ethiopian Chamber of Commerce and Sectoral Associations**

Mr. Solomon ,current President, has been a member of the Board of Directors of the Ethiopian Chamber of Commerce and Sectoral Associations (ECCSA) since 2002 ultimate progressing to become the President in 2014. Mr. Solomon had served at various public and private institutions for almost six years before he started his own private business. He is engaged in various economic sectors such as education, health and agriculture. He is the owner of Joint Vision Development Studies College, Charite Health Center, and Solomon Crop Agricultural Farm. He also serves various other Boards and platforms in Ethiopia.



**CBC Board 2<sup>nd</sup>Vice-Chairperson Rwanda, Rwanda Private Sector Federation: Mr. Benjamin Gasamagera**

Benjamin Gasamagera, the chairperson of the Rwanda Private Sector Federation (RPSF) is a renowned business man. He is the owner of Safari Center a transport and logistics firm operational since 1998. His educational background is in Computers Science and International Transportation; having studied in China and Switzerland. He has worked in many companies including Printonics China Ltd, Danzas Ltd, an International Suisse Freight and Forwarding company, where he worked as Chief Operations Manager working in various countries including Belgium, Switzerland, Germany, the UK, and Morocco. He is also a member of various Boards including Fina Bank and Rwanda Revenue Authority.



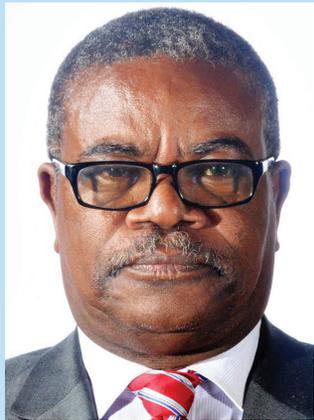
**CBC Board Member -Mauritius, Mauritius Chamber of Commerce and Industry; Mr. Ganesh Ramalingum**

Mr. Ganesh Ramalingum, the President of the Mauritius Chamber of Commerce and Industry (MCCI) is the Executive Chairman of Data Communications Limited (DCL). Also being the MCCI Board Representative for the ICT group through the Outsourcing and Telecommunications Association of Mauritius. His educational background is in mathematics, statistics with various professional qualifications in Computers science, having worked in various management capacities in the ICT industry.



**CBC Board Member-Kenya, Kenya Association of Manufacturers; Mr. Pradeep Paunrana**

Mr. Pradeep Paunrana is the managing director of ARM Cement, one of the largest cement manufacturers in East Africa with operations in four countries and distributes its products in [Uganda](#), [Tanzania](#), [Rwanda](#), [Ethiopia](#), [Malawi](#), [Madagascar](#) and [South Africa](#). Mr. Paunrana joined the company in 1984 and is largely credited for transforming a small, family run producer of agricultural lime into a major, publicly listed cement company. In 2010, Paunrana was awarded the Africa Business Leader of Innovation by the Africa Investor Group. Mr. Paunrana plays an active role in several policy and advocacy institutions, and has chaired and participated in government task forces in the energy, environment and agriculture sectors and other Boards.



**CBC Board Member -Zambia, Zambia Association of Manufacturers; Dr. Bright Chunga**

Dr. Bright Mwansa Chunga is President of the Zambian Association of Manufacturers. Dr Chunga holds a Doctor of Philosophy degree in Sociology from the United Kingdom, has extensive political and business experience. He is the Director of Trade Kings, one of the leading manufacturing companies in Zambia. He sits on various Boards including ; Chairman of Zambia’s National Customs to Business Forum; Co-Chairman of the African Unions India/Africa Business Council. Furthermore, he has also served as Political Advisor to Zambia’s founding President, Kenneth Kaunda and worked with several African leading lights including, Olusegun Obasanjo of Nigeria and Jerry Rawlings of Ghana.



**CBC Board Member- Sudan, Sudan Trade Point; Ms. Amna Mohamed Ibrahim El Nour.**

Ms Amna is the Director General of the Sudan Trade Point. She is also the Chairperson of the Committee on Trade and Investment – Council of Arab Economic Unity - Arab League. Ms Amna’s works on various public platforms that facilitate Trade Facilitation & enhancing the Partnership between the public and private sector in Sudan including the Authentication Authority and as Member of Advisory board cabinet. Ms Amna sits on various Boards in Sudan and has professional background in Economics.



