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CBC COMESA BUSINESS COUNCIL
Voice of the Private Sector in the Region
BUILDING REGIONAL GOING GLOBAL

BIZNET WEEKLY

Fortnightly Newsletter of the COMESA Business Council

NEWS & FEATURES

Who we Are!!

CBC is the recognized Business Member Organization, established as a private sector institution of COMESA. We represent the interests of businesses sectors at a regional level. The services provided go beyond advocacy, to actively promote business participation in regional integration, investment and global trade. This is done by facilitating the growth of strong business synergies, the development of business opportunities, business alliances, legislative and strategic advocacy. We provide custom tailored services that are driven by both industry and enterprise interests.

AfCFTA Postpones Launch Date as Focus Turns to Curbing Virus

The commencement date for the implementation of the $3.4 trillion Africa continental trade pact has been postponed from July 1 due to the Covid-19 pandemic. The Phase I negotiation meetings to firm up rules and regulations had been scheduled to take place in South Africa this month. Phase II of the negotiations, covering investment, competition and intellectual property, were scheduled to be completed by January 2021.

Secretary-General of the Africa Continental Free Trade Area (AfCFTA) Wamkele Mene said all efforts have been shifted to saving lives and improving health systems on the continent, making it unrealistic for the economic bloc to move as scheduled. “It is obviously not possible to commence trade as we had intended on July 1 under the current circumstances,” Mr Mene said at a United Nations Conference on Trade and Development (Unctad) session on digital and trade policy in Africa this week. Mr Mene did not say whether a new date had been decided on. He suggested that trade ministers would meet to discuss operationalisation of the economic bloc. Stephen Karingi, director of trade at the UN Economic Commission for Africa, reiterated that there would be a delay to the start date.

However, in an interview with The East African, Emmanuel Bensah, a policy analyst with the Economic Community of the West African States and the African Union, said the July deadline is still feasible. “The truth of the matter is that member states have yet to make a formal statement and arrive at a consensus pointing to a postponement,” he said. “Mr Mene’s word cannot be final. Up until then, one must assume the official view from the AU is to continue unabated with the July 1, 2020, date.”

Mr Bensah is also the deputy executive director of the AfCFTA Policy Network for Ghana and the diaspora. He said that Covid-19 was putting pressure on African economies and that there was a need to strike a balance to prevent national priorities from clashing with those of the continent. “AfCFTA is still on the minds of a lot of people, they want it to happen. It presents an opportunity for countries to do things on their own,” he said.

He cited Nigeria, which has earmarked $63 million for loans to small businesses and households affected by the pandemic. Another factor affecting implementation the agreement is loss of jobs, which the International Labour Organisation estimates at six million, the bulk of which will be in Africa.

Accelerating Trade

“Global growth is expected to reduce by $3 trillion, but AfCFTA continues regional integration efforts by focusing on accelerating intra-African trade. During the pandemic, trade corridors play an important way forward to ensure transit and movement of goods, especially in relation to essential services, thus we should reduce barriers,” Mr Mene said. He added that with the expected economic fallout, Africa needs to accelerate intra-African trade to stimulate growth by reviewing its industrialisation strategies. “We have seen what Senegal is doing in developing ventilators and this is a wake-up call. There is a need to minimise reliance on developed countries and reconfigure in favour of Africa.

There is no reason why Kenya for example, cannot supply personal protective equipment to Africa, or we cannot have a generic drug industry based on the continent. To achieve this, we must specialise and reduce trade barriers,” Mr Mene said.

At the session, UNCTAD secretary general Mukhisa Kituyi raised concerns over some African countries taking advantage of Covid-19 to undermine business protocols. “We have seen a number of countries putting up measures to control movement of people especially at the borders, but they should do so according to set protocols to ensure free movement of goods. Unctad has issued an action plan to eliminate barriers to trade and transport and ensure the free flow of goods, food and essential supplies,” Mr Kituyi said.

Unctad has developed a policy brief outlining a 10-point action plan to ensure the movement of goods during and after the pandemic. The measures cover maritime transport, Customs operations, transit, transparency and legal issues, as well as technology to enhance paperless trade processes. The plans ask that people involved in the transport industry be given the status of critical personnel.

Read More: https://www.theeastafrican.co.ke/business/AfCFTA-postpones-launch-date-as-focus-turns-to-curbing-virus/2560-5541472-hb9jcd/index.html

Safaricom Sees Ethiopia Deal Opening Gateway to Africa

Kenya's largest mobile phone operator Safaricom is pinning its pan-African expansion plans on the Ethiopian market even as Prime Minister Abiy Ahmed's administration wavers on opening up the economy to foreign investments. The telco, which is listed on the Nairobi Securities Exchange (NSE), is betting on the Ethiopian government's planned privatisation of the state monopoly Ethio Telecom and the sale of two new telecom licences to gain a foothold in Africa's fastest growing economy and the continent's second most populous nation with more than 100 million people.

