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BIZnet
COMESA Business Council - Your Market Hub

BIZNET NEWSLETTER

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.

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CBC AND AFRICA NENDA PARTNER FOR THE VALIDATION OF THE DRAFT MODEL POLICY AND RULEBOOK FOR THE REGIONAL DIGITAL RETAIL PAYMENTS PLATFORM FOR MSMES

CBC in partnership with Africa Nenda on Tuesday 27th July, convened the High-Level Public-Private Dialogue, a hybrid event, under the theme, Towards the COMESA Digital Integrated Common Payment Policy for Micro Small and Medium sized Enterprises (MSMEs). The Dialogue brought together over 200 participants from the nine pilot-study countries of the CBC Digital Financial Inclusion Program, to validate and adopt the draft model policy and Rulebook for digital retail payments platform.

The stakeholder groups represented comprised Central Banks; Ministries of Finance; ICT Regulators; manufacturers; Mobile Network Operators; commercial banks; FinTechs; Microfinance Institutions; and MSMEs. "The deliberations here today will help give concrete content to this objective, and challenge us to give added impetus to our efforts in ensuring that the underserved communities, particularly women and the youth, have access to affordable financial services, and more importantly that they are included in the formal economic activities of our respective countries," said Ms. Sandra Uwera, CBC's CEO in her opening statement.

In alignment, Hon. Christopher Mvunga, Governor of Bank of Zambia and the event's guest of honour stated, "the event today is a clear indication of the good will of our political leaders and private sector towards a common vision for our region. Mr. Marday Venkatasamy, Chairman, CBC complement each other and are expected to support the development and implementation of a sound policy framework that will provide a strong foundation for digital retail payment platform."

The meeting noted the importance of supporting women and other particularly vulnerable and marginalized market segments. This was underscored by Mr. Akinwale Goodluck, Deputy CEO of Africa Nenda, who went on to add, "We are committed to the pursuit of universal participation of every African in the digital economy. It is our sincere hope that together we will be able to foster more innovation and accelerate access to financial services to the bottom of the pyramid." Stressing this point, Dr. Amany Asfour, Chair of the Africa Business Council, and CBC Board Director added, "for women across the region, digital savings, credit, and payments services can provide them with a critical link to the formal economy and a gateway to greater economic security and personal empowerment."

CBC AND AFRICA NENDA PARTNER FOR THE VALIDATION OF THE DRAFT MODEL POLICY AND RULEBOOK FOR THE REGIONAL DIGITAL RETAIL PAYMENTS PLATFORM FOR MSMES

Ambassador Kipyego Cheluget, Assistant Secretary General-Programmes at COMESA, in the same vein noted that addressing the challenge of exclusion of rural populations, where long distance travel to physical banking establishments is necessary due to their scarcity in the immediate surrounding, was critical particularly given the economic upheaval brought on by the COVID-19 pandemic. He stated, "as COMESA we would like to see a cross-pollination of digital and brick[1]and-mortar financial services with interoperability, affordability and transparency across our regional markets. This will enable previously underserved market segments to enjoy the benefits of going regional."

The Dialogue attached great importance towards enhancing financial literacy levels across the region. "Improvement of financial education has become an essential next step to enabling the scaling of inclusive cash-lite financial services, towards the economic empowerment of MSMEs in the region," said Mr. Herman Kasekende, Chairman of the Bankers Association of Zambia, and CEO of Standard Chartered Zambia.

The key recommendations from the deliberations on the Draft Model Policy for The Digital Payments Platform for MSMEs in COMESA, and the Draft Guidelines/Rulebook on the Operation of the Digital Payments' Platform were to:

Adopt the proposed policy measures in the draft policy framework and the Rulebook to guide operation of the digital payment subject to the proposed changes.

- Strengthen collaboration between Public and Private sector players.
- Empower women and youth to benefit from digital payment initiative for MSMEs in COMESA region.
- Address the pricing of digital payment aspects related to taxation because it is a critical component in determining access and usage of the Digital Financial Services.
- Propose measure for the reduction of the cost of devices especially end user devices like Smartphones etc. There is a need to work with Suppliers in the region to ensure that devices are affordable especially for the bottom of the financial pyramid.
- Include Chambers of Commerce as one of the key stakeholders in the capacity building program for MSMEs on Digital Financial Literacy.
- Develop tailored made solutions like bundles for MSMEs to facilitate access to Digital Financial Services. On the way forward, the Dialogue agreed the following:

- CBC to embark on the assignment of business modelling on a Regional Digital retail payment platform for MSMEs in COMESA region.
- Thereafter, to undertake the digital skills capacity building project for MSMEs, to address some of the key challenges affecting digitisation of industries in COMESA-with a keen focus on payments and e-commerce. This will be done in collaboration with Africa Nenda.

