



ANNUAL REPORT 2018



Building Regional Going Global

Our Services



**Business Policy
& Advocacy**



**Business
Facilitation**



**Membership
Development**

Our Partners



Acknowledgements

COMESA Business Council (CBC) is pleased to present the 2018 Annual Report, Building Regional, Going Global.

The report covers activities and collaborative partnerships from COMESA private sector associations, consultancies, businesses, memberships, sponsors and development partners that operate within the COMESA region. These include Chambers of Commerce and other national business associations, the Board of Directors, corporate members, national trade bodies, and COMESA institutions.

The CBC Secretariat is led by the Chief Executive Officer, Ms. Sandra Uwera, and under the overall management of the CBC Board of Directors. The CEO provided oversight and supervision in the development of the Annual report which includes the external audit reports for two years, carried out by the audit firms KPMG in 2017 and PriceWaterhouseCoopers (PWC) for the year 2018.

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

CBC would like to appreciate 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

Citation: COMESA Business Council Annual Report 2018.

The COMESA Business Council (CBC) is a Business Member Organization and 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
ICT	Information Communication Technology
LSP	Local Sourcing for Partnerships
FTA	Free Trade Area
TFTA	Tripartite Free Trade Area
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



Chairperson's Report

On behalf of the CBC Board, it is my great privilege and pleasure to present to you the 2018 Annual Report and Financial Statement of the COMESA Business Council (CBC).

This has been a very important year for CBC, one in which we have gone to great lengths to ensure institutional growth and sustainability of the institution in line with the recently adopted Strategic Plan 2018-2022, with the vision,

“Building regional and going global.”

We are on a growth trajectory as an institution with a strategic direction towards strengthening partnerships, capacity and collaboration amongst businesses in the region. CBC recognizes that exploiting the opportunities in COMESA cannot be done in silos, it is necessary to harmonize the interests of industry to influence policy agendas, so that they benefit the business of trade.

Our right positioning as members of the CBC becomes imperative, if we are to be part and parcel of not only the COMESA agenda, but to fully benefit from the recently signed African Continental FTA. This opens vast opportunities for trade and investments with an expected growth in intra-regional trade by more than 52% in 2022. Permit me to take stock of what we have accomplished so far in implementing this vision.

A new, Strategic and Transformative Agenda

2018 has introduced a key flagship project that focuses on building the capacity of MSMEs to develop and implement anti-corruption compliance codes in their enterprises. In 2019, the CBC will focus on the

development of a Regional Code on Anti-Corruption Compliance for enterprises. This Code coupled with the training for businesses enables private sector responsiveness towards stemming out corruption, improved transparency and reform initiatives thereby achieving a good and enabling business environment.

Another flagship project is the expansion of digital technologies for all industries in COMESA; embracing digital technology as an all-inclusive issue. We have initiated a two-year project focusing on developing a common digital payment solution for Micro-Small and Medium Enterprises (MSMEs). The project will focus on strengthening digital financial inclusion, improving financial regulation and ultimately the cost of trading for MSMEs in COMESA.

It is important that within the drive for enhanced regional cooperation within the Tripartite or Continental Free Trade Areas our companies' actual grab the opportunities that have been offered to us. I am excited to highlight our continued work on the development of Handbooks to inform investors and business partnerships of the countless opportunities for trade within the region. In 2019, CBC will be launching the SOURCE 21 handbook at the SOURCE 21 COMESA International Trade Fair. This will provide businesses with market information to inform investment and partnerships within COMESA countries.

Sustainability Focus

It has become evident that our growth as a Council should be anchored on good governance and sustainability. As part of the initiative, we adopted

several ways for the mobilization of resources through services to industry and associations. CBC's core support trajectory has substantially grown under my 4-year tenure as the Chairperson. We have also elevated the caliber of services we provide to match the fees paid in membership, as well as positioning CBC as a project management entity for business. Having headed to a call from membership to provide institutional strengthening training for associations at national level., we shall close this year with training for our member associations on sustainability.

Our financial position also tells a compelling story showing that our consolidated funding in 2018 is at US\$2,680,570 in comparison to US\$1,048,871 in 2017. I can assure you that through such initiatives we can strengthen and boost our growth as an institution.

Going Forward

Indeed, the prospects for 2019 are exciting yet humungous as we continue to position ourselves as a growing institution, leveraging on our past successes and best practice experiences to create new opportunities for private sector competitiveness in COMESA. CBC is a learning organization, open to new ideas that can improve our services to our membership.

Finally, I would like to applaud my fellow Board members for their strong support towards strengthening the governance structures of the CBC. I appreciate the stewardship of the Chair of the Strategy, Finance, Membership Committee- Mrs. Flora Mutahi- Kenya Association of Manufacturers, Chair of the Audit and Risk Committee- Mr. Azim Curimjee – Mauritius Chamber of Commerce and Industry, Human Resources and Administration Committee- Mrs. Roseta Chabala- Zambia Association of Manufacturers for their leadership in steering the CBC in strengthening administrative and governance matters in the institution.

I also recognize the Board Directors for their strong contribution to the growth of the CBC under my tenure ship. I recognize;

- i. Mr. Azim Curimjee - Mauritius Chamber of Commerce and Industry,
- ii. Ms. Flora Mutahi , Chairperson, Kenya Association of Manufacturers
- iii. Mr. Melaku Ezezew, President, Ethiopian Chamber of Commerce and Sectoral Associations.
- iv. Mr. Oliver Bastienne, President , Chairman of the Seychelles Chamber of Commerce and Industry.
- v. Ms. Amna Mohamed Ibrahim El Nour- Managing Director- Sudan Trade Point
- vi. Mrs. Roseta Chabala, President, Zambia Association of Manufacturers.
- vii. Mr.Robert Bapfakulera, Chairperson, Rwanda Private Sector Federation.
- viii. Mr. Prince Kapondamgaga, President Malawi Confederation of Chambers of Commerce and Industry.

As I pave way for new leadership to build on the journey we have embarked on, I am happy to say that as I look back over the past four years, indeed we have lifted the flag of the CBC very high, as the voice of private sector in COMESA! I Thank you!

I present to you, the 2018 Annual Institutional Report.

Dr. Amany Asfour

**Chairperson – COMESA Business Council
2014- 2018**



Incoming Chairperson Statement

It is with great excitement and ambition that I take up this mantle as the new Chairperson of the COMESA Business Council for the period 2019- 2020.

On behalf of the incoming Board Directors, I would like to applaud the outgoing Chairperson, Dr. Amany Asfour and the Board of Directors for the great work they have accomplished before us. I wish to specifically acknowledge the achievements of our outgoing Chairperson, in increasing CBC's sustainability through bringing three new partners, increasing the staff base and strengthening the leadership through a focused five-year strategy towards empowering and positioning CBC as the leading business organisation in the region. Your leadership has been characterized by innovative ideas, passion for the private sector and, most valuably, your tireless efforts and dedication, to ensure the growth of the CBC Institution.

I would like to thank the General Assembly for placing confidence in my Board to these executive positions. We trust you will continue working with us on this journey and look forward to a term of great heights for private sector development.

Some of the key flagships of the year, will include increasing private sector participation as a contribution to CBC's work programs, holding the first CBC Business Summit and Presidential roundtable herein known as Source 21 COMESA Business Summit and International Trade Fair , ensuring digital transformation is an all-inclusive agenda that empowers Micro Small and

Medium Enterprises (MSMEs) through payment policies and systems, Channelling technical support to improve business competitiveness and efficiency of enterprises in goods and services, Increased self-sustainability of the CBC through strengthened internal and external governance and lastly, ensuring multicultural, geographic and diversified representation of CBC interests within the 19 member states of COMESA.

I wish to express our pleasure and commitment to continuing with the strategic goals of CBC and solutions towards increasing the private sector's influence in policy at a regional level, to strengthen market presence and intra-trade within our countries. While noting that some challenges will continue to affect business operations in COMESA, I encourage us all to move with a spirit of collaboration towards the agenda of increasing intra-Africa trade and strengthening the presence of African businesses in global markets.

I would also like to make a call to our members, to prioritize their participation in the CBC, thus becoming part of the largest eco-system of businesses engaged in regional integration agendas in Africa.

Once again, we as the Board thank you all for placing your confidence in us. As we start this journey, I'd like to invite your concerted efforts in catapulting this Council to the next level. We trust you will continue working with us and look forward to propelling the private sector to even greater heights.

Mr. Marday Venkatasamy
Incoming Chairperson, 2019- 2020



CEO Statement

I count it a great privilege to present to you the results of the CBC Annual year for 2018. The year 2018 has been a tremendous year for us at CBC for we recorded great success in most of our planned activities. With support from our partners and the private sector CBC positioned itself as the leading Business member organization in Africa; spearheading competitiveness of businesses through the provision of services namely; business policy advocacy, business facilitation and membership and enterprises development services.

Strategic Policy And Advocacy

In 2018, CBC has focused on strategic advocacy to bring to center stage the key business position to the policy makers for reform.

The year saw the launch of the Business Integrity Project in partnership with CIPE, the CBC Business Integrity Project focusing 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. In the agriculture sector, CBC also commenced a study focusing on quantifying the social, economic and environmental impact of tobacco farming in Southern and East African countries. The end result is informed policy making for the public sectors and informed investment decision for businesses.

Strengthening Market Information

Business linkages is at the center of business growth; therefore, CBC is in the process of expanding the BIZNET e-market platform to increase participation of the private sector on the online market portal. Sudan and Egypt are the latest countries to be added to the portal.

Furthermore, CBC concluded the Agro industry Supply Chain Mapping report aimed at providing market information to inform business partnerships along corridors. A Business Guide will be developed on this.

CBC has just entered into a two-year partnership with the Bill and Melinda Foundation on a project focusing on strengthening digital financial inclusion, improving financial regulation and ultimately the cost of trading for MSMEs in COMESA through a regional common payment scheme.

New strategic heights

The year 2018 saw CBC adopting its strategic direction for the next five years through a new Strategic Plan 2018 – 2022. Through which CBC seeks to strengthen its capacity and build the capacity of businesses to become global giants on the market. Therefore, we adopted the “Building Regional, Going Global” as our tagline. The focus going forward is to facilitate the growth of strong businesses that can become active players within the COMESA, Tripartite and continental markets.

Outlook

The year 2019 will be year full of great opportunities for the private sector as we ensure increased presence and business participation in both domestic and regional markets with the aim of reaching out to global markets. The Digital Inclusion Project for SMEs across the COMESA region presents an opportunity for growth of CBC as an institution as we shall see the addition of a new five new staff members.

Most important, it will also drive strategic partnerships amongst public and private sector on digital financial inclusion which is one of the key areas for growth.

Other projects will also focus on increased advocacy through national and regional public private Dialogues. The highly lauded Local Sourcing for Partnerships Project will be continuing with standards and governance training for SMEs in two more COMESA countries.

To sum it all, we shall convene the Source21 COMESA International Trade Fair and High-level Business Summit, to put CBC and the private sector at centre stage in promoting the growth of indigenous businesses,

products and local industries. The Source21 COMESA Handbook will be also be launched as a guiding tool for potential investors to explore opportunities that lie in the COMESA region.

Finally, I wish to thank the Board, membership, staff and all partners for continued efforts and support in ensuring the fulfillment of our strategic goals. I wish to specifically acknowledge the achievements of our outgoing Chairperson, Dr. Amany Asfour. Your leadership has been characterized by innovative ideas, strategic thinking and, most valuable, your tireless efforts to ensure the growth of the CBC Institution. The outgoing CBC Board for steering the ship and providing leadership of this grand institution.

