

TRADE HUB HAPPENINGS



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

Hub Highlights

- The USAID Trade Hub held a regional Business Environment and Competitiveness Roundtable for more than 50 representatives from across southern Africa on May 23-24 in Johannesburg. The program included the launch of the Trade Hub's educational film series on trade issues. The keynote addresses was given by Niko Czipionka, Task Force Director, Botswana Business and Economic Advisory Council (BEAC). It was followed, on May 24 by an AGOA training session for selected representatives from each of the countries in southern Africa.
- In coordination with Africa Fast Track Trade, the USAID Trade Hub sponsored the attendance of ten companies to the Fancy Food Show held in Chicago, Illinois, from May 7 to 9.
- The Trade Hub completed a report for Zambia on Trade Facilitation which presents the findings of an assessment on the status of Trade Facilitation in Zambia and the negotiation and implementation of a WTO Agreement on Trade Facilitation. It will be presented to stakeholders at a workshop in Zambia on June 6 and 7.

June 2006 Trade Hub Events

- 6 Evans Marowa, Transport Advisor, will make a presentation on rail transport at the American Business Council's (ABC's) seminar entitled "Transport—The Lifeblood of a Landlocked Country". At the same event, the USAID Trade Hub will be showing the 15-minute film on *Transport Facilitation: Creating Faster and Cheaper Access to Markets*, which is part of its educational film series on trade issues.
- 6-7 In Washington, DC, AGOA Forum Ministerial meetings will be held between the U.S. government and the 37 African countries eligible under the African Growth and Opportunity Act (AGOA). The Trade Hub is sponsoring 6 delegates and two presenters to participate in these meetings.
- 6-7 Bridget Chilala, Trade Capacity Building Director, Ranga Munyaradzi, Senior Customs Advisor, and Evans Marowa will make a presentation of the Trade Hub's Trade Facilitation Assessment Report to Zambian stakeholders. The stakeholders will include Government and private sector officials.
- 15 Africa South Deputy Director of the U.S. Department of State, Lois Ceasarini, will visit the USAID Trade Hub for a briefing on Trade Hub activities.
- 27-29 Lisa Yarmoshuk, Trade Facilitation and Capacity Building Director, will address a roundtable on Woman and Trade Development in Johannesburg which is being organized by the Trade Facilitation Office Canada (TFOC) in partnership with the International Trade Center in Geneva.
- 29 The USAID Trade Hub's 5 educational films on trade issues will be shown to stakeholders in Swaziland at an event jointly organized by the U.S. Embassy and the Trade Hub.

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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AGOA



The annual AGOA Forum Ministerial Meetings will take place in Washington, D.C. from June 6-7. The USAID Trade Hub is sponsoring several participants from Southern Africa.

- 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 US-Africa trade can most easily and quickly be increased, for example agriculture, infrastructure, manufacturing, and apparel. The forum will also emphasize project financing. Ken Ames, Trade Competitiveness Director, Amanda Hilligas, AGOA Advisor, and Lisa Yarmoshuk will represent the USAID Trade Hub.
- At the end of June Consultant Barrett Hightower will travel to Botswana to finalize the AGOA resource center which he has been developing with Amanda Hilligas, the AGOA Trade Advisor. The center, which is aimed at exporters interested in exporting to the United States, will include information about U.S. import requirements for the U.S. 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.

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

- As a result of the approval for entry into the US of baby vegetables from Zambia, the USAID Trade Hub has been asked to revive the request to conduct a cost feasibility study. This study will focus on the opportunities for Zambian vegetables into the U.S. market, including specific target markets, cost point, transportation routes and costs and profit potential. This study will be undertaken in coordination with the USAID/Zambia-funded MATEP project. It is anticipated that this study will begin in June 2006.
- Craig Carlson, Agribusiness Specialist, will travel to Namibia in coordination with USAID Trade Hub Partner, ECIAfrica, to explore possible coordination of activities being funded by USAID/Namibia, the World Bank and the Trade Hub. ECIAfrica is particularly working in Northern Namibia in an effort to identify opportunities for growers in the Ruacana area.
- While in Namibia, Mr. Carlson will also follow up on a request received recently from the Government of Namibia concerning areas for collaboration and assistance from the Trade Hub.