For for information and updates, please visit our website and social media platforms.

CBC AND AFRICA NENDA PARTNER FOR THE VALIDATION OF THE DRAFT MODEL POLICY AND RULEBOOK FOR THE REGIONAL DIGITAL RETAIL PAYMENTS PLATFORM FOR MSMES IN PICTURES

CBC COMMITTED TO IMPROVING THE AGRO INDUSTRY IN THE COMESA REGION

The COMESA Business Council hosted the virtual meeting for Agro Industry on 14th July 2021 from 14.30 hrs (CAT), 15.30hrs (EAT) and 16.30hrs (MUT). The meeting was attended by over 60 members of CBC in Agro Industry sector. The objective of the meeting was to receive updates and discuss the progress on the implementation of Agro Industry sector activities and agree on the way forward.

In her opening remarks, Ms. Sandra Uwera, Chief Executive Officer, COMESA Business Council (CBC) welcomed everyone to the meeting and highlighted the mandate of CBC and explained its role in the regional integration. She explained the importance of agriculture in COMESA and its contribution to COMESA GDP. Ms. Uwera appreciated the role of women and their contribution in agriculture.

She recognized the recommendations that CBC made at the policy organs for the beverages sector that included the development of an action plan by COMESA prioritising SPS issues to address low intra-COMESA Trade, Accelerate and actualise the implementation of Mutual recognition Agreement for priority commodities in COMESA Member States.

The Chairperson of Agro Industry Workgroup Mr. Guillaume Hugnin, who is also the President of Mauritius Chamber of Commerce, gave his brief remarks and thanked CBC members who attended the meeting and CBC Secretariat for organising the meeting of the workgroup. On the importance of women in the development of Agro Industry in COMESA, he said that there is need to facilitate women to use tools better in order to increase yield. In addition, he said that there is need to develop soft skills for women especially HR to empower them to undertake management tasks like motivating others, recruitment etc.

On logistics, he highlighed that in order to make exchanges effective, logistic is key especially for physical movement of goods across COMESA. Issues like documentation needs to be addressed to facilitate reduction of transaction cost across the borders. He pointed out that during this period of COVID 19 pandemic, there has increase of logistics cost. He gave an example of Mauritius where logistic costs have increased 6-10 time and it is seriously affecting capacity of the local companies to do businesses.

The meeting recommended the following:

- CBC to establish a regional Beverages Association to strengthen regional industry coordination, supply chain partnerships and represent the industry's position in engagements with the public sector.
- Member States to strengthen national regulations and enforcement mechanism on curbing counterfeit seed trade. COMESA to develop a regional regulation on anti-illicit trade to provide a cross border framework for engagement and collaborative efforts for tackling counterfeit trade in seed.
- Member States to put in place an electronic verification mechanism (such as barcoding systems) for the traceability of seeds to distinguish between authentic and counterfeit seed.
- COMESA Business Council should develop a COMESA Seed Trade Regulations and Harmonisation Index
- Going forward there is need for the following sub workgroups to be meeting to deliberate on their issues:
    - Food and Beverage workgroup
    - Seed sub workgroup
    -Tobacco sub workgroup
    -There is need to reflect whether we need horticulture sub workgroup

RWANDAN IMPORTERS FACE SUPPLY SHORTAGES

For months now, Rwanda has had Covid restrictions that have affected commerce. However, new markets like Turkey, Egypt, Italy and Dubai have opened up, but the quantity, pricing and consistency of supplies is not enough to satisfy the market.

"Importers are suffering because they can't access China, and shipping costs have also skyrocketed," said Joseph Akumuntu, the director of the Rwanda Chamber of Commerce at the Private Sector Federation (PSF), adding, "In one month's time, the stock in warehouses will be depleted and that's when the market will have it rough. By the end of August the scarcity will kick in.

