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## **ECONOMIC COMMISSION FOR AFRICA**

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### **REPORT OF MISSION**

**MEETING OF THE POLICY ORGANS OF  
COMESA**

**LUSAKA, ZAMBIA**

**7 - 10 APRIL 1997**

**Robert M. Okello**  
**9 May 1997**

## REPORT OF MISSION

**STAFF ON MISSION:** Robert M. Okello, Officer-in-Charge of Regional Cooperation and Integration Division

**PURPOSE OF MISSION:** To participate in:

- (i) Third Meeting of the Council of Ministers of COMESA
- (ii) The Second Summit of the COMESA Authority

**DATES :** 7-10 April 1997

**VENUE:** Lusaka, Zambia

**PROGRAMME ELEMENT:** 1(a) - International Cooperation

## MEETINGS OF THE POLICY ORGANS OF COMESA LUSAKA, ZAMBIA 3-10 APRIL 1997

### Introduction

1. The meetings of the policy organs of the Common Market for Eastern and Southern Africa - COMESA - were held consecutively from 3-10 April 1997 as follows:

- (a) Third Meeting of the Inter-governmental Committee of Experts, 3-5 April 1997;
- (b) Third Meeting of the Council of Ministers, 7-8 April 1997; and
- (c) Second Summit of the Authority 10 April 1997.

2. The Economic Commission for Africa was represented at the IC meeting by the Officer-in-Charge of the Lusaka MULPOC, and by the Officer-in-Charge of the Regional Cooperation and Integration Division at the Council and Summit meetings. The outcomes of these meetings are summarized below.

#### **A. The Third Meeting of the Intergovernmental Committee (IC) of COMESA, 3 to 5 April 1997 at Lusaka, Zambia**

3. The theme of the meeting was: **COMESA: Gateway to Integration, Growth and Development into the 21st Century**. Seventeen member States attended the meeting: Angola, Burundi, Eritrea, Ethiopia, Kenya, Lesotho, Malawi, Mauritius, Namibia, Rwanda, Sudan, Swaziland, Tanzania, Uganda, Zaire, Zambia and Zimbabwe. Various African organizations and institutions as well as United Nations agencies including the Lusaka ECA-MULPOC also attended the meeting. The IC was preparatory to the Council of Ministers and the Summit of COMESA Heads of State and Government.

4. The Honourable Alfeyo Hambayi, M.P. and Minister of Commerce, Trade and Industry of the Republic of Zambia opened the meeting. He called for the coexistence of COMESA and other regional bodies and appealed for cooperation and

understanding among the various regional bodies to avoid unnecessary duplication of efforts.

5. Mr. J.E.O.Mwencha, Acting Secretary-General of COMESA highlighted the activities undertaken by the secretariat and member States, accomplishments, problems, and future prospects. He called on delegates to take cognition of the various development partners working together with COMESA to achieve its objectives. UNECA was among the partners he cited.

6. Items on the agenda included consideration of various reports of Technical Committees on Trade and Customs; Industry, Energy and Environment; Transport and Communications; Monetary and Financial Cooperation; Agricultural cooperation; Legal and Institutional issues.

7. ECA made interventions during the discussions on proposals on effective implementation of COMESA programmes and on the work programme and priorities.

8. ECA intervention stressed the need for COMESA to work closely with other development partners including ECA. This view was echoed by many other delegates in the meeting. The ECA representative briefed the meeting on ECA's new orientation and activities whereby the activities of ECA subregional offices will be geared to support the activities of regional economic communities in each subregion.

9. The ECA representative also briefed the meeting on the ECA Strategic Directions 1996. He noted that there were five substantive thematic areas and two cross-cutting issues on gender and capacity building. One of the five areas of focus in the new programme which was of direct relevance to COMESA, as explained by the ECA representative, was the promotion of regional cooperation and integration. He stressed that since activities of COMESA interfaced those of ECA, there was need for closer cooperation and partnership in delivery of common activities.

10. The meeting was also briefed on the ECA Ministerial Meeting in April/May 1997 at which issues of the ECA MULPOCs would be discussed to make them more effective.

11. The work programme of COMESA regarding the Library Services indicate that ECA-PADIS will assist in the development of an integrated information system and harmonization of information handling. ECA-PADIS need to follow up on this.

