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BIZnet
CBC - Your Market Hub

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.

STRENGTHENING PARTNERSHIPS FOR BUSINESS IN INTERNATIONAL MARKETS AND COMESA

On the 9th of November 2020, the COMESA Business Council and the International Chamber of Commerce signed an MoU. The CBC-ICC/World Chambers Federation Action Network Meeting was graced by over 70 business leaders representing business Associations from Africa and the rest of the world, including CBC Board Directors and ICC members. In his remarks, the ICC Secretary General , Mr. John W. H. Denton AO said, "There are enormous similarities between the objectives of ICC and those of CBC. The fact that we are now able to come together to work for the advancement of the interests of business in Africa is a fantastic opportunity. We will not let you down. We look forward to working closely with CBC and are greatly honoured by the trust they have shown in ICC by seeking to join forces for the common endeavour to improve the lives and livelihoods of all those who live in Africa."

With the signing of the MOU, the parties will develop an implementation plan on facilitating business partnerships and increasing inter-regional trade; advocacy and strengthening African business participation in multilateral policy; business facilitation measures to advance Sustainable Development Goals. Furthermore, it will address key emerging issues for business, such as digital trade facilitation, SMEs sustainability, and other strategies to facilitate movement of goods and services particularly within the COVID-19 pandemic period.

During the event, a high-level panel of business leaders from the CBC and ICC engaged on strengthening partnerships for business in international markets and COMESA. The panel was moderated by Mr. Southworth, Secretary General, ICC- United Kingdom. The key discussions focused on trade facilitation, private sector participation in global policy, financial inclusion for women and SMEs, and a roadmap for a digital-inclusive economy. In the dialogue, CBC's Chief Executive Officer, Ms. Sandra Uwera, stated, " The MoU provides a platform for leveraging synergies between CBC and ICC, for linking global business to African markets and vice versa, promoting digital trade facilitation and strengthening the voice of African business in international negotiations ".

Dr. Amany Asfour, CBC's Board Director, underscored, "Digital financial inclusion is a key priority for African continental and COMESA regional integration agendas, essential to the facilitate cross border payments, alleviate poverty and improve livelihoods for SMEs, particularly women-led enterprises". Mr. Christopher Holden of the Global Alliance for Trade Facilitation highlighted public-private partnership to accelerate the policy frameworks for trade facilitation in Africa as key to realising the opportunities offered by the African Continental Free Trade Area. The panel recommended strengthening public-private dialogue, private sector participation, and financing of National Trade Facilitation Committees as a way of ensuring an improved business environment.

RWANDA'S REVENUE FROM RARE MINERALS DROPS BY HALF AS PRODUCTION SLOWS

Rwanda's principal minerals — cassiterite, wolfram and coltan — fetched $31.6 million in revenues in the first half of 2020, down from $56.6 million in the same period last year, largely due to disruption in the sector occasioned by the coronavirus pandemic. Sector players say mineral buyers, particularly electronic companies, halted the purchase of minerals used in the manufacture of devices for much of this year as production slowed down worldwide on account of the Covid-19 pandemic.

The fall in revenue earnings, as released by the National Bank of Rwanda, means less money for the government that has for a long time banked on the mining sector as a major contributor of foreign exchange, second only to tourism. However, even before the coronavirus pandemic hit, Rwanda's principal minerals were being sold at reduced prices on the international market. They fetched $99 million in 2019, down from $143 million in 2018 – which was the sector's best performing period in five years. Mining and quarrying activities dropped by 53 per cent this year due to Covid-19 restrictions, according to the National Institute of Statistics.

"The prices for coltan and wolframite are not conducive at the moment, and this has been ongoing for the whole year. Tin (cassiterite) is fetching a relatively good price, but it is not strong enough," Jean Malic Kalima, chairperson of the Rwanda Mining Association told The EastAfrican. "On top of the low demand for our minerals, the local companies are not producing enough quantities because of the disruptions brought about by the coronavirus pandemic. But we are optimistic about the future, particularly because of the investments that have been made in mineral value addition."

The government plans to revive the sector and has projected that it will bounce back to grow at a rate of 11.5 per cent in 2021, up from 0.1 per cent this year. In order to achieve this, Rwanda has invested heavily in reopening a tin smelting plant in order to fetch better prices on the international market.

The plant, in Kigali, which reopened in 2018, is run by Polish company Luna Smelter through a joint venture with Rwandan parastatal Ngali Holdings, which owns a 25 per cent stake. However, the coronavirus pandemic has affected the plant's operations, which mainly relies on supply from local mining companies like Rutongo Mines, one of the country's largest cassiterite producers, for its minerals.

