



African Cotton & Textile Industries Federation

GRANT COMPLETION REPORT

Developing and delivering value added products & services that directly impact on the competitiveness of the Cotton, Textile & Apparel sectors & the sustainability of ACTIF

Grant Agreement Number: ACT-STA-011-020
Program Dates: 1st Mar 2013 – 30th Sep 2013
Program Amount: Usd 242,594.20
Grant Contribution: Usd 175,556 (72%)

Person Reporting: Rajeev Arora
Executive Director

Date of Report: 3rd Oct 2013

Report submitted to:

East Africa Trade Hub



TABLE OF CONTENTS

1. SUMMARY OF FINANCIAL REPORT.....	3
2. ACRONYMS.....	4
3. PROGRAM BACKGROUND	6
Result #1: Leadership provided in the implementation of the COMESA CTC strategy.....	7
Result #2: Improved regional business environment, Trade policies and Opportunities	10
Result #3: Institutional Capacity of ACTIF strengthened	12
Result #4: Value Added products and services developed	Error! Bookmark not defined.
Result# 5: Hold Origin Africa 2012 in Ethiopia.....	Error! Bookmark not defined.
4. OTHER ACHIEVEMENTS NOT DIRECTLY UNDER GRANT	17
5. OVERALL IMPACT OF GRANT TO ACTIF.....	26
6. DELIVERABLES	28

1. SUMMARY OF FINANCIAL REPORT

APPROVED OVERALL BUDGET	US\$ 242,594.20
Grant received from USAID COMPETE	US\$ 175,556.00
ACTIF's contribution	US\$ 67,038.20
EXPENSES	
Employment Cost	US\$ 72,262.70
Direct Cost	US\$ 36,317.50
Program Activities	US\$ 134,014.00
TOTAL COST	US\$ 242,594.20

2. ACRONYMS

- **ACA** – African Cotton Association
- **ACT** – Africa Coalition for Trade
- **ACTIF** – African Cotton & Textiles Industries Federation
- **AGOA** – Africa Growth and Opportunity ACT
- **AFAD** – Association of Fashion Designers Kenya
- **ARSO** – African Regional Standardization Organization
- **AUC** – African Union Commission
- **BAF** – Business Advocacy Fund
- **CIN** – Consumer Information Network
- **CUTS** – Consumer Unity Trust International
- **COMPETE** – Competitiveness & Trade Expansion Program
- **CTA** – Cotton, Textile and Apparel
- **COMESA** – Common Market for Eastern & Southern Africa
- **CTC** – Cotton to Clothing
- **CAZ** – Cotton Association of Zambia
- **CODA** – Cotton Development Authority
- **EAC** – East African Community
- **EABC** – East African Business Council
- **ECA** – East & Central Africa
- **EDF** – European Development Fund
- **ETGAMA** – Ethiopia Textile & Garment Manufacturers Association
- **EU** – European Union
- **ESA** – Eastern and Southern Africa
- **EPA** – European Partnership Agreements
- **EPZA** – Export Processing Zones Authority
- **FTA** – Free Trade Agreements
- **KCA** – Kenya Consumer Organization
- **KCGA** – Kenya Cotton Growers Association
- **IBUTTI** - International Business and Trade Tanzania Initiative
- **ICAC** – International Cotton Advisory Committee
- **ITC** – International Trade Center
- **ITMF** – International Textile Manufacturers Federation
- **MEXA** – Mauritius Export Association
- **MOU** – Memorandum of Understanding
- **NACOTAN** –National Cotton Association of Nigeria
- **SATH** – South Africa Trade Hub
- **SADC** – South Africa Development Community
- **SSA** – Sub Sahara Africa
- **SA** – South African
- **TIDI** – Textile Industry Development Institute

- **TCB** – Tanzania Cotton Board
- **TFC** – Trade Fairs Consulting
- **TOR** – Terms of Reference
- **UNIDO** – United Nations Industrial Development Organization
- **US** – United States
- **YEN** – Youth Education Network
- **ZCGA** – Zimbabwe Cotton Ginners Association

3. 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.

Grant Objectives

Under the COMPETE grant, ACTIF undertook to focus on implementation activities as highlighted in the strategy implementation matrix by playing a leadership and monitoring role across the region, supporting its members in implementation activities, and by promoting the harmonization of national strategies with the regional strategy.

This included strengthening of ACTIF’s institutional capacity and internal structures, increasing value added services to its member organizations and to the CTA industry, crucial for both the sustainability and growth of the Federation, and build income streams for its future sustainability.

