CONSULTATIVE PROJECT DESIGN AND A YEAR OF IMPLEMENTATION

Geneva, Switzerland March 2015

Launched in December 2013, the Promoting Intra-Regional Trade in Eastern Africa Project is a three-year initiative that aims to strengthen agricultural value chains in the following three neighbouring countries: Kenya, Tanzania, and Zambia. The objective is to boost the export competitiveness of smallholder producers and small to medium-sized enterprises (SMEs) in the mango, chili, honey and spices sectors. These sectors were identified by the beneficiary countries as having promising potential to improve rural economic livelihood and reduce poverty through value addition and increased trade in domestic and regional markets.

At the institutional level, the project is also designed to improve the performance of Trade Support Institutions (TSIs), so that they can more efficiently handhold SMEs to improve their competitiveness and export capability.

The project has a EUR4.25 million budget, funded by the Government of Finland. It is implemented by ITC together with local counterparts in each one of the three beneficiary countries. To date, a value chain analysis of the selected sectors for each country has been conducted together with an evaluation of the relevant TSIs. The implementation of a roadmap to address the gaps and weaknesses identified has already started with focus on results and impact.

October 2014: Packaging Training in Lusaka, Zambia

PROGRESS SO FAR

So far the project has enabled processors and SMEs to make good progress in areas such as Supply Chain Management, compliance to quality and standards and packaging. Access to trade information has been improved and the capacity of Trade Support Institutions has been strengthened.
NEWS SECTION

BUSINESS LEADS AND TRADE DEALS

Dubai, United Arab Emirates February 2015

Mango exporters from Kenya and the United Republic of Tanzania participated in the Gulfood Exhibition from 8 to 12 February 2015. During the event, Kenyan mango exporters transacted US$1.1 million in new sales while their Tanzanian counterparts gained business leads and established contact with potential buyers.

“The event created awareness and visibility for my brand and products,” said Shiru Mwangi, of Antennae Holdings Ltd.

Exporters from the two countries were well prepared for the event in Kenya by ITC. A matchmaking exercise was also conducted to connect exporters with buyers and distributors.

The largest food expo in the Middle East region; the Gulfood Exhibition brought visitors from all over the world. Its location in United Arab Emirates typically serves as a gateway for African products into the region and beyond.

BOOSTING OPERATIONAL EFFICIENCY

Nairobi, Kenya June to November 2014

Three Kenyan food producers, namely Mace Foods, Green Forest and Stawi, saw their productivity significantly increase after benefitting from training in lean supply chain management given by ITC and Bosch AG from Germany as part of its Corporate Social Responsibility initiative. The training was made up of both on-site and classroom sessions.

As a result, Mace Foods registered efficiency gains of 92% with zero defects in the packaging of chillies and vegetables. On the other hand, Greenforest experienced a 28% productivity gain in packing honey and reduced order lead time by 44%, while Stawi’s production speed for milling nutritious porridge flour rose by half.

SMARTER START-UPS

Nairobi, Kenya November 2014

With the arrival of the chilli picking season, three village-based young chilli entrepreneurs (VBEs) were already engaged in trading activities, thanks to initial working capital offered by Mace Foods, and training from ITC on legal issues, quality compliance, and supply chain management. The three VBEs are also using model contracts prepared by ITC.

SHARING BEST PRACTICES REGIONALLY

Nairobi, Kenya April 2015

TSIs from Zambia and Tanzania convened during the PROPAK East Africa Packaging Conference, to learn best practices from their counterparts in Kenya. Selected companies in Kenya and the Kenya Bureau of Standards also shared their standards and best practices. Attendees at the conference learned about the latest technologies being developed and used and took cognizance of new market developments in East Africa as well as latest trends in packaging, labelling and printing.

The Institute of Packaging Professionals in Kenya shared experiences with their counterparts from Zambia and Tanzania. The experience was particularly useful for Tanzania’s Small Industries Development Organization (SIDO), which is in the process of building a packaging services centre.

Country delegates from Kenya, Tanzania and Zambia at PROPAK in Nairobi, Kenya
RAISING STANDARDS
Lusaka, Zambia February 2015
To enable local honey processing to meet international standards, SMEs in the sector attended two workshops on branding and packaging organised by ITC and ZDA.
Training for technicians was also provided in the run-up to commissioning new packaged materials testing equipment delivered to the Zambian Bureau of Standards (ZABS).