The plant's production capacity is 1,800 tonnes of pure tin metal per year but the company has been operating at half the capacity. The government is banking on plans by Luna to reconstruct and renovate the plant's second furnace to multiply its production capacity to 5,400 tonnes of pure tin per year.

Mining concession owners held talks with the government, requesting for a doubling of the duration of mining licences from a minimum of five years to 10 years. The owners say the five-year contracts are rejected by banks, denying them loans to expand their operations.

Read more on: Read more on: https://www.theeastafrican.co.ke/tea/business/rwanda-s-revenue-from-rare-minerals-drops-by-half-2724188

3RD EAST AFRICAN BANKING AND MICROFINANCE FORUM

The Trade and Development Bank in partnership with the European Investment Bank will be hosted the 3rd East African Banking and Microfinance Forum - 2020 under the theme Banking at a Time of Global Crisis: Perspectives, Challenges and Opportunities from the 5th to 6th November 2020.

The COMESA Business Council CEO Ms. Sandra Uwera formed part of the panelists for the panel discussion "Strengthening Finance and Trade Resilience to Global Pandemics". in her delibeartions she highlighted that Trade is a key driver of economic growth and poverty reduction and drives the exchange of goods and services, capital movement, and fosters cultural links between people and between countries. It is an important catalyst for regional economic integration, economic growth and poverty reduction. The coronavirus (COVID-19) pandemic has created major disruptions in the economies and the life of businesses, whether or not they are able to continue their operations. These disruptions are creating a wide range of impacts on companies and many of them are struggling financially.
she highlighted that the private sector has many unanswered questions as we go towards ACFTA in terms of sharing of larger markets and benefits of borderless factories.

As a solution to challenges faced by SMEs CBC is setting a digital low value common payment policy that will support SMEs to carry out affordable cross border transactions. we are also setting up new technologies such as the internet, artificial intelligence, machine learning, big data, biometric identification, and blockchain technology brought new financial technologies (Fintechs) namely Unified Payment Interface, Immediate Payment System, and Mobile Money into existence. Innovation in technology is one of the key success factors for business to strengthen the maturity life of product life cycle, included financial industry.

she further highlighted that bank lending is the most common source of external finance for many SMEs and entrepreneurs, which are often heavily reliant on straight debt to fulfill their start-up, cash flow and investment needs. While it is commonly used by small businesses, however, traditional bank finance poses challenges to SMEs and may be ill-suited at specific stages in the firm life cycle.

AIRTEL AFRICA RECORDS HIGHER REVENUES, CLIENT NUMBERS

Airtel Africa has recorded improved revenue and customer base growth as African telecoms continue to leverage on their customer base to diversify on data, digital and financial services to remain afloat in the competitive business. In its half year performance results, Airtel Africa announced customer base growing by 12 percent to 116.4 million subscribers out of the 412.9 million mobile subscribers combined of the top three telecom companies in Africa MTN Group, Orange and Airtel Africa which represents more than 53 percent of total network subscribers on the continent.

Covid-19 pandemic seems to be aiding growth of mobile money growth and data usage as different countries recommend cashless transactions and working from home strategy as a means to curb the spread of the virus. As a result of the situation, Airtel Africa in the six months to September 30 saw mobile revenues increase 15.3 percent due to growth in voice and data, while its mobile money operation Airtel Money saw revenue growth of 30.4 percent.

Unprecedented Times

"The first half of our fiscal year included the peak impact of the Covid-19 pandemic in the countries where we operate. In these unprecedented times, the telecoms industry has emerged as a key and essential service for these economies, allowing customers to work remotely, reduce travel, keep them connected and allow access to affordable entertainment," said Airtel Africa CEO Raghunath Mandava. He added, "In these exceptional circumstances, in the first half, we delivered a strong set of results and as lockdown restrictions eased during Q2, our performance improved with constant currency revenue growth of 19.6 per cent, up 6.6 percent from the prior quarter."

Mr Mandava, however, added that the company remains alert to the potential for further disruptions from a second wave of Covid-19 pandemic across Africa, and the associated actions of governments to minimise contagion. Airtel Africa which currently operates across 14 markets, which span Eastern Africa, Francophone Africa and Nigeria, recorded a profit before tax of $0.5 million share of gain from joint ventures and associates compared to $0.4 million previous period.