**Eritrea Mr. Menghis Samuel, Chairman, Eritrean Chamber of Commerce**



**CBC Honorary Board Member; Immediate Past Chairman of CBC Board, Malawi- Malawi Confederation of Chambers of Commerce and Industry; Mr.**

Mr. Newton Kambala is the new President of the Malawi Confederation of Chambers of Commerce and Industry(MCCCI). Mr. Kambala is an Engineer and the owner of a multi-million dollar construction company in Malawi; Mkaka Construction company. Mr. Kambala is a renowned businessman with investments extending to Zambia, Angola and Mozambique. He has served as Director/Board member for a number of Companies in Malawi and Outside Malawi and is currently the Board Chairman of National Construction Industry Council (NCIC) Board. Mr. Kambala replaces Mr. Matthews Chikankheni who was Honorary Chair; the past President of MCCCI.

# CBC Profile

COMESA Business Council is a business member organization, and a private sector institution of the Common Market of Eastern and Southern Africa (COMESA). Established in 2005, under the Treaty of the Common Market for Eastern and Southern Africa (COMESA), the CBC is defined as a consultative committee for the business community at the policy organs level, as authorized by the Treaty. The CBC began its operations in 2010, with the objectives structured on key focus areas of;

- Private sector representation through facilitation of business interests from apex and sectoral business association membership to all levels of policy formulation and decision making in the region, and
- Private sector development in growth sectors that contribute to the overall competitiveness of businesses in regional and global markets

CBC is the recognized regional apex body of the Private Sector and Business Community in the COMESA region. It is constitutionally managed by 9 Board of Directors, who are Presidents of National Apex Business Associations in COMESA Member States.

## Our Objectives

- Enforce strategic advocacy platforms for the private sector in at least 70% of the priority sectors within COMESA region;
- Ensure effective representation of private sector interests in COMESA decision making processes in at least 3 priority sectors per year;
- Provide timely and strategic business services to regional and international stakeholders on the business environment in the region;
- To ensure 90% of private sector inclusiveness in the regional integration agenda;
- CBC is a fully membership led and driven Institution by 2016;

CBC brings together a diverse group of businesses from the region, within a more common platform to influence the regional agenda on the regulatory and practical approaches on creating a more flexible business environment. It seeks to respond to the

diversity of challenges and opportunities that come with a large market such as COMESA, through our unique business model that is anchored on the pillars of Business and Policy advocacy, Business Intelligence and Development Services and Membership development. Through this, it has a more inclusive, membership driven, participatory approach towards harmonizing the agendas of business and articulating them to the highest positions of decision making in the region.

Its implementation mechanism is through six key workgroups; namely;

- SM-Enterprises And SM-Industries;
- Agro business and Industry- Manufacturers Work Group;
- Tourism;
- Financial Services;
- Trade Facilitation And Non-Tariff Barriers'; (Cross Cutting);
- Coalition of Services Industries.

The above workgroups feed into Board technical committees, which are tasked to ensure that the membership interests and inputs at policy level are extensively covered. There are;

- i. Advocacy And Communication Committee
- ii. Trade & Industry- NTB & Trade Facilitation Committee
- iii. Trade In Services Committee
- iv. Tripartite FTA Committee

# Chairperson's Report 2014

In order to meet our membership needs, the CBC structures its activities through key service pillars which are; Business Policy Advocacy, Business Services and Membership Development. These pillars focus on the external customers of the CBC, the private sector. The Internal Customers- staff and Board are catered for within the Institutional Development Pillar. Below are some key achievements of the Pillars.

## Business and Policy Advocacy

The objective of this pillar is to promote the private sector's active contribution in the formulation of position papers on timely constraints or competitiveness issues affecting businesses in the region- and create a platform to directly advocate to the policy and decision makers of the region. Below are some of the achievements in 2014;

- CBC convened the 9th COMESA Business Partnerships Forum and Linkages Fair, 2014. The Dialogue was held under the theme; "A merger between business and innovation". The meeting focused on increased partnerships between SMEs, Corporate and Multi-National Companies and International businesses, and the necessary gaps to be addressed in order to encourage sustainable linkages. The event brought together over 300 participants, 45 regional and national exhibitors. Six core business partnerships have substantiated from Business to Business meetings. Following the meeting the CBC Regional Declaration was presented and adopted at the COMESA Heads of State Summit.

