



**USAID**  
FROM THE AMERICAN PEOPLE

EAST AFRICA  
**TRADE**  
+ INVESTMENT  
**HUB**

# USAID EAST AFRICA TRADE AND INVESTMENT HUB QUARTERLY PROGRESS REPORT



**DECEMBER 31, 2015**

This publication was produced for review by the United States Agency for International Development. It was prepared by DAI, Development Alternatives Incorporated.

# USAID EAST AFRICA TRADE AND INVESTMENT HUB

## FY 2016 Q1 PROGRESS REPORT

October 1, 2015 – December 31, 2015

Award No: AID-623-C-14-00006

Prepared for Michelle Bahk, Regional Trade Advisor, Trade Africa  
United States Agency for International Development/Kenya  
C/O American Embassy  
United Nations Avenue, Gigiri  
P.O. Box 629, Village Market 00621  
Nairobi, Kenya

Prepared by  
Development Alternatives Incorporated, DAI  
7600 Wisconsin Avenue, Suite 200  
Bethesda, MD 20814

### DISCLAIMER

The authors' views expressed in this report do not necessarily reflect the views of the United States Agency for International Development or the United States Government.

## CONTENT

I. EAST AFRICA TRADE AND INVESTMENT HUB EXECUTIVE SUMMARY.....	1
II. KEY ACHIEVEMENTS.....	4
III. ACTIVITY PROGRESS AS IT RELATES TO THE PMP.....	14
IV. CONSTRAINTS AND OPPORTUNITIES.....	26
V. PERFORMANCE MONITORING.....	30
VI. PROGRESS ON GENDER STRATEGY.....	31
VII. PROGRESS ON ENVIRONMENTAL MITIGATION AND MONITORING.....	31
VIII. PROGRESS ON LINKS TO OTHER USAID PROGRAMS AND USG AGENCIES.....	31
IX. PROGRESS ON LINKS WITH EAC GOVERNMENT AGENCIES.....	32
X. SUSTAINABILITY AND EXIT STRATEGY.....	32
XI. SUBSEQUENT QUARTER'S WORK PLAN.....	33
XIII. ACTIVITY ADMINISTRATION.....	40
XIV. GPS INFORMATION.....	41
XV. SUCCESS STORIES.....	41

# ACRONYMS AND ABBREVIATIONS

ACTIF	African Cotton & Textile Industries Federation
AGOA	African Growth Opportunity Act
AIMS	Agribusiness Investment for Market Stimulation project
AmCham	American Chamber of Commerce
APS	Annual Program Statement
BOI	Board of Investment
CCA	Corporate Council on Africa
CET	Common External Tariff (EAC)
CMP	Common Market Protocol
COMESA	Common Market for Eastern and Southern Africa
COMSHIP	COMESA Seed Harmonization Implementation Plan
COP	Chief of Party
CUP	Customs Union Protocol
DCOP	Deputy Chief of Party
EAC	East African Community
EAC+	East African Community plus Mauritius, Madagascar, Seychelles and Ethiopia
EAGC	Eastern Africa Grain Council
EATHH	East Africa Trade and Investment Hub
FSNP	Food Security Nutrition Policy
FY	Fiscal Year
GDP	Gross Domestic Product
GOK	Government of Kenya
IREN	Inter Region Economic Network
KAM	Kenya Association of Manufactures
KEBS	Kenya Bureau of Standards
KEPSA	Kenya Private Sector Alliance
KIICO	Kenya International Investors Conference
LTTA	Long term technical assistance
MOIED	Ministry of Industry and Enterprise Development
MOU	Memorandum of Understanding
NTBs	Non-tariff barriers
ODC	Other Direct Costs
OPIC	Overseas Private Investment Corporation
PMP	Performance Monitoring Plan
PPD	Public Private Dialogue
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
RFBS	Regional Food Balance Sheet
RPSF	Rwanda Private Sector Federation
SME	Small and Medium-sized Enterprise
SPS	Sanitary and Phytosanitary
STTA	Short term technical assistance
TBT	Technical Barriers to Trade
TMEA	TradeMark East Africa
TPSF	Tanzania Private Sector Foundation
UAL	United Aryan (EPZ) Limited
USAID	United States Agency for International Development
USG	United States Government
USTDA	United States Trade and Development Agency
USITC	United States International Trade Commission
USTR	Office of the United States Trade Representative
WTO	World Trade Organization

# I. EAST AFRICA TRADE AND INVESTMENT HUB EXECUTIVE SUMMARY

The East Africa Trade and Investment Hub (the Hub) boosts trade and investment with and within East Africa. It does this by deepening regional integration, increasing the competitiveness of select regional agricultural value chains, promoting two-way trade with the United States (U.S.) under the African Growth and Opportunity Act (AGOA) and facilitating investment and technology to drive trade growth intra-regionally and to global markets. The Hub supports the U.S. Government's presidential **Trade Africa** and **Feed the Future** initiatives. Here are highlights from the Hub's first quarter of fiscal year (FY) 2016.

## Overall project

In FY 2016 Q1, the Hub supported four Ambassador-level events, one in Ethiopia and three in Kenya, and a U.S. Trade Representative (USTR) factory visit.



From left to right –

1. U.S. Ambassador to Ethiopia Patricia Haslach delivers remarks at Origin Africa 2015 in October.
2. U.S. Ambassador to Kenya Robert Godec delivers remarks to 500 small and medium-sized enterprises (SMEs) during a Hub/Kenya Ministry of Industry and Enterprise-supported AGOA workshop in Nairobi, November 9.
3. U.S. Ambassador to Kenya Robert Godec takes questions from 50 export-ready Kenyan SMEs, November 18 at the Hub offices in Kenya.
4. U.S. Ambassador to Kenya Robert Godec shakes the hand of Kenya Deputy President William Ruto during the Kenya International Investment Conference 2015, November 23-25 in Nairobi.
5. Assistant USTR for African Affairs Florizelle Liser visits UAL apparel factory in Kenya, December 18.

## Investment and Technology

As of December 31, 2015, the Hub's investment transaction advisory team has supported the financial close of \$18.2 million in new investments. Three of the closed transactions are in the agribusiness sectors of Ethiopia, Kenya and Uganda. One of the transactions is in the financial services/ICT sector of Uganda. The team has an additional four transactions, valued at \$14 million, that are pending close post transaction advisory, and one transaction that is receiving ongoing advisory support. The team is reviewing an additional nine transactions, valued at \$129.5 million, for further advisory support. These transactions span the East African region and are predominantly in the agribusiness and cotton, textile and apparel sectors. See the below infographic for a summary of all transactions, by status, sector and country.

# \$168.3 MILLION

Total value of deals in the Hub pipeline, actively engaged, pending financial closure, or closed.

# \$129.5M

Total value of deals in the pipeline that are under review.

# \$18.2M

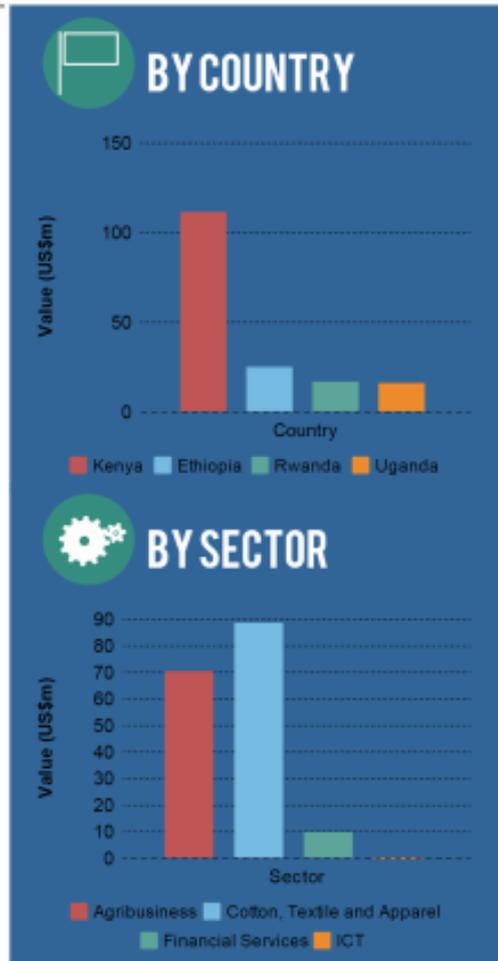
Total value of investments financially closed, post-investment advisory.

# \$14M

Total value of investments pending financial close, post-investment advisory.

# \$5.5M

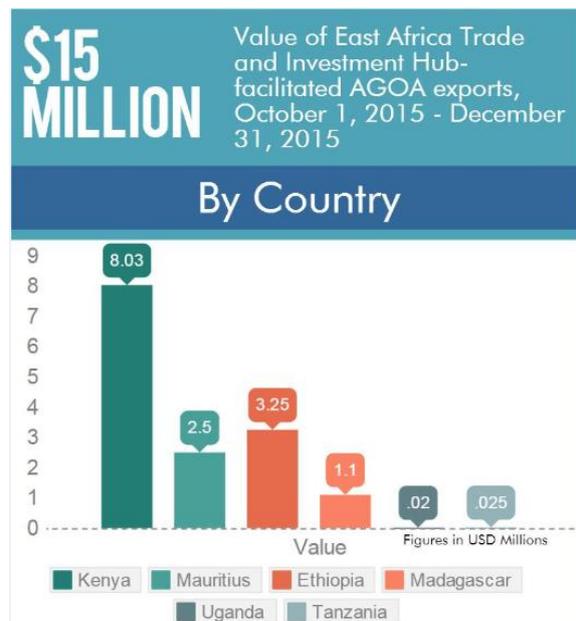
Ongoing, with active investment advisory engagements.



### Trade Promotion and AGOA

Between October 1 and December 31, the Hub's Trade Promotion and AGOA Team supported nearly \$15 million in AGOA exports to the U.S. Standout achievements include \$8 million in apparel from Kenya and \$3.1 million in footwear exports from Ethiopia. (See infographic at right for export results by country for the past three months.) The Hub derived its results from ongoing firm-level technical assistance, the support of two trade shows, and several AGOA workshops and seminars.

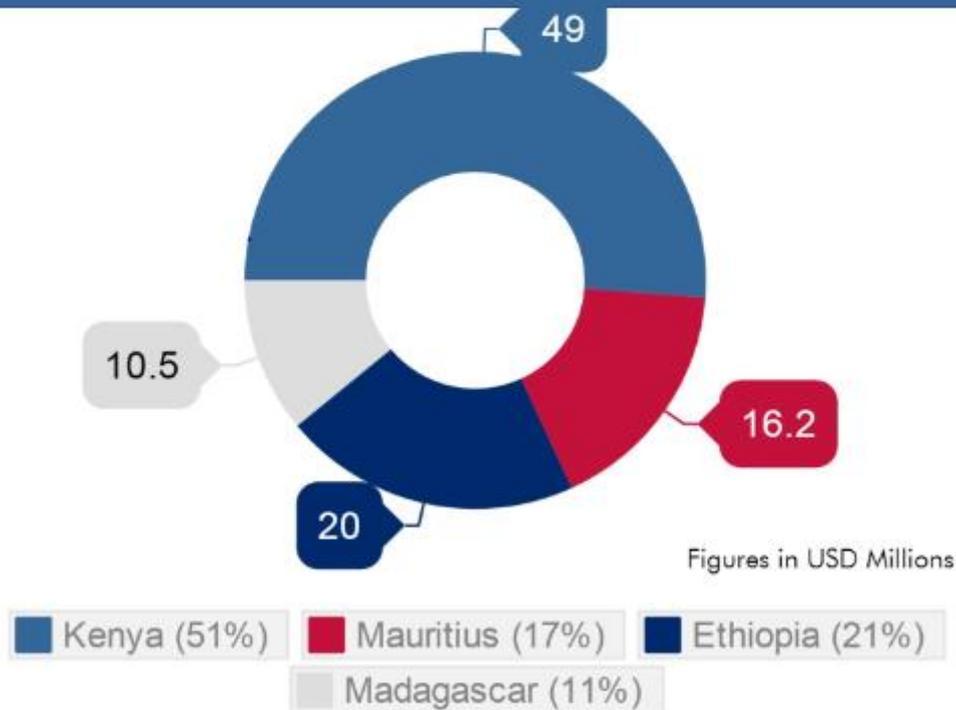
See the below infographic for a summary of total Hub-supported exports since October 2014.



