

Programme for  
Building African Capacity for Trade

***PACT II***

**Programme Logical Framework**

**June 2009**

*Rev March-May 2009*



<b>Country/Region</b>	Pan-Africa
<b>Programme Title</b>	Programme for Building African Capacity for Trade (PACT II)
<b>Executing Agency</b>	International Trade Centre (ITC)
<b>Partner organizations</b>	Common Market for Eastern and Southern Africa (COMESA) Economic Community of West African States (ECOWAS) Economic Community of Central African States (ECCAS)
<b>Donor organization</b>	Canadian International Development Agency (CIDA)

EXPECTED RESULTS	PERFORMANCE MEASUREMENT	ASSUMPTIONS / RISKS
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Impact	Impact Indicators	Assumptions/Risks
Diversified and expanded exports within and outside Africa contributing to sustainable economic and social development in Africa	<ol style="list-style-type: none"> <li>1. Increase in export volume (intra- and inter- REC; international), a) meeting international product standards and b) with due consideration given to environmental impact</li> <li>2. Extent to which export base has changed qualitatively, through a) exports to new markets (market diversification); b) increased value-added in priority export sectors; c) share of "green" products in priority sectors; d) share of exporting enterprises in priority sectors with women as (i) investors/owners; (ii) more than 50% of employees; (iii) key service providers</li> <li>3. Increase in trade-related income levels for women, men and youth within priority export sectors</li> <li>4. Increase in productive employment and decent work for women, men and youth in targeted export sectors</li> <li>5. Trends in the significance of trade vis-à-vis national income*</li> </ol> <p><i>* This indicator will be refined in light of availability of relevant data referring specifically to trade-related changes.</i></p>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>• Macro-economic policies and regulatory environment conducive to exports</li> <li>• No exogenous regional or global slow-down of trade</li> <li>• Participating countries have statistical capacity to provide gender-specific data</li> <li>• Progress in trade liberalization at different levels (intra-REC, international)</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Limited complementarity of products/services in regions covered</li> <li>• Target markets impose NTB affecting high potential sectors identified</li> <li>• Social and legal barriers for entering international trade, specifically those affecting access conditions of women</li> </ul>
Outcomes (Results)	Outcome Indicators	Assumptions/Risks
<ol style="list-style-type: none"> <li>1. Pan-African partnerships and networking for regional trade development and promotion (TDP) and exports for good* in Africa</li> <li>2. REC Secretariats take the lead for sustainable and inclusive regional trade development and promotion (TDP), as trusted and visible broker</li> <li>3. Regional trade support networks, including businesswomen's networks, engaged in regional trade policy dialogue and trade support</li> <li>4. Cross-border business linkages and enterprise-level export success for good in priority sectors and markets</li> </ol>	<ol style="list-style-type: none"> <li>1.1. Number and type of intra- and inter-REC initiatives supporting trade development and promotion initiated as a result of the programme activities</li> <li>1.2. Trends in the institutionalisation of exchange mechanisms i.e. frequency of meetings and attendance profiles</li> <li>1.3. Explicit reference to the MDGs - in particular MDG 1 and MDG 8 - in REC planning frameworks, regional sector strategies, and by regional trade support networks</li> <li>2.1. REC Secretariats operating with appropriate structure, staffing, work plan and budget and performance management systems</li> <li>2.2. Export Potential Assessment and Regional Sector Strategy (one for each REC) adopted by REC Secretariat management</li> <li>2.3. Perception of the business communities about the RECs performance including clarity of mandate, confidence in ability to deliver on mandate and public visibility</li> <li>3.1. Extent to which recommendations of regional private sector apex organisations are integrated into policy</li> <li>3.2. Number of networks and degree of satisfaction of (business women) enterprises using TSI services</li> <li>3.3. Number of African experts (trainers/consultants) trained in range of trade development/promotion tools and continuing training/advisory services independent of the programme</li> <li>4.2. Proportion of trained SMEs, including women-owned enterprises, showing improvements in a) production capacity, b) knowledge of international standards and requirements, c) identification of export markets and buyers</li> </ol>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>• Possibility to leverage regional efforts to reduce regulatory and infrastructural obstacles to intra- and extra-regional trade development</li> <li>• Interest of participating countries/ enterprises in following production methods in compliance with environmental standards and in pursuing eco-trade opportunities</li> <li>• Effective cooperation with related TRTA in the field of enterprise upgrading and cleaner production</li> <li>• Availability of African experts (regional/country level) engaged in TDP related training/consulting (through TSIs or directly)</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• Economic disparities among REC member States, implying variation in TRTA needs</li> <li>• Mainly larger and well-established firms benefiting from support</li> </ul>

