



BIZNET WEEKLY

The Weekly newsletter of the
COMESA Business Council

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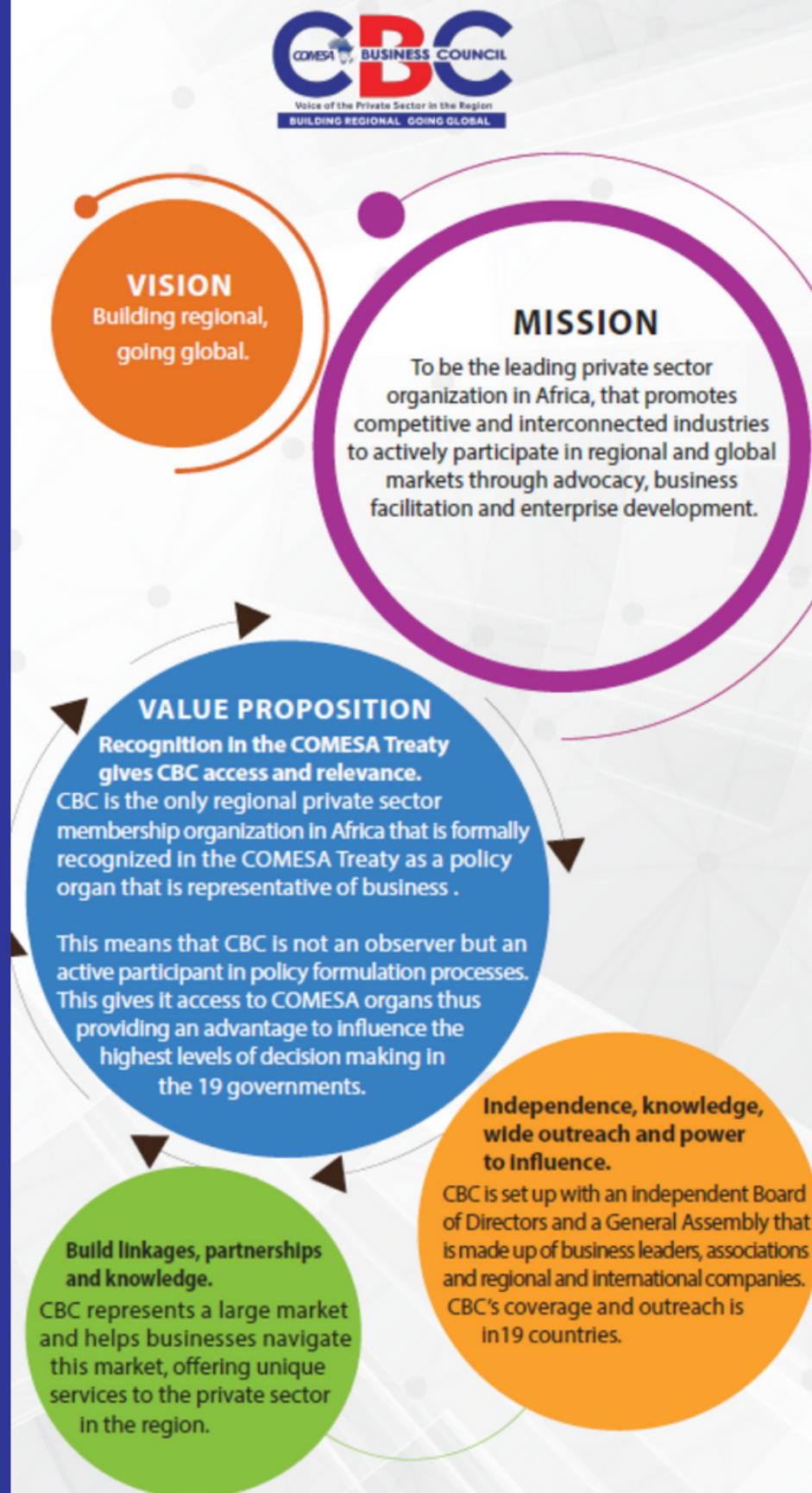
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Source21

— COMESA International Trade Fair & High Level Business Summit —

“The Hallmark of Quality”

17th - 21st July, 2019

Venue: Kenyatta International Conference Center, Nairobi, Kenya

Visit: <http://comesabusinesscouncil.org/source21/> to register!