However, outgoing Safaricom chief executive Michael Joseph told The EastAfrican that these two processes — privatisation of Ethio Telecom and the auction of telecom licences — have been cancelled until the presidential poll, which had been scheduled for August 29. "They have postponed both process until after the elections," said Mr. Joseph. However, he said the telco's plan to invest in the Horn of Africa is still on particularly after the firm completed the acquisition of the mobile money platform M-Pesa from Britain's Vodafone through a joint venture with South Africa's Vodacom in April. "Safaricom and Vodacom have acquired the M-Pesa brand, including, product development and support services. The acquisition will now enhance further expansion into the Africa market. Our investment into Ethiopia is still in the pipeline pending the decision by the government," said Mr. Joseph.

Ethiopia had planned to award two telecoms licences to multinational mobile companies by April 2020. Its electoral body, NEBE, postponed the August presidential and parliamentary elections amid the deadly Covid-19 pandemic that has paralysed activities globally due to lockdowns. In early April, the government indicated that only local companies will be allowed to offer mobile money transfer services in the country as it seeks to boost non-cash payments. The Ethiopian Communications Authority recently tabled the draft directives for the licensing of telecommunication companies inviting submissions from stakeholders from April 28 to May 11.

Safaricom, the most profitable firm in the region, saw its net earnings for the year ended March 31 increase by 19.5 per cent to Ksh74.7 billion ($747 million) from Ksh62.49 billion ($624.9 million) buoyed by its mobile money transfer platform and increased usage of mobile data. Its stock on the NSE jumped 4.69 per cent to Ksh29 ($0.29) per share on April 29. According to the telco's audited financial statements, service revenues grew 4.91 per cent to Ksh263 billion ($2.63 billion) from Ksh250 billion ($2.5 billion), with M-Pesa contributing 33 per cent of the total service revenue. M-Pesa revenues grew 12.6 per cent to Ksh84.4 billion ($844 million) while mobile data revenue grew 12.1 per cent to Ksh40.67 billion ($406.7 million) supported by the rollout of non-expiry data bundles. Voice service revenue, which makes up the bulk of the telco's revenues, declined 1.4 per cent to Ksh94.45 billion ($944.5 million), while messaging income declined by 12.3 per cent to Ksh17.9 billion ($179 million).

Read more: https://www.theeastafrican.co.ke/business/Safaricom-sees-Ethiopia-deal-opening-gateway-to-Africa/2560-5541250-5l8luw/index.html

Desperate Traders Risk Virus Spread to Smuggle Bales into Zimbabwe

Zimbabwe is clamping down on second-hand clothes imports as cross-border Covid-19 coronavirus infections and smuggling surge. Cross-border traders, who make their living from buying and selling goods sourced from neighbouring countries, are defying lockdown regulations to illegally cross into countries such as South Africa and Mozambique, according to authorities.

Monica Mutsvangwa, the Minister of Information, said smuggling activities especially along the vast Mozambique border pose a serious threat as imported coronavirus cases are on the increase. "An increase in the smuggling of second-hand clothes into the country through border posts with Mozambique such as Mt Selinda and Sango poses unprecedented danger of spreading Covid-19 by to those who wear them," Mrs Mutsvangwa said following a Cabinet meeting on the issue last week. "The government will upscale the enforcement of the law banning the importation of second hand-clothes," she added.

Zimbabwe first banned the importation of second-clothes in 2015 to protect the country's textile industry, but relaxed the restrictions two years later as it is a major source of income for informal traders hit hard by the collapse of the economy. Traders source bales of the clothes from Tanzania, Mozambique, South Africa and Zambia to resell to locals whose shrinking sources of income make it difficult for them to buy brand new clothes. The country closed its borders on March 30 to stop the spread of coronavirus, but desperate traders are resorting to using illegal entry points into South Africa and Mozambique to source merchandise, which they smuggle back into Zimbabwe.

Vice President Kembo Mohadi, who leads the country's taskforce to tackle the pandemic, said smugglers operating along Zimbabwe's borders with South Africa and Mozambique pose a serious threat to efforts to contain the coronavirus. "People need to understand that this disease is real and we will all die if we allow people through the porous border line," said VP Mohadi, adding, "As a country, we are not equipped to fight the scourge."