The industry positions presented for adoption and further implementation in the CBC work-plan are;

1. *Policy and Regulatory framework that supports SME inclusiveness in public procurement; 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; encourage industrialization through value addition, and discourage the exportation of raw materials by businesses in the region.*
3. *On promoting efficiency for SMEs; establish a dedicated institution for SMEs at a central government level. The institution should prioritize the need for tailored approaches to SME development*
4. *Access to Finance for SMEs; establish a customized SME fund to provide finance for SMEs at a regional level .*
5. *Free movement of business persons; accelerate the implementation of the COMESA Business Visa; 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 .*

6. *Promoting authentic African Products- Supporting COMESA origin products into regional markets; 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 ;*
7. *Agriculture and Agri- business processing ; 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;*
8. *Women and Youth inclusion in the Regional Private Sector Agenda.; put in place programs that engage Women and youth entrepreneurs in the regional integration agenda as they constitute the majority of SMEs in Africa.*

CBC participated and advocated in various policy making initiatives and platforms:

- CBC facilitated the discussions on the Tripartite level in SADC on private sector positions on the Rules of Origin, Dispute Settlement mechanisms and Private sector inclusion in the regional integration
- agenda at the Association of SADC Chambers of Commerce and Industry meeting.
- CBC participated in the Extra Ordinary Session of the Conference of the African Union Ministers of Trade to present private sector' input on negotiations modalities for the Continental Free Trade Area, and be informed on Africa's response on the WTO Bali Agreement on Trade Facilitation, AGOA and EPA negotiations updates.
- In August, 2014; CBC developed regional position papers on the Tripartite Free Trade Area negotiations, to ensure inclusiveness of the private sector at the tripartite level.
- In August 2014, CBC attended the AGOA Summit; to represent the regional private sector in engaging with the US business and policy makers.
- CBC has successfully advocated for the COMESA Business Visa scheme as a facilitation tool for business

movement in the region. The institution is currently pooling funds for the development structure of the instrument.

- CBC has successfully advocated for the Made in COMESA label, as an instrument to encourage consumer preference, recognition and promotion of indigenous regional products.
- In 2015, CBC held the COMESA Illicit trade conference following an action to develop the Regional Framework on Curbing Illicit trade as a public-private partnership effort.

The framework is submitted to the Policy for further deliberations.

## **BUSINESS SERVICES- Linkages and Information**

CBC hosts a variety of platforms for Business Information and Intelligence, Business to Business (B2B) linkages. This is done through exhibitions, workshops and other trade promotion meetings which are hosted at an annual basis. Furthermore, through an online platform we also facilitate Business linkages for partnerships, joint ventures, and investment and trade opportunities in the region. The purpose is to expose our membership to variety of opportunities and facilitate business ventures across the COMESA region and on an international scale. In 2014;

CBC launched and circulated the 1st CBC Quarterly Newsletter. This was subsequently followed by the launch of a bi-weekly e-business brief. The purpose of the Newsletter and Brief is to provide more information on the activities of the CBC, its memberships and to increase awareness of key policy issues. Further additions have since been circulated, and are fast becoming a popular information tool.

Provided advisory services to the Zambia –Seychelles Twin Tourism program through guided intervention areas as shown in the COMESA Sustainable Tourism Strategic Framework.

CBC facilitated Linkages for two regional companies to access products in the region and also provided Linkages information to Egyptian company on trade flow of key sectors in COMESA region, to guide distribution strategy of company.

CBC has been working closely with the Turkish Business delegation (Confederation of Turkish Industries- TUSKON) to meet with the business sector in the COMESA region. At the end of 2014, as a result, 7 companies have already invested in the region.

CBC also supported the mobilization of businesses to register in the African SME Championship Awards to be held in November, 2014 and as a result 47 companies registered from COMESA region.

In terms of internal membership mobilization activities, CBC sent more than 71 invitations to new members and continues on this intensive membership drive.

Business Linkages Platform; CBC hosts a Business directory of the companies, associations and SMEs businesses in the COMESA region. Currently, the database is arranged with a country and product focus; and consists of over 3000 listings both companies and business professionals across COMESA. As part of the website development process; CBC is currently working on the development of a virtual Business directory system. The directory will become the pivotal system of business linkages and networking in the region. This virtual Business directory will be operational in the first quarter of 2015.

