

2020 ANNUAL REPORT





COMESA Business Council (CBC) is the recognized Business Member Organisation, established as a private institution of COMESA. We influence more than 34 sectors across 21 COMESA countries through advocacy, business facilitation and enterprise development, towards enhancing private sector competitiveness in intra and inter-regional trade. We provide custom tailored services that are driven by both industry and enterprise interests.

Our Services

Business Policy and Advocacy

Influencing policy is at the heart of what we do.

Membership Development

We work with our members towards strengthened business collaboration and linkages.

Business Facilitation Services

Business support for private sector's access to regional and international markets.

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Acknowledgements

COMESA Business Council (CBC) is pleased to present the 2020 Annual Report, Building Regional, Going Global.

The report covers activities from collaborative partnerships with corporates, chambers of commerce, national trade bodies, complementary business associations, fellow COMESA institutions, private sector consultancies and development partners from across the region.

The CBC Secretariat is led by Ms. Sandra Uwera, the Chief Executive Officer, under the overall management of the CBC Board of Directors. The CEO provided oversight and supervision in the development of the Annual Report.

We would like to thank the COMESA Secretariat for their continued support towards the CBC, and towards private sector engagement and inclusiveness.

CBC appreciates the support of its partners: - United States Agency for International Development (USAID), Bill and Melinda Gates Foundation (BMGF), African Development Bank (AfDB), Centre for International Private Enterprises (CIPE), International Trade Centre (ITC), European Union (EU), private sector memberships and partners. We look forward to increased working partnerships and enhancing CBC's presence within regional and global private sector markets.

Abstract

COMESA Business Council Annual Report 2020, Lusaka, Zambia

The COMESA Business Council (CBC) is a Business Member Organization and the recognized private sector institution of the Common Market of Eastern and Southern Africa (COMESA).

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Acronyms

COMESA	Common Market for Eastern and Southern Africa
CBC	COMESA Business Council
ECOWAS	Economic Community of West African States
EAC	East Africa Community
ICC	International Chamber of Commerce
CII	Confederation of Indian Industries
ICT	Information Communication Technology
LSP	Local Sourcing for Partnerships
FTA	Free Trade Area
TFTA	Tripartite Free Trade Area
RECAMP	Regional Enterprise Competitiveness and Access to Markets Programme
SMEs	Small and Medium Enterprises
GDP	Gross Domestic Product
KOAFEC	Korea Africa Economic Cooperation
RPSF	Rwanda Private Sector Federation
HACCP	Hazard Analysis Critical Control Point
WEDF	World Export Development Forum
USAID	United States Aid for International Development
AfBD	African Development Bank
NTBs	Non - Tariff Barriers
ITC	International Trade Centre
NAFTA	North America Free Trade Area
EU	European Union
UNCTAD	United Nations
ZAM	Zambia Association of Manufacturers
ZFAWIB	Zambia Federation Association of Women in Business



Board and CBC Secretariat

Board of the Business Council



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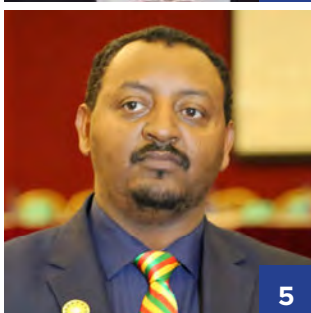
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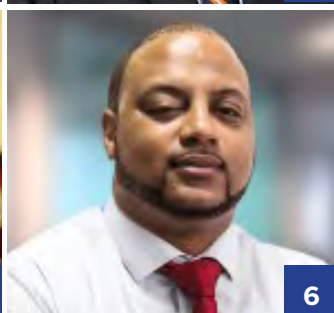
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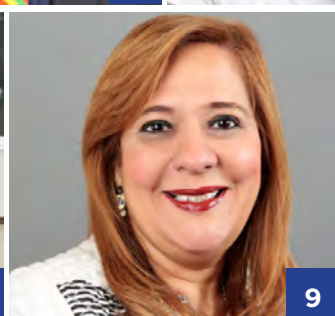
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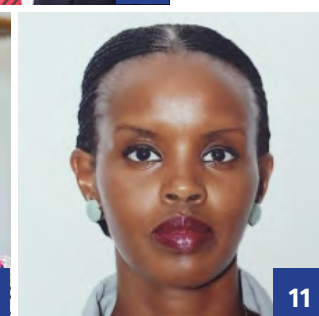
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1. Mr. Marday Venketasamy
2. Dr. Khalid Magboul
3. Mr. Sachin Gudka
4. Dr. Tinashe Manzungu
5. Eng. Melaku Ezezew
6. Mr. Oliver Bastienne
7. Mr. Robert Bafakulera
8. Mr. James Chimwaza
9. Dr. Amany Asfour
10. H.E. Chileshe Mpundu Kapwepwe
11. Ms. Sandra Uwera

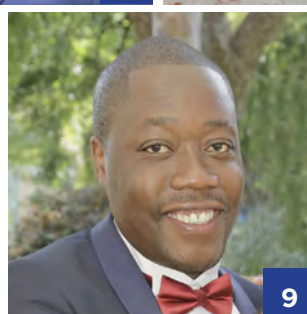
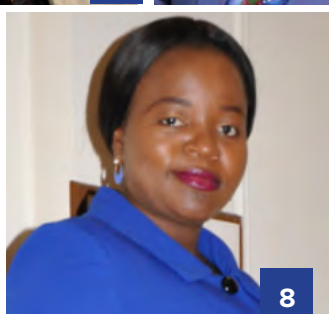
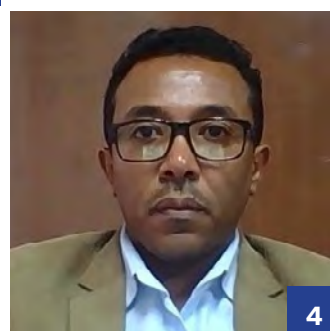
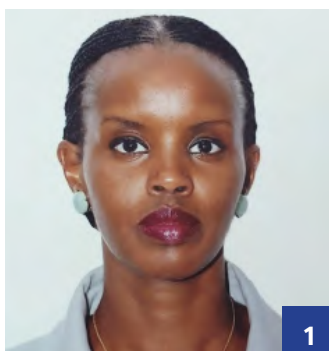
Chairperson
1st Vice Chairperson
2nd Vice Chairperson
Board Director
Board Director

Board Director
Board Director
Board Director

Immediate Past Chairperson
Ex-Officio Board Director
Board Secretary

Mauritius Chamber of Commerce (MCCI)
Sudan Chamber of Commerce
Kenya Association of Manufacturers (KAM)
Zimbabwe National Chamber of Commerce (ZNCC)
Ethiopian Chamber of Commerce and Sectoral Associations (ECCSA)
Seychelles Chamber of Commerce and Industry (SCCI)
Rwanda Private Sector Federation (PSF)
Malawi Confederation of Chambers of Commerce and Industry (MCCCI)
Egyptian Business Women Association (EBWA)
COMESA Secretary General
COMESA Business Council Chief Executive Officer

COMESA Business Council Team



1. Ms Sandra Uwera
2. Mr Dickson Poloji
3. Dr Jonathan Pinifolo
4. Mr Yoseph Wondimu
5. Mr Herbert Chadehumbe
6. Mr Hopewell Musundire
7. Ms Marianne Nzioki
8. Ms Gallina Tembo
9. Mr Charles Tembo

Chief Executive Officer
Business Policy Programmes Manager
Project Manager DFI SMEs
Digital Services Operations Manager
Finance and Administration Manager
Business Development Officer
Marketing and External Relations Officer
Administration and Membership Officer
Assistant Accountant



Chairman's Statement 2020

Chairman's Statement 2020



Successfully navigating the impact of the COVID-19 has been as a result of our agility, responsiveness and use of digital tools and technologies, as part of our Business Continuity Plan.

On behalf of the COMESA Business Council (CBC), I present to you the 2020 Annual Report and Financial Statement of the institution.

As an anchor and business support institution, our role has been greatly accentuated in 2020. The COVID-19 pandemic has had unprecedented effect on the functioning of businesses and industry, affecting sustainability, trade and economic development. With the World Trade projecting a decline in world trade, between 13% and 32% in 2020, and the World Bank projecting a decline of 11% and 7%

in exports and imports for Sub-Saharan Africa, resilience and sustainability have emerged key business agendas.

To address the above, the focus of CBC in the year was strengthening its advocacy to address policy and trade facilitation issues; pioneering market information to inform market gaps and deficiencies; promoting digital financial inclusion; tripartite and continental integration to increase business opportunities; and digitizing its services to ensure business continuity and services to its membership.

Strengthening Advocacy and Policy Engagement

With countries implementing several measures that were affecting the movement of goods and services, public-private engagement and dialogue became an imperative. CBC structured various engagements with its membership through surveys, webinars and meetings to develop industry positions, proposing recommendation to alienate some of the key impediments faced by businesses and presented them for consideration in various COMESA policy meetings. I can cite some

examples: the COMESA Business Declaration - Facilitating the Movement of Essential Goods and Services Across Borders During the Period of the COVID-19 pandemic, which provided input to the COMESA Regional Guidelines. Other positions that informed agriculture policy initiatives, focusing on Unlocking Agriculture Trade and Food Security through improved seed trade in COMESA and Harmonisation of Food Standards.

Innovative Public-Private Engagement

Throughout this period, the CBC has remained ready to swiftly handle the challenges faced by businesses and Associations, developing innovative platforms of public-private engagement bringing together the businesses and policy makers to share experiences and solutions through webinars. These covered various issues from the future of industry

post COVID, trade facilitation, unlocking food security and tackling illicit trade. I underscore the importance of public-private dialogue, engagement and collaboration provided by the CBC, as collective actions are the solutions for development and implementation of regional strategies for sustainable business and economies.

Pioneering Market Intelligence

Accurate and timely market information has emerged as one of the essential needs for businesses in the face of disruption of traditional supply chains, with a greater demand for market and trade opportunities within the COMESA and rest of the African region. CBC developed thirteen country specific market briefs and ten product market pointers providing information on market requirements and profiles of key trading partners and products. Aligned to

the above, is the upgrade of the CBC BIZNET e-market portal with activities focusing on mapping and adding a database of suppliers and buyers from 6 countries to the existing pool of 9 countries that already exists. Market and business information is integral to strengthening regional supply chains, which not only creates opportunities for local business, SMEs but aids industrialisation and business sustainability.

Advancing Cross-Border Digital Payments Systems

CBC is implementing the MSMEs Digital Financial Inclusion Project focusing on development of a digital integrated regional common payment scheme that is affordable, interoperable and with minimal charges to address the needs of the smaller businesses and traders. This will result in increasing the participation of MSMEs into digital markets, and payments systems that are affordable, interoperable, transparent

and offer real-time financial transactions. A business case report and several public-private stakeholder engagements have been carried out between SMEs, businesses, fintech, mobile operators, telecommunications, ICT, financial, and payment systems regulators and are informing the draft model policy and regulation guidelines for the scheme that is expected to be developed in 2021.

Tripartite, Continental and International Partnerships

I am also excited to highlight various initiatives, strengthening the participation of the CBC in regional, continental and international fora for increased partnerships and alliances to strengthen our services to our membership. We have signed two MOU's this year, one with the International Chamber of Commerce, and another with the Africa- E-Trade Group, both providing a mechanism of cooperation to facilitate digital trade facilitation for businesses, inter-regional partnerships, and CBC's participation in multilateral policy platforms. At Commonwealth level, CBC was nominated as the Chairperson of B2B Cluster under the

Commonwealth Connectivity forum, and at continental level, CBC is part of the Interim Committee leading private sector engagements forming the African Business Council. With projections that the full implementation of AfCFTA will raise intra-Africa trade from 15% or \$50 billion in 2017 to 25% or \$70 billion by 2040, being at the centre of such regional and continental partnerships enables us to effectively partner and advocate for measures that can advance the participation of our members and industry to attain the benefits of integration.

