



WEST AFRICA TRADE HUB

QUARTERLY PROGRESS REPORT #13

January- March 2011



People

Profit

& Planet



USAID
FROM THE AMERICAN PEOPLE



WEST AFRICA TRADE HUB 2 QUARTERLY PROGRESS REPORT #13

WEST AFRICA GLOBAL COMPETITIVENESS HUB
PROJECT # EEM-I-00-07-00006-00

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ACRONYMS & ABBREVIATIONS

AATC	African American Trading Company
ACA	African Cashew Alliance
ACET	Associated Commodities Exporters and Traders
AGCI	African Global Competitiveness Initiative
AGOA	African Growth and Opportunity Act
AIMS	African Investors Management Services
ALCO	Abidjan Lagos Corridor Organization
ARC	AGOA Resource Center
ASEPEX	<i>Agence Sénégalaise de Promotion des Exportations</i>
BOI	Bank of Industry, Nigeria
CAADP	Comprehensive Africa Agriculture Development Program
CBC	<i>Conseil Burkinabè des Chargeurs</i>
COCOBOD	Ghana Cocoa Board
COMESA	Common Market for Eastern and Southern Africa
COP	Chief of Party
CSO	Civil Society Organization
CY	calendar year
CET	Common External Tariff
DCA	Development Credit Authority
DfID	Department for International Development (U.K.)
DSI	<i>Département des Services Informatique</i> (Information Services Department), UEMOA
ECOWAS	Economic Community of West African States
EDIF	Export Development and Investment Fund
EGAT	Economic Growth, Agriculture & Trade
ERC	export-ready company
EPA	Economic Partnership Agreement
ESE	European Seafood Exposition
ETLS	ECOWAS Trade Liberalization Scheme
FOB	free on board
FTA	free trade area
FY	fiscal year
FP	focal point
GAMA	Ghana Apparel Manufacturers' Association
GDA	Global Development Alliance
GSMA	Global System for Mobile Communications Association
GS2010	Global Shea 2010
GSP	General System of Preferences
GTZ	<i>Gesellschaft für Technische Zusammenarbeit</i> (German Development Corporation)
HACCP	Hazard Analysis and Critical Control Point
HTS	Harmonized Tariff Schedule
ICT	Information and Communication Technology
IESC	International Executive Service Corps
IFC	International Finance Corporation

ITU	International Telecommunications Union
IRTG	Improved Road Transport Governance
MCC	Millennium Challenge Corporation
MOU	Memorandum of Understanding
NEPAD	New Partnership for Africa's Development
NEPC	Nigerian Export Promotion Council
NGOs	non-governmental organizations
OPA	<i>Observatoire des Pratiques Anormales</i> (French name for IRTG initiative)
OPIC	Overseas Private Investment Corporation
PCV	Peace Corps Volunteer
PEFIB	Private ECOWAS Financial Improvements Board
PPP	public-private partnership
PSI	Presidential Special Initiative
ROPPA	<i>Réseau des organisations paysannes et des producteurs agricoles de l'Afrique de L'Ouest</i>
RRTC	reduced road transport costs
RTIS	regional trade information system
SAGIC	Senegal Accelerated Growth and Increased Competitiveness
SIAO	<i>Salon International de l'Artisanal de Ouagadougou</i>
SIDIM	<i>Salon International du Design d'Intérieur de Montréal</i>
SME	small and medium enterprise
SOW	scope of work
SPS	sanitary and phyto-sanitary
SSATP	Sub-Saharan Africa Transport Program
TIC	trade and investment capacity
TIFA	Trade and Investment Framework Agreement
UBA	United Bank for Africa Group
UEMOA	<i>Union Economique et Monétaire Ouest Africaine</i> (West African Economic & Monetary Union—WAEMU in English)
USAID	United States Agency for International Development
USG	United States Government
USTR	United States Trade Representative
WAEMU	<i>See UEMOA</i>
WACIP	West Africa Cotton Improvement Program
WAMI	West Africa Monetary Institute
WAMZ	West Africa Monetary Zone
WAML	West Africa Market Links, Ghana
WASSDA	West Africa Sustainable Seafood Development Alliance
WTO	World Trade Organization

EXECUTIVE SUMMARY

As the world's major economies rebound from downturns, sustainability has become a constant drumbeat. Across industries and geographies, business is looking at the "triple bottom line" – impacts on people, profit and the planet are inextricably linked. Business has to work on each level for it to succeed over the long term. In the second quarter of FY2011, the USAID West Africa Trade's work continued to advance on each front, raising awareness, mobilizing stakeholders and achieving concrete outcomes.

People

Trade builds robust livelihoods. The USAID Trade Hub's multiplier effect study illustrates the links: increased sales of handcrafts, for example, driven by trade on international markets, are an economic lifeline for people across West Africa. Jobs are created and incomes rise when sales increase. Stakeholders in each of the Trade Hub's six targeted sectors recognize that people across the value chain must benefit from increased sales. Clusters increase competitiveness – the USAID Trade Hub has brought stakeholders together in finance and the specialty foods sector, for example, to leverage resources; and, industry alliances supported by the USAID Trade Hub continue to address key constraints and increase business. In the second quarter of FY2011, the USAID Trade Hub and industry stakeholders registered the Global Shea Alliance with an interim executive committee, which is focusing on ensuring that the more than four million women who collect and process shea nuts for export see greater benefits. Meanwhile, the African Cashew Alliance, co-founded by the USAID Trade Hub in 2006, further developed fledgling national committees that are ensuring farmers benefit from significant increases in cashew prices on international markets.

Providing high-level stakeholders with insights on real-time business issues in West Africa, especially as they relate to international markets, is key to increasing sustainability. In February, U.S. Representatives Peter Roskam, Adrian Smith, F. James Sensenbrenner Jr., and Bobby Rush participated in a roundtable discussion moderated by USAID Trade Hub Director Vanessa Adams. "How can Congress help make West African business more competitive?" asked U.S. Rep. Roskam. Policies that promote greater trade are the answers for millions of people. Ambassador Demetrius Marantis, the Deputy U.S. Trade Representative, Assistant U.S. Trade Representative for Africa Florizelle Liser, and USAID Africa Bureau Director Ricardo Michel participated in similar discussions with USAID Trade Hub staff during visits to West Africa this quarter. One good example of the importance of these discussions is the third-country fabric exemption under AGOA. If this exemption is not renewed when it expires in 2012, West Africa's steady progress toward a competitive apparel sector with increasing success in international markets, which saw the recent re-opening of factories in Ghana, will be severely, perhaps fatally, handicapped.

In the region, the USAID Trade Hub brought hundreds of stakeholders together to discuss issues affecting business: high cost of transport, need for harmonizing regional trade policies, challenges to access finance, new opportunities available in ICT. The ideas people share build the will and credibility to address decision makers influencing together and synergistically these complicated problems. Similarly, promoting women's involvement in business builds sustainability, ensuring the benefits of economic development are accruing to all. In a workshop in Dakar, the USAID Trade Hub provided important support to Secretary of State Hillary Clinton's African Women's Entrepreneurship Program initiative, putting practical information on the African Growth and Opportunity Act in women's hands and connecting them to opportunities. On International Women's Day on March 9, the USAID Trade Hub published online a set of profiles of women entrepreneurs ("[Women entrepreneurs moving forward](#)", Tradewinds, March 2011) At in-cosmetics, a major industry trade show held in Europe, a majority of the companies exhibiting were women-owned.

Profit

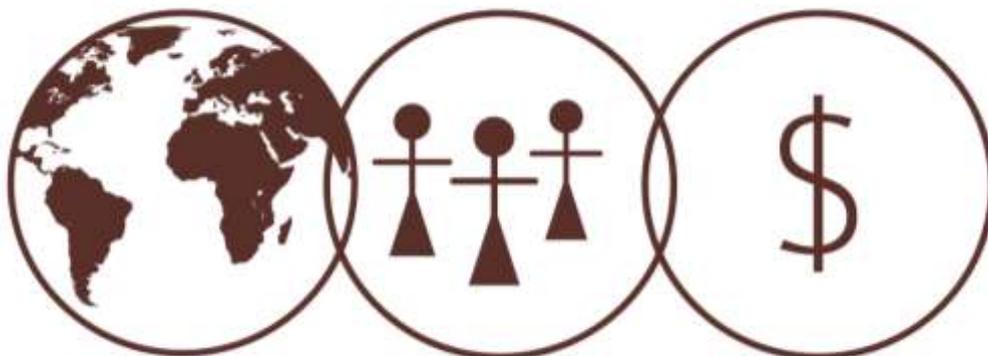
West African exporters strive to compete successfully in international markets, buoyed by increases in consumer spending in major economies. As this report was prepared, reports indicated a ninth straight month of increased retail sales in the U.S. USAID Trade Hub-assisted Export Ready Companies reported almost USD 7 million in exports during the second quarter in 60 transactions. At six international trade shows and events, 16 companies (9 women-owned) from 8 countries linked to 635 professional buyers. When these companies profit, their sustainability – and that of their suppliers and workers – is assured.

The USAID Trade Hub’s marketing and branding of West African products continues to build awareness and win buyers’ interest, too. Professional marketing materials sharply presented the brands managed by the USAID Trade Hub. The presentations create the context at trade shows necessary for business. In just the last six months, too, the USAID Trade Hub newsletter has seen subscriptions rise by over 30%.

Planet

Global climate change, desertification and other threats to the natural environment are equally problematic for sustainable business activity; indeed, resolving these issues is essential to ensuring overall human well-being. In a variety of workshops, the USAID Trade Hub has continued to ensure that assisted companies are aware of and complying with laws on environmental impacts, namely the Lacey Act in the U.S. and the EU’s rules on sourcing. In the sustainable fish & seafood sector, companies whose catches come from sustainable practices are being linked to buyers seeking those products. For tree crops – cashew and shea – increased profitability is leading to the protection of trees “of economic importance” from indiscriminate cutting for firewood and charcoal.

Protecting the trees, increasing profits and, above all, efficiently driving economic impact at the base of the pyramid is good for business, good for people and good for the environment. Ultimately, that is the “triple bottom line” that the USAID Trade Hub promotes across West Africa, fostering participation of stakeholders and ensuring protection of natural resources.



BACKGROUND

The USAID West Africa Trade Hub was initiated in 2003 under the President's African Global Competitiveness Initiative (AGCI). The USAID Trade Hub's overall goal is to help West African companies compete in international markets through direct technical assistance and expert consulting and by addressing barriers to trade that individual companies cannot overcome on their own, such as inefficient road transport and lack of access to finance.

The USAID West Africa Trade Hub uses a demand-driven approach to facilitating exports and strengthening value chains, working from the market backward to identify how West African firms can improve their products and efficiencies to meet market requirements. By exposing firms to buyers and investors in global markets, the USAID Trade Hub facilitates a better understanding among West African firms of market requirements, and then provides technical assistance to help those firms meet those requirements. Where constraints to competitiveness are not unique to one particular firm, the Trade Hub facilitates the formation and strengthening of industry clusters, alliances or trade associations that can address common constraints. In addition to enabling collaboration between industry leaders on initiatives such as joint marketing campaigns, these alliances and associations provide platforms for engagement with policymakers on issues of concern to the private sector. They also provide a platform for collaboration with other industries of critical importance to their success, including the financial services, telecommunications and transport logistics industries.

This report summarizes the work achieved in the second quarter of FY2011 by the USAID Trade Hub's teams working in five components: Trade and Investment Capacity (Business), Transportation Infrastructure, Financial Services, Business Environment and Telecommunications Infrastructure. While the Business component involves working directly with companies in specific value chains, the other components cut across the value chains.

A broad communications program supports the Trade Hub's work. The Trade Hub produces marketing and branding materials, now maintains nine websites publishes a monthly newsletter and provides punctual assistance to client companies as well as ensuring constant translation of Hub generated reports and materials into French and Portuguese.¹ The USAID Trade Hub is on Twitter (@watradehub), posts its multimedia presentations on YouTube (watradehub) and has a Facebook page (watradehub). The project's primary website is www.watradehub.com.



¹ Our websites are www.watradehub.com, www.agoatoolkit.com, www.africa-now.org, www.africancashewalliance.org, www.financetrade.org, www.globalshea.org, www.tastafricanow.com, www.wassda.org and www.borderlesswa.com. In March 2011, a major malfunction made several of the websites inaccessible, but by the end of the quarter most had been restored.

INDICATORS

Table 1: Trade Hub Performance Indicators

Indicator	Unit of measure	FY2011 (Oct 2010 – Sep 2011)			Life of Project (Oct 2007 – Sep 2011)		
		Target	Achieved	% Achieved	Target	Achieved	% Achieved
Trade and Investment Capacity							
Number of firms receiving capacity-building assistance to export from the Trade Hub	Number of firms	200	985	493%	825	2,548	309%
	Women owned firms	100	358	358%	200	774	387%
Number of Trade Hub supported capacity building events related to improving trade and attracting investments ²	Number of events	15	14	93%	72	87	121%
Number of participants in Trade Hub supported capacity building events related to improving trade or attracting investment	Number of people	1,000	1160	116%	3,400	7,138	210%
	Number of women trained	500	284	57%	1,000	1,934	193%
Value of investment facilitated by the Trade Hub (USD) ³	Value of investments	4,000,000	865,116	22%	14,000,000	23,156,972	165%
Value of exports facilitated by the Trade Hub (USD)	Total value of exports ⁴	15,000,000	9,113,107	61%	USD 62,000,000	69,154,051	112%
Number of jobs created attributable to Trade Hub support	Number of jobs	1,000	5729	573%	4,000	8,963	224%

² African Women's Empowerment Program Training, Burkina Faso Cashew Event, Gambia Cashew Week, Ghana Cashew Week and AGOA Trainings in Liberia and Mali.

³ Data for work plan indicators on the value of investment facilitated, new exports facilitated, and numbers of jobs created are collected from the export-ready companies the Trade Hub works with. The Trade Hub sends out questionnaires requesting information on indicators two weeks prior to the end of each quarter to all companies receiving technical assistance to collect data on investment, exports, and jobs, and reports on the total of their responses. The Business Technical Coordinators and the Monitoring and Evaluation Specialist save and file all information from individual companies and tally the information for reporting purposes. Further, the Trade Hub periodically validates the authenticity of data received from the responding companies by inspecting bills of lading for exports and conducting site visits to inspect new machinery purchased or new construction. Value of exports and investments are very conservative figures. They include products actually shipped to international buyers not pending sales and investments implemented not planned. All values are in U.S. Dollars.

⁴This value equals the total value of exports worldwide.

Table 1: Trade Hub Performance Indicators, continued

Indicator	Unit of measure	FY2011 (Oct 2010 – Sep 2011)			Life of Project (Oct 2007 – Sep 2011)		
		Target	Achieved	% Achieved	Target	Achieved	% Achieved
Transportation Infrastructure							
Has the government adopted improved transportation-related policies or plans this year as a result of USG assistance ⁵	Yes/No	Yes	Yes	N/A	Yes	Yes	N/A
Number of people receiving Trade Hub supported training in transportation-related policy and regulatory practices	Number of people trained	2,500	4,636	185%	8,500	23,367	275%
	Number of women trained	25	222	888%	90	774	860%
Number of improved national transportation and logistics policies adopted this year as a result of Trade Hub assistance	Policy document	3	2	67%	7	8	114%
Percentage annual reduction in the number of barriers along priority West African trucking corridors	Number of barriers/checkpoint	12%	14%	TBD	27%	20%	72%
Percentage annual reduction in average transportation & logistics costs (direct & indirect) for key exports using priority West African trucking corridors ⁶	Percent of cost	6%	N/A	N/A	16%	3%	19%
Business Environment							
Number of trade and investment enabling environment diagnostics conducted	Number of diagnostics conducted	0	5	N/A	17	12	71%
Number of consultative processes with private sector as a result of Trade Hub assistance ⁷	Number of consultative processes	20	30	150%	63	54	86%
Number of ECOWAS capacity building activities	Number of activities	3	2	67%	4	3	75%
Finalization of the Common External Tariff	CET	CET completed	TBD	TBD	CET Completed	No	0%

⁵ On March 19, 2010 UEMOA Ministers of Transport adopted a new roadmap for implementing UEMOA's axle-load regulation N.14/2005/CM/UEMOA. This roadmap includes two articles which refer specifically to IRTG and the need to strengthen its work. IRTG project is also used to evaluate the effectiveness of the implementation of the axle-load regulations as weighbridges are often an additional source of bribery.

⁶ This is measured on an annual basis. The baseline number was established in September 2009.

⁷ Consultative processes are documented by questionnaires and other information provided by the Trade Hub's Business Environment Coordinator.

Table 1: Trade Hub Performance Indicators, continued

Indicator	Unit of measure	FY2011 (Oct 2010 – Sep 2011)			Life of Project (Oct 2007 – Sep 2011)		
		Target	Achieved	%	Target	Achieved	%
Financial Services							
Number of financial sector professionals trained on international standards this period with USG assistance	Number of participants	30	22	73%	310	161	52%
	Female participants	15	3	20%	150	34	23%
Number of alliances established with banks	Number of signed MOUs	2	1	50%	6	2	33%
Number of new banking products and services established by allied banks ⁸	Number of products	2	1	50%	6	8	133%
Number of loans made by allied banks to client ERCs ⁹	Number of loans	35	5	14%	105	23	22%
Value of new loans made to ERCs	Value of loans	USD 3,000,000	USD 1,706,000	57%	USD 4,000,000	USD 6,316,387	158%
Telecommunications Infrastructure							
Number of companies utilizing ICT value-added services	Company	25	19	76%	25	24	96%
Number of new ICT value added products and services being used by businesses	Product or service	10	8	80%	40	20	50%
Number of people trained in ICT value-added services ¹⁰	Number of people	100	166	166%	150	388	259%
	Number of Women	TBD	63	TBD	N/A	97	N/A

⁸ Allied banks are banks that work frequently with the Trade Hub, and who have implemented financial products and services that enhance access to finance for export-ready companies.

⁹ Defined as loan funds disbursed to export-ready companies.

¹⁰ Providing 4 hours (half-day) or more of instruction to convey knowledge or impart training related to Trade Hub goals and objectives to relevant stakeholders.

Table 2: Country Summary Table (January – March 2011)

Country	Value of exports facilitated USD	Value of investment facilitated USD	# Jobs added (# women)	Value of Inter-regional trade USD	# Companies received technical assistance (# women-owned)	TIC training (# women)	Transport Infrastructure: training (# women)
Benin					18(5)		
Burkina Faso	1,396,461		1,176(1000)		17(12)	126(9)	430(3)
Cameroon	82,076		3		37(13)		
Cape Verde					2(1)		
Chad					1(0)		
Côte d'Ivoire					1(1)		
Gabon					10(4)		
Gambia					12(9)	60(8)	
Ghana	779,898	9666	648(286)	26,000	49(23)	43(11)	95(13)
Guinea							
Guinea-Bissau	3,400		18(0)		9(3)		
Liberia					1(1)		
Mali	69,484			8,650	101(42)	55(24)	144(3)
Mauritania					7(1)		
Niger	36,698						
Nigeria	4,326,307	8,000	3,800(3,610)		80(26)	6(5)	
São Tomé e Príncipe							
Senegal	60,058			8,271	93(42)	18(17)	1,270(57)
Sierra Leone							
Togo		10,600			6(3)		363(8)
Total	USD 6,754,382	USD 28,266	5,645(4,896)	USD 42,921	444(186)	325(79)	2,302(84)

USAID TRADE HUB ACTIVITIES JANUARY-MARCH 2011

Activity	Date	Location	Contact person
Trade Investment Capacity			
AGOA & ERC Shea and Home Décor Training	January 23-28	Bamako, Mali	Abou Fall, Vanessa Adams
Sustainable Seafood Forum	January 15-18	Vancouver, Canada	Makhtar Thiam Leah Quinn
Product Development Consultancy with Ghanaian Companies	January 4-26	Accra, Ghana	Elaine Bellezza, Cheick Diallo
Buyer Visit (Robbie Stewart)	January 10-13	Senegal	Elaine Bellezza, Makhtar Thiam
Buyer trip	January 16 - 19	Dakar, Senegal	Makhtar Thiam
PTNPA Annual Conference	January 15-18	Las Vegas, NV	Christian Dahm, Kees Blockland
New York International Gift Fair	January 27– February 4	New York, USA	Elaine Bellezza, Elitza Barzakova, Roger Brou
Apparel Buyer Trip & Technical Assistance	January 18-25	Cameroon	Jacques Betsy
	Jan 27-Feb5	Ghana	
	March 14-24		
Ghana Cashew workshop	February 3	Accra, Ghana	Yayra Amezdoro, Xenia Defontaine
Magic	February 14-16	Las Vegas, NV	Jean Pierre Rousseau, Elitza Barzakova, Jacques Betsy
Ambiente	February 11–15	Frankfurt, Germany	Elaine Bellezza, Roger Brou, Elitza Barzakova
Kaju India	February 19 - 21	Kolam, India	Carlos Costa, ACA
Burkina National Workshop	February 24	Banfora, Burkina Faso	Mohamed Ouedraogo, ACA
Buyer trip (Swahili)	February 17-24	Bamako, Mali	Elaine Bellezza
AGOA Customs Documentation and Textile Visa Training	February 22-26	Monrovia, Liberia	Abou Fall
Cotton Business Forum & factory visits	February 22 - 26	Douala & Yaounde, Cameroon	Joop de Voest, Karen Radji, Olivier Dimala (eARC Cameroon)
Buyer Visit (Matthieu Chatin)	February 19-27	Accra, Bolgatanga, Ghana	Emmanuel Odonkor
NYIGF Buyer follow up (Bamboula, Mbare, Jamtown, Global Exchange, Our World, Tribalinks)	February 24- March 3	Bamako, Mali	Elaine Bellezza
1888 Mills opening and factory JV evaluations	March 7 - 12	Accra & Tema, Ghana	Joop de Voest, Hanna Amichia
Buyer visit Support (TK Maxx)	March 11-12	Accra, Ghana	Elaine Bellezza, Emmanuel Odonkor
Follow up from Ambiente with Exporter Xarala, New Producer Visit/Buyer Trip (Chatin)	March 13-17	Senegal	Elaine Bellezza
Initial Environmental Examination implementation Training	March 14	Accra, Ghana	Gustav Adu, Elaine Bellezza, Emmanuel Odonkor
Buyer Visit (Home Goods)	March 24-27	Accra, Ghana	ATAG, Trade Hub
Biofach	February 16-19	Nuremburg, Germany	Elitza Barzakova
In-cosmetics www.in-cosmetics.com	March 29-31	Milan, Italy	Kafui Djonou, Roger Brou, Elitza Barzakova
Benin cashew day	March 31	Cotonou, Benin	Boris Houenou, ACA

Activity	Date	Location	Contact person
Financial Services			
Nigerian Cashew Cluster Financing Scheme	January 13-14	Lagos, Nigeria	Judson Welsh, Roger Brou, Christian Dahm
Guinea Bissau Cashew Cluster Financing Scheme	February 19-27	Bissau, Guinea-Bissau	Roger Brou, Stephanie Diakité, Sunil Dahiya
Transport Infrastructure			
Meeting with UEMOA and CBC conference on trucking liberalization	February 1-5	Burkina Faso	Niels Rasmussen, Amadou Ba Christophe Bruyas
CSO Close-out (MECAP)	February 7-10	Lome, Togo	Lacina Pakoun, Kwasi Osei-Kusi
Meeting with Uniformed services and Ghana National Insurance Commission	February 11-13	Accra, Ghana	Lacina Pakoun
Strategic Advocacy meetings and grant campaigns closeout	February 14-19	Dakar, Senegal	Amadou Ba, Jane Owiredu-Yeboah
SSATP Regional Economic Community meeting 2010	February 14-19	Kigali, Rwanda	Niels Rasmussen
Borderless Road Show	Feb 22	Kayes, Mali	Amadou Ba, Ometere Omoluabi
Lome-Ouagadougou verification trip	March 1-7	Burkina Faso, Togo	Seydou Ilboudo
Meeting with Ghana Parliament select committee on road and transport	March 3	Accra, Ghana	Bright Gowonu, Afua Eshun
Borderless Road Shows	March 6-11	Cinkasse-Tsevie, Togo	Lacina Pakoun, Christophe Bruyas
Tema-Ouagadougou verification trip	March 2-12	Burkina Faso, Ghana	Patrick Kpenou
Mali-Senegal Cross Border preparatory meeting	March 14	Dakar, Senegal	Amadou Ba, Jane Owiredu-Yeboah
Policy meeting	March 17	Accra, Ghana	Kwasi Osei-Kusi, Lacina Pakoun
Ministry of road and highways transport meeting	March 18-20	Koforidua, Ghana	Afua Eshun
Borderless Road Show	March 24	Bittou, Burkina Faso	Lacina Pakoun, Ryan Yingling
Bamako-Dakar verification trip	March 8 - 24	Burkina Faso, Mali, Togo	Seydou Ilboudo
ECOWAS meeting on axle load regulation	March 28-31	Accra, Ghana	Niels Rasmussen, Amadou Ba
Business Environment			
ECOWAS Aid-for-Trade Meeting	January 19-21	Abuja, Nigeria	Vanessa Adams, Ometere Omoluabi
Ghana-Togo Border Information Center Assessment/Ghana Shippers' Authority	February 9	Aflao, Ghana	Abou Fall, Ometere Omoluabi, Patrick Kpenou
Togo ETLs Gap Analysis Validation	February 10	Lome, Togo	Abou Fall, Ometere Omoluabi
Abidjan-Lagos Trade and Transport Facilitation Program Seminar on Single Window Concept	February 10	Accra, Ghana	Jane Owiredu Yeboah
Benin ETLs Gap Analysis	February 21-23	Cotonou, Benin	Ometere Omoluabi, Jane Owiredu

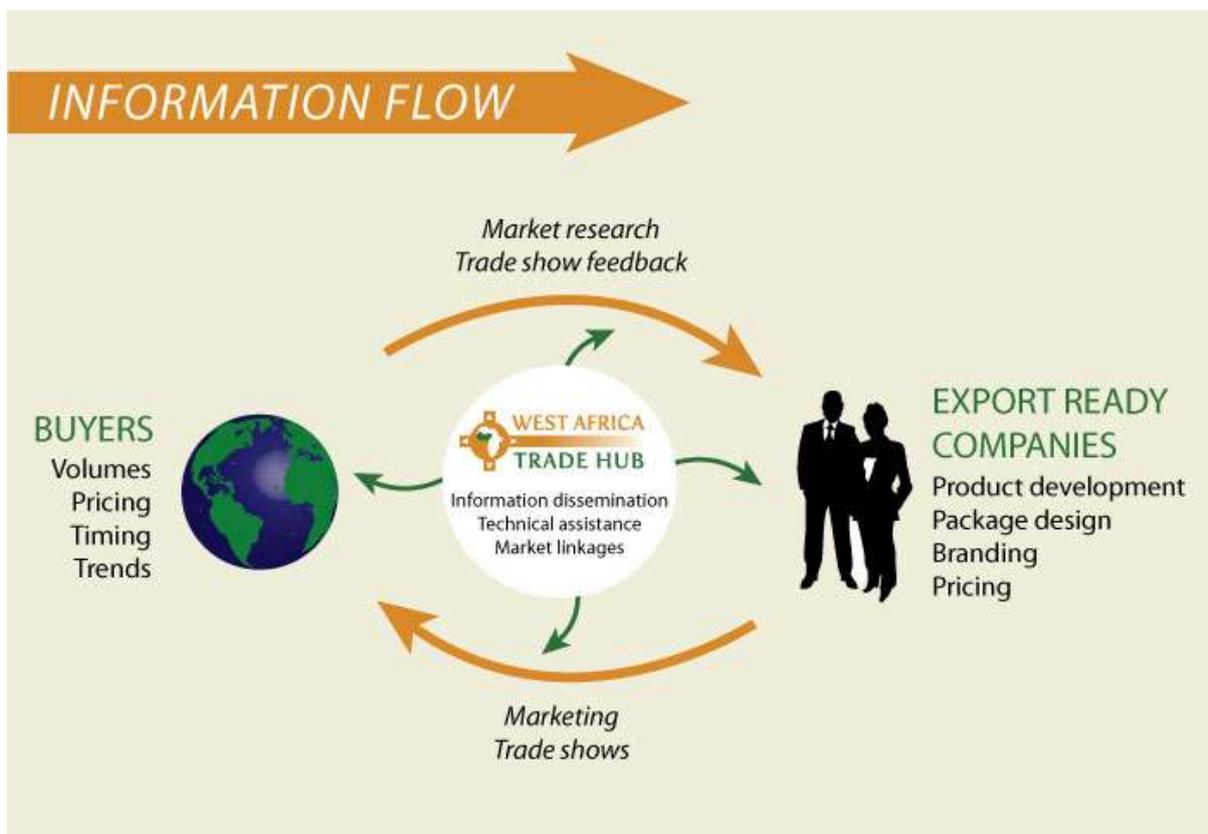
Activity	Date	Location	Contact person
Validation			Yeboah
Kayes National Transport Workshop & Mali-Senegal Trade and Transport Ministerial Preparatory meeting	Feb 27–Mar 4	Kayes, Mali	Amadou Ba, Ometere Omoluabi
Togo-Burkina Border Information Center Viability Assessment	March 6 -7	Cinkasse, Togo	Jane Owiredu Yeboah
ATP/ECOWAS Regional Agribusiness Association Advocacy Workshop	March 7-10	Abuja, Nigeria	Ometere Omoluabi
ECOWAS/UEMOA meeting on harmonisation of Trade Liberalization Schemes	March 28–31	Lome, Togo	Sola Afolabi, Peter White, Abou Fall
Ghana-Burkina Joint Committee on Bilateral Cooperation – Trade, Transport and Investment Sub-committee	March 29–31	Accra, Ghana	Jane Owiredu Yeboah, Ometere Omoluabi, Lacina Pakoun, Bright Gowonu
Telecommunications Infrastructure			
ICT Revision & Application training	March 29	Accra, Ghana	Ben Coleman



1. TRADE & INVESTMENT CAPACITY (BUSINESS)

This quarter, the Trade Hub's Trade & Investment Capacity (Business) component provided technical assistance to 444 companies (172 women-owned) and provided capacity building training to 3255 people (79 women). Exports were USD 6,754,382 million from Trade Hub-assisted firms, and the Trade Hub facilitated USD 42,921 in regional trade. The Trade Hub also facilitated USD 28,266 in investments, and companies receiving Trade Hub technical support and assistance created 5645 (4,896 women) new jobs.

