



East Africa Trade Hub

Regional Focus on Uganda – updated February 26, 2013

Streamlining Transit and Cross Border Trade

Revenue Authorities Digital Data Exchange 2.0

COMPETE collaborated with the East African Community (EAC) and national revenue authorities in Kenya, Rwanda, Tanzania, Burundi and Uganda, to develop an innovative regional customs information exchange platform, the Revenue Authorities Digital Data Exchange program (RADDEx 2.0). RADDEx is a customs software solution owned, operated and maintained by the EAC Revenue Authorities. RADDEx collects data from point of lodging to final destination and translates it into a readable format for all EAC countries. This data collection allows for an efficient, paper-free, transparent trading environment. RADDEx is also a capacity building initiative that demands regional cooperation to allow for the free and automatic flow of customs data between EAC Partner States.

COMPETE purchased and installed computer equipment (servers and IT accessories) in the offices of the five revenue authorities and the EAC Secretariat and trained over 240 revenue authority staff on using and maintaining the system. COMPETE has embedded a senior level IT systems expert within the EAC for one year to coordinate and train EAC IT staff and customs staff to use the system. The IT systems expert has also trained national level revenue authority RADDEx 2.0 operational staff and developed users and training manuals to ensure local expertise and the sustainability of the RADDEx 2.0 system. He will continue to train and mentor staff and users throughout his assignment at the EAC.

RADDEx officially launched November 2012.

Integrated border management

Integrated border management (IBM) is the organization and coordination of border agency activities to facilitate the movement of legitimate people and cargo while maintaining secure borders and meeting national legal requirements.

COMPETE is working to simplify and coordinate border clearance formalities at the most important border posts on the Northern and Central Corridors in the EAC. COMPETE's coordination tool is a Joint Border Committee (JBCs). A JBC is working group comprised of government agencies and private sector players responsible for clearing goods at one side of the border. These national-level stakeholders meet formally to solve issues that impede efficient border operations and the clearance of goods across the border. The focus is on internal issues that create inefficiencies. The aim is to reduce the time and costs of moving goods along the main corridors. JBCs are the first IBM step on the way to One Stop Border Posts – the end goal of IBM is to have border agencies of both countries work together in one office, clearing all goods efficiently and smoothly.

In Uganda, COMPETE is working to simplify and coordinate border clearance formalities at Malaba (Uganda/Kenya), Busia (Uganda/Kenya), Gatuna (Uganda/Rwanda) and Elegu/Bibia (Uganda/South Sudan).

Uganda Shipper's Council

In February 2013, the Uganda Shippers' Council (USC) opened a new office in Kampala. USAID COMPETE provided \$40,000 for IT and office equipment. USC will use its new office to grow membership and deliver services and advocacy to enhance the competitiveness of Uganda's cross-border traders.

USC formed in May 2010 with support from the Inter-Governmental Standing Committee on Shipping and USAID. Their mission is to serve cargo owners and enhance competitiveness of the shipping industry supply chain.

With support from the USAID COMPETE, USC has a three-year strategy in place and an action plan for reducing the cost of doing business in Uganda. Specific initiatives include conducting trainings on international commercial terms and marine claims. These trainings communicate the tasks, costs and risks associated with the transportation and delivery of goods. USC will also perform regional evidence based advocacy with its neighbour, the Kenya Shippers' Council, including addressing constraints at the Port of Mombasa and along the Northern Corridor.

East African Customs and Freight Forwarding Practicing Certificate

The Federation of East African Freight Forwarders Associations (FEAFFA) is an apex body of freight forwarders associations in the five countries of the EAC.

Over the last three years, COMPETE has supported the professionalization of the industry by promoting best practices, providing training, and improving the capacity of the freight forwarders to advocate for an effective freight logistics industry in the East African region.

