

ONE TRADE AFRICA

Maximizing the benefits of regional integration for MSMEs, women and youth entrepreneurs

Prepared for: ITC-CUTS Lusaka AfCFTA workshop

Date: 22 September 2022

By: Aissatou DIALLO, AfCFTA Senior Coordinator

How One Trade Africa fits into ITC's strategic framework

IMPACT AREAS Sustainable and resilient value chains Inclusive trade Green trade E-commerce Regional integration and South-South trade General tools One Trade Africa: (non-impact area specific) **AfCFTA support CORE SERVICES** Improved MSME A more conducive Improved business, A more supportive firm-level business policy and regulatory trade and market environment for capacities to intelligence ecosystem for MSMEs **MSMEs** (public goods) trade



AfCFTA: game changer for trade and investment

UNDER-EXPLOITED INTRA-AFRICAN TRADE

- □ Intra-African exports account for only 14.2% of Africa's total exports due to high tariff and non-tariff trade costs
- □ African countries exports face average tariffs of 6.3% with non-African partners and 11.8% with African countries
- □ ITC surveys find significant non-tariff constraints: TBT/SPS measures, inadequate infrastructure, expensive payments settlement, cumbersome customs requirements and inefficient logistics

If all African countries fully liberalize tariffs on all products within the next 5 years, intra-African export potential will increase by \$19.8 BILLION

AFCFTA OFFERS A PIVOTAL OPPORTUNITY

- □ An integrated market of 1.3 billion people across 55 countries with a combined GDP of \$3.4 trillion
- 43 countries from across 8 RECs have ratified the Agreement
- AfCFTA Protocols cover trade in goods, trade in services, investment, intellectual property rights, competition policy, ecommerce, and women and youth
- ☐ Start of trading officially began on1 January 2021 and Protocol onDispute Settlement is operational
- □ Tariff offers and rules of origin to be finalized by end 2022 and negotiations on phase II issues are ongoing



ITC's role in turning potential into reality

Empowering MSMEs, women and youth entrepreneurs

Private sector beneficiaries

- The African Private Sector is the ultimate beneficiary of the AfCFTA
- Predominanetly composed of SMEs operating in the informal sector
- Opportunity for growth through the development of competitive regional value chains

ITC mandate

- Mandated to support SMEs to connect to markets
- Over 50% of ITC's delivery is in Africa
- Uniquely positioned through established trade and market intelligence products
- Focus on inclusion, connectivity and sustainability

to AfCFTA through interventions under the ONE TRADE AFRICA programme



ITC has been supporting the regional integration process in Africa with EU

On-going projects / programmes

- WACOMP
- MARKUP
- Africa Trade Observatory

Past projects / programmes

- Tripartite
- PACT
- SADC
- COMESA ICBT









ITC is working with the AUC, RECs, regional bodies, Member States, to benefit the African private sector.



ONE TRADE AFRICA

Integrating gender, youth, green and digital considerations



National Level

- Raise **awarness** of AfCFTA opportunities
- Provide trade and market intelligence
- Ehance **SME capacities** and opportunities for businnes/export
- Build capacity of business support organizations (BSOs)
- 5 Simplify trade formalities
- 6 Cross-cutting: digitalization, green technologies and FDI



Sub-Regional Level

- Build and strengthen regional value chains
- Support improvements in policies to promote value addition
- Develop REC Competitiveness
 Observatories
- Strengthen and connect regional business associations
- Facilitate small-scale crossborder trade and STRs
- Develop quality infrastructure platforms to support development of regional value chains



Continental Level

- Build and strengthen continental value chains under AfCFTA
- Strengthen capacities of pan-African bodies promoting trade
- Deliver technical support to negotiate/implement AfCFTA
- Support AfCFTA private sector engagement strategy
- Support implementation of "Made in Africa" label
- Support AfCFTA Annual **Trade**and Investment Forum



Global Public Goods

- Guides, Handbooks, Technical Papers
- Ex res

Export services resource intelligence



Awareness raising tools produced



Dialogues with:













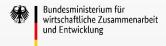
























OTA impact of investment

Pilot phase: April 2021 – July 2022

- Over 30 countries covered across Africa
- Over 5,000 MSMEs and entrepreneurs trained
- ☐ Over **100 matchmaking operations** (through the 2021 IATF)
- Over 20 BSOs engaged
- ☐ Over **2 global public goods** under release (on youth and E-commerce)
- ☐ An online Resource Centre on the AfCFTA under building
- ☐ An AfCFTA Youth in Business Platform under design
- ☐ Contributions to the design of **national/regional AfCFTA strategies** (with ECA)
- □ Development of a marketing and branding strategy for the Made in Africa label















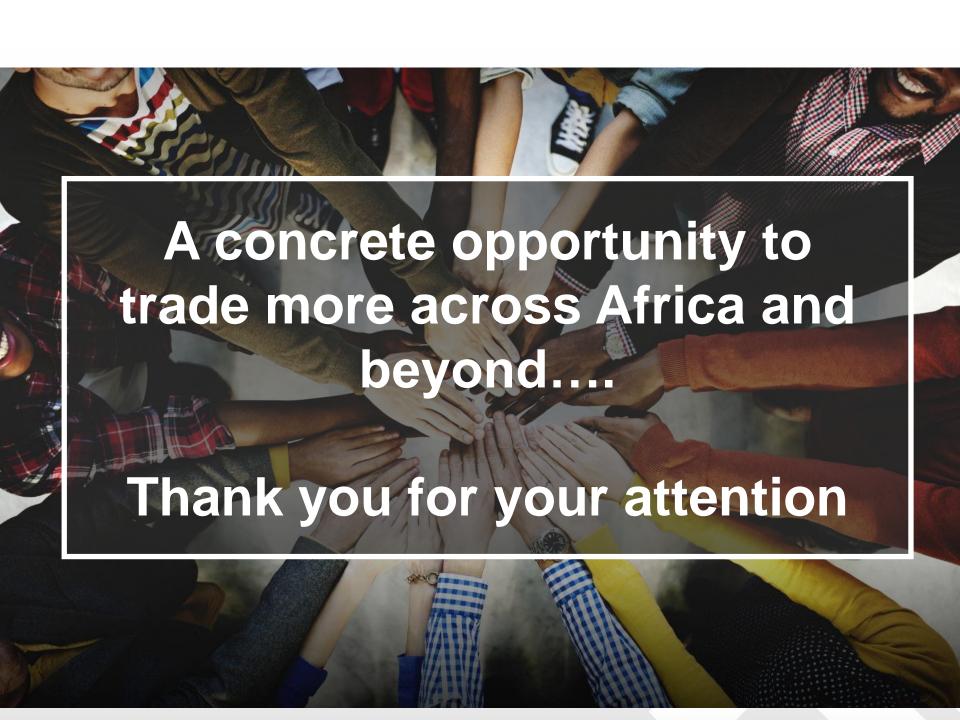














PRESENTATION ON THE NATIONAL STRATEGY FOR IMPLEMENTATION OF THE AFRICAN CONTINENTAL FREE TRADE AREA AGREEMENT

Presentation by
Ministry of Commerce, Trade and Industry
September, 2022

PRESENTATION OUTLINE

- i. Background on the AfCFTA
- ii. The AfCFTA National Implementation Strategy
 - a) General Objectives
 - b) Specific Objectives
 - c) Goals of the Strategy
 - d) Trade in Goods
 - e) Trade In Services
 - > Strategies for Financing the Services Sector
 - f) Strategy Implementation and Coordination
- iii. Conclusion

BACKGROUND ON THE AfCFTA

- The African Continental Free Trade Area (AfCFTA) was officially launched on 21st March 2018, in Kigali, Rwanda.
- The Framework Agreement entered into force on 30th May, 2019 after meeting the required 22 instruments of ratification which were deposited with the African Union Commission.
- Member States with only one country, Eritrea still not having signed the Agreement.
- Currently 43 (80%) AU Member States are also State Parties to the Agreement by virtue of their deposits of the instruments of ratification of the Agreement.
- > Zambia signed the Framework Agreement Establishing the AfCFTA on 10th February, 2019 and became the 36th AfCFTA State Party after having deposited its instruments of ratification with the AUC on 5th February 2021

THE AfCFTA NATIONAL IMPLEMENTATION STRATEGY

- The AfCFTA National Implementation Strategy was developed with technical and financial assistance from the United Nations Economic Commission for Africa (UNECA) from April, 2019
- The process involved rigorous consultations with all relevant stakeholders and experts on both trade in goods and services
- The main components of the Implementation Strategy are premised on the core of the Agreement namely: Trade in Goods, Trade in Services, Intellectual Property, Competition Policy, and Investment, E-Commerce and Women and Youth in Trade
- > The Implementation Strategy provides for the establishment of a National Implementation Committee, and various sectoral Sub Committees that will oversee implementation of the AfCFTA

GENERAL OBJECTIVE OF THE STRATEGY

To support Government aspirations attain higher levels of economic growth and development, raise the standard of living of its citizens, improve infrastructure, create sustainable jobs, raise human capital and reduce inequalities across gender and regions.

Specific Objectives

- Open up new markets for Zambia's exports in parts of Africa that the country does not currently export any goods and/or services to;
- ii. Increase market share in existing parts of Africa where Zambia already exports its goods and services;
- iii. Ensure that exports to African markets contribute to the country's increased foreign reserves; increased job creation; improved industrialisation drive and reduction in economic inequality;

SPECIFIC OBJECTIVES CONT..

- iv. Build the productive capacity and export-readiness of the MSME sector for both merchandise and services sectors;
- v. Contribute to raising the technical competence of both the public and private sectors in trade policy issues;
- vi. Strengthen the trade defence mechanisms to address any threats and challenges resulting from import surges and unfair trade practices; and
- vii. Strengthen the national quality infrastructure to support the production of quality products.

GOALS OF THE STRATEGY

- The Strategy recognizes that the MSME sector is one of the key sectors which contributes to poverty reduction, wealth and job creation.
- Through the AfCFTA Strategy Government will endeavour to facilitate MSMEs and Cooperatives integration in the AfCFTA markets by providing capacity for the sector to participate in regional and global value chains as well as promote skills development for SME producers, among others.

TRADE IN GOODS

The overall objectives of the Strategy are guided by the goals and targets set out in the National Export Strategy (NEST) for merchandise exports. These are;

- i) an annual growth rate of 15 percent for traditional exports; and
- ii) an annual growth rate of 25 percent for non-traditional exports.

SPECIFIC STRATEGIES FOR TRADE IN GOODS

- 1. Identify and prepare 11 MSMEs and Cooperatives to export-readiness each year for duration of Strategy implementation. Special consideration will be given to women, youth and differently abled persons -led MSMEs and Cooperatives.
- 2. Increase Zambia's export earnings under the AfCFTA to attaining the NEST 15 percent annual growth rates in traditional and non-traditional exports, respectively.
- 3. Enter one new African export market per year through identification of countries that Zambia does not currently export to, or exports less than the US\$50,000 threshold.
- 4. Undertake market research on countries to understand them well in terms of trade regulations and product standards, consumer preferences, nature and type of competition, and export channels and routes.
- 5. Establish and or strengthen regional value chains particularly in priority sectors by importing or exporting intermediate goods for further processing based on comparative advantage.
- 6. Facilitate access to markets and market information including for women-led enterprises.
- 7. Increased export supply capacity, product quality and export market research, export marketing and export-related R&D through increased finance. This will be enhanced through increased loan portfolio of ZEDEF and other financing funds in each year of Strategy implementation.
- 8. Increase Capacity building for packaging and labelling for the new identified sectors/SMEs to make them export ready through the strengthening of national quality infrastructure and harmonization of standards
- 9. Protection of domestic industry in case of threat or actual injury. There is need to strengthen the policy and legal frameworks to enhance the protection of domestic firms/markets. Activities to prescribe guidelines for the transit of goods such as sugar, cigarettes based on the risk profile of the goods as determined by ZRA will be undertaken.