The COMESA Business Council and Kenya Manufacturers Association in partnership with COMESA and the Government of Kenya are proud to host the SOURCE 21 COMESA International Trade Fair and High-Level Business Summit. The event will be held under the theme “The Hallmark of Quality”. It will be hosted within the Kenya Trade Week which is led by the Ministry of Industry, Trade and Cooperatives.

The Source21 COMESA High Level Business Summit will be held on the margins of the Trade fair. The event will provide a platform for the public-private engagement on some of the constraint’s businesses face when trading across the region. The event will be graced by His excellency the president of Kenya Mr. Uhuru Kenyatta.

The Source 21 COMESA International Trade Fair has attracted more than three hundred exhibitors from across the region and the globe. During the fair more than five thousand show goers are expected to visit the exhibition stands and have a 1 on 1 with industry players. Highlights of the week include:

- The Presidential Roundtable – Regional heads of state will engage and share best practices and knowledge and to address critical issues in Agriculture, manufacturing sectors
- Launch of the Source21 COMESA Handbook – The handbook is a business facilitation tool to inform businesses, traders, SMEs investors and other the various market opportunities across the COMESA countries.
- Sectoral Roundtables- Industry positions from the various sectors will be drawn during the dialogue to inform policy.

Overall, the African enterprises need to demonstrate the ability to produce quality products that can compete effectively in regional and global markets. Various speakers from key sectors will be part of the summit.

Business Summit Participation Fees - Delegates

International

US\$ 300

Regional - SADC, EAC
& COMESA/ Rest of
Africa.

US\$ 250

Kenya Nationals

Free

CBC Member
Association

Free

CBC Member -
Corporate

US\$ 100

Register Today: <http://comesabusinesscouncil.org/source21>

HIGHLIGHTS OF THE S21 CITF & HLBS

15-16th July
Kenya Trade Week Meetings – Open (National)

17-18th July
SOURCE21 COMESA- High Level Business Summit by Registration (Regional and national)

17-20th July
SOURCE21 COMESA- International Trade Fair Open (Regional and national)

19th July
FINANCE FOR BUSINESS Seminars Open (Regional and national)

TOPICS OF DISCUSSION

- Global Sourcing- Clearing the path for Africa's products into the regional and world markets. What needs to be done?

- Manufacture Africa; Africa's value proposition; What makes the continent more viable for business than other alternative markets? How do we create inclusive regional manufacturing hubs?

- Internationalizing African Brands

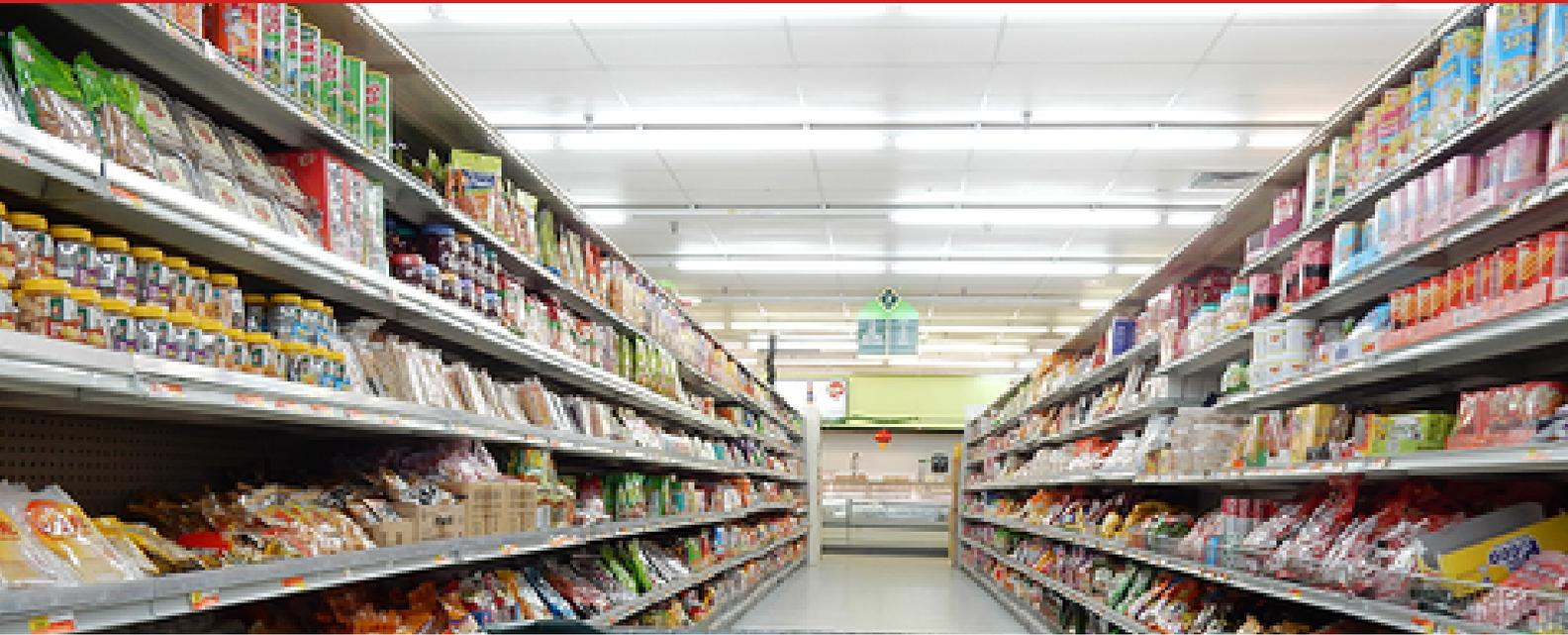
- Showcasing Africa's Trendsetters- The young minds of business

