

An Investigation of the Extent of Accessibility of Common Market for Eastern and Southern Africa Trade Facilitation Instruments by SMES in Zambia

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Abstract

Background: The aim of the study was to investigate the extent of the accessibility of Common market for Eastern and Southern Africa trade facilitation instruments by SMEs in Zambia. The objectives of the study were to establish the extent of TFIs Utilization by SMEs in Zambia, to determine the barriers to utilization of COMESA TFIs by SMES in Zambia and to develop a Framework for Zambian SMEs to capitalize on COMESA TFIs.

Methodology: The study used a Questionnaire and an interview guide as key data collection instruments. There were 130 questionnaires that were distributed to respondents and 5 key informants. The results of the study revealed that 91.5% of the respondent said that they had never accessed Trade facilitation Instrument of COMESA while 8.5 % ever accessed TFIs.

Findings: The findings also reveal another research objectives results and one key objective was to do with extent of utilization of TFIs. The findings demonstrate many reasons views of respondents on use of TFI. As observed most respondents do not use TFI, reasons behind that are Lack of Adequate finance by SMEs (14.6%), SMEs do not understand and know role of COMESA (23.1%), Policy Implementation being poor (43.1%), and inadequate procedures and Logistics (14.6%). However, most SMEs are not still not aware of the Programmes of COMESA and lot of them lack connectivity and internet skills (10%), Lack of digital financial capacity by SMEs (43.1%), Lack of communication and information (31.5%), Lack of inclusiveness/biasness (11.5%). The findings also revealed study highlighted challenges they are faced with in respect to COMESA trade facilitation instruments. These are limited access to technology (14.6%), unfavourable business environment (20. %), Lack of Finance and Knowledge on COMESA Procedures (33.1%), Slow Digital Economic Integration (18.5%), Laws on customs and Trade Facilitations (13.1%).

Keywords: Trade Facilitation Instruments (TFI), Common Market for Eastern and Southern Africa (COMESA)

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1. Introduction

The Common Market for Eastern and Southern Africa (COMESA), launched on December 8, 1994, evolved from the Preferential Trade Area established in the early 1980s. COMESA's mission is to eliminate trade barriers among its 21 member countries stretching from Tunisia to Eswatini, thereby promoting regional economic integration and cooperation (Yang & Gupta, 2005).

African countries have worked over decades to strengthen regional integration agreements (RIAs). Efforts like the Lagos Plan of Action (1980–2000) and the Abuja Treaty (ratified in 1991, effective 1994) laid important foundations for continent-wide economic cooperation. Other RECs, including ECOWAS, EAC, IGAD, SADC and CEN SAD, have similarly advanced regional trade and movement of goods and people across Africa (Yang & Gupta, 2005).

Within Zambia small and medium-sized enterprises (SMEs) are essential to economic growth. A 2015 baseline survey estimated that SMEs made up approximately 97% of all businesses and employed around 18% of the labor force nearly half of which were owned or managed by women (Parker, 2015). More recent data (2022) indicate that Zambian MSMEs employ nearly 1.9 million people representing over 80% of national employment with more than 95% operating in the informal sector.

Nevertheless, Zambian SMEs face significant challenges. A 2022 BoZ Finance Survey showed that only 3% of startup capital originates from banks or formal institutions; the rest comes from owners or informal means. Lack of collateral, high interest rates, insufficient financial products and limited awareness of available financing tools like credit guarantees or movable collateral registries are cited as critical bottlenecks. Additionally, structural issues such as high borrowing costs (up to 35%), deficit in business skills, unpredictable energy supply, weak infrastructure and complex regulations remain substantial roadblocks to SME growth and export readiness.

Given these challenges, financing remains a central concern. It is therefore imperative to examine the spectrum of funding sources formal and informal, local and international that SMEs in Zambia use in order to identify gaps and opportunities for support and expansion.

2. Literature review and Conceptual Framework

2.1 Trade Facilitation Initiatives

Trade is widely acknowledged by COMESA (2012) as a catalyst for development, poverty reduction, and economic advancement. Yet, developing nations, especially the least developed, often lack necessary trade-related infrastructure and capabilities hindering their full participation in global commerce. This challenge led to the launch of the Aid for Trade initiative, aiming to help countries build trade capacity and infrastructure, and to sequence reforms based on binding constraints.

