



Second Quarter Report 2007

April to June

Submitted by:

The Services Group

USAID Contract No: 690-M-00-04-00309-00 (GS 10F-0277P)

CARANA Corporation

USAID Contract No: AFP-I-801-03-00020-00, T.O. # 801

Submitted to:

U.S. Agency for International Development / Southern Africa

Gaborone, Botswana

July 2007



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ACRONYMS

ABC	American Business Council
ACA	African Cashew Alliance
ACP	African Caribbean Pacific
AGCI	African Growth and Competitiveness Initiative
AGOA	African Growth and Opportunity Act
AFTT	Africa Fast Track Trade Program
B2B	Business to Business
BAU	Botswana Agricultural Union
BCOCC	Border Control Operation Coordination Committee
BCPA	Botswana Cattle Producers' Association
BEAC	Business and Economic Advisory Council
BEDIA	Botswana Export Development & Investment Agency
BHC	Botswana Horticulture Council
BIDPA	Botswana Institute for Development Policy Analysis
BMC	Botswana Meat Commission
BNA	Angolan Central Bank
BOCCIM	Botswana Confederation of Commerce, Industry & Manpower
CARANA	CARANA Corporation
CBOCS	Cross Border Vehicle Overload Control System
CBP	Customs and Border Protection
CDC	Center for Disease Control
CEO	Chief Executive Officer
CIPE	Centre for International Private Enterprise
CITA	Committee for the Implementation of Textile Agreements
COMESA	Common Market for Eastern and Southern Africa
COMSEC	Commonwealth Secretariat
COSSE	Confederation of SADC Stock Exchanges
CNELEC	Regulatory Commission of Mozambique
CTA	Confederation of Business Associations
DC	Dar es Salaam Corridor
DCC	Dar es Salaam Corridor Committee
DFID	Department for International Development (of the United Kingdom)
DFRC	Development Finance Resource Center (SADC)
EDIT	Electricity Distribution Indicator Toolkit
EPA	Economic Partnership Agreement
ESA	East & Southern Africa
EU	European Union
FANRPAN	Food, Agriculture and Natural Resources Network
FASA	Franchise Association of Southern Africa
FESARTA	Federation of East & Southern African Road Transport Associations
FNB	First National Bank
FOPRISA	Formative Process Research on Integration in Southern Africa
FSE & CC	Federation of Swaziland Employers Federation and Chamber of Commerce
GATT	General Agreement on Tariffs and Trade
GATS	General Agreement on Trade in Services
GTZ	German Development Cooperation
HIES	Household Income and Expenditure Survey
HIV/AIDS	Human Immunodeficiency Virus / Acquired Immune Deficiency

	Syndrome
ICFF	International Contemporary Furniture Fair
ICTSD	International Centre for Trade & Sustainable Development
ILEAP	International Lawyers and Economists Against Poverty
IMF	International Monetary Fund
INSAT	Inside Southern African Trade
ITC	International Trade Center
JCL	Junior Chamber of Lesotho
MACE	Malawi Agriculture Commodity Exchange
MATEP	Market Access, Trade and Enabling Policies
MCA	Millennium Challenge Account
MCC	Millennium Challenge Corporation
MCCCI	Malawian Confederation of Chambers of Commerce Industry
MCLI	Maputo Corridor Logistics Initiative
MFLF	Mpumalanga Freight Logistics Forum
MOU	Memorandum of Understanding
MRA	Malawi Revenue Authority
NARUC	National Association of Regulatory Utility Commissioners (U.S.)
NASFT	National Association for the Specialty Food Trade
NATHAN	Nathan Associates Incorporated
NSA	Non-Sate Actor
NTB	Non Tariff Barriers
NTF	Namibia Trade Forum
ODI	Overseas Development Institute
PBS	Public Broadcast System
PPIAF	Public Private Infrastructure Advisory Fund
PMAESA	Port Management Association of East and Southern Africa
RERA	Regional Electricity Regulators Association of Southern Africa
RTFP	Regional Trade Facilitation Project
SACU	Southern African Customs Union
SAD	Single Administrative Document
SADC	Southern African Development Community
SAEDF	Southern Africa Enterprise Development Fund
SAIIA	South African Institute of International Affairs
SAPP	Southern African Power Pool
SARS	South African Revenue Service
SATH	Southern Africa Trade Hub
SIPA	Swaziland Investment Promotion Authority
SME	Small and Medium Enterprises
SPS	Sanitary and Phyto-sanitary
SQAM	Standards, Quality Assurance and Meteorology
SSATP	Sub-Saharan African Transport Policy Program
TC	Trade Competitiveness
TCP	Trade Competitiveness Project
TFCB	Trade Facilitation and Capacity Building
TIFI	Trade, Industry, Finance, and Investment (SADC)
TIMS	Trade Information Management System
TKC	Trans-Kalahari Corridor
TKCMC	Trans-Kalahari Corridor Management Committee
TKRL	Trans-Kalahari Railway Line
TRADE	Trade for African Development and Enterprise
TRALAC	Trade Law Centre for Southern Africa
TRS	Time Release Study

TSG	The Services Group
UK	United Kingdom
US	United States
USDA	United States Department of Agriculture
USAID	United States Agency for International Development
WBCG	Walvis Bay Corridor Group
WB SSATP	World Bank Sub-Saharan Africa Transport Policy
WCO	World Customs Organization
WIBA	Women in Business Association
WTO	World Trade Organization

EXECUTIVE SUMMARY



On June 12 the Trade Hub team received the newly appointed High Commissioner of South Africa in Botswana, H.E. Dikgang Moopeloa, to brief him on Trade Hub activities. U.S. Ambassador to Botswana, H.E. Katherine Canavan, was also in attendance at the meeting.

The quarterly reporting period – April to June 2007 – was a period characterized by increases in the number of stakeholders reached by Trade Hub publications and the films, substantial trade deals as a result of the Trade Hub efforts to assist regional firms and governments, and significant accomplishments in policy and trade negotiation areas where the Trade Hub team has been active.

The activities undertaken in this context led to the following major accomplishments during the quarter:

- The Trade Hub facilitated the preparation of an application to World Bank Public Private Infrastructure Advisory Fund (PPIAF) for funding for a feasibility study of the Trans-Kalahari Railway Line (TKRL). This is intended to result in the enhancement of the Trans Kalahari Corridor (TKC) into a multi-modal transport system with high capacity. The three TKC member countries have approved the application which was submitted to the World Bank in June 2007. A response from PPIAF is expected next quarter;
- Arising from the Trade Hub's facilitation work on the Dar es Salaam Corridor, two private sector companies have volunteered to contribute \$90,000 per annum to finance the

establishment of a permanent secretariat for the corridor. This should spur other stakeholders to follow suit;

- The scope of work for a major project on reforming the financial sector and monetary policy in Angola (in collaboration with USAID / Luanda and the Angolan Central Bank) was finalized. Work is due to commence in September 2007;
- Trade Hub completed the report on the Impact of Cattle & Beef Price Changes on Poverty in Botswana. The report showed that overall, two effects (reduced rural poverty and increased urban poverty) largely balance out, with the results indicating that the national poverty rate increases marginally by 0.2 percentage points as a result of the increase in cattle prices by 40%;
- The Trade Hub completed a survey of Non State Actors (NSAs) to facilitate consultation between the SADC EPA Unit and NSAs on EPA negotiations and implementation of the agreements once they are in force. The survey covered Namibia, Angola, Mozambique and Tanzania and complements an earlier survey done by the SADC Secretariat with funding from the EU covering Botswana, Lesotho, and Swaziland;
- As a result of a microfinance study sponsored by the Trade Hub, the Botswana Women in Business Association (WIBA) signed a Memorandum of Understanding (MOU) with First National Bank (FNB) of Botswana on April 11 which launched a savings mobilization scheme for WIBA's members;
- During the second quarter the Trade Hub published the 9th issue of its quarterly news publication, *Inside Southern African Trade (INSAT)*. This issue marks the first in a series of country-focused issues, and takes an in-depth look at Malawi;
- On June 6 Gina van Schalkwyk hosted a successful breakfast meeting for more than 20 Malawian journalists. Bridget Chilala and Shadreck Matsimbe, Executive Director of the Malawi Road Transport Operators Association, acted as panelists for discussions on Trade Facilitation;
- The Trade Hub launched the Agricultural Gap Analysis study, an analysis of the supply needs of fresh vegetables in the South African market;
- The Trade Hub launched the SPS Study, a survey to determine the extent to which sanitary and phyto-sanitary (SPS) regulations are impeding trade within the region;
- In conjunction with the Export Council for the Clothing Industry in South Africa and Keedo Clothing, an apparel company based in Cape Town, the Trade Hub held a workshop to assist South African firms to come into compliance with U.S. Customs and Border Protection requirements to import apparel under the African Growth and Opportunity Act;
- The Trade Hub considered and selected firms to attend two important textile and apparel trade shows in the United States, which will be held later in 2007. Firms were considered for the MAGIC Show, held from August 27 to 30 in Las Vegas, Nevada, and the Material World Show, held from September 25 to 27, in New York;
- The Trade Hub continued to support its delegation of fifteen companies attending the Fancy Food Show as part of the Africa Pavilion, which will be held from July 8 to 10 in New York City.

The African Global Competitiveness Initiative (AGCI), announced in June 2005 as a continued source of funding for the Trade Hubs in Africa, focuses on four components: (1) Improving the policy, regulatory and enforcement environment for private sector-led trade and investment; (2) Improving the market knowledge, skills, and abilities of workers and private sector enterprises; (3) Increasing access to financial services for trade and investment; and (4) Facilitating investment in infrastructure. These four components constitute the broad categories for the technical programs and activities of the Trade Hub. The Trade Hub also works with the cross-cutting issues of HIV/AIDS workplace interventions and gender. Furthermore, it undertakes a series of outreach activities designed to multiply the impact of Trade Hub projects.

AGCI Component 1, Improving the policy, regulatory and enforcement environment for private sector-led trade and investment

Support of SADC during the quarter included the completion of a draft of the audit of tariff reduction commitment by SADC Member States and the presentation of the audit's preliminary findings at a SADC Senior Trade Officials meeting; recruiting for an expert to develop the monitoring mechanism for the Trade, Industry, Finance, and Investment (TIFI) Directorate of the SADC Secretariat; the production of a Business Guide to the SADC Protocol on Trade; a five-day training workshop on trade in services negotiations in Zambia; and a survey of Non-State Actors (NSA) in Namibia, Angola, Mozambique and Tanzania.

Trade capacity building activities

for the countries in the Trade Hub's scope of assistance included the contracting of a short-term consultant to conduct research for the production of the user's guide on trade arrangements that extend preferential market access to Lesotho's exports; planning and preparations for the training on business negotiations for the Mohloli Chamber of Business in Lesotho; assistance to Malawi in preparing for their next Trade Policy Review scheduled for 2008; a national training course on rules of origin Swaziland; and a study on AGOA and Investment in African manufacturing using Ramatex Textile in Namibia as a case study.

SADC Ministers of Agriculture Approve the SADC Harmonized Seed Regulatory System

In SADC's efforts to work towards harmonization of seed regulations in Southern Africa, the SADC Seed Security Network approached the Trade Hub in 2006 to facilitate the work of harmonizing seed regulations in the region in collaboration with other donors. Subsequent technical and policy consultations facilitated by the Trade Hub led to the development of three proposals concerning harmonization of seed regulations in SADC: (1) SADC Crop Variety Testing, Registration and Release System, (2) SADC Seed Certification and Quality Assurance System, and (3) SADC Quarantine and Phytosanitary Measures for Seed. These regulations were approved in September 2006 at a joint meeting of Permanent Secretaries responsible for Agriculture and trade officials. On June 29, 2007, at a meeting in Lusaka, Zambia, the Ministers responsible for agriculture approved and adopted the SADC harmonized Seed Regulatory System and member states were urged to amend their national legislations in line with the SADC Harmonized Seed Regulatory System.

The final report on the **assessment of the status of trade facilitation** in Angola was finalized and translated into Portuguese and circulated to all the relevant stakeholders during the second quarter of 2007. The assessment of Malawi has been completed and the findings will be presented at a workshop attended by all relevant stakeholders in Malawi in July. The report in Zambia was finalized in 2006 and the relevant stakeholders are in the process of implementing the recommendations (with the assistance of the Trade Hub and other projects).

With respect to the Trade Hub's **private sector advocacy work**, the Trade Hub sponsored and hosted the Annual General Meeting of the Exporters Association of Botswana and will sponsor

their annual event in Francistown in July; the Trade Hub also supervised a study on the impact of cattle and beef price changes on poverty in Botswana for the Botswana Cattle Producers Association (BCPA); sponsored two interns for the Maseru Chamber of Commerce; and coordinated with USAID / Mozambique and the U.S. Embassy in Mozambique on planning a private sector event in that country for August. On April 11 as a result of the Trade Hub-sponsored study on microfinance for the Botswana Women in Business Association (WIBA), the First National Bank of Botswana and WIBA signed an MOU establishing a savings mobilization scheme.

AGCI Component 2, Improving the market knowledge, skills and abilities of workers and private sector enterprises

In the area of **exportable agriculture**, the Trade Hub launched two major pieces of work. The first is an analysis of the supply of fresh fruit and vegetables in the South African market. This analysis is an attempt to identify gaps in supply which can be filled by producers in the region. The outcome of this analysis will be match-making between producers and sellers throughout the Southern African region. The other study focused on sanitary and phyto-sanitary (SPS) issues and the role SPS plays in hindering trade in the Southern African region. Work in the agriculture sector continues to include activities in individual countries including: working with Namibian grape exporters preparing to access the U.S. market; addressing the market access concerns of melons from Botswana into the South African market; and facilitating buyer-seller relationships among fresh producers in the region.

