



MONTHLY GRANT REPORT

For the Period of:	JUNE				
Name of the Grantee Organization:	African Cotton & Textile Industries Federation				
Project Title:	To develop and deliver value added products & services that directly impact on the competitiveness of the CTA sector & ACTIF sustainability				
Grant Agreement Number:		Project Startup Date:	1 st JUNE 2014	Project end date:	30 th June 2014
Project Location:	Countries: Kenya, Uganda , Tanzania, Ethiopia, Rwanda, Burundi & Mauritius				

Introduction

This report from African Cotton & Textile Industries Federation is for the period of June 2014 covering the activities implemented under USAID-COMPETE funding support and other activities.

The Grant objective was to support of specific activities aimed at addressing the core challenges facing ACTIF & its members, to strengthen its institutional capacity and developing value added products to enhance the value proposition for our members and develop sustainability.

The activities are defined under 2 broad themes:

1. Strengthening of ACTIFs Institutional capacity and Membership;
2. Developing and enhancing value added products and services for members;

Summary of Activities accomplished between March and May 2014.

1. Strengthening of ACTIFs Institutional capacity and Membership:

1.1 EA Stakeholder meetings in 7 Countries. (Kenya, Uganda, Tanzania, Rwanda, Burundi, Ethiopia & Mauritius)

1.1.1 ACTIF Website Training for ACTIF Members & CTA Companies

Two website training workshops were successfully conducted in Tanzania (10th June 2014) and Rwanda (26th June 2014).

In Tanzania a total of 17 participants were trained with a total of 17 Trading accounts and Directory profiles being created. ACTIF members & Support Agencies trained [Training of Trainers]: 4 [IBUTTI (2), TCB & TanTrade (1):Association (ETGAMA) were also trained as

trainers;

In Rwanda, the website training was combined Origin Africa launch and engagement on Institutional Strengthening. Considering that Rwanda only has one factory, the training focused on Origin Africa launch with an overview of the Website features all in 1 workshop. A total of 12 participants attended with 5 from UTERWA senior management, 2 from Rwanda Development board, 1 from Min of Trade, 1 from Min of Agriculture, 1 from Bureau of standards, 1 from RRECPC and 2 from ACTIF.

Trip reports for the two workshops are attached for reference.

1.1.2 Stakeholders Meeting on EAC Rules of Origin for CTA Sector

With the technical process of review the EAC ROO having been completed, it means that the revised EAC Rules of Origin have now addressed the ROO related key impediments to intra EAC regional trade in textile and apparel. This milestone triggers the next step of engagement to have the industry appreciate the new rules of origin in readiness for taking advantage of the ensuing business opportunities. **This will be a key factor in contributing to increased EAC intra-regional trade by 50% in line with the new U.S. Trade and Investment Center (TIC) objectives.**

This activity was intended to create awareness on the revised EAC Rules of Origin To link lead firms in the CTA to regulatory institutions (institution responsible for issuing certificate of origin) for purposes of ensuring the industry drives the regulatory understanding of the revised rules of origin.

This activity was targeted at EAC countries (Kenya, Uganda, Tanzania, Rwanda & Burundi). The activity is designed to coincide with ACTIF stakeholder meetings in those countries during Origin Africa Launch in order to reach out to the companies.

During the month period of June, the workshops in Tanzania and Rwanda did not include Rules of Origin Workshops following communication from our EAC expert – Mr. Bernard Kagira that there was a delay from EAC to initiate implementation of the Rules of Origin to allow for further consultations.

1.2 Sustain the development and publication of the Cotton Africa Magazine on a quarterly basis;

This was intended to focus on topical issues for the dissemination of information, influencing policy decisions, creating awareness on industry positions and generating revenue for ACTIF through advertisements.

This will also include outsourcing content generation to a business writer that ensure professional and relevant content is generated.

The publication of the magazines will be in line with the Magazine Sustainability strategy that will build on the existing constituents and reading membership in order to deliver improved stakeholder

value with the overall objective of increasing sales revenues for ACTIF. The online version of the magazine can be accessed on: magazine.cottonafrica.com/magazine

During the period of June 2014, a publishing company was engaged to assist with content development and layout of the magazine. The publication of Issue 9 has been finalized. Currently the soft copy is being developed for upload while the print copies are awaiting delivery.

Work on issue 10 has also started and should be completed by end of July and printing by early August.

1.3 Engage External Consultant to support institutional strengthening [60 days]

Dr. Terry Townsend, the immediate former Executive Director of International cotton advisory committee was successfully engaged as the external consultant on institutional strengthening following review and confirmation of his interest by both ACTIF board and EATH. This was mainly due to his extensive knowledge on global cotton issues including Africa and interaction respect gained across the region as an authority on cotton matters.