The Trade Hub's business report is divided into AGOA and Market Linkages cross-cutting services assisting all sectors, and industry-specific training, technical assistance to firms, activities and results in each of the value chains. Gantt charts elaborate specific business strategy and objectives and show progress to date.



1.1 AGOA Services

Overview

The African Growth and Opportunity Act (AGOA) provides duty-free and quota-free market access to eligible sub-Saharan African countries on over 6,400 products. The USAID Trade Hub provides assistance in AGOA Services to trade-support institutions through a network of 15 AGOA Resource Centers (ARCs), export-ready companies (ERCs), and governments on export procedures and documentation, and facilitates stakeholders' efforts to develop export strategies that help countries take better advantage of AGOA.

From January to March 2011, AGOA Services trained 77 (33 women) stakeholders on customs documentation and textiles visa administration from Liberia; the workshop also covered export requirements and documentation, as well as export finance, and established an opportunity for public and private sector dialogue in view of pushing for an export strategy framework in **Mali**. Activities in **Nigeria** focused on export promotion, identification of ERCs, rules of origin, and trade show.

Liberia's textile visa system was officially approved in February by the United States Trade Representative (USTR) after just six months (the process usually takes more than a year). The textile visa system will allow Liberian apparel exporters to take full advantage of AGOA.

Results

Approval of Liberia's Textile Visa Arrangement and Customs Training

Liberia's textile visa system was officially approved February 8, 2011 by the United States Trade Representative (USTR), making Liberia the 12th country in the region to have an effective textile visa system in place. The textile visa system will allow Liberia's apparel exporters to take full advantage of AGOA. The USAID Trade Hub trained 17 officials (5 women) from the Ministry of Commerce and Industry, Liberia Bureau of Customs and



AGOA Customs Documentation and Textile Visa Training, Monrovia, Liberia 22-26 February 2011

Excise and the Ministry of Justice, on AGOA, rules of origin for GSP products and apparel products under AGOA, and how to efficiently administer the textile visa based on existing export procedures.

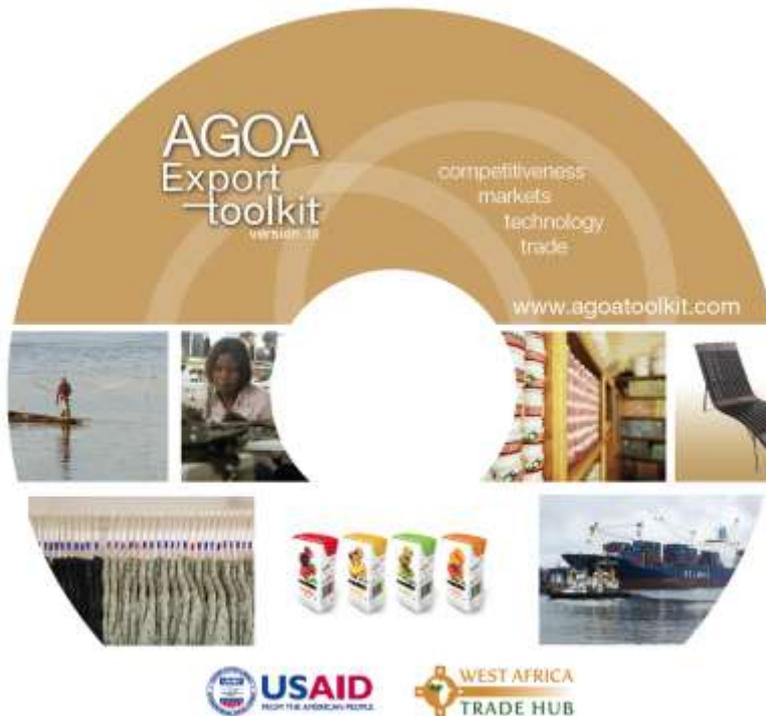
Mali ARC pushes for sectoral export strategy

The enhanced ARC in Mali with the USAID Trade Hub Director, AGOA Services Manager and CATEK financial services subcontractor provided training to 54 (23 women) companies from the shea and handicrafts sectors. The workshop resulted in draft action plans for both sectors. By the end of the workshop, participants better understood export requirements and the necessary documentation, as well as export finance. Public and private sector

stakeholders also exchanged views on developing an export strategy framework in **Mali**, especially with the newly created export promotion agency (APEX).

USAID Trade Hub releases version 10 of the AGOA Export Toolkit

The USAID Trade Hub released the 10th version of the AGOA Export Toolkit in March, making expert information on exporting from West Africa easily accessible on CDROMs and the AGOA website (www.agoatoolkit.com). Version 10 of the AGOA toolkit provides practical



AGOA toolkit CD label version 10

information for anyone proposing to do business in West Africa written in plain language. It specifically targets businesses exporting to the U.S. in the USAID Trade Hub's targeted sectors. The guide includes thousands of pages of in-depth and indispensable information on available resources and market research including market trends and landscape, and guidance on marketing, trade show preparation, product design and innovation, writing a business plan and understanding export requirements and procedures. Over 2,000 CD-Rom toolkits have been distributed to various stakeholders across West Africa, and beyond during international events.

ARCs reach hundreds with practical information on AGOA

The AGOA Resource Centers in **Benin, Cameroon, Gabon, Mali, and Nigeria** provided technical assistance to 155 (49 women) stakeholders from the public and private sectors during the quarter, according to submitted reports. Nigeria provided training to several companies and is helping a company export chef uniforms to the United States and an apparel company attend the Fiber-Fashion Show in Mauritius.

Nigeria's ARC staff gets their skills enhanced

The USAID Trade Hub provided a targeted three-day training for two BOI ARC staff and four members of staff from BOI's SME and Large Enterprise Departments. The training focused on aspects of export promotion, identification of Nigerian ERCs, USAID Trade Hub targeted sectors, rules of origin and trade show participation, among others. The training resulted in the drafting of an action plan to provide targeted technical assistance to Nigerian ERCs in the targeted sectors.

The USAID Trade Hub and the Nigeria Expanded Export Program (NEEP), a USAID-funded program, also discussed ways to leverage resources in order to target Nigerian ERCs.

Promoting a competitive textile and apparel industry in Central Africa

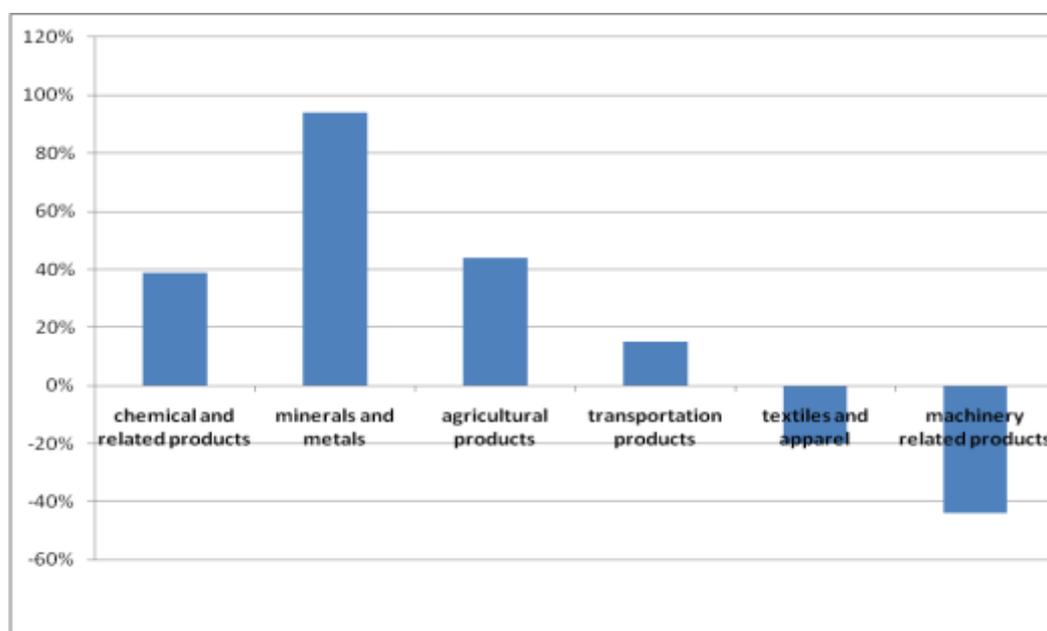
The USAID Trade Hub participated in a two-day forum in Yaoundé, **Cameroon**, attended by 207 (including 30 women) private and public sector participants from **Benin, Cameroon, Chad, Central Africa Republic, and Gabon**. Representatives from China, the EU, Turkey, and the U.S. also participated in the forum. Participants discussed ways to improve the competitiveness of the textiles and apparel sector in Central Africa, and agreed to set up a reference center in Central Africa to provide information on legislative and regulatory provisions (see Apparel section). (See "[Cameroon entrepreneurs work to capitalize on the potential](#)", Tradewinds, April 2011.)

Analysis

U.S. imports from sub-Saharan Africa were estimated at USD65 billion in 2010, an increase of 39% compared to 2009. AGOA (including GSP) exports jumped 31% to USD44 billion in 2010. With petroleum products excluded, AGOA imports were USD4 billion, an increase of 18% from 2009. The increase in AGOA imports is prompted by an increase of 39% of chemical products, an increase of 94% of minerals and metals, and an increase of 44% of agricultural products (due largely to a 103% increase of cocoa exports from Ghana) (see changes in composition of imports under AGOA in Table 1).

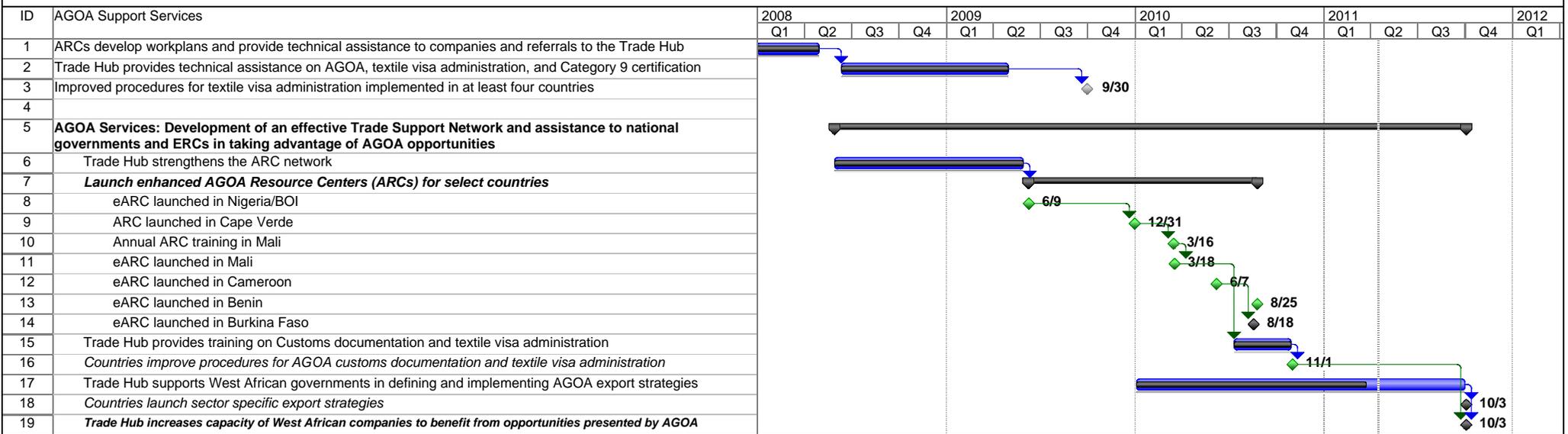
With Liberia obtaining its textile visa system, there is a clear need to upscale technical assistance to the Customs services around the region to effectively administer AGOA documentation in general, and specifically for apparel exports to the United States. The need is justified by the fact that several products that are exported to the U.S. pay duty although they should be treated as duty-free under the GSP or AGOA. A simple review of commercial invoices, and adding the Harmonized Tariff Schedule (HTS) code for example, can lead to an increase of goods exported and recorded under the GSP and AGOA preferential programs. The USAID Trade Hub will seek the best way to collaborate with the U.S. Customs and Border Protection (U.S.CBP) to help Customs services across the region become more effective in AGOA customs documentation.

The USAID Trade Hub facilitated a platform in Mali where stakeholders from the shea and home décor sectors succeeded in drafting sectoral export strategies. The model will be rolled out in key countries to help build similar strategies and foster a public-private dialogue aimed at building national export strategies in key countries across the region.



Percentage change in exports of selected sectors from AGOA-eligible SSA countries in 2010

AGOA Services Gantt Chart



Project: Trade Hub AGOA gantt chart 0
Date: Fri 4/15/11

Task		Summary		Rolled Up Progress		Project Summary	
Progress		Rolled Up Task		Split		Group By Summary	
Milestone		Rolled Up Milestone		External Tasks		Deadline	



1.2 Market Linkages

Introduction

Connecting West Africa to world markets is critical to expanding exports from the region. Most buyers and investors in major international markets are simply not aware of the business opportunities in West Africa; similarly, companies in West Africa are unaware of the opportunities in international markets. The USAID Trade Hub's market linkages program addresses this gap, facilitating West African companies' participation at major international trade shows and communicating the opportunities in West Africa. During the second quarter of FY2011, the USAID Trade Hub facilitated 635 direct links between West African producers and international buyers at six international trade events, whereby 16 companies from 8 countries participated at the shows, 9 of them women-owned.

Results

Peanut & Tree Nut Processors learn about ACA

The ACA introduced a new long-term strategy, the Maputo Declaration and a Quality Seal program to key stakeholders and potential new members attending the Peanut & Tree Nut Processors Association conference in (LOCATION) on (DATE). Industry insiders helped ACA gather data for constructing the business case for the seal and provided technical feedback. The ACA will offer the quality and food safety seal as a service to the industry, which is aimed at generating revenue and thus contributing to the long-term sustainability of ACA.

Sustainable Food Summit highlights a growing industry

The first U.S. Sustainable Food Summit in (LOCATION) on (DATE) provided an opportunity to connect to sourcing and corporate social responsibility managers in the food industry, and demonstrated the growing importance of sustainable food in the North American market. Buyers showed preliminary interest in West African food products, especially in the sustainable, organic and natural categories (specifically dried and frozen mango, canned goods, coffee, shrimp and tuna, and ethnic foods).

First Global Shea Alliance appearance at In-Cosmetics

In the USAID Trade Hub's second showing at Europe's largest cosmetics and cosmetic ingredients trade show, six West African companies from **Ghana, Mali, Nigeria** and **Senegal** exhibited products and introduced the Global Shea Alliance to the industry. The companies linked to more than 400 distributors and manufacturers. Laboratoires Bioessence of Senegal exhibited its newly launched Karipur skin and hair-care line at the show's high profile Innovation Zone, reserved for new product launches.



african-sheavalliance.com



africa-now.org



watradehub.com/fringreports



globalshea.com



tasteafricanow.com



wassda.org

Preparing Market Linkages Opportunities at Global Shea 2011

Intensive market linkages preparations were undertaken for the fourth annual shea industry conference in Accra, Ghana, April 6-7, (www.globalshea.com). Like last year's international shea conference held in Mali in March, the conference attracts several hundred key international and regional stakeholders working in the industry. This year's event took place as this report was being prepared, and was more significant than previous conferences because the Global Shea Alliance was formally launched (See "[Global Shea Alliance at Shea 2011](#)," Tradewinds, February 2011). The Alliance will promote shea worldwide, establish industry standards for quality and sustainable sourcing and facilitate information exchange. Market linkages preparations focused on two formal business-to-business events to assist firms: a trade show for participants to promote products and services and a B2B event where registered participants discussed business opportunities in a "speed dating" format. As the quarter ended, 33 firms had registered to exhibit and over 225 attendees had applied to participate in the B2B. The Market Linkages Team guided the communications team in preparing a variety of professional materials for the event.

New York International Gift Fair introduces AfricaNow! network

The USAID Trade Hub introduced the AfricaNow! network and collaboration strategy to importers and distributors, and other key players at the New York International Gift Fair in February. The USAID Trade Hub sponsored three importers to expand their selection of African products at the show, and supported four others with buyer trips and technical assistance as part of the strategy. One exporter from Burkina Faso exhibited in an independent booth for the first time after receiving USAID Trade Hub support for three years. During an AfricaNow! cocktail event co-sponsored with the seven importers, over 100 buyers and industry stakeholders expressed support and interest in the growing AfricaNow! network.

Ambiente Décor Show

Six companies from **Ghana** and **Senegal** exhibited newly designed product collections during the Trade Hub's second appearance at Europe's largest home décor and furnishings trade show. The products generated interest from major buyers from North and South America, Eastern and Western Europe, Australia, Asia, the Caribbean and the Near East. The companies in each country represented one agent/consolidator at the show who took orders on their behalf and will be able to consolidate orders to reduce shipping costs for buyers.

Home Décor buyer trips generate new orders

The home décor and market linkages team generated interest from 4 importers and retailers who made buying trips to **Senegal** and **Ghana**, meeting dozens of export-ready suppliers and forming lasting relationships. Some collections have already been showcased this quarter, while others are being prepared for distribution and retail over the next 12 months.

Strong interest in Africa at MAGIC apparel show

The USAID Trade Hub attended the Winter MAGIC apparel show in Las Vegas in February. MAGIC is one of North America's premier fashion trade shows featuring manufacturers of apparel and accessories, fabric and trim suppliers, and print and service providers. As in previous years, the USAID Trade Hub co-sponsored the participation of African apparel firms with the USAID COMPETE project in East Africa. Ken Atlantic of **Cameroon** and Malik Mendy from Designs of **The Gambia** attended the show, exhibiting products ranging from uniforms/work wear and woven garments, to lingerie. The USAID Trade Hub also sponsored fashion design company Global Mamas of **Ghana** in its first solo booth at the show. In addition, the Market Linkages Team represented the Ghanaian apparel industry, a model that has proved successful in previous shows. The West African apparel industry had

reached a new milestone by the end of the show, with deals worth USD 570,000 signed and an estimated USD 4.5 million in potential orders for **Cameroon, Ghana, and The Gambia**.

Sector	Trade & Marketing Events	# Participating companies (women-owned)	Countries Participating	# Buyer Linkages
Specialty Foods/ Cashews	PTNPA Annual Conference	N/A	N/A	27
	Sustainable Food Summit	N/A	N/A	24
Shea	In-Cosmetics	6 (4)	Benin, Ghana, Mali, Nigeria, Senegal	4
Home Décor	New York International Gift Fair	1 (0)	Burkina Faso	94
	Ambiente Décor Show	6 (3)	Ghana, Senegal	290
	Buyer trips	21	Ghana, Mali, Senegal	126
Apparel	Magic Apparel Show	3 (2)	Cameroon, Ghana, The Gambia	70
Total	6 International Events	16 (9)	8 countries	635

Analysis

As the world's economies and retail markets steadily recover from the 2008 financial crisis and ensuing recessions, sustainability is becoming increasingly important to consumers and the subject of many media reports. International brands and retailers are taking note and adapting products and communications strategies accordingly. Sustainability conferences and university programs are being developed, sustainable products and buildings are designed, sustainable sources of energy are created. Corporate social responsibility is increasingly integrated into company strategies and bottom lines. Brands like Kraft and Macy's have been launching sustainable sourcing programs for years, but in the last few months they have intensified their communication efforts: the food manufacturer launched a video documenting its work with ACA/ACI cashew growers, (see Q1 report) while retailer Macy's announced new efforts to reduce energy consumption and waste.¹² The cosmetics industry is also integrating sustainability to its marketing, with record-attendance at the European Sustainable Cosmetics Summit and a "Sustainability" theme to this quarter's In-Cosmetics trade event. The USAID Trade Hub-organized shea conference is seizing the opportunity to attract key cosmetic retailers, manufacturers, distributors and brands to join an initiative that would bring traceability and sustainable supply chain management into an industry fundamentally based on the work of more than four million women producers who are more or less invisible to the world's consumers.

¹² *Macy's expands sustainability program*, Home Textiles Today, October 10, 2010.

But sustainability has different meanings and it does not seem to be hard to stake a claim. Four specific sustainability areas will be relevant to West Africa and important to watch in the next year:

1. **Organic products.** The North American organic food and beverage market has overtaken Europe to become the biggest organic market in the world, more than tripling since 2000 as organic products become mainstream, according to a new report from Organic Monitor. “Despite fast growth in the amount of organic farmland in North America, production has not increased quickly enough to keep up with demand, leading to a shortfall in supply filled by imports from other countries.”¹³ This is an opportunity for West African exporters, but they need to be competitive against those in Latin America, the largest source of organic products.
2. **Sustainable packaging and ingredients.** Sustainability is expected to be a consumer packaged goods trend in 2011, as more product development around sustainable packaging and ingredients will occur. “There will be a greater focus on reduced packaging that promotes environmental responsibility in combination with uniqueness, such as box-less cereal bars or more cereals without the inner bag,” a 2011 Mintel study predicts.¹⁴ West African companies will need to continue to improve packaging to stay competitive – both by making it more environmentally sustainable, and by using the packaging to explain the social and economic benefits to the producers and communities.

The Green Shoppers:

- Diversely spread along all income ranges, age brackets, education levels and various household sizes
- Active consumers who buy more, shop more, and are less price sensitive
- Do not always understand the social and environmental benefits and they need help at the point of purchase
- Very sensitive to the use of in-store communication and information
- Sustainability considerations are an important purchase driver, but secondary to other dominant purchase drivers, like price
- A sustainable product can capture the shopper’s commitment and tends to create brand stickiness
- A minority of committed and proactive green shoppers are willing to pay more for green products

Source: 2009 GMA/Deloitte Green Shopper Study

3. **Natural and green claims.** Better regulation for ill-defined natural claims will be implemented in 2011, according to the same study. A June 2010 Mintel study shows that “natural” and “green” claims on new product launches have risen significantly since 2005 to about one-third of all products today¹⁵ while Deloitte (in a study for the Grocery Manufacturers Association) has documented an unfulfilled demand for “green” products¹⁶. As some consumers equate these claims with health claims, regulatory bodies are expected to become increasingly involved. The industry is also pushing limited regulation, as truly natural brands find themselves victims of “green washing” and increasing consumer skepticism of their claims (see Figure 1). West African companies need to watch these developments to make sure they are following labeling and claim regulations for imported products.

¹³ North American organic market becomes world’s largest, FoodNavigator.com, December 17, 2010.

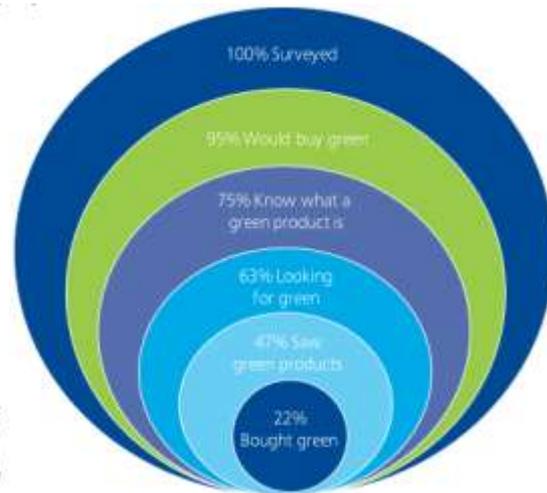
¹⁴ Mintel reveals consumer packaged goods trends for 2011, Mintel Press Release, November 20, 2010.

¹⁵ Mintel: natural and clean-label trend still driving NPD, FoodNavigator.com, June 16, 2010.

¹⁶ Finding the green in today’s shoppers: Sustainability trends and new shopper insights. GMA/Deloitte Green Shopper Study, 2009.

Figure 1

There is a large opportunity for companies to fulfill the latent demand for green products



Source: 2009 GMA/Deloitte Green Shopper Study

Sample Size is 6,488 Shoppers Interviewed. Percent figures indicate portion of respondents who indicated that they a) would purchase a green product (q14) b) answered "Yes" to knowing what a green product is (unaided q9) c) were looking for a green product (yes or no to seeing green products q10) d) saw green products (q10) and e) purchased a green product (aided) (q11). A sample questionnaire provided to shoppers is in Appendix A

- Health and safety expectations.** The Food Safety Modernization Act was passed on Jan. 4, 2011, expanding FDA authority in accessing records, mandatory recall, and mandatory preventive controls (similar to HACCP). Importers will bear more responsibility for food safety, as imported foods must now be manufactured in accordance with domestic requirements. Dietary regulations will likely be in the spotlight in 2011 as well, as snacking and snack foods and beverages are on the rise – a reflection of the modern multi-tasking lifestyle (Mintel). West African food exporters will likely face more quality control and safety certification demands from importers.

Whatever opportunities increase consumer awareness of sustainability on West African companies, they will need to pay attention to price competitiveness in all cases. While some studies claim that consumers are willing to pay up to 20% more for sustainable products, others show that sustainability is a secondary driver after price and functionality. This suggests that product design, production efficiency and safety are still the basic but most important aspects for the West African exporter to address. The ACA is on the forefront of African food safety with the introduction of a Quality Seal, but still has to make the business case for the extra cost to buyers.

In the apparel sector, Africa is attracting more interest as a sourcing destination, driven by its increasingly competitive pricing. Over the last year, prices in China, the world's largest apparel producer, have risen by 40%. As China's economy is evolving, and fewer young people enter the work force, upwards pressure is being exerted on wages. The current minimum wage in China rose to about USD 195/month, opposed to the average West African minimum wage of USD 65/month. Similar trends can be observed in other major apparel-producing countries, such as Bangladesh, albeit for different reasons. The contract apparel manufacturing industry is characterized by very tight profit margins, which is why price sensitive buyers are looking to Africa as an alternative. Africa still lags behind Asian competitors in terms of efficiency, but this is a gap that is closing as African manufacturers gain more experience in the industry. In order to maintain this momentum, the USAID Trade Hub will continue to provide apparel manufacturers with technical assistance to improve their efficiency, and work on the marketing side to promote West Africa as a cost effective alternative to Asia.

1.3 Sustainable Fish & Seafood

Introduction

The USAID Trade Hub links export-ready sustainable fish & seafood companies to international buyers, provides technical assistance on food safety and maintains a stakeholder network to facilitate information sharing and sector linkages – the West African Sustainable Seafood Development Alliance (WASSDA).

Trade in fish represents a significant source of foreign currency earnings, in addition to the sector's important role in employment, income generation and food security. The USAID Trade Hub is encouraging best fisheries management and practices to restore and enhance more diverse and abundant resources and uses. Improved governance is essential to sustain or increase seafood's contribution to economic growth.



Results

Sustainable Seafood Summit links international buyers, investors and partners to West African sustainable sources

USAID Trade Hub Sustainable Fish & Seafood Advisor Makhtar Thiam and Carana Corporation Communications Director Leah Quin attended the Sustainable Seafood Summit in Vancouver, Canada, Jan. 30 to Feb. 3, an event that attracts more than 700 participants, and includes 30 sessions and 100 speakers. The team identified several potential partners, including buyers (R&O Seafood Gastronomy; Sovintex; ZF Max International Supreme Lobster and Seafood Company), certifying bodies, (Marine Stewardship Council (MSC); Fair Trade USA, IUCN/Netherlands) NGOs (WWF Austria) financing institutions (Conservation International's Verde Ventures, The Resources Law Group; Global Fish Alliance), technical consultants (Blueyou, University of Rhode Island) and journalists. Prior to the event, Mr. Thiam participated in a workshop on Marine Stewardship Council Certification where he talked about challenges that the sustainable seafood sector is facing in



Trade Hub's Fish and Seafood Expert Makhtar Thiam and CARANA Corporation's Communications Director Leah promoting West African sustainable fisheries during the Vancouver Seafood Summit

West Africa and the ongoing sustainable fisheries initiatives in the region, including USAID's projects Ba Nafaa in The Gambia and Wula Nafaa in **Senegal**.

