

# TRADE HUB HAPPENINGS



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

## Hub Highlights

- In March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*. This issue explores the role of the private sector in shaping the business environment in Southern Africa through participation in the policy-making process. It also features an exclusive interview with former Hub SACU Advisor, Joshua Setipa, now Counsellor in the Office of the WTO Director General in Geneva, responsible for Development, Trade Related Assistance, Trade & Finance, WTO Accessions - ACP.
- On May 23–24 the Trade Hub will hold a Business Environment and Competitiveness Roundtable and AGOA training workshop in Johannesburg for representatives from each country in Southern Africa. The first day's program will include the launch of the Hub's Trade Film Series and the second day Phyllis Shearer Jones, AGOA Specialist, and Amanda Hilligas, AGOA Advisor, will conduct an AGOA training seminar.
- The USAID Trade Hub is pleased to announce the appointment of Craig Carlson as its new Agribusiness Advisor. Mr. Carlson will join the Trade Competitiveness Team during the first week of April.

## April 2006 Trade Hub Events

- 6-7** Bridget Chilala, Director Capacity Building, will attend a Southern African Development Community (SADC) Trade Negotiating Forum Meeting in Gaborone to discuss issues of aligning the Seed Sanitary and Phytosanitary (SPS) requirements to the SPS Annex of the SADC Trade Protocol.
- 13** Carol J. Thompson, Deputy Assistant Secretary for Public Diplomacy and Southern African Affairs of the U.S. Department of State, will visit the USAID Trade Hub for a briefing on current activities.
- 24-27** The USAID Trade Hub will conduct a process improvement workshop in Swaziland to assist in the design of new procedures and coordination mechanisms related to issuing entry (work) permits, trading licenses, and health inspections. Tania Revault D'Allonnes, an economist specializing in international trade, regional integration and investment and export promotion (including streamlining of licensing systems), will facilitate these workshops.
- 25-27** Craig Carlson and Ken Ames, Trade Competitiveness Director, will travel to South Africa for a briefing by Jutta Drewes at *ECIAfrica* concerning activities currently underway in the agricultural sector. The trip will also include site visits to major agricultural producers in and around Nelspruit.

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.

### Southern Africa Global Competitiveness Hub

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FROM THE AMERICAN PEOPLE



En route to the US: A box from *Eswatini*, Swazi Kitchen, one of the companies that will be participating in the Fancy Food Show in Chicago in May

- Consultant Barrett Hightower will work with Amanda Hilligas, AGOA Advisor, to develop a resource center for exporters aimed at assisting businesses exporting to the United States. The resource center will include information about U.S. import requirements for the Food and Drug Administration (FDA), United States Customs, the U.S. Department of Agriculture and others. The materials developed will be available electronically and on the Trade Hub web site.
- The USAID Trade Hub will hold an AGOA training workshop for representatives from each country in Southern Africa in Johannesburg from May 23 to 24. This program is part of the Trade Hub’s work to train regional representatives on AGOA. This program will be combined with the Trade Hub’s Business Environment Roundtable on May 23 (see “Trade Capacity Building” Section). On May 24, Phyllis Shearer Jones and Amanda Hilligas will conduct the AGOA training seminar.
- The USAID Trade Hub has produced a DVD entitled *Exporting Specialty Food Products to the United States* for specialty food producers interested in exporting to the US. It covers Food and Drug Administration (FDA) requirements for food products and labeling. For further information contact Amanda Hilligas at [ahilligas@satradehub.org](mailto:ahilligas@satradehub.org).
- The AGOA Advisor is working with Africa Fast Track Trade (AFTT) and the National Association for the Specialty Food Trade (NASFT) to develop media materials to promote companies from Zambia, Malawi, Swaziland and South Africa who will be participating in the Fancy Food Show in Chicago in May. Each company will be featured in an industry publication aimed at reaching 40,000 buyers, importers and customers in the specialty food trade. The Market Access, Trade and Enabling Policies (MATEP) Program in Zambia and the Support for Agriculturally Linked Enterprises (SALES) Project in Malawi are partnering with the USAID Trade Hub on this media campaign.
- Mr. Derryck Cox, a U.S. expert in specialty food imports and distribution, will travel to Southern Africa in April to assist selected companies in preparing for the Fancy Food Show. Amanda Hilligas will accompany Mr. Cox to South Africa, Swaziland, Zambia, and Malawi where they will meet each company in order to assist with preparation for the trade show and with identifying potential buyers in the US.