- Bridging gaps- Digitalization for business and trade
- The Future of Agriculture – Optimizing sustainable partnerships in regional agribusiness.

Exhibition Fees

- National Company/Association/Organization/ -1000 USD- 3X3M Booth
- Multi-National/Regional Company/ Association based in Kenya - 1500USD 3X3M /1900USD 3X6M
- International Company/Association/organization 1500USD -3X3M 1900USD 3X6M
- CBC Member - Association - 1000USD - 3X3M
- CBC Member - Corporate - 1200- 3X3M / 1500USD 3X6M

COMESA BUSINESS COUNCIL LSP DATES ZIMBABWE



The COMESA Business Council in partnership with the Zimbabwe National Chamber of Commerce (ZNCC) will host the Local Sourcing for partnerships (LSP) training and capacity building workshops for SMEs on food safety and Standards. The workshop is scheduled to run from 15th to 17th May, 2019 in Harare Zimbabwe.

As a way of promoting local sourcing, from 2016–2018 the CBC initiated and implemented the Local Sourcing for Partnerships Project targeting the Small Growth Enterprises within the hospitality and agro–industry sector, with the aim of building their technical capacity on quality standards and promote business linkages to enable the agro food suppliers’ participation in the supply chains across the COMESA region. The project is further aimed at creating jobs and enable SMEs contribute positively to economic development. Since the inception of the project, more than 480 SMEs have been trained across the region.

The goal of the project is to build inclusive growth and sustainability of SMEs, and to contribute to overall improvement of intra–trade development in the COMESA Region.



FERTILISER MANUFACTURERS TO ENGAGE RBZ OVER FOREIGN CURRENCY SUPPORT



GOVERNMENT has been called upon to channel foreign currency towards the manufacturer of fertilisers in order to preserve jobs and prevent damage to soil by imported chemicals. This came out in a statement issued by the Zimbabwe Fertiliser Manufacturers Association (ZFMA), which is now compiling a draft paper which will be tabled before authorities. Hard currency is required to purchase raw materials used in the manufacture of fertiliser.

Players in the sector contend that if government avails the foreign currency, more money which is currently going towards import of fertilisers could be saved and channeled to other sectors of the economy. “The meeting further agreed to solicit comments from various stakeholders, to input into the initial draft, before presentation to the Governor of the Reserve Bank, Minister of Finance and Economic Development as well as to the Minister of Lands, Agriculture, and Rural Resettlement.

“Representatives from the fertiliser industry, as well as Confederation of Zimbabwe Industries (CZI), met to discuss strategies to use in lobbying government to extend support in foreign currency to the industry for its Ammonium Nitrate (AN) fertiliser production,” reads the meeting’s feedback statement. According to the manufacturers, a total amount of US\$24.5 million is required monthly for the production of 70 000 tons of Amonium Nitrate. Currently ammonium nitrate lands in Zimbabwe at US\$500 per ton and its retail price is ranging between US\$30-US\$39 per 50kg bag, translating to between RTGS\$100 and RTGS\$120.

