

**REPORT of the CBC Zimbabwe National Business Seminar;
2nd July 2015, Harare, Zimbabwe**

Hosted by the COMESA Business Council and the Confederation of Zimbabwean Industries

Report by COMESA Business Council.



1. a) Introduction

The CBC Zimbabwe National Business Seminar was a half day meeting being held by the COMESA Business Council (CBC) in partnership with its membership at national level; Confederation of Zimbabwe Industries (CZI) to increase awareness and sensitize the business community on the activities of the CBC, and also to promote business linkages and share business opportunities existent within the COMESA region.

The 5th CBC Annual General Meeting and Board Meeting held in March 2015 recommended the need for more proactive ways to mobilize private sector as members of the CBC and also the need to increase the standing of the institution at national level as a measure for resource mobilization. They recommended the need to hold Business seminars working with the national focal members as a key way for sensitizing the business community and holding membership drives at national level. It is within this background that the meeting was convened.

1. b) Objective of the Meeting

The Objectives of the Business Seminar were to:

- Sensitize the business community on the CBC,
- Inform them on trade opportunities and policy instruments within the COMESA region,
- Recruit corporate companies to become members of the CBC.

1. c) Approach and Participation

The meeting was organized by the COMESA Business Council in partnership with the Confederation of Zimbabwean Industries. CZI is the Apex Organization for Industry in Zimbabwe, representing the manufacturing industry in a wide array of matters affecting their viability and competitiveness. The Business seminar was attended by 25 people.

The meeting took the format of an “inter-participatory or dialogue” approach, whereby after each presentation, a discussion session was convened where the participants were also given time to discuss and openly comment on the speakers’ presentations or issue under discussion.

2. a) Meeting Deliberations

The Meeting was officially opened by Mr. Busisa Moyo, the President of the CZI and United Refineries Limited (URL) Chief Executive Officer.

- In his presentation he spoke of CZI as leading business apex body in Zimbabwe representing the manufacturing industry having been established since 1923. He highlighted the role of CZI in engaging the government on policy issues and constraints to ensure the competitiveness of industry in Zimbabwe.

- Mr. Moyo further recognized the membership of CZI within the COMESA Business Council as essential to ensuring the representation of Zimbabwean industry with regional integration. He highlighted that some of the Zimbabwean companies are key participants in the COMESA and SADC trade as they export or import from the regions. Further stating, that as Zimbabwe is moving into the direction of value chain promotion, the concept of regional value chains becomes a key initiative to ensure the growth of the manufacturing industry at national and regional levels. He therefore, welcomed the National Business Seminar as key to identifying opportunities within the region as regional integration can facilitate the growth of the industries; and declared the meeting open.

Ms. Kudzai Madzivanyika went on to make two presentations.

- In her first presentation, she introduced the COMESA Business Council as established in terms of the COMESA Treaty as the consultative platform of the business community in COMESA. She highlighted that CBC is a Business member organization managed by a Board of Directors; with membership comprised of the private sector apex Associations, sectoral Associations and companies with presence in more than one COMESA member country.
- She spoke of the strategic pillars of the CBC; Business advocacy, Business Support Services-Business and Market Intelligence, Linkages and partnerships, membership Development.
- In terms of Business policy advocacy she highlighted some of the key activities of the CBC; the annual COMESA Business Forum held on the margins of the COMESA Heads of States Summit. Other initiatives including the recently adopted Framework on combating Illicit Trade, the development of the COMESA Business Visa, and 'Made in COMESA' label.
- In terms of Technical capacity strengthening she cited the CBC Local Sourcing Project whose objective is to increase local sourcing from SME Growth enterprise by multinational companies in the COMESA region in order to create jobs and economic development.
- On Business linkages, Ms. Madzivanyika highlighted the various business linkages platform; Online Business directory, Business to Business matchmaking and exhibitions as some of the ways in which CBC fosters business partnerships, joint ventures, sourcing relationships for the businesses in the COMESA region.

Ms. Madzivanyika's second presentation focused on the various policy instruments and opportunities with the COMESA regional integration agenda.

- She spoke of the COMESA region as a composed of about 480 million persons, with 283 billion US\$ as of 2013 in terms of global merchandise trade, 72Billion US\$ in trade in services and 20.9 billion US\$ in intra COMESA merchandise trade. She highlighted the most traded products to include copper ores, Portland cement, tea, petroleum oils and others. She stated that Zimbabwe's key COMESA trading partners include Zambia, DRC and Malawi.

- In terms of levels of economic integration, she highlighted that 15 out of the 19 COMESA Member states are implementing the COMESA FTA, as countries are also working towards the implementation of the COMESA Customs Union; though still preliminary.
- She spoke of the various COMESA Institutions set up to promote trade and trade facilitation in the region; financial institutions; Africa Trade Insurance Agency, PTA Bank, Clearing House, Monetary Institute and others Competition Commission, Leather and Leather Products Institute and Court of Justice. She also started the various initiatives such as COMESA SME Policy, COMESA Industrialization Policy, COMESA Investment Policy, COMESA Movement of Persons frameworks and the Trade facilitation instruments a central to advance trade and regional integration highlighting the various opportunities under COMESA regional integration.

The meeting was concluded by Mrs Tracy Mutaviri, the Managing director of Lyons Zimbabwe and the Vice President of the Confederation of Zimbabwean Industries.

- In her remarks, she recognized regional integration and industrial development as interlinked and necessary. She urged the businesses to take advantage of the opportunities in the COMESA region and to start looking for export markets. She recognized that the businesses in Zimbabwe faced a lot of constraints but with various initiatives at national level such as n the promotion of value chains business is poised to improve. In conclusion, she thanked the CBC for partnering with the CZI in convening the event.

2. b) Deliberations and Recommendations

Post the presentations the discussions captured the following issues;

- **On Integration**
 - Participants noted there were still various difficulties in accessing the DRC markets; from visa and also the administration of duties and taxes.
- **On Access to finance**
 - The type of finance offered by PTA is only appropriate for very large corporate companies, and the access to finance still remains a gap for most companies and SMEs.
- **On Rules of Origins Certificates and trading under COMESA.**
 - There is need to increase awareness on the COMESA regime and also highlight the benefits of trading using COMESA certificate of Origin as most businesses; particularly those trading with Zambia and Malawi are used to the SADC regime.

- **On Regional Value chains**
 - The need for value chain mapping and measures to promote the growth of national and regional value chains as key to the competitiveness of the manufacturing industry. This should be based on actual competitiveness for it to be effective.

- **On Tripartite Free Trade Area₂**
 - Most of the businesses learnt of the Tripartite FTA at the signing of the Tripartite FTA. There is need for increased information sharing and inclusion of the private sector in the TFTA agenda as to sensitize them of the various opportunities that exist within the broader FTA.
 - Businesses also raised concern on the non-implementation of regional integration agreements and Protocols, notwithstanding that Member states have signed them.

- **On Regional Payment and monetary systems**
 - Businesses also recognized the importance of strengthening regional payment systems especially in view of the strength of the USD- currency used in Zimbabwe versus other currencies which can lead to increased competition for the Zimbabwean market.

3. Membership Drive Meetings.

Prior to the Business seminar on the 1st of July 2015; CBC had the following meetings:

- **CZI meeting.** Ms. Madzivanyika met with CZI team on the preparation of the meeting; to ensure the logistics were in place for the Business Seminar.
- **Membership drives meetings.** The target was regional corporates who are trading in more than one COMESA member country. The purpose was to introduce the COMESA Business Council and invite the companies to become corporate members of the CBC.