President and filmmaker Gideon Flit interviewed Thiam on certification issues in West Africa. Flit is preparing a film on seafood's sustainability issues throughout the world and requested USAID Trade Hub's assistance like to visit projects in West Africa and WWF's Kayar project in **Senegal** next year for his movie.

Financing Institutions learn about USAID Trade Hub's work in the sustainable fish & seafood sector

Following the Seafood Summit, Quinn and Thiam discussed the sustainability of the West African fish and seafood sector with Mr. Michael Valentine, who is leading the Sustainable Fisheries Fund of the Resources Law Group of Sacramento, California¹⁷. The discussion specifically focused on collaboration to move African fisheries toward sustainability in collaboration with the MSC. There seem to have been very few fisheries projects in West Africa with the potential to be MSC-certified, but there are possibilities to change that. Information on the projects making promising strides toward setting up MSC-approved systems was shared in order to help discussion participants get a better understanding of the requirements and next steps. The table below presents potential fisheries projects that could obtain MSC Certification:

COUNTRY	PROJECT	SPECIES	OTHER INFO
Cape Verde	Cape Verde's National Fishing Development Institute (IND)	Lobster	In development with MSC
The Gambia	Ba Nafa (USAID)	Sole	MSC pre-assessment
Mauritania	MSC/WWF	Octopus	In development
		Mullet	
Senegal	Wula Nafa (USAID)	Shrimp	Village-based, using traditional methods
	WWF/Department of Fisheries	Hake	Feasibility study already done
		Deep Shrimps	Certification study already done
	ENDA	Octopus	Local initiative/MSC

Sustainable Seafood Activities: Workshop on MSC certification

Mr. Thiam met this quarter with Dr. Niamadio and Mr. Alassane Dieng who are in charge of fisheries at WWF/Senegal to discuss the USAID Trade Hub's initiative to co-organize a workshop on MSC certification with Dr. Yemi Oloruntuyi, Program Manager for Developing World Fisheries at the Marine Stewardship Council, and the Senegalese Export Promotion Agency (ASEPEX). The workshop would include the participation of representatives of fisheries projects closest to the MSC standards in **Mauritania, Senegal, The Gambia and Cape Verde** in order to assess MSC certification readiness in the region and to identify next steps. WWF/Senegal is willing to join this initiative by participating in the workshop and fund-raising.

¹⁷ The Resources Law Group manages several sustainability funding sources, including the Sustainable Fisheries Fund, which is backed by the Packard Family Foundation and the Walton Family Foundation, and spends about USD 900,000 a year, usually in grants of USD 25,000-USD 30,000.

USAID's fisheries projects in Senegal: Assessing possible synergies



Trade Hub's Fish and Seafood Expert Makhtar Thiam met with MSC's Staff during the Seafood Summit at Vancouver

Thiam participated in an initial orientation meeting organized by the URI-USAID COMFISH Project (Collaborative Management for a Sustainable Fisheries Future in Senegal) in Dakar on March 9. (URI and USAID have signed a cooperation agreement, which led to the URI-USAID COMFISH Project.) The purpose of the meeting was to provide an overview of the project and discuss priorities over the next seven months (through September 30, 2011) including the key members of the URI in-country and home office team, the

objectives and main components of the project, in particular sustainable fisheries and certification and the roles of core institutional partners. Mr. Peter Trenchard of USAID/Senegal emphasized the need for synergy and coherency between USAID projects in this area. The USAID Trade Hub invited COMFISH to participate in the upcoming workshop on certification to be held in Dakar and to discuss USAID's fisheries projects in **Senegal**—COMFISH, Wula Nafaa and the USAID Trade Hub—with an accent on what the projects are currently doing, ways to stay well coordinated, and ways to identify potential complementary activities.

Analysis

Although seafood is the food most heavily traded internationally, it is often not considered an element in food security policies in Africa, even if it provides substantial incomes that people can use to purchase other services and consumer goods, including foodstuffs such as rice, corn, oil, tomatoes, etc. For this reason, it is necessary and urgent to promote sustainable fisheries in this region to allow people to live and fish sustainably, but also to leave stock for future generations.

According to the FAO, seafood contributes to approximately 15% of the consumption of animal protein for 2.9 billion people and this figure may reach over 60% in some coastal West African countries—**Senegal** (47%); **The Gambia** (62%), **Sierra Leone** and **Ghana** (63%).

The World Fish Center estimates that up to 45 million Africans are dependent upon fish and about 50% of those employed in the fisheries sector are women. A World Bank study estimated that over USD 1 billion is lost each year in Sub-Saharan Africa from illegal fishing and poor management.

These countries also have enormous difficulties monitoring their coasts and implementing good governance in the fisheries and marine environment. Free access to the waters for artisanal fishers creates additional pressure on marine resources.

All these combined phenomena have resulted in declining stocks and increasing fish prices in local markets and thus negatively affects the food security problem in populations who cannot afford the animal protein necessary for their survival. This also highlights the link between fishery resources management and food security in Africa.

Despite all these challenges more and more actors in African civil society, including artisanal fishermen in some countries such as **Senegal, Mauritania** and **The Gambia**, are aware of issues related to good governance of fisheries. This also explains the interest of people dependent on fisheries for sustainable fisheries projects, the success of USAID's projects such as USAID/Ba Nafaa and Wula Nafaa, and also the growing interests in eco-certification that can help preserve the resource and access to more lucrative and secure markets. Consumers in Northern countries in Europe and USA must support these initiatives by agreeing to pay a premium price but also the largest distributors of these countries need to invest in sustainable projects and certification initiatives in developing countries. For example the USAID Ba Nafaa project is currently working with The Gambian government on Sole MSC pre-assessment Certification.

The sole fisheries in **The Gambia** had a pre-audit conducted based on MSC criteria. Ba Nafaa has entered into a MOU with MSC to assist the fishermen; processors and the Department of Fisheries are addressing the deficiencies reported in the pre-audit report and working to meet the sustainability criteria required to be eligible for MSC certification.

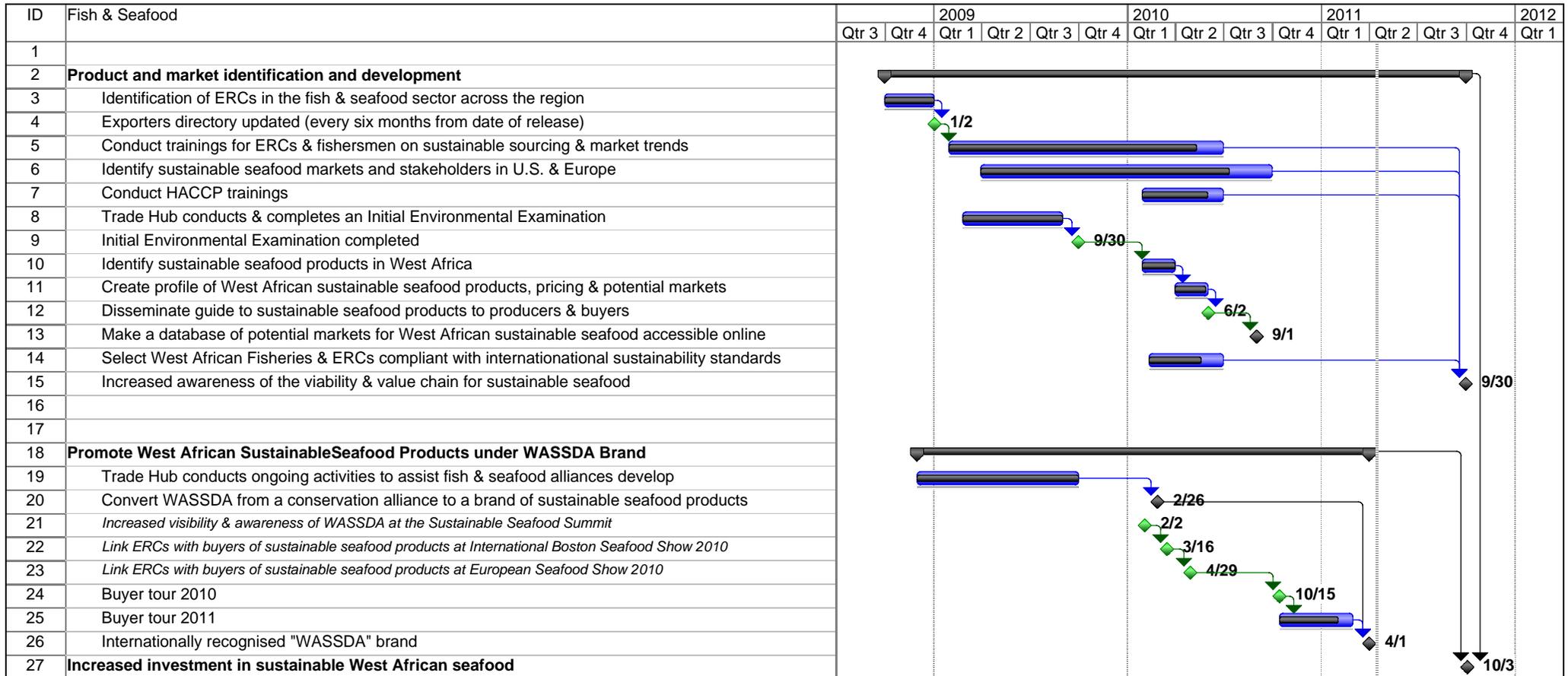
In the same perspective the new five-year USAID project in Senegal, COMFISH, aims to select at least one high-value export fishery with which to work to put in place the conditions necessary for eco-certification under the MSC program. Candidate eco-labeled species are lobster, octopus, hake and shrimp.

It should be noted that it is the industry's and government's responsibility to apply for and obtain MSC certification, including payment of audit fees. The USAID Trade Hub will help raise the visibility of these kinds of projects and act to stimulate the interest of investors, donors and other international actors of sustainable fisheries to support these initiatives and make them sustainable. The success of these examples will encourage African governments to make greater efforts to expand their sustainable fisheries policies.

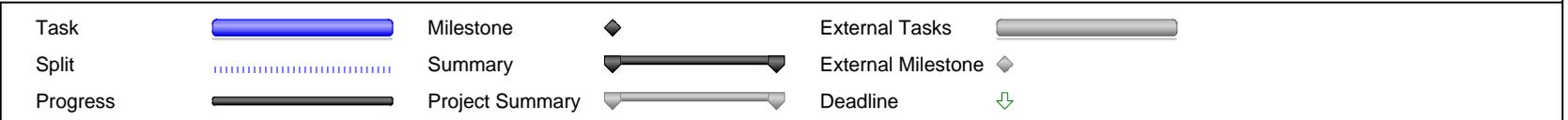
Improved governance is essential to sustain or increase seafood's contribution to food security, according to economic policy experts Martin D. Smith of Duke University and Cathy A. Roheim, of the Sustainable Seafood Initiative at University of Rhode Island. Their research has shown that much of the world's seafood production comes from regions with weak governance.

Climate change is also creating significant challenges to the production of fish and seafood, United Nations reports have noted. The production and livelihood system is already in crisis due to years of overfishing and poor management. The well-recognized threat to development and food security is an impetus for local, national and international action.

In conclusion, to achieve food security goals African countries must necessarily define and rigorously apply good governance of economic and environmental policies.



Project: Fish and Seafood 10-12-10
Date: Fri 4/15/11





1.4 Cashew and the African Cashew Alliance (ACA)

Introduction

More than 1.5 million smallholder farmers collect and sell cashew nuts between February and May in West Africa. The tree crop supplements the incomes of more than six million West Africans during the dry season when cash is greatly needed to pay for food, education or medical services. West Africa's production of raw cashew nuts has more than tripled over the past ten years. At 30 percent of the world crop, it is the region with the highest concentration of cashew nut trees on the planet.



Although demand for cashew has steadily increased and continues to outstrip supply, the West African economies could benefit to a much greater extent from the increase in production and demand. West Africa exports the majority of its cashew crop in its raw, low-value form (USD 1.2-1.5/kg) instead of the processed cashew nut (USD 7-10/kg, with approximately 20 percent raw-processed yield). Farmers are price-takers in a fragmented trade dominated by shifts in production and demand in India and Vietnam - the main importers and processors of African cashew. By exporting the raw material, West Africa also exports jobs and extra business opportunities overseas (as demonstrated by the USAID Trade Hub's Multiplier Effect Study).

In 2005, the USAID Trade Hub co-founded the African Cashew Alliance (ACA), a business association bringing together African and international cashew businesses sharing one vision: adding value and maximizing the crop's benefits to people in Africa. The USAID Trade Hub has provided technical, financial and in-kind support to the ACA by hosting the Secretariat from 2006-2009 and subsequently by supporting ACA's business advisory and technical assistance to processors. Between 2006 and 2010, Africa's exports of processed cashew have more than doubled, with the bulk of the increase having occurred in West Africa. In four years, ACA members have created more than 7,500 new jobs in West Africa's cashew processing factories, most of them for unskilled rural women. Cashew processors in the region today buy cashew nuts from more than 100,000 farmer households. A competitive cashew processing industry in Africa not only creates jobs through value addition but also improves the farmer's return on the crop by creating direct linkages with processors.

With the support of a team of McKinsey strategy consultants funded by the Gates-funded African Cashew initiative (ACi) project, the ACA's Executive Committee, governing body of African and international cashew businesspeople adopted a five-year strategy for the organization. It develops a revenue model based on core activities and services ACA will offer to ensure the sustainability of both the industry and its association.

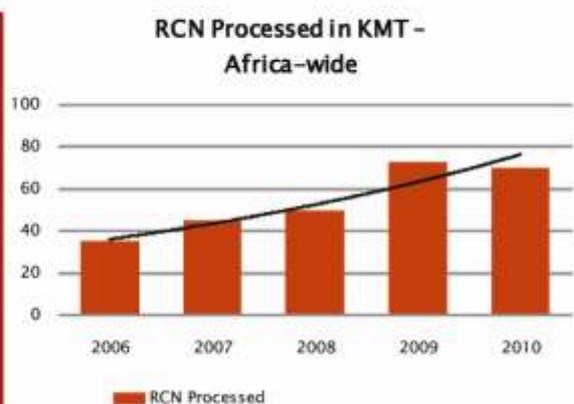
ACA's achievements 2005-2010

Development Impact
 ✓ New Jobs : 10,000
 ✓ processing volume increased from 35,000 to 73,000 MT

Recognition
 ✓ 126 members (20 countries)
 ✓ 710 people at ACA conferences
 ✓ 4 MoU signed with Organizations/Gov. Agencies
 ✓ National Committees in 10 countries
 ✓ Participation in World Cashew Project creation

Reach
 ✓ 1,350 persons in 17 national training and promotion events
 ✓ 1,500 contacts in ACA database (traders, service/equipment suppliers,
 ✓ 50,000 visits on ACA website (20,000 in 2010, 50,000 views)
 ✓ 540+ business and membership enquiries via website (180 in 2010)

Resourcefulness
 ✓ 37 buyer and investor trips facilitated
 ✓ Technical assistance provided to 30+ cashew companies
 ✓ 300+ B2B facilitation at ACA conference
 ✓ Attended 16 intl. industry conventions
 ✓ 6 intl trade fairs
 ✓ Publications online: 14 newsletters, processor directory, 41 studies, 11 technical guides, e.g. investment guide.
 ✓ Mobilized \$30m+ for the African cashew sector



Results

ACA Executive Committee Pays Tribute to ACA President Cherif Hibrahima

At its March 2011 meeting in Accra, the ACA's Executive Committee paid tribute to its recently elected President, Cherif Hibrahima, a cashew processor from Côte d'Ivoire. Hibrahima had suddenly passed away in early March after suffering a severe illness. The committee resolved to honor Cherif Hibrahima's commitment and passion for the development of the African cashew industry. The committee elected Mr. Idrissa Kilangi, a cashew processor from Tanzania, acting President and adopted an ambitious five-year strategy for ACA to become a largely private sector funded organization and to increase processing in Africa by more than 130 percent. This corresponds to creating 11-16,000 new jobs in cashew processing over the coming five years¹⁹.

The strategy is based on the following vision and mission for the organization:

Vision: A globally competitive African cashew industry that benefits the value chain – from farmer to consumer.

Mission: Support the African cashew industry by:

- Providing technical assistance and facilitating investments
- Promoting market linkages and international standards
- Sharing information and best practices

Objectives:

- Increase processing
- Improve competitiveness and sustainability
- Facilitate public-private cooperation

¹⁹ The number of jobs created depends on the level of mechanization of the cashew processing units.

The ACA annual conference and its communications focused on investment promotion are core ACA activities. The strategy provides the ACA Secretariat with options for enhancing the revenue flows from core activities, such as membership, conference fees and sponsorships, so as to ensure that ACA's activities become self-funded within five years. The EC further decided that additional activities will focus on supporting investors in cashew processing with technical assistance and support in accessing finance; the development of an internationally recognized quality and sustainability seal; and establishment of partnerships with private sector associations in Africa's cashew-producing countries. Service revenue from the ACA seal and to a lesser extent from ACA's investment support services will ensure that all of the ACA's operations are self-funded by 2015.

ACA Seal Demonstrates Value of Quality to Processor and Buyer

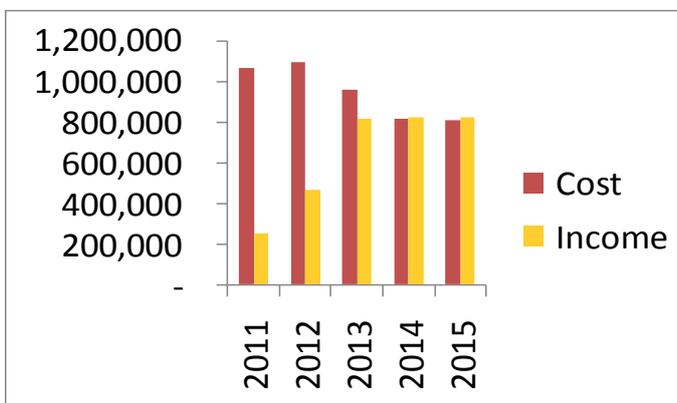
Cashew processors could increase their profitability by USD 0.04 to 0.07 per pound of processed cashew by implementing a set of quality and food safety control procedures. A buyer/roaster stands to gain USD 0.02 to 0.04 per pound – a significant potential in an industry with razor-thin margins. The ACA's food safety and quality expert developed the set of procedures for the requirements of an ACA seal based on his 30 years experience as a quality controller at Planters, the largest user of cashew in the U.S. Mozambican cashew processors reviewed the procedures and the cost-benefit analysis at a seminar co-organized with USAID's AGRIFUTURO program in February. Planters and Intersnack, Europe's largest buyer of processed cashew, are supporting ACA in the development of the seal's requirements. The ACA and its partner organizations under the ACi project will offer technical support in implementing the procedures against a fee.

Processing investments take off in Africa

The **Nigerian** Export-Import Bank approved a USD 1 million working capital loan for three cashew processors supported by the USAID Trade Hub's finance team and the ACA Business Advisor, Sunil Dahiya. As part of the deal, Dahiya provides technical assistance to ensure the processors' performance and the USAID Trade Hub's finance team prepares business and repayment plans in cooperation with the bank. ACA members have provided purchase orders, one of the most important pre-conditions imposed by the bank. The scheme is expected to enable the processors to provide more than 500 jobs, with significant

up-scaling potential over the coming five years.

Similarly, a cashew processor in Togo has been assisted by the team to secure funding. This processor has subsequently received a total USD 650,000 from three different lending institutions. Groups of small and medium processors in Guinea-Bissau are also benefiting from efforts by the team in the same direction. In **Senegal** and **The Gambia**, ACA is signing a cooperation and cost-sharing Memorandum of Understanding (MOU) with USDA-



ACA Five Year Budget Projections

funded International Relief and Development (IRD) for the development of a contract processing model for a group of small-scale processors (see diagram). A **Burkina Faso** cashew processor's working capital needs (approx. USD 250,000) were financed by a buyer as part of a partnership facilitated by ACA in 2010. Technoserve provides technical assistance and training to processors in five countries under the ACi project. In Benin after several years of support, three newly-established processors are expected to get cracking in

2011, financed in part through a GIZ guarantee facility. A fourth processing factory is under construction with capital raised by a U.S. based buyer and member of the ACA. **Ghana** continues to receive the most attention and interest for international investments in cashew processing. Investors from India, Brazil and elsewhere are in different stages of pursuing investment projects. One medium and one large-scale processing factory in the Brong Ahafo region of **Ghana** will be operational later this year, financed by Indian ACA members. ACA founding member Olam is conducting tests to launch the operation of one of the most modern mechanized cashew processing factories in the world in Bouaké, **Côte d'Ivoire**. The project is facing delays due to the political crisis in **Côte d'Ivoire** but is nevertheless expected to go ahead over the coming months. The trading giant is also expanding processing operations in **Nigeria**.



Contract processing model

ACA Builds Public-Private Partnerships for Cashew Development Policies

As the African business association for the cashew sector, ACA aims to facilitate public-private cooperation in developing adequate policy and regulatory frameworks in Africa's cashew producing countries. To that effect, ACA has established national committees in most countries composed of volunteer cashew businesspeople elected by cashew stakeholders. The national committees promote the development

of independent, effective private sector associations integrating the cashew value chain from farmer via trader to processor and exporter. In February, the **Ghanaian** ACA National Committee, led by a Secretary financed under the ACi project and with the support of a project financed by the French Development Agency, supported the government in the development of a national strategy for the cashew sector. In **Benin, Burkina Faso** and **The Gambia**, ACA national committees held stakeholder workshops to agree on initial buying prices, address other issues of concern, and launch the establishment of national cashew associations. The events received the support of USDA-funded International Relief and Development (IRD) in **The Gambia**, the Belgian Development Cooperation Agency and ACi in Benin as well as GIZ in **Burkina Faso**.



Burkina National Workshop- Mrs. Jocelyne Vokouma, Governor of the Cascades Region interviewed by the Burkina National Broadcast Channel

Between January and March 2011, ACA also achieved the following results:

- ACA website and Youtube channel feature a video highlighting ACA's Conference and efforts to promote the African Cashew industry
- At the PTNPA annual convention in Las Vegas, ACA EC member Kees Blockland introduced more than 100 convention participants to the industry in Africa, referred them to the ACA Maputo Declaration and Business Code of Conduct and promoted the 6th ACA Conference to be held from 19-22 September 2011 in Banjul, **The Gambia**. ACA Managing Director Christian Dahm held numerous meetings with US cashew stakeholders to present and discuss the ACA quality and food safety seal. Industry insiders helped ACA gather data for constructing the business case for the seal.
- ACA continues to strengthen partnership with the U.S. Peace Corps and participated in a development partners meeting on small enterprise development organized by the Peace Corps. The event helped participants to understand the Peace Corps Small Enterprise Development sector in **Ghana** and the agency's food security initiatives. New collaborations are ongoing since PCVs based in cashew growing areas are gathering cashew market information.
- The Public Ledger in its 24th January issue featured a report on the African cashew industry. The story highlights the high price trends and volumes of the 2010 African cashew campaign and presents ACA's efforts to improve the quality of the nut and the value addition to the raw nut in Africa.
- The ACA released and disseminated a Cashew Market information update to over 1,500 cashew industry stakeholders. (Annex 11)
- ACA facilitated a Brazilian cashew investor assessment trip to **Ghana** and linked them with cashew stakeholders along the value chain, government representatives from the ministries of Agriculture, Trade, banks and a certification body. A follow-up trip is ongoing to firm up arrangements made in the first trip on raw nut purchases.
- 250MT of raw cashew nuts shipped from **Ghana** by a group of Brazilian companies cleared customs and regulatory authorities in Fortaleza, Brazil. The occasion marks a milestone of more than two years of support ACA provided to an investment project of the group in cashew processing in West Africa

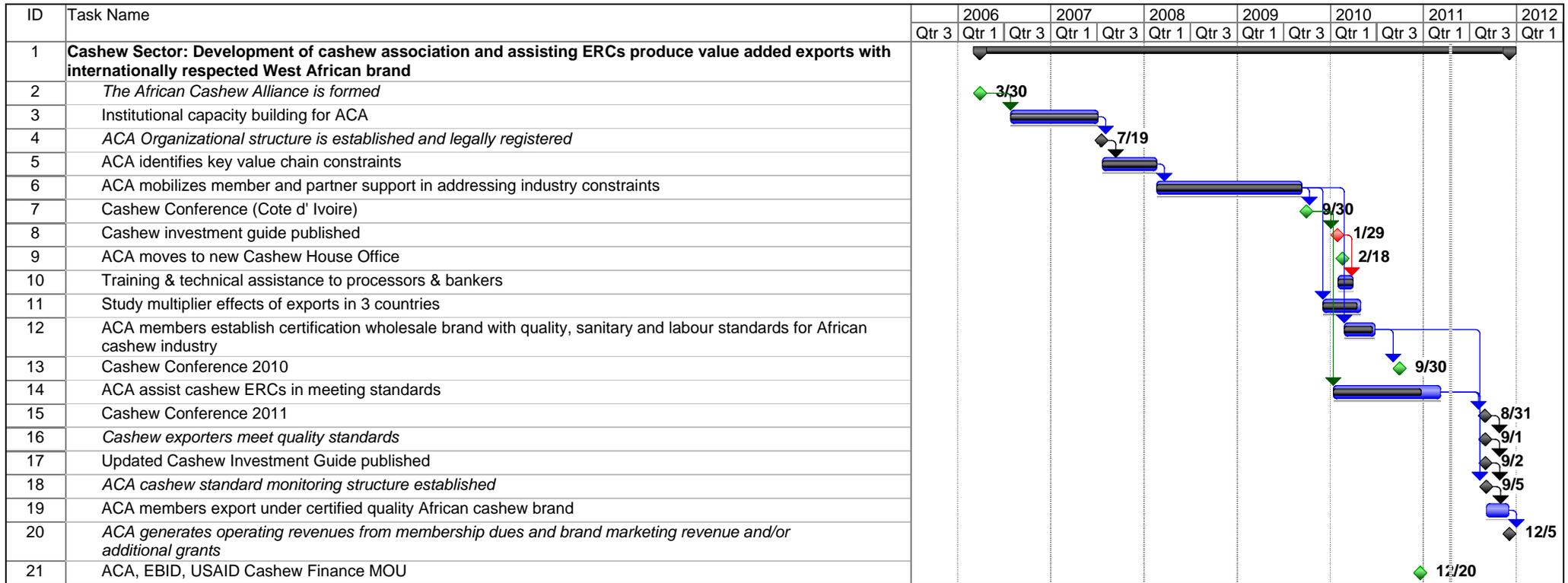
Analysis: Cashew Season under Way Amid Concerns Over Price Hikes and Marketing

The rules of the world market for cashew are changing fast. In March 2011, prices for whole white 320s cashew kernels went above USUSD 4/lb for the first time ever. Historically, prices have been high in the early part of the year before slightly going down with the arrival of the West African, Indian and Vietnamese crop. But this did not happen in 2010 and in 2011 prices have continued to climb despite indications of weakening demand in Europe and the U.S. The Indian domestic market currently pays 10-12% higher prices for WW320s than the international market. As a result, Indian processors will continue to pay competitive prices for RCN in Africa. The RCN trading season in West Africa has started at significantly higher initial prices than in 2010 and prices have continued to climb. In light of the uncertainty of cashew kernel price developments, African cashew processors face the risk of buying RCN at high prices and selling their kernels when prices have come down. This could be fatal for a newcomer in the business. There are a few options for negotiating sales contracts with buyers, all with varying degrees of risk exposure:

1. Market-based spot-sales: the buyer will pay based on the market price at shipment. The processor can select the best price offer among the buyers. (high risk)

2. Forward contract with floor price: the buyer commits to a minimum price for a given period and a given number of shipments. The processor will receive the market price if the market price is above the floor price. The buyer might cap the maximum at a ceiling price. Processors opting for this solution need to have a clear understanding and projection of their cost structure, in particular the raw material costs, for the given period to negotiate price floors and ceilings. The price floor might not fully ensure that the processor covers his costs (medium risk).
3. Forward contract with fixed price: the buyer commits to a fixed price for a given period. Here again, the processor needs to understand and project costs for the period to calculate the minimum fixed price he requires to stay profitable (low risk).
4. Group marketing: small processors may group together to jointly market their products and thus share the risk exposure.

Coming out of the tradition of the USAID Trade Hub's market-based approach, ACA facilitates support and partnerships from experienced traders and buyers for cashew processors, e.g. options 2 and 3.