Activities	Outcomes/Outputs	Output Indicators	Assumptions/Risk Indicators
<p>1.1.1 Review TDP issues emanating at intra-regional level as a basis to set-up an agenda of common interest for inter-REC exchange on trade development and promotion (TDP)</p> <p>1.1.2 Identify key stakeholders and resource persons, including from the private sector, for inter-REC exchange</p> <p>1.1.3 Organize series of meetings on selected agenda hosted by the participating RECs on a revolving basis</p> <p>1.1.4 Document outcomes of these meetings for further advocacy and distribution</p> <p>1.2.1 Identify opportunities for partnering with existing regional/pan-African business fora and initiatives, linked to overall objective of PACT II</p> <p>1.2.2 Hold preparatory consultations with relevant private sector organisations to identify their needs in terms of a pan-African platform for dialogue (incl. based on issues raised when implementing activities under outcomes 2,3,4) in order to define purpose, content and structure of the Forum</p> <p>1.2.3 Support the identified partners in the preparation and organization of the African Business Forum</p> <p>1.2.4 Develop partnership and funding strategy for future Forum events, incl. anchorage into institutionalised public-private partnership arena</p>	<p><b>Outcome 1</b> Pan-African partnerships and networking for regional trade development and promotion (TDP) and exports for good in Africa</p> <p><b>Output 1.1</b> Inter-REC exchange on intra and inter-regional TDP activated</p> <p><b>Output 1.2</b> African Business Forum sponsored and promoted as Pan-African platform for public-private dialogue and business partnerships building</p>	<p><b>Indicators linked to Output 1.1</b></p> <ol style="list-style-type: none"> <li>Number and type of inter-REC meetings organized</li> <li>Degree of REC participation in, appreciation and recognition of inter-REC meetings for their contribution to the formulation of joint recommendations</li> </ol> <p><b>Indicators linked to Output 1.2</b></p> <ol style="list-style-type: none"> <li>Existence of partnership agreement signed with lead African partner institutions for the organization of the African Business Forum</li> <li>Degree of private sector support for African Business Forum event(s), in terms of: <ol style="list-style-type: none"> <li>level of participation (numbers and level)</li> <li>degree of appreciation of Forum outcomes</li> <li>co-sponsorship of Forum events (technical, financial, in-kind)</li> </ol> </li> <li>Listing of endorsements by key African partner institutions of the strategy document for African Business Forum</li> </ol>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>Interest and active involvement of the REC Secretariats in deepening inter-REC cooperation and willingness to cost-share (inter-regional consultations and maintenance of e-based tool repository)</li> <li>Complementarities in products/services inducing trade among RECs (in particular among bordering States)</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li><b>Risk:</b> Reluctance of regional bodies to take part in inter-REC networking <b>Likelihood:</b> Low <b>Effect:</b> High <b>Mitigation strategy:</b> Ensure that they are on board from the start and that their needs/interests are taken into account</li> <li><b>Risk:</b> Disparities among REC member countries affecting expected interests and involvement in pan-African networking <b>Likelihood:</b> Medium <b>Effect:</b> High <b>Mitigation Strategy:</b> Adaptation of programme activities to country variations in TRTA needs within the context of the planned outcomes; focus on countries that have made most progress in the implementation of resolving policy and infrastructural constraints affecting trade and are interested in contributing in the form of counterpart support; ensure that activities address key trade issues of countries having made less progress</li> <li><b>Risk:</b> Weak linkages between REC Secretariats and TPOs/TSIs in member States, as well as among TPOs/TSIs <b>Likelihood:</b> Medium <b>Effect:</b> High <b>Mitigation Strategy:</b> Programme stimulating joint activities among TPOs/TSIs led by the RECs especially under outcomes 2, 3, 4</li> <li><b>Risk:</b> Proliferation of pan-African business events affecting interest of the business community <b>Likelihood:</b> Medium <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Identify existing fora and engage in discussions on the programme activities on how synergies can be created with these fora</li> </ul>

