



African Cotton & Textile Industries Federation (ACTIF)

QUARTERLY REPORT

Program Name: To expand market access to promote trade in African cotton, textiles and apparel

Name of Organization: African Cotton & Textile Industries Federation

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Physical Location: Block D, Havea Park, Lower Kabete RD, Westlands, Nairobi, Kenya

Standard Grant Agreement Number: ACT-STA-009-001

Reporting Period: 1stApril 2010 - 30th June 2010

Program Amount: USD \$754,472

Person Reporting: Rajeev Arora
Executive Director

Date of Report: 5th July 2010

1. Program Background

The African Cotton & Textile Industries Federation (ACTIF) was formed to promote trade and increase market access for the cotton, textile and apparel industry in Africa. This Mission is informed by its Vision which is, “an integrated cotton textile and apparel industry that effectively competes on the world market.”

The goal of ACTIF is increased trade in African cotton, textiles and apparel. This goal will be realized through the attainment of the organization’s strategic objectives which are:

- i. To promote trade in African cotton, textiles and apparel;
- ii. To expand market access;
- iii. To establish a market information system;
- iv. To promote the development of policies that are supportive to trade;
- v. To provide an institutional framework for the development of the cotton, textile and apparel industry in Africa; and
- vi. To enhance private sector involvement in regional policy formulation and implementation.

2. Objectives of the Grant

The following were the objectives of the project activities under this Grant:

1. To strengthen ACTIF institutional capacity to carry out its mission and provide services to members
2. To be the catalyst for effective public/private partnerships, promotion of regional dialogue, consensus building, increased communication and creating an enabling environment for the growth of the cotton, textile and apparel industries that will positively impact on trade and development.
3. Promote the regional value chain approach to the development of intra-regional trade, create market linkages, exploit the opportunities afforded by existing trade agreements, develop effective use of market and economic data, and create an interactive trading platform to enhance trade in both regional and global markets.
4. To assume a regional leadership role in regional and global trade policy deliberation, help establish an enabling policy environment that will exploit the latent potential in intra-regional trade, build the capacity of the private sector in policy formulation, increase its ability to negotiate and seek trade advantages, and to develop unified regional positions.

3. Benchmark Assessments and Levels of Achievements - (a synopsis)

(See 4.0 below, the principal Grant Activity Results in more detail)

Activity/Tasks	Targets	Level of Achievement
<p>1. ACTIF AGM/Launch</p> 	<p>April 2010</p>	<p>This was the second AGM since the registration of ACTIF IN 2006, it was attended by Members. During the AGM new Board of Directors was elected comprising of the new and old board members; these were Jaswinder Bedi (Kenya, Chairman) Danielle Wong (Mauritius, V. Chairman), Kassaye Mekuria (Ethiopia, Treasurer), Jolly Sabune (Uganda), John Hargreaves(Madagascar), Robin (Zimbabwe)</p>
<p>Participants at the ACTIF AGM</p>		
		<p>Jack Kipling (South Africa, Nominated) Barry Fisher (USAID COMPETE, Nominated)</p>
<p>Kenyan Prime Minister Rt. Honorable Raila Amollo Odinga addressing participants and the launch</p>		<p>The ACTIF Launch was very successfully attended by the Kenyan Prime Minister Right Honorable Raila Amollo Odinga and the AU Commission Deputy Commissioner His Excellency Mr. Erastus Mwencha. ACTIF members from 18 countries and observers from India, USA, India, Ghana, Nigeria Switzerland and the Netherlands.</p>
		<p>The Launch activities that included the origin Africa Design showcase received positive media coverage. The aim of the design Showcase was to expose/present the unique Africa fabric and the upcoming designers to the regional and international market. This was a big milestone in the ACTIF goal of promoting regional integration and value chain take advantage of opportunities</p>
<p>From left, the Prime Minister, AU Commission Deputy Chair and ACTIF Chairman and the ACTIF Launch</p> <p>1</p>		<p>In attendance was USAID EA team lead by the mission Director, the International Cotton Advisory Committee (ICAC) Executive Director Mr. Terry Townsend and International Textile Manufacturers</p>