Please receive the 2018 annual report

Sandra Uwera
Chief Executive Officer

4th CBC Board of Directors 2016 - 2018



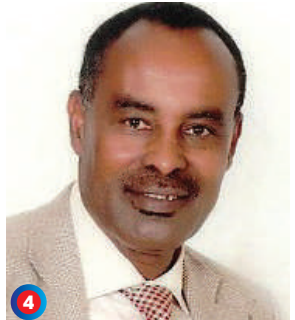
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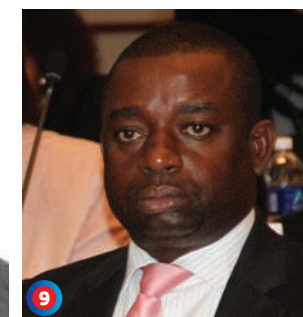
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- 1 **Dr. Amany Asfour - Chairperson**
- 2 **Dr. Azim Currimjee - 1st Vice Chairperson**
- 3 **Ms. Flora Mutahi 2nd Vice Chairperson**
- 4 **Mr. Solomon Afework Board Member**
- 5 **Dolor Camille Ernesta - Board Member**
- 6 **Ms. Anna Mohamed Ibrahim - Board Member**
- 7 **Mrs. Roseta Chabala - Board Member**
- 8 **Mr. Benjamin Gasamagera - Board Member**
- 9 **Mr. Karl Chokotho - Immediate Past Chairperson**



Microsoft Through Micosoft4Africa was coopted into the Board as a corporate member for a year to provide advisory services

CBC Board of Directors

November 2018- 2020



Mr. Marday Venketasamy

Chairperson



Mr. Oliver Bastienne

Board Member



Khalid Magboul

1st Vice Chairperson



Mr. Robert Bafakulera

Board Member



Mr. Sachen Gudka

2nd Vice Chairperson



Mr. Prince Kapondamgaga

Board Member



Mr. Tamuka Mucheka

Board Member



Dr. Amany Asfour

Immediate Past Chairperson



Eng. Melaku Ezezew

Board Member



Ms. Sandra Uwera

Secretary to the Board

CBC Secretariat Team



Ms. Sandra Uwera
Chief Executive Officer



Ms. Kudzai Madzivanyika
Business and Programs Manager



Mr. Jonathan Pinifolo
Project Manager



Mr. Yoseph Wondimu
Digital Services Manager



Mr. Hopewell Musundire
Business Development Officer



Ms. Gallina Tembo
Membership and Communications
Officer



Ms. Marianne Nzioki
Marketing and Relations Officer



Mr. Peter Sibande
Accountant



Ms. Nawina Imwiko
Administration and Resources
Officer



Mr. Steven Mwape
Office Assistance



Ms. Finan Pietros
Marketing and
Communication - Intern.

1. Introducing CBC

CBC is the recognized Business Member Organization, established as a private sector institution of COMESA. We represent 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. We provide custom tailored services that are driven by both industry and enterprise interests.

VISION

Building Regional
Going Global.

MISSION


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

CORE VALUES

- People:** Adhere to the highest professional standards
- Integrity:** Trust, transparency and accountability
- Ownership:** For the members, by the members
- Collaboration:** Shared vision, clarity of roles and responsibilities
- Service:** Representative and Inclusive.

SECRETARIAT

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1.1 Overview

CBC's value to its members is as follows;

- Advocacy excellence in the region – influence decisions at the highest levels of policy decision makers in COMESA.
- Regional brand recognition as a business through CBC
- Market intelligence and analysis to inform trade, investment and joint venture decisions.
- Increased partnerships in regional and global markets.
- Business facilitation in regional and global markets through trade promotion, linkages and advisory services.
- Industry collaboration through CBC memberships for efficiency and sustainability of enterprises and associations.

1.2 CBC'S Regional Mandate

CBC is 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 other organs of the Common Market. CBC shall:

1. 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.
2. 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.
3. Consult and receive reports from other interest groups.
4. 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 are:

1. **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.
2. **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.

3. **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).

1.3 CBC Strategic direction

Five-year Development objectives are:

- Development Objective 1- Promote a continuous advocacy and dialogue for private sector at the national and regional levels to help create an improved business environment.
- Development Objective 2- To strengthen partnerships that will promote trade and investment in regional and global markets.
- Development Objective 3-: To provide regional facilitation/ coordination to our membership and support operational efficiency of enterprises, including SMEs.
- Development Objective - Institutional sustainability by 2022.

The CBC five-year strategy Critical Success Factors are;

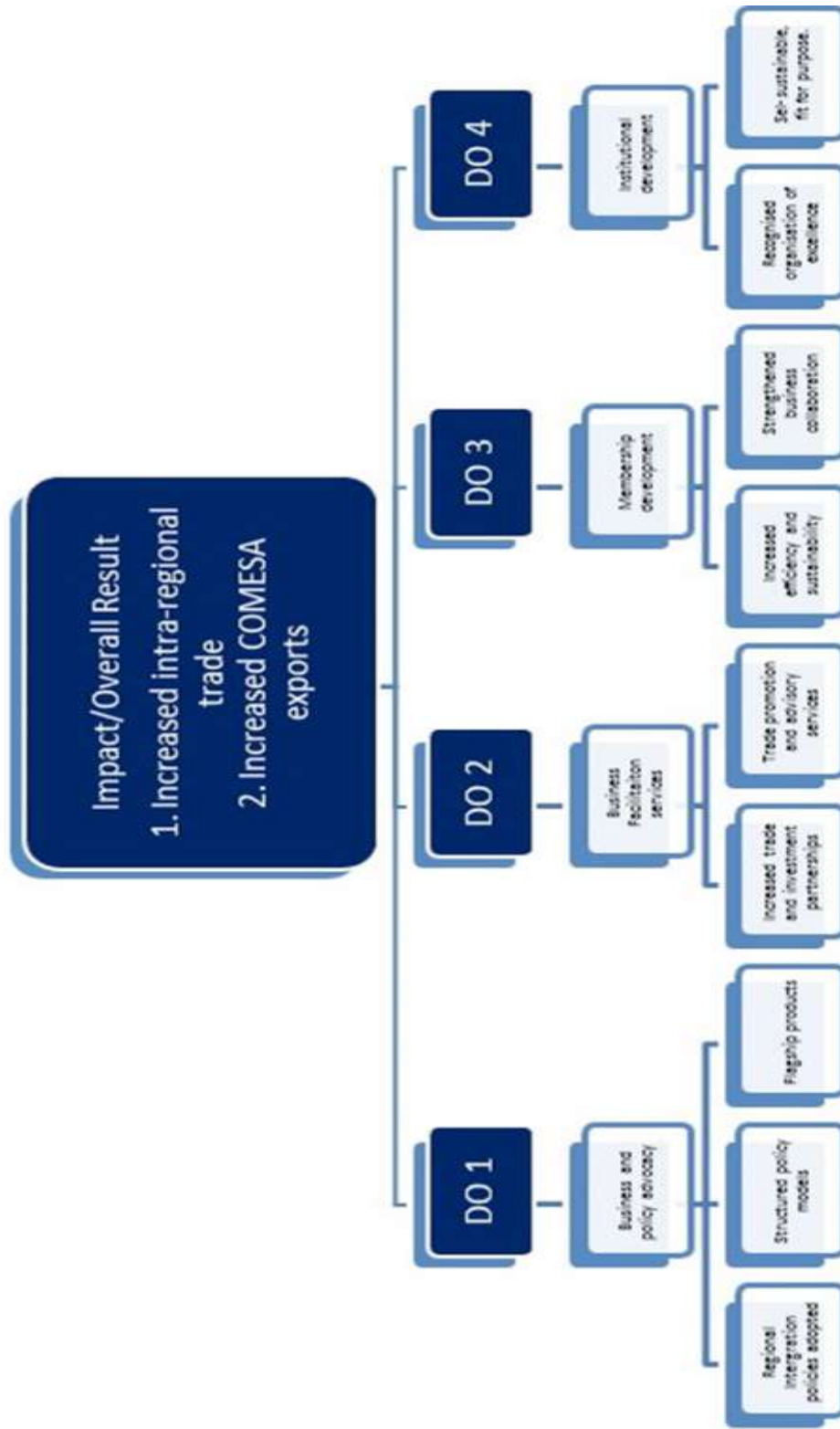
- CBC has attained a reputation in advocacy excellence in the region through three flagship projects.
- Structured policy models by CBC for interventions at decision making level in COMESA.
- Increased partnerships in trade and investment in regional and global markets.
- Strengthened business facilitation in regional and global markets through trade promotion and advisory services.
- Strengthened business collaboration through CBC memberships for efficiency and sustainability of enterprises and associations.

CBC's partnerships range from private sector members and clientele within the COMESA Member states, International Interest Groups and Development Partners. CBC currently works with the following partners;

- United States Agency for International Development
- African Development Bank
- Center for International Private Enterprise
- Bill and Melinda Gates Foundation
- International Trade Centre
- European Union

1.4 Results Based Framework of the CBC

The 2018 Annual report is guided by the CBC Results Based Framework as part of the CBC Strategy- 2018- 2022, Summarized Below.



1.5 Strategic Highlights

250 Companies
trained on food safety management and business operations.

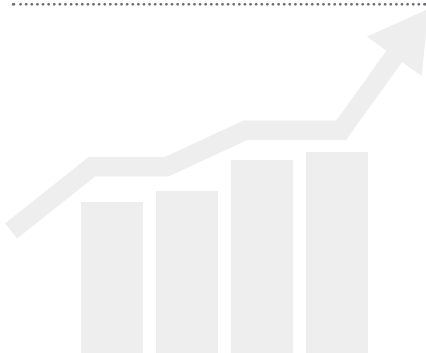
160 SMEs in
4 countries
trained on anti-corruption compliance and implementation of compliance codes within their enterprises

CBC activities in
10 out of
19 countries in COMESA

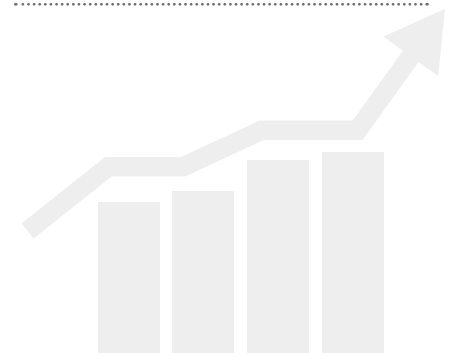
2 national business case reports developed on anti-corruption compliance codes

3 regional high-level public private dialogue held on Digital services, Agriculture and Digital finance for businesses.

3 national business dialogues led to strengthened public-private consultation



An outreach of over
3000 companies
through BIZNET market hub platform and newsletters



4 position papers adopted at the COMESA policy organs meetings (Positions on Digital Services, Travel retail, Seed and Tobacco adopted by the policy organs).

20%
increase in social media

3 new partnerships towards Micro Small and Medium Enterprise competitiveness

12%
membership increment

17 Business association members strengthened in advocacy business generation capacity building

2 sectoral studies on agro supply chain corridors, business and professional services,

2. OUR ACHIEVEMENTS- 2018

2.1 Business Policy Advocacy

As part of Business and Policy advocacy pillar, we seek to promote the private sector's active contribution in the formulation of position papers, policy briefs, evidence-based research on timely constraints or competitiveness issues affecting businesses in the region and create a platform to directly advocate to the policy and decision makers of the region.

Results:

- ♦ *Two National Business Dialogues held to support national business agendas and private sector input on trade and issues regarding competitiveness and COMESA regional trade.*
- ♦ *Two Regional Public Private Dialogues convened through workgroups to inform policy and advocacy agendas of the CBC.*
- ♦ *CBC Flagship Program- Three trainings carried out at the national level on Anti- Corruption Compliance for enterprises. 160 SMEs awarded with certificates*
- ♦ *Provision of well-informed Business policy research and evidence-based studies.*

2.1.1 COMESA Zambia Business Dialogue, March 2018

The CBC in partnership with the Zambia Association of Manufacturers (ZAM) convened the COMESA – Zambia Business Round Table on the 27th of March 2018, in Lusaka, Zambia. The Roundtable was held under the theme, “Industry Competitiveness in Zambia; Focus on Finance, Tax and Trade policies. The main objective of the dialogue was to strengthen the advocacy capacity of the private sector in Zambia and their engagement with government; as businesses and as Associations so that they can effectively participate in regional and global markets.