With COMPETE support, FEAFFA has developed the Eastern Africa Customs and Freight Forwarding Practicing Certificate (EACFFPC). EACFFPC is a mandatory training program for all customs agents jointly implemented by the East Africa Revenue Authorities (EARAs) and the national freight forwarding associations affiliated to FEAFFA. The course is offered to individuals already practicing or intending to practice in the clearing and forwarding industry throughout the East African region.

Improving Trade Policy

East African Community Simplified Certificate of Origin

The EAC Simplified Certificate of Origin (SCO) is a customs document that is used to clear goods, duty free, that have been grown or made in neighboring partner states whose commercial value is not more than US\$2,000. COMPETE provided technical guidance to the EAC on raising the threshold of the SCO from \$500 to \$2,000. COMPETE supports SCO's waiver of duties as a way to reduce the price of goods in the region and support small cross border traders to clear their goods formally. SCO will lead to more accurate formal trade statistics and ease of trade across borders.

EAC Trade Helpdesk

In collaboration with the EAC, COMPETE developed the EAC Trade Helpdesk, a Web-based tool that allows users to query EAC trade statistics (imports and exports) by country of origin and destination, as well as applicable tariff and trade regulatory requirements (such as rules of origin and non-tariff requirements). Data from 2004 to present is available and is updated monthly and annually based on submissions from EAC Partner States. COMPETE continues to work with the EAC to improve data quality.

Harmonized standards for staple foods

USAID COMPETE facilitated extensive consultations between the EAC, national level bureaus of standards, and the private sector to harmonize standards for 22 staple foods including maize, wheat, rice, beans, and millet. EAC shared standards build a platform for intra-regional trade by creating a common language for assessing quality and grade of foods. Common standards will increase access to markets for farmers and traders who can now accurately appraise their product and look for competitive prices across borders.

COMPETE building support for staple foods quality standards to ensure consistent and extensive adoption at national level.

COMPETE was in Uganda in February 2013 to begin building networks of national implementing partners to promote the adoption of the East African Community's (EAC) Harmonized Staple Foods Quality Standards at national level. COMPETE met with the World Food Programme, USAID LEAD and aBi Trust who play a central role in staple foods value chains and have extensive grassroots reach and/or private sector value chain linkages. COMPETE will continue to collaborate with USAID/Uganda to identify and build partnerships with organizations such as these.

The goal of these preliminary meetings was to present COMPETE's standards work and identify how these organizations could most effectively leverage the training manuals and awareness materials that COMPETE is developing around the 22 staple foods standards to reach key audiences such as: producers, farmer-based organizations (FBOs), warehouse operators, traders, processors, relief agencies, extension officers and border agents. COMPETE also shared early drafts of its producer-focused awareness materials to get input and feedback from organizations that are much closer to the farmer. Comments and suggestions have already been incorporated into the draft template, which has also been tested with warehouse operators/graders in Tanzania and Uganda as part of the COMPETE/EAGC Warehouse Graders Training.

From the feedback we received, it was clear that there is a large gap in the area of quality improvement and that the standards awareness materials, which will be the most comprehensive ever developed in these countries, will be a much needed complement to ongoing national programs targeting post-harvest handling and staple foods value chain development and will increase the effectiveness of these programs.

National and Regional Food Balance Sheet

To provide better information to decision makers, COMPETE is working with the EAC and the Eastern Africa Grain Council (EAGC) to develop a Regional Food Balance Sheet (RFBS) that will help governments monitor food stocks in their countries. RFBS is an extension of the national food balance sheets and focuses on key staples - maize, rice, wheat, millet, sorghum, and beans - in the five EAC member countries.

In 2012, to help institutionalize the RFBS, COMPETE and the EAGC established National Food Balance Sheet Committees (NFBS) in Kenya, Tanzania, Uganda, Rwanda and Burundi. The NFBSs are comprised of public and private sector stakeholders who are tasked with collecting and aggregating country-level data. COMPETE trained national and regional FBS committee members in data collection, use of the template, and use of a RFBS web portal. The RFBS web portal is housed within the EAC.

