

TRADE HUB HAPPENINGS



A monthly update of upcoming activities and recent progress from the USAID Trade Hub in Gaborone, Botswana
February 2007

Hub Highlights

- On December 6 the USAID Trade Hub sponsored a meeting of the Botswana Agricultural Union (BAU) entitled “SADC Trade Liberalization: Challenges and Opportunities for Botswana Agribusiness” jointly organized by the BAU and the Botswana Cattle Producers Association (BCPA).
- In December 2006 the USAID Trade Hub published the seventh issue of *Inside Southern Africa Trade (INSAT)*, a special issue devoted to competitiveness issues in the region. Similar to the special “WTO Hong Kong” issue in December 2005, it features a series of high-profile interviews and was distributed in hard copy in January. To subscribe to *INSAT*, please send an e-mail to INSAT@satradehub.org.

February 2007 Trade Hub Events

- 26 Jan** Amanda Hilligas, African Growth and Opportunity Act (AGOA) Advisor, will travel to Mauritius to follow up with firms which attended the regional AGOA Workshop as well as to assist Mauritian firms that will be participating in the African Pavilion at the Fancy Food Show in New York City in July 2007 with preparations.
- 2 Feb** Gina van Schalkwyk, Information and Communications Coordinator, and Diana Phillimon, Communications and Project Assistant, will travel to Johannesburg to undergo web development training to enhance Trade Hub’s capacity to use the web as an interactive communications tool.
- 5-9** The Trade Hub is coordinating a regional visit by representatives of Sun Rich International which is interested in expanding its specialty food line of African products.
- 5-18** Russ Colvin, a volunteer expert for the International Executive Service Corps (IESC), will travel to Gaborone, Botswana, to assist Peter Mabeo and his furniture company. Mr. Mabeo produces contemporary furniture for the U.S. market and is part of the award-winning North South Project (www.northsouthproject.com).
- 12-18** At the request of the Angolan Ministry of Industry, Paulina Elago, TFCB (Trade Facilitation and Capacity Building) Deputy Director, and Eckart Neumann, a Tralac (Trade Law Center of Southern Africa) Associate will travel to Luanda, Angola, to conduct training on rules of origin.
- 14-15** Evans Marowa, Transport Advisor, will travel to Namibia, to facilitate a working meeting of the Trans-Kalahari Corridor Management Committee co-chairpersons to finalize recruitment of the Program Coordinator.
- 20-23** Paulina Elago and Sutherland Miller II, a short-term consultant, will travel to Swaziland to facilitate a process improvement workshop aimed at designing implementation plans and strategies to speed up implementation of specific recommendations contained in the Swaziland Investor Roadmap.
- 21-23** Bridget Chilala, Trade Capacity Building Director, Ranga Munyaradzi, Senior Customs Advisor, Evans Marowa, and Short-Term Consultant Donald “Duca” Hart will travel to Luanda, Angola, to present the Trade Facilitation Findings / Report to the Angolan Government and relevant private sector stakeholders.

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:

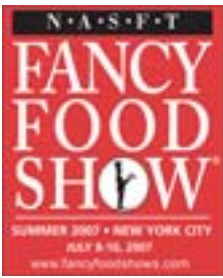
- brings together American and African businesses;
- enhances the competitiveness of African products and services;
- expands the role that trade can play in African poverty reduction strategies;
- improves the delivery of public services supporting trade;
- builds African capacity for trade policy formulation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

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AGOA



The USAID Trade Hub will collaborate to assist the participation of Southern African producers in the July Fancy Food Show in New York.

- South Africa's Category 9 submission has been completed and will be submitted to the U.S. Government for review in February.
- The AGOA Program has started selecting firms and has initiated related capacity building efforts for the upcoming July Fancy Food Show, to be held in New York City in July. The Trade Hub is collaborating with the other Trade Hubs in Africa and Africa Fast Track Trade (AFTT) to feature African companies as part of an overall "Africa Pavilion". For additional information, contact Amanda Hilligas at ahilligas@satradehub.org.
- The Trade Hub will be conducting an economic analysis of the new denim provisions in the recently passed AGOA legislation. The report will be available in April 2007.
- Amanda Hilligas will travel to Swaziland in March to participate in a discussion about AGOA and the textile and apparel industry, which will be hosted by the University of Swaziland.
- The USAID Trade Hub will begin planning a regional apparel business-to-business meeting, proposed for the end of May. The meeting will bring together Southern African producers with EU and American buyers to foster business linkages and increased trade in the sector.
- Mike Larson and Thomas Douglas of Sun Rich International will travel to Southern Africa to meet with selected specialty food companies in the region. Sun Rich is seeking to expand its specialty food line of products and has a strong interest in African products. For further information, contact Amanda Hilligas at ahilligas@satradehub.org.

