

TRADE HUB HAPPENINGS



*A monthly update of upcoming activities and recent progress from the USAID Trade Hub in Gaborone, Botswana
May 2006*

Hub Highlights

- The USAID Trade Hub will hold a regional Business Environment and Competitiveness Roundtable for representatives from across Southern Africa on May 23 in Johannesburg, South Africa. The program will include the launch of the Trade Hub's Trade Film Series, and the keynote address will be given by Niko Czymionka, Task Force Director, Botswana Business and Economic Advisory Council, and former Chief Economist at Standard Bank in Johannesburg.
- On April 13 the Trade Hub received Carol J. Thompson, Deputy Assistant Secretary for Public Diplomacy and Southern African Affairs of the U.S. Department of State and briefed her on current Trade Hub activities.
- The USAID Trade Hub is pleased to announce the appointment of Craig Carlson as its new Agribusiness Advisor. Mr. Carlson joined the Trade Competitiveness Team during the first week of April.

May 2006 Trade Hub Events

- 2-5** In conjunction with the Swaziland Enterprise and Entrepreneurship Program (SWEEP), Craig Carlson and Ken Ames, Trade Competitiveness Director, will be meeting with producers and processors in South Africa and Swaziland to discuss areas of coordination and opportunities for cross-border investments.
- 7-9** The USAID Trade Hub, in coordination with Africa Fast Track Trade (AFTT), is sponsoring ten companies to attend the Fancy Food Show which is being held in Chicago, Illinois. Amanda Hilligas, AGOA Advisor, will accompany them.
- 17-18** Evans Marowa, Transport Advisor, and Ranga Munyaradzi, Senior Customs Advisor, will facilitate meetings of the Dar es Salaam Corridor Transport Operations Working Group and Dar es Salaam Corridor Interim Management Committee in Dar es Salaam, Tanzania.
- 16-17** Lisa Yarmoshuk and Amanda Hilligas will attend a two-day high level conference to be held in Maseru, Lesotho, entitled "Destination Lesotho: On the Road to Responsible Competitiveness". This conference will discuss and develop a results-orientated strategy that can contribute to the sustainability of the apparel industry through the effective and responsible management of trade and human development goals.
- 23-24** The USAID Trade Hub will hold a regional Business Environment and Competitiveness Roundtable for representatives from all around Southern Africa on May 23 in Johannesburg, South Africa. The following day a regional AGOA Training Seminar will be held at the same venue.
- 29-2** A team of experts from the USAID Trade Hub will be in Zambia from May 29 to June 2 to present the findings of the assessment on the status of trade facilitation and capacity building requirements.

In June 2002, the US Agency for Development (USAID) established the Southern Africa Global Competitiveness Hub in Gaborone, Botswana to respond to President's Bush's new trade initiative for Africa. The Trade Hub helps Southern Africa take full advantage of the increased trading opportunities available through duty free access to the US economy under the African Growth and Opportunity Act (AGOA). The Trade Hub:

- brings together American and African businesses;
- enhances the competitiveness of African products and services;
- expands the role that trade can play in African poverty reduction strategies;
- improves the delivery of public services supporting trade;
- builds African capacity for trade policy formulation and implementation; and
- strengthens the enabling environment for African businesses.

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FROM THE AMERICAN PEOPLE



En route to the US: A box from *Eswatini, Swazi Kitchen*, one of the companies that will be participating in the Fancy Food Show in Chicago in May

- The annual AGOA Forum ministerial meetings between the U.S. Government and the 37 African countries eligible under the African Growth and Opportunity Act (AGOA), will take place in Washington, D.C. from June 6 to 7. A meeting of the private sector and civil society groups concerned with African development will also take place parallel to the governmental meetings. The AGOA Private Sector Forum will focus on sectors where U.S.-Africa trade can most easily and quickly be increased, for example agriculture, infrastructure, manufacturing, and apparel. The forum will also emphasize project financing.
- Consultant Barrett Hightower is working with Amanda Hilligas, AGOA Advisor, to develop a resource center for exporters aimed at assisting businesses exporting to the United States. The resource center will include information about U.S. import requirements for the Food and Drug Administration (FDA), United States Customs, the U.S. Department of Agriculture and others. The materials developed will be available electronically and on the Trade Hub web site.
- The USAID Trade Hub will hold an AGOA training workshop for representatives from each country in Southern Africa in Johannesburg, South Africa, on May 24. This program is part of the Trade Hub's work to train regional representatives on AGOA. This program will be combined with the Trade Hub's Business Environment Roundtable on May 23 (see "Trade Capacity Building" Section). Phyllis Shearer Jones and Amanda Hilligas will conduct the AGOA training seminar.
- The USAID Trade Hub has produced a DVD entitled *Exporting Specialty Food Products to the United States* for specialty food producers interested in exporting to the US. It covers Food and Drug Administration (FDA) requirements for food products and labeling. For further information contact Amanda Hilligas at ahilligas@satradehub.org.