## **RESOURCE MOBILIZATION**

The sustainability of every institution or organization lies in its resources; human, technical and financial so that it is able to fully realize its potential and objectives. As such resource mobilization is one of the key activities of the CBC. The Resource Mobilization Technical Committee of the Board is fully mandated with the tasks of ensuring and facilitating initiatives to ensure the development and dissemination of services; collaboration and partnership activities for resource mobilization. Achievements in 2014;

CBC initiated project with the Investment Climate Facility for Africa, to support the CBC Local Sourcing Partnerships Project- a 1 year Program. This partnership is in fruition, and will be implemented in 2015.

CBC continues to realize the project support from USAID on the overall CBC Work-plan.

CBC has partnered with the International Trade Center on three core areas namely, Coalition of Services (project realized as of 2015), Trade Facilitation (2015), and Institutional Development (2015). It is envisaged that the Trade Facilitation and Institutional Development support will be realized in 2015.

## **MEMBERSHIP DEVELOPMENT- SME TECHNICAL CAPACITY BUILDING**

In 2013, the CBC SME Workgroup and the CBC Manufacturers' Workgroup recommended the need to establish regulatory, policy and institutional frameworks that support SME development. They further recommended the need to

boost the efficiency of SME manufacturers and their capacity to participate in supply chains through training in business management, financial management, standards, quality and other key entrepreneurial skills. These recommendations were structured into the COMESA SME Policy and Strategy framework adopted in 2014. The achievements in 2014;

CBC launched the CBC Local Sourcing Partnerships Project during a Regional Training Workshop in Kampala, Uganda. The meeting co-sponsored by Serena Group of Hotels and USAID brought together over 50 food suppliers, Corporate Hotel Procurements Managers, Tourism Federations, from the region to be trained on Global Food Safety Initiative-GFSI -with a specific focus on Global Markets Programme. The purpose was to facilitate technical training of SME agro food suppliers on standards and to promote business linkages with the Hotel industry to enable the agro food suppliers' participation in the supply chains. The Local Sourcing for Partnership Project is to kickstart operations in 2015.

## OPERATIONAL AND INSTITUTIONAL MANAGEMENT

In order to ensure that CBC as an institution meets its values as a Business Member Organization of integrity, Excellence, Service and Partnership, the institution has invested

in a strong Board structure and corporate governance mechanisms, related to the goals of the institution. In 2013, the Board reviewed its structure and increased the regional representation from Seven(7) to Nine(9) Board Directors. Following this, guidelines of operations of the Board and Secretariat were clearly structured, to include the strategic, operational and finance and audit systems that govern the criterias of performance for the CBC. In 2014;

CBC held its Strategic Board Retreat in Cairo, Egypt, which adopted the CBC Corporate Governance manual. The key objectives of the retreat were to address CBC's corporate governance structure as a value added instrument that ensures quality performance of the institution's internal and external operations. On the second day of the Retreat, the Board had a core meeting to review the CBC institutional performance report for 2014 and also deliberated and adopted the CBC work-plan and operational budget for 2015.



*CBC Board meets the Egyptian President Abdel Fattah el-Sisi, on promoting business partnerships with Egypt within the framework of the larger agenda on Intra- trade promotion in the region.*



# Project Review



## Local Sourcing for Partnerships (LSP) Project, "Building Sustainable Sourcing Partnerships between SMEs and Corporate Companies"

As a strategic response to the interests of the private sector, the COMESA Business Council launched a technical capacity strengthening project through the 1st CBC Local Sourcing Partnerships training workshop for food suppliers and hotels' procurement managers. The meeting was held from the 26th-28th of November 2014, in Kampala, Uganda- co-sponsored by the SERENA Group of Hotels- Serena Kampala and USAID- IPAA project, and in partnership with the Private Sector Foundation of Uganda-PSFU.

CBC has partnered with various public and private sector stakeholders to engage on a one year pilot program which will build the technical capacity of SMEs to comply to standards and recognized food safety systems.