Digitizing Our Services Offerings

Successfully navigating the impact of the COVID-19 has been as a result of our agility, responsiveness and use of digital tools and technologies, as part of our Business Continuity Plan. From webinar, e-meetings, online trainings, market intelligence report, CBC has remained engaged with its members and stakeholders throughout this period. It

is against this background of uncertain that I am glad to highlight that our technical and financial position has remained strong as we continue to focus on measures to strengthen our sustainability and effectiveness in building interconnected industries to participate in regional and global trade.

The Year Ahead

The Board and I remain focused on continuously delivering value to our membership, collaborating and partnering with our stakeholders to address private sector competitiveness within this period. With continued work on policy advocacy; facilitating business partnerships; carrying out national business dialogues and trade missions; adoption of the policy and development of the business model for the digital integrated common payments scheme for MSMEs; Local

Sourcing for Partnerships training and linkages platform, and others.

In ending, I am grateful for the immense support that our membership, Board, partners, management, staff and all stakeholders have continued to avail to the Council and concerted efforts of all in supporting the growth and development of sustainable and competitive businesses and industries, particularly at this time.

Mr. Marday Venkatasamy
Chairman

COMESA Secretary General Statement

COMESA Secretary General Statement



“I would like to reiterate, COMESA’s commitment in working together with the COMESA Business Council to ensure the development of the private sector...”

It is a great privilege and pleasure to present my statement in the 2020 CBC Annual Report on behalf of COMESA Secretariat.

The year 2020 witnessed global changes that saw disruptions across all sectors in all countries with far-reaching social and economic consequences. We are undoubtedly living in an era, where industries across the region are facing extraordinary challenges as a result of the pandemic. There have been catastrophic consequences for COMESA exports and imports and for manufacturing and services as a result of restricted movement of goods and persons. In spite of this, I am glad that COMESA Business Council has remained steadfast in their mandate of promoting competitiveness and interconnected industries to actively participate in regional and global markets through advocacy, business facilitation and enterprise development.

As a way of intervention as COMESA Secretariat, we have published and gazetted the regional guidelines on the movement of essential goods and services across the region during the COVID-19 period. The overriding principle of the guidelines is to apply common measures on trade corridors and border points to safely maintain the flow of goods and services within the region. The Secretariat is following up on Member States to ensure the implementation of the Guidelines. The COMESA Business Council played a critical role, working together with COMESA on the development of the Regional Guidelines.

The COMESA region has great potential in business opportunities and trade in both the manufacturing and services sectors. COMESA region covers 11.8 million square kilometers, is composed of over 583 Million consumers, with a combined GDP of US\$768 billion.

COMESA and the rest of the continent of Africa captures a small share of global value-added trade. In addition, intra-regional trade still remains low on average around 15% of total trade, with COMESA at 10%. This highlights the shallowness of regional supply chains as Africa sources more than 80% of its imported inputs from outside the region and focuses mainly in exporting commodities to world markets.

I wish to highlight the following key issues that need to be addressed to ensure increased industrialization and production within COMESA and Africa at large, which will result in increased trade and participation of businesses in regional and global trade: strengthening public-private dialogue and partnership; addressing productivity and capacity issues; market and trade infrastructure to support Industrialization; Cost of doing business in Africa; access to finance; and access to markets.

I would like to reiterate, COMESA’s commitment in working together with the COMESA Business Council to ensure the development of the private sector in the region and addressing the above issues. In the absence of a robust private sector community; trade and regional integration will be limited.

In ending, I wish to express my appreciation to the CBC Management and all members of staff for their focus and dedication to the growth and improvement of COMESA’s trade and advocating for a conducive business environment to promote intra-COMESA/ Africa trade. I am also grateful to the Board Members for their valuable contributions and support.

H.E. Chileshe Mpundu Kapwepwe
COMESA Secretary General

Chief Executive's Statement

Chief Executive's Statement



In order to enhance our business and policy advocacy pillar, national and regional public-private sector dialogues were strengthened.....

The world is facing the greatest threat of the 21st century so far. The COVID-19 pandemic has changed our ways of doing business, regionally and across the globe. The new normal comprises restrictions in movement of human capital, goods and services; work-from-home arrangements; online shopping; supply-chain disruptions; cash crunches; ambiguous compliance obligations; and the mechanics of applying for new government programs. This

global problem requires a global solution and as the leading Business Member Organization in COMESA, in 2020 we continued to play an influential advocacy role in pushing forward the regional agenda for the private sector, through the provision of services that are structured in our three main pillars; Business policy and Advocacy, Business Facilitation and Membership Development.

Influencing Policy Through Advocacy

In order to enhance our Business policy and Advocacy pillar, several national and regional public private sector dialogues were convened towards increasing collaboration in addressing the challenges faced by businesses across COMESA. Three (3) sectoral positions were adopted and have been fed into the highest levels of decision making in the COMESA region. The positions focused on the issues of trade facilitation during the COVID-19 era, harmonisation of food standards, and promotion of seed trade in the region. CBC will continue to work with the public sector towards

creation of an enabling business environment for the competitiveness of enterprises .

In September 2020, CBC chaired the Zambia-DRC Private sector dialogue, bringing together businesses and freight/logistics associations from DRC and Zambia to present common positions at the second Joint Permanent Commissions (JPC) bilateral inter-governmental meetings between DRC and Zambia, in Lusaka, Zambia.

CBC is also implementing the Business Integrity Project which focuses on building the capacity

of the private sector to stem corruption and enhance their participation in transparency and reform initiatives towards achieving a good and enabling business environment. The activities of the project included: adoption of the Regional Code on Anti-Corruption Compliance for Enterprises by the CBC Annual General Meeting in August 2020; training and mentorship of Associations on practical elements of the Regional Code to enable them to effect its implementation within their institutions.

In addition, CBC is implementing the MSME Digital Financial Inclusion project supported by

the Bill and Melinda Gates Foundation, which is focusing on strengthening digital financial inclusion, improving financial regulation and ultimately facilitating lower cross-border transaction costs for MSMEs in COMESA through a regional common payment scheme. To this end, nine countries were visited to inform the development of a business case for an integrated digital regional common payment policy framework for MSMEs, which was completed and adopted. Following this milestone, the model policy was also developed and is pending validation at the CBC Digital Financial Inclusion High-Level Public Private Dialogue, scheduled for 20th - 21st January 2021.

Business Facilitation for Competitiveness

During the period under review, CBC signed two Memorandums of Understanding (MoU), with the International Chamber of Commerce (ICC) and Africa- E-Trade Group, signifying commitment to strengthen cooperation in the areas of, but not limited to, digital trade facilitation, skills development, enhancement of inter-regional trade and SME sustainability.

The importance of business linkages and market access cannot be over emphasized in the region. As part of the Local Sourcing for Partnerships Project, a buyer-seller meeting was convened in Zambia, with support from Regional Enterprise Competitiveness and Access to Markets Programme (RECAMP). Four (4) corporate buyers and fifty-four (54) SMEs participated in the platform. To facilitate further linkages, CBC is in the process of expanding the BIZNET e-market platform; the project seeks to create business partnerships between SMEs in COMESA countries to improve intra-COMESA trade as a steppingstone to supply to international markets. Sudan and Egypt are the latest countries to be added to the portal. Mapping exercises are being conducted to collect data from six countries: Seychelles, Malawi, Mauritius, Tanzania, Ethiopia and Kenya.

To support SMEs' access to larger supply chains nationally and regionally, in September 2020, CBC partnered with the Zambia Bureau of Standards, Zambia National Farmers Union, Zambia Chamber of Commerce and Ministry of Commerce, Trade and Industry and trained 54 SMEs on HACCP food safety management system. As a follow up, CBC will be organising a regional Buyer-Seller Platforms.

The year has also witnessed a substantial demand in our market intelligence knowledge products (Market Briefs and Market Pointers) as a direct response to the call for up-to-date relevant market information for traders and manufactures across the COMESA region due to COVID-19 pandemic.

Furthermore, CBC has held five webinars with industry stakeholders and relevant public sector representatives. The webinars presented a platform for public-private sector to discuss and provide solutions on issues related to the movement of essential goods, addressing illicit trade, promoting seed trade, and industry responses to COVID-19.

Membership- Towards Strengthened Business Collaboration

As the CBC's membership base expands, we're continually refining and customising our services to meet members' unique needs, and are typically inclined towards training, technical capacity building and resource mobilization. CBC formed new, and reactivated existing workgroups this year, with which we have active ongoing engagement. This is in alignment with CBC's agenda to build capacity of member associations to effectively respond to business interests and to support regional

business agendas on policy, trade facilitation and industrial development.

To respond to members' needs during the COVID-19 pandemic, CBC developed the Sector Specific Insider bulletins and COVID-19 Special Additions. The publications shared pertinent information on regional market performance, current trends and best practice for business resilience and sustainability during the pandemic period.

Outlook

The year 2021 will be year full of great opportunities for the private sector as we work towards increased business participation, impact and visibility in domestic, regional and global markets.

I would like to take this opportunity to express my gratitude to our members and all stakeholders for the trust they've bestowed on us as an institution, and for their drive and ingenuity in contributing towards private sector

development in the region.

I'm also immensely grateful to the CBC Board for their valued support and guidance throughout the year. To Management and Staff, thank you for your enthusiasm about the private sector and for your unwavering commitment to our mandate on this journey of enhancing the participation of businesses in regional and global trade.

Sandra Uwera
Chief Executive Officer



Business Policy and Advocacy

1. BUSINESS POLICY AND ADVOCACY

Business policy and advocacy plays a central role in improving business competitiveness in COMESA and is a key strategic pillar for. CBC in driving private sector's active contribution in the policy making processes through development and advocacy of industry position papers, policy briefs and studies on impediments to business, and creates a platform to directly advocate to the policy and decision makers of the region.

Some key strategic highlights are below ;



2

Reports published informing business policy:

- The Regional Anti-corruption Compliance Code for Enterprises
- The CBC Business Trader Observer: An Annual Survey of Business Impediments Along Trade and Transport Corridors in the COMESA Region



3

Sectoral positions adopted at the COMESA Policy Organs Meeting. The positions focused on the issues for trade facilitation during the COVID-19 era, harmonisation of food standards, promoting seed trade in the region.



4

Key joint advocacy initiatives advanced to strengthen COMESA's private sector influence within Commonwealth, TFTA, AfCFTA, and the COMESA Trade in Services



Regional Code on anti-corruption compliance published and adopted by CBC General Assembly.



8

Policy areas for harmonisation agreed upon to inform development of the CBC digital integrated common payment policy for SMEs



9

Virtual national public-private dialogues convened with the pilot-study countries, to validate the Digital Financial Inclusion for MSMEs Business Case Report. The countries included Egypt, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, Tanzania, Uganda and Zambia.



5

Sub-regional Stakeholder Meetings convened with MNOs, Fintechs, commercial banks, financial services regulators, ICT regulators, microfinance institutions, SMEs, to adopt the Digital Financial Inclusion for MSMEs Business Case Report.



5

Webinars convened as public-private platforms for engagement to enhance stakeholder coordination towards increased industry Competitiveness in COMESA. They were themed:

- The Future of Industry Post Covid-19: Reset? Revolutionize? Maintain?
- Taking stock: Implementation of the COMESA Regional Guidelines for the Movement of Essential Goods
- Unlocking Food Security Through Improved Seed Trade in COMESA
- Concerted Approaches to Tackling Illicit Trade for Industry Competitiveness
- Reshaping the Future of Industry and SMEs Through Digital Financial Inclusion

1.1 Five Industry Positions Developed to Inform Advocacy and Policy Agendas

CBC's policy advocacy agenda focuses on improving the competitiveness and deepening the participation of the private sector in regional and global trade. As part of the advocacy strategies, to address key business impediments and measures that affect industries participation in the region, CBC developed four industry positions. The positions were presented in various COMESA Policy organs meeting, captured in 1.2 below.

1.1.1 Trade Facilitation

- a) In April 2020, CBC developed the declaration on the COMESA Business Position Statement: Facilitating the Movement of Essential Goods and Services Across Borders During the Period of the COVID-19 pandemic, which advocated for a harmonised framework, expedited processing, pre-clearance mechanisms, increased awareness of regulations, and a reporting / monitoring mechanism.
- b) The report was presented to various platforms and was used to inform policy processes within COMESA, leading to the Regional Guidelines for the Movement of Goods and Services across the COMESA Region during the COVID-19 Pandemic.