**\$96  
MILLION**

Value of East Africa Trade  
and Investment Hub-  
facilitated AGOA exports,  
October 2014 - December  
2015

## Top exporting countries



**\$76 Million in Apparel**  
**\$15 Million in Footwear**  
**\$5 Million in Cut Flowers and Home Décor**

### Trade Policy

The Hub's Trade Policy Team is supporting the implementation of the East African Community (EAC)-U.S. Cooperation Agreement by advancing ICT solutions and Electronic Notification Systems for expanded transparency and simpler trade procedures. The U.S. - EAC Cooperation Agreement seeks to implement critical customs reforms, harmonize standards, and undertake multilateral commitments that support greater EAC regional economic integration and strengthens the EAC's trade relationship with the U.S. and other global partners.

The Trade Policy Team is supporting the implementation of key elements of the EAC Common Market Protocol. The Protocol is designed to integrate the region into a single market in which there is free flow of goods and services, labor and capital. The Hub is building private sector capacity to influence the implementation of the EAC Common Market Protocol by providing technical support to identify and remove measures affecting the protocol and by facilitating solution-oriented dialogue with the public sector. In December, the Hub supported a public-private sector dialogue (PPD) in Tanzania. Thirty private sector players, industry regulators, and government ministry representatives attended the PPD.

### Agribusiness

In October, the Hub partnered with the Eastern Africa Grain Council (EAGC) to promote structured trading systems and regional market linkages for staple foods through the 6th African Grain Trade Summit in Kigali, Rwanda. The event supported 26 buyer/seller linkages, for trade commitments of approximately 10,300 metric tons of beans, 10,000 metric tons of maize, 10,000 metric tons of rice and 47,000 zero fly bags. The summit also resulted in a private sector-led action group to champion policy initiatives that support a thriving grain trade.

### Partnership Fund

In Q1 of FY2016, the Partnership Fund issued three grants. Two were in-kind grants designed to strengthen private sector capacity to accelerate implementation of the EAC Common Market Protocol, one to Rwanda Private Sector Federation (RPSF) and the other to the Tanzania Private Sector Foundation (TPSF). The third grant was issued to Kenya's Ministry of Industrialization and Enterprise Development to support a textile advisor for 12 months.

## II. KEY ACHIEVEMENTS

### INVESTMENT & TECHNOLOGY

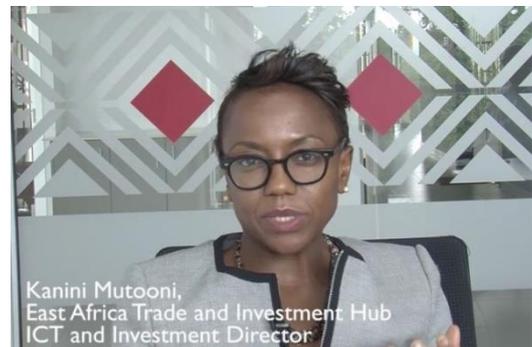
*Facilitating investment and technology adoption that drives trade growth intra-regionally and to global markets, particularly the U.S.*

#### Connecting investors with investees

The Hub offers *transaction support services*, with a goal of facilitating \$100 million in new investments and creating 10,000 jobs by August 2019. Want to learn more? Watch our [Introduction to the Hub's Transaction Advisory Services](#).

See above infographic for a breakdown of the Hub's transactions.

#### Transaction highlight



#### USAID Supports Investment to Expand Dairy Production in Ethiopia



The Hub's Investment and Technology Team facilitated a **\$4.78 million investment transaction** between U.S. family-owned private investment firm Schulze Global International and dairy firm MB (Family Milk) Private Limited Company (PLC). MB PLC (Family Milk) is an Addis Ababa-based company that operates and owns a milk production facility that processes over 20,000 liters of milk per day. The direct investment capital from Schulze Global will support expansion of the company's milk production capacity to over 60,000 liters a day through the purchase of more efficient processing machinery. **More than 600 jobs** are expected to be created as a result. The Hub carried out a review of the existing milk distribution system and provided recommendations to the company on how to increase the efficiency of its overall milk distribution strategy across the country. The fulfilment of these recommendations was integral to Schulze Global's decision to invest.

#### Expanding investor networks and creating investment linkages

The Hub's Investment and Technology Team presented at a number of investment-focused events to promote Hub transaction services and opportunities for investing in East Africa.

- Africa Investment Forum Ethiopia – Addis Ababa, Ethiopia. October 2015
- OPIC-Aspen Diaspora Investment Forum for East Africa – Boston, Massachusetts. USA. October 2015
- Ministry of Industry and Enterprise AGOA Summit - Nairobi, Kenya. November 2015
  - The Hub Investment Director moderated a panel entitled SME financing options to enhance export readiness.
  - The Hub’s new leather advisor for MoIED led a sector-specific workshop for SMEs in leather.
- AGOA Preparedness Workshop – Nairobi, Kenya. November 2015
- Kenya International Investment Conference 2015 (KIICO) – Nairobi, Kenya. November 2015
- Home is the Best - Masaka, Uganda. December 2015

**Results - 29 investment linkages**, documented at the Aspen Diaspora Investment Forum and Africa Investment Forum Ethiopia.

### **The Hub attracts capital to East Africa at diaspora investment conference**

Through its partnership with the Aspen Institute's Diaspora Investment Alliance, the Hub participated in the [Aspen DIAspora Investment Forum for East Africa](#) in Boston, MA. The Forum was part of the Overseas Private Investment Corporation's (OPIC) EXPANDING HORIZONS: A Workshop for Small Businesses Entering International Markets. OPIC is a U.S. government agency that seeks to promote global development through private enterprise.

The Hub's Director of Investment, Ms. Kanini Mutooni, planned, coordinated, and participated in two panel discussions: 'Agri-business opportunities for SMEs' and 'Youth, impact investment and social enterprises'. Both panels were well attended. Key outcomes of the event included the launch of an investment fund targeted at Kenyan diaspora by Kenya Commercial Bank (KCB), in collaboration with the Aspen Network and a (separate) \$10 million seed fund for SMEs in East Africa by KCB.

### **The Hub promotes EAC investment opportunities at Africa Investment Forum (AIF) 2015**



*Investment Panelists L to R:  
Wilmot Allen CrossBoundary,  
Fanuel Kidenda EPZA, Kanini  
Mutooni the Hub, Blen Abebe  
Schultze Global*

From October 27 – 29, representatives from the Hub's investment and trade promotion teams took part in the Africa Investment Forum 2015 in Addis Ababa, Ethiopia, organized by the African Union. The event promoted the East African Community as an investment destination by highlighting opportunities and resources in the region. Ethiopian President Hon. Mulatu Teshome and the former German President Horst Kohler opened the event. There were nearly 300 attendees, including 20 international investors from the European Union and the EAC.

The Hub's Director of Investment moderated a panel entitled: *Agribusiness in East Africa: Investment Opportunities and recent case studies*. The Hub's Director of Trade Promotion and AGOA moderated a panel on textiles and apparels.

### **The Hub plays key role in successful Kenya International Investment Conference**

The Hub organized several sessions and led an investor field trip at the Kenya International Investment Conference 2015, held November 23-25 in Nairobi. The Hub was an overall sponsor of the event and provided technical support to partner KenInvest in planning for the agribusiness, textiles, leather and ICT conference streams. Kenya’s Deputy President William Ruto officially opened the conference. U.S. Ambassador to Kenya Robert Godec took part in the opening panel on doing business in Kenya and East Africa. A few conference highlights:



*Ambassador Godec at the KIICO opening panel  
Photo credit: Make It Kenya*

- The Hub’s Director of Investment was a panelist on innovative financing avenues for agribusiness. She noted that value addition, input financing, aggregation hubs, information platforms and trade finance are key to increasing investment in agribusiness.
- The Hub, in partnership with VC and accelerator [Nest Africa](#) and financial advisory firm [InvHestia](#), facilitated five investment-ready technology startups to the event where they pitched to potential investors. The five were also listed on Nest's investor matchmaking platform [here](#).
- The Hub facilitated an investor trip to [RealIPM](#), an innovative agribusiness that produces predatory mites, bio-pesticides and bio-fertilizers.

Read more details about the conference and the Hub's role [here](#), [here](#) and [here](#).

### **The Hub support diaspora investment in Uganda**

From December 17 – 18, the Hub sponsored a “Home is the Best” summit in Masaka, Uganda. This is an annual event, organized by Uganda Investment Authority, designed to showcase investment “back home” that would interest diaspora Ugandans. The Hub held several good meeting with current Ugandan investor and prospective Ugandan investors. Follow up is ongoing.

## **Solidifying partnerships**

### **The Hub signs MOU with COMESA LLPI**

On December 21, the Hub signed a Memorandum of Understanding (MOU) with the Common Market for Eastern and Southern Africa (COMESA) Leather and Leather Products Institute (LLPI). The focus of the collaboration between the Hub and COMESA/LLPI is to revitalize the leather sector in the East African region, and more specifically Kenya. COMESA/LLPI is an intergovernmental and chartered organization working to increase value addition and competitiveness of COMESA region’s leather industry, with a view toward export.

## **Identifying chokepoints and creating intervention strategies**

### **The Hub participates in the Access to Finance Workshop for SME Development**

On December 10, the Hub Investment Team attended the Access to Finance Workshop for SME Development, organized by the Kenya Association of Manufacturers (KAM). The forum brought together small and medium-sized enterprises (SMEs), government, bank and non-bank financial institutions and other SME sector players to discuss the challenges that SMEs face in accessing finance and the options available for them. This follows diagnostic research done by the KAM/ Micro-Enterprises Support Programme Trust project which revealed that a majority of SMEs are not aware of financing options other than mainstream commercial banks, and thus suffer capital flow challenges and eventually failure.

SMEs with manufacturing operations were invited to gain exposure and access to finance/market/investment linkages and other financial products and at the same time attract potential partners to help grow their businesses. The event was a platform for the launch of the KAM SME Development Center. Hub representatives used the forum to interact with SMEs and other sector players and share what the Hub has to offer with regard to trade and investment facilitation.

### **Helping SMEs gain access to finance and reach a global market**

On December 14, the Hub's Director of Investment, Ms. Kanini Mutooni, took part in a discussion panel on the competitiveness of SMEs in global markets. The panel was part of the Trade and Development Symposium, a World Trade Organization 10th Ministerial Conference side event in Nairobi, organized by the International Center for Trade and Development.



Ms. Mutooni highlighted the need for innovative financing solutions that can enable SMEs to access the capital they need to grow and export. Trade finance is a particular challenge for exporting SMEs. The Hub is working closely with several partners to find solutions to this problem.

<http://tds.ictsd.org/content/smes-connecting-global-markets-3>

### **Inter Region Economic Network (IREN) trains SMEs to identify investment opportunities and pitch their businesses**

IREN - our grantee implementing the "*Young innovators agribusiness competition project*" - had a training of SMEs on December 9 -11. The training was held at Toyota Kenya Academy in Nairobi. 60 participants (20 Kenyan, 15 Ugandans, 7 Tanzanians, 8 Rwandese, 6 Burundians and 4 Ethiopians) learned to identify innovative investments opportunities and growth models in the agricultural sector. They also learned to how to pitch their businesses to investors.

## **AGRICULTURE & AGRIBUSINESS**

*Increasing the competitiveness of select regional agricultural value chains and bolstering regional trade in staple foods*

### **Promoting structured trading systems and regional market linkages for staple foods**

#### **EAGC 6<sup>th</sup> African Grain Trade Summit provides platform for trade and commitment to policy**

On October 1-3, the Hub partnered with the Eastern Africa Grain Council (EAGC) to host the 6<sup>th</sup> African Grain Trade Summit in Kigali, Rwanda. Highlights from the event included business to business meetings that produced signed trade commitments for 10,290 metric tons of beans, 10,000 metric tons of maize, 10,000 metric tons of rice and 47,000 zero fly bags; and a private sector-led action group to champion policy initiatives that support a thriving grain trade. The summit also drew a host of government officials that reiterated their dedication to regional harmonization of grain trade enabling policies.