Project: Cashew 07-13-10 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



1.5 Shea

Introduction

Nuts from the shea tree—which grows across the arid Sahel, Sudan and Guinea Savannah eco-zones of West, East and Central Africa—are picked and processed into butter for use in cosmetics, confectionary and pharmaceuticals. Global exports of shea nuts and butter are estimated to have increased in value to more than USD 120 million in 2010, from USD 10 million in 2000—a 1,100% increase in just 10 years! At least four million women across the region sustain their families from the income they generate from picking and selling the nuts. The USAID West Africa Trade Hub works with stakeholders in the industry to increase the competitiveness of West African firms that processes the shea nuts into butter and edible oils.

Year	Sheanuts for Export (SETS)	Value Nuts USD	Shea Butter Total Value	Shea Exports Total Value
2000	101,500	10,000,000	1,500,000	11,500,000
2005	158,000	21,000,000	12,000,000	33,000,000
2010	300,000	45,000,000	75,000,000	120,000,000
2015	530,000	70,000,000	132,000,000	202,000,000

Estimated growth of the shea industry from 2000 projected to 2015

Results

Trade shows and other events

Six export-ready companies exhibited shea products and other cosmetic ingredients (beeswax, cocoa butter and baobab oil) under the Global Shea brand on its second appearance at the in-cosmetics show in Milan, Italy, March 29-31. Agrobotanicals/Shea Radiance (**Nigeria/U.S.**), Kalojé (**Mali**), Karethic (**Benin/France**), Laboratoires Bioessence (**Senegal**), Natura Sarl (**Benin**), and Solution Oasis (**Ghana**) participated in the show. The Global Shea Alliance booth's eye-catching design and professional graphics helped the companies link to over 400 industry stakeholders including leading brands in the international cosmetics sector. Laboratoire Bioessence's products were featured in the show's Innovation Zone with its new product range, Karipur, which includes body care (body milk, cream, shower gel) and hair care (shampoo and conditioner) products all formulated from shea, baobab oil and other plant extracts and come in the latest glass packaging for cosmetics.



One of the banners used at In-Cosmetics, Italy

The Shea Team participated in the **Burkina Faso** shea industry annual event Salon International du Karité de Ouagadougou (SIKO 2011) organized by the Table Filière de Karité (TFK) January 21-22. USAID Trade Hub Business and Finance Director Roger Brou and Shea Advisor Peter Lovett presented on the formation of the Global Shea Alliance (GSA) and preparations towards “Shea 2011: Sustainable Solutions.” The event involved over 120 stakeholders representing the shea industry in **Benin, Burkina Faso, Ghana** and **Nigeria**. Burkina Faso’s Minister of Agriculture opened the show.

Global Shea Alliance

The Shea Team focused most of its effort during the quarter on preparing for “Shea 2011: Sustainable Solutions,” the fourth international shea industry conference, which was set to feature the launch and General Assembly of the Global Shea Alliance, the first private sector-led international organization. In a meeting facilitated by the USAID Trade Hub, more than 50 stakeholders, including the world’s leading shea-buying businesses, formed the Alliance in Accra in October 2010. (See “[Global Shea Alliance at Shea 2011](#),” Tradewinds, February 2011.)

More than 300 people were expected to participate in the conference. About 14 major shea stakeholders, including AAK, Ecobank, GIZ, SNV, EBID, Loders Crocklaan, Wilmar, The 3F Group, Damco, Fludor, SGS, SAP/Planet Finance, Technoserve, and The Body Shop had pledged more than USD 35,000 in sponsorship for “Shea 2011” as the quarter ended. Sixteen individuals from Burkina Faso, Ghana, Mali, Nigeria, UK and India who have years of experience in the shea sector had sent in their nominations for the Global Shea Alliance’s Executive Committee. About 100 people had registered and paid their Alliance membership fees, confirming their eligibility to vote for the Executive Committee members.

The Alliance seeks to promote shea worldwide, establish industry standards for quality and sustainable sourcing and facilitate information exchange. More information is available on the www.globalshea.com website.

The USAID Trade Hub, currently acting as the official Secretariat of the Global Shea Alliance with agreement from all stakeholders present at the October meeting in Accra, took the initiative to formally register the Alliance as a company limited by guarantee under the nonprofit regulations of Ghana on March 3, 2011.

Don't miss

Global Shea 2011

The key shea industry annual event

April 6-7, 2011 Accra, Ghana



News from the Industry

Nigeria forms National Shea Association

Stakeholders in the Nigerian Shea industry formed the National Shea Products Association of Nigeria – NASPAN in February. NASPAN registered its executive committee members for “Shea 2011.”

ERC Benefits from GLOBASE

As part of its technical assistance program, the Trade Hub partnered with MBA students from Indiana University’s Kelly School of Business on the Global Business and Social

Enterprise (GLOBASE) program to provide technical assistance to All Pure Nature, an exporter of finished shea products in Ghana. Under the GLOBASE program, a team of MBA students with various skills and backgrounds work with an organization to provide consultancy services in areas of marketing, finance, operations, strategy and entrepreneurship. Four MBA students worked with All Pure Nature to design a marketing plan that recommended e-commerce solutions, including online marketing, customer segmentation, website enhancement to attract U.S. buyers and effective communication via social media.

International media links made

As part of the drive to reach out to a larger international audience with a more commercially-oriented strategy in the confectionary and other agribusiness sectors, Shea Advisor Peter Lovett subscribed to The Public Ledger and became a member of the American Oil Chemist Society (AOCS) on behalf of the USAID Trade Hub. The Public Ledger covers the agribusiness sector with news on commodities, e.g. cocoa, vegetable oils, cashew and other specialty foods. The latter also produces a monthly magazine, Inform, in which Dr. Lovett had previously published and AOCS presented a generous sponsorship opportunity in SmartBrief, its new email newsletter, by advertising Shea 2011 to its start-up database of 38,000 customers within the oils and fats industry.

New Shea Products sent to international company

Samples of karitene, the latex-waxy by-product of shea fractionation—a new product from shea—were eagerly received by a well-known European home products brand for further testing as they seek an innovative solution to source sustainable ingredients for candles.

Attendance at Biofach and professional beauty shows

The opportunity arose for the Trade Hub's shea expert to visit the Europe's biggest annual organic trade show—Biofach, Nuremberg, Germany—and U.K.'s largest health and spa show—Professional Beauty, London, U.K. Both shows are highly recommended to the appropriate clients as places where shea is being highly featured. Biofach could present a good opportunity for any of the Trade Hub's certified agri-business clients and a large African Pavilion dominated one of the 9+ halls which 70,000 people attended. Professional Beauty would be an excellent place for clients focused on the spa industry and was clear that many of our clients could far outshine competition with both products and stories seen.

Shea Export-Ready Companies benefit from financial technical assistance

Karikis International Ltd a shea butter exporter from Burkina received financing from Root Capital, a result of the technical assistance offered by the USAID Trade Hub Finance Team. The Cabinet d'Assistance Technique (CATEK) one of the USAID Trade Hub's finance subcontractors based in **Mali** worked with Felicité Yameogo, owner of Karikis to acquire the loan to finance her shea exports during the 2011 shea season. The loan will help Karikis buy shea butter made by local women's collectives that have taken out micro credit to collect and aggregate shea nuts in anticipation of the company's purchases for the season.

Analysis

The Shea Team has made its core focus the formation of the Global Shea Alliance and preparations for “Shea 2011: Sustainable Solutions”, and the two spring trade shows in Europe and U.S. The table below summarizes key events leading to the formation of the alliance.

Date	Event	Participants	Outcome
March 24-26, 2009	Global Shea 2009	Conference participants	Laid down broad strokes for alliance
March 15-18, 2010	Global Shea 2010	Conference participants	Session on alliance building and consensus to start Global Shea Alliance
October 11, 2010	Founders' Meeting	Founding members	Declaration of GSA formation and establishment of interim steering committee
January 20, 2011	Interim EC telco	EC and Secretariat	The EC discussed the draft guidelines and made recommendations
January 25, 2011	Rewriting the guidelines	Secretariat	Secretariat reviewed and edited the guidelines to reflect recommendations from EC
February 2, 2011	Alliance registration	Secretariat	Secretariat started the process of registration, contacted an international audit firm and got the EC sign the registration document
February 15, 2011	Interim EC telco	Adopting the guidelines	The interim EC adopted the guidelines to be presented to the general assembly
March 2, 2011	Nomination and voting by laws	Secretariat	The secretariat drafted the nomination and voting bylaws for the alliance which was adopted by the interim EC on March 9, 2011
March 3, 2011	Certificate received	Secretariat	The secretariat received the certificate of registration
March 15, 2011	Received nominations	Secretariat	Announced that nominations was opened

As invitations to speakers, trainers and other participants of Shea 2011 continued, the outstanding need for the GSA to develop a clear business case for increasing shea visibility in edible products has emerged. The credibility and future success of the Alliance is based on the broad representation of the value chain from grassroots to retailers, including international brands and converters. Civil society representatives and service providers are also making key contributions to the growth of the industry. Major international chocolate brands always stated, when asked, that shea has never been a competitor but is included as a functional ingredient, improving both the product through better melting curves, bloom reduction, etc, and in economics terms—smoothing out the highly volatile cocoa prices of recent times. Trans-fats are also rapidly disappearing from western supply chains as regulations come into force, with conversion to natural fat formulations—giving shea continued opportunity for increased demand, although there is growing competition from other crops such high stearin sunflower supplies for formulation of cocoa butter equivalents and cocoa butter improvers.

It is also clear that “shea oil”—as refined or fractionated shea butter defined by the U.S. Food and Drug Administration—is actually now being used more frequently in the U.S. confectionary market than in previous years. This appears to be a result of the open-ended regulations regarding its use in coatings, fillings, etc. A recent study on the low allergenic

status of shea²¹ was also just officially published. Clarifying and broadening this regulatory framework could dramatically open markets with the U.S. confectionary houses with the aim of promoting shea visibility and increased use in the U.S. edible market place. Caution and patience, however, is advised as consumer education and relationship building with the large older corporate firms, can be a slow and complex process. Invitations to have telephone meetings or one-on-one visits to discuss the Global Shea Alliance are being actively pursued during this quarter and the next.

Given the significant relationship of shea butter with cocoa butter prices, the Shea team has followed the continued volatility of the cocoa futures market with interest. Uncertainty about supplies from Côte d'Ivoire has continued for many months, as questions remained in relation to the legitimate presidency of the world's largest cocoa supplier. Despite predictions for bumper harvests, concerns were growing about quality issues following weeks of export blockades, but this was offset by uncertainty regarding the actual demand for cocoa products around the world and whether it was recovering in the short or medium term. Prices remained at 30-year record highs in the earlier parts of the quarter but as the means to conflict resolution in the West African nation became more apparent, coupled with lower than expected global demand figures, the price for cocoa dropped dramatically at the end of the second quarter of FY 2011 from highs of about USD 3,800 per ton down to USD 3,000.

With regards to the demand for shea in the cosmetic sector, growth in all areas—finished product, handcrafted, refined, certified and mechanically extracted—has continued unabated for the last six months. Across Ghana and Burkina Faso farm-gate nut prices reached upwards of USD 500 per ton for quality dry kernel, as buyers struggled to meet their quotas for this season. Actual volumes being shipped remain unclear, and business confidentiality issues exist to share them widely, but regrettably there is still a narrow and rather saturated commoditized price-driven type of market beyond West African coastlines.



Since the financial crisis, bulk-buyers are unwilling to invest in stock, needing short turnover times for smaller volumes (which must still be of consistent quality and pricing). This can be a difficult situation for African-based SMEs to adapt to, apparently resulting in some loss of new accounts to the larger players, even if higher-prices become the norm for improving these risk levels. The need for reliable access to finance and increased efficiency of storage and supply chain logistics will be crucial in the coming years to enable African-based firms to maintain their growth in this sector. Involvement of multiple European refineries in Shea 2011 will be a significant development and opportunity to watch.

From the market perspective, there is still a lack of knowledge in terms of standards, butter-type, shelf-life and opportunities for use in 21st century Western cosmetic

²¹ Kanwaljit K. Chawla, Ramon Bencharitwong, Rosalia Ayuso, Galina Grishina, Anna Nowak-Węgrzyn (2011) Shea butter contains no IgE-binding soluble proteins. *Journal of Allergy and Clinical Immunology* Vol. 127, Issue 3, Pages 680-682

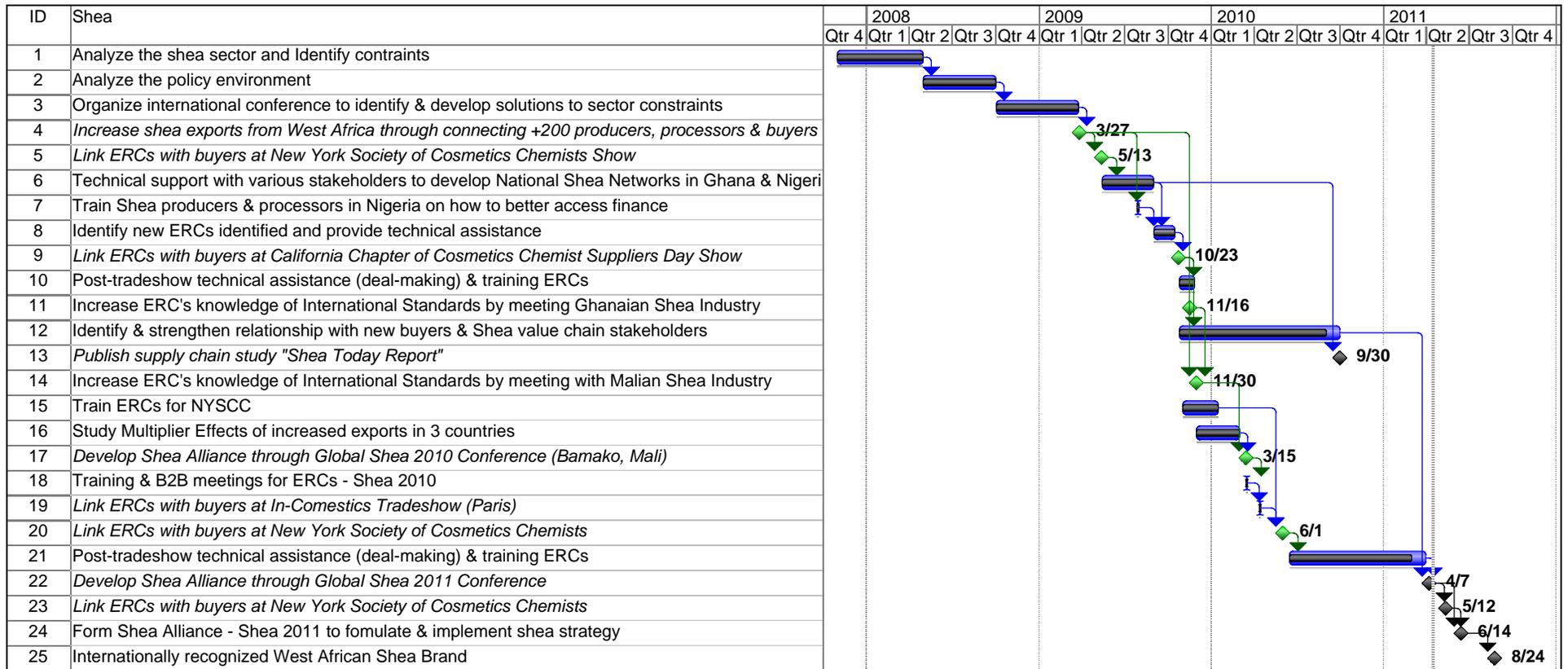
formulations. The call to rebrand handcrafted shea butter has been widespread, especially with inclusion of examples as to how unrefined butter can actually be used in stable formulations to best effect. Finally, the shift of ERCs from being shippers of only bulk shea, to becoming suppliers of multiple natural products, has demonstrably been successful in the first trade show of the season—in cosmetics. The sustainability message of multi-functional shea, from the Global Shea Alliance network, is also being heard loud and clear, right across the industry. Expected results from Shea 2011, NYSCC Suppliers' day and the Sustainable Cosmetics Summit, will provide a clearer view of the way forward for the Alliance and Trade Hub engagement in the sector.



Looking after People, Planet & Profit: Shea does it all - Sustainably!

Sustainable Shea





Project: Shea 10-13-10 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



1.6 Home Décor & Fashion Accessories

Overview

The USAID Trade Hub raises the international profile of handcrafts exporters focus through direct contact with new global importers, and increases the visibility of producers by significantly widening their scope with strong product designs and creating stronger cross-sector vertical and horizontal collaboration opportunities.

Horizontal (African to African) collaboration was reflected at the Ambiente consumer goods show in Germany where the Trade Hub's AfricaNow! booth showcased Ghanaian and Senegalese companies that collaborated with smaller companies in their countries and with each other to access larger buyers for the entire region.

For five days major wholesale buyers from around the globe flocked to the AfricaNow! booth, many of whom had never before considered purchasing direct from Africa. The quality of the products, the contemporary designs, and competitive pricing, combined with a highly professional presentation, impressed buyers. As interest surged, Ghanaian and Senegalese exporters filled notebooks with contact names and interests. As the quarter ended, the companies were shipping samples to these new and thirsty buyers.

The vertical collaborative strategy was best exhibited at the New York International Gift Fair (NYIGF) in January 2011. Originally, the Trade Hub sponsored producers to participate directly in this show, where the AfricaNow! brand was launched. In response to distribution challenges facing artisans the USAD Trade Hub developed a new collaborative strategy

whereby West African companies were showcased under the AfricaNow! brand with partnering importers in the show. Immediately upon launch of this new strategy the AfricaNow! logo was seen in nine different locations across the show and more distributors expressed interest in joining the network for the next show in August. Consequently, more producers will be represented, more sales will be generated through established vendors with large clientele bases, and more income will be generated into the West African companies. (See "[After Trade Hub help, companies now ready to exhibit on their own,](#)" Tradewinds, January 2011.)

"We feel that finally we are getting on track with the right type of products and the right strategy for the international market. The Trade Hub's new vision is exactly what we needed to grow the handcrafts sector. The strong interest in our products at Ambiente, the most competitive trade show in the world, has energized us and we are hopeful!"

- *Mawuli Akpenyo of Delata Ltd.*

Results

New York International Gift Fair (largest U.S. tradeshow for gifts and décor), January 27– February 4

- Nine booths showcased AfricaNow! with an increasing importer demand to be a part of the AfricaNow! network, two of these distributors were buying from West Africa for the first time

- Seven African companies that had never before participated in New York were showcased in distributor booths
- Two AfricaNow! companies showed independently at NYIGF, Global Mamas of Ghana and Village Artisanal d'Ouagadougou (VAO)



AfricaNow! booth at Ambiente

Ambiente, Germany (world's largest home décor tradeshow), February 11–15

- Showcased 6 exporters from Ghana and Senegal in an upscale, state of the art booth
- Generated interest from major buyers from North and South America, Eastern and Western Europe, Australia, Asia, the Caribbean and the Near East. Interest came mainly from retail home décor chains and furniture/home décor distributors
- Meetings with CBI, the Dutch business development organization, which has showcased international crafts producers for decades at Ambiente with great success, looking at collaboration opportunities

Buyer Trips:

- Swahili Imports/ Mali and Senegal – Developed eight new product collections to be showcased in Los Angeles and New York in August
- Mbare Imports/ Senegal – Purchased samples to be showcased in NYIGF, first time buying in West Africa
- Touch of France/Matthieu Chatin/ Ghana – Reviewed products for high-end retail sales, purchases to follow exploratory trip to Senegal
- Major U.S. Retail Chain/Ghana – Four days in Ghana on exploratory visit after visiting the Ambiente booth, working on sample order from Senegal as well as Mali

Product Development:

Internationally renowned Malian/French designer Cheick Diallo worked with two Ghanaian companies to develop collections for Ambiente, all of which met with strong success during the show

Access to Finance

Geolicrafts, an emerging sector lead in Ghana, accessed funds to grow his business through the USAID Trade Hub partner Grassroots Business Fund.

Environmental Impact Monitoring

20 ERCs out of 53 responded to due diligence questionnaires administered to ERCs to verify their compliance with legal and environmentally responsible sourcing of materials used in HDFA production (Table and annex attached). Most of the wood companies used came from reclaimed and recycled farmlands and sawmills which are environmentally friendly. ERCs that used wood from plantations and natural forests, claimed to have followed national regulations, but did not guard documents to verify their claims. Knowledge of clean production, maintenance of workers' health and safety was limited. The assessment showed that no serious abuse of the environment by HDFAs was evident and so none of the companies was excluded from receiving Trade Hub technical assistance.

Analysis

As consumer confidence continued to grow at a modest yet encouraging pace, the USAID Trade Hub is helping West African handcraft sector entrepreneurs maintain and expand market position.

Entrepreneurship by definition is win/win. All players in the entrepreneurial value chain must win and each must be invested in the others' success for a sustainable model that weathers changes in tastes and fluctuating economic pressures. The décor and fashion accessories sector is primarily design driven, secondarily price driven, and somewhat consciousness driven (such as "fair trade" or "eco-friendly"). The USAID Trade Hub is becoming a leader in developing strategies that reflect sector trends while guarding the vision that the entire value chain must win.

Win/Win Strategy #1 — Product Design with Low Cost Inputs/High Perceived Value (LCI/HPV) – The USAID Trade Hub assists companies to develop new product collections that use reduced labor and material inputs—great products at great prices means that producers profit more with less expenditures, exporters have more market opportunities, and importers sell more to a demanding design and price conscious consumer.

Win/Win Strategy #2 — Multi-layered approach to market strategies — all markets

(CNNMoney) Consumer confidence surpassed expectations and hit a three-year high in February, in the latest ray of hope for an economic recovery, a business group said Tuesday.

The Conference Board said its Consumer Confidence Index jumped to 70.4 in February from 64.8 in January. That was far ahead of expectations of a Briefing.com economists' consensus of a 67 reading.

Low Cost Inputs/High Perceived Value



Designer Cheick Diallo, working with Ghanaian company Tekura, designed this contemporary collection that met with strong interest at Ambiente. The simple design and inexpensive wood means low labor and material inputs with high perceived value based on great design.

are important, from exclusive to discount. As new collections are designed, one strategy is to target them to the higher end market that has a design-forward focus and can support higher prices and smaller quantities, during which time the ERC builds production capacity. By the time costing/prices issues are normalized the high end market is ready to move onto new collections while the producer is ready to sell these products to larger markets. ERCs can sell them to the middle market, at the same time reinvesting in new collections geared to high-end clients. Within a few years the original collections will be mainstreamed and production becomes rote at which time they can be easily sold in large quantities to discount markets. This cycle provides a continuous flow of multi-stream market access.

Win/Win Strategy #3 — Cross-sectoral collaboration — vertical and horizontal collaboration is necessary for individual companies to win and to compete. At Ambiente the Handcrafts Team encouraged horizontal collaboration among companies from the same country or region that allowed buyers to consolidate multiple purchases into a single buying strategy. At NYIGF the team initiated a vertical collaboration strategy where African companies were aligned with U.S. distributors with a strong clientele base and in tandem caught the attention of larger U.S. wholesale buyers.

This quarter, the USAID Trade Hub has continued to see the impact of its activities in these specific ways:

- Independent Trade Show Participation — Three Home Décor sector companies have graduated to independent trade show participation, exhibiting professionalism and sound growth strategies. Continued emphasis should be put on companies looking to participate independently at professional trade shows and offering the technical support to make this business option viable. Helping companies move towards independence in the marketplace creates an exciting option for growing companies and liberates USAID Trade Hub resources to support other businesses.
- Business-to-business market access through professional marketing consultants with whom the African entrepreneurs can have a sustainable, long-term relationship — Relatively minimal USAID Trade Hub resources (human and financial) can be expended to gain strong results for many companies across the region. The handcrafts team is linking market consultants to exporters in order to mentor them in market relations from promotional materials to high-level buyer meetings. The USAID Trade Hub offers initial support for BtoB market consultant/ERC relationships, and once set in motion their increased sales are the basis for a long-term sustainable and independent relationship.
- Backward linkage production support – Having good products is necessary to access markets but much more is necessary to be export ready. The handcrafts team is linking companies to local professionals in order to catalyze growth through capacity building inputs. These companies are already producing and exporting in smaller quantities, and have more actual market demand than they can meet.



- The USAID Trade Hub’s training of exporters is enabling new and existing ERCs to learn and apply legal and environmentally sustainable sourcing practices. The following areas are being addressed in workshops:
 - Common and scientific names of wood for handcraft processing by country
 - Legality definition of wood supply by country (if available)
 - Wood Tracking System by country (if available)
 - CITES Appendix I, II, III lists, by country
 - Restricted wood species by country (if available)
 - Lacey Amendment Act and phase-in schedule
 - HTS codes for handcrafts
 - USAID Trade Hub Fact Sheet – Legal and Environmental Guide
 - Importers’ guidelines and manuals on legal and environmental sourcing of materials
 - Documentation and hands-on training to comply with export regulations on wood export

New Rules for Exporters of Handcrafts

In 2008, the U.S. Congress enacted an amendment to the Lacey Act that requires importers of products made with threatened or endangered plant products to attest that the source of the plant material is legal. Enforcement of the law is being phased in according to the schedule below.

(In Phase I, the plant import declaration form would be made available and domestic and international outreach undertaken; HTS = Harmonized Tariff Schedule.)

Phase II April to September 2009:	Phase III October 2009 to March 2010	Phase IV April to September 2010
<p>HTS Chapter: 44</p> <ul style="list-style-type: none"> 4401 - Fuel wood 4403 - Wood in the rough 4404 - Hoopwood; poles; piles; stakes 4406 - Railway or tramway sleepers 4407 - Wood sawn or chipped lengthwise 4408 - Sheets for veneering 4409 - Wood continuously shaped 4417 - Tools, tool handles, broom handles 4418 - Builders' joinery and carpentry of wood 	<p>HTS Chapters: 44 and 47</p> <ul style="list-style-type: none"> 4402 - Wood charcoal 4405 - Wood wool (excelsior) 4410 - Particle board 4411 - Fiberboard of wood 4412 - Plywood, veneered panels 4413 - Densified wood 4414 - Wooden frames 4415 - Packing cases, boxes, crates, drums 4416 - Cases, binnis, vans, tubs 4419 - Tableware & kitchenware, of wood 4420 - Wood marquetry, caskets; statuettes 4701 - Mechanical wood pulp 4702 - Chemical wood pulp, dissolving 4703 - Chemical wood pulp, sulfate 4704 - Chemical wood pulp, sulfite 4705 - Combination mechanical and chemical 	<p>HTS Chapters: 44, 48 and 94</p> <ul style="list-style-type: none"> 4421 - Articles of wood, nesoi 4801 - Newspapers 4802 - Uncoated writing paper 4803 - Toilet or facial tissue stock 4804 - Uncoated kraft paper 4805 - Other uncoated paper and board 4806 - Vegetable parchment, etc. 4807 - Composite paper and board 4808 - Coated paper and board 4809 - Carbon paper 4810 - Coated paper and board 4811 - Paper coated, etc., other than 4803, 4808 or 4810 940109 - Seats with wooden frames 940330 - Wooden office furniture 940340 - Wooden kitchen furniture 940350 - Wooden bedroom furniture 940360 - Other wooden furniture 94039070 - Wooden furniture parts



USAID | WEST AFRICA

FROM THE AMERICAN PEOPLE

SUCCESS STORY

At the world's largest décor show, AfricaNow! links producers to buyers

The world's largest consumer goods show features AfricaNow!, connecting West African producers to hundreds of buyers.



USAID West Africa Trade Hub

The booth at Ambiente generated buzz and attracted hundreds of buyers from around the world.

“People really liked the products. Now we are confirming the orders.”

**- Clarisse Djionne,
Xarala**

More than 144,000 international buyers attended Ambiente in February 2011, making it the world's largest consumer goods show. *AfricaNow!* was there, too, linking West African home décor producers to hundreds of buyers.

“It was an amazing show,” said Clarisse Djionne of Xarala, a Senegalese handcrafts producer. “The booth was beautiful and generated a lot of buzz.”

The show was important for the USAID Trade Hub's efforts to increase West African handcrafts exports: within a month, the world's largest importers had ordered samples from companies that exhibited products at Ambiente.

“These are the world's largest importers, whose minimum order is one container,” said Elaine Bellezza, the USAID Trade Hub home décor and fashion accessories advisor. “Volume orders generate the revenues that grow West African companies, creating jobs and improving livelihoods.”