1.1.2 Harmonisation of Food Standards

- a) The CBC Agro-Industry Workgroup in June 2020, developed and validated a position paper, on Harmonisation of Food standards in COMESA, with key recommendation on ensuring harmonisation of standards and net weight regulations; promoting mutual recognition arrangements; improving laboratory capacities and addressing the cost of certification.
- b) The recommendations of the position paper were presented to the 10th COMESA SPS Committee Meeting in July 2020, and 7th COMESA Joint Technical Committee on Agriculture.

1.1.3 Promoting Seed trade

- a) The CBC Agro Industry – Seed Working group in June carried out a survey termed, “Issue Identification and Policy actions for improved seed trade in COMESA,” identifying key policy impediments. This was preceded by a validation meeting held in July 2020. The meeting harmonized key positions for advocacy focusing on improving trade facilitation, harmonization, certification systems, public-private dialogue and seed statistics.
- b) Further to, in July CBC convened a webinar conference providing a platform of public- private sector engagement on key issues above pertaining to the improved seed trade in COMESA. The webinar was held under the theme “Unlocking Agriculture Trade and Food Security through improved seed trade in COMESA”. The key recommendations from the webinar included: simplification of trade processes, strengthening market information systems, policy and regulatory harmonization and addressing illicit/ counterfeit seed trade.
- c) The Recommendations were presented and adopted by the 7th COMESA Technical and Ministerial Committee meeting on Agriculture at the end of July.

1.1.4 Industry Technical Committee Report

- a) On the margins of the CBC Annual General meeting in August , CBC convened the Industry Technical Committee Meeting which considered key agendas on the, Business Trader Observer: An Annual Survey of Business Impediments along Trade and Transport Corridors in the COMESA Region; Digital Financial Inclusion Project- Business Case for a Digital Common Payment Policy for MSMEs; and Industry Response to Address COVID-19/ Post COVID-19 Impact on Private Sector Competitiveness.

b) The key recommendations of the meeting focused on harmonisation of market entry requirements, stronger enforcement for corruption and illicit trade, harmonisation of policies for regional common payments, addressing SMEs access to finance, strengthening data collection, market information portals and public-private engagement during the COVID-19 era. CBC presented the recommendations as part of the forthcoming COMESA Intergovernmental and Council of Ministers meetings in November 2020.

1.1.5 CBC-SADC Business Council Position

In June 2020, CBC and the SADC Business Council developed a position report and carried out joint advocacy on addressing trade restrictive measures during the COVID-19 pandemic era. The position focused on adopting tripartite approaches to facilitating trade, and also removal of the tobacco sales ban.

1.1.6 Pharmaceuticals and Tobacco Workgroup Meetings

In December 2020, we convened the Pharmaceutical and Tobacco Workgroup meetings to come up with policy recommendations and strategies that support the development of sustainable the tobacco supply chain networks in the region and the pharmaceuticals sector. In 2021 we shall be working on implementation some of this position and strengthening the networks and partnerships amongst businesses within the region.

1.1.7 BIZnet Annual Policy Brief

In December 2020, we published a consolidated Annual Policy Brief capturing the recommendations from webinars, workgroup meetings. The policy positions will be presented in the 2021 COMESA industry committee meetings.



Results:

- 5 Industry position developed and informed advocacy agendas for 2020.
- 6 platforms for increased private sector coordination (6 workgroup meetings held for increased private sector coordination (Trade Facilitation Workgroup, Pharmaceuticals Workgroup, Agro Industry Workgroup, Seed Workgroup, Tobacco Workgroup, Digital Financial Inclusion Workgroup and Trade & Industry Committee).

1.2 Policy Positions Presented and Adopted by the Policy Makers

- a) CBC provides a platform of engagement with the high-level policy makers in COMESA and presents the key positions and recommendations of industry to the policy makers to ensure inclusive private sector policymaking. CBC presented policy position paper to the following meetings:
- Extra-Ordinary Meeting of the Trade and Customs Committee, and Council of Ministers, in April 2020.
 - 10th SPS Committee Meeting in June, presenting the positions on harmonisation of food standards.
 - 7th COMESA Joint Technical Committee Meeting on Agriculture, Natural Resources and Environment, presenting the positions from on promoting seed trade in COMESA.
 - Customs Experts and Heads of Customs meetings, in October.
 - Trade and Customs Committee Meeting in October.
- b) As a result, 4 sectoral position papers have been adopted by the above policy making platforms. The positions focused on the issues for trade facilitation during the COVID-19 era, harmonisation of food standards, promoting seed trade in the region.

Results:

- 4 Policy positions presented and adopted by the policy organs.

1.3 Addressing Private Sector Concerns on The COMESA Trading Environment

1.3.1 Zambia-DRC Private sector Dialogue on Business Impediments at the Kasumbalesa Border

- a) CBC chaired the Zambia-DRC Private sector dialogue, bringing together businesses associations, freight and logistics associations from DRC and Zambia, to present common positions at the Joint Permanent Commissions (JPC) bilateral inter-governmental meetings between DRC and Zambia.
- b) The dialogue adopted a common industry focusing on strengthening enforcement to ensure adherence with transshipment rules, curbing customs fraud, prohibiting offloading of transit goods at the border, strengthening the Kasumbalesa One Stop Border Post, enabling increased customs interface and uniform processing facilitating speedier clearance of goods.
- c) On the margins of the meeting, CBC facilitated a courtesy meeting between the delegation from the DRC (led by the Federations des Enterprise du Congo), and the COMESA Secretariat.

1.3.2 Private Sector Engagement on the Issue of Preferential Tariff Treatment of COMESA-Origin Goods by Kenya

- a) CBC engaged with the private sector, Kenya Association of Manufacturers and COMESA on the issue of preferential tariff treatment of COMESA-Origin goods by Kenya. Through various engagements (also between COMESA and Government of Kenya), the matter was swiftly resolved.
- b) CBC issued a press brief advocacy paper on the said matter and recommended accelerated reversal of the non-preferential duties imposed. As a follow-up CBC carried out an interview with KAM to show the positive results of the removed duties on import and export trade relations between Kenya and COMESA, being that the former is a leading trading partner in the region.

Results:

- CBC provides a platform for engagement and intervention on 2 Private sector issues for address by the respective policy makers.
- DRC- ZAMBIA Logistics position paper for the industry published and circulated.

1.4 Joint Advocacy Programs with Members/Stakeholders

CBC partnered or participated in various meetings or conferences organized by key stakeholders or partners to advance advocacy agendas and leverage partnerships for ongoing activities. Some of the meetings and their briefs are below:

1.4.1 Commonwealth Private Sector Engagement Initiatives.

- a) CBC participated at the 2nd Commonwealth Connectivity Cluster meetings in the United Kingdom, in February. Following which, CBC in partnership with International Chamber of Commerce (ICC) was appointed as B2B Cluster heads to lead private sector advocacy engagements and to present them at the next Commonwealth Heads of States meetings.
- b) Further to the above, CBC has been participating in a number of initiatives to further the above agendas, including B2B planning meetings and a panellist at the the ICC podcast series, “The Covid-19 Recovery; Is there a global consensus emerging” in May 2020. The engagement has strengthened the engagement with the ICC leading to the signature of an MOU.

1.4.2 Strengthening the Tripartite Private Sector Platform

- a) Stronger collaboration created through the Tripartite Private Sector platform, composed of the respective Business Councils: COMESA Business Council, East African Business Council and SADC Business Council. The platform promotes private sector engagement on the regional integration agenda within the Tripartite Free Trade Area (TFTA).
- b) The platform developed and presented common positions pertaining to the framework and the Constitution on the formation of the African Business Council (AfBC).
- c) The platform has also participated in activities and events of the other partner; CBC and its membership participated in the EABC Meeting on the Harmonization of Codex GFSA beverage colour and sweetener provisions.

1.4.3 Engagements on the Formation of the African Business Council

- a) With the promulgation of the African Continental Free Trade Area (AfCFTA), CBC has been contributing to the engagements and development of the framework on the African Business Council (AfBC).
- b) CBC has been selected to form part of the Interim Committee of the AfBC, tasked with the operationalization of the Council and Board Director- Dr. Amany Asfour was nominated to lead and chair the Interim Committee.

1.4.4 Strengthening the CBC Collaboration with the State of Eritrea

- a) CBC undertook a mission to Eritrea in February, to strengthen collaboration with both the government and the private sector. A meeting was held with the Eritrean Minister of Foreign Affairs: Honourable Osman Saleh Mohammed and His Excellency Mr. Beyene Russom, the Eritrean Ambassador to Kenya and Permanent Representative to COMESA.
- b) The meeting agreed on several actions including convening a national business dialogue: bringing together the Eritrean private sector to a platform of advocacy, and to increase awareness on the training opportunities and trade facilitation instruments within COMESA. A side meeting was also held with the Ministry of Trade and Industry focusing on strengthening private sector participation and cross border linkages with neighbouring countries.

1.4.5 Training on Mutual Recognition Agreements for Services Negotiators

- a) CBC participated at the above training meeting, convened by the Commonwealth and the COMESA Secretariat. The meeting which had the participation of COMESA Member States and private sector Associations provided training on the development and negotiation of Mutual Recognition Agreements to inform the negotiations on COMESA Trade in Services- with a focus on Business services.

Results:

- CBC undertakes joint advocacy to support four key agendas: Strengthen COMESA's private sector voice within Commonwealth, TFTA, AfCFTA, and the COMESA Trade in Services.
- CBC nominated as Head of B2B Cluster under the Commonwealth.
- CBC selected in Interim Committee on the African Business Council.

FLAGSHIPS - CBC PROJECTS**1.5 CBC Business Integrity Project****1.5.1 Introduction**

CBC is implementing the CBC Business Integrity Project which focuses on building the capacity of the private sector to stem corruption and enhance their participation in transparency and reform initiatives thereby achieve a good and enabling business environment. The Project is implemented with funding and support from the Centre for International Private Enterprise (CIPE) and is in its penultimate stages, having carried out trainings For Associations, developed country reports and a Regional Code on anti-corruption compliance for enterprises. The following activities were carried out in 2020.

1.5.2 Adoption and Launch of the Regional Code on Anti-Corruption Compliance for Enterprises

- a) The Regional Code on Anti-Corruption Compliance for enterprises, developed at the end of 2019 was adopted by the CBC Annual General Meeting in August 2020. The Report has been published in all three COMESA languages: English, French and Arabic and can be accessed on the website at <http://comesabusinesscouncil.org/wp-content/uploads/2020/11/CBC-Anti-Corruption-Compliance-for-Enterprises4.pdf>
- b) CBC launched the Regional Code at a virtual training of Associations at the end of August 2020, to increase awareness and uptake of the Code by enterprises and Associations in COMESA. The Regional Code provides a guide that can used by enterprises to customize, develop and/or implement national anti-corruption compliance policies within the governance structures of respective enterprises in COMESA.

1.5.3 Training of Associations and Launch of the Regional Code

- a) In August 2020, CBC in partnership with the Centre for International Private Enterprise (CIPE), carried out an English and French training workshop for Chambers and Associations across the region, under the theme “Activating Business Communities in Africa Against Corruption: Online Training for Business Member Organisations and Launch of CBC Regional Code for Anti-Corruption Compliance for Enterprises”.
- b) 25 Associations were trained on on practical elements of the Regional Code on anti-corruption compliance to be implementation within their institutions. These are (Ethiopian Chambers of Commerce and Sectoral Associations, Kenya Association of Manufacturers, Zambia Association of Manufacturers, BPW-Zambia, Private Sector Foundation Uganda, Zimbabwe National Chambers of Commerce and Industry, Federation of Enterprises du Congo, Federation of Egyptian Industries, Madagascar Chambers of Commerce and Industry, Kenya National Chambers of Commerce and Industry, Federation of Chambers of Commerce- Madagascar, AWANA, Engineering, Iron & Steel Association of Zimbabwe, Mauritius Chamber of Commerce, Business Eswatini- Association , Malawi Chambers of Commerce, Addis Chamber, ACT Egypt, CSR Forum- Egypt, Africa Agribusiness Academy, Uganda Crane Creameries Cooperative Union, Consumer Grassroots Association, Chartered Institute of Bankers of Nigeria).