### Local Sourcing for Partnerships Training Building Sustainable Sourcing Partnerships between SMEs and Corporate Companies 26th - 28th November 2014, Kampala Serena Hotel- Uganda



Signing of MoUs- between CBC and companies  
From Left to right- Serena Kampala General Manager, Mr. Anthony Chege, CBC Chairperson, Dr. Amany Asfour, Minister of State for Trade; Honorable David Wakikoona, Protea Zambia Groups Operations Manager, Mr. Stephen Kwint,

This will ensure effective competition in the regional and global markets and encourage a localized stream of efficient African businesses into supply chains in Africa and beyond. Partnership agreements have already been entered into with Serena Group of Hotels- Kampala, Kenya and Rwanda, as well as Protea Uganda and Zambia to work with the CBC in supporting companies to integrate into their supply chains if they meet the standard requirements expected by the companies.

For three days, from 26th-28th of November 2014, 50 food suppliers from COMESA member states were trained on key standard requirements needed for them to competitively integrate into the Supply Chains of the hospitality and

other industries- potential markets for SME businesses. The Training is a pilot phase and part of a series of trainings which will be rolled out in the 6 COMESA member states over the next one year period. The expected result of this program is to encourage companies to source within the region, from efficiently managed and standardized SME suppliers, and in turn access inputs usually faster and cheaper as opposed to international suppliers.

Local procurement sourcing in food supply and other areas along the value chain, greatly contributes to wealth creation and sustainability of Supply chains at a firm and regional integration levels. The tourism sector is widely recognized as the largest service sector contributor to GDP and trade in the region. On the other hand agriculture remains the mainstay of most COMESA economies, in light of its contribution to livelihoods and employment. The synergies and market linkages between the two sectors with respect to food supply for the hotel industry offers opportunities for local agriculture producers to be a part of sustainable market development; and trade.



## TOWARDS THE DEVELOPMENT COALITION OF SERVICES INDUSTRIES IN COMESA



The COMESA Business Council is moving towards establishing a Coalition of Services Industries in the region. Services represent the fastest growing sector of the global economy accounting for about 70% of global Gross Domestic Product (GDP), 1/3 of global employment and approximately 24% of gross global trade but 45% of world exports in value added terms. Therefore, it is necessary to ensure the inclusiveness of the services industry in the regional and national trade policy and private sector initiatives. CBC intends to create a dedicated platform for engagement of the Services Industries in the region. The platform will be developed within the Institutional model of providing a platform for Advocacy, business services (partnerships and linkages, trade information and market analysis) and Membership development (productive and technical capacity building). At the end of the year 2014, CBC undertook a regional services sector mapping exercise as a first step in the preparatory work towards establishing a Coalition of Services Industries at the CBC level. The purpose of the mapping was to identify the key specific industries which are exporting

or have potential to export along with their contribution to intra-regional trade; and the key stakeholders in the sector. The study was co-sponsored by the International Trade Centre. Services snapshots which form part of the Report have already been developed and published, whilst waiting for the full Report. In 2013, CBC created workgroups in the financial services and the tourism sectors. The 1st CBC Financial Services Sector Dialogue was held in 2013 looking into the regulatory frameworks for financial services in COMESA. In the Tourism sector, in 2012 the CBC hosted the COMESA Sustainable Tourism Development Forum where the COMESA Sustainable Tourism policy was adopted, and the tourism work group established. Going forward CBC in 2015 is on a drive to build, step by step, a wider sub-sectoral focus to its work on services. The intention is to move to the creation of new regional working groups on Transport and Telecommunications, and possibly Business services. As part of the proposed project; the sectoral Associations will feed into a regional Workgroup- the Coalition of Services Industry.



## PROMOTING MANUFACTURING SECTOR COMPETITIVENESS- FOCUS ON ILLICIT TRADE

COMESA Manufacturing potential lies in its ability to compete and produce competitive products juxtaposed to the other regional and international industries. The COMESA region accounts for a very low share of global manufacturing production and exports and we remain a larger importer of manufactured products. The region is largely composed of SMEs whose participation in global value chains and industrialization remains limited, trade growth and intra-regional integration also remains receded. Instead, the region has specialized mainly in exporting raw commodities with limited value addition to global markets. In addition to infrastructural constraints, market access and structural

constraint such participation is dented by the fragmentation of production cycles and processes particularly in the hands of a large number of fragmented SME's.

SME businesses can only grow and compete if they are able to access markets and gain a share in the regional and global value chains. As an initial step towards effective Public Private Dialogue for dealing with the constraints that are faced by the Manufacturers in the region; in 2013 CBC convened the 1st COMESA Regional Manufacturers Dialogue. Subsequent to which various approaches to promote industrial competitiveness were adopted; such as



- The development of regional value chains and industrial nodes;
- Standards and quality assurance mechanism;
- Business and Policy regulatory framework including competition policies.