Trade Competitiveness (TC)



Rich pickings for all: Farm workers on one of the farms that participated in the successful USAID Trade Hub-sponsored melon field trials

Exportable Agricultural Products

- In conjunction with the Swaziland Enterprise and Entrepreneurship Program (SWEET), Craig Carlson and Ken Ames, Trade Competitiveness Director, will be meeting with producers and processors in South Africa. The visit will focus on discussing possible cross-border investment opportunities between the two neighbors, market opportunities for Swazi producers and farm management from South African companies. They will also be meeting with Swazi growers and representatives of Swaziland Water and Agricultural Development Enterprise (SWADE). Both SWEET and the Trade Hub are making efforts to increase investment and opportunities for producers and buyers on both sides of the border.
- The USAID Trade Hub will coordinate with the USAID/Maputo Mission to translate the recently released *Practitioner's Guide to Importing Fresh Produce into South African Markets*, into Portuguese. This manual assists exporters to understand the procedures for exporting into South Africa. It provides contact details of industry players along with detailed information on the regulatory framework and protocols in South Africa. It is anticipated that this translation will be completed by July 2006. (The English version of the guide is available on the Trade Hub website: www.satradehub.org.)



The busy Port of Durban in South Africa

Customs Modernization and Transport Facilitation

- Evans Marowa, Transport Specialist, will prepare a discussion paper to facilitate an agreement on sustainable financing for the Dar es Salaam Corridor Permanent Secretariat.
- On May 11 Evans Marowa will facilitate a meeting of the Dar es Salaam Corridor Transport Operations Working Group Meeting to review progress. Particular attention will be given to the harmonization of vehicle overload control standards and practices along the corridor
- On May 12 Ranga Munyaradzi, Senior Customs Advisor, and Evans Marowa, will facilitate a meeting of the Dar es Salaam Corridor Interim Management Committee. The meeting, which will be held in Dar es Salaam, will review progress on implementation of Action Plans for the Customs and Transport Working Groups, the establishment of a sustainable permanent Corridor Secretariat and the performance monitoring management system. (check dates)
- Ranga Munyaradzi will continue to facilitate the implementation of Phase 2 of the World Customs Organization (WCO) Time Release Study in Mozambique. During this phase the Time Release Working Group will collect and record data from the questionnaire designed during Phase 1. During the final phase the data will be analyzed and the final report prepared. A Time Release Study is designed to measure the time required to clear goods for home use from arrival of goods in the country to their release by Customs and to identify inefficiencies in the customs clearance process.
- Ranga Munyaradzi will work with Malawi Revenue Authority on implementation of the WCO Time Release Study Action Plan for Malawi which was developed and agreed to when the Time Release Study Report was finalized.
- Ranga Munyaradzi will continue to facilitate the implementation of the Action Plan for rolling out Trans-Kalahari Corridor (TKC) Procedures and Documentation to the Maputo and Beira Corridors. He will also coordinate with relevant authorities in Mozambique and Malawi on the establishment of a one-stop border joint control at the Mozambique / Malawi Border at Zobue and Mwanza.
- Ranga Munyaradzi and Evans Marowa will assist *Alfandegas de Mozambique* (Mozambique Customs Administration) to draft Terms of Reference for the Feasibility Study on the proposed one-stop border Dry Port to be established at the Mozambique / South African border.
- Ranga Munyaradzi, Bridget Chilala, Trade Capacity Building Director, and Evans Marowa, will finalize the Zambia WTO Trade Facilitation Report and present it to Zambian Stakeholders in Lusaka from May 29 to June 2. The report will present the findings of an assessment on the status of Trade Facilitation in Zambia and contains recommendations on what technical assistance and capacity building support would be required for Zambia to negotiate and implement an Agreement on Trade Facilitation.



