PROMOTING INTRA-REGIONAL TRADE IN EASTERN AFRICA

PROJECT NEWSLETTER

AUGUST 2015 – ISSUE N°2

Promoting Intraregional Trade in Eastern Africa is a 3-year initiative to strengthen agricultural value chains in Kenya, Tanzania, and Zambia. The objective is to boost the export competitiveness of smallholder producers and SMEs in the mango, chili, honey and spices sectors and to improve the performance of Trade and Investment Support Institutions (TISIs).

HIGHLIGHTS

<table>
<thead>
<tr>
<th>KENYA</th>
<th>TANZANIA</th>
<th>ZAMBIA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business development programme for county based traders reaches results</td>
<td>10 food safety experts have started their work</td>
<td>12 SMEs in the honey sector attain skills in quality and food safety</td>
</tr>
<tr>
<td>New exports for mango traders</td>
<td>Packaging centre being set up</td>
<td>New label designs for honey sector SMEs</td>
</tr>
<tr>
<td>Lean programme for SMEs entering second phase, HACCP programme about to start</td>
<td>Beta software versions for access to finance developed</td>
<td>Honey sector strategy has been sharpened</td>
</tr>
<tr>
<td></td>
<td>TISIs start producing market intelligence</td>
<td></td>
</tr>
</tbody>
</table>
NEWS

COMPETITIVE INTELLIGENCE TO IDENTIFY MARKET OPPORTUNITIES
Nairobi, Kenya May 2015
To offer better tools for tracking information on market opportunities, competitors, public policies, standards and regulations at EPC and to disseminate the information to local and regional SMEs of the mango sector, a competitive intelligence system and web portal are being put in place. Working sessions with EPC and HCD were held in May regarding their trade intelligence capacities, needs and objectives. The promotion of Kenyan products is considered as a strategic target. EPC is keen and fully motivated to step forward, and HCD and others partners are willing to participate actively in the improvement of the Mango’s competitiveness. Next steps are to implement the Competitive Intelligence unit and training the trade information officers.

COUNTY BASED TRADERS DEVELOP THEIR BUSINESSES
Nairobi Kenya, May 2015
To develop their entrepreneurial, managerial and technical skills in mango trading, 20 county based entrepreneurs (CBEs) from different parts of Kenya participated in May in a workshop on business development. The programme comprised insights on the supply chain, quality aspects of mango production, contractual and legal issues as well as business insights and logistics.

A group of CBEs presenting the results of their work at the CBEs training workshop

The 5-day event was a good opportunity for the CBEs to get to meet each other and exchange experiences. This was the second event of this kind organised by the project, and based on the lessons learned from the first event the programme was tailored and compressed to 5 fully loaded and energetic days. As a result of the workshop some of the CBEs already have improved their business management. The event also gave inspiration for expanding and further developing their businesses.

ON-SITE COACHING FOR CONCRETE RESULTS
Nairobi Kenya, June 2015
To get first-hand information on the operating conditions and circumstances in the counties, selected CBEs were visited by ITC and HCD at their premises. The opportunity was also seized to introduce the traders to the local HCD officials. The CBEs proved to be very entrepreneurial and motivated to take their businesses further. As a result of the trek, a financial coaching programme has been developed with the objective of obtaining funds for further business development.

Gerald Ngugi, one of the CBEs visited during the trek, in Muranga Town at his stall where he sells other fruits and consolidates Mangoes for Stawi Fruits

GETTING THE MOST OUT OF TRADE FAIRS
Dar es Salaam Tanzania & Nairobi Kenya, July 2015
To better prepare for exhibitions and Trade mission and to get most out of the participation in trade fairs, two workshops on ITC’s Business Generation Methodology trade promotion were organised, for TPOs as well for beneficiary TSI for this project. One workshop was organised in Nairobi for participants from Kenya and Zambia, and another on in Dar es Salaam for the Tanzanians.