Prioritizing reforms has proven complex due to the diversity of trade needs and government resource limitations a key finding of the 2009 Second Global Review of Aid for Trade. As WTO Director General Lamy noted then, effective sequencing must consider the unique circumstances of landlocked states, small economies, remote islands, and post-conflict countries, as well as mid income nations' financing capacity. According to Portugal Perez and Wilson (2012), trade facilitation encompasses lowering the costs of imports and exports through both physical (hard) infrastructure such as roads, ports, and railways and regulatory/logistical measures (soft infrastructure), including improved customs, logistics, telecommunications, and business environments. Empirical evidence demonstrates that enhanced trade facilitation leads to higher exports, with gravity model studies showing up to 22–21% increases in manufacturing exports in Mexico and APEC countries respectively when trade facilitation is improved. Infrastructure remains a critical bottleneck in sub-Saharan Africa. Gutman et al. (2015) and Baylis et al. (2011) emphasize that as tariff barriers fall, emphasis must shift to facilitating trade through streamlined procedures such as simplified customs, standards, and border management especially in regions like East and Southern Africa.

Responding to these challenges, institutions like the WTO, UNCTAD, WCO, RECs, and IMF have integrated trade facilitation into their strategic initiatives since 2014. A 2013 COMESA report highlights that transaction costs from cumbersome documentation remain a serious constraint to trade. COMESA's Treaty especially Articles 69–71 legally mandates member states to reduce documentation costs, implement standardized procedures, and build capacity in trade facilitation. Article 70 emphasizes infrastructure development spanning ICT, energy, and transport corridors as a strategic priority. To support economic transformation, COMESA has pursued a unified industrial policy focused on value addition, local content, and SME inclusion in supply chains targeting priority sectors like agro-processing, textiles, mineral beneficiation, and pharmaceuticals (COMESA, 2013). Yet manufacturing's share in GDP and exports remains low, though a gradual rebound is anticipated.

Concrete trade facilitation interventions, such as the EU-backed COMESA Trade Facilitation Programme launched in 2018 (~€48M), have upgraded key border posts (e.g., Chirundu, Nakonde, Mwami) and standardized NTB resolution. Capacity-building initiatives covering SPS and TBT standards, as well as digital tools like the COMESA Yellow Card and Customs Automation, have yielded measurable progress. Intra African corridor initiatives (North South, Dar es Salaam, Trans Kalahari) adopted a holistic, corridor-based strategy linking hard and soft infrastructure investments across transportation and logistics networks bringing together RECs, national governments, private sector and donors. Although upfront infrastructure investments can be costly, they hold high promise for reducing trade costs, boosting competitiveness and attracting private investment especially when complemented by liberalization of services like ports and telecommunication.

2.2 COMESA's Business Growth

In 2016, the COMESA region achieved a growth rate of 4.7%, a slowdown from the 6.1% registered in 2015. Despite this deceleration attributable to adverse weather, drought, low commodity and oil prices, and weak global economic conditions it remained among the fastest-growing regions globally.

Nevertheless, resilience persisted, and growth was projected to rebound to around 5.2% in 2017, driven by improving global commodity prices and robust domestic demand. Several member countries including the Democratic Republic of the Congo, Djibouti, Ethiopia, Kenya, and Rwanda logged solid growth between 5% and 10%, placing them among the highest performers worldwide in this period. Exports from the region were affected by China's economic transition shifting from investment- and export-led growth toward domestic consumption and services which drove down global commodity prices and impacted COMESA exporters. However, this transformation also presented new prospects: rising demand in China for agricultural and consumer goods, and the potential for COMESA countries to attract manufacturing investment as China's comparative advantage in low-end manufacturing wanes. Within the region, economic growth in 2016–17 was largely supported by strong private consumption, fueled by declining oil and food prices and increased remittances, alongside sustained public and private construction activity. Meanwhile, export growth remained subdued due to weak external demand. As such, COMESA countries relied heavily on domestic drivers of growth, helping buffer against global shocks. Given this sensitivity to external volatility, strengthening intra-regional trade and integration has become a strategic priority for COMESA, aimed at building economic resilience by deepening regional markets and reducing dependency on global demand.

2.3 Implementation of COMESA Programmes

In 2016, COMESA's aggregate global trade decreased by 8%, falling from US \$255 billion in 2015 to US \$235 billion. Exports declined by 7% (from US \$76 billion to US \$71 billion), while imports dropped by 8% (from US \$179 billion to US \$165 billion). The fall in exports was mainly driven by reduced export values from the Democratic Republic of Congo and Libya, which together accounted for a US \$7 billion decline. Similarly, DRC, Egypt, and Libya contributed to a combined US \$13 billion decrease in imports. At the country level, several COMESA nations recorded substantial export growth: Comoros surged by 109%, while Uganda and Madagascar each grew around 10%, and Sudan and Burundi saw increases of 8% and 6% respectively. On the import side, only Seychelles, Djibouti, Sudan, and Ethiopia showed growth with Seychelles and Djibouti posting particularly large rises of 62% and 57% respectively. In terms of terms of trade (ToT) with the global market, Eswatini (formerly Swaziland) was unique within COMESA in achieving a favorable ratio of 1.2 in 2016; all other member states experienced unfavorable ToT.

