

## **Investigating the effect of COVID-19 on intra-COMESA trade**

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### **Abstract**

**Orientation:** The outbreak of the coronavirus disease 2019 (COVID-19) pandemic directly and indirectly disrupted global production, consumption, and trade patterns. Regional blocs were not an exception.

**Research purpose:** The article aims to investigate the effects of COVID-19 pandemic on regional trade, with a specific focus on the Common Market for Eastern and Southern Africa (COMESA) regional trading bloc.

**Motivation for the study:** The outbreak of the COVID-19 pandemic generated remarkable economic adjustments with severe penalties affecting diverse communities and people globally. As such, regional communities such as COMESA were not an exception. However, relatively little is known about the effects of this pandemic on international trade within particular regional economic communities, and more specifically in the COMESA region.

**Research design, approach and method:** By employing a cross-sectional type gravity model and utilising the Poisson pseudo-maximum likelihood (PPML) method, the article explored trade data for 14 COMESA member states and explicitly regressed intra-COMESA trade values on various measures of the severity of COVID-19 in 2020. The article further assessed the impact of COVID-19 in the COMESA region within the framework of the traditional gravity model variables.

**Main findings:** The findings of this article confirm significant negative effects of COVID-19 cases and lockdown measures on intra-COMESA trade in the exporting country. In the importing country, the effect of COVID-19 on intra-COMESA trade was found to be insignificant regardless of the quantifying measure.

**Practical/managerial implications:** It is recommended in this article that the COMESA regional bloc and the African continent, in general, should expand their respective pharmaceutical production and research and development capacity to be able to respond and advance their future inoculation drives intended to restrain the trade-related impacts of communicable diseases of the COVID-19 nature.

**Contribution/value-add:** This article contributes to the COVID-19 epidemic knowledge base and the existing international trade COVID-19 nexus by enhancing the understanding of the impact of global health shocks on economic outcomes from developing countries perspective. It further presents new empirical evidence that can be utilised as a springboard for policymakers in COMESA to formulate future regional response mechanisms to health crisis of the COVID-19 form.

**Keywords:** COMESA; COVID-19; gravity model; international trade; lockdown measures