These workshops are a part of the efforts made to address the needs of TSIs to better organize and coordinate trade shows and any trade promotion event. Request for this kind of training was made during the steering committee meeting of the project in January. The event was well received by the participants, and hopefully the learnings can materialize in upcoming trade events.
SUPPLY CHAIN EXCELLENCE
Mbeya Tanzania, May 2015

25 SMEs across Tanzania have entered into a training programme aiming at improving their Supply Chain Management (SCM) and packaging. The local trainers from SIDO, AMAGRO and the Honey Council trained in Supply Chain Management & Food Quality and Safety by ITC organised a workshop in May where these issue were handled. The next similar SCM workshop will be organised by these trainers in another region in Tanzania at the end of this year.

In addition to being available in English, following this training the educational materials for SCM are now available at SIDO also in Swahili, the national language of Tanzania.

STANDARDS AND FOOD SAFETY PROCESSES DEVELOPED HAND IN HAND
Tanzania & Zambia, June-July 2015

The HACCP implementation is in full swing in 14 Tanzanian and 10 Zambian SMEs. The local Trainers cum Counsellors (TcCs) trained by ITC are currently paying follow-up visits to the enterprises to coach them in the implementation process and preparation of the HACCP documents required to successful accreditation. SMEs have already increased their capacity in doing hazard and critical control point analysis and in implementing hygiene practices.

To get the full benefit of the quality improvement work of SMEs that strive to comply with international food safety standards, Tanzanian food safety standards are being further developed at the same time by Tanzania Bureau of Standards (TBS). TBS received advisory in June on certification process and requirements from a consultant from South Africa.

BOTTLENECKS REMOVED FROM PACKAGING
Tanzania, June 2015

One of the major challenges facing the SMEs in Tanzania is the poor availability of packaging materials. Currently packaging has been sourced from Kenya, which proves to be expensive when buying in small quantities. To address this, a Packaging Centre is currently being established under SIDO to assist SMEs to access packaging. In the packaging trainings in Mbeya SMEs were also advised how to move to group purchasing to increase their bargaining power.

Another current effort for improving the packaging capacity in Tanzania is to set up a mini pack house and a consolidation centre for mango farmers through AMAGRO. The feasibility study is now completed by ITC, paving the way for AMAGRO to mobilise partners to fund the construction of the facility.

IMPROVED SERVICES AND SUPPORT FOR ZAMBIAN SMES
Lusaka Zambia, June-July 2015

In June and July several events were held in Lusaka to strengthen the services and managerial competences of institutions supporting the private sector, specifically in honey.

In the beginning of June Business Process Analysis meetings were held at Zambia Development Agency (ZDA), Zambia Honey Council (ZHC) and Agri-business Forum (ABF).

At the end of June, ZHC and ZDA got together with ITC advisors to review and develop their service portfolios and managerial practices.

In July ZDA, ZHC, ABF as well as representatives from the Ministry of Trade and the Ministry of Agriculture enhanced their skills in using and producing competitive intelligence.
and market information. This all aims at improving the support network that the local SMEs can profit from in their export endeavours and business development.

NEW BRAND IDENTITIES FOR ZAMBIAN HONEY

Lusaka Zambia, July 2015

To build better brands for their honey, 4 Zambian honey SMEs redesigned their packaging labels. After individual consultations between ITC and the SMEs a network of designers was challenged in the spring to generate alternative designs.

To select the best design for each enterprise, an online survey was run to collect 260 respondents of international honey consumers. The owners of the honey SME’s had of course their deciding opinion as the final designs were selected.

The winning proposition for the new brand image for Queen’s Honey, one of the SMEs the project is working with in Zambia

PROJECT BACKGROUND

Launched in December 2013, the Promoting Intra-Regional Trade in Eastern Africa Project is a three-year initiative to strengthen agricultural value chains in 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 designed to improve the performance of Trade and Investment Support Institutions (TISIs), so that they can more efficiently support SMEs to improve their competitiveness and export capability.

The project has a EUR 4.25 million budget funded by the Government of Finland. It is implemented by ITC together with local counterparts in each of the three beneficiary countries.

Contact person: Kevin Musa, Associate Trade Promotion Adviser, OA
E-mail: musa@intracen.org
Telephone: +41 22 730 01 11
Street address: ITC, 54-56 rue de Montbrillant, Geneva, Switzerland
Postal address: ITC, Palais des Nations, 1211 Geneva 10 Switzerland
Internet: www.intracen.org