The operator said profit after tax for the half year ended September 2020 is lower due to benefits in the same period of the prior year of exceptional items of $47 million, other finance costs had derivative gain of $46m in half year ended September 2019 and higher tax in half year ended September 2020. Airtel Africa has announced its diversification plan in the continent to compete with the top two Africa telcos companies, MTN Group and Orange.

The company strategy rolled out in 2018 to grow its data services, digital services and mobile money operations seems to be delivering returns as the company records a 16.4 percent increase in revenue and a 19.6 percent increase with its customer base growing by 12 percent in the first half of its current financial year.

Its full swing plan to roll out 4G services across its various markets in eastern and Francophone Africa saw an increase of data revenue up by 33.4 per cent in the same period while other fronts such as voice and mobile money increased by seven percent and 30.4 percent respectively.

Broadband Demand

Airtel Africa was third after MTN and Orange to roll out 4G services and banked on the demand of the broadband during pandemic to increase its revenue on data. In the past decade, African telecom firms have been both transformational and disruptive to their business models with increased broadband penetration and growing Internet adoption across key demografhics.

Orange started the diversification move earlier than other telcos by adopting a multi-strategy approach that embraces voice and data bundling and strong growth in data infrastructure as telecom subscribers to adopt over-the-top services for communication needs. In December 2019, Orange announced that it would reinforce its multi-services strategy so that they represent 20 per cent of turnover in the continent by 2025 while South Africa's MTN is also serious with its diversification efforts.

For the past four years, the telco has been scaling its 3G/4G broadband across the continent in its plans to drive greater revenue and new growth with adoption of data and digital services.

Read More on: https://www.theeastafrican.co.ke/tea/business/airtel-africa-records-higher-revenues-client-numbers-2732562

OIL FIRMS, UGANDA SWEATING OUT PENDING ISSUES ON TULLOW SALE

After approval of Tullow sale to Total, the government and joint venture partners in the Lake Albert Development Project are now working on pending issues to meet the December target for Final Investment Decision (FID). Energy Minister Mary Goretti Kitutu gave the approvals on Wednesday, October 21 – marking Tullow's exit from Uganda's oil sector since 2004.

Coming a month after Uganda and Total initialled the Host Government Agreement (HGA) for the East African Crude Oil Pipeline (Eacop), this puts pressure on the joint venture partners to finalise several unresolved issues in two months before FID. The joint venture partners in the Lake Albert Development Project are French major Total and China National Offshore Oil Corporation. "There remains some work to be done on the midstream project [Eacop]" said Total Uganda general manager Pierre Jessua, told The EastAfrican.

He explained that the key pending issues are about reaching a similar HGA with Tanzania for the Eacop, for which "discussions were initiated in the recent past and will soon resume. "He adds that the parties need to do intensive work to ensure the respective laws for both the Uganda and Tanzania HGAs are harmonised, as well as to complete discussions on shareholder agreements and tariff and transportation agreement for Eacop.

Work-in-Progress

The FID will unlock investments in the region of $8 billion on the oil infrastructure, which includes the pipeline, the refinery, central processing facility and Kampala terminal, for which calls for tenders and recommendations for main contracts are work-in-progress. However, Mr Jessua admits that international oil companies are yet to get approval of the environment and social impact assessment for the Eacop in Uganda, the Tilenga feeder pipeline connecting the central processing facility to the starting point of the pipeline at Kabaale.

"We are all engaged to have the FID by the end of 2020. Our CEO talked to investors on September 30 and was clear that we have to take a FID by end of year," added Mr Jessua. At meeting between President Yoweri Museveni and Total Group CEO Patrick Pouyanne on September 11, agreed to expedite all key issues but also, two prerequisites for the achievement of the FID were discussed and agreed upon, namely, the Uganda National Oil Company upstream "back in" and Uganda HGA for East African Crude Oil Pipeline.

On the government side, the approval of Tullow assets sale to Total for $575 million represents its pledge to expedite the process — critical for the parties to take Uganda towards first oil, which has eluded the country for years after pushing back production targets several times. Both companies expect the transaction to close "in the coming days" after certain customary pre-closing steps, leading to Tullow receiving the funds. The conclusion of this transaction is a relief for Tullow which wanted to use proceeds to service its debt obligations. However, the company has sought to sell its stake in the Lake Albert project since 2017.