Lorraine Sibanda, president of the Zimbabwe Chamber of Informal Economy Associations, said loss of income caused by the ongoing lockdown was forcing people into criminal activities, including smuggling, as a means of survival.Ms Sibanda said informal traders were risking their lives to cross borders illegall, and banning the importation of second-hand clothes would not solve the problem. "There is a need to determine whether second-hand clothes can be a factor in the transmission of coronavirus. Some of our members suggest that they be allowed to continue selling second-hand clothes because they will disinfect them and adhere to World Health Organisation guidelines on the prevention of the spread of the virus," said Ms. Sibanda.

She added that the government had failed to make funds available to informal businesses to ensure their survival during the lockdown. According to a 2018 International Monetary Fund's report titled Shadow Economies Around the World: What Did We Learn Over the Last 20 Years?, Zimbabwe had the largest informal economy as a percentage of its total economy in the world, after Bolivia. Desperate citizens are also smuggling basic commodities for resell in a country hit hard by food shortages.

South Africa, the country hardest hit by Covid-19 on the continent, shut its borders over a month ago as it sought to contain the spread of the disease. Africa's most industrialised economy also erected a 40-kilometre fence along its border with Zimbabwe in a bid to keep out illegal immigrants as the continent faces an unprecedented public health emergency. Videos and pictures of smugglers swimming across the Limpopo River carrying an assortment of goods, which has since gone viral on social media, show that it is still business as usual at illegal crossing points between the two countries. The new border fence was quickly damaged by suspected smuggling gangs that operate along the border, who facilitate the movement of contraband between the two countries.

Smugglers move contraband such as cigarettes and alcohol to South Africa's border town of Musina and return with maize meal and other basic goods that are in short supply in Zimbabwe. The smuggled goods are moved inland using commercial trucks that are exempted from the lockdown regulations that end on May 17. The gangs use donkey-drawn carts and small vehicles to move their contraband from the many illegal crossing points alongside the Limpopo River to Beitbridge town in Zimbabwe. Limpopo River, which forms part of the border between Zimbabwe and South Africa, is a well-known transit point for illegal immigrants and smugglers moving between the two countries. They bribe soldiers and police officers manning both sides of the border.

Tichaona Nyongo, the officer commanding Beitbridge police, said law enforcement agents recently intercepted a truck loaded with groceries from South Africa. Police believe the smuggling is still rampant despite restrictions on travel. There are fears that the smuggling activities will lead to cross-border infections and worsen coronavirus outbreaks in both countries, with South African politicians raising a red flag. South Africa's main opposition party, the Democratic Alliance, accused the country's Infrastructure Minister Patricia de Lille of endangering the lives of citizens by failing to invest in a secure border fence.

Read more on: https://www.theeastafrican.co.ke/business/Traders-risk-virus-spread-to-smuggle-bales-into-Zimbabwe/2560-5547164-jqgps0/index.html

Uganda's Cipla Takes Bold Step to Make 'Unpopular' Malaria drug

Uganda pharmaceutical firm, Cipla Quality Chemicals Industries Ltd (CiplaQCIL), is taking a big bet in the war against global Covid-19 pandemic. The Uganda Securities Exchange (USE)-listed company will this month start production of the controversial anti-malarial drug, hydroxychloroquine, targeting Ugandan coronavirus patients and wider African market. Some health experts have touted hydroxychloroquine as being an effective immune modulator for patients suffering the virus disease, even though there is no consensus yet on its reliability of the drug and side-effects.

"We hope to start manufacture of HCQ in about two weeks, the hydroxychloroquine raw material will be arriving later this week," said CiplaQCIL chief executive, Nevin Bradford, in an interview with The EastAfrican. Uganda's Ministry of Health is Cipla's primary client, providing an important financial cushioning for the company's big bet.The pharmaceutical firm, which last year recorded a turnover of Ush195.1 billion ($50.9 million), down from Ush227.3 billion ($59.3 million) in 2018, is a subsidiary of Cipla India – one of the world's largest generic drugs manufacturers. Cipla Ltd of India owns a 51 per cent stake in the Kampala-based drugs processor through its wholly-owned Meditab Holdings Ltd of Mauritius, while a number of other corporate, institutional and individual investors – both Ugandan and foreign – hold the remaining stake.

Mr Bradford said the pharmaceutical firm will initially supply Uganda but will rump up capacity to produce more if there is demand from governments in the region. The World Health Organisation (WHO) is yet to approve HCQ as part of the treatment regime for Covid-19, but the drug is being used to treat patients in clinical trials in France and China.

President Yoweri Museveni has been a strong advocate of the drug, terming it an effective solution to the Covid-19 challenge in several of his televised addresses to the nation, a position that has earned an endorsement of Uganda's health professionals. US President Donald Trump has also strongly backed the controversial drug, despite scepticism of its efficacy by his own health officials. Uganda's director general of Health Services Dr Henry Mwebesa said the country's first lot of patients that recovered from Covid-19 were on HCQ, although Uganda is not among the countries participating in clinical trials for the drug. "We are using HCQ on compassionate means not as clinical trial," Dr Mwebesa told The East African.