2.4 Customs Union Instruments

According to the information provided, the Common External Tariff (CET), Common Tariff Nomenclature (CTN), Common Market Customs Management Regulations (CMR), and Council Regulations Governing the COMESA Customs Union (CRGCCU) were adopted by COMESA prior to the establishment of the Customs Union. These decisions were made during the Twenty Third, Twenty Fifth, and Twenty Sixth Meetings of the Council in May 2007, December 2008, and June 2009, respectively. The CRGCCU and CMR were officially published in Volumes 15 Nos. 1 and 2 of the COMESA Official Gazette on June 9, 2009.

The CET, as outlined in the CRGCCU, is structured into four bands: 0% for raw materials, 0% for capital goods, 10% for intermediate goods, and 25% for finished goods. Member States have the flexibility and policy space to address national concerns that may arise from the implementation of the CET rates. Additionally, the Council periodically evaluates the CET rates over specific time periods. These measures demonstrate COMESA's commitment to establishing a harmonized customs framework and a common external tariff to facilitate trade within the region. The adoption of these regulations and the periodic evaluation of CET rates aim to promote consistency, fairness, and flexibility in customs procedures and trade facilitation.

2.5 The theoretical and conceptual framework

The theoretical framework plays a crucial role in research by establishing a strong foundation that connects the research to established theories and concepts. Its main purpose is to provide direction and structure to the research inquiry, ensuring that the findings are meaningful and aligned with the existing knowledge in the field. By incorporating relevant theories and concepts, the theoretical framework helps to contextualize the research and establish its theoretical underpinnings.

Institutional Theory offers a critical lens for understanding how the formal and informal structures within a society or organization shape behavior, decision-making, and access to resources. In the context of trade facilitation for SMEs in Zambia under the COMESA framework, this theory helps analyze the role of institutions both formal (such as laws, regulations, and customs procedures) and informal (such as cultural practices, social networks, and industry norms) in influencing the accessibility and effectiveness of trade facilitation instruments. For instance, while legal frameworks and customs protocols directly impact cross-border trade, informal networks may affect how information about these processes is disseminated and accessed by SMEs. Institutional Theory emphasizes that both regulatory systems and societal norms play a significant role in either enabling or hindering SMEs' participation in regional and international trade. The work of Hartmann and Hundt (2018), which explores institutional influences on entrepreneurship in African and non-African

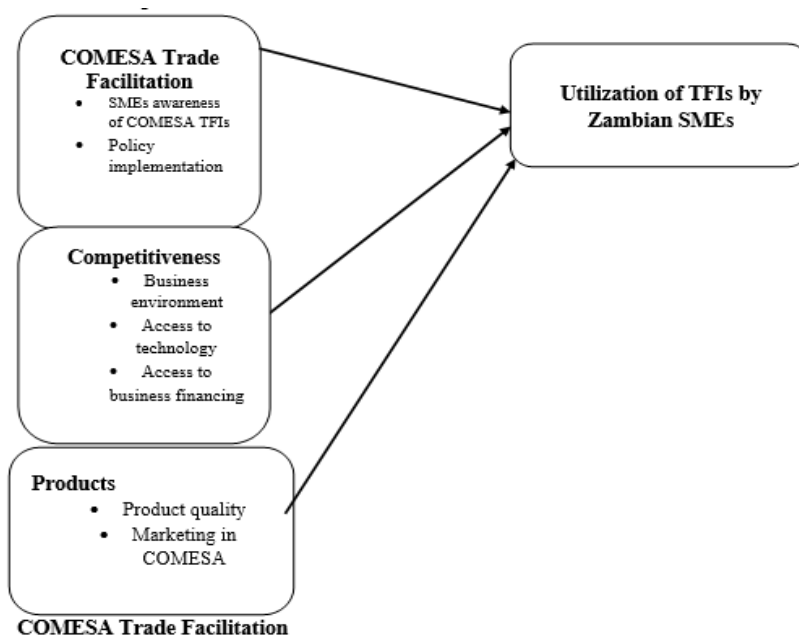
countries, supports this view by highlighting how institutional environments shape business behaviors.

The Resource-Based View (RBV) theory focuses on how firm-specific resources and capabilities contribute to a company's competitive advantage and long-term success. When applied to the study of SMEs in Zambia, RBV offers insights into how internal factors such as access to financial capital, skilled labor, technology and strategic partnerships affect the ability of these enterprises to leverage COMESA's trade facilitation instruments. According to RBV, resources must be valuable, rare, inimitable, and non-substitutable to offer a sustainable competitive edge. SMEs that possess or develop such resources are more likely to successfully navigate trade procedures, comply with international standards, and tap into cross-border opportunities. The study by Habisch, Reimsbach, and Seuring (2018) on sustainable supply chains through the RBV framework demonstrates how SMEs can enhance performance by developing unique internal capabilities. In the Zambian context, understanding how specific resources impact SMEs' access to trade instruments can inform policies aimed at building capacity and improving competitiveness.