**B. The Third Meeting of the Council of Ministers of COMESA, 7 to 8 April 1997**

12. The Vice President of the Republic of Zambia, Honourable Brigadier General Godfrey Miyanda, M.P., opened the Council of Ministers meeting.

13. The issues raised included the following: ensuring more effective and reliable transport and communication systems; promoting joint exploration and exploitation of hydro and fossil fuel to ensure availability of reliable energy to industry, agriculture and transport sectors at competitive prices; achieving food security and income generation activities to improve purchasing power; the importance of the completion of the study by COMESA on irrigation and development and management of shared waters; development and implementation of fisheries projects; the need for member States, institutions, businessmen and women to make full use of COMESA institutions.

14. Mr. E.J.O.Mwencha, Acting Secretary General of COMESA, appealed to member States that had not ratified the COMESA treaty to do so (these include: Angola, Mozambique, Zaire, and Zimbabwe). He outlined action being taken to ensure cooperation and collaboration between COMESA and SADC to avoid some duplication since these organizations have to coexist.

15. Some organizations which attended the meeting as observers made statements, namely UNIDO, International Trade Centre (ITC), ECA, World Customs Organization and the European Union (EU).

16. The ECA representative made a statement on behalf of the Executive Secretary, Mr. K.Y.Amoako. The statement noted that the COMESA meeting was being held at the time when the rest of the world was embracing regional economic cooperation as a potential tool for economic transformation and growth. It also noted that regions of the world were even moving faster towards building larger economic blocks. In that

context, the statement stated that economic cooperation was an imperative at the present time. Mr. Amoako indicated that the Theme COMESA: the Gateway to Economic Integration and Development into the 21st Century, rightly captured the mood of the day and underlined the role of regional economic integration. He paid tribute to COMESA and its institutions for the progress made in the past 15 years.

17. The ECA Executive Secretary briefed the meeting on how ECA's new framework - Servicing Africa Better: Strategic Direction of Economic Commission for Africa would play a key role in regional integration through its subregional offices which would be called Subregional Development Centres (SRDCs). The SRDC would work closely with the existing regional economic communities in each subregion to support their activities so as to enhance the process of regional economic integration. The statement highlighted five substantive sub-programmes and the two cross-cutting issues that ECA was focusing on. These were areas of focus which interfaced those of COMESA's own work programme, and these would entail further collaboration between ECA and COMESA in view of the fact that a great deal of collaboration had been forged between the two organizations.

18. The report of the Council contains recommendations, decisions, directives and observations. Some of the points for ECA to note and or follow up on that report include the following:

- The Council decided to postpone to a future date the COMESA Study on Remedial Measures to be taken with respect to member States which suffer substantial loss of revenue as a result of tariff reduction. An ECA expert was involved in carrying out the above study. The expected reduction to zero tariff by the year 2000 by all COMESA member States would render the study unnecessary according to the report.
- There is a Council recommendation requesting UNDP, UNIDO, FAO, ECA, EU, OAU, COMESA and bilateral donors to assist the Leather and Leather Products Institute (LLPI) in resource mobilization.
- Council decision that COMESA Dollar be equivalent to one US dollar and replace the Unit of Account (UAPTA).

- COMESA plans to hold a regional workshop on irrigation development in July 1997 if funds would be made available. A study on the subject matter conducted by COMESA would be tabled for discussion.
- In connection with proposals for effective implementation of COMESA programmes, a number of observations were then done, one of which was that the framework for cooperation between COMESA and its cooperating partners, such as UNECA and regional integration bodies, should be clearly defined.
- The Council decided that the COMESA secretariat be mandated to prepare a position paper on the future ACP-EU relations with reference to the Green Paper on behalf of member States. At national level, member States would prepare their positions which would be submitted to COMESA Secretariat for synthesis and formulation of a COMESA position for submission to the ACP secretariat by November 1997.
- The Council adopted COMESA Programme of Work for 1997/98 as contained in document COMESA/CM/III/3.
- the Council noted that the Seminar on Road Restructuring Management and Finance held in Nairobi, Kenya from 13th to 17th November 1995 was jointly organized by COMESA, the ECA, and the World Bank (Road Maintenance Initiative Unit) and facilitated by the Council of the Scientific and Industrial Research of South Africa (CSIR).

