

# TRADE HUB HAPPENINGS



A monthly update of upcoming activities and recent progress from the USAID Trade Hub in Gaborone, Botswana  
February 2006

## Hub Highlights

- In the second week of December the USAID Trade Hub published the third issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*. This special issue focuses on the WTO Hong Kong Ministerial Meeting, which took place from December 13 to 18, and features interviews with prominent individuals representing negotiating interests in the region, the private sector, civil society, regional organizations, and the WTO itself.
- On December 14, Hon. Katherine H. Canavan, U.S. Ambassador to Botswana, toured three farms participating in the Botswana melon trials together with Anthony Vodraska, USAID/RCSA Acting Mission Director, members of the local press, and other U.S. Embassy and USAID/RCSA officials.
- At a PFID-F&V and University of Botswana-sponsored workshop hosted at the USAID Trade Hub on December 12 and 13, participants from five countries in the region discussed agricultural technologies and nutrition and their impact on HIV/AIDS in rural and vulnerable communities. As a result of the workshop, a National Food Fortification Task Force was formed.
- As a result of continuing USAID Trade Hub support to the Botswana Cattle Producers Association (BCPA), a major milestone was achieved in late December when the Government of Botswana instructed the Botswana Meat Commission (BMC) to bring producer prices for live cattle in line with regional export parity prices. This change is expected to have a significant impact on rural incomes, sector growth, and export diversification for Botswana.

## February 2006 Trade Hub Events

- 30/1- 3/2** Robert Kirk, TSG Senior Vice President, and Paulina Elago, TFCB Deputy Director, will be in Swaziland at the request of the Swaziland Investment Promotion Agency (SIPA) to present the findings and recommendations of the Swaziland Investor Roadmap at a series of workshops organized for Members of Parliament, Cabinet Ministers, and Permanent Secretaries. While in Swaziland Mr. Kirk and Ms. Elago will also meet with government officials to discuss trade capacity building.
- 8-9** Robert Kirk and Paulina Elago will travel to Lesotho to hold meetings with government officials and the Lesotho National Development Cooperation (LNDC) to discuss trade capacity building.
- 31/1- 8/2** From January 31 to February 8 Eduardo Tugendhat, President and CEO of the CARANA Corporation, and Joyjit Debroy, CARANA Home Office Project Manager, will visit Gaborone for meetings with RCSA and USAID Trade Hub staff.
- 6** Peter Nizette, Tourism Specialist and Donaldo Hart, Investor Roadmap Specialist will travel to Namibia for three to four weeks to collect data and conduct interviews for completing Namibia's Tourism Investor Roadmap.
- 20-23** The USAID Trade Hub will facilitate a three-day fact-finding tour for selected Mozambican agriculture investors to visit horticulture production and marketing companies in the Mpumalanga and Limpopo Provinces of South Africa.
- 27/2 - 4/3** Ranga Munyaradzi, Senior Customs Advisor, and Robert Struthers, Technical Officer at the World Customs Organization (WCO), will launch the first phase of the WCO Time Release Study (TRS) in Mozambique.

In June 2002, the US Agency for Development (USAID) established the Southern Africa Global Competitiveness Hub in Gaborone, Botswana to respond to President's Bush's new trade initiative for Africa. The Trade Hub helps Southern Africa take full advantage of the increased trading opportunities available through duty free access to the US economy under the African Growth and Opportunity Act (AGOA). The Trade Hub:

- brings together American and African businesses;
- enhances the competitiveness of African products and services;
- expands the role that trade can play in African poverty reduction strategies;
- improves the delivery of public services supporting trade;
- builds African capacity for trade policy formulation and implementation; and
- strengthens the enabling environment for African businesses.

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- The Trade Competitiveness Component of the USAID Trade Hub is partnering with Africa Fast Track Trade to send export-ready companies to the Fancy Food Show in Chicago in May. Companies from Southern Africa will be selected by February. Africa Fast Track Trade and the Trade Hub will assist selected companies with capacity building in marketing and distribution.

