

TRADE HUB HAPPENINGS



A monthly update from the USAID Southern Africa Trade Hub (SATH) in Gaborone, Botswana
May 2011

Hub Highlights

Diagnostic Studies on Trade in Road Freight Transport Services

SATH will undertake a series of diagnostic studies on the technical capacity of the private sector and regulatory agencies in the road transport services in: Botswana, Malawi, Mozambique, Namibia, South Africa and Zambia. These diagnostic studies are intended to frame the context for SATH's further interventions on the sector.



In April, Natasha Ward, Trade in Services Specialist, launched the study in South Africa and met with key players in the South African road freight transport services industry to assess their technical capacity to articulate their needs on trade in services issues especially as they relate to trade in transportation services; to identify key players in the development and use of regulatory impact assessments (RIA); and to collaborate with strategic partners on SATH's trade in services agenda.

The South African diagnostic was used as a pilot to establish benchmarks for comparing the outcomes from the additional country diagnostic studies and to test the methodology to be applied in the assessments.

The aims of these diagnostic studies are to strengthen the capacity of road freight transport regulators in the context of SADC and eventually in terms of the COMESA-EAC-SADC Tripartite FTA, to assess the technical capacity of the private sector (and specifically private sector associations) to provide professional inputs into the SADC negotiations process and to determine whether there is a need for a stronger and/or more formal mechanism to feed its input into the negotiations.

In June 2002, the United States Agency for Development (USAID) Southern Africa established the Trade Hub in Gaborone, Botswana. The current Southern Africa Trade Hub aims to increase international competitiveness, intra-regional trade, and food security in the SADC Region. Working with regional stakeholders, the Trade Hub's goals are to:

- Enhance Trade Liberalization
- Improve Trade Facilitation in Transit and Customs
- Increase Use and Availability of Financial Products and Services for Trade and Investment
- Strengthen Regional Capacity for Energy Sector Planning and Cooperation
- Enhance Private Sector Capacity to Comply with Regional and International Market Standards
- Increase Use and Availability of Trade-Related Information and ICT Products
- Align Regional Agricultural and Other Standards with International Standards
- Establish New Trade Linkages and Increase Competitiveness in Staple Foods and Strategic Value Chains

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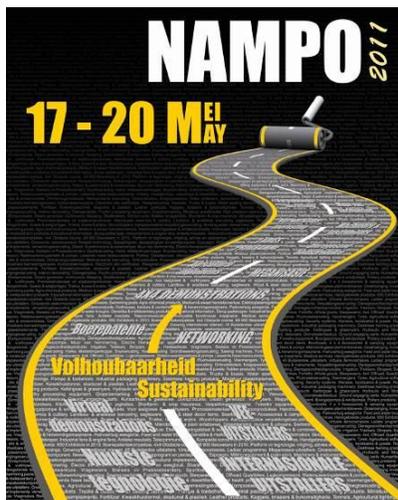
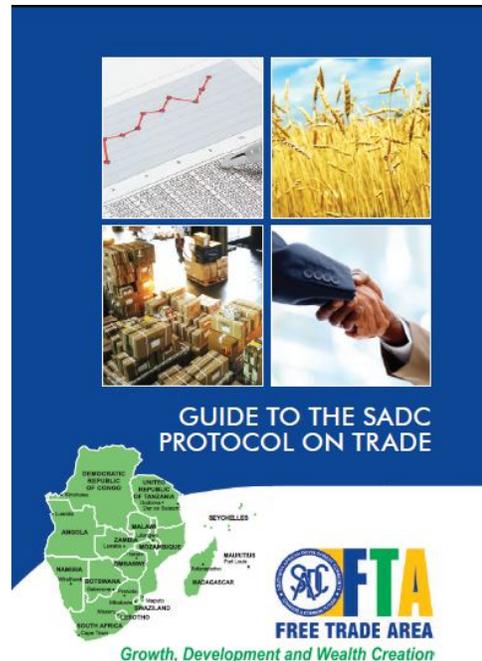
SOUTHERN AFRICA

Monitoring SADC Trade Protocol Implementation

During April SATH undertook country visits to Namibia and Mauritius to collect data and information required for the 2010 Audit of the Implementation of the SADC Protocol on Trade. The Audit reviews not only the status of tariff phase downs but also the implementation of Rules of Origin, non-tariff barriers, trade facilitation instruments and private sector constraints.