### **C. The Second Summit of the COMESA Authority, 10 April 1997**

19. Details of the account of proceedings and outcome of the summit meeting are reflected in the Final Communique of the Second Summit of the Authority of Heads of State and Government. That Communique is reproduced in full as part of these briefs in the Annex.

20. No attempt is made to summarize the various statements. It is important, however, to point out that the mood and tone of all the statements were very positive

and supportive of COMESA and the need for COMESA, as a tool towards regional integration, growth and development into the 21st Century, to be strengthened through commitment by all member States to implement decisions agreed on.

21. Based on the series of the COMESA policy organs meetings as summarized in sections A to C above, the following general recommendations are made:

(a) ECA Headquarters and the Lusaka ECA MULPOC need to study the COMESA Programme of work of 1997/98 and that of the ECA itself and identify areas of common interest for collaboration and joint implementation. In that context, there should be a formal mechanism to foster collaboration between ECA MULPOC and COMESA Secretariat. Similar arrangements have to be made with SADC Secretariat and other economic groupings.

(b) The Green paper on EU and ACP relation beyond the year 2000 need to be debated at the level of ECA in efforts to contribute to the formulation of an African common position, if this has not yet been done. This issue needs to be given serious attention. This arises from the critical view at the Conference of COMESA that there was lack of regional negotiation mechanism as reflected in the Statement by the President of Zimbabwe at COMESA Summit. That statement noted the lack of coherent regional negotiating position within the context of the multilateral trading system. It gave an example of the recently concluded Ministerial Conference of the World Trade Organization (WTO) in Singapore where there was neither a COMESA position on the conference's agenda items, nor a general statement to highlight the region's concerns. That was indicated to have been in sharp contrast to the other regional groupings from Latin America, Asia and Europe that had clearly defined positions on the four controversial agenda items relating to labour standards, investment and competition policy, government procurement and the environment.





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**FINAL COMMUNIQUE**  
of the  
**SECOND SUMMIT OF THE AUTHORITY OF HEADS  
OF STATE AND GOVERNMENT**

LUSAKA ZAMBIA  
10TH APRIL 1997



The Second Summit of the COMESA Authority was held in Lusaka, Zambia on 10th April, 1997 under the theme: "**COMESA: Gateway to Regional Economic Integration, Growth and Development into the 21st Century**".

The Summit was attended by the following Heads of State and Government:

- (a) His Excellency Frederick J. T. Chiluba, President of the Republic of Zambia
- (b) His Excellency Dr. Bakili Muluzi, President of the Republic of Malawi
- (c) His Excellency Daniel Toroitich arap Moi, President of the Republic of Kenya
- (d) His Excellency Robert Gabriel Mugabe, President of the Republic of Zimbabwe
- (e) His Excellency Yoweri Kaguta Museveni, President of the Republic of Uganda
- (f) His Excellency Dr. Sam Nujoma, President of the Republic of Namibia
- (g) His Excellency Benjamin William Mkapa, President of the United Republic of Tanzania.

The following Heads of Government represented their countries:

- (a) The Right Honourable Sibusiso Dlamini, Prime Minister of the Kingdom of Swaziland
- (b) The Right Honourable Pierre Celestin Rwigema, Prime Minister of the Republic of Rwanda.

The following Plenipotentiaries represented their countries:-

- (a) The Right Honourable Professor Pakalitha Mosisili, Deputy Prime Minister of the Kingdom of Lesotho.
- (b) The Honourable Frédéric Nzabampema, Minister of Commerce, Industry and Tourism of the Republic of Burundi
- (c) The Honourable Obge Abraha, Minister of Trade and Industry of the State of Eritrea
- (d) His Excellency Mohamoud Dirir, Ambassador of the Federal Democratic Republic of Ethiopia to Zimbabwe
- (e) The Honourable Rajkeswur Purryag, Minister of Economic Planning, International Trade and Telecommunications of Mauritius
- (f) The Honourable Salah Eldin Karar, Cabinet Minister of Presidential Affairs of the Republic of Sudan

- (g) His Excellency Bongo Lega Zongakusa, Ambassador of the Republic of Zaire to Zambia.