1.5.4 Mentorship of Associations

- a) To strengthen compliance frameworks for Associations, CBC partnered with CIPE to carry out a mentorship program for Associations. The objective is increase awareness and strengthen the capacity of members to implement anti-corruption compliance programs within their Associations and empower the businesses communities in the region to be champions for anti-corruption and business integrity.
- b) Trainers are providing mentorship to 6 Associations, directly supporting them to address compliance and business integrity within Associations; This includes putting in place and strengthening policies such as the Code of Conduct, Procurement and Financial Policies, Gift Policies and others. The program is currently ongoing since October 2020 till the first quarter of 2021. These associations are Zambia Association of Manufacturers, BPW-Zambia, Private Sector Foundation Uganda, Zimbabwe National Chambers of Commerce and Industry, Federation of Enterprises du Congo, Madagascar Chambers of Commerce and Industry, BPW -Zambia.

Results:

- Regional Code on anti-corruption compliance adopted by CBC General Assembly and launched;
- 25 trained on anti-corruption compliance and the Regional Code;
- 6 Associations being mentored to put in place effective compliance mechanism within their institutions.

1.6 SME Digital Financial Inclusion Project

CBC is implementing the SME Digital Financial Inclusion Project. The overall goal is to support the development of a regional common payment scheme that serves Micro Small and Medium-sized Enterprises (MSMEs) small and medium enterprises (at the bottom of the financial pyramid) thereby improving cross border trade. The Project will result in strengthening the digital market for cross border financial transactions that is affordable, with minimal charges that are well suited for MSMEs. This will increase volumes of cross border transactions, financial inclusion and the participation of MSMEs in regional trade. In 2020, the following activities have been carried out:

1.6.1 Business Case report

- a) A Business case report was developed on the value proposition and policy framework for the regional common payment scheme for MSMEs. This was informed by stakeholder engagements in nine countries (Egypt, Ethiopia, Kenya, Malawi, Mauritius, Rwanda, Tanzania, Uganda and Zambia). The key stakeholders included MSMEs, Mobile Network Operators, Commercial Banks, Manufacturers, Agro-Industry, Associations, Micro Finance Institutions, Fintechs, Technology Companies, ICT and Finance Regulators.
- b) The key findings confirmed a business case, recommended the harmonization of policy and regulatory framework within COMESA region to facilitate cross-border payments for MSMEs, foster innovative cross border payment solution to lower the cost of transaction, supporting MSMEs access to financial services, and addressing the requisite infrastructure needs.
- c) Country and Sectoral Stakeholder Validation Meetings: CBC convened nine country validation meetings of the Business case report. These were superseded by five sub-regional stakeholder meetings, comprising of MSMEs, Mobile Network Operators, ICT regulators, fintech's, microfinance institutions and industry associations. The meetings validated the Business Case report and identify key policy areas for consideration and harmonization in the development of the policy framework to support the scheme. Eight (8) Policy areas of harmonization were agreed upon.

1.6.2 Draft policy framework and regulatory guidelines.

- a) CBC is currently working on the draft policy framework for digital payment platform for MSMEs in COMESA, with a consultant, Legis Policy Associates. The business case report and policy framework will serve as the basis for the establishment and development of the business model, governance and operational aspects of a regional digital integrated common payment scheme for MSMEs.
- b) The draft policy framework is earmarked to be completed by end of November, 2020 and shall be presented at the CBC-TDB high-level Public-Private dialogue meeting scheduled for January, 2021.

1.6.3 Stakeholder Engagements

- a) Engagements with possible payment system integrators. Over the year, CBC had meetings with stakeholders several stakeholders in the digital payment eco-system, including, Vericash, System D Global, Mowali and Netlogic Zambia. The stakeholders have digital platforms to drive digital transformation and financial inclusion in emerging markets and can inform the regional digital integrated common payment system.
- b) Partnership with TDB. CBC is engaging with the Trade Development Bank (TDB) focusing on collaboration and synergies through the DFI Project and strengthening joint advocacy and engagement of the Finance regulators and Central Bank governors on the policy and regulatory framework for the digital common payment scheme for MSMEs.
- c) Partnership with Glenbrook. CBC has partnered with Glenbrook who are providing technical expertise and knowledge to inform the development of the policy framework and business model on the digital integrated common payment scheme for MSMEs in COMESA region.

1.6.4 DFI Marketing activities

Project awareness was carried out through various media platforms such as newsletters, social media, radio, television interviews, webinars, websites and regional print media. 4 DFI Insider newsletters were published to inform stakeholders on the key ongoing activities related to digital financial inclusion and the project.

1.6.5 Going Forward

- a) CBC and the Trade Development Bank(TDB) have partnered to host the High-Level Public-Private Dialogue in January 2020. The objective will be to consider and adopt the COMESA digital integrated common payment policy and framework for SMEs. The event will have the participation of the Central Bank governors and Ministries of Finance, SMEs, Chamber of Commerce, Agro-Industry, Manufacturers, Mobile Network Operators, Commercial banks, Non-banks (Fintechs/Micro-Finance Institutions/Integrators), and ICT Regulators.
- b) This will lay the foundation for the development of business model and infrastructure for a low cost/retail digital payment scheme, which will be developed in 2021.

Results:

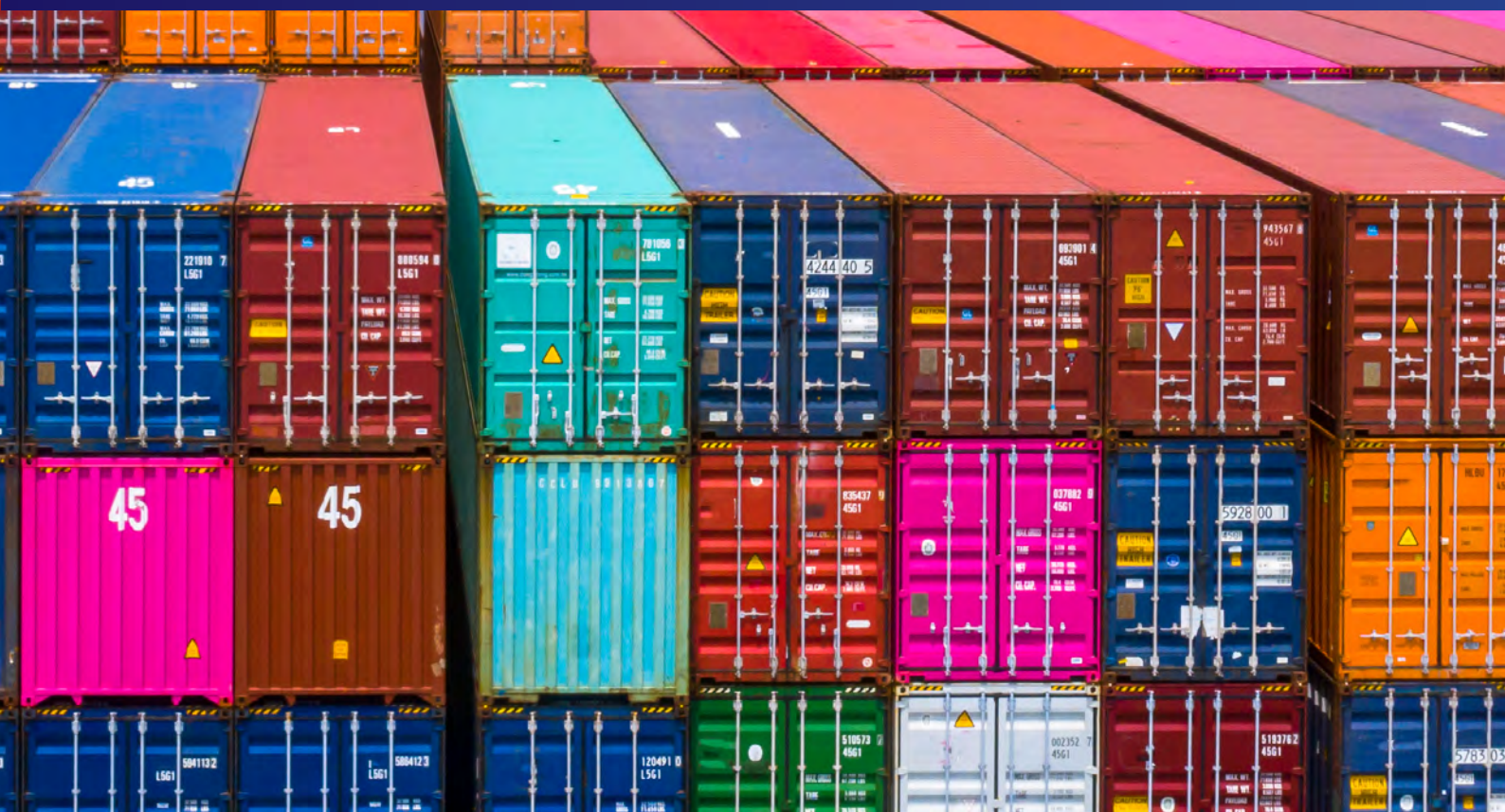
- 9 virtual national public private dialogue in nine countries held to validate the Business case report.
- 5 virtual sub-regional sectoral public- private dialogues held to adopt the business case report and agree on 8 policy areas that will inform the digital common payment policy for SMEs.
- 350 stakeholders from nine countries actively engaged with in the development of the business case and regional policy paper.
- One business case report completed and adopted.
- One draft policy framework completed and pending validation at the COMESA Digital Financial Inclusion High Level Forum, 20- 21 January 2021.





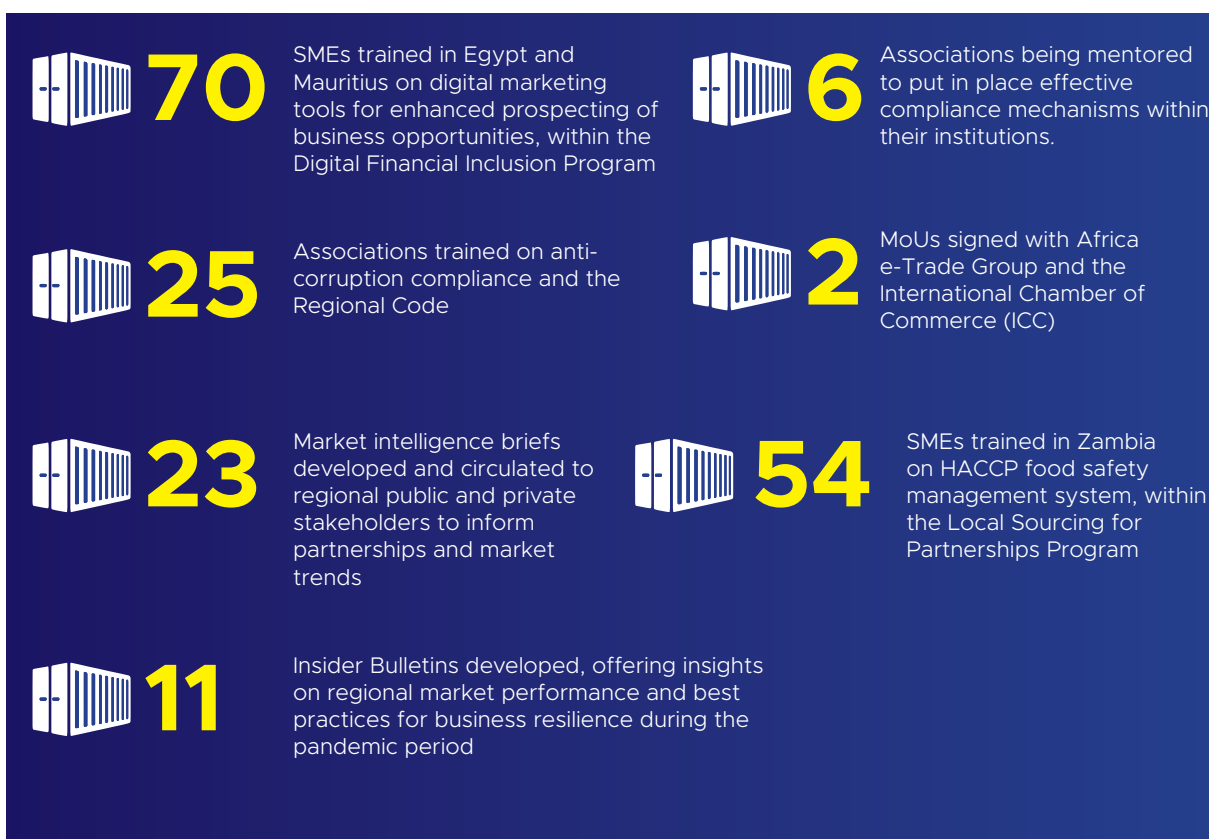
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Business Facilitation Services



2. BUSINESS FACILITATION SERVICES

CBC develops activities and facilitates platforms that promote partnerships and linkages amongst businesses, as well as inform businesses on various trade opportunities available in the region and beyond. The strategic highlights are below;



2.1 Market Information

2.1.1 Market Briefs and Market Pointers

- To address market information gaps in the COMESA Region, CBC developed Market Briefs and Pointers to disseminate relevant and up-to-date trade and market opportunities. Market Briefs and Pointers are knowledge products which review export potential for products and markets of interest. They contain product information, country trade performance, market intelligence and regulatory requirements for trading in the region the reports are uploaded on the CBC website for easy accessibility.
- Thirteen country specific market briefs on the following countries: Kenya, Egypt, Djibouti, COMESA-South Africa, Burundi, COMESA-EU, Seychelles, COMESA-China, COMESA-USA, Tunisia, Zimbabwe, Mauritius and Seychelles.
- Ten product market pointers on Grapes, Pineapples, Cashew Nuts, Fresh Strawberries, Ginger, Garlic, Fresh Lemons, Chilli Peppers, Mangoes, Blueberries and Beans.