Exportable Agricultural Products



The USAID Trade Hub is providing technical assistance to grape growers in southern Namibia in their attempt to meet the required mitigation techniques for entry into the U.S. market.

- The Trade Hub will develop a scope of work and identify a consultant to provide technical assistance to the Botswana Cattle Producers Association concerning the possible development of a cooperative.
- Carl Carlson, the USAID Trade Hub's Agribusiness Advisor, in coordination with the AGOA Advisor, will accompany the representatives of Sun Rich International to Malawi and Zambia. Sun Rich will visit companies in an attempt to reach agreement on representation and entry into the U.S. market.
- The USAID Trade Hub will publish the results of the gap analysis which is currently being undertaken. This analysis is designed to identify gaps in supply of fresh product in the South African market and possible sources to meet this demand.
- Based on the results of a recently completed study, the Trade Hub will coordinate with the Government of Namibia to identify possible areas of future collaboration in the fisheries industry.
- The Agribusiness Advisor will provide technical assistance to grape growers in southern Namibia in their attempt to meet required mitigation techniques for entry into the U.S. market.



The Walvis Bay Corridor Group (WBCG) is expected to host a full-time Program Coordinator for the Trans-Kalahari Corridor.

- From February 20 to 23 Evans Marowa will travel to Windhoek, Namibia, to facilitate a working meeting of the Trans-Kalahari Corridor Management Committee (TKCMC) co-chairpersons to finalize recruitment of the Program Coordinator.
- Evans Marowa will interact with the World Bank Sub-Saharan African Transport Program (SSATP) Regional Coordinator to facilitate programming of SSATP support for corridor observatories along the Dar es Salaam, Maputo and Trans-Kalahari Corridors.
- During February, Ranga Munyaradzi will monitor and facilitate the verification of the recorded Zambian Time Release Study (TRS) data and initial analysis in preparation for the third and final phase scheduled for March 26 to 30. 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 continue to monitor the progress of the implementation and roll-out of the Single Administrative Document (SAD) 500 in Zambia and to other non-SACU countries. A meeting of the TKC / Dar-es-Salaam Corridor Customs Working Group to review progress and Action Plan is scheduled for the third week of February or early March.
- Ranga Munyaradzi will continue to work with *Alfandegas de Mozambique* in the planning and preparations for a regional workshop on “The Role of Customs in Management and Control of Chemical Products”, which is scheduled for April 2007 in Maputo.
- Ranga Munyaradzi will work with *Alfandegas de Mozambique* and the World Customs Organization (WCO) to finalize the TRS Mozambique National Report.
- During February, Ranga Munyaradzi will continue to coordinate with other donors in Malawi as well as the Malawi Revenue Authority on implementation of the TRS Action Plan in that country.
- From February 26 to 28, Bridget Chilala, Ranga Munyaradzi, Evans Marowa, and Short-Term Consultant Donaldo “Duca” Hart will present the Trade Facilitation Findings / Report to the Angolan Government and relevant private sector stakeholders. The report was finalized in January. The findings and recommendations will assist Angolan policy makers in coming up with a comprehensive package of issues for World Trade Organization (WTO) trade facilitation negotiations.
- Evans Marowa will continue to monitor the preparation of a work plan to roll out the Martin’s Drift-Grobler’s Bridge pilot Cross Border Overload Control System to the TKC and the Kazungula Ferry Border post. Finalization of the implementation plan is pending feedback from the Customs departments of the affected countries with respect to the adequacy of current legislation to support permanent implementation of this system.

Trade Capacity Building



The Trade Hub will be conducting a training session for Zambia on the WTO Safeguard Agreement for the Zambia Investigations Team.