The meeting addressed key policy issues in Zambia with respect to tax and investment regulation, access to finance, and a balanced trade policy as a way of addressing industrial competitiveness. It also covered the emerging regulations such as; Surtax Measures and Incentives for Manufacturing (VAT Refunds, Duty Draw Back, Withholding Tax) and their impact on business. Furthermore, deal with issues of access to finance and improving cross border trade. A position report for the industry was developed and adopted and this will be presented to various national and regional platforms for advocacy.

Results

- ♦ *A national position paper developed and adopted*
- ♦ *60 Companies participated*

2.1.2 COMESA Connect Industry Dialogue, June 2018

The COMESA Business Council (CBC) in partnership with the Rwanda Private Sector Federation (RPSF) convened the COMESA Connect Business Dialogue on the 21st -22nd June 2018, in Kigali, Rwanda. The Dialogue was held under the theme, “Smart Technologies for Sustainable Businesses”.

The Dialogue sought to structure strategic efforts towards harnessing today's digital solutions to respond to the needs of our industries in the region. The main objective was to provide technology solutions that can propel and transform African industries and economies into fully knowledge based and sustainable businesses in regional and global trade. It included discussions on key technologies and emerging issues in digitalization inter alia; Distributed Ledger Technologies (DLT), EU General Data Protection Regulation, Digital Financial Inclusion (DFI) , Digital Farming technologies, Automated Trade Facilitation and Robotic technologies and Industry and Innovation.

Results;

- ♦ *A regional industry position paper adopted at the COMESA policy organs meeting, June, 2018.*



Participants for COMESA Connect Industry Dialogue in Kigali, Rwanda

2.1.3 Tobacco Farming Study and Regional Validation Workshop, November 2018

In February 2018, CBC commissioned a study termed; Socio-Economic impact of the Tobacco farming activities in Eastern and Southern Africa. To quantify the social, economic and environmental impact of tobacco farming activities and conducting a robust and evidence-based research to ascertain its footprint in East and Southern Africa. The intention is to promote an informed policy for the tobacco industry within the COMESA region. The Report will also inform the position of the private sector on the tobacco industry for advocacy and to promote the sustainability of the sector. The Draft Report has since been completed.

In November 7-8, 2018, the CBC in partnership with the Tobacco Association of Zambia held a workshop that validated the regional tobacco report with stakeholders from 8 countries in Eastern and Southern Africa. Recommendations and comments on the paper were incorporated, to be further reviewed into follow up drafts. The final version will be released in January 2018. An executive summary has been developed to inform ongoing negotiation processes for the member states at the regional and international level.

Results;

- ◆ *1 regional report reviewed and adopted by 40 tobacco growers and companies, with comments. The final publication will come out in 2019.*
- ◆ *40 tobacco growers have agreed to expand the existing workgroup to inform CBC processes in the sector's interests.*

2.1.4 CBC Business Integrity Project, Training on Anti-Corruption Compliance for Enterprises.

In June 2018, CBC signed a Grant Agreement with the Centre for International Private Enterprise (CIPE) termed the Business Integrity Project focused on Anti-Corruption Compliance Training for enterprises.

The aim is to train enterprises based on global practices anti-corruption compliance measures and ensure the implementation of the same. This strengthens the ability for local enterprises to development sustainable enterprises and participate effectively in regional and global trade. The Project includes training of 200 enterprises in four countries; Ethiopia, Rwanda, Mauritius and Zambia as a pilot phase, and the training workshops will be carried out from October 2018 until the February 2019. This project also provides a component regarding training of local trainers in the said countries , development of a regional CBC anti-corruption compliance code that is stimulated from information gathered from the countries at a national level, and data from the four countries where training is carried out. It is also envisioned that CBC working with CIPE will link companies who implement the code within their enterprises, will be promoted for business linkages with US companies interested in partnerships within Africa.



Participants for Anti Corruption compliance for Enterprises in Ethiopia

2.1.5 CBC-CIPE training anti-corruption compliance for SMEs; Mauritius, Rwanda and Ethiopia

CBC carried out two-day training workshops in Mauritius, Rwanda and Ethiopia. Each meeting had a participation of 60 persons. At the end of the training, the SMEs were awarded with certificates of participation on business integrity and anti-corruption compliance. It is expected that as a follow up the companies will seek to implement their own custom-tailored codes into their businesses. CBC will be following up on this in due course in 2019.

Results;

- ◆ *160 SMEs trained in Mauritius, Rwanda and Ethiopia*
- ◆ *2 business case reports developed on the national anti-corruption compliance codes in Rwanda and Ethiopia respectively*
- ◆ *CBC and CIPE provided capacity building to two local trainers in Ethiopia and Rwanda through the training of trainers managed by our partner CIPE. The said trainers are undergoing certification to become licensed certified trainers under CIPE.*

2.1.6 Development and Harmonization Of Policy Positions To Inform Advocacy And For Presentation To Policy Makers.

a. Professional services in Regional Markets: Private Sector challenges in the liberalization of Accounting, Engineering and Legal services in COMESA

In 2017 CBC completed a study that considers the policy framework for Professional services, explore opportunities for increased trade and identify mechanisms that can facilitate the progressive liberalization of trade in professional services within the COMESA region. The paper was launched in 2018 and is now a publication. Some of the key recommendations of the Report include; the need to build skills capacities, implement Mutual Recognition Arrangements and include professional bodies in the negotiations.

Results

- ◆ *The Report is now a hard copy and e-copy publication and has been circulated amongst the various stakeholders.*
- ◆ *The report was distributed in 2018 to the COMESA policy organs , World Economic Development Forum, Chambers of Commerce Training workshop and members of the business community.*
- ◆ *It will be used to inform industry positions in the upcoming negotiations in trade in services in 2019.*

b. The Tobacco Farming Sector- Socio economic and environmental Impact on Eastern and Southern Africa

CBC is currently undertaking a study quantifying the social, economic and environmental impact of tobacco farming in Southern and East African countries. The study will provide a robust and evidence-based research to ascertain tobacco’s footprint to ensure the long-term sustainability of the activity and influence a balanced regulatory framework for the industry at regional and international levels. The study is in its final stages as stated above and will be completed in the first quarter of 2019.

c. Advocacy in COMESA Policy Organ Meetings

CBC has also participated and presented the positions in the following meetings; the 38th Intergovernmental Committee Meeting and 38th Council of Ministers Meeting in June 2018. CBC presented its Institutional Report and policy positions which were subsequently adopted.

Results;

- ◆ *Three Sectoral Positions of Industry; Sectoral positions of Industry were adopted at the policy organs in the following key sectors; Digital Services, Travel and Retail and Sustainable Tobacco.*

2.2 Business Facilitation Services

This focuses on providing services that promote business partnerships and participation in regional and global trade. This is through a variety of platforms for Business to Business networking; exhibitions, online platforms, workshops and partnership meetings. Over the past year, CBC has achieved the following results;

- ◆ Expansion of the data collected in the BIZNET Portal from Egypt and Sudan.
- ◆ Stakeholder meetings carried out to promote regional and global partnerships.
- ◆ 1 Business linkages and awareness dialogue in Egypt
- ◆ 1 mini exhibition held during the COMESA Connect Industry Dialogue

2.2.1 COMESA- Egypt Business Dialogue, March 2018

On 6th March 2018, CBC convened COMESA- Egypt Business Dialogue in partnership with the Federation of Egyptian Industries bringing together various captains of the industry and the Egyptian business community. The dialogue was held under the theme “Local Sourcing, Trade Facilitation and Accessing Regional Markets.” The meeting provided a platform for CBC to engage with the business community in Egypt and as a way of introducing CBC and the opportunities within COMESA for increased regional partnerships and trade. During the dialogue, basic standard training on food safety management systems for

growth enterprises was conducted thereby help in building their capacity to meet national and regional standards requirements which is condition for market access. 57 enterprises were trained.

Results

- ◆ **57 enterprises received basic training on food safety management and business linkages**
- ◆ **National position paper developed**
- ◆ **The Federation of Egyptian Industries in now a member of the CBC.**



Participants for COMESA-Egypt Business Dialogue in Egypt

2.2.2 Expansion of Biznet Portal - Egypt And Sudan Biznet Mapping Exercise, March 2018

CBC has developed an online business and market intelligence platform that will support services such as linkages, sourcing, business or trade flow analysis for regional and international companies looking for working partnerships within the region called BIZNET. The aim of the portal is to provide buyers with access to credible information on suppliers in the region and also give them a platform to inform suppliers on their purchasing requirements including specific products, quantities, documentations/records, quality and standards-certifications required. It provides suppliers with a platform for marketing their products. About 2500 companies are now listed on to the database.

In 2017-2018 the CBC team increased awareness and trained stakeholders on the use and operation of BIZNET through the various business Dialogues and Private Public Dialogues. These included; the Mauritius Business Dialogue, Zambia Business Dialogue and Agro Industry Dialogue and the first CBC Consultative Meeting on the Agro -Industry Corridor Supply Chain and Egypt National Business Dialogue.

In March 2018, CBC carried out two BIZNET mapping exercises in Egypt and Sudan to increase the number of countries and companies listed on the portal. CBC worked with the national private sector associations in the respective countries and a data collector to collect data for

companies. Vetted companies have been submitted to the CBC to be added to the portal under Sudan and Egypt BIZNET country pages respectively. The work on data entry into the portal is ongoing and will be completed in the forth-coming weeks.

Results:

- ◆ **Increased content regarding number of companies listed on BIZNET.**
- ◆ **Two BIZNET mapping exercises carried out.**
- ◆ **Business data for two countries collected.**

2.2.3 The Source 21 Handbook

CBC carried out an Agro- Supply Chain study under the CBC- AFDB project, "Towards fostering business and trade within the supply chain networks along the transport corridors in COMESA: *an agro & industry corridor project.*" The second part of the project was the development of a Business guide. This project has been pushed forward to 2019. As part of this Study, a Business Guide will be completed in the first quarter of 2019.

2.2.4 Stakeholder Meetings

a. Presentation at the Airport Council International – ACI Board Committee meetings, Lagos Nigeria

CBC was invited to make a presentation on sustainable business models to boost sustainability of airports in the African region through partnerships. During the event, the CEO had side meetings with the Duty free shops of Africa, Travel Retail Associations from Europe and Africa. The meeting led to the development of interest from the companies to join the CBC and also to take part in advocacy agendas on pertinent issues affecting their businesses.

Results

- ◆ **Four key duty-free companies have been invited to form a work group that can support advocacy agendas for trade retail traders in COMESA.**
 - ◆ **Presentation of duty free retail industry position at the COMESA policy organs**
- b. Partnership Agreements or MOUs to support regional and global partnerships- Signing of an MoU with Microsoft, March 2018**

On the 9th March 2018, CBC had a meeting with Microsoft team in Lusaka, Zambia. The objective of the meeting was to review the partnership and to engage on potential areas of collaboration as part of the ICT and Digital Services Workgroup. This included an analysis of the positions of the Workgroup that had been adopted by the Council of Ministers and mapping the next areas of collaboration and engagement including the COMESA CONNECT Industry Dialogue. CBC and Microsoft went on to sign an MOU to renew the partnership with Microsoft since the last MOU had ended in November 2017. The institutions will work together on activities that promote the Digital Transformation of Industries and Organizations in COMESA for the next two years.

c. CBC participation at the African Union Meeting on Strengthening Trade Policy Dialogue Platforms

CBC Board Director, Mrs. Roseta Chabala presented at the African Union- Capacity Building Workshop on Stakeholder engagement on African trade and trade related policies held on the 27th of September 2018 in Lusaka, Zambia. She presented on Stakeholder engagement in trade policy dialogue in the COMESA region- the role of the private state and experience; where she shared experiences on the CBC's engagement with policy makers. The aim of the Workshop was to provide continuous support to stakeholder engagement on Africa Trade and trade related policies to strengthen national and regional trade policy dialogue platforms; and in the context of the relevant platforms, to facilitate assessment of existing regional and national platforms and mechanisms of trade policy dialogue.

d. CBC's partnership with Impact Capital Africa.