"When we are in a lockdown like now, consumption comes a bit down, but once people come out of the lock down consumption will shoot up and things will be bad," he added. Mr Akumuntu said his organisation has been working with importers seeking facilitation to get alternative markets and support to navigate the current trade obstacles.

George Niyongabo, a member of the Apparel Manufacturing Group (AMG), said textile manufacturers who pool resources to buy fabrics in bulk from China have struggled to restock since China banned foreign travel early this year. "We considered options of sending money and having goods sent to us, but we didn't want to risk getting wrong specifications and also being ripped off in the process," he said.

A 40-feet container of high quality fabrics that used to be imported at between $100,000 and $150,000 from China or Dubai has increased by 30 percent, yet even alternative regional markets like Kenya are also expensive.
The Ministry of Trade and Industry advises private sector to import goods in bulk, seek alternative markets, and form a long-term plan of supporting industries to increase the quantity and quality of goods produced locally using available local raw materials to help fill the gap.

Rwanda, like many African countries imports a variety of goods from heavy machinery to retail goods from China.

Read more on: https://www.theeastafrican.co.ke/tea/business/rwandan-importers-face-supply-shortages-3497554

ETHIOPIA CLEARS HURDLE FOR M-PESA EXPANSION

LIPA NA M-PESA

Ethiopia has cleared the way for Safaricom to introduce its popular M-Pesa in the market of 110 million people after deciding to include the mobile phone-based financial services in the telco's licence offered in May. Ethiopian authorities told Business Daily Thursday that the Safaricom licence will be upgraded to include mobile financial service when it completes bidding for its second telecoms operator permit.

The bidding will be opened this August. A consortium led by Safaricom secured the first licence, which does not have a permit for mobile financial services like M-Pesa, in May. The consortium will start operations next year when Ethiopian authorities say the telco will have the right to operate mobile financial services. This marks a departure from last year's directive that only allowed locally owned non-financial institutions to offer mobile money service, dimming the hopes of foreign firms like Safaricom that are seeking a presence in Kenya's neighbouring country.

"The second licence process which includes mobile money services will not disadvantage the previous winner (Safaricom)," the director-general of Ethiopian Communications Authority (ECA) told the Business Daily in interview yesterday. "What will be permitted for the second licensee will be permitted for the first licensee. One thing we may be sure is that the first and second licensee will have the chance to start providing mobile financial services at the same time." The Horn of Africa nation sold only one of two full-service licences on offer in May, citing a lower-than-expected price for the second one, which it now wants to offer again.

The government expects prospective bidders to include firms that had expressed interest in the previous attempt to sell the licence but whose bids were deemed insufficient. Ethiopia had one of the world's closed telecoms markets. Mobile financial services have become a significant part of African telecoms operators' businesses since Safaricom pioneered them with M-Pesa in 2007, giving people an alternative to banks. State monopoly Ethio Telecom, which launched a new mobile financial service called Telebirr in May, snapped four million users within weeks, showing the potential of the market. The barring of foreign firms meant that for operators like Safaricom to offer the service in Ethiopia, they would need a partnership with Ethio Telecom, which is in line to be privatised through the sale of a minority stake.