Trade Competitiveness (TC)



Rich pickings for all: Farm workers on one of the farms that participated in the successful USAID Trade Hub sponsored melon field trials

*Exportable Agricultural Products*

- The USAID Trade Hub is pleased to announce the appointment of Craig Carlson as its new Agribusiness Advisor. Mr. Carlson will join the Trade Competitiveness Team during the first week of April. Craig is an agricultural economist and private enterprise development specialist with many years of business development experience. He has extensive experience in industry and competitive analysis, business strategy/planning/implementation, and market development – primarily in the food and agriculture sector. Mr. Carlson will lead all agribusiness activities being undertaken by the Trade Hub.
- From April 25-27, Craig Carlson and Ken Ames, TC Director, will travel to South Africa to visit with and be briefed by Jutta Drewes at *ECIAfrica* concerning activities currently underway in this sector. The trip will also include site visits to major agricultural producers in and around Nelspruit.



The busy Port of Durban in South Africa

### ***Customs Modernization and Transport Facilitation***

- Ranga Munyaradzi, Senior Customs Advisor, will continue to facilitate the implementation of Phase 2 of the World Customs Organization (WCO) Time Release Study in Mozambique. During this phase the Time Release Working Group will collect and record data from the Questionnaire designed during Phase 1. During the final phase the data will be analyzed and the final report prepared. A Time Release Study is designed to measure the time required to clear goods for home use from arrival of goods in the country to their release by Customs and to identify inefficiencies in the customs clearance process.
- Ranga Munyaradzi will continue to facilitate the implementation of the Action Plan for rolling out Trans-Kalahari Corridor (TKC) Procedures and Documentation to the Maputo and Beira Corridors. He will also coordinate with relevant authorities in Mozambique and Malawi on the establishment of a one-stop border joint control at the Mozambique / Malawi Border at Zobue and Mwanza.
- Now that Zambian stakeholders have committed to signing the Dar es Salaam Corridor (DC) Constitution (See “Recent Highlights” below), the DC Secretariat and the Trade Hub will work to secure commitments for contributions to finance the DC Secretariat from service providers starting with Malawi Cargo Centres. Ltd.(MCC, Ltd.), the Tanzania Ports Authority (TPA), and Tanzania-Zambia Railways (TAZARA).
- Evans Marowa, Transport Advisor, will pursue other Dar es Salaam Corridor and TKC sustainability activities through consultations with relevant stakeholders.
- Ranga Munyaradzi will follow-up on the implementation of the Action Plan to remove non-tariff barriers on agricultural exports in Mozambique. Mr. Munyaradzi will also liaise with USAID Maputo and the Mozambican authorities on the translation into Portuguese of the Trade Hub Manual *Practitioner’s Guide to Importing Fresh Produce into South African Markets* and arrange for the English version to be presented to other MMTZ (Mozambique, Malawi, Tanzania and Zambia) Countries.
- Evans Marowa will prepare a scope of work to review the implementation of the Martin’s Drift – Grobblers’ Bridge Pilot Cross-border Vehicle Overload Control Initiative with a view to producing plans for replication on the Trans Kalahari, North-South and Dar es Salaam Corridors.
- During April Ranga Munyaradzi will work with the Malawi Revenue Authority (MRA) to finalize an Action Plan for removing constraints found during the recently completed WCO Time Release Study. During the same period, a program for further technical assistance to Malawi will be finalized.

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

- In April Gina van Schalkwyk, Information and Communications Coordinator, will publish a series of success stories and continue to work on the expansion of the website. Ms. Van Schalkwyk will also start work on the fifth issue of the USAID Trade Hub’s quarterly newsletter, *Inside Southern African Trade (INSAT)*.



The busy Port of Durban in South Africa

- Martin Norman, Hub Manager, will coordinate the activities of a microfinance specialist who is scheduled to start designing a microcredit service for the members of the Botswana Women in Business Association (WIBA) at the end of April. He will also be assisting WIBA in implementing a membership campaign with a goal of doubling the number of members in a four-month period.
- During April, Lisa Yarmoshuk, TFCB Director, and Hanson Hosein, Executive Producer of HRH Media, will continue to develop a series of five educational films to be launched in May. The films deal with (1) the impact of trade preferences and AGOA in Southern Africa, (2) business environment challenges, (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, (4) transport corridors and the TKC and Maputo Corridors, and (5) HIV/AIDS from a business perspective.
- The USAID Trade Hub will hold a regional business environment and competitiveness roundtable for representatives from countries in Southern Africa on May 23 in Johannesburg. The program will include the launch of the Hub's Trade Film Series. The keynote address will be given by Niko Czyptionka, Task Force Director, Botswana Business and Economic Advisory Council, and former Chief Economist at Standard Bank in Johannesburg.