“If implemented, the policy will assist in preserving the foreign currency which can therefore be channeled to other critical needs. The meeting also found it very crucial to safeguard hundreds of jobs in the industry and the need to protect investments made,” the manufacturers said.

<https://www.newzimbabwe.com/fertiliser-manufacturers-to-engage-rbz-over-foreign-currency-support/>

FRENCH FIRM SEEKS TO INTRODUCE SOLAR-POWERED MILK COOLERS TO HELP CUT FARMERS' LOSSES



Serap, a France-based firm specialising in designing and manufacturing milk cooling tanks, has expressed interest in establishing presence in Rwanda to provide affordable milk cooling facilities powered by solar energy. The move will help safeguard milk quality and safety making it fetch better prices and competitiveness in the market, according to Ali Haidar, the Firm's Area sales manager for milk coolers in Africa and Middle East. Haidar made the revelation on Friday.

The five-member French delegation represented FilClair, the manufacturer of hi-tech greenhouses; Boccard, a major player in the implementation of industrial plant; Allflex, which is engaged in livestock intelligence and animal identification. Others are AXEMA, a French professional organisation bringing together more than 240 manufacturers of tractors and agricultural machines; Serap; as well as Adepta – a French agro-industry association gathering more than 200 companies. In November last year, Mukamira Dairy in Nyabihu District rejected about 10,000 litres of milk that went bad, according to Nyabihu Dairy Farmer Cooperatives' Union.

The visit was facilitated by Adepta. Isabelle Kouamo, Adepta Area Manager for Sub-Saharan Africa, said the delegation was in Rwanda on a three-day visit with main purpose is to understand the setup of the agribusiness market and opportunities therein. Haidar said he is in Rwanda to gather information on daily sector in Rwanda and to understand how the milk collection business is set up built, who the main actors here are and to establish the needs of the dairy industry as well as farmers in the country. "Sometimes, a farmer milks the cow and will wait for two hours until he will transport the milk to the [milk] collection centre.

The milk is hot such as at 35 degrees, [and] the climate is hot. So, the milk is fermenting, and every 20 minutes, the number of germs in the milk doubles, and the quality of milk is deteriorating," he said as he explains an instance of impact of lack of effective cooling system to the milk.

This will ensure sustainable production and increase productivity, postharvest handling of agricultural produce as well as agro processing for value addition, and proper management of livestock to increase milk yield among others.

Read More on: <https://www.newtimes.co.rw/business/french-firm-seeks-introduce-solar-powered-milk-coolers-help-cut-farmers-losses>

ETHIOPIA'S INDUSTRIAL PARKS GENERATE \$103 MILLION EXPORT INCOME



The government of Ethiopia has secured \$103 million export earnings from products manufactured in industrial parks over the first nine months of its fiscal year started July 8, 2018. The performance has increased by 40 percent compared to last year same period, according to Ethiopian Investment Commissioner Abebe Abebayehu, who told the state news agency, ENA. He noted that the country has met 70 percent of its export earning target for the nine months period.

Textiles, shoes and other leather products were among the manufactured items that generated hard currency for Ethiopia. The report also stated that the active industrial parks of Ethiopia have so far created jobs for over 70,000 people of which around 16,000 were created over the past nine months. Ethiopia's industrial parks include, Hawassa, Bole Lemi, Kilinto, Mekelle, Dire Dawa, Kombolcha, Debre Birhan, Addis Industrial Village and Jimma, among others. With aim of creating jobs and transforming its agrarian economy into manufacturing, the country is also building additional industrial parks in different parts of the country.

The country targets to increase the number of industrial parks to 30 to become Africa's manufacturing hub and lower-middle-income economy by 2025.

<https://newbusinessethiopia.com/ethiopias-industrial-parks-generate-103-million-export-income/>

GOOD WEATHER LEADS TO SPIKE IN CINNAMON PRODUCTION IN SEYCHELLES



Seychelles has recorded an increase in cinnamon production in 2018 and is expecting a prosperous production for exporters this year. According to the figures from the National Bureau of Statistics (NBS) comparing the third quarter of 2017 to that of 2018, the production of cinnamon increased from 0.6 tonnes to 3.4 tonnes. NBS attributes the increase to the fact that there are more people involved in cinnamon cropping in the forests although the exact figures are not being reported by the Bureau.