Biggest Prize

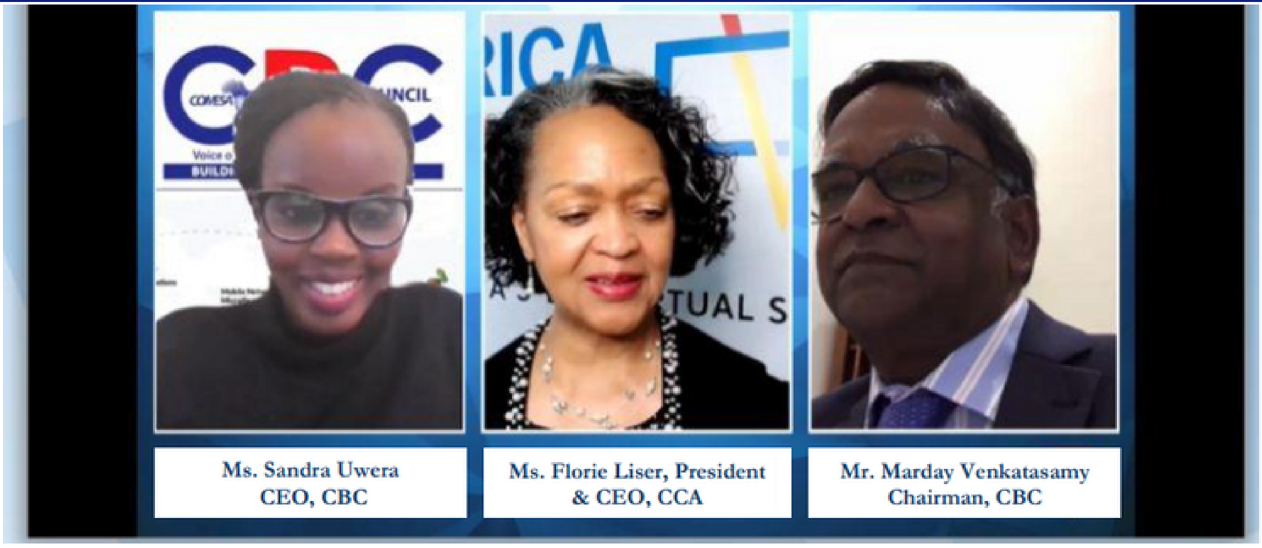
The Ethiopian government is also preparing to sell a 45 percent stake in Ethio Telecom, part of a broader liberalisation that include the auctioning of two new full service telecoms licences.A monopoly, Ethio Telecom is seen as the biggest prize due to its huge protected market. Its subscriber base of 50.7 million makes it the biggest single-country customer base of any operator in Africa. Players like Safaricom are attracted by the growth potential in that market whose 110 million people means the country offers a penetration rate of 46 percent. By contrast, Kenya's 52.2 million mobile phone subscribers gives it a penetration of 118 percent.

Mobile money services like M-Pesa have the potential to transform Ethiopia's economy, as it has done in Kenya, by allowing people to sidestep a rickety and inefficient banking system and send money or make payments at the touch of a phone button. The ability to access digital banking services is likely to be a game-changer for Ethiopians whose banking sector has no way of transferring funds from one bank to another. Safaricom is one of several Kenyan firms that have been eyeing the Ethiopian market for years due to the country's huge population. Ethiopia has kept foreign involvement in the economy at a bare minimum.

However, the country has consistently registered robust economic growth, averaging 10 percent in the past five years, and its ongoing economic reforms look set to strengthen investor sentiment. Its population, the second-largest in Africa after Nigeria, also offers immense opportunities for business.

Read more on: https://www.theeastafrican.co.ke/tea/business/ethiopia-clears-hurdle-for-m-pesa-expansion-3501884

COMESA BUSINESS COUNCIL (CBC) AND THE CORPORATE COUNCIL ON AFRICA (CCA) SIGN AN MOU TOWARDS FORGING NEW PATHWAYS FOR STRONGER US-AFRICA ENGAGEMENTS



"Today marks a major milestone in our US-Africa Business collaboration and partnership. Through this MOU we strengthen the relationship to facilitate closer collaboration, joint advancement of the private sector business agenda, and provide a platform for consolidating the voice of the Private Sector," said Mr. Marday Venkatasamy, Chairman of the COMESA Business Council, during the CBC-CCA MOU signing ceremony which took place on the margins of the 13th U.S.-Africa Business Summit, held on 27th July, 2021. The ceremony marked the beginning of the journey towards solidifying the relationship between the Councils for the period of two years, 2021 to 2023.

Expounding on the significance of the partnership, Ms. Florie Liser, President and CEO of the Corporate Council on Africa (CCA) said, "With the COMESA Business Council (CBC) being one of CCA's oldest and longest standing partners, we welcome this MOU and look forward to collaborating to support greater U.S.-COMESA trade and investment and stronger ties amongst our businesses." With the signing of the MOU, the parties are expected to develop a joint implementation plan to facilitate joint programs for knowledge sharing; B2B and B2G facilitation; public and private sector dialogues; conferences and special events; and trade missions.