During the month of May, Dr. Terry Townsend initiated his interactions with various stakeholders including:

2. ACTIF secretariat & some board members
3. EATH
4. USAID
5. ACTIF members in Kenya
6. ACTIF members in Mauritius
7. CTA companies in Kenya & Mauritius

The primary objective of his interactions is to evaluate ACTIF as an organization and expectations of its members and potential members with a view of developing recommendations for ACTIF strategy for the next 5 years, bearing in mind need for sustainability. This would include:

8. Conduct an independent assessment of ACTIF as a Federation and secretariat in relation to its outlined mandate;
9. Participate in stakeholders engagement during EAC meetings organized under activities 1.1.1 in order to interact with existing and potential members and related stakeholders;
10. Develop practical recommendations on how ACTIF can strengthen itself to be a strong and sustainable Institution;
11. Update the existing strategy and business plan; *[Existing Strategy expires in 2014 while business plan expires in 2015. Hence need for review and a new strategy and plan covering 2015-2020]*
12. Engage with the ACTIF Board, EATH and USAID/PATA on the final report and recommendations.

The short-term consultant on Institutional Strengthening for ACTIF arrived in Nairobi on 25 May 2014 and departed on 7 July 2014. ACTIF is currently supported by a combination of internally generated funds accounting for 40% of the Secretariat budget and donor support accounting for the remaining 60%. The consultant reviewed the work of ACTIF and the needs of its members and potential members in order to make recommendations on how the work of the ACTIF Secretariat can be oriented, consistent with its mission, so as to generate 100% of funding from internal sources.

The consultant reviewed relevant documents related to the budget and current business plan of ACTIF and

Origin Africa, ACTIF's current stakeholder and membership strategy, results of membership surveys, and governance documents.

In addition, the consultant spoke with approximately 80 ACTIF board members, members of the Secretariat, and representatives of all segments of the African cotton-textile and apparel value chain, including association executives, project administrators, other consultants, potential brand investors, ginners, spinners/weavers, handloom weavers, fashion designers, apparel manufacturers and manufacturers with retail outlets in about 60 separate interviews or meetings in Addis Ababa, Dar es Salaam, Kampala, Kigali, Mauritius, Mombasa, and Nairobi.

The consultant received the full support and cooperation of the ACTIF Secretariat in conducting his review. He experienced no difficulties or constraints in obtaining information, making appointments with stakeholders and interacting with members of the value chain. The consultant expressed his appreciation to all members of the Secretariat for their good will during his visit.

The consultant completed a first draft of his recommendations prior to departure from Nairobi. The executive director asked for clarification of certain points and suggested areas for further elaboration, and a final report will be submitted to the executive director and the Chairman of the Board of Directors by 12 July 2014.

2. Developing and enhancing value added products and services for members

2.1 Origin Africa – 2014 Event

2.1.1 Trade Mark Registration

Following the successful application with the Kenya Trade Marks Registry of the registration of the Origin Africa 'Collective Mark', for the goods and services falling within classes 22, 24, 25 and 35 of the Nice Classification of Goods and Services (NCL) published by the World Intellectual Property Organization (WIPO), it now paves the way for issuance of the Kenya registration certificate; only once the Kenya registration certificate has been issued, can other applications be filed under the Madrid Protocol. The criteria, methodology and rules governing the use of the ORIGIN AFRICA (Device) as a collective Trade Mark have also been established under Section 40A (2) and (3) of the Kenya Trade Marks Act Cap 506.

Building on the significant traction that Origin Africa has gained in recent years, the overall aim now is to extend and add to the profile of Origin Africa, with a specific focus on business, trade and investment – regional and international - encompassing the full spectrum of the fiber-to-fashion supply chain.

The intention is to now file applications for Trade Mark registration in selected countries in order that full, effective and protected use of the brand/mark can be realized. It is intended to file applications in the designated countries for two primary purposes:

- In the U.S.A. and European Union (EU) - for 'point of sale' products, such as labelling. Also included will be awareness campaigns, trade shows and events. Much of this will be carried out by USAID East Africa programs such as the proposed U.S. Trade and Investment Center (TIC).
- In China, India, South Africa, Mauritius and Ethiopia – primarily for trade mark protection

purposes.

Progress report is attached herewith.

2.1.2 Origin Africa – Branding Activities

ORIGIN AFRICA is both an event and an ongoing 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.