Another factor is the optimal weather conditions which also favours the production of natural products. One of the oldest cinnamon producers and exporters in Seychelles is the Chaka Brothers company. Gafoor Yakub, who is part of the family business, told SNA, "There has been a 25 percent increase in our production and export of cinnamon bark from 2017 to 2018 but the quantity produced and exported is a far cry from the 1500 tons that were once being exported annually in the 1960s and 70s." Chaka Brothers' main markets for export are Europe, the USA and Canada.

Cinnamon -- one of the world's most-used spices -- was once a pillar of the Seychelles' economy since its introduction to the island nation in the western Indian Ocean by Pierre Poivre in 1772. At the time around 33 percent of the island nation's workforce was employed on plantations.

However, with the opening of the airport, the plantation industry dwindled and today it is nearly nonexistent except for a few entrepreneurs who have not given up and is the only business exploiting cinnamon.

"Those who used to do the cropping of cinnamon are no longer prepared to do so and the newcomers often regard this job as inferior or too much hard work," said Yakub. Patrick Bonne, who used to trade extensively in cinnamon bark and oils, told SNA that while the cinnamon industry was not as it once was ten years ago, he still makes some revenue from cinnamon oil export to Germany. "There is an organic beauty company which I supply oils to, and I used to trade in oils used for perfumes. On average, cinnamon bark oil can go for \$250 a litre," said Bonne. In Seychelles, cinnamon producers and exporters have always focused on the cinnamon bark and cinnamon leaf because they have the highest commercial value, unlike the root.

<https://allafrica.com/stories/201904180219.html>

GOVERNMENT BACKED ON ZESCO TARIFFS



Various stakeholders have welcomed Government's decision to suspend the tariff review application made by ZESCO to the Energy Regulation Board ERB. Zambia Association of Manufacturers -ZAM- President Rosetta Chabala says the decision is reasonable because it will reduce stress on the economy. Mrs. Chabala told ZNBC news that there is need for electricity cost study to justify why ZESCO plans to increase tariffs.

And Economist Shabdin Mweemba says the decision by the President to suspend the tariffs is testimony that he listens to the concerns of the various stakeholders. Mr. Mweemba said this will also restore confidence among investors.

He however said there is need to revise the tariffs to sustain ZESCO but should be done at a minimum cost to avoid consumers being burdened. Another Economist Oliver Saasa said various stakeholders are waiting for a study to explain the proposed upward adjustment. Professor Saasa explained that energy is important and has various implications on the production costs of the country and the economy.

<https://www.znbc.co.zm/govt-backed-on-zesco-tariffs/>

POOR REGULATIONS STUNT MANUFACTURING GROWTH



Investment in manufacturing has been on a declining trend over the past two years due to a poor regulatory environment. The Manufacturing Barometer by the Kenya Association of Manufacturers for the January-March period shows while the sector is expected to contribute 15 per cent to the GDP by 2022, regulatory headwinds may stunt this growth.

“With the current regulatory environment and uncertainty in the trade environment, shareholders are not willing to invest; investors have been deferring their planned investments over the past two years,” the report stated.

According to the report, there is no systemic structure to encourage Foreign Direct Investment by developing free zones.

More than half of manufacturers believe Kenya’s economy stagnated between January and March. 60 per cent of manufacturers surveyed believe the Kenyan economy stagnated while 21 per cent believed it was growing.

<https://www.the-star.co.ke/business/kenya/2019-05-05-poor-regulations-stunt-manufacturing-growth/t>

MEMBERSHIP BENEFITS

1 Advocacy excellence in the region – influence decisions at the highest levels of policy decision makers in COMESA.

2 Regional brand recognition as a business through CBC

3 Market intelligence and analysis to inform trade, investment and joint venture decisions.

4 Increased partnerships in regional and global markets.

6 Industry collaboration through CBC memberships for efficiency and sustainability of enterprises and associations.

5 Business facilitation in regional and global markets through trade promotion, linkages and advisory services



Our Important Links

- <http://comesabusinesscouncil.org/>
- <http://comesabusinesscouncil.org/Account/Login>
- http://comesabusinesscouncil.org/Content/web/documents/news-media/2016_CBC_Inst_Report.pdf
- <http://comesabusinesscouncil.org/Home/AboutUs/Membership>

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Building Regional Going Global.