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USAID EAST AFRICA TRADE AND INVESTMENT HUB

ANNUAL PROGRESS REPORT



SEPTEMBER 30, 2015

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USAID EAST AFRICA TRADE AND INVESTMENT HUB

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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.

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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
ANSI	American National Standards Institute
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
EATH	East Africa Trade Hub
EATIH	East Africa Trade and Investment Hub
FSNP	Food Security Nutrition Policy
GOK	Government of Kenya
KEPSA	Kenya Private Sector Alliance
LTTA	Long term technical assistance
MOU	Memorandum of Understanding
NTBs	Non-tariff barriers
ODC	Other Direct Costs
OPIC	Overseas Private Investment Corporation
PMP	Performance Monitoring Plan
ReSAKSS	Regional Strategic Analysis and Knowledge Support System
RFBS	Regional Food Balance Sheet
SPS	Sanitary and Phytosanitary
STTA	Short term technical assistance
TBT	Technical Barriers to Trade
TMEA	TradeMark East Africa
UAL	United Aryan (EPZ) Limited
USAID	United States Agency for International Development
USG	United States Government
USTDA	United States Trade and Development Agency
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 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 is the U.S. Government’s flagship project under the presidential *Trade Africa* initiative. Here are the highlights from the Hub’s first year on the ground, October 1, 2014 to September 30, 2015.

Investment and technology

The Hub’s investment transaction advisory team has identified 22 transactions for possible investment facilitation, with an estimated total value of \$148.2 million. The investments will increase intra-regional trade and create thousands of new full-time and part-time jobs in the Hub’s targeted sectors. One of the 22 transactions has reached financial close, a \$1.57 million mobile money transaction in Uganda (see transaction highlight in the key achievement section), and two have signed terms sheets. The signed term sheets are for two separate dairy processing transactions, one worth \$7 million in Kenya and the other worth \$4.8 million in Ethiopia. The Hub has approved another 10 transactions, valued at \$94.3 million in the financial services, ICT and agribusiness sectors, and is currently providing support services to bring these transactions to close. They span the East African region, with two in Uganda, four in Kenya, two in Rwanda and two in Ethiopia.

A snapshot of the Hub's transaction advisory services in year 1.

\$148.2 MILLION

The total dollar value of deals in the pipeline, as of September, 2015.

\$13M CLOSED/SEMI-CLOSED

Investments made or term sheets signed.

\$6M COMPLETED

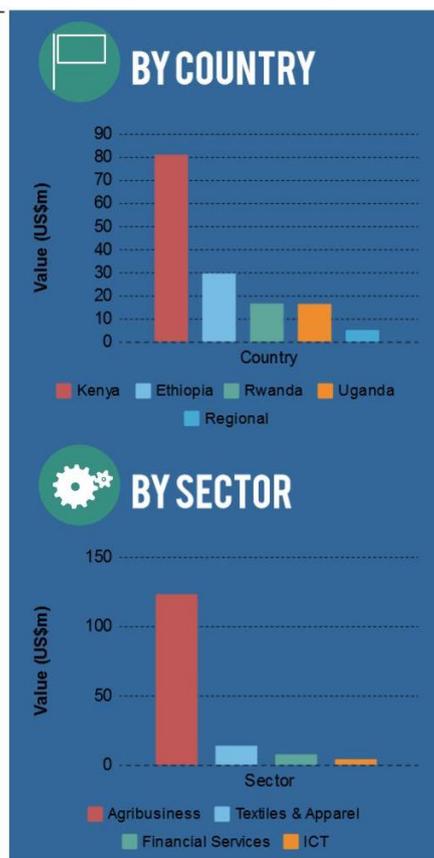
Hub's team has completed advisory engagement.

\$14M ONGOING

Hub actively engaged in support services.

\$114M UNDER REVIEW

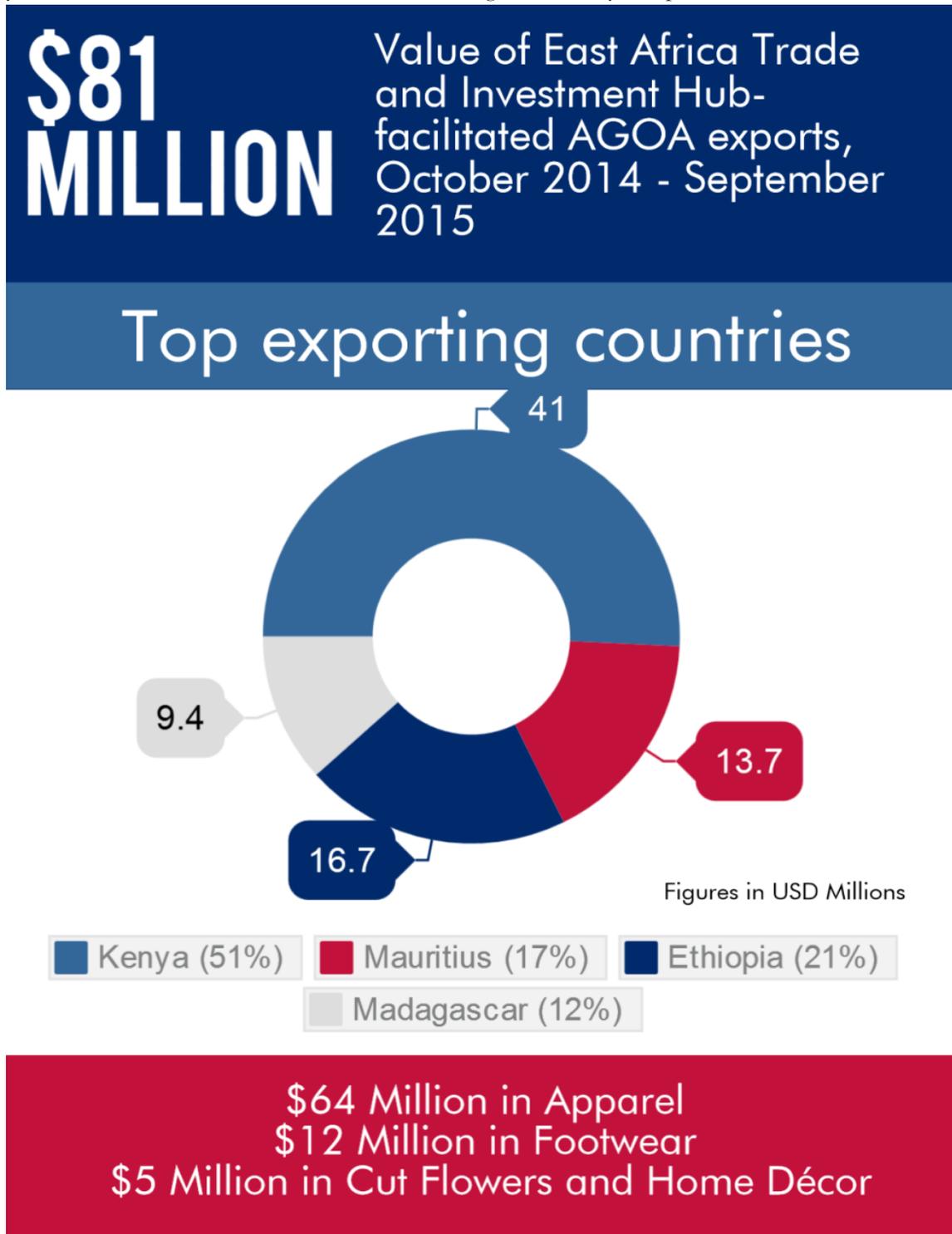
Deals under evaluation.



Trade Promotion and AGOA

Since September 2014, the Hub's Trade Promotion and AGOA Component has participated in seven key trade promotion events and facilitated 170 buyer linkages, yielding \$81 million in Hub-facilitated AGOA exports. The highest value of exports came from the textile and apparel sector, with a total of 25 companies reporting exports worth \$64 million. The next highest value of exports was in Ethiopian footwear, with two companies reporting \$12 million in exports to the U.S. Floriculture and home décor contributed to \$4 million and \$750,000 respectively. (See infographic below)

The Hub also updated or developed national AGOA strategies to help the public and private sector take better advantage of the opportunities AGOA provides. The Madagascar AGOA strategy was completed in year one. The Tanzania and Rwanda AOGA strategies are nearly complete.



Trade Policy and Agribusiness

The Hub's Trade Policy and Agricultural Components are supporting policies and systems that create a more conducive trade and investment environment. The two components supported the East African Community Secretariat to make progress toward implementing the East African Community (EAC) -- U.S. Government Cooperation Agreement. The EAC Secretariat now has a set of draft work plans that match identified trade priorities.

The Trade Policy Component is advancing regional trade and investment through implementation of key elements of the EAC Common Market Protocol. The component is also providing training to participants from the public and private sectors on the key obligations and status of implementation of the EAC Common Market Protocol. The Hub trained 120 individuals in year one. In quarter four of year one, the team held two Public-Private Sector Dialogue workshops that identified measures inconsistent with the Common Market Protocol (CMP) and Customs Union Protocol (CUP). With support from the Hub, the private sector apex bodies are developing action plans to assist in removal of identified measures.

The trade policy and agribusiness teams sent a chokepoint survey to 150 experts from the East African public and private sector for review. Survey responses have helped guide the Hub's work plan.

Partnership Fund

In June 2015, the Hub's Partnership Fund issued an Annual Program Statement (APS) to solicit Partnership Fund concept applications on a rolling basis. The response for the first round of review was overwhelming - **155 concepts from across East Africa**. As of September 2015, the Hub has given seven grants to support activities that lead to better policy implementation, association-level matchmaking opportunities, and the development of innovative tools to support trade and investment.

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 East Africa Trade and Investment Hub offers *transaction support services*, with a goal of facilitating \$100 million in new investments and creating 10,000 jobs by August 2019. Target sectors include, ICT, agribusiness, financial services, and cotton, textile and apparel.

Eligible investors include private equity funds, commercial banks, impact funds, and development finance institutions. Priority transactions include those that contribute to employment, regional trade, technology acquisition, and gender inclusion.

The Hub transaction team acts as a neutral intermediary that provides:

USAID

TRADE + INVESTMENT HUB

ARE YOU AN INVESTOR SEEKING OPPORTUNITIES OR A BUSINESS SEEKING \$2M OR MORE IN FUNDING?

The Hub is connecting investors and investees.

The USAID East Africa Trade and Investment Hub now offers transaction support services to facilitate greater investment in the East African Community, Ethiopia, and Madagascar.

We aim to launch East Africa's investment potential to an entirely new level.

OUR GOAL IS TO FACILITATE \$100M IN INVESTMENTS & CREATE 10,000 JOBS OVER THE NEXT 5 YEARS.