Origin Africa 2014 is scheduled to be held on 10th – 12th Nov 2014

The key partners for the event include:

EATH : Branding activities, Partial deposit for Venue

CBI: Sponsorship of Home Décor and Home Textile Suppliers to participate in Trade Expo; Support participation of EU Buyers for Home Décor and Home Textile

DANIDA: Branding in Denmark; Cost of Technical Advisor and Coordinator for Origin Africa; Support Danish buyers participation in Trade Expo and B2B

EPZA: Mobilize EPZ companies to take up at least 20 booths; Sponsor the Investment Forum for 70 Pax

OTHERS (Including: TIDI – Ethiopia, TanTrade – Tanzania, Enterprise Mauritius, Investment Promotion Agencies): Mobilize participation CTA companies and government agencies

This activity was geared towards branding activities are to:

- Seek support of Government agencies to mobilize participation of private sector exhibitors;
- To mobilize the industry stakeholders to participate in Origin Africa as exhibitors;
- To mobilize participants for the series of seminars component;
- To mobilize regional investors to participate in the OA event;
- To engage with key US Apparel Association(s) during the trip for capacity building on institutional strengthening for ACTIF;

During the period of June 2014, branding activities for Origin Africa were conducted as follows:

➤ ***Dar es salaam, Tanzania,; 9th June 2014***

A total of 40 people attended the launch at New Africa Hotel in Dar es salaam, Tanzania during an evening VIP reception. During the visit to Tanzania, Strategic Meetings held with key agencies to mobilize participation for Origin Africa. This included: Tanzania Trade Authority;

Export Processing Zones Authority and Tanzania Cotton Board

The response was very good with a number of companies indicating interest for participation. Tan Trade also committed to mobilizing a Tanzania Pavilion to participate in the Origin Africa event.

➤ **Kigali, Rwanda: - 26th June 2014**

In Rwanda, the Origin Africa promotion was combined Website Training and engagement on Institutional Strengthening. Considering that Rwanda only has one factory, the workshop focused on Origin Africa launch with an overview of the Website features all in 1 workshop. A total of 12 participants attended with 5 from UTERWA senior management, 2 from Rwanda Development board, 1 from Min of Trade, 1 from Min of Agriculture, 1 from Bureau of standards, 1 from RRECPC and 2 from ACTIF.

Following the workshop, Rwanda Development Board expressed interest to mobilize a Rwanda Pavilion to participate in the Origin Africa event.

2.1.3 International Branding – USA, Europe & Far East

2.1.4 Origin Africa Website

During the month of June, the Origin Africa website was finalized and officially launched completed with an online registration and payment portal.

The new origin Africa website is now active and can be reviewed at this link:

www.originafrica.org

2.2 ACTIF Website Management

ACTIF website was redesigned into two new websites: www.cottonafrica.com and www.actifafrica.com. The core content has been developed from the Members and uploaded into these two websites. ACTIF now has 3 different Websites as follows:

www.actifafrica.com

This is the face of ACTIF and primarily for member information, membership development and member access. Key information includes: About ACTIF [Profile, Services, Benefits]; List of ACTIF Members and contacts; ACTIF News; ACTIF Magazine; Access to member specific pages [Corporate Members]; Access to reports and downloads & Access to CTA experts database

www.cottonafrica.com

This is primary the trading website open to ACTIF members and CTA companies.

Key information includes: Access to Trade directory; Access to Cotton Africa Trade Link; Access to Industry news; and Access to reports and Downloads

www.originafrica.com

This website is dedicated to Origin Africa being our flagship event for sustainability. Key information includes: About Origin Africa; Registration details; Promotional information; Sponsorship information & Links to Past Events

Under this activity, ACTIF proposed to engage an IT Assistant under short term contract - 5 months. The essence of this activity will be to generate and maintain the content of the ACTIF websites

This activity had been delayed owing to delay in release of Grant funding.

During the period of June 2014, A short list of 3 candidates was developed from the applications received and initial interviews held as at end of June. One candidate – Edwin Mbithi was selected as the preferred candidate.

It is expected that the hired candidate will start work immediately upon confirmation in July.

2.3 Engage a Technical Advisor on independent contract [30 days]

Under this activity, ACTIF was to engage a senior expert on an independent contract for the period through to July 2014. His core task will be to support the CTA study activity being developed by EATH [10 days]. The work was to include participating as a senior advisor resource, reviewing the inputs and providing comments and additions to the study document, as guided by EATH.

The Technical Advisor was to also provide institutional support towards the stakeholder engagement consultant [5 days]. This will involve providing background information to the consultant on the status of existing stakeholders and membership of ACTIF.