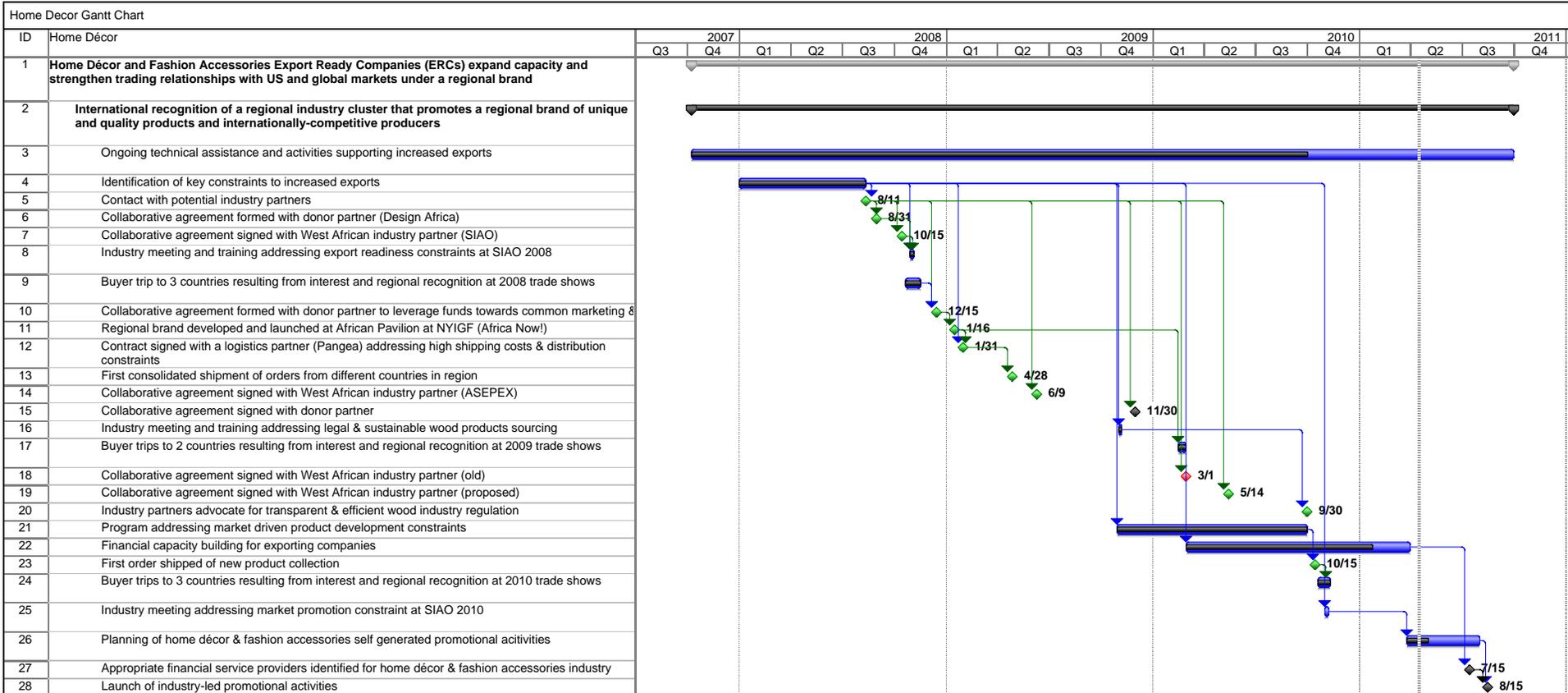
Months of product design support to companies across the country – including linking them to internationally renowned designers like Cheick Diallo of Mali and France – attracted enormous buyer interest.

Buyers from around the world – Australia to Japan, the U.S., Israel, Russia, Peru and Norway, among others – expressed interest in the products. They included some of the largest distributors in the décor sector as well as higher end design-driven companies, particularly from Italy.

Six companies from Ghana and Senegal participated directly at the show and others were represented in the booth.

“It went very well,” said Djionne. “People really liked the products. Now we are confirming the orders.”

“We received inquiries from the major, large scale wholesalers from all parts of the world,” said Robert Ellis of Fritete African Art Works in Ghana. “With initial Trade Hub support we can continue and move to independence and seize market interest for years to come.”





1.7 Apparel

Overview

The USAID Trade Hub is providing technical assistance and expert consulting to apparel companies in **Cameroon**, **The Gambia**, **Ghana** and **Mali**, where the sector is most competitive. Connecting producers to market and overcoming production issues are companies' key challenges.

Over the past six months, the sector has shown significantly more activity compared with a year ago as companies negotiate deals with international buyers and investors have initiated operations. An American-Pakistani joint venture opened in Tema, Ghana, in 2010, and was formally opened by the U.S. Ambassador and Minister of Trade and Industry in March (See "[Apparel factory opens, 'weaving a better world,'](#)" Tradewinds, April 2011); the U.S. buyer Aramark visited the factory and the USAID Trade Hub, and the first container of products was shipped to the U.S. this quarter. Demand has intensified and the investors are seeking more factory space.

Direct and indirect representation of West African apparel companies at the MAGIC international trade show consistently over three years has led buyers to source from the region's companies. Participation at MAGIC led to buyer visits in Cameroon, Ghana and Senegal this quarter.

Results

Buyers linked to producers in Cameroon and Senegal

Following links initiated at the MAGIC trade show, USAID Trade Hub apparel consultant Jacques Betsy accompanied buyers from U.S. uniform companies to Cameroon and Senegal to visit factories. Mr. Betsy also assisted the company in Cameroon in setting up production lines in order to launch an order of 52,000 units and prepare orders for two additional U.S. clients for a combined further 95,000 units. Plans were put in place to increase the Cameroonian company's capacity by a further 16 production lines later this year, with training programs for 80 employees per month and the identification of additional technical staff. The company in **Senegal** was advised by the buyer to make some alterations to some of its equipment and improve the lighting in the building for the workers.

US investor linked to company in Ghana

A U.S. investor who visited **Ghanaian** factories as a buyer last year, returned to sign an MOU with a Ghanaian factory identified by the USAID Trade Hub apparel team. The factory has been idle for some time and the investor will rent it and its equipment in order to produce items for exports to the U.S. Mr. Betsy is assisting the U.S. investor in setting up the production lines and identifying technical staff.

Collaboration with USAID Trade Hub Finance team

The USAID Trade Hub financial team continued to assist apparel manufacturers in **Cameroon** and **Ghana** to source finance and, where applicable, restructure companies. The finance team has also visited Buetec to look at ways the company can continue (or prepare for sale) after the tragic and unexpected death of its owner. The apparel team is also looking at possible JV partners for Buetec to be able to continue operating. Two U.S.-based companies have been put forward to discuss various options with the owner's widow and factory manager.

MAGIC Trade Show

Ken Atlantic from **Cameroon** and Malik Mendy Designs in **The Gambia** exhibited at Magic in February 2011, and the USAID Trade Hub Pavilion was staffed by Jacques Betsy representing other manufacturers from **Ghana** and **Cameroon** that could not attend. Staff from the USAID Trade Hub's U.S.-based market linkages team was also at the show. The repeat attendance of the apparel team at MAGIC trade shows is attracting more U.S. buyer attention as they gain confidence in the ability of the West African apparel industry. This show saw for the first time orders worth USD 575,000 signed at the trade show; with other buyer requests, this could swell to USD 4.5 million for companies in **Cameroon**, **The Gambia** and **Ghana**.

Cotton textile forum in Cameroon and factory visits

A cotton textile forum in **Cameroon** sought to examine ways to relaunch the cotton textile industry in the country and CEMAC countries; more than 120 delegates from West Africa, the U.S. and the EU participated. Presentations covered the entire value chain and there was lively debate regarding the merits of introducing genetically modified cotton into CEMAC cotton growing countries. The USAID Trade Hub's AGOA and apparel teams participated and the latter presented a paper on improving competitiveness in the value chain. The teams visited garment manufacturers in Douala and Yaounde where further meetings took place with textile manufacturers.

A meeting was also held with the vice president of a U.S. company that has invested in cotton growing in **Cameroon** and has recently taken delivery of a cotton gin. It is the company's intention to establish a vertical textile and garment production system, duplicating what it has done in Bangladesh; the apparel team discussed various strategies to do this.

Official opening of the American-Pakistani joint venture

Lucky1888Mills, the American-Pakistani joint venture, was officially opened by the Ghanaian Minister of Trade & Industry, Honorable Minister Tetteh, with opening remarks contributed by USAID Trade Hub Director Vanessa Adams, U.S. Ambassador Donald Teitelbaum and Chris Motley, international director of 1888 Mills. The CEOs of both Lucky Textiles and 1888 Mills attended the ceremony, too. The company is currently employing 180 **Ghanaians** and the first container for export was shipped one week after the opening ceremony as this quarter ended. Apart from wishing to expand its facilities as soon as possible and employ 500 people by year end, the owners of Lucky1888 made it clear they are looking at working with select Ghanaian factories to assist in meeting orders going forward.

During his trip to attend the opening of Lucky1888Mills, a direct result from the USAID Trade Hub's cotton value-adding study, the apparel team also met a number of Ghanaian companies to evaluate the potential to partner with another U.S. company that had to close its factory in Madagascar (when the country was no longer AGOA eligible).



Banner used during the inauguration ceremony of Lucky 1888 Mills

Analysis

The financial strength of apparel manufacturers in Africa and lack of access to competitive interest rates remains a major constraint to increasing orders and exports. The USAID Trade Hub financial team's successful restructuring of one company in **Cameroon** and assistance in facilitating finance and Letters of Credit has allowed the apparel team to increase considerably the volume of export orders for that company.

However, the advent of the American-Pakistani joint venture, now in full swing and exporting, will in time be advantageous to some of the **Ghanaian** apparel manufacturers in terms of outsourcing. As the American-Pakistani JV also has its own textile mills in Pakistan and Bangladesh (own raw materials), they can also supply the vendors to whom they are looking to partner with to put Ghana firmly on the map as a garment manufacturing destination.

There is however one worrying factor in this equation of outsourcing and that is the ability of the Ghanaian manufacturers in question to be able to finance the technical team to run their factories, a pre-requisite, and then also finance the workers' training period – an investment with no return for the first six to nine months.

In the US, retail sales continued to grow for the seventh consecutive month and coupled with many buyers targeting Africa for sourcing purposes – due to considerable increases in wages in China and Bangladesh, for example, bodes well going forward for the garment industry in Africa. Now, even companies from Korea and China are evaluating sourcing from Africa for the U.S. market.



Ghanaian Minister of Trade and Industry, Honorable Hanna Tetteh, watched by U.S. Ambassador Donald Teitelbaum, unveiling a plaque at Lucky 1888 Mills.



SUCCESS STORY

New apparel factory creates jobs and improves livelihoods in Ghana

The new factory is a win for trade, a win for Ghana's apparel industry and, most importantly, a win for more than 200 workers, most of whom are young women.



Ryan Yingling/USAID West Africa Trade Hub

By the end of 2011, 500 workers will be earning their livelihoods in the new factory, executives said.

"I want to save the money and then use it to find my own apartment, go back to school and maybe start a business."

- Linda Laryea, 25

The opening of a new apparel factory in Tema, Ghana, will mean as many as 500 new jobs by the end of 2011 – but its true meaning will come in the improved livelihoods of thousands of people touched by those jobs as a result.

"I want to save the money and then use it to find my own apartment, go back to school and maybe start a business," said Linda Laryea, 25, who is a new worker in the factory.

The impacts will reach beyond her family, too. The new factory will use materials and other resources from Tema, creating more business. The workers will spend their salaries in the community as well, driving additional economic growth.

The new factory also brings even more important impacts to Ghana's economy, said Ghana's Minister of Trade and Industry Hanna Tetteh.

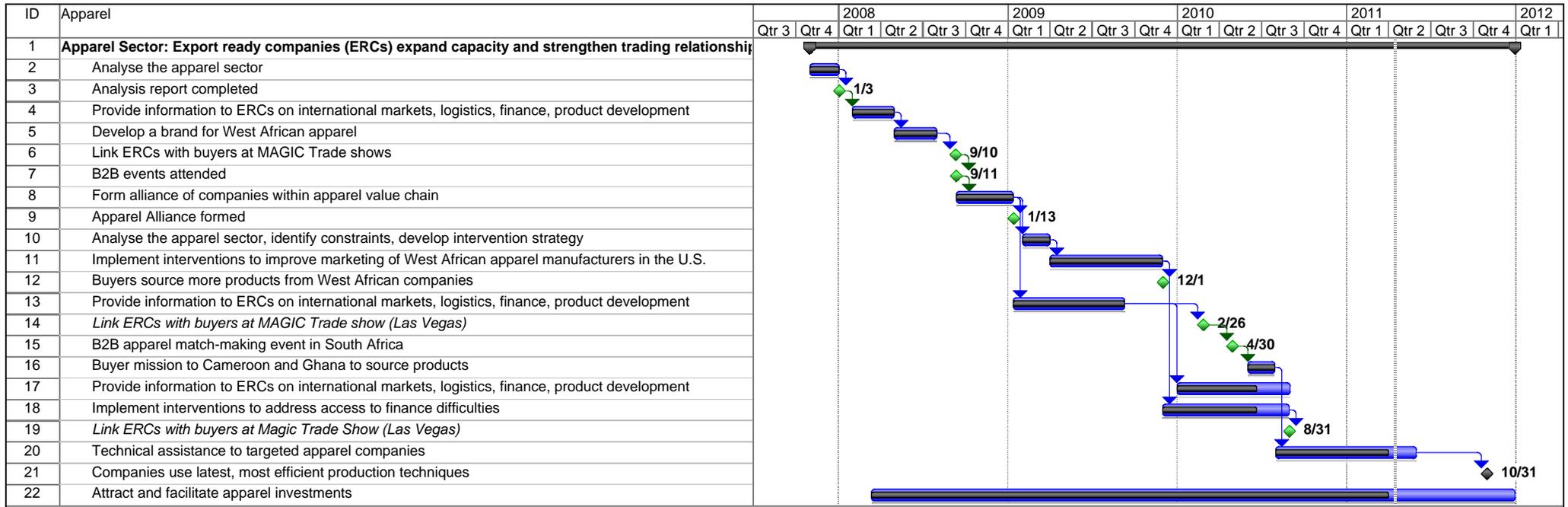
"Today, the apparel industry in Ghana is getting a new life," Tetteh said as she opened the new factory with U.S. Ambassador Donald Teitelbaum, executives from both the American and Pakistani companies behind it and the workers.

"The textile industry is a great way for developing nations to reduce poverty and create a thriving economic opportunity for the most needy," said John Simon, CEO of 1888 Mills. "Our ability to connect the people of Pakistan, Ghana, and the USA through the production of service apparel is a clear example of what is possible when there is a common purpose: Weaving a Better World."

The opening of the factory was the culmination of more than three years of work that included critical technical assistance and consulting by the USAID Trade Hub.

"We are here today, too, because of the indefatigable Vanessa Adams," Minister Tetteh said, referring to the USAID Trade Hub Director. The USAID Trade Hub facilitated meetings among and between the stakeholders, provided practical business information and helped resolve the variety of logistical and procedural issues that inevitably arise with such a bold undertaking.

"Business opportunities on such a scale are complex, with multiple parties pursuing results," Adams said. "Our team's hands-on approach is premised on the common vision that trade is transformational."



Project: Apparel Gantt 08-20-09 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



1.8 Specialty Foods

Introduction

Specialty foods includes processed food, including jams, jellies, sauces, dried fruits and vegetables, oils, and other items, produced from farmers' bounties across West Africa. This sector also includes developing large-scale agro-processing of food ingredients in West Africa. The USAID Trade Hub works actually with 64 specialty foods companies (23 women-owned).

The Specialty Foods team also works with food research institutes in Ghana and Senegal and industry experts to develop new products to compete in international markets, as well as with financial institutions and export promotion agencies to create a conducive environment for domestic and foreign investments.

Results

Orders for food items continue to grow, though constraints remain

Zena Exotic Fruits of **Senegal** received an order of various jams from a U.S. distributor. The main constraint remains production capacity, as the buyer wanted to order a larger quantity. The USAID Trade Hub Finance Team is working with the company to solve this issue.

La Vivriere of **Senegal** sent a container of African grains to a French buyer and another one to an African retailer specialized on the ethnic market in New York, who we met last year during the Fancy Food Show 2009.

The USAID Trade Hub linked a **Senegalese** company "Baobab Des Saveurs" with a U.S. importer of ingredients, Sheaterraorganics. Previously, "Baobab Des Saveurs" was assisted in sending a sample of baobab oil to the buyer. The buyer has now confirmed an order of 100 kg of baobab and other local seeds. This will be the company's first export to the U.S. market, which is already engaged in the incubation program coordinated by the USAID Trade Hub and Talier Trading Group, a U.S. distributor.

SIAL trade show participation leads to new deals

The USAID Trade Hub assisted eight companies at Europe's largest specialty foods show, SIAL (Salon International de l'Alimentation de Paris), in October 2010 and concrete results were seen this quarter. Fruitales, a Senegalese company that specializes in condiments and sauces, received an important order from a major airline. The Specialty Foods Team is now assisting the company to overcome a technical problem related to packaging. The team linked Fruitales to PATISEN, which has already acquired the type of equipment Fruitales needs.

Company obtains grant to develop new product obtained

"Baobab Des Saveurs" of Senegal obtained a grant of USD 15,000 from the USAID/Senegal Economic Growth Project to develop a new product – a cereal bar – as part of the incubation project. The grant would assist in the analysis, taste testing, packaging design and labeling of products. Baobab des Saveurs will exhibit the product at the Fancy Food Show in July 2011 in Washington, D.C.

Gambian companies prepare to exhibit at Fancy Food Show with U.S. Embassy-USAID Trade Hub assistance

The USAID Trade Hub hosted Mr. Zachary Bailey, the Political/Economic Officer of the U.S. Embassy in Banjul, to exchange information on upcoming USAID Trade Hub activities, and

discussed the participation of Gambian companies in the Fancy Food Show to be held in Washington, D.C., July 10-12. The Specialty Foods Team is working with Gambian specialty food companies to improve their packaging and labeling for this event.

FIDAK attendees learn about exporting to the U.S. market

The 19th annual Dakar International Fair (FIDAK) was launched Feb. 24 by the Senegalese Prime Minister and with the participation of 20 countries from around the world under the theme, “Development of Agriculture: the lever of regional economic integration.” The event also focused on food security and harmonization of agricultural policies and free movement of foods in West Africa. The USAID Trade Hub provided marketing materials to the AGOA Resource Center which exhibited in the Senegalese export promotion agency’s (ASEPEX) pavilion. The manager of the USAID Trade Hub office in Dakar, Makhtar Thiam, moderated a session on “How to Export Food to the U.S.” with over 60 participants from eight countries.

Collaboration with USDA Foreign Agricultural Service continues

The USAID Trade Hub team in Dakar met with the new Foreign Agriculture Service representatives from USDA, led by Mrs. Joani Dong. The two organizations discussed program objectives and proposed collaborative initiatives for the upcoming year, particularly regarding packaging and labeling of specialty food products. The USAID Trade Hub and USDA also discussed a potential partnership to help prepare **Senegalese** companies at the Fancy Food Show 2011. Three USAID Trade Hub-assisted companies - Zena Exotic Fruits, Free Work Services, and Maria Distribution – shared lessons on packaging, labeling, and marketing, learned during their training as Cochrane Fellows in the U.S.



Mr. Makhtar Thiam (far right) with participants of the USDA FAS workshop.

Women agribusiness entrepreneurs participate in AWEP program

On March 10-11, the USAID Trade Hub presented “Opportunities for Trade” and tools and techniques in marketing under AGOA at a two-day training program organized by Vital Voices for members of the Africa Women’s Entrepreneurship Program, an initiative launched by U.S. Secretary of State Hillary Clinton after the 9th annual AGOA Forum in Washington, D.C. in August 2010. The workshop included 13 women business owners from Angola, **Benin, Burkina Faso, Cameroon, Chad, Congo, Democratic Republic of Congo, Gabon, Mali, Mauritania, Rwanda, Senegal and Togo**, most of whom operate in agribusiness and processed food. The USAID Trade Hub is working with Pamela Green of the Office of Africa of International Trade Administration /U.S. Department of Commerce to assist in preparing Association Afrique Agro Export (AAFEX) to participate in the next Fancy Food Show. AWEP intends to take advantage of this event to organize meetings that AAFEX and African Women Entrepreneurship Program participants could have with U.S. companies including workshops, and site visits. (See “[Promoting women in agribusiness key to economic growth](#),” Tradewinds, January 2011.)



Trade Hub's trainers, Makhtar Thiam and Kafui Djonou, with African Women Entrepreneurs

Analysis

An export performance analysis of USAID Trade Hub-assisted companies in the specialty food sector shows real growth and market diversification. West African processed products are beginning to penetrate the U.S. market and now interest other international customers seeking products that can reach beyond an "African ethnic market" designation. The USAID Trade Hub's and companies' promotional efforts through trade shows and other events has brought more and more northern consumers to better know African specialty food products – increasing demand. During FY 2010 USAID's Trade Hub worked with 63 specialty foods export-ready companies that exported almost USD 500,000. This quarter however, most companies were not able to fulfill their orders. These companies are facing three major challenges:

1. **Financing to Increase Production Capacity:** The difficulty of increasing production capacity is to find ways to finance these investments and exports at the same time. The USAID Trade Hub finance team is currently working with the companies and financial services institutions to find appropriate solutions. For example with USAID Trade Hub assistance, "Baobab Des Saveurs" was able to obtain USD 15,000 from USAID/Senegal's Economic Growth Project to develop a new cereal and baobab bars, as well as acquiring a new packaging machine. Companies need financing to obtain new equipment that will boost production. Their challenge is no longer technical – most of these companies have acquired food processing know-how and also have developed good products that meet international standards (on labeling and packaging, for example). Their production capacity is still low, however, and must be increased to compete internationally. One possible solution is to promote a consolidation system which would involve dividing one order among several companies doing the same types of products and having the same standards of production; but, this is not always easy. For example, "Zena Exotic Fruits" received a major order this quarter and tried to work with two other companies to consolidate that order but encountered many difficulties (standardization of taste, packaging,

size, price, etc.). Ultimately, the company chose to focus on a smaller order that it can fulfill while helping other companies develop the capacity to produce to set standards. Promoting clusters of companies that have similar capacities helps build the capacity and competitiveness of each.

The USAID Trade Hub, in partnership with national promotion agencies, can facilitate this system by pushing the sponsored companies, depending on their specialty (jam, sauce, cereals processors, etc) to work together to achieve their goal of better penetrating the international market. This approach would also help achieve savings on packaging, purchase of raw materials, etc. and ultimately improve competitiveness.

2. **Raw Material Supply:** Another challenge is the quality and quantity of raw material supply. The main hurdle seems to be a lack of visibility in supply chains because suppliers mostly are not linked with a contract system with an anticipation of orders throughout the year.

By studying the supply chain of "La Vivriere," a company specialized in grain processing, the team noted that the company buys roughly 80% of its raw materials from the local market and imports 20% from neighboring Mali. Depending on the season the company's suppliers change and managers never know if the raw material will be available when they are receiving an order. Worse, there is no designated person in the field to assess future needs, and no strategy to anticipate the availability of products on the market. In case of shortage of supply, the head manager herself gets involved in the field to resolve the issue – which requires time and money.

The availability of the raw material beyond the production seasons remains a significant difficulty, because most of these products are only available a few months in the year. Regarding the quality of raw material, the intermediate structures that buy from producers and sell to companies do not have well trained human resources capable of selecting the best material and thus to help avoid losses due to weight and quality that increase the purchase cost. This is the case of products such as peanut, maize or millet which are sometimes contaminated with aflatoxins. Similarly, some unethical producers or supply intermediaries are taking advantage of the situation by adding foreign materials like sand and pebbles to increase the weight, which increases the cost, particularly for millet and maize processors. This is why it is necessary to work along the value chain to secure raw materials in terms of quantity and quality and to provide fair and better prices to the farmers. In one effort to solve this issue, AAFEX, with the support of Agence Française de Développement (AFD), is currently implementing a quality program for its members to help recruit and train qualified people.

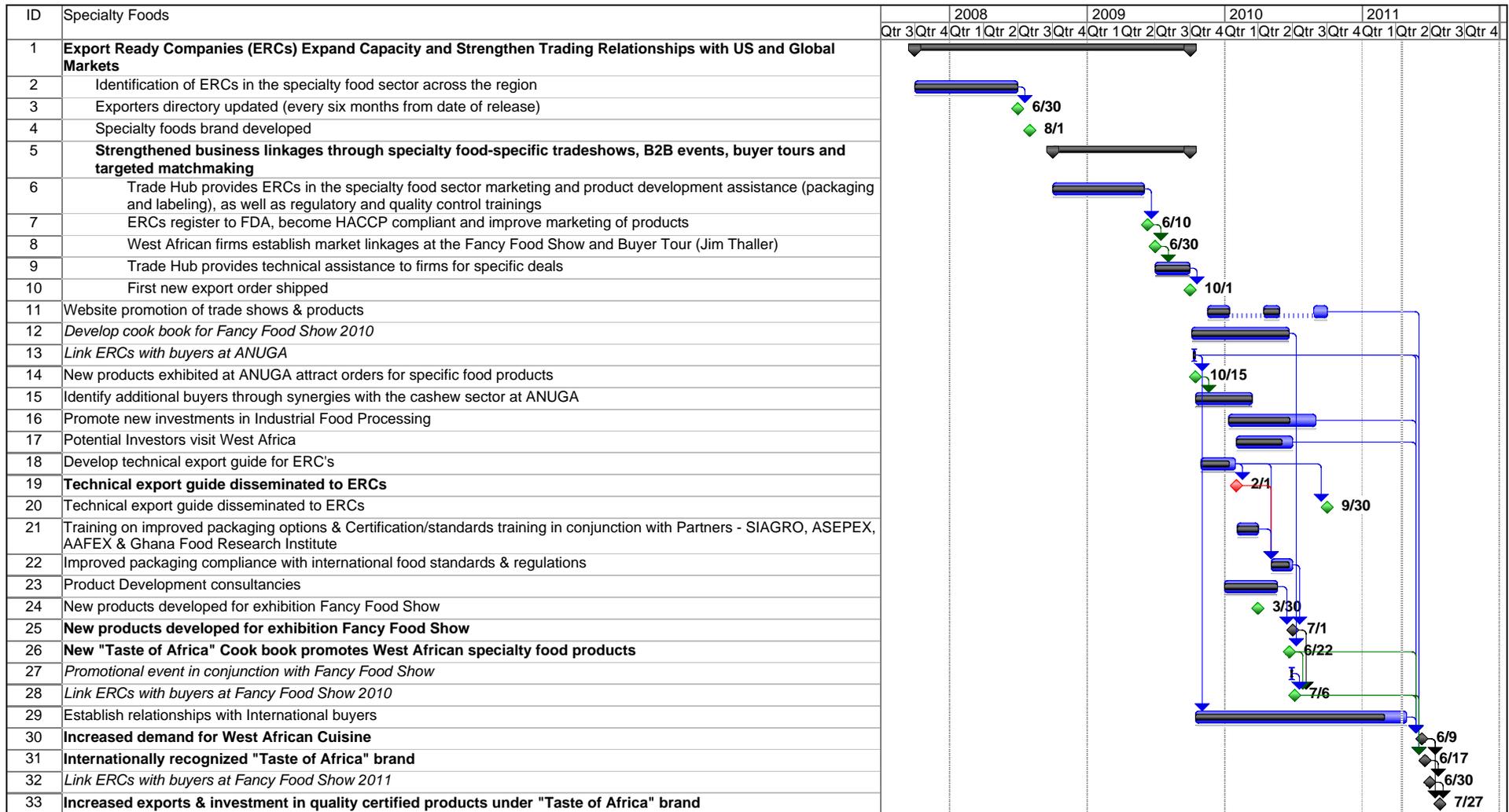
3. **Storage:** One other major difficulty that companies are facing is storage. Because most of these products are seasonal, companies must store them to cope with market demand throughout the year. This requires investment in suitable storage hardware but also functional cold storage and equipment to preserve the nutritional value and quality of raw materials.

Companies producing African specialty foods and food ingredients have many unique and diverse products which can be a powerful tool of development. But to make these products competitive, solutions must be found to the challenges the companies face and stakeholders must create a conducive environment for domestic and foreign investment.

Investing in raw materials supply chains is crucial for the African continent. Some foreign entrepreneurs have created food-processing businesses in Africa and are making money, despite an occasionally difficult business environment.

According to Mr. Mohamed-Lamine Dhaoui who is director of business, investment and technology services of the United Nations Industrial Development Organization (UNIDO), in Africa, manufacturing contributes to 10 percent of gross domestic product. Raw commodities, like fuel, metals and unprocessed foods, form the greatest part of African exports. In contrast, manufactured exports are only 29 percent of exports – which is low compared to other regions.

Even as the development of the specialty food sector in Africa faces major challenges – lack of access to finance, difficult business environment, inadequate technical services, poor infrastructure, high costs of electricity among them – Africa still has specific competitive advantages such as low labor costs. "Agriculture is one of the key sectors for manufacturing, with its agro-industry, cash crops and food industries," UNIDO noted. Some foreign investors have already taken up the challenge of manufacturing agricultural products directly in Africa. They are adding value locally, thereby contributing to local development while demonstrating the viability and profitability of the industry.