In the **textiles and apparel sector**, the Trade Hub held a successful textile and apparel business-to-business event, featuring more than 50 companies. The meetings led to more than \$6.5 million in transactions over the next two years. Final deals were not available at the time of writing this report, and will be reported in the third quarter of 2007. During the second quarter of 2007, the Trade Hub worked to bring Keedo Clothing into compliance with U.S. Customs and Border Protection (CBP) requirements to import apparel under AGOA. The Trade Hub also held a workshop for South African firms to share information on CBP compliance in Cape Town, South Africa. Work in the apparel sector this quarter included the denim study, which examines the impact of a requirement to source denim from Southern Africa. In addition, work in the apparel sector continues to include apparel trade shows, and during the second quarter of 2007, firms were considered and selected to attend the MAGIC Show, held in Las Vegas, Nevada, from August 27 to 30, and the Material World Show, held in New York from September 25 to 27.



Trade Hub **AGOA support** to eligible countries in the region during the first quarter of 2007 included support to Peter Mabeo Furniture to attend the International Contemporary Furniture Fair, held in New York City from May 19 to 22, which resulted in new trade deals for this Botswana-based company. Sun Rich International continued work with companies as a result of their trip to the region in the first quarter of 2007, and secured deals with five Southern African specialty food companies. The Trade Hub continued to support its delegation of fifteen companies attending the Fancy Food Show as part of the Africa Pavilion, which will be held from July 8 to 10 in New York City. In addition, the Trade Hub continued to support companies and stakeholders from Zambia, Swaziland, Angola, and Malawi with AGOA information and technical support to access the United States market.

AGCI Component 3, Increasing access to financial services for trade and investment

In the area of **financial services**, the Trade Hub finalized a study for the Confederation of SADC Stock Exchanges (COSSE), on harmonizing listing regulations in stock exchanges in the region; contracted a microfinance expert to assist the Imbita Swaziland Women's Finance Trust with redesigning their current microfinance services; and visited Angola for discussions on the work to improve the efficiency of the banking sector, enhance access to credit, and reform the monetary policy framework.

AGCI Component 4, Facilitating investment in infrastructure

In collaboration with the WCO, the Trade Hub continued to facilitate implementation of **WCO Time Release Studies (TRS)** in various countries of the region. As a result of a donors' meeting in Malawi in March, where participants agreed on a technical assistance program, the Trade Hub made arrangements to take five Malawi Revenue Authority (MRA) risk management officers to Uganda for training in Risk Assessment and Management. During the second quarter the Mozambican TRS was finalized and submitted to the Director-General of *Alfândegas de Mozambique* and is now awaiting a prioritized Action Plan and Implementation Strategy. The TRS Report for Zambia was submitted to the Acting Commissioner-General of the Zambia Revenue Authority (ZRA) and is currently pending a prioritized TRS Action Plan and implementation strategy.

With respect to **Trade Facilitation Support to SADC**, the Trade Hub participated in a meeting to develop a priority surface transport program for SADC and to review the draft terms of reference for the development of the SADC Infrastructure Master Plan; Evans Marowa made presentations on Trade Hub facilitation measures for the regional corridors to the infrastructure stakeholders clusters for Botswana (Gaborone) and Namibia (Windhoek), and he met with the Federation of East and Southern Africa Road Transport Associations (FESARTA) and the Secretariat to the SADC Panel of Experts on vehicle standards and loads on vehicles.

The Single Administrative Document (**SAD 500**) is a multi-purpose goods declaration form covering imports, exports, cross-border and transit movements. In Zambia, the implementation of the SAD 500 is awaiting parliamentary process before it can be implemented. Implementation of the SAD 500 in Mozambique is pending the development of a new computer program which will allow Customs systems to accommodate the SAD 500.

Developments as a result of the Trade Hub's **support of transport corridors** of the region included the facilitation of a review of the draft work program produced by the Program Coordinator of the Trans-Kalahari Corridor (TKC); a briefing of the South African Department of Transport and the Botswana Ministry of Transport on the ongoing work to prepare a project proposal for the Trans Kalahari Railway Line (TKRL) feasibility study application for funding from the World Bank Public Private Infrastructure Advisory Fund (PPIAF); Trade Hub participation in the Mpumalanga Freight Logistics Forum (MFLF) combined Transport Working Group Meeting to discuss recent progress in the deliberations on the development of a one stop border post between Mozambique and South Africa; a presentation the proposals for establishment of a corridor management committee for the Maputo Corridor; and the facilitation of a meeting of the Dar es Salaam Corridor Committee (DCC) and its Customs and Transport Working Groups in Malawi.

Evans Marowa finalized a draft report of the findings of a preliminary fact-finding study conducted to assess the possibilities for creating a regional passenger and cargo air logistics hub in Botswana for the region. Comments are pending from the Botswana Ministry of Works and Transport.

Les Kugel is working on a study on energy issues in the Southern African region which is anticipated to identify where interventions and policy reform could assist private sector investment in electrical generation capacity in efficiently meeting the region's rapidly increasing energy needs. The work is expected to be completed by early July.

Outreach Activities and Hub Management

Under a restructuring of the Trade Competitiveness Project during the second quarter of 2007, Amanda Hilligas was promoted to Director of the Trade Competitiveness Project and Brett Johnson was contracted as the new AGOA Trade and Business Manager based in Botswana. Craig Carlson, Agribusiness Advisor, and Ken Ames, former Director of the TCP left the Trade Hub in the second quarter of 2007. Masters students at the Kennedy School of Public Administration at Harvard University, Renata Rudman and Matt McClelland, joined the Trade Hub as interns.

Important visitors to the Trade Hub during the quarter included the newly appointed High Commissioner of South Africa in Botswana, H.E. Dikgang Moopeloa, accompanied by U.S. Ambassador Katherine Canavan; a delegation from the U.S. War College for a briefing on trade-related issues in Southern Africa; and Michael Roberts, Counsellor of the WTO's Agricultural and Commodities Division, who visited the Trade Hub in June to discuss Sanitary and Phyto-sanitary (SPS) issues.

In the area of **publications and communications**, at the end of December the Trade Hub published the ninth issue of its quarterly news publication, *Inside Southern African Trade (INSAT)* which marks the first in a series dedicated to individual SADC countries starting with 'The Warm Heart of Africa' – Malawi. The Trade Hub also made progress in upgrading its website and increased the readership of *Hub Happenings* to more than 3,000.

Coordination with other donor organizations during the second quarter included a joint training workshop with the Commonwealth Secretariat on trade in services negotiations in Zambia; coordination with the World Customs Organization (WCO) on the Columbus Program; the development of a Results Based Monitoring System in line with the overall SADC Secretariat Monitoring and Evaluation System for the TIFI Directorate of SADC in collaboration with the GTZ (German Development Cooperation); collaboration with lead donors Norway (for energy issues) and the European Union (for trade issues); and the implementation of a one-stop border post at Lebombo-Ressano Garcia between Mozambique and South Africa together with the Department for International Development (DFID).

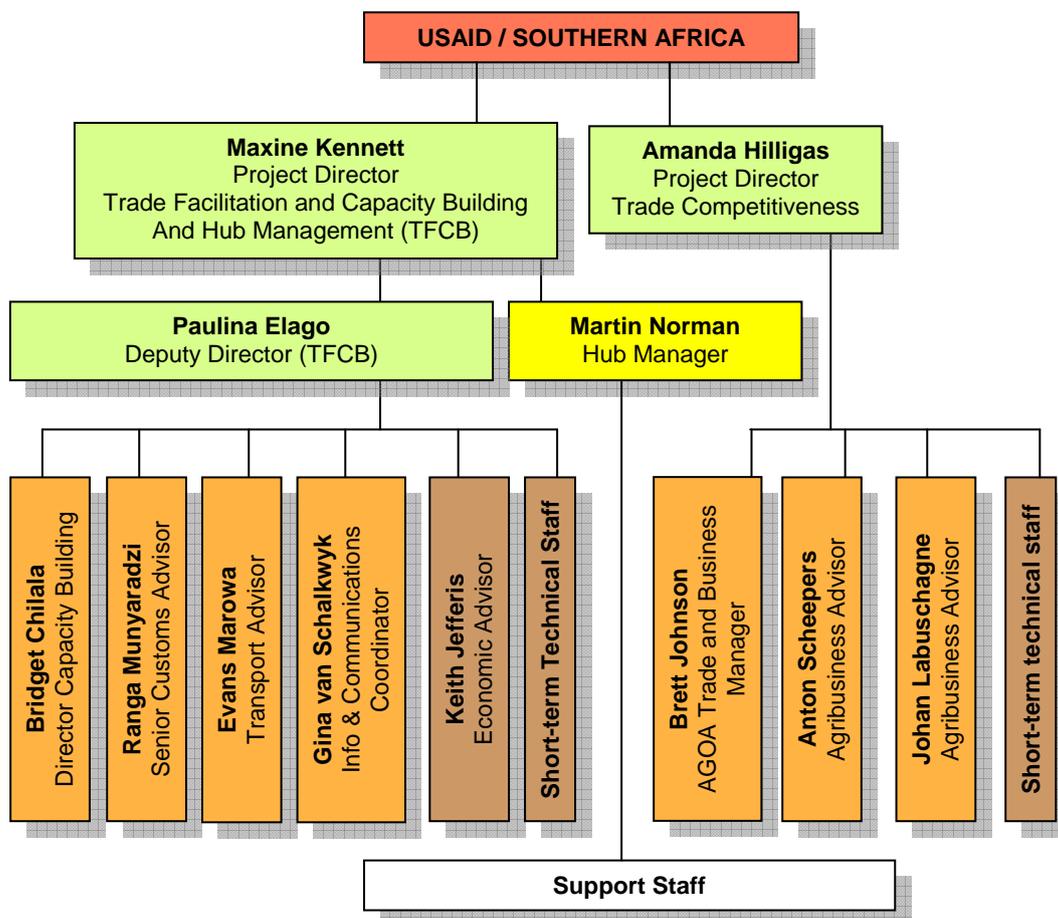
BACKGROUND

In June 2002, the United States Agency for International Development (USAID)/Southern Africa established the Southern African Global Competitiveness Hub, also known as the "Trade Hub", in Gaborone, Botswana. The Trade Hub was established as part of President Bush's Trade for African Development and Enterprise ("TRADE") Initiative launched at the first US/Sub-Saharan Africa AGOA Forum in Washington DC in October 2001.

The Trade Hub's primary objective is to enhance the competitiveness of Southern Africa products and services, which plays a key role in reducing poverty. It is a highly visible and ambitious effort to address critical trade and investment priorities for the region. As one of four regional trade hubs in Africa, the Southern Africa Trade Hub represents an important means for achieving long-term strategic U.S. foreign policy objectives and, as such, must ensure that its mandate and operational objectives are clearly set forth to achieve short-term objectives, as well as systematic benefits to the region over the long-term.

The Trade Hub Team consists of a dozen regional and international experts in the fields of trade, trade negotiations, customs, transport, private sector issues and business linkages, among others,

as well as a group of qualified local staff members. The current Trade Hub contract which took effect at the end of 2004 is scheduled to last through the end of 2008.



In June 2005 the AGCI was announced as a continued source of funding for the Trade Hubs in Africa. The AGCI focuses on:

1. Improving the policy, regulatory and enforcement environment for private sector-led trade and investment
2. Improving the market knowledge, skills, and abilities of workers and private sector enterprises
3. Increasing access to financial services for trade and investment
4. Facilitating investment in infrastructure

These four components constitute the broad activities categories of the technical programs and activities of the Trade Hub.

AGCI COMPONENT 1: IMPROVING THE POLICY, REGULATORY, AND ENFORCEMENT ENVIRONMENT FOR PRIVATE-SECTOR LED TRADE AND INVESTMENT

This component includes activities designed to lend support to the Southern African Development Community (SADC), build trade capacity in the countries of the region, improve the trade negotiation abilities of the region, and strengthen the advocacy role of the private sector in the countries of southern Africa.

Support to the Southern African Development Community (SADC)

Activities in support of SADC during the quarter included the following:

As per a Memorandum of Understanding of February 27, 2007, between the U.S. Embassy/Botswana, USAID/Southern Africa and the SADC Secretariat, the Trade Hub is (i) conducting a trade audit, (ii) developing a trade compliance mechanism and (iii) drafting a business guide to the Protocol on Trade for SADC:



- i. From May 1 to June 3, Trade Hub-sponsored trade policy experts Kingsley Chanda and Timothy Chisembwere traveled to all eleven SADC member states that are implementing the SADC Protocol on Trade to collect information and trade data. These activities were preparatory to conducting an ***audit of tariff reduction commitments by SADC Member States*** in order to assess SADC's preparedness for attaining a free trade area by 2008. The SADC Protocol on Trade entered into force on January 25, 2000.

For additional information see trip reports by Kingsley Chanda and Timothy Chisembwere on their trips to the countries in the SADC region.

A draft of the audit of tariff reduction commitment by SADC Member States was completed and will be presented to the Joint Task Force Meeting scheduled for July 2007. In the meantime because of the importance and urgency of the issues at hand, the Trade Hub was invited to attend the SADC Senior Trade Officials meeting on June 29 to present the preliminary findings of the assessment on the status of implementation of the **SADC**

Protocol on Trade in preparation for the attainment of the SADC Free Trade Area in January 2008.

- ii. With respect to designing a trade compliance *monitoring mechanism for the Trade, Industry, Finance, and Investment (TIFI) Directorate* of the SADC Secretariat, the Trade Hub continued its efforts to identify suitable consultants from the region and outside the region who have practical experience in the design and management of a Trade Compliance and Monitoring Mechanism. The target is to have the team in place by the end of July 2007.

In addition, a meeting was held between Bridget Chilala, Mr. R. Chakwana, the SADC Monitoring and Evaluation Officer, and Ms. Y. Ruf from the GTZ (German Development Cooperation) in June to discuss ongoing efforts in TIFI to establish—with assistance from the GTZ—a TIFI Results Based Monitoring System in line with the overall SADC Secretariat Monitoring and Evaluation System. This meeting was held in order to ensure coordination of the ongoing efforts from an early stage of the design and development of the respective monitoring system elements.