The key focus areas will be on trade facilitation; trade-related infrastructure development; services sector development; small and medium-sized enterprise sustainability; agribusiness, regional value chains, and value addition; investment promotion and facilitation; women's business leadership; and capacity building/technical assistance. "This partnership is a real opportunity to transform the region's economic landscape, through strengthening business linkages and facilitation of market access to broader value chains, more so for women entrepreneurs, who are fundamental key drivers of sustainable economic growth and inclusive prosperity," said Ms. Sandra Uwera, CBC's CEO.

The collaboration recognizes that the African Growth and Opportunity Act (AGOA) has been the centerpiece of U.S. trade with Sub-Saharan Africa, which provides for preferential treatment of exports from Africa in the form of duty-free and largely quota-free access to US markets. CBC will leverage this agreement to continue promoting exports to the US, as well as attract investments to Africa particularly to tap into the benefits of Africa Continental Free Trade Area (AfCFTA), thereby helping stimulate economic growth. The U.S.-Africa Business Summit is CCA's flagship conference and is considered essential for those doing business on the continent as well as the U.S. and African leaders shaping U.S.-Africa economic engagement. With over 100 speakers, the Summit hosted African Heads of State and Key Ministers, USG Cabinet and Senior Officials, and more than 1,200 private sector executives and stakeholders from across the United States and Africa.

There were several major announcements made at this year's summit, including Ambassador Linda Thomas-Greenfield, U.S. Ambassador to the United Nations, announcing the U.S. contribution of 25 million vaccines for the nations of Africa, Ambassador Dana Banks, Senior Director for Africa, White House National Security Council, announcing that the Biden-Harris Administration is requesting $80 million in additional funding to jumpstart the Prosper Africa Build Together Campaign, that will drive billions of dollars of investment in Africa, build new markets for American products and create thousands of jobs for African and American workers, as well as Hon. U.S. Trade Representative, Ambassador Katherine Tai announcing a robust engagement with Africa to enhance U.S.-Africa trade. With all the exciting news shared, it is no wonder why CCA's U.S.-Africa Business Summit is regarded as one of the essential conferences on doing business and investing in Africa.

IP CONSIDERATIONS WHEN INVESTING IN EGYPT

With a population growth rate of 2.25%, Egypt has the second biggest population in Africa, as well as the third-largest economy. The Egyptian government is promoting investment in all economic sectors and is already a continental leader in some. For instance, Egypt is the largest construction market in Africa, with more than $350 billion of active projects. Just under half (48%) of active projects are represented by the real estate sector. The energy and transport sectors take up second and third places with 18% and 17%, respectively, of active projects.

The five top projects in Egypt are described below:
Egypt is racing to build an impressive new capital city in the desert east of Cairo. This $58 billion project will promote residential, commercial, government, universities, entertainment, leisure and transport sectors and is set for completion by 2023. Located in front of the New Administrative Capital, the Nour City project aims to meet the requirements of population and urban growth in the East Cairo axis, currently home to about 4.5 million people. Its population is expected to reach 10 million people by 2030. Talaat Mostafa Holding has revealed plans for a new city east of Cairo with an investment cost of $31.8 billion.

The Egyptian Ministry of Electricity and Renewable Energy will develop the new El Dabaa Nuclear Power Plant. The Egypt Ministry of Transportation, meanwhile, is set to build the country's first high-speed train line (the Ain Sokhna El Alamein Railway) that will connect the Red Sea to the Mediterranean. The entire route will run for 1,000km, and the first 460km-long section will link up El Alamein on Egypt's Mediterranean coast and Ain Sokhna. Egyptian Petrochemicals Holding Company is also developing a 2.2 million tonnes per annum petrochemical facility and a 650,000-tonne petroleum refinery in Ain Sokhna.

Major international companies will be the main contractors for the above-mentioned projects, such as Systra (France); China Civil Engineering Construction Corporation (China); Rosatom (Russia); Siemens (Germany); Bechtel (United Arab Emirates); DFC and the US EXIM Bank (United Arab Emirates).

Trademarks on the Rise

In 2019, international applications in Africa increased 24%, with Egypt ranking in the third position, showing dominance in North Africa. Egypt's Central Agency for Public Mobilisation and Statistics (CAPMAS) has revealed that the number of applications submitted to the Egyptian Trademark Office reached 18,735 in 2020, compared to 17,760 applications in 2019, an increase of 5.5%.