Transaction support services include:

- Due diligence
- Financial analysis
- Market intelligence
- Deal structuring
- Fundraising support

Focus sectors:

- Agribusiness
- ICT
- Financial services
- Cotton, textiles, apparel

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- Opportunity validation
- Market intelligence
- Fundraising support
- Due diligence
- Deal structuring
- Financial analysis

Transaction highlight

USAID Supports Investment to Expand Mobile Money in Uganda

The Hub investment and technology team facilitated a \$1.57 million investment transaction between Ascent Capital, an East African private equity firm, and Chims, a mobile money company in Uganda.

The capital will enable the company to expand its agent network across Uganda, create an estimated 160 new jobs, and increase the availability of mobile money—the electronic transfer of money using cell phones—to small and medium-sized enterprises and agricultural traders in Uganda and the region.

Mobile money is an innovation that has been consistently identified as a solution to increasing financial inclusion and, ultimately, more broad-based economic growth in Africa.

The Hub and its investment transaction advisors connect investors with emerging companies and serve as neutral intermediaries to validate opportunities and conduct due diligence, provide market intelligence, , conduct financial analysis and modeling, and structure deals.

For this transaction, the Hub analyzed the mobile money market in Uganda to inform a post-investment roadmap and strategy for the firm’s expansion, including recommendations for the introduction of new products and services. Hub transaction advisors also conducted commercial due diligence for the investor, including customer and competitor analyses, among others.

The team used the relatively more mature Kenyan mobile money market as a case study and highlighted the trend of regional integration that will open a new frontier for the industry. For instance, it is now possible for MTN Rwanda customers to send mobile-to-mobile remittances to MTN Uganda subscribers.

“The transaction advisors mapped out the potential service offerings and provided concrete suggestions for which services presented the greatest potential for investment,” said a representative from Ascent Capital. “They hit the ground running and were able to execute the project in the planned timeline.”

Expanding investor networks and creating investment linkages

The Investment and ICT Component has presented at a number of investment-focused events to promote Hub transaction services and opportunities for investing in East Africa.

- Africa Financial Services Investment Conference , May 2015, Brighton, UK
- [East Africa Venture Capital Association](#) inaugural annual Private Equity in East Africa Conference, June 2015, Nairobi, Kenya.
- Uganda Investment Authority’s Kampala Private Equity/Venture Capital event
- OPIC (Overseas Private Investment Corporation) Diaspora Investment Conference with Aspen – Diaspora Investment Alliance, October 2015, Boston, USA

Result – 35 investment linkages documented as of Sept. 2015

Solidifying partnerships

5

Memorandums of understanding (MOU), signed to boost regional and international trade and investment.

1. Hub signs MOU with Corporate Council on Africa, April 2015
2. Hub signs MOU with American Chamber of Commerce, June 2015



"Formalizing the partnership between AmCham Kenya and the Hub will go a long way towards boosting trade and investment between the U.S. and Kenya by leveraging on the strengths of both organizations to achieve our mutual objectives," said Ms. Ferial Nathoo (pictured upper left with Hub Investment Director Kanini Mutooni), Chief Executive Officer of AmCham Kenya.

3. Hub signs MOU with Kenya's investment promotion state agency, KenInvest.



"Kenya boasts strong economic relations and investment links with the U.S., and our partnership with the East Africa Trade and Investment Hub is set to further drive our ties to attract increased investment into Kenya, whilst fostering intra-regional trade," said Dr. Moses Ikiara, Managing Director of KenInvest (pictured left with Hub Investment Director Kanini Mutooni).

Read the [press release](#).

4. Hub signs MOU with Uganda Investment Authority, July 2015.
5. Hub signs MOU with Aspen Institute's Diaspora Investment Alliance (DIA), July 2015.

Identifying chokepoints and creating intervention strategies

Revitalizing the Kenya leather sector

The Hub is working with Kenyan Cabinet Secretary of Industrialization and Enterprise Adan Mohamed and the newly formed Kenya Leather Development Council to revitalize the sector through investment policy reform, and attract investors who are looking to add value to Kenyan leather products. The Kenya Government has already earmarked \$3 million for the initiative, to include the construction of a "leather city" and a textile park within specially designated Special Export Zones (SEZs) across the country.



The Hub is embedding a leather advisor in the Ministry of Industrialization and Enterprise to support the revitalization. The specialist has a deliverable target to support the Ministry in identifying and facilitating \$10 million in new investments for the leather sector and the introduction of five new potential local and international investors.

AGRICULTURE & AGRIBUSINESS

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

Advancing best trade practices in the EAC member countries

Enhancing of Sanitary and Phytosanitary (SPS) Capacity in the EAC Region

In year one, the Agriculture and Agribusiness Component hired a dedicated Sanitary and Phytosanitary (SPS) expert to accelerate the implementation of the EAC Protocol on SPS Measures of the USG-EAC Cooperation Agreement. As of August 2015, the EAC Secretariat has identified SPS priorities in the region and has drafted work plans for action.

Why is SPS important?



SPS measures guide the production, processing and handling of plant, animal and food products traded across borders. Here, Kenyan agricultural workers load green onions destined for Europe.

Click [here](#) to see the Hub photo essay on why SPS measures are important. Click “present” to have a better viewing experience.

The Hub and EAC collaborate to improve agricultural policy

In collaboration with EAC Secretariat, the 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.

Determining further investment in the Regional Food Balance Sheet

The Hub is conducting a management audit of the Regional Food Balance Sheet (RFBS). The RFBS provides a powerful and timely information tool to help the EAC region break the cycle of shortsighted and ineffective trade policies enacted under the banner of food security. The measures such as import/export bans, and other marketing controls, are typically instituted out of a perceived fear of looming food shortages and are often counterproductive as they serve as a disincentive to production in subsequent seasons. This can lead to real food insecurity.

Though the RFBS was launched in July 2014, a review of RFBS status shows a state of apathy that puts to question the ability of RFBS to live up to the purpose for which it was designed, even though stakeholders still voice a clear demand for the product. The level of contributions from the public sector, private operators and relief agencies has been near zero. The Hub is undertaking an in-depth review in order to establish the factors behind extremely low reporting of RFBS data and overall non-performance of the RFBS system in general. The study examines institutional arrangements, including roles and responsibilities, the RFBS management structure and reporting structure. Appropriate recommendations based on the findings of the audit will be made to guide further investment in the RFBS.

Support the implementation of the EAC Food and Nutrition Security Policy

The Hub' Agriculture and Agribusiness Component is supporting the development of an implementation strategy for Food and Nutrition Security Policy (FNSP). The FNSP helps the region to implement the provisions of the EAC treaty relating to stimulating agricultural development, eliminating hunger, eradicating poverty, and ensuring food security.

Promoting structured trading systems and regional market linkage for staple foods

African Grain Trade Summit provides platform for trade and commitment to policy

From October 1 - 3, the Hub partnered with the Eastern Africa Grain Council (EAGC) to host the 6th 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.



Rwanda Prime Minister Anatase Mukekezi (red tie) officially opened the African Grain Trade Summit -- a biennial, high-level, multi-stakeholder event organized by the Eastern Africa Grain Council with support from the Hub.

“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's recent analysis of choke points affecting staple food trade in the region provided a guide for identifying priorities and the champions that are key to their removal. The Hub chaired sessions on investment opportunities in the region and the role that trade policy plays in enabling grain trade.

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

In November 2014 Kenya President Uhuru Kenyatta (center) and U.S. Ambassador to Kenya Robert F. Godec (behind President Kenyatta) officially opened the Nairobi Origin Africa Trade Expo and launched the USAID East Africa Trade and Investment Hub.



More than 400 buyers, investors, and exhibitors traveled to Nairobi, Kenya to attend the Origin Africa Trade Expo, hosted by ACTIF (African Cotton and Textile Industries Federation), the Hub and the Export Processing Zones Authority of Kenya. Kenyan President Uhuru Kenyatta provided opening remarks, stating that his Government "was keen to position Kenya as the continent's manufacturing and technology hub."



"As one American business owner put it, no one was asking whether to invest in the continent, but rather when and how," said Ambassador Godec, providing an anecdote from the [U.S.-Africa Leaders' Summit](#) regarding the enthusiasm for investment in Africa.

The Hub's Trade Promotion and AGOA Component facilitates the "how."

Through events like the Origin Africa Trade Expo, U.S. buyer trade missions, business to business meetings, global trade shows, AGOA strategies and technical support, the Trade Promotion and AGOA Component is helping American and global business people understand the African market so that they can start investing.

"Origin Africa was THE expo for me to come to. I found exactly what I was looking for in terms of high-level contacts in the industry. Origin Africa helped me to understand the dynamics of doing business in Africa," Christopher Griffin, President of Sourcing at [MAGIC](#) (one of the largest trade expos in the U.S.)

Trade Shows

Why Trade Shows?

Trade shows help companies -

-  Showcase their products and services
-  Meet prospective buyers and clients
-  Discover market trends and opportunities

10,000

of trade shows held each year in the U.S.






The USAID East Africa Trade and Investment Hub's approach

The Hub supports trade shows to help East African exporters build business linkages with the U.S. and other international markets. The Hub also looks to raise the profile of African companies and promote sub-Saharan Africa as a sourcing destination for U.S. apparel needs. To build on trade show momentum and linkages made, the Hub organizes follow up buyers missions to sub-Saharan countries. This is often where contracts are signed.

Build business linkages

Promote sub-Saharan Africa as a sourcing destination





Trade Shows

...



Buyers Missions

.....



Forward Contracts

Why Trade Shows infographic

<https://magic.piktochart.com/output/5281453-why-trade-shows-pvh> (Click "present" to have a better viewing experience.)

The Trade Promotion and AGOA Team traveled to nine trade shows in year one to create business linkages and deliver AGOA seminars.

- Texworld x 2, January and July 2015, New York City, USA. North America's largest sourcing event for apparel fabric buyers, research and product development specialist, designers, merchandisers and overseas sourcing professionals.
- International Floriculture Expo, June 2015, Chicago, IL USA. The Origin Africa profiled the Ethiopian flower industry and Ethiopian Horticulture Producers Exporters Association, representing a dozen flower farms. The International Floriculture Expo offers exhibitors access to high volume industry buyers and decision makers in the floral industry. It is the premier U.S. floral industry event for annual planning, sourcing and buying.

The Hub also supported the Ethiopian flower industry in June 2014 at the International Floriculture Expo in New Orleans, Louisiana USA. Since that time, June 2014 – July 2015, Ethiopian flower association members have exported 308,000 KG of flowers to the U.S., totaling more than \$4.6 million in revenue.

- Intertextile Trade Show, March 2015, Shanghai, China. The Intertextile show is one of the largest trade fairs for fabrics in China. It afforded the Hub the chance to speak with major companies based in Asia about opportunities for sourcing and investing. Namely, that they could still be eligible for AGOA benefits if their textiles originate in Asia.
- Sourcing at MAGIC x 2, February and August 2015, Las Vegas, USA. MAGIC is the premier apparel trade show in the U.S. Top U.S. retailers, including Levi's, Dockers, Denizen and Dillard's, stopped by the Hub-sponsored African pavilion.

"Dillard's is now seriously considering moving some programs from China to Africa. We are very excited about this."