- iii. The Trade Hub long-term staff with the help of an intern continued work on producing a *Business Guide to the SADC Protocol on Trade*. The Guide is expected to be completed by August 2007.

Many Southern African countries suffer from a lack of negotiating capacity and are therefore unable to effectively articulate and protect their specific interests in negotiations on the liberalization of trade in services. Recognizing the challenge, the USAID Trade Hub and the Commonwealth Secretariat brought together 20 participants from Botswana, Lesotho, Malawi, Mauritius, Namibia, Swaziland, Zambia as well as the Common Market for Eastern and Southern Africa (COMESA) and SADC Secretariats for a five-day *training workshop on trade in services negotiations* in Livingstone, Zambia, from May 14 to 18. The training is expected to lead to increased negotiating capacity as well as policy reforms at the national level.

“This is just to re-echo my sincere thanks for the training/workshop on Trade in Services: Negotiating Techniques. I found the exercising really enriching - and now as I go over the material and my notes, I am further empowered. Keep on strengthening the African negotiating capacity!”

Rosalina, SADC Advisor on Trade in Services

“It’s been two weeks today that we got the negotiating techniques exercise a push in the unforgettable Livingstone. I believe that it would be interesting for you to know that back here we, the tourism sector as well as trade division have re-embark on the process of reviewing, advancing new proposals for liberalizations wherever we might get an opportunity. I can tell you its moving here.”

Nazeerah Sheik Abbass, Tourism Planner, Ministry of Tourism, Leisure and External Communications, Mauritius

Also, at the request of the SADC EPA Unit at the SADC Secretariat, the Trade Hub undertook a *survey of Non State Actors* (NSA) in Namibia, Angola, Mozambique and Tanzania which builds on a similar survey carried out for Botswana, Lesotho, and Swaziland. The main objective of the survey was to identify the main private sector and other NSA leaders and opinion formers in those countries with a view to facilitate closer consultation and coordination with the private sector on the ongoing negotiations for Economic Partnership Agreement between SADC and the EU. Trade Hub-sponsored consultants Gideon Phiri and Pascoa Themba completed the survey and finalized

the report during the second quarter of 2007, and the report was subsequently submitted to the Economic Partnership Agreement (EPA) unit at the SADC Secretariat.

A short-term consultant was hired to conduct a review on the SADC work on trade in services and summarize the key issues facing SADC Member States as they seek to balance the ongoing multilateral, preferential and regional negotiations. A workshop to discuss the findings is tentatively scheduled for July 18 to 23.

The Trade Hub also contracted Richard Self, a short-term consultant, to undertake a study for the SADC Secretariat on the status and possibilities of the Annex on Services to the SADC Trade Protocol. The results of this study will be presented to the SADC Secretariat in September.

Planned Activities, SADC Support:

In the next quarter, the focus The focus of With respect to designing a trade compliance ***monitoring mechanism for the Trade, Industry, Finance, and Investment (TIFI) Directorate*** of the SADC Secretariat, the Trade Hub continued its efforts to identify suitable consultants from the region and outside the region who have practical experience in the design and management of a Trade Compliance and Monitoring Mechanism. The target is to have the team in place by the end of July 2007.

In addition, a meeting was held between Bridget Chilala, Mr. R. Chakwana, the SADC Monitoring and Evaluation Officer, and Ms. Y. Ruf from the GTZ (German Development Cooperation) in June to discuss ongoing efforts in TIFI to establish—with assistance from the GTZ—a TIFI Results Based Monitoring System in line with the overall SADC Secretariat Monitoring and Evaluation System. This meeting was held in order to ensure coordination of the ongoing efforts from an early stage of the design and development of the respective monitoring system elements.

Trade Capacity Building

The following activities were carried out during the second quarter of 2007 in support of trade capacity building in eligible countries:

- **Botswana**

Leon Skarshinski, the *Trade Advisor for the Department of International Trade of the Botswana Ministry of Trade and Industry* who is being funded by the Botswana Trust Fund¹ for a period of 2 years continues to provide advisory services to the Ministry. In the exercise of his duties, Mr. Skarshinski traveled to Brussels from May 7 to 11 to attend SADC-EPA negotiations as a member of Botswana's delegation.



For additional information see trip report by Leon Skarshinski “EC-SADC EPA Negotiations Round” Brussels, May 7-11, 2007”

¹ The Botswana Trust Fund was established by means of an MOU between the Botswana Ministry of Finance and the U.S. Government through the U.S. Embassy in Gaborone, Botswana, and USAID/Southern Africa on March 7, 2006. The MOU established that projects under the Fund would support trade development and environmental protection in Botswana and that the Trade Hub would administer the Fund.

- **Lesotho**

The Trade Hub has contracted Talitha Bertelsmann-Scott as a short-term consultant to conduct research for the production of *the user's guide on trade arrangements that extend preferential market access to Lesotho's exports*. In that connection, she traveled to Lesotho on June 4 and 5, to collect data and carried out interviews with several stakeholders from both the public and private sector.

For additional information see trip report by Talitha Bertelsmann-Scott Lesotho, June 4-6, 2007.

During the second quarter, Paulina Elago finalized planning and preparations for the *training on business negotiations* for the Mohloli Chamber of Business in Lesotho. The training was scheduled for the June 25 to 29 in Maseru but had to be postponed because of independent developments in Lesotho.

- **Malawi:** The Trade Hub provided assistance to Malawi in preparing for their next Trade Policy Review scheduled for 2008 having assisted them in responding to outstanding questions from their last review in 2002.

From April 17 to 18, the Trade Hub sponsored Sydney Khando from the Malawi Agriculture Commodity Exchange (MACE) to attend the Grain Trade Summit in Nairobi, Kenya.

For additional information see trip report by Sydney Khando "2nd African Grain Trade Summit in Kenya" Nairobi, April 15-20, 2007.

- **Swaziland**

Paulina Elago continued liaising with the Swaziland Investment Promotion Authority (SIPA) on the execution of the implementation strategy of the *Swaziland Investor Road Map* recommendations.

On June 14 and 15 at the request of the Swazi Ministry of Foreign Affairs and Trade, Paulina Elago and Eckart Neumann, an Associate of the Trade Law Centre for Southern Africa (tralac), conducted a *national training course on rules of origin in Ezulwini, Swaziland*. Attending the course were approximately 35 participants representing government ministries and agencies involved in ongoing trade negotiations, exporters and manufactures, freight forwarding agencies, chambers of commerce and parastatal organizations. Participants, especially those involved in the EPA negotiations between SADC and the EC, found the course to be very useful and relevant.

"It really answered my many questions!!! Very good and useful too."

"Very educational on the technical aspects. Highlighted the important issues and areas to focus upon to improve rules of origin regimes in your favor."

"Both facilitators did a good job especially responding to all question and concerns of the group. Their presentation skills were awesome."

"The seminar was good form e as a starter; never attended such meetings on rules of origin before. It really opened my mind and understanding regarding issue of trade agreements."

For additional information see trip report by Paulina Elago “National Rules of Origin Training for Swaziland, Swaziland, June 14-15, 2007.

- **Namibia:** Professor Frank Flatters, a short term consultant, and Paulina Elago, TFCB Deputy Director, visited Namibia from April 23 to 30 to carry out research and collect data and relevant information for a *study on the African Growth and Opportunity Act (AGOA) and Investment in African manufacturing using Ramatex Textile Namibia as a case study*. During their visit the team met and conducted interviews with a wide range of stakeholders including Ramatex Namibia, government officials, the municipality, private sector representatives, labor unions and several service providers whose operations have direct or indirect links with Ramatex operations in Namibia.

For additional information see trip report by Frank Flatters and Paulina Elago “AGOA and investment in African manufacturing: A case study on Ramatex Textile Namibia”, Namibia, April 23-30, 2007.

Planned Activities, Trade Capacity Building:

- **Madagascar:** After the completion of the Business Guide to the Protocol on Trade scheduled to be completed in August 2007 (see “Support to SADC” section above), the Trade Hub will conduct a training workshop for the private sector and others to explain the provisions in the international trade agreements to which Madagascar is party as well as conduct trade negotiations skills training for both government and private sector participation;
- **Botswana:** Conduct training on rules of origin;
- **Lesotho:** Finalize and produce the user’s guide on arrangements that provide preferential market access to Lesotho’s exports;
- **Lesotho:** Conduct a negotiations skills training for the Mohloli Chamber of Business;
- **Namibia:** Finalize the case study on Ramatex Textile Namibia and organize a round table to present findings of the study;
- **Namibia:** Carry out a variety of activities in support of the Namibia Trade Forum (NTF)—a public–private sector forum established in 2005 to facilitate dialogue and closer consultation among key stakeholders—on issues relating to international trade including trade negotiations;
- **Namibia:** In collaboration with the Embassy, USAID Mission and the Chamber of Commerce and Industry in Namibia, organize a private sector outreach event to promote dialogue on trade facilitation, HIV/AIDS in the work place and the importance of trade preferences to Namibia. This would be part of the private sector advocacy series which began in Malawi in March (*For additional information see the section on Private Sector Advocacy*);
- **Swaziland:** Continue to support SIPA on the implementation of the Investor Roadmap implementation strategy including the action plan for recommendations related to company registration, trade licensing, health inspection and entry permits.

Assessment of the Status of Trade Facilitation

In order to prepare themselves for current and future discussions on trade facilitation at the World Trade Organization (WTO) and with other countries and trading blocks, several countries have requested that the Trade Hub perform an assessment of their trade facilitation status. The objective of these assessments is to (a) identify trade facilitation needs and priorities of the country, (b) where feasible, determine the resource implications of implementing proposed trade facilitation measures under the WTO trade negotiations, and (c) determine the country's capacity to implement trade facilitation measures that derive maximum benefits.

- **Zambia:** As a result of the assistance provided by the Trade Hub for the trade facilitation assessment in early 2006, Zambia and a group of other countries made a submission to the WTO during the last quarter of 2006 as part of the Trade Facilitation Negotiations using the findings of the assessment. The Assessment conducted for Zambia also provided inputs into the World Trade Organization (WTO), World Customs Organization (WCO) and World Bank's first workshop held in Zambia from February 26 to March 2 to pilot their new self-assessment guide and toolkit. Ranga Munyaradzi attended this workshop at the invitation of the Ministry of Commerce, Trade and Industry; Using the findings of the Trade Hub and recommendations of the workshop, Zambia prepared a position paper, which was presented at the WTO Regional Meeting held in Nairobi in April 2007

For additional information see trip report "WTO Guided Self-Assessment Tool Program Workshop on Trade Facilitation April 2007 by Ranga Munyaradzi and Bridget Chilala

- **Angola:** The final report on the assessment of the status of trade facilitation in Angola was finalized and translated into Portuguese and circulated to all the relevant stakeholders during the second quarter of 2007.
- **Malawi:** Having conducted an assessment of the status of trade facilitation in Malawi from March 19 to 23, Bridget Chilala, Ranga Munyaradzi and Evans Marowa, will present the findings at a workshop attended by all relevant stakeholders on July 12 and 13 in Blantyre, Malawi.

Planned Activities, Assessment of Status of Trade Facilitation:

- **Malawi:** Bridget Chilala, Evans Marowa and Ranga Munyaradzi will facilitate a stakeholders' workshop to review the Draft Assessment of the Status of Trade Facilitation in Blantyre, Malawi, from July 12 to 13.

Private Sector Advocacy

This component includes activities which build the capacity of private sector entities to represent their interests to the government, assist the private sector in advocating for needed reforms, and foster public - private sector dialogue. Activities under this heading included the following:

- **Exporters Association of Botswana (EAOB)**

On June 7 and 8 the Trade Hub sponsored and hosted the *Annual General Meeting of the Exporters Association of Botswana* at the USAID Trade Hub offices in Gaborone, Botswana with the theme, "Building Joint Ventures to Improve the Competitiveness of Exporting Companies". U.S.



Ambassador to Botswana, H.E. Katherine Canavan, delivered the keynote address and the Botswana Minister of Trade and Industry, Hon. Neo Moroka, launched the event where approximately 80 exporters were present.

- **Botswana Cattle Producers Association (BCPA)**

Keith Jefferis supervised a *study* conducted by Professor Happy Siphambe of the Department of Economics, University of Botswana, *on the impact of cattle and beef price changes on poverty in Botswana*. The study made use of data from the Botswana Household Income and Expenditure Survey (HIES) conducted in 2002/03, and modeled both income and expenditure effects resulting from cattle and beef price changes to assess the overall impact on household poverty levels. The study concluded that the positive impact of higher cattle prices on rural poverty was almost equally offset by the negative impact of higher beef prices on urban poverty, leaving overall national poverty levels largely unchanged. However, because the rural areas are generally poorer than the urban areas, the impact on inequality is likely to have been positive.



For additional information see technical report by Happy Siphambe “Analysis of the Poverty Impact of the January 2006 Increase in Beef and Cattle Prices in Botswana, Using HIES 2002/03 Data”.

- **Chambers of Commerce in Lesotho**

In May and June the Trade Hub sponsored *two interns for the Maseru Chamber of Commerce* who updated the Chamber’s database of members and status of membership dues payments and made recommendations on how to best retain membership. This updated database will serve as a basis for further activities such as a membership campaign and providing new services. As a result of the updating of this information and a subsequent meeting to encourage members to update their payment of dues, the number of paid members increased by 168%.

For additional information see project report by Mr. T. Qhesi and Ms. M. Moshoeshe, “Compilation and Updating of Database for the Maseru Chamber of Commerce and Industry”, June 2007.

In response to a request by the Junior Chamber of Lesotho (JCL), the Trade Hub also made comments on JCL’s Strategic Plan for 2007 and is currently exploring opportunities with the Chamber for further assistance.