### *Trade Capacity Building*

- Dr. Keith Jefferis, Economic Advisor to the USAID Trade Hub, will continue his advisory work with the Botswana Business and Economic Advisory Council (BEAC), established by President Mogae in 2005 to address constraints to economic growth, investment and competitiveness in Botswana. The Council is preparing a set of economic and institutional reforms that will be presented to Cabinet during 2006.
- During April the USAID Trade Hub will submit the draft Tourism Investor Roadmap for Namibia to the relevant authorities for consideration. The Tourism Investor Roadmap will make recommendations for improvements in the tourist infrastructure, and will ultimately help Namibia have a more competitive tourism industry, attract more visitors, and increase reserves of foreign currency.
- At the end of April 2006 in collaboration with the Namibia Tourism Board, the USAID Trade Hub will facilitate a national stakeholders' workshop. Peter Nizette, team leader for the Namibia Tourism Investor Roadmap, will present the findings and recommendations of the analysis at that workshop. Paulina Elago, TFCB Deputy Director, will also attend the workshop and will hold follow up meetings with various institutions to discuss implementation of the recommendations and follow up activities.
- Paulina Elago will coordinate the preparation for a one-day information seminar for the private sector on on-going trade negotiations together with the Federation of Swaziland Employers and Chamber of Commerce. The goal of the seminar is to inform and update private sector representatives on the various trade negotiations and the impact they have on Swaziland. This activity was requested by the Chamber as part of their trade capacity building activities. The seminar is scheduled for the first week of May 2006.

## Trade Facilitation and Capacity Building (TFCB)



The busy Port of Durban in South Africa

- The USAID Trade Hub will assist the Federation of Swaziland Employers and Swaziland Chambers of Commerce in producing a compendium of trade and commerce laws which will serve as a tool for their outreach and capacity building activities. The compendium is also meant to facilitate private sector compliance with the various laws and regulations.
- As part of follow up activities for implementing the recommendations from the Swaziland Investor Roadmap, the USAID Trade Hub will conduct a process improvement workshop involving key agencies. Participants will design new procedures and coordination mechanisms related to issuing Entry (Work) Permits, Trading Licenses, and Health Inspections. Tania Revault D'Allonnes, an economist specializing in international trade, regional integration and investment and export promotion (including streamlining of licensing systems), will facilitate these workshops during the week of April 24 to 27 in Swaziland.
- Ms. D'Allonnes will also assist Swazi authorities to prepare a detailed Investor Guide for Swaziland outlining the processes and time required to establish a business and to comply with reporting requirements.
- During April, Paulina Elago will continue to coordinate implementation of the Trade Capacity Building (TCB) program for Botswana, Lesotho, Namibia and Swaziland (BLNS). This will include the recruitment of various short-term consultants to carry out planned activities.
- The USAID Trade Hub has hired a short-term consultant, Dr. Bellah Mpofo, to work with Bridget Chilala, Capacity Building Director, on a paper that compares regional seed regulations with national seed regulations to identify areas of potential conflict. The analysis will cover SPS requirements and regulations, seed certification and varietal release and will suggest how best to harmonize seed policy in the region and facilitate freer movement of seeds. The paper will be presented at the joint meeting of Trade and Agricultural Permanent Secretaries scheduled for May 2006.
- Bridget Chilala, Evans Marowa, and Ranga Munyaradzi will finalize the draft report on the status of trade facilitation in Zambia as measured against the proposals made at the World Trade Organization for presentation to the Zambian Authorities.

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



Butternuts produced by smallholding farmers in the Eastern Cape are destined for sale in one of South Africa's largest retailers – Pick 'n Pay

- Fort Hare Farmers supplied 35,000 kg of butternut worth approximately US\$8,000 to the Pick 'n Pay distribution centre in Port Elizabeth between the beginning of February and March 15. Harvesting continues until the end of May.
- Agribusiness in Sustainable Natural African Plant Products (ASNAPP), a partner (sub-award) in the Partnership for Food Industry Development – Fruits and Vegetables, Southern Africa (PFID-F&V SA) consortium, hosted a three-day International Aromatic Plants & Essential Oil Mini-Symposium in Stellenbosch, South Africa, under the theme, "Southern African Essential Oils: From Germplasm to Oil Distillation, Extraction and Quality Control". It brought together industry and researchers from the USA, Rwanda, Zambia, Madagascar, Nigeria and South Africa and focused on imparting knowledge on new developments and quality standards.
- From March 16-19 ASNAPP hosted a Technology Transfer Workshop from March for farmer communities involved in indigenous teas to meet and view the rooibos harvesting & processing process as well as the seed germination for new plantings.