*“The 6th African Grain Trade summit that we are hosting here in Kigali provides an opportunity to review our commitment to address the structural constraints of the grain trade on the African continent,”* said Hon. Francois Kanimba, Rwanda Minister of Trade and Industry.

#### **The Hub supports food and fresh produce SMEs to export through AGOA**

On December 9, the Hub organized an AGOA Preparedness Workshop for SMEs in the food and fresh produce sector. The main goal was to familiarize the entrepreneurs with sanitary phytosanitary standards (SPS), and give them resources to navigate the export process. The Hub introduced participants to Kenya Plant Health Inspectorate Service (KEPHIS), a critical organization for navigating the food and fresh

produce export process in Kenya. Young innovators from IREN - our grantee implementing the *Young innovators agribusiness competition project* – joined the workshop.

***“I used to feel that exporting to the U.S is hard in terms of meeting the required standards. I just discovered that all requirements are all doable. I am very much encouraged to start exporting to the U.S,”*** said Wondwossen Worku, General Manager Elpizo International Trading Pic, Ethiopia (below, on left).

***“AGOA Preparedness Workshop for food and fresh produce SMEs provided me with a great mentorship and networking opportunity. I have learnt that the U.S market is a great opportunity to look at,”*** said Amina Mahmud Operations Director Eastern Africa Trading, Kenya (below, on right).



## **AGOA (African Growth and Opportunity Act) / U.S. EXPORT & TRADE PROMOTION**

*Promoting intra-regional and export trades, particularly under the African Growth and Opportunity Act*

### **Origin Africa Presents: Africa Sourcing and Fashion Week Celebrating the Spirit, Style and Innovation of Modern Africa**

On October 21, U.S. Ambassador to Ethiopia Patricia M. Haslach joined President Mulatu Teshome at the *Origin Africa Presents: Africa Sourcing and Fashion Week* trade expo to promote East African countries as sourcing and investment destinations for international buyers of apparel, textile, leather, and home decor. Trade show organizers reported that a total of **3,000** domestic and international visitors, representing 26 countries, attended the three-day expo in Addis Ababa, Ethiopia.

***“I was impressed by the size of the industry. Textile professionals, the manufacturing and sourcing people were all here,”*** said Brigitte Nutz, Project Manager, Brands Apparel Fabrics and Fashion for Messe Frankfurt.

The Hub was a gold sponsor of the event and supported five apparel companies and four home decor companies to exhibit at the show and make business linkages.

***“The whole set up was really professional. It was a one-stop shop. I found it very valuable,”*** said Sammy Abdella of Sammy Handmade in Ethiopia, a Hub-supported exhibitor.

The Hub's directors of trade promotion and investment led discussions during the seminar series of the event, educating attendees on AGOA and investment opportunities. Read more about the Hub-supported seminars by clicking [here](#).

The trade expo was a prime opportunity to raise the profile of East African designers and manufactures, and draw investment to the region.

Below are a few photos from the event. [See more on Flickr](#).



From left to right:

1. H.E. the President of Ethiopia Mulatu Teshome officially opens Origin Africa Presents: Sourcing and Fashion Week
2. U.S. Ambassador to Ethiopia Patricia M. Haslach with women entrepreneurs
3. The Hub's booth at Origin Africa
4. Hub Director of Trade Promotion and AGOA presents on AGOA opportunities during the Origin Africa seminar series
5. African designers show off their designs at the Origin Africa fashion show

### Developing AGOA export capacity with the Kenyan Ministry of Industry and Enterprise

On November 9, the Hub joined the Ministry of Industrialization and Enterprise Development (MoIED) to conduct an AGOA capacity building forum for about 500 Kenyan small and medium-sized enterprises (SMEs). The goal was to improve Kenya's ability to take advantage of AGOA opportunities, particularly in light of AGOA's recent 10-year extension. U.S. Ambassador to Kenya Robert Godec joined the Cabinet Secretary of Industrialization H.E. Adan Mohamed to deliver remarks.



*The Hub's Director of Trade Promotion and AGOA delivered a seminar entitled Strategizing under AGOA: the Next Ten Years.*

The Hub conducted a survey during the event, from which it selected the most export-ready of the participating SMEs to attend its Nov. 18 AGOA Preparedness Workshop.

### Hub holds AGOA Preparedness Workshop for export-ready Kenyan businesses

Fifty Kenyan businesses visited the Hub's offices in Nairobi on November 18 to take part in an AGOA Preparedness Workshop. The 50 participants were identified as the most export-ready of the 500 SMEs who participated in the Kenya Ministry of Industries November 9 capacity building AGOA event. Together with industry specialists, the Hub identified the greatest opportunities through AGOA and detailed the exact process for exporting from Kenya to the U.S. The Hub also conducted panels on access to finance and the private sector perspective, e.g. quality standards and hitting your target market. U.S. Ambassador to Kenya Robert Godec headlined the event and conducted a Q and A on AGOA and accessing the U.S. market.



***“From the knowledge and support detailed from the AGOA conference, I feel well-armed to expand my business into the export market of the U.S.” – “Great event, keep hosting and engaging us!”*** Aprelle Duany, (Above and on right with U.S. Ambassador Godec)

[www.aprelleduany.com](http://www.aprelleduany.com)

*“I am very ready to export. The workshop has been an eye opener! Thanks you”* Maureen Kwalanda, [Olbene Collection](#)

### **USTR visits AGOA-producing Kenyan apparel factory**

On December 19, 2015, the Hub facilitated a Kenyan apparel factory visit for Assistant United States Trade Representative ([USTR](#)) for African Affairs Florizelle Liser and representatives from USAID and U.S. Embassy in Nairobi. The delegation toured United Aryan Limited (UAL), spoke with factory representatives and Government of Kenya representatives, and witnessed firsthand the manufacturing of African products destined for the U.S. market through AGOA.

UAL is a leading Kenyan exporter of apparel to the U.S. and has been certified by a number of large U.S. retail chains, including Levi Strauss & Co and VF Corporation. In 2004, the year before USAID sponsored UAL at its first American trade show, annual UAL sales were \$13.4 million. Today, UAL annual sales are \$50 million.

In response to the 10-year extension of AGOA, UAL is investing in new machinery and increasing its production capacity for export. The expansion means more jobs for Kenyans. UAL currently employs 8,000 Kenyans. The average age is 25; 80 percent are women. By April 2016, UAL expects to employ nearly 10,000 Kenyans, which is a substantial number in a country that has an estimated 40 percent unemployment rate.

### **Trade Shows**

[Why Trade Shows infographic](#) (*Click “present” to have a better viewing experience.*)

The Trade Promotion and AGOA Team traveled to two trade shows in Q1 of FY2016 to create business linkages and deliver AGOA seminars.

- Origin Africa (see above summary)
- Fashion Footwear Association of New York (FFANY)

### **FFANY**

The Hub supported three Ethiopian shoes companies to attend the FFANY trade show in December. Ethiopian shoe companies exported \$3 million in product to the U.S. in Q1 of FY2016.

### **Developing AGOA strategies and disseminating AGOA information**

#### **Rwanda AGOA Action Plan**

The Hub develops national AGOA strategies to help the public and private sector take better advantage of the opportunities AGOA provides. A first draft of the Rwanda AGOA Action Plan, which includes U.S. end-market analyses of the apparel, home decor/fashion accessories and specialty foods sectors, was completed in quarter one. The Hub will complete a final version of this report in quarter 2.

### **The Hub creates business linkages**

#### **The Hub accompanies TAL Apparel Limited for feasibility study of Ethiopia**

On December 7, the Hub investment and trade promotion teams accompanied TAL Apparel Limited, a Hong Kong-based apparel producer, to Ethiopia to conduct a feasibility study on setting up garment manufacturing operations in East Africa.

The Hub team gave presentations on the textile and apparel environment within East Africa, with a focus on opportunities in Ethiopia, and on the investment environment in general. The TAL Apparel team had specific questions related to human resource capabilities and productivity. They also wanted to know about challenges and opportunities in East Africa compared to India and China. The Hub provided statistics and anecdotal evidence regarding competitiveness and capacity.

TAL Apparel expects to make a decision that will lead to them investing in East Africa in early 2016.

## POLICY AND REGULATORY REFORM

*Improving the policy environment for East African Community integration, trade and investment*

### Advancing regional trade and investment agreements and their support institutions

#### The Hub commissions review of electronic notification system

In December, the Hub commenced a review of the electronic notification systems for the national enquiry points/notification authorities. The review team spent five days in Kenya familiarizing themselves with the operations of NotifyKenyaTBT, enquiry point at Kenya Bureau of Standards (KEBS); SPS enquiry points, located at Kenya Plant Health Inspectorate Services, and the department responsible for animal health and at the Ministry of Public Health (Food Safety).

During the familiarization exercise at NotifyKenyaTBT enquiry point, the review team observed that the system was not updating correctly with the WTO Centre and was no longer compatible with the WTO system. The Hub is liaising with KEBS to restore normal operation and functionality of the NotifyKenyaTBT enquiry point.

The Hub will submit an electronic notification system inception report in January 2016. The inception report will provide the Partner States with a way forward for determining the level of technical assistance required to implement the EAC-US Cooperation Agreement on trade facilitation, technical barriers to trade, and sanitary and phytosanitary measures. Options include developing new electronic notification systems or improving the effectiveness of the existing ones.

### Advancing regional trade and investment through implementation of key elements of the EAC Common Market Protocol

Why is the EAC Common Market Protocol so important, and how is the Hub helping? We asked Deputy Coordinator for Trade Africa Matt Rees to weigh in.

<https://youtu.be/l5PgiuGb3-U>

#### Proper implementation of EAC Common Market Protocol remains key enabler for intra-regional trade

The EAC Common Market Protocol is one of the most important and ambitious aspects of the EAC bloc. It seeks to integrate the region into a single market in which there is free flow of goods and services, labor and capital. However, the implementation of the Protocol has not been without its challenges. The Hub, through its trade policy team, has identified the successful implementation of the Protocol as a key enabler for inter-regional trade and investment. The involvement of the private sector is crucial to determining how well the Protocol is being implemented.



#### Hub organizes public private dialogue in Tanzania to further progress on implementation of the EAC Common Market Protocol

On December 11, the Hub supported a public-private sector dialogue (PPD) on East African Community (EAC) Common Market Protocol (CMP) implementation. The PPD was an initial step towards assessing the level of partnership between the public and private sector, exploring opportunities for deeper collaboration, and positioning the Hub as a potential technical assistance partner to support accelerated implementation of the EAC CMP. The Tanzania Private Sector Federation organized private sector representatives for the workshop. The primary public sector partners were representatives from the

Ministry of East African Cooperation and the Ministry of Industry and Trade. In total, 30 private sector players, industry regulators, and government ministry representatives attended the PPD.

### **Key issues cited at the PPD**

#### The private sector perspective

- Liberalization of the movement of services and labors has been too slow; it is negatively impacting the growth of private sector.
- NTBs (Non-tariff barriers), including domestic ones, are a major bottleneck for transporters and exporters. Issues relating to quality and standards requirements, testing, and corruption are the most common.
- Lack of harmonized border management working hours, excessive toll charges, transit charges levied by Kenya's new county governments (Kajiado and Kwale), delayed implementation of the NTB Act, and weaknesses associated with NTB committees.

#### The public sector perspective, a sample

- Tanzania's committees for CMP implementation are functional and regularly report on progress – such as reduction in roadblocks, results of corridor surveillance activities, reduction in waiting times for issuance of certificates of origin and reforms in truck weighing modalities, etc.
- The ministry has a CMP implementation strategy, which includes private sector participation opportunities in the national monitoring committee. The ministry has also increased the issuance of certificates of origin over the last 5 years and the issuance of machine-readable IDs. It has increased processing of work permits and has reformed capital markets and capital account regulations.
- The Ministry has held sensitization activities on reforms, but notes that it does need to do more.