- Gianni Duarte, VP/Director of Men's Private Brands- Dillard's, Inc. Product Development.

Business linkage highlight from MAGIC, August 2015 - The Hub introduced a company called G&T Apparels Import Co. (out of Los Angeles, CA) to GG Apparel of Madagascar. As a result, purchase orders for a value of \$3.5 Million were placed. The product is a special Active Wear Polo shirt, made of performance fabric, called coolmax. It is a chief value synthetic, allowing the importer to save 30% in duties through AGOA. In total, the August 2015 has already generated \$4-5 million in new apparel business, for deliveries in 2016 under AGOA.

The Hub supported MAGIC trade show organizer to make connections in East Africa

The Hub supported the visit of Mr. Bob Berg, an executive with the MAGIC trade show, April 13-24, 2015. Mr. Berg toured East Africa (Kenya, Madagascar, Ethiopia and Rwanda) to promote participation in MAGIC, the premier U.S. trade show for the apparel sector, held twice annually in Las Vegas, Nevada. The objective



of the visit was to build on the momentum of the February 2015 show where 50+ African companies exhibited in a special “AGOA Duty-Free” zone.

The Hub helped Mr. Berg make appointments with key people in all of the above countries to ensure that he received an audience with those that might be interested in the opportunity that MAGIC presents.

Developing AGOA strategies and disseminating AGOA information

Spotlight on Madagascar

At the end of 2014, U.S. President Barack Obama reinstated Madagascar's eligibility for AGOA benefits. The decision recognized the nation's return to democratic rule, as well as President Rajaonarimampianina's commitment to promote transparency, combat corruption, and begin rebuilding Madagascar's economy.

In November 2014, the Hub conducted its first of several AGOA opportunity workshops and began preparing for a new Madagascar national AGOA strategy. This strategy is now finalized and with stakeholders for actualization.

AGOA exports on the rise

Madagascar has roared back to action since AGOA reinstatement. In the first two months of 2015, three companies exported nearly \$2 million of apparel. In the third month, another three companies joined to bring the export total to more than \$3 million. These numbers will continue to rise, in part, thanks to training by the Hub and its partners.

As of September 2016, twenty six textile factories are now AGOA certified. Twenty three of those companies have exported or have immediate plans for export, i.e. confirmed orders from U.S. companies.

To further showcase the AGOA opportunities that Madagascar and Mauritius provide, the Hub’s Communications and Knowledge Management Team created a video that provides buyers with a first-hand look at Madagascar’s state of the art factories, skilled work force, and experienced managers. Watch it by clicking on the image below.



The Hub's JC Mazingue and AmCham Executive Director Scott Reid conduct a work shop on the many opportunities that AGOA provides.



<https://www.youtube.com/watch?v=qJvFWzd3FOs&feature=youtu.be>

In year one, the Hub supported more than \$9 million in Malagasy apparel exports to the U.S.

The impact, job creation

The Madagascar Ministry of Industry reports that AGOA reinstatement has created more than 26,000 new jobs. Watch this Hub-created video to see the impacts of one AGOA-created job for a Malagasy family.



<https://www.youtube.com/watch?v=bJsadNAHWhE&feature=youtu.be>

The Hub creates business linkages

The trade promotion team uses trade shows and buyer missions to promote East African sourcing opportunities to major U.S. retailers. In February 2015, the Hub's Trade Promotion/AGOA Director and Senior Trade Advisor traveled to Target headquarters in Minneapolis, Minnesota to brief senior managers on opportunities for sourcing from East Africa. The opportunity to do so, stemmed from a meeting with Target representatives at the MAGIC trade show.



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

At a February 2015 Ministerial meeting, the United States and EAC signed a cooperation agreement to increase trade-related capacity in the EAC region and deepen economic ties. The Hub is working with the EAC, and its Partner States, to meet its commitment under the WTO Trade Facilitation Agreement and U.S.-EAC Cooperation Agreement. The principal focus of the Hub's support is validating priorities in technical barriers to trade (TBT) and sanitary and phytosanitary (SPS), and supporting capacity strengthening and activity implementation as appropriate. The Hub is also supporting the development of integrated electronic notification systems for TBT and SPS. Implementing critical customs reforms, harmonizing standards, and undertaking multilateral commitments will support greater EAC regional economic integration and strengthen its trade relationship with the United States and other global partners. Click on the video still to learn more about the U.S.-EAC Cooperation Agreement and how the Hub is helping.



Read more about the Cooperation Agreement [here](#).

Listen to Hub Trade Policy Director Scott Allen outline the Hub's support to the U.S.-EAC Cooperation Agreement, [here](#).

Advancing Ratification and Implementation of the WTO Trade Facilitation Agreement

Under the **Trade Africa initiative**, the U.S. Government is encouraging African governments to take advantage of the **World Trade Organization's Trade Facilitation Agreement (TFA)**, which will simplify customs and other border control procedures and reduce the cost and time of doing business across borders. TFA implementation would help African businesses participate more fully in global value chains, smooth the movement of goods across African borders, and make African goods more competitive in global markets. This would have broad development benefits as well as promote regional integration, investment, and exports. The Organization for Economic Co-operation and Development estimates that implementing the TFA could reduce worldwide trade costs by as much as 17.5 percent, with the greatest benefits accruing to African and other developing countries.

The Hub facilitates progress on EAC-U.S. Cooperation Agreement

As of September 2015, the Hub has facilitated three meetings to support the EAC develop work plans on trade facilitation, technical barriers to trade and sanitary phytosanitary measure (June 29 to July 1 in Nairobi, Kenya, August 12-13 in Arusha, Tanzania and August 14 via video conference). The work plans on TBT and SPS were revised further by the Hub and then sent to USAID for consideration and later forwarded to the EAC Secretariat.



Countries maintain SPS measures to ensure that food is safe for consumers and to prevent the spread of pests or diseases among animals and plants. SPS measures are vital for regional and international trade.

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

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.

The Hub has embarked on a series of meetings designed to bring the public and private sectors in each of the EAC Partner States together to identify challenges and chart a way forward for more effective implementation. The Hub held its first public private sector dialogue event in Kampala, Uganda on September 18, in partnership with the Private Sector Foundation of Uganda. The second private sector dialogue was in Kenya on September 22, in partnership with the Kenya Private Sector Alliance.

The private sector indicated that reforms are evident in several sectors. For example, there are no longer road toll charges for trucks transiting into Burundi and

Rwanda, and Tanzania has relaxed some investment constraints in its capital markets for EAC citizens.



Still, the overall pace is slow and in many cases some critical reforms remain outstanding. For instance, some EAC Partner States still charge international landing charges for commercial aircraft from other partner states, contrary to agreements to use local fees, thereby making air travel more expensive for travelers using the affected airlines.

The policy team will be convening more dialogue meetings in Dar es Salaam, Kigali and Bujumbura in year two.



Want to hear more about the importance of financial integration and what the Hub is doing to help achieve free movement of capital? Listen to Hub Senior Economist Alfred Ombudo K'Ombudo explain in [this video](#).

The Hub commences chokepoints validation process

On September 16, the Hub trade policy and agribusiness teams sent its chokepoint action plan to 150 experts in the public and private sector, including government ministry representatives, regulators, members of farmer and trader associations, university professors, NGO representatives, millers, and other stakeholders of relevance to the issues. The Hub also convened a meeting of experts from the Kenya National Chamber of Commerce, Cereals Growers Association, East Africa Farmers Federation, Shippers Council, and Tegemeo Institute to review the chokepoints action matrix.

The Hub is currently compiling the results and incorporating feedback for the eight strategic chokepoints/constraints, which will form the basis of addressing these issues in the next four years, particularly for staple food and Single Customs Territory activities.

American National Standards Institute

The Hub has been working closely with the American National Standards Institute (ANSI) to address key issues identified under the Technical Barriers to Trade (TBT) component of the US-EAC Cooperation Agreement. The Hub and ANSI finalized a TBT work plan, which has been submitted to the EAC for activities to be implemented over the next ten months, as required under the above-mentioned agreement between the US Government and the EAC.

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. The fund has issued seven grants to date:

African Cotton & Textile Industries Federation [ACTIF] - Increasing trade and investment along the cotton, textile and apparel value chain. www.actifafrica.com

East African Community (EAC) - facilitating increased regional trade through implementation of existing EAC policy instruments and reduction of technical barriers to trade in line with the EAC-U.S.

Cooperation Agreement. www.eac.int

The Inter Region Economic Network (IREN) "Young Innovators in Agribusiness Competition" - providing an opportunity for young entrepreneurs from eastern Africa to generate creative activities for attracting potential investors and stakeholders. www.agribiz4africa.com

Kenya's Ministry of Industrialization and Enterprise Development and the Kenya Leather Development Council - revitalizing the Kenyan Leather Sector. www.industrialization.go.ke

Kenya Private Sector Alliance (KEPSA) - improving the capacities of the private sector to influence the implementation of the common market protocol in Kenya, leading to increased regional trade and investment. www.kepsa.or.ke

Private Sector Foundation Uganda (PSFU) - improving the capacities of the private sector to influence the implementation of the common market protocol in Uganda, leading to increased regional trade and investment. www.psfuganda.org

Rwanda's Private Sector Federation (PSFR) - improving the capacities of the private sector to influence the implementation of the common market protocol in Rwanda, leading to increased regional trade and investment. www.psf.org.rw

The Partnership Fund, in collaboration with the component leads, published an Annual Program Statement throughout the region, soliciting applications on creative concepts/solutions from a wide array of stakeholders to support the Hub in achieving its objectives across the four components.

Lessons Learned

Technical barriers to trade: technical regulations and standards

The Hub's Policy and Regulatory Team participated in a joint Standards Alliance/USAID Southern Africa Trade Hub meeting on technical regulations and standards in South Africa to prepare for implementation of technical barriers to trade initiatives in East Africa, including meeting the requirements of the TBT component of the US-EAC Cooperation Agreement.

The Hub also consulted with the American National Standards Institute to reach a draft work program to implement TBT initiatives in East Africa, including: 1) Capacity building on good regulatory practices in support of food security; 2) Implementation of the technical barriers to trade/sanitary and phytosanitary measures/ electronic notifications systems; and 3) Standards that support U.S.-EAC trade agreements.

Capitalizing on partner events and sponsorship

The Hub learned a lot from its first foray into event sponsorship under the Partnership Fund. Finding a balance between a partner's vision (or, sometimes, lack thereof) and the Hub's strategic needs is difficult. To streamline management of future events and strategic vision, the Hub will appoint a technical lead to guide Hub participation and input. As much as possible, the Hub will complete preparations for events well ahead of the event date.

Ensuring quality M & E

In year one, the Hub M & E Team invested a lot of energy into setting M & E baselines and creating best practices. To help with this, the Hub attended several events and activities to determine how to best capture data and to build relationships for better data collection.