## Recent Highlights



At the end of March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*.

### Events and High-Level Visits

- From February 27 to March 4, Ranga Munyaradzi, Senior Customs Advisor, and Robert Struthers, Technical Officer at the WCO, launched Phase 1 of the WCO Time Release Study (TRS) in Mozambique. Together with the Mozambique TRS Working Group they drafted and agreed on the Questionnaire and Guidelines to be used during Phase 2 of the project. The Group also agreed on the geographical areas to be covered (Maputo-Ressano Garcia Border Post in the south, Beira-Chimoio in the center and Nacala-Nampula in the north).
- Ken Ames, Director of Trade Competitiveness, and Amanda Hilligas, AGOA Advisor, attended the launch of the Swaziland Enterprise and Entrepreneurship Program (SWEEP), held at the Royal Swazi Sun from February 28 to March 2. The SWEEP program seeks to build and nurture successful Small and Medium Enterprises (SMEs) through an intensive five-year effort to support individual entrepreneurs and their businesses throughout each stage of development, from idea to expansion. The Trade Hub will coordinate activities with the SWEEP program to promote economic growth and development in Swaziland.
- From March 6 to 10, Paulina Elago together with Volker Schoer, Lawrence Edwards and Owen Willcox, conducted a five-day training course on Trade Data Analysis in Swaziland at the request of the Department of International Trade in Swaziland. About 20 participants representing government ministries responsible for international trade issues, the investment promotion agency, the Central Bank, business and industry associations and the university participated in the course.
- Bridget Chilala, Director Trade Capacity Building, and Martin Norman, Hub Manager, attended the Regional Export Diversification Workshop organized by the Commonwealth Secretariat on March 8 and 9. Participants discussed constraints to export competitiveness and possible solutions in the context of the Commonwealth Competitiveness Framework. The USAID Trade Hub will be exploring issues of trade facilitation on which it can collaborate with the Commonwealth Secretariat.
- On March 9 Martin Norman attended a session of the Beef Reference Group in Gaborone, Botswana for a presentation of the Feasibility Study of Manufacturing Beef and Beef By-products in Botswana.
- Lisa Yarmoshuk, TFCB Director, Ken Ames, and Amanda Hilligas attended the USAID/South Africa-sponsored forum in Johannesburg entitled *Alliances for Economic Growth and Job Creation* on March 9 and 10. The goals of this forum included bringing together the private sector to highlight program areas where USAID/South Africa is working, emphasizing opportunities for partnership and showcasing the Global Development Alliance.
- On March 10 Martin Norman, Bridget Chilala, Ranga Munyaradzi, Senior Customs Advisor, Evans Marowa, Transport Specialist and Gina van Schalkwyk, Information and Communications Coordinator, met with Clement Kumbemba, Vice Consul of Investment and Trade of the Malawian Consulate General in Johannesburg, to discuss the Trade Hub's current projects in Malawi and new ideas for collaboration between the Trade Hub and the Consulate.

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At the end of March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade (INSAT)*.