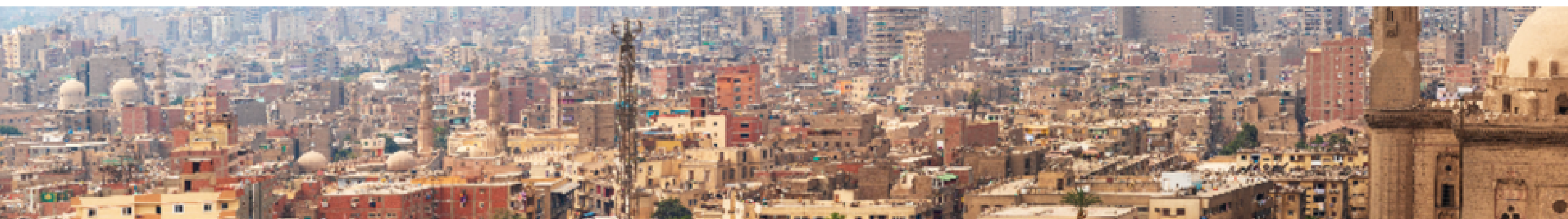
Along with the above-mentioned projects and new business opportunities, it is expected that the increase of trademark applications in Egypt will be even more notable. This increase in the number of international trademark applications originating from Africa appears to suggest that more companies are protecting their businesses abroad. The legal basis is the Intellectual Property Rights Law No. 82 of July 2 2002, in force since June 2003, which replaces the Trademark Law of 1939. Egypt is a member of the Madrid Agreement concerning the International Registration of Marks (Act of Stockholm of 1967) and a member of the Madrid Protocol.

The process from application to registration might take between 18 to 32 months to be completed at the Egyptian trademarks office, the Internal Trade Development Authority (ITDA). This process requires a legalised power of attorney up to an Egyptian consul and, for companies, a certificate of incorporation legalised up to an Egyptian consul, with verified Arabic translation.

Steps for registration include:

1. Filing of the request before the ITDA;
2. Formal and substantial examination conducted by the ITDA and issuance of acceptance letter;
3. Payment of publication of the application in the IP Bulletin;
4. Two-month period for the filing of oppositions by third parties who considered themselves to be adversely affected with the registration of the trademark; and
5. Payment of the registration fees and issuance of the registration certificate.

Read more on: https://inventa.com/en/news/article/668/ip-considerations-when-investing-in-egypt



PRODUCT FOCUS - FRESH LEMONS - HS CODE 08055010

Lemon (scientific name: Citrus limon) is a sour citrus fruit which is used for both culinary and nonculinary purposes. Fresh lemons can be processed (mostly at origin) or marketed as a fresh fruit for consumers or professional users in the food service industry for drinks or food preparation.

The main purpose of fresh use is because of its flavour and all parts of the lemon can be used. Lemon juice is used for drinks while the lemon with zest or skin is used as garnish, in marmalades or deserts.

Industrial processing of lemons has uses in the food and non-food segments (cleaning, cosmetics, pharmaceutical) and include for example (concentrated) juice, pulp, essential oil, pectin, citric acid, limonene and dehydrated peel.

A relatively large part of lemons is processed, but the fresh export trade is mostly destined for fresh use or direct consumption. This means your lemons must comply with quality requirements to enter the targeted markets.

Commercial Varieties

i. Eureka: small variety, texturised skin, few seeds.
ii. Lisbon: Smooth skin, seedless.
iii. Primofiori / Fino: Common in Spain, pale skin, popular variety for the lemon-processing industry •
iv. Verna: Typical variety in Spain, thick peel, low in juice, 2-3 flowering seasons
v. Sorrento: native to Italy with four annual harvests. High in lemon oils and traditionally used to make Limoncello.

Opportunities

The global import of fresh lemons increased by 30% in the period 2015 to 2018 from US$3.1 billion to US$4.2 billion. The table below highlights major importers regionally and internationally.

International Markets		Regional Markets	
✓ USA	✓ **Italy**	✓ Mauritius	✓ Nigeria
✓ Germany	✓ Poland	✓ Mauritania	✓ Botswana
✓ Netherlands	✓ Canada	✓ Cabo Verde	✓ Côte d'Ivoire
✓ France	✓ Japan	✓ Angola	✓ Morocco
✓ Russia	✓ Saudi Arabia	✓ South Africa	✓ Zambia
✓ United Kingdom	✓ Spain	✓ Namibia	✓ Kenya

source: ITC Trademap and ExportPotentialMap

USA, Germany and the Netherlands are the leading importing countries of fresh lemons.