Read More: https://www.theeastafrican.co.ke/tea/business/oil-firms-sweating-out-pending-issues-on-tullow-sale-2724182

CALL TO LINK CONTINENT BY RAIL, WATER AND AIR

As the continent counts down to January 1, 2021, when the African Continental Free Trade Area (AfCFTA) will come into effect, several countries are still unprepared for the changes. In Uganda, players in cross-border trade and logistics are looking at ways to revive their sectors after being battered by Covid-19, while at the same time preparing for AfCFTA.

According to Jennifer Mwijukye, the chief executive of Unifreight Cargo Handling Logistics Ltd, the focus now for Uganda, as well as the other EAC partner states, should be how to develop inter-model integrated transport that links the whole of Africa, so as to have efficiency, dependability and availability. She says now is the time to link the continent by rail, water and air transport corridors. "Decent options of transport should be made available for continental trade to flourish. And before we have transport systems, we will not have meaningful trade. Some hinterland countries like Uganda will suffer and even regret why they went into that free trade area, agreement," Ms Mwijukye said.

Emmanuel Atwine, a senior commercial officer at Uganda's Ministry of Trade, Industry and Co-operatives, said a national strategic plan is being developed to support the local business community. "We are reorganising ourselves and to develop a strategic plan for the business sector to ensure that we all benefit as a country. This is a continuous process," he said, adding that they have been engaging local manufacturers, private sector and small and medium enterprises associations.

At the regional level, Ms Mwijukye said infrastructure projects like the standard gauge railway and meter gauge old network need to be harmonised to ease cargo movement within and outside the region. She suggested that the EAC conduct a joint investment analysis on current and future needs of the region in relation to the return-on-investment, and to avoid having conflicting routes which may cause further delays.

Citing the recent holdups of cargo trucks at both the Busia and Malaba border posts on the Kenya-Uganda border, industry players propose that Uganda considers setting up a transit terminal in Tororo to prevent delays caused by Covid-19 tests on truck drivers. "If we had one, there would be no need for the truck drivers to cross into Uganda. Drivers would stop there and go back to Kenya without having to be tested," Ms Mwijukye said.

Read more on: https://www.theeastafrican.co.ke/tea/business/call-link-continent-by-rail-water-and-air-2724176

MARKET FOCUS - EGYPT

Facts and Figures

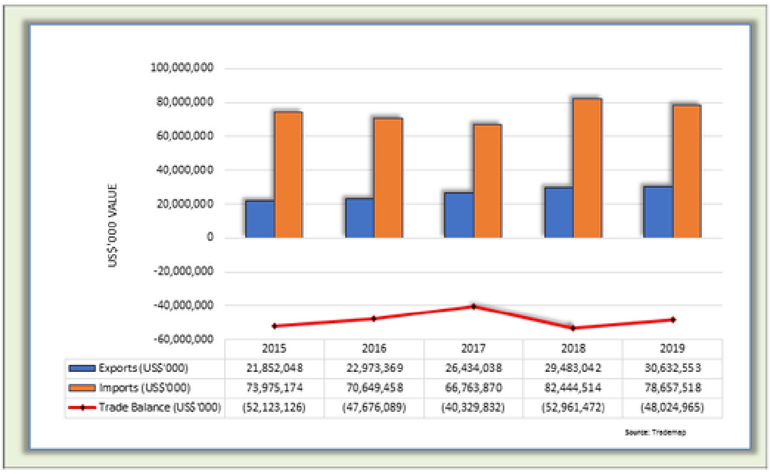
Total Population	98,423,595
Area	1.01 million km2
Time Zone	CAT (UTC+2)
Capital City	Cairo
International Telephone Code	+20
Currency	Egyptian pound (EGP)
Exchange Rate	1 USD = 15.9408 EGP
GDP (2015 est.)	USD 250.9 Billion
GDP per capita	USD 3,020.031
GDP Growth Rate	5.8%
Ease of Doing Business *(World Bank 2020)*	114/190
Inflation Rate	13.6%
Official Language(s)	Arabic
Other Languages	English and French
Important International Participation	Common Market for Eastern and Southern Africa (COMESA), African Union (AU), World Trade Organisation (WTO), European Union – Egypt Free Trade Agreement (Association Agreement), Turkey – Egypt Free Trade Agreement, Pan Arab Free Trade Area (PAFTA) Arab League and Egyptian – European Mediterranean Partnership Agreement (Euromed) Agadir Free Trade Agreement, Egypt-EFTA Free Trade Agreement, Qualified Industrial Zones (QIZ), Egypt-MERCOSUR Free Trade Agreement.