For example, the M&E Team participated in the EAC Experts Meeting to develop work plans for the implementation of the EAC-U.S. Cooperation Agreement on trade facilitation, sanitary and phytosanitary standards and technical barriers to trade. The team now has a better understanding of the process and ways to monitor the results.

The team has also worked with the Trade Policy Team to select specific parameters for tracking level of compliance with regional trade agreements, based on the East Africa Common Market Score Card. The Hub is tracking progress made by EAC Member States in meeting agreed to commitments, including freedom of movement of capital, services and goods.

The Hub's M & E team visited United Aryan (EPZ) Limited (UAL), a company supported by the Trade Promotion and AGOA Component, to better understand the international standards applied in the textile and apparel sector, and to use this information as a basis for defining the Hub's PMP indicator number 17 - percent change in number of non-agricultural sector assisted firms meeting international standards to export. UAL currently meets the international security standard on Customs Trade Partnership Against Terrorism (CTPAT) and Global Quality Standard- 2.5 Acceptable Quality Limit (AQL). The latter will be a critical standard to assess in the textile and apparel sector across the Hub-targeted countries.

Assessing PMP progress

As part of the 2015/2016 work plan development process, the M&E team presented an analysis on the status of PMP performance targets to the larger Hub team. This was meant to inform the year-2 work planning process by identifying and emphasizing where greater effort is needed on certain indicators.

Using simple web-based surveys to gather more information for Hub-supported entities

The Hub's Knowledge Management Team designed and conducted online surveys to determine the impact of Hub support on exports under AGOA. The online surveys targeted all firms that have participated in Hub-supported trade shows, buyer missions, training, B2B sessions, and others, since start-up. This exercise was complemented by data on actual imports from AGOA-eligible countries and by another survey that targeted U.S. buyers. The Hub is increasing its communications with Hub-supported entities to ensure timely, accurate M & E attribution. Through these exercises, the Hub is learning to collect better contact information and to create surveys that meet Hub needs and remain simple enough for easy response.

Reinforcing communications consistency within the Hub Team

Throughout the year, the Communications and Knowledge Management Team set clear parameters for reporting, including expectations for how to present material (impact/results up front). The team also provided templates, with proper branding, style and disclaimers, for consistency. The guidance is supporting more accurate and noteworthy reporting.

III. ACTIVITY PROGRESS AS IT RELATES TO THE PMP

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 2014-August 2015 have risen by about 10%, nearly \$684 million compared to \$622 million last year. By project completion, August 2019, the Hub expects to have supported the increase in total value of AGOA exports by 40%. Key interventions so far, include: the development and updating of AGOA strategies; building awareness of AGOA benefits through seminars, stakeholder meetings, social media, the Hub's interactive web portal, including "Ask an AGOA Expert"; and trade promotion activities, such as trade shows and buyers missions.

To help industry players take full advantage of the benefits under AGOA, the Hub organizes training workshops that cover topics such as benefits under AGOA and GSP; eligibility criteria for textiles and non-textile products; rules of origin and the textiles certificate of origin; rules and procedures for exporting non-textile products under AGOA; customs entry requirements for textiles and non-textiles; transportation of merchandise in bonds, legal format of the textile visa stamp; and best practices for the administration of the textile visa. Training hours for the year are included in the indicator tables below.

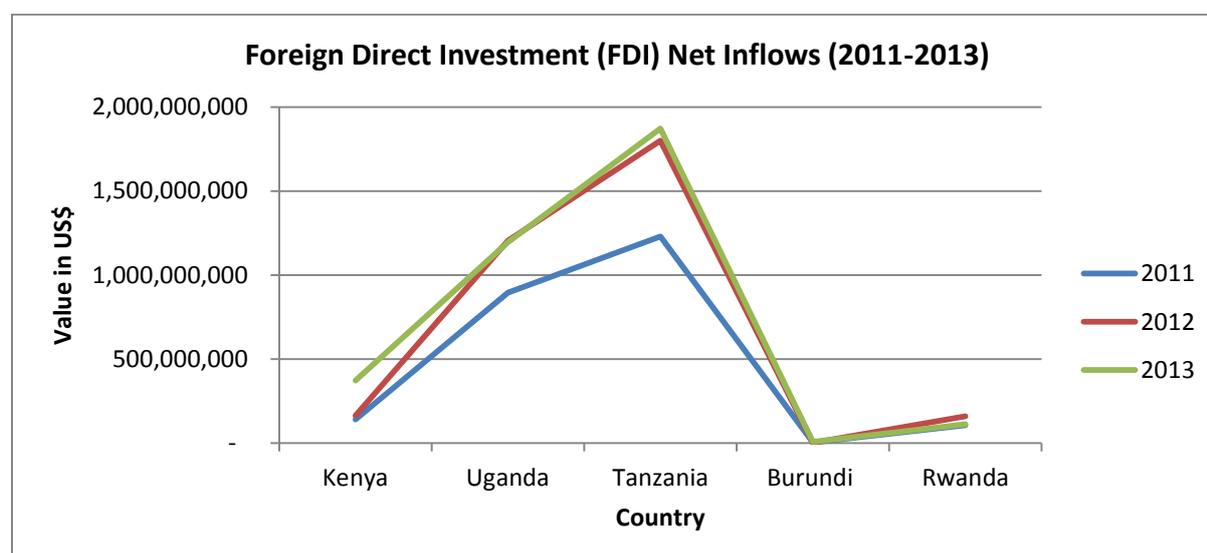
Table 1: Value of Exports to the U.S. under AGOA

Country	Value of AGOA Exports	
	October 2013-Augustr 2014	October 2014-August 2015
Kenya	365,588,000	396,898,000
Ethiopia	36,118,000	42,186,000
Uganda	1,533,000	1,614,000
Madagascar	3,436,000	23,549,000
Mauritius	200,644,000	195,503,000
Tanzania	14,414,000	23,163,000
Rwanda	332,000	852,000
Burundi	0	0
TOTAL	622,065,000	683,765,000

Source: United States International Trade Commission (USITC)

As mentioned above, the Hub’s investment component is working to finalize 22 possible investment transactions, and has already closed or semi-closed three transactions worth \$31 million. These transactions contribute significantly to increased EAC intra-regional trade and create hundreds of new full-time and part-time jobs in the sector. The Hub aims to facilitate \$100 million of private sector investment in its targeted sectors by August 2019.

At the macro level, the value of foreign direct investments to the EAC region increased from \$2.4 billion in 2011 to \$3.6 billion in 2013, representing a 50% growth. Tanzania recorded the highest value of FDI with the total inflows over the period 2011-2013 standing at \$4.9 billion followed by Uganda (\$3.3 billion), Kenya (\$675 million), Rwanda (\$376 million)and Burundi (\$10 million) in that order.



Source: World Bank

The Hub is supporting the implementation of three key regional policies in the agricultural sector: 1. the Food and Nutrition Security Policy; 2. the Regional Food Balance Sheet; and 3. the Sanitary and Phytosanitary (SPS) Policy. The implementation of these policies should increase intraregional trade in staple foods between the EAC countries and contribute to increased economic growth and regional integration. The project aims to increase the value and volume of intraregional trade in staple foods by 40% by August 2019.

Based on 2014 data on intra-regional trade in staple foods, volume of trade in staple foods increased from 731,234 Metric Tonnes in 2013 to 1,463,335 MT in 2014 (100% increase) while the value of trade increased from \$276,327,000 to \$352,695,000 reported at the end of 2014 (23% increase) (Source: COMESA via ReSAKKS). The Hub plans to contribute to accelerated growth in intra-regional trade in staple foods in 2015 through interventions, such as the implementation of harmonized staple food standards and the support of structured trading systems.

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

TABLE I: PERFORMANCE DATA TABLE

The following are the key achievements for the specified performance indicators as of September 30, 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	\$42,186,000			
	Kenya				All	\$396,898,000			
	Madagascar				All	\$23,549,000			
	Mauritius				All	\$195,503,000			
	Rwanda				All	\$852,000			
	Tanzania				All	\$23,163,000			
	Uganda				All	\$1,614,000			
	Seychelles				All	\$0			
	Burundi				All	\$0			
	Totals								\$683,765,000
Results:									
	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-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	\$468,285,548	\$505,748,392	\$546,208,263	\$589,904,924	\$612,710,063	\$612,710,063

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

UNIT	DISAGGREGATE BY: Sector and Country			
US Dollars	Geographic Location	Activity Title	Sector	Value
	Ethiopia	AGOA exports from assisted companies	Apparel	\$600,000
	Ethiopia		Floriculture	\$4,037,772
	Ethiopia		Footwear	\$12,000,000
	Kenya		Apparel	\$39,889,180
	Kenya		Home Decor	\$750,000
	Madagascar		Apparel	\$9,400,000
	Mauritius		Apparel	\$13,600,000
	Uganda		Apparel	\$110,000
	Tanzania		Apparel	\$170,000
Totals				\$80,556,952

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	\$40,954,180	\$80,556,952	\$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**

UNIT	DISAGGREGATE BY: Sector and Country			
	Geographic Location	Activity Title	Sector	Value
US Dollars	Ethiopia	Private Sector Investment	Agribusiness	\$ 4,778,000
	Kenya		Agribusiness	\$ 7,000,000
	Uganda		Agribusiness	\$ 1,574,000
	Totals			\$ 13,352,000

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	\$0	\$ 13,352,000	\$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			
	Geographic Location	Activity Title	Sector	Value
US Dollars	Uganda	Private Sector Investment	Financial services	\$ 1,574,000
	Totals			\$ 1,574,000

Results:

	Baseline	Results in Prior	This Reporting Period 01-October-14 to 30-	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target

		Periods (Q1-Q3)	September-15 Achieved						
	0	\$0	\$ 1,574,000	\$7.5m	\$10m	\$12.5m	\$15m	\$5m	\$50m

**PERCENTAGE CHANGE IN VALUE OF INTRA-REGIONAL TRADE IN TARGETED AGRICULTURAL AND NON-AGRICULTURAL COMMODITIES
INDICATOR #6**

UNIT	DISAGGREGATE BY: Exporting country, value chain, agricultural / non-agricultural, formal/ informal			
Percent (%)	Geographic Location	Activity Title	Sector	Percent (%)
	East African Community (EAC)	Intra-Regional Trade	Staple Foods, Cotton, Apparel, Cut Flower	111%
	Totals			

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30- September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	-	%111	20%	40%	60%	80%	100%	100%

**PERCENT CHANGE IN VALUE OF TRADE IN TARGETED NON-AGRICULTURAL AND AGRICULTURAL COMMODITIES
INDICATOR #7**

UNIT	DISAGGREGATE BY: Exporting country, value chain, agricultural / non-agricultural			
Percent (%)	Geographic Location	Activity Title	Sector	Percent (%)
	East African Community (EAC)	Global Trade	Staple Foods, Cotton, Apparel, Cut Flower	19%
	Totals			

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	-	19%	7%	15%	24%	32%	40%	40%