TRADE IN SERVICES

The overall objective in the Services sector is to promote the development of a vibrant sector for both local and export markets focusing on the priority sectors which include Financial, Transport, Business, Information and Communication Technology and Tourism Services, among others.

GOALS OF ZAMBIA'S PRIORITY SERVICES SECTORS

Strategic Measures

- i. to reform policies for improved data and mobile service delivery to facilitate the emergence of a competitive sector;
- ii. to build or develop a national infrastructure backbone and facilitate connection to the international backbone for a competitive telecoms industry;
- iii. Improve local participation in telecommunications industry through shareholding;
- iv. Strengthen regulations to promote the adoption of financial inclusion strategies;
- v. Encourage growth and competitiveness of local financial services suppliers to enable them export;
- vi. Encourage financial institutions to develop innovative products accessible to MSMEs and Cooperatives; and
- vii. Encourage financial institutions to develop affordable financial products to support women, youth and differently abled persons in the sector

STRATEGIES FOR TRANSPORT SERVICES SECTOR

To establish adequate and economically sustainable transport infrastructure able to facilitate domestic, regional and international trade.

Strategic goals

- i. To support the development of an integrated transport network;
- ii. To promote an efficient transport system and infrastructure that strengthens the local transport system; and
- iii. To promote regional cooperation in the transport sector.

Strategic Measures

- i. To leverage the regional integration efforts to build joint transport and border infrastructure
- ii. To cooperate on the development of transport corridors and other related infrastructure.

STRATEGIES FOR FINANCING THE SERVICES SECTOR

a) Financing the Telecommunications Sector

Strategic goals

- i. to promote increased access to telecommunication services; and
- ii. to reduce the cost of telecommunication services by deploying modern technology

Strategic measure

- The strategic measure will enhance the Universal Access and Service Fund targeted at supporting telecommunications development in the un-serviced and under-serviced areas.
- The creation of the fund is provided for in the ICT Act where licence-holders contribute a percentage of their annual income.

STRATEGIES FOR FINANCING THE SERVICES SECTOR

b) Tourism Development Fund

➤ Zambia established the **Tourism Development Fund** to promote product development, marketing, training, and research, and infrastructure development in accordance with the *Tourism & Hospitality Act No. 23 2007*.

Strategic goals

- i. to promote the expansion of tourism into new areas and services, and
- ii. to increase the tourist base by tapping into the larger African market.

STRATEGIES FOR FINANCING THE SERVICES SECTOR

Strategic Measures

- i. To strengthen the Tourism Development Fund.
- ii. To ensure sustainability, subsequent resources for the Fund shall be derived from the Tourism Levy;
- iii. To transform the national hostels board into a business oriented tourism development funding investment vehicle

c) Access to Affordable Financing

Access to affordable/ inexpensive financing through quasi-Government financial institutions to promote and prioritise rural industrialisation and service industry promotion of the tourism sector.

STRATEGY IMPLEMENTATION AND COORDINATION

A. RESOURCE MOBILIZATION

- Implementation of the AfCFTA Framework Agreement requires significant resources, human, technical and financial.
- > Human resource will be required to coordinate the national AfCFTA Secretariat, and financial resources will be needed to finance programmes and activities under the AfCFTA identified and listed in the Implementation Action Plan.

B. MONITORING AND EVALUATION

- The AfCFTA National Implementation Committee will undertake two types of evaluations of activities and programmes.
 - i. The first type will be internal annual reviews of activities by participating agencies and will be based on periodic and annual reports of these agencies generated after every activity and any relevant report or documentation.
 - The second type will be an external evaluation to be undertaken by an independent person, firm or agency commissioned by the AfCFTA National Implementation Committee which will review progress and success of activities and programmes under the AfCFTA every three years.
- Monitoring is intended to assess progress of implementation against set time limits while evaluation focuses on efficacy and efficiency of implementation with emphasis on resource utilisation vis-à-vis activity or programme outputs

CONCLUSION

- The AfCFTA presents Zambia with a huge opportunity to increase its export earnings by tapping into the larger African market of 54 countries with a combined population of more than 1.2 billion people and a purchasing power of about US\$2 Trillion.
- Going forward, the Implementation of the strategy will positively contribute to job and wealth creation by increasing the productive capacity of MSMEs and Cooperatives, through targeted interventions in sectors where Zambia has comparative and competitive advantage



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Ministry of Small and Medium Enterprise Development (MSMED)

PRESENTATION ON TARGETED INITIATIVES TO BUILD PRODUCTIVE CAPACITY AND ENHANCE EXPORT READINESS OF MSMES IN ZAMBIA

Thursday 22nd September, 2022

OUTLINE OF THE PRESENTATION

- Introduction;
- Functions of the Ministry;
- ❖ Targeted Initiatives to build capacity in MSMEs;
- ❖ Government support towards enhancement of export readiness of MSMEs in Zambia; and
- Conclusion

INTRODUCTION

The Ministry of Small and Medium Enterprise Development (MSMED) was created in September, 2021 with a mandate to foster development and growth of Micro, Small and Medium enterprise, as well as, co-operatives development.

FUNCTIONS OF THE MINISTRY

According to Government Gazette Notice No. 1123 of September 2021, the portfolio functions of the Ministry are as follows:

- i. Co-operative Development;
- ii. Small and Medium Enterprises Incubation;
- iii. Small and Medium Enterprises Mentorship, Loans, Incentives and Credit Schemes;
- iv. Small and Medium Enterprises Policy; and
- v. Small and Medium Scale Enterprises Development.

Further, the Ministry is responsible for the following Statutory Bodies: -

- i. Citizens Economic Empowerment Commission (CEEC); and
- ii. Village Industry Service.

TARGETED INITIATIVES TO BUILD CAPACITY IN MSMES

- * Nurturing new entrants in business as well as supporting existing enterprises through incubation, information dissemination and facilitating the provision of incentives;
- * Facilitation of Capacity building for MSMEs provision of technical assistance to MSMEs to develop: (i) Quality Assured and certified Products through engaging ZABS and ZCSA (ii) financially attractive and viable projects. Lack of viable business plans often hampers access to finance by MSMEs Enhancing skills in business planning enables SMEs and cooperatives access financial support from various players who include co-operating partners and commercial banks;

INITIATIVES CON'D

- * Registration of cooperatives;
- ❖ Promotion of Registration of informal SMEs with relevant Government Agencies: This includes advocating and lobby for the reduction of number of licences and fees for formalisation of business and giving incentives to formalisation; and
- *Business promotion and increasing access to markets and finance: This is being achieved through specific trade Missions to unexploited markets, participation in international fairs and local expos (Market linkages is one of the basic ways we are achieving these objectives).

GOVERNMENT SUPPORT TOWARDS ENHANCEMENT OF EXPORT READINESS OF MSMES IN ZAMBIA

The Ministry aims at creating an enabling environment for enhancing entrepreneurship and innovation that will spur growth of viable Micro, Small and Medium Enterprises with a view to sustain them, as well as prepare them for product export. In doing this, the Ministry:-

- * Conducts Business Development Services (BDS) these are non-financial services used by entrepreneurs to help them improve the business performance, access to markets, and ability to compete on the local and international Market.
- * Business development helps MSMEs to increase revenues and growth in terms of business expansion, increasing profitability as well as business sustainability;

GOVERNMENT SUPPORT CON'D

- * Access to Finance and Financial Inclusion Government has been holding engagements with Financial sector players to increase access to Finance. Working with Financial and Non Financial sector players more products and services are being development which help us identify MSMEs for financial support-
- * The Ministry is providing streamlined MSME's products through the Citizens Economic Empowerment Commission (CEEC), which provides opportunities to acquire empowerment by applying for business loans. At present, a call for applications has been extended for interested targeted citizens, Co-operatives and MSMEs country wide who wish to undertake investment projects through this empowerment; and
- * Promotion of value addition to enable MSMEs export their products. The Ministry is urging the MSMEs to increase their profitability by adding Value to products/ services.

AN EXAMPLE OF A SUCCESSFUL CO-OPERATIVE



A Co-operative exhibiting their product at the 2022 Agricultural and Commercial Show

EXAMPLES CON'D



SME exhibiting their product at the 2022 Zambia International Trade Fair

EXAMPLES CON'D



SME exhibiting their product at the 2022 Lusaka Indaba & Expo

CONCLUSION

It is the Ministry's desire to build an effective coordination mechanism through policy and legislation that will enable Zambian MSMEs compete favourably at local and international level, as well as grow the sector for enhanced job and wealth creation in the country.

THANK YOU!!



Africa Continental Free Trade Area (AfCFTA) Training Workshop for Micro, Small & Medium Enterprises (MSMEs)

22nd September 2022

Mwangelwa C. Matongo

Senior Standards Officer



Contents

- ZABS overview
- ZABS functions
- What are standards
- Conformity requirements for domestic and external Markets



ZABS OVERVIEW

- Zambia Bureau of Standards (ZABS);
 - Is the National Standards Body (NSB), under MCTI
 - Was established in 1982 under the Zambia Bureau of Standards Act which was repealed and the replaced by the Standards Act Cap 416 of 1994
 - ZABS now implements the Standards Act, No. 4 of 2017
 - o ZABS is located in Lusaka with site labs in Chipata and Mongu



ZABS OVERVIEW















Statutory Bodies (SBs) under MCTI



ZABS FUNCTIONS

- > The main functions of ZABS include;
 - Develop, publish, maintain and withdraw Zambian Standards
 - Provide testing services,
 - Provide certification services for products and management systems
 - Facilitate training and public education in Standards and Quality Assurance
 - Operate as a National Enquiry Point (NEP) on matters related to the WTO/TBT Agreement



ZABS OVERVIEW









What are Standards;

- Documents developed by consensus
- Approved by a recognized body,
- Provide for common and repeated use of rules, guidelines or characteristics for activities or their results.
- Aimed at achievement of optimum degree of order in a given context.



- Aims of standardization;
 - Simplification
 - Interchangeability e.g. ATM cards
 - Variety reduction e.g. Currency denominations
 - Means of communications e.g. labelling requirements
 - Promotion of health and safety, and protection of life.
 - Facilitate trade by eliminating trade barriers



Levels of standardization include;

- Individual Personal branding or reputation
- Organization multinational company etc.
- Sector Food, Transport etc.
- National ZABS, BSI etc.
- Regional SADC, EAC etc.
- Continental ARSO, CEN etc.
- International ISO, IEC, ASTM International etc.



> Types of standards include;

- Specifications ZS 388
- Requirements ISO 9001
- Code of practice CXC/RCP -58.
- Test methods ISO 8288
- Vocabulary ISO 17000
- o Guidelines ISO 19011



- Standards can be voluntary or compulsory in nature;
 - Voluntary standards contain requirements or specifications with which compliance is not mandatory

 Compulsory standards contain requirements or specifications with which compliance in mandatory.



Voluntary standards are;

 Implemented through certification schemes e.g. product certification (ZS 388), management system certification (ISO 9001), Certified Local Suppler Scheme.

Laboratory test report.

Incorporated into procurement specifications



- Compulsory standards;
 - Implemented through Zambia Compulsory Standards Agency (62/74 Compulsory Standards out of over 6500 Standards)

 Referenced in pieces of legislation such as the Extended Producer Responsibility regulations (ZS 719).

 Incorporated into licensing conditions by regulators such as Energy Regulations Board (ERB), Zambia Medicines Regulatory
 Authority (ZAMRA)



- Legitimate objectives of Compulsory Standards include;
 - national security requirements;

the prevention of deceptive practices;

 protection of human health or safety, animal or plant life or health, or the environment;



- In order to access domestic markets;
 - Obtain appropriate licences such as the permit to supply for commodities that fall under schedule of compulsory standards.

 Take note of published Zambian Standards for the tradable commodities that you are dealing in. The Competition and Consumer Protection Act makes a lot of reference to Zambian Standards when there is consumer complaints



- > In order to access external markets;
 - Obtain requirements for commodities through the National Enquiry Points for SPS and/or TBT related issues.

 Work on your capacity to deliver the required quantity and quality.

Obtain export permit



- How can ZABS help you;
 - Through testing and certification we can attest on your behalf that your products are good, safe and reliable.