The Arab Republic of Egypt is located in the northeastern corner of the African continent. It is bordered to the north by the Mediterranean Sea with a coastline of 995 km. It is bordered to the east by the Red Sea with a coastline of 194 km. It is bordered in the northeast by Palestine and Israel, to the west by Libya, and to the south by Sudan.

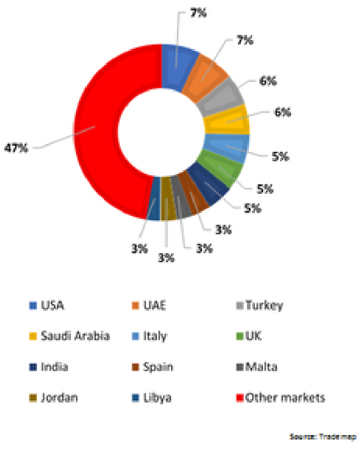
Egpyt's Cities and Population

City	Population
Cairo	7,734,614
Alexandria	3,811,516
Al Jizah	2,443,203
Port Said	538,378
Suez	488,125
Al Mahallah al Kubra	431,052
Luxor	422,407
Asyut	420,585
Al Mansurah	420,195
Tanda	404,901

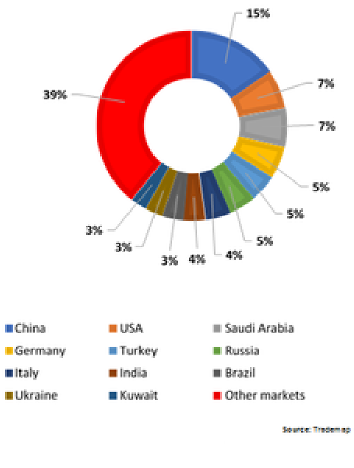
Egpyt's Trade



Major export destinations of Egypt



Major import sources of Egypt

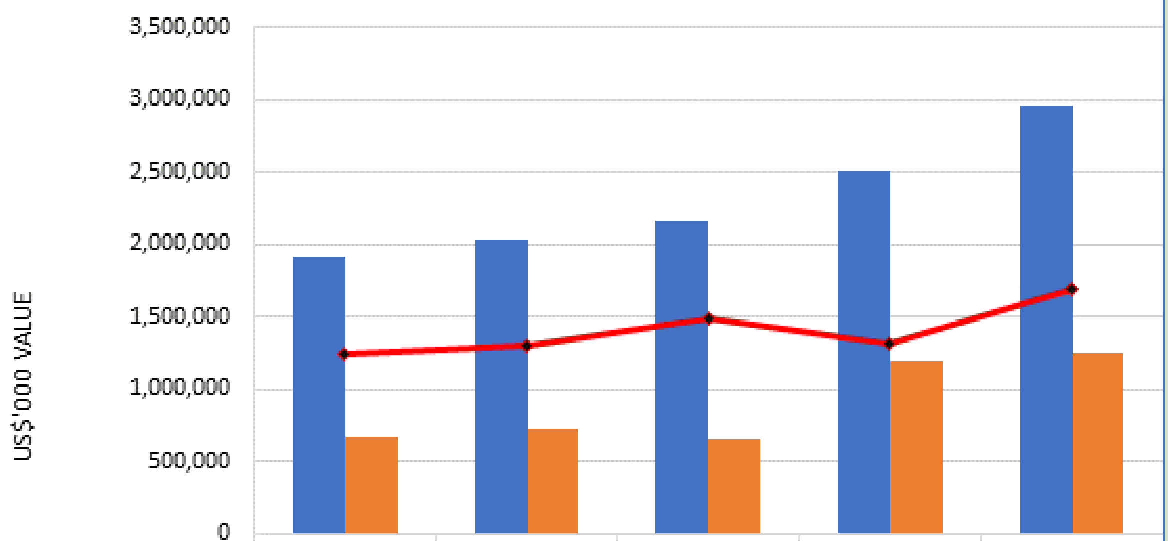


Source: Trademap

MARKET FOCUS - EGYPT

Major Export Products of Egypt's	Major Import Products of Egypt's
• Light oils and preparations, of petroleum • Gold • Petroleum oils and oils obtained from bituminous minerals, crude • Medium oils and preparations, of petroleum • Natural gas, liquefied • Urea • Reception apparatus for television • Fresh or dried oranges • Polypropylene, in primary forms • Flat-rolled products of iron or non-alloy steel • T-shirts, singlets and other vests of textile materials • Polyethylene • Polyethylene terephthalate", in primary forms • Fresh or chilled potatoes (excluding seed) • Coaxial cable • Fresh or chilled onions and shallots • Fresh grapes • Mixtures of odoriferous substances • Sanitary towels (pads) and tampons, napkins and napkin liners for babies • Wheat or meslin flour • Medicaments	• Light oils and preparations, of petroleum • Durum wheat (excluding seed for sowing) • Petroleum oils and oils obtained from bituminous minerals, crude • Maize (excluding seed for sowing) • Medicaments • Motor cars and other motor vehicles principally designed for the transport of persons • Mobile telephones • Frozen, boneless meat of bovine animals • Butanes, liquefied • Semi-finished products of iron or non-alloy steel • Articles of iron or steel, n.e.s. (excluding cast articles or articles of iron or steel wire) • Agglomerated iron ores and concentrates • Coniferous wood sawn or chipped lengthwise • Waste and scrap of iron or steel • Parts for reception apparatus • Palm oil and its fractions • Copper, refined, in the form of cathodes

COMESA - Egpyt Trade



	2015	2016	2017	2018	2019
Egypt Exports to COMESA (US$'000)	1,925,462	2,039,808	2,158,679	2,514,271	2,959,385
Egypt Imports from COMESA (US$'000)	673,138	735,468	661,349	1,192,819	1,259,459
Trade Balance (US$'000)	1,252,324	1,304,340	1,497,330	1,321,452	1,699,926

Source: Trademap

MARKET FOCUS - EGYPT

Egypt's Exports to COMESA Countries

- Light oils and preparations, of petroleum