## Trade Competitiveness



### *Exportable Agricultural Products*

- In early February, Mario Bacchiocchi, Value Chain Specialist, will travel to Berlin to attend the 2006 FruitLogistica International Trade Fair for Fruit and Vegetable Marketing. Mr. Bacchiocchi will also visit international seed companies and fruit buyers in Bologna and Paris that the USAID Trade Hub has been working with as part of its value chain development strategy.
- From February 20 to 23 the USAID Trade Hub will host a fact-finding tour for Mozambican agriculture investors, government representatives, and implementing partners of the USAID/Mozambique Emprenda Program to visit established South African horticulture production and marketing companies in Mpumalanga and Limpopo Provinces to explore new opportunities for cross-border trade and investment. John Keyser, TC Project Director, and Jutta Drewes, Regional Market Specialist, will accompany the Mozambican Delegation.
- Jutta Drewes will finalize the skills development plan for the Matsafeni Trust, a for-profit agribusiness entity, which received a land settlement under a Black Economic Empowerment (BEE) agreement. The plan will be based on the structure and job descriptions of a large horticulture marketing firm, in order to identify the skill gaps accurately and propose a development plan that can be implemented by the USAID/South Africa PAL (Promoting Agribusiness Linkages) Project to fill these gaps.

## Trade Facilitation and Capacity Building (TFCB)



The successful implementation of the TKC Customs Bond Guarantee Scheme will facilitate the movement of trucks through border posts with minimal delays

### *Customs Modernization and Transport Facilitation*

- Toward the end of February, Transport Specialist Evans Marowa will travel to Lusaka, Zambia, to facilitate a consultative meeting of Zambian stakeholders on the Dar es Salaam Corridor (DC) Constitution. The meeting will focus on ensuring that Zambian stakeholders from both the public and private sectors are fully aware of the institutional framework for managing the corridor's trade facilitation interventions and establishing a National Corridor Coordinating Committee for guiding national implementation of corridor interventions. The meeting will also address mobilization of funding.
- While in Lusaka, Evans Marowa will meet with the DC Transport Coordinating Committee to review transport operational problems in the Corridor and map out remedial action plans to improve corridor transport operations.
- In February Ranga Munyaradzi will facilitate a meeting of the Trans Kalahari Corridor (TKC) Customs Working Group on the practical implementation of the TKC Pilot Customs Bond Guarantee Scheme. Tasks were delegated to participants in this group during a meeting at the USAID Trade Hub in September, and this meeting will review the progress made on these tasks with a view to establishing an implementation date.

## Trade Facilitation and Capacity Building (TFCB)



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- From February 27 to March 4, Ranga Munyaradzi and Robert Struthers, Technical Officer at the World Customs Organization (WCO), will launch the first phase of the WCO Time Release Study (TRS) in Mozambique. Working with the Mozambique Customs Administration (“Alfandegas de Mozambique”), they will prepare the methodology for conducting the TRS, the questionnaire to be used, and the guidelines for the TRS Working Group. The second phase will involve the collection and recording of data at the busiest Customs entry/exit points.
- Bridget Chilala, Director of Capacity Building, Ranga Munyaradzi, and Evans Marowa will finalize the technical report for the Trade Facilitation Assessment for Zambia on the basis of their analysis of the Trade Facilitation Self Assessment Questionnaires. The results will assist Zambian policy makers in coming up with a comprehensive package of issues for all WTO negotiations on trade facilitation and negotiations with the European Union (EU) in relation to the African, Caribbean and Pacific (ACP)-EU Economic Partnership Agreements (ACP-EU EPAs).