Trade Facilitation and Capacity Building (TFCB)



The busy Port of Durban in South Africa

Customs Modernization and Transport Facilitation

- Bridget Chilala, Trade Capacity Building Director, Ranga Munyaradzi, Senior Customs Advisor, and Evans Marowa, Transport Advisor, will make a presentation on the Trade Hub's Trade Facilitation Assessment Report to Zambian stakeholders at a workshop from June 6 to 7. The stakeholders will include Government and private sector officials.

Trade Facilitation and Capacity Building (TFCB)



The busy Port of Durban in South Africa

- On June 6 Evans Marowa will be making a presentation on rail transport at the American Business Council's (ABC's) seminar entitled "Transport—The Lifeblood of a Landlocked Country". At the same event, the USAID Trade Hub will be showing the 15-minute film on *Transport Facilitation: Creating Faster and Cheaper Access to Markets*, which is part of its educational film series on trade issues.
- Ranga Munyaradzi and Evans Marowa will work with stakeholders of the Maputo Corridor to secure a commitment on the establishment of a one-stop joint border control at Ressano Garcia, the main border post between South Africa and Mozambique.
- Ranga Munyaradzi and Evans Marowa will facilitate follow-up and implementation of the Customs and Transport Action Plans for the Dar es Salaam Corridor.
- Ranga Munyaradzi will assist Alfanegas de Mozambique (Mozambique Customs Administration) to complete Phase 2 of the World Customs Organization Time Release Study (WCO TRS), in preparation for the final Phase 3, which will be completed in July 2006.
- Ranga Munyaradzi will prepare a discussion paper on harmonization of Customs procedures and the Single Administrative Document (SAD 500) outside the Southern African Customs Union (SACU). This will involve the extension of TKC Procedures to Zambia on the Trans Caprivi Strip Corridor through Katima Mulilo and the North-South Corridor through the Kazungula Ferry.
- Ranga Munyaradzi and Evans Marowa will follow-up on performance monitoring data from identified stakeholders in Tanzania, Malawi, Zambia, Mozambique and South Africa.
- Ranga Munyaradzi and Evans Marowa will assist Alfanegas de Mozambique 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.
- Evans Marowa will develop and distribute specific proposals for the collection of a tonnage levy to finance the Dar es Salaam Corridor secretariat to Dar es Salaam Corridor Committee members.

Outreach and Dialogue for Competitiveness

- In June Gina van Schalkwyk, Information and Communications Coordinator, will finalize and publish the fifth issue of the USAID Trade Hub's quarterly newsletter, *Inside Southern African Trade (INSAT)*, which will focus on Trade Facilitation.
- After launching its 5-part educational film series on regional trade issues on May 23, the USAID Trade Hub will be working with countries of the region to schedule viewings of the films as well as targeted workshops to discuss the trade and competitiveness issues raised in the films. The first event will take place in Swaziland on June 29.



The busy Port of Durban in South Africa

- Microfinance Specialist Margaret Jiri will complete her recommendations for a micro-credit service for the Botswana Women in Business Association (WIBA) toward the end of June and will travel to Botswana to present her findings. The micro-credit scheme will constitute an additional service that WIBA offers its members, and the USAID Trade Hub will be assisting WIBA to launch a membership campaign using the micro-credit service as a key selling proposition. The Trade Hub will assist WIBA to recruit a coordinator to spearhead the membership campaign.