The CBC local Sourcing for Partnerships project is one such project that seeks to build the capacity of businesses in terms of standards and efficiency and enhance the participation in regional supply chains. Furthermore, building on this,

## MOVEMENT OF BUSINESS PERSONS- COMESA BUSINESS VISA SCHEME

In March, 2011 the Private sector requested the CBC to come up with a regional position to address the elimination of Visa requirements and the Free movement of Business Persons in the region. In December 2012, the CBC held a Regional Private Sector Dialogue in which the Common Position Report on the Free movement of Business Persons and the Elimination of Visa requirements was validated and adopted. This led to the formation of the NTB Working group headed by the Burundi Manufacturers Association.

The recommendations were also submitted and adopted by the COMESA Council of Ministers in 2012. As a result, in 2014 CBC up scaled engagement with the COMESA Secretariat to come up with proposals of an Instrument that can be proposed to facilitate the Common Visa Free entry instruments for Business persons. A Project Proposal has been developed which focuses on the development of;

- COMESA business Visa for the region, taking into account best practices from similar models in regional and international communities;
- An implementation structure of the Business Visa scheme- using a pilot phase approach.
- An operational and technical budget structure

CBC has initiated a project towards the development of a Regional Framework to combat Illicit Trade in COMESA. As a result, the 10th COMESA Business Dialogue will be held under the theme; "Taking Action on Illicit Trade- An industrial Competitiveness Agenda". The 10th COMESA Business Dialogue, which will be held within the margins of the 18th COMESA Heads of State Summit on 25th -26th March 2015, in Addis Ababa, Ethiopia. The manufacturing sector faces challenges in growing competitive businesses due to illicit trade in sectors ranging from food and beverages, wildlife & fisheries, minerals, pharmaceuticals, weapons and ammunitions, consumer goods and tobacco. Illicit trade also prevails in technological innovation, leading to huge costs in gaining and maintaining patent rights, due to counterfeits and other issues. Whilst it remains a fundamental issue, there is no framework guiding the public and private sector on how to combat illicit trade in COMESA. The objective of the 10th COMESA Business Dialogue is to address the challenges faced by manufacturing enterprises and complimentary industries in counterfeit trade and other related malpractices that are detrimental to business. The Dialogue, bringing together over 150 businesses and policy makers will discuss the draft Regional Framework on Combating Illicit Trade in COMESA, which consists of Public Private legislative, enforcement and consumer actions that are effective measures of tackling illicit trade. The dialogue will also discuss the criteria of the MADE IN COMESA label to promote consumer preference on locally produced goods.

needed to implement the COMESA Business Visa Scheme, taking into consideration hard and soft infrastructure necessities.

- A work schedule of implementation over a realistic time period, and relevant areas of sourcing from Public- Private Partnerships on the implementation of the project.

Going forward in 2015, CBC intends to hold a Study that proposes the Instrument to be developed; which shall be presented to the COMESA Immigration Council Of Ministers.



## 9TH COMESA BUSINESS PARTNERSHIPS FORUM AND LINKAGES FAIR

The 9th COMESA Business Partnerships Forum and Linkages Fair was held from the 21st -22nd of February 2014 in Kinshasa, DRC on the margins of the 17th COMESA Heads of State Summit. The event was hosted by the COMESA Business Council (CBC) in partnership with the Federation of Enterprises in Congo (FEC) and had more than 200 regional and international participants from more than 16 COMESA member countries, West Africa, European Union and the United States of America.

The event was held under the theme, A MERGER BETWEEN BUSINESS AND INNOVATION -Integrating Competitiveness for supply and value chains in the COMESA Region. Its focus was on the integration of SMEs into regional value and supply chains and harnessing innovation, technology for competitiveness. The Forum outcome included key recommendations on policy, regulatory, institutional and financial mechanisms to support the integration of SMEs into industrialization processes at national and regional platforms; and their inclusive integration into regional and global supply and value chains. These recommendations formed part of the Regional Declaration that was presented and adopted at the COMESA Heads of States Summit.