Result

- 23 market information briefs developed and circulated to the public and private stakeholders in the region to inform partnerships and trade (13 Market Briefs developed, 10 Market Pointers)
- 6 Workgroup Insider Briefs Developed
- 5 special edition Insider publications of “Business Insights of COVID-19” developed
- 1 Annual Special edition BIZnet Policy Brief developed and Published

1.2 Business Linkages and Partnerships Platform

2.2.1 Buyer - Seller Platform

- a) As part of the Local Sourcing for Partnerships (LSP) Project a buyer – seller meeting was convened in Zambia. The buyer-seller platform was on the margin of the LSP training workshop. The online training was held from the 9th to 10th September 2020, under the theme, “Promoting Efficient and Sustainable Local Supply Chain Systems”.
- b) Four corporate buyers namely, Hilton Garden Inn, VAMARA (Freshpikt), Choppies Supermarket and COMACO and 54 SMEs participated in the platform. The platform provided an opportunity of sharing of information on buyer requirements and expectations for participation in their supply chains.

2.2.2 BIZNET Mapping

- a) To facilitate online interaction of buyers and sellers in the COMESA region, CBC is implementing the upgrading of BIZNET, which is an online portal which provides services such as business linkages, sourcing, business or trade flow analysis for regional and international companies looking for working partnerships within the region. BIZNET currently hosts more than 4000 subscribers who are readily available and drawn from 8 countries; Kenya, Uganda, Rwanda, Egypt, Malawi, Ethiopia, Sudan and Zambia.
- b) Mapping exercises are being conducted to collect data from six countries: Seychelles, Malawi, Mauritius, Tanzania, Ethiopia and Kenya. The project consists collection of company data for SMEs and corporates in these countries who have the capacity to source and supply goods to other COMESA countries. The project seeks to create market linkages between SMEs in COMESA countries to improve intra-COMESA trade as a steppingstone to supply to international markets.

Results:

Local Sourcing for Partnerships Buyer-Seller Platforms:

- 1 buyer supplier meeting held in Zambia,
- 4 buyers mobilised to participate,
- 54 SMEs participated in the platform.

2 BIZNET Country databases have been received from Kenya and Ethiopia.

1.3 Stakeholder Engagements

CBC carried out several engagements to facilitate linkages and partnerships at regional and global levels:

1.3.1 CBC and Africa e-Trade Group

A Memorandum of Understanding (MoU) was signed with the Africa e-Trade Group in February 2020 to advance the interests and concerns of business, cooperating on matters related to technical skills development, digital business facilitation, trade partnerships and private sector development. The African e-Trade Group is a social enterprise initiated by a group of African, multi-stakeholder and multi-talented professionals and entrepreneurs, with a strong focus on supporting interventions for the digital economy under the African Union agendas.

1.3.2 CBC and International Chamber of Commerce (ICC)

An MoU was signed with the International Chamber of Commerce (ICC) to promote and strengthen inter-regional partnerships for private sector development. The MoU consider cooperation in strengthening of SMEs by providing tools, resources, skills and networks that will enable them to constructively influence policy and economic decision-making processes; and increase the

participation of the African business voice in multilateral negotiations related to trade, investment and sustainability. The International Chamber of Commerce (ICC) is one of the largest, most representative business organization in the world, with more than 45 million members in 100 countries, and have interests spanning in every sector of private enterprise.

1.3.3 Stakeholder Meetings

CBC participated in four stakeholder meetings, highlighted below, related to the impact of COVID-19 on the movement of essential goods, trade and investment opportunities, business sustainability:

- a) International Chamber of Commerce (ICC) podcast series themed, “The Covid-19 Recovery; Is There a Global Consensus Emerging?”
- b) Confederation of Indian Industries (CII) webinar themed, “Southern Africa Economic Update – COVID & Beyond.”
- c) Webinar by Africa Pharma Platform’s (APP) Connecting the Dots Initiative (CDI) themed, “African Manufacturers Coming to Africa’s Aid.”
- d) ICC’s COVID-19 Policy Briefing Series themed, “COVID-19 and Commonwealth FDI: Immediate Impacts and Future Prospects.”

Results:

2 Memorandums of Understanding signed:

- MOU signed with International Chamber of Commerce (ICC) to facilitate inter regional partnerships and CBC’s participation in multilateral policy platforms.
- MOU signed with Africa- E-Trade Group to cooperate on digital trade facilitation, skills development, and e-commerce.
- Recommendations were put forward towards policy reform on issues relating to the movement of essential goods across COMESA; post-COVID-19 recovery in the region’s FDI inflows; government interventions to mitigate the impact of COVID-19 on business; investment and trade partnerships for enhanced inter-regional trade; and business sustainability, particularly for SMEs, within the pandemic period.

1.4 Webinars

CBC convened five webinars with industry stakeholders and relevant public sector representatives. The webinars presented a platform for public-private sector to discuss and provide solutions on issues related to the movement of essential goods, addressing illicit trade, promoting seed trade, and industry responses to COVID 19. The following were the webinar topics;

- i. The Future of Industry Post Covid-19: Reset? Revolutionize? Maintain? Insights from Leading Manufacturing Companies, SMEs And Associations in COMESA.
- ii. Taking Stock: Implementation of The COMESA Regional Guidelines for The Movement of Essential Goods and Supplies Across the Region During the Covid-19 Pandemic.
- iii. Unlocking Food Security Through Improved Seed Trade in COMESA.
- iv. Concerted Approaches to Tackling Illicit Trade for Industry Competitiveness in COMESA
- v. Reshaping the Future of Industry and SMEs Through Digital Financial Inclusion.

The key recommendations from the webinars included strengthening enforcement mechanism to address illicit trade; public-private border management consultative committee to monitor the implementation of COMESA Guidelines; implementation of harmonised standards to promote seed trade. The recommendations will form part of the CBC’s policy reports to the upcoming COMESA policy organs meetings.

Results:

- 5 platforms of engagement convened to increase stakeholder coordination.
- 5 reports developed with recommendations feeding into Industry position papers.

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Membership Development



3. MEMBERSHIP DEVELOPMENT

CBC focuses on strengthening collaboration with the business community, promoting entrepreneurial and technical capacity building of enterprises and associations to ensure a strong and competitive private sector. The Key strategic highlights are below;



3.1 Strengthening Enterprise Competitiveness Through Training and Capacity Building

3.1.1 Local Sourcing for Partnership (LSP)

- The LSP Project focuses on strengthening and building the enterprise competitiveness of Small and Medium Enterprises (SMEs) through standards and quality compliance. Firstly, through training on the food safety management systems, and secondly, business linkages facilitation to enable integration of SMEs into the competitive supply chain network of corporate companies and key regional value chains.
- In view of, a training workshop on food safety management for enterprises was carried out, in partnership with the Zambia Bureau of Standards, Zambia National Farmers Union, Zambia Chamber of Commerce and Ministry of Commerce, Trade and Industry. The online training was held from the 9th to 10th September 2020, under the theme, "Promoting Efficient and Sustainable Local Supply Chain Systems".
- 54 SMEs were trained on HACCP food safety management system and on meeting the requirements of corporate buyers from the retail and hospitality sector in Zambia. Post the training, a mentorship program was initiated for 20 SMEs to provide practical guidance on the implementation of the standards.

Results:

- 54 SMEs trained on basic standards and food safety management systems.
- 20 SMEs are undergoing business counselling and will be linked to buyers.

3.1.2 Membership Communications

To increase communication and engagement with members, CBC publishes bi-weekly reports, business insiders, research papers, newsletters and policy briefs that are widely disseminated.

a) BIZnet Weekly

One of the publications is the BIZnet bi-weekly newsletter, a tool that is used to disseminate information on upcoming events, meeting reports, policy updates, market research and many more news from the region. In the year 2020, a total number of 16 Issues have been published.

b) Insider Bulletins

i. Sector Specific Insider bulletins

CBC developed and disseminated 6 Insider Bulletins, providing sector-focused updates on industry performance, for the following Workgroups: Tourism, SMEs, Professional Services, Digital and Financial Services.

ii. COVID-19 Special Additions

Five special editions of Insider publication, which were themed, “Business Insights of COVID-19,” were developed and disseminated. The publications shared pertinent information on regional market performance, current trends and best practice for business resilience and sustainability during the pandemic period.

Result

- 16 Newsletters developed and disseminated.
- 5 Insider Workgroup / sector specific insiders developed and disseminated
- 5 Special Edition Insider publications developed and circulated providing update on business sustainability during the pandemic

3.1.3 Membership Drives

Being a member driven institution, CBC endeavours to reach out to the private sector as a way of building it's portfolio and position itself as the “Voice of the Private Sector in the COMESA Region,” In the year 2020, physical membership drives and company visits were restricted due to the global pandemic of Covid- 19. However, various online membership meetings were held, and we have recorded four new members that joined the CBC (3 Corporates and 1 association).



A low-angle, upward-looking photograph of several modern skyscrapers with glass facades. The buildings are framed by a dark blue horizontal band containing text. The sky is a clear, bright blue. The perspective creates a sense of height and architectural scale.

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Institution
Development

4. INSTITUTIONAL DEVELOPMENT

The focus is on strengthening the governance and institutional framework of the institution. The following was the scope of focus for the year 2020.

4.1 Statutory Meetings

CBC convened three statutory meetings convened: Two board meeting held in May 2020 and December 2020; and an Annual General Meeting convened in August 2020. The Board and Annual General Assembly (AGM) is the annual gathering for the CBC Board of Directors and the general membership. During these meetings members of CBC meet and deliberate on various issues including governance, operations and workplans of CBC.

Results:

Two statutory Board meetings convened, and one AGM held in August 2020, to report on administrative, program and governance performance of the CBC.

4.2 Policies and Strategies

As part of strengthening the governance and operations of the Institution, the following activities were carried out related to policies and strategies.

- a) CBC Procurement Rules adopted by the General Assembly. The Procurement Manual provides a guide and framework for processes regarding procurement of goods and services.
- b) CBC Communications Manual developed and adopted by the General Assembly. The Manual provides guidelines on issues of Editorial policy, brand management, crisis management, media policy and business – continuity plans to ensure consistent internal and external communication management.
- c) Implementation of the CBC Digital Strategy which includes the following:
 - An Enterprise Resource System has been procured and is being implemented to streamline and efficiently manage business processes.
 - Internal knowledge management system and data server being implemented to strengthen data management.
- d) CBC is currently carrying out a Mid-term review of the 2018-2022 Strategy, in partnership with the International Trade Centre. This is important in view of the changing landscapes: a COVID response, and an overall adaption to evolving business and trade environment, including engagement with new strategic partners.