Framework Basis for Export Performance

A Conceptual framework denotes to sketch of independent and dependent models/variables together with their assumed relationships. It portrays an outline of concepts/variables that the researcher employs to enable them to respond to research objectives (Rajablu et al., 2017).

2.6 conceptual framework



H0: There is no statistically significant association between the trade facilitation within the Common Market for Eastern and Southern Africa (COMESA) and the utilization of Trade Facilitation Instruments (TFIs) by small and medium-sized enterprises (SMEs) in Zambia.

H1: There is a statistically significant relationship between the trade facilitation within COMESA and the utilization of TFIs by Zambian SMEs.

Competitiveness

H0: There is no statistically significant association between the level of competitiveness and the utilization of Trade Facilitation Instruments (TFIs) by small and medium-sized enterprises (SMEs) in Zambia.

Figure 1: Proposed Conceptual Framework: Relationship between independent and dependent variables.

Source: Author (2025)

3 Research methodology

3.1 Design, Population and Data Collection

This study employed a mixed methods approach, combining both qualitative and quantitative data to explore the accessibility of COMESA Trade Facilitation Instruments (TFIs) by SMEs in Zambia. Primary data were collected using self-administered semi-structured questionnaires and key informant interviews, while secondary data were sourced from literature, official reports, and institutional documents. A descriptive research design was adopted to capture current conditions, guided by Creswell's (1994) approach to accurately describe and analyze the existing situation. The study was conducted in Lusaka, selected due to its concentration of SMEs and proximity to major government institutions such as the Ministry of Commerce, Trade, and Industry (MCTI), CEEC, PACRA, and ZDA.

The study population included SME owners and stakeholders from relevant institutions. Using Slovin’s formula, a sample size of 130 was determined from a population of 200, while the actual respondents included 52 SME participants drawn from various sectors: Tailors (10), Welders (10), Salon Owners (8), Barbershop Owners (8), and Restaurant Owners (8). Additional experts from COMESA and ZDA were also interviewed. A purposive and maximum variation sampling technique was employed to ensure broad representation and capture the diversity of experiences among SMEs. This method allowed the inclusion of different types of businesses and institutional stakeholders, maximizing the variation in operational contexts. Questionnaires and interviews served as the primary data collection tools, and a pilot study was conducted to test the instruments. Data collection took place over one month, and all 51 distributed questionnaires were returned completed. Quantitative data were analyzed using SPSS for descriptive statistics, while qualitative data were examined through thematic analysis following Braun and Clarke’s (2006) framework.

3.2 Reliability and Validity

Ensuring reliability and validity is essential in research, as it guarantees the collection of accurate and trustworthy data. These elements promote transparency and help reduce the risk of researcher bias, particularly in qualitative studies (Singh, 2014). To ensure this, the study applied thorough methodologies and precise measurement tools to effectively capture the variables relevant to the research objectives.

4 Analysis of the Results

4.1 Firm Characteristics

Table 1: Gender Distribution of Respondents

	Frequency	Percent
Male	82	63.1
Female	48	36.9
Total	130	100.0

Source: Own Survey Results

Out of the 130 respondents, 82 were males and 48 were females, representing 63.1% and 36.9% respectively. This trend was not favourable but was accepted for this study going by the dominance in the numbers of males against females in most industries and apparently the organization under study.

4.2 Research Questions 1: What is the state of SME utilization of COMESA TFIs in Zambia

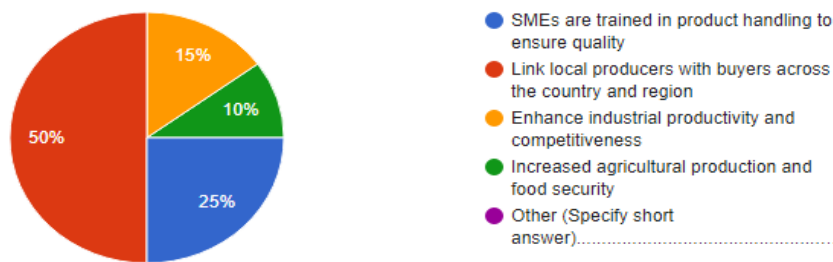


Figure 2: Describe the extent of TFIs utilization in Zambia.

Regarding access to trade facilitation instrument of COMESA. It is reported that 50% of the respondent said that link local producers with buyers across the country and region; 25% of the respondents said that SMEs are trained in product handling to ensure quality; 15% of the respondents said that enhance industrial productivity and competitiveness and 10% of the respondents said increased agricultural production and food security will enable SMEs to utilise TFIs in Zambia.