- **Businesswomen’s Associations of Southern Africa**

As a result of Trade Hub assistance to the Botswana Women in Business Association (WIBA), an MOU was signed on April 11 between WIBA and First National Bank (FNB) of Botswana to establish a *savings mobilization scheme for WIBA’s members*. The Trade Hub also



contracted microfinance specialist Margaret Jiri to assist the Imbita Swaziland Women's Finance Trust in establishing the way forward for their microfinance services (*For additional information see AGCI Component 3 under "Increasing Access to Microfinance for Businesswomen"*).

Planned Activities, Private Sector Advocacy:

- Organize a private sector advocacy event for two regions in Mozambique for the end of August;
- Complete the analysis of the current microfinance services of the Imbita Swaziland Women's Trust Fund with recommendations on the way forward;
- Explore the possibility of organizing private sector advocacy events in Namibia, Lesotho and Madagascar;
- Sponsor the Annual Meeting in Francistown of the Exporters' Association of Botswana (EAOB) on August 8.

Participation in Events Outside the Trade Hub

In addition to the above-mentioned activities, Trade Hub technical staff was invited to participate in and contribute to a number of events organized and held outside the Trade Hub during the second quarter of 2007 which were related to Trade Capacity Building activities:

- On April 2 Paulina Elago traveled to Johannesburg, South Africa, to attend a seminar on "Economic Partnership Agreements: Caribbean, SADC and East and Southern Africa (ESA) Perspectives" at the invitation of the South African Institute of International Affairs (SAIIA).

For additional information see trip report by Paulina Elago "SAIIA Conference on EPA negotiations: Caribbean, Eastern and Southern African Perspective", Cape Town, South Africa, June 2, 2007.

- On April 2, Maxine Kennett and Clare Olaki attended the Botswana Export Development and Investment Agency (BEDIA) intermediary organizations workshop held in Gaborone, Botswana.

For additional information see trip report by Maxine Kennett and Clare Olaki "Seminar for Intermediary Organizations Organized by ESIPP" April 2, 2007.

- From May 2 to 4, Bridget Chilala attended the Food, Agriculture and Natural Resources Network (FANRPAN) Stakeholders Planning Workshop, themed "Meeting the Demand for Effective Food, Agriculture and Natural Resources Policy Analysis in Southern Africa", in Johannesburg, South Africa.

For additional information see trip report by Craig Carlson and Bridget Chilala "FANRPAN Stakeholders Planning Workshop" South Africa, May 2, 2007.

- On May 9, Lawrence Johnson, Regional Trade Advisor, USAID / Southern Africa, and Martin Norman, Hub Manager, attended a Public-Private Policy Dialog jointly organized by the Botswana Confederation of Commerce, Industry, and Manpower (BOCCIM) and

the Center for International Private Enterprise (CIPE) in Gaborone, Botswana, with delegates from both the public and private sectors from six African countries.

- Maxine Kennett and Amanda Hilligas attended the COMESA Business Summit in Nairobi, Kenya, from May 18 to 19.

For additional information see trip report by Maxine Kennett and Amanda Hilligas “COMESA Business Forum: Regional Economic Integration for Value Addition and Diversification, Kenya, May 18-19, 2007.

- From May 22 to 24, Paulina Elago was in Mauritius to attend the “African Dialogue on the Textile and Clothing Sector: Post Agreement Textile and Clothing” where she spoke on the African countries’ experiences with Rules of Origin under the EU and U.S. preferential trade regimes and the main future challenges in terms of ongoing EPA negotiations. The conference was co-hosted by the International Centre for Trade and Sustainable Development (ICTSD), based in Geneva, and the University of Mauritius.

For additional information see trip report by Paulina Elago “Africa Regional Dialogue for Textile and Clothing Industry, Mauritius”, Mauritius, May 22-24, 2007.

- On June 6, Martin Norman, Hub Manager, attended a workshop on the informal sector of Botswana organized by the Botswana Institute for Development Policy Analysis (BIDPA).
- From June 11 to 12, Paulina Elago attended a Public-Private Sector Dialogue on trade held in Stellenbosch, South Africa, where she spoke on the role of Economic Partnership Agreements (EPAs) in regional integration. The event was jointly hosted by the Geneva-based International Trade Centre (ITC) and the Trade Law Center of Southern Africa (Tralac). Participants to the conference included private sector representatives from the SADC EPA group countries as well as policy makers and representatives of regional organizations.

For additional information see trip report by Paulina Elago “Regional dialogue on the business implication of the EPA negotiations for the SADC region”. South Africa, June 11-12, 2007.

- Bridget Chilala attended a meeting on the recruitment of key staff for the TIFI Directorate in Gaborone, Botswana, from June 12 to 13.
- At the invitation of Tralac, Paulina Elago attended the Tralac Advisory Board meeting on June 13 in Stellenbosch, South Africa.

For additional information see trip report by Paulina Elago “Regional dialogue on the business implication of the EPA negotiations for the SADC region”. South Africa, June 11-12, 2007.

- Maxine Kennett, Paulina Elago, and Bridget Chilala attended the SADC TIFI Thematic Group meeting held at the EC delegation in Gaborone, Botswana, on June 18.
- Bridget Chilala and Paulina Elago attended a WTO Regional workshop on Technical Barriers to Trade for English Speaking African countries in Gaborone, Botswana from June 19 to 21.

- Bridget Chilala and Robert Kirk presented the preliminary findings of the assessment on the preparedness by SADC Members to attain a Free Trade Area by 2008 on June 29 in Johannesburg, South Africa, at the SADC Trade Meetings to SADC Secretariat staff as the senior official meetings did not take place as scheduled. The Team will present the report to SADC Trade Senior officials in July in Maputo Mozambique.

*For additional information see trip report by Robert Kirk and Bridget Chilala
“Presentation of the Preliminary Findings of the Audit on Implementation of the SADC
Protocol on Trade” South Africa, June 29, 2007.*

AGCI COMPONENT 2: IMPROVING THE MARKET KNOWLEDGE, SKILLS, AND ABILITIES OF WORKERS AND PRIVATE SECTOR ENTERPRISES

This component seeks to improve the capacity of regional businesses and clusters to produce and market competitive goods and services. Activities endeavor to develop value-adding export relationships within the region and internationally by providing access to technical assistance. Much of the work planned assists producers, exporters, and countries to maximize benefit from AGOA opportunities. Target sectors under this component are: exportable agriculture, textiles and apparel, and specialty foods.

Exportable Agriculture

The following activities were carried out during the second quarter of 2007 in support of exportable agriculture in eligible countries:

- **Regional Activities**

Market Gap Analysis: To facilitate and expedite assistance to the region in the agricultural sector, the Trade Hub determined it was necessary to ascertain the opportunities that exist in the South African market for regional agricultural goods. While South Africa is mostly self-sufficient in agricultural production, there remain opportunities for regional producers to take advantage of seasonal and climatic variations to meet an increase in overall demand of South African consumers.

Following meetings with major food retailers, fresh produce distributors, and food companies to identify gaps in local supplies of fresh fruit, vegetables and other agricultural products, the Trade Hub produced and launched the Market Gap Analysis study in the second quarter of 2007. The study will be used to prioritize market opportunities for fresh produce, and was shared widely with stakeholders in the Southern African region.

For additional information see technical report, “Market Gap Analysis Study” by Craig Carlson and John Lamb

US Buyer Trip: In January 2007 the Trade Hub was contacted by Sun Rich International, a U.S. specialty foods company, to inquire about assistance in identifying African products to add to their product line. As a result of this request, the Trade Hub was able to arrange meetings with companies in South Africa, Zambia, Malawi, and Mauritius.

In all, over twenty companies from the Southern Africa region were visited and included products such as teas, sauces, spices and specialty oils. These products will be the basis

for a new African products line being developed by the company. During the second quarter of 2007, Sun Rich pursued deals with five companies visited in Southern Africa.

SPS Study: The Trade Hub undertook the SPS study in response to private sector concerns about SPS measures being used to restrict both regional imports and exports. The objective of the study was to identify patterns in the occurrences and suggest possible mitigations to alleviate SPS restrictions. Richard Clark, a Trade Hub consultant, led the study in coordination with Craig Carlson.

In the second quarter of 2007, the Trade Hub launched the study and shared the findings with regional partners. The study will be used to target constraints faced by producers and stakeholders in the agribusiness sector in the Southern African region.

For additional information concerning this survey see technical report, “Sanitary and Phyto-Sanitary Survey” by Craig Carlson and Rick Clark.

International Food and Agricultural Trade Policy Council Workshop: Amanda Hilligas, Director of the Trade Competitiveness Project, attended the International Food and Agricultural Trade Policy Council Workshop entitled, “A Workshop on Strengthening and Widening Markets for African Agriculture”. The workshop was held from June 2 to 5 in Lusaka, Zambia. During the two-day workshop, Ms. Hilligas gave a presentation on AGOA and Agriculture. The workshop addressed the African agricultural sector as a means to poverty alleviation and development in Southern Africa.

For additional information, see trip report by Amanda Hilligas “An International Workshop on Strengthening and Widening Markets for African Agriculture, June 3-5, 2007”.

FANRPAN Planning Workshop: Craig Carlson and Bridget Chilala attended the FANRPAN Planning Workshop in Johannesburg, South Africa from May 1 to 2. FANRPAN works to promote appropriate agricultural and natural resources policy through commissioned policy research, stakeholder dialogues and policy training. The workshop fostered institutional capacity for supporting agricultural policy formulation and implementation in SADC countries, and worked to develop strategies for strategic and institutional alliances for agricultural policy.

During the FANRPAN meetings, the strategic business plan and constitution were finalized and will be adopted in September 2007, in Johannesburg, South Africa.

For additional information, see trip report by Craig Carlson and Bridget Chilala, “FANRPAN Stakeholders Planning Workshop, May 1-2, 2007”

Organic Exchange Meetings: Brett Johnson, AGOA Trade and Business Manager, attended the Organic Exchange Meetings in Cape Town, South Africa, the week of June 18. The week-long conference was targeted at finding ways to develop organic value chains in Africa and link African producers with buyers interested sourcing organic products for markets in South Africa, the U.S. and Europe. The conference was leveraged to meet with current and potential agribusiness partners in the region and identify markets for organic agriculture products from the region.



For additional information, see trip report by Brett Johnson, “Organic Exchange Conference and Keedo Capacity Building, June 18-19, 2007”

- **Botswana**



The Trade Hub provided support to the Botswana Horticulture Council (BHC) in their attempt to gain access for *melons to enter the South African market*. The request for an entry permit by the grower was rejected by the Department of Plant Protection in South Africa. The grower was informed, at the last minute, of the need for a pest risk assessment for a pest mistakenly identified as present in the area. The Trade Hub provided assistance to the grower, the buyer and the Department of Agriculture in Botswana in an attempt to resolve this issue. The Trade Hub is currently considering additional technical assistance and training for the Department of Agriculture in Botswana, and will work on a program, possibly in conjunction with the new SPS Advisors attached to the United States Department of Agriculture (USDA) in Pretoria in the third quarter of 2007.

- **Namibia**

Table Grapes: The Trade Hub has been in contact with the Namibian Grape Growers Association to ascertain the interest of their members in exporting to the United States this upcoming season. Most of the producers already have a market connection to the United States, and are interested in exporting their grapes in 2007. The exporters will be faced with competitive conditions and the ability of companies to meet the mitigation requirements to access the market. The Trade Hub will provide technical assistance, as required, to assist the producers to meet those requirements.



Planned Activities, Exportable Agriculture:

- **Regional:** Contact Namibian Grape Growers Association to determine next steps in assisting producers in meeting mitigation and export requirements;
- **Regional:** Contact all of the companies visited during the recent visit by Sun Rich International to determine next steps;
- **Regional:** Attend “Africa’s Big Seven”, a showcase in Johannesburg at Gallagher Estate in Midrand, where fresh and processed foods are displayed for export, specialty foods and beverages are marketed to Africa’s importers, and processing and packaging technologies are traded internationally;
- **Botswana:** Continue support to the BCPA in the development of educational material, determining the feasibility of conversion of the Botswana Meat Commission (BMC) and other changes within the industry;
- **Botswana:** Work with the BCPA to produce their website;

- **Botswana:** Work with local growers and the Department of Agriculture to clarify the recent miscommunication concerning the erroneous reporting of a pest in Botswana thus allowing for the admissibility of melons into South Africa;
- **Malawi:** Travel to Malawi to work with stakeholders on the findings of the Gap Analysis;
- **South Africa:** Work with producers to identify and prioritize cross border investment or sourcing opportunities into Swaziland and/or Mozambique;
- **South Africa:** Develop an action plan based on the gap analysis for fresh produce into the South African market;
- **Zambia:** Assist in facilitating communication between baby vegetable producers and buyers in the United States.

Textiles and Apparel

The following activities were carried out during the second quarter of 2007 in support of textiles and apparel in eligible countries:

- **Trade Hub Hosts Business to Business Apparel Meetings**



In the second quarter of 2007, the Trade Hub held the textile and apparel business-to-business meetings which were held in Johannesburg, South Africa from May 29 to 30. The meetings brought together Southern African producers of textiles and apparel with retailers and U.S. buyers to foster trade and market linkages.

More than 50 companies (60 delegates) came together for 350 half-

hour meetings. With only 24 of the questionnaires received from participating companies at the time of the writing of this report, the following results can be reported:

Over the next 3 to 6 months: between U.S. \$1.3 million in deals/transactions.

Over the next 2 years: between U.S. \$5.2 and \$5.3 million in deals/transactions.

These figures do not include all results from the business-to-business meetings. Final details on deals and transactions will be included in the third quarter report. The event was covered in *Pursuit* magazine, published in South Africa in the third quarter 2007.