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.
- Keith Jefferis has been working with the Botswana Institute for Development Policy Analysis (BIDPA) in preparing a number of policy briefs on export diversification issues. The briefs are based on the World Bank/BIDPA report on Export Diversification in Botswana published in 2005, and will help to improve the understanding of both the public and of policymakers with respect to export diversification issues.
- Lisa Yarmoshuk, TFCB Director, will address a roundtable on Woman and Trade Development in Johannesburg, South Africa, scheduled to take place from June 27 to 29, organized by the Trade Facilitation Office Canada (TFOC) in partnership with the International Trade Center in Geneva. The roundtable forms part of the TFOC's ACCESS! for African Businesswomen in International Trade programme which provides trade training, mentoring and trade information to female African entrepreneurs in ten countries.
- Bridget Chilala will continue to work with Dr. Bellah Mpofo, a consultant, to finalize the study comparing the SADC regional seed regulations with those of the SACU countries and Zambia to identify any inconsistencies between national regulations and the proposed regional regulations and suggest amendments where necessary to facilitate implementation of the regional regulations for seed. The results of the study will be presented at a meeting for regional Permanent Secretaries scheduled for September 2006
- During the month of June, 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 national stakeholders' 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.
- As part of the USAID Trade Hub's assistance to the Federation of Swaziland Employers and Chamber of Commerce, the Trade Hub will engage legal consultants to produce a compendium of trade and commerce 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.

Trade Facilitation and Capacity Building (TFCB)



The busy Port of Durban in South Africa

- As part of follow up activities for the implementation of the Swaziland Investor Roadmap recommendations, The USAID Trade Hub will continue to provide support to the Swaziland Investment Promotion Authority (SIPA). The planned process improvement workshop to design new procedures and coordination mechanisms related to issuing Entry (Work) Permits, Trading Licenses, and Health Inspections has now been postponed given the appointment of a task force that will be tasked with the review and improvement of the licensing and permit systems.
- The USAID Trade Hub will facilitate the training and attachment of officers responsible for issuing rebate permits in Lesotho to the International Trade Commission of South Africa (ITAC) for one week. The training will seek to enhance the capacity of the ministry to improve efficiency and streamline processes and systems pertaining to issuing 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.
- Throughout June the USAID Trade Hub will continue discussions with the Ministry of Trade and Industry in Namibia with regard to support to the Namibia Trade Forum (NTF) in preparing policy briefs and background notes on selected topics to improve and enhance understanding among the members of the NTF. The NTF serves as a forum for public-private sector dialogue on issues related to trade negotiations.
- The USAID Trade Hub will start preparations for a trade policy training course for Lesotho, as part of the TCB support program to the BLNS.
- Also, the Trade Hub will finalize discussions with the Lesotho National Development Corporation regarding the scheduling of a series of activities related to trade capacity building for the private sector.
- The Trade Hub will finalize discussion with the Trade Law Center of Southern Africa (tralac) on a series of training activities related to rules of origin.
- Tania Revault d'Allonnes, USAID Trade Hub consultant, is completing a paper reviewing the economic impact of the increase in the prices paid by the Botswana Meat Commission (BMC) to cattle farmers in January 2006. An increase in producer prices was one of the recommendations of the earlier analysis carried out by the Trade Hub on the problems facing the beef and cattle sector. The new paper, which will be finalized in early June, analyzes the impact to date of this price increase and strengthens the analytical base for further reform of the beef and cattle sector.
- At the invitation of the Zambian Government, Bridget Chilala will attend the Aid for Trade meeting for LDCs scheduled for June 2006 in Livingstone, Zambia. Participants in the meeting are expected to discuss among other things how to implement Aid for Trade by considering the “whys”, “whats”, “hows” and “whos” of the program. The USAID Trade Hub has been invited as a result of the Trade Facilitation work that it has conducted for Zambia.