4.3 Access to Trade Facilitation Instruments of COMESA

Views regarding access to trade facilitation instrument of COMESA. It is reported that 95.2% of the respondent said that they had never accessed Trade Facilitation Instrument of COMESA while 4.8% had accessed TFIs.

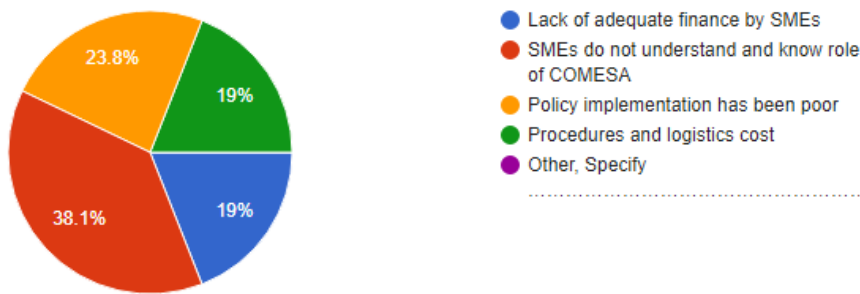


Figure 3: Access to Trade Facilitation Instruments of COMESA

Regarding access to trade facilitation instrument of COMESA. And what could be the reasons for not using COMESA programmes and the COMESA TFIs. It is reported that some of the reasons were that; SMEs do not understand and know the role of COMESA representing 38.1%; policy implementation has been poor representing 23.8%; lack of adequate finance by SMEs representing 19% while procedures and logistics cost was one of the reasons representing 19%.

The general finding state that COMESA is there to facilitate development of SMEs, training of SME and designing of frameworks and policies that support the integration of a SMEs

'Facilitate Development of SMEs, transfer of Technology, development of Value chain, research and training, facilitate business linkages' **Respondent (I)**
'It is the engine for growth' **Respondent (II)**
capacity building through training and to also link them up to potential markets **Respondent (III)**
COMESA has developed an SME policy and has promoted linkages- **Respondent (IV)**
Putting in place frameworks and policies that support the integration of SMEs and enable them trade across the COMESA Region- **Respondent (V)**

Does COMESA engage SMEs?

The findings reveal that all respondents said that COMESA Does engage SMEs
 Yes Respondent (I-V)

4.4 Research Questions 2: Barriers to the utilization of COMESA TFIs are faced by SMEs in Zambia

Table 2: Barriers SMEs face with COMESA Trade facilitation instruments

	Frequency	Percent
Limited access to technology	19	14.6
Unfavourable business environment	26	20.0
Lack of Finance and Knowledge on COMESA Procedures	43	33.1
Slow Digital Economic Integration	24	18.5
Laws on customs and Trade Facilitation	17	13.1
Non response	1	8
Total	130	100.0

The respondents revealed main challenges they are faced with in respect to COMESA trade facilitation instruments. These are limited access to technology (14.6%), unfavorable business environment (20. %), Lack of Finance and Knowledge on COMESA Procedures (33.1%), Slow Digital Economic Integration (18.5%), Laws on customs and Trade Facilitations (13.1%).

The table presents the frequency and percentage distribution of barriers identified by SMEs in relation to their utilization of COMESA trade facilitation instruments. The barriers include limited access to technology, an unfavorable business environment, lack of finance and knowledge on COMESA procedures, slow digital economic integration and laws on customs and trade facilitation. The non-response category represents cases where respondents did not provide a specific barrier.

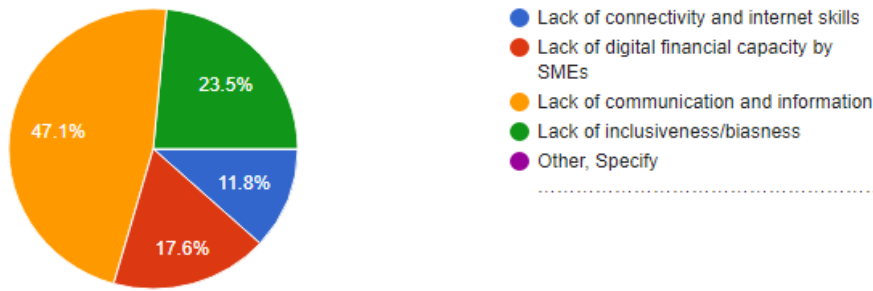


Figure 4: Is there any barrier between COMESA and SMEs

why there is barriers between COMESA and SMEs. It is reported that some of the reasons were; lack of communication and information representing 47.1%; lack of inclusiveness/ biasness representing 23.5%; lack of digital financial capacity by SMEs representing 17.6% while lack of connectivity and internet skills was one of the reasons representing 11.8%.

Has COMESA put in place Trade facilitation instruments?

The findings state that respondents confirm that COMESA has put in place trade facilitation instruments.