Training and mentorship.

Information services



End







By Rhaemie K. SALIMA, Metrologist-Inspections

Presentation at the MSME's Awareness Workshop
Africa Free Trade Area (AfCFTA) Training Workshop

22 September, 2022, New Government Complex, Lusaka

Contents

- 1. Introduction
- 2. The Mandate
- Sectors Supported
- 4. Pre-packaging of commodities
- 5. Labelling
- 6. Interventions to support Accurate Measurements and improved packaging



Introduction

What is Metrology?



Science of Measurements



Introduction

- Established by the Metrology Act No. 6 of 2017 of the Laws of Zambia.
- ➤ ZMA is a vertically integrated NMI with all the three branches of Metrology in one
- And these are Scientific, Industrial and Legal Metrology

Introduction, Cont ...

- ➤ The three (3) general branches of Metrology:
 - 1. Scientific metrology
 - 2. Industrial metrology
 - 3. <u>Legal metrology</u>

1. Scientific metrology, is concerned with the establishment of units of measure, unit systems and quantity systems.



 Industrial metrology, involves the application of measurement to industry & other processes and involves the calibration etc. and QC of measurement instruments



3. Legal metrology, covers the regulation/statutory requirements for measuring instruments, prepackaged commodities and their methods of measurement.



The Mandate

- Act as custodian of the national measurement standards
- Provide measurement traceability to the International Standard of Units (SI)
- Approve the measuring instruments for suitability of use in Trade, law enforcement, health and safety services and environmental management (Type Approval)

The Mandate, cont...

- Assure accuracy and compliance of measuring instruments through periodic statutory verifications
- Carry out calibrations of measuring instruments used in Industry, laboratories, hospitals etc to assure correct measurements
- Regulate manufacture and sale of Prepackaged commodities in relation to labelling, packaging and Net content

The Mandate, cont...

- ➤ Registration of suppliers, service persons and service companies that install, adjust, maintain and calibrate measuring instruments
- Registration of Manufacturers and importers of Prepackaged commodities
- Represent and co-ordinate representation of Zambia on Regional and International Metrology Organisations -AFRIMETS, BIPM, OIML. SADCMET. SADCMEL

The Mandate, cont...



Sectors Covered

- Agricultural Sector- Contribution to food security and sustainability of Agri-business Weighbridges, trade scales, inputs (fertilizer, seed) and crops.
 - ✓ Grain and Cotton marketing season- FRA and private sector
- ➤ Petroleum Sub-sector-National fuel security via accurate measurements throughout distribution chain
 - ✓ Tanker trucks, TAZAMA fuel depots and OMC depots (Bulk flow and Master Meters), Service stations
- ➤ Manufacturers- Prepackaged goods- Competitiveness
 - ✓ Millers, beverages, water, fillers and packers
- ➤ Construction Roads, Power stations
 - Force, Sand ballast, roofing sheets, blocks

Sectors Covered

- Mining- Instruments key for Metal accounting such as weighbridges and export platform scales, calibration of instruments used in the process control and laboratories Sustainability of mining operations
- ➤ Health Sector- Calibration of thermometers, pressure equipment, incubators, water baths, ovens and other laboratory equipment etc.- Improved quality of health
- ➤ Utilities Electricity and Water Meters Consumer protection and sustainability of utilities
- ➤ Public safety- Speed enforcement cameras, alcohol breathalysers
- > Retail outlets and courier companies-



Pre-Packaging of Commodities

- A pre-packaged commodity is a commodity that is made up as a unit or entity prior to being offered for sale.
- Examples of pre-packaged goods: Mealie Meal, Cooking oil, Salt, Cement, Fertilizer, bottled water etc.
- There are two critical components of packaging;
 - 1. The net content (measurements); and;
 - 2. Labelling
- ZMA regulation focuses on labelling and net content (Packaging)

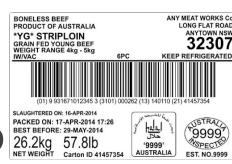






Importance of labelling

- Give useful information about the product
- Draw the attention of consumers to a specific item
- Reflects the manufacturer's brand
- Digitalises the product to be managed into retail supply chain (Bar code)





What are labels and their use

- ➤ The label is "a piece of paper or other material that gives you information about the object it is attached to"
- > It can be printed on or attached to the package
- For other products a label can be placed near the products being sold
- > It should be in the official language of the country



Interventions to support improved

- 1. Accurate Measurements of measuring instruments
- 2. Packaging and Labelling Prepacks

1. Legal Framework

- ➤ The Metrology Act and regulations have been harmonised with regional and international best practices/ requirements (SADCMEL & OIML)
 - 1. Metrology Act No. 6 of 2017
 - 2. SI 52 Metrology Fees of 2020
 - 3. SI 55 Measuring Instruments of 2021
 - 4. SI 56 Prepackaged commodities of 2021
 - 5. SI 59 Certification of Competence of 2021

2. Enforcement & Voluntary schemes

- a) Inspection of regulated imported products
 - ✓ Monitor using the ZESW/ ASYCUDA World
 - ✓ Risk-based <u>destination</u> inspections-0.2% FOB
- b) Industry inspections
 - ✓ Inspection of industries- No cost
 - ✓ Voluntary scheme/ Pre-arranged Paid for
- c) Market Surveillance
 - ✓ Retail, Warehouse, Chain stores No cost
- d) Verification/Calibration
 - ✓ Instruments used in trade, Quality Control, law enforcement, health, safety and environmental mgt

3. Training/ Capacity building

Targeted at manufacturers/MSMEs

- Several SBs-ZMA, ZABS, ZCSA
 - Based on their mandates
- No cost to manufacturers



4. Harmonisation of Prepack labelling requirements for Zambia

- Various Government Ministries and Statutory Bodies have Regulatory functions related to labelling in the statutory instruments
- Challenges: Overlaps of mandates and gaps
- Overlaps: Regulatory fatigue on businesses
- Gaps exposes the nation to substandard products
- Approach: Develop a single standard on labelling of all Prepackaged products
- Review all regulations with labelling function



Thank You!

Rhaemie K. SALIMA (C) 2022 Metrologist-Inspections Cell: +260 974 699 710





Module 3

Rules of Origin-Introduction and General Principles:



Module Objective

- Introduce the general concepts and principles of rules of origin in the context of regional and international trade.
- Provide implications of rules of origin on businesses especially when it comes to market access in preferential trade agreements.



Outline

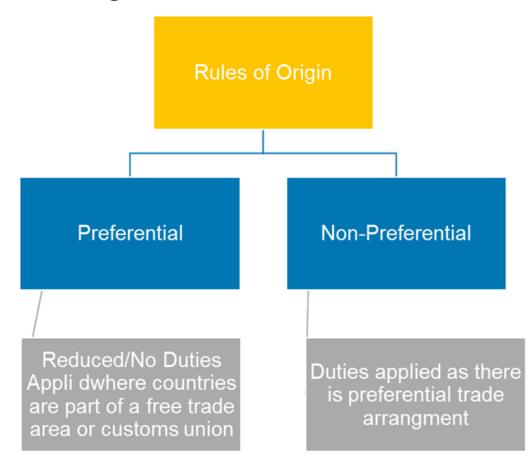
- 1. The Concept of Rules of Origin
- 2. How origin affect importers and exporters
- 3. General Structure of Rules of Origin
- 4. The concept of Cumulation



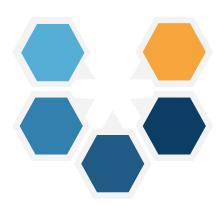


- Rules of origin are rules that determine the origin of goods which may enter a country under preferential treatment.
- The main purpose is to ensure that the benefits of preferential tariff treatment are restricted to only those products which have been:
 - harvested, grown produced or manufactured in the exporting Regional Trade Agreements (RTA) member.
- Rules of origin are therefore the criteria needed to determine the national origin of a product.
- The rules of origin are therefore, a key element determining the size of the economic benefits that accrue from trade agreements and who gets them.



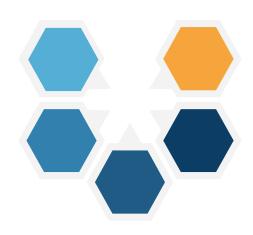






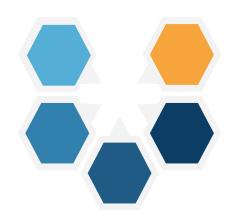
- Non-preferential rules of origin:
 - Used for a number of purposes such as determining what trade policy measures apply to imported goods (for example quotas, anti-dumping and countervailing duty).
 - It is also used for trade statistics and for the purpose of labelling.







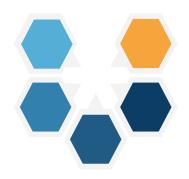
- Each country establishes its own nonpreferential rules and these are based on two main principles:
 - Wholly obtained: products obtained entirely in the territory of one country without the addition of any nonoriginating materials.
 - Last substantial transformation: in a case where more than one country was involved in the production of the goods, the country where the last substantial transformation took place determines the origin of the goods.



2. Preferential rules of origin:

- Preferential rules are used to determine origin under trade agreements.
- They help to establish whether the product qualifies for the preferential tariff (reduced duty rate) under the trade deal.
- There are a series of requirements that goods traded under a free trade agreement need to comply with in order to be eligible for preferential duty rates.
- Preferential rules of origin are set under each trade agreement – they differ for each trade deal.







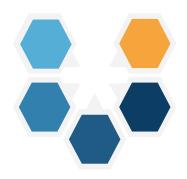
 However, in principle, there are a few main ways in which preferential rules of origin can be established:

Wholly obtained:

 products obtained entirely in the territory of one country without the addition of any non-originating materials.

Substantial transformation:

 requires the product to undergo a certain processing in order to be considered originating.





- This can be based on one of three principles:
- Change in tariff classification: a rule that requires non-originating materials to have undergone a change to tariff classification in order to obtain originating status
- Value-added calculations: a rule that requires a certain percentage of the total value of the final product to be added.
- Specific processing: a rule that requires that a specific processing be undertaken at a particular stage of the production process.

Products that are wholly produced or obtained

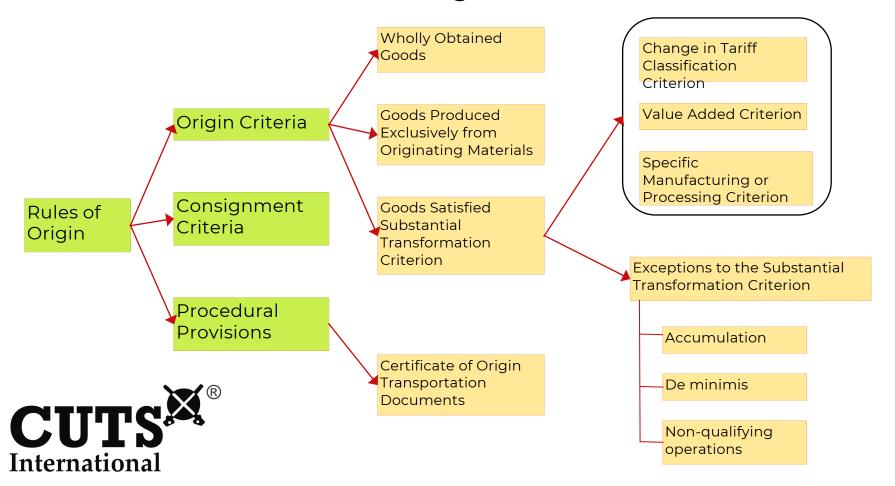
General products that are wholly produced or obtained include:

- a) Raw or mineral products extracted from a country's soil, its water or its seabeds;
- b) Agricultural products harvested there;
- c) Animals born and raised there;
- d) Products obtained from animals referred to in paragraph (c) above;
- e) Products obtained by hunting or fishing conducted there;
- f) Products of sea fishing and other marine products taken from the high seas by its vessels;
- g) Products processed and/or made on board its factory ships exclusively from products referred to in paragraph (f) above;

- h) Parts or raw materials recovered there from used articles which can no longer perform their original purpose nor are capable of being repaired;
- i) Used articles collected there which can longer perform their original purpose there nor are capable of being restored or repaired and which are fit only for disposal or for the recovery of parts or raw materials;
- j) Waste and scrap resulting from manufacturing operations conducted there;
- k) Goods produced there exclusively from the products referred to in paragraphs(a) to
- (j) above.



