

RECOMMENDATIONS FROM CBC's WEBINAR

TAKING STOCK: IMPLEMENTATION OF THE COMESA REGIONAL GUIDELINES FOR THE MOVEMENT OF ESSENTIAL GOODS AND SUPPLIES ACROSS THE REGION DURING THE COVID-19 PANDEMIC



1.0 Introduction

The COVID-19 pandemic has disrupted almost all global sectors, but most importantly supply chain systems which are heavily reliant on transport and logistics services and are at the centre of the facilitation of movement of goods and services across the region. Most governments have put in place measures that include border restrictions and limitations on the movement of cargo, thereby affecting cross border trade. Whilst the measures are important, facilitating the movement of essential goods and services remains a priority for livelihoods, industry and economic sustainability for COMESA and Africa at large.

The measures put in place to mitigate the challenges experienced by business due to the COVID-19 pandemic will lead to reduction in the levels of output, household spending, investment and international trade. Several countries in the region are landlocked and there is great reliance on corridor networks and cross border transport and logistics services. Recent border delays and queues as a result of border restrictions and limitations on the movement of cross border cargo, not only disrupted supply chains but also increased COVID-19 confirmed cases along the trade corridors. This is likely to reduce intra-regional trade, which currently stands at US\$ US\$ 8 billion. According to the UN, COVID-19 could cost up to 1.4% points of Africa's GDP growth. The Brookings Institute projects that Africa will record a loss of 2.1% points or more in GDP growth if the novel coronavirus takes hold. Other estimates predict that Africa's economies could record a loss of between \$90 billion and \$200 billion this year (2020). According to a recent publication by the African Union, the pandemic could cause up to 20 million job losses.

In engaging the business community to understand and collate the trade impediments being faced as a result of the pandemic, some of the preliminary findings included: regulations pertaining to the movement of essential goods and services across the borders; regulations pertaining to the quarantine of truck drivers; movement of transit cargo challenges; clearance through border posts and tripartite or continental approach to facilitating transit cargo.

To address the above and provide a framework for continued intra-regional trade, in May 2020, COMESA issued the **Regional Guidelines for the Movement of Goods and Services during the COVID-19 pandemic**. The Guidelines are a useful tool for ensuring the harmonisation of approaches and facilitation of the speedier movements of goods within this period to keep the regional value chains functional.

On 14th July, CBC convened the webinar, “Taking Stock: Implementation of the COMESA Regional Guidelines for the Movement of Essential Goods and Supplies Across the Region during the COVID-19 Pandemic”. The discussion focused on:

- the implementation of the COMESA Guidelines (varied levels of implementation, bilateral initiatives amongst countries, tripartite and continental approaches to ensure the continued movement of goods during the pandemic period);
- the experience by the private sector in moving their goods across the region during the pandemic period (requirements on the testing and quarantine of truck drivers, relay systems, inadequate information on the measures, lack of consistency on classification of essential goods, delays and other restrictions);
- the alignment of the COMESA, EAC and SADC Guidelines providing a framework for regional, corridor and bilateral approaches to deal with some of the challenges;
- the key recommendations to public and public sector to facilitate the movement of goods (these are captured below).

2.0 Panellists

Private sector:

- i. Mr. Ian Hirschfeld: Head of Public Policy for Southern and Eastern Africa, Coca-Cola
- ii. Mrs. Temitope ‘Tope’ Iluyemi: Director, Global Government Relations for Africa, Procter & Gamble

Private sector associations:

- iii. Mr. Mike Fitzmaurice: Executive Director, Federation of East and Southern African Road Transport Associations (FESARTA)
- iv. Mr. William Ojonyo: Board Member and Member of the COVID-19 Taskforce, Federation of East African Freight Forwarders Associations (FEAFFA)

Public Sector:

- v. Mr. Mushuma Mulenga: Permanent Secretary, Zambia Ministry of Commerce, Trade and Industry
- vi. Dr. Christopher H. Onyango: Director, COMESA Trade and Customs

Moderator:

- vii. Ms. Sandra Uwera: Chief Executive Officer, COMESA Business Council

3.0 Recommendations

- i. Establishment of a public-private border management consultative committee that fosters dialogue, collaboration, awareness on new regulatory requirements and response mechanism, to ensure the effective implementation of the COMESA Guidelines.

- ii. Establishment of a Regional Beverages Association to represent the industry's position in engagements with the public sector and other relevant associations.
- iii. Increased private sector investment for industrial development and infrastructure to improve border efficiency through digital trade facilitation (e-trade and e-logistics).
- iv. Strengthen the implementation of the COMESA Guidelines at National level and bilaterally with countries that share borders.
- v. In order to Strengthen alternative sourcing and regional value chains in Africa, increase investment in local manufacturing hubs and production capacities.
- vi. Whilst the focus has been on essential goods as related to food, beverages and health, there is also need to consider that the movement of all goods is essential to the livelihood and economies of COMESA Member states. In the event of prohibition, Member States are urged to consider an approach for exceptions to facilitate the movement of select goods / services of high economic significance not covered under essential goods.
- vii. The private sector recognises the importance of maintaining safe trade through applying health and safety measures while balancing trade and trade facilitation.
- viii. Accelerating/broadening support mechanisms at national and regional level - COMESA to support SMEs (stimulus packages, access to markets, and other measures).
- ix. To address the high risk and exposure faced by the truckers, Journey management system should be applied between countries to provide safe environment for them.
- x. Creation of priority white transfer lanes in addition to current systems to facilitate quicker transit clearance at the borders.
- xi. Ensure restrictions that are there due to COVID 19 are temporary and not applied post pandemic period and further they do not undermine the existing trade regulations.
- xii. Regional Business Associations should strengthen their collaborations to increase private sector engagement (COMESA Business Council, SADC Business Council, East African Business Council).

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ABOUT CBC

COMESA Business Council is a Business Member Organisation, and the recognised 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.

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