“It was great meeting all of the attendees at the SATH [Southern African Trade Hub] B2B Conference. We feel honored to have been able to network with some of the finest companies in the international business community. As a rapidly growing company, we are desirous to develop viable win-win partnerships throughout Sub Saharan Africa primarily in the garment / apparel sector. We consider the Trade Hub an integral part of our network of international partners and we look forward to a long and mutually beneficial business relationship.” – Butta Made in Africa Brand

For additional information see trip report by Amanda Hilligas, "Business to Business Apparel Meetings, May 28-31, 2007"

Denim Study Conducted in the Second Quarter of 2007

The apparel industry in Southern Africa represents the most significant source of success under the AGOA legislation, and has been responsible for creation of thousands of jobs in the region. The recent extension of the third-country fabric provision will allow for the continuation of many of these jobs and expansion of employment in numerous countries.



However, the recent extension of third country fabric included a provision requiring the procurement of denim fabric from local sources, which may threaten the competitiveness of the industry. The Lesotho Garment Manufacturers Association expressed concern about the provision and requested that the Trade Hub examine the impact it may have.

Both the TFCB and the TCP are working jointly on this report, which will be finalized in the third quarter of 2007.

- **Keedo: AGOA and Customs Assistance**

Keedo International (Pty.) Ltd. of Cape Town, a company that has exported apparel to the United States under AGOA for the past twelve years, had their exports deemed ineligible under AGOA by United States



Customs and Border Protection (CBP) in late 2006. U.S. Customs and Border Protection found discrepancies in manufacturer documentation and therefore were not satisfied that

the apparel was made in South Africa.

"I am very happy that the companies became aware of the CBP requirements, and also of the Trade Hub and the role it can play to promote trade in South Africa. Thank you from the bottom of my heart for making a difference." - Nelia Schutte, Keedo Clothing, Cape Town, South Africa

In the first quarter of 2007, USAID / South Africa contacted the Trade Hub and requested the Trade Hub to assist Keedo, because the company had just lost a lucrative \$1.6 million export market.

In the second quarter of 2007, the Trade Hub facilitated a compliance program designed by Mr. Doug Browning of the Sandler Travis Law Firm to bring Keedo and other South African firms into compliance with CBP requirements. Senior Customs Advisor, Ranga Munyaradzi, and AGOA Trade and Business Manager, Brett Johnson, facilitated a workshop with other Export Council for the Clothing Industry in South Africa to assist apparel companies with

understanding CBP requirements while in Cape Town. The workshop was designed to assist firms with customs compliance, and therefore boost the value and volume of apparel exports from South Africa.

For more information, see trip report by Brett Johnson, "Organic Exchange Conference and Keedo Capacity Building, June 19-18, 2007".

- **South Africa: Category 9 Eligibility Under AGOA**

AGOA provides duty and quota free benefits for hand loomed, handmade, or folklore articles made in beneficiary sub-Saharan African countries. This provision is known as "Category 9".

In Executive Order 13191, the President authorized Committee for the Implementation of Textile Agreements (CITA), after consultation with the Commissioner of Customs and Border Protection, to consult with beneficiary sub-Saharan African countries and to determine which particular textile, if any, and apparel goods shall be treated as being hand loomed, handmade, or folklore articles.

Category 9 products from South Africa were submitted in the first quarter of 2007, with the objective of gaining duty-free access for hand-loomed and ethnic-printed fabrics to the United States.



CITA considered South Africa's submission in the second quarter of 2007 and will likely announce results in the third quarter of 2007 on eligibility for Category 9 provisions.

Planned Activities, Textiles and Apparel:

- Finalize plans, participants and carry out support for companies that will attend the MAGIC Show, held in Las Vegas, Nevada from August 27 to 30, and the Material World Show, held from September 25 to 27;
- In conjunction with the Trade Facilitation and Capacity Building Project, finalize and publish the denim study begun in the first quarter of 2007;
- Continue to provide technical assistance to Keedo Clothing and other South African firms in their effort to regain access to the United States Market;
- Follow up with the United States Department of Commerce on South Africa's Category 9 submission under AGOA.

AGOA Support

The AGOA Support Component is designed to provide complementary capacity building and technical assistance at both the firm level and national level to increase the value and volume of exports to the United States from eligible countries in the Southern Africa region. In the second quarter of 2007, the Trade Hub made significant progress in supporting the AGOA Mission of promoting partnerships that increase trade in goods to the United States. Many firms are in the process of solidifying export partnerships with U.S. firms, due to assistance from the AGOA Program.

- **Botswana Company Benefits from AGOA Assistance:**

Peter Mabeo Furniture



Peter Mabeo's Furniture at the ICFF (International Contemporary Furniture Fair in New York).

Peter Mabeo Furniture, based in Gaborone, Botswana, produces high quality and contemporary furniture that has been featured in the *New York Times* and *O* (Oprah's Magazine). Canadian designer Patty Johnson has collaborated with Mr. Mabeo to bring new product collections, including furniture and basketry to the North American market. Johnson created designs allowing Mabeo Furniture, to make the most of the techniques and materials unique to each culture, developing products that are desirable in the U.S. marketplace.

Peter Mabeo has won awards at the International Contemporary Furniture Fair and "Design Dozen 2006" in *Newsweek*, as one of the product lines represented for new direction and achievement in design.

- During the second quarter of 2007, Africa Fast Track Trade and the Trade Hub partnered to send Peter Mabeo of Peter Mabeo Furniture to the International Contemporary Furniture Fair (ICFF), which was held in New York City from May 19 to 22. Furniture expert and consultant Russ Colvin attended with Mr. Mabeo, to assist him to achieve his first export deals with buyers in the United States. As a result of the trade show, Peter has several expressions of interest and will be shipping a consignment of furniture in the third quarter of 2007.

- On Wednesday June 13, Amanda Hilligas and Peter Mabeo were featured on the Botswana radio program, “The Daily Grind” on Gabz FM to discuss exporting to the United States. Mr. Mabeo discussed his success at the recent International contemporary Furniture Fair, and the steps involved in successfully exporting to the United States.

- **Sun Rich International Visit to Result in New Exports**

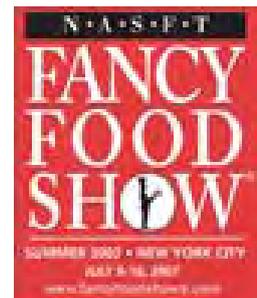


Sun Rich International, a gourmet food company based in Chicago, Illinois, visited Southern Africa in the first quarter of 2007, including South Africa, Zambia, Malawi and Mauritius. Sun Rich is developing an African Line of products that will be launched later in 2007. The company has selected products from each of the four countries visited during the trip to Southern Africa.

Sun Rich International is currently working on deals with five companies as a result of their trip in the first quarter of 2007. In addition, Sun Rich is working with the Public Broadcast System (PBS) on a documentary that will feature several Southern African companies and the Trade Hub’s support for these companies.

- **Selection of Companies Participating in the July Fancy Food Show**

The Summer Fancy Food Show will be held in New York City from July 8 to 10. This show is the national food show sponsored by the National Association for the Specialty Food Trade (NASFT). It is expected that up to 32,000 attendees from the gourmet food, wine, gift, supermarkets and department stores will attend.



The Trade Hub is working with the Africa Fast Track Trade (AFTT) program to host an Africa Pavilion at the show. Fifteen companies from Southern Africa will attend as part of the Africa Pavilion.

The Trade Hub is partnering with Africa Fast Track Trade on a special promotional seminar at the July Fancy Food Show entitled, “Savor Africa: A Buyer’s Seminar”. Featured speakers will include Dr. Jeffrey Sachs discussing the important role food plays in the sustainable development agenda and Mr. Robert Brozin, Founder and CEO of Nando’s Chickenland, More than 250 U.S. retailers have been invited to the seminar in New York City.

- **COMESA Business Forum**

Amanda Hilligas and Maxine Kennett attended the COMESA Business Forum entitled, “Regional Economic Integration for Value Addition and Diversification”, held in Nairobi, Kenya, from May 16 to 20. The forum provided an opportunity to discuss regional economic, trade and investment issues facing the business community in member states. A special session on AGOA was held at the forum, and the Southern Africa Trade Hub participated in the AGOA discussions at this event.

For additional information see trip report by Maxine Kennett and Amanda Hilligas “COMESA Business Forum: Regional Economic Integration for Value Addition and Diversification, Kenya, May 18-19, 2007.

- **Franchising in Southern Africa Conference**

From May 2 to 4, the Trade Hub-sponsored representatives from the public and private sector attended a Franchising in Southern Africa Conference in Johannesburg, South Africa. Maxine Kennett, Amanda Hilligas and Ken Ames, Trade Facilitation Project Coordinator, also attended. The conference was organized by the U.S. Embassy in Pretoria, South Africa, and the Franchise Association of Southern Africa (FASA) and will bring together government officials from SADC, entrepreneurs from the region and a number of U.S. franchise companies seeking partners in the region.

For additional information see trip report by Maxine Kennett, Amanda Hilligas and Ken Ames "U.S. – Southern Africa Franchising Forum", South Africa, May 1-5, 2007.

- **Botswana Cluster Development**

Brett Johnson and Amanda Hilligas participated in the joint program hosted by the Botswana Department of Industrial Affairs and the United Nations Development Program on cluster development in the context of AGOA, held on the June 12. Mr. Johnson and Ms. Hilligas presented a talk entitled, "What Does it Take to Implement AGOA in the Field: Experiences and Challenges from the Southern Africa Trade Hub". Stakeholders discussed barriers to increased exports under AGOA in Botswana.

Planned Activities, AGOA Support:

- Provide capacity building for firms participating in the New York Fancy Food Show, held in July 2007;
- Reach agreements on technical assistance for specialty food client companies;
- Participate in the 2007 AGOA Forum which will be held in Accra, Ghana from July 17 to 18;
- Continue support to Peter Mabeo Furniture and work to find investment capital for this firm;
- Follow up with Lesotho for sector work in apparel and related infrastructure concerns.

AGCI COMPONENT 3: INCREASING ACCESS TO FINANCIAL SERVICES FOR TRADE AND INVESTMENT

Since June 2005 when the AGCI was announced as a new source of funding and the new framework for Trade Hub activities, access to financial services has taken on a greater importance for the work of the Trade Hub which has been involved in the following activities:

Harmonization of Regional Stock Exchanges

Keith Jefferis, Economic Advisor to the Trade Hub, worked with consultant Sam Mensah on a study for the Confederation of SADC Stock Exchanges (COSSE), on *harmonizing listing regulations in stock exchanges in the region*. The study is aimed at facilitating investment in the region by supporting SADC's efforts to make the process of listing shares and raising finance in different countries easier, as well as enhancing the attractiveness of the SADC region as a

destination for international portfolio investments. The harmonization initiative is part of the policy framework agreed to under the SADC Finance and Investment Protocol. Dr. Mensah is a short-term consultant based in Accra, Ghana, with extensive experience in the development of African Stock Exchanges. Following the circulation of the draft report to COSSE members for comment, the report was finalized in May.

For additional information see technical report by Sam Mensah “Harmonization Initiative for SADC Stock Exchanges”.

Increasing Access to Microfinance for Businesswomen

With the signing of an MOU between the Botswana Women in Business Association (WIBA) and First National Bank (FNB) of Botswana on April 11, **WIBA’s savings mobilization scheme** was launched. FNB is currently developing the specific tools and services that will be offered to WIBA members under the scheme.

The Trade Hub is in the process of expanding its assistance to the businesswomen of the region and has contracted microfinance specialist Margaret Jiri to assist the **Imbita Swaziland Women’s Finance Trust**. A group of Swazi women founded Imbita in 1991 in direct response to the financial needs of women and to take advantage of the opportunities previously mentioned above. Since inception the Trust has disbursed more than 7,000 loans and has serviced more than 14,500 savers, more than 70% of whom are rural women. Ms. Jiri will assist Imbita with repositioning the microfinance services of the organisation to address its exponentially growing membership base and to determine which are the best options for its microfinance services in the future.

Financial Services Liberalization

Maxine Kennett and Keith Jefferis visited Angola in late April **for discussions on the work to improve the efficiency of the banking sector**, enhance access to credit, and reform the monetary policy framework; Dr. Jefferis paid another visit to Angola in late May for follow-up discussions. As a result a number of Scopes of Work have been prepared and a team of consultants has been identified. As agreed with the Angolan Central Bank (BNA) and USAID / Angola, the main projects that will be undertaken are as follows:

- Reform of the Monetary Policy Framework;
- Program on the Liberalization of Exchange Controls;
- Reform of the financial sector, including (i) improving the supply of term finance, (ii) improving the supply of finance and SMEs, and improving SME business development and support services, (iii) reducing the costs of banking and improving banking efficiency, (iv) determination of reference rates for the pricing of credit products, and (v) the potential for introducing a deposit insurance system.

For additional information see trip report by Maxine Kennett and Keith Jefferis “Angola”, Angola, April 30 - May 3, 2007.

Planned Activities, Financial Services for Trade:

- A study commissioned by USAID Mozambique on financial sector reform has recently been completed. The recommendations of the study are currently being reviewed, and it is anticipated that a number of specific projects will be identified as potentially suitable for Trade Hub assistance in the third quarter of 2007.

Participation in Events Outside the Trade Hub

In addition to the above-mentioned activities, Trade Hub technical staff contributed to events organized and held outside the Trade Hub in the area of trade finance during the second quarter of 2007:

- Maxine Kennett attended the Southern Africa Roundtable on “Making Finance Work for Africa” in Livingstone, Zambia from May 7 to 9 and hosted by the World Bank Group.

For additional information see the trip report by Maxine Kennett” Roundtable Meeting on Making Finance Work for Africa”, Zambia, May 7-9, 2007.

AGCI COMPONENT 4: FACILITATING INVESTMENT IN INFRASTRUCTURE

This component seeks to support the creation, improvement and sustainability of physical infrastructure, and related services, in both urban and rural areas, to enhance the economic environment and improve economic productivity, including for women. Thus, this component includes activities to improve transport (including roads, airports, railways, and ports), Customs, and the supply of energy.