In medical jargon, compassionate use is a method of providing experimental treatments even before a drug is given final approval for use in humans; on very sick individuals who have no other treatment options. Health experts have particularly pointed to HCQ's harmful side effects, but Cipla said these only manifest after long-term use. "Covid-19 treatment is short term," said Mr Bradford, adding that only the Ugandan National Drug Authority can advise on the potential longer term safety concerns. Since reporting its first case on March 21, Uganda has managed to flatten the curve of coronavirus infections, which currently stand at 98 cases, of whom 55 have recovered and been discharged, with HCQ used in the management of their symptoms.

In one of his televised addresses last month, President Museveni revealed that he had spoken to Indian Prime Minister Narendra Modi to help expedite export of raw material used in the manufacture of hydroxychloroquine, which remains red flagged worldwide especially in Europe where patients developed heart conditions. "India will supply us with the hydroxychloroquine as well as the raw-materials to make it here," President Museveni said. Production of the drug locally shows that Uganda has decided to go all out to deploy the treatment regime, despite caution from the WHO scientists and top epidemiologists that HCQ has fatal side effects. Mr Bradford says the company which supplies anti-malarial drug, Lumarten, and ARVs across the region, has not yet received any orders from other East African countries. Cipla has a production capacity of 1.56 billion tablets per year, averaging 130 million tablets a month. Besides the anti-malarial and HIV treatment, it also produces hepatitis B drugs. The company has signed a deal to supply the South African government with ARVs worth at least $10 million over the next 12 months.

President Museveni maintains that Uganda will use home-grown solutions, including the locally made HCQ, personal protective equipment including masks, scrub suits, goggles, protective glass and gloves as well as hand sanitiser to manage Covid-19. Cipla's Kampala plant produces drugs for both the local market and export to at least 14 other African countries. The firm's drugs have the backing of the World Health Organisation and counts the Global Fund as one of its major clients. The use of hydroxychloroquine has become more pronounced in recent months following the emergence of coronavirus in China in December 2019, but pharmaceutical firms moving into its production envisage a market even when Covid-19 pandemic is controlled. "Obviously we hope the hydroxychloroquine does not have to [only] be used for Covid. The drug has existing uses in the treatment of arthritis and auto immune conditions: if not required for Covid-19 can be used in these conditions," said Mr Bradford.

Read more on: https://www.theeastafrican.co.ke/business/Uganda-Cipla-to-make-malaria-drug/2560-5549874-v6f1hpz/index.html

Uganda Lowers Central Bank Rate

Uganda's central bank has dropped its policy rate from nine per cent announced in February 2020 to eight per cent for April, to counter the fallout from the corona virus pandemic on commercial banks, micro deposit taking institutions, the economy and borrowers. The one per cent rate cut appears modest compared with recent policy rate cuts of more than two per cent announced by some African and European central banks and the US Federal Reserve.

Lower interest rates are meant to cut banks' funding costs, reduce borrowing costs boost consumer demand and restore economic growth in the wake of the damage caused by the pandemic. There are signs of a global economic decline prompting financial bailout packages.

"The Covid-19 pandemic has led to a severe contraction in economic activity due to a combination of global supply chain disruptions, travel restrictions, measures to limit contact between persons, and the sudden decline in demand. "Consumer-facing sectors have been severely affected by social distancing measures and heightened uncertainty, while the manufacturing sector has declined on account of disruptions to the inflow of raw materials," reads the Bank of Uganda's monetary policy statement issued on April 6. Uganda's economy is projected to grow by around 3-4 per cent in 2019/20, down from earlier forecasts of 6-6.5 per cent.

"The rate cut is within our expectations. I'm also interested in the rationale behind it while the additional measures announced by the central bank will help commercial banks cope with the difficult aftermath of the Covid-19 pandemic and also contribute towards economic recovery," said Benoni Okwenje, general manager for Treasury Operations at Centenary Bank.

https://www.theeastafrican.co.ke/business/Uganda-lowers-central-bank-rate/2560-5520998-s5qwq1/index.html

Market Focus: Seychelles

Seychelles is an archipelago located in the Indian Ocean, between 480 and 1,600 km from the east coast of Africa. The Seychelles consists of 115 islands, of which 42 are designated as granite or granitic islands, and 73 as coral islands.