		Federation (ITMF) among others
<p>2. Complete the process of revamping, merging and rationalizing the cottonafrica.com and actiafrica.com websites; to provide a platform to enhance inter-regional trade and supply chains in cotton/textiles</p>	By 20 th April 2010	The www.cottonafrica.com and www.actiafrica.com websites has been merged together and successfully re-launched on 28 th April 2010 at the ACTIF launch; the website will provide both institutional information and trade linkage platform for ACTIF and none ACTIF members.
<p>3. Commence COMESA Industry strategy implementation</p>  <p><i>Group picture of the COMESA Strategy Committee members</i></p>	Aug 2009 – June 2010	<p>The first validation meeting held in Uganda together with COMESA and ITC on 31 August - 1 September, 2009. The main objective of the Workshop was to align the National Textile Strategy formulated by Ministry of Tourism, Trade and Industry with the COMESA Regional Strategy on Cotton to Clothing Value Chain approved by the Council of Ministers at Victoria Falls in June 2009.</p> <p>Second meeting was held in Malawi on 21 – 23 April 2010 in support of the development of the Malawi Cotton to Clothing Strategic Plan, 2011 -16, in line with the COMESA Regional Strategy on Cotton to Clothing Value Chain.</p> <p>A workshop to discuss the alignment of Kenya’s strategy to the COMESA Regional strategy was held on June 7th 2010 in Nairobi Kenya.</p> <p>A strategy implementation committee meeting was held on June 8th organized in collaboration with COMESA and ITC. The objective was to synchronize the implementation activities being carried out by various donors and partners.</p> <p>In collaboration with USAID-COMPETE program ACTIF organized a competitiveness strategy kick off workshop back to back</p>

		<p>with the AGM and Launch on May 27,2010 to kick off the regional sector strategy competitiveness strategy development.</p> <p>Part of this process also involved carrying out competitiveness survey to come up with the Competitiveness Index in selected countries. ACTIF facilitated this process through the National Associations</p>
4. In collaboration with COMPETE program conduct a study in selected countries to provide information on production capacity and market information	Ongoing	This work has been commissioned and the first draft is expected in April 2010, the information will provide the vital data and facts needed to design various interventions activities in the short and long term.
5. In collaboration with USAID-COMPETE carry out a competitiveness survey	April 2010	This survey is first step to develop the baseline competitiveness index that will be used to measure progress in tackling competitiveness

4. Grant Activity Results

- a) **ACTIF Launch and AGM;** This was ACTIF's second AGM since the registration incorporation in 2006; it was attended by 23 ACTIF members and 16 observers. During the AGM election was conducted to elected three members of the Board of Directors and the following were added to the Board; Kassaye Mekuria (ETGMA Ethiopia,), Jolly Sabune (CDO, Uganda), Danielle Wong (MEXA, Mauritius). The new ACTIF board members are; Jaswinder Bedi(Kenya, Chairman) Danielle Wong (Mauritius, V. Chairman), Kassaye Mekuria (Ethiopia, Treasurer), Jolly Sabune (Uganda), John Hargreaves(Madagascar), Robin Jarvis (Zimbabwe).Jack Kipling (South Africa, Nominated) Barry Fisher (USAID COMPETE, Nominated)



*Mr. Terry Townsend the Executive Director of ICAC
handing over certificates to designers*

The ACTIF Launch was very successfully attended by the Kenyan Prime Minister Right Honorable Raila Amollo Odinga and the AU Commission Deputy Commissioner His Excellency Mr. Erastus Mwencha. ACTIF members from 18 countries and observers from India, USA, India, Ghana, Nigeria Switzerland and the Netherlands.

The Launch activities that included the origin Africa Design showcase received positive media coverage. The aim of the design Showcase was to expose/present the unique Africa fabric and the upcoming designers to the regional and international market. This was a big milestone in the ACTIF goal of promoting regional integration and value chain take advantage of opportunities

In attendance was USAID EA team lead by the mission Director, the International Cotton Advisory Committee (ICAC) Executive Director Mr. Terry Townsend and International Textile Manufacturers Federation (ITMF) among others

Milestone; The AGM and launch received excellent coverage in local, regional and international media and a copy of the media coverage report is attached. A total of

- b) **Merging and rationalizing the two websites (the cottonafrica.com and actifafrica.com websites);** cottonafrica.com is a trade linkage website while actifafrica.com is an intuitional. The processing of merging the two website that began last quarter has progressed very well and will be completed by April 20th, 2010. When completed the website will be more interactive ; it's hope that it will provide Market Information and update regional and international industry news. ACTIF aim is to use the website as a source of revenue through branded services.

c) National Level Meeting – Nairobi, Kenya June 7th 2010



Cotton to Clothing value Chain Stakeholders meeting at the Hilton Hotel, Nairobi Kenya

The Cotton-to-Clothing Validation Workshop was held in Nairobi Kenya on 7th June, 2010. The meeting was organized in collaboration with the International Trade Center (ITC), Kenya Association of Manufacturers (KAM), Kenya Cotton development Authority (CODA) and the Africa Cotton and Textile industries Federation (ACTIF). It was funded by the EU-All ACP Agricultural Commodities Programme. The COMESA secretariat is the program Focal Point for the Eastern and Southern Africa Region. The main objective of the Workshop was to align the National Cotton -Textile task force report formulated by the Prime Ministers' Office with the COMESA Regional Cotton to Clothing strategy approved by the Council of Ministers at Victoria Falls in June 2009.