- Bridget Chilala will continue to work on developing the scope of work for undertaking an audit of the implementation of the SADC Trade Protocol and developing a trade compliance monitoring mechanism for the SADC Secretariat. This work will ascertain the preparedness of SADC Member States to attain a Free Trade Area by January 2008. The SADC Protocol on Trade entered into force on January 25, 2000. The assessment study and the work to design a trade compliance mechanism will start in February 2007.
- Bridget Chilala is preparing for a training session in on the WTO Safeguard Agreement for the Zambia Investigations Team comprising business representatives and the Ministries of Commerce Trade and Industry, Agriculture and Finance as well as the Zambia Revenue Authority. The training is scheduled for first week of March and will focus on (i) investigation as provided for in Article 3 of the Safeguard Agreement, (ii) how to determine serious injury or to treat serious injury as provided for in Article 4; (iii) the actual application of the safeguard measures, and (iv) notification to the WTO Committee on Safeguards and prior consultation as required under Article 12.
- Bridget Chilala is preparing to assist Malawi to respond to the Trade Policy Review questions, that have remained unanswered for almost three years, to enable them to fulfill their obligation under the WTO Trade Policy Review Mechanism.
- Keith Jefferis, the USAID Trade Hub's Economic Advisor, is drafting a scope of work for a study on energy issues in the Southern African region which will review legal and regulatory barriers to private sector energy provision, access to distribution and transmission facilities, and the operation of electricity markets. It is anticipated that the study will identify where interventions and policy reform could assist private sector investment in electrical generation capacity and in efficiently meeting the region's rapidly increasing energy needs.
- Keith Jefferis is preparing a note on the impact of price changes in the cattle and beef industry on household incomes and poverty. The note will draw on existing data and research, and will point to further areas of work that could help to improve knowledge and understanding of the poverty impacts of pricing policies in the cattle sector.
- Short-term consultant Gideon Phiri will travel to Namibia from January 29 to February 1 and Tanzania from February 5 to 9 while Pascoa Themba will travel to Angola from February 11 to 16 to carry out a survey of Non State Actors, funded by the Trade Hub at the request of the SADC Economic Partnership Agreements (EPA) Unit.
- At the request of the Angolan Ministry of Industry, Paulina Elago and Eckart Neumann will travel to Luanda, Angola, to conduct training on rules of origin on February 14 and 15.
- A draft report of the findings of a preliminary fact-finding study conducted to assess the possibilities for creating a regional passenger and cargo air logistics hub in Botswana for the region will be finalized during February.

Trade Capacity Building

WORLD TRADE ORGANIZATION



The USAID Trade Hub continues to assist Southern African countries to comply with WTO rules.

- From February 21 to 24, Paulina Elago and Sutherland Miller II will travel to Swaziland to facilitate a process improvement workshop. The workshop will bring together key agencies responsible for licensing regimes addressed in the Swaziland Investor Roadmap with a view to designing plans and strategies to speed up implementation of specific recommendations contained in the Roadmap. Prior to the workshop, Sutherland Miller will hold one-on-one consultations with the key agencies to facilitate their effective participation at the workshop.
- At the request of USAID/Zambia, USAID Trade Hub-contracted economists Dr. Neal Peter Cohen and Dr. Janusz Szyrmer travelled to Lusaka, Zambia, in November 2006, to undertake an assessment of the current modelling systems and human analytical capabilities within Zambia's Ministry of Finance and National Planning Unit. The report, which includes an evaluation of current analytical software, hardware, and data management, an assessment of the level of expertise within the unit, and a review of the assistance to this unit and related budget activities provided by other cooperating partners, has been submitted to USAID/Zambia.

Outreach & Dialogue for Competitiveness

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The USAID Trade Hub will be making extensive usage of the films in the Trade Hub's Trade Issues Film Series during the Private Sector Advocacy Week for Malawi in March.

