

AGOA SHOULD FOCUS ON INVESTMENT - NGWENYA

COMESA Secretary General, Mr. Sindiso Ngwenya has urged the United States to seek ways to increase investment in Africa to enable the continent take fuller advantage of AGOA. Speaking during the plenary session on 'Successes, Challenges and Prospects of AGOA', Mr. Ngwenya noted that whereas the modest increases in trade with the US clearly showed that preferences do work, there was need to further boost trade by increasing investment particularly in value addition of African primary products. Mr. Ngwenya bemoaned the levels of savings in Africa as being too low to promote investment. He thus emphasized the need to attract FDI. He cited the case of the cotton sector in which there has been investment in ginning but no significant investment in spinning and weaving thus leaving the continent as mainly an exporter of lint.

Additionally, Mr. Ngwenya cited the importance of diversification and the need to ensure both trade and investment policy are appropriate for the many millions of people at the 'bottom of the pyramid' who need to be integrated into local, regional and international markets. Mr.

Ngwenya emphasized the importance of infrastructural development in unleashing the economic development potential of key sectors such as agriculture. In particular he noted the importance of focusing on railway sub-sector development.

Responding to questions during the plenary, the Secretary General highlighted that the benefits of COMESA membership included an expanded regional market which attracts investors as big firms prefer to look at larger regional markets rather than small national markets.

On the sidelines of the AGOA meeting, the Secretary General had bilateral meetings with Secretary of Agriculture, Tom Vilsack, with the Deputy United States Trade Representative, Ambassador Demetrios Marantis, and with SAID Deputy Assistant Administrator Franklin Moore.

In his meeting with Ambassador Demetrios Marantis and other senior USTR officials, Mr. Ngwenya briefed the delegation on developments in COMESA including the FTA, the Customs Union launch, progress in implementing the Tripartite decisions and the outstanding challenges

of investment and infrastructural development that COMESA needs to address. He thanked the US Government for the continued support in addressing some of the challenges.

The Deputy USTR expressed appreciation for the effort being made by COMESA and added that his Government considered COMESA as one of the most effective regional organizations in facilitating regional integration. He looked forward to the TIFA (US-COMESA Trade and Investment Agreement) council meeting to be held in Lusaka, Zambia on 17th – 18th September 2009 where details of trade and investment matters would be discussed.

In addition, during the AGOA, COMESA made presentations on the progress the COMESA region had made in harmonizing agriculture policies and regulatory standards and on financing Climate Change mitigation in agriculture.

Further, ACTESA made a presentation on the modalities that COMESA was making in developing the staple crop sector in the region.

NGWENYA CONFERS WITH US AGRICULTURE SECRETARY VILSACK



COMESA Secretary General Sindiso Ngwenya met Wednesday, August 5, 2009 with US Secretary of Agriculture, Thom Vilsack. This was during a bilateral meeting held on the margins of the AGOA Forum in Nairobi. Mr. Vilsack was accompanied by senior US Government officials, including US Department of Agriculture Deputy Assistant Administrator, Patricia Sheikh. The COMESA delegation included ACTESA CEO, Cris Muyunda, COMESA Director of Trade, Francis Mangeni and Coordinator for International Cooperation, Tidu Asfaw.

In the discussions, Mr. Ngwenya indicated that some of COMESA's priorities in its agricultural sector cooperation with the US Government included (i) the need to record tangible milestones over the issue of completion of Pest Risk Assessments (PRA) for agricultural products export to the USA, (ii) support to eradication of the tsetse fly and trypanosomiasis problem, (iii) expansion of COMESA's food security and agro marketing initiatives under ACTESA and (iv) biotechnology and biosafety support

to ensure full appreciation of the biotechnology techniques by policy makers in the region. Additionally, Mr. Ngwenya indicated to the US Secretary that COMESA would push the biotechnology agenda at three levels, including having a "working group of experts", "working group of policy makers" and "engagement of Heads of State."

"Secretary Vilsack informed the Secretary General that the US administration attaches great importance to supporting regional integration programs and would continue to support the initiatives of COMESA"

The COMESA delegation indicated that the region was going to work hard through ACTESA to promote regional trade in staple crops but saw a number challenges in doing so. The remaining challenges included non tariff barriers, inadequate infrastructure, lack of updated market information and little value addition.