CBC signed a partnership arrangement with Impact Capital Africa in July 2018 to support access to funding and investment for SMEs in Zambia. Furthermore, to support the hosting of the Impact Capital Africa- Zambia meeting which was held on the 2nd -3rd of October 2018. Ms. Sandra Uwera, CBC CEO spoke at the Forum on, 'Zambia as a Hub for the COMESA, Tripartite Free Trade Area & Beyond'. Furthermore, she also highlighted on the various trade facilitation and financial instruments available for the private sector in facilitating the COMESA regional integration initiatives.

e. CBC presentation at the WEDF meeting and the ICC Institutional Capacity meeting – ITC

CBC participated at the World Export Development Forum(WEDF) from the 11th and 12th September 2018 and at the Workshop for Chambers of Commerce and Industry; 13th and 14th September 2018. CBC Chairperson, Dr. Amany Asfour presented at WEDF in a session termed 'In Conversation – Women in Leadership, showcasing the growth of women in leadership, trade and regional integration'. The objective of the presentation was to share insights and explore ways to increase the participation of women entrepreneurs and producers in global value chains and to ensure that they enjoy greater economic benefits from participating in international trade.

Ms. Sandra Uwera also presented at the later meeting on Harnessing opportunities in the EAC-COMESA-SADC Tripartite Free Trade Area where she highlighted the various opportunities for businesses within the TFTA and the various advocacy lessons and experiences within the negotiation processes.

f. CBC presentation in ITC Meeting - Raising awareness on TFTA and CFTA

CBC partnered with the International Trade Centre and the East African Business Council in convening an awareness meeting in Nairobi, Kenya on the Continental and Tripartite Free Trade Area. The objective of the meeting was to inform private sector Associations and members on the various opportunities, negotiation processes and policy instruments within the TFTA and CFTA regional integration agendas. CBC Business and Programs Manager, Ms Kudzai Madzivanyika represented the CBC and presented on the Opportunities within the TFTA.

g. CBC participation in the Board Committee meeting of ARSO- nominated as private sector champions

CBC Business and Programs Manager, Ms Kudzai Madzivanyika represented the CBC at the ARSO EcoMark Africa Advisory Committee meeting held on the 16th of July 2018 in Nairobi, Kenya. The meeting discussed the implementation of the ECOMARK environmental label in Africa. To facilitate on the promotion and marketing of EcoMark, CBC was designated as the private sector champion for the mark. With the role of increasing awareness on the mark amongst private sector stakeholders. CBC and the ARSO Secretariat are closely working together on the above issue.

h. CBC participation at the Commonwealth Consultation on Multilateral, Regional and Emerging Trade Issues for Africa

CBC CEO, Ms Sandra Uwera presented at the Commonwealth Consultation on Multilateral, Regional and Emerging Trade Issues for Africa on the 15-16 November 2018 in Seychelles. She presented on Improving African Micro-Small Medium Enterprises access to markets, highlighting the experiences of the CBC in promoting SME development in the region. The objective of the meeting was to assess the policy implications of emerging trade related issues at multilateral and regional level on businesses. Furthermore, to highlight regulatory and administrative impediments to businesses when trading in the region and globally.

i. CBC partners with UNCTAD at the E-COMMERCE WEEK 10TH-14TH December, 2018.

CBC partnered with UNCTAD on the Africa eCommerce Week that was held from the 10th -14th of December 2018, in Nairobi Kenya. They jointly organized a session on Digital Finance for Business - Fusing interests to meet market needs on the 12 December, 2018. Key Speakers included CBC, KCB, AIRTEL Africa, Tecapro and FSD.

This session examined the innovative services that the banking sector, telecommunication and other service providers could develop to cater for the needs of SMEs as well as key challenges in the areas of regulatory requirements. It also discussed a number of issues ranging from; enabling micropayment systems to digital identity management, smart technologies that can advance the traditional financial industry in Africa and promote a new era of growth and inclusion. Key recommendations of the session included; need for increased digital literacy, interoperability of systems, regional data protection policies and the need to develop a framework for collateralization of brand value for SME lending.

2.3 Membership Development Services

The objective is to forge strong collaboration between CBC and the business community at national level to effectively provide services to the business community, either through technical capacity building of enterprises of Associations.

Results;

- ◆ Increased membership under the CBC;
- ◆ Strengthened communication between CBC and membership through online platforms
- ◆ Income generation activities developed
- ◆ Increased CBC visibility at a regional level
- ◆ Development of CBC online and media presence - two event websites and expansion of main site(ongoing)

2.3.1 Strengthening the Technical Capacity of The Private Sector

As part of the CBC Business Integrity Project, training was offered to 160 companies on developing anti-corruption compliance within their respective businesses. This is to enable them to be sustainable businesses that can easily partner with regional and global partners for improved business.

Furthermore, as part of the Egypt National Business Dialogue, standard training on HACCP and food safety management systems was offered to 57 enterprises thereby building their capacity to meet national and regional standards as prerequisite for market access.

2.3.2 Strengthening Lines of Communication Between CBC And Members; CEO's Platform.

A CEOs email platform was created to facilitate the exchange of information on CBC activities. This has resulted in an a more efficient system for feedback and dialogue with the membership.

2.3.3 Improved Membership Communications

As a way of increasing membership communications through newsletters and quarterly brief, CBC has introduced the weekly newsletter dubbed “Biznet Weekly.” A total number of 32 publications have been issued so far. The newsletter is sent out to the CBC members/ stakeholders once every week and contains news update from the CBC and the COMESA region, more specifically on what the CBC members are engaged in at regional level.

2.3.4 Buyer – Seller Platforms

During the COMESA Connect Industry Dialogue that was held in Kigali from the 21st to 22nd June 2018, CBC hosted a mini exhibition between Agro industry corporates and SMEs and digital services companies.



Results

- ◆ *The meeting also brought together 11 exhibitors, from national and regional markets and these were; SEEDCO, Monsanto, Sunculture, Babyl, AC Group, Inkomoko, Farm Fresh, Rwanda Online, Continuity Group and KWESE TV.*

2.3.5 Membership drives

As a way of enhancing the CBC portfolio in the region, membership drives were held in Egypt and Sudan respectively in the month of March 2018. The membership officer visited and had various meetings with the private sector in both Sudan and Egypt and invited them to become members of the CBC. Membership recruitment has been carried out.

Results;

5 members (2 associations and 3 companies) have joined CBC namely;

- a. Federation of Egyptian Industries*
- b. GIAD Investment Group*
- c. Sudanese Union of Chambers of Commerce*
- d. Swift Horizon*
- e. IBM*

3. Institutional Sustainability and Governance

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

Summary of Activities on AGM (28th – 29th November 2018)

The COMESA Business Council hosted its Annual General Meeting (AGM) on the 28th and 29th November 2018, at Taj Pamodzi Hotel, in Lusaka Zambia. The meeting was attended by COMESA member states across the region, during which Somalia was also welcomed, being in attendance for the first time.

One of the key outcomes of this meeting was the election of the Board of Directors tasked with steering CBC's strategic growth from 2018 - 2020; they will be eligible for re-election at the 2020 CBC Annual Assembly. The board comprises industry leaders from various sectors complementary to CBC programs, and advise on business and regulatory issues. It is chaired by Mr. Marday Venketasamy; the 1st Vice Chair is Dr. Khalid Magboul and the 2nd Vice Chair is Mr. Sachen Gudka. Dr. Amany Asfour, as the immediate past chairperson was granted the honorary membership to the executive board for the next two years. Other board members comprise Mr. Tamuka Mucheka, Eng. Melaku Ezezew, Mr. Oliver Bastienne, Mr. Robert Bafakulera and Mr. Prince Kapondamgaga with Ms. Sandra Uwera as the secretary to the board.

On the second day of the AGM, CBC in partnership with the International Trade Centre hosted a capacity building workshop for the members. The core focus was institutional strengthening, to ensure that CBC's service offerings are optimised for its members.

3.1 Board Committees

The Board of Directors have three Administrative Committees:

1. Strategy, Finance and Resource Mobilization and Membership Committee
2. 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. The Board Committees have sat as follows;

Committee	TORS	COMPOSITION	Board names
Strategy, Finance and Resource Mobilization and Membership Committee	<ul style="list-style-type: none"> ♦ Review Financial reports against operations of the Secretariat. ♦ Review Membership and Partnership progress reports on fund support; ♦ Review progress on resource mobilization efforts ♦ Review performance of the strategic Implementation plan 	<ul style="list-style-type: none"> ♦ 4 Board Directors- ♦ Co-opted member (optional) CBC SECRETARIAT 	<ul style="list-style-type: none"> ♦ Mauritius ♦ Malawi ♦ Kenya ♦ Ethiopia
Human Resources, Administration And Governance Committee	<ul style="list-style-type: none"> ♦ Review and approve presented budgets to the Board for CBC financial year. ♦ Adoption of reviewed documents ♦ HR Performance and annual staff reviews; Review Performance Management Reports of CBC staff and secretariat against Key Performance Indicators; ♦ Review Board Performance in Delivering Key Results for the Secretariat at a Strategic level; 	<ul style="list-style-type: none"> ♦ 4 Board Directors- ♦ Co-opted member(optional) ♦ CBC SECRETARIAT 	<ul style="list-style-type: none"> ♦ Zambia ♦ Kenya ♦ Sudan ♦ Rwanda
Audit and Risk Committee	<ul style="list-style-type: none"> ♦ Recommend external auditors for appointment Audit of financial statements ♦ Review Internal and external audit reports presented to the Board from COMESA and external auditors; ♦ Adoption of reviewed documents for Chairman's signature 	<ul style="list-style-type: none"> ♦ 3 Board Directors- CBC SECRETARIAT 	<ul style="list-style-type: none"> ♦ Mauritius ♦ Seychelles ♦ Malawi

3.2 Membership development

As at September 2018, CBC's membership and advisory services contribution amounted to 153,500 US\$. It is also worth noting that from 2018, CBC membership fees was revised as follows;

- i. Corporate members US\$5,000.00
- ii. Principle Members US\$2,500.00
- iii. Associate Members US \$2000.00
- iv. Emerging Business / SMEs US\$1000.00

In terms of membership growth, we have had 5 new members in 2018 composed of two Associations and three companies.

3.3 Resource Mobilization

Partnerships have been maintained with United States Agency for International Development (USAID –IPAA), African Development Bank (AfDB) and the Centre for International Private Enterprise (CIPE). New partnership has been entered with the Bill and Melinda Gates Foundation. The tables below give summary of the projects and proposals that have been submitted to partners for support.

- i. *United States Agency for International Development (USAID) Regional Development Objectives Grant Agreement-RDOAG*
- ii. *African Development Bank (AfDB)-KOAFEC TRUST*
- iii. *Centre for International Private Enterprise (CIPE)*
- iv. *Bill and Melinda Gates Foundation*
- v. *Private Sector*

3.4 Human Resource and Administration And Governance

CBC recruited an Administrative and Resources Officer in September 2018. The recruitment is in line with the adopted CBC 2018-2022 Strategy and fills the void that has been there regarding the administrative and resources support services for the institution.