Activities	Outcomes/Outputs	Output Indicators	Assumptions/Risk Indicators
<p>2.1.1 Review REC Secretariat's existing organizational capacity and structure pertaining to TDP</p> <p>2.1.2 Co-develop appropriate TDP structure, staffing, job descriptions, coordination structures, work plan and budget</p> <p>2.1.3 Undertake staff training needs assessment, including gender analysis, and develop gender-sensitive training plan</p> <p>2.1.4 Organize on the job training and dedicated training courses in key functional areas based on transfer of tools and methodologies</p> <p>2.2.1 Undertake analysis of existing trade data and collection/analysis methods used by RECs and propose improvement plan and resource requirements</p> <p>2.2.2 Implement coaching programme for trade flow analysis and export potential assessment</p> <p>2.2.3 Identify, discuss and agree upon priority sectors/product groups for regional trade development</p> <p>2.3.1 Organize regional sector-specific, gender sensitive value chain analysis workshops involving stakeholders pertaining to one priority sector agreed upon</p> <p>2.3.2 Develop sector-specific value chain development implementation plans at regional/national level with stakeholders, including the participation of women, and determine TSI network interventions and TRTA requirements</p> <p>2.3.3 Co-develop a strategy to communicate the policy implications and trade facilitation improvement recommendations to regional and national policy makers</p>	<p><b>Outcome 2</b> REC Secretariats take the lead for sustainable and inclusive regional trade development and promotion (TDP), as trusted and visible broker</p> <p><b>Output 2.1</b> Appropriate REC TDP structure with key technical and operational capacities agreed upon, and its management in place</p> <p><b>Output 2.2</b> REC Secretariat staff and resource persons applying market analysis tools and methods for the prioritization of sectors and destination markets, with due consideration to poverty reduction, women and environment impact</p> <p><b>Output 2.3</b> REC Secretariats lead a participatory process for the formulation of strategy framework for sustainable and inclusive regional trade development in one priority sector/product group</p>	<p><b>Indicator linked to Output 2.1</b></p> <p>6. Progress towards operationalisation of TDP structure:  a) Proposal elaborated  b) Proposal discussed and agreed at operational level  c) Proposal endorsed by REC management  d) Designated REC staff gain required knowledge and skills in a minimum of two TDP-related disciplines  e) TDP structure in operation, incl. clear management responsibilities assigned and REC staff applying enhanced skills in daily work</p> <p><b>Indicators linked to Output 2.2</b></p> <p>7. Number of REC staff and additional resource persons a) trained in, and b) applying methodologies and tools for export potential assessment</p> <p>8. Reports identifying priority sectors and markets produced by REC staff</p> <p><b>Indicator linked to Output 2.3</b></p> <p>9. Progress towards formulation of sector strategy framework:  a) REC agrees on priority sector  b) Participatory process organised by REC involving public and private stakeholders  c) Strategy framework document formulated and endorsed  d) Strategy framework widely circulated amongst stakeholders</p>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>REC Secretariat management accepts recommendations pertaining organizational adjustment</li> <li>Staff resources available and released to work on TDP</li> <li>Ability to build on prior/ongoing related studies to ensure complementarity (DTIS, sector specific studies and related analyses (supply side/trade related at country/regional level)</li> <li>RBM principles are agreed and applied across the REC as a whole, now just in the area of TDP</li> <li>Collaboration with other donor funded TDPs, reducing risk of duplication and fragmenting target groups and increasing synergies with sector development and environmental support programmes</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li><b>Risk:</b> Delays in implementation of appropriate TDP structure, due to lengthy decision-making processes within RECs and constituencies  <b>Effect:</b> High  <b>Likelihood:</b> High  <b>Mitigation Strategy:</b> Build Regional Implementation Teams (RITs) operationalisation as conditionality for operational kick-off and grant disbursement</li> <li><b>Risk:</b> Staff turnover rotating in and out of the Secretariat and subsequent loss of competencies supporting the project and its outcome  <b>Effect:</b> High  <b>Likelihood:</b> High  <b>Mitigation Strategy:</b> Development of well-defined TOR for the RIT formally adopted by REC counterpart. TOR need to ensure that 1) critical staff be and remain attached to the RTI in technical and or functional capacity; and that 2) RIT coordination graduates into formal TDP structure</li> <li><b>Risk:</b> Staff turnover undermining capacity built within the Secretariat  <b>Effect:</b> High  <b>Likelihood:</b> High  <b>Mitigation Strategy:</b> External research and training institutes get involved in initial training to anchor expertise at regional level and be prepared and accessible to provide future support to the REC</li> </ul>