According to The World Bank, Seychelles is the least populous nation in Africa with a total population of 98,000 and a Gross Domestic Product (GDP) of US$ 1.64 billion translating to GDP per Capita of US$ 17,052. The economy is primarily centred on tourism and fishing industries.

Over the last few years Seychelles has given increased emphasis to developing its Blue Economy (maritime based) focused on using oceans for economic growth, improved livelihoods and jobs while maintaining the ocean's ecosystem. The languages of Seychelles include Seychellois Creole, English and French.

Seychelles is a member of the World Trade Organisation (WTO), the Common Market for Eastern and Southern Africa, the Southern African Development Community (SADC), the Indian Ocean Commission (IOC) and the Indian Ocean Rim Association (IORA).

Trade Opportunities

i. Markets which Seychelles can target in COMESA and supply products

	Market	**Products with Potential**
1.	Mauritius	Frozen skipjack, frozen yellowfin tunas, frozen bigeye tunas, frozen fish, orthopaedic or fracture appliances, products of fish or crustaceans, frozen tunas of the genus, fresh or chilled fillets of trout, instruments and appliances medical, jewellery.
2.	Tunisia	Frozen yellowfin tunas, Cod *(Gadus morhua, Gadus ogac, Gadus macrocephalus),* Frozen swordfish, Frozen sea bass, Frozen shark fins, Fresh or chilled fillets.
3.	Madagascar	Sailboats and yachts, flours, meals and pellets of fish, vessels for pleasure or sports; rowing boats, parts and accessories of printers, containers of iron or steel.
4.	Egypt	Flours, meals and pellets of fish, prepared or preserved tunas.
5.	Kenya	Frozen fish of the families bregmacerotidae, Plates, sheets, film, foil and strip, of plastics, whiskies, liqueurs and cordials

Market Focus: Seychelles

ii. International Markets Seychelles can target and supply products

	Market	Products with Potential
1)	United Arab Emirates	Helicopters of an unladen weight, light oils and preparations, of petroleum, motor cars, parts of aeroplanes or helicopters, containers of iron or steel, waste and scrap of alloy steel, fresh or chilled fish.
2)	France	Prepared or preserved tunas, sailboats and yachts, fats and oils of fish, fresh or chilled fillets of fish, parts of aeroplanes, fresh or chilled albacore, containers of iron or steel, frozen fish meat, frozen yellowfin tunas.
3)	United Kingdom	Prepared or preserved tunas, motorboats and motor yachts, vessels for pleasure or sports; rowing boats, parts of aeroplanes or helicopters, fresh or chilled fillets of swordfish, fresh or chilled fillets of fish, generating sets with compression-ignition internal combustion piston engine "diesel or semi-diesel, fresh or chilled yellowfin tunas, fresh or chilled fish, fresh or chilled fillets, instruments, appliances and machines for measuring.
4)	Australia	Fats and oils and their fractions of fish, Flours, meals and pellets, of meat, Yachts and other vessels for pleasure or sports.
5)	Spain	Frozen yellowfin tunas, Frozen tunas of the genus, Frozen freshwater and saltwater fish, Made-up knotted fishing nets of man-made textile materials, Appliances for pipes, boiler shells, tanks.
6)	Italy	Prepared or preserved tunas, frozen yellowfin tunas, insulating fittings for electrical purposes, vessels for pleasure or sports; rowing boats, jewellery, parts of aeroplanes or helicopters, used or new rags, scrap twine, cordage.

iii. COMESA Countries can supply the following products to Seychelles:

- Olive oil and its fractions obtained from the fruit of the olive
- Preparations of a kind used in animal feeding
- Petroleum gas and other gaseous hydrocarbons
- Packaging material
- Coffee
- Wheat or meslin flour
- Cigars, cheroots
- Fruit juices
- Insulated wire & cables
- Tubes, pipes and hoses, and fittings
- Animal products
- Cheese and curd
- Milk and cream of a fat

iv. Important Contacts

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Product Focus - Blueberries - HS Code 08104050

Blueberries are perennial flowering plants with blue to blue-black skin that is covered by a waxy bloom, giving the fruit a light blue appearance. The flesh is creamy-white to green in color and juicy. For fresh market, the fruit should be fully blue and firm. Blueberries are non-climacteric fruit but should be harvested near to full ripe as flavour does not improve after harvest.

The plants are usually erect, prostrate shrubs that can vary in size from 10cm to 4m in height.

Blueberry bushes normally bear fruit in the middle of the growing season and fruiting times are determined by local conditions such as altitude and latitude. Blueberries are sold fresh or processed as individually quick-frozen fruit, purée, juice, or dried or infused berries, which in turn may be used in a variety of consumer goods, such as jam and jelly amongst others.