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



Mr Mario Bacchiocchi with Chinyanja Triangle farmers

- ⇒ Isang Pilane, PFID Project Coordinator, and Marketing Consultant Mario Bacchiocchi completed a mission to the Chinyanja Triangle consisting of the Eastern Province of Zambia, the Central Province of Malawi and the Tete Province in Mozambique. The purpose of the mission was to identify and assess small holder producer organizations that can be mobilized to start producing high value horticultural crops for the local and regional market. Notwithstanding the limitations of the small holder farmer organizations (especially with regard to farming inputs and organizational capacity), the team anticipates starting trials for production of selected vegetables and herbs in July 2006.

Recent Highlights



Nali was just one of the specialty food companies that benefited from Hub support during the Fancy Foods Show in Chicago.

Events and High-Level Visits

- ⇒ The USAID Trade Hub, in coordination with Africa Fast Track Trade, sponsored the attendance of ten companies to the Fancy Food Show held in Chicago, Illinois, from May 7 to 9. Many of these companies made solid contacts during this event which should result in new business relationships being forged.
- ⇒ On May 11, the USAID Trade Hub hosted a panel discussion on “What the Peace Corps Meant to Me” which was co-sponsored by the U.S. Embassy and the Botswana Peace Corps. Panelists—all former peace corps volunteers—included U.S. Ambassador to Botswana, Katherine Canavan, Trade Hub Trade Competitiveness Director, Ken Ames, and current Director of the Peace Corps in Botswana, Ken Puvak. More than 50 attendees were present to hear about the work of the U.S. Peace Corps and the personal experiences of the panelists.
- ⇒ On May 15, the USAID Trade Hub hosted and supported a meeting of the Beef & Cattle Industry’s Joint Working Group which was organized by the Botswana Cattle Producers Association (BCPA).
- ⇒ Evans Marowa and Ranga Munyaradzi facilitated a meeting of the Dar es Salaam Corridor Committee (DCC) in Dar es Salaam from May 16 to 19. During the meeting action plans for the Customs and transport Working Groups for the Corridor were updated. Participants also agreed to establish a tonnage levy mechanism for financing the corridor secretariat. The Hub will develop specific proposals for the level of the tonnage levy for approval by the DCC.
- ⇒ On May 19, the Federation of Swaziland Employers Federation and Chamber of Commerce with the support from the USAID Trade Hub held a one-day information seminar to inform and update the private sector on various on-going trade negotiations and how they impact Swaziland. This activity was requested by the Chamber as part of its outreach and trade capacity building activities. About 30 representatives from the Swazi business community attended the seminar. Participants called on the Chamber to regularly organize similar events.
- ⇒ On May 23 the USAID Trade Hub hosted a roundtable discussion entitled *Business Environment and Competitiveness in Southern Africa* in Johannesburg, South Africa. For more information on this event see “Hub Highlights” above.

Recent Highlights



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- On May 23, Bridget Chilala and Paulina Elago met with the Madagascar delegation to the roundtable discussion in South Africa to discuss possible areas of technical assistance to Madagascar.
- Bridget Chilala and Paulina Elago also met with Francisco Lourenço Fernandes, Angola's Trade Representative to SADC based in South Africa, and Kiala Ngone Gabriel, Director General of the Angolan Institute of Industrial Development, Ministry of Industry, on May 24 to discuss technical assistance and capacity building needs for Angola. The Angolan representatives requested technical assistance in trade facilitation assessment and a seminar on rules of origin for the Angolan National Negotiating Group involved in the Economic Partnership Agreement (EPA) negotiations between the SADC Member states and the European Union.
- On May 24 the USAID Trade Hub organized an AGOA training session for representatives from each of the countries in Southern Africa in Johannesburg, South Africa. The training was an opportunity for the representatives to learn about opportunities available under the AGOA program and discuss activities taking place in each country. The event was facilitated by the AGOA Advisor and Phyllis Shearer-Jones, a consultant based in Washington, DC. This event was held in conjunction with the Business Environment Seminar also sponsored by the Trade Hub.