- Wheat or meslin flour
- Portland cement
- Urea
- Sanitary towels (pads) and tampons, napkins and napkin
- liners for babies
- Mixtures of odoriferous substances and mixtures
- Surface-active preparations, washing preparations
- Unglazed ceramic flags and paving, hearth or wall
- Tiles
- Reception apparatus for television
- Medicaments
- Marble, travertine and alabaster articles
- Uncooked pasta
- Medium oils and preparations, of petroleum
- Electrical energy
- Cane or beet sugar
- Processed cheese, not grated or powdered
- Flat-rolled products of iron or non-alloy steel
- Sacks and bags, for the packing of goods
- Mixtures of odoriferous substances and mixtures

Egypt's Imports from COMESA Countries

- Copper, refined
- Black fermented tea
- Tobacco, unstemmed or unstripped
- Petroleum oils and oils obtained from bituminous minerals, crude
- Sesamum seeds, whether or not broken
- Live bovine animals (excluding cattle and buffalo)
- Cotton, neither carded nor combed
- Fluoride of aluminium
- Butanes, liquefied
- Fresh or chilled bovine cuts, with bone
- Phosphates of calcium
- Chewing tobacco, snuff
- Dried, shelled broad beans
- Light oils and preparations, of petroleum
- Flat-rolled products of iron or non-alloy steel
- Sulphur of all kinds
- Melon seeds
- Medium oils and preparations, of petroleum
- Paper and paperboard
- Live camels and other camelids [Camelidae]

International Markets Egypt can Target and Supply Products

According to ITC, Export Potential Map, the markets with greatest potential for Egypt's exports of all products are Saudi Arabia, Turkey and United States of America. United States of America shows the largest absolute difference between potential and actual exports in value terms, leaving room to realize additional exports.

	Market	Products with potential
1)	Saudi Arabia	• Oranges, fresh or dried • Onions & shallots, fresh • Processed cheese
2)	Turkey	• Urea, Polypropylene, in primary forms • Mixed alkylbenzenes • Mixed alkylnaphthalenes
3)	United States of America	• Urea • Reception apparatus for television • Men's trousers & shorts of cotton.

Important Contacts

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Website: www.mti.gov.eg

CBC UP- COMING EVENTS

EGYPT- E-COMMERCE COMPANIES COMPETE FOR SALES ON BLACK FRIDAY

E-commerce platforms in Egypt are competing on the Black Friday discounts they are offering, as online companies launched discounts of about 80% with the availability of payment facilities. The payment facilities are being offered to customers in cooperation with some banks and consumer finance companies. Black Friday is the Friday that comes directly after the US holiday of Thanksgiving, and usually falls on the last Friday in November, during which various international stores offer major discounts.