3.5 Consolidated Financial Report 2018

This Financial/management report covers the period from 1st January to 31 October 2018. CBC funding sources come from five core partners; the private sector, USAID – RDOAG, Centre for International Private Enterprise, AFDB- KOAFEC and the Bill and Melinda Gates Foundation Project which was signed on 7th November 2018.

Therefore, the following consolidated statements have been included to show the financial performance and financial position of the CBC funds. This report will cover the following;

1.FUNDS AVAILABILITY STATEMENT- 2018

PROJECT NAME	PROJECT DURATION		APPROVED FUNDS	BALANCE AS AT 31st October
	START	END		
CBC - Private Sector	01/01/2018	31/12/2018	203,500	137,545
USAID - ILL 11	10/01/2016	31/03/2018	187,361	152,971
USAID-RDOAG COMSEC RESERVE	04/01/2018	31/08/2018	119,840	17,658
USAID - RDOAG	09/01/2018	31/08/2019	437,110	415,110
CIPE	06/01/2018	31/05/2019	82,952	40,014
AFDB - KOAFEC	11/01/2016	31/08/2019	150,000	79,825
BILL AND MELINDA GATES FOUNDATION PROJET	07/11/2018	06/10/2020	1,499,807	1,499,807
Total			2,680,570	2,342,930

The Statement above shows the funds/project portfolio of the COMESA Business Council for 2018.

As at 31st October 2018, the USAID – ILL 11 has a nil balance because the implementation letter was closed on 31st March 2018. USAID – RDOAG Program began from 1st April 2018 and was in a period of transition from one project scheme to another for a period of six months. RDOAG officially began implementation on the 1st September 2018. CIPE is a one year project implemented in four countries as part of a pilot phase implementation. Bill and Melinda Gates foundation grant will begin implementation as at 27th November, 2018.

COMESA Business Council planned to raise US\$151,000 from its members and business services. Despite the delay in signing the new USAID – RDOAG program, CBC still managed to raise US\$159,607 while US\$61,000 will be received between November and December 2018.

3.6 CBC Results Based Framework Performance - 2018

Strategy 2018-22 indicators			Short term targets	Achieved	Comments
			2018		
Impacts	2	Increased COMESA exports			
	1	Increased intra-regional trade			
Outcomes	1.1	Improved Business and Policy Environment - no of positions adopted	3	3	Positions on Digital Services, Travel retail, Seed and Tobacco adopted by the policy organs
	1.2	Reduction in NTBs / Constraints to Business - no of policies adapted	1		
	1.3	Number of policies adopted at COMESA level through CBC intervention	3	3	Positions on Digital Services, Travel retail, Seed and Tobacco adopted by the policy organs
	1.4	NTBs addressed at policy organ level	-		
Intermediate results	1.5	Policy Bills drafted	1		None
	1.6	Position Papers Developed	3	3	Professional services, Tobacco and Digital Services
	1.7	Joint advocacy programs with NFPs/ members	3	5	<ul style="list-style-type: none"> ◆ 2 National Business Dialogues ◆ 3 Anti-Corruption Training convened working together with NFPs
	1.8	Flagships products disseminated	2	1	1- CBC Business Integrity Project
BUSINESS FACILITATION SERVICES					
Outcomes	2.1	Increased market linkages	20		n/a
	2.2	Increased number of companies participating in regional trade	100		n/a
	2.3	Number of companies using BIZNET	1,000		Ongoing- collected data of 1500 companies from Egypt and Sudan
	2.4	BFS Revenue for CBC - US\$	100,000		25,000 US\$ sponsorship
	2.5	Number of business partnerships made	50		20 – exhibitors met at the COMESA CONNECT industry dialogue

Strategy 2018-22 indicators			Short term targets	Achieved	Comments
			2018		
Intermediate results	2.6	Number of exhibitions and fairs conducted	3	1	A mini exhibition held on the side of the COMESA Connect Industry Dialogue
	2.7	Market surveys made	2	1	Tobacco study report on socio-economic and environmental impact of farming sector on Supply chain for Africa
	2.8	Supply chain mapping conducted	6		2 Supply chain- Egypt and Sudan
	2.9	Number of businesses identified for linkages and partnerships	100	40	25 companies submitted for partnerships at the Impact Capital Africa Summit held in Zambia. COMESA Hydropower meeting- 15 energy companies invited.
MEMBERSHIP DEVELOPMENT					
Outcomes	3.10	Improved business participation in trade	20		
	3.11	Increased influence by private sector at national and regional level	20%	5%	<ul style="list-style-type: none"> ◆ 2 National business dialogues, 3 regional business dialogues, 3 national training workshops. ◆ Three regional positions adopted by Council
	3.12	Number of NFPs with regional integration officers presence at a national level	50%	0	none
	3.13	Buyer-seller agreements	10		none
Intermediate results	3.14	Business received technical capacity training	200	210	<ul style="list-style-type: none"> ◆ 160 businesses trained on ACC. ◆ 50 businesses trained on HACCP and standards as part of Egypt National Business Dialogue
	3.15	Advocacy trainings for associations completed	1	1	To be carried out as part of the AGM
	3.16	Number of members	50	32	Limited budget for membership drives
INSTITUTIONAL DEVELOPMENT					
Outcomes	4.1	CBC recognized as a Center of Excellence for Business Advocacy and Facilitation Services (% of members surveyed)	30%		Survey to be carried out at year end
Intermediate results	4.2	Improved sustainability of CBC: Internally generated funds as a share of core costs (membership fees and services)	10.0%	20%	As at December 31st 2018 , committed funds of \$61,000 shall be collected, bringing revenue 220,000\$ in 2018, in comparison to 183,000\$ in 2017.
	4.3	Business Facilitation Revenue - US\$ annual	100,000	25,000	Delayed budget release for flagship activities
	4.4	Number of members	50	32	Limited budget for membership drives
	4.5	Share of staffing plan filled (%)	20%	5 new staff	To be recruited in first quarter of 2019

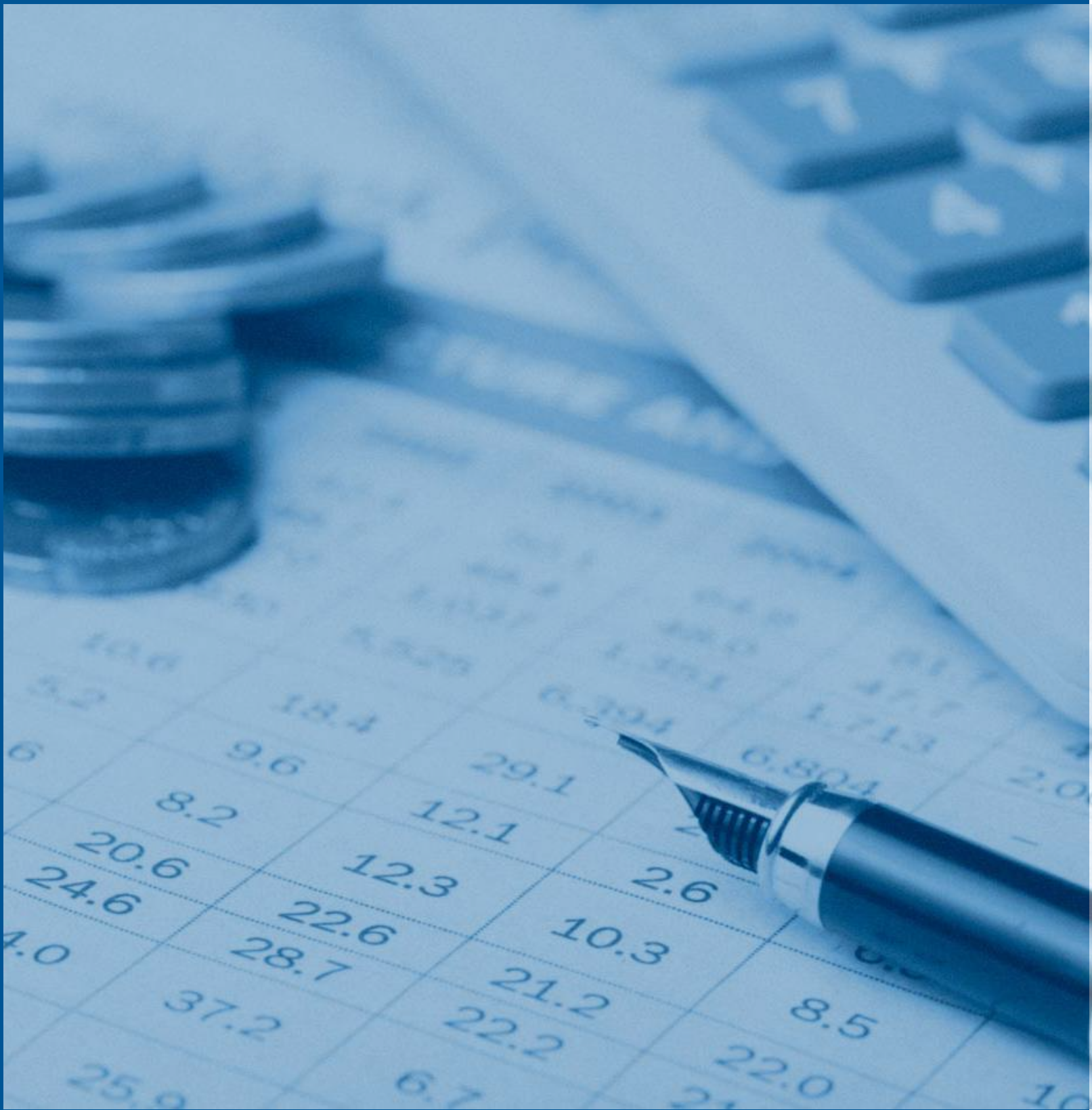
4. LOOKING AHEAD- 2019 CALENDAR OF ACTIVITIES

ACTIVITY	RESULTS	TIMELINE
<i>BIZNET- PHASE 2:</i> 1. <i>Expand the current database/ BIZNET portal to accommodate two new countries, add national data collected into the portal, and develop an income-generating tool as part of the portal.</i>	BIZNET market hub expanded, advocacy services provided, and web expanded to two more countries	January- February 2019
2. <i>Provide training in two countries showing cross border trading partnerships, on compliance to purchasing and standards requirements of buyers in horticulture</i>	50 SMEs trained in compliance to purchasing and standards requirements in Zimbabwe	January to April 2019
	50 SMEs trained in in compliance to purchasing and standards requirements in second country	
3. <i>Carry out one buyer seller platform in two countries to facilitate business linkages in regional supply chains</i>	Buyer - Seller platform established in Zimbabwe in which at least 50 SMEs participate	April to August 2019
	Buyer - Seller platform established in second country in which at least 50 SMEs participate	
4. <i>Develop Annual regional sectoral Handbook to inform business venture decisions in COMESA region</i>	Regional manufacturer's handbook - Source21	January-April 2019
5. <i>Organize an annual – "Taste for Africa" – trade fair to promote the various sectors in the region</i>	One Regional Source 21 COMESA International Trade fair conducted	April- May 2019
6. <i>Conduct an Annual National Business Seminar on Regional Trade Facilitation for dialogue</i>	One National position paper on regional trade facilitation adopted	June 2019
7. <i>Carry out four stakeholder or partnership meetings</i>	Meetings with partners	January-August 2019
8. <i>Develop a Business Trader Index(BTI)</i>	COMESA BTI developed and approved	January – April 2019
9. <i>Develop one evidence-based position paper to inform policy, regulatory reform in pharmaceuticals.</i>	CBC pharmaceutical manufacturing policy paper developed and approved	April- June 2019
10. <i>Hold the COMESA Tourism Forum</i>	Develop transboundary linkages between operators in the region	December 2019
11. <i>Hold the Annual General Meeting and Board Meetings</i>	CBC Policies ratified in Annual General and Board Meetings	November - December 2019
12. <i>CBC Business Integrity Project - Anti Corruption Compliance Training for Enterprises - Zambia Training</i>	Training of 50 enterprises on Anti-corruption compliance for enterprises.	February 2019
13. <i>CBC Business Integrity Project - Anti Corruption Compliance Training for Enterprises - Development of Regional Code</i>	Regional Code on Anti - Corruption Compliance developed and adopted	March- April 2019
14. <i>SME Financial Inclusion Plan - Business Case Study</i>	Business Case Report developed	January-September 2019
15. <i>COMESA Common Payment Policy; Draft Regional policy and implementation framework on the common payment services scheme for MSMEs</i>	Regional policy and implementation framework drafted	October- November 2019
16. <i>Hold a regional private sector consultative meeting on validation of the business report</i>	Business Report adopted, and policy reviewed by private sector stakeholders	September 2019
17. <i>Hold a regional high-level public- private dialogue on validation and adoption of the draft policy and implementation framework;</i>	COMESA Common Payment Policy adopted	November 2019



COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA) BUSINESS COUNCIL

ANNUAL REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018



10.8	18.4	29.1	6.804	1.713	2.0
8.2	9.6	12.1	2.6	-	-
6	8.2	12.3	10.3	8.5	10
20.6	22.6	21.2	22.0		
24.6	28.7	22.2			
4.0	37.2	6.7			
25.9					

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**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**CORPORATE INFORMATION
FOR THE YEAR ENDED 31 DECEMBER 2018**

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

Auditors

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

**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**ACRONYMS AND ABBREVIATIONS
FOR THE YEAR ENDED 31 DECEMBER 2018**

AfDB	Africa Development Bank
AFDB - KOAFEC	African Development Bank (AFDB)-KOAFEC 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)

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA) BUSINESS COUNCIL (CBC)

MANAGEMENT REPORT FOR THE YEAR ENDED 31 DECEMBER 2018

Management submit their report together with the audited financial statements for the year ended 31 December 2018, 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 the 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 is 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 other organs of the Common Market. 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).

2 INCREASED VOICE OF THE PRIVATE SECTOR IN POLICY MAKING PROCESSES

In 2018, CBC has focused on strategic advocacy to bring to center stage the key business position to the policy makers for reform. The year saw the launch of the Business Integrity Project in partnership with CIPE, the CBC Business Integrity Project focusing on building the capacity of the private sector to curb corruption and enhance their participation in transparency and reform initiatives thereby achieve a good and enabling business environment. 160 businesses have been trained under this program.

CBC is currently developing a regional compliance code for enterprises. In the agriculture sector, CBC also commenced a study focusing on quantifying the social, economic and environmental impact of tobacco farming in Southern and East African countries, so to inform industry on regional positions of this sector within international negotiations. CBC has also trained 250 Companies on food safety management and business operations.

**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**MANAGEMENT REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

**2 INCREASED VOICE OF THE PRIVATE SECTOR IN POLICY MAKING PROCESSES
(CONTINUED)**

CBC activities have been implemented in 10 out of 19 countries in COMESA through a number of regional and national dialogues, workgroup sessions and training workshops. 3 regional high-level public- private dialogue were held on Digital services, Agriculture and Digital finance for businesses. 3 national business dialogues were held to strengthen public- private consultation on key contentious barriers to business. 4 position papers were adopted at the COMESA policy organs meetings on Digital Services, Travel retail, Seed and Tobacco production.

3 INSTITUTIONAL STRENGTHENING

CBC has increased its staff base. While we recognize this growth, it is pertinent to note that consistent membership payments at the right time is needed to ensure that we meet our financial obligations and operational expenditures as a secretariat. It is hoped that the CBC Strategy 2018- 2021 will guide on more sustainable and innovative approaches to grow, maintain and sustain our relevance to our membership.

This year's Annual General Assembly elected a new Board of Directors who will continue to guide the institution for the next two years (2018 – 2020). The new Board consists of Presidents of Associations from Mauritius, Sudan, Kenya, Rwanda, Ethiopia, Seychelles, Zimbabwe, Malawi and Egypt. Through their mandate, we foresee a more ambitious agenda to ensure the efficiency, effectiveness and sustainability of the CBC.

4 RESOURCE MOBILIZATION

The COMESA Business Council (CBC) generates incomes from the private sector, primarily through memberships, business advisory services, consultancies, trade promotion activities and projects. CBC core (operations) funds have grown from \$3,000 in 2011 to \$676,164 in 2018. From January 2011 to December 2018 CBC private sector core account has received cumulatively \$676,164.

In addition to private sector funding the institution is also involved in implementing other activities which are funded by United States Agency for International Development (USAID), African Development Bank (AfDB), International Trade Center (ITC), Centre for International Private Enterprise (CIPE) and Bill and Melinda Gates Foundation(BMGF). The BMGF project was only approved at the end of 2018 and will be implemented in 2019 and 2020. The Funds from AfDB – KOAFEC, CIPE and BMGF are maintained in separate bank accounts respectively. From January 2011 to December 2018, CBC has received a total of US\$5,366,880 from its development partners.

In 2018, our consolidated financial position as indicated on appendix I of page 19 shows that a total of \$2,644,240 was expected to be realized during the period, however, \$1,545,862 was disbursed. Of the total amount disbursed, \$1,055,549 related to BMGF which was received at the end of financial year 2018 and \$428,666 was expenditure incurred during the period under review. This leaves a receivable balance of \$1,098,378 as at 31 December 2018.

These financial statements focus on the external audit of the consolidated portfolio of the CBC core account and the projects. All information accounted for in these financial statement are true and verifiable through the CBC Board of Directors and Management.

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.

**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**MANAGEMENT REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

5 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 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 2018, project funds have supported the following activities; training of 200 enterprises in four COMESA countries namely Ethiopia, Mauritius, Rwanda, and Zambia, development of two country reports (Rwanda and Ethiopia) managed through the Project account and project administrative support funds directly channelled to CBC account.

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\$1,499,807.00 This project began in November 2018 and will end in October 2020. By the 10th of December the initial project funding of US \$1,055,549 was received by the CBC from the partner, into own project dedicated account. Project funds were not utilised by the end of December 2018.

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\$150,000.00. In July 2017, US\$ 68,975.00 was received by the CBC. In 2018, project funds have supported the following activities; consultancies, validation works and project management costs.

iv) USAID RDOAG

CBC is one of the beneficiaries of the project support from USAID Regional Development Objectives Grant Agreement (RDOAG) with COMESA. The support focuses on several activities with a focus on addressing and implementing a broad range of strategies that tackle barriers to business competitiveness integration and support the participation of businesses and Small and Medium Enterprises (SMEs) in industrialization. The Agreement spans over a period of three years from 2018-2021. The annual financial year of the said project runs from September 1 2018 to August, 31, 2019. In 2018, a total amount of US\$88,540 was received for the activities out of the approved annual budget of US\$437,110.00.

6 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.

7 FUTURE DEVELOPMENT

The year 2018 saw CBC adopting its strategic direction for the next five years through a new Strategic Plan 2018–2022, whereby CBC seeks to strengthen the capacity of industry to become global market players through core business services. Therefore, the General Assembly adopted the running institution’s vision “Building Regional, Going Global” . The focus going forward is to facilitate the growth of businesses that can become active players within the COMESA, Tripartite and continental markets.

**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**MANAGEMENT REPORT
FOR THE YEAR ENDED 31 DECEMBER 2018**

8 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.

9 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 EXECUTIVE COMMITTEE

Name	Role	Nationality
Mr.Marday Venketasamy	Chairperson	Mauritian
Dr.Khalid Magboul	1 st Vice Chairperson	Sudanese
Mr. Sachen Gudka	2 nd Vice Chairperson	Kenyan
Mr. Tamuka Mucheka	Board Member	Zimbabwean
Eng.Melaku Ezezew	Board Member	Ethiopian
Oliver Bastienne	Board Member	Seychelles
Mr. Robert Bafakulera	Board Member	Rwandan
Mr.Prince Kapondamgaga	Board Member	Malawian
Dr.Amany Asfour	Immediate Past Chairperson	Egyptian
Sandra Uwera	Board Secretary	Rwandan

(b) MANAGEMENT TEAM

Name	Position	Nationality
Sandra Uwera	Chief Executive Officer	Rwandan

10 AUDITORS

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 2019 will be put to the Board of Directors' Meeting.

Signed on behalf of Management

Chief Executive Officer

Date

**COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA
(COMESA) BUSINESS COUNCIL (CBC)**

**STATEMENT OF RESPONSIBILITY IN PREPARATION OF FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

Directors are responsible for the preparation and fair presentation of the COMESA Business Council for the year ended 31 December 2018, comprising the statements of financial position as at 31 December 2018, statements of 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 11 to 17 and comprise:

- the statements of income and expenditure for the year then ended;
- the statements of financial position as at 31 December 2018;
- Statement of changes in accumulated funds for the year then ended;
- the statements 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' Code of Ethics for Professional Accountants (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.

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.

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T: +260 (211) 334000, F: +260(211) 256474, www.pwc.com/zm

A list of Partners is available from the address above

Report on the audit of the financial statements (continued)

Other information (continued)

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.
- 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.



Report on the audit of the financial statements (continued)

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

- 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

_____ 2019

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

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT OF INCOME AND EXPENDITURE

	Notes	Year ended 31 Dec 2018 USD	Year ended 31 Dec 2017 USD
Income			
Income recognised during the year	3	1,291,472	271,978
Expenditure			
Staff costs	4	(90,353)	(111,206)
Travel expenses	4	(38,355)	(18,040)
Administration and logistics	4	(11,596)	(30,804)
Audit fees	4	-	(9,885)
Meeting costs	4	(63,251)	(20,975)
		(203,555)	(190,910)
Surplus/(deficit) for the year		1,087,917	81,068

The notes on pages 15 to 17 are an integral part of these financial statements

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT OF FINANCIAL POSITION

	Notes	As at 31 Dec 2018 USD	As at 31 Dec 2017 USD
Assets			
Accounts receivables	5	31,967	20,611
Cash and cash equivalents	6	1,175,173	104,904
		<u>1,207,140</u>	<u>125,515</u>
Accumulated funds and liabilities			
Accumulated funds			
Accumulated funds		<u>1,199,055</u>	<u>111,139</u>
Current liabilities			
Accounts payables	7	<u>8,085</u>	<u>14,376</u>
Total accumulated funds and liabilities		<u>1,207,140</u>	<u>125,515</u>

The financial statements on pages 11 to 17 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 15 to 17 are an integral part of these financial statements.

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT OF CHANGES IN ACCUMULATED FUNDS

	Accumulated funds
	USD
Year ended 31 December 2017	
At start of the year	30,071
Surplus in the year	<u>81,068</u>
Balance as at 31 December 2017	<u><u>111,139</u></u>
Year ended 31 December 2018	
At start of the year	111,139
Surplus in the year	<u>1,087,917</u>
Balance as at 31 December 2018	<u><u>1,199,056</u></u>

The notes on pages 15 to 17 are an integral part of these financial statements.

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

STATEMENT OF CASH FLOWS

	Notes	Year ended 31 Dec 2018 USD	Year ended 31 Dec 2017 USD
Cash flows from operating activities			
Surplus for the year		1,087,916	81,068
<i>Changes in working capital:-</i>			
-Accounts receivables		(11,356)	1,903
- Accounts payables		(6,291)	(1,042)
-Amounts due to related parties		<u>-</u>	<u>(51,350)</u>
Net cash generated from operating activities		<u>1,070,269</u>	<u>30,579</u>
Net increase in cash and cash equivalents		1,070,269	30,579
Cash and cash equivalents at beginning of the year		<u>104,904</u>	<u>74,325</u>
Cash and cash equivalents at the end of the year	6	<u><u>1,175,173</u></u>	<u><u>104,904</u></u>

The notes on pages 15 to 17 are an integral part of these financial statements.