The busy Port of Durban in South Africa

Outreach and Dialogue for Competitiveness

- In May Gina van Schalkwyk, Information and Communications Coordinator, will work on the fifth issue of the USAID Trade Hub's quarterly newsletter, *Inside Southern African Trade (INSAT)*, which will focus on Trade Facilitation. It will be published in June.
- During May, Lisa Yarmoshuk, TFCB Director, and Hanson Hosein, Executive Producer of HRH Media, will finalize the Trade Hub educational film series on trade issues. The films will be launched at the Regional Business Environment and Competitiveness Roundtable on May 23 in Johannesburg, South Africa. (See "Hub Highlights" for more information on the Roundtable).
- During May, Microfinance Specialist Margaret Jiri will be in Botswana to conduct research on microcredit alternatives in the country and design a microcredit service for the members of the Botswana Women in Business Association (WIBA). USAID Trade Hub Manager, Martin Norman, who is coordinating the project will also be assisting WIBA in implementing a membership campaign with a goal of doubling its membership in a four-month period.

Trade Capacity Building

- Dr. Keith Jefferis, Economic Advisor to the USAID Trade Hub, will continue his advisory work with the Botswana Business and Economic Advisory Council (BEAC), established by President Mogae in 2005 to address constraints to economic growth, investment and competitiveness in Botswana. The Council is preparing a set of economic and institutional reforms that will be presented to the Cabinet during 2006.
- Bridget Chilala will continue to consult with SADC Seed Security Network on the forthcoming meeting for Permanent Secretaries which has now been rescheduled for early September. Ms Chilala will also finalize the study comparing the SADC regional seed harmonization regulations with the national regulations of Zambia and those of the SACU countries (South Africa, Swaziland, Namibia, Lesotho and Botswana) to identify any inconsistencies between national regulations and the proposed regional regulations.
- During May, the USAID Trade Hub will finalize the Namibia Tourism Investor Roadmap report and Peter Nizette, Team Leader for the Roadmap, will present the findings and recommendations at a workshop in Namibia. Paulina Elago, TFCB Deputy Director, will also attend the workshop and thereafter hold follow up meetings with the representatives of various institutions to discuss implementation of the recommendations and follow up activities.
- The USAID Trade Hub will assist the Federation of Swaziland Employers and Chamber of Commerce to prepare and facilitate a one-day information seminar for the private sector on on-going trade negotiations. The goal of the seminar is to inform and update private sector representatives on the various trade negotiations and the impact they have on Swaziland. This activity was requested by the Chamber as part of their trade capacity building activities. The seminar is scheduled for the third week of May.

Trade Facilitation and Capacity Building (TFCB)



The busy Port of Durban in South Africa

- The USAID Trade Hub is assisting the Federation of Swaziland Employers Federation and Chamber of Commerce to produce a compendium of trade and commercial laws which will serve as a tool for their outreach and capacity building activities. The compendium is also meant to facilitate private sector compliance with the various laws and regulations.
- The USAID Trade Hub continues to follow up on the recommendations made in the Swaziland Investors' Roadmap which is serving as a guide for implementing reforms to make Swaziland more investor-friendly.
- The USAID Trade Hub will facilitate training of two officials responsible for issuing rebate permits in Lesotho at the International Trade Commission of South Africa (ITAC) for one week. The training is part of the Ministry's plan to improve and streamline processes and systems pertaining to the issuing of trade and investment-related permits. The Ministry plans to establish a Trade and Investment Facilitation Centre that will serve as a one stop-shop to issue licenses and permits related to trade and investment activities in Lesotho.
- During the month of May the USAID Trade Hub will facilitate support to the Namibia Trade Forum (NTF) to prepare policy briefs and background notes on selected topics to improve and enhance understanding of trade issues among the members of the NTF. The NTF serves as a forum for public-private sector dialogue on issues related to trade negotiations.
- Tania Revault D'Allonnes, an economist specializing in international trade, regional integration and investment, and export promotion (including streamlining of licensing systems), is continuing to conduct an analysis of the impact on the incomes of cattle farmers and on rural income and poverty levels of the price increases recently instituted in the cattle sector.
- "Frank Flatters will finalize his work with the National Treasury of South Africa on investment incentives.

Partnership for Food Industry Development / Fruits & Vegetables (PFID F&V)



Market Matters Inc. will host a workshop to identify a set of strategies that will enhance the competitiveness of African agribusiness firms and expand employment and incomes in rural communities.