Market Analysis

According to UN COMTRADE - Trademap statistics, COMESA's exports of Fresh Lemons to the world increased by 114% over the past five years, US$20 million in 2015 to US$41 million in 2019. The major export markets for COMESA include Saudi Arabia, China, Hong Kong, Russia, Malaysia, UAE, Jordan, Kuwait, Canada and Australia, among others.

Export Potential

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

PRODUCT FOCUS - FRESH LEMONS - HS CODE 08055010

	Country	Potential & Existing Export Markets
1.	Egypt	Saudi Arabia, China, Hong Kong, China, Russia, Malaysia, United Kingdom, Singapore, Canada, Netherlands, Australia, Mauritius, France, Greece, Macao, China, Cyprus.
2.	Somalia	Saudi Arabia, Netherlands, Canada, United States of America, Germany, Sweden, Norway, United Kingdom, United Arab Emirates, Kuwait, Bahrain, Qatar, Oman, Germany, Norway, Morocco.
3.	Eswatini	Saudi Arabia, Russia, UAE, Netherlands, Malaysia, Iraq, South Africa, Singapore, Viet Nam, China, Qatar, Romania, Oman, United Kingdom, Bahrain, Canada, Japan, Ukraine, Hong Kong, China
4.	Tunisia	Italy, France, Romania, Libya, United Kingdom, France, Netherlands, Spain, Poland, Saudi Arabia, Russia, Turkey, Qatar, Croatia, Kuwait, United Arab Emirates, Canada, Germany.
5.	Zimbabwe	South Africa, Russia, Saudi Arabia, Kuwait, United Arab Emirates, Qatar, Switzerland

Source: ITC Trademap and ExportPotentialMap

Market Entry

Certification and the need to fulfil both legal and non-legal requirements pose major obstacles to producers and exporters entering the market. As an exporter you depend a lot on the quality control of your buyer.

Quality

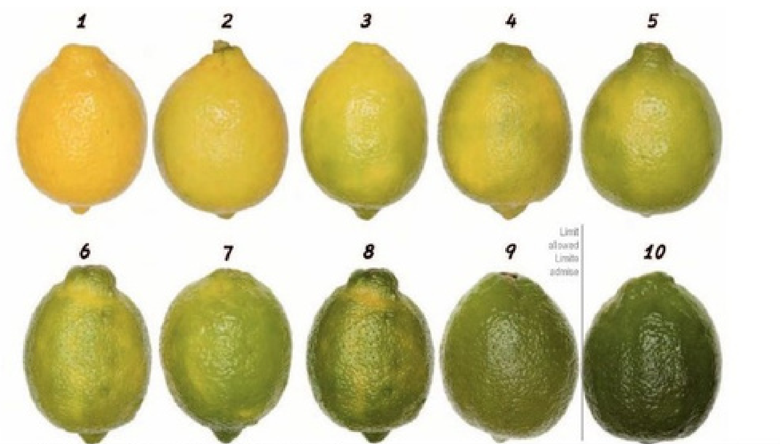
Fresh lemons, like other citrus fruit, should be at least:

- Intact;
- Free of bruising and extensive healed over cuts;
- Sound – produce must be free from rotting or deterioration likely to make it unfit for consumption;
- Clean, practically free of any visible foreign matter;
- Practically free from pests free from damage caused by pests affecting the flesh;
- Free from signs of shrivelling and dehydration;
- Free from damage caused by low temperature or frost;
- Free from abnormal external moisture; free from any foreign smell or taste;
- Able to withstand transportation and handling and to arrive in satisfactory condition at destination.

For fresh consumption, Europe almost exclusively requires Class I lemons as a minimum. Lemons in this class must be of good quality and within the permissible tolerances:

- A slight defect in shape; slight defects in colouring, including slight sunburn;
- Slight progressive skin defects, provided they do not affect the flesh;
- Slight skin defects occurring during the formation of the fruit, such as silver scurf, russets or pest damage;
- Slight healed defects due to mechanical causes, such as hail damage, rubbing, damage from handling;
- Slight and partial detachment of the peel or rind for all fruit of the mandarin group;
- A tolerance of 10% is allowed for fruit that meets Class II standard;
- A tolerance of 10%, by number or weight, of lemons not satisfying the sizing requirements is allowed.