Project: Specialty Foods 10-13-10 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



2. FINANCIAL SERVICES

Overview

USAID Trade Hub-assisted ERCs face enormous difficulties in trying to obtain access to finance due to a variety of factors. However, in specific USAID Trade Hub-targeted sectors some significant inroads have been made. The Finance Team has initiated a cluster financing approach, which involves structuring financing needs by grouping a number of ERCs with similar needs in order to reach a sizable amount to finance. Complemented by technical assistance from relevant service providers for the life of the financing, a pre-identified financial institution develops greater commitment to the companies and the sector. This model is being implemented in the cashew sector in Nigeria and may be replicated in other countries in the future.

During the first quarter of FY2011, the Finance Team, comprised of subcontractors under performance-based financial assistance contracts, conducted assessments of ERCs in **Burkina Faso, Cameroon, Ghana, Guinea Bissau, Mali, Nigeria, Senegal and Togo**. The Finance Team action has facilitated the approval of USD 330,000 in loans from commercial banks and alternative financing provider to two



exporters.

In the second quarter of FY2011, the Finance Team assisted 36 ERCs and met with a number of banks and non-bank partners, mainly investment funds. The team introduced business plans to bankers representing eight commercial banks and two investment funds to help finance the various sectors.

Results

Cluster scheme aims to improve access to finance for cashew stakeholders in Nigeria

At the invitation of the ACA, Finance Expert Judson Welsh, who is also the CEO of AIMS Ltd, a USAID Trade Hub subcontractor, contacted Nigerian stakeholders and commenced implementation of a pilot cluster financing scheme to ensure that financiers are ready for the next cashew season. Three cashew processors were selected to form the cluster: ACET, Abod Success, and KD Foods. Five financial institutions are involved in this structured financing scheme: EBID, NEXIM (Nigerian Export Import Bank), BOI (Bank of Industry), and Ecobank Nigeria. NEXIM is the lead institution and has with BOI support made offers for the restructuring of debt under the “CBN manufacturers refinancing scheme”; EBID has agreed

to finance new equipment under the MOU with the USAID Trade Hub for the cashew sector; Ecobank has agreed in principle to finance the transactions and working capital. The ACA and the USAID Trade Hub continue to provide technical assistance. AIMS is the coordinator of this scheme as it is occurring in its geographical coverage area.

Welsh organized a meeting with the various stakeholders in early January in Lagos including NEXIM bank, BOI and Ecobank Nigeria along with three selected Nigerian cashew processors and EBID. NEXIM and BOI Nigeria have since approved the funding requested for all three Nigerian processors. Total amount to be disbursed as working capital for the three processors will be over USD 1,800,000. Further analysis after the 2011 season is completed will include equipment needs up to USD 3,000,000 for modernization and expansion. This new request will be submitted shortly to EBID for further assessment and consideration.

ERCs Receive Financing in Cameroon and Mali

Ken Atlantic (Apparel Manufacturer)

This quarter KA benefited from a financial facility from NFC Bank, Cameroon which resulted in the opening of an import L/C for raw material in the amount of USD 92,250, backed by the buyer Letter of Credit in the amount of USD 125,950. They further benefitted from a working capital overdraft in the amount of USD 50,000 monthly to carry them thru pre-production and production from the same bank. Processing the order will commence the 18th April. Ken Atlantic benefited from AIMS Ltd for financial technical assistance and marketing assistance from Jacques Betsy, the Trade Hub expert in the apparel industry.

This quarter UCODAL was approved for financing from Root Capital in support of export for approximately USD 155,000 and Karikis received USD 170,000 subsequent to CATEK facilitation.

North West Cooperative Association (Coffee producer)

This quarter NWCA benefited from Hub assistance in market linkages through US-based Market Linkages Manager, Elitza Barzakova, who introduced NWCA to Starbucks and "Equal Exchange". Discussions are at a preliminary stage in anticipation of obtaining orders for Cameroon coffee from American buyers. AIMS Ltd assisted NWCA to obtain conditional financing in the amount of USD 5 million from Banque Atlantique and additional working capital from NFCBank, Cameroon for the purchase, cleaning and bagging of the coffee for export; terms and conditions are contingent upon the identification of a buyer and obtaining a letter of intent to purchase the coffee. Letters of intent are used in the coffee industry in view of price fluctuations; Purchase Orders are issued spot when coffee is in warehouse.

Cluster financing in Guinea-Bissau for cashew stakeholders

Trade Hub Finance Team worked with a select group of 7 cashew processors to assess their financial needs and develop cluster financing that would include support from the African Cashew Alliance, USAID Trade Hub, FUNDEI, and commercial banks.

Subsequent to facilitation by CATEK Group and the USAID Trade Hub, FUNDEI, the national civil society institution for the promotion and development of the cashew sector, has been invited by the Brazilian Government to make application for an investment and guarantee fund for cashew processing. The amount of the fund will be approximately USD 2 million.

The Chamber of Commerce of Bissau requested that the Trade Hub provide technical assistance for the structuring and development of a private sector-driven raw cashew nut bank for processors to draw on throughout the current cashew season following an intervention led by CATEK Group, another of the three subcontractors for Access to Finance performance-based contracts (see map p 66), in support of private sector structured

financing of RCN processing (for whole white kernel export). The assets of the cashew bank will be progressively increased on an annual basis. Technical assistance will continue pending a U.S. Embassy Senegal RSO assessment of the Chamber of Commerce. The projected value of the assets to be attributed by the private sector for cashew processing investment through the Chamber of Commerce cashew processing bank for this season is approximately USD 870 000.

USD13 million in applications for finance facilitated

Last quarter subcontractors developed applications for short- and mid-term financing in excess of USD 13 million. A revised figure brings the value of deals pending in the pipeline to over USD 30 million involving 27 companies in the handcraft, apparel, shea, and specialty foods sectors. The table below summarizes progress-to-date.

Company	Sector	Country	Needs identified	Business plan created	Business plan to financier	Financing approved Terms met & accepted	Financing disbursed
Karikis	Shea	Burkina Faso					
UGPPK	Shea	Burkina Faso					
BIO Foods	Specialty Foods	Burkina Faso					
AGROSERV	Specialty Foods	Burkina Faso					
Ken Atlantic	Apparel	Cameroon					
Guiding Hope	Specialty Foods	Cameroon					
NWCA	Specialty Foods	Cameroon					
GGT	Apparel	Ghana					
Delata	Home Decor	Ghana					
WAML	Shea/ Specialty Foods	Ghana					
Ebenut	Specialty Foods	Ghana					
Agribissau	Cashew	Guinea Bissau					
Sicajou	Cashew	Guinea Bissau					
BandB Cashew	Cashew	Guinea Bissau					
Djondé	Cashew	Guinea Bissau					
EMICOR	Cashew	Guinea Bissau					
Quadé	Cashew	Guinea Bissau					
UCODAL	Specialty Foods	Mali					
LAHAM	Specialty Foods	Mali					
ATRAFEL	Specialty Foods	Mali					
ACET	Cashew	Nigeria					
Abod Success	Cashew	Nigeria					
KD Foods	Cashew	Nigeria					
La Vivriere	Specialty Foods	Senegal					
Zena Exotic Fruits	Specialty Foods	Senegal					
Cajou Espoir	Cashew	Togo					

Analysis

Over the past two to three years, an intensive effort has been carried out to provide training to bankers, either on a stand-alone basis or in partnership with international institutions. This helped the Finance Team better understand the bankers' perspectives on various issues, to build trust and develop stronger relationships with most of these banks, which is critical in gaining their support. (See "[Building essential capacity to capture trade finance opportunity](#)," Tradewinds, February 2011.)

The Finance Team has developed innovative approaches to addressing the A2F hurdle. For the cashew sector, this approach consists of cluster financing involving the following:

1. One or several financial institutions, mainly banks, to help spread the risks involved
2. A group of ERCs from a particular sector with similar needs and profiles
3. A sector-specific service provider to cover all technical aspects in order to address performance risk
4. USAID Trade Hub Finance subcontractor to provide managerial, and financial, services for the entire lending cycle. This addition builds trust and reduces the payment risk
5. Industry alliance or USAID Trade Hub technical assistance to provide marketing, production, and industry-specific best practices. This addition brings market access and increases competitiveness

This new model complements what has been offered in the past to financial institutions in order to entice them to do more lending in non-traditional sectors targeted by the USAID Trade Hub. These measures include providing training to improve internal capacity building for these sectors and guaranty instruments where possible to help them mitigate their risk exposure. However, the Finance Team noticed a rather timid reaction from commercial banks despite this assistance. The reasons are many but the most obvious are, on one end, the lack of confidence in the real benefit of going into these "new" sectors as top management weigh the cost versus benefit of such business activities. Even when the business makes sense and seems profitable, there is a persistent lack of trust in the ability of the borrower to actually deliver, along with corporate governance issues.

By offering this approach, bankers feel more confident and move towards establishing long term relationships with ERCs carefully selected by those who know them. In the case of the Nigeria cluster financing, the three processors selected have been known to the team for years and the African Cashew Alliance (ACA) is a key partner with international stature. Likewise, in the Guinea Bissau cashew model, the seven processors selected (3 medium- and 4 small-scale) are known to the Trade Hub and ACA. FUNDEI, the national civil society institution for the promotion and development of the cashew sector, is also being added to this cluster as a field-based strategic partner. The lending institutions are currently being evaluated in order to identify which best will support this model.

If proven to work in the cashew sector – and given the establishment of the newly formed Global Shea Alliance – the Finance Team envisions replicating this model to help secure financing for companies in the shea sector as well.

For all the other sectors with no single entity of reference such as ACA or GSA, other models are being explored. In the meantime, all available tools and modes of financing are being used by the Finance Team on a case-by-case basis and with some successes. Additionally, there has been a new wave of investors that are becoming involved in Impact Investing. This new approach to equity participation takes into consideration not only financial returns but also impact or social returns creating stronger arguments for investing in Africa.



SUCCESS STORY

In Mali, a tiny grain makes a big impact on women's livelihoods

Overcoming the access to finance challenge is critical to growing business – and creating jobs and lifting incomes for millions of people.



USAID West Africa Trade Hub

Fonio is the smallest grain in the millet family. It is highly nutritious and grows very fast – making it important to ensuring food security.

“Above all it’s a profitable business and well managed. The company also has a huge impact.”

**- Bamba Fall,
Root Capital**

Having too many orders would seem to be a business person’s dream, but limited access to finance turns meeting demand into a nightmare. With technical assistance from USAID Trade Hub subcontracted financial services experts at CATEK Group, a producer of fonio for export from Mali, obtained financing from Root Capital – and is now set to expand production by more 40% compared to 2010.

“That was my big, big problem – obtaining access to finance,” said Mariko Fadima Siby, the owner of UCODAL. “I couldn’t fill orders and was losing business.”

With initial pre-processing financing for up to about US\$75,000 at a time from Root Capital, a fund that seeks to achieve social impact through investment, Siby will be able to fill many more export orders.

“Above all, this is a profitable business, it’s well managed and the finances are under control of the owner who has more than 20 years experience in this domain,” said Bamba Fall of Root Capital. “The company also has a huge impact on the women’s groups it works with.”

UCODAL obtains its raw material from 34 women’s groups who involve thousands of women in rural Mali in the harvesting of the tiny, highly nutritious grains. The company expects to increase exports from 110 tons of processed fonio in 2010 to 150 this year – and 200 tons next year.

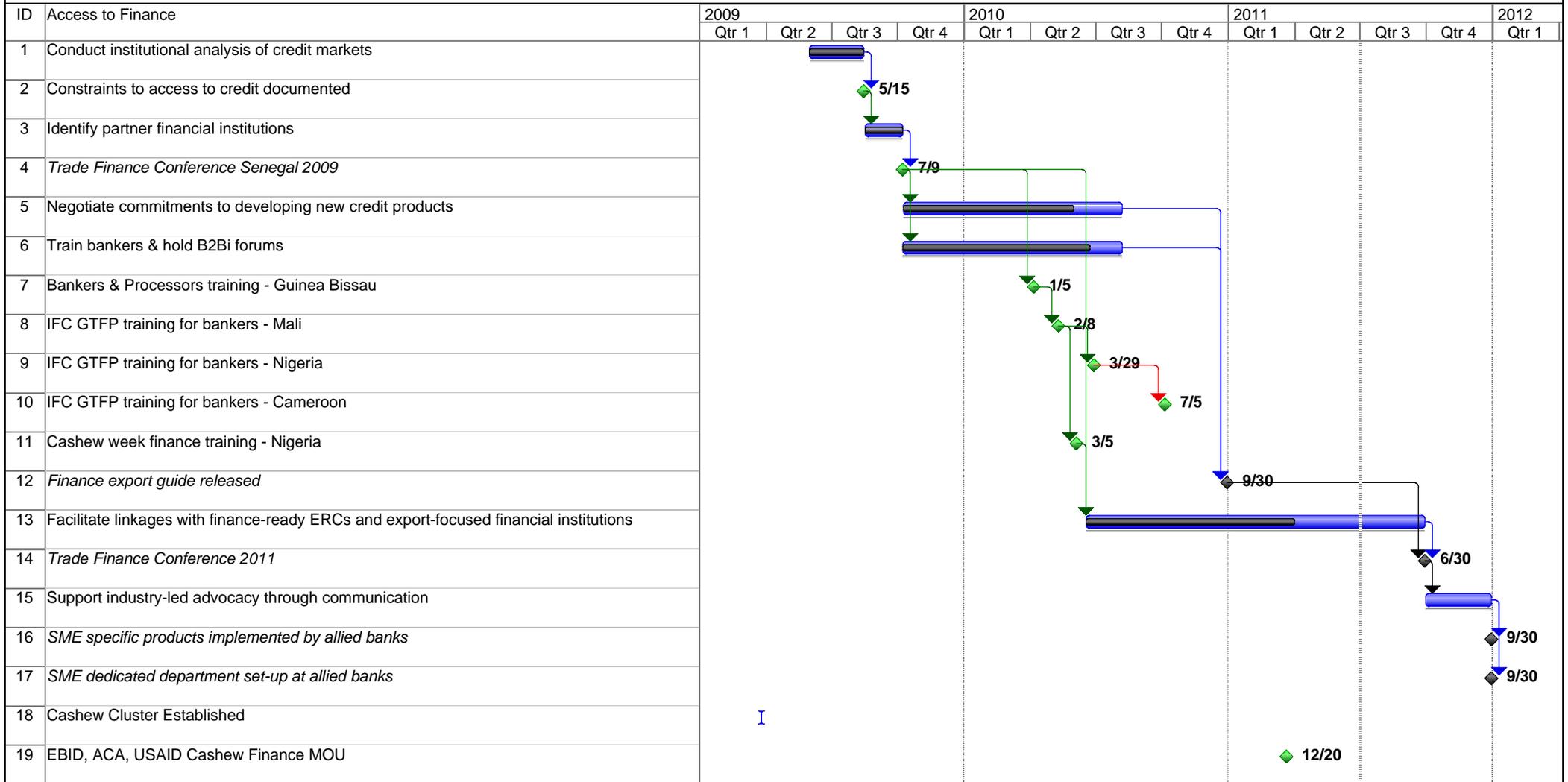
Siby started the company about 20 years ago against “common sense.” UCODAL directly employs 15 women today.

“There’s a tremendous amount of sustainability in what they do and an awful lot of room for growth,” said Stephanie Diakité of CATEK Groupe. “People like Mme. Siby and the women she works with are the backbone of economic and food security.”

“Next, UCODAL will modernize its factory so that it can work with more and more women at farm level,” she continued. “There’s a lot of potential for the future.”

“When I started, Mali produced about 4,000 tons of fonio a year and now it’s 30,000 tons,” Siby said. “That’s mainly because we started processing it. And it will only increase.”

Access to Finance Workplan



Project: A2F Gantt Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



3. TRANSPORT INFRASTRUCTURE

Introduction

The cost of transport in Sub-Saharan Africa is the highest in the world. This makes it difficult for West African products to compete in world markets. The USAID Trade Hub works to correct this situation focusing on the major transport corridors connecting Sahelian landlocked countries to seaports. The USAID Trade Hub's Transport work comprises three initiatives: Reduced Road Transport Costs (RRTC)²⁷, Improved Road Transport Governance (IRTG)²⁸, and Communications and Advocacy²⁹.

The Transport Team partners with public and private sector stakeholders, other USAID projects, organizations involved in improving trade and transport in West Africa and with donor organizations engaged in transport and trade facilitation, such as the World Bank and the European Union.

Highlights this quarter

Road Governance

- The study on the institutionalization and expansion of the Road Governance project was initiated and will be completed in the 3rd quarter of FY2011

- The 14th Road Governance report was released in the five countries covered by the initiative³⁰. The quarter saw a slight increase in the number of control points and bribes (+3%) and very significant increase in delays (+74%). The increase in delays is not all bad news. Part of the increase is due to



²⁷ The **Transport Cost** initiative analyzes procedures, costs and delays experienced in West African ports, along the transport corridor and in the inland terminal when importing and exporting goods to and from selected landlocked countries. The aim is to identify opportunities for improvements and then mobilize public and private stakeholders to affect change.

²⁸ The **Road Governance** initiative is under the auspices of the West Africa Economic and Monetary Union (UEMOA), and works through national Focal Points and Coordinators in host countries. The Road Governance program documents and publicizes the number of road barriers, the uniformed services that operate them and the delays and informal payments drivers incur at these barriers along major transport corridors in West Africa. The Trade Hub provides administrative, technical and financial support to this program.

²⁹ The **Communications and Advocacy** program educates stakeholders and raises awareness in order to strengthen political will to eliminate inefficiencies, introduce policy and regulatory reforms and fight road harassment, and thereby increase overall transport competitiveness. The communication and advocacy work is done through Trade Hub activities, Trade Hub-supported civil society organizations (CSOs), and private sector partners and stakeholders

³⁰ Activities in Côte d'Ivoire are on hold due to the political situation

better reporting of border crossing times which previously have been systematically under-reported with drivers indicating processing time rather than total border crossing time

- The Transport Team undertook initiatives to improve the quality, analysis and presentation of the Road Governance data and discussed these with UEMOA as well as with national focal points and coordinators in Burkina Faso and Ghana as follows:
 - A new design for the quarterly report – this will be implemented in the next quarterly report
 - National reports with in-depth information on checkpoints and the behavior of uniformed services have been completed for Burkina Faso and Ghana – in the next quarter these reports will be launched and national reports for Mali, Senegal and Togo will be prepared
 - Additional variables have been added to the questionnaire completed by drivers that will allow the Road governance initiative deeper analysis - UEMOA is in the process of modifying the database software accordingly, at their cost
 - The verification trip reports have been revised and standardized so that we now systematically store and compare the data collected during the verification trips with previous verification trips and the results from the quarterly road governance report

Transport Costs

A validation workshop for the Tema-Bamako transport cost study took place in Bamako in January 2011 – a first draft of the report should be ready next quarter

Some of the transport costs working groups established in **Burkina Faso** and **Ghana** following the release of the USAID Trade Hub report “Transport and Logistics Costs on the Tema-Ouagadougou Corridor” met with the Commissioner of Ghana Customs and the Ghanaian Parliamentary Select Committee on Road & Transports, resulting in the Bolga Sector Commander being directed to “take all necessary steps to stop forthwith” illegal activities of informal agents (so-called “Goro Boys”) at the Paga border, and the Parliamentary Commission deciding to make a study trip to the Paga border which is scheduled for early May 2011.

Communications & Advocacy

- Nine road governance road shows and workshops took place during the quarter (in **Burkina Faso**, **Ghana**, **Mali**, and **Senegal**) and five events took place in **Togo** during a week-long road governance caravan along the Lome-Ouagadougou corridor
- Five grant-supported Civil Society Organizations completed advocacy activities in **Mali**, **Senegal** and **Togo**. In **Ghana** the grantee, Legal Resources Center, started the implementation of its Borderless advocacy campaign in early January 2011 for completion in April 2011
- The Transport Team continued to disseminate Borderless truck stickers (300), caps (285), and pens (485) in order to highlight and promote an integrated West Africa

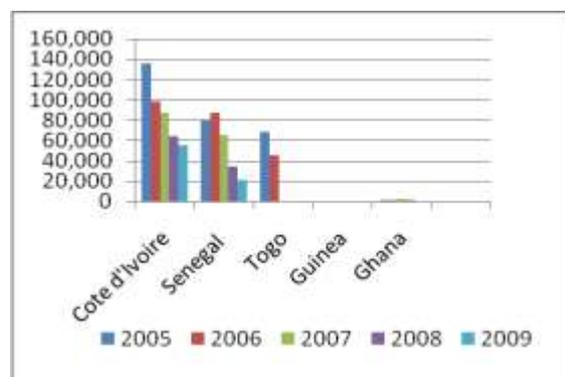
Results

The Reduced Road Transport Cost Initiative

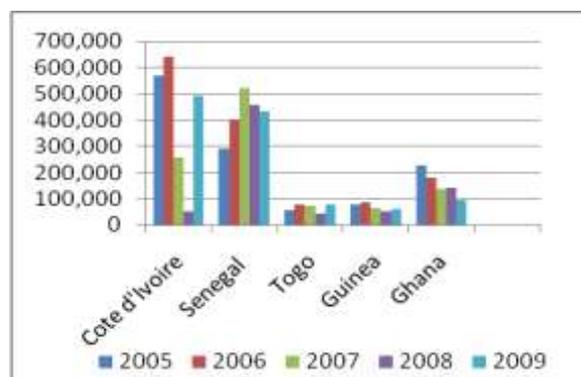
The Tema-Bamako transport cost study

The USAID Trade Hub has completed data collection on transport and logistics costs for the Tema-Bamako corridor with results validated for **Mali**. Statistics show that Tema has not been a popular option compared to the ports of **Côte d'Ivoire** and **Senegal**.

Malian imports, 2005-2009 (tonnes)



Malian exports, 2005-2009 (tonnes)



Some of the initial findings point to the following inefficiencies along the corridor contributing to increased costs and delays:

- Delays caused by the convoy system in **Burkina Faso** (up to three days)
- Delays caused by transfer of documents from **Burkina Faso** customs to **Mali** customs (the truck may cross any time but the documents are only transferred at the end of the day resulting in trucks having to wait at least until the next day before they can be processed)
- Extortion at **Mali** border weighbridge stations with up to 30,000 FCFA (approximately USD 67) paid as bribes
- The transit guarantee fund, which should be a single payment covering the length of the corridor, is paid at each border crossing thus adding delays and bureaucracy (0.5% of dutiable value in **Ghana**, 0.25% of CIF in **Burkina Faso** and 0.25% of CIF in **Mali**)
- The USD 200 transit fee charged per consignment in **Ghana** is a deterrent to exporting cargo through this corridor – this issue is being addressed by existing Transport Cost working groups.

The report will make specific recommendations to address the issues above.

The transport cost working groups

The transport costs working groups established in **Burkina Faso** and **Ghana** following the release of the USAID Trade Hub report “Transport and Logistics Costs on the Tema-Ouagadougou Corridor” have achieved a number of successes:

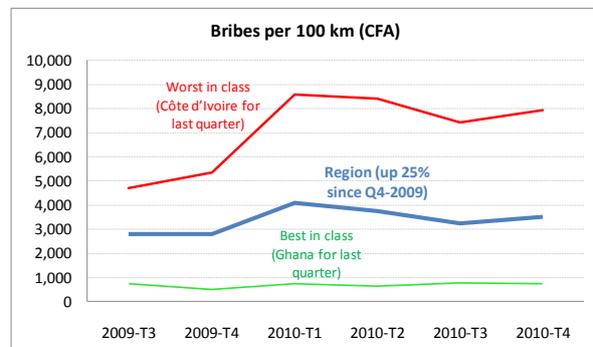
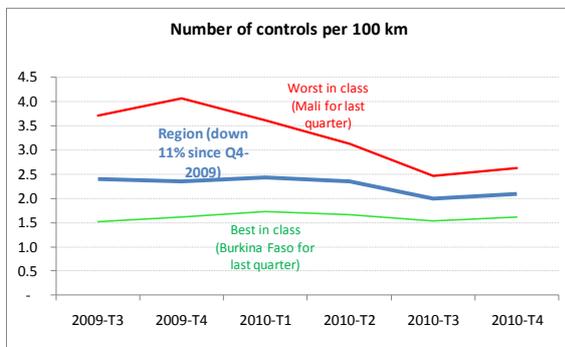
- A meeting with the Commissioner of **Ghana** Customs resulted in the Bolga Sector Commander being directed to “take all necessary steps to stop forthwith” illegal activities of informal agents (so-called “Goro Boys”) at the Paga border who charge the equivalent of about USD 20 per truck for handing the clearing documents from the trucker to the Customs official – a “service” that is totally unnecessary but still represents a cost to the transporter that is higher than the total amount of bribes paid on the Tema-Paga sub-corridor

- The **Ghanaian** Parliamentary Select Committee on Road & Transports will conduct a study tour of the Ghanaian segment of the Tema-Ouagadougou corridor after meeting the working group. At the meeting, the group advocated for, among other things, the repeal of the law on payment of USD 200 transit fee per consignment for transit goods entering Ghana from any point other than the Tema and Takoradi ports.
- It is now possible for traders and transporters to obtain FCFA in certain Ghanaian banks. For a long time this had not been possible, a situation that caused serious problems for transit transporters as it is difficult to convert Ghana cedis into FCFA in landlocked countries.

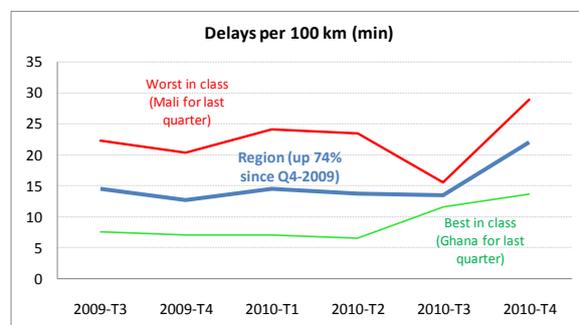
Improved Road Transport Governance Initiative

Road shows and workshops

As part of the road governance communication and advocacy activities, nine road shows and workshops took place during the quarter, in **Burkina Faso, Ghana, Mali, and Senegal**, and five district-level events in **Togo** during a week-long road governance caravan along the Lome-Ouagadougou corridor. The caravan through Togo ensured that regional and district-level officials who have a considerable influence on the operation of checkpoints learn more directly about the USAID Trade Hub-UEMOA road governance work. As a result of the Togo road governance caravan, the Togo Customs Director General removed two customs checkpoints immediately, namely Cinkassé Sud and Dapaong Nord. In addition, a customs checkpoint at Kante was removed in mid-February 2011. The extent to which these decisions are effective will be documented in future road governance reports.



The fourth quarter of 2010 saw deterioration in all road governance indicators: the number of controls and bribes increased by 3% and delays increased by 74%. The increase in delays is partly the result of more drivers reporting total time at borders crossings rather than just processing time. For details see the 14th Quarterly road governance report in Annex 4.



Data analysis and improvement

During the last quarter of FY2010, a data analyst joined the Transport team. The analyst cleaned the more than 112,000 data points of the road governance data collected between April 2009 and December 2010, gathering them into a single database in order to make it easier to undertake analysis involving one or several of the 45 variables collected for each data point. The kind of problems that needed to be corrected included the name of the

checkpoints and the uniformed services completing the inspections, or controls. The errors did not matter when the information was presented as averages per corridor. However, correcting the errors was critical in order to produce the national reports where analysis focuses on activity at specific checkpoints. (See "[Checkpoints, axleweight and joint border posts dominate transport discussions](#)," Tradewinds, April 2011.)

The team met with UEMOA information system department to propose changes in the data collection process and the software compiling the data, with the aim of improving data quality and conducting additional analysis. UEMOA agreed in principle and changes will be implemented in the coming quarter.

To document those changes and as a support for the training of the focal points, the Transport Team wrote terms of reference and a User Manual that have been reviewed and validated by UEMOA. Also, the team updated the driver survey forms accordingly (see Annex 6), and continuously updates a reference list of the 300+ checkpoints across the seven corridors covered³¹. This list includes the checkpoint location, status (mandatory,

occasional or inactive), and the uniformed services operating the checkpoint. It will be used as the reference when entering data in the system, and therefore dramatically decrease the errors on checkpoint spelling and allocation of bribes or delay to a service.

Proper training of the focal points is a key success factor for data quality. During trips to Ouagadougou, Burkina Faso and Lomé, Togo, the Transport Team explained to the focal points agents and supervisors their new tasks and assessed their difficulties. According to



Beretin Ouedraogo, the national coordinator of the USAID Trade Hub-UEMOA road governance initiative in Burkina Faso, moderates a discussion of the 14th report's results in Bitou, Burkina Faso.

these focal points, the major hurdle is the necessary cooperation from drivers. For instance, when arriving in Ouagadougou, no more than 10% of the drivers who had been given a questionnaire had actually completed it. Suggestions to correct this situation included giving more Borderless gadgets (bumper stickers, caps, pens, t-shirts) to the drivers and to communicate results better, possibly by using mass SMS mailings through mobile phones.

