

## COMESA Free Trade Area

The Common Market for Eastern and Southern Africa (COMESA) is a regional integration grouping of African States which have agreed to promote regional integration through trade development and to develop their natural and human resources for the mutual benefit of all their peoples.

COMESA Member States established a Free Trade Area (FTA) on 31 October 2000 after a sixteen-year period of progressive trade liberalisation through reduction on intra-COMESA tariffs. Fourteen States (*Burundi, Comoros, Djibouti, Egypt, Kenya, Libya, Madagascar, Malawi, Mauritius, Rwanda, Sudan, Seychelles, Zambia and Zimbabwe*) are participating in the Free Trade Area.

### COMESA Rules of Origin (RoO)

For a product to be considered as originating in a Member State, it must meet one of the criteria prescribed in the COMESA rules of origin.

For products to be accepted as originating they should be consigned directly from a Member state to a consignee in another Member State provided that:

- A. They have been wholly produced or obtained in a member State, or
- B. They have been produced in a Member State wholly or partially from materials imported from outside the member states by a process of production which effects a substantial transformation of those such that:
  - i. The Cost, Insurance Freight (C.I.F.) value of those imported material does not exceed 60% of the total cost of the materials used in the production of the goods; or
  - ii. The value added resulting from the process of production accounts for at least 35% of the ex-factory cost of the goods; or
  - iii. The goods are classified or become classifiable under a tariff heading other than which they were imported; or
- C. They have been produced in the member state and designated by Council of Ministers of Trade to be products of particular importance to the member states, and containing not less than 25% of the value added
- D. The cumulation of origin - raw materials or semi-finished goods originating in any of the member states and that have undergone processing in one or two member states to produce a finished product shall be deemed to have originated in the member state where final processing took place.

The exporter is free to base his claim to COMESA duty free or preferential tariff treatment on any one of the criteria, according to which of them has been complied within the production process.

### **5.2.2.1 COMESA Simplified Trade Regime**

The Common Market for Eastern and Southern Africa (COMESA) implemented Simplified Trade Regime (STR) to help the small trader to benefit from the preferential rates enjoyed by commercial traders when importing or exporting goods within the COMESA Bloc. The regime is operational between Zimbabwe and Zambia, and Zimbabwe and Malawi.

STR is used for goods that have been grown or wholly produced in the COMESA Region. The trader will complete a simplified customs document (*declaration form*) and a simplified COMESA certificate of origin. These documents are filled in at the border post by the trader and are stamped and certified by a customs official. Goods to be exported should comply with the normal food safety, plant and animal health regulations including environmental protection. Import or export permits needed to import or export certain agricultural foods and animal products are still required.