### **Key reform recommendations**

- Private sector suggests these steps toward improving implementation of the CMP: better consultation (especially in respect to new regulations and commitments to other Partner States), evidence collection before policy decisions, and strengthening of technical capacity of the NTB Committees
- TPSF agreed to include PPD in support of the CMP as a regular part of their annual program. However for effective PPD, significant technical work and effective advocacy for reforms needs to be done. This will ensure the PPD mechanism becomes a valuable grievance mechanism for the private sector. For subsequent meetings, progress reports should be submitted prior to the PPD to allow time for more dialogue opportunities.
- Peer to peer dialogue with other apex private sector bodies is a potentially useful instrument to guide bi-lateral public sector discussions on implementation and should be strengthened.
- The Ministry of EAC is keen for adoption of a smart strategy to focus on quick wins, as a basis for further and more complex reforms.

### **Public private dialogue video project**

- The Hub's communications and knowledge management team is collecting footage from the trade policy team's public private dialogue sessions to capture private and public sector perceptions of progress on EAC CMP implementation. The team is also capturing suggestions for reform. The footage serves as baselines for Hub intervention and provides material for short awareness raising videos on the EAC CMP.



### **The Hub review of ICT solutions in support of single customs territory**

In quarter 1 of FY2016, the Hub undertook a review of ICT solutions in support of EAC Single Customs Territory. The report will be concluded in early 2016.

## **PARTNERSHIP FUND**

The Partnership Fund is designed to mobilize results-focused and outcome-based grant funding to further the goals and impact of the Hub. The Fund supports strategic interventions that can catalyze rapid and inclusive growth in East Africa by funding activities that lead to better policy implementation, association-level matchmaking opportunities, and the development of innovative tools to support trade and investment. In Q1 of FY2016, the Partnership Fund issued or revised three grants:

**Rwanda’s Private Sector Federation (RPSF) and Tanzania Private Sector Federation (TPSF)** - improving the capacities of the private sector to influence the implementation of the common market protocol in Rwanda and Tanzania, leading to increased regional trade and investment.

### **In-Kind Grant to Kenya’s Ministry of Industrialization and Enterprise Development**

The Partnership Fund issued an In-Kind Grant to support Kenya’s Ministry of Industrialization and Enterprise Development ‘the Ministry’ by financially supporting a textile advisor to the Ministry’s Cabinet Secretary for a period of 12 months. The proposed advisor, Rajeev Arora, will provide technical and institutional support to the Ministry. The textile adviser will work jointly with the Hub’s embedded leather advisor, who joined the Ministry on November 5, 2015. Both grants are designed to attract investment and create new jobs in high priority sectors.

## **Lessons Learned**

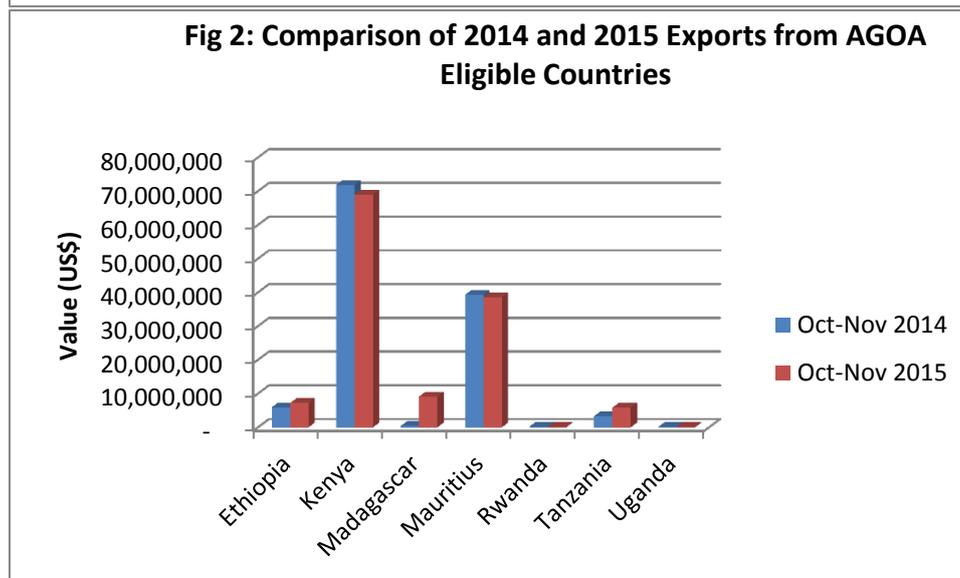
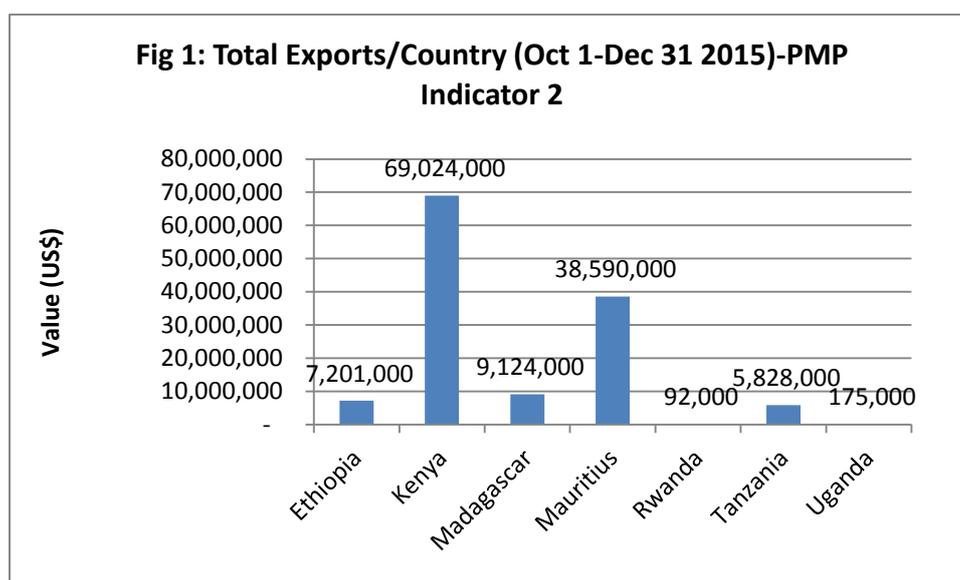
### **Finding quality consultants**

As noted above in the constraints section, the Hub has struggled to find quality consultants for regional and national assessments and strategies. To address this, the Hub’s procurement team issued an expression of interest (EOI) for short-term consultants in quarter 1, FY2016. The Hub circulated the EOI in media outlets, social media, and through professional networks. The Hub will have a broader pool of vetted, high-quality consultants ready to perform assessments and strategies going forward.

### III. ACTIVITY PROGRESS AS IT RELATES TO THE PMP

#### THE HUB’S ACTIVITIES AND PMP IN CONTEXT

The United States International Trade Commission (USITC) data portal shows increased trade between EAC countries and the U.S., through AGOA. Overall exports from October 2015-November 2015 have risen from US \$121 million to US \$130 million, representing a 7 percent rise over the two-month period. (December figures are not yet available). As shown in figure 1 below, Kenya leads in terms of overall exports under AGOA, with a total value of US\$69 million, followed by Mauritius (US\$ 38 million), Madagascar (US\$ 9.1 million), Ethiopia (US\$ 7.2 million) and Tanzania (US\$5.8 million). Total exports from Uganda and Rwanda remain below US\$ 1 million.



Source for both figure 1 and 2: United States International Trade Commission (USITC)

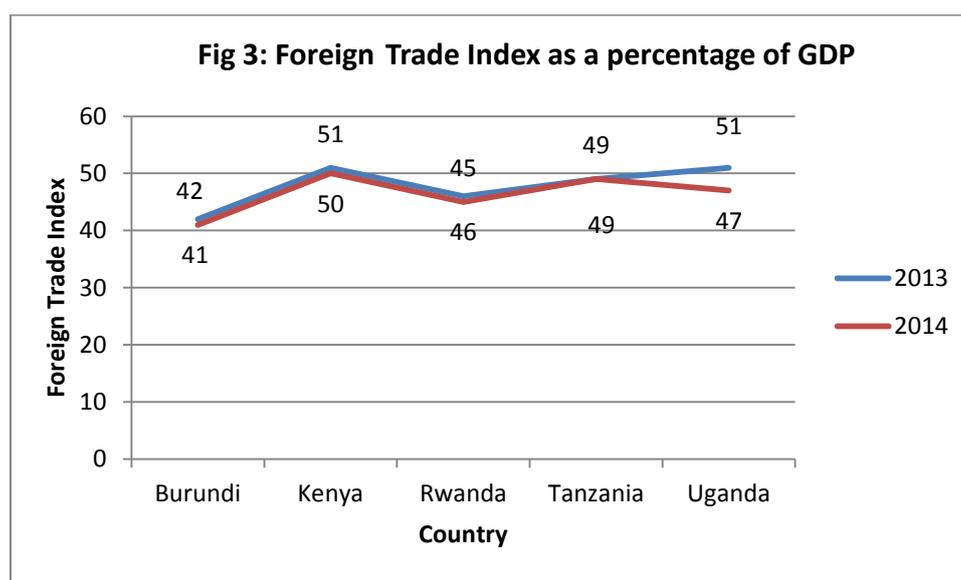
The value of exports from Hub-supported firms also continues to rise, with total exports close to US \$15 million. The apparel sector constituted 79 percent of these exports; footwear constituted the remaining 21 percent. Quarter 1 interventions to promote exports included facilitation of five trade and investment missions i.e. the African Grain Trade Summit, OPIC/ASPEN Diaspora Investment Forum for East Africa, Origin Africa trade show, Africa Investment Forum and New York Shoe Expo. The Hub also held several capacity-building sessions to sensitize exporters on how to take advantage of AGOA opportunities.

On the investment front, the Hub facilitated the closure of two major transactions in the dairy and distribution/logistics sectors worth US \$4.2 million and US \$8.7 million respectively. These transactions contribute significantly to increased EAC intra-regional trade and create hundreds of new full-time and part-time jobs in the targeted sectors. The Hub aims to facilitate \$100 million of private sector investment in its targeted sectors by August 2019. So far, the investment team has facilitated US\$19.3 million in new private sector investments since project start-up.

More details on the quantitative achievements for specific performance indicators are provided in the tables below.

### Performance of the region in relation to selected context indicators

Foreign trade index as a percentage of GDP is one of the context indicators that the Hub uses to assess the impact of trade on the economies of the targeted EAC countries. As outlined in figure 3, below, there has been a minimal change in the foreign trade index for the five EAC countries over the 2013-2014 period. The index has dropped marginally for all the countries except Rwanda.



Source: World Bank

The **score** on the Global Competitiveness Index remained almost the same for all five EAC countries over the 2014/2015 period. The **rank** on the Global Competitiveness Index, however, recorded some changes with Uganda showing an improvement from position 122 to 115. Rwanda moved from position 62 to 58. Burundi moved from 139 to 136. Tanzania moved one position from 121 to 120. Kenya recorded a drop from position 90 in 2014 to position 99 in 2015.

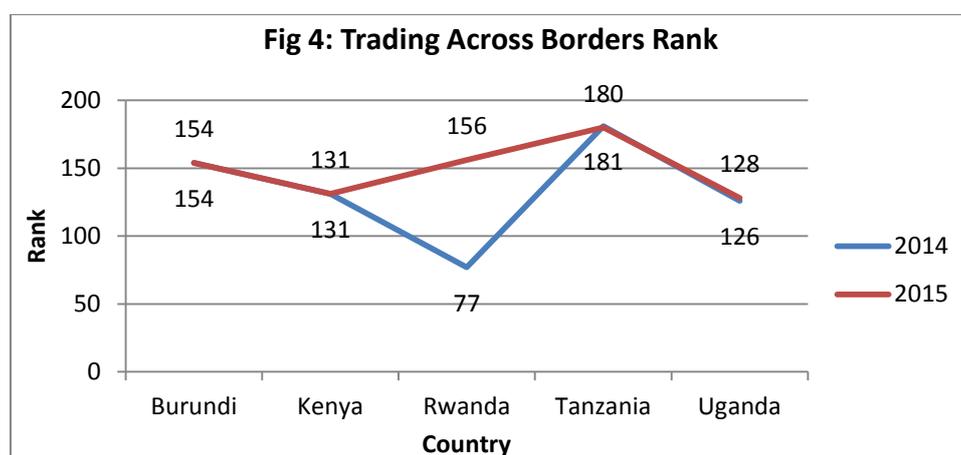
### Score on the Global Competitiveness Index

	2014 Rank	2014 Score	2015 Rank	2015 Score
Burundi	139	3.09	136	3.11
Kenya	90	3.93	99	3.85
Rwanda	62	4.27	58	4.29
Tanzania	121	3.57	120	3.57
Uganda	122	3.56	115	3.66

Source: World Economic Forum

Trading across borders rank remained the same in Burundi and Kenya, while Rwanda recorded a significant drop from position 77 in 2014 to 156 in 2015. This can be attributed to increased time and

cost for documentary compliance, as Rwanda made pre-shipment inspection mandatory for all imported products. Uganda also recorded a drop from position 126 to 128. On a positive side, Tanzania recorded some marginal improvement from position 181 to 180, a factor that can be attributed to reduced time for both exporting and importing, following the implementation of the Tanzania Customs Integrated System, an online system for downloading and processing customs documents.