Yes Respondent (I-V)
 Extent to which SME utilise COMESA TFIs?
 It is evident from the findings that despite the existence of Trade facilitation instruments, the respondents reveal that most SMEs are not aware of them being utilized.

Cross border are utilizing TDOs - *Respondent (I)*
 Rarely use them *Respondent (II)*
 TFIs are not well known among SMEs in the country- *Respondent (III)*
 under local sourcing partnerships targeting small growth enterprises within the hospitality and agro industry- *Respondent (IV)*
 No study has been done to critically assess the utilization of COMESA Trade facilitation instruments- *Respondent (V)*

These are some of the Trade Facilitation Instruments

- Simplified Trade Regime (STR)-Aims to formalise cross border trade by putting in place instruments and mechanisms tailored to the trading requirements of small-scale traders
- Protocol on Rules of Origin- Determine whether goods produced in the region are eligible for preferential treatment within the FTA
- COMESA Carrier License- Allows commercial goods vehicles to be licensed with one license which is valid throughout the Region
- Yellow Card-Regional Third-Party motor vehicle cover that provides third party legal liability cover and compensation for medical expenses from traffic accidents resulting from visiting motorists
- RCTG- Customs transit regime designed to facilitate movement of goods under Custom seal in the COMESA Region.
- COMESA Virtual Trade Facilitation System (CVTFS)-electronic trade facilitation initiative developed to monitor consignments along different transport corridors across the region.
- Removal of Non-Tariff Barriers- Liberalization of import lice sensing, removal of exchange restrictions, removal of import and export quotas, removal of roadblocks, easing of custom formalities, extending times borders are open etc.
- One Stop Border Post- Facilitate Trade by reducing the at the border and reduce cross border transaction and enhance the regions competitiveness.
- COMESA Customs Document- Harmonise Customs and trade statistics systems

4.5 Research Questions 3: What challenges do SMEs face with COMESA Trade Facilitation Instruments

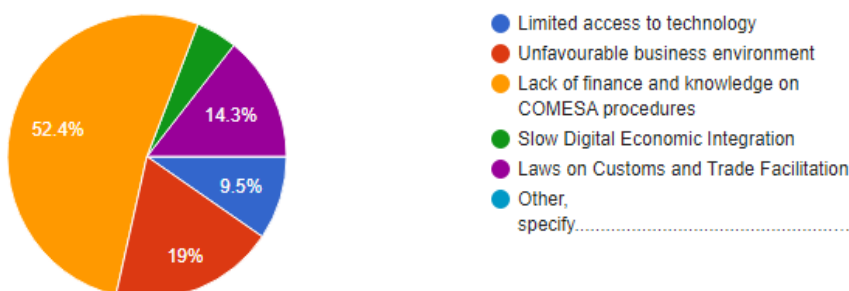


Figure 5: What challenges do SMEs face with COMESA Trade Facilitation Instruments

Regarding to challenges SMEs face with COMESA trade facilitation instruments. It is reported that some of the reasons were that; lack of finance and knowledge on COMESA procedures representing 52.4%; unfavourable business environment representing 19%; laws on customs and trade facilitation representing 14.3% while limited access to technology was one of the reasons representing 9.5%.

Table 3: How can COMESA develop the framework which SMEs can use to access the instruments.

	Frequency	Percent
Train SMEs in product handling to ensure quality	19	15.8
Improve communication and engagement between COMESA and SME	49	40.8
Finance accessibility for SMEs	31	25.8
Government commitment and to adopt effective ways communicating with the SMEs	20	16.7
Non response	1	.8
Total	120	100.0

The frequency distribution reveal ways in which COMESA can develop framework which SME can use to access the instruments, these Train SMEs in product handling to ensure quality (15.8%), Improve communication and engagement between COMESA and SME (40.8%), Finance accessibility for SMEs (25.8%), Government commitment to and adopt effective, (16.7%). As seen from findings; 40.8 % of respondents revealed that framework can be developed through improved communication and engagement between COMESA and SMEs.

Table 4: How can COMESA develop the framework which SMEs can use to access the instruments

Domain of constraint	Description	Solutions
1. Improve Communication and Engagement between COMESA, Cooperating partners and SMEs.	COMESA works with cooperating partners like ZDA, ZAM, Ministry of Commerce and there is no proper communication hence the SMEs are not aware of Trade Instruments.	a) COMESA should ensure that Cooperation partners pass on the Message to the SMEs that they can utilise the Instruments b) COMESA should ensure that SMEs are involved early enough when making the instruments and there should continuous consultations with them. If these are not embraced, SMEs will continue to have a challenge in accessing these instruments.
2. Government Commitment	It was observed that Government is not really committed to SMEs Programmes as there are people who have been employed to look on the affairs of the SMEs. So much more can be done	Ensure that Government is available whenever called upon Ensure that they disseminate the much information to the SMEs Government and other cooperation partners should take keen interest in the affairs of COMESA. If this is not addressed, the SMEs will never fully utilize these instruments
3. Finance accessibility for SMEs	Government and COMESA should assist these SMEs to have financial capacity so that they are able to grow and able to compete favourably on the market. Developing small and medium enterprises (SMEs) helps to achieve sustainable growth as a centralized theme. SMEs play a vital role in the country's overall production networks and they are core to the economic growth of developing countries. The contributions of formal SMEs are 50% of total employment and 33% of the national income of emerging economies. While including informal	Government can be lending the SMEs money at lower rates.