Results:

- Two CBC Administrative and Compliance policies adopted.
- Digital Services Strategy implemented to support institutional operational efficiency.

4.3 Business Continuity during COVID-19

In view of the 'new normal', necessitated by the COVID-19 pandemic, CBC is implementing its Business Continuity plan as guided by the Corporate Communication Manual for continued operations. This includes:

- Remote/offsite work arrangements with limited physical presence in the office.
 - Continued implementation of its activities and workplan through offsite workplace models.
- Increased use of digital models for service delivery: use of digital channels, virtual meetings and online technical skills capacity building training workshops for enterprises and associations.

Results:

- CBC Corporate Communication Manual adopted by the General Assembly and Board, which includes the CBC Business Continuity Plan.

4.4 Strengthening Corporate Social Investment

CBC, as part of its COVID-19 CSR initiatives, partnered with Barefeet Theatre and Lusaka Food Bank to donate COVID-19 care-packages and face-shields to vulnerable local communities that the institution has worked with in its Local Sourcing for Partnerships program.

Results:

One CSR activity carried out- The distribution of PPE equipment to communities and markets in Zambia.

4.5 BIZnet Newsletter - Annual Spotlight Issue

In December 2020, we published an Annual Spotlight Issue of our BizNet Newsletter, highlighting our various activities throughout the year across our programmes and service pillars.

YEAR 2020 SPOTLIGHT EDITION

BIZnet
CBC - Your Market Hub

The COMESA Business Council's year in review



5. THE CBC RESULTS BASED FRAMEWORK FOR 2020 - Targets vs. Actuals

Strategy 2018-22 indicators				Target	Actual	Comments
				2020	2020	
Impacts	2	Increased exports COMESA		1.5%	-	According to 2020 COMSTAT Report, the region's average growth slowed down to 5.2% in 2019 from 6.0% in 2018. The 2020 report is yet to be released in 2021.
	1	Increased intra-regional trade				The levels of intra-regional trade decreased due to COVID-19 The 2020 report is yet to be released
Outcomes	1.8	Improved Business and Policy Environment - no of positions adopted		3	4	- Trade facilitation (COVID-19) - Harmonisation of food standards - Adoption of the anti-illicit trade program - Adoption of the formation of the CBC beverages workgroup
	1.7	Reduction in NTBs / Constraints to Business - no of policies adapted		2	2	- Informed the regional guidelines on the movement of essential goods and supplies in COMESA - Addressed the reversal of customs duties imposed by EAC countries on COMESA Member States
	1.6	Number of policies adopted at COMESA level through CBC intervention		3	1	1 policy report on 8 policy areas on Digital Financial Inclusion adopted
	1.5	NTBs addressed at policy organ level		2	1	COMESA regional guidelines adopted (COVID-19)
Intermediate results	1.4	Policy Bills drafted		1	0	Work in progress – CBC Digital Common Payment Policy for MSMEs
	1.3	Position Papers Developed		3	3	Sectoral positions adopted at the COMESA Policy Organs Meeting. The positions focused on the issues for trade facilitation during the COVID-19 era, harmonisation of food standards, adoption of the anti-illicit trade program
	1.2	Joint advocacy programs with NFPs/ members		3	4	Tobacco, Pharmaceutical, Agro-industry (Seed), and industry workgroup – manufacturers
	1.1	Flagships products disseminated		1	3	3 flagship projects; Local Sourcing for Partnership (LSP); Digital Financial Inclusion, CBC Business Integrity Project
Outcomes	2.9	Increased market link-ages		20	20	Market linkages were created under the Local Sourcing for Partnership.
	2.8	Increased number of companies participating in regional trade		300	350	The companies are derived from the workgroups – Manufactures, DFI, Tobacco, Seed industry. They are now tapping into regional market.
	2.7	Number of companies using BIZNET		1,000	1200	1200 new companies added to BIZnet from Kenya, Ethiopia and Mauritius
	2.6	BFS Revenue for CBC - US\$		100,000	217,000	Revenue from membership and sponsorship
	2.5	Number of business partnerships made		50	38	- Business linkages were created under Local Sourcing for Partnership - 18 companies from Mauritius and Kenya linked to Seychelles

Intermediate results	2.4	Number of exhibitions and fairs conducted	3		Due to COVID 19, CBC has not been able to organise exhibitions and fairs
	2.3	Market surveys made	2	2	<ul style="list-style-type: none"> - 1 Business Trader Observer adopted in 2020 - Seychelles Export Strategy during COVID-19 developed - 23 country-based Market Intelligence Briefs developed and circulated to regional public and private stakeholders to inform partnerships and market trends. They are generated from secondary data sources.
	2.2	Supply chain mapping conducted	1	3	3 countries were mapped and 1200 companies data was collected
	2.1	Number of businesses identified for linkages and partnerships	100	72	<ul style="list-style-type: none"> - 54 companies identified under Local Sourcing for Partnership (LSP). - 18 companies from Mauritius and Kenya linked to Seychelles
Outcomes	3.7	Improved business participation in trade	20	25	<ul style="list-style-type: none"> - 16 stakeholder meetings on Digital Financial Inclusion (6 sectors) - 5 webinars - 4 industry workgroup meetings ((Tobacco, Pharmaceutical, Agro-industry (Seed), and industry workgroup))
	3.6	Increased influence by private sector at national and regional level	50%	50%	<p>The baseline for private sector influence in 2019 was 30%, with a gradual increase to 50% as a target. This target has been met through the below:</p> <ul style="list-style-type: none"> - Sectoral positions adopted at the COMESA Policy Organs Meeting. The positions focused on the issues for trade facilitation during the COVID-19 era, harmonisation of food standards, adoption of the anti-illicit trade programme - Developed a trade and transit logistics position paper for transporters of DRC and Zambia which informed bilateral discussion between the two countries on Kasumbalesa border facilitation.
	3.5	Number of NFPs with Regional Integration Officers presence at a national level	-	-	This target has not been reached due to lack of funding sources
	3.4	Buyer-seller agreements	40	0	Due to COVID-19 this target was not reached
Intermediate results	3.3	Business received technical capacity training	200	233	179 trained on Business integrity and 54 on Local Sourcing Partnership (LSP)
	3.2	Advocacy trainings for associations completed	1	3	<ul style="list-style-type: none"> - The associations were trained during industry committee meetings - 1 regional training for four associations on Anti-corruption Compliance - 1 national training for the Zambia Business and Professional Women Association
	3.1	Number of members	100	98	
Outcomes	4.6	CBC recognized as a Center of Excellence for Business Advocacy and Facilitation Services (% of members surveyed)	1		Survey was not undertaken in 2020 but is scheduled for 2021.
Intermediate results	4.5	Improved sustainability of CBC: Internally generated funds as a share of core costs (membership fees and services)	20%	31%	Internally generated funds support 31% of CBC's overall operations
	4.4	Business Facilitation Revenue - US\$ annual	100,000	217,000	From membership and sponsorship
	4.3	Number of members	100	98	This includes national associations, corporate companies, interest groups, and technical work-group members
	4.1	Share of staffing plan filled (%)	20%	20%	Staff growth is at Programs function level with four officers, and at support function level with one officer

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2020 Audited
Financial
Report



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Registered Office

COMESA Business Council
C/O COMESA Secretariat
Ben Bella Road
P.O BOX 30051
Lusaka, Zambia

Bankers

Standard Chartered Bank Zambia
P.O Box 32238
Main Branch,
Cairo Road
Lusaka, Zambia

Barclays Bank (Z) PLC
P.O Box 31936
Kafue House,
Cairo Road
Lusaka, Zambia

Auditor

PricewaterhouseCoopers
PwC Place, Stand No 2374
Thabo Mbeki Road,
P.O Box 30942,
Lusaka, Zambia

Legal Advisors

COMESA Legal and Corporate Affairs
Ben Bella Road
P.O BOX 30051
Lusaka, Zambia

AfDB	Africa Development Bank
AFDB - KOA FEC	African Development Bank (AFDB)-KOA FEC Trust
BMGF	Bill and Melinda Gates foundation
CBC	Common Market for Eastern and Southern Africa (COMESA) Business Council
CIPE	Centre for International Private Enterprise
COMESA	Common Market for Eastern and Southern Africa
KOAFEC	Korea-Africa Economic Cooperation
RDOAG	Regional Development Objective Grant Agreement
USAID	United States Agency for International Development
USAID – RDOAG	COMESA - United States Agency for International Development (USAID) Regional Development Objectives Grant Agreement (RDOAG)

Management submit their report together with the audited financial statements for the year ended 31 December 2020, which disclose the state of affairs and performance of COMESA Business Council.

1. BACKGROUND OF COMESA BUSINESS COUNCIL

The COMESA Business Council is a recognized Business Member Organization, established as a private sector institution of COMESA. It was established as one of the eight organs of COMESA, to provide a link and facilitate dialogue between the business community and other interest groups and organs of the Common Market. The Institution represents the interests of businesses sectors at a regional level. The services provided 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, business alliances, legislative and strategic advocacy. The Institution also provides custom tailored services that are driven by both industry and enterprise interests. CBC shall:

- Be responsible for ensuring that the interests of the business community and other interest groups in the Common Market are taken into consideration by the organs of the Common Market.
- Be responsible for monitoring the implementation of the provisions of chapter 23 (Development of Private Sector) and 24 of the Treaty (Women in Development and Business) and make recommendations to the Intergovernmental Committee.
- Consult and receive reports from other interest groups.
- Take part in the meetings of the Technical Committees and may make recommendations to the Intergovernmental Committee (COMESA Treaty Article 7 and 18).

The development of the private sector undertakings by COMESA Members States that CBC is responsible for monitoring and are:

a) Creation of an Enabling Environment for the Private Sector:

The Member States agree to provide an enabling environment for the private sector to take full advantage of the Common Market.

b) Strengthening the Private Sector:

The Member States shall endeavor to adopt programs to strengthen and promote the role of the private sector as an effective force for the development, progress and reconstruction of their respective economies.

c) Co-operation among Chambers of Commerce and Other Business Organizations:

The Member States undertake to co-operate in promoting common measures to ensure the strengthening of linkages among chambers of commerce (COMESA Treaty Chapter 23, Article 151-153).

The world is facing the greatest threat of the 21st century so far. The COVID-19 pandemic has changed our ways of doing business, regionally and across the globe. The new normal comprises restrictions in movement of human capital, goods and services; work-from-home arrangements; online shopping; supply-chain disruptions; cash crunches; ambiguous compliance obligations; and the mechanics of applying for new government programs. This global problem requires a global solution and as the leading Business Member Organization in COMESA, in 2020 we continued to play an influential advocacy role in pushing forward the regional agenda for the private sector, through the provision of services that are structured in our three main pillars; Business and Advocacy, Business Facilitation and Membership Development.

As an anchor and business support institution, our role has been greatly accentuated in 2020. The COVID-19 pandemic has had an unprecedented effect on the functioning of businesses and industry, affecting sustainability, trade and economic development. With the World Trade projecting a decline in world trade, between 13% and 32% in 2020, and the World Bank projecting a decline of 11% and 7% in exports and imports for Sub-Saharan Africa, resilience and sustainability have emerged key business agendas.

To address the above, the focus of CBC in the year was strengthening its advocacy to address policy and trade facilitation issues; pioneering market information to inform market gaps and deficiencies; promoting digital financial inclusion; tripartite and continental integration to increase business opportunities; and digitizing its services to ensure business continuity and services to its membership.

2. STRENGTHENING ADVOCACY AND POLICY ENGAGEMENT

With countries implementing several measures that were affecting the movement of goods and services, public-private engagement and dialogue became an imperative. CBC structured various engagements with its membership through surveys, webinars and meetings to develop industry positions, proposing recommendation to alienate some of the key impediments faced by businesses and presented them for consideration in various COMESA policy meetings. I can cite some examples: the COMESA Business Declaration - Facilitating the Movement of Essential Goods and Services Across Borders During the Period of the COVID-19 pandemic, which provided input to the COMESA Regional Guidelines. Other positions that informed agriculture policy initiatives, focusing on Unlocking Agriculture Trade and Food Security through improved seed trade in COMESA and Harmonisation of Food Standards.

