



BIZNET WEEKLY

The Weekly newsletter of the
COMESA Business Council

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CBC Membership Benefits



VISION

Building regional,
going global.

MISSION

To be the leading private sector
organization in Africa, that promotes
competitive and interconnected industries
to actively participate in regional and global
markets through advocacy, business
facilitation and enterprise development.

VALUE PROPOSITION

Recognition in the COMESA Treaty
gives CBC access and relevance.
CBC is the only regional private sector
membership organization in Africa that is formally
recognized in the COMESA Treaty as a policy
organ that is representative of business .

This means that CBC is not an observer but an
active participant in policy formulation processes.
This gives it access to COMESA organs thus
providing an advantage to influence the
highest levels of decision making in
the 19 governments.

Independence, knowledge, wide outreach and power to influence.

CBC is set up with an independent Board
of Directors and a General Assembly that
is made up of business leaders, associations
and regional and international companies.
CBC's coverage and outreach is
in 19 countries.

Build linkages, partnerships and knowledge.

CBC represents a large market
and helps businesses navigate
this market, offering unique
services to the private sector
in the region.

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>

Source21 High Level Business Summit Speakers



Mr. Marday Venketasamy -
Chairperson CBC/ Mauritius Chamber of
Commerce and Industry



Dr. Amany Asfour
Immediate Past Chairperson CBC /
Chairperson EBWA



Mr. Sanchen Gudka -
2nd Vice Chairperson CBC / President
KAM



Ms. Phyllis Wakiaga
CEO- KAM



Mr. Oliver Bastienne- CBC Board Member/
Seychelles Chamber of Commerce and
Industry



Mr. Arthur Cousins
Payments Project Coordinator of the
SADC



Dr. Sherif Elgabaly
Chairman - Federation of Egyptian
Industry



Ms. Isabel Zarza
MD - Dufry - Africa and Europe



Mr. George Odhiambo
MD- KCB- Rwanda

HIGHLIGHTS OF THE S21CITF & 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

REGIONAL CONSULTATION ON THE PLANNING AND PREPARATION OF THE GREAT LAKES INVESTMENT AND TRADE CONFERENCE



The COMESA Business Council represented by the Chief Executive Officer, Ms. Sandra Uwera was among the delegates that attended the International Conference on the Great Lakes Region (ICGLR). The regional consultation was convened with partnership with the Office of the Special Envoy of the UN Secretary General for the Great Lakes Region (O/SESG-GL), in conjunction with the Rwanda Development Board, on 3rd May 2019 in Kigali.

The main objective of the consultation meeting was to share ideas with stakeholders of the region and obtain validation on the focus and intended outcomes of the second regional conference to be known as the Great Lakes Investment and Trade Conference (GLIT). It is important to recall that the organization of such a conference is in line with the recommendation of the Heads of States at the 7th high-level Regional Oversight Mechanism of the PSC Framework in Luanda, Angola on 26 October 2016 to carry out the necessary “follow-up action to the first Private Sector Conference with a view to further promoting the role of the private sector in support of peace and stability in the region”.

CBC is keen in undertaking such an initiative for it speaks directly to our mission of becoming the leading private sector organization in Africa as well as ensuring that the private sector is actively participating in regional and global markets.

At the closing ceremony of the meeting chaired by the President of Private Sector Forum (PSF) of Rwanda, the national and regional private sector re-iterated its commitment to take a leading role in the GLITC’s process. Participants also expressed their gratitude to the ICGLR and the O/SESG-GL and requested their continued active support during the whole process.

CORRUPTION, PAYMENT DELAYS STIFLE KENYAN MANUFACTURERS



Kenyan manufacturers are largely operating below capacity and say economic growth prospects are dim due to a cash crunch, drought and corruption, a survey by their umbrella association showed. The survey, called the Manufacturing Barometer, was carried out by the Kenya Association of Manufacturers in the first quarter of this year. It found that 47 percent of those surveyed operated at about half capacity, 33 percent operated at 75 percent of installed capacity and a fifth operated near full capacity.

President Uhuru Kenyatta said the sector was one of his top four priorities when he started his second term in 2017, due to its potential to create jobs. But the government has struggled to boost the sector due to high electricity tariffs and illicit imports of goods such as sugar and cigarettes. A Markit Stanbic Bank Kenya Purchasing Managers' Index (PMI) survey released on Monday showed activity in Kenya's private sector contracted for the first time in 17 months in April, hurt by drought and strained cash flows.

The manufacturing sector grew by 4.2 percent in 2018, official data showed, and contributed 7.7 percent of the country's annual economic output of about \$80 billion, down from a share of 8 percent in the previous year. The sector's contribution to gross domestic product (GDP) has been falling gradually since 2014, when it stood at 10 percent. Kenyatta's government aims to raise the contribution of manufacturing to 15 percent of GDP by 2022.

The outlook for the sector this year could worsen due to persistent dry weather, the association said in the report. "The agricultural sector slowed down on account of the delays in rains. This will have an effect on the industry," it said. "Due to the current cash crunch and runaway corruption, the metrics are not looking promising." Private sector credit growth has slumped since the government capped commercial lending rates in September 2016 to lower the cost of credit.