Source: World Bank-Ease of Doing Business

Data on the cost and time to trade goods across borders for 2016 is presented in the table below. Overall, the scores on the eight indicators listed in the table remained the same for all the EAC countries in 2016 compared to 2015, except for Rwanda and Tanzania. In Rwanda, the time to import in relation to border compliance increased from 10 hours in 2015 to 282 hours in 2016, with the associated cost also increasing from US \$425 to US \$680. Documentary compliance to import also increased in time from 18 hours in 2014 to 290 hours in 2016. The associated cost increased from US \$121 to US \$266. These changes are attributed to the pre-shipment requirements highlighted above.

The implementation of the Tanzania Customs Integrated System reduced the time to export in relation to documentary compliance from 120 hours to 96 hours, with the time required to import also reducing from 264 hours to 240 hours.

Country	Time to export: Border compliance (hours)	Cost to export: Border compliance (USD)	Time to export: Documentary compliance (hours)	Cost to export: Documentary compliance (USD)	Time to import: Border compliance (hours)	Cost to import: Border compliance (USD)	Time to import: Documentary compliance (hours)	Cost to import: Documentary compliance (hours)
<b>Burundi</b>	59	106	120	150	154	444	180	1025
<b>Kenya</b>	21	143	19	191	180	908	84	550
<b>Rwanda</b>	97	183	42	110	282	680	290	366
<b>Tanzania</b>	96	1160	96	275	402	1350	240	375
<b>Uganda</b>	77	287	64	102	149	489	138	296

Source: World Bank Ease of Doing Business Report 2016

## Trade Performance Index of selected sectors

The table below provides a summary of the performance of the EAC countries based on the Trade Performance Index for the selected five sectors over the 2013/2014 period.

Sector	2014					2013				
	Burundi	Kenya	Rwanda	Tanzania	Uganda	Burundi	Kenya	Rwanda	Tanzania	Uganda
Fresh Food	158	48	127	43	63	164	49	133	47	63
Processed Food	151	82	131	111	98	159	87	125	96	93
Textiles	-	109	-	89	106	-	86	-	70	121
Leather Products	-	72	106	120	77	-	75	116	80	75
Clothing	-	94	-	117	113	-	90	-	116	123

## HUB PMP RESULTS – OCTOBER I – DECEMBER 31, 2015

**TABLE I: PERFORMANCE DATA TABLE**

The following are the key achievements for the specified performance indicators as of December 31, 2015.

VALUE OF AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) EXPORTS FROM AGOA-ELIGIBLE COUNTRIES TO THE UNITED STATES											
INDICATOR #2											
UNIT	DISAGGREGATE BY: Sector and Country										
US Dollars	Geographic Location	Activity Title			Sector	Value					
	Ethiopia	AGOA exports from eligible countries			All	\$7,201,000					
	Kenya				All	\$69,024,000					
	Madagascar				All	\$9,124,000					
	Mauritius				All	\$38,590,000					
	Rwanda				All	\$92,000					
	Tanzania				All	\$5,828,000					
	Uganda				All	\$175,000					
	Seychelles				All	\$0					
	Burundi				All	\$0					
	<b>Totals</b>								<b>\$130,034,000</b>		
<b>Results:</b>											
	Baseline	Results in Prior Periods FY 2015	This Reporting Period 31-December-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target		
	\$437,650,045	\$683,765,000	\$130,034,000 <sup>1</sup>	\$468,285,548	\$505,748,392	\$546,208,263	\$589,904,924	\$612,710,063	\$612,710,063		

<sup>1</sup> Source(USITC) December 2015 data not yet available

**VALUE OF AFRICAN GROWTH AND OPPORTUNITY ACT (AGOA) EXPORTS FROM EATIH-SUPPORTED FIRMS  
INDICATOR #3**

<b>UNIT</b>	<b>DISAGGREGATE BY: Sector and Country</b>			
US Dollars	<b>Geographic Location</b>	<b>Activity Title</b>	<b>Sector</b>	<b>Value</b>
	Ethiopia	AGOA exports from assisted companies	Apparel	\$150,000
	Ethiopia		Footwear	\$3,100,000
	Kenya		Apparel	\$8,025,000
	Madagascar		Apparel	\$1,100,000
	Mauritius		Apparel	\$2,490,000
	Uganda		Apparel	\$20,000
	Tanzania		Apparel	\$25,000
	<b>Totals</b>			

**Results:**

	<b>Baseline</b>	<b>Results in Prior Periods (FY 2015)</b>	<b>This Reporting Period 31-December-15 Achieved</b>	<b>FY 2015 Target</b>	<b>FY 2016 Target</b>	<b>FY 2017 Target</b>	<b>FY 2018 Target</b>	<b>FY 2019 Target</b>	<b>End of Activity Target</b>
	0	\$80,556,952	\$14,910,000	\$10m	\$15m	\$20m	\$25m	\$30m	\$100m

**VALUE OF NEW PRIVATE SECTOR INVESTMENT IN THE AGRICULTURAL SECTOR OR FOOD CHAIN LEVERAGED BY USAID IMPLEMENTATION  
INDICATOR #4**

<b>UNIT</b>	<b>DISAGGREGATE BY: Sector and Country</b>			
US Dollars	<b>Geographic Location</b>	<b>Activity Title</b>	<b>Sector</b>	<b>Value</b>
	Uganda	Private Sector Investment	Agribusiness	\$ 4,224,280
	<b>Totals</b>			<b>\$ 4,224,280</b>

**Results:**

	Baseline	Results in Prior Periods (FY 2015)	This Reporting Period 31-December-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	\$ 13,352,000	\$ 4,224,280	\$7.5m	\$10m	\$12.5m	\$15m	\$5m	\$50m

**VALUE OF NEW PRIVATE SECTOR INVESTMENT IN THE NON AGRICULTURAL SECTOR, LEVERAGED BY USAID IMPLEMENTATION  
INDICATOR #5**

UNIT	DISAGGREGATE BY: Sector and Country			
US Dollars	Geographic Location	Activity Title	Sector	Value
	Kenya	Private Sector Investment	Logistics	\$ 8,700,000
	<b>Totals</b>			<b>\$ 8,700,000</b>

**Results:**

	Baseline	Results in Prior Periods (FY 2015)	This Reporting Period 31-December-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	\$1,574,000	\$ 7,643,873	\$7.5m	\$10m	\$12.5m	\$15m	\$5m	\$50m

**NUMBER OF FOOD SECURITY PRIVATE ENTERPRISES (FOR PROFIT), PRODUCERS ORGANIZATIONS, WATER USERS ASSOCIATIONS, WOMEN'S GROUPS, TRADE AND BUSINESS ASSOCIATIONS, AND COMMUNITY-BASED ORGANIZATIONS (CBOS) RECEIVING USG ASSISTANCE  
INDICATOR #12**

UNIT	DISAGGREGATE BY: Women Groups, Value Chain, EATIH Partner, New			
Number of entities/beneficiaries	Geographic Location	Activity Title	Sector	Number
	Nairobi, Kenya	Start Up and SMEs Training- Young Innovators in Agribusiness Competition	Agribusiness	120
	Nairobi, Kenya	National Capacity Building Forum on AGOA	Agribusiness	25
	Nairobi, Kenya	AGOA Preparedness Workshop	Agribusiness	10

	<b>Totals</b>	<b>155</b>
--	---------------	------------

**Results:**

	Baseline	Results in Prior Periods (FY 2015)	This Reporting Period 31-December-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	94	155 (149 new and 6 continuing)	100	35	25	9	20	189

**PERSON HOURS OF TRAINING COMPLETED IN TRADE AND INVESTMENT ENABLING ENVIRONMENT SUPPORTED BY USG ASSISTANCE  
INDICATOR #25**

UNIT	DISAGGREGATE BY: Sex					
	Geographic Location	Activity Title	Date	W	M	Subtotal
Number of person hours	Nairobi, Kenya	AGOA preparedness workshop-Food and Fresh Produce/Agribusiness Session	18 <sup>th</sup> Nov 2015	12	2	14
	Nairobi, Kenya	AGOA Preparedness Workshop: Food and Fresh Produce Sector SMEs Follow Up Workshop	9 <sup>th</sup> Dec 2015	25	42.5	67.5
	Dar es Salaam, Tanzania	Public-Private Dialogue Meeting in Support of EAC Common Market Protocol	11 <sup>th</sup> Dec 2015	7	20	27
	<b>Totals</b>			<b>44</b>	<b>64.5</b>	<b>108.5</b>

**Results:**

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline 0		Results in Prior Periods (FY 2015)		This Reporting Period 31-December-15 Achieved		FY 2015 Target		FY 2016 Target		FY 2017 Target		FY 2018 Target		FY 2019 Target		End of Activity Target	
	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M	W	M
<b>Sex*: Women (W), Men (M)</b>			233.75	272.5	44	64.5	250	250	500	500	500	500	500	500	500	500	2250	2250

**PROPORTION OF FEMALE PARTICIPANTS IN USG-ASSISTED PROGRAMS DESIGNED TO INCREASE ACCESS TO PRODUCTIVE ECONOMIC RESOURCES (ASSETS, CREDIT, INCOME OR EMPLOYMENT)**

**INDICATOR #27**

<b>UNIT</b>	<b>DISAGGREGATE BY: None</b>	
Proportion of Women	<b>Activity Title</b>	<b>Percentage</b>
	Young Innovators Accelerated Training for startups and SMEs, AGOA Preparedness Workshops	45%
	<b>Totals</b>	<b>45%</b>

**Results:**

	<b>Baseline</b>	<b>Results in Prior Periods (FY 2015)</b>	<b>This Reporting Period 31-December-15 Achieved</b>	<b>FY 2015 Target</b>	<b>FY 2016 Target</b>	<b>FY 2017 Target</b>	<b>FY 2018 Target</b>	<b>FY 2019 Target</b>	<b>End of Activity Target</b>
	0	48%	45%	40%	45%	50%	50%	50%	50%

**NUMBER OF BUYER SELLER LINKAGES ESTABLISHED IN EXPORT CAPACITY IN THE TARGETED SECTORS AS A RESULT OF TRADE HUB ASSISTANCE**

**INDICATOR #29**

<b>UNIT</b>	<b>DISAGGREGATE BY: Sector</b>			
Number of linkages	<b>Geographic Location</b>	<b>Activity Title</b>	<b>Date</b>	<b>Number</b>
	Kigali, Rwanda	6 <sup>th</sup> African Grain Trade Summit	1-3/10/2015	26
	<b>Totals</b>			<b>26</b>

**Results:**

	<b>Baseline</b>	<b>Results in Prior Periods (FY 2015)</b>	<b>This Reporting Period 31-December-15 Achieved</b>	<b>FY 2015 Target</b>	<b>FY 2016 Target</b>	<b>FY 2017 Target</b>	<b>FY 2018 Target</b>	<b>FY 2019 Target</b>	<b>End of Activity Target</b>
<b>Additional Criteria</b> If other criteria are important, add lines for setting targets and tracking	0	170	26	150	50	50	50	50	350