World Customs Organization (WCO) Time Release Studies (TRS)



In collaboration with the WCO, the Trade Hub continued to facilitate implementation of Time Release Studies (TRS) in various countries of the region. The TRS is the first step in identifying the bottlenecks, strengths and weaknesses, and regulatory areas needing reform of the Customs regime of a country. Ultimately, the goal is improved efficiency and effectiveness of the Customs regime.

- **Malawi:** As a result of a donors’ meeting in Malawi in March where participants agreed on a technical assistance program, the Trade Hub has agreed to assist the Malawi Revenue Authority in a number of areas. Ranga Munyaradzi, Senior Customs Advisor, has been preparing for a trip with five Malawi Revenue Authority (MRA) risk management officers to Uganda from July 23 to August 3. There, together with Uganda Revenue Authority Officers, he will conduct a training program on Risk Assessment and Management. The MRA Team will also conduct field visits to operational areas (inward clearance and transit offices), including the one-stop border post with Kenya at Malaba/Tororo. The five Malawians are part of a new MRA Risk Management Unit, and there is a need for them to obtain training and exposure to a functional environment in a country such as Uganda that is successfully implementing risk management according to the World Customs Organization (WCO) Revised Kyoto Convention.
- **Mozambique:** During the first quarter of 2007, Mozambican Customs submitted the draft TRS Report to the Trade Hub and the WCO. The report was finalized during the second quarter, and it was submitted to the Director-General of *Alfândegas de Mozambique* on May 18. It is now awaiting a prioritized Action Plan and Implementation Strategy.

For additional information please see trip Report by Ranga Munyaradzi “Final Phase of Mozambique Time Release Study May 2007” Mozambique, May 15-19, 2007.

- **Zambia:** The TRS Report for Zambia was submitted to the Acting Commissioner-General of the Zambia Revenue Authority (ZRA) on March 30 and is currently pending ZRA finalization and a prioritized TRS Action Plan and implementation strategy.

Planned Activities, Time Release Studies:

- **Malawi:** Subject to further analysis, the Trade Hub will build capacity for the phase-out of pre-shipment inspection through training and attachment program for Risk Management to a functional environment in Uganda and develop a Customs Systems interface and connectivity and an Electronic Data Interchange and Electronic Certificate of Origin for Malawi
- **Zambia:** The Trade Hub will assist the ZRA with the implementation of Action Plan once ZRA has responded to the final report.

Trade Facilitation Support to SADC

From April 11 to 13, Evans Marowa participated at the SADC Surface Transport Experts Meeting held in Pretoria to develop the priority surface transport program for SADC and review the draft terms of reference for the development of the SADC Infrastructure Master Plan. As a result of this meeting, the SADC Secretariat will revive the Technical Committees for the various surface transport sub sectors to drive the process of implementing the SADC surface transport work program.

For additional information please see trip Report by Evans Marowa “SADC Surface Transport Experts Meeting”, South Africa, April 11-13, 2007.

As a result of a request from the SADC Directorate of Infrastructure and Services, Evans Marowa made presentations on Trade Hub facilitation measures for the regional corridors to the infrastructure stakeholders clusters for Botswana (Gaborone) and Namibia (Windhoek) on May 14 and May 18, respectively.

For additional information please see trip Report by Evans Marowa “SADC Secretariat Meeting with the Infrastructure Cluster Stakeholders in Windhoek, Namibia”, Namibia, May 14-18, 2007.

On June 8 Evans Marowa met with Barney Curtis, Executive Director, Federation of East and Southern Africa Road Transport Associations (FESARTA), and Steve Morgan from the Secretariat to the SADC Panel of Experts on vehicle standards and loads on vehicles, based at the South African Bureau of Standards. The purpose of the meeting was to discuss the nature of support required by the panel of experts as part of the memorandum of understanding being developed with the SADC Directorate of Infrastructure and Services. It was agreed that the Trade Hub would consult with both SADC and COMESA on taking a harmonized approach to this matter and to confirm the level of commitment to this from the member states.

For additional information please see trip Report by Evans Marowa “Second Annual Freight Logistics Conference, South Africa, June 6-8, 2007.

The Trade Hub and the SADC Directorate of Infrastructure and Services will finalize Scopes of Work to be part of the MOU on infrastructure and services.

Roll-out of the SAD 500 / Single Administrative Document

The SAD 500 is a multi-purpose goods declaration form covering imports, exports, cross-border and transit movements, and it incorporates all the information necessary for advanced Customs Clearance and Customs risk management purposes. It reduces paperwork and allows for quicker turnaround times with fewer errors, less confusion, lower costs, and improved trade efficiencies.

The SAD 500 complies with international best practices and Customs standards, with similar documents having been introduced throughout the world. It was successfully piloted in the Trans Kalahari Corridor (TKC) between South Africa, Botswana and Namibia over the past two years with technical assistance from the Trade Hub. It is now the only Customs declaration document in Botswana and Namibia, and the Trade Hub is assisting in its roll-out to non-SACU countries.

After the Trade Hub-facilitated review meeting of the TKC / Dar Corridor Customs Working Groups in Lusaka on the roll-out of the SAD 500 in Zambia from February 20 to 21, the implementation of the SAD 500 in Zambia is currently awaiting parliamentary process before it can be implemented.

For additional information see trip report by Ranga Munyaradzi “TKC / DAR Corridor Customs Working Group Lusaka Meeting”, Zambia, February 2007.

Implementation of the SAD 500 in Mozambique has been hampered by the inability of the current TIMS computer program to accommodate the SAD 500. Mozambican Customs is in the process of developing a new program which will accommodate the SAD 500 and developing a trade Single Window / One-stop Platform.

Planned Activities, SAD 500:

- Work toward the adoption of the SAD 500 in Malawi and Tanzania after successful roll-out in Zambia.
- Implementation of TRS Recommendations and Action Plans in Zambia and Mozambique

Transport Corridors Support Work

Activities in support of Transport Corridors of the region during the first quarter of 2007 included the following:

- **Trans-Kalahari Corridor (TKC):** Evans Marowa facilitated a meeting of the co-chairpersons of the Trans Kalahari Corridor Management Committee (TKCMC) on April 10 at the CSIR Convention Centre in Pretoria. The meeting reviewed the draft work program produced by the Program Coordinator (PC) and gave guidance to the PC to produce a final draft for attention by the Working Groups and the TKCMC.

For additional information please see trip Report by Evans Marowa “Second Annual Freight Logistics Conference, South Africa, June 6-8, 2007.

Evans Marowa met with Jowie Mulaudzi of the Department of Transport in South Africa and the TKCMC Chairperson on June 9 in Midrand. The purpose of the meeting was to brief her on the ongoing work to prepare a project proposal for the Trans Kalahari Railway Line (TKRL) feasibility study application for funding from the World Bank Public Private Infrastructure Advisory Fund (PPIAF) and get her feedback regarding the process of securing endorsement by the Government of South Africa. She advised that guidance was

expected from the State Lawyers as well as the Department of National Treasury. It was agreed that the SADC Secretariat should be approached as a fall back position for securing support for the project, since the TKRL is already on the project profiles of SADC.

For additional information please see trip Report by Evans Marowa “Second Annual Freight Logistics Conference, South Africa, June 6-8, 2007.

On June 11 Evans Marowa met with the Botswana Deputy Permanent Secretary for Transport and officials from the Botswana Ministry of Public works and Transport and the Department of Road Transport and Safety. The purpose of the meeting was to (a) brief the ministry on the preparations for the TKCMC meeting to be held on June 25 and 26, (b) clarify the role of the national members of the Customs and Transport Working Groups and the newly established Botswana Trans Kalahari Corridor Group, and (c) brief her on the ongoing work to prepare a project proposal for the Trans Kalahari Railway Line feasibility study application for funding from the World Bank Public Private Infrastructure Advisory Fund (PIAF) and get her feedback regarding the process of securing endorsement by the Government of Botswana.

Evans Marowa facilitated the Trans Kalahari Corridor Management Committee (TKCMC) meeting and its Customs and Transport Working Groups on June 25 and 26 in Gaborone, Botswana. Participants in the meeting developed a prioritized action plan for the TKCMC implementation through the coordination of the recently appointed Program Coordinator. Furthermore, Evans Marowa presented an annex to the TKC Memorandum of Understanding (MOU) to formally establish the Permanent Secretariat and host it in Namibia. It is to be reviewed by the TKCMC before approval.

- **Maputo Corridor:** On April 18, Evans Marowa participated in the Mpumalanga Freight Logistics Forum (MFLF) combined Transport Working Group Meeting and the MFLF Steering Committee Meeting. The meeting discussed recent progress in the deliberations of the South African Border Control Operations Coordination Committee (BCOCC) with respect to the development of a one stop border post between Mozambique and South Africa at Lebombo/Ressano Garcia border post. The MFLF Executive Committee agreed that the draft corridor institutional framework produced by the Trade Hub be circulated to all stakeholders by the Maputo Corridor Logistics Initiative (MCLI) as secretariat to facilitate deliberations on the proposals at a meeting to coincide with the MCLI annual general meeting in Maputo in May 2007. The relevant stakeholders would be the key public and private sector institutions in Mozambique, South Africa, and Swaziland.

For additional information please see trip Report by Evans Marowa “Meeting of the Mpumalanga Freight Logistics Forum”, South Africa, April 18, 2007.

On May 22 at a MCLI stakeholders’ meeting in Maputo, Mozambique, Evans Marowa presented the proposals for establishment of a corridor management committee for the Maputo Corridor based on public private partnership of the three countries of Mozambique, South Africa and Swaziland. It was decided to allow national consultations to take place in the three countries in order to obtain a political mandate to establish the committee.

On May 23 Evans Marowa participated in the Mpumalanga Freight Logistics Forum and the annual general meeting of the Maputo Corridor Logistics Initiative held in Maputo. A major point that emerged from the feedback given was that bilateral discussions between Mozambique and South Africa had resulted in a decision to implement a one-stop border

post at Lebombo-Ressano Garcia. Joint consultations are now ongoing and DFID Southern Africa is facilitating this process.

For additional information see trip report by Evans Marowa” Maputo Corridor Trilateral Stakeholders Meeting, MFLF Combined Transport Working Groups Meeting and MCLI Annual General Meeting”, Mozambique, May 22-24, 2007.

- **Dar-es-Salaam Corridor:** Evans Marowa and Ranga Munyaradzi facilitated a meeting of the Dar es Salaam Corridor Committee (DCC) and its Customs and Transport Working Groups on May 31 and June 1 in Blantyre, Malawi. The meeting reviewed the work program of the DCC and its working groups, and the participants in the meeting agreed on concrete action plans with definite deliverables for the next quarter through the end of August 2007. The Trade Hub will continue to liaise with stakeholders to ensure implementation of the agreed activities. A major achievement was the pledge of \$32,000 by two private companies as annual contributions to the functioning of a permanent secretariat for the corridor.

For additional information see trip report by Ranga Munyaradzi and Evans Marowa” Dar es Salaam Corridor Committee Meeting Blantyre, Malawi”, Malawi, May 31 - June 1, 2007.

- **North-South Corridor:** Roll-Out of SAD 500 to Zambia is in progress, and full implementation is pending parliamentary approval (*for additional information see the “Roll-out of the SAD500” Section above*)

For additional information see trip report by Ranga Munyaradzi “TKC / DAR Corridor Customs Working Group Lusaka Meeting February 2007.

Planned Activities, Transport Corridors Support Work:

- **Maputo Corridor:** On July 18, Evans Marowa will facilitate a meeting of stakeholders on the Maputo Corridor in Nelspruit, South Africa, to develop concrete proposals for a feasibility study on the establishment of truck stops along the corridor;
- **Maputo Corridor:** On July 19, Evans Marowa will attend the MFLF meeting in Nelspruit, South Africa;
- **Maputo Corridor:** Evans Marowa will work with the Maputo Corridor Logistics Initiative (MCLI) to arrange national stakeholder consultations for the proposed corridor institutional framework;
- **Dar es Salaam Corridor:** Evans Marowa will follow up on activities arising out of the revised work plans for the DCC and TKCMC;
- **Dar es Salaam Corridor:** Evans Marowa will coordinate with the Ministry of Communications and Transport of Zambia to arrange a signing ceremony of the corridor constitution by Zambian stakeholders;
- **Dar es Salaam Corridor:** After implementation in Zambia of the SAD 500, the roll-out will be extended to the other two Dar es Salaam Corridor Countries (Malawi and Tanzania; *for additional information see Roll-out of the SAD 500 Section above*);

- **Trans Cunene Corridor:** Evans Marowa will follow up on feedback from the Government of Angola on the request by the Government of Namibia and the Walvis Bay Corridor Group (WBCG) to implement a corridor trade facilitation program;
- **North-South Corridor:** Follow up on the implementation of the Cross Border Vehicle Overload Control System (CBOCS—*for additional information see details in section below*).

Cross-Border Vehicle Overload Control Initiative

Overloaded trucks on the road networks of the region is a major cause of damage to roads, and damaged roads mean slower transportation routes and higher costs of transportation. In November 2004, the Trade Hub introduced the Cross Border Overload Control System (CBOCS) for the Martin's Drift/Grobler's Bridge border crossing between Botswana and South Africa as a pilot program designed to reduce truck overloading.

The finalization of the roll out plan for the CBOCS had stalled because of the need for confirmation of the legal provisions empowering the Customs Administrations of Botswana, Namibia, South Africa and Zambia to demand weighbridge clearance certificates before clearing heavy good vehicles.

The Customs departments of Botswana, Namibia and South Africa confirmed that the current legislative provisions do support the implementation of the Cross Border Vehicle Overload Control System. Feedback is pending from Zambia.