In September 2020, CBC chaired the Zambia-DRC Private sector dialogue, bringing together businesses and freight/logistics associations from DRC and Zambia to present common positions at the second Joint Permanent Commissions (JPC) bilateral inter-governmental meetings between DRC and Zambia, in Lusaka, Zambia.

CBC is also implementing the Business Integrity Project which focuses on building the capacity of the private sector to stem corruption and enhance their participation in transparency and reform initiatives towards achieving a good and enabling business environment. The activities of the project included: adoption of the Regional Code on Anti-Corruption Compliance for Enterprises by the CBC Annual General Meeting in August 2020; training and mentorship of Associations on practical elements of the Regional Code to enable them to effect its implementation within their institutions.

3. INNOVATIVE PUBLIC-PRIVATE ENGAGEMENT

Throughout this period, the CBC has remained ready to swiftly handle the challenges faced by businesses and Associations, developing innovative platforms of public- private engagement bringing together the businesses and policy makers to share experiences and solutions through webinars. These covered various issues from the future of industry post COVID, trade facilitation, unlocking food security and tackling illicit trade. I underscore the importance of public-private dialogue, engagement and collaboration provided by the CBC, as collective actions are the solutions for development and implementation of regional strategies for sustainable business and economies.

4. PIONEERING MARKET INTELLIGENCE

Accurate and timely market information has emerged as of the essential needs for businesses in the face of disruption of traditional supply chains, with a greater demand for market and trade opportunities within the COMESA and rest of the African region. CBC developed thirteen

country specific market briefs and ten product market pointers providing information on market requirements and profiles of key trading partners and products. Aligned to the above, is the upgrade of the CBC BIZNET e-market portal with activities focusing on mapping and adding a database of suppliers and buyers from 6 countries to the existing pool of 9 countries that already exists. Market and business information is integral to strengthening regional supply chains, which not only creates opportunities for local business, SMEs but aids industrialisation and business sustainability.

5. ADVANCING CROSS-BORDER DIGITAL PAYMENTS SYSTEMS

Payments are at the centre of trade, and CBC is implementing the MSMEs Digital Financial Inclusion Project focusing on development of a digital integrated regional common payment scheme that is affordable, interoperable and with minimal charges to address the needs of the smaller businesses and traders. This will result in increasing the participation of MSMEs into digital markets, and payments systems that are affordable, interoperable, transparent and offer real-time financial transactions. A business case report and fifteen public -private stakeholder engagements have been carried out between SMEs, businesses, fintech, mobile operators, telecommunications, ICT, financial, and payment systems regulators and are informing the draft model policy and regulation guidelines for the scheme that is expected to be developed in 2021.

Following this milestone, the model policy was also developed and is pending validation at the CBC Digital Financial Inclusion High-Level Public Private Dialogue, scheduled for 20th - 21st January 2021.

6. TRIPARTITE, CONTINENTAL AND INTERNATIONAL PARTNERSHIPS

I am also excited to highlight various initiatives, strengthening the participation of the CBC in regional, continental and international fora for increased partnerships and alliances to strengthen our services to our membership. We have signed two MOU's this year, one with the International Chamber of Commerce, and another with the Africa- E-Trade Group, both providing a mechanism of cooperation to facilitate digital trade facilitation for businesses, inter-regional partnerships, and CBC's participation in multilateral policy platforms. At Commonwealth level, CBC was nominated as the Chairperson of B2B Cluster under the Commonwealth Connectivity forum. At continental level, CBC is part of the Interim Committee leading private sector engagements forming the African Business Council.

With projections that the full implementation of AfCFTA will raise intra-Africa trade from 15% or \$50 billion in 2017 to 25% or \$70 billion by 2040, being at the centre of such regional and continental partnerships enables us to effectively partner and advocate for measures that can advance the participation of our members and industry to attain the benefits of integration.

7. MEMBERSHIP- TOWARDS STRENGTHENED BUSINESS COLLABORATION

As the CBC's membership base expands, we are continually refining and customizing our services to meet members' unique needs, and are typically inclined towards training, technical capacity building and resource mobilization. CBC formed new, and reactivated existing workgroups this year, with which we have active ongoing engagement. This is in alignment with CBC's agenda to build capacity of member associations to effectively respond to business interests and to support regional business agendas on policy, trade facilitation and industrial development.

To respond to members' needs during the COVID-19 pandemic, CBC developed the Sector Specific Insider bulletins and COVID-19 Special Additions. The publications shared pertinent information on regional market performance, current trends and best practice for business resilience and sustainability during the pandemic period.

8. BUSINESS CONTINUITY DURING COVID-19

In view of the 'new normal', necessitated by the COVID-19 pandemic, CBC is implementing its Business Continuity plan as guided by the Corporate Communication Manual for continued operations. This includes:

- Remote/offsite work arrangements with limited physical presence in the office.
- Continued implementation of its activities and workplan through offsite workplace models. Increased use of digital models for service delivery: use of digital channels, virtual meetings and online technical skills capacity building training workshops for enterprises and associations.

Successfully navigating the impact of the COVID-19 has been as a result of our agility, responsiveness and use of digital tools and technologies, as part of our Business Continuity Plan. From webinar, e-meetings, online trainings, market intelligence report, CBC has remained engaged with its members and stakeholders throughout this period. Against a background of uncertain I am glad to highlight; our technical and financial position remains strong as we continue to focus on measures to strengthen our sustainability and effectiveness in building interconnected industries to participate in regional and global trade.

9. CORPORATE RESPONSIBILITY

CBC, as part of its COVID-19 Corporate Social Responsibility initiatives, partnered with Barefeet Theatre and Lusaka Food Bank to donate COVID-19 care-packages and face-shields to vulnerable local communities that the institution has worked with in its Local Sourcing for Partnerships program.

10. FINANCIAL SUSTAINABILITY

This report covers financial performance for the period from January to December 2020 and highlights the actual expenditure against the period budget.

The report covers the following sources of funding:

- a) CBC core account [membership and business facilitation]
- b) Bill Melinda Gates Foundation Project [managed by CBC]
- c) Regional Enterprise Competitive and Access to Markets Programme [agreement signed by COMESA and Private Sector component implemented by CBC]
- d) Trade Facilitation Project [agreement signed by COMESA and Private Sector component implemented by CBC]

The table below covers the period 1st January 2020 to 31st December 2020. CBC has five core funding streams which are membership and sponsorship fees and four funding partners namely; Centre for International Private Enterprise, AfDB – KOAFEC, European Development Fund and the Bill and Melinda Gates Foundation.

In 2020, the COMESA Business Council earned US\$216,500 from private sector (membership and sponsorship), US\$444,233 from Bill and Melinda Gates Foundation and this brought the total grant funds for the year to \$444,233. CBC's financial position remains strong; during the period January to December 2020, CBC's financial position in terms of available cash resource was \$957,327. We are however not complacent of the future; sustainability and efficiency remain integral as we grow.

11. OUTLOOK 2021

The year 2021 will be year full of great opportunities for the private sector as we work towards increased business participation, impact and visibility in domestic, regional and global markets.

The diversity of our resource mobilization portfolio showcases the growth path that we have had and the trust and confidence we have developed with our key stakeholders – the private sector over the past eight years. CBC continues to strengthen its regional presence in COMESA.

12. PROJECTS BEING IMPLEMENTED BY CBC

i) CENTRE FOR INTERNATIONAL PRIVATE ENTERPRISE (CIPE)

The CBC Business Integrity Project was implemented by the CBC in partnership with the Centre for International Private Enterprise (CIPE). The project's objective is to build the capacity of the private sector to curb corruption and enhance their participation in transparency and reform initiatives for business, thereby achieve a good and enabling business environment. As part of the partnership, project funds of US\$82,952 were availed to CBC. In 2020, project expenditure was \$10,648 and the project was performing closing procedures.

ii) BILL AND MELINDA GATES FOUNDATION (BMGF) – CBC SME DIGITAL FINANCIAL INCLUSION PROJECT

CBC is implementing the CBC SME Digital Financial Inclusion Project in partnership with the Bill and Melinda Gates Foundation (BMGF). The overall objective of the development of a business case for an integrated digital payment scheme that offers low transaction costs for domestic and regional payments thereby improving cross border trade. The project has a duration of two years with a total budget of US\$1,499,807. This project began in November 2018 and was expected to end in October 2020. BMGF granted a no cost extension up to the end of November 2021 The project spent \$333,222 during the year ended 31 December 2020.

iii) AfDB - KOAFEC AGRO INDUSTRY CORRIDOR SUPPLY CHAIN PROJECT

CBC has been implementing an Agro-Industry Supply Chain Project with support from the African Development Bank - Korea Trust Fund Grant. The project focusses on promoting private sector participation in infrastructure specifically by financing a study to develop a mapping and assessment paper on the potential Agri-business and other Industry partnerships between suppliers and potential buyers along the transport corridors of Eastern and Southern Africa. The main objectives of the is to show how corridors can generate economies of scale in agriculture and other priority sectors by through fostering potential business partnerships that will be identified along the corridors. The total project fund support for the project is US\$150,000. During the year under review, the project expenditure was \$2,380 as the project was closing down.

v) INTERNATIONAL TRADE CENTRE

CBC is a beneficiary of the Institutional Strengthening Programme under the ITC, specifically on the implementation of the Performance Improvement Roadmap (PIRM). The program also seeks to carry out a mid-term review of the CBC Strategy 2018- 2022 and propose an updated implementation strategy to support the existing strategy. As part of the implementation of PIRM outputs, the project will provide technical support to the CBC Service Portfolio, Client Management and Results Framework.

vi) COMESA EU- EDF RECAMP PROGRAM

COMESA Regional Enterprise Competitiveness and Access to Markets Programme was signed between the EU and COMESA in November 2019 in the margin of the Policy Organ meetings. The actual implementation of the programme commenced on 1 January 2020 with the aim to align the programme

implementation with the financial calendar of the COMESA secretariat.

The implementation period for the programme is set for 48 months and is a total of EUR8 800 000. The overall objective of the programme is to contribute to the deepening of regional economic integration in the COMESA region through enhancing the competitiveness of the private sector. The specific objective is to increase private sector participation in sustainable regional and global value chains by increasing access to markets and improving business climate. The programme is under the direct supervision of the Industry and Agriculture Division, collaborating closely with COMESA institutions- COMESA Business Council, ACTESA, ALLPI, COMFWB, RIA, Gender and Social Affairs Division and Statistics unit.

13. GOING CONCERN

The management team confirm that applicable accounting standards have been followed and the financial statements have been prepared on a going concern basis.

14. FUTURE DEVELOPMENT

The year 2021 will be year full of great opportunities for the private sector as we work towards increased visibility with business participation in both domestic and regional markets as we expand our scope to global markets.

15. CORPORATE GOVERNANCE

CBC's operations are largely guided by the Constitution and Strategic Plan 2018-2022-Building Regional Going Global.

Board Committees

The Board of Directors have three Administrative Committees:

1. Strategy, Finance and Resource Mobilization and Membership Committee
2. Finance, Risk and Audit Committee
3. Human Resources, Administration and Governance Committee

Board Administrative committees have been instituted to promote institutional governance and provide overall direction and guidance on the operations of the institution.

1 GOVERNING STRUCTURE

The Directors and Management team who held office during the year at the COMESA Business Council (CBC) is comprised of the following:

(a) CBC BOARD OF DIRECTORS

Name	Role	Nationality
Mr. Marday Venketasamy	Chairperson	Mauritian
Dr. Khalid Magboul	1 st Vice Chairperson	Sudanese
Mr. Sachin Gudka	2 nd Vice Chairperson	Kenyan
Dr. Tinashe Manzungu	Board Member	Zimbabwean
Eng. Melaku Ezezew	Board Member	Ethiopian
Mr. Oliver Bastienne	Board Member	Seychellois
Mr. Robert Bafakulera	Board Member	Rwandese
Mr. James Chimwaza	Board Member	Malawian
Dr. Amany Asfour	Immediate Past Chairperson	Egyptian
Ms. Sandra Uwera	Board Secretary	Rwandese

(b) MANAGEMENT TEAM

Name	Position	Nationality
Ms. Sandra Uwera	Chief Executive Officer	Rwandese

AUDITOR

The Auditor, PricewaterhouseCoopers, has expressed willingness to continue in office and is eligible for re-appointment. A resolution proposing the re-appointment of PricewaterhouseCoopers as Auditor of the Business Council for the year ending 31 December 2021 will be put to the Board of Directors' Meeting.