The advisor was to be involved in other activities as indicated below:

- **International Trade Mark Process [5 days]**

This would entail continuing with the Origin Africa Trade Mark application processes in China, India and the U.S.A. under the Madrid Protocol, and for Ethiopia, Mauritius and South Africa under individual national applications. This would include dealing with the detail of any objections, citations or queries which might be raised by the various registries, or threatened or actual oppositions by third parties.

- **Project AGOA – AGOA Resource Window [10 days]**

This activity would encompass web content generation to populate the AGOA resource window. It will include establishing an appropriate wire-frame and sitemap to be applied to this component of the portal, for the provision of crucial information such as the practical steps of what needs to be done to conduct trade, and the country specific visa requirements and procedures as they relate to EAC countries.

An update on this activity is included in attached report by the consultant

OTHER NON-GRANT ACTIVITIES COMPLETED

- **Euratex Conference – 4th and 5th June 2014**

ACTIF ED – Mr. Rajeev Arora made a presentation to generate interest of several countries national associations of buyers, manufactures and imports to participate and possibly develop interest for investment in Africa during the Origin Africa trade export.

The theme of the meeting was Free Trade & International agreements as the factor of advancement of textile and clothing industry. The meeting brought together more than 140 participants from the industry, research, European institutions and international organizations to participate in the international textile and clothing conference.

Origin Africa Promotion at Euratex

A presentation was made on Origin Africa event.

The EURATEX CEO was invited as one of the key speakers at origin Africa on the impact of various FTA around the world on Africa. Euratex also committed to mobilize its membership to attend the Origin Africa event.

- **Source Africa Event 18th – 20th June 2014**

ACTIF with the support of South Africa Trade Hub, successfully participated in Source Africa event 2014 in Cape Town, South Africa.

During the event, ACTIF successfully organized a manufacturer's session that took place during the Source Africa event on 20th June 2014 in Cape Town South Africa. A total of 125 participants attended the event which was a moderated platform with the following panellists:

Moderator – Mr. Johaan Baard, Executive Director, Apparel Manufacturers Association

- Mr Dev Chamroo, C E O, Enterprise Mauritius (EM).

- Mr. Siraj Kapasi, Atraco

- Ms. Jennifer Chen, Lesotho Textile Exporters Association

- Mr. Fassil Tadesse, President of Ethiopian Textile & Garment Manufacturers Association (ETGAMA). He is also a Textile Manufacturer.

The feedback from the evaluation was encouraging with majority of the respondents satisfied with the seminar.

- **Origin Africa Promotion - Cape Town, South Africa, 20th June 2014**

During the Source Africa event in Cape Town, South Africa, ACTIF convened a VIP reception event on 20th June 2014, targeting the key Investment and Export Promotion agencies that were participating in the Source Africa event.

A total of 35 participants attended, including key agencies such as:

- 1. Kenya – Led by Export Promotion Authority*
- 2. Mauritius – Enterprise Mauritius*
- 3. Tanzania - TanTrade*
- 4. Zimbabwe – ZimTrade*
- 5. Lesotho – Lesotho Development Agency*
- 6. Rwanda – Rwanda Development Board*
- 7. Egypt – Textile Promotion Council*
- 8. Botswana – Botswana Trade Promotion Agency*
- 9. Cameroun – Caroline Sack Kendem to arrange*
- 10. Nigeria – Fashion Association*

All the agencies present committed to mobilize participants to the Origin Africa event under respective country pavilions.

- **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 draft a report with recommendations highlighting specific actions that need to be undertaken to support the development of the Textile sector in Kenya.

During the Month of June, the textile Policy Position Paper was further improved following consultations with the Advocacy mentor and Kenya Association of Manufacturers. See attached.

- **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:

During the period of June 2014, the cost of the events Coordinator was sustained to support the development and promotion of Origin Africa across the region and to the targeted international participants.

The impact of the sustainability support continued to be felt with increase in membership and support being secured for the Origin Africa event.

- **BCI Cotton Value Addition Project**

ACTIF developed a proposal for a niche project in Kenya that will involve value addition of cotton all the way finished garments and linked to export market in Europe. The proposal was developed following the

successful approval of our concept for the same project.

During the month of June, approval of our project application was received and a meeting held to review comments from the approval committee that needed our input.