NUMBER OF NON-AG SECTOR PRIVATE ENTERPRISES, PRODUCERS ORGANIZATIONS, WOMEN'S GROUPS, TRADE AND BUSINESS ASSOCIATIONS AND COMMUNITY BASED ORGANIZATIONS (CBOS) THAT APPLIED NEW TECHNOLOGIES OR MANAGEMENT PRACTICES AS A RESULT OF USG ASSISTANCE

INDICATOR #8

UNIT	DISAGGREGATE BY: New/Continuing and Value Chain			
	Geographic Location	Activity Title	Sector	Number
Number of entities/beneficiaries	Zambia	Young Innovators Agribusiness Competition	Agribusiness	6
	Totals			6

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	0	6	5	7	8	6	4	30

PERCENT CHANGE IN SALES OF ASSISTED FIRMS

INDICATOR #9

UNIT	DISAGGREGATE BY: Sector and Country			
	Geographic Location	Activity Title	Sector	Value

Percent (%)	Ethiopia, Kenya, Mauritius, Uganda, Tanzania, Madagascar	Firm level technical support	Apparel, Footwear	2014-\$51,590,000 2015- \$80,556,952
Totals				

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	\$0	56%	2%	5%	10%	15%	20%	20%

**NUMBER OF FIRMS THAT ARE MORE PROFITABLE DUE TO USG ASSISTANCE
INDICATOR #10**

UNIT	DISAGGREGATE BY: Sector and Country			
	Geographic Location	Activity Title	Sector	Number
Number of firms	Ethiopia		Floriculture	2
	Kenya		Apparel	1
	Madagascar		Accessories	1
	Mauritius		Apparel	1
	Rwanda		Textile	1
	Totals			

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	0	6	5	7	10	12	12	46

NUMBER OF TECHNOLOGIES OR MANAGEMENT PRACTICES IN ONE OF THE FOLLOWING PHASES OF DEVELOPMENT MADE AVAILABLE FOR TRANSFER AS A RESULT OF USG ASSISTANCE (PHASE III)

INDICATOR #11

UNIT	DISAGGREGATE BY: Sector and Country			
	Geographic Location	Activity Title	Sector	Number
Number of technologies/management practices	Nakuru, Kenya	Agribusiness Expo	Agribusiness	4
	Totals			4

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
		0	0	4	3	5	6	4	3

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			
	Geographic Location	Activity Title	Sector	Number
Number of entities/beneficiaries	Nakuru, Kenya	Agribusiness Expo	Agribusiness	55
	Nairobi, Kenya	Financial assistance to IREN and EAGC	Agribusiness	2
	Lusaka, Zambia	Young Innovators Agribusiness Competition	Agribusiness	6
	Kigali, Rwanda	6 th East Africa Grain Trade Summit(B2B) Sessions	Agribusiness	25
	Nairobi Kenya	Investment Facilitation by Cross boundary	Agribusiness	6
	Totals			94

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	0	94	100	35	25	9	20	189

**VALUE OF EAC INTRA-REGIONAL TRADE IN STAPLE FOODS
INDICATOR #13**

UNIT	DISAGGREGATE BY: Country			
US Dollars	Geographic Location	Activity Title	Sector	Value
	East African Community (EAC)	Intra-Regional Trade	Staple Foods	\$ 352,695,000
	Totals			\$ 352,695,000

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	\$276,327,000	-	\$ 352,695,000	\$287,380,080	\$298,433,160	\$320,539,320	\$364,751,640	\$386,857,800	\$386,857,800

**VOLUME OF EAC INTRA-REGIONAL TRADE IN STAPLE FOODS
INDICATOR #14**

UNIT	DISAGGREGATE BY: Commodity, country			
Kilograms	Geographic Location	Activity Title	Sector	Kilograms
	East African Community (EAC)	Intra-Regional Trade	Staple Foods	1,463,335,540
	Totals			1,463,335,540

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	731,234,260 kg	-	1,463,335,540 kg	760,483,630 kg	789,733,000 kg	848,231,741 kg	965,229,223 kg	1,023,727,964 kg	1,023,727,964kg

NUMBER OF AGRICULTURAL AND NUTRITIONAL ENABLING ENVIRONMENT POLICIES COMPLETING THE FOLLOWING PROCESSES/STEPS OF DEVELOPMENT AS A RESULT OF USG ASSISTANCE IN EACH CASE: STAGE 1: ANALYSIS, STAGE 2: STAKEHOLDER CONSULTATION/PUBLIC DEBATE, STAGE 3: DRAFTING OR REVISION, STAGE 4: APPROVAL (LEGISLATIVE OR REGULATORY) AND STAGE 5: FULL AND EFFECTIVE IMPLEMENTATION

INDICATOR #20

UNIT	DISAGGREGATE BY: Stage of development			
Number of policies	Geographic Location	Activity Title	Stage	Number
	East African Community (EAC)	Development of policies	Stage I	3
	Totals			3

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	3	3	3	3	3	-	-	9

NUMBER OF AGOA STRATEGIES DEVELOPED OR UPDATED

INDICATOR #24

UNIT	DISAGGREGATE BY: Country			
	Geographic Location	Activity Title	Status	Number

Number of strategies	Madagascar	Development of AGOA strategy	Completed	1
	Rwanda	Development of AGOA strategy	Completed	1
	Tanzania	Updating of the strategy	Ongoing	-
	East Africa Community (EAC)	Development of AGOA strategy	Ongoing	-
	Totals			2

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	2	2	2	2	2	-	-	6

**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	East African Community (EAC)	Seminar on Policy Interventions needed to improve Regional and International Trade	12 th Nov 2014	38	38.5	76.5
	Madagascar	Training on AGOA customs procedures and use the textile visa	7 th to 8 th May 2015	152.75	141	293.75
	Kampala, Uganda	Consultative Meeting on Implementation of EAC Common Market protocol	17 th September 2015	24	58	82
	Nairobi, Kenya	Public-Private Dialogue to Accelerate Implementation of the EAC Customs Union and Common Market Protocols	22 nd September 2015	19	35	54
	Totals			233.75	272.5	506.25

Results:

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline 0		Results in Prior Periods (Q1-Q3)		This Reporting Period 01-October-14 to 30-September-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
Sex*: Women (W), Men (M)			190.75	179.5	233.75	272.5	250	250	500	500	500	500	1500	1500	1000	1000	2250	2250

**NUMBER OF (FULL-TIME AND PART-TIME) JOBS CREATED
INDICATOR #26**

UNIT	DISAGGREGATE BY: Sex, Sector and Country			
Number of jobs	Geographic Location	Activity Title	Sector	Number
	Kenya		Apparel	3,000
	Madagascar		Cotton, Textile and Apparel	26,606
	Totals			29,606

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
		0	3,000	29,606	1500	2000	3000	2000	1500

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

INDICATOR #27

UNIT Proportion of Women	DISAGGREGATE BY: None	
	Proportion of female participants in USG-assisted programs	Percentage
	Totals	48%

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	52%	48%	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

UNIT Number of linkages	DISAGGREGATE BY: Sector			
	Geographic Location	Activity Title	Date	Number
	Nairobi, Kenya	Origin Africa	12-14/11/2015	100
	Shanghai, China	Intertextile Trade Show, Shanghai	18-20/4/2015	51
	East African Community (EAC)	Firm level survey	22-28/6/2015	19
	Totals			170

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
Additional Criteria If other criteria are important, add lines for setting targets and tracking	0	170	170	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	Nairobi, Kenya	Origin Africa	Nov 2014	1
	New York, US	Texworld	Jan 2015	1
	Las Vegas	Magic Show	Feb 2015	1
	Shanghai, China	Intertextile Show	March 2015	1
	Nairobi, Kenya	1 st Private equity conference	9 th June 2015	1
	Kampala, Uganda	1 st Private equity conference	24 th June 2015	1
	Chicago, USA	International Floriculture Expo	9 th - 11 th June 2015	1
	New York, US	Texworld	July 2015	1
	Las Vegas	Magic Show	Aug 2015	1
	Totals			9

Results:

	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
	0	7	9	6	7	7	7	5	32

PERSON HOURS OF TRAINING COMPLEETD 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	Subtotal

Number of election officials	Nairobi Kenya	Origin Africa Trade and Investment Seminars	10-12 Nov 2014	323	323	646
	Dar es salaam, Tanzania	Entrepreneurship and Leadership Training	20 th November 2015	128	-	128
	Totals			451	323	774

Results:

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline	Results in Prior Periods (Q1-Q3)		This Reporting Period 01-October-14 to 30-September-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
Sex*: Women (W), Men (M)	0	323	323	451	323	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	Nairobi, Kenya	Origin Africa	Textile, Apparel	12 th -14 th Nov 2014	115
	Las Vegas, USA	Magic Show	Apparel	16 th -19 th Feb 2015	6
	Madagascar, Mauritius	Firm Level Technical Assistance	Apparel	8 th -12 th June 2015	2
	Chicago, USA	International Floriculture Expo	Floriculture	9 th -11 th June 2015	3
	Washington DC, USA	AWEP Training	Textile, Apparel	21 st -23 rd July 2015	19
	New York, USA	Texworld Show	Textile	21 st -23 rd July 2015	11
	Nakuru, Kenya	Agribusiness Expo	Agribusiness	114 th -15 th Aug 2015	5

	Las Vegas, USA	Magic Show	Apparel	17 th -19 th Aug 2015	28
	East African Community (EAC)	Ask our AGOA Expert	Apparel	July to Sept 2015	3
	Totals				192

Results:

Additional Criteria If other criteria are important, add lines for setting targets and tracking	Baseline	Results in Prior Periods (Q1-Q3)	This Reporting Period 01-October-14 to 30-September-15 Achieved	FY 2015 Target	FY 2016 Target	FY 2017 Target	FY 2018 Target	FY 2019 Target	End of Activity Target
		0	125	192	150	175	200	100	80