Supporting Structured Trading Systems

STS- Warehouse operators and graders training

COMPETE and the East African Grain Council (EAGC) organized and led a warehouse operations and management training for warehouse operators and graders in Uganda (February 19-21, 2013). In total, 24 storage operators and aggregators were trained.

The training covered a wide range of themes from post-harvest handling to storage best practices. The modules focused on practical application of techniques to minimize losses through efficient warehouse management. The first two trainings in a series planned by the EAGC, facilitators had the opportunity to assess participants' understanding of warehouse operating procedures and gather details about storage facilities and equipment available. In the future, the EAGC plans to organize trainings for basic, intermediate and advanced technical capacity levels in order to more effectively target training needs.

COMPETE also piloted two tools it is currently developing with the EAGC for warehouse operators. The Simplified Warehouse Guide and Producer-focused Quality Standards awareness materials were well received and participants expressed anticipation of the release of these products.

The trainings are an important step towards improving post-harvest handling and warehouse management, an area which has generally received little attention until now.

Strengthen the region's SPS systems

Consistently regulated and monitored sanitary and phytosanitary (SPS) issues facilitate the smooth transit of safe goods across borders. The SPS systems in the region are currently disjointed and uncoordinated, which slows down intra-regional trade and drives up costs along the value chain.

COMPETE is working with the Centre of Phytosanitary Excellence (COPE) and the East African Phytosanitary Information Committee (EAPIC) to develop regional pest lists for select staple commodities in an effort to streamline and shorten the SPS inspection process at borders and expedite cross-border movement of staples. COMPETE and its partners are also working to build the capacity of National Plant Protection Organizations (NPPOs) to consistently manage and monitor SPS issues for staple foods and disseminate critical information more widely and more effectively.

COMPETE and COPE have a workshop scheduled in Uganda for March 2013.

RATIN

In the EAC and COMESA, the Market Information System (MIS) landscape is disjointed and nationally focused. To address the deficiencies resulting from the fragmented regional MIS landscape, COMPETE supported the Eastern Africa Grain Council's (EAGC)

expansion/overhaul of its Regional Agricultural Trade Intelligence Network (RATIN) into a regionally-integrated market information platform.

Market information is essential for the proper functioning of agricultural markets. It increases transparency along the value chain and levels the playing field for marginalized producers. RATIN provides the proper data for producers can make better decisions about when to buy and sell. Information on available volumes and quality also enhances the flow of goods in a region.

Market monitors in Uganda send daily price data to RATIN.

Real-time Warehouse Volume Tracking (RTVT)

RTVT is a smart-phone application that enables storage operators to upload and update data on the available volumes (and grades) of commodities in their storage facilities. It complements RATIN, is EAGC supported, and is currently being rolled out to a select group of warehouses across the region. When data is uploaded, it is automatically integrated with a GIS map of the region's storage facilities on RATIN that contains both facility and contact details for warehouses. RTVT will help traders and processors find commodities, contact warehouse operators and make buying decisions.

RTVT Rollout

COMPETE and the EAGC will be rolling out the real-time warehouse volume tracking system to five warehouses in Uganda. The training and enrolment, which was originally scheduled for the week of 2/25 has been pushed to March.

Increasing Trade under AGOA

Origin Africa

Origin Africa is a COMPETE supported campaign and initiative composed of producers, designers, small businesses, exporters, buyers and retailers dedicated to improving African trade. Origin Africa works to develop, guide and promote African trade in the following sectors: textiles/apparel, cut flowers, specialty foods, home décor, and fashion accessories. Many educated, talented and skilled African designers and entrepreneurs are quickly and indelibly creating change in their countries. Origin Africa matches their enthusiasm with experienced industry leaders to facilitate, coordinate and advance trade efforts.