Planned Activities, Cross-Border Vehicle Overload Control Initiative:

- Evans Marowa will follow up on feedback from the Zambia Revenue Authority's (ZRA) Customs Department. In addition, work will proceed to prepare a work plan to roll out the Martin's Drift-Grobler's Bridge Pilot Cross Border Overload Control System to the TKC. Finalization of the implementation plan is pending feedback from the Customs departments of the affected countries with respect to the adequacy of current legislation to support permanent implementation of this system.

Air Passenger / Cargo Hub in Botswana, Preliminary Study

General economic growth within the SADC region coupled with commercial developments has given rise to an opportunity to create a regional passenger and cargo air logistics hub within the region. Botswana is one alternative location for such a hub.

Evans Marowa finalized a draft report of the findings of a preliminary fact-finding study conducted to assess the possibilities for creating a regional passenger and cargo air logistics hub in Botswana for the region. Comments are pending from the Botswana Ministry of Works and Transport.

Support to the SADC Energy Sector

Energy sector expert, Les Kugel, has submitted an interim report of his review of legal and regulatory barriers to private sector energy provision, access to distribution and transmission facilities, and the operation of electricity markets. The final report, due in July 2007, is also expected to identify where interventions and policy reform could assist private sector investment in electrical generation capacity and in efficiently meeting the region's rapidly increasing energy needs.

Mr. Kugel and intern Matt McClelland from Harvard University have also been producing country-specific brochures on energy regulation based on the information contained in the study. The eight brochures, which will include information on constraints to energy investment as well as opportunities that may be available in each SADC country, are expected to be distributed to the SADC Secretariat, U.S. Embassies, USAID Missions, donor organizations, as well as individual companies considering energy-related investments in the region in August 2007.

Since initiating work on energy issues in 2006, the Trade Hub has carefully positioned itself as a centre of excellence for energy trade and energy regulatory issues and has received a number of requests for regulatory technical assistance and training from the Regional Electricity Regulators Association of Southern Africa (RERA) as well as individual national regulators in the SADC region.

The Trade Hub is working with USAID/Mozambique and USAID/EGAT to deliver a training course on energy regulation to the regulatory commission in Mozambique (CNELEC) based in Maputo. The training will take place after new CNELEC Commissioners have been recruited.

Planned Activities, SADC Energy Sector:

- Trade Hub will provide training and technical assistance to RERA as well as other national regulators in the next quarter.
- The Trade Hub is working with USAID/Mozambique and USAID/EGAT to deliver a training course on energy regulation to the regulatory commission in Mozambique (CNELEC) based in Maputo. The training is expected to take place in 2008 after new CNELEC Commissioners have been hired.

Port Management Association of East and Southern Africa (PMAESA) Support

The Trade Hub received a request from PMAESA for the following activities:

- Conduct a study and facilitate a roundtable to identify investment opportunities in the PMAESA Ports.
- Conduct a study to propose mechanisms for the establishment of a permanent Regional Corridor Working Group to promote corridor development initiatives in the East and Southern Africa Region.

This request will be consolidated into a comprehensive Memorandum of Understanding with SADC Secretariat on infrastructure and services. The priorities for the SADC Secretariat Infrastructure Division for the transport sector including the maritime sub sector will be finalized at the SADC Technical Committee Meetings to be held from August 1 to 3, 2008.

Planned Activities, PMAESA:

- The above request will be consolidated into a comprehensive Memorandum of Understanding with SADC Secretariat on infrastructure and services. The priorities for the SADC Secretariat Infrastructure Division for the transport sector including the maritime sub-sector will be finalized at the SADC Technical Committee Meetings to be held from August 1 to 3, 2008

Planned Activities, General Trade Facilitation:

- An IT expert who has been identified by the Trade Hub will begin to work on an electronic certificate of origin to be piloted between Malawi and South Africa in September 2007.

Participation in Events Outside the Trade Hub

In addition to the above-mentioned activities, Trade Hub technical staff contributed to events organized and held outside the Trade Hub in the customs and transport areas during the second quarter of 2007:

- On April 4 Bridget Chilala traveled to Johannesburg, South Africa, to attend a conference on “Better Customs, Freer Trade, Safer Borders, Better Societies” hosted by the World Customs Organization (WCO) and the Republic of South Africa. Speakers included Nelson Mandela, Paul Wolfowitz, and Ministers from Brazil, South Africa, Sweden and the UK.

For additional information see trip report by Bridget Chilala “World Customs Organization Conference on Enhancing Dialogue on Capacity Building”, South Africa, April 4, 2007.

- From April 16 to 20, Bridget Chilala and Ranga Munyaradzi, Senior Customs Advisor, attended a WTO regional workshop on trade facilitation for English speaking African countries in Nairobi, Kenya. Bridget Chilala made a presentation on its experience in conducting trade facilitation assessments and the work on transit corridors in Southern Africa and how the Trade Hub is contributing to the facilitation of trade in the Southern African region.

For additional information see trip report by Bridget Chilala and Ranga Munyaradzi “WTO Guided Self-Assessment Tool Regional Workshop on Trade Facilitation”, Kenya, April 16-20, 2007.

- Evans Marowa participated in the Africa Roads 2007 Conference Master Class on road mapping public and private partnerships in Sandton, South Africa, on May 21.

For additional information see trip report by Evans Marowa “Africa Roads Conference Master Class on Road Mapping Public Private Partnerships”, South Africa, May 21, 2007.

- From June 6 to 7, Evans Marowa attended the second annual freight logistics conference in Johannesburg, South Africa, which presented an opportunity to meet with various public and private sector stakeholders in the South African freight logistics industry. A major issue is how to increase the capacity of the Durban – Gauteng Corridor and the need for reliable transport statistics to support integrated transport planning.

For additional information see trip report by Evans Marowa “Second Annual Freight Logistics Conference”, South Africa, June 6-7, 2007.

- From June 25 to 28, Brett Johnson and Ranga Munyaradzi worked with South African clothing firm, Keedo, and other firms in the Cape Town area to ensure compliance with U.S. Customs and Border Protection requirements to export under AGOA (*for additional information see AGCI Component 2 / Textiles and Apparel / Keedo*).

For more information, see trip report by Ranga Munyaradzi and Brett Johnson, “Organic Exchange Conference and Keedo Capacity Building, June 19-18, 2007”.

OUTREACH ACTIVITIES AND TRADE HUB MANAGEMENT

Staffing

During the second quarter of 2007, the Trade Competitiveness Project was restructured and new staff joined the project. Amanda Hilligas was promoted to Director of the Trade Competitiveness Project. Brett Johnson arrived in Botswana as the new AGOA Trade and Business Manager. Veronica Malama was promoted to Project Assistant, and Anton Scheepers and Johann Labuschagne, both based in South Africa, joined the Trade Competitiveness Project as advisors in the agribusiness sector. Craig Carlson, Agribusiness Advisor, and Ken Ames, former Director of the TCP left the Trade Hub in the second quarter of 2007.

On June 18, Renata Rudman and Matt McClelland, who are currently working toward Masters Degrees at the Kennedy School at Harvard University, joined the Trade Hub as interns. Ms. Rudman will assist the Trade Hub with work on AGOA and agribusiness and Mr. McClelland will be assisting with country-specific brochures for the energy sector, communications issues and trade negotiations.

Events and High Level Visits

The following events and high-level visits to the Trade Hub took place during the second quarter of 2007:

On April 12 the Trade Hub hosted a delegation from the U.S. War College for a briefing on trade-related issues in Southern Africa.



On April 17 the Trade Hub hosted a meeting of the Botswana Ministry of Agriculture.



On April 18 the Trade Hub presented a briefing on Trade Hub activities and regional trade issues to a group of Angolan students on a study tour to the SADC Secretariat.

From April 18 to 20 Maxine Kennett attended a World Bank “Doing Business” meeting in Maputo, Mozambique.

Les Kugel, Trade Hub Energy Consultant, and Facundo Alberdi of the U.S. National Association of Regulatory Utility Commissioners (NARUC) met in Johannesburg on April 24.

On April 24 the U.S. Ambassador to Botswana hosted a reception for stakeholders and interested parties in honor of cooperation between the US and the SADC Secretariat on trade-related matters.

On April 25 the Trade Hub received delegates of the SADC Development Finance Resource Center (DFRC) for a presentation and discussions on areas of possible cooperation.

On May 3 and 14 and June 4, 26 and 28, the Trade Hub hosted planning meetings of the Botswana Cattle Producers Association (BCPA) and the Botswana Agricultural Union (BAU).

On May 14, the Trade Hub made a presentation to Dr. L. Mary Mbithi of the University of Nairobi who is conducting a study of the state of integration of African trading blocks for the World Bank.

The Trade Hub hosted a seminar run by the U.S. Center for Disease Control (CDC) for Tebelopele staff members called "Introduction to Handheld" from May 7 to 10 for the purpose of piloting the electronic transmission of data.

On May 22, the Trade Hub briefed a representative of the Canadian International Development Agency and the Canadian Embassy in Harare on USAID Trade Hub activities.



Michael Roberts, Counsellor of the WTO's Agricultural and Commodities Division, visited the Trade Hub on June 11 to discuss Sanitary and Phyto-sanitary (SPS) issues with the Trade Hub team and coordinate future activities in this field.

On June 12 the Trade Hub team received the newly appointed High Commissioner of South Africa in Botswana, H.E. Dikgang Moopeloa, to brief him on Trade Hub activities. U.S. Ambassador to Botswana, H.E. Katherine Canavan, was also in attendance at the meeting.



On June 13 the commercial delegation from the Embassy of the People's Republic of China in Botswana was received at the Trade Hub to discuss Trade Hub activities and explore areas of common interest and possible collaboration.

The recently appointed CEO of the Botswana Chamber of Commerce, Industry and Manpower (BOCCIM), Maria Machailo-Ellis, visited the Trade Hub on June 28 to discuss the Trade Hub's ongoing activities in support of the private sector in Botswana in collaboration with BOCCIM.

On June 28 the Trade Hub received Kevin B. Graney, Senior Policy Advisor, and Justin R. Swift, Deputy Assistant Secretary for International Affairs, both from the Office of Fossil Energy of the U.S. Department of Energy to discuss the Trade Hub's ongoing projects in the area of energy and investment in infrastructure.

On June 15, Peter Mabeo of Mogomotsi Enterprises, a Botswana company which produces a contemporary furniture line that has gained the attention of Newsweek, the New York Times, Elle Décor, the City Magazine of New York, and The Toronto Star visited the Trade Hub to brief Trade Hub staff members on his exporting experiences to the US.

Publications and Communications

- **Publications**

During the second quarter the Trade Hub published the 9th issue of its quarterly news publication, *Inside Southern African Trade (INSAT)*. This issue marks the first in a series dedicated to individual SADC countries. We start with ‘The Warm Heart of Africa’ – Malawi. The issue features a statistical and narrative overview of Malawi and an interview with Chancellor Kaferapanjira, CEO of the Malawi Confederation of Chambers of Commerce and Industry, about the opportunities and challenges for business owners, prospective entrepreneurs and investors in Malawi. In the ‘Guest Perspective’, Ian Goggin discusses the development of the Agricultural Commodities Exchange for Africa, based in Lilongwe, Malawi, and its aim to level the playing field for small farmers in agricultural trade. INSAT is distributed in electronic format and hard copy to over 6,000 recipients in the SADC region and beyond.



Hub Happenings continues to be published every month and is distributed to an increasing number of stakeholders. The number of electronic contact addresses on the distribution list has grown to 3,183.

“Please accept my grateful thanks for continuing to keep me informed of happenings in the SADC region.”

Bev Jack, Executive Director, Leather and Allied Industries Federation of Zimbabwe.

“I value reading the USAID Trade Happenings; and I appreciate receiving them.”

John W. Allen, Professor Emeritus, Marketing Team Leader, Partnerships for Food Industry Development: Fruits and Vegetables, USA

“Impressive report and happenings”

Prakash Hurry, COMESA

“Thank you very much. I have asked that this be posted on the AGOA website.”

Robert L. Dance, Deputy Director, AF/PDPA

“Thank you. You all are really accomplishing a lot. Congrats.”

Janice G. Knausenberger, MS Fiber Artist, Weaver, Educator Nairobi, Kenya

“Thank you very much for the very informative diary of events pertaining to the activities of the HUB. There are certain important tasks which are of direct interest to us, such as assistance to the Malawi Revenue Authority to establish a Risk Management and Post Clearance Audit function.”

Ken R. Morris, Commissioner of Customs and Excise Botswana Unified Revenue Service

During the first quarter the Trade Hub also drafted two new success stories. (See Annex 6)

- **Trade Issues Film Series**

The five films in the Trade Issues Film Series continued to be shown throughout the region. The WTO Secretariat used the Trade Hub film entitled *Trade Facilitation: Creating Faster & Cheaper Access to Markets* at a regional workshop in Nairobi, Kenya, which was attended by about 50 people and also showed it in Asia to about 70 people from the ASIA Pacific. The WTO is also planning to show the film at its next workshop on Trade Facilitation in workshops in Central Asia and Eastern Europe.



In preparation for events in Mozambique and Angola, the five films have been subtitled in Portuguese.

- **Website**

Gina van Schalkwyk, Information and Communications Coordinator, is working with Dexis Consulting, a U.S.-based firm which is also a sub-contractor to The Services Group, on upgrading the website. It is expected that the new website will be operative by July.



Participation in Events Outside the Trade Hub

In addition to the above-mentioned activities, Trade Hub technical staff contributed to and participated at events organized and held outside the Trade Hub during the second quarter of 2007:

- Bridget Chilala attended the World Customs Organization Conference–Global Forum V on fighting Corruption and Safeguarding Integrity from April 2 to 5 in Sandton, South Africa.

For additional information see trip report by Bridget Chilala “World Customs Organization Conference on Enhancing Dialogue on Capacity Building” South Africa, April 2-5, 2007.