The primary objective of this grant application was to support of specific activities aimed at addressing the core challenges facing the organization, to consolidate on the gains achieved so far. The Grant was implemented under the Key result highlighted below:

1. Provide a leadership role in the implementation of the COMESA CTC strategy
2. Improving the regional business environment, improved trade policies and enhance opportunities
3. Strengthening of ACTIFs Institutional capacity
4. Developing and enhancing value added products and services for members
5. Hold Origin Africa 2012 event in Ethiopia in partnership with COMPETE, ECA Trade Hub, the Ethiopian Textile Industry Development Institute (TIDI) and the Ethiopian Textile and Garment Manufacturers’ Association (ETGAMA)

Result #1: ACTIF's Institutional Capacity & Membership Strengthened

Conducting a survey of potential associate and corporate members; highlight their needs and to identify new knowledge products and services that ACTIF needs to develop to generate their interest and sustainability as members; (Activity 1.1)

National level meetings (Kenya & Tanzania) to heighten AGOA outreach to enhance AGOA trade, to collect views on the AGOA structure after 2015, and to increase ACTIF's value propositioning and to attract membership from individual companies, and consequent increase in revenue streams that will result. (Activity 1.2)

The objective of the survey activity was to collect members and potential members' views on AGOA and ACTIF ahead of the membership engagement meeting in Kenya and in Tanzania.

A membership engagement drive was organized in Nairobi on May 29th primarily targeting to boost membership of ACTIF in Kenya under the expanded membership category that now allows individual companies to join ACTIF as Corporate members.

In Kenya the event attracted a total of 50 participants broken down as follows: EATH – 1, COMESA -1, ITC – 1 ACTIF members – 19 (Including regional participants) and other companies – 28.

In Tanzania the event attracted a total of 50 participants with a drawn private and public sectors as follows: Home Textile & Decor – 14; Fashion & Apparel – 11; Government Agencies – 10; Textile Mills – 2; Ginning Companies – 1; Cotton Farmer Associations – 1; ACTIF – 2; EATH – 1.

During the meeting in Kenya, chaired by ACTIF Chairman, Jaswinder Bedi, the survey reports on AGOA and ACTIF membership were launched and discussed. With regard to AGOA, a draft membership position was developed. It was agreed that ACTIF would engage a consultant to develop a position paper reflecting member's views.

The meeting in Kenya was also very useful in engaging with existing members to highlight new services and products and also to collect their views on how they can be served better. One clear outcome was that members appreciated ACTIF's role on advocacy. It was also clear that members expected more country level and company level activities cutting across the entire value chain.

In Tanzania, ACTIF was represented by the Executive Director Mr. Rajeev Arora and the Program & ICT Manager – Joseph Nyagari. The survey report showed little awareness on ACTIF and benefit from AGOA. During the membership engagement it was clear that Tanzania SMES need a lot of technical assistance to develop their capacities for export. Members wanted ACTIF

to showcase SMEs that had been developed in Tanzania in order to encourage them to join ACTIF.

On ACTIF membership, a couple of companies expressed interest to join ACTIF. In Kenya 5 Companies registered for membership after the meeting: Eco Seed Company LTD (Associate); Equator Apparels (Corporate); Kapric Apparels (Corporate); Mega Garments (Corporate); Others who expressed interest include: Ginners Association & Cotton Growers Association.

In Tanzania, One Association registered for membership being Morogoro Farmer's Cooperative (Corporate). Tanzania Cotton Association also expressed interest to rejoin ACTIF once they address their financial challenges. Majority of the participants were SMES from the handloom sector and they requested a special discounted category of membership be developed so that they can join, instead of being placed under same cost as Textile and Apparel companies along with Associations. ACTIF promised to relay the request to the board but at the same time challenged them to be organized under an association to join ACTIF.

In both Kenya & Tanzania meetings, EATH was represented by Mr. Barry Fisher. In both meetings, Mr. Fisher highlighted the role of EATH in supporting ACTIF and appreciated the input generated from the stakeholders, especially potential members from the industry.

Specific interventions proposed include: capacity building for SME sector; Market Assistance; Technical Assistance; and Development of exports under AGOA and EU;

**Africa Cotton & Textile Industry Federation
Tanzania Stakeholders Meeting 17th September 2013
Golden Tulip Hotel, Dar es Salaam, Tanzania**



Stakeholder Engagement meeting on 24th May
2013



Group Photo: Stakeholders meeting on ACTIF & AGOA held in Nairobi Kenya

Result #2: Value added products & Services for members developed & enhanced

Trade Analyst Officer Position Engaged - a strategic unit in its secretariat dedicated to analysis and dissemination of trade stats related to CTA trade flows (Activity 2.1.1)

In order to support the activities under new product development, ACTIF engaged a Trade Analyst assistant who would be responsible for day to day follow up with members to promote the existing services and products as well as to share the new ones with the members.

Key activities on his scope of work:

ACTIF Website: Regular updating of ACTIF Website, especially the newly created member section with Trade related information.