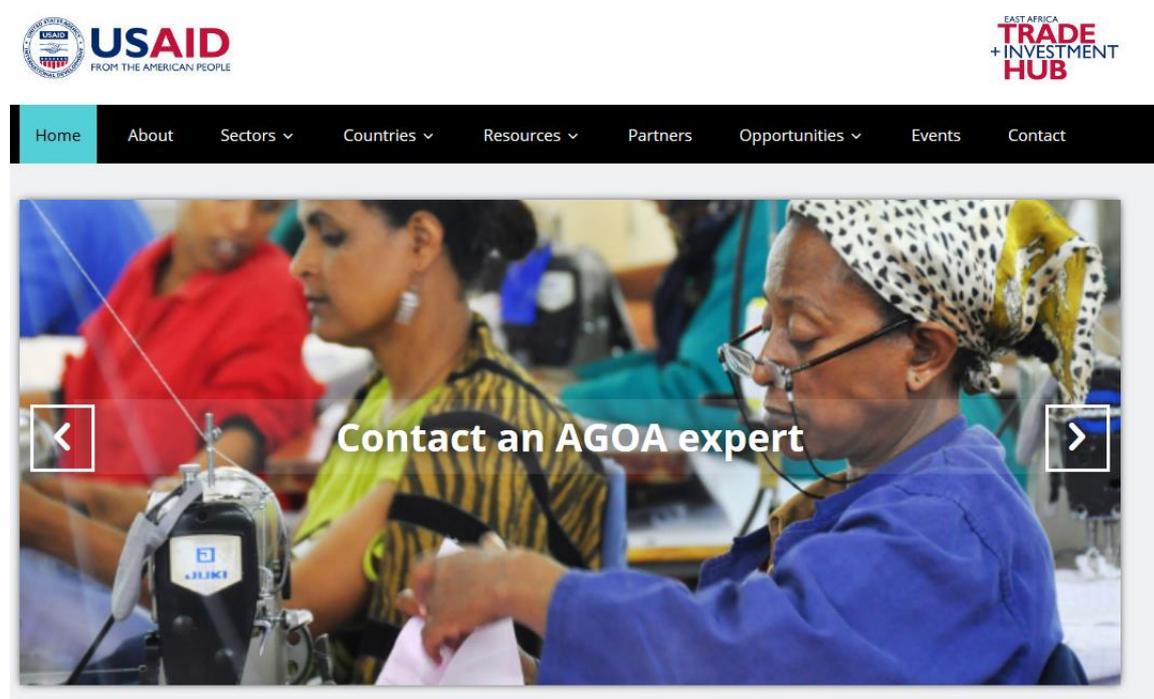
IV. CONSTRAINTS AND OPPORTUNITIES

Opportunities

The Hub’s Communications and Knowledge Management Team works to increase project effectiveness and sustainability by capturing, developing, sharing and effectively using knowledge. The team builds awareness around opportunities for African and U.S. firms to increase trade, expand business partnerships, and invest in East Africa and AGOA-eligible countries. The team also keeps all stakeholders and interested parties, including the U.S. government, informed of ongoing and planned Hub initiatives and requests participation and feedback as appropriate.

One of the team’s greatest assets is the Hub’s highly interactive website that has been used as the model for all other USAID Hubs.

[The Hub website](#)



The Hub Website – resource heavy, sharing rich

To consistently promote knowledge management and the smart use of resources, the Communications and Knowledge Management Team created an internal search function for the eatradehub.org website by embedding a google search bar. The website also has a tag cloud to aid in document discovery. All knowledge management documents and blogs are sharable directly from the website.



www.eatradehub.org is the focal point of all our online communications.

In one year we have had:

**68,500+
PAGE-VIEWS
FROM
29,000+ SESSIONS**



Hub news to the inbox of stakeholders, year one

1,625

Mailing list contacts.

11

Monthly newsletters sent.

38

Weekly roundups sent.



opportunities (STTA and full-time positions) and upcoming events and activities. We average about eight to ten new sign ups a week. Interested parties either find us online or have the newsletter or Weekly Roundup forwarded to them from a friend. This improves our engagement with genuinely interested stakeholders and promises to yield more fruitful partnerships.



The East Africa Trade and Investment Hub's Weekly Roundup

Trade and Investment news highlights from the East African region | September 18, 2015

From our blog

[U.S. Department of Commerce's Africa trade mission visits Ethiopia](#)

The U.S. government-led trade mission - Trade Winds Africa - offers participating U.S. businesses the opportunity to conduct customized business-to-business meetings with pre-screened firms in Africa's fastest growing economies. This week, 10 U.S. companies met with Ethiopian government leaders and potential business partners. In total, more than 100 U.S. companies will visit eight sub-Saharan African markets. On September 20 and 21, Trade Winds Africa will visit Kenya...

[Young Innovators in Agribusiness Competition selects six young innovators to participate in Africa Green Revolution Forum](#)

On September 17, the Young Innovators in Agribusiness Competition selected six young innovators to participate in the Africa Green Revolution Forum, to be held in Zambia, September 29 - October 2, 2015. The Forum brings together African Heads of State, Ministers, farmers, private agribusiness firms, financial institutions, NGOs, civil society, scientists, and other stakeholders to discuss and develop concrete investment plans for achieving the green revolution in Africa...

[The Hub facilitates public private dialog to promote EAC Common Market Protocol implementation](#)

The Hub is in Uganda this week to convene an action-oriented discussion around Implementation of the East African Community (EAC) Common Market Protocol. The meeting will provide the private sector an opportunity to engage with the Ugandan government regarding key aspects of the Protocol that still need to be implemented. The Hub is facilitating the meeting in partnership with the Private Sector Federation of Uganda...

Scroll down for opportunities to work with us and for a list of upcoming trade and investment events.

In the news

[US and Africa to make trade history](#)

In July, US President Barack Obama visited Africa and shared an important message at the Global Entrepreneurship Summit in Nairobi and at the African Union in Addis Ababa...

[U.S. businesses visit Ethiopia as part of largest-ever U.S.-led trade mission to Africa](#)

The U.S. Embassy to Addis Ababa, through its Foreign Commercial Service office, welcomed Ten U.S. Companies to Ethiopia this week as part of the largest U.S. government-led trade mission to Africa in history...

[Ethiopia set to be the fastest growing country in the world](#)

The Gates Foundation has released a report compiled by the Overseas Development Institute, titled: "One foot on the ground, one foot in the air" tracking Ethiopia's development despite having the lowest human development in the 1990s...

The Hub newsletter and Weekly Roundup

The Communications and Knowledge Management Team continues to have success with communications pieces that both provide a service and deliver Hub content. The Weekly Roundup and newsletter are examples of this. The Weekly Roundup provides regional news aggregation for the week, three Hub-original content blogs, project

Increasing Hub visibility

In line with its communications strategy of raising the Hub's visibility, the communications team provides support for Hub events, including press releases, the creation and production of appropriate handouts, vertical banners, photography, social media accounting, and storytelling.

Communications also publicizes all events on the Hub website calendar and engages with event stakeholders on social media.

Madagascar and Mauritius AGOA Industry and Livelihoods Videos

In year one, the Hub's Communications Director and short-term videographer traveled to Madagascar and Mauritius to capture footage and interviews for an AGOA industry video and an AGOA livelihoods piece. The videos showcase Madagascar and Mauritius apparel factories, company representatives, factory employees and government officials. They also showcase job creation through AGOA and promote AGOA as a trade and investment promotion tool.

The Hub shows the videos at trade shows and trade promotion meetings to set buyers at ease with Madagascar and Mauritius capacity, logistics, technology, and labor. The livelihoods piece complements the technical industry piece by showing the human element of AGOA. Less than one million of Madagascar's 22 million person population is formally employed. After government, the apparel sector provides the greatest formal employment. Formal employment means health care and a stable salary from which to draw school fees and household expenses. Apparel buyers should be proud that they are bringing formal employment to countries that badly need it.

The overall goal of both videos is to promote East Africa as a viable sourcing destination.

Madagascar and Mauritius Sourcing Opportunities

<https://www.youtube.com/watch?v=qJvFWzd3FOs>

Madagascar Livelihoods - AGOA, creating jobs - changing lives

<https://www.youtube.com/watch?v=bJsadNAHWhe>



[Ask an AGOA Expert](http://www.eatradehub.org) gains traction on www.eatradehub.org

The Hub now averages one or two questions a week. The platform allows the private sector to seek direct technical assistance from our trade promotion and AGOA team around exporting to the U.S. Here's one exchange example:

Ask Our AGOA Expert



Our resident AGOA expert is Finn Holm-Olsen, Director of Trade Promotion for the East Africa Trade and Investment Hub.

- ▶ RECENTLY ASKED QUESTIONS
- ▶ FREQUENTLY ASKED QUESTIONS (FAQs)

Are cosmetics AGOA-eligible?

Published on August 04, 2015

Hi, I am looking to start a fair trade cosmetic company in Madagascar. I will be exporting the products to the United States. I have a few questions, under AGOA are there any breaks for essential oil export? I would be shipping the already mixed cosmetics for packaging in United States, is there anything that I should know before attempting to ship? Also, is there anyone I can contact that could help me learn more about the shipping process from Madagascar to the U.S. Thank you so much!

Answer:

Cosmetics are AGOA-eligible so duty-free. Cosmetics are covered by the Food and Drug Administration, please refer to www.fda.gov for any applicable regulations for entry.

American Chamber of Commerce, Madagascar, added:

Greetings from Madagascar! Several shipping firms exist here - from FEDEX/DHL (for small trial shipments) to Africa Bollere Logistics (complete solution including packaging advice etc) and MSC Group (Madagascar to Baltimore - 49 days) and Maersk Group which have the best coverage to East Coast US.

Promoting Hub opportunities

To further promote engagement with the project, the team created a “Hello Bar” (below) to draw more attention to time sensitive opportunities, such as applying for grant funding through the APS.

Apply for grant funding through our Partnership Fund [Click Here](#)



Home About Sectors ▾ Countries ▾ Resources ▾ Opportunities ▾ Partners Events Contact

Social media

 We are actively engaged on social media:



660+
FOLLOWERS



750+
PAGELIKES

 **EA Trade Invest Hub** @InvestEAfrica · 12m
"She believes in us." Genet Kebede #AWEP She = U.S. Ambassador Haslach @USAIDEthiopia @USAIDAfrica #OriginAfrica2015



 **East Africa Trade and Investment Hub**
Published by Mbele Grace (?) · August 28 · 

USAID Deputy Coordinator for Trade Africa Matt Rees discussing the impact AGOA has made in East Africa, and the remaining opportunities.



571 people reached

[Boost Post](#)

Hub country representatives

The Hub now has direct points of contact in Tanzania, Uganda and Rwanda. They help integrate Hub activities at the country-level and ensure that important country details and contacts are being considered from the regional perspective. The Country Reps support Hub technical advisors to accomplish their regional initiatives by introducing them to key bilateral stakeholders.

Tanzania Country Representative Prisca Mbaga



Prisca Mbaga has a Masters in International Trade from the University of Dar es Salaam, in partnership with UNCTAD Geneva. She has worked for the Tanzania Ministry of Industry and Trade for the past ten years and is well versed on regional, bilateral and international trade issues. Ms. Mbaga has participated in trade negotiations at regional and global levels, including the Eastern Africa Community (EAC), Southern Africa Development Community, and the World Trade Organization. While at the Ministry she coordinated and implemented various donor programs, including UNIDO's Capacity Building on Notifications and TradeMark East Africa's Non-Tariff Barriers Program. Before joining the Ministry, Ms. Mbaga worked with Tanzania National Insurance Company and other private sector organizations.

Uganda Country Representative, Andrew Kaggwa



Andrew Kaggwa has spent the last 16 years engaged in private sector development, specifically in the areas of trade policy, trade facilitation, project management, value chain development, and regional and international integration in the East African region. Mr. Kaggwa is the Hub's new country representative in Uganda.

AKaggwa@eatradehub.org

Rwanda Country Representative Michael Baingana



Michael Baingana has spent 15 years supporting public private dialogue in the EAC, most notably as Research and Policy Advisor for the East African Business Council (EABC). Mr. Baingana is the Hub's new country representative in Rwanda.