	SMEs the percentages will be increased. Finance accession is the main constraint to SME growth, without that many SMEs are decline	
4. Train the SMEs in capacity building	<p>Some of the respondents talked said that they had been trained before by COMESA and they are still open to more training.</p> <p>The importance of small and medium-sized enterprises (SMEs) to economies in Asia is well known. They account for over 95% of all businesses, a third to half of aggregate output, and the majority of enterprise employment (Vandenberg, Chantapacdepong, and Yoshino 2016).</p> <p>We also know that SMEs do not have an easy life. They struggle to get established, face a higher failure rate than large firms, and lack access to key inputs such as finance. Finding ways to increase their survival rate and growth is important for expanding private sector activity in Asia’s developing economies. Sustaining enterprises requires that they are competitive; competitiveness, in turn, is based on productivity.</p>	<p>Dedicate funding for SMEs so that they are able to grow</p> <p>Failure to do so will result in SMEs not fully utilising these Trade instruments.</p>
5. COMESA should be visible	what the researcher found that was that lot people do not know a lot about COMESA.	<p>a) In as much as COMESA is on social, they should try to make noise so that a lot should notice their pages.</p> <p>Failure to do that will come up result in SMEs not knowing about COMESA.</p>

Reasons for not using COMESA programs.

Among reasons for not using COMESA programs are lack of information on the part of SMEs, lack of sensitization, lack of capacity to trade, inconsistency in national policies, increased number of NTBs, limited productivity capacity

Lack of information- **Respondent (I)**
 Lack of sensitisation- **Respondent (II)**
 Very little sensitisation - **Respondent (III)**
 Not aware of their existence -**Respondent (IV)**
 Lack of awareness, lack of capacity to trade, inconsistency in national policies, increased number of NTBs, limited productivity capacity- **Respondent (V)**

How COMESA strengthen the framework which SMEs can use to access the instruments?

In summary, the findings state that deliberate policy to support growth and development of SMEs, capacity building, the need for sensitization strategy so that SMEs are made aware of the programs of COMESA and that SMEs that have used TFIs to inform their counterparts.

Engaging national chambers of commerce and holding awareness campaigns- **Respondent (I)**
 The need for a sensitisation strategy- **Respondent (II)**
 Deliberate policy to support growth and development of SMEs- **Respondent (III)**
 SMEs that have used TFIs to inform their counterparts **Respondent (IV)**
 Building capacity **Respondent (V).**

4.6 Discussion of results

This chapter presents a discussion and interpretation of the findings in line with the specific objectives and research questions outlined in the introductory chapter. The purpose of this study was to assess the extent to which Zambian small

and medium-sized enterprises (SMEs), particularly those affiliated with the Zambia Development Agency (ZDA), are increasingly accessing COMESA trade facilitation instruments. Data for the study were collected through questionnaires and key informant interviews. The total number of participants was 130, including 6 key informants. Among the respondents, 82 were male and 48 were female, accounting for 63.1% and 36.9% respectively. The group of key informants was evenly split, comprising three males and three females.

Research Question 1: What is the state of SME utilization of COMESA TFIs in Zambia?

The study assessed the level of utilization of COMESA Trade Facilitation Instruments (TFIs) in Zambia. Figure 5 highlights the key challenges encountered by SMEs in this regard. According to the findings, the most significant obstacles reported were a lack of financial resources and inadequate knowledge of COMESA procedures, accounting for 52.4% of responses. Other challenges included an unfavorable business environment (19%), restrictive customs and trade facilitation laws (14.3%), and limited access to technology (9.5%). These results align with the observations of Azam et al. (2012), who noted that the absence of reliable and accurate market information regarding crop supply, demand, and stock levels discourages farmers and traders from engaging in higher-risk ventures, such as exploring new export markets.

Research Question 2: Which barriers to the utilization of COMESA TFIs are faced by SMEs in Zambia?