Trade Reports: Analysis of CTA Trade flows, Compile reports for ACTIF Presentations and Magazine.

Trade Directory: Engage ACTIF Members to build information in ACTIF Trade Directory; promote use of Trade link section.

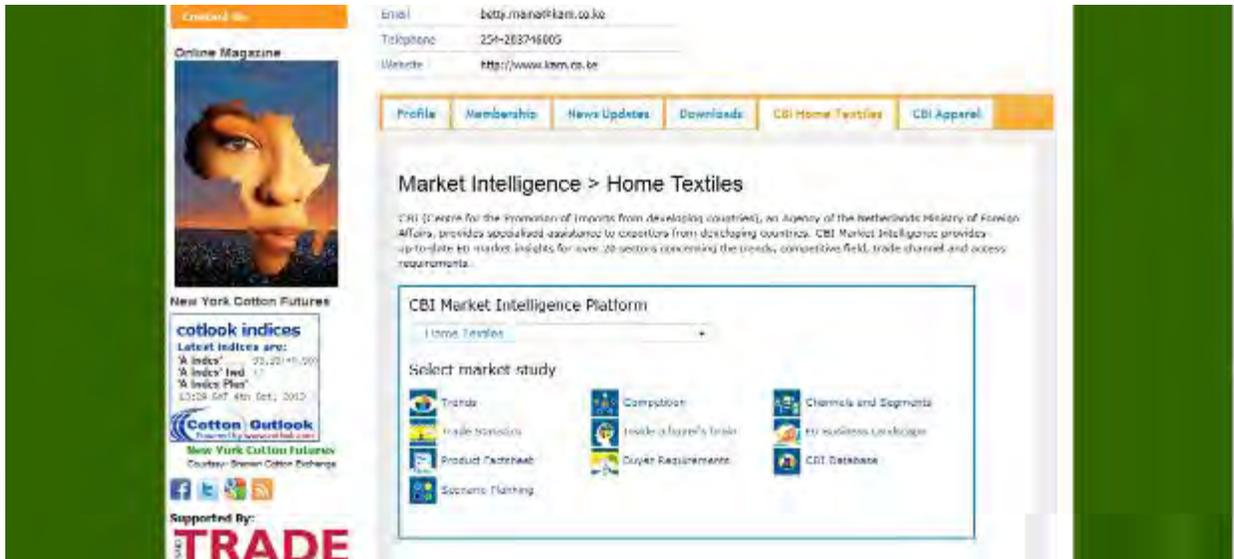
New Product development to meet expected increase in demand for services following membership drive to increase ACTIF's value propositioning and to attract membership from individual companies (Activity 2.1.2)

This was an on-going activity that aimed at developing and publishing new products at ACTIF website and other avenues in order to meet expected increase in demand for services following membership drive to increase ACTIF's value propositioning and to attract membership from individual companies.

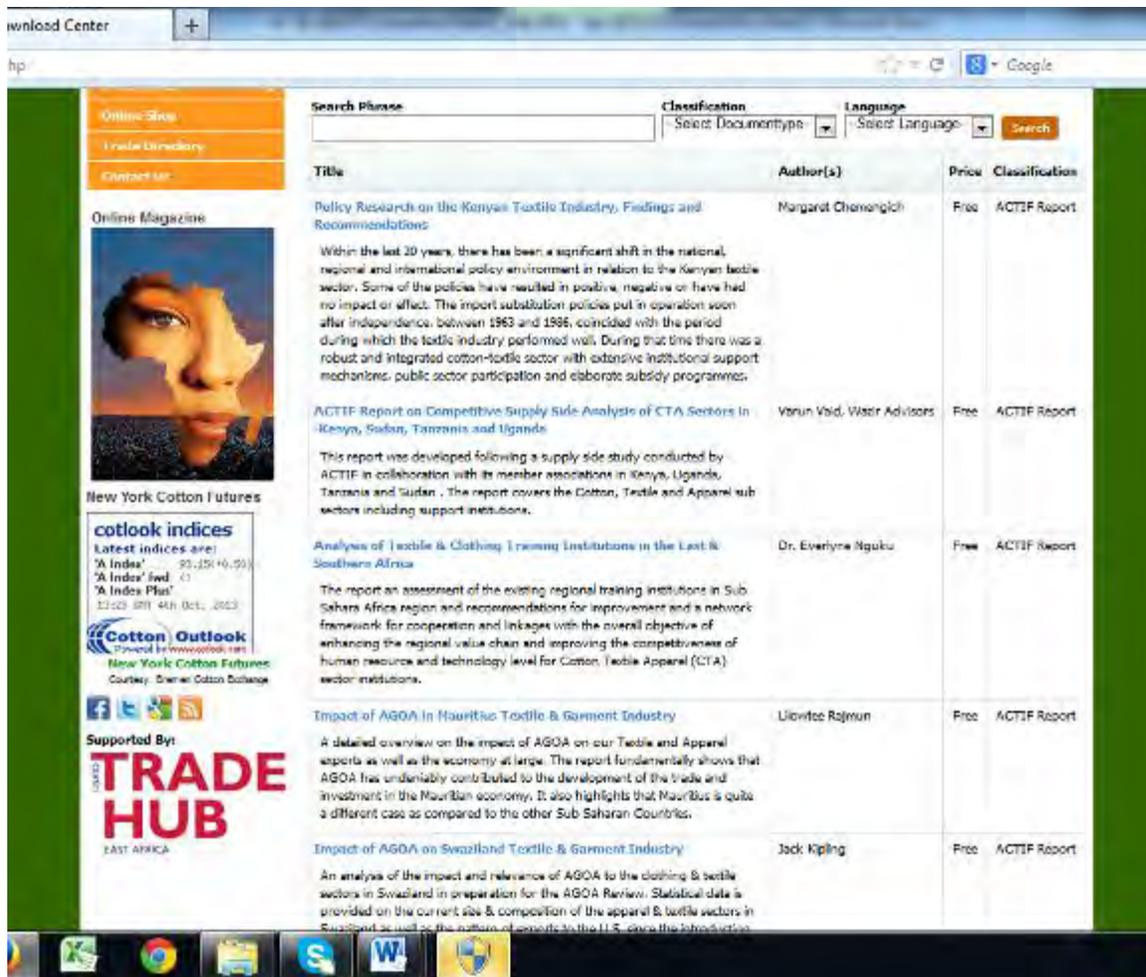
Below is a summary of the products developed and availed to members during the grant period:

- CTA Supply side report for 4 Eastern African Countries – Kenya, Uganda, Tanzania and Sudan, This report had been developed in 2010 following a supply side study but was availed at ACTIF website for members and potential members.
- Textile Study report for Kenya. This report was launched on June 24th 2013 at Laico Regency 2013 at an event presided over by the Cabinet Secretary of Commerce, East African Affairs and Tourism, Ms Phyllis Kandie.
- Concept for Origin Africa 2014. The draft was released to members and potential members during the stakeholders meeting in Nairobi on 29th May 2013. The concept was later updated and shared with all potential partners.
- Online Textile Directory Updated. The Directory currently has over 300 entries from 22 countries. The directory is a useful tool.

- AGOA positions from key parties uploaded on ACTIF website. This can be accessed via this link: <http://cottonafrica.com/news.php?newsid=47>
- A section for CBI market intelligence was created within the ACTIF member section of the website. This sections is linked to CBI website, a Netherlands based agency that promotes imports into the EU market. This new facility will enable ACTIF members to search the CBI database of trade information on Apparel and Home Textiles. A sample of this new feature can be viewed at: http://cottonafrica.com/member_profile.php?mid=2



A snap shot of the CBI market Intelligence tool available to members on ACTIF website



A snapshot of the documents availed on ACTIF website

Development and publication of the Cotton Africa Magazine sustained on a quarterly basis, focusing on topical issues (Activity 2.2)

This activity involved sustaining the development of Cotton Africa Magazine on a quarterly basis to create awareness on industry positions and generating revenue for ACTIF through advertisements. It is also a product that is used to attract new members by showcasing rich regional and international information for the cotton, textile and apparel sectors.

During the period of April to June, ACTIF completed the publication of Issue 7 and this was circulated to members.

Issue 8 was however placed on hold to facilitate a review by an external consultant supported by EATH whose primary role was to explore ways of enhancing the Magazine product to attract more revenue.

The consultant in collaboration with ACTIF reviewed the magazine development and developed a number of recommendations to improve the content and to attract more advertising in order to build sustainability.

Among the changes adopted was need to involve an external professional writer that will be tasked with content development, editing and layout to ensure that the magazine has relevant content and a professional appeal. Another significant change that was proposed was the need to employ the services of an external sales agent that will be tasked with sourcing for adverts by tapping into the wide range of suppliers and partners that ACTIF is linked to.

Another key recommendation was need to use alternative distribution channels in order to ensure that the print copies are delivered to a wider audience.

The changes were adopted subject to the activities being included in the next grant application as there had been no budget allocation to support their implementation within the current grant.

Result #3: Participation in AGOA Forum

ACTIF has been at the forefront of engaging the US Government and related agencies on behalf of the private sector seeking the sustainability of AGOA.

In response to various initiatives undertaken by ACTIF and local African governments to enhance the competitiveness of the African textile and apparel industry, by 2010 U.S. apparel imports from Africa had begun to stabilize, and there was reason for optimism that U.S. apparel buyers were beginning to return to Africa. The recovery continued through 2011, when U.S. apparel imports from Africa were up 14% measured by value and 1% by volume. However, a further dip was experienced following the uncertainty before the extension of third country fabric provision from 2012 to 2015.