Delays by the Kenya Revenue Authority in processing tax refunds were likely to hurt manufacturers' cash flow, the report said.

Some survey respondents said delays in clearing cargoes at the Mombasa port were leading to lost sales and higher demurrage charges. The manufacturing sector covers a range of businesses, including food and beverage production, metal products fabrication, pharmaceuticals and cement production.

MICROSOFT TO SET UP TECH HUBS IN KENYA, NIGERIA



#MicrosoftAD

Kenya is hoping for new jobs and business opportunities when a plan by Microsoft Corporation to set up a technology development centre in Kenya comes to fruition. The US corporation's vice president for gaming Phil Spencer said during a meeting with President Uhuru Kenyatta at State House, Nairobi that the center would serve the eastern Africa region, the presidential media unit reported. The technology center would be the seventh globally for Microsoft and would be the lead hub of engineering for the company and its affiliates.

"The African Development Centres will contribute to Microsoft's interests across global businesses such as Office, Azure and Windows among others," said Mr. Spencer. He did not give a date for the establishment of the center or the investment required. The announcement comes as technology players across the world seek to leverage on tech-savvy Kenyan youth in various ICT disciplines.

Mr. Spencer said the corporations would absorb 100 engineers in vacancies that were announced in March, describing as exciting the changes in the Africa technology landscape. The centre will leverage on the diversity of the regional landscape to build world class talent capable of creating innovative solutions for global impact. It would also act as an engineering springboard for new technology investments in Kenya. Microsoft has earmarked Nigeria as the other beneficiary of a similar facility on the continent to serve West Africa President Kenyatta said the technology development sites carried great potential for job creation, talent development and technology transfer among Africa's youth especially in countries with good ICT literacy ratings. The president challenged Microsoft to ensure intellectual property rights of Kenyans involved in their projects are adequately protected.

"Ensure we do not lose the intellectual property rights that belong to our young people. We need an open and transparent partnership," President Kenyatta said. He also asked the company to democratize innovation in the digital space by expanding the range of African languages available and usable on the internet.

Read more on: <https://www.theeastafrican.co.ke/business/Microsoft-to-set-up-tech-hubs-in-Kenya--Nigeria/2560-5113346-13mljm5/index.html>

THE RAPID GROWTH OF DIGITAL BUSINESS IN AFRICA



The latest technology firm to list on the New York Stock Exchange is not from Silicon Valley but from Africa. Jumia, an e-commerce platform with over 4 million customers in 14 African countries, saw its shares jump by around 70% on its NYSE debut day on April 12th. That put the company's market capitalization at close to \$2 billion, cementing its status as Africa's first technology unicorn. Jumia's successful NYSE listing is a timely reminder of Africa's rapid digitization — a trend that has been hidden from the view of many global investors and executives. Africa already has 122 million active users of mobile financial services, more than half the global total. Its number of smartphone connections is forecast to double from 315 million in 2015 to 636 million in 2022 — twice the projected number in North America. Over the same period, mobile data traffic across Africa is expected to increase sevenfold. In our new book, *Africa's Business Revolution: How to Succeed in the World's Next Big Growth Market*, we spotlight Africa's unfolding digitization and show how investors and entrepreneurs from across the world can be part of it. We interview many of the pioneers at the forefront of the digital revolution, including Jumia's co-CEO, Sacha Poignonnec.

One message stands out: digital technologies allow forward-looking businesses to recast Africa's challenges as an opportunity to innovate and address massive unmet demand. We estimate that private consumption in Africa rose from \$860 billion in 2008 to \$1.4 trillion in 2015 — significantly higher than that of India, which has a similar population size. We forecast that it could reach \$2.1 trillion by 2025. Yet Africa's consumers are still woefully underserved: there are sixty thousand people per formal retail outlet in Africa, compared with just four hundred people per store in the United States. By Jumia's calculations, online sales currently stand at less than 1% of total retail sales in Africa — compared with 24% in China. As Poignonnec told us, "My view is that retail will move online very quickly in Africa. E-commerce might reach 15% of total retail sales over the next ten years, and then it will go beyond that."

There are plenty of other entrepreneurs who are harnessing technology to solve deep-seated gaps in Africa's markets. One is Mitchell Elegbe, CEO of Nigerian start-up Interswitch. He told us how, back in 2002, he observed people carrying piles of cash to pay for everything from groceries to cellphone airtime to utility bills. Today, Nigerian consumers and businesses make more than 300 million digital transactions a month across a suite of Interswitch-enabled channels. Interswitch, too, plans a global listing — which could value the company at as much as \$1 billion, making it Africa's next unicorn.

Read more on: <https://hbr.org/2019/04/the-rapid-growth-of-digital-business-in-africa>

REGIONAL CONSULTATION ON THE PLANNING AND PREPARATION OF THE GREAT LAKES INVESTMENT AND TRADE CONFERENCE - IN PICTURES



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.

5

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

6

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



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.