The proposal has since been revised accordingly.

vi) ACTIF Collaboration with COMPACI

COMPACI extended some structural support to ACTIF until the end of 2015 to undertake a number of activities including:

- To engage one fulltime staff to liaise with cotton ginning companies throughout Africa and to lobby them to become members of ACTIF. This full time staff-member should essentially be bilingual (English/French).
- To maintain contact with the African Cotton Association (ACA) and the African Cotton Producer Association (AProCA), and the existing national cotton ginner associations.
- To facilitate exchange of experiences between cotton ginners throughout Africa.
- To coordinate and bring together experts in the cotton value chain and establish a framework for dialogue to deal with issues of common interest
- To collate, process and disseminate information relating to cotton trade among ACTIF members and with other development partners
- To promote the establishment of training facilities/courses for the middle management of ginning companies (also in cooperation with equipment suppliers).

Attached is a progress report submitted to COMPACI on the activities undertaken so far.

• **Major activities planned for the month of July 2014:**

- i) Origin Africa event 2014 - Planning & promotion activities to continue
- ii) Website Training Workshops in Kenya, Burundi & Uganda to continue
- iii) Stakeholders Engagement & Institutional Strengthening support to continue
- iv) Technical Advisors tasks to continue
- v) CTA Value Chain Workshop in Addis Ababa, Ethiopia – 14th July 2014
- vi) ACTIF Board Meeting

Status of Implementation Activities to Date

Activity List each activity. Please be as specific as possible. Use additional pages if necessary.	Expected Deliverables	Due Date	Achievements during the month of June 2014
1.1. EA Stakeholder meetings in 7 Countries. (Kenya, Uganda, Tanzania, Rwanda, Burundi, Ethiopia & Mauritius); 1.1.1 ACTIF Website Training for ACTIF Members & CTA Companies; 1.1.2 Stakeholders Meeting on EAC Rules of Origin for CTA Sector;	CTA companies trained & their profiles created on ACTIF website; CTA companies sensitized at end of the activity.	On Going On Going	Website Trainings successfully conducted in Rwanda & Tanzania A Number of CTA companies trained at end of the activity and their profiles uploaded
1.2 Sustain the development and publication of the Cotton Africa Magazine on a quarterly basis;	<ul style="list-style-type: none"> • Cotton Africa Magazine Issue 9 & 10 published & distributed • Revenue generated from adverts 	On going	<ul style="list-style-type: none"> • Issue 9 of the magazine successfully developed and printed • Work on issue 10 has commenced
1.3 Representation in AGOA Forum – 2014	<ul style="list-style-type: none"> • ACTIF Position on AGOA distributed; • No of Members / Linkages developed 	August 2014	<ul style="list-style-type: none"> • Pending

Activity List each activity. Please be as specific as possible. Use additional pages if necessary.	Expected Deliverables	Due Date	Achievements in Between March – May 2014
2.1 Origin Africa – 2014 Event - Trade Mark Registration - Origin Africa – Branding Activities - International Branding – USA, Europe & Far East 2.1.4 Origin Africa Website 2.1.5 Deposit for Booking the venue for Seminar Series and Cost of 5 Experts	<ul style="list-style-type: none"> • Origin Africa Event Development • Number of Registrations towards OA event; • Updated OA Website; Number of online registrations; • Venue Confirmed & Experts Invited and participate in OA 	On going On going On going On going	<ul style="list-style-type: none"> • OA Promotion done in Rwanda and Tanzania, with both countries promising to mobilize country pavilions • Origin Africa Website launched
2.2 ACTIF Website Management	<ul style="list-style-type: none"> • AGOA Resource Window – Content Uploaded; • ACTIF website - Content Uploaded Origin Africa Website – Updated and Content Uploaded 	On going	<ul style="list-style-type: none"> • Three candidates shortlisted and interviews conducted; • One candidate hired – Edwin Mbithi to begin work as from July
2.3 Engage a Technical Advisor on an independent contract;	<ul style="list-style-type: none"> • Progress on OA Registration & Input for event Developed; • ACTIF Website enhanced • Support provided to CTA Study AGOA window resource platform created	On going	<ul style="list-style-type: none"> • Technical Input to Origin Africa Website provided • Support provided to CTA Study • Work on AGOA window resource platform initiated

Deliverables:

- **ACTIF Website training activities**
 - Trip report to Tanzania
 - Trip report to Rwanda

- **Cotton Africa Magazine**
 - Cotton Africa Magazine Issue 9

- **Origin Africa event**
 - Status Update
 - Website Link: www.originafrica.org
 - Trip report to Tanzania
 - Trip report to Rwanda

- **Technical Advisor on independent contract**
 - Progress report

- **Euratex Conference**
 - Trip report

- **Textile Policy Research**
 - Textile Policy Position Paper

- **Source Africa 2014**
 - Evaluation Report

- **ACTIF Collaboration with COMACI**
 - Progress report