Activities	Outcome/Outputs	Output Indicators	Assumptions/Risk Indicators
<p>3.1.1 Map TSI network structure involving national and regional women's organizations</p> <p>3.1.2 Organize series of meetings among TSI representatives to foster regular networking</p> <p>3.1.3 Transfer ITC tools and methodologies to TSI network</p> <p>3.2.1 Identify committed regional private sector apex bodies, with special reference to women's networks</p> <p>3.2.2 Develop business and work plan for private sector apex bodies based on organizational assessment</p> <p>3.2.3 Coach regional apex bodies in development of briefing notes and position papers on pressing policy issues</p> <p>3.2.4 Activate the consultative process via public-private partnerships events discussing trade-related policy submissions</p> <p>3.3.1 Develop coordinated work plan with regional OHADA institutions</p> <p>3.3.2 Support OHADA to adapt the OHADA guide for entrepreneurs in selected countries with relevant national institutional counterparts</p> <p>3.3.3 Disseminate the adapted OHADA guide amongst business community, including businesswomen</p> <p>3.3.4 Organize training workshops for entrepreneurs, including businesswomen, on setting-up and running companies under OHADA laws (training by ITC, OHADA and national TSIs)</p>	<p><b>Outcome 3</b> Regional trade support networks, including businesswomen's networks, engaged in regional trade policy dialogue and trade support</p> <p><b>Output 3.1</b> Regional TSI networks, including businesswomen's networks, formalized and operationalized for participation in regional trade support and promotion</p> <p><b>Output 3.2</b> Regional private sector apex bodies strengthened as the primary and active interface for public private dialogue and partnerships at the regional level</p> <p><b>Output 3.3 (ECCAS only)</b> Regional trade law institutions - operating under OHADA network - assisting enterprises understand the advantages and implications of regional trade rules and regulations</p>	<p><b>Indicator linked to Output 3.1</b></p> <p>10. Intensity of interaction among members of the network: a) Number and type of meetings held by the network b) Number of TSI participants in the network and proportion that are businesswomen organizations c) Number and type of initiatives emanating within the network d) Evidence of commitments to support initiatives by network members</p> <p><b>Indicator linked to output 3.2</b></p> <p>11. Intensity of exchanges between regional apex body and constituencies: a) Level of member endorsement of statute b) Number of board meetings and/or network consultations c) Level of member endorsement of work programme or action plan</p> <p>12. Intensity of private-public dialogue between regional apex body and REC Secretariat: a) Number and type of policy-related position papers prepared by the regional private sector apex body and associated members and submitted to the REC Secretariat b) Number of consultations between REC and regional private sector apex body c) References to such consultations in REC internal and external communications d) Appreciation of public-private dialogue by regional apex body and by REC Secretariat respectively</p> <p><b>Indicators linked to output 3.3</b></p> <p>13. Publication of country-specific OHADA guides, and level of distribution coverage across intended audiences</p> <p>14. Ratio of targeted enterprises that are aware of regional trade rules and regulations</p> <p>15. New links created between OHADA permanent Secretariat and national OHADA institutions</p>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>• Commitment from apex private sector bodies and women's organizations to share in costs (staffing; premises)</li> <li>• Interest of TSIs in up-scaling service delivery</li> <li>• Willingness of benefiting enterprises to contribute/share in costs</li> <li>• Partnerships with related enterprise/sector development programmes</li> <li>• Commitment of OHADA institutions and local arbitration institutions to share costs (staffing, premises).</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• <b>Risk:</b> Insufficient sustainable active commitment of relevant stakeholders/TSIs <b>Likelihood:</b> Medium <b>Effect:</b> High <b>Mitigation Strategy:</b> Clear definition of the network objective(s); increase awareness of the relevance of creating a network</li> <li>• <b>Risk:</b> Recommendations issued by the networks not endorsed by the RECs and/or REC members States <b>Likelihood:</b> Medium <b>Effect:</b> High <b>Mitigation Strategy:</b> Share best practices; communication/awareness creation; create ownership by private and public stakeholders from the inception of activities</li> <li>• <b>Risk:</b> Reluctance of enterprises, including businesswomen, to participate in OHADA-related workshops <b>Likelihood:</b> Low <b>Effect:</b> High <b>Mitigation Strategy:</b> Increase awareness of the relevance of participating in activities; identify target enterprises to attend the workshops</li> <li>• <b>Risk:</b> Lack of human resources in TSIs and staff turnover <b>Likelihood:</b> High <b>Effect:</b> High <b>Mitigation Strategy:</b> Expand the numbers of TSIs representatives participating in the activities of networks; institutionalise the operations of the networks within each TSI</li> </ul>