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2018

NOTES TO THE 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 financial rules and regulations.

(b) Functional and presentational currency

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

(c) Accounts receivables

Accounts receivables consist of 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.

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTES TO THE FINANCIAL STATEMENTS

2 Significant accounting policies(continued)

(g) Expenditure

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 is 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 2018	Year ended 31 Dec 2017
	USD	USD
CBC - Members contributions	55,250	157,000
CBC - Other income*	120,850	46,003
AFDB – KOAFEC	-	68,975
CBC – BMGF	1,055,549	-
CBC - CIPE	59,823	-
	<u>1,291,472</u>	<u>271,978</u>

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

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

**APPENDICES
FOR THE YEAR ENDED 31 DECEMBER 2018**

NOTES TO THE FINANCIAL STATEMENTS

4 Expenditure

	CBC USD	AFDB- KOAFEC USD	CIPE- PROJECT USD	Totals USD
For year ended 31 December 2017				
Staff costs	111,206	-	-	111,206
Travel expenses	3,295	14,745	-	18,040
Administrative and logistics	9,574	21,230	-	30,804
Audit fees	9,885	-	-	9,885
Meeting costs	-	20,975	-	20,975
	<u>133,960</u>	<u>56,950</u>	<u>-</u>	<u>190,910</u>
For year ended 31 December 2018				
Staff costs	90,353	-	-	90,353
Travel expenses	26,432	8,087	3,836	38,355
Administrative and logistics	6,058	3,938	1,600	11,596
Audit fees	-	-	-	-
Meeting costs	25,447	-	37,804	63,251
	<u>148,290</u>	<u>12,025</u>	<u>43,240</u>	<u>203,555</u>

5 Accounts receivables

	As at 31 Dec 2018 USD	As at 31 Dec 2017 USD
Accrued income from members	30,601	20,368
Salary advance	-	150
Imprest	1,366	93
	<u>31,967</u>	<u>20,611</u>

6 Cash and cash equivalents

CBC-Standard chartered bank – USD account	103,042	92,879
AFDB - KOAFEC Barclays bank – USD account	-	12,025
CIPE - Project	16,583	-
CBC – BMGF Project	1,055,549	-
	<u>1,175,173</u>	<u>104,904</u>

7 Accounts payables

Audit fees	8,085	11,685
Advance fees-Tobacco Institute of South Africa	-	2,198
MTN Zambia	-	493
	<u>8,085</u>	<u>14,376</u>

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

APPENDICES
FOR THE YEAR ENDED 31 DECEMBER 2018

Appendix I Grants from different partners

	Receivable as at 1 Jan 2018	Disbursed during the year ended 31 Dec 2018	Expenditure incurred in the year ended 31 Dec 2018	Receivable as at 31 Dec 2018
	USD	USD	USD	USD
CBC	225,320	193,353	(148,289)	31,967
AfDB – KOAFEC	91,850	12,025	(12,025)	79,825
CIPE Project	82,952	59,823	(43,240)	23,129
CBC - BMGF	1,499,807	1,055,549	-	444,258
Total for partner projects being implemented by CBC	1,899,929	1,320,750	(203,554)	579,179
USAID - ILL 11	187,361	34,390	(34,390)	152,971
COMESA Secretariat Reserve	119,840	102,182	(102,182)	17,658
USAID-RDOAG	437,110	88,540	(88,540)	348,570
*Total for partner projects being implemented by CBC, administered by COMESA Secretariat	744,311	225,112	(225,112)	519,199
Overall totals	2,644,240	1,545,862	(428,666)	1,098,378

*COMESA Secretariat signed a new grant agreement with USAID-RDOAG respectively, to implement three core program areas namely Standards, Livestock, Seed and Business Linkages. The Business linkages program is implemented by the CBC for a period of three years. (2018-2022).

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)

COMESA BUSINESS COUNCIL (CBC)

APPENDICES
FOR THE YEAR ENDED 31 DECEMBER 2018

Appendix II: CIPE Fund Accountability Statement

	2018
	USD
Grant financing agreement	82,952
Less: Cash draw-down to date	<u>59,823</u>
Available	<u>23,129</u>
 Assets: Analysis of cash received from CIPE as at 31 Dec 2018.	
Cash at Bank, as at 31-Dec 2018	16,583
Expenditure recognised to-date	<u>43,240</u>
	59,823
 Less: Amounts payable to third parties	-
Add: Amounts receivable from third parties	-
Add: Capitalised assets	-
CIPE Change Cash advance	<u>59,823</u>
 Liabilities: Analysis of liabilities as at 31 Dec 2018	
General ledger - fund, as at 31 Dec 2018	59,823
Less: Capitalised assets	-
General ledger - income recognised to-date	<u>(43,240)</u>
CIPE Fund to-date	<u>16,583</u>

COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)**COMESA BUSINESS COUNCIL (CBC)****APPENDICES
FOR THE YEAR ENDED 31 DECEMBER 2018****Appendix III: Fixed Assets**

Asset description	Year of purchase	Cost USD)
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	<u>4,476</u>
Sub total		<u>15,931</u>
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
Kyocera Eco sys FS - 2100 DN Printer	22/11/2017	<u>550</u>
Sub total		<u>6,597</u>
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	<u>607</u>
Sub total		<u>3,911</u>
Grand total*		<u><u>26,439</u></u>

*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.

CBC FINANCIAL STATEMENTS FOR THE YEAR ENDING 31ST DECEMBER 2017.



Common Market for Eastern and Southern Africa (COMESA) - Business Council

Financial statement

for the year ended 31 December 2017

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**Corporate information
for the year ended 31 December 2017**

Executive Committee:

Dr. Amany Asfour	-	Chairperson
Dr. Azim Currimjee	-	1 st Vice Chairperson
Ms. Flora Mutahi	-	2 nd Vice Chairperson
Mr. Solomon Afework	-	Board Member
Mr. Dora Camille Ernesta	-	Board Member
Mrs. Roseta Mwape – Chabala	-	Board Member
Ms. Amna Mohamed Ibrahim El Nour	-	Board Member
Mr. Benjamin Gasamagera	-	Board Member
Mr. Karl Chokocho	-	Immediate Past Chairperson

Chief Executive Officer:

Ms. Sandra Uwera

Registered Office

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

Auditors

KPMG Chartered Accountants
6th floor, Sunshare Towers;
Cnr Lubasenshi/Katima Mulilo Roads,
Olympia Park,
P.O. Box 31282;
Lusaka, Zambia

Legal Advisors

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

Chief Executive Officer's report for the year ended 31 December 2017

The year 2017, has seen great milestones in the progress of the CBC as a growing and dynamic institution. We have continued to implement our demand driven services, aligned to the COMESA agenda of strengthened regional integration and increased intra- Africa trade.

On Increased Voice of the Private Sector in policy making processes, we have continued advocacy on the development of framework to facilitate the movement of business person; COMESA Business Visa. I am glad to share that the proposed instrument has now been developed and adopted.

In June 2017, the CBC- ICT Business Services workgroup was formed, composed of the stakeholders and regulators in the ICT Business services industries. Key on the agenda of advocacy are regulatory challenges related to access, innovation and data protection. In the same year, we launched the COMESA IP Hub as an online awareness platform for businesses to understand Intellectual property as a tool to protect innovation.

On enterprise development, the past year has seen the implementation of the Local Sourcing Project, born out of the recommendation to promote SME development through creation of sustainable partnerships has successfully trained more than 530 SMEs from Zambia, Kenya, Uganda, Rwanda, Malawi and Ethiopia. We have signed 13 Agreements with companies who have supported the project and as a result, 11 contracts have been secured between buyers and suppliers in the region.

It is within such a background that during the 11th COMESA Business Forum held in Madagascar, Companies from all over Africa were brought together to engage in possible partnerships at firm level. During the same occasion, the 36th Council of Ministers Meeting provided a platform for the Local Sourcing Recognition Awards which were given to the 13 corporates who have supported the project.

On Institutional Strengthening, the CBC staff base has grown to 8 staff members. While I recognize this growth, it is pertinent to note that consistent membership payments at the right time is needed to ensure that we meet our financial obligations and operational expenditures as a secretariat. It is hoped that the CBC Strategy 2017- 2021 will guide on more sustainable and innovative approaches to grow, maintain and sustain our relevance to our membership.

This year's Annual General Assembly, elected a new Board of Directors who shall continue to guide the institution for the next two years- 2017- 2018. The new Board are Presidents of Associations from Egypt, Mauritius, Kenya, Rwanda, Ethiopia, Sudan, Zambia and Malawi. The Board also appointed a member of the Board as an expert- Microsoft4Afrika, to oversee the ICT workgroup progress over the next two years. Through their mandate, we foresee a more ambitious agenda to ensure the efficiency, effectiveness and sustainability of the CBC.

Financial Resource Mobilization: In addition to private sector funding the Institution is also involved in implementing other activities which are funded by United States Agency for International Development- (USAID), African Development Bank – AfDB and Investment Climate Facility for Africa- ICF. More recently the CBC has an approved grant from the African Development Bank- KOAFEC fund to be implemented in 2017. The Funds from these partners are maintained in separate bank accounts respectively and are managed and audited separately.

**Chief Executive Officer's report (*continued*)
for the year ended 31 December 2017**

In 2017, our consolidated financial position as indicated on appendix I of page 16 show that a total of US\$1,048,871 was expected to be realized, however, US\$738,165 was disbursed while US\$677,465 was expenditure during the period under review. This left a receivable balance of US\$322,731 as at 31st December 2017.

This financial statement focuses on the external audit of the consolidated portfolio of the CBC core account and the projects. All information accounted for in this statement are true and verifiable through the CBC Board of Directors and Management.

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 six years. CBC continues to strengthen its regional presence in COMESA.

Ms. Sandra Uwera
Chief Executive Officer

Date: 31st May, 2019.

Statement of Director's responsibilities in respect of the preparation of the financial statements for the year ended 31 December 2017

In accordance with the COMESA financial rules and regulations, the directors are responsible for the preparation of financial statements that give a true and fair view of the financial statements of COMESA - Business Council, comprising the statement of financial position as at 31 December 2017, statement of income and expenditure, statement of changes in accumulated funds and statement of 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, and the requirements of the COMESA financial rules and regulations.

The directors are also responsible for such internal control 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 the financial statements.

The 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 Institution will not be a going concern in the year ahead.

The auditor is responsible for reporting on whether the financial statements give a true and fair view in accordance with applicable frame work, as described above.

Approval of the financial statements

The financial statements of COMESA Business Council, as identified in the first paragraph, were approved by the directors on ...31 May 2019..... and are signed by:

Mr. Marday Venketasamy

Mr. Oliver Bastienne

CBC Chairperson

Chairperson- CBC Risk and audit Committee



KPMG Chartered Accountants
6th Floor Sunshare Towers,
Coner Lubansenshi/ Katima Mulilo Roads,
Olympia Park,
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Lusaka Zambia

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Website

+260 2 11372900
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Lusaka Zambia

Independent auditor's report

To the members of COMESA-Business Council

Report on the audit of the financial statements

Opinion

We have audited the financial statements of COMESA - Business Council ("the Council"), as set out on pages 8 to 15 which comprise the statement of financial position as at 31 December 2017, the statement of income and expenditure, statement of changes in accumulated funds and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements give a true and fair view of the financial position of COMESA - Business Council as at 31 December 2017 and its financial performance and its cash flows for the year then ended in accordance with the basis of accounting described in note 2, and the requirements of the COMESA financial rules and Regulation.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditors' Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Council in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Basis of Accounting and Restriction of Use and Distribution

We draw attention to note 2 to the financial statements, which describes the basis of accounting. The financial statements are prepared to assist the institution to comply with the financial reporting requirements referred to above. As a result, the financial statements may not be suitable for another purpose. Our report is intended solely for COMESA- Business Council and should not be used by or distributed to parties other than the institution. Our opinion is not modified in respect of this matter.