General Structure of Rules of Origin



Understanding Rules of Origin

The impact of Preferential Rules of Origin Agreement on market access

- Preventing trade deflection
- Facilitating value addition
- Expanding intra-regional trade and investment flows

Are Rules of Origin the same in all Free Trade Agreements?

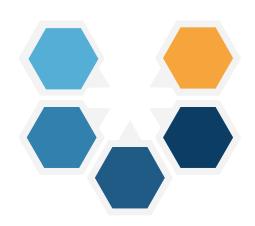
- Rules of Origin can be different under different agreements.
- Currently the numbers of agreements recognized by WTO are more than 200. And this number is expected to increase.
- Many African states are participating in more than one regional trade blocs.
- Each of these regional trade blocs follows a different rules of origin criteria.

Principles of Rules of Origin

- RoOs should follow the following four basic principles of WTO Agreement:
- Non-discrimination
- Predictability
- Transparency
- Neutrality
- Moreover rules of origin should:
- clearly define requirements for conferring origin;
- be based on a positive standard;
- be published in accordance with GATT Article X:I; and
- be applied prospectively



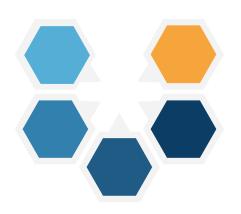
How does origin affect importers and exporters?



- The origin of goods needs to be declared on a customs declaration each time goods are imported or exported
- When there is a preferential trade deal in place, preferential origin is declared to obtain a reduced rate of duty.
- In the absence of a trade agreement, nonpreferential origin needs to be declared to ensure that appropriate trade policy measures are applied
- Declaring an incorrect country of origin may lead to non-compliance or even be considered fraud.



How does origin affect importers and exporters?



- Non-preferential origin is confirmed by a Certificate of Origin which can be obtained from a designated competent authority.
- Preferential origin is certified in a number of ways, depending on the text of the agreement
- A preferential origin certificate must be submitted as part of import documentation in order for the company to be able to profit from preferential duty rates.



Why are Rules of Origin Important-For Businesses



- □RoO are designed to ensure that only businesses located in countries/regions party to a given agreement can benefit from reduced tariffs.
- □RoO are important for businesses in international trade as it enables them to source inputs to enable them benefit from tariff preferences in destination countries.
- ☐ Tariff preferences can provide an advantage and make products more competitive with other similar products in destination markets.
- ☐ Businesses may not use preferential RoO is they are a burden (cost and time) to trade



- □ RoO provide a basis for businesses to invest in specialized value addition activities that will help them benefit form trade preferences.
- ☐ RoO provide a basis for businesses to invest in regional value chains

How does origin affect importers and exporters?



- For importers, relying on the exporter's origin determination can be risky.
- While the proof of origin is provided by the exporter/producer, it is the importer who is legally liable for the correctness of information provided to customs authorities at the time of import.
- If a preferential proof of origin is rejected by customs for any reason, the importer will have to pay the full duty rate.

Related origin requirements:

- Establishing origin also depends on various other terms and administrative requirements being satisfied.
- These include conditions around record-keeping, invoicing and transport of the goods.
- Exporters must also be familiar with the all these additional, originrelated requirements.



The concept of Cumulation

Definition

- Cumulation is a provision which allows considering goods obtained in or processing taking place in one FTA member country as originating in another.
- Cumulation is an integral part of trade agreements and enables production sharing within the FTA territory.
- There are three types of cumulation

CUTS International

Diagonal cumulation

- Operates between more than two countries
- Allows producers to use materials and components originating in either country that is part of the agreement.
- In one form this is an extension of bilateral cumulation by extending it to the regional level.

Bilateral cumulation.

- Operates between two countries
- Allows producers in either partner country to use materials and components originating in the other country as if they originated in its own country.

Full cumulation

- Takes into account all of the operations conducted within the countries that are members to an agreement, even if they are carried out on non-originating material.
- There are no restrictions on using only originating materials and components for the final good.
- Allows more fragmentation of the production process among members of a trade agreement and increases economic linkages and trade in RTAs.
- It is not yet clear how this will work in practice









Module 4

Rules of Origin-AfCFTA



Module Objective

- Introduce negotiated AfCFTA Rules of Origin
- Provide key principles and interpretation of origin requirements, origin criteria, origin certification and documentation.
- Conduct practical exercises to enable the private sector practically apply for and obtain certificates of origin.

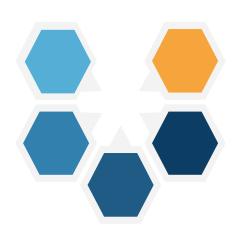


Outline

- 1 AfCFTA Rules of Origin
- 2 How is Origin Determined in the AfCFTA
- 3 Rules of Origin Negotiations Status QUO



Rules of Origin in the AfCFTA



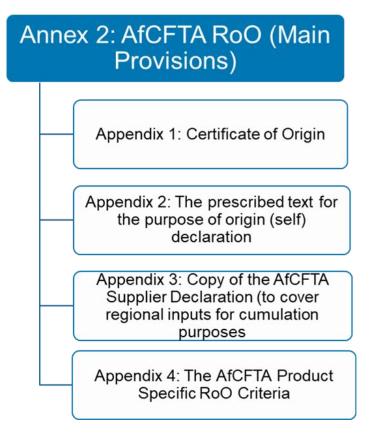


- □Rules of Origin (RoO) are legal provisions used to determine the nationality of a product in international trade.
- □Within a preferential trade area such as the AfCFTA:
 - the RoO specify the conditions under which a product traded between the parties to the agreement can claim local 'economic' origin status and;
 - therefore benefit from the preferences offered by the AfCFTA
- □ Products that cannot demonstrate compliance must be traded on standard Most Favoured Nation (MFN) terms.
 - This often means much higher tariffs
- ☐ This also illustrates the inter relatedness between tariffs and RoO within a preferential trade area:
 - ❖The tariff advantages are only available to products that originate within the preferential trade area as measured by the applicable RoO criteria for such products

The Rules of Origin in the AfCFTA

The AfCFTA agreement includes a number of technical Annexes and Appendix

Annex 1: Schedule of Tariff
Concessions





How is Origin Determined in the AfCFTA

The AfCFTA follows a general approach to RoO that is similar to the one used in various regional Economic cooperation

(REC) areas.

Preferences are available only to products where it can be demonstrated that they are of the economic origin of one or more State Parties of the AfCFTA.

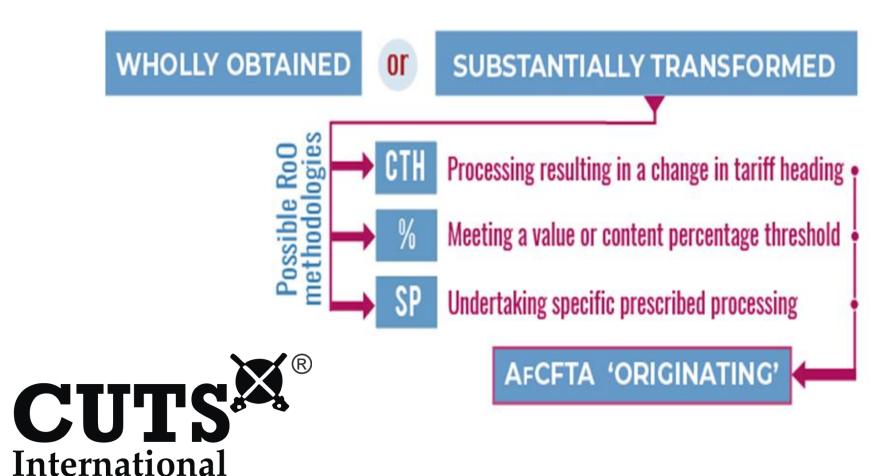
Origin Determination in the AfCFTA

Broadly speaking, this approach requires that products are

- wholly produced in an AfCFTA State, or
- where non –
 originating inputs are
 used, that these are
 substantially
 transformed within
 the AfCFTA State Party
 (or Parties, under the
 cumulation provisions)



How is Origin Determined in the AfCFTA



Wholly Obtained



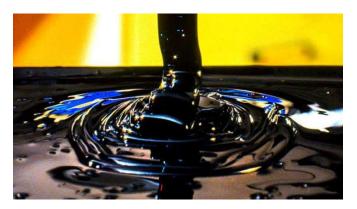




Wholly obtained or produced goods are:

- Goods originating in a country shall be those wholly obtained or produced in that country.
- Goods Wholly obtained in a country` means:
 - mineral products extracted within that country;
 - vegetable products harvested therein;
 - live animals born and raised therein;
 - products derived from live animals raised therein;
 - products of hunting or fishing carried on therein;
 - products of sea-fishing and other products taken from the sea outside a country's territorial sea by vessels registered or recorded in the country concerned and flying the flag of the country;

Wholly Obtained (cont'd)







Wholly obtained or produced goods are:

- Goods Wholly obtained in a country` means:
 - goods obtained or produced on board factory ships from the products, provided that such factory ships are registered or recorded in that country and fly its flag;
 - products taken from the seabed or subsoil beneath the seabed outside the territorial sea provided that that country has exclusive rights to exploit that seabed or subsoil;
 - waste and scrap products derived from manufacturing operations and used articles, if they were collected therein and are fit only for the recovery of raw materials;

Identify the Products HS Classification

- ☐ This is needed to look up the relevant RoO criteria and the compulsory customs paperwork
- □ Incorrect classification can hold up the trade process and result in penalties

Which market export destination

- ☐ The AfCFTA RoO and tariffs relate to trade between AfCFTA State Parties that do not;
 - already trade with one another on a preferential basis
 - within an existing REC arrangement that its own RoO and tariff schedules.

Is the product wholly obtained in one country?

- □ The AfCFTA RoO consider products wholly obtained or produced in a State Party to be of local origin.
- ☐ The criteria for wholly obtained are listed under Art. 5 of Annex II



Does the product contain any imported materials?

Products not 'Wholly obtained' and containing materials from a non -AfCFTA country, or non-determined country, then the product must be substantially transformed based on AfCFTA origin criteria of value of non-originating material

Determine the product-specific RoO

- Product specific rules are in Appendix IV to the Annex II on Rules of Origin.
- □ The HS tariff code (step 1 above) must be used to look up the relevant local processing rules in Annex II, read in conjunction with the remaining general RoO provisions of Annex II.

What about 'processing not confering origin'?

□ These provisions ensure that simple operations do not on their own confer origin, and deal with some of the weaknesses and unforeseen scenarios that may not be adequately covered by the product rules.



Is cumulation relied on in the determination of origin?

- □ All State Parties of the AfCFTA are considered a single territory for origin purposes.
- □ processing or inputs from another AfCFTA State Party will be considered as originating where the final processing was completed, provided that this final processing goes beyond the processing not conferring origin' listed in Art. 7.
- ☐ It is not necessary that the materials and processing undertaken in the final exporting country (claiming origin status for the product) fulfils the product-specific RoO obligations in their entirety on its own, provided that the processing and materials of all the AfCFTA State Parties taken together fulfils these RoO requirements



What about packaging and spare parts?

- ☐ Packaging is normally considered an integral part of the product and not treated separately for origin purposes, unless:
 - a particular State Party normally treats goods separately from their packaging for customs duty purposes.
- □ Spare parts, tools and accessories dispatched with a machine or equipment included in the price and normally part of the equipment is regarded as one with the equipment and origin need not be separately determined.



Provisions around transportation Originating products shipped from one State Party to their final destination may travel via other State Parties' territories provided that during transit (and any temporary storage necessary) the goods remain under the supervision of the relevant Customs authorities.

