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Prime Minister Tsvangirai Addresses COMESA Council of Ministers



“We cannot continue to produce what we do not consume and consume what we do not produce,” The Prime Minister said.

The Prime Minister of the Republic of Zimbabwe, the Right Honourable Morgan Tsvangirai says solidarity and unity of purpose will help the region realize meaningful benefits from several arrangements at the international level that have so far eluded the citizens.

He has therefore called on leaders to take firm decisions regarding the stalled WTO negotiations and provide leadership and direction for the remainder of the Economic Partnership Agreement (EPA) negotiations. He added that trade preferences alone are inadequate to address the development challenges that the region face. EPAs must, therefore, offer more than just trade preferences.

“The EPAs must induce increased economic activity and sustainable development for the region. We cannot continue to be sources of raw materials and commodities for industrial development in the north. We cannot continue to produce what we do not consume and consume what we do not produce,” The

Prime Minister said.

He revealed that the top priority for Zimbabwe will be the opportunities presented in the COMESA region because of the favourable trading terms and conditions developed by the organisation over the past decade.

Specifically, he said Zimbabwe looks forward to playing its part within the COMESA region. Currently, Zimbabwe is only utilizing less than 20% of its installed national capacity in all sectors and as it seeks to engineer its recovery and to restore utilization of its productive capacity, the country will be looking for opportunities elsewhere in the region.

The Right Honourable Tsvangirai was further gratified to note that Non Tariff Barriers to trade, which have the capacity to threaten the smooth flow of goods across the borders, are being reported and negotiated, through an NTB Monitoring and Reporting System that also covers SADC and EAC.

COMESA Business Forum and Exhibition Opens in Vic Falls

ALL is set for the COMESA business forum and exhibition that officially kicks off tomorrow 4th June 2009 in Victoria Falls Town in Zimbabwe. The exhibition stands are ready and 50 exhibitors are participating ahead of the launch of the customs union next week.

So far, Small to Medium Enterprises SME's are the first to set their stands in their own tent which will house 40 exhibitors.

Speaking in an interview at the business tent catering for big companies, the General Manager of the Zimbabwe International Trade Fair (ZITF) - the coordinators of the exhibition, Mr Daniel Chigaro said 50 were locals while five were foreign exhibitors.

"fifty-five local and regional exhibitors have arrived and I am glad to note that they have completed setting up their stands at the exhibition park. We are expecting two more companies from Zambia anytime now," he said.

Mr Chigaro said the launch of the customs union was

critical to the viability of exhibitors as the region will have a free trading area.

He said the exhibition was meant to enhance trade in the 19 states by bringing together exhibitors showcasing different products to be traded in the region. All sectors of the industry and commerce are represented as there are companies in the mining, tourism and manufacturing.

For Mrs Lorna Omari of Shona enterprises from Kenya, it was brisk business as her products mainly African designs and accessories that include sandals and African attire clothes were selling like hot cakes.

Mrs Siza Musekiwa of Bulawayo based Cootehill Investments said business was promising and already they had received a lot of inquiries about their products.

"We specialize in safari wear, promotional wear work and school wear. We have received a lot of inquiries and we want to tap in on the presence of COMESA delegates a bigger and better market within the duty free region," she said.

Prime Minister Morgan Tsvangirai is expected to tour the exhibition park.

Current RIA Board given a further Lease of Life

The Regional Investment Agency (RIA) is a fairly new COMESA institution which seeks to attract investment in the region that will lead to rapid and sustainable economic growth and development. Its mission is to transform COMESA into an internationally competitive investment area.

Performance of the institution since its inception has been more than satisfactory and to that end the COMESA Council of Ministers has given the current RIA board a further two years from the mandatory three years. This will allow the board to consolidate and implement fully its on going investment programmes.

Meanwhile, the Prime Minister of Zimbabwe has commended RIA for embarking on programmes aimed at attracting investors to the COMESA region.

"It is gratifying to note that RIA's programmes are targeted at both traditional and non-traditional sources of investment," Honourable Tsvangirai said.



Honourable Tsvangirai

RIA successfully organized the first and second COMESA Trade and Investment conferences in Belgium and Egypt in 2008 and 2009 respectively. Another equally important conference is planned for 2010 in the Gulf region.

The complimentary COMESA commercial institutions doing equally commendable work are the African Trade Insurance (ATI), the PTA Bank, the Leather and Leather products Institute, Zep-Re and the Clearing House.

The road to the launch of the Customs Union

Regional Sensitive Products and Tariff Alignment Schedules

The Twenty Fifth Council of Ministers Meeting held in December, 2008 adopted the COMESA Tariff in its allocation of rates to Chapters 1-97 including the splits. The allocation of rates was based on policy guidance aiming to promote industrial development based on value addition, diversification and innovation as directed by the Heads of state summit held in Djibouti in 2006; and ensuring that producers in the region as far as possible obtain raw materials and intermediate goods competitively, and environmental protection as well as creation of employment and wealth. The full CET has now been subjected to expert scrutiny and refinement by the World Customs Organization in collaboration with the Secretariat and regional experts.

The refined COMESA Tariff is being used for the production of national sensitive products and tariff alignment schedules indicating over what period and how the national tariffs would be aligned to the CET agreed rates, while taking into account flexibility and Policy Space due to national specifications and levels of development.

The regional strategy for achieving the above goal is through the establishment of National Task Teams in all the COMESA Countries made up of officials from the COMESA Coordinating Ministries, the Ministries of Finance and the Revenue Authorities. COMESA has convened two regional meetings for all the National Task Teams. The main objective of the National Task Teams is to steer the national and regional process leading to the finalization and submission of the national sensitive products lists and tariff alignment schedules.