Other information

The directors are responsible for the other information. The other information comprises the Chief Executive Officer's Report, the Director's statement of responsibility in respect of the preparation of financial statements and supplementary information set out on page 16 and 17. The other information does not include the financial statements and opinion thereon.

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



In connection with our audit of the financial statements, our responsibility is to read the other information 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, 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 the directors for the financial statements

The Directors are responsible for the financial statements that give a true and fair view in accordance with the basis of accounting described in note 2 and the requirements of the COMESA rules and regulations and for such internal control as the directors determine 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, the directors are responsible for assessing the 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 the directors either intend to liquidate the Council or to cease operations, or has no realistic alternative but to do so.

Auditors' 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 auditors' 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 judgment 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 Council's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's 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 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 auditors' 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 auditors' report. However, future events or conditions may cause the 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.

KPMG Chartered Accountants

20/06/2019

Maaya Chipwayambokoma

AUD/F000861

Partner signing on behalf of the Firm

Common Market for Eastern and Southern Africa (COMESA) - Business Council

Statement of financial position for the year ended 31 December 2017

<i>In USD</i>	<i>Notes</i>	2017	2016
Assets			
Receivables	6	20,611	22,514
Cash and cash equivalents	7	104,904	74,325
Total current assets		125,515	96,839
Accumulated funds and liabilities			
Accumulated			
Accumulated funds		111,139	30,071
Payables	8	14,376	15,418
Amounts due to related parties	9	-	51,350
Total current liabilities		14,376	66,768
Total accumulated funds and liabilities		125,515	96,839

The financial statements were approved by the directors on31 May... 2019 and signed by:

Mr. Marday Venketasamy

COMESA Business Council Chairperson

The notes on pages 12 to 15 are an integral part of these financial statements.

Common Market for Eastern and Southern Africa (COMESA) - Business Council

Statement of income and expenditure for the year ended 31 December 2017

<i>In USD</i>	<i>Notes</i>	2017	2016
Income			
Members and partner Contribution	5(a)	271,978	61,700
Total income		271,978	61,700
Expenditure			
Staff costs	5(b)	(111,206)	(93,900)
Travel expenses	5(b)	(18,040)	-
Administration and logistics	5(b)	(30,804)	(783)
Audit fees	5(b)	(9,885)	(3,000)
Meeting costs	5(b)	(20,975)	-
Total expenditure		(190,910)	(97,683)
Surplus/(deficit) of income over expenditure for the year		81,068	(35,983)

The notes on pages 12 to 15 are an integral part of these financial statements.

Statement of changes in accumulated funds
for the year ended 31 December 2017

In USD

	Accumulated funds
Balance as at 1 January 2016	66,054
Deficit of income over expenditure for the year	(35,983)
Balance as at 31 December 2016	30,071
Balance as at 1 January 2017	30,071
Surplus of income over expenditure for the year	81,068
Balance as at 31 December 2017	111,139

Accumulated funds

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

The notes on pages 12 to 15 are an integral part of these financial statements.

Statement of cash flows
for the year ended 31 December 2017

<i>In USD</i>	<i>Notes</i>	2017	2016
Cash flows from operating activities			
Surplus/ (deficit) of income over expenditure for the year		81,068	(35,983)
Changes in:-			
- Receivables		1,903	(19,424)
- Payables		(1,042)	12,268
- Amounts due to related parties		(51,350)	51,350
Net cash generated from operating activities		30,579	8,211
Net increase in cash and cash equivalents		30,579	8,211
Cash and cash equivalents at beginning of the year		74,325	66,114
Cash and cash equivalents at the end of the year	7	104,904	74,325

The notes on pages 12 to 15 are an integral part of these financial statements.

Notes to the financial statements
for the year ended 31 December 2017

In USD

1. Principal Activities

The COMESA Business Council is a member based private sector institution of the Common Market for Eastern and Southern Africa. It was established to play the key role of a key platform for Policy advocacy, Business advisory and Capacity Building, Research and Information and Networking in the development and progress of the private sector in their respective economies in the COMESA Region.

2. Basis of preparation and policies

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

Details of the Institution's accounting policies are included in note 13.

3. Functional and presentation currency

These financial statements are presented in United States Dollar (USD) as required by financial rules and Regulations of the COMESA Business Council.

4. Use of estimates and judgements

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

5 (a) Income

	2017	2016
CBC - Members contributions	157,000	32,000
CBC - Other income	46,003	29,700
AFDB – KOAFEC	68,975	-
	271,978	61,700

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

(b) Expenditure	CBC	AFDB KOAFEC	2017	2016
Staff Costs	111,206	-	111,206	93,900
Travel expenses	3,295	14,745	18,140	-
Administrative and logistics	9,574	21,230	30,804	783
Audit fees	9,885	-	9,885	3,000
Meeting costs	-	20,975	20,975	-
Total expenses	133,960	56,950	190,910	97,683

Notes to the financial statements (continued)
for the year ended 31 December 2017

In USD

6 Receivables

	2017	2016
Accrued income from members	20,368	2,215
Salary advance	150	60
USAID project	-	20,209
Imprest	93	30
Total Receivables	20,611	22,514

7 Cash and cash equivalents

CBC - Standard chartered bank – USD Account	92,879	74,325
AFDB – KOAFEC Barclays bank – USD Account	12,025	-
	104,904	74,325

8 Payables

Audit fees	11,685	6,000
Local sourcing partnership	-	9,418
Advance income from Tobacco Institute of South Africa	2,198	-
MTN Zambia	493	-
	14,376	15,418

9 Related party transactions

Amounts due to related parties

COMESA Secretariat	-	51,350
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The amount due to Comesa Secretariat relates to inter project transfers received to facilitate implementation of USAID funded projects.

10 Capital commitments

There were no material capital commitments at 31 December 2017 (31 December 2016: nil).

11 Contingent liabilities

There were no material contingent liabilities at 31 December 2017(2016:Nil).

12 Subsequent events

There were no events subsequent to the reporting date that require disclosure or adjustment to these financial statements.

Notes to the financial statements (*continued*)
for the year ended 31 December 2017

13 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

Set out below is an index of significant accounting policies, the details of which are available on the pages that follow:

- (a) Income
- (b) Expenditure
- (c) Income tax
- (d) Financial instruments
- (e) Foreign currency
- (f) Fixed assets
- (g) Related party transactions

(a) Income

CBC Member's Contributions are recognised as income when members are invoiced while AFDB – KOAFEC income is recognised when cash is received and all attached conditions have been complied with.

(b) Expenditure

Institutional expenditure is only incurred based on the approved annual budget by the CBC Board of directors.

(c) Income tax

The Institution 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.

(d) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Cash and cash equivalents

Cash and cash equivalents are defined as cash on hand, demand deposits and short-term, highly liquid investments readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

Receivables

Receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Other receivables, which generally have 30 day terms, are recognised and carried at original invoice amount less an allowance for any uncollectible amounts as the effect of imputing interest is considered to be insignificant.

In relation to other receivables, a provision for impairment is made when there is objective evidence (such as significant financial difficulties of the debtor) that the Institution will not be able to collect all of the amounts due under the original terms of the invoice. The carrying amount of the receivable is reduced through use of an allowance account. Impaired debts are derecognised when they are assessed as uncollectible.

Notes to the financial statements *(continued)*
for the year ended 31 December 2017

13 Significant accounting policies *(continued)*

(d) Financial instruments *(continued)*

Financial assets *(continued)*

Financial liabilities

Payables

Payables are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.”

Derecognition of financial liabilities

The Institution derecognises financial liabilities when, and only when, the Institution’s obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in profit or loss.

(e) Foreign currency

In preparing the financial statements, transactions in currencies other than United States Dollars are recorded at the spot rates of exchange at the date the transaction first qualifies for recognition.

At each reporting date, both monetary and non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

There are no foreign exchange differences recognised in the income and expenditure statement.

(f) Fixed assets

The Institution expenses tangible fixed assets in the income and expenditure statement in the period of purchase. The financial statements do not reflect the carrying amounts of the tangible fixed assets at the end of the reporting period. However, the list of fixed assets are presented in the appendix II.

(g) Related party transactions

Related parties are defined as those parties that directly or indirectly through one or more intermediaries:

- (i) controls, is controlled by, or is under common control with, the entity; and
- (ii) has an interest in the entity that gives it significant influence over the entity.

**Appendix I – Grants from partners
for the year ended 31 December 2017**

Partner	Receivable Jan-17	Disbursed 2017	Expenditure 2017	Receivable Dec-17
CBC	203,003	182,635	(133,960)	20,368
USAID	609,968	428,830	(428,830)	181,138
AFDB –KOAPEC	150,000	68,975	(56,950)	93,050
AFDB – TCBP	85,900	57,725	(57,725)	28,175
TOTAL	1,048,871	738,165	(677,465)	322,731

COMESA Secretariat signed two grant agreements with USAID and AFDB – TCBP respectively to implement private sector activities under the COMESA Business Council. These projects both have pool accounts and are managed and audited separately.

The expenditure has been reviewed in accordance with the Financial Rules and Regulations of the COMESA Business Council.

in USD

Asset description	Year of purchase	Cost
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 HPMonitors	30/11/2015	4,476
Sub total		15,931
Office equipment		
7D DSLR Camera	25/01/2016	624
Epson EB-518 LCD projector	20/01/2016	1,723
Canon IR 2530I Photocopier	22/11/2016	3,700
Kyosera Ecosys FS - 2100 DN Printe	22/11/2016	550
Sub total		6,597
Furniture & fittings		
Executive desk	24/11/2016	1,432
Side table	24/11/2016	
Executive chair	24/11/2016	566
Round table	24/11/2016	371
Sub total		2,369
Grand total		24,897

The Institution expenses tangible fixed assets in the income and expenditure statement in the period of purchase. The 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.

Appendix II – Fixed Assets for the year ended 31 December 2017

in USD

Asset description	Year of purchase	Cost
IT equipment		
Hp Monitor and Laptop	4/12/2013	1,971
Hp Monitor	7/1/2014	191
HP laptop	7/1/2014	1,897
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Sub total		6,597
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Executive desk	24/11/2016	1,432
Side table	24/11/2016	
Executive chair	24/11/2016	566
Round table	24/11/2016	371
Sub total		2,369
Grand total		24,897

The Institution expenses tangible fixed assets in the income and expenditure statement in the period of purchase. The 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.



CBC MEMBERSHIP CATEGORIES

1 Principal Members	Private Sector national business association representing various sectors of national economies of member states and other corporate companies. The annual subscription fee is USD 2000
2 Honorary/ Corporate Members	National and multi-National corporate companies and other interest groups. The annual subscription fee is USD 5000
3 Associate Members	Eligible are national business associations, investment and Export promotion agency, trade support institutions, regional associations and other associations directly or indirectly related to private sector issues. The annual membership fee is USD 2500
4 Emerging Businesses	Business startups, Small and Medium Enterprise. The Annual membership fee is USD 1000.

MEMBERSHIP BENEFITS

1. Advocacy excellence in the region – influence decisions at the highest levels of policy decision makers in COMESA.
2. Regional brand recognition as a business through CBC
3. Market intelligence and analysis to inform trade, investment and joint venture decisions.
4. Increased partnerships in regional and global markets.
5. Business facilitation in regional and global markets through trade promotion, linkages and advisory services.
6. Industry collaboration through CBC memberships for efficiency and sustainability of enterprises and associations.

Sign up for CBC Membership today.

Download Membership form on
www.comesabusinesscouncil.org;
or contact CBC on
info@comesabusinesscouncil.org



 Email

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 Phone

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