In Egypt, however, Black Friday has acquired a different concept with discounts continued throughout November, and sometimes several weeks after the month as well. Jumia e-commerce started launching the offers of the "Black Friday" sale season, starting from 6 November until 30 November. Karim Ahmed, Head of Marketing at Jumia Egypt, said that the campaign will last for three weeks, or for four Fridays. It includes 12 flash sale shows, starting at 12 am every morning and ending at 10 pm of the next day, with discounts up to 80% and the possibility of a partial refund of the product's value (cash back). The latter option is available to customers who use the Jumia Pay application for electronic payment solutions.

Ahmed said that the offers are fully consistent with the changing consumer patterns in Egypt, coinciding with the novel coronavirus (COVID-19) pandemic. Black Friday discounts cover as many as 200,000 products from 30 brands, with discounts of up to 70% on phones and electrical appliances, up to 30% on televisions, and up to 80% on clothing. Mohamed Adel, Head of Business and Financial Services at Jumia Egypt, said that during the campaign, the company allowed cardholders with the National Bank of Egypt (NBE), AlexBank, Bank Audi, and Mashreq Bank, the possibility of paying for products in interest free instalments over a maximum of 12 months.

He added that Black Friday will also offer discounts of up to 25%, or a maximum of EGP 200, to customers using Vodafone Cash and Commercial International Bank (CIB) wallets. Moreover, the Noon e-commerce app launched Yellow Friday offers from 23 to 29 November. The platform will turn Egypt, Saudi Arabia, and the UAE "yellow", with thousands of brands and offering the largest selection of Yellow Friday offers. Ahmed Al-Minshawi, Director of Sales at Noon, said that the platform witnessed a significant increase in the number of local vendor partners. These include retailers, major brands, and small- and medium-sized enterprises (SMEs), who responded to the digital transformation imperative posed by the challenges of 2020.

Noon has also provided 20% discounts to its customers paying through the Vodafone Cash wallet, while CIB Bank smart wallet customers will benefit from a 10% discount on all their orders. Mahfazati customers from AlexBank will receive discounts of up to 15%, whilst Banque Misr cardholders will also get a 15% discount on their purchases from Noon. At the same time, Arab Bank cardholders will receive discounts of up to 25%.

This is in addition to the possibility of interest-free instalments over periods ranging from six to 12 months with many banks, including the CIB, Emirates NBD (NDB), Banque Misr, and AlexBank. Amazon subsidiary, Souq.com, will offer 11/11 sales on 11 November, in preparation for the White Friday sale at the end of November. The 11/11 sale market offers about 30 categories of products such as electronics, household appliances, kitchenware, grocery, fashion, smartphones, cosmetics, and watches.

Souq.com allows its customers to pay by using the direct payment feature on receipt or through the available online payment options, which include credit and debit cards. The market provides payment of the value of products in instalments without interest and with 15% discounts for CIB customers, as well as for ValU customers, which allow instalments of up to 60 months, and a 20% discount if paying using Vodafone Cash wallet.

Read more on: https://menafn.com/1101111866/Egypt-E-commerce-companies-compete-for-sales-on-Black-Friday

PRODUCT FOCUS- PINEAPPLES - HS CODE 08043000

The pineapple (Ananas comosus) is a herbaceous and tropical plant with edible fruit spanning from 1.0 to 1.50 metres in both height and circumference. It is a member of the Bromeliaceae family. Pineapples are cultivated from a crown cutting of the fruit of the plant.

The main imported variety is the sweet MD2 pineapple.

Pineapples have well-studied anti-inflammatory properties, which makes them a powerful ally in fighting the cause of many health woes, from gum disease and sore throats to gout and arthritis.

Opportunities

The global import of pineapples increased by 13% in the period 2015 to 2019 from US$2.4 billion to US$2.7 billion. The table below highlights major importers regionally and internationally.

International Markets		Regional Markets	
✓ United States of America	✓ Canada	✓ Morocco	✓ Ethiopia
✓ Netherlands	✓ Korea, Republic of	✓ Egypt	✓ Ghana
✓ China	✓ Portugal	✓ Seychelles	
✓ Spain	✓ Russian Federation	✓ Cabo Verde	
✓ United Kingdom	✓ United Arab Emirates	✓ Namibia	
✓ Germany	✓ Saudi Arabia	✓ Botswana	
✓ France	✓ Switzerland	✓ Tunisia	
✓ Japan	✓ Poland	✓ Togo	
✓ Belgium		✓ South Africa	
✓ Italy		✓ Mali	

Source:ITC Trademap and ExportPotentialMap

According to ITC - Trademap, in 2019, USA, Netherlands, China, Spain, United Kingdom, and Germany are the biggest importers of pineapples in the world. On the other hand, the biggest suppliers are Costa Rica and Philippines.