Signed on behalf of Management

Chief Executive Officer

Date

Directors are responsible for the preparation and fair presentation of the COMESA Business Council for the year ended 31 December 2020, comprising the statements of financial position as at 31 December 2020, income and expenditure, changes in accumulated funds and cash flows for the year then ended, and the notes to the financial statements, which include a summary of significant accounting policies and other explanatory notes, in accordance with the basis of accounting described in note 2 to the financial statements.

Directors are also responsible for such internal controls as they determine are necessary to enable the preparation of financial statements that are free from material misstatement whether due to fraud or error and for maintaining adequate accounting records and an effective system of risk management as well as the preparation of supplementary schedules included in these financial statements.

Directors have made an assessment of the COMESA Business Council's ability to continue as a going concern and have no reason to believe the Organisation will not be a going concern in the period ahead.

The auditor is responsible for reporting on whether the financial statements are fairly presented in accordance with the applicable financial reporting framework.

Approval of the Financial Statements

The financial statements of the COMESA Business Council, as identified in the first paragraph, were approved by the Directors and are signed by:

CBC Chairperson

**Chairperson-Finance,Risk and Audit
Committee**

Date: _____

Independent Auditor's Report

To the members of Common Market for East and Southern Africa (COMESA) Business Council (CBC)

Report on the audit of the financial statements

Our opinion

In our opinion, Common Market for East and Southern Africa (COMESA) Business Council's (the "Business Council") financial statements are prepared in all material respects in accordance with the basis of accounting described in Note 2 to the financial statements.

What we have audited

The financial statements of Common Market for East and Southern Africa (COMESA) Business Council are set out on pages 14 to 21 and comprise:

- the statement of financial position as at 31 December 2020;
- the statement of income and expenditure for the year then ended;
- the statement of changes in accumulated funds for the year then ended;
- the statement of cash flows for the year then ended; and
- the notes to the financial statements, which include a summary of significant accounting policies.

Basis of Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Business Council in accordance with the International Ethics Standards Board for Accountants' (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards) (the "IESBA Code"). We have fulfilled our other ethical responsibilities in accordance with the IESBA Code.

Emphasis of Matter – Basis of accounting and restriction on distribution and use

We draw attention to Note 2 to the financial statements which describes the basis of accounting. The financial statements are prepared in accordance with the accounting policies described in Note 2 to the financial statements to satisfy the financial information needs of the entity's members or users of the financial statements. As a result, the financial statements may not be suitable for another purpose.

Our report is intended solely for the members of the Business Council and any other previously agreed recipients and should not be distributed to or used by parties other than the members of the Business Council and any other previously agreed recipients. Our opinion is not modified in respect to this matter.

Report on the audit of the financial statements (continued)

Other information

Directors are responsible for the other information. The other information comprises the Annual Report but does not include the financial statements and our auditor's report thereon. Other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of Directors for the financial statements

Directors are responsible for the preparation of financial statements in accordance with the basis of accounting described in note 2 to the financial statements and for such internal controls as the Directors determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Directors are responsible for assessing the Business Council's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Directors either intend to liquidate the Business Council or to cease operations, or have no realistic alternative but to do so.

Directors are responsible for overseeing the Business Council's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Business Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Directors.

Report on the audit of the financial statements (continued)

Auditor's responsibilities for the audit of the financial statements (continued)

- Conclude on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Business Council's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Business Council to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

PricewaterhouseCoopers
Chartered Accountants
Lusaka

_____ 2021

Charity Mulenga
Practicing Certificate Number: AUD/F000945
Partner signing on behalf of the firm

STATEMENT OF INCOME AND EXPENDITURE

	Notes	Year ended 31 Dec 2020	Year ended 31 Dec 2019
		US\$	US\$
Income			
Income recognised during the year	3	661,233	418,784
Expenditure			
Programme expenses	4	(434,021)	(342,925)
Administrative expenses	5	(104,386)	(275,649)
		(538,407)	(618,574)
Surplus/(deficit) for the year		122,826	(199,790)

The notes on pages 45 to 46 are an integral part of these financial statements.

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 Dec 2020	As at 31 Dec 2019
		US\$	US\$
Assets			
Accounts receivable	6	180,651	84,563
Cash and cash equivalents	7	957,327	927,925
		1,137,978	1,012,488
Accumulated funds and liabilities			
Accumulated funds			
Accumulated funds		1,122,092	999,266
Current liabilities			
Accounts payable	8	15,886	13,222
Total accumulated funds and liabilities		1,137,978	1,012,488

The financial statements on pages 14 to 21 were authorised for issue by the COMESA Business Council Directors on _____ and signed on its behalf by:

CBC Chairperson

**Chairperson-Risk and
Audit Committee**

The notes on pages 45 to 46 are an integral part of these financial statements.

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

	Accumulated funds
	US\$
Year ended 31 December 2019	
At start of the year	1,199,056
Deficit in the year	(199,790)
Balance as at 31 December 2019	999,266
Year ended 31 December 2020	
At start of the year	999,266
Surplus in the year	122,826
Balance as at 31 December 2020	1,122,092

The notes on pages 45 to 46 are an integral part of these financial statements.

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 Dec 2020	Year ended 31 Dec 2019
		US\$	US\$
Cash flows from operating activities			
Surplus/(Deficit) for the year		122,826	(199,790)
<i>Changes in working capital</i>			
- Accounts receivable		(96,088)	(52,596)
- Accounts payable		2,664	5,138
Net cash generated from/(used in) operating activities		29,402	(247,248)
Net increase/(decrease) in cash and cash equivalents		29,402	(247,248)
Cash and cash equivalents at beginning of the year		927,925	1,175,173
Cash and cash equivalents at the end of the year	7	957,327	927,925

The notes on pages 45 to 46 are an integral part of these financial statements.

1. Reporting entity and the Business Council

The COMESA Business Council (CBC) is domiciled in Zambia. The address of its registered office is COMESA Secretariat, Ben Bella Road, P.O. Box 30051, Lusaka, Zambia. Its mandate is to provide a link and facilitate dialogue between the business community and other interest groups and other organs of the Common Market.

2. Significant accounting policies

(a) Basis of accounting and preparation of the financial statements

These financial statements have been prepared in accordance with modified cash basis of accounting in accordance with the requirements of the COMESA Business Council financial rules and regulations.

(b) Functional and presentational currency

The financial statements are presented in United States American Dollars (US\$) as required by financial rules and Regulations of the COMESA Business Council.

(c) Accounts receivable

Accounts receivable consist of amounts invoiced to members but not yet paid, funds deposited to vendors, employees and expenses incurred on behalf of a donor in the normal course of the business. Advances and prepaid expenses are recognized upon payment and derecognized when service has been rendered.

(d) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

(e) Income recognised in the year

Income recognised in the year relates to amounts recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. CBC Member's Contributions are recognised as income when members are invoiced while AFDB – KOAFEC, CIPE Project and CBC-BMGF project income is recognised when cash is received, and all attached conditions have been complied with.

(f) Accumulated funds

Accumulated funds are the brought forward recognised income, net of expenses of the Council, plus the current period surplus.

NOTES TO THE FINANCIAL STATEMENTS

2 Significant accounting policies(continued)

(g) Programme and Administrative expenses

Institutional expenditure is only incurred based on the approved annual budget by the CBC Board of directors. Business Council expenditure relates to expenses arising from the course of operating activities. Expenses that arise in the course of the operating activities of the Business Council include, for example, cost of services rendered and salaries and wages. They usually take the form of an outflow of assets such as cash and cash equivalents. These are normally recognised when all the necessary conditions for the grant with regard to expenditure are met or when there is reasonable assurance that the Business Council will comply with the conditions attaching to the grant with regard to expenditure.

(h) Income tax

The Business Council is exempt from income tax under paragraph 4b of Part II of Second Schedule to the Income Tax Act 1966 (as amended), Cap 323 of Laws of Zambia.

(i) Accounts payable

Accounts payable are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are presented as current liabilities unless payment is not due within twelve months after year end. If not, they are presented as non-current liabilities.

(j) Foreign exchange

In preparing the financial statements, transactions in currencies other than USD are recorded at the bank transfer rate on which the funds are exchanged when being transferred to another currency for Business Council implementation based on the agreement signed. There are thus no foreign exchange differences recognised in the income and expenditure statement at the end of the year in these financial statements.

(k) Use of estimates and judgements

There were no estimates or judgements in the preparation of the financial statements.

3 Income recognised during the year

	Year ended 31 Dec 2020	Year ended 31 Dec 2019
	US\$	US\$
CBC - Members contributions	216,500	201,000
CBC - Other income*	500	118,207
AFDB – KOAFEC	-	79,775
CBC – BMGF	444,233	-
CBC - CIPE	-	19,802
	661,233	418,784

*Other income relates to training participation and sponsorship fees paid by non-members.

	As at 31 Dec 2020	As at 31 Dec 2019
	US\$	US\$
4 Accounts receivable		
Accrued income from members	162,656	79,126
Staff advances	17,995	5,437
	180,651	84,563
5 Cash and cash equivalents		
CBC-Standard chartered bank – USD account	137,492	196,800
AFDB - KOAFEC Barclays bank – USD account	3,226	6,057
CIPE - Project	2,164	12,771
CBC – BMGF Project	814,445	712,297
	957,327	927,925
6 Accounts payable		
Sundry creditors	14,925	11,814
Staff creditors	961	1,408
	15,886	13,222

Appendix I: CIPE Fund Accountability Statement**2020****US\$**

Grant financing agreement	82,952
Less: Cash draw-down to date	(79,625)
Available	3,327

Assets: Analysis of cash received from CIPE as at 31 Dec 2020

Cash at Bank, as at 31-Dec 2020	2,164
Expenditure recognised to-date	77,101
	79,265

Less: Amounts payable to third parties	40
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Add: Amounts receivable from third parties	400
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Add: Capitalised assets	-
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CIPE Change Cash advance	79,625
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Liabilities: Analysis of liabilities as at 31 Dec 2020

General ledger - fund, as at 31 Dec 2020	79,625
Add: payable to third parties	40
Less: Capitalised assets	-
General ledger - income recognised to-date	(77,101)

CIPE Fund to-date	2,564
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Appendix II: Fixed Assets

Asset description	Year of purchase	Cost USD)
Motor vehicles		
Land Cruiser Prado	29/12/2019	29,740
IT equipment		
Hp Monitor and Laptop	4/12/2013	1,971
Hp Monitor	7/1/2014	191
HP laptop	7/1/2014	1,897
4 Hp laptops	30/11/2015	7,396
4 HP Monitors	30/11/2015	4,476
3 HP laptops	31/05/2019	5,610
4 HP laptops	31/07/2019	7,480
Data Server	12/12/2019	8,399
Sub total		37,420
Office equipment		
7D DSLR Camera	25/01/2017	624
Epson EB-518 LCD projector	20/01/2017	1,723
Canon IR 2530I Photocopier	22/11/2017	3,700
Kyosera Eco sys FS - 2100 DN Printer	22/11/2017	550
Water dispenser	31/05/2019	148
Office fridge	31/08/2019	237
Colour printer	30/09/2019	392
Television set	12/12/2019	978
Webcam for television set	12/12/2019	134
Sub total		8,486
Furniture & fittings		
Executive desk and side table	24/11/2017	1,432
Executive chair	24/11/2017	566
Round table	24/11/2017	371
Conference Table	29/01/2018	935
Conference Chairs	29/01/2018	607
Bulky filing cabinets	20/05/2019	1,813
Office partitions	31/05/2019	3,871
Office filing cabinets	21/07/2019	694
Red couch and coffee table	17/10/2019	897
Sub total		11,186
Grand total*		86,832

*The organisation expenses that are tangible in nature are expensed to the statement of income and expenditure in the year of purchase. Therefore, these financial statements do not reflect the carrying amounts of the tangible fixed assets at the end of the reporting period hence there is no depreciation computed.

[illegible]

Notes

[illegible]



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