



**Current USAID/East Africa Support to the
Common Market for Eastern and Southern Africa (COMESA)
January, 2009**

In 2009, USAID/East Africa will continue to support COMESA through direct funding and by implementing programs that complement COMESA's strategic agenda. Funds will support programs in key areas of common interest to COMESA and the USG: 1) facilitating increased regional and international trade; 2) improving food security and ending hunger in Africa; 3) increasing regional stability and integration; and 4) mitigating the effects of climate change.

USAID assistance to COMESA currently focuses on:

COMESA Regional Economic and Trade Integration Program: USAID/East Africa will promote both trade between Africa and the U.S. under the African Growth and Opportunities Act (AGOA) as well as intra-regional trade among African countries. Funding will support the development of the Regional Customs Guarantee Scheme that allows cargo to be transported across borders using a single custom bond, including the establishment of One-Stop border posts, harmonized sanitary and phytosanitary requirements for trading dairy and maize products, improving technologies to facilitate cross border trading, and enhancing COMESA's capacity to implement transit facilitation instruments such as axle load limits and harmonized transit charges. USAID is also helping operationalize the COMESA Fund, including an Adjustment Facility to help member states address adjustment costs by undertaking economic reforms related to economic integration and an Infrastructure Fund to facilitate the development of trade-related regional infrastructure projects in the region.

Coordinating the Implementation of CAADP:

COMESA is the implementing arm for the subregion of the Comprehensive Africa Agricultural Development Program (CAADP), under which African Union member states are committed to raising agricultural productivity by at least 6% per year. (This is the minimum required if Africa is to achieve agricultural-led socio-economic growth.) USAID is supporting COMESA's leadership of the CAADP by supporting COMESA's work to link farmers to markets, reduce barriers to trade and mainstream pastoral livelihoods. USAID is also helping to harmonize the framework for increased agriculture investment by national governments and donors; USAID/East Africa supports a senior agricultural advisor/CAADP Coordinator; and is helping to regularize trade in live animals with Gulf States. COMESA works closely with the

Association for Strengthening Agricultural Research in Eastern and Central Africa (ASARECA), on the implementation of CAADP Pillar IV, increasing the productivity of smallholder farmers. USAID/EA is one of a group of donors supporting ASARECA's program in ten countries.

Improving Livelihoods of Pastoralists and Promoting Trade in Livestock:

The Regional Enhanced Livelihoods in Pastoral Areas (RELPA) project, supported by the Famine Prevention Fund, provides funds directly to COMESA and two important activities: Enhanced Livelihoods in Pastoral Areas (ELMT) and Pastoral Areas Coordination, Analysis and Policy Support (PACAPS). RELPA aims to improve the livelihoods of millions of pastoralists in the Horn of Africa and to improve policy and standards for livestock trade. This is a COMESA early action program under the Comprehensive African Agriculture Development Program (CAADP). Funding ends in September, 2009.

RELPA is supporting COMESA to develop a concept for institutionalizing regional policy initiatives on livestock and pastoralism. Over the next nine months the program will continue to work to raise the voice of pastoralists; build the capacities of early warning and early response and to improve response to stress triggers caused by drought, floods, conflict and disease epidemics; hone livestock trade policy; provide technical assistance and training for animal health certifications and standards; and hold CAADP roundtables. PACAPS recently initiated discussion to encourage COMESA's involvement in the on-going debate on the preparedness strategy to contain any threat from Rift Valley Fever. The first of three regional COMESA Pastoralism and Policy Trainings was conducted in September, 2008.

Facilitating Markets and Trade for Staple Foods:

The Alliance For Commodity Trade in Eastern and Southern Africa (ACTESA) was launched by COMESA in September, 2008 to pull together multiple activities and donors to expand regional markets and increase trade in staple foods. Objectives tied to Pillars III and II of CAADP include improved policies leading to increased competitiveness and integration; improved market services and institutions; and increased integration of smaller, chronically food insecure farmers into national and regional markets. Through the Market Linkages Initiative that is also supported by the Famine Prevention Fund, USAID/East Africa is providing support to COMESA for the start-up of ACTESA's coordination unit, as well as to NGOS and other partners for field activities with farmers and market institutions.

Dramatic rises in food prices combined with drought and the effects of conflicts, increased hunger and food insecurity in the region in 2008. U.S. support to ACTESA will harness regional market power to fight food insecurity by enabling movement of food from areas of surplus to areas of deficit. Once achieved, this will provide a dramatic example of the practical value of regional integration.

Building Market Linkages to Reduce Poverty and Conflict in the Great Lakes Region:

The “Trading for Peace” program aims to better understand and promote the role of trade in peace building and poverty reduction in the Great Lakes region of the eastern DRC, Rwanda and Burundi. Begun in 2006, initial activities involved grass roots level research into the nature and role of trade in natural resources and in agricultural commodities. DFID (a project co-funder), COMESA and USAID/East Africa are currently strategizing about how to move forward after the current funding ends in March, 2009.

The program combines research, discussion, training programs and investment in equipment at border posts in order to build networks of traders and officials along the eastern DRC border. Research conducted under this activity (*Trading for Peace, Achieving Security and Poverty Reduction through Trade in Natural Resources in the Great Lakes Area*) concluded that while trade in eastern DRC is primarily informal and extra-legal, it has great potential for reducing poverty. The project has also worked with Members of Parliament to enhance their buy-in.

A Trade Information Desk will be established at the Kasumbalesa border in January 2009 to provide small-scale traders with useful information for a small fee. Trading For Peace produces a newsletter, *Trading for Peace*, on a quarterly basis. There will be a meeting in Gisenyi with experts to look at energy in the Great Lakes. In March, 2009 a Trading for Peace Forum will be held in Uganda to present and review achievements of Trading for Peace to date and plan for a next phase of the project, with stakeholders from governments, public and private sectors and civil society.

COMESA website: <http://www.comesa.int/>