

COMESA Summit ends, new chair appointed



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The 15th COMESA (Common Market for East and Southern Africa) Summit of Heads of State and Governments came to an end on Saturday 15 October 2011 with the announcement of the newly appointed chairman of COMESA, Malawian President Bingu wa Mutharika.



L to R: King Msw ati III and President Mutharika

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The summit, which took place in Lilongwe, agreed to finalize schedules for revised commitments and negotiations on four priority sectors of economic growth and also successes of COMESA Customs Union established in 2009. This was part of a series of meetings of technocrats and ministers since the summit started on 4 October 2011.

In his acceptance speech as the newly anointed COMESA chairperson, President Bingu wa Mutharika expressed commitment to exert all effort to ensure that COMESA is fully supported for the eventual benefit of the ordinary citizens.

"There need for economic integration of regional bodies such as the COMESA and SADC (Southern African Development Community) and enhancement of production through value addition for people of the regions to achieve maximum benefit for produce and natural resources," said Mutharika.

Mutharika who took over the chairmanship from Swaziland's King Mswati III observed that COMESA was primarily meant to bail out citizens of member countries from abject poverty. He paid tribute to King Mswati for his time as the head of the regional bloc saying it achieved a lot during his tenure.

Sudanese President Omar al Bashir, Zimbabwe's President Robert Mugabe and President of Burundi Pierre Nkurunziza as well as vice presidents from Zambia, Kenya, Seychelles, Djibouti, Union of Comoros and ministers from COMESA witnessed the handover of the instruments of power between King Mswati III and President Mutharika.

'Harnessing Science and Technology'

This year's theme of the COMESA Summit was 'Harnessing Science and Technology' and Mutharika said member countries have to promote science and technology.

"Through science and technology, Africa can develop its agriculture, besides reducing of maternal and neonatal mortality and therefore all countries in the region should ensure that they use science and technology to promote development in their respective countries," said Mutharika.

Meanwhile heads of state are holding a closed session of the summit discussing the report of the 13th Councils Ministers and a report of ministers of foreign affairs.

In one of the series of meetings of technocrats and ministers, which were part of the summit, authorities observed that small-scale businesses within the regional bloc stand to benefit from the COMESA Customs Union launched in 2009.

No tariffs to be paid within the region

COMESA Director of Trade, Customs and Monetary Affairs, Dr. Francis Mangeni said the union will allow business people to import raw materials from member states without attaching tariff. All COMESA member states, including Malawi, are expected to adopt the Customs Union requirements by 2012.

"With the union, traders within the region will not be required to pay any tariff on raw materials imported within the region and this will bring down prices of finished products, thereby allowing more buyers," said Mangeni.

He said this will make the imports cheaper since duty makes imports expensive, as it is factored into the cost of production. He also revealed that the union has also put in place measures to protect products manufactured within COMESA.

"All products imported within the region will not attract any tariff, while those from outside COMESA will attract a tariff of 25%", Mangeni said.

At one such meetings member countries also resolved to take a common approach at the World Trade Organisation Ministerial Conference to be held in Geneva in December 2011.

A communiqué issued at the end of the summit noted with concern the devastating drought affecting the Horn of Africa and called on the international community to provide emergency and long term support for programmes that mitigate the effects of droughts in the region.

A grand free trade area

During the summit, on 10 October 2011, the 30th meeting of the COMESA council of ministers commenced and during the opening ceremony Malawi declared its support for the creation of a grand free trade area which is planned to cover half of the African continent.

Malawi Trade minister John Bande said Malawi was optimistic that the initiative would, among other things, expand the market for her various products.

"Malawi is also interested in the Grand Tripartite Free Trade Area, whose negotiation talks were launched in 2001 in Johannesburg, South Africa. The Tripartite Free Trade Area will, besides providing a large integrated market, also enable African states resolve the problem of multiple memberships that frustrates preferential intra-regional and intra-Africa trade," explained Bande.

He observed that the Tripartite Free Trade Area will also spur cross boarder and regional investment.

"To Malawi, regional integration is not an option but a must for all African countries aiming to grow economies," said Bande,

"This is so because our countries are economically very small."

He said in 2010, population sizes among COMESA members ranged from 90 000 people to 85 million people, and the average population size was 24 million people.

"In 2010, the Gross Domestic Product (GDP) ranged from half a billion US Dollars to US\$220 billion, with an average GDP estimated at US\$26 million," said Bande who also pointed out that currently, the combined population and GDP of the 19 COMESA countries is 450 million and US\$500 billion respectively.

Lack of a vibrant market

He said this under development characteristics of COMESA country membership is to a large extent as a result of this smallness of their economies and that resources are limited or under-utilized due to a lack of a vibrant market.

COMESA secretary general, Sindiso Ngwenya, who claimed COMESA is the brain child of President Mutharika, called upon member states to set up what he called 'appropriate and robust' structures at national level to ensure implementation of the body's integration programme.

He proposed that member countries should establish parliamentary committees in their respective countries that will be responsible for oversight and monitoring of the implementation of regional integration programmes at national level and the impact.

Delegates to the 30th Meeting of the Council on Ministers went through various ministerial reports among others.

Malawi which will hold on to the chairmanship for a year, is widely regarded as the birth place of COMESA since it was in Lilongwe that the then Preferential Trade Area (PTA) was transformed to COMESA in 1994 and during that time, President Mutharika was the secretary general of PTA.

ABOUT GREGORY GONDWE

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