On the issue of Climate Change, Mr. Ngwenya advised that COMESA was taking a leading role on the continent

on this matter and indicated that while advocating for the inclusion of agricultural stakeholders in carbon trading mechanisms, COMESA was aware of agriculture's contribution to green house gas emissions.

Secretary Vilsack advised COMESA that President Obama had established the US Food Security Initiative not just to provide food relief but to fully partner with African organisations to develop the agricultural sector. On climate change and forestry, the Secretary indicated that he would seek to extend US support to COMESA programs by contacting other US agencies such as the US Forestry Service.

COMESA MOURNS ZIM VP

COMESA Secretary General, Mr. Sindiso Ngwenya has expressed deep shock on the untimely death of Cde Joseph Msika, Vice President of the Republic of Zimbabwe.

Writing on behalf of COMESA, he conveyed heart felt condolences to the Msika family, the Government and the People of Zimbabwe on this sad and untimely passing on of an original, true African revolutionary, hero and gallant fighter for the liberation of Zimbabwe, the political, social and economic emancipation of her people.

"We mourn with you this irreplaceable loss and pray that this sad event will spur all in Zimbabwe and the region to strive for dignity, unity and prosperity for the African, something that Cde. Msika fought for all his life" Mr. Ngwenya said.

COMESA Launches Access II Programme

The COMESA Secretariat has launched Access II programme, a sub-component of the Programme for building African Capacity for Trade (PACT), which aims at strengthening women entrepreneurs in Africa.

Assistant Secretary General Programmes Mr Stephen Karangizi launched Access II in Lusaka on 5th August 2009.

He described the Access II Programme as timely for trade development and promotion which will steer the region in accessing markets for its exports both intra and extra-regionally.

“It is timely because COMESA is pursuing strategies that will enhance export competitiveness in order for women to take advantage of wider markets created through deepening integration through value addition and diversification,” Karangizi added.

The main thrust of Access II is to strengthen women entrepreneurs and networks.

COMESA CAADP Gets new Co-ordinator

The Secretary General of the Common Market for Eastern and Southern Africa Mr Sindiso Ngwenya has appointed Sam Kanyarukiga as the new COMESA.

CAADP coordinator and senior agricultural advisor. The appointment follows the secondment of Cris Muyunda as Chief Executive Officer for the Alliance for Commodity Trade in Eastern and Southern Africa (ACTESA).

Dr. Kanyarukiga's appointment follows intense consultations within COMESA, NEPAD and IFPRI. He is due to take up his position at the COMESA Secretariat on August 10, 2009. Dr. Kanyarukiga was heavily involved in the CAADP Compact Process in Rwanda.

Minimum Tillage / Conservation Agriculture a good option for Adaptation to Climate Change

COMESA Secretariat in partnership with ICRAF and the Government of Malawi convened a stakeholders workshop to explore the possibility of scaling up Conservation Agriculture from 6th-7th August 2009 at Lilongwe Hotel, Malawi.

The workshop was convened as a follow-up activity to the Malawi National Climate Change round table convened in June 2009. Conservation agriculture was identified by the key stakeholders at a national Climate Change workshop as an important technology for adaptation and mitigation to Climate Change. Conservation farming (CF) includes dry-season land preparation using minimum tillage methods, crop residue retention, precision input application, and nitrogen-fixing crops or perennial nitrogen fixing plants and crop rotations.

The Conservation Agriculture workshop agreed that the CA has potential of increasing crop yields. Further, the climate Change regime has the potential, through both market and fund based mechanisms, to help provide additional sources of financing for sustainable and carbon enhancing agricultural practices. The carbon market may play a role provided that the climate benefits of carbon sequestration and emissions reductions from land-based carbon are recognized under the UN's carbon market rules, which is currently not the case.

Mr. Miti, COMESA Climate Change Coordinator, informed the meeting that COMESA Secretariat was in a process of developing a flagship programme on adaptation to Climate Change and that the Joint meeting of ministers of Agriculture and Environment held in November 2008 agreed that the region should develop a programme for scaling up of Conservation Agriculture.

The meeting agreed on developing a business plan for upscaling of conservation agriculture and the simplification of the concepts of minimum tillage and the formulation of the national policy on minimum tillage.

The next climate change agreement is currently under negotiation and the negotiating text has included the role of Agriculture in Climate Change mitigation. In this regard, the most feasible technology for enhancing soil carbon is through minimum tillage and agro forestry.