UEMOA visit and new format for road governance reports. In February, the Transport Team met with the UEMOA transport department as well as other stakeholders in Burkina Faso to present a new format of the quarterly road governance report and a draft national report for Burkina Faso; to propose improvement to the data collection and analysis process; and, to discuss IRTG sustainability. The feedback was excellent and all the propositions were accepted with minor changes.

³¹ The corridors are from East to west: (1) Lome-Ouagadougou, (2) Tema-Ouagadougou, (3) Abidjan-Ouagadougou, (4) Abidjan- Bamako, (5) Dakar-Bamako, (6) Ouagadougou-Bamako via Koury and (7) Ouagadougou-Bamako via Hermakono

The 15th road governance report will be thoroughly redesigned according to the proposal presented to UEMOA. The new format (in Annex 5) contains fewer tables and more charts and graphs making the report easier to read and a more effective vehicle for key messages. The new format also includes more analysis on the causes of the changes observed.

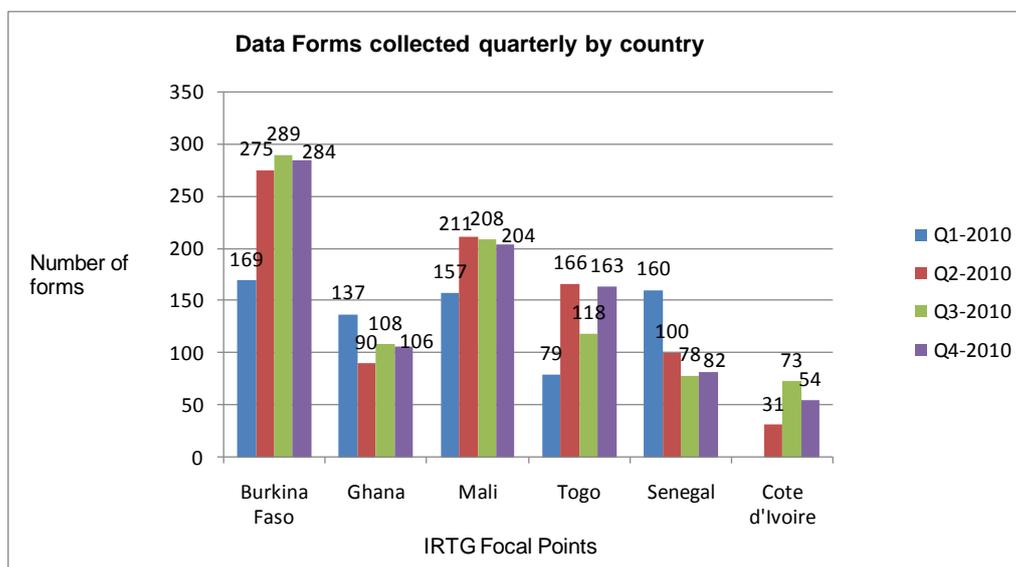
The new national report format consists of a booklet which includes data on every checkpoint in the country so that uniformed services can easily compare internal directives with the implementation in the field. The reports also include a regional perspective that allows national stakeholders to compare themselves with other countries, information on the services identified as most harassing, as well as the most significant checkpoints.

The aim of the national reports is to make it easier for national trade and transport stakeholders in each country, in particular the uniformed services and policy makers, to monitor change and take action for positive change.

The national reports have been prepared for **Burkina Faso** (Annex 7) and Ghana (Annex 8). They are being circulated among stakeholders for comments before the official launch and wider distribution early next quarter.

Focal Point productivity

This quarter, focal points productivity has been stable, except in **Côte d'Ivoire** where political turmoil caused a huge drop in transit traffic. When reading the table one must keep in mind that "productivity" should be considerably higher in multi corridor countries like **Burkina Faso** and **Mali** than in single corridor countries like **Ghana**, **Senegal** and **Togo**.



Borderless Communications and Advocacy

The USAID Trade Hub’s advocacy work is based on the premise that strong political will is necessary to increase efficiency and competitiveness of the transport sector and to fight the widespread culture of corruption among uniformed services, particularly visible at road blocks but more important at the ports and inland terminals. Since late 2007, the Transport Team team has conducted direct advocacy through workshops and road shows with truck drivers and other public and private sector stakeholders. Since 2009, the awareness and advocacy program has been augmented by giving grants to civil society organizations to support their efforts to promote better governance and more efficiency in transport. In the last year, the Transport Team has collaborated with the Business Environment Team using the Borderless advocacy campaign to promote the free movement of goods and people in the ECOWAS region.

Activities this quarter included meetings of Borderless private sector stakeholders with Ghana Police and Customs, the National Insurance Commission and the Ghanaian Parliamentary Committee on Transport, facilitated by the USAID Trade Hub, to advocate for issues such as: reduction in checkpoints, improvements to the ECOWAS Brown Card insurance, elimination of “goro boys”³² at the Paga border crossing, elimination of the USD 200 fee per consignment imposed by Ghana on transit traffic entering Ghana at any point other than Tema and Takoradi ports. (See “[Civil society Borderless advocacy leading to lower transport costs](#),” Tradewinds, March 2011.)

Stakeholders and report distribution

The tool used for distribution of our reports is an online software database, Salesforce. This quarter, Salesforce reached a total of 19,451 contacts compared to about 17,000 contacts last quarter. Transportation contacts alone have increased from 1,600 to 2,073 contacts. This increase is attributable to the addition of new contacts such as Sub-Saharan Africa Transport Program coordinators, ECOWAS Experts Meeting on Project Preparation and Development Unit (PPDU) Regulation and Axle Load Policy Harmonization contacts, and others. Duplicate accounts continue to be cleaned so that, for instance, all contacts from ECOWAS are now grouped under one account.

To ensure that transport reports reach all important government and private sector actors, the transport team has started a top-down review of the distribution list. Grant-Funded Advocacy Campaigns

At the end of FY2010, the USAID Trade Hub awarded grants to five civil society organizations (CSOs) in **Ghana, Mali, Senegal and Togo** for a total amount of USD 95,000. In **Senegal, Togo and Mali** grant activities were concluded in the second quarter of FY2011



In Ghana, the Transport Team met with Members of Parliament to discuss road harassment. As a result, Parliamentarians will visit Paga, at the Burkina Faso-Ghana border, in May.

³² informal agents at the Paga border who charge the equivalent of about USD 20 per truck for handing the clearing documents from the tracker to the Customs official

and evaluation workshops were held in **Senegal** and **Togo** to identify better strategies for the future. In **Ghana**, the CSO activities started in January 2011 and will be completed in April 2011.

In **Togo**, parliamentarians, ministries of commerce, transport, security and the media were more receptive to MECAP-FR's campaign this quarter, compared to the first advocacy project which was implemented in 2009. This is an indication that sustaining advocacy



efforts over time can generate results. MECAP-FR twice met with a parliamentary committee that oversees Economic and National Development (the committee is made up of five national parliamentarians and two ECOWAS parliamentarians). The committee invited MECAP-FR to present the road governance status in Togo at a plenary session of parliament and

The Borderless advocacy campaign launched its Facebook page in February: www.facebook.com/borderlesswa

committed to implement legislation facilitating efficient road transport. The Transport Team will try to clarify this somewhat vague commitment in the coming quarters.

Onion and tomato traders' syndicates reported notable reduction in harassment in **Togo** and attributed this change to MECAP-FR's campaign. They explained that they used to pay 75,000 FCFA (about USD 167) in illicit fees transporting goods from Dapaong (Togo North) to Lomé but now pay 25,000 CFA (USD 56). The traders' syndicates also indicated that they have some degree of recourse now that they did not have before. In one case, a tomato trader was able to call upon MECAP-FR to intervene when she was harassed by officials in Dapaong. MECAP-FR trained nearly 900 truck drivers and traders and distributed truck driver's guides developed by the USAID Trade Hub that show all the documents required for a Togolese truck transporting goods through West Africa. This is helping to encourage legal trucking. The testimonies of the onion and tomato traders' syndicates have inspired livestock syndicates to request copies of the truck driver's guides and training on legal trucking.

In **Senegal**, USAID Trade Hub advocacy activities led by COFLEC and Forum Civil have reduced harassment and checkpoints on the road. The president of a women's trade group "FAYDAL JIGUEN" Mme Soukeye Diop, a major trader in cereals, dried and smoked fish from Mali and Burkina Faso to Senegal, reported transporting goods from Bamako to Dakar now takes three days compared to seven previously. The most recent road governance verification trip has confirmed this reduction. Through training workshops, TV sketches and interviews, radio and newspaper columns, and lobbying policy makers, COFLEC and Forum Civil have brought stakeholders together to work towards resolving road governance challenges on the Dakar-Bamako corridor. These efforts have helped to shed the corridor's status as one of the worst in West Africa with respect to the number of checkpoints and harassment. To sustain efforts to improve road governance, the Senegal national road facilitation committee, which includes the Ministry of Transport, the Gendarmerie, the Police, and Senegal road transport unions, invited Forum Civil and RDV television station, to

become an integral member of the committee. In Senegal, the transport work is strongly supported by the USAID Trade Hub regional office in Dakar and we work closely with the USAID sister project *Projet Croissance Economique*, which is a Borderless partner.

In **Mali**, CAD-Mali engaged the public and private sector in interactive workshops and training sessions, raising awareness of how improved road governance is crucial to economic growth and how these improvements can be made. CAD-Mali focused specifically on advocating for Mali officials to implement UEMOA's interstate transport decision (N°15/2005/CM/UEMOA), which specifies that the number of controls on a transit corridor should be limited to three: the point of departure, the border crossing and the point of cargo clearance. CAD-Mali helped the media better understand and advocate for the implementation of UEMOA's interstate transport regulations. CAD-Mali also trained truck drivers' syndicates and distributed the USAID Trade Hub's "Truck Driver's Guide to Required Documentation" in Mali. Here, too, stakeholders expressed concern that the gains made by CAD-Mali in raising awareness and building a consensus to improve road governance will simply fade if advocacy efforts are not sustained. The USAID Trade Hub works closely with the USAID sister project, Integrated Initiatives for Economic Growth in Mali (IICEM), which is also a Borderless partner.

Legal Resources Center (LRC), the CSO conducting advocacy activities in **Ghana**, commenced project activities in January 2011. LRC is following up with Ghana Customs Division and the Bureau of National Investigations (BNI) on complaints procedures and corruption cases respectively. LRC is preparing brochures, flyers and posters to publish hotline numbers and raise awareness about feedback procedures, in order to increase accountability. LRC organized a workshop for transport stakeholders – the Ghana Shippers' Authority, Ministry of Roads and Highways and transport owners unions participated -- to discuss how to bridge ECOWAS transport policy implementation gaps in Ghana and neighboring countries. LRC also followed up with the Attorney General on its commitments to combat corruption in the transport sector in 2009. The Attorney General has authored a bill on corruption that is pending passage by parliament.

Media coverage

Media plays an essential role in the visibility of the USAID Trade Hub's transport work across the region. The Borderless road shows and workshops have received significant media and press coverage. This quarter's media coverage generated by civil society organizations grantees in **Senegal, Togo** and **Mali** is summarized in the table below.

Media	Mali	Togo	Ghana	Senegal	TOTAL FY'11 Q2	Total FY'10 Q2	Change Q2 FY '11-'10
Newspaper articles	8	3		28	39	72	-46%
Radio Broadcasts (number)	10	6		18	34	49	-31%
Cumulative radio time (minutes)	60	360		180	600	450	+33%
TV Broadcasts (number)	0	3	1	11	15	16	-6%
Cumulative TV time (minutes)	0	120	30	90	240	245	-2%

The decline in media exposure this quarter compared to a year ago has occurred largely because of a decline in grant activities this quarter. One year ago, nine grants had been awarded compared to five grants this quarter. Also, Borderless was launched this quarter last year, an event which garnered considerable media attention.

Analysis

West African transport efficiency and competitiveness & Borderless

The aim of the transport work is to increase the competitiveness of the West African transport industry. To accomplish this, the USAID Trade Hub conducts transport cost studies that identify inefficiencies and opportunities which result in recommendations for change. Strategic recommendations require major policy reforms and which, therefore, are likely to be long-term. Examples of strategic recommendations are (a) the realization of a single market in the ECOWAS region (which would eventually eliminate border controls between member countries), and (b) the liberalization of the trucking market within ECOWAS to such an extent that an approved ECOWAS transport company would be authorized to carry local, regional and international goods in the region between any destinations without constraints.

Tactical recommendations refer to actions that will bring smaller improvements but which can be implemented in the short term, such as the elimination of the USD 200 per consignment fee imposed by Ghana on all transit traffic entering the country except through Tema and Takoradi ports. The working groups that were established in September 2010 in **Ghana** and **Burkina Faso** following the publication of the Tema-Ouagadougou Transport and Logistic Costs study have had several successes this quarter reported above. When the Lome-Ouagadougou and Tema-Bamako transport cost studies are published later this year, the Transport Team will establish similar working groups in Togo and Mali in order to mobilize the private sector for advocacy under the Borderless banner. At the same time, the team will work towards formalizing a regional Borderless Alliance to include many partners, including the transport costs working groups.

Liberalizing the West African trucking market

The USAID Trade Hub is participating in a number of initiatives to liberalize the West African trucking market. For example, the 2010 UEMOA road map for the implementation of axle load regulations specifies that the “first come, first served” system of cargo allocation which exists in several West African countries shall be eliminated, which is a step towards liberalizing the trucking market. At the same time, the World Bank and other development partners are pushing for the elimination of the bilateral transit traffic cargo sharing agreements between landlocked and coastal countries which generally reserve 2/3 of import cargo to transporters from the landlocked country and 1/3 to transporters from the port country, which is also a step toward liberalization. The USAID Trade Hub supports these efforts, but argues that the liberalization of the trucking market has to go further in order to be successful and must at the very least at the bilateral level allow transport companies from, say, **Burkina Faso** to carry local goods in **Ghana** and vice versa. Without this, transporters from landlocked countries are likely to lose out from liberalization as they will have a limited pool of cargo for which to compete in the port country while the port country transporters can compete for both local and transit traffic. Allowing foreign trucks to carry local traffic may also alleviate one of the major inefficiencies in West African transport, namely the heavy imbalance between import and export traffic to and from landlocked countries.

In this regard, it is of interest to note that the Conseil Burkinabe des Chargeurs (CBC) has developed an Internet-based electronic freight market which it presented officially to stakeholders in **Burkina Faso** this quarter and which, with USAID Trade Hub assistance, it will present to Ghanaian stakeholders in the coming quarter.

The liberalization debate will continue next quarter when the Conseil Burkinabe des Chargeurs will host a regional conference on the subject in Ouagadougou; the Transport Team will participate.

Road Governance

The Road Governance project has had great success in gaining interest and recognition, and in mobilizing stakeholders throughout the region for the cause, but has had limited success in actually reducing road harassment. In order to improve the impact of the road governance program the transport team has for the last two quarters been working on cleaning the data in order to improve its quality and credibility, designing a more accessible format for the quarterly report, developing national reports with more actionable information of interest in particular to uniformed services and policy makers, reviewing how and to whom the reports are distributed, and adding variables to the questionnaire in order to add indicators such as cargo carried, time during the day/night of controls, total border crossing time versus processing time, total trip length, time required for finding cargo before trip, and time for clearance and unloading at arrival. In the next quarter the team and partners will begin to implement these improvements. The USAID Trade Hub is preparing to expand the road governance program to the Cotonou-Niamey and Dakar-Bissau corridors. This should have started already this quarter but has been delayed because UEMOA has not been able to provide the necessary support, probably because the organization has been much occupied with the Cinkasse joint border post.

Joint Border Posts

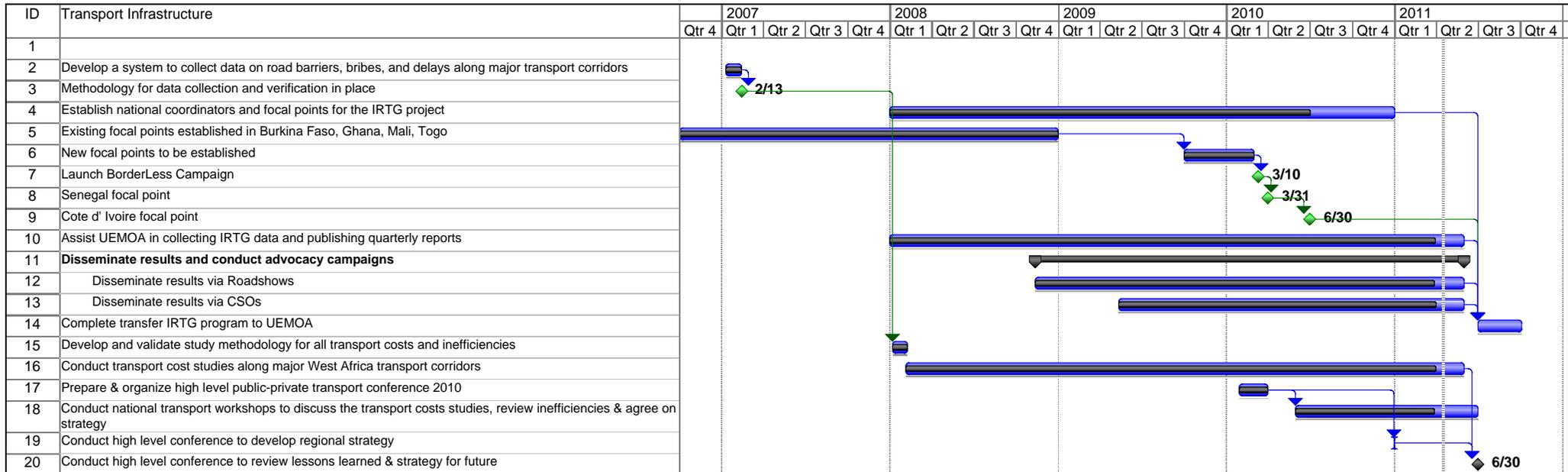
The Cinkasse joint border post (JBP) is the first of a series of ten JBP's formally agreed in 2003 by ECOWAS and UEMOA as part of their regional transport and transit facilitation program. Ten common border crossings were identified for construction with the European Union as the main development partner, although the Cinkasse JBP was self-financed by UEMOA for about USD 15 million.

In addition to the Cinkasse JBP at the **Burkina Faso-Togo** border, JBP's are planned for the Benin-Niger border at Malanville, and the **Burkina Faso-Ghana** border at Paga with EU funding under UEMOA supervision; and, at the Benin-Nigeria border at Seme-Krake and the **Ghana-Togo** border at Noepe, also with EU funding but under ECOWAS supervision.

Although the Cinkasse JBP has been ready for about a year it is still not operational because the transport community has refused to accept the fee of about USD 100 (cfca 50,000) per truck which the private investor/operator, Scanning Systems, has been authorized to charge. There are now serious issues regarding how the contract was awarded, the length of the contract and the fees being applied. In addition it is being reported that the JBP has been built without adequate facilities for other border authorities, such as immigration and the border police, as well as service providers such as freight forwarders. The result is the new Cinkasse JBP may not replace the existing border posts. The USAID Trade Hub is follow the issue closely and is exploring whether it can facilitate a resolution to the many problems by bringing stakeholders together in Lome in the coming quarter.



The Joint Border Post in Cinkasse, at the Burkina Faso-Togo border was built by UEMOA and is one of 10 planned for the region with various funders' support.



Project: Transport Infrastructure 10-13 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



4. BUSINESS ENVIRONMENT

Overview

Regional integration—primarily the harmonization of trade policies and their uniform implementation—would reduce supply chain costs for exporters and increase national competitiveness. About 11% of all West African trade is intraregional – because the costs of trading within the region are higher and more onerous than trading with the rest of the world.

The ECOWAS Trade Liberalization Scheme is the primary tool for the region to resolve this problem, but uniform implementation of ETLS protocols across the region have not been realized. The benefits of the ETLS for West Africa, when fully implemented, would be greater economic growth (particularly for the agricultural sector), more jobs and lower consumer prices.

BORDERLESS
Removing trade barriers in West Africa

The USAID Trade Hub's Business Environment work is part of the Borderless advocacy campaign to remove trade barriers in West Africa.

Results and Highlights

Finalization of Regional Agricultural Transport and Trade Policy Study

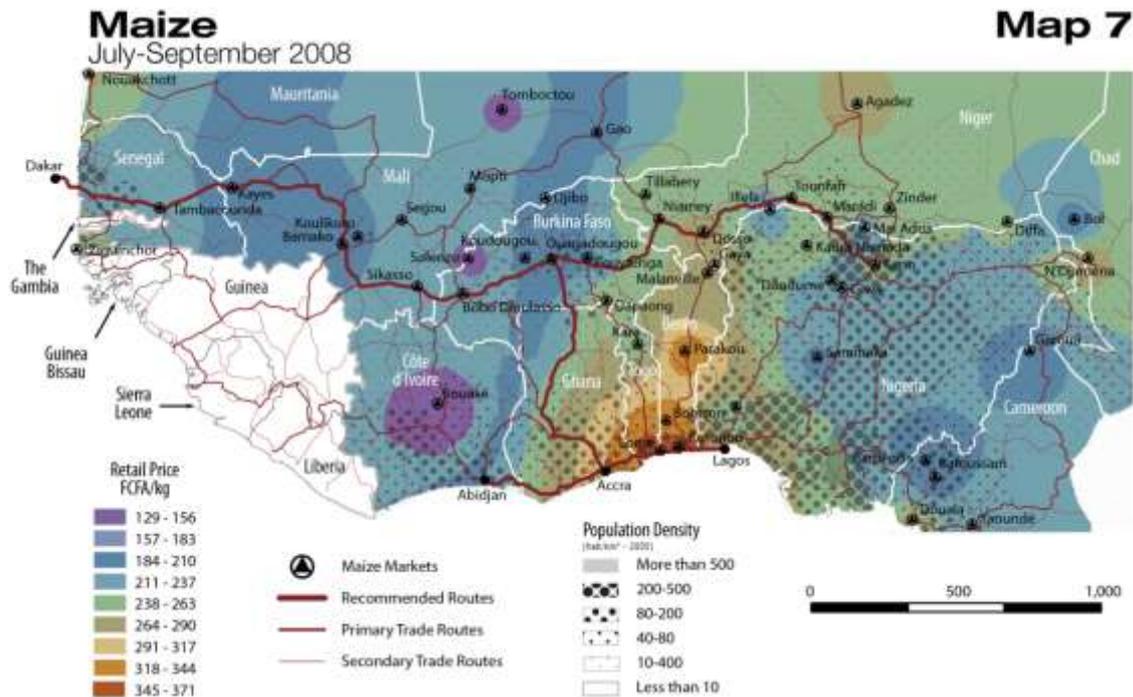
During the first quarter of FY 2011, USAID Trade Hub Transport & Trade Policy Teams undertook a comprehensive review of regional agricultural transport and trade policy to identify potential solutions to the key constraints which hinder the flow of agricultural commodities within the region, and presented the study's preliminary findings on constraints and recommendations to USAID West Africa's agricultural and trade teams. This quarter the Trade Hub submitted the report on Agricultural Trade Policy and Transport in West Africa, which is attached as Annex 9.

The study ultimately proposed ten recommendations for the cereals value chains studied (maize, millet and sorghum), as well to reduce transport and trade policy barriers.

Most prominent among these are:

- Regional freight exchanges which support the development and region-wide adoption of a new web-based, freight exchanged system designed to lower transport costs by increasing the logistical efficiency of linking freight to trucks in West Africa; and
- Border information centers & communities designed to promote access to trade information at borders (see corresponding sub-section below)

This report used isoprize maps to illustrate the spatial distribution of prices for maize, sorghum and millet during periods of generalized high and low prices. These maps show where cereal commodity prices are low and where they are high, and the gradations between these areas in West Africa. The report further recommended specific transport corridors for intervention, thus enabling regional policymakers to identify the corridors which most directly connect zones of high and low prices across national borders. Map 7 shown below overlays measures of population density to prioritize work on corridors that best link producers and consumers and have significant opportunity to increase agricultural trade flows.



Maize 2008 isoprice map overlaid with population density and proposed intervention corridors

Harmonization of Regional Trade Liberalization Schemes

ECOWAS' new Customs Director has taken the initiative to establish a series of consultative processes between ECOWAS and UEMOA which would lead to the harmonization of the two separate trade liberalization schemes.³⁴ The first in the series was held in Lomé in March, with a meeting of Customs Directors from both regional bodies and other regional stakeholders; the USAID Trade Hub acted as a resource, encouraging the harmonization of both schemes based on findings from the ETLS Gap Analysis. As a result of the three-day meeting, ECOWAS and UEMOA have agreed to develop one unified scheme to improve the implementation of regional trade and the free movement of persons, merchandises, and vehicles.

The elements of this process included setting up an ad hoc committee to review the ETLS and CPT, making specific recommendations to harmonize both protocols that will be fed to an experts' meeting scheduled in May, and the Ministerial meetings scheduled in June 2011. The specific recommendations highlighted:

- Setting up of a control mechanism to certify companies proposed by member states under the ETLS
- Using of the 2007 version of the Harmonized Tariff Schedule, proposing member states to use a 10-digit HTS code for certified products
- Harmonization of the certification documents used by ECOWAS and UEMOA
- Inclusion of standards and quality bureaus in the National Approval Committees
- Setting up of an ETLS website to sensitize the private sector on trading procedures

³⁴ The ECOWAS program for originating industrial goods to receive duty-free treatment within the region is called the ETLS (ECOWAS Trade Liberalization Scheme), while UEMOA's scheme is called the Community Preferential Tariff (CPT). Both schemes were established to facilitate trade in industrial goods within the region, however, traders must go through separate processes in order to receive approval from either scheme.



Both commissions will present recommendations at an ECOWAS experts' meeting and later to the Ministerial meetings. At the meetings the USAID Trade Hub presented key findings and recommendations from the ETLS Gap analysis, and proposed a timeline for setting up a pilot border information center at Aflao, on the Ghana-Togo border, to promote ETLS awareness and implementation.

10th Ghana-Burkina Faso Joint Committee on Bilateral Cooperation for Trade, Transport and Investment

The USAID Trade Hub's efforts were recognized by both Ghana and Burkina Faso during the bilateral cooperation meetings held from March 29-31 in Accra, in facilitating trade and transport in the region and providing updates on issues such as checkpoints, customs clearance formalities on transit goods, the ECOWAS Brown Card and gaps in ETLS implementation. As a result, the national governments have incorporated these recommendations into the report of the technical committee on Trade, Transport and Investment for implementation by all stakeholders and monitoring by their respective ministries of foreign affairs and National Trade and Transit Facilitation Committees.

Recommendations highlighted include:

- Eliminating checkpoints, especially on the Tema-Paga corridor
- Curtailing the practice of opening sealed containers at the Tema port for physical examination in contravention to international practice
- Establishing of a joint Ghana-Burkina Faso Corridor Management Committee
- Ensuring progress towards a single bond and unique guarantee system to replace the repayment of bonds at every border
- Implementing these recommendations will reduce costs and delays along the Tema-Ouagadougou corridor.

Advocacy—Fostering Dialogue between public and private sector stakeholders

In March 2011, the USAID Trade Hub participated in advocacy meetings at the ECOWAS Commission and Parliament in Abuja, organized by the Agribusiness Trade Promotion (ATP)

project and regional agribusiness associations to encourage free movement of goods, to promote four of six value chains of ATP's focus—livestock, poultry, cereals and onions.

Both the Trade Hub and the ATP Project support private sector advocacy by stakeholders on regulatory and policy issues, and private sector awareness-building on barriers to trade. The mission brought together representatives of regional value chain associations face-to-face with officials at the ECOWAS Commission to voice their concerns and identify ways that ECOWAS should be involved in the development and enforcement of regional agreements.

Echoing findings from the ETLS Gap Analysis, the regional agribusiness associations raised trade issues affecting their respective value chains to the Vice President of the ECOWAS Commission, Secretary General of the ECOWAS, Parliament, the Director of the Free Movement and representatives of the Trade and Customs Directorates. The associations highlighted non-tariff barriers, including, illegal fees without receipts, numerous checkpoints, the lack of harmonization of documentation required for cross-border trade and quality standards, export restrictions and the lack of a regional policy on livestock trade.

The private operators gained a deeper understanding of ECOWAS' mandates and limitations, further improving their advocacy campaigns at the Member State level.

Following recommendations from the ATP team in a joint meeting with the Trade Hub in Accra in June 2010, the team encouraged ECOWAS to institutionalize a Policy Watch System to ensure industry feedback on problems facing value chain stakeholders, especially those trading in regional agricultural goods, which in principle, should move freely, free of duties, in the subregion. Each association produced an advocacy plan with the technical assistance of ATP and the Trade Hub, to push implementation of regional agreements relating to the movement of agricultural goods in their Member States. The plan includes a roadmap with timelines and responsibilities for follow up. ECOWAS has agreed to engage the regional agribusiness associations in its trade facilitation activities and push their concerns to the higher Ministerial level.