### ***Outreach and Dialogue for Competitiveness***

- In February Gina van Schalkwyk, Information and Communications Coordinator, will focus on completing the fourth issue of *Inside Southern African Trade (INSAT)* which is programmed for publication in March. This issue will focus on the business environment in the region and how it impacts trade.
- Lisa Yarmoshuk, Director of TFCB, Evans Marowa and Ranga Munyaradzi will develop a fourth educational video on transport corridor activities with a focus on highlighting the success stories of the Trans-Kalahari Corridor (TKC) and how similar measures can be implemented on the Maputo Corridor. The video is designed to multiply the impact of the USAID Trade Hub’s TKC work in the region and will be used in workshops with various stakeholders in the region. Filming will occur in the region in February.
- Ms. Yarmoshuk will also work on developing a fifth educational video which will examine HIV/AIDs from a business/economic impact perspective. The video will discuss the impact of HIV/AIDS in the current work force, its projected impact on the work force of tomorrow, and programs implemented by the Government and Private Sector organizations to mitigate this impact through prevention, testing and treatment. Filming will occur in the region in February.
- In response to a request from Botswana’s Women in Business Association (WIBA), Martin Norman, Dialogue for Competitiveness Director, is working with the association to assist them with forming a microcredit scheme as a service to its members. The proposed scope of work is being reviewed to determine the best way of implementing this project.
- During the last months of 2005, the Namibia Investment Promotion Agency (NIPA) and the National Investment Corporation (NIC) had expressed interest in receiving internal training for their staff. Martin Norman is discussing with NIC the training requirements with a view to organizing a concrete schedule of internal training events.

### ***Capacity Building***

- In January the USAID Trade Hub received a request from the Office of the President of Botswana for technical support for the Business and Economic Advisory Council (BEAC), which was established by President Mogae late in 2005. Dr. Keith Jefferis, Economic Advisor, will assist the Advisory Council with preparing an institutional and regulatory reform program, drawing on the recommendations of the Foreign Investment Advisory Service (FIAS) Report on regulatory impediments to investment and the World Bank/BIDPA Export Diversification Study.

## Trade Facilitation and Capacity Building (TFCB)



The successful implementation of the TKC Customs Bond Guarantee Scheme will facilitate the movement of trucks through border posts with minimal delays

- From January 30 to February 3, Robert Kirk and Paulina Elago will travel to Swaziland at the request of the Swaziland Investment Promotion Agency (SIPA) to present the findings and recommendations of the Swaziland Investor Roadmap to a series of workshops organized for Members of Parliament, Cabinet Ministers and Permanent Secretaries as part of the launch of the new Technoserve project, the Swaziland Enterprise and Entrepreneurship Program (SWEEP). They will also finalize follow-up plans which will include a process improvement workshop.
- While in Swaziland, Paulina Elago and Robert Kirk will also meet with senior officials from the Swazi Ministries of Foreign Affairs and External Trade and Finance, the Chamber of Commerce and other stakeholders to discuss the trade capacity building support program for Swaziland in the context of the SACU-US FTA negotiations.
- On February 2 Bridget Chilala, Director Capacity Building, will attend a workshop for non-governmental organizations organized by the Botswana Institute for Development Policy Analysis (BIDPA). Among other topics, the outcomes of the Hong Kong WTO Ministerial Meeting and the way forward will be discussed.
- Robert Kirk and Paulina Elago will travel to Lesotho on February 8-9 to discuss the USAID Trade Hub's trade capacity building support program for Lesotho. They will have meetings with senior officials at the Ministry of Trade and Industry and the Lesotho National Development Cooperation (LNDC).
- The USAID Trade Hub will start work on the Tourism Investor Roadmap for Namibia on February 6. Peter Nizette, Tourism Specialist and Team Leader for this activity, and Donaldo Hart, Investor Roadmap Specialist, will be in Namibia for three to four weeks to collect data and conduct interviews with various stakeholders in the tourism and related sectors. From February 5 to 9, Paulina Elago will be in Namibia for meetings with the Namibia Tourism Board—the lead institution for this activity—and other key stakeholders in the tourism sector. She will also meet with government officials to discuss follow-up activities related to the Namibia Investor Roadmap.
- Paulina Elago is coordinating the preparation of a national training course on trade data analysis for the Department of International Trade of Swaziland. The course is scheduled to take place at the beginning of March 2006.
- During the month of February, the USAID Trade Hub will hold consultations with the Ministries of Trade and Industries in the BLNS (Botswana, Lesotho, Namibia, Swaziland) countries on trade capacity building activities related to the SACU-US FTA negotiations.
- Robert Kirk, Paulina Elago, and Bridget Chilala will attend a roundtable on the Doha Round after Hong Kong in Johannesburg, South Africa, on February 10, where the Director General of the WTO, Pascal Lamy, will deliver a keynote address. The event is being organized by the South African Institute of International Affairs (SAIIA).