The following organisations were also present at the meeting:- His Excellency Dr Salim Ahmed Salim, Secretary General of the Organization of African Unity (OAU); Dr Kaire M Mbuende, Executive Secretary of the Southern African Development Community (SADC); Dr Tekeste Ghebray, Executive Secretary of the Intergovernmental Authority on Development (IGAD), and Mr Martin Ogang, President of the PTA Trade and Development Bank.

The Summit was formally opened by His Excellency Frederick J. T. Chiluba, President of the Republic of Zambia. In his statement, he extended a very warm welcome to his colleagues, the Heads of State and Government, and their delegations to Lusaka, Zambia and thanked them for accepting the invitation to attend the Second COMESA Summit.

In his keynote address, the outgoing Chairman of the Authority, His Excellency Dr Bakili Muluzi, President of the Republic of Malawi, highlighted the progress achieved by the organisation. Dr Muluzi emphasized the need for COMESA to take maximum advantage of its abundant natural resources and large internal market to further develop trade and investment through the establishment of a **Free Trade Area** by the year 2000 and a **Customs Union** by the year 2004.

His Excellency Daniel T arap Moi, President of the Republic of Kenya, moved a vote of thank

and Management (ASYCUDA) and the Harmonised Road Transit Charges.

**URGED** member States to incorporate the COMESA industrial strategy into their national strategies and policies.

**REAFFIRMED** the need for the continued implementation of the COMESA fiscal and monetary harmonisation programme and endorsed the decision of the Third Council of Ministers Meeting to replace the current Unit of Account (UAPTA) with a COMESA Dollar, which shall be the equivalent to one United States Dollar.

**REAFFIRMED** the importance of developing an Irrigation Action Plan for the COMESA region in order to decrease dependence on rain-fed agriculture in view of the recurrent droughts.

**ENDORSED** the decisions of the Council that a comprehensive agricultural strategy be developed in co-operation with regional and international organisations.

**REAFFIRMED** the need to accelerate the process of setting up the COMESA Court of Justice.

**DIRECTED** the Secretary General to sign the Protocol on the Relations between the African Economic Community and the Regional Economic Communities, on behalf of COMESA.

**RECOGNISED** the special relationship between

development and mandated the Secretariat to negotiate with the Commission of the European Union on the mobilisation of funds for regional economic integration projects that have been approved by Council.

**NOTED** with satisfaction the efforts of the Secretariat to mobilise donor funding to support COMESA programmes.

**EXPRESSED** their deep appreciation for the contributions provided by the international donor community to the COMESA programmes.

**ENDORSED** the decision of the Select Joint COMESA/SADC Ministerial Meeting held in Harare, Zimbabwe in August 1996 for the two institutions to co-exist as autonomous and complementary institutions and for the two Secretariats to work together for the benefit of the people of the region.

**RECOGNISED** the need to ensure that there is peace and security in the region as a prerequisite for the smooth implementation of the COMESA economic integration process.

**URGED** COMESA member States to resolve any conflicts, through the established conflict prevention and resolution mechanisms of the OAU and other regional organisations.

**AGREED** to undertake consultations with the Heads of State or Governments of Mozambique and Lesotho on the issue of their membership of COMESA.

**REAFFIRMED** the need for member States that had not yet ratified the Treaty to do so as soon as possible.

**EXPRESSED** gratitude to His Excellency Frederick J. T. Chiluba, President of the Republic of Zambia, the Government and people of Zambia, for the warm traditional African hospitality extended to all delegations.

The Second COMESA Summit of Heads of State and Government was formally closed by His Excellency Frederick J. T. Chiluba, President of the Republic of Zambia and Chairman of the Authority. In his statement, President Chiluba thanked all the delegations for their positive contributions to the success of the Summit. He identified all the important programmes of COMESA which need to be implemented and urged all the member States to implement those programmes in order to ensure that COMESA effectively becomes the "The Gateway to Regional Economic Integration, Growth and Development Into the 21st Century".

He finally thanked the Heads of State and Government for their continued commitment to the ideals and objectives of COMESA and wished them safe return to their respective countries.

The Authority adopted its Final Communiqué as read by the Chairman of the Council of Ministers, Honourable Alfeyo S. Hambayi, Minister of Commerce, Trade and Industry of the Republic of Zambia.

**DONE** at Lusaka, Zambia on 10th April 1997 in the English and French languages, both texts being equally authentic.