Although Congress renewed the AGOA third-country fabric provision in August 2012 (see August 3, 2012 edition of the Trade Report), Congress' delay until the eve of the critical provision's expiration sent all the wrong signals to U.S. apparel importers, who shifted their orders out of Africa. As a consequence, total U.S. textile and apparel imports from Africa in January-December 2012 were down -5.39% from 237.636 million sme in 2011 to 224.830 million sme in 2012. Compounding the damage, the AGOA apparel trade flows have continued to decline even after the third-country fabric provision was renewed because apparel orders are typically placed up to nine months in advance of delivery.

The AGOA forum was successfully held during the month of August between 9th and 12th August in Addis Ababa, Ethiopia. In attendance was a huge delegation from US Government, Privates Sector representatives and civil society.

Key activities implemented include:

- ACTIF representation by its Chairman, ED and Trade Policy & Programs Manager.
- ACTIF Chairman participated as a speaker during the private sector forum;
- ACTIF white paper was distributed to key US Government officials, Civil society & private sector;
- Positions from other key institutions were obtained including USTR, US Congress, Civil society & private sector. All these were shared with the members;

Result #4: Origin Africa Designer Showcase 2013

During the AGOA forum 2013, ACTIF in conjunction with East Africa Trade hub successfully organized an Origin Africa designer showcase on 12th August 2013 with the objective of raising the profile of innovation and talent in Africa in line with the emerging interest of Africa as a sourcing destination.

The event was well received serving to raise the platform of ACTIF and its role in development of AGOA.

Key activities achieved during this period include:

- 1) Venue set up and rehearsals for the main event
- 2) Branding of the venue with Origin Africa, ACTIF and EATH material;
- 3) Distribution of ACTIF folders and brochures as well as EATH material;
- 4) Implementation of the Designer Fashion Show at the AGOA forum on 12th August

The Origin Africa designer showcase was attended by over 200 guests drawn from US Government delegation, Africa Ministerial delegation & AWEP; this involved: 10 leading Ethiopian Designers, 25 Ethiopian models based locally and a performance by 30 children dancers;

During AGOA 2013 in Addis Ababa, the designer showcase was the highlight of a gala dinner for all the official delegates from around the continent and hosted by the Government of Ethiopia. Eight Ethiopian designers were featured including Mahlet Afework, Aynalem Ayele, Ruth Woldeselassie, Fikirte Addis, Esete Haile, Beth , Lilly and Zeze Yohannes, and Genet Kebede.

New York based international fashion model Maya Haile led the Ethiopian models on the catwalk.
“The designer showcase is a testament of the changing paradigm of Africa as a new horizon for sourcing,”
Said Jaswinder Bedi, Chairman, ACTIF.”





OTHER ACHIEVEMENTS NOT DIRECTLY UNDER GRANT

1. ACTIF’s Regional Profile

ACTIF continued to develop its regional profile by developing strategic partnerships that will see its role enhanced as a regional player for developing the cotton value chain. Before 2013, ACTIF had already developed strategic MoU’s with COMESA, EAC, SATH, and African Union.

Below are the latest initiatives by ACTIF to enhance its regional profile and as a focal point for linking with international organization and associations

a. MoU with East Africa Business Council

ACTIF successfully entered into a MoU with EABC to

b. Meetings with Key EU Partners (Sep and Oct 2012)– UNIDO, CDE, AAACP, CBI, IAF, MODINT

Subject	1. Meeting between ITC/COMESA /ACTIF 2. Meeting with Chair of the COMESA Ambassador & other Stakeholders in Geneva at AUC
Venue	Brussels, Belgium
Dates	3 rd & 4 th June 2013
Attended by	Mr. Rajeev Arora Mr. Joseph Nkole
Supported by	International Trade Center

Key Results / Outcomes

- The meeting was opened by HE Ambassador R. Nyirinkindi Katungye of Uganda who recognized the presence of the ACTIF /ITC and representative of COMESA. COMESA Chair HE Ambassador Gervais Nkanagu- Ambassador COMESA Representative to EU and ACP & IRCC Liaison Officer in Brussels, presented on the purpose and objective of the meeting
- COMESA representative Mr.Fred Kong’ong’o introduced to the COMESA diplomats Cotton to Clothing strategy and ACTIF as the key organization representing the CTC value chain among the COMESA countries.
- ACTIF representative, Executive Director Rajeev Arora introduced the federation and its core activities and objectives and Mr. Board Director Mr. Joseph Nkole discussed about the present status of cotton production in ESA region and the key interventions needed to develop cotton production and enhance value addition. In the ESA region