For more information contact COMESA Climate Change Unit (cmiti@comesa.int).

COMESA Secretariat holds Strategic Management Retreat

4 The COMESA Secretariat held a Strategic Management Retreat at the Kafue Gorge Regional Training Centre in Lusaka from the 31st July-2nd August 2009. The retreat was attended by the COMESA Executive Management, Heads of Divisions, Units, and project managers and Professional staff, the retreat was facilitated by Dennis Wood a veteran consultant who has over 20 years experience with development institutions. The theme of the retreat was: "Keeping COMESA Relevant and Visible"

The main activities of the retreat included exercises aimed at strengthening the team spirit and communication among the participants and presentations which highlighted

COMESA's position and response to key issues in today's environment. Most importantly, the retreat focused on areas COMESA needs to address for the next planning cycle which will cover 2011-2015 while looking at the overall achievements and challenges of the current Strategic Plan.

The objectives of the retreat included the need to enhance the correlation between planning, programming, budgeting, Monitoring and Evaluation of activities of COMESA, ensuring that COMESA programmes are relevant for the development needs of stakeholders and bring tangible benefits. The retreat also assessed the impact of the 2007-2010 Medium Term Strategic Plan (MTSP) and gather inputs for the 2011-

2015 MTSP.

In his opening remarks, Secretary General Sindiso Ngwenya stated that the retreat was intended to help the participants to think out of the box and be original in activities and programmes COMESA is implementing in its regional integration agenda. The SG stated that this was an opportunity for the organisation to take a step back and look at the different options required to effectively achieve COMESA's objectives. Furthermore, the SG stated that COMESA as an organisation requires speed, flexibility and organisational effectiveness if it is to succeed in today's rapidly globalizing and competitive world.

World Bank signs first bio-carbon agreement in DRC

The first Emission Reductions Purchase Agreement (ERPA) in the Democratic Republic of Congo (DRC) was signed with a local Congolese firm, NOVACEL, at the World Bank office in Kinshasa on 4th August 2009.

Through this agreement, the World Bank-administered Bio-Carbon Fund is purchasing half a million carbon credits from an initiative to reforest 4,200 hectares of degraded land on the Plateau Bateke, 150 kilometers from the DRC capital of Kinshasa.

According to the World Bank, the project is using carbon finance to generate resources for health, education and agro-forestry activities while also trapping an estimated 2.4 million tons of carbon dioxide (CO₂) over the next 30 years.

The Ibi Bateke Carbon Sink Plantation Project is the first in DRC to benefit from the Clean Development Mechanism (CDM). The CDM is a market-based approach that allows countries which have ratified the Kyoto Protocol - an international agreement linked to the United Nations Framework Convention on Climate Change - to purchase carbon

credits across borders, reducing greenhouse gases in the atmosphere to slow global warming.

The BioCarbon Fund has had a pivotal role in enabling the project developer, NOVACEL, to obtain loans from private firms to finance the upfront investments of the project. The Bio-Carbon Fund has attracted the participation of another carbon buyer, Orbeo, a subsidiary of the French conglomerate Société Generale, which is buying a similar amount of credits.

"We are very happy to see how innovative financial instruments, such as the BioCarbon Fund, can facilitate the generation of a revenue stream for a poor community, in the form of carbon credits," said Katherine Sierra, World Bank Vice President for Sustainable Development. "This illustrates how carbon finance can alleviate poverty, create jobs through sustainable agro-forestry, and improve health and education services in addition to combating climate change," she added.

As DRC embarks on the preparation to participate in a future international

mechanism to compensate tropical nations that reduce deforestation and forest degradation (REDD), this project illustrates concretely how carbon finance can support both the environment and generate revenues for local communities, pointed the World Bank in a statement today.

"We hope that this first initiative will lead to many more such projects, thus establishing a mechanism to finance sustainable development in DRC," said Marie Françoise Marie-Nelly, World Bank Country Director for DRC.

The BioCarbon Fund is an initiative with public and private contributions, administered by the World Bank. It purchases emission reductions from afforestation and reforestation projects under the CDM, as well as from land-use sector projects outside the CDM, such as projects that reduce emissions from deforestation and forest degradation (REDD) and increase carbon sequestration in soils through improved agriculture practices. In addition, the BioCarbon Fund, which was created to help open the carbon market, develops methodologies and tools that are in the public domain.

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