**NUMBER OF TRADE AND INVESTMENT MISSIONS COMPLETED**

**INDICATOR #30**

UNIT	DISAGGREGATE BY: Location, event, date and gender			
	Geographic Location	Activity Title	Date	Number
Number of trade and investment missions	Kigali, Rwanda	6 <sup>th</sup> African Grain Trade Summit	1 <sup>st</sup> -3 <sup>rd</sup> Oct 2015	1
	Boston Massachusetts	OPIC-Aspen Diaspora Investment Forum for East Africa	13 <sup>th</sup> -14 <sup>th</sup> Oct 2015	1
	Addis Ababa, Ethiopia	Origin Africa	21 <sup>st</sup> -23 <sup>rd</sup> Oct 2015	1
	Addis Ababa, Ethiopia	Africa Investment Forum	26 <sup>th</sup> -29 <sup>th</sup> Oct 2015	1
	New York, US	New York Shoe Expo	2 <sup>nd</sup> -4 <sup>th</sup> Dec 2015	1
	<b>Totals</b>			<b>5</b>

**Results:**

	Results in Prior Periods (FY 2015)	This Reporting Period 31-December-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
Baseline 0	9	5	6	7	7	7	5	32

**PERSON HOURS OF TRAINING COMPLETED IN TRADE AND INVESTMENT CAPACITY BUILDING SUPPORTED BY USG ASSISTANCE**

**INDICATOR #31**

UNIT	DISAGGREGATE BY: Location, event, date and gender					
	Geographic Location	Activity Title	Date	W	M	Total
Number of person hours	Nairobi, Kenya	Young Innovators Accelerated Training for start ups	21 <sup>st</sup> -22 <sup>nd</sup> Oct 2015	167.2	459.8	627
	Nairobi, Kenya	AGOA Preparedness Workshop	18 <sup>th</sup> Nov 2015	211.5	67.5	279
	Nairobi, Kenya	Young Innovators in agribusiness Training for SMEs	9 <sup>th</sup> -11 <sup>th</sup> Dec 2015	216.6	740.05	956.65

	Nairobi, Kenya	Origin Africa Trade and Investment Seminars	21 <sup>st</sup> -23 <sup>rd</sup> Oct 2015	374	520	894
<b>Totals</b>				<b>969.3</b>	<b>1787.35</b>	<b>2756.65</b>

**Results:**

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline	Results in Prior Periods (FY 2015)		This Reporting Period 31-December-15 Achieved		FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
		W	M	W	M	W/M	W/M	W/M	W/M	W/M	W/M
<b>Sex*: Women (W), Men (M)</b>	0	451	323	969.3	1787.35	700	800	1000	1500	1000	5000

**NUMBER OF FIRMS RECEIVING USG CAPACITY BUILDING ASSISTANCE TO EXPORT  
INDICATOR #32**

UNIT	DISAGGREGATE BY: Sector				
	Geographic Location	Activity Title	Sector	Date	Number
Number of firms	Kigali, Rwanda	6 <sup>th</sup> African Grain Trade Summit	Agribusiness	1 <sup>st</sup> -3 <sup>rd</sup> October 2015	22
	Nairobi, Kenya	Young Innovators in Agribusiness Competition	Agribusiness	21 <sup>st</sup> -22 <sup>nd</sup> October 2015	60
	Addis Ababa, Ethiopia	Origin Africa	Textile, Apparel	21 <sup>st</sup> -23 <sup>rd</sup> October 2015	49
	Nairobi, Kenya	National Capacity Building Forum on AGOA	All Sectors	9 <sup>th</sup> November 2015	429
	Nairobi, Kenya	AGOA preparedness Workshop	Apparel, Agribusiness and Textile	18 <sup>th</sup> November 2015	16
	Nairobi, Kenya	Young Innovators in Agribusiness Competition	Agribusiness	9 <sup>th</sup> -11 <sup>th</sup> December 2015	60
	<b>Totals</b>				

**Results:**

<b>Additional Criteria</b> If other criteria are important, add lines for setting targets and tracking	<b>Baseline</b>	<b>Results in Prior Periods (FY 2015)</b>	<b>This Reporting Period 31-December-15 Achieved</b>	<b>FY 2015 Target</b>	<b>FY 2016 Target</b>	<b>FY 2017 Target</b>	<b>FY 2018 Target</b>	<b>FY 2019 Target</b>	<b>End of Activity Target</b>
	0	192	636	150	175	200	100	80	705

## IV. CONSTRAINTS AND OPPORTUNITIES

### Opportunities

#### Investment

The average sizes of the transactions facilitated by the Hub are increasing, which will put the Hub in a strong position to meet its investment targets.

#### The Hub's new leather and textile advisors to support sector competitiveness

In quarter one of FY2016, the Hub issued two in-kind grants in support of Kenyan sector advisors Yassin Awale (leather) and Rajeev Aurora (textiles). The two advisors will work directly with the Ministry of Industrialization and Enterprise Development, the Kenya Leather Development Council, and the private sector to increase and attract investment to the leather and textile sectors of Kenya, and create jobs.

#### Communications and Knowledge Management

##### The Hub website continues to provide valuable resources and inform a broad audience

From October 1 to December 31, 2015, the Hub's website had **33,215 page views** from **14,175 sessions**, averaging 2.34 pages / session. Meaning, people clicked on the homepage and navigated further.

##### Revised AGOA web pages with added features and resources

Check out our new [AGOA Exporter Directory](#) (photo on right) and a few of the other options -

AGOA FAQ	ASK AN AGOA EXPERT
AGOA - WHAT YOU SHOULD KNOW	AGOA GENERAL AGOA RULES OF ORIGIN
VISIT OUR AGOA EXPORTER DIRECTORY	
AGOA PRODUCTS LIST	

#### AGOA Exporter Directory

Zamoyo



Larissa Muton from Zamoyo

Zamoyo's mission is to promote culture in a fun and wearable manner by utilizing and preserving traditional techniques in modern design. The accessories honour and depict the beauty, grace, poise and boldness of the modern African woman. The preservation of cultural techniques in accessory design is at the core of their art. As a Zamoyo customer, you will not only own pieces that are hip and modern but also have a rich story to tell.

Website: [www.zamoyo.com](http://www.zamoyo.com)

Facebook page: [Zamoyo](#)

Twitter handle: [@Zamoyo](#)

Share

WazaWazi Co. Limited



Chebet Mutai from Wazawazi Co. Limited

Started in 2012, Wazawazi Co. was intended to create African-inspired pieces thereby creating employment for talented Africans. Today, Wazawazi Co. is poised to be one of Africa's luxury leather brands that knows how to merge form and function with style. Wazawazi Co. not only creates superb designer handbags and accessories for ladies but for the stylish man, there is an eclectic products range available to suit casual or business events. Each piece allows individuals to celebrate their individuality and style.

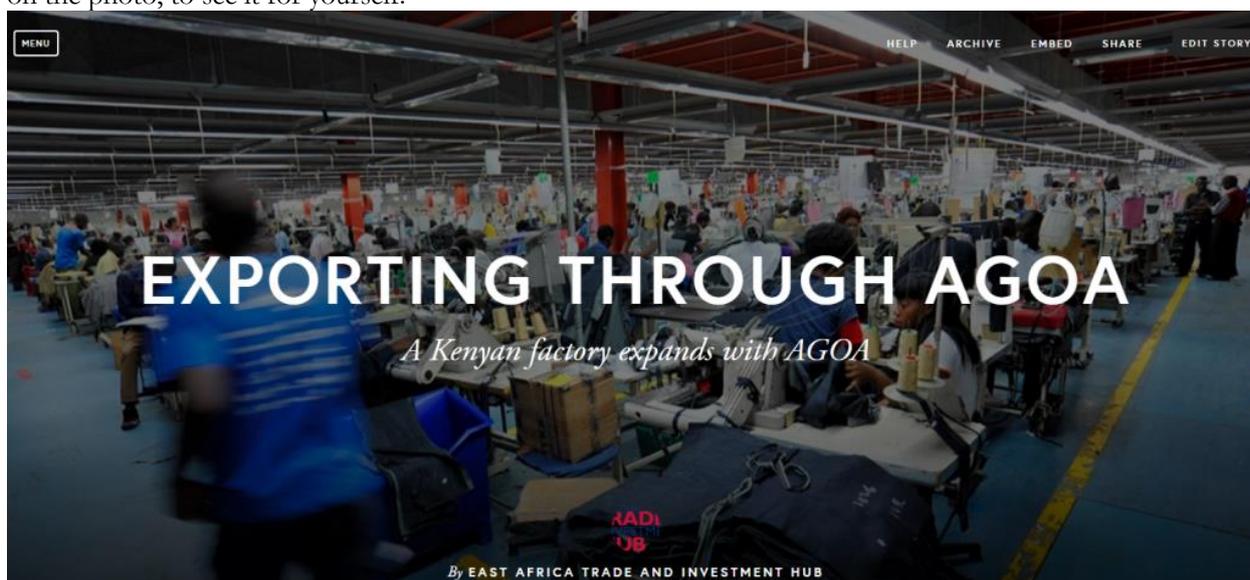
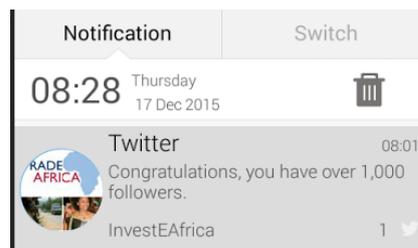
**Twitter @investEAFrica:** During the quarter the Hub added over 400 new Twitter followers to the cross 1,000 threshold. The Hub finished the year with 1,100 followers.

### The Hub boosts social media engagement with Global Entrepreneurship Week (GEW) campaign

During GEW, Nov. 16 – 20, the Hub sent 101 tweets. On Nov. 18, the day of our AGOA Preparedness Workshop, we had 73 retweets (see examples below). We also had a total of 102 link clicks throughout the week. As a result, we gained many more followers, directly engaged with beneficiaries and stakeholders, and raised the profile of the Hub.

### Exporting through AGOA photo story showcases USG interagency initiative and garners interagency promotion

*Exporting through AGOA* showcases the recent USTR visit to the UAL factory in Kenya and highlights the impact AGOA has on job creation and investment, particularly after the recent 10-year renewal. It was approved by USTR in Washington, DC and jointly promoted by the Hub, USAID, and the U.S. State Department in Nairobi. Within two days, the photo story had nearly 500 views. Click [here](#), or on the photo, to see it for yourself.



### Year in Review eNewsletter

The Comms/KM Team published a Year in Review newsletter to highlight interactive features showcasing Hub objectives and achievements in 2015. The team also adjusted the eNewsletter template to be more mobile compatible.

## December 2015 Edition (Year in Review)



### In This Issue

- Exporting through AGOA - PHOTO STORY
- Opportunities for Sourcing from Africa - VIDEO
- AGOA Impact - VIDEO
- Spurring Investment through Hub Transaction Advisory Services - VIDEO
- A Snapshot of Hub Transaction Services to date - INFOGRAPHIC
- The Importance of SPS Measures - PHOTO STORY
- Ensuring Implementation of the EAC Common Market Protocol through Public Private Dialogue - VIDEO
- Popular Hub Infographics from 2015
- The Importance of Free Flow of Capital in the East African Community – VIDEO

[Read the newsletter...](#)

### Public private dialogue video reaches broader audience

The Hub continues to use social media and its updates and newsletters to draw attention to Hub initiatives and generate greater interaction between stakeholders and beneficiaries (see example below).



Watch the video, [here](#).

Hub continues to promote stakeholder and Hub resources on its [knowledge center](#)

Q1 examples include:

- [Kenya guidelines for AGOA visa application and processing](#) (Hub created)
- New [Market Information Systems \(MIS\) briefs](#) online

## Introduction to Agricultural Market Information Systems



**Introduction to Agricultural Market Information Systems.** An agricultural market information system collects, analyses, packages, stores and disseminates prices and other information relevant to farmers, traders, processors and others interested in agricultural commodities. It may also be called a market intelligence system, market information service, or in short, an MIS.