MBaingana@eatradehub.org

Constraints

Finding strong partnerships among regional bodies

A number of the East African regional trade associations struggle with funding, stability and capacity. The Hub is eager to partner with regional bodies to further its impact and reach, but weary of organizations that lack sustainability. In year one, the Hub partnered with the Eastern Africa Grain Council (EAGC) and African Cotton & Textile Industry Federation (ACTIF) on two large regional events. Both events had some organizational and strategic challenges, but they did provide the Hub with access to a broad range of stakeholders and a platform for meeting overall Hub objectives.

Determining Hub attribution, specifically value of sales and investment from Hub-supported firms

Private sector firms are not often eager to share value of sales or detailed information on their overall businesses. The M & E Team must work around this sensitivity to back up Hub attribution. Similarly, the Hub must balance reporting needs, specifically success stories, with private sector sensitivities. The Investment Team presents their facilitation services with the understanding that the U.S. government has certain reporting requirements. Still, until there is deal closure, names and numbers remain sensitive information.

V. PERFORMANCE MONITORING

The Hub's PMP is approved!

The Hub's PMP was officially approved on April 20, 2015. It is an instrumental tool for guiding all M&E activities. It keeps the team focused on set targets and expected results. In line with the PMP, the M&E team developed robust systems and tools to facilitate accurate, timely and cost-effective data collection and reporting. These tools have been shared with the project team and partners to support coordinated and streamlined data collection, analysis and reporting. The team created standard operating procedures (SOPs) and performance indicator reference sheets (PIRS) for each of the performance indicators to provide a basis for systematic tracking and documentation of data. In addition to setting up a comprehensive physical filing system for all the performance indicators, the M&E team customized the DAI internal knowledge management platform, Technical and Administrative Management Information System (TAMIS), to support effective electronic data storage and information sharing. The approval process in TAMIS has helped to integrate M&E into activity planning and development.

Since the PMP is a living document, adjustments will be needed in the coming year to ensure that all M&E processes are streamlined and refined for better measurement of results. One area of focus will be refining the primary data collection approaches to ensure availability of more accurate, timely and reliable data on priority sectors.

Program review meetings

To ensure systematic internal review of progress in achieving set target and results, and to address any bottlenecks that impede smooth implementation of activities and accomplishment of results, the M&E team holds regular review meetings with the technical team, DCOP, COP and USAID. These reviews serve as a mechanism for validating performance data, reviewing timeliness in project implementation and accomplishment of agreed milestones and deliverables, identifying any data gaps and developing solutions. They will be an integral part of performance management in the coming years.

The Hub supports USAID MSTAS to create harmonized methodology for the collection of ACTE PMP indicators

The Hub supported the MSTAS team to engage various partners in a process aimed at developing harmonized data collection methodology for all outcome and output indicators as prescribed in the ACTE PMP. The team met with several local and regional organizations that are engaged in trade and investment related primary data collection. These included Trade Mark East Africa, Federation of East Africa Freight and Forwarders Association, African Fine Coffees Association, Fresh Produce Exporters Association of Kenya, Kenya National Bureau of Statistics, East Africa Trade Help Desk, University of Nairobi- Department of Agricultural and Applied Economics, Tegemeo Institute of Agricultural Policy and Development and several local research companies. The key outcome of the visit was that the existing data collection approach for time and cost of trading that is spearheaded by TMEA is adequate but will require more collaboration with the Northern Corridor Coordination Authority. The process of collecting data on agricultural commodities has a number of gaps considering that Regional Strategic Analysis and Knowledge Support System (ReSAKSS) is not collecting any primary data at the moment. The team is expected to undertake further consultations with USAID and other players before sharing its final report and recommendations on how to address existing data collection inadequacies.

Ensuring Hub grant applications capture M&E

The M&E Team worked with the Partnership Fund Team to develop a project/grant application template that facilitates effective capturing of project objectives and expected results and ensures clear linkages between planned activities and Hub results and objectives. The template is currently being used for all grant applications.

Tracking online technical support and engagement

The M&E Team developed a mechanism for tracking information on individuals/firms/companies receiving information support through established Hub online systems such as "Ask an AGOA Expert" on our website. The system has proved to be an effective tool for disseminating information on AGOA benefits and responding to various trade and investment related issues.

The M&E Team made preparations for the rolling firm-level baseline data collection for supported firms in Madagascar and Mauritius. The process will target firms that will be receiving support through development of a video that will showcase the two countries as strong sourcing destinations for apparel buyers.

Follow-up survey on firms receiving technical support

The M&E Team designed and conducted an online survey of firms that have received technical support from the Hub to determine the impact of the support on exports under AGOA. The online survey targeted all firms that have participated in current and previous Hub-supported trade shows, buyer missions, training, B2B sessions etc. This was complemented by another survey that targeted U.S. buyers, and data on actual imports from AGOA-eligible countries.

Efforts to collect baseline data on Hub-supported firms on a rolling basis continued throughout the year. The response levels have not been high, especially on actual value of sales. Most companies consider this information sensitive and are often not willing to share it.

M&E orientation for new partners

The M&E Team held start-up meetings with all new project partners, including ACTIF and IREN, to spell out the M&E and reporting requirements. The team will hold regular follow-up meetings, in collaboration with the Partnership Fund, to review progress and ensure that all the required M&E data is well captured and documented.

VI. PROGRESS ON GENDER STRATEGY

The Hub's gender strategy was completed March 31, 2015.

For Hub program design, communications and M&E processes, priority recommendations are to:

- **Integrate gender into Hub program design cycle**, including modifying action memos to include a statement on female-focused programming or gender inclusion, developing an internal gender audit system, and using targeted procurement to engage women.
- **Include gender perspective in internal studies and external impact evaluations.**
- **Develop a communication database for targeted outreach**, including for communications and procurement activities.

Done, database ongoing with targeted promotion of gender opportunities

- **Establish a learning and resource portal for women in trade and export** that includes information on EAC trade policy developments and requirements, AGOA outreach materials, women-targeted financial institutions or products, Hub news, and other relevant regional and national resources.

For the Hub's technical approach, cross cutting recommendations are to:

- **Prioritize sectors with potential for female job creation**, such as apparel, horticulture, and coffee.

Done, all three sectors are part of the Hub's work plan

- **Encourage entry or expansion of women in Hub sectors** to promote a gender-equal presence of women in key trade and export sectors, and to position women owned/led businesses as key influencers of competitiveness and magnets for investment.

Hub example of encouragement, support to the 10,000 Women in Goldman Sachs global initiative.

10,000 Women is a Goldman Sachs global initiative that fosters economic growth by providing women entrepreneurs around the world with a business and management education, mentoring and networking, and access to capital. The program is implemented in East Africa by the United States International University ([USIU](#)) Center for Executive and Entrepreneurship Development ([CEED](#)). The program will run from January 2016 to June 2016 and will admit women in senior leadership positions in businesses that are at least 20 percent female-owned with 10 million to 500 million Kenya shillings in annual revenue. Download the application, [here](#).

- **Support industry/sector standards that are socially responsible** to build women-friendly job opportunities while creating a positive brand for the region.

The Hub enhances its gender sensitivity at Gender Forum for Women in Agribusiness, April 30, 2015 in Nairobi. The forum's aim was to provide an opportunity for the general public to engage with leading experts and practitioners in gender and agribusiness as they seek to address the challenges that impede effective participation of women in agriculture and agribusiness. The forum brought together key stakeholders to share their experiences.

Forum speakers were drawn from organizations such as COMESA; International Development Research Centre (IDRC); East African Legislative Assembly (EALA); Ministry of Agriculture, Livestock and Fisheries in Kenya and African Women Agribusiness Network (AWAN) Kenya. The panel tackled issues such as the need for policy and legal reforms in order to promote women-owned agribusinesses in Africa. Women face many challenges that impede their successful engagement in agribusiness. These include lack of land which serves as security to acquire financing and inadequate capital to finance the growth of their businesses from subsistence level. The panel stressed the need for mentorship programs and affirmative action policies that will help women enter the agribusiness field on a more even playing ground.

The Hub attends events such as the Gender Forum for Women in Agribusiness to ensure that it is a way of gender-specific challenges and that it is considering gender in all of its activities.

- **Disseminate national level models with gender impact at the regional level** to spread successful approaches to build gender-responsive organizations and associations.
- **Adapt trainings to maximize women's inclusion and produce practical benefit** by designing timing and location to facilitate participation, and tailoring content and delivery to be directly relevant.



Hub example, promoting women's innovation and leadership in Tanzania.

The Hub's Investment Director travelled to Tanzania to train and mentor 40 budding entrepreneurs through the Sote Tunaweza Initiative. The initiative empowers Tanzanian women to expand their entrepreneurial skill set and aspirations through capacity building and mentorship. The Hub's Investment Director coached her mentees on how to raise venture capital.

"I see these women as our potential investment pipeline in the next 3-4 years and I am confident these start-ups will have a huge impact on the region's overall growth trajectory," said Hub Investment Director Kanini Mutooni.

Find out more about the Sote Tunaweza Initiative, [here](#).

- **Promote a coordinated voice for women in the private sector to produce greater impact**, including in promoting gender considerations in EAC trade policy design and implementation.

The Hub nominates women to exhibit during the EAC Conference on Women in Business.

The Hub's ICT and Investment component, through its partner African Women's Entrepreneurship Program (AWEP) Kenya chapter, nominated three women entrepreneurs to participate in the EAC Conference on Women in Business. The overall goal of the conference is to bring together East African women in business to explore opportunities offered by the EAC Single Customs Territory and exchange ideas on the ways and means of increasing affordable financing for women-owned businesses. The end result is to promote regional entrepreneurship and enhance economic empowerment.

The three nominated women were:

1. Baraka Zohra-Founder and Executive Director at Mohazo Ex Impo Ltd. She is also the Charlady /President of AWEP Kenya Chapter.
2. Josephine Ngethe – Managing Director Leowa Associates Limited
3. Evelyne Akinyi Odongo- Managing Director Mefa Creations

Mohazo Ex Impo Ltd and Mefa Creations were shortlisted to participate in the EAC conference on Women in Business.

The Hub discusses AGOA opportunities with AWEP Kenya Chapter

The Hub met with the African Women's Entrepreneurship Program (AWEP) Kenya Chapter on June 30 to discuss potential collaboration, including participation in the Partnership Fund. AWEP is eager to ramp up activities in training and mentoring that would help Kenyan women entrepreneurs take greater advantage of AGOA.

The African Women's Entrepreneurship Program (AWEP Kenya Chapter) seeks to equip African businesswomen with tools and opportunities to accelerate the growth of their businesses, become leaders in their communities and drive social and economic progress in Africa.

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.

The Hub will submit its Environmental Mitigation and Monitoring Plan for formal approval in early FY 2016, quarter one, to be followed shortly after that by Environmental Review Forms for all activity categories.