The participants made a few urgent recommendations: Government should adopt and promote the regional strategy for the sector to grow; Amendments on the value chain matrices as validated be incorporated in all national strategies; and an implementation committee should be set-up with Terms of Reference, comprising all stakeholder institutions to facilitate a coordinated follow up in the implementation of the strategies; Designers and the SME's in the sector should also be taken into consideration in future meetings and interventions;

A working group was established to fine tune key priority areas for immediate intervention chaired by the Cotton Development Authority. The membership agreed included the following, drawn from the public and private sector: Ministry of Agriculture; Cotton Development Authority (CODA); Kenya Cotton Growers Association representatives; Kenya cotton Ginners Cotton Association; Textile Manufacturers Association under KAM; Apparel Manufacturers Associations Under KAM; Academic Institutions (Universities) and ACTIF

i. COMESA Regional Cotton to Clothing Strategy implementation committee meeting Held on 8th June, 2010 at the Hilton Hotel Nairobi Kenya



Group picture of the Committee members during the COMESA Strategy Implementation meeting

The Committee members included : Farmers Representatives from Kenya Cotton Growers Association and Zambia Cotton Board; Ginners Representative from Bon Holdings Ltd, Uganda; Textile representative from Southern Range Nyanza Ltd, Uganda and Bedi Investments LTd, Kenya; Apparel Representative from Mauritius Export Association (MEXA) ACTIF represented by the Chairman and Executive Director; USAID –COMPETE represented by the Cotton/Textile Specialist and the Regional Competiveness and Strategy Advisor; COMESA SECRETARIAT represented by the Regional Focal Point Coordinator-Agro-foods EU-ACP All Agricultural Commodities Program ESA region, Regional Technical Advisor – COMESA;

The observers included: Tanzania Cotton Board; Regional Focal point Coordinator –Cotton EU-ACP All Agricultural Commodities Program ESA region COMESA; Program Manager, Cotton ,Textile and Apparel, Sector Competitiveness, Division of Market Development, International Trade Centre; Coordinator Sector Development Programmes Division of Market Development, ITC.

The overall Action points include: COMESA secretariat through with the support of the EU-ACP All Agricultural Commodities Program to relate all inputs and progress by partners to strategy and share with all members; The COMESA secretariat through the cotton coordinator to share regular updates from other partners with the Strategy Committee members; COMESA Secretariat should engage the national focal points in the strategy implementation process to ensure visibility and appropriate prioritization in national policy and development activities; There was a request to the COMESA secretariat that a progressive report on the strategy implementation be presented at next Heads of State Summit and Ministerial meeting in August by the ACTIF Chairman; ToR for the committee should be concluded by mid-July to streamline the operations of the committee; COMESA secretariat to encourage all donors intervening in the Cotton to Clothing value chain at regional and National level to align their activities with the Regional Cotton to Clothing strategy to avoid duplication; COMESA secretariat should take the strategy to both SADC and EAC secretariat for adoption and alignment to their Cotton to Clothing programs since the strategy was prepared under tripartite arrangement; COMESA secretariat should incorporate the sector strategy implementation in its mainstream programs. It was noted that some of the COMESA lead cotton intervention activities were not coordinated through the strategy; a case in point is the

Malawi National level meetings were just invited to the meeting without being involved in the preparation process; COMESA and ITC should come up with a Textile and Apparel program to take the some of the Textile and Clothing implementation forward; USAID-COMPETE being a COMESA program should align the cotton to clothing activities to the Regional strategy so that activities that are being implemented by COMPETE can be ticked off from the strategy; The next meeting should be done before the end of the year, possibly in November 2010; COMESA Secretariat reiterated its request to ITC to develop a TA programme for the T&C sector along the lines for cotton. The implementation could be done under the PACT II framework. It was recommended that a small group of players should be formed to jointly elaborate the programme as it was done for the strategy.. The proposed Mauritius November meeting could be a good occasion for the first small group meeting

5.0 Funding Summary (\$'s rounded)

Approved Grant	754,472
Amount spent	583,920
Balance unspent	170,552

6.0 Deliverables (those in document format)

The following (attached to this report) are the deliverables available in 'document' format:

- a) ACTIF AGM/Launch report
- b) COMPETE/ACTIF CTA competitiveness meeting report
- c) Media report
- d) ACTIF Company Policy (Draft report)
- e) ACTIF Brand manual (Draft)
- f) Kenya CTA strategy discussion report (Draft)
- g) COMESA /ACTIF implementation committee report (Draft)
- h) Draft position paper for the AGOA modification
- i) A copy of the ACTIF News Letters (April – June 2010)

~ End of Report ~