- With respect to a memorandum of understanding between Freshmark, PFID F&V Southern Africa (SA) and the Trade Competitiveness Project of the Southern African Trade Hub (signed in March), PFID F&V SA will continue its efforts to facilitate the supply of selected Fruits and Vegetables produced by small scale producer organizations in Angola, Botswana, Malawi, Mozambique, South Africa and Zambia to Freshmark supply chains. Through this agreement PFID F&V SA and its partners will have access to the nearly 500 stores that Shoprite operates in the region.
- PFID-F&V SA implementing partner, Market Matters Inc, will host a workshop in Stellenbosch, South Africa, from the May 8 to 12. The goal of the workshop is to identify a set of strategies that will enhance the competitiveness of African agribusiness firms and expand employment and incomes in rural communities, thus promoting greater economic opportunities. The program is designed for micro-, small-, and medium-sized agribusiness firms that are engaged in farm and off-farm services, and in the production and processing of natural products and food and agriculture products.



At the end of March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*.

Events and High-Level Visits

- Craig Carlson joined the Competitiveness Team as the Agribusiness Advisor the first week of April 2006. Mr. Carlson is responsible for activities being undertaken in the agriculture sector. He is an agricultural economist and private enterprise development specialist with extensive experience in industry and competitive analysis, business strategy/planning/implementation, and market development, primarily in the food and agriculture sector.
- On April 6 and 7 Bridget Chilala, Director Capacity Building, attended a Southern African Development Community (SADC) Trade Negotiating Forum Meeting in Gaborone to discuss issues of aligning the Seed Sanitary and Phytosanitary (SPS) requirements to the SPS Annex of the SADC Trade Protocol, and finalization of the draft Annex on SPS.
- On April 13 Carol J. Thompson, Deputy Assistant Secretary for Public Diplomacy and Southern African Affairs of the U.S. Department of State, visited the USAID Trade Hub for a briefing on current activities.
- On April 10 and 11, Paulina Elago, TFCB Deputy Director, attended a post Hong-Kong Conference jointly organized by Tralac and the Commonwealth Secretariat in Cape Town, South Africa. The conference brought together policy makers, Geneva-based negotiators, and independent experts from anglophone African countries to assess the state of the negotiations following the Hong Kong Ministerial Conference, and to consider issues of interest to African countries going forward.
- In its private sector support role, the USAID Trade Hub continued to serve as a venue for strategic planning meetings of the Botswana Cattle Producers' Association (BCPA) which met at the Trade Hub on April 10 and 11.
- From April 25 to 27 Ken Ames, TC Director, and Craig Carlson, Agribusiness Advisor, traveled to South Africa to meet with ECIAfrica. These meetings focused on summarizing the state of activities being led by Jutta Drewes of ECIAfrica who is transitioning out of her position working on Trade Hub activities. The meetings were also an opportunity to plan for future activities to be undertaken in this sector.
- Richard Swanson, specialist in monitoring and evaluation activities, will be in the region from April 26 to the end of May to work with the TFCB team in developing the project's monitoring and evaluation program.

Projects, Papers, Studies & Other Highlights

- Amanda Hilligas worked with Africa Fast Track Trade (AFTT) and the National Association for the Specialty Food Trade (NASFT) to develop media materials to promote companies from Zambia, Malawi, Swaziland and South Africa participating in the Fancy Food Show in Chicago in May. Each company is featured in an industry publication aimed at reaching 40,000 buyers, importers and customers in the specialty food trade. The Market Access, Trade and Enabling Policies (MATEP) Program in Zambia and the Support for Agriculturally Linked Enterprises (SALES) Project in Malawi partnered with the USAID Trade Hub on this media campaign.

Recent Highlights



At the end of March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*.

- The Trade Hub finalized two policy papers for the SACU Secretariat on (1) the implication for the SACU agreement of existing preferential trade agreements of individual SACU members with third countries and (2) national tariff bodies and case studies of the experiences in four countries including lessons learned for Botswana, Lesotho, Namibia, and Swaziland (BLNS).
- At the most recent Commonwelath Secretariat (Comsec) Hub and Spokes meeting on April 3, Bridget Chilala and Paulina Elago agreed with Comsec representatives that the two organizations will work closely together to implement an assessment of Angola’s specific technical assistance and capacity building needs, provide assistance with identifying a suitable Trade Policy Analyst for Angola, facilitating and organizing an induction meeting for the Trade Policy Analysts who are stationed in SADC member states in May or June, and assisting where feasible with implementing proposed Hub and Spokes activities for SADC Secretariat.
- During April Gina van Schalkwyk, Information and Communications Coordinator, finalized four “Success Stories” that will be published in the website and distributed to stakeholders at USAID Trade Hub meetings and other events.