East Africa Agriculture and Agribusiness



### The Hub expands awareness of sourcing opportunities in Africa and garners global audience by featuring in Sourcing Journal

To capitalize on the Origin Africa trade show and increase awareness of sourcing opportunities in East Africa, the Hub invited [Sourcing Journal](#) to cover the event.

Read some of their article from the event:

[Major brands explore AGOA opportunities at Africa Sourcing Show](#)

October 22

[H&M Outlines Focus for Sourcing in Africa](#)

October 23

[Ethiopia Gets World's First Fully Sustainable Denim Plant](#)

October 27

[Could TPP Make Africa Less Competitive Under AGOA?](#)

October 28

[Foreign Investors Say Africa Rich With Sourcing Opportunities](#)

October 30

[Madagascar Flourishes on AGOA Renewal, Factories Double Capacity to Accommodate Export Growth](#)

November 3

**The last article included a link to the Hub's Opportunities for Sourcing in Madagascar video.**  
<https://www.youtube.com/watch?v=qJvFWzd3FOs>

[Sourcing Journal](#) is based in New York City. It reaches 60,000 readers worldwide, covering topics from sourcing to manufacturing, trade, fashion, technology and logistics. It is an ideal publication for reaching our target audience of U.S. buyers and manufactures. Sourcing Journal readers have expressed an increased interest in manufacturing in Africa and the region's capabilities.

Looking to source from East Africa? We can help.  
[www.eatradehub.org](http://www.eatradehub.org)



**SJ SOURCING JOURNAL**



COUNTRY REPORT: AFRICA

## Constraints

### Determining further investment in the Regional Food Balance Sheet and EAC Food and Nutrition Security Policy

In collaboration with EAC Secretariat, the Hub's Agriculture and Agribusiness Component is reviewing the Regional Food Balance Sheet (RFBS) for improvement and developing a strategy for Food and Nutrition Security Policy (FSNP) implementation. Both RFBS and FSNP are regional tools in support of

food security. The Hub expected having both of these reviews complete at an earlier date, but it faced challenges related to the recruitment of the consultants.

## V. PERFORMANCE MONITORING

### **Rolling baseline data collection**

The Hub's M&E Team continued to collect baseline data for all firms that participate in Hub activities and events. Data generated through this process is critical for assessing the overall impact of Hub interventions in contributing to increased trade and investment and the creation of new jobs.

### **Development of M&E systems and tools**

The M&E team worked with the Hub's Trade Policy Team to design qualitative data collection tools to assess the perceptions of key players on the progress made in the implementation of the EAC Common Market Protocol and the associated opportunities for enhancing public sector participation in the implementation of the protocol. The tool was applied during the Public Private Dialogue in Tanzania and will continue to be applied in similar events in other countries. The M&E team also worked with the technical team to develop a screening tool for selecting SMEs to be supported by the Hub. The tool was used during the AGOA Summit, organized by Kenya's Ministry of Industrialization and Enterprise Development, to select 50 SMEs for a follow-up AGOA preparedness workshop, organized by the Hub. The SMEs were selected based on their link to the Hub sectors, export readiness, gender and youth inclusion, among other criteria.

### **Review of PMP indicators and targets**

Following the completion of the first year of project implementation and finalization of the first annual report, the team reviewed the project performance indicators and targets with a view to making necessary adjustments for effective measurement of results. In reviewing the performance indicators, the team was guided by the following question:

- Are the performance indicators adequate and relevant?
- Are the associated data management processes effective?
- Are the performance indicators providing the information needed to properly measure results?
- How can the project performance be improved?
- Are the indicator targets realistic given the actual achievement in the first year, resource availability and other program constraints and opportunities?

Based on the above, several changes to the current indicators and targets have been proposed for discussion and approval by USAID.

### **M&E data collection and follow-ups**

To ensure accurate and timely data collection and reporting, the M&E Team worked closely with all the Hub sub-contractors and implementing partners to obtain the required support documentation for achieved results. These follow-ups mainly targeted the East Africa Grain Council, Inter-region Economic Network, and the African Cotton and Textile Industries Federation.

### **Collaboration with other partners**

The Hub Chief of Party and M&E Team held two consultative meetings with Regional Strategic Analysis and Knowledge Support System (ReSAKSS) to explore ways of improving information sharing and collaboration in data collection, analysis and reporting. ReSAKSS is a key source of agriculture data that will be critical in assessing the impact of the Hub interventions. The group discussed various options to improve primary data collection and accuracy. Follow-up discussions will be held once the Hub obtains the final report and recommendations from USAID on harmonization of data collection methodology for the priority ACTE performance indicators.

The Hub M&E Team also held discussions on data sharing and capacity building with the statistics team at COMESA regarding the COMSTAT Data Portal. COMSTAT remains one of the Hub's key sources of agriculture and non-agriculture data.

### Support to new project development

The M&E team provided input to the ongoing proposal development process and capacity assessment of short-listed partners under the Annual Program Statement (APS). Key areas of focus included a review of the proposed partner activities and results to ensure that they are aligned to the Hub objectives, expected results and performance indicators.

## VI. PROGRESS ON GENDER STRATEGY

Examples:

### The Hub positions women owned/led businesses as magnets for investment

At the end of November, the Hub transaction advisory team supported the financial closure of a more than \$4 million investment that will provide equity for a female-owned business in Uganda. The investee is a top distributor of food and consumer goods, including juice, scholastic materials, personal care, and food products. The transaction team provided assistance with process mapping and the improvement of order fulfillment. They suggested improved efficiency through process mapping and software.

### The Hub prioritizes sectors with potential for female job creation, such as apparel, horticulture, and coffee.

### The Hub partners with AWEP for AGOA Preparedness Workshop in Kenya

The Hub continues to support, and partner with, the African Women's Entrepreneurship Program (AWEP) whenever possible. In November, the Hub partnered with AWEP's Kenya Chapter to help Kenyan women entrepreneurs take greater advantage of AGOA. AWEP suggested several participants for the AGOA Preparedness Workshop and followed up with members regarding the Hub's new export directory.



*U.S. Ambassador to Kenya Robert Godec speaks with AWEP Chief Executive Officer Nancy Gitonga at the Hub's AGOA Preparedness Workshop in Kenya*

## VII. PROGRESS ON ENVIRONMENTAL MITIGATION AND MONITORING

The Hub has had no technical or operational activities that require active environmental mitigation and monitoring. All activities have had categorical exclusions for environmental determinations. The Hub team continues to review activities on an ongoing basis against the categories and measures laid out in draft Hub Environmental Mitigation and Monitoring Plan. The Hub's current pipeline of activities will not have significant environmental compliance implications.

## VIII. PROGRESS ON LINKS TO OTHER USAID PROGRAMS AND USG AGENCIES

The Hub continues to collaborate and share information with other USAID programs, U.S. government agencies and donor-funded programs that overlap with Trade Africa and Feed the Future objectives, examples include TradeMark East Africa (TMEA), Food Trade East and Southern Africa, U.S. Department of Commerce, OPIC, etc.

Here are a couple highlights from quarter 1 FY2016:

### **The Hub attracts capital to East Africa at diaspora investment conference**

During the Aspen/OPIC Diaspora Conference, the Hub made key connections with, among others, the OPIC Small Business Financing team, U.S. Department of Commerce representatives and EAC diaspora networks. These connections will help achieve the mission of attracting capital to SMEs in the East Africa region.

### **The Hub discusses organizational capacity with African Institutions Innovation Mechanism-Assist (AIIM-Assist)**

On October 26, the Hub Agriculture Team met with AIIM Assist to explore areas of collaboration in conducting Organization Capacity Assessment's (OCAs) for Hub grantees. AIIM assist is a USAID-Funded Program that supports East African partner's efforts to reduce poverty through agriculture. AIIM Assist does this by building the technical capacity of USAID awardees, called AIIM finalists, through OCAs. The Hub Agriculture Team is in the process of awarding a number of grants under the Annual Program Statement and if deemed necessary, AIIM Assist would be instrumental in conducting OCAs for these grantees.

## **IX. PROGRESS ON LINKS WITH EAC GOVERNMENT AGENCIES**

### **The Hub supports enabling environment for trade in East Africa**

The Hub's Policy and Regulatory Reform Team provided inputs into the USAID/East Africa direct support program to the East African Community Secretariat on trade and customs. The team also participated in video conferences with USAID and the EAC to finalize the details of the direct assistance from USAID to the EAC. As a result of this, the EAC and Hub programs are better aligned on key trade and customs issues, e.g. trade in services, implementation of EAC harmonized standards, and ICT for trade related to implementation of the EAC's Single Customs Territory initiative. In addition, roles and functions related to implementation of the US-EAC Cooperation Agreement were agreed upon, particularly around capacity strengthening initiatives on technical barriers to trade and sanitary and phytosanitary issues.

## **X. SUSTAINABILITY AND EXIT STRATEGY**

The Hub works to find practical solutions for trade and investment constraints. It partners with East African and U.S. businesses to attract investment needed to transform the East African private sector into vibrant global trading partners. Improving the region's trade competitiveness, encouraging the diversification of exports beyond natural resources, and promoting broader, more-inclusive economic growth will lead to more food secure and resilient East African communities.

A highlight from FY2016, Q1:

### **Helping SMEs gain access to finance and reach a global market**

On December 14, the Hub's Director of Investment, Ms. Kanini Mutooni, took part in a discussion panel on the competitiveness of small and medium-sized enterprises (SMEs) in global markets. The panel was part of the Trade and Development Symposium, a World Trade Organization 10th Ministerial Conference side event in Nairobi, organized by the International Center for Trade and Development.

SMEs account for the majority of job creation in most countries. Yet, they suffer from high failure rate and low productivity. Furthermore, while SMEs are generally less productive than large corporations globally, the disparity is two or three times larger in developing countries.

Exporting SMEs tend to pay higher wages, are more productive, hire more new employees annually and earn more revenues than their non-exporting peers. This presents a challenge and an opportunity, especially for developing nations, to spur job creation and economic growth by supporting and promoting export-oriented SMEs.

Ms. Mutooni highlighted the need for innovative financing solutions that can enable SMEs to access the capital they need to grow and export. Trade finance is a particular challenge for exporting SMEs. The Hub is working closely with several partners to find solutions to this problem.  
<http://tds.ictsd.org/content/smes-connecting-global-markets-3>

## XI. SUBSEQUENT QUARTER'S WORK PLAN

### Subsequent Quarter's Work Plan

We do not currently envision any changes to next quarter's activities.