- The USAID Trade Hub in coordination with USAID / Malawi and the U.S. Embassy in Malawi will be organizing a Private Sector Advocacy Week programmed for March. The purpose of the series of events, which will include an advocacy seminar, will be to equip private sector organizations with tools to represent their interests better, advocate for business-friendly reforms, and raise awareness among government officials and parliamentarians of private sector issues. The activities will make extensive usage of the films in the Trade Hub's Trade Issues Film Series.
- Similar events using the Trade Issues Film Series will also be programmed for Lesotho, Namibia, and Mozambique.
- The USAID Trade Hub will continue to assist the Botswana Agriculture Union (BAU) and the Botswana Cattle Producers' Association (BCPA) to develop a website.
- Gina van Schalkwyk is working on the eighth issue of the Trade Hub's flagship news publication *Inside Southern Africa Trade (INSAT)*. It will focus on Economic Partnership Agreements in Southern and Eastern Africa and will be published in March.
- The USAID Trade Hub continues to assist the Botswana Women in Business Association (WIBA) with the implementation of a savings mobilization scheme for its members. WIBA is currently meeting with the banks it has identified as being potential partners in the scheme and has programmed launching the service in March. The Trade Hub is also identifying other women's organizations in the region for similar microfinance schemes in the months to come.



On December 4 the USAID Trade Hub hosted a Strategic Planning Workshop of the American and African Business Women's Alliance (AABWA).

Events, High Level Visits, and Meetings

- On December 4 the USAID Trade Hub hosted a Strategic Planning Workshop of the American and African Business Women's Alliance (AABWA). The more than 50 businesswomen present also viewed the Trade Hub film *The Business Environment: Toward a More Competitive Southern Africa*.
- On December 4, Kara Laney, Policy Associate from the International Food & Agricultural Trade Policy Council in Washington, DC, visited the Trade Hub to discuss Trade Hub activities and areas for possible collaboration.
- From December 4 to 5, Evans Marowa met the MCLI and Nathan Home Office personnel in Nelspruit, South Africa, to plan for the piloting of the FastPath Transport Logistics Diagnostic Tool (developed through USAID Washington funding) along the Maputo Corridor. The meeting identified key stakeholders in the corridor who would provide relevant information to the Nathan team in order to get the pilot program off the ground.
- From December 4 to 11, Sam Mensah, a short-term consultant and an expert on African capital markets, visited Botswana to work with Keith Jefferis on the study for the Confederation of SADC Stock Exchanges (COSSE) on harmonizing the listing regulations of the stock exchanges in the region. The harmonization initiative is part of the policy framework agreed to under the SADC Finance and Investment Protocol. A first draft of the study was completed in early January 2007 and submitted to COSSE for review.
- On December 6 the USAID Trade Hub sponsored a meeting of the Botswana Agricultural Union (BAU) entitled "SADC Trade Liberalization: Challenges and Opportunities for Botswana Agribusiness" jointly organized by the Botswana Agricultural Union (BAU) and the Botswana Cattle Producers Association (BCPA). Bridget Chilala made a presentation on the provisions of the WTO Agreement on Agriculture and the SADC Protocol on Trade for the purpose of enhancing the understanding of the Botswana farming community of the provisions of these agreements.
- From December 6 to 8, Amanda Hilligas, Paulina Elago and Maxine Kennett, TFCB Project Director, attended African Productive Capacity Initiative (APCI) meetings in South Africa. The APCI, a new policy direction for sustainable industrial development in Africa, is based on sectoral and regional approaches, uses the value chain methodology, and is implemented in close collaboration with the private sector
- Alexious Butler, Democracy and Governance Specialist with USAID / Washington, visited the Trade Hub on December 11 for a briefing and discussion of Trade Hub activities, especially with respect to corruption issues.
- On December 11, Maxine Kennett, Bridget Chilala and Paulina Elago attended a SADC Trade, Industry, Finance and Investment (TIFI) Thematic Group Meeting in Gaborone.

Recent Highlights



With the assistance of the USAID Trade Hub, the Botswana Women in Business Association (WIBA), have managed to increase their membership by more than 270% in a 3-month period.