National Civil Society Organizations probe deeper into gaps in ETLS Implementation

On March 17, the Legal Resources Center (LRC), a USAID Trade Hub-supported civil society organization, and the Ghana Shippers Authority (GSA), organized a workshop in Accra for transport stakeholders to discuss the recommendations of the ETLS gap analysis. Twenty-five stakeholders participated, including representatives from the Ministry of Trade and Industry (MOTI), Ministry of Roads and Highway, CEPS, Ghana Transport Owners Association and Ghana Ports and Harbours Authority. The representatives provided updates on their respective departments' efforts vis-à-vis the gap analysis recommendations, and discussed plans to incorporate the recommendations into their activities.

The stakeholders stressed that Ghana had taken the lead in implementing several ETLS protocols —enforcing axle load limits, for example (see Transport section) — but this is hampered by non-uniform implementation across the region. Consequently, Ghana is paying a penalty for compliance with the ETLS as transporters, deterred by stricter regulations in Ghana, divert trucks through neighboring countries. The Ministry of Roads and Highways also suggested that the penalty for overloading trucks is not prohibitive enough; rather, the fine for overloading actually “legalizes it,” he said. The ministry recommended stricter measures, such as forcing trucks to offload goods or paying a higher fine.

Evaluation of Regional Aid-for-Trade Initiatives

In January, the USAID Trade Hub's case study of the gap analysis on the implementation of the ETLS was among those evaluated during a three-day ECOWAS Aid-for-Trade (AfT) review conference in Abuja. Member States and development partners, including the World Trade Organization (WTO), the International Trade Center (ITC) and the United Nations

Economic Commission for Africa (UNECA) assessed the impact of region-wide AfT case stories³⁵ prior to submission to the WTO in preparation for the 3rd Global Review of Aid-for-Trade scheduled for July 2011 in Geneva. The meeting also reviewed self-assessment questionnaires to evaluate national and regional AfT initiatives.

Case studies on the USAID Trade Hub-UEMOA joint road governance initiative (see Transport section, p. 71) and the development and implementation of the USAID Trade Hub-supported African Cashew Alliance (see Cashew section, p. 32) were also submitted to ECOWAS upon the regional body's request. The case stories generated interest among participants in the USAID Trade Hub's approach towards effecting change and increasing trade in the region.

Other presentations of case stories included reviews of national AfT initiatives from Member States including **Benin, Ghana, Niger, Nigeria** and **Sierra Leone**. The countries shared lessons learned and factors for success. The conference highlighted the need for continued collaboration and coordination of efforts between Member States and development partners to leverage development.

Promoting Access to Trade Information at Borders

The ETLs Gap Analysis exercises revealed that incomplete and inconsistent implementation of ETLs protocols within countries has a host of negative effects, including increasing the costs and unpredictability of trade and discouraging business expansion and investment.

The reports recommend pilot joint border Trade Information Centers to provide information to both public and private sector stakeholders on regional trading rules and procedures in order to facilitate border processing, reduce costs and delays, and increase trade across borders. The first center will be established at Aflao on the Ghana-Togo border. As part of the Gap Analysis, the research team assembled a large volume of protocols, laws, forms and other documents that pertain to the ETLs rules and procedures. These documents, difficult to find even for trade and customs experts, will be easily available at the centers.

The Business Environment team conducted an assessment of the viability of setting up information/resource centers at the Ghana-Togo border (Aflao) and the **Togo-Burkina Faso** border (Cinkassé). At the Ghana-Togo border (Aflao), the team met with the Ghana Shippers Authority (GSA) and Heads of Customs of both countries to determine the possibility of collaborating with GSA to build on GSA's existing Complaints Center. The team also evaluated operations, infrastructure, sustainability and stakeholder interest in developing an information campaign at the border.

According to GSA officials, with over 10,000 persons crossing the Aflao border daily, the largest need at the border is a display system, possibly electronic, that lists fees and procedures to facilitate understanding and traffic at the border. Other needs include technical staff to expand services to other private operators seeking assistance. GSA is also interested in organizing workshops and seminars that provide information to the public and draw attention to facilitation of cross-border trade.

Sign boards and posters with fees and documents required at borders would significantly facilitate transactions for the private sector as well. Where information is scarce, the opportunity for bribery and other corruption is higher.

ETLS Gap Analysis Findings delivered to key stakeholders with targeted recommendations

The USAID Trade Hub delivered findings and recommendations of the ETLs Gap Analysis to more than 75 key stakeholders at the Mali-Senegal border in Kayes, in preparation for a

joint ministerial between both countries to facilitate cross-border trade. The ministerial preparatory team included findings of the gap analysis, especially the need for harmonized documentation across both borders and ensure duty-free treatment to all agricultural goods of ECOWAS origin crossing the border.

Validation Workshops for the ETLS Gap Analysis—Togo and Benin

The team conducted final validation workshops in February of the findings of the Togo and Benin Gap Analysis surveys—reviewing results with key stakeholders. The workshops in Lomé and Cotonou brought together national stakeholders and private sector stakeholders—including representatives from the Port of Lomé; ministries of agriculture, finance and trade; Customs; and, transport companies to discuss findings and recommendations.

ECOWAS requested that the USAID Trade Hub conduct validation meetings—ahead of a joint meeting of technical experts—to ensure that findings regarding rules and procedures in Member States have been updated in the Gap Analysis reports and outstanding gaps filled. The validation workshop provided a platform to verify country-specific findings. Participants received and discussed the summary of regional findings and recommendations and provided updates on procedures and fees.

Public agencies represented at the workshop were generally aware of the benefits of full implementation of the ETLS; however, they debated the process of adoption of the protocols into national legislation and the provisions of the protocols themselves. The team obtained copies of supporting legislation and missing documentation from public agencies including the Chamber of Commerce, Ministry of Road Transport and Customs.

Single Window for Customs Clearance—efforts towards reduction in costs and delays

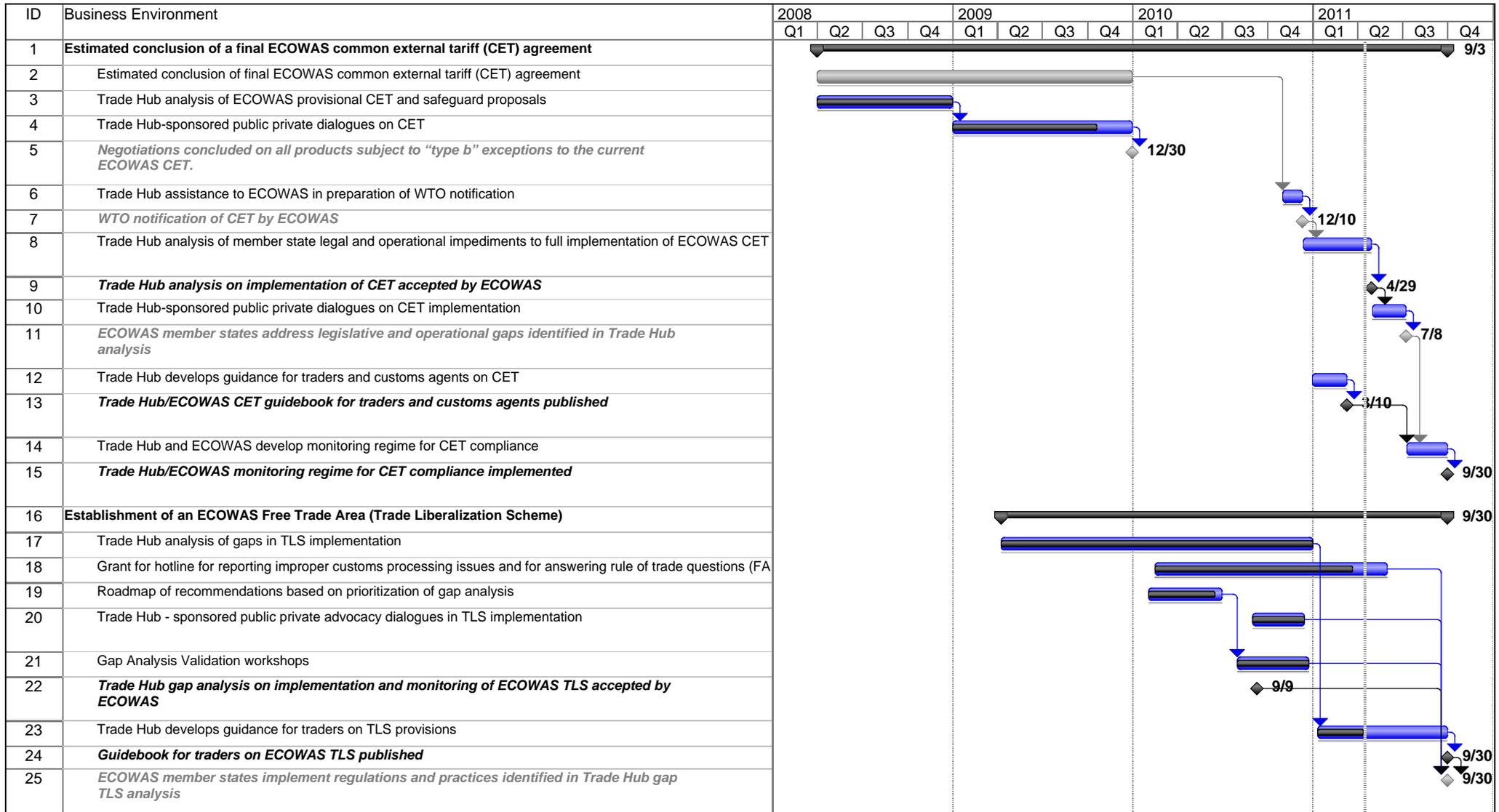
The Business Environment team attended a sub-regional meeting on the Abidjan-Lagos Trade and Transport Facilitation Program Seminar on the Single Window for Customs Clearing, organized by the World Bank in collaboration with the ECOWAS Commission and hosted by the **Ghana** Customs Division of the Ghana Revenue Authority. Among the 30 persons that attended were customs representatives from **Cote d'Ivoire, Ghana, Togo, Benin** and **Nigeria**; private sector stakeholders from Ghana and Cote d'Ivoire, and World Bank and ECOWAS representatives.

The Commissioner of the Ghana Customs Divisions encouraged participants to adopt the GCNET public-private partnership arrangement that has significantly increased government revenue and improved trade facilitation and collaboration with the private sector. The single window allows GCNET to electronically issue, track and monitor virtually all (98%) customs-related documentation.

Analysis

The ETLS Gap Analysis findings provide information and insight to ECOWAS and government officials responsible for implementation in Member States, and indicate where private sector actors can focus their policy advocacy efforts. The study revealed that incomplete and inconsistent implementation of ETLS protocols has a host of negative effects, including increasing the costs and unpredictability of trade and discouraging business expansion and investment. This notwithstanding, it must be recognized that tariffs are an important source of revenue for Customs operations and national governments have conflicting agendas to raise revenue for their countries. ECOWAS must monitor progress and maintain effective communication with Member States on trade issues in order to ensure the ETLS is fully implemented—and its benefits fully realized.

The issues are two-fold. First, the trade community's awareness and knowledge of the ETLs protocols must be improved. Simultaneously, trade officials' capacity to understand and implement the rules needs to be increased. It will be difficult to improve implementation of the scheme if regional customs officials and traders do not understand its provisions. Second, the political will must be mobilized to ensure that compensation mechanisms are effective to encourage compliance with ETLs protocols, that businesses and investors can benefit from the regulations and legislation enacted in support of the free trade area in case of a trade dispute, and to foster an environment of legality and freer movement of transport on the roads and at the borders. Ultimately, to make this work, neighboring countries need to do the same.



Project: Business Environment 11-17-11 Date: Fri 4/15/11	Task		Milestone		External Tasks	
	Split		Summary		External Milestone	
	Progress		Project Summary		Deadline	



5. TELECOMMUNICATIONS INFRASTRUCTURE

Introduction

Obtaining adequate ICT tools, as well as affordable, reliable and fast Internet connectivity are seen as key factors for using ICT to increase business. The USAID Trade Hub aims to put practical ICT capabilities in the hands of export-ready companies' in targeted sectors.

Results

ICT Help Desk

The ICT team continued to operate the help desk, providing exporters with valuable access to reliable technical information and support. Next quarter the ICT team will assess the pilot help desk's usage and determine if there is sufficient demand to explore the possibility of outsourcing the service to a third party service provider.

Exporters trained in the use of appropriate ICT

This quarter the ICT team focused on addressing the low reported uptake of ICT technology among exporters regularly attending the USAID Trade Hub's training sessions.

At a training session in March, 13 exporters (including 7 women) created and were shown how to manage a Facebook Page to promote their businesses. Exporters also set up email signatures, learned how to backup their hard-drives and joined the USAID Trade Hub-initiated online portal at network.africancraft.com.

Online sales pilot

The ICT team met with MBA students from Indiana University who were examining the potential for a Ghanaian shea exporter to sell online to U.S. consumers. The Market Linkages and ICT teams suggested Amazon Fulfillment (<http://aws.amazon.com/fws/>) as a possible business model. Amazon Fulfillment is a service that offers to warehouse products, serve as an online sales platform, and manage returns, refunds and other customer services. These features address some of the major issues hindering sales by West African companies in the U.S. market.

The Indiana University team carried out a feasibility study for the shea exporter, and concluded that using Amazon Fulfillment to sell certain shea products to the U.S. was a viable enterprise. The Indiana University team's involvement finished on delivery of the report to the exporter, but the USAID Trade Hub offered to provide support in implementing the trial. Over the next quarter, the ICT team will work with the shea exporter to prepare a trial shipment, and assist with integrating the Amazon fulfillment order system into their existing website.

Online export website

The USAID Trade Hub is collaborating with Panjiva, a company that makes US import data available on its website. The Hub has supplied www.Panjiva.com with contact information of West African exporters, enabling the rapid creation of exporter profiles on their website. These profiles are expected to increase the visibility of these companies to users of panjiva.com, including potential buyers.

Online portal expands exporters' marketing reach

The USAID Trade Hub continues to support the online portal (network.africancraft.com) created by U.S. company, OpenEntry, and hosted and managed by AfricanCraft. By aggregating products on one branded website, companies will benefit from increased visibility, traffic and sales. The portal now displays 297 products from 36 companies. This quarter, AfricanCraft has shown increasing signs of ownership of the portal, investing time in cleaning up the data, adding exporters, and initiating design changes. This commitment is important for the long-term sustainability of the website. With every addition of companies and products, the portal becomes a more valuable resource for buyers, and AfricanCraft is expecting to formally launch the website this quarter. The USAID Trade Hub will support the launch through its online newsletter, Tradewinds, and its network of websites.

Analysis

Adoption of ICT solutions

This quarter the ICT team attempted to understand and address the reasons for the low reported uptake of ICT skills and tools by exporters. Findings from extended site visits to two exporters suggest that uptake of ICT is greater than reported. Both exporters were using many tools and skills they had learned during USAID Trade Hub training sessions, including Skype, Google Sites, Excel costing sheets, hard drive backups, Tally etc. However, the exporters admitted to difficulties in applying some of the ICT skills they learned, with time pressure and technical difficulties cited as obstacles.

Additionally, by walking through the creation of a Facebook Page with the exporters, the ICT team identified low computer literacy as a major stumbling block in adoption of ICT. For a number of attendees, completing simple tasks, such as account creation, required input from the trainers. Many exporters do not have the background training or confidence in using technology to overcome minor issues when they arise, and this leads to abandonment of attempts or frustration. This is something that the ICT helpdesk and future training will aim to help exporters overcome.

Sustainability and scalability

The USAID Trade Hub continues to maintain the ICT blog (<http://www.watradehub.com/ict>), which received 230 unique page views this quarter, and adds to the resources available to an online audience. This increases the reach of the trainings to many more companies than can physically take part, and provides a repository of relevant resources that can be accessed at all times.

The screenshot displays a web interface for Panjiva.com with the following sections:

- Contact Information:** Po Box TI 1945 Tamale Gh, Ghana. Includes a button for "See Full Contact Information".
- Customer Information:** 2 U.S. Buyers. Example Customer: Solidity Trade, Location: 2711 Centerville Rd Suite 120 Wilmington De 19808 Usa 1, 7182761212 Telex 1 7182761199.
- Total Number of Shipments:** Number of Shipments (July 01, 2007 - April 07, 2011): 4 shipments.
- Example Shipment:** Date: August 16, 2010; From Port: Algeciras, Spain; To Port: Illinois International Port District, Chicago, Illinois; Shipment Weight: 18,000 Kg; Via Port: New York/Newark Area, Newark, New Jersey; Commodity: Certified Organic Shea Butter & Premiun Grade Shea Butter; Description Marks: Fulfillment Center Asn#1278910733 & 720 Cartons.
- Most Common Shipment Terms:** butter organic organic shea premium shea shea butter unrefined unrefined shea.
- Additional Data Available:** Customs Data, Credit Report, D&B Credit Report.
- Panjiva Rating:** Not Rated. Includes a link for "What does this mean?".

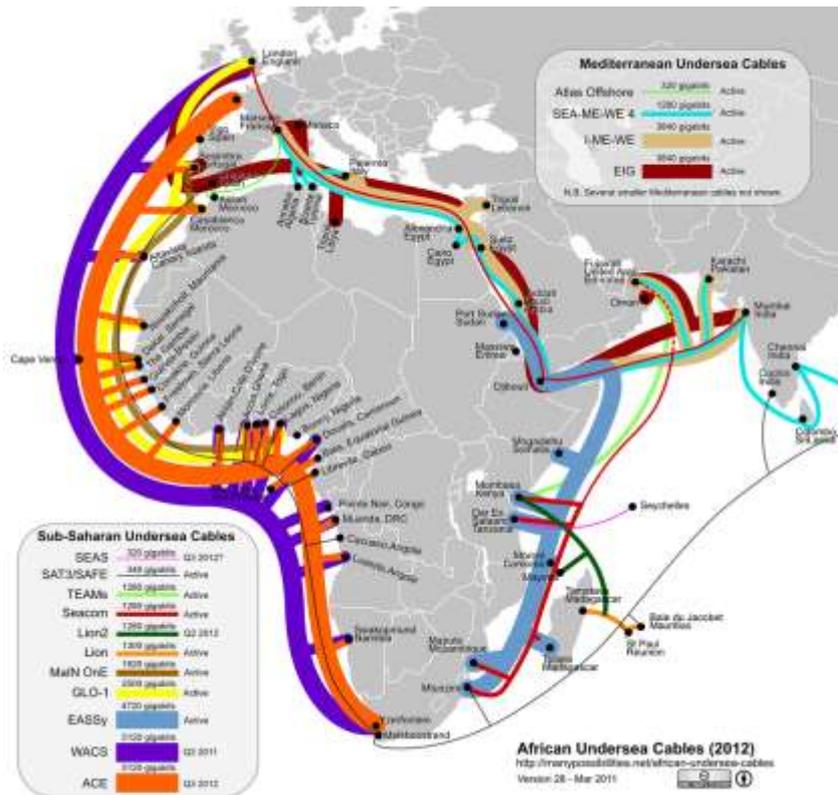
Screenshot of Panjiva.com data

Incoming undersea cables

With MainOne and Glo-1 undersea cables already operational, and another cable, WACS, scheduled to come online in the coming quarter, the prospects of improved broadband access for West Africa have never been so promising. In **Ghana** and **Nigeria**, the results of the improved connection are starting to filter down to the end-consumer, with more reliable speeds and better value-for-money now on offer, as service providers compete for market share.

However, access to information on pricing of broadband is poor, making it challenging for consumers to identify the most economical option. Out of the major telecommunications companies,

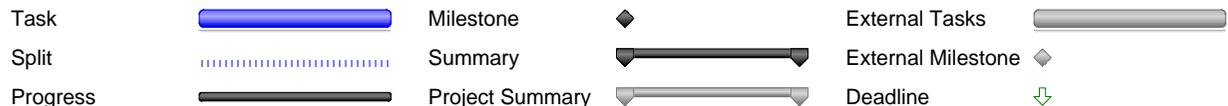
only Vodafone's website currently provides costs, and not at a level of detail to make an informed judgment. It is unclear whether this is by design or due to difficulties keeping online prices up-to-date, but for the consumer identifying the most economical option (e.g. for data limited accounts, the cost per megabyte download) is not straightforward. For exporters the combination of limited technical knowledge, and imperfect price information compounds their difficulty in selecting an optimum broadband provider. To address this, the USAID Trade Hub intends to collect pricing information from major Ghanaian ISPs and publish online in an easily understandable format.



Graphic showing existing and planned undersea cables connecting Africa to the rest of the world.

ID	Telecom Infrastructure	2009				2010				2011					
		Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	Qtr 3	Qtr 4	Qtr 1	Qtr 2	
1	USAID/Intel Alliance - Broadband Connectivity and Utilization Activity														
2	Trade Hub conducts targeted client ICT needs analysis														
3	Trade Hub completes client ICT profiles														
4	Product development for broadband-enabled application packages														
5	Client-level testing of broadband-enabled application packages														
6	Refinement and pricing of broadband-enabled application packages														
7	Distribution and training for selected Hub clients on broadband-enabled application packages														
8	Improved access of ERCs to existing ICT products, services & training														
9	Survey ERCs ICT resources & access to ICT needs & compare with 2008 data														
10	Update eBizBox offering in partnership with private sector (old)														
11	Update eBizBox offering in partnership with private sector (proposed)														
12	Disseminate revised eBizBox offering (old)														
13	Disseminate revised eBizBox offering (proposed)														
14	Provide ERCs with ICT solutions to reduce major operating inefficiencies														
15	Conduct site visits to determine key ICT interventions for select ERCs in targeted sectors (old)														
16	Conduct site visits to determine key ICT interventions for select ERCs in targeted sectors (proposed)														
17	Apply ICT solutions to pilot ERCs (old)														
18	Apply ICT solutions to pilot ERCs (proposed)														
19	Evaluate success of new ICT solutions, document successes, and assess possibility to duplicate solutions sector-wide (old)														
20	Evaluate success of new ICT solutions, document successes, and assess possibility to duplicate solutions sector-wide (proposed)														
21	Workshop for service providers and ERCs to present ICT opportunities and solutions for ERCs in targeted sectors (old)														
22	Workshop for service providers and ERCs to present ICT opportunities and solutions for ERCs in targeted sectors (proposed)														
23	Provide ERCs with easy access to industry specific ICT training														
24	Collaborate with partners to develop 1 or 2 pilot business ICT training & service center(s) (old)														
25	Collaborate with partners to develop 1 or 2 pilot business ICT training & service center(s) (proposed)														
26	Business ICT training centre available for ERCs in Accra (old)														
27	Business ICT training centre available for ERCs in Accra (proposed)														
28	Train staff from ICT centers and computer equipped ARCs; Benin, Burkina Faso, Nigeria (old)														
29	Train staff from ICT centers and computer equipped ARCs; Benin, Burkina Faso, Nigeria (proposed)														
30	Workshop for ERCs on ICT Applications for business														
31	Workshop for ERCs on ICT Applications for business														

Project: Telecom 11-13-2009
Date: Fri 4/15/11



ACTIVITIES PLANNED: APRIL – JUNE 2011

Activity	Date	Location	Contact person
Trade Investment Capacity			
Apparel Technical Assistance	April	Koforidua, Ghana	Jacques Betsy
ARC Training (Benin, Cameroon, Mali, Nigeria)	April 4-8	Accra, Ghana	Abou Fall
Global Shea 2011 Conference, Exhibit & B2B	April 4-7	Accra, Ghana	Peter Lovett, Aaron Adu, Joe Lamport, Mutale Chilangwa, Elitza Barzakova
CENTA annual Convention	April 7-8	London	Christian Dahm
Mathieu Chatin buyer trip	April 10-17	Senegal	Elaine Bellezza, Makhtar Thiam
Association of Food Industries Annual Convention	April 28-30	Naples, Florida	Jim Giles, Elitza Barzakova
AGOA & ERC Training	May	Cotonou, Benin	Abou Fall
eARC Launch Burkina Faso	May	Ouagadougou, Burkina Faso	Abou Fall
ARC Launch Ghana	June	Accra, Ghana	Abou Fall, Karen Radji
ARC Launch Togo	May	Lome, Togo	Abou Fall, Karen Radji
Apparel Technical Assistance	May	Douala, Cameroon	Jacques Betsy
European Seafood Exposition	May 3-5	Brussels	Makhtar Thiam Roger Brou
International Contemporary Furniture Fair (ICFF)	May 14-17	New York	Elaine Bellezza, Emmanuel Odonkor, Elitza Barzakova
New York Cosmetic Chemist Suppliers Day	May 10-11, 2011	Edison, NJ	Peter Lovett, Mutale Chilangwa, Elitza Barzakova
Sustainable Cosmetics Summit	May 12-14, 2011	New York, NY	Peter Lovett, Elitza Barzakova
International Contemporary Furniture Fair	May 14-17, 2011	New York, NY	Elaine Bellezza, Elitza Barzakova
International Nut & Dried Fruit Congress	May 20-21, 2011	Budapest, Hungary	Christian Dahm, Roger Brou
B2B Apparel Meeting	June	Cape Town, South Africa	Joop de Voest
Product Development Inputs, Mali	June	Mali	Elaine Bellezza, Cheick Diallo
Workshop on Regional Sustainable Seafood	June	Dakar, Senegal	Makhtar Thiam Roger Brou
Financial Services			
Bankers Exporters Initiative – With NEPC	TBD	Kano, Nigeria	Judson Welsh
Nigeria Cashew Cluster 2nd Stakeholder Meeting	May 20	Lagos, Nigeria	Judson Welsh

Activity	Date	Location	Contact person
Transport Infrastructure			
Burkina Faso Road Shows ³⁸ and National report dissemination	May week 3	Dakola, Burkina Faso	Lacina Pakoun
Freight liberalization study	May week 1	Ouagadougou, Burkina Faso	Niels Rasmussen
Mali Road Shows and National report dissemination	May week 4	Bamako, Mali	Amadou Ba
Senegal Road Shows and National report dissemination	May week 3	Dakar, Senegal	Amadou Ba
Set up focal point	May	Cotonou, Benin & Niamey, Niger	Amadou Ba, Christophe Bruyas
Visit to Paga & Misiga border posts	5-8 May	Tamale-Misiga	Bright Gowonu
Burkina Workgroup review	19 May	Ouagadougou, Burkina Faso	Bright Gowonu, Christel Annequin, Afua Eshun
Borderless Event	24 May	Ghana	Lacina
Tema-Bamako T&L cost Validation workshop	30 May	Tema, Ghana	Christel Annequin, Afua Eshun
Focal point training	May-June	Cotonou, Benin & Niamey, Niger	Amadou Ba, Christophe Bruyas
Ghana Workgroup review	8 June	Tema, Ghana	Bright Gowonu, Christel Annequin
Ghana: Tema-Paga Caravan and National report dissemination	June week 1	Tema-Paga, Ghana	Lacina Pakoun
Togo Road Shows and National report dissemination	June week 2	Lome, Togo	Lacina Pakoun
Validation meeting	June	Ouagadougou, Burkina Faso	USAID Trade Hub, USAID, ECOWAS, EU, UEMOA
Steering Committee Meeting	July	Ouagadougou, Burkina Faso	USAID Trade Hub, USAID, ECOWAS, EU, UEMOA, IRTG Stakeholders
UEMOA Elimination of Non-tariff Barriers' Committee meeting	July	Ouagadougou, Burkina Faso	UEMOA, Member state stakeholders

³⁸ The Ghana-Burkina Faso Border authorities will meet in Dakola (Burkina) to discuss (i) the Goro boys' issues, (ii) the alignment of Customs working hours and (iii) checkpoint reduction as stated in the latest bilateral agreement between the two countries.

ATTACHMENTS

Trip and consultancy reports can be found in Annex 1 to this quarterly report, and the following documents are being distributed as separate attachments to this quarterly report:

1. Trip reports
2. Tradewinds Stories
3. Tradewinds Magazine
4. 14th IRTG Report
5. Draft 14th Improved IRTG Report Format
6. New Data Collection Form for Tema-Ouagadougou Corridor
7. IRTG Country Report Burkina Faso
8. IRTG Country Report Ghana
9. Regional Agricultural Trade Policy and Transport Study
10. ACA Newsletter December 2010
11. ACA Market Info Update February 2011
12. Validated Gap Analysis Reports – Benin
13. Validated Gap Analysis Reports – Mali
14. Validated Gap Analysis Reports – Togo
15. ICT Training Presentation
16. In Cosmetics Graphics
17. Ambiente Graphics
18. NYIGF Graphics
19. CAD-Mali Final Report
20. Forum Civil Final Report
21. COFLEC Final Report
22. MECAP-FR Final Report
23. West African Export Trade Show Report-Karen Gibbs
24. Final proceedings from GH-BF bilateral committee meetings
25. Final Draft from Lome meeting on Harmonization of ETLs and CPT
26. Ghana Customs Directive on Goro Boys