## Partnership for Food Industry Development/ Fruits & Vegetables (PFID F&V)



- Isang Pilane, Program Manager, PFID F&V SA and Doe Adovor PFID Michigan State University (MSU) will identify and develop an MOU with small scale producer organizations in the Chinyanja Triangle leading to market specifications for produce and supply contracts for 75 tons of Fresh Fruit and Vegetables between Small-Scale Producer Organizations representing 2,500 farmers and regional supermarket chains, food processors, and food services markets by the end of 2006.

## Partnership for Food Industry Development / Fruits & Vegetables (PFID F&V)



- PFID F&V SA, in partnership with the USAID Last Mile Initiative (LMI) activity will formalize collaboration to facilitate market and production information access to SSPO in the Chinyanja Triangle by providing the necessary technology (both software and hardware) that will link them to three VSAT facilities to be installed by LMI in the triangle.

## Recent Highlights



MP Olebile  
Gaborone,  
Ambassador  
Katherine H.  
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Bacchiocchi and  
others during a tour  
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### *Events and High-Level Visits*

- From December 2 to 4 Paulina Elago, TFCB Deputy Director, traveled to Pretoria, South Africa, where she met with representatives from the South African Revenue Service and the Department of Trade and Industry in relation to the work on preferential trade agreements which have been concluded between SACU members and third parties countries.
- At a PFID-F&V and University of Botswana-sponsored workshop hosted at the USAID Trade Hub on December 12 and 13, participants from five countries in the region discussed agricultural technologies and nutrition and their impact on HIV/AIDS in rural and vulnerable communities. As a result of the workshop, a National Food Fortification Task Force was formed. Also, a team headed by Dr Kesi Gobotswang is producing a position paper on mainstreaming agricultural technologies and nutrition in HIV/AIDS interventions. The National Food Fortification Task Force held its first meeting at the Trade Hub on December 14.
- Evans Marowa and Ranga Munyaradzi facilitated the Dar es Salaam Corridor Committee meeting held in Lusaka on December 16 to resume activities for securing sustainable corridor management institutional structures and operations and to follow up on urgent operational issues along the corridor.
- On January 3 the first shipment of trial melons was sent from Botswana to South Africa for evaluation by international fresh cut fruit processors and South African supermarket buyers. Initial color, texture, and sweetness results indicate good potential for the establishment of commercial linkages.
- On January 24 the USAID Trade Hub hosted James Hogan, the new Commercial and Economic Officer at the US Embassy in Gaborone, for a briefing on the activities of the Trade Hub. Mr. Hogan will be replacing the current Commercial and Economic Officer, Hagen Maroney.
- On January 27 Barbara Addy, USAID Senior Advisor on the Global Development Alliance (GDA), visited the USAID Trade Hub for a briefing on the Soy in Southern Africa Alliance which was signed in Washington, DC, in September 2005. In addition, Ms. Addy and Trade Hub staff explored potential areas of collaboration and how to leverage private sector resources in the region.
- On January 31 the Ministry of Agriculture of Botswana hosted a half-day event to highlight the second harvest of melons from the trials being carried out by the USAID Trade Hub. The event included visits to three farms outside of Gaborone and also to a buyer/wholesaler. Numerous departments from the Ministry participated in the event along with the U.S. Ambassador to Botswana, Hon. Katherine H. Canavan, Acting USAID/RCSA Mission Director, Anthony Vodraska, members of the media and staff from the Trade Hub and USAID. The melon trials are being conducted in coordination with the Botswana Horticulture Council who co-hosted the day's activities.



MP Olebile Gaborone, Ambassador Katherine H. Canavan, Mario Bacchiocchi and others during a tour of farms participating in USAID Trade Hub- sponsored melon field trials.