- From December 11 to 12, Amanda Hilligas was in Lesotho to meet with the U.S. Embassy and stakeholders in the apparel sector to discuss diversification and support of the apparel industry under AGOA.
- On January 16, Joel Kolker, Director of the Regional Credit Program at USAID / Pretoria, visited the Trade Hub for a briefing on Trade Hub activities and to explore potential areas of collaboration.
- The Botswana Cattle Producers Association (BCPA) held their monthly coordination meeting at the Trade Hub on January 22.
- From January 22 to 26, Maxine Kennett and Ranga Munyaradzi visited Zambia for the purpose of (i) reviewing progress on Phase Two of WCO Time Release Study (TRS) – Data Collection Stage, (ii) reviewing progress on the roll-out of the SAD 500 to non – SACU countries, and (iii) meeting with the USAID Bilateral Mission, USAID Country Project Contractors and relevant stakeholders. The Trade Hub Team also visited the congested Chirundu border post where a joint one-stop border control with Zimbabwe is being planned.
- From January 22 to 25, Evans Marowa traveled to Nelspruit, South Africa, (i) to meet with the MCLI and the Mpumalanga Province Member of the Executive Council for Transport and his senior officials to review the performance of the Mpumalanga Freight Logistics Forum (MFLF); (ii) to facilitate a training workshop for the Mpumalanga Provincial Department of Roads and Transport on their responsibilities in the recently established MFLF and to review the terms of reference of the MFLF Working Groups; (iii) to finalize the draft Maputo Corridor Constitution as the proposed institutional framework for a multilateral corridor management committee; and (iv) to attend the combined Executive Committee and Management Committee meeting of the MFLF.
- Monica Moore, Project Development Officer at USAID / Southern Africa who recently arrived at her post, visited the Trade Hub on January 24 for a briefing on Trade Hub activities.
- On January 25, Tshepo Supang, Assistant Commercial Officer at the Small Business Council of the Botswana Ministry of Trade and Industry, visited the Trade Hub as part of a survey of small business stakeholders and to discuss how the Trade Hub can contribute to the work the Council is doing.
- Amanda Hilligas traveled to Mauritius from January 29 to February 2 to meet with specialty food companies, Mauritian export promotion agencies and government officials to discuss involvement in Trade Hub activities including upcoming trade show participation.



In mid-December the Trade Hub published the 7th issue of its flagship news publication, *Inside Southern African Trade (INSAT)*.

Projects, Papers, Studies & Other Highlights

- ⇒ In December 2006 the USAID Trade Hub published the seventh issue of *Inside Southern Africa Trade (INSAT)* which is a special issue devoted to competitiveness issues in the region, and similar to the special “WTO Hong Kong” issue in December 2005, it features a series of high-profile interviews. It was distributed in hard copy in January. To subscribe to *INSAT*, please e-mail INSAT@satradehub.org.
- ⇒ The USAID Trade Hub developed a scope of work for the implementation of a comprehensive study to identify windows of opportunity for fresh produce in the South African market. The focus will be on gaps in supply of fresh product and possible sources to meet this demand.
- ⇒ The USAID Trade Hub provided support to the Botswana Horticulture Council (BHC) in their attempt to gain access for melons to enter the South African market. The request for an entry permit by the grower was rejected by the Department of Plant Protection in South Africa. The grower was informed, at the last minute, of the need for a pest risk assessment for *Bactrocera Cucurbitae*. The Trade Hub provided assistance to the grower, the buyer and the Department of Agriculture in Botswana in an attempt to resolve this issue.
- ⇒ The Government of Namibia approved the Hosting Agreement to facilitate the recruitment of a Program Coordinator for the Trans Kalahari Corridor Secretariat.
- ⇒ The Ministry of Justice in Zambia issued the authority for the Ministry of Communications and Transport to sign the Dar es Salaam Corridor Constitution on behalf of the Government of Zambia.
- ⇒ Keith Jefferis has drafted scopes of work for various projects in Angola aimed at developing the financial sector. This is in response to a request from USAID Angola, which is working with the Government of Angola on a range of initiatives focused on improving the efficiency and effectiveness of the financial sector and increasing access to credit.
- ⇒ During December, Paulina Elago worked together with Tralac to finalize the report on the EPA review process.
- ⇒ Paulina Elago continued discussions and preparations with the Swaziland Investment Promotion Agency (SIPA), to plan for a process improvement workshop. The workshop will bring together key agencies responsible for licensing regimes addressed in the roadmap with a view to designing plans and strategies to speed up implementation of specific recommendations in the Swaziland Investor Roadmap.