Follow up Actions

- 1) COMESA with ACTIF and ITC to prepare a paper for the COMESA Chair for presenting at the upcoming meeting at WTO on 21st June.
- 2) ITC/COMESA to follow-up on AAACP–EU and advice ACTIF when to submit the project proposal for implementation of the intervention in ESA region to AAACP focal point at COMESA.
- 3) COMESA & ITC to assist in developing the project proposal
- 4) COMESA /ITC/ ACTIF shall agree on other possible activities to be developed in the region for developing national strategy of few COMESA countries in line with COMESA CTC strategy .
- 5) COMESA to advice ITC were all the data of all activities should be placed for implementation CTC strategy and assist in developing that website
- 6) ACTIF to request ITC to send a detailed article on all activities they plan to develop under the EDF-10 support for Cotton value chain in Africa.

Subject	Meeting with DANIDA Regional representatives
Venue	Dar es Salaam, Tanzania
Dates	6 th June 2013
Attended by	Mr. Joseph Nyagari
Supported by	ACTIF

Key Results:

- DANIDA welcomed the concept of having Textile East Africa as a full value chain project. However there was no specific fund available that such a project could fit in.
- DANIDA further advised that they were currently undertaking a desk study to determine which value chains to work with under their new programs. The study should be completed by September 2013.
- DANIDA advised that of specific projects being formulated that could be of interest to ACTIF:
 - BizAB (Business across Borders) – Funds to be available through Trade Mark East Africa and likely to be launched in September 2013.
 - New B2B programme to be launched in January 2014. Application under this project must involve Danish Companies that have at least more than 5 employees as per the new regulations.
- DANIDA advised that funds are currently available under the national Advocacy project for Tanzania – Best AC. To access the project ACTIF could apply through their local member in Tanzania. However the funds are only for advocacy and implementation should be in Tanzania
- DANIDA also advised that there is a project supported by DANIDA in Kenya – MESP

- DANIDA that they were keen to see the final outcomes on the current Textile East Africa Project and the Advocacy activity in Kenya.
- DANIDA also advised that DFSME should explore the possibility of initiating a project with Danish companies to link with East Africa and submit application under the new B2B programme.

Follow Up Actions:

- 1) ACTIF to follow up with Danish Embassy and Trade East Africa to get more information on the Bizac programme.
- 2) ACTIF to research and follow up with MESP project in Kenya
- 3) ACTIF to research and follow up on Best AC project in Tanzania

Subject	Visit to Brussels to meet with Key development partners: CDE, EU-ACP & EURATEX
Venue	Brussels, Belgium
Dates	6 th Sep 2013
Attended by	Mr. Rajeev Arora
Supported by	BAF-DANIDA

Key Results:

- **Meeting with CDE:**

ACTIF was advised to approach a regional EC mission based in Arusha, Tanzania handling regional activities including capacity building activities, advocacy and Trade. Eng. Mehte agreed to introduce ACTIF to the program manager based at the commission and also enquire on the specific program support that could be relevant for proposed regional center of excellence.

He was very keen for CDE to support development of a model regional center of excellence that could be replicated in other regions (Southern & Western). He also advised that the present CDE regional office based in Nairobi was undergoing some restructuring and was not in a position to undertake any programmes at the moment.

- **Meeting with ACP:**

Mrs. Christian Leong Ho Yng, Program Officer – Infrastructure Development & economic services
 Mr. Michael Baudouin , Head of the Program Management Unit of the EDF fund
 Issues discussed:

1. To find out when the program will start implementation to support interventions requested by regional organizations by ACTIF;
2. What are the templates for developing requests for implementation of Activities under EDF 10
3. Building capacity of ACTIF and its members. How to access the funds & procedures for utilization and reporting requirements for the fund.

On the three issues above, Christian advised that the fund was formally launched in June 2013 to be utilized in the next 42 months. However, it had not been made available to regional organizations including ACTIF, COMESA & others as they were planning to convene a committee meeting sometime in November in Brussels to invite, request for interventions under the fund. ACTIF is a member of the committee and will receive the invitation and sponsorship to attend.

Michael advised that funds had been released to FAO and ITC and ACTIF can approach them for value chain activities related to capacity building and value chain development.

Christian provided some information on some other EC funds available for private sector support to establish new industry or investment in the Energy sector. This information will be included on our website for information to members.

ACTIF presented a copy of summary proposed interventions under EDF fund.

- **Meeting with Euratex: Key Contacts Made / Bilateral Consultations**

The meeting took place with the Director General Mr. Francesco Marchi and Luisa Santos, Trade and Industry Manager, Euratex.