### *Projects, Papers, Studies and Other Highlights*

- Ranga Munyaradzi, Senior Customs Advisor, and Simon Royals, Technical Officer of the World Customs Organization (WCO), completed the final Phase of the WCO Time Release Study (TRS) in Malawi and produced a technical report for the Malawian Government. The final TRS report analyzed the problems that exist in the Customs clearance process and the nature of these problems and made recommendations for corrective action.
- In November and December the USAID Trade Hub began developing a series of films that will serve as an educational tool to support TFCB's Dialogue for Competitiveness and Capacity Building Activities. The first three films which are scheduled for release in April 2006 will focus on (1) the impact of trade preferences, (2) business environment challenges in the region, and (3) building an effective private sector voice for policy change using the Trade Hub's work with the Botswana Cattle Producers Association (BCPA) as a case study.
- At the invitation of the SADC Seed Security Network Bridget Chilala, Capacity Building Director, traveled to Mozambique to present a policy brief on the harmonization of seed policy in the region at a meeting attended by the Permanent Secretaries and other senior officials of all the SADC member states. This policy brief reviewed the draft regulations to identify inconsistencies with member states' national legislation using Zambia and South Africa as case studies. The end goal is to facilitate legislative reforms to ensure consistency and speed up the implementation of the regional regulations. The findings will be presented at the next meeting scheduled for April 2006.
- Bridget Chilala met with Mr. Isaac Njoroge of the Commonwealth Secretariat to discuss how the USAID Trade Hub and Commonwealth Secretariat can collaborate to facilitate a regional Export Diversification Strategy meeting scheduled for March 6 to 8 in Gaborone, Botswana.
- Bridget Chilala and Paulina Elago met informally with SADC Secretariat officials and the newly appointed SADC Director of Trade, Industry, Finance and Investment (TIFI), Mr. Noko Murangi, to explore areas for collaboration.
- In Mid-December, John Keyser, TC Project Director, and Jutta Drewes, ECI*Africa* Agribusiness Advisor, traveled to Nelspruit, Hoedspruit, and Tzaneen in South Africa, to meet with the commercial horticulture marketing companies the USAID Trade Hub has been working with to update them on progress with admissibility issues and regional market linkages work.
- In December the USAID Trade Hub helped to create a long-term marketing relation between historically disadvantaged landowners in South Africa and a leading horticulture export company.
- The AGOA program assisted ArtBantu, an SME in Botswana, to design and market the first-of-its-kind e-commerce website for marketing Botswana products to the United States under AGOA. ArtBantu benefited from training materials provided by the USAID Trade Hub to launch the site. The website's address is [www.Artbantu.com](http://www.Artbantu.com).
- On December 2, January 19 and January 26, the Trade Hub supported meetings of the Botswana Cattle Producers Association (BCPA), which were held at the USAID Trade Hub. These meetings, attended by the Ministry of Agriculture and the Botswana Meat Commission (BMC), focused on achieving the government's mandate of adjusting the price paid by BMC to cattle producers. It is anticipated that this adjustment will be instituted during January and will impact farmers throughout the country.

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- Elizabeth Rasmussen finalized her assignment with the USAID Trade Hub by completing an update of AGOA documentation for the website. Ms. Rasmussen, a fourth-year student at Nebraskan Wesleyan University in Lincoln, Nebraska, joined the Trade Hub for a period of five weeks.
- Chibembe Nyalugwe, Chief of Party, PFID F&V, met with Anne Emmet, Manager, Ackerman Foundation, and Cindy Jenks, Manager of Produce, Pick 'n Pay, to discuss the Foundation's US\$70,000 loan to small farmers producing butternut for Pick 'n Pay in East London, South Africa, under a USAID-funded program. Harvesting of butternut commenced at the end of January, and a total of twenty-five tons are expected to be delivered to Pick 'n Pay.
- Agribusiness in Sustainable Natural African Plant Products (ASNAPP), a partner in the PFID-F&V program, and Sun Hotel International, Livingstone, established a hydroponics unit at the Hotel site, under its social responsibility program. The US\$35,000 investment yielded its first harvest in December. In addition, the Livingstone partnership provides production and market support to two communities for the handicapped located a few kilometers from the Hotel.
- Michigan State University (MSU) PhD candidate Doe Adovor arrived in Gaborone on January 23 under the PFID activity. Doe will be in the region collecting baseline data and evaluating small producer organizations as part of the MSU mandate to link small producers to regional supply chains.