RoO paperwork □ The AfCFTA contain a number of information and paperwork requirements that must be adhered to. (This is treated in the section on Proof of origin: Information Requirement and Paperwork)



Non-Qualifying Criteria for Conferring Origin-Art. 7

Operations that are insufficient to confer origin on a Product

- Operations to preserve Products in good condition during storage and transportation
- Breaking-up or assembly of packages
- Washing, cleaning or operations to remove dust, oxide, oil, paint or other coverings from a Product
- Simple ironing or pressing operations
- Simple painting or polishing operations

- Husking, partial or total bleaching, polishing or glazing of cereals and rice
- Operations to colour sugar or form sugar lumps, partial or total milling of crystal sugar
- Peeling, stoning or shelling of vegetables
- Sharpening, simple grinding or simple cutting
- Simple sifting, screening, sorting, classifying, grading or matching
- Simple packaging operations, such as placing in bottles, cans, flasks, bags, cases, boxes or fixing on cards or boards



Non-Qualifying Criteria for Conferring Origin-Art. 7

Operations are insufficient to confer origin on a Product:

- Affixing or printing marks, labels, logos, and other like distinguishing signs on the Products or their
- packaging Simple mixing of Materials, whether or not of different kinds; which does not include an operation that causes a chemical reaction
- Simple assembling of parts of articles to constitute a complete article
- A combination of two or more operations specified above
- Slaughter of animals
- An operation shall be considered simple
 - when neither special skills, nor machines, apparatus nor tools especially produced or installed for those operations are required for their performance or
 - when those skills, machines, apparatus or tools do not contribute to the Product's essential characteristics or properties.



What paperwork is required to prove origin status?

Certificate of origin in the AfCFTA



- The proof of origin requirements are set out in Part III of the Annex II on RoO.
- An exporter of a shipment of goods claiming preferential AfCFTA origin status must complete a certificate of origin and have this authenticated by the designated local competent authority.
- Proof of origin is a critical aspect of trading under AfCFTA preference and various provisions are of direct relevance to traders.
- A certificate of origin in the required format (Appendix I of Annex II) is generally required as proof of origin.
- It is completed by the exporter and submitted to the local designated competent authority, along with any relevant supporting documentation if required, for authentication and verification purposes.
- Supporting documentation may include information on production processes, costs and sources of input materials and processing details of shipping and payment for the product etc.

When is a certificate of origin not required?

- An AfCFTA certificate of origin is not required in certain situations, either:
 - in cases where an origin declaration (see next point) is acceptable as proof or
 - where an exemption from any proof of origin (Art. 28) is permitted.
- Exemptions relate to:
 - small packages occasionally sent between private persons (worth up to \$500), or
 - goods forming a part of travelers' luggage (up to \$1,200).



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Benefits of being an 'approved exporter'

- Under the AfCFTA 'approved exporter' (Art. 20)
 status may be granted to frequent exporters by
 the State Parties' designated local competent
 authority, provided that the exporter is able to
 - guarantee compliance with all the relevant RoO provisions and
 - subject to any other conditions imposed by the authority.
- The exporter is then issued an authorization number which must appear on any origin declaration made out.
- An approved exporter may then make out origin declarations (self-declare origin status) regardless of the value of the goods covered, and need not obtain a certificate of origin.



Rules of Origin Negotiations Status QUO



- As of July 2021, 86% of the Rules of Origin provisions have been agreed, while negotiation of the outstanding rules are expected to be concluded soon
 - The 14% outstanding issues include
 - Scattered issues (2%)
 - Textiles (10.5%)
 - Automotive (1.4%)
- By July 2021, 28 tariff offers had been certified by the AfCFTA Secretariat as meeting the 90% threshold.



AfCFTA Rules of Origin Negotiations Status QUO

Concluded Agreements

- 'Wholly obtained' criteria, except for criteria on fish (pertaining to vessels) (Article.5.)
- Methodology for substantial transformation: As list rules are completed, this Article needs to reflect that product-specific rules prevail (Article 6)
- Cumulation of origin (full cumulation) (Article 8)
- Documentary evidence (Part II) and Administrative cooperation guidelines (Part IV)
- Proof of origin and related administration, including origin declarations and approved exporters (Part III.)
- Exemptions from proof of origin (Article 28)

Outstanding Issues

- Definition of what constitutes a qualifying vessel in relation to any fish caught outside of the territorial waters
- Finalization of Article 6 (substantial transformation) ensure consistency with principle of list rules
- Regulations for goods produced in special economic zones
- Provisions for certain central provisions, including 'value tolerance' (de minimis), absorption principle, outstanding definitions

Rules of Origin Negotiations Status QUO as of March 2022

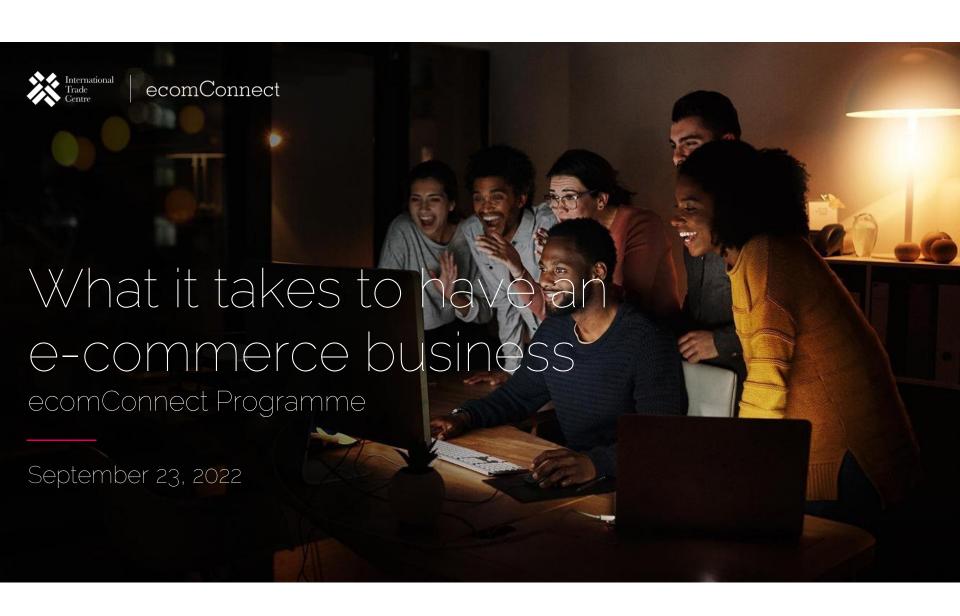
Outstanding Issues

Specific RoO for approximately 19% of tariff lines, including the following products and sectors (in some of the categories below, a small number of individual tariff lines have been agreed): (Items are listed below)

- Wheat flour
- Fish products
- Dairy Products
- Animal Or Vegetable Fats
- Sugar
- Juices
- Residues and Waste Products Of The Food Industries
- Tobacco Products
- Articles Of Leather
- Textile Fabrics
- Household Textiles
- Articles Of Clothing
- · Motor Vehicles And Parts.







About ecomConnect

The ecomConnect Programme helps small and medium- sized businesses (SMEs) in developing countries to market and sell their products online. We support our project SMEs with training, research, structures, partnerships, and digital tools and technologies.

Our goal is to connect SMEs to local, regional, and international online markets, in an inclusive and sustainable manner.







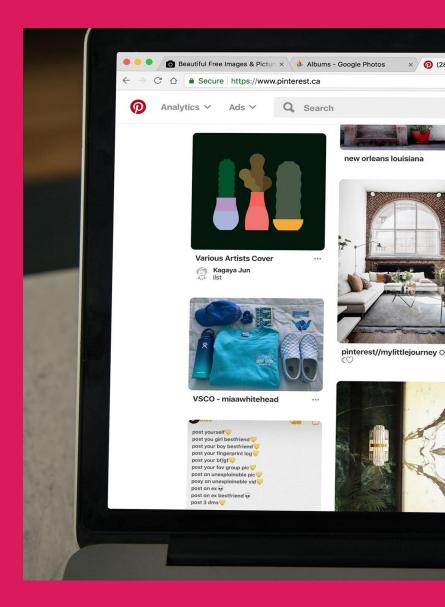








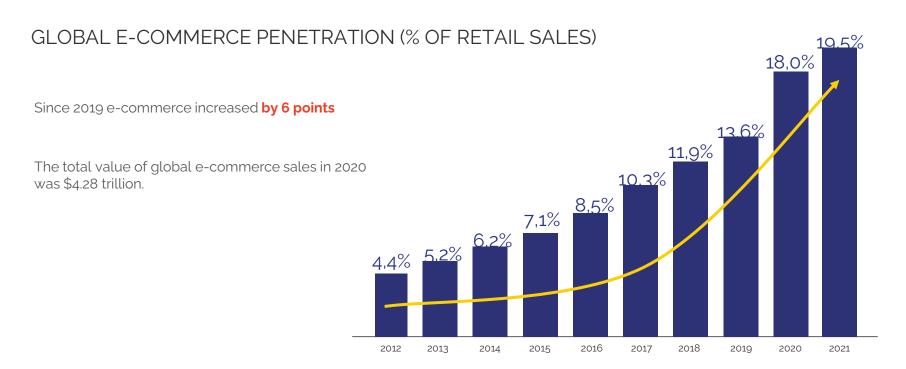
1. COVID-19 PROVES
WHY BUSINESSES
NEED AN ONLINE
PRESENCE







Businesses need an online presence



Fuente: EMarketer Marzo, 2021



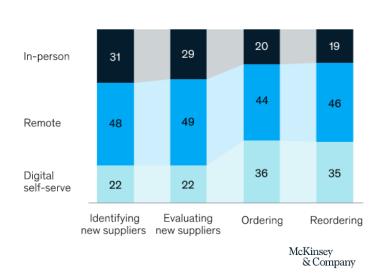


Businesses need an online presence

MOST B2B SELLER INTERACTIONS HAVE MOVED TO REMOTE OR DIGITAL

Current way of interacting with suppliers' sales reps during different stages^{1,3}

% of respondents



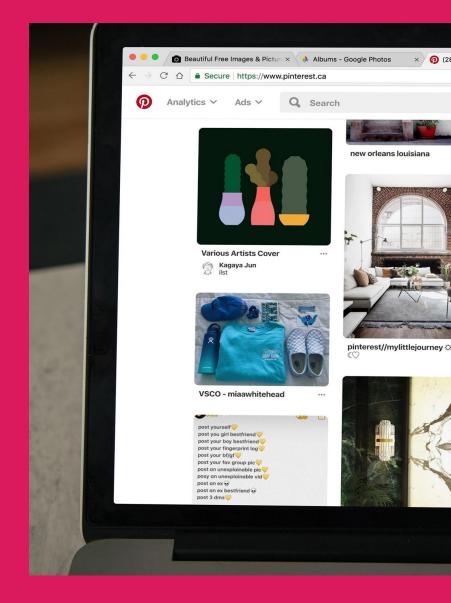


of B2B decision makers prefer remote human interactions or digital self-service^{2,3}

Why?

- · Ease of scheduling
- · Savings on travel expenses
- Safety

But have all companies been able to respond to this growth in demand?



66 E-commerce does not offer the personal touch necessary for conversion ??

E-commerce does not offer the personal touch necessary for conversion

My customers need help completing a purchase

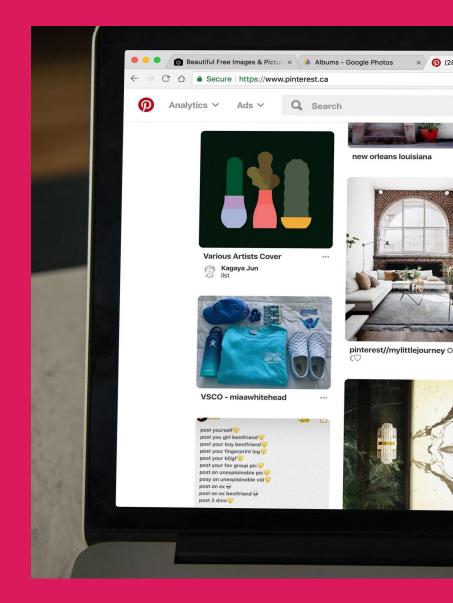
66



How many of you are selling online?