Some of the Key Recommendations on the Declaration included strategies for;

- Holistic Policy and Regulatory and institutional frameworks that supports SME inclusiveness in public procurement;
- Partnerships to integrate SMEs in the industrialization processes and value chains to promoting efficiency and market access for SMEs;
- Promoting Access to Finance for SMEs;
- Free movement of business persons;
- Private Sector Inclusiveness in policy frameworks;
- Investment in Innovation, Science and Technology;
- Promoting authentic African Products- Supporting COMESA origin products into regional markets.
- Promoting Women and Youth inclusion in the Regional Private Sector Agenda.

**Speakers Included:** General Electric, Unilever, Nestle, Seedco, Ecobank, Airtel, Capital Fisheries, Trade Kings, Kenya Bankers Association, Congo Bankers Association, Federation of East African Freight Forwarders Association, Gecotrans, PTA Bank, COMESA Leather and Leather Products Institute, Africa Regional Intellectual Property Organization, Ambassador Garments, Rwanda Association of Manufacturers, Farm to You, African Union Commission, AMSCO among others.

## 8TH COMESA BUSINESS FORUM

The 8th COMESA Business Forum, held in Kampala, Uganda attracted over 400 of Africa's business leaders, international businesses and regional policy makers on one platform to engage on common agendas that support business interests in the COMESA region. The meeting was held from the 20th to the 21st of November 2012 in Uganda and was held under the theme; 'Enhancing Intra-COMESA Trade through Micro, Small and Medium Enterprise Development- Seizing Opportunities for Innovation and Prosperity in Business'. The Forum was structured to discuss issues of promoting SME development and included issues on Green Economy, SMEs and Competitiveness, Agriculture and Food Security, Innovation for Wealth and Job Creation, and, Tourism and Business. The recommendations formed by of the COMESA Business Forum Regional Declaration which was subsequently presented and adopted by the Heads of States Summit.

The Key Issues of the Declaration; included:

- Green Economy; and the need to promote energy efficiency in the manufacturing sectors and develop alternative forms of energy in terms of policy and regulation
- Measures that promote MSME; including development of regional clusters and ensuring access to finance.
- To promote agriculture and food security through ascertained budget support, research and development activities.
- Promoting the development of infrastructure.
- Promote and market national and regional tourism.
- Ensure the inclusion of women and youth in development activities.

The Speakers at the Forum included; Entrepreneurial Solutions Partners, African Business Roundtable – W. Africa, UNIDO, NESTLE, Ethiopian Airlines, Agro-Genetic Technologies Ltd – Uganda, Bank of Sudan, SEEDCO, Kenya Association of Manufacturers, Bedi Investments Ltd, Alliance Forum Foundation.

# Financial Report



## Income and expenditure account

	COM\$
INCOME	
Members' contribution	169,896
Partners Contribution	918,587
Other income	1,068
Total Income	1,081,551
EXPENDITURE	
Project Administration	105,720
Project Implementation	854,148
Total Expenditure	959,868
Surplus	129,683

*CBC Internal Audit report- April -2010-September 2014-*

## External audit of financial statements

The Accounts for CBC for the financial years ended 31 December 2010, 2011, 2013 have not been audited by an external auditor. An external audit is planned for June 2015, to be presented to the CBC Board, in September, 2015.

# Membership

COMESA Business Council is a Business Member Organization. Its success relies on the size and scope of its membership that is composed of business representative organizations, both national and regional, regionally present Corporates and SMEs.

The CBC Constitution provides for four categories of members, as follows:

<b>Principal Members: 1000 ≠US\$</b>	<b>(a) Private sector national associations representing various sectors of national economies of Member States;</b>
<b>Associate Members: 5000 US\$</b>	<p>(a) Incorporated individual companies upon admission by the General Assembly after application;</p> <p>(b) Various interest groups in the Common Market whose aims and objectives are in conformity with the aims and objectives of the Common Market upon admission by the General Assembly after application.</p>
<b>Honorary Membership: 5000 US\$</b>	a) This will be granted to deserving persons with the potential to contribute to the wellbeing of the CBC in a significant way and will fall under the category of Associate Members.
<b>Emerging Businesses: 500 US\$</b>	<p>a) This will be granted to deserving persons with the potential to contribute to the wellbeing of the CBC in a significant way and will fall under the category of Small and Medium Enterprises;</p> <p>b) The Council will grant the membership in the spirit of ensuring diversity of ideas and broadness of the income base.</p>

## Partners



# In Photos...







***For More information, visit;***

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