Planned Activities, Outreach Activities

- **Films:** The Trade Issues Film Series is programmed for subtitling in French for use at events in Francophone Africa;
- **INSAT:** Publish the tenth issue of *Inside Southern African Trade (INSAT)* which will take a closer look at Mozambique and the trade-related opportunities and challenges of the country in the global economy;
- **Website:** Finalize work on the website overhaul; continue to update the website to act as an online hub on trade-related issues in the region.

Coordination and Interface with other Donor Organizations

During the second quarter of 2007, the Trade Hub technical staff continued to coordinate both formally and informally with international donors and organizations in developing and delivering its programming throughout the region. In addition to the activities discussed in the previous sections, the following meetings and/or activities were undertaken in coordination with other donor organizations:

- **Commonwealth Secretariat**

Bridget Chilala met with Mr. A. Nhara, Advisor to the SADC Secretariat for Commonwealth Secretariat Capacity Building “Hub and Spokes” Project, and will be holding another follow-up meeting to identify specific areas for possible collaboration during the next quarter.

The Trade Hub and the Commonwealth Secretariat also joined forces in holding a training workshop on trade in services negotiations in Livingstone, Zambia, from May 14 to 18 (*for additional information see AGCI Component 1 / Support to SADC / Zambia*).

For additional information see trip report by Bridget Chilala “Training Workshop on Trade in Services Negotiating Techniques”, Zambia, May 14-18, 2007.

- **World Trade Organization (WTO)**

During the second quarter, the WTO Secretariat used the Trade Hub film entitled Trade Facilitation: *Creating Faster & Cheaper Access to Markets in several regional workshops (for additional information see the Outreach Activities and Trade Hub Management / Publications and Communications / Trade Issues Film Series Section above)*.

The Trade Hub will collaborate with the WTO on future Trade Facilitation self assessments for selected SADC member states (*for additional information see AGCI Component 4 Section above*).

- **World Customs Organization (WCO)**

The Trade Hub established contact with Patrick L. Heinesson from the WCO Regional Capacity Building Office to ensure closer collaboration with the WCO on the Columbus Program to avoid duplication. The Trade Hub provided information on the trade facilitation work in the region including all the Trade Facilitation assessments conducted to WCO and WTO.

- **German Development Cooperation (GTZ) – Germany**

In collaboration with the GTZ (German Development Cooperation), the Trade Hub is developing a Results Based Monitoring System in line with the overall SADC Secretariat Monitoring and Evaluation System for the TIFI Directorate of SADC (*for additional information see Support to SADC Section above*).

- **Department for International Development (DFID) – UK**

The implementation of a one-stop border post at Lebombo-Ressano Garcia between Mozambique and South Africa will involve extensive collaboration between the Trade

Hub and DFID (*for additional information see AGCI Component 4 / Transport Corridors Support Work / Maputo Corridor*).

- **World Bank**

Evans Marowa and Ranga Munyaradzi attended the Dar es Salaam Corridor Committee meeting in Blantyre from May 31 to June 1. The World Bank Sub-Saharan Africa Transport Policy (SSATP) coordinator for East and Southern Africa attended the meeting as well and made presentations on the SSATP corridors observatory program highlighting areas of potential collaboration at the Port of Dar es Salaam.

For additional information see trip report by Ranga Munyaradzi and Evans Marowa “Dar es Salaam Corridor Committee Meeting” Malawi, May 31 - June 1, 2007.

Planned Activities, Donor Organizations:

- The Trade Hub and the WTO Secretariat held discussions on how to collaborate for future trade facilitation assessments in the region and agreed that the Trade Hub would participate on a case by case basis in the SADC region to jointly facilitate Trade Facilitation Assessments as provided for under the WTO Doha Round;
- Once the Mozambican and Zambian Customs Authorities have prioritized the implementation activities of the Time Release Study recommendations, the Trade Hub will facilitate the implementation process in coordination with other donor organizations (*for additional information see AGCI Component 4 / Facilitating Investment in Infrastructure / WCO Time Release Studies*)

FINANCIALS

TRADE FACILITATION AND CAPACITY BUILDING

a.	Overall contract budget	\$24,711,932
b.	Cumulative expenditures before Quarter 2 of 2007	\$9,864,805
c.	Expenditures during Quarter 2 of 2007	\$1,079,980
d.	Cumulative expenditures through Quarter 2 (b+c)	\$10,944,785
e.	Remaining budget (a-d)	\$13,767,147
f.	Obligated amount	\$13,484,438
g.	Remaining obligated amount (f-d)	\$2,539,653

TRADE COMPETITIVENESS

a.	Overall contract budget	\$6,911,503
b.	Cumulative expenditures before Quarter 2 of 2007	\$4,175,127
c.	Expenditures during Quarter 2 of 2007	\$ 528,854
d.	Cumulative expenditures through Quarter 2 (b+c)	\$4,703,981
e.	Remaining budget (a-d)	\$2,207,522
f.	Obligated amount	\$5,483,010
g.	Remaining obligated amount (f-d)	\$ 779,029

ANNEXES

Annex 1: AGOA Support Program Indicators

INDICATOR	Target	Q4 (2006)	Q1 (2007)	Q2 (2007)
Demand Driven				
Companies assisted in export logistics requests	n/a	143	27	32
Companies requesting AGOA resource tools	n/a	143	46	17
Calls received on AGOA inquiries from regional companies	n/a	14	16	72
Emails received on AGOA inquiries from regional companies	n/a	85	35	105
U.S. government stakeholders requesting information or program assistance	n/a	45	18	16
African government stakeholders requesting information or program assistance	n/a	3	3	4
Market Driven				
Companies assisted for Trade Show support	10	15	15	16
Number of people trained on exporting to the United States or product entry into the United States	50	143	26	15
Number of U.S. buyers or retailers requesting information on Southern African products	n/a	14	3	6
Number of business linkages/networking established with U.S. buyers	5	53	10	10

Annex 2: Important Outreach and Communications Indicators, Q2, 2007

INDICATOR	Definition/Unit Measure	Data Source	Results
Outreach through the Media			
Number of radio and television spots	Interviews and news broadcasts dedicated to Trade Hub activities	TV and radio stations	1
Quantity of newspaper coverage	Individual newspaper and magazine articles, press releases printed in publications, and news articles appearing in major internet sites.	Regional press	6
Trade Hub Publications			
<i>Inside Southern African Trade (INSAT)</i> quarterly newsletter	Number of people receiving <i>INSAT</i> electronically	TFCB Dialogue Unit	2,934
<i>Inside Southern African Trade (INSAT)</i> quarterly newsletter	Number of people receiving <i>INSAT</i> in hard copy	TFCB Dialogue Unit	2,500
<i>Inside Southern African Trade (INSAT)</i> quarterly newsletter	Number of people receiving <i>INSAT</i> through secondary e-mail distribution	TFCB Dialogue Unit	3,000
<i>Hub Happenings</i> monthly calendar of events and projects	Number of people receiving <i>Hub Happenings</i> electronically	TFCB Dialogue Unit	2,598
Please note that we are not able to provide website statistics this quarter as we are in the process of transferring to another website host.			

Annex 3: AGCI Component 1 Indicators

Capacity Building and Policy Reform for Trade Competitiveness Indicators

INDICATORS	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
# of Research & Analytic Documents Prepared by Trade Hub Team Members and Consultants (including Trip Reports)	32	28	18	27	44
# of Trade Policy Conferences, Seminars, Workshops completed (not training programs)	6	5	1	5	2
11a: # of Individuals Attending Project Sponsored Trade Policy Conferences, Seminars, Workshops	184	218	55	123	44
11b: % of Individuals Attending who were women?	27%	38%	18%	44%	11%
% of these Conference, Seminar, etc. meetings which included representatives of both public-private sectors working together	83%	80%	100%	60%	50%

Effective Private Sector Advocacy and Procedural Reforms that Address Impediments to Competition and Free Trade

INDICATORS	Oct 2005- March 2006	April – September 2006	Oct 2006 – March 2007
# of Private-Public Sector Workshops on Topics of Specific Concern to Private Sector Trade Issues Completed (Reported Annually)	4	11	6
# of Requests from the Private Sector for Support and Training, and Advocacy Assistance	7	50	21
# of Individuals from Private Sector Benefiting from Trade Advocacy Seminars, Consultations, Workshops, and Training Programs	21	352	227

Annex 4: Trade Hub Staffing Arrangements

INDICATORS	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
Person months of Long Term Technical Assistance Provided	23.3	23.5	21.9	19.4	20.7
Person Days of Short-Term Technical Assistance Provided	252	131	179	82	349
# of Trips Taken by Trade Hub Professional Personnel outside Botswana	30	44	23	32	46

Annex 5: Training Indicators

INDICATORS	Q2 2006	Q3 2006	Q4 2006	Q1 2007	Q2 2007
# of Training Programs Completed	1	4	0	1	2
# of People Trained	3	171	0	43	63
# of Person-months of Training Completed	0.7	2.00	0	0.7	1.4
% of Trained who were Women	67%	44%	0	35%	38%
% of Trainees who rated training as extremely helpful/informative	100%	100%	100%	100%	100%

Annex 6: Success Stories



SUCCESS STORY

Businesswomen gain access to finance

USAID's Southern African Trade Hub works with the Botswana Women in Business Association to increase its membership and gain access to finance



Photo: Southern Africa Trade Hub

Leah Gabame (left), Membership Campaign Coordinator, explains the benefits of WIBA membership to Florence Shagwa of Misiyose Insurance Agency.

With the help of a Trade Hub-sponsored Membership Campaign Coordinator the Women in Business Association (WIBA) increased its membership from 15 to 115 during a four-month period in 2006, and a Trade Hub study of microfinance options in Botswana enabled WIBA to implement a savings mobilization scheme for its members.

U.S. Agency for International Development
www.usaid.gov

Southern African businesswomen often do not have the support of a strong private sector association to represent their interests. Frequently, they have difficulties in accessing financing and the regulatory regime of the country where they operate discriminates against them. While some studies indicate that as many as 75% of businesses in Botswana are women-owned, many women in the country face similar challenges as they strive to achieve success with their businesses.

The efforts of the Botswana Women in Business Association (WIBA) to organize businesswomen into a cohesive force for advocacy in the country since it was established in the early 90's suffered from a lack of support and resources. After 15 years only a handful of women were struggling to keep the organization alive.

WIBA approached the USAID Southern African Trade Hub for assistance in 2005, and the Trade Hub identified two priority activities for the organization: (1) conduct a membership campaign and (2) implement a microfinance scheme for WIBA members.

In July 2006 the Trade Hub recruited a Membership Campaign Coordinator who spearheaded a membership campaign designed to increase the size and scope of the organization. As a result of the successful four-month campaign, WIBA's membership grew from 15 to 115 and included businesswomen from a broader geographic, commercial, and industrial scope.

At the same time, the Trade Hub also contracted a Microfinance expert to conduct a study of the microfinance options in Botswana and identify any unexploited niches in the financial market that would give a broader base of women access to microfinance, and that WIBA could help administer, giving preference to its members. A short-list of financial institutions was drawn up, and after each institution made a presentation to the Board of Directors of WIBA, First National Bank (FNB) of Botswana was selected to provide financial services to WIBA members.

On April 11, 2007, WIBA and FNB signed a memorandum of understanding creating a savings mobilization scheme for WIBA.



WORKSHOP BUILDS NEGOTIATING SKILLS ON TRADE IN SERVICES

According to the World Trade Organization, “*Services currently account for over 60% of global production and employment; they represent more than 20 percent of total trade (Balance of Payment basis)*”.

Yet, most developing countries suffer from a lack of negotiating capacity and are therefore unable to effectively articulate and protect their specific interests in negotiations on the liberalization of trade in services.



Southern African countries, in particular, struggle to engage in meaningful negotiations on liberalizing trade in services at the World Trade Organization (WTO), in negotiations on Economic Partnership Agreements (EPAs) with the European Union and among themselves at the regional level.

Despite having various protocols relating to services already in place, neither the Southern African Development Community (SADC), nor the Common Market for Eastern and Southern Africa (COMESA) has yet concluded comprehensive agreements on trade in services.

Recognizing the challenge, the USAID Trade Hub and the Commonwealth Secretariat brought together 20 participants from Botswana, Lesotho, Malawi, Mauritius, Namibia, Swaziland, Zambia as well as the COMESA and SADC Secretariats for a five-day training workshop on trade in services negotiations.



Gathering in Livingstone, Zambia, from May 14 to 18, the participants were given an overview of issues involved in negotiating the liberalization of trade in services at bilateral, regional and multilateral levels as well as an introduction to the WTO General Agreement on

Trade in Services (GATS).

This was followed by extensive practical exercises designed to enhance the practical negotiating skills/techniques of the participants.

Participants instantly recognized the value of the training, which is expected to lead to increased negotiating capacity as well as policy reforms at the national level.

A participant from Mauritius recently reported that things are 'moving' in Mauritius as a result of the workshop. *"We have really appreciated the workshop in Livingstone and it will definitely help us in our work. The tourism sector as well as trade division have re-embark on the process of reviewing, advancing new proposals for liberalizations wherever we might get an opportunity. I can tell you its moving here. [sic]"*

In Botswana, and other countries, a thorough review of the country's commitments and revised or new national legislation on trade in services may be on the cards. *"The workshop was a definite success in the eyes of all attendees... I intend to play a more significant role in the Services Technical Working Group on which I serve within my department. A number of other attendees with sector specific positions expressed an eagerness to have a look at their country's commitments and thorough review of their Ministry's legislation",* said Mr. Leon Skarshinski, a Trade Advisor in the Ministry of Trade and Industry.

Generally speaking, SADC countries now seem poised to get a better deal on some of their most valuable exports – services.

"I found the exercising really enriching - and now as I go over the material and my notes, I am further empowered. Keep on strengthening the African negotiating capacity!", said a representative of the SADC Secretariat who attended the training.