- \$100+ million in exports to the U.S. under the African Growth and Opportunity Act (AGOA) – all new business directly tied to assistance from the COMPETE Hub since 2009.

Individual Ugandan firms have benefitted from direct support from the COMPETE Hub via technical assistance at the firm level and creating market linkages through participation in trade shows, organizing buyer missions and matchmaking sessions.

Uganda firms include : Uganda Crafts 2000, One Mango Tree, WRAP UP Africa, and Xenson Designs just to name a few.

U.S. Trade shows benefitting Ugandan companies:

- MAGIC Apparel Show – Las Vegas, NV
- International Floriculture Expo – Miami, FL

- New York International Gift Fair – New York, NY
- San Francisco International Gift Fair – San Francisco, CA
- Fancy Foods Show – New York, NY and Washington, DC

Uganda AGOA Strategy

Starting in March 2013, COMPETE will undertake a new Uganda AGOA strategy. To do so, COMPETE will meet with all relevant AGOA stakeholders in Uganda- government, private sector and civil society. At a minimum, the comprehensive National AGOA Competitiveness Strategy will cover:

- Background (economic, trade policy, trade agreements, etc)
- Overview of Uganda and AGOA to date
- Trade promotion and private sector support mechanisms in Uganda
- Sector overview: comparative at competitive advantages in U.S. market
- Strategic orientation
- Framework/roadmap/action plan

Capacity Building

Eastern Africa Grain Council (EAGC)

Promote and support the establishment of a structured grain trading system and strengthen the capacity of the association's secretariat. Outreach to farmer associations, traders, millers and processors across Kenya, Tanzania, and Uganda.

African Cotton & Textile Industries Federation (ACTIF)

COMPETE supports the African Cotton & Textile Industries Federation (ACTIF) to bring together the African cotton/textile/apparel sector. ACTIF has become as a key industry voice in regional and international trade deliberations. ACTIF spearheaded efforts to extend AGOA and include textiles in the list of eligible products under this agreement.

African Fine Coffees Association

Founded in July 2000, the African Fine Coffees Association (AFCA) – formerly the East African Fine Coffees Association - is a regional nonprofit, member-driven association representing coffee sectors in 11 member countries, including Burundi, DR Congo, Ethiopia, Kenya, Malawi, Rwanda, South Africa, Tanzania, Uganda, Zambia, and Zimbabwe. AFCA'S vision is to be the leading origin of fine coffees in the world. AFCA is based in Kampala, Uganda.

USAID COMPETE supported AFCA's Fine Coffees Conference & Exhibition in Kampala, Uganda in February 2013. The annual AFCA conference is a fixture on the world coffee calendar attracting over 800 coffee buyers, traders, and farmers from around the world and generates operating capital for this regional trade association.

Women in Coffee

On February 12, 2013, USAID COMPETE sponsored a workshop on Women in Coffee– one of several lead-up events to the Annual African Fine Coffees Association (AFCA) Conference. This year's event took place in Kampala, Uganda. The Women in Coffee workshop showcased a short documentary collaboration between Nestle and Dorman's Coffee that highlighted the stories of women coffee workers in the Mt.Kenya region. The

purpose of the documentary and workshop was to raise awareness of issues preventing women from earning more money in the coffee sector and to look for solutions to those issues.

In Africa, women undertake 70 percent of the maintenance and harvesting work associated with coffee production, but receive little of the proceeds due to a lack of land ownership, access to credits or exclusion from sector decision-making processes.

Coffee Quality Institute (CQI)

CQI has an MOU with the Uganda Coffee Development Board. With a grant from the Uganda Mission, CQI is developing centers of excellence for both Robusta and Arabica coffees. With COMPETE support, CQI has conducted a Pan-African effort to develop specialty Robusta coffee standards and quality profiles. As a result, the East African Fine Coffees Association has expanded to include the Robusta producing countries of West Africa and has changed its name to African Fine Coffee Association to reflect this change.