FACE TIME PAYS OFF
Harare, Zimbabwe & Arusha, Tanzania Fall 2014
Honey producers in Tanzania gained a foothold in the Zimbabwean market after attending the ApiExpo Africa in Harare in October last.
A bee wax producer established contact with a Zimbabwe distributor for its cosmetic products and secured a distribution deal for Zimbabwe and the market. The Tanzania Honey Council also facilitated the participation of seven beekeepers in taking part in the exhibition.
The following month, ten beekeepers and honey exporters exhibited at the Apimondia International Beekeeping Congress and Expo in Arusha. The Tanzania Honey Council and the participants are following up on the contacts established.

MEETING FOOD SAFETY STANDARDS
Dar es Salaam, Tanzania February 2015
To build awareness of industry standard practices and thus prevent food safety hazards, a series of workshops and events were organized in Tanzania in February 2015.
Understanding HACCP was the focus of a one-day workshop for TSIs, regulators, and enterprises in the mango, honey, and spices sectors.

A three-day workshop was later organised for trainers/ counsellors (TcC) on how to implement and document HACCP. The TcCs then visited the factories of six companies to conduct a gap analysis with regards to HACCP requirements.

NORDIC EXCHANGE
Helsinki, Finland January 2015
A delegation of TSIs from the honey, mango, and spices sectors in Zambia, Tanzania and Kenya visited Finland in January 2015. The mission was organized jointly with the Project Steering Committee meeting, to enable the representatives of the three countries to learn about requirements to be fulfilled in order to successfully penetrate Finnish and Nordic markets.
TSIs learned about product positioning, branding, and packaging during a visit to K-City market, one of the largest supermarket chains in the country. From Reilu Kauppa (Fairtrade Finland), they learned about the benefits of meeting product standards that support farmers and producers as set out by the Fairtrade brand.
The Finnish Beekeepers Association also had a lot to share with Honey TSIs from Zambia and Tanzania.
Finnpartnership, which gives free advisory services to businesses in developing countries, shared with delegates the support it gives to establish partnerships between companies in Finland and the developing world.

Delegates from the mango, honey, and spices sectors visit Finnish supermarket

SHARED LESSONS ON EU EXPORT
Berlin, Germany January 2014
Mango growers from Tanzania learned how another African country, namely Mali, developed its exports to the European Union, during the annual Fruit Logistica trade show.
This was during a meeting between the Association of Mango Growers (AMAGRO) and mango exporters from Mali at the global fresh produce trade show.

Three months later, AMAGRO members travelled to Mali to learn about value chain processes from orchard maintenance to post-harvest management, and from packaging to logistics. Both sets of meetings were arranged by ITC.

HONEY PRODUCTION ENHANCED
Lusaka, Zambia October 2014

In a three-day training program led by ITC, a number of TSIs in Zambia learned how to write market reports and bulletins. The training covered production, market trends and requirements.

Since last September, ITC has shared the Honey Market Intelligence Newsletter to the Zambia Development Agency (ZDA). The latter will receive two specialized reports early this year.

Targeting to beekeepers and non-keepers, small businesses, extension officers and organizations involved in business development, the newsletter provides information on the marketing, manufacturing and processing of value-added bee products.

Besides providing a useful resource on the honey and bee products sector, the newsletter aims to help companies better contribute towards increasing the incomes and product range of beekeepers.

PACT TO HELP BEEKEEPERS
Geneva, Switzerland December 2014

To upgrade honey products and ease supply capacity constraints in Zambia and Tanzania, a partnership is under negotiation with Parodi Apicultura of Argentina.

The partnership would offer modern equipment and beehives and train beekeepers on honey production in the two countries. ITC is providing assistance in the drafting of the agreement.

SOUTH-SOUTH COOPERATION ON PACKAGING
Mumbai, India October 2014

To assist SMEs in upgrading their packaging, a staff member of the Small Industries Development Organization (SIDO) of Tanzania participated in a one-week training program at the Indian Institute of Packaging (IIP). The SIDO representative visited two packaging conversion factories and one technical institute under the program, thus gaining exposure on manufacturing laminates and coextruded plastic.

CRITICAL INSIGHTS

Producers and processors face a number of supply-side constraints which include consistency in supply, low ability to value add, compliance to quality and standards and limited access to finance, information, knowledge and capital. The transformation from subsistence to commercial production is hampered by value chain gaps which this project aims to bridge to the extent possible.