Market Analysis

According to UN COMTRADE - Trademap statistics, COMESA's exports of Pineapples to the world increased by 183% over the past five years, US$3.8 million in 2015 to US$10.8 million in 2019. The major export markets for COMESA include United Arab Emirates, France, Netherlands, Kuwait, Qatar, Oman and Germany

Export Potential

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

PRODUCT FOCUS- PINEAPPLES - HS CODE 08043000

	Country	Potential & Existing Export Markets	
1.	Kenya	✓ Saudi Arabia ✓ United Arab Emirates ✓ Kuwait ✓ Qatar ✓ Oman ✓ France ✓ Jordan ✓ Lebanon	✓ Switzerland ✓ Egypt ✓ Spain ✓ Netherlands ✓ Somalia ✓ Turkey ✓ Germany
2.	Mauritius	✓ France ✓ Netherlands ✓ Russian Federation ✓ Germany ✓ Switzerland ✓ Belgium ✓ Slovakia ✓ Poland ✓ Spain ✓ Singapore	✓ Czech Republic ✓ Italy ✓ United Kingdom ✓ Armenia ✓ Hong Kong, China ✓ Saudi Arabia ✓ Serbia ✓ Canada
3.	Uganda	✓ Kenya ✓ United Kingdom ✓ Rwanda ✓ Sudan ✓ Belgium	✓ South Sudan ✓ Germany ✓ Netherlands ✓ Seychelles ✓ United States of America

Source:ITC Trademap and ExportPotentialMap

Quality

Pineapples are divided into three classes: Extra Class, Class I and Class II. Most pineapples sold in the Developed Countries are Class I or Extra Class.

At the very least, pineapples should be:

- Intact, with or without crown, which if present may be reduced or trimmed
- Sound, i.e. produce affected by rotting or deterioration, such as to make it unfit for consumption, is excluded
- Clean, practically free of any visible foreign matter
- Practically free from pests
- Free from damage caused by pests affecting the flesh
- Fresh in appearance
- Free of abnormal external moisture
- Free of any foreign smell and/or taste.

The development and condition of the pineapples must be such as to enable them to withstand transportation and handling.

Size and Packaging

Fresh pineapples are classified according to Size Codes A-H, with average weights (including the crown) ranging from 2750 grams (Size A) to 800 grams (Size H). The minimum weight for a pineapple is 700 grams, except for some small-size varieties, which may weigh less.

PRODUCT FOCUS- PINEAPPLES - HS CODE 08043000

Packaging requirements differ by customer and market segment. Buyers require new, clean, high-quality packaging that ensures proper protection for the produce. Talk to your customers about their requirements and preferences concerning packaging. General characteristics include the following features:

Wholesale packaging in carton boxes or crates which can vary in size. Most fresh pineapples are packed in boxes containing 5–10 pineapples, with approximately 12 kilo net weight.

Labelling

If the nature of the produce is not visible from the outside, the package must be labelled with the name of the product, and possibly the name of the variety and/or commercial name. Labels for pre-packed or other fresh fruits should provide the following information:

- Name under which the product is sold
- Product's commercial identification, i.e. class, size (code), number of units, net weight
- Name and address of the producer
- Place/country of origin
- Traceability code.

In addition, the label should include any certification logo (if applicable) and/or retailer logo (in the case of private-label products).

Requirements

Pesticide residues constitute a crucial issue for suppliers of fruits and vegetables. With the aim of avoiding health and environmental damage, the European Union has set maximum residue levels (MRLs) for pesticides in and on food products. Products containing more pesticides than allowed are withdrawn from the European market.

Note that buyers in several countries such as the United Kingdom, Germany, the Netherlands and Austria set MRLs that are stricter than those specified in European legislation

Certification/Standards

The most commonly requested certification for fresh pineapples is GLOBAL G.A.P, a pre-farm-gate standard that covers the whole agricultural production process, from before the plant is in the ground to the non-processed product (processing is not covered). Whether GLOBAL G.A.P. is required also depends on the destination country, market conditions and market channel.

Examples of other food safety management systems that can be required are:
i. British Retail Consortium (BRC)
ii. International Food Standard (IFS)
iii. Food Safety System Certification (FSS22000)
iv. Safe Quality Food Programme (SQF).

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