Letsiwe Dlamini, Trade Capacity Building Advisor, and Tomasz Iwanow, Trade Economist, traveled to Windhoek to carry out the country visit. They held meetings with the Ministry of Trade and Industry, Ministry of Finance, the Central Bank of Namibia, Namibia's Chamber of Commerce and Industry, the Agricultural Trade Forum and others.

Kathleen Montgomery, Regional Integration Specialist, and Mark Bennett, Cotton, Textile and Apparel Value Chain Specialist, traveled to Mauritius to collect data on the country's compliance with the provisions of the Protocol. Additionally, during the country visit, public and private sector representatives were interviewed to ascertain their experiences with the Protocol on Trade including impacts on the private sector, challenges and issues that Mauritius felt should be addressed.



SATH Brings Regional Players to Major South African Trade Show

SATH will be offering an opportunity for SADC-based companies, individuals and organizations to attend the 2011 NAMPO Harvest Day Trade Fair in Bothaville, South Africa, in mid-May. The idea is to provide them the opportunity to engage with regional agrobusiness players, understand regional trade and investment opportunities, new technology innovations and financial mechanisms that may be applicable to support their trade, processing and investment endeavors. During April, local service providers in Malawi, Zambia, Zimbabwe and Mozambique identified suitable participants in their countries and provided pre-show training and support. SATH prepared training materials and finalized logistical and other arrangements to maximize the benefit to regional delegates.

SATH Supports SME's in Botswana

From April 27-30, the Botswana Local Enterprise Authority hosted the 2011 SMME Conference and Fair. The conference included public and private sector representatives from throughout the region with a focus on "Exploiting Existing Opportunities – Strategies for Economic Diversification". Speakers presented on a range of topics including economic diversification and strategies for foreign direct investment. Kathleen Montgomery presented on the activities of SATH and how SATH's programming relates to SMME concerns. Godwin Punungwe, Senior Transport and Trade Facilitation Advisor, presented an overview of trade facilitation issues in the region.

Inside the Mind of the Buyer: a Specialty Food Buyers' Checklist Workshop

In preparation for the *Inside the Mind of the Buyer: a Specialty Food Buyers' Checklist* workshop that will be held in Cape Town in early May, Cosmas Mamhunze, AGOA Trade Specialist, identified companies and confirmed speakers. The workshop, held in collaboration with the Western Cape Fine Food Initiative (WCFFI) and ACTESA, will offer participants professional tips on how to anticipate and capitalize on market trends and prepare exhibitors and participants for the Summer Fancy Food show, which will feature 16 companies from Southern Africa and is held in Washington, D.C. on July 10-12, 2011.

According to the National Association for the Specialty Food Trade and market researcher Mintel International and SPINS, sales of specialty food products topped US\$70 billion last year in the United States. Categories such as cheese, meats, chips and snacks, bread and baked goods and condiments pulled in the highest sales. This was a 7.4 percent increase in sales from 2009. Specialty foods represent 13.1 percent of all food sales by American retailers and 76 percent of specialty food manufacturers reported an increase in sales in 2010, with 36 percent up more than 20 percent.

The African Growth and Opportunity Act (AGOA), presents an opportunity for good specialty foods from Southern Africa to find their way into this large and growing market.



SATH Launches New Website

Visit the [site](http://www.satradehub.org) (www.satradehub.org) to see what we have done and plan on doing, and to access a wealth of information on all things related to trade, competitiveness and food security in Southern Africa. Please also send us your comments as we will continue to expand and improve the site over the following months.