Projects, Papers, Studies & Other Highlights

- During the first week of May, Craig Carlson, Agribusiness Specialist, traveled to South Africa with team members of the Swaziland Enterprise and Entrepreneurship Program (SWEET). Meetings with large-scale producers/processors explored opportunities for producers in Swaziland to supply agricultural products into South Africa and for possible investment from South Africa into the agricultural sector in Swaziland.
- On May 4 Evans Marowa met the Deputy Permanent Secretary (Transport) in the Ministry of Public Works and Transport in Gaborone, Botswana during which it was confirmed that Botswana has made its contribution to the financing of the Secretariat for the Trans Kalahari Corridor (TKC).
- Microfinance Specialist Margaret Jiri was in Botswana from May 8 to 19 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). The study and recommendations will be completed toward the end of June.
- On May 12, Elias Dewah, Executive Director of the Botswana Confederation of Commerce, Industry and Manpower (BOCCIM), and James Hogan, Political / Economic Officer of the U.S. Embassy in Botswana, met with Lisa Yarmoshuk and Martin Norman, Hub Manager, to discuss possible areas in which the Trade Hub can support BOCCIM. BOCCIM will follow up with a list of ideas for consideration.

Recent Highlights



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- From May 16 to 17 Amanda Hilligas, AGOA Trade Advisor, and Lisa Yarmoshuk, TFCB Director, attended a two-day conference held in Maseru, Lesotho, titled “Destination Lesotho: On the Road to Responsible Competitiveness”. This conference aimed to develop a results-orientated strategy that contributes to the sustainability of the apparel industry through the effective and responsible management of trade and human development goals.
- As part of preparations for the attachment program of officials from Lesotho to the International Trade Commission (ITAC) in South Africa, Paulina Elago TFCB Deputy Director, and Maria Ncholu, Deputy Director of Trade in Lesotho, met on May 22 in Pretoria with the senior managers at ITAC who are coordinating this training program, to discuss the detailed training program and finalize arrangements for the program.
- On May 25 and 26, Martin Norman and Gina van Schalkwyk attended a Conference on *Strengthening the Private Sector in Africa* in Johannesburg, South Africa, which was organized by the South African Institute for International Affairs (SAIIA) The keynote speaker was former President of Mozambique, Joachim Chissano. South Africa’s investment in the rest of Africa, strengthening private sector institutions and associations, and general trade topics as they relate to Africa were among the issues discussed at the seminar.
- On May 29, Ranga Munyaradzi and Evans Marowa met with Alfanegas de Mozambique and Mozambique Ports & Railways (CFM) to gather information for drafting Terms of Reference for the Feasibility Study on the proposed one-stop border Dry Port to be established at the Mozambique / South African border.
- Evans Marowa, Richard Swanson and Ranga Munyaradzi met several stakeholders of the Dar es Salaam Corridor (DC), the Trans Kalahari Corridor (TKC), the Maputo Corridor and the Beira Corridor from May 17 to 30 to collect data for establishing baseline performance measures for the corridor and to agree on future data collection mechanisms for monitoring corridor performance. The meetings were held in Dar es Salaam, Johannesburg, Maputo, Ressano Garcia Border Post and Lebombo border post.
- Ranga Munyaradzi, Bridget Chilala, and Evans Marowa, finalized the Zambia WTO Trade Facilitation Report. The report presents the findings of an assessment on the status of Trade Facilitation in Zambia and contains recommendations as to what technical assistance and capacity building support would be required for Zambia to negotiate and implement an Agreement on Trade Facilitation. The findings of the paper will be presented to stakeholders in Zambia on June 6 and 7.
- On May 31 Lisa Yarmoshuk and Amanda Hilligas addressed the Economic Officers and FSNs attending the Commercial Diplomacy Training – Southern Africa Partner program organized by the State Department and the U.S. Commercial Service, held in Johannesburg.