Both were happy to meet with ACTIF and were keen to develop key activities including:

1. Develop demand side information for Europe in the CTA sector for ACTIF members;
2. Develop and B2B activity between ACTIF members and EU buyers
3. Sharing of statistics of imports and Exports for EU and ACTIF to share similar information for Africa on each others websites, magazines and reports;
4. They also agreed to contribute an article in ACTIF magazine – cotton Africa
5. There are knowledge partners for enhancing Trade between EU and Africa and they are happy to join us in the series of seminars
6. They have recently printed a report on the World Textile & Apparel Trade and the information is also available on their website: [euratex-bulletin-2013-3.pdf](#)

Follow up Actions

- 1) ACTIF will continue to pursue the linkages established as we look forward to increased cooperation and possibly some direct support to our regional programmes.
- 2) ACTIF to await their invitation for their committee meeting officially launching the fund for seeking requests in November 2013
- 3) ACTIF to also pursue with EU commission in Arusha after CDE advises the point of contact and on his pre discussion with them.
- 4) ACTIF to continue discussions with Euratex on how to synergize

2. Textile Policy Research for Kenya

In partnership with Business Advocacy fund (BAF)

The objective of this activity was to review the textile policy environment in Kenya since the pre independence period to date and a draft a report with recommendations highlighting specific actions that need to be undertaken to support the development of the Textile sector in Kenya.

An initial meeting to launch the study and seek stakeholders input was held in January 2013. A validation meeting by a working committee was conducted on 13th May 2013. The report was finally launched on 24th June 2013 and handed over to the Cabinet Secretary of Commerce, East African Affairs & Tourism, Ms. Phylis Kandie.

Below are the key recommendations that were tabled for the Government to consider for developing the Textile Industry:

1. Need to revive the irrigation schemes
2. Need to showcase Kenya as investment destination to probable international investors
3. Need to encourage buy Local to build Kenya
4. Need to promote Investment in textile mills – up grading the technology
5. Establishment of a Stabilization Fund to revive and strengthen the Textile Industry

The Industry was also challenged to be more proactive in engaging the government to push for implementation of the recommendations and for a more conducive environment to grow the sector.

It was also recommended that advocacy activities should be centered around:

- Role of government in the cotton/textile industry
- Upgrade textile mills for quality fabrics- to diversify product lines, create employment and incomes
- Partnership between public and private sector
- Incentives-credit, subsidy, cash awards

- Dedicated/Special development funds and vehicles
- Dialogue for participants along value chain
- Designated industrial sites
- Promotion of niche products
Aim to produce for global markets

3. Business Sustainability Support

In partnership with the Business Advocacy Fund (BAF)

This activity is aimed at assisting ACTIF to build sustainability in line with its organization business plan. During the month of May and June promotional activities for Cotton Africa magazine and Origin Africa were launched. This included:

- The Executive Director travelled to Europe to promote Origin Africa in partnership with Messe Frankfurt during Texprocess event. During the Tex process event, ACTIF was allocated a booth to promote Origin Africa event and also provided a slot in the seminars to introduce ACTIF and present on origin Africa event. At the end of the event significant interest was generated for participation including potential exhibitors at the event.
- During the trip to EU strategic meetings were held with United Nations Conference for Trade and Development (UNCTAD), International Apparel Federation (IAF), Netherlands Agency for promoting imports into EU – CBI, German Association for Textile and Apparel – DTB. During the IAF and DTB meetings, ACTIF promoted the Origin Africa event by sharing the concept details. A number of buyers expressed interest to participate and they would be advised of the event details once confirmed.



ACTIF ED Rajeev Arora delivering a presentation on ACTIF during the IAF meeting in Shanghai China



ACTIF ED participating in the DTB annual meeting in Munich Germany.

- An Events Coordinator was hired by ACTIF to support the development and promotion of Origin Africa across the region and to the targeted international participants. The Origin Africa concept has since been updated and a database of potential participants, sponsors and exhibitors developed ahead of the anticipated launch and promotional activities in July 2013.

- Promotional activities for seeking more adverts to Origin Africa magazine were launched. This included targeted email campaigns especially to strategic partners ahead of the main launch in the month of July 2013.

The activities under this support have led to increased interest in ACTIF membership and its services during the first quarter.

4. Proposed Regional Centre of Excellence

The proposed Regional Centre of Excellence is an initiative that ACTIF is spearheading to address the critical challenge of limited skilled man power in the textile and apparel sector across the region that has resulted in a high reliance on expatriates. This activity is also in line with COMESA cotton to clothing regional strategy.

Key milestones achieved so far include signing of MoU between ACTIF and EPZA to collaborate towards establishment of the regional centre of excellence; Initial meeting and endorsement by stakeholders in Kenya and formation of a working committee drawn from private sector, Government agencies and private universities.

During the month of May UNIDO made an offer to commit up to Euro 1,750,000 towards the project provided a commitment to match the support is developed. The working committee has since met with the Kenyan Government that has reiterated their support and willingness to match the offer with private public partnership by providing land and possibly some cost of building.