VARIETY

Buyers in the end market often do not have preferences for specific blueberry varieties. The main reason for it is to optimise productivity and extend supply seasons. However, choosing the right variety is important to obtain the best product for your client in terms of flavour, firmness, colour and shelf life. Large blueberries with sweet taste are most likely to fetch higher prices currently. In the future, as the market for blueberries further matures and end clients become more knowledgeable, specific variety preferences may also develop.

OPPORTUNITIES

The global import of blueberries increased by 47% in the period 2014 to 2018 from US$ 1,8 billion to US$3.4 billion. The table below highlights major importers regionally and internationally;

International Markets		Regional Markets	
✓ USA	✓ China	✓ South Africa	✓ Mauritius
✓ UK	✓ Hong Kong	✓ Ghana	✓ Botswana
✓ Netherlands	✓ France	✓ Namibia	✓ Gabon
✓ Germany	✓ Belgium	✓ Algeria	✓ Kenya
✓ Canada	✓ Switzerland	✓ Angola	
✓ Spain	✓ Norway	✓ Seychelles	

MARKET ANALYSIS

According to Trademap statistics, COMESA's exports of blueberries to the world increased over the past five years. COMESA's exports increased by 89% from US$88 thousand in 2014 to US$838 thousand in 2018. The major export markets for COMESA include United Kingdom, South Africa, Norway, Germany, Malaysia, Switzerland, Ireland, Singapore, France and Canada, among others.

EXPORT POTENTIAL

In the past years COMESA countries who have been producing and exporting blueberries include:

Product Focus - Blueberries - HS Code 08104050

	Country	Potential & Existing Export Markets
1.	Zimbabwe	United Kingdom, South Africa, Norway, Germany, Ireland, Iceland, Singapore, Switzerland, Malaysia, France
2.	Egypt	Malaysia, Estonia, Germany, United Kingdom, Kuwait, Saudi Arabia, United Arab Emirates, Kenya, Qatar.
3.	Tunisia	Libya, Saudi Arabia, United Arab Emirates, France, Netherlands.
4.	Uganda	Rwanda, Kenya, Netherlands, India, Canada, Norway, United Kingdom, Austria, Belarus, Kenya, Netherlands, Oman
5.	Kenya	United Kingdom, France, Germany, Peru, Russia, Singapore, South Africa, Spain, Qatar, United Arab Emirates, Bahrain, Lebanon, Netherlands, Poland, Uganda

PRICE

General wholesale prices for 12 x 125 g packages (1.5 kg) can be €6 to €7 euros on the low side, up to €11 to €15 euros in a good market. If you work with an importing company or trader, expect to pay them around 8% commission plus handling costs. Retail prices are usually between €12 and €24 per kilo. Small packages with premium blueberries are the most expensive. Organic blueberries are sometimes sold for more than €24/kg. Be aware that retail prices have no relation with trade prices.

PACKAGING

Blueberries are mainly packaged in quantities of 1 - 3 kg in chip baskets and trays of wood, paperboard or plastic. To prevent the fruit from drying out, 200 - 250g punnets are wrapped in polyethylene film.

The package shall protect against risks such as;

- contamination, leakage and dehydration.
- Rough handling during loading and unloading;
- Compression from the overhead weight of other containers;
- Impact and vibration during transportation;
- High humidity during pre-cooling, transit and storage

Produce is shipped in refrigerated air containers or on-air cargo pallets. Temperature-controlled storage facilities at airports are needed to ensure produce quality.

QUALITY

Blueberries must at least be:

- Intact;
- Sound – produce must be from rotting or deterioration likely to make it unfit for consumption;
- Clean, practically free of any visible foreign matter;
- Practically free from pests;
- Practically free from damage caused by pests;
- Fresh in appearance;
- Free of abnormal external moisture;
- Free of any foreign smell and taste, including bitter taste in case of bilberries;
- Able to withstand transport and handling. Blueberries must be practically free of agglomerated berries. Blueberries must be practically covered with bloom, according to the varietal characteristics.

Product Focus - Blueberries - HS Code 08104050

Most customers for example in Europe almost exclusively requires Class I blueberries as a minimum. Blueberries in this class must be of good quality and within the following permissible tolerances:

- very slight leakage of juice;
- Very slight bruising;
- A tolerance of 10% is allowed for fruit that meets Class II standards.

