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We would like to encourage you to make use of our Market Brief repository on our website; the topics covered in this issue are complementary to these briefs and are meant to further assist you to better navigate the existing market, whilst also targeting potential clientele.

Companies wishing to place adverts in this bulletin may contact the editor for further details:

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We value your feedback and the editor welcomes contributions to this bulletin so that together, we can make it a must read publication for the professional services sector in COMESA and beyond.

All information products are available on our website:
www.comesabusinesscouncil.org



Happy New Year and welcome to the launch of our bi-monthly bulletin, the Professional Services Insider!

We are delighted to bring to you this series, filled with the latest trends and developments within the professional services sector across the region, along with key information on upcoming events, market intelligence, and policy and regulatory issues.

Thank you for being part of this exciting journey; the best is yet to come!

Sandra Uwera, CEO, COMESA Business Council

OVERVIEW OF THE SECTOR

The growth of the services industry provides opportunities for regional economic growth, employment and development. Backbone services such as telecommunications, transport and other infrastructure services are critical importance to making trade happen, and shape the business environment and competitiveness of any economy.

Empirical studies have demonstrated that usage of professional services is associated with higher labour productivity. It is also generally agreed that trade in professional services is probably the most resilient to economic shocks. The relevance of professional services to the COMESA region remains substantial and continues to grow.

For the majority of the COMESA member countries, services sectors account for a substantial share of domestic output, typically around 50% of GDP. Services outpace traditional manufacturing and agriculture sectors as contributors to growth, income and job creation.

"A burgeoning services sector is fueling economic expansion in many African nations. Services contribute substantially to GDP, absorb a large proportion of youth employment, improve gender parity, and offer promising opportunities for export diversification."
-World Bank

Despite recognition that the private sector has to be an integral part of the discussion around trade policies, there is much room for improvement in ensuring that the business sector – including small and medium sized enterprises (SMEs) – has a seat at the discussion table. As competitiveness of the services sector often depends on the prevailing policies and regulatory practices, growth potential can be accelerated by more inclusive participation of the private sector in national, regional and international policy-making processes.

ABOUT THE WORKGROUP

Within the services agenda, the 2010 COMESA Council of Ministers directed the *COMESA Regional Coalition of Services Industries* to be established under the COMESA Business Council. CBC has hence been working towards strengthening and expanding regional level business cooperation and advocacy chiefly through CBC workgroups or coalitions, namely: financial services, tourism, transport, telecommunications, and in business services. The *Regional Coalition of Services Industries* hence serves as a platform for regulatory advocacy at national, bilateral negotiations, regional and international level; and for formation of business linkages.

- In 2016, about 55% of Africa's GDP was generated by services.
- Africa's share of services trade, reached 22% in 2016; the global average was 24%.
- In 2017, Africa accounted for only:
 - 3% of the world's total services imports
 - 2% of the world's total services exports
- Removal of tariff barriers will increase intra-African trade by 50%.

Source: UNCTAD

To this end, CBC also commissioned a study to undertake an assessment of the challenges in trade in professional services in COMESA, and to propose key frameworks to facilitate enhanced trade within the sector, across the region.

The following were some of the key challenges identified by the study:

- protectionism
- restrictive legal frameworks
- weak political will
- skill shortages
- restrictive migratory policies
- unreliable statistics
- fear of revenue loss
- fragmentation of service providers
- limited awareness and exclusion of services in national trade policies.

Have you encountered any of these challenges? What other issues would you like to see us address? We'll be picking up this conversation on [Twitter](#); follow us and lets keep talking!

WORKGROUP OBJECTIVES

Through this Workgroup, CBC provides the following services to its stakeholders:

- Development and dissemination of evidence-based research;
- Harmonization of positions and presentation to the COMESA policy organs meetings;
- Facilitation of business and market linkages through our Market Pointers, Market Briefs, and BizNet, our online market portal;
- Building the capacities of enterprises and associations;
- Establishing sustainable private and public-private partnerships amongst industry stakeholders across COMESA;
- Provision of advertising and branding opportunities on our website, publications and at our events.

ABOUT CBC:



CBC is a Business Member Organisation, and a private sector institution of COMESA. We represent the interests of the private sector at a regional level. The services we offer go beyond advocacy to actively promote business participation in regional integration, investment and global trade. This is done by facilitating the growth of strong business synergies, the development of business opportunities, and also through legislative and strategic advocacy. Our services are custom tailored and driven by both industry, and enterprise interests.

Building regional, going global. | www.comesabusinesscouncil.org

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