In which online channel?

2. Things to consider before building your online presence





Ask yourself...

- ✓ Is there an online demand for my products/services?
- ✓ Are my products/services suitable for e-commerce?
- ✓ Do I have a good internet connection?
- ✓ Do I have enough ICT skills for e-commerce?
- ✓ Do I have enough time and resources to dedicate to my online business?

To evaluate your e-commerce readiness, check our E-commerce Readiness Quiz <u>here</u>.



Costs you need to look at

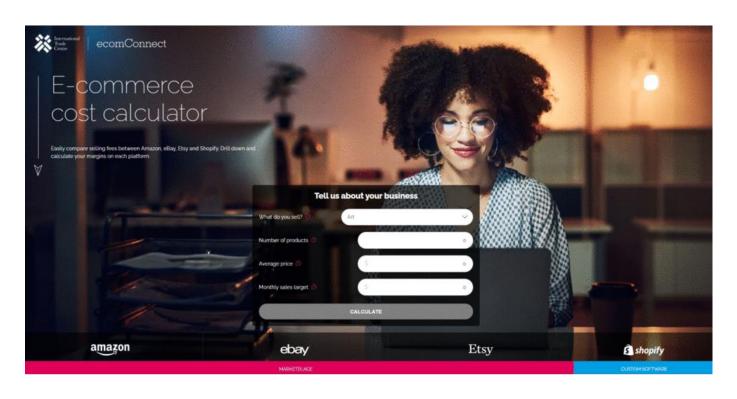
- Website or marketplace cost (hosting, domain registration, commission, subscription fees...)
- Digital content creation (photos, videos, marketing copy...)
- Logistics and inventory (shipping cost, inventory management software...)
- Payments (fixed cost, commission...)
- Customer service (human resources, software...)
- Digital marketing (social media marketing, SEO, email marketing...)

To calculate margins and selling fees on websites and marketplaces, check our E-Commerce Cost Calculator <u>here</u>.



E-commerce Cost Calculator

https://tools.ecomconnect.org/calculator



3. Steps to build a strong online presence







Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES

STEP 3: DEVELOP YOUR VALUE PROPOSITION

STEP 5: CHOOSE AN ONLINE SALES CHANNEL

STEP 7: BECOME MORE VISIBLE ONLINE

STEP 2: DEFINE YOUR TARGET AUDIENCE

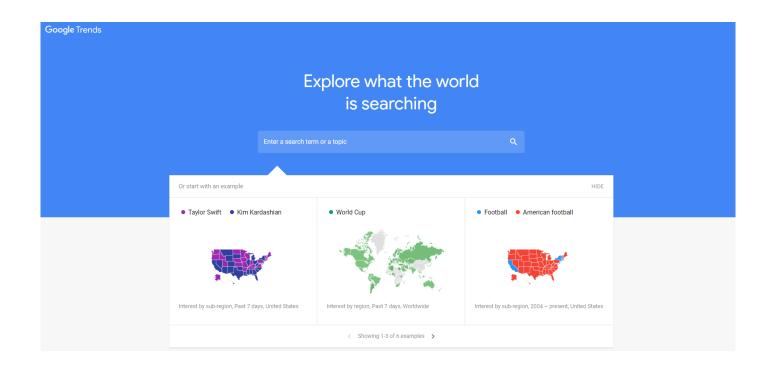
STEP 4: CREATE A VISUAL IDENTITY

STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS



ecomConnect

Google Trends





ecomConnect

Example: Cottar's Safaris

- Tourism (Safari)
- Safaris and accommodations
- Committed to contributing to local wildlife and community conservation
- Channels: Website/telephone/email. B2C and B2B wholesale through travel agencies (physical & digital).





IDENTIFY INDUSTRY TRENDS: COTTAR'S SAFARIS

- Reunion travel or multigenerational travel: After months of separation, extended families are now opting to holiday together. (social sustainability)
- Safe travel and transparent information sharing on local health regulations
- Growing demand for open-air and nature-based tourism activities, with 'slow travel' experiences. (ecological and social sustainability)
- Social distant travel instead of crowed tourist areas.
- Workations for employees who can work from anywhere



RESEARCH COMPETITORS: COTTAR'S SAFARIS

COMPETITOR	PORTFOLIO ASSORTMENT	PRODUCT QUALITY	ORIGINALITY UNIQUENESS	PRICE/QUALITY RATIO	CUSTOMER SUPPORT	MARKET SHARE	DISTRIBUTION	COMMUNICATION TOOLS	INTERNATIONAL CERTIFICATIONS	POSITIVE IMPACT
BASE CAMP EXPLORER	****	****	***	****	****	****	***	****	★ thickishish	****
ANGAMA	***	****	***	***	***	***	****	****	****	****
SANCTUARY RETREATS	****	****	****	****	****	****	****	****	******	****
OLARRO RETREATS - BY HERMES	***	****	****	***	****	****	****	***	****	****



SWOT ANALYSIS: COTTAR'S SAFARIS

- +100 years of history and experience.
- · Highest guiding standards.
- Positive impact on local community
- Varied portfolio: 3 lodging alternatives from tents to luxury.

- Sustainable Tourism Trend
- · Popularity of social distant travel



- Strong dependence on local wildlife and community conservation.
- Strong dependence on Tourism and donations to finance local wildlife conservation.

- Tourism drop due to Covid19.
- Wildlife decline due to human activities, such as illegal hunting.



KEY MARKET OPPORTUNITIES: COTTAR'S SAFARIS

- Continue Covid-19 special actions to mitigate tourism decline, such as:
 - Covid-19 & post Covid-19 offers with a focus on flexibility, safety and transparent communication
 - Communicate Kenya's awarded safe travel stamp
 - Generate additional sources of income to overcome Covid-19 crisis, such as privately hosted virtual Safari experiences



Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES STEP 3: DEVELOP YOUR VALUE PROPOSITION

STEP 5: CHOOSE AN ONLINE SALES CHANNEL

STEP 7: BECOME MORE VISIBLE ONLINE

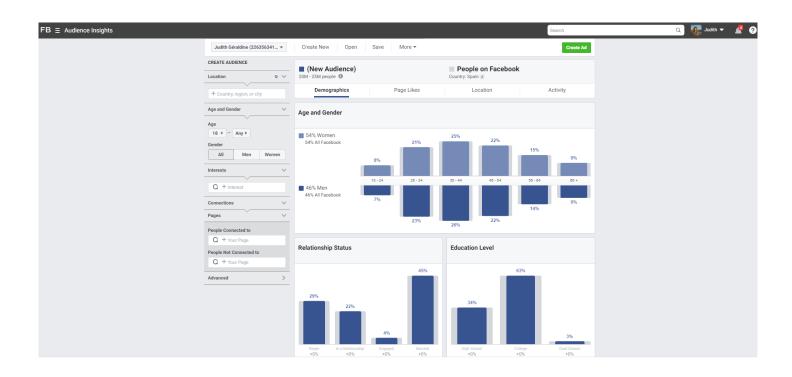
STEP 2: DEFINE YOUR TARGET AUDIENCE

STEP 4: CREATE A VISUAL IDENTITY

STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS



Step 2: Define your target audience







Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES



STEP 5: CHOOSE AN ONLINE SALES CHANNEL

STEP 7: BECOME MORE VISIBLE ONLINE

STEP 2: DEFINE YOUR TARGET AUDIENCE

STEP 4: CREATE A VISUAL IDENTITY

STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS



Step 3: Develop your value proposition

A value proposition is simply a statement of the different ways you provide value to your customers. It answers a crucial question that every ecommerce customer is asking:

"Why should I buy from you instead of your competitors?"



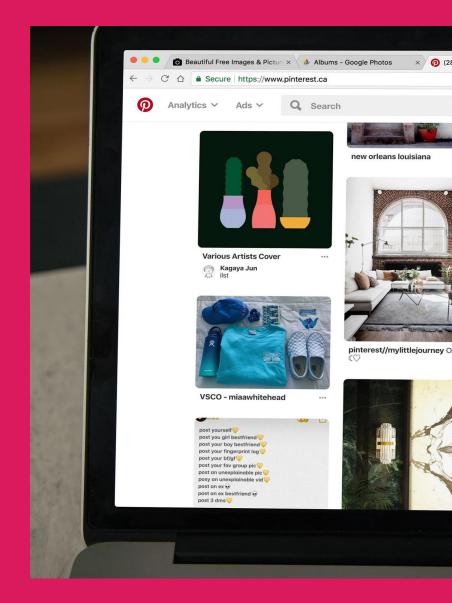
Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES STEP 3: DEVELOP YOUR VALUE PROPOSITION

STEP 5: CHOOSE AN ONLINE SALES CHANNEL

STEP 7: BECOME MORE VISIBLE ONLINE

STEP 2: DEFINE YOUR TARGET AUDIENCE STEP 4: CREATE A VISUAL IDENTITY STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS Why do you need high-quality content?







Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES STEP 3: DEVELOP YOUR VALUE PROPOSITION



STEP 7: BECOME MORE VISIBLE ONLINE

STEP 2: DEFINE YOUR TARGET AUDIENCE

STEP 4: CREATE A VISUAL IDENTITY

STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS



Step 5: Choose an online sales channel

CHANNELS	BENEFITS	DISADVANTAGES
Website/ Own Store	Higher autonomy on communicationsVery customizable	 High initial cost Requires technical knowledge (development and maintenance)
Marketplace	 Greater flow of visitors Low need for technological knowledge Integrated payments and logistics 	Little flexibility for brand communicationVisibility challenge
Social networks	Greater communication rangeGreater proximity to consumerLow transaction cost	High demand for timeFew tools for sales management
Messaging Application	Greater proximity to consumerDirect communicationLow transaction cost	 Limited scope High time demand Few tools for sales management Poorer security in transactions



Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES STEP 3: DEVELOP YOUR VALUE PROPOSITION

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Steps to build an online presence

STEP 1: IDENTIFY MARKET OPPORTUNITIES STEP 3: DEVELOP YOUR VALUE PROPOSITION

STEP 5: CHOOSE AN ONLINE SALES CHANNEL

STEP 7: BECOME MORE VISIBLE ONLINE

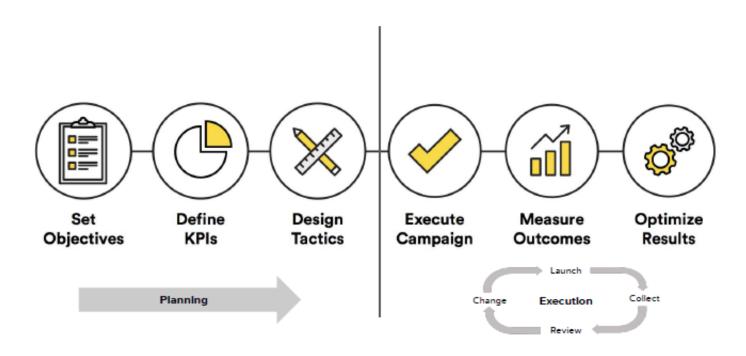
STEP 2: DEFINE YOUR TARGET AUDIENCE

STEP 4: CREATE A VISUAL IDENTITY

STEP 6: SELECT PAYMENTS AND LOGISTICS PROVIDERS



Step 7: Become more visible online





Step 7: Become more visible online





How the
ecomConnect
Programme can
help you



Free online tools



Connects entrepreneurs, organisations and business experts with SMEs to share e-commerce solutions and success stories, and access free tools, via our online community.

Click here.



Rapidly assesses e-commerce readiness in 5 areas: e-commerce planning, online presence, digital marketing, shipping, and inventory and customer service.

Click here.



Helps SMEs understand the costs of selling on popular e-commerce marketplaces such as Amazon, eBay and Etsy, or their own online stores. Supports SMEs to set up pricing strategies and calculate sales margins.

Click here.