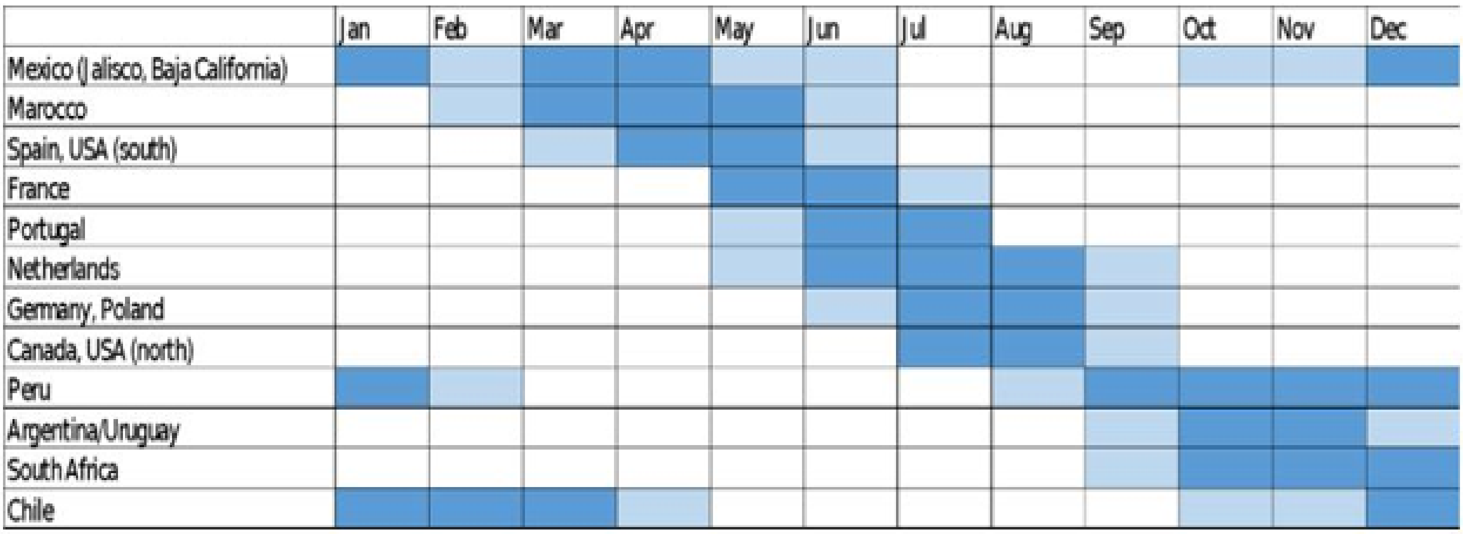
In no case may the defects affect the fruit flesh, the general appearance of the produce, the quality, the keeping quality and the presentation in the package.

LABELLING

Labels should include provide the following information:
- The name under which the product is sold;
- The product's commercial identification: class, size (code), number of units, net weight;
- The name and address of the producer;
- The place/country of origin;
- Traceability code (for example Global Location Number);
- Officially recognised code mark such as a Global Gap Number (GGN) (recommendable).

In addition, any certification logo or retailer logo (in the case of private-label products) should be displayed on the label.

INDICATIVE BLUEBERRY SUPPLY CALENDAR TO EUROPE



VOLUNTARY STANDARDS

Exporters are urged to comply with food quality and safety standards such as Global GAP, Fair Trade and Sustainable Agriculture Network:

- **GLOBAL G.A.P. Crops (Global Good Agricultural Practice):** the standard is primarily designed to reassure consumers about how food is produced on the farm by minimising detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety as well as animal welfare.

- **HACCP (Hazard Analysis and Critical Control Points**; Requirements for the hygiene of food is laid down and states the general hygiene procedures for food at all stages of the production process from primary production to the world consumer ("from-farm-to-fork approach").

- **Fair Trade International:** an independent, non-governmental, not-for-profit organization that promotes sustainable development and poverty alleviation and sets the Fair trade standards. One organization (FLO-CERT) is responsible for auditing and certification of compliance against the Fair trade standards.

- **Sustainable Agriculture Network - Rain forest Alliance:** network of conservation groups committed to community-based conservation initiatives and research. The certification program for SAN standards is operated by Rain forest Alliance.

- **BRC (British Retail Consortium) - BRCGS-** Standards guarantee the standardisation of quality, safety and operational criteria and ensure that manufacturers fulfil their legal obligations and provide protection for the end consumer. Certification to BRCGS' Standards is now often a fundamental requirement of leading retailers, manufacturers and food service organisations.

- **IFS (International Food Standard)** - The IFS comprise eight different food and non-food standards, covering the processes along the supply chain. However, IFS does not specify what these processes must look like but merely provides a risk-based assessment of them. The different standards are now used by manufacturers and retailers worldwide to meet new requirements for quality, transparency and efficiency resulting from globalisation.