- Bridget Chilala attended a regional technical meeting of officials from the SADC region dealing with Sanitary and Phytosanitary regulations from March 13 to 17. Participants considered a draft export / import procedures manual for the region and agreed to its introduction as a management tool relating to regional SPS import/export regulations. It was agreed that a completed Export and Import Procedures Manuals would be circulated to relevant stakeholders in the region by July 2006. Progress was also made with a harmonized regional list of quarantine pests.
- On March 13 Evans Marowa hosted a delegation from the Zambian Road Development Agency, the Ministry of Works and Supplies and the Parliamentary Legal Drafting Section and arranged a meeting between the delegation and the SADC Directorate of Infrastructure and Services. The USAID Trade Hub has been working with the Road Development Agency through the Dar es Salaam Corridor task team to implement the SADC Model Legislative Provisions on vehicle overload control. As a result of these meetings and further discussions by the delegation, a draft bill was presented to the Zambian Parliament for the first reading on March 16.
- Evans Marowa attended a meeting of regional corridor management authorities organized by the Ports Management Association of East and Southern Africa in Nairobi, Kenya, from March 20 to 21. Mr. Marowa made a presentation highlighting the experiences of the USAID Trade Hub with respect to trade facilitation interventions in the Dar es Salaam Corridor, the Trans Kalahari Corridor and the SADC countries. The Development Bank of South Africa (DBSA) is currently reviewing the operations of the various corridor management authorities in sub-Saharan Africa and will be consulting further with the Trade Hub and all other relevant stakeholders.
- Ken Ames and Amanda Hilligas visited the production facilities of Label Clothing located in Selebi Phikwe, Botswana, on March 22. The company, a manufacturer of men's and women's clothing, was established in Zimbabwe and recently opened the facilities in Botswana. The company is considering moving all operations to the new location due to the political and economic situation in Zimbabwe.
- On March 22 Bridget Chilala and Martin Norman met with the Secretary General of the SADC Council of Non-Governmental Organizations (SADC-CNGO), Abie Dithlake, and Program Officer Linda Ramokate in follow-up to a previous meeting with Ms. Ramokate. The USAID Trade Hub and SADC-CNGO agreed to work together on trade-related issues of interest and relevance to the region. A possible role for the Trade Hub at the SADC CNGO's annual meeting in Maseru, Lesotho, in August which will coincide with the SADC Summit is being discussed.
- Lisa Yarmoshuk attended a seminar on Free Trade Agreements entitled *Opportunities and Challenges* which was sponsored by the American Chamber of Commerce in Johannesburg, South Africa, on March 23. Ms. Yarmoshuk also met with Peter Draper of the Southern African Institute of International Affairs (SAIIA) and Business Unity South Africa (BUSA) to discuss research priorities, approaches, and the division of labor for the US-SACU FTA terms of reference and with USTDA and tralac to discuss possibilities for collaboration with the Trade Hub.

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At the end of March the USAID Trade Hub published the fourth issue of its flagship newsletter, *Inside Southern African Trade* (INSAT).

- On March 28 Evans Marowa attended the Dar es Salaam Corridor Transport Coordinating Committee meeting in Ndola, Zambia, to review transport operational problems in the Corridor and map out remedial action plans to improve corridor transport operations. The key issues arising from the meeting were the need: (i) to improve the operating capacity of the TAZARA railway line from Zambia to the Port of Dar es Salaam and (ii) to promote the development of multi-modal transport operations along the Dar es Salaam Corridor
- On March 29 Evans Marowa facilitated a consultative meeting of the Zambian stakeholders on the Dar es Salaam Corridor (DC) to consider the corridor's constitution as well as sustainable financing mechanisms for the corridor secretariat. As a result of the meeting, Zambian stakeholders committed themselves to effective participation in the DC, and in principle to contributing toward the budget of a permanent secretariat (which will be discussed at the next meeting of the Dar es Salaam Corridor Committee). Furthermore, the Ministry of Communications and Transport will approach the Ministry of Justice for legal scrutiny of the constitution and authority to sign it.
- Ranga Munyaradzi facilitated a meeting of the Trans Kalahari and Maputo Corridors Customs Working Groups in Pretoria, South Africa, on March 30 and 31. The meeting was co-sponsored by the Trade Hub and the South African Revenue Service (SARS) and monitored progress on activities from the Action Plan (for the adoption of the SAD 500 in Mozambique, the development of a one – stop border joint control concept, extended hours of operation at strategic border posts, and the practical implementation of the TKC Bond Guarantee Scheme, among others) finalized at the last meeting held in Maputo.

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

- The *Practitioner's Guide to Importing Fresh Produce into South African Markets* is now available. Through this manual, the USAID Trade Hub seeks to assist exporters in SADC countries to understand the procedures to follow when exporting into South Africa. The manual also provides information on relevant institutions in South Africa and their contact details and documentation required, as well as information on the regulatory framework and protocols in South Africa. The manual is available on our website: [www.satradehub.org](http://www.satradehub.org).
- Consultant Andre Vooste began work on March 27 on a synthesis of all beef sub-sector related studies into a comprehensive integrated strategic plan for the Botswana beef sub-sector. The strategic plan will be completed in May.
- PFID-F&V SA and Trade Competitiveness have signed a Memorandum of Understanding with Freshmark. Freshmark representatives are the sole agents for the procurement and distribution of supplies of fresh fruits and vegetables (FFV) into Shoprite stores in the region. The MOU details the cooperation the USAID Trade Hub will provide to Freshmark and coordinates the activities of the two Trade Hub-based projects.
- Evans Marowa, Bridget Chilala and Ranga Munyaradzi reviewed the final draft of the report on the status of Trade Facilitation in Zambia as measured against the proposals made by member countries to the World Trade Organization (WTO).