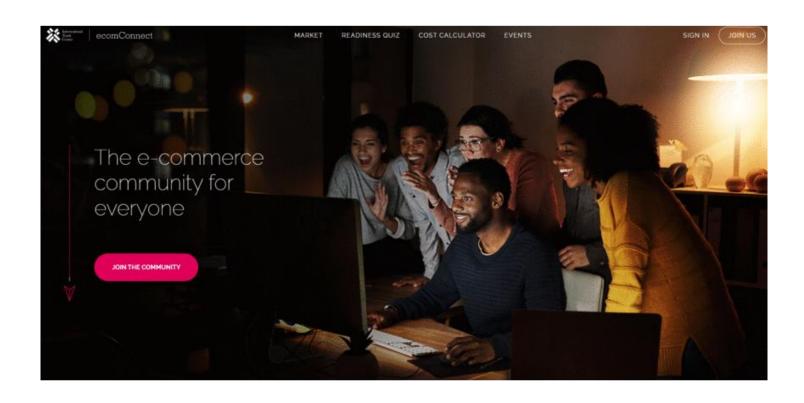


Helps businesses easily find available payment solutions for which they may be eligible in a given country and sales channel. It also incorporates background information and contacts for the listed solutions.

Click here.



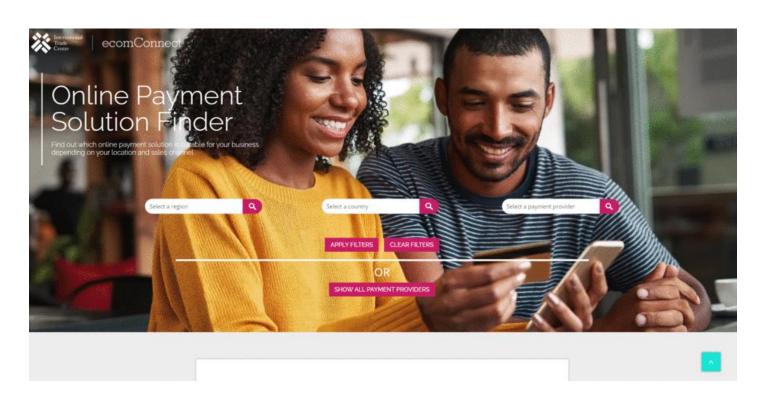
ecomconnect.org





Online Payment Solution Finder

https://paymentfinder.ecomconnect.org

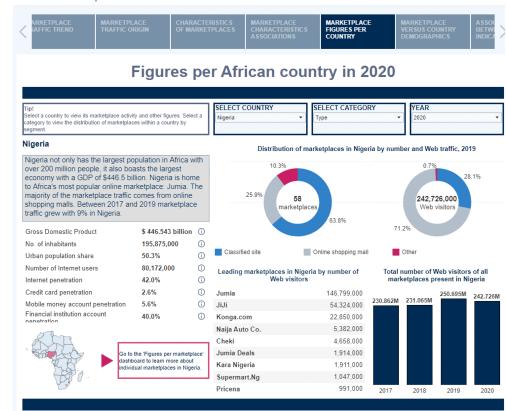




Africa Marketplace Explorer

Marketplace Explorer

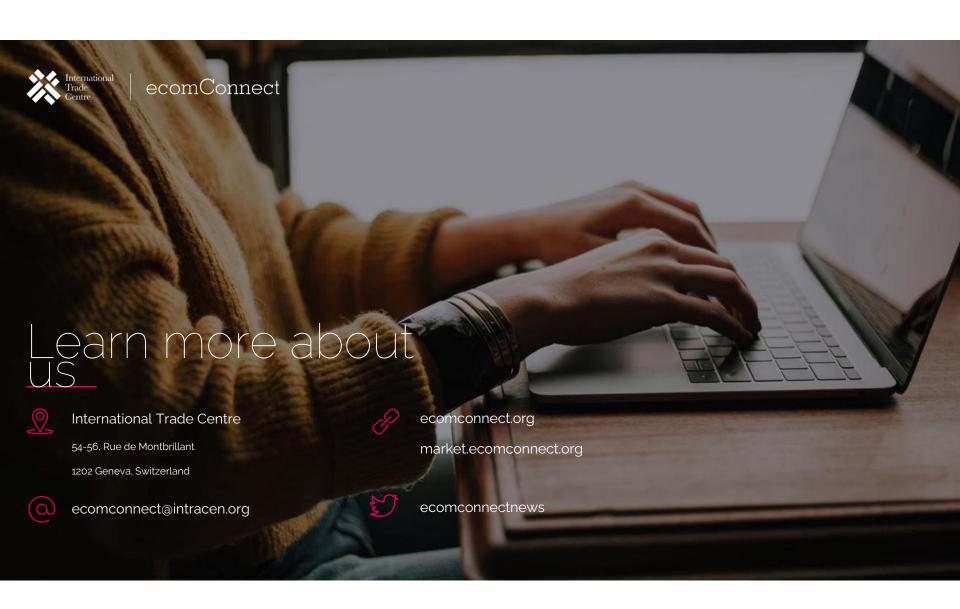
https://ecomconnect.org/ page/african-marketplaceexplorer



Want to apply to our e-commerce training?

https://forms.gle/b9dSPzbuzhEKxtTh8





MAKING TRADE WORK FOR WOMEN IN SOUTHERN AFRICA

An information brochure for women cross border traders

Empowering women with relevant knowledge on trade-related and cross border regulatory requirements for southern Africa.







Preface

Small-scale cross border trade plays an important role in contributing to poverty reduction and food security. As an economic activity, it is making a difference in changing the economic landscape in developing economies in southern Africa. Income generated from these small-scale trading activities is key to reducing poverty.

A significant number of traders are women. It is estimated that 70 percent of cross border traders in Southern Africa Development Community (SADC) are women. The women traders are more vulnerable in comparison to the men and face a number of challenges when undertaking cross border trade. Some of the challenges among many others are; limited access and knowledge on customs and regulatory procedures to be completed at the border post, limited security provided for women and their children at the borders, and unavailable health and sanitation facilities.

This brochure aims to address one of these challenges, which is to provide information to women on the regulatory requirements at the border post. The areas covered in the brochure are; the non-tariff barrier reporting system, the Common Market for Eastern and Southern Africa (COMESA) Simplified Trade Regime, the common list of goods, provisions for the SADC Free Trade Area and the voice of women traders.









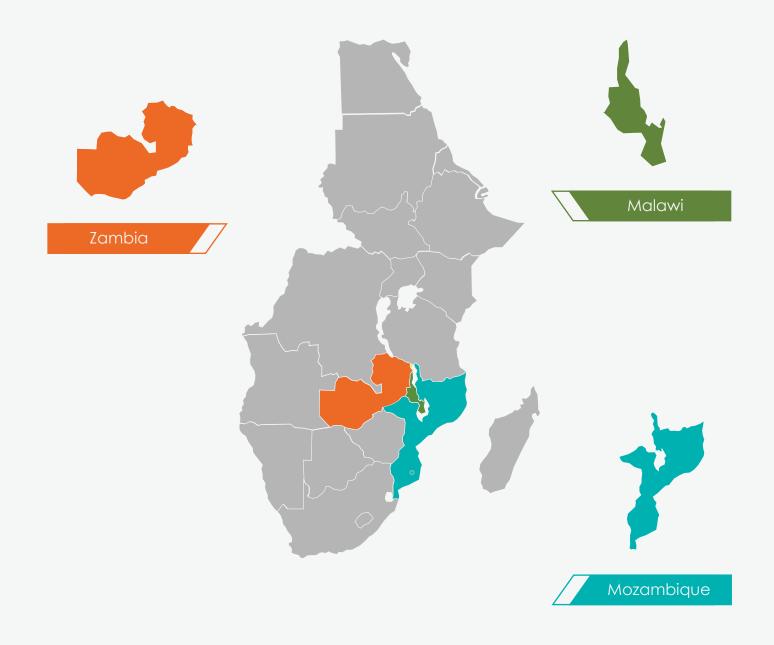


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COMESA SIMPLIFIED TRADE REGIME (STR)



What is the COMESA STR?

The Common Market for Eastern and Southern Africa (COMESA) STR is an initiative implemented by COMESA to help increase trade by small-scale cross border traders dealing in small quantities of goods.

The initiative aims at simplifying clearing procedures as well as reduce the cost of trading, for exporting and importing to enable small-scale cross border traders to undertake more cross border trade.



Traders can import and export products with a threshold value of \$2000, to benefit from tariff preferences available under COMESA.



The COMESA STR is currently being implemented in three SADC countries Malawi, Zambia, and Zimbabwe.





The implementation of the trade regime uses four key tools; the Simplified Certificate of Origin, the Simplified Customs Document, the Common Lists, and the Threshold (value of products traded under the STR). The Trade Information Desk Officer (TIDO) is another important feature of STR.



Are you qualified to use the COMESA STR?

If you meet any of these conditions:

- The goods grown and wholly produced in the COMESA region can be imported and exported under the STR.
- The goods appear on the Common List of goods (you do not pay any duty for goods in the Common List.)
- The goods will be sold in your neighbouring country and not in transit (the country you are passing through.)
- Ask the customs officials/Trade Information Desk Officer(TIDO) for the Common List of goods if this not shown at the border on any notice board near you.
- The goods are worth the STR value threshold or less (US\$2000.)
- The goods should be for sale in the country of final destination and not transit.

What is the Common List of goods?

The Common List refers to a list of products agreed upon between two neighboring states to be traded across their common border without levying import duties under the COMESA STR.



What documents do you require to use the COMESA STR?

To use the STR, traders should have the invoices for the goods to be imported or exported. In addition, export permits are required for controlled agricultural goods and animal products.

The Simplified Certificate of Origin enables the trader to enjoy duty-free and quota-free entry of their goods, provided that these goods appear on the Common list and must be submitted with the simplified certificate of origin.



Trade Information Desks

Trade Information Desk are structures established under the COMESA Simplified Trade Regime (STR) at various border points to provide facilitation services and relevant trade information to traders crossing the borders. They also serve small cross border traders seeking to form themselves into a formalized grouping.

Trade Information Desks are operated by Trade Information Desk Officers (TIDOs) are recruited by their respective Cross Border Traders Associations (CBTAs) or their relevant proxy organizations.



The role of the TIDOs is to provide trade facilitation services and relevant trade information including documents to traders crossing the border and where necessary to other traders and stakeholders that may require similar information or facilitation. This includes collecting all relevant information on (but not limited) to the following:-

- Common commodities traded
- Trader traffic (trends in numbers of traders crossing the border under STR)
- Incidences of illegal and or unfair treatment of cross border traders such as cases of corruption, harassment and any forms of non-tariff barriers
- A record for the duration to clear goods and cross the border
- Availability of documentation and general capacity of the border agencies in handling increasing numbers of traders
- Preparing monthly and quarterly reports for use by Cross Border Traders Associations (CBTA), COMESA and governments
- Conduct sensitization efforts on behalf of CBTA
- Obtain market prices for commonly traded products
- Provide information on customs procedures and any changes made
- Provide information on accommodation, transport, and any other essential services to traders
- Guide traders on customs, trade and border procedures and in filling out relevant forms and filing of the required documents to border agencies

HOW TO CLEAR GOODS USING COMESA STR AT THE BORDER POST

STEP 1: CLEAR IMMIGRATION

Report to the immigration office and get passport stamped



STEP 2: SORT OUT YOUR GOODS

If you are importing goods separate your goods into the following categories:

Goods produced in the COMESA region that appears on the Common List on which no duty is paid separated from goods produced in COMESA countries that do not appear on the Common List on which duty maybe paid.



STEP 3 SIMPLIFIED CERTIFICATE OF ORIGIN

Complete the COMESA Simplified Certificate of Origin. The Certificate has to be signed and stamped by a Customs official for the goods that are appearing on the Common List. NEVER PAY the Customs official any money for him to fill out this form.

If the Trade Information Desk officer is present at the border, you will be assisted to complete the form or answer queries that you may have.