Global Trade Helpdesk:Simplifying Market Research for Firms' in the Face of COVID Challenges

The World Trade Organization expects global trade to contract between 12-32% in 2020 due to the corona virus pandemic. African firms are already beginning to feel the economic impacts of falling demand, plummeting commodity costs, travel restrictions, economic lockdowns within the region and with traditional trading partners, as well as the resulting supply chain disruptions. Preliminary results from an ITC COVID Business Survey indicate that 74% of African firms surveyed report being strongly impacted by the crisis, most of them through decreased sales. The impact is especially evident among Small and Medium sized Enterprises (SMEs).

Among these firms, one-third report they are at risk of permanent shut-down within the next three months. This is especially relevant because SMEs represent 90% of firms in Africa, and contribute to 80% of employment on the continent. The impacts on trade in key sectors are already visible. Emerging trade data for goods trade for March 2020 signals significant drops in year on year trade both globally and from Africa. The largest year on year drops in imports from Africa were in the Beverages sector with a decrease of 25%, and the Textile and Apparel sector of 20%. Globally, exports declined most in Leather products by 24% and Vehicles by 13%.

According to UNECA estimates, growth for the year is expected to reach 1.8% in the best-case scenario or contract at a rate of 2.6% in the worst case, with the potential to push 27 million people into extreme poverty. What are some of the actions firms can take in the face of these unprecedented challenges? How can they prepare themselves to be resilient in this changing global context? According to a recent statement by the International Chamber of Commerce, access to clear information about changing trade policies and trade information is one of the crucial elements. Firms need to be proactive and monitor changing conditions; both in terms of temporary restrictions put in place by governments in response to the pandemic, but also compare opportunities for market diversification to spread the risks associated with shutdowns and pandemic responses in traditional markets.

Designed with the needs of micro, small and medium-sized enterprises (MSMEs) in mind, the Global Trade Helpdesk – accessible at www.GlobalTradeHelpDesk.org – simplifies market research for firms of all sizes through unified access to crucial trade and business information. The online tool helps companies identify and compare export opportunities across potential markets. It integrates key sources of trade data from partner agencies including the WTO, ITC, UNCTAD, World Bank, IADB, FAO, WCO, WIPO, as well as UNIDO, and makes this information available free of charge through a user-friendly interface. Furthermore, it helps companies keep abreast with changes to trade policy with access to daily updated information regarding the temporary trade policy notifications related to medicines, medical supplies, agricultural products, and more.

For an exporter looking to compare opportunities in different markets, the tool brings together key information into one simple search. For example, a Rwandan coffee exporter looking to diversify from its traditional export markets of the United States and Germany can explore opportunities can explore opportunities in other markets. Here are the results for the Swedish market, which is currently not under economic lockdown:

Simply entering Rwanda as the exporting country, Sweden as the importing country and HS product code 090111 into the search boxes reveals:

- Sweden is the 14th largest importer of coffee in the global market, with global imports of $308 million in 2019.
- Rwanda has a market share of 2% in the Swedish market, with import growth of 26% per year during the last 5 years. Export to Sweden reached 6.5 million USD in 2019. There is an estimated 1.7 million USD of room per year for additional export growth in this market in the coming 3 years.
- Rwandan coffee exporters have duty-free access to the Swedish market
- Rwandan coffee imported into Sweden is subject to 15 mandatory regulations in including traceability requirements, processing history, and labelling requirements among others.
- There are 24 Sustainability Standards that are certifiable in Rwanda and accepted in Sweden. These private certifications may help Rwandan exporters reach niche consumers. These private standards include the EU Organic Standard, Fairtrade International, Global GAP, among others.
- To export coffee from Rwanda, an exporter will need to complete 5 tasks, requiring 21 documents involving procedures in 10 domestic entities. The process takes between 1-2 months for a first time exporter and involves a cost of RWF 233,000 on average. Exporters can access the detailed step-by-step process in the Navigate Procedures module.
- To put their export plan into action, a Rwandan exporter needs access to key services including trade finance. Using GTH the exporter can find contact details for 10 banks in Rwanda that provide trade finance.
- A Rwandan exporter can also access the contact details the Export Promotion Agency to seek advice on negotiating the export contract or preparing an export plan.
- A Rwandan exporter can also contact the relevant IP offices to protect their trademark both in their domestic market, as well as abroad.

We invite you to try the Global Trade Helpdesk today to make informed export decisions, and begin adapting your trade strategy to changing global circumstances.

By Anna Jankowska, Market Analyst, ITC (ajankowska@intracen.org)

OUR SERVICES

1 BUSINESS POLICY AND ADVOCACY
Influencing policy is at the heart of what we do

2 BUSINESS FACILITATION SERVICES
Business support services that are regional in nature.

3 MEMBERSHIP DEVELOPMENT
We are our members -towards strengthened business collaboration

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