Table 3 outlines the key obstacles that Zambian SMEs face in accessing COMESA trade facilitation instruments. The frequency distribution reveals the following challenges: limited access to technology (14.6%), an unfavorable business environment (20.0%), insufficient financial resources and lack of awareness of COMESA procedures (33.1%), slow progress in digital economic integration (18.5%), restrictive customs and trade facilitation laws (13.1%), and non-responses (8%). These findings underscore the various difficulties SMEs experience in making use of COMESA TFIs. This is consistent with the East African Community (EAC, 2005) report, which indicated that limited access to regulatory information often drives traders to participate in informal, unrecorded cross-border trade.

Research Question 3: How can SMEs utilize optimally COMESA TFIs in Zambia?

Table 3 highlights strategies for COMESA to enhance SME access to trade facilitation instruments. According to the frequency and percentage distribution, the proposed measures include providing training on product handling to maintain quality standards (15.8%), strengthening communication and interaction between COMESA and SMEs (40.8%), increasing financial access for SMEs (25.8%), and ensuring government commitment alongside effective communication with SMEs (16.7%).

Table 4 offers a more detailed analysis of the main constraint areas and their respective solutions. These areas include strengthening communication and engagement, enhancing government commitment, improving SME access to finance, and offering capacity-building training. Recommended interventions include fostering effective communication through development partners, involving SMEs in the formulation of trade-related tools, boosting government efforts in information dissemination, offering targeted financial support, and providing ongoing training initiatives. These results are consistent with existing literature, which stresses the importance of capacity development, awareness strategies, and targeted policies in supporting SME growth. In particular, they align with findings by the International Finance Corporation (IFC, 2014), which noted that small business owners in the Democratic Republic of Congo often struggle to meet the supply demands of larger firms due to limited managerial skills and insufficient access to financing.

5 Conclusion and Recommendations

In conclusion the study explored the central research question concerning how SMEs in Zambia can make optimal use of COMESA Trade Facilitation Instruments (TFIs) and how a framework can be developed to support their effective use. The study aimed to evaluate the current level of SME engagement with COMESA TFIs, identify the obstacles they encounter, and suggest actionable strategies to improve access and utilization.

This study offers key insights into the current challenges faced by SMEs in Zambia when accessing COMESA TFIs and provides practical recommendations to improve their utilization. Implementing these strategies can help policymakers, COMESA, and other stakeholders create a more supportive environment for SMEs, contributing to their growth and enhancing regional economic integration. The results reveal that SMEs face several key hurdles, including inadequate access to finance and limited awareness of COMESA procedures, a challenging business environment, restrictive customs and trade regulations and insufficient technological resources. These findings are consistent with existing studies, underscoring the need for targeted capacity-building efforts, awareness campaigns, improved communication and stakeholder engagement and greater financial accessibility to enhance the ability of SMEs to fully benefit from COMESA TFIs.

To improve the utilization of COMESA Trade Facilitation Instruments (TFIs) by SMEs in Zambia, the following recommendations are proposed:

- Implement Specialized Capacity Building Initiatives: Establish targeted training programs to enhance SMEs' knowledge of COMESA procedures, improve product handling for quality assurance, and build digital competencies to facilitate better access to technological tools.

- Strengthen Communication and Stakeholder Engagement: Enhance communication between COMESA, its partners, and SMEs by organizing regular stakeholder consultations, involving SMEs in the development of trade-related tools, and conducting awareness campaigns through national chambers of commerce.
- Improve SME Access to Finance: Work in partnership with the government and financial institutions to create affordable financing solutions for SMEs, including low-interest loans, grants or venture capital funding tailored to the needs of small businesses.
- Reinforce Government Support and Commitment: Encourage stronger governmental involvement in SME development by actively supporting COMESA programs, distributing relevant information and offering the necessary resources to facilitate SME growth.
- Increase Awareness of COMESA and Its Offerings: Promote greater awareness of COMESA and its trade facilitation tools among SMEs through strategic communication efforts such as workshops, social media campaigns and business forums that highlight the advantages of engaging with COMESA.

Study Limitations

Like any research, this study faced certain limitations. Historically, efforts to educate SMEs about COMESA have been insufficient, which this study aims to address by improving awareness and understanding of COMESA's role and services. The research is expected to benefit not only SMEs but also development partners and the government. It also presents an opportunity for COMESA to refine its engagement strategy with small businesses.

As the first study focusing on the link between COMESA trade facilitation tools and SMEs, this research lays the groundwork for further academic inquiry. However, since it only covered SMEs in Lusaka, the findings may not fully capture the situation across the country, limiting generalizability.

Despite these constraints, the results have meaningful policy implications and offer strategic guidance for strengthening SME support in Zambia.

Suggestions for Future Research

Future studies should consider conducting a comparative analysis of how SMEs in different COMESA member states utilize trade facilitation instruments. Such research would enable the identification of successful practices across the region, offering valuable insights for improving SME engagement with COMESA tools on a broader scale.

Conflict of Interest

The authors declare that they have no conflicting interests

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Ethical considerations

The article followed all ethical standards appropriate for this kind of research.

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