Regarding the methodology of developing schedules of tariff alignment to the COMESA CET, each COMESA Country should produce three schedules based on the following structure;

- o Schedule I: consisting of tariff lines with rates aligned to the CET;
- o Schedule II: consisting of tariff lines with rates NOT aligned to the CET but align able within a specified timeframe (short to medium term);
- o Schedule III: consisting of tariff lines with rates NOT aligned to the CET and alignment only possible in the long term or deferred indefinitely;

The National Task Teams are, therefore expected to:

- i) ensure national tariff structures are based on the

COMESA CTN;

- ii) validate Schedule I and extend it to include all tariffs at the 8 digit level;
- iii) generate Schedule II including proposed measures for eliminating sensitivity in the short to medium term;
- iv) generate Schedule III and, wherever possible, propose measures that will contribute to making the tariff lines on the schedule to be aligned to the CET;
- v) propose measures and means of domesticating the provisions of COMESA's Regional Trade Policy and those of the relevant legislation related to the Customs Union.

The generation of Schedules II and III must be done in close consultation with all relevant stakeholders in the country.

The Twenty Third Trade and Customs Committee meeting held on 4-6 May, 2009 recommended that:

- (i) Schedule I (containing products aligned to the CET) should be adopted;
- (ii) All the Member States submit their lists of sensitive products and tariff alignment schedules by 20 May 2009 for attachment as Schedule II;
- (iii) All Member States shall be allowed a transitional period from the launch of the Customs Union to align their national tariffs with the COMESA CET and the IC is invited to decide on the duration of the transitional period; and
- (iv) The CET should be based on the CTN and Member States should implement the COMESA CTN in the national tariff.

In addition, the Committee recommended the establishment of a standing Committee on Regional Trade Policy, which will carry tasks necessary for the effective establishment and operation of the customs union.

These recommendations mean that the COMESA region has finally completed the preparatory process for the launch of the customs union. What remains now is the continuous process of refining and strengthening the customs union, and ensuring that the union benefits all countries and stakeholders.

Zambia Continues to **Benefit** in COMESA

A quarter of Zambia's economic growth is a result of intra-COMESA trade, the Minister of Commerce, Trade and Industry Honourable Felix Mtali has revealed.

Speaking in an interview, Mr Mutati said COMESA was also the bridge to international markets and urged member states to work towards achieving the regional integration through the customs union.

"70 percent of our (Zambia) growth is generated through exports and a quarter of exports we do with COMESA member states. The bloc has positive trade balance and the gains are real,"

"Like charity which begins at home, trade begins at home so let us work together as a bloc before we focus on Europe or America," Minister Mutati told the Daily Bulletin.



The Zambian Minister added that the Millennium Development Goals (MDG) can only be achieved by regional cooperation.

"Trade and investment through a borderless region shall see us achieving the 2015 MDGs. This is bigger picture we are looking forward to where the market will be big and investments bigger in the member states"

From the Readers

SHINE VICTORIA FALLS SHINE

SHINE VICTORIA FALLS SHINE
LIKE THE BRIGHT MORNING SUN SHINE
AS DAWN ARRIVES SHINE
OH SHINING JEWEL OF AFRICA ARISE

FOR YOU ARE A BEAUTY TO SIGHT
YOU ARE A PEASURE TO THE HEART
YOU ARE A PRICELESS GIFT BY ALMIGHT
A BEAUTY AND SPLENDOUR WITHOUT LIMIT

OH! MOSE ATUNYA, EMERGE LIKE A MORNING STAR
WITHOUT FEAR CONTINUE TO GLITTER
ITS TIME TO BE KNOWN NEAR AND AFAR
A SLEEPING GIANT YOU ARE WITHOUT PAR

NATURE'S GIFT YOU ARE TO MANKIND
A MASTER PIECE YOU ARE OF A SPECIAL KIND
VISITORS AND TRAVELLERS DRINK YOUR CUP OF
HOSPITALITY
FROM YOUR WOMB AFRICA IS BORN FOR HUMANITY

LET YOUR THUNDEROUS VOICE PROCLAIM AFRICA'S
DESTINY
LET YOUR WHITE SMOKE ENVELOPE AFRICA IN UNITY
LET YOUR SWIFT WATERS DRIVE THE AFRICAN DREAM
OF ONENESS
LET YOUR RAINBOW COLOURS UNITE ALL IN
TOGETHERNESS

BY: EDDINGTON A.K. MUNATSI
POET

The writer of poem is the Director of Finance, Human Resources and Administration in the Ministry of Regional Integration and International Cooperation.

ON THE SHOULDERS OF INYANGANI

From the dizzy heights of Inyangani
We look east and we look west
We look south and we look north

From the shoulders of Inyangani
We look from the Indian Ocean to the Atlantic
Our eyes see all the way to the tips of
The pyramids of Egypt

From the dizzy heights of Inyangani
We only see roads that run unfettered
From the coast to the hinterland
We only see beasts of burden
Bearing loads of blessings
From the coast

From the shoulders of Inyangani
We only see the customs union

CALENDAR OF OPENING DATES FOR MEETINGS

4th June 2009	COMESA Business Forum and Exhibition
6th June 2009	COMESA Golf Tournament
5th June 2009	Meeting of Foreign Affairs Ministers
7th June 2009	First Ladies Roundtable
7th & 8th June 2009	13th COMESA Heads of State Summit