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Jan-16	Feb.16	March 16
Component 1, Activity 1					
Component 1	Activity 1: USG Tools, Incentives & New Tools	Work closely with USG agencies to increase utilization of various tools and incentives to increase trade and investment			
Component 1, Activity 2					
Component 1	Activity 2: Continued Engagement with Private Sector Network and Partners	Strengthen network(s) with private partners for each target sector, in coordination with USG agencies.			
Component 1, Activity 3					
Component 1	Activity 3: Opportunity Assessment and Transaction Pipeline Creation	Source investment opportunities in the targeted sectors and approaching investors and U.S. foreign agencies where appropriate, ensure transactions deal close.			
Component 1, Activity 4					
Component 1	Activity 4: Chokepoints and Intervention Strategies	Develop and implement concrete private sector-led intervention strategies to address identified investment chokepoints that can lead to public-private partnerships			
Component 1, Activity 5					
Component 1	Activity 5: Investment Promotion Partnerships	Provide assistance to improve investment promotion bodies, both private and government, to attract local, foreign and U.S. investments, build business partnerships, and assist in transactions.			
Component 1, Activity 6					

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Jan-16	Feb.16	March 16
Component 1	Activity 6: Increasing affordable financing opportunities in the EAC region	Initiatives to increase access to finance such as financial instrument development for underserved sectors e.g. Agriculture, capacity building initiatives, increased access for women			
Component 1, Activity 7					
Component 1	Activity 7: Addressing Key Technology Gaps	Identify gaps in agricultural value chains (and non-agricultural sectors) that can be addressed through the use of technology, and work with selected partners to introduce relevant technology to fill those gaps.			
Component 1, Activity 8					
Component 1	Activity 8: Information Outreach	Develop and execute informational campaigns, both general and to targeted sectors, to raise awareness among relevant African and U.S. firms of opportunities to increase U.S. trade and investment in and partnerships with EAC-plus businesses and business associations.			
Component 2, Activity 1					
Component 2	Activity 1: Promote Structured Trading Systems and Regional Market Linkage for Staple Foods	Linking local production and village level stores to regional markets			
		Enhance access to financial services for regional staple food value chains			
		Implementation of staple foods quality standards			
		Market and trade information systems			
Component 2, Activity 2					
Component 2	Activity 2: Further Investment in the Regional Food Balance Sheet (RFBS)	Conduct RFBS management audit		On hold	
Component 2, Activity 3					
Component 2	Activity 3: Support Implementation of the EAC Food and Nutrition Security Policy	Support EAC develop FNSP regulations and implementation strategy, present these docs for adoption			
Component 2, Activity 4					
Component 2	Activity 4: Seed Systems in Eastern and Southern Africa	Strengthen National Seed Authorities and National Plant Protection Organizations in seed certification			

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Jan-16	Feb.16	March 16
		Support countries in preparation for accreditation to ISTA and joining the OECD seed schemes in order to enhance quality seed production and availability			
		Facilitate the alignment of the COMESA harmonized seed regulations in Tanzania			
		Conduct awareness raising activities in Tanzania around COMSHIP			
Component 2, Activity 5					
Component 2	Activity 5: Leveraging Technology in the Development of Regional agricultural Value Chains	The Hub will work with local and foreign partners to identify potential gaps in the agribusiness, ICT and financial service sectors, and invite proposals and / or use APS to address these gaps.			
Component 3, Activity 1					
Component 3	Activity 1: AGOA Information Dissemination	Work closely with the Hub's communications team to develop AGOA outreach products.			
Component 3, Activity 2					
Component 3	Activity 2: Develop AGOA Strategies	Work with national and regional stakeholders, public and private sectors, to develop/update AGOA strategies.			
Component 3, Activity 3					
Component 3	Activity 3: Build Capacity of National Export Promotion Agencies	Develop MOUs with Enterprise Mauritius/BOI and AMCHAM Madagascar.			
Component 3, Activity 4					
Component 3	Activity 4: Deliver AGOA Workshops and Seminars	Educate the private and public sector about AGOA opportunities.			
Component 3, Activity 5					
Component 3	Activity 5: Foster Greater Linkages between Key Business Groups	Facilitate and support the development of at least 4 linkages between business groups			
Component 3, Activity 6					

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Jan-16	Feb.16	March 16
Component 3	Activity 6: Targeted Technical Assistance and Cost-Sharing Grants to Support Increased Value Chain Competitiveness	Provide at least 2 grants to collaborating organizations supporting AGOA.			
Component 3, Activity 7					
Component 3	Activity 7: Trade Shows and Buyer Missions	Promote direct business linkages.			
Component 3, Activity 8					
Component 3	Activity 8: Firm-level Technical Assistance	Home décor and fashion accessories.			
		Specialty foods and coffee technical assistance			
Component 3, Activity 9					
Component 3	Activity 9: Expanding the Scope of Agribusiness/Specialty Foods	Develop the agribusiness/specialty foods work			
		Identify and engage potential private sector, government and related projects partners			
Component 4, Activity 1					
Component 4	Activity 1: Advancing Regional Trade and Investment Agreements and their Support Institutions	Support preparation, adoption and implementation of TF, SPS and TBT work plans			
		Facilitate establishment of effective TBT and SPS notification systems in Partner States under WTO.			
		Facilitate implementation of ICT solutions in support of the Single Customs Territory.			
Component 4, Activity 1 B					
Component 4	Activity 1B: Enhancement of Sanitary and Phytosanitary (SPS) Capacity in the EAC Region	Support the EAC Partner States in the ratification of EAC SPS Protocol			
		Legal assistance to the EAC Secretariat for drafting the bill and regulations to operationalize EAC SPS Protocol			
		Raising awareness of the SPS protocol at the country level and e-learning around Pest Risk Analysis (PRAs)			

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Jan-16	Feb.16	March 16
		Support adoption of PIMS at regional level and sensitization at country level			
		Development of regional framework to operationalize the PRAs for rice, beans and maize			
Component 4, Activity 2					
Component 4	Activity 2: Advancing Regional Trade and Investment through Implementation of Key Elements of the EAC Common Market Protocol	Identify and update measures inconsistent with the Common Market Protocol (CMP), including the Customs Union Protocol (CUP) (which is the first component of the CMP), in line with Hub priority sectors.			
		Strengthen technical capacities of public and private sector institutions responsible for the monitoring/implementation of the Protocols, including monitoring committees			
		Facilitate Public–Private Sector Dialogue meetings			
Component 4, Activity 3					
Component 4	Activity 3: Improving EAC Investment Policy Environment	Identify weaknesses in investment entry and protection strategies and propose reform measures, in partnership with private and public sectors.			
		Identify legal and regulatory barriers to technology adoption and use, and support public-private dialogue for reform measures.			
		Technical assistance towards establishment of a Regional Investment Treaty (if requested by USAID).			

## XIII. ACTIVITY ADMINISTRATION

### Personnel

Quarter 1 showed an increase in the number of Hub staff both hired and identified to be hired for the team. The Hub has continued to recruit aggressively for a few technical staff positions, including for the investment, trade and agriculture components, and for a few administrative positions. It is likely that the Hub will have hired nearly all of its team by the end of April 2016. Two staff left the project during the last quarter – the Finance Manager and the Deputy Chief of Party. The following positions were filled in the last quarter; Component 2 Lead: Senior Agricultural Trade Advisor, Component 3: Sector Specialist/Agribusiness/Specialty Foods/Coffee, HR Officer, Component1: Investment Analyst, Component 3 Deputy: Value Chain Development Specialist, Component 2: Value Chain Development Specialist, Senior Finance Manager and Senior Procurement Specialist. The Procurement Manager was promoted to oversee administration, human resources, and procurement, and the M&E Specialist was promoted to manage the M&E section. The Hub is in the process of recruiting for an Accountant, a Grants and Subcontract Specialist, an Administration Assistant, a Driver, an M&E Specialist, an Information Management Expert and a Gender Manager.

### Staff Roster

Name	Position
Kanini Mutooni	Component 1 Lead: Sr. Investment Advisor
Finn Holm-Olsen	Component 3 Lead: Sr. Trade Promotion Advisor
Scott Allen	Component 4 Lead: Sr. Economic Policy Advisor
Craig Berkenpas	Director of Operations and Finance
Katie Moulton	Communications Director
Protase Echessah	Senior Agricultural Trade Expert
Brian Muriuki	Procurement & Logistics Officer
Carol Watheka	Partnership Fund Director
Caroline Ngumba	Grants & Subcontract Specialist
Claude Katata	Administrative Assistant
Elizabeth Muange	Investment Analyst
Grace Mwai	Admin, Human Resource and Procurement Manager
Hussein Yahya	Procurement Officer
Lukas Barake	M & E Manager
Nelly Ngunguru	Sector Analyst
Rosalid Ndoro	Grants & Subcontract Specialist
Stephen Obunga	Finance Assistant
Susan Mungai	IT Specialist
Wilfred Mworira	ICT Innovation Specialist
Justus Yofani	Accountant
Michael Baingana	Country Representative-Rwanda
Andrew Kaggwa	Country Representative-Uganda
Margaret Waithaka	Component 3: Value Chain Development Specialist
Pauline Nguni	M&E Assistant
Ezekiel Oloo	Driver/Administrative Assistant
Alfred K'Ombudo	Deputy Sr Economic Policy Expert
Bridget Okumo	Sector Specialist

Dickson Poloji	Economic Policy Specialist
Grace Mbele	Communication Assistant
Samuel Njakai	Grants & Subcontract Specialist
Juan Estrada-Valle	Chief of Party
Harriet Odembi	Component 2 Lead: Sr. Agricultural Trade Advisor
Mathews Chirasha	Agricultural Value Chain Specialist
Maryanne Kamoche	Human Resource Officer
Prisca Mbaga	Country Representative-Tanzania
Fredrick Kong'ong'o	Component 3 -Sector Market Linkage Specialist, Agribusiness and Specialty Foods
Naima Ngeene	Receptionist
Alex Kimani	Investment Analyst
Gideon Gatere	Senior Procurement Specialist
Simon Wanjogu	Senior Finance Manager
Under Recruitment	Gender Director
Under Recruitment	Accountant
Under Recruitment	Administrative Assistant
Under Recruitment	Driver/Administrative Assistant
Under Recruitment	Grants and Sub Contract Specialist
Under Recruitment	M&E Specialist
Under Recruitment	Information Management Expert

## Contract, Award or Cooperative Agreement Modifications and Amendments

There were no contract modifications this quarter.

## XIV. GPS INFORMATION

The Hub maintains a google map of its activities. The start of that initiative is [here](#).

## XV. SUCCESS STORIES

### Stories

We share Hub success stories on our home page blog and in our monthly newsletter. We promote these stories daily through our social media channels and weekly through our Weekly Roundup.

In addition to short stories and blogs, we create infographics to further explain what the Hub does and the accomplishments we have made. Infographics distill complex initiatives into digestible, engaging pieces and can highlight quick wins, i.e. #s and take-aways. They complement more development-heavy technical briefs well.

You can find a number of the Hub's fact sheets, infographics, and success stories on our google drive, [here](#).

Here's the Hub's latest photo story. Click [here](#), or on the photo, to view it online.



## MADE IN KENYA

United Aryan Limited (UAL) textile factory is located within a government-supported Export Processing Zone, six miles from Nairobi's city center. It is a leading Kenyan exporter of apparel to the U.S. and has been certified by a number of large U.S. retail chains, including Levi Strauss & Co and VF Corporation. In 2004, the year before USAID sponsored UAL at its first American trade show, annual UAL sales were \$13.4 million. Today, UAL annual sales are nearly \$50 million.



# U.S. - AFRICA TRADE, A VISIT TO UAL

In December 2015, Assistant United States Trade Representative (USTR) for African Affairs Florizelle Liser joined representatives from the U.S. Agency for International Development (USAID) and U.S. Embassy in Nairobi for a visit of UAL factory in Kenya. The delegation toured factory operations, spoke with factory representatives and Government of Kenya representatives, and witnessed firsthand the manufacturing of African products destined for the U.S. market through the African Growth and Opportunity Act (AGOA).

**AGOA** is a U.S. Government trade preference program that offers eligible African producers the opportunity to exports thousands of types of goods, including apparel, to the U.S. without paying import duties.





## JOB CREATION

UAL is in the middle of an expansion; a new unit of seven production lines is scheduled to be completed by April 2016. The current expansion will take UAL's production capacity from an average production of 31,000 garments a day to an average production of 38,000 garments per day. Most of these garments are blue jeans destined for the U.S. market. The expansion means more jobs for Kenyans.

UAL currently employs 8,000 Kenyans. The average age is 25; 80 percent are women. By April 2016, UAL expects to employ nearly 10,000 Kenyans, which is a substantial number in a country that has an estimated 40 percent unemployment rate.



Employment is exactly why investment in the textile and apparel industries of Kenya is so important. The apparel and textile manufacturing industry creates urban jobs and is critical to the livelihoods of urban women and youth.

*“The company has given me opportunity. It is a privilege to be here. We need more people employed to decrease crime and make people happy.” said, UAL employee Violet Kabanya.*

## USAID SUPPORT

USAID has supported UAL through its Trade Hubs since 2005. USAID Trade Hubs provide technical assistance, such as training on how to meet the technical specifications required by U.S. companies, and market connections through trade shows and buyers missions. The current USAID East Africa Trade and Investment Hub (the Hub) is helping UAL connect with investors through its transaction advisory services. The Hub contributes to validate opportunities and conduct due diligence, provide market intelligence, conduct financial analysis and modeling, and structure deals.

Interested in taking advantage of opportunities through AGOA? Visit the Hub’s **Ask an AGOA Expert** webpage.

**FOOTNOTES:** *Photo credit: USAID East Africa Trade and Investment Hub/Riccardo Gangale. Find out more about the East Africa Trade Hub by visiting our website [www.eatradehub.org](http://www.eatradehub.org)*  
**Nairobi, Kenya**