Activities	Outcome/Outputs	Output Indicators	Assumptions/Risk Indicators
<p>3.4.1 Carry out private sector information needs assessment</p> <p>3.4.2 Make inventory of existing trade information services of local service providers available within respective region</p> <p>3.4.3 Define institutional set-up of regional trade information system incl. scope, target users, content and implementation structure</p> <p>3.4.4 Set-up technical and operational infrastructure (IT platform with appropriate linkages, databases)</p> <p>3.4.5 Train information managers in national and regional focal point TSIs in information sourcing, collection, processing and dissemination, with particular attention to outreach and marginalised groups</p> <p>3.4.6 Organize series of information seminars for TSIs and businesses, including businesswomen, in member states</p> <p>3.4.7 Set-up an inter-regional web-based platform with reference materials for regional trade development and promotion for use by RECs and TSIs</p>	<p><b>Outcome 3</b> (continuation) Regional trade support networks, including businesswomen's networks, engaged in regional trade policy dialogue and trade support</p> <p><b>Output 3.4</b> Regional trade information networks established and operational</p>	<p><b>Indicators linked to output 3.4</b></p> <p>16. Intensity of interaction among members of the network: a) Number of TSIs participating in the trade information network b) Frequency of use of network services by TSIs</p> <p>17. Number of trade information managers having acquired knowledge in trade information management, by country</p> <p>18. a) Recognition of and b) satisfaction with information services offered by the network</p>	<p><b>Risks:</b> (continuation)</p> <ul style="list-style-type: none"> <li>• <b>Risk:</b> Lack of ICT infrastructure <b>Likelihood:</b> Medium <b>Effect:</b> High <b>Mitigation Strategy:</b> Procurement of IT equipment for TSIs</li> <li>• <b>Risk:</b> Weak linkages between REC Secretariats