HOW TO CLEAR GOODS USING COMESA STR AT THE BORDER POST

STEP 4: CLEARANCE ON AGRICULTURAL OR ANIMALS PRODUCTS

Get clearance from respective authorities if you have agricultural products or animals or any other that attracts special licenses or permits.



STEP 5: PAYING DUTY AND VALUE-ADDED TAX

Customs Duty on goods that appear on the Common List are not payable but you may still have to pay Excise duties or Value Added Tax (VAT) on these goods.

Customs Duties are different from Excise Duties. Excise Duty is normally payable on certain goods such as carbonated drinks, spirits, cigarettes, cosmetics and other goods imported into a country.

You then proceed to the Cashiers to pay any Customs duty, Excise Duty and VAT that is due.

After you complete all the requirements, you will be allowed to leave with your goods.

If you do not understand or require more information on the COMESA STR contact the Trade Information Desk located at the border or the customs office or Ministry responsible for Trade.



Annex 1: STR COMMON LIST of Eligible Products:

Zambia and Malawi at the time of printing

Product	HS Code		
Live goats	010420		
Live sheep	010410		
Live rabbits	010690		
Fresh fish (live fish are not eligible)	030269		
Dried, salted or smoked fish	030569		
Fresh milk, yoghurt and cream	040110 - 040130		
Potatoes (Irish and sweet)	070110 - 070190		
Soya beans	120100		
Ground nuts	120210 - 120220		
Rice	100610 - 100640		
Onion	070310		
Bananas	080300		
Mushrooms (with proper labelling,	070951		
indicating where products has			
been cultivated)			
Tomatoes	070200		
Sunflower seeds (not for planting)	120600		
Dried beans (not for planting)	071310 - 071390		
Dried chick peas (channa)	071320		
Tea leaves	090230		
Coffee	090111 - 090190		
Sugar	170111		
Wood curios	442010 – 442090		
Cane chairs	940190		
Animal feed	230800, 230910		
Fruit juices	200912 - 200990		

Product	HS Code		
Lime for whitewash	252210		



Annex 2: STR COMMON LIST of Eligible Products:

Zambia and Zimbabwe at the time of printing

Product	H\$ Code
Live animals	0101 to 0106
Potatoes (fresh or chilled)	0701
Tomatoes (fresh or chilled)	0702
Onions, shallots, garlic, leeks cabbages, cauliflowers, etc.	0703
Lettuce	0704
Carrots, turnips, salad, beetroot, and other edible roots	0705
Cucumbers and gherkins	0706
Peas, beans and other legumes (fresh or chilled)	0707
Other vegetables (asparagus, eggplant, celery, mushrooms, etc)	0708
Dried vegetables (incl. mushrooms, wood ears, jelly fungi)	0709
Dried beans, chickpeas, lentils (including seeds for sowing)	0712
Seeds	0713
Bananas	0713
figs, pineapples, avocados, guavas, mangos	0803
Oranges, mandarins, grapefruit, lemons	0804
Grapes (fresh or dried)	0805
Paw-paws	0806
Coffee (roasted/not roasted, caffeinated/decaffeinated)	0807
Tea (green and black)	0901
Soya bean oil	0902
Groundnut oil	1507
Sunflower seed, safflower or cotton seed oil	1508
Other fixed vegetable fats and oils	1512
Margarine	1515
Cane or beet sugar	1517

Product	HS Code
Sugar confectionary (including white chocolate and	1701
chewing gum not containing cocoa)	
Chocolate and other food preparations containing sugar	1704
Preparations for infant use put up for retail sale	1808
(except for infant formul, i.e. Lactogen)	
Tomatoes (prepared or preserved otherwise than by vinegar or acetic acid)	190110
Jams, fruit jellies, marmalades	2002
Peanut butter	2007
Fruit juices	200811
Yeasts	2009
Soups and broths	2102
Waters (including mineral waters and aerated waters, containing added sugar	2104
or sweetener)	
Wine	2202
Whisky, rum, gin, vodka, liqueurs, etc.	2204
Vinegar	2208
Cement	2209
Cotton wool	2523
Paints and varnishes (brands: Astra, Chroma, Promac, Splash, Dulux and Prochem)	3005
Printing ink, writing or drawing ink and other inks	3208 - 3210
Perfumes and toilet waters	3215
Beauty or make-up preparations and preparations for the care of the skin	3303
Preparations for use on the hair	3304
Soap	3305
Organic surface active agents (i.e. cleaning products)	3401
Polishes and creams for footwear	3402
Plastic irrigation pipes and plastic tubing	3405
Plastic sheeting	3917
Plastic sacks and bags	392100

Product	HS Code
Tableware, kitchenware, other household articles and toilet articles of plastic	392321 - 392329
(including plastic plant pots, plastic cups and plastic plates)	
Plastic water tanks	3924
Surgical gloves	392510
Rubber raincoats	401511
Bags of leather handbags, etc.	401590
Leather accessories	4202
Particle board	4203
Wood windows, doors, posts and beams, assembled floor panels, etc.	A441011
Basketwork	4418
Waste paper	4602
Notebooks, letter pads, exercise books, binders, folders and file covers, etc.	4707
Paper	4820
Printed books, brochures, leaflets and similar printed matter	4821
Hand-woven tapestries and other needlework	4901
Embroidery (in the piece-in strips or in motifs)	5805
Quilted textile products	5810
Pile and terry fabrics knitted or crocheted	5811
Crocheted fabrics	6001
Clothing (new clothing only)	6002
Blankets and travelling rugs	Chapters 61 and 62
Bed linen, table linen, toilet linen and kitchen linen	6301
Waterproof footwear	6302
Footwear with outer soles of rubber, plastics, leather or composition	6401
leather and uppers of textile materials	6404

Product	HS Code
Parts of footwear	6405
Hair extensions	6703
Copper wire and cables	7408
'Freezit' machines	833880
Candle-making machines	841989
Ploughs and plough parts	843210 and 843290
Peanut butter making machines	843780
Car batteries: Chloride, Victor onion, Exide	850710



Annex 3: STR COMMON LIST of Eligible Products:

Zimbabwe and Malawi at the time of printing

Product	HS Code
Live animals	Chapter 1
	inclusive
	0101 to 0106
Birds eggs, in shell, fresh, preserved or cooked (or for hatching)	0407
Potatoes, fresh or chilled	0701
Tomatoes, fresh or chilled	0702
Onions, shallots, garlic, leeks	0703
Cabbages, cauliflowers, etc.	0704
Lettuce	0705
Carrots, turnips, salad beetroot, and other edible roots	0706
Cucumbers and gherkins	0707
Peas, beans and other legumes, fresh or chilled	0708
Other vegetables (asparagus, eggplant, celery, mushrooms, other)	0709
Dried vegetables (incl. mushrooms, wood ears, jelly fungi)	0712
Dried beans, chickpeas, lentils, including seeds for sowing	0713
Seeds	0713
Bananas	0803



Annex 4: STR COMMON LIST of Eligible Products:

Malawi- Zambia at the time of printing

Product	HS Code
Kitchenware (Aluminium and steel pots)	73.23 and 76.15
Mealie Meal/maize Flour	11.02
Maize	10.05
Fertilizer	31.05
Seeds	Chapter 12
Legumes (Fresh peas, beans)	07.08
Cabbages	07.04
Carrots	07.06
Vegetable	Chapter 7
Mangoes	08.04
Groundnuts	12.02
Dried beans and dried peas	07.13
Eggs	04.07
Cotton residues	23.03 23.06
Chillies/paprika	09.04
Mineral water	22.01
Cooking oil	15.12
Airvents	39.17
Stone Tiles	68.10
Dried Beans	07.13
Soap and Detergent Paste	34.01 34.02



Annex 5: STR COMMON LIST of Eligible Products: Malawi -

Zambia at the time of printing

Product	HS Code
Plastic air vents	3917/3917.33
Empty Sack	63.05
Cassava and Cassava Products	07.14 and 11.08
Plastic twine	56.07
Fresh milk and milk products	04.01
Ridges/twine (for making cane chairs abd cane products)	56.07
Charcoal burners and charcoal burner clay	68.15 and 25.08
Handicrafts (basket, woven tray)	46.02
Millet	10.08
Pack of pies(grease proof paper)	48.19
Chili Sauce	21.03
Tissue	48.18
Napkins	96.19
Plastics chairs	94.03
Candles	34.06
Pencils	96.09
Ice ingredients and corns	21.05
Waste paper	47.07
Ice cream machine	8418.69.00
Popcorn machine	84.19 and 85.16
Fibre glass resin	39.26
Fibre glass	70.19
Window panes	76.10
Wheat Flour	11.01
Window putty	32.14
Cotton/sunflower/vegetable/soyabean and groundnut oil	15.12,15.07 and 15.08

Product	HS Code
Empty sacks	63.05
Animal skin	41.04 and 41.05
Plasticware (containers, basins, chairs, plates and cups)	39.24, 39.26 and 94.03
Margarine	15.17
Petroleum jelly, Cosmetics and body lotions	33.04
Polish, floor and shoe polish	34.05
Sweets, bubble gum	17.04
Pens and Pencils	96.08 and 96.09
Knitting wool	51.09
Candles	3406.00.0
Snacks (potato and corn snacks)	19.04 and 19.05
Paint	32.08 32.09
Hoes/axes	82.01
Plastic bags	3923.21 3923.29
Spirits beers	22.08, 22.06
Millet	10.08
Roofing Timber	92.06
Musical Drums (Ng'oma)	92.06
Electrical cables and wire	85.44
Cultural instruments	92.02
Cultural Bells and Feet instruments	92.08
Malimba Lozi instruments	92.02
Tinned/packed beef	16.02
Cheese	04.06
Fresh packed fish	03.04
Opaque beer	22.06
Reeds Mat	46.01
Plumbing materials	39.17
Cassava and Cassava Products	07.14 11.06

Product	HS Code
Iron Roofing sheets	72.10
Plastic mats	39.26
Wheelbarrows/Cars	8716.80
Plastic drums	39.23
Large beers	22.03



NON-TARIFF BARRIER REPORTING SYSTEM

Common Market for Eastern and Southern Africa (COMESA) and Southern Africa Development Community (SADC) have introduced a Short Message Service (SMS) for reporting trade barriers within the region.

The Non-Tariff Barriers (NTBs) refer to restrictions that result from prohibitions, conditions, or specific market requirements that make importation or exportation of products difficult and/or costly.

The SMS supplements the web-based online system for reporting, monitoring, and elimination of non-tariff barriers (NTB). The SMS tool is being rolled out as part of capacity building and empowerment to manage Non-tariff Barriers and fast-tracking their removal.

Examples of Non-Tariff Barriers

Import bans

Complex/discriminatory Rules of Origin





Examples of Non-Tariff Barriers

Quality conditions imposed by the importing country on the exporting countries

Unjustified Sanitary and Phyto-sanitary conditions



Unreasonable/unjustified packaging requirements



Determination of eligibility of an exporting country by the importing country



Labeling, product standards, complex regulatory environment



Determination of eligibility of an exporting establishment (firm, company) by the importing country

Are you experiencing the above challenges?

Do you know you can report to the non-tariff barrier monitoring system?

Are you having problems moving or clearing goods across borders? Report using the mobile numbers below:

Zambia SMS Number +260976757643



Zimbabwe SMS Number +263715876373



Malawi +265 992 595674



Eswatini +27 72 949 2093



Mozambique +27 72 949 2093



Select a country from the list above and SMS the NTB to the focal point: And tell them:

- What is the problem?
- What is the problem?
- Where and when did it happen?
- Trader's name



HOW DOES THE PROCESS WORK?

1

Complainant sends a text message to have their problem registered

3

The administrator assigns the Regional Economic Community and Focal Points to resolve the complaint

5

Regional Economic Community and Focal Points start resolution process and post comments

7

Complainant notified that the complaint has been resolved

2

Complaint stored in the NTB system and Administrator notified

4

Complainant notified that the complaint has been referred to a Focal Point and is being attended to

6

If the issue is resolved the administrator changes status of the complaint to Resolved in system



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