

## PRESS RELEASE

For Immediate Release

### COMESA BUSINESS COUNCIL FACILITATES DISCUSSIONS BETWEEN DRC AND ZAMBIA TRANSPORT AND LOGISTICS ASSOCIATIONS, ON BUSINESS IMPEDIMENTS AT THE KASUMBALESA BORDER POST



*DRC Public Private delegation accompanied by COMESA Business Council, are received by Dr. Dev Haman, Assistant Secretary General, COMESA*

Lusaka, Thursday, 1<sup>st</sup> October 2020

***“Practices such as offloading of transit goods at the Kasumbalesa border post have become rampant, increasing incidences of smuggling and domestic price distortion, which has inadvertently impacted business sustainability, fair competition and the effective functioning of the markets and economies of DRC and Zambia. As private sector players we believe that through public private engagement, the strong commitments of the leaderships of DRC and Zambia will address the trade facilitation issues at the Kasumbalesa border post.”*** This was expressed during the Zambia-DRC Private sector Dialogue, chaired by the COMESA Business Council, CEO, Ms. Sandra Uwera. The meeting brought together high-level businesses and associations from DRC, namely the (Federations des Enterprise du Congo, Federation of the Freight Forwarders of DRC) and from Zambia, the Zambia Customs and Forwarding Agents Association and other Freight forwarders and Logistics Associations. The Dialogue was held on the sidelines of the second Joint Permanent Commissions (JPC) bilateral inter-governmental meetings between DRC and Zambia on the 22<sup>nd</sup> September 2020, in Lusaka, Zambia.

The objective of the bilateral private sector dialogue was to have a common industry position adopted by the two parties to address the challenges related to the offloading of transit cargo at the border, transshipment of goods and other customs management agendas. The meeting also discussed the status of implementation of the electronic cargo tracking systems at the national and regional level, and upcoming support from COMESA, towards the One Stop Border Post operations at the Kasumbalesa border post.

The CBC underscored the importance of private sector engagement and coordination between the two strong trading partners, urging the need for pragmatic solutions that address the policy hindrances and business practices, to improve business sustainability. The meeting recognized that continuous malpractices have resulted in market distortions and loss of revenue to both government and the private sector. The stakeholders from both parties further ascertained the need to address issues of security of drivers and transporters, as this was one of the hindrances that has led to the offloading of transit goods at border. The following recommendations were submitted as common industry recommendations from both parties of Zambia and DRC to the bilateral meeting:

- Strengthening border patrol and enforcement to ensure adherence to legal frameworks regarding the transshipment of goods and to curb customs fraud and the prohibited offloading of transit goods at the border;
- Standardization of processes and document information to enable single submission within the customs management systems along the corridors, with the exception of having the bonds administered nationally;
- Strengthening the Kasumbalesa One Stop Border Post, specifically through increased Customs interface to enable sharing of information and uniform processing across the two countries, speedier clearance and processing, and reduction of exorbitant transporter fees and charges;
- Effective management of border markets through strengthening enforcement and defining list of products permissible for small scale trade that excludes commercial goods;
- A security support framework such as border police force to strengthen the protection of drivers and transporters at and across the borders;
- Applying a regional approach in the implementation of electronic tracking systems to ensure cross border synergies, regional tracking to ensure traceability and safeguard against transit fraud and unlawful breaking of transit goods.

On the margins of the meeting, a delegation from the DRC met with the COMESA Secretariat. The delegation was led by the Vice-President of Federations des Enterprise du Congo (FEC), Mr. Dieudonne Kasembo, and accompanied by the representation from the DRC President's office and the COMESA Business Council (CBC) Executive Management. The delegation was received by Dr. Dev Haman, COMESA Assistant Secretary General, representing the Secretary General, Ms. Chileshe Kapwewe, and accompanied by the Directorates of Legal Corporate Affairs and Trade and Customs Divisions respectively.

The courtesy meeting noted the importance of DRC and Zambia to COMESA regional trade integration, recognising Kasumbalesa border as one of the busiest borders and trade hubs in the region. In his remarks, Dr. Dev Haman expressed appreciation to the DRC delegation for the dialogue with Zambian high-level authorities to amicably resolve the issues and address trade facilitation at the Kasumbalesa border post. He further reiterated the importance of ensuring smoother and transparent operations at the border, and in line with COMESA's vision of promoting trade and economic integration. The meeting discussed some of the key programs under the COMESA EU Trade facilitation program that are set to build technical, infrastructural and social capacity at the Kasumbalesa Border. He also guided on various engagements through the COMESA treaty that commit to supporting strong trading partnerships between Zambia and DRC.

CBC will continue to monitor the considerations of the industry recommendations and practical implementation mechanisms by the government, in accordance to our mandate as the voice of business for both countries.

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### ***About the COMESA Business Council***

The COMESA Business Council (CBC) is a business member organization bringing together a diverse group of businesses and associations in the region from 34 sectors in 21 countries of COMESA. CBC is the recognized regional apex body of the private sector in the region. CBC as the key advocacy driver for business, provides a link between the private sector and organs of the Common market. We seek to improve the competitiveness and deepen the participation of the private sector in regional and global trade, through advocacy, business facilitation and enterprise development. This includes prioritizing and taking specific advocacy strategies to address key business impediments and measures that affect our industries and have a direct bearing on the participation of our businesses in trading in the COMESA region.

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