VIII. PROGRESS ON LINKS TO OTHER USAID PROGRAMS

The Hub continues to collaborate and share information with other USAID programs 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 few highlights:

The Hub develops action matrix with development partners

In September, the Hub continued coordination with development partners from TradeMark East Africa, FtF Enabling Environment for Agriculture, and Private Sector Foundation Uganda (PSFU) to strengthen coordination in support of regional trade and integration, particularly Common Market related work. The group has created an action matrix that specifies the role that each organization is playing in ongoing development initiatives.

The Hub has had several similar meetings to develop a harmonized approach to implementing STS activities, and clarify what each stakeholder is doing on food standards in the region.

The Hub discusses unlocking private sector capital in sub-Saharan Africa with the Private Capital Group for Africa (PCGA)

The Hub and PCGA have shared information on pipeline investment transactions and targeted investors in the EAC region. PCGA is familiar with most of the USG investment tools and incentives and has helped connect the Hub to different U.S. agencies, including OPIC and USDA.

Stakeholders discuss opportunities with G-Soko

The Hub continues to discuss the role of G-Soko with representatives from USAID, Trade Mark East Africa, Alliance for a Green Revolution in Africa and Eastern Africa Grain Council. With stakeholder support, G-Soko could be a valuable structured trading system in the regional grains market.

The Hub has participated in the official launch of G-Soko and visited a G-Soko certified warehouse to see what standards were in place.

The Hub optimizes work objectives with TradeMark East Africa

The Hub and TMEA continue to inform one another on cross-over initiatives and strategize for leveraging results.

The main areas of overlap include, trade facilitation; technical barriers to trade, including product standards; sanitary and phytosanitary measures; and non-tariff barriers. TMEA is taking the lead on trade facilitation and non-tariff barriers work, and will continue its task of developing product standards and overseeing its implementation. The Hub will remain focused on the implementation of the 22 staple foods standards. Under the EAC-U.S. Cooperation Agreement, the Hub is taking the lead on SPS.

The Hub forges a closer working relationship with the AIMS project

The Hub is collaborating with the AIMS (Agribusiness Investment for Market Stimulation) project to share information on financing modalities for agribusiness in the region. The two projects have a very similar sub-sector focus (e.g. grains, pulses, horticulture); agribusiness financing support; and capacity building for SMEs and financial institutions, and work with some of the same partners, such as the Eastern Africa Grain Council.

Background

AIMS operates in Kenya, Malawi and Tanzania. It proposes a \$50 million loan guarantee facility (LGF), backed by the Overseas Private Investment Corporation (OPIC) of the United States Government, to expand trade in key agricultural commodities by increasing bank financing to small and medium agribusiness enterprises, and by multiplying their trade outlets.

The Hub participates in M&E peer review

To enhance collaboration with other USG-programs, the Hub M&E specialist participated in a peer review of the M&E plan for "Stimulating Agribusiness Finance and Markets in East Africa (AIMS)", a new 5-year USDA-funded program implemented by Global Communities. The program aims to expand trade in key agricultural commodities by increasing bank financing to small and medium agribusiness enterprises and by multiplying their trade outlets. The AIMS project presents opportunities for collaboration in data collection, information sharing and learning, especially on shared trade and investment indicators.

IX. PROGRESS ON LINKS WITH EAC GOVERNMENT AGENCIES

The Hub identifies possible areas for intervention to assist in resolving NTBs in the East African Community

In September, the Hub's Trade Policy Team participated in the 18th Monitoring Forum on Elimination of NTBs held in Arusha, Tanzania. The purpose of the forum was to review progress on elimination of NTBs, receive reports from the Partner States on the activities of the National Monitoring Committees and update the time bound program. During the meeting, four NTBs were reported as resolved, 18 NTBs were reported as still unresolved and 13 new NTBs were identified.

Going into year 2, the Hub now has a clearer idea for how it can support resolution of additional NTBs, including training stakeholders on the new revised EAC rules of origin and gathering evidence/additional information to support the EAC Secretariat recognize and resolve NTBs that hinder the movement of staple foods, the operation of businesses/private sector players, and the harmonization of food safety measures/requirements in the EAC Partner States.

Revitalizing the Kenya leather sector

The Hub is working with Kenyan Cabinet Secretary of Industrialization and Enterprise Adan Mohamed and the newly formed Kenya Leather Development Council to provide incentives and technical assistance for investors looking to add value to Kenyan leather products. The Kenya Government has already earmarked \$3 million for the initiative, to include the construction of a "leather city" and a textile park within specially designated Special Export Zones (SEZs) across the country.

The Hub recently committed to providing a leather sector specialist who will be embedded in the Ministry of Industrialization and Enterprise. This specialist has a deliverable target to support the Ministry in identifying and facilitating \$10 million in new investments for the leather sector and the introduction of five new potential investors.

The Hub is actively engaged with the EAC to implement the US-EAC Cooperation Agreement.

In addition to supporting trade facilitation and the removal of non-tariff barriers, the Hub is helping the EAC define its sanitary phytosanitary priorities (SPS) and has assigned an SPS technical expert to support the EAC with its SPS-related work plans.

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.

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	Oct-15	Nov-15	Dec-15
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					
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					

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Oct-15	Nov-15	Dec-15
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			
Component 2, Activity 3					
Component 2	Activity 3: 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)			
		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 2, Activity 4					

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Oct-15	Nov-15	Dec-15
Component 2	Activity 4: 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 5					
Component 2	Activity 5: Seed Systems in Eastern and Southern Africa	Strengthen National Seed Authorities and National Plant Protection Organizations in seed certification			
		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 6					
Component 2	Activity 6: 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					

East Africa Trade and Investment Hub Activity Tracker					
Component	Activity	Sub-activity	Oct-15	Nov-15	Dec-15
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					
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 2					

Andrew Kaggwa	Country Representative-Uganda
Prisca Mbagu	Country Representative-Tanzania
Margaret Waithaka*	Component 3 Value Chain Development Specialist
Pauline Nguni	M&E Assistant
Ezekiel Oloo	Driver/Administrative Assistant
Fredrick Kong'ong'o	Component 3 -Sector Market Linkage Specialist, Agribusiness and Specialty Foods
Naima Ngeene	Receptionist
Bridget Okumu	Component 2 -Sector Specialist
Alfred Ombudo K'Ombudo	Research, Data Analysis, and Statistics Specialist
Dickson Poloji	Economic Policy Specialist
Samuel Njakai	Grants & Subcontract Specialist
Grace Mbele	Communications Assistant
Arrives in early October	Chief of Party
Under Recruitment	Gender Manager
Under Recruitment	Monitoring and Evaluation Manager
Under Recruitment	Agricultural Value Chain Specialist
Starts in early October	Human Resource Officer

Margaret Waithaka* has been hired, however will start on December 1, 2015

Contract, Award or Cooperative Agreement Modifications and Amendments

There was one prime contract modification in September to increase the Hub's total obligated amount by \$6,250,000 to bring the total obligated amount up to \$14,422,000.

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.

U.S. Apparel Demand Drives Job Creation in Kenya

UAL currently employs 8,000 Kenyans. 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.



Samuel Omboga started with UAL just out of secondary school, 5 years ago. He has more than doubled his income since joining the company.

In 2004, the year before USAID sponsored UAL at its first American trade show, annual UAL sales were \$13.4 million. Today, in 2015, UAL annual sales are nearly \$50 million.

U.S. Apparel Demand Drives Job Creation in Kenya

Sub-Saharan Africa is establishing itself as the next sourcing destination for global apparel buyers. At the center of this development is USAID's East Africa Trade and Investment HUB. Chief purchasing officers from high volume apparel firms have signaled their desire to shift more of their sourcing from Asia to East Africa. Kenya and Ethiopia top the list of desired East African locations ([2014 McKinsey & Company survey](#)). Both Kenya and Ethiopia benefit from trade preference under the African Growth and Opportunity Act (AGOA), which was just renewed for an unprecedented 10 years;

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 H & M. 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.

"We want to get to a 35% growth rate," said UAL Shipping Director James Onger. With the 10-year AGOA extension and U.S. demand, Onger is confident that they can.

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.

"The job has empowered me. I'm not stuck at home. I now know leadership," said Violet Kabanya.

Kabanya started with UAL in 2003, the same year it opened. She worked her way up from a “helper” to a director of quality control, speaking directly with buyers regarding their shipments. “The company has given me opportunity. It is a privilege to be here.”

Samuel Omboga started with UAL just out of secondary school, five years ago. His family encouraged him to move from his rural home in western Kenya to Nairobi for a job. He too started as a helper and has worked his way up to a clerical position. He now supports his two brothers to attend school and is working to improve the living standards of his parents. He has more than doubled his income since joining the company.

“The job has created opportunities for me. Now, I want to create opportunities for my family back home.” Omboga recently started a small side business selling handbags. He says it isn’t doing well yet, but it does provide his rural family with employment.

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. In the words of Violet Kabanya, “we need more people employed to decrease crime and make people happy.”

USAID has supported UAL through its Trade Hubs since 2005. USAID Trade Hubs provide technical assistance, such as trainings 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. As of August 2015, the Hub has identified two possible investment opportunities for UAL and is now conducting a financial analysis.

AGOA-Export Company Mombasa Apparel Creates 3,000 New Kenyan Jobs with Launch of Fourth Factory

Photo credit: USAID East Africa Trade and Investment Hub



An employee works on shirts destined for the U.S. through AGOA at Mombasa Apparel's newly opened fourth coastal factory.

Mombasa Apparel will employ 14,000 Kenyans in the coastal region by the end of 2015, positively impacting the livelihoods of nearly 100,000 Kenyans.

On November 8, 2014, Mombasa Apparel launched its fourth textile factory on the coast of Kenya, producing apparel destined for the U.S. through AGOA. The larger Mombasa Apparel investor group employs more Kenyans than Standard Charter, Barclays, East African Breweries, and Safaricom combined (Kenya's most visible companies).

In the Mombasa region alone, Mombasa Apparel now maintains 10,000 salaried employees in its four factories.

Mombasa Apparel Managing Director Fakhruddin G. Amiji is encouraged by the productivity of his Kenyan employees in the newly opened fourth factory, noting that "the vast majority of young, especially women workers, have never before operated machinery or worked in industry." With intense on-the-job training, these newly employed young Kenyans are close to reaching the industry norm for productivity.

The company plans to have a fifth factory online by the close of 2015. The capital investment for factories four and five is \$25 million.

East Africa provides a reliable and cost-effective apparel sourcing destination for international companies looking to diversify and expand their portfolios.

Over the past few years, the Hub has introduced six U.S. apparel buyers to Mombasa Apparel, helping to create the demand for more investment in factories. Mombasa Apparel will employ 14,000 Kenyans in the coastal region by the end of 2015, positively impacting the livelihoods of nearly 100,000 Kenyans.

Photographs

We maintain a flickr page <https://www.flickr.com/photos/76086802@N08/>

We emphasize high-quality, engaging photos in all communications pieces.