Examples of lemon grading according to external colour



Lemons Citrons	Extra Class Cat. «Extra»	Class I Cat. I	Class II Cat. II	Out of Grade Non conforme	Notes
External Colour Couleur externe	1, 2, 3, 4, 5, 6, 7, 8, 9			10	•Progressive •Uniformity: only 3 adjacent colour degrees allowed within the same consignment •Évolutif •Homogénéité : seuls 3 degrés de couleur voisins sont admis dans le même colis

PRODUCT FOCUS - FRESH LEMONS - HS CODE 08055010

Size

The UNECE standards for citrus fruit has set a minimum size of 45 mm in diameter (see table 1).

Uniformity: The maximum difference in diameter between fruit in the same package shall be limited to:
- 10 mm, if the diameter of the smallest fruit as indicated on the package is <60mm.
- 15 mm, if the diameter of the smallest fruit as indicated on the package is>/=60mm but <80mm.
- 20 mm, if the diameter of the smallest fruit as indicated on the package is >/=60mm but <110mm.

There is no limitation of difference in diameter for fruit >/= 110mm.

Size Codes for Lemons

Size Code	Diameter (mm)
0	79-90
1	72-83
2	68-78
3	63-72
4	58-67
5	53-62
6	48-57
7	42-52

In the lemon trade, size is often indicated by fruit count per box, often varying from 60 to 140 per 14-15 kg.

Labelling

To protect the right of consumers, each package must bear the following details, in letters grouped on the same side, legibly and indelibly marked, and visible from the outside:

a) information about the packer/dispatcher and or shipper
b) nature of the product
c) country of origin of the product
d) class and size of the product
e) If certified GlobalGap, use GG number.

Packaging

The content of each package must be uniform and contain only lemons of the same origin, variety or commercial type, quality, and size, including a same degree of ripeness and development. The lemons must be packed in such way as to protect them properly to withstand transport and handling and the packages must be free from foreign matter.

- Materials used inside the package: clean, not causing damage to the lemons, printing or labelling only with non-toxic ink or glue.
- Stickers: Stickers on the produce must not leave traces when removed. Wrapping: only dry, new and odourless paper must be used.
- Use of substances: any substance tending to modify the natural characteristics of the lemons, especially in taste or smell, is prohibited.

Common packaging

- Lemons loose or organised in boxes of 14kg-18kg, open or closed;
- Lemons in nets or bags in boxes of 14kg-18kg.

Additional labelling requirement

Besides the general labelling requirements, there is a compulsory labelling for citrus fruits that are subject to post-harvest processing using preserving agents or other chemical substances. This is because of the culinary use of lemon skin.

PRODUCT FOCUS - FRESH LEMONS - HS CODE 08055010

Phyto Sanitary Requirements

Fruits to be exported to various markets must comply with the legislation on plant health.

Most destination markets require lemons to go through plant health checks before entering or moving within their countries for example EU, USA and Asia. Lemons must originate from an area free from fruit fly (Tephritidae) or undergo effective treatment. Exporters are encouraged to consult with their Agriculture Ministries to be issued a relevant certificate/permit.

Standards

Environmental and social issues are becoming more and more important in the supply of fresh fruit. Social and environmental certification schemes include actions aimed at sharply reducing and registering the use of pesticides, taking action to ensure the safety of employees and/or even including price guarantees.

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

a) **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.

b) **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").

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

d) **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.

e) **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.

f) **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.

CBC'S UPCOMING ACTIVITIES

Virtual meeting of the Food and Beverages sub workgroup meeting - 20th August

CIPE - Anti Corruption Training

Egypt - COMESA Business Forum - September

WISHING TO BUY OR SELL

Get in touch with the CBC Business Facilitation Team:
info@comesabusinesscouncil.org

Visit our website:
www.comesabusinesscouncil.org

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1. Business and Policy Advocacy; Influencing policy is at the heart of what we do.

2. Business Facilitation Services; Business support services that are regional in nature.

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Influencing policy is at the heart of what we do

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

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We are our members -towards strengthened business collaboration

Important Links

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