University of Nairobi through the Institute of Development developed a detailed funding proposal for the project that can be used in the resource mobilization activities.

ACTIF will continue to follow up with all stakeholders to respond to UNIDO's offer while also seeking more partners to be involved in the project.

5. Engagement with SATH Trade Hub

During the month of April ACTIF partnered with South Africa Trade hub to implement Power Breakfast seminars during the Source Africa event in Cape Town that took place in April 9-12, 2013 at the Cape Town Convention Centre. The event brought together producers, business leaders and decision makers from across the continent providing opportunities for African manufacturers to network with international buyers. The Power breakfast seminars were very successful with over 130 participants attending each of the ACTIF Power breakfast seminars.

During the month of May, ACTIF finalized the report of their participation in the event. Follow up meetings were also held to initiate discussions with SATH on possible support for Origin Africa event in 2014 as well as possible support for ACTIF activities in Southern African region.

6. Origin Africa 2014 – Preparatory activities

ORIGIN AFRICA is both an event and an on-going effort dedicated to improving African Cotton, Textile and Apparel trade. It involves collaboration with producers across the cotton value chain from farm to fashion including accessories suppliers to develop, guide and promote African trade. We aim to profile Africa, raise

awareness of Africa as a place to do business and as a sourcing destination, change perceptions, and to make the continent more visible as a source of supply of cotton, textile products and fabrics, for international buyers.

Having established a partnership agreement with Messe Frankfurt to collaborate in the development of Origin Africa Trade Expo, ACTIF has been in discussion with the East Africa Trade Hub and other partners including CBI on the next Origin Africa event to be held as a regional event either in Kenya / Tanzania.

Key objectives of holding Origin Africa include:

- Sustainability boost for ACTIF
- Intra-Regional Trade developed
- Momentum of Trade with US under AGOA increased
- ACTIF Profile enhanced

1. OVERALL IMPACT OF GRANT TO ACTIF

- **Regional Profile enhanced**

ACTIF successfully entered into an MoU with East Africa Business Council in 2013 to cooperate along the Cotton, Textile & Apparel value chain. This opens up new avenues of collaboration with EAC based partners along mutual objectives of the two organizations.

- **Membership Increased**

ACTIF recorded an overall increase of 9 members from 40 in 2011-2012 to 49 in 2012-2013 following various activities and initiatives. The increase in membership strengthened the institutional capacity of ACTIF as well increasing the revenue stream to ACTIF. Membership growth resulted through the contacts established in the key regional and international forums coupled with email and telephone follow ups over a couple of months. The amendment of ACTIF memorandum and articles of association to include individual companies has also increased the scope of ACTIF membership which will no doubt attract more membership.

- **Revenue Streams Increased**

ACTIF was able to develop additional revenue streams to support its sustainability strategy under ACTIF business plan. Apart from increased membership, some of the revenue generating activities developed includes income from adverts from the Cotton Magazine and income from administration cost charged to special projects.

- **Partnerships developed with other funding agencies**

During the year 2013, ACTIF was able to diversify its funding by attracting support from other funding agencies including Business Advocacy fund (BAF) & Innovative Partnerships for Development (IPD-DANIDA).

- **ACTIF voice recognized in key regional and international FTA's**

Following the increased recognition, ACTIF was invited to make key contributions on various regional and international platforms including International Textile Manufacturers Federation annual meeting, International Cotton Advisory Committee (ICAC) annual meeting and Annual Home Textile Conference in China, among others.

- **Ties with West African fibre producing countries strengthened**

In 2012, ACTIF held its first ever regional meeting with West African stakeholders in August 2012. In 2013, the engagements continued membership was developed in Mali, Cameroon & Ivory Coast. ACTIF will endeavor to develop the linkages.

2. DELIVERABLES

- Copy of questionnaire used for survey on AGOA and ACTIF Membership
- Survey report on Impact of AGOA in Kenya & Tanzania
- Member Survey report for Kenya and Tanzania
- Report on strategic meeting supported by ITC
- ACTIF Position on AGOA
- Submissions on AGOA by Civil Society, Private Sector & US Government
- Textile Study report and recommendations for Kenya
- ACTIF Report to SATH on Source Africa
- Origin Africa Concept for 2014
- Minutes on Origin Africa preparatory meeting
- UNIDO letter to Kenyan Government
- Copy of Issue 7 of Cotton Africa Magazine
- Contract for Magazine Consultant
- Trip reports to EU (COMESA, MesseFrankfurt, Texprocess, UNCTAD, IAF, DTB & CBI)
- Trip reports to Tanzania (DANIDA, IBUTTI, TCA, & TDC)
- Report on AGOA meeting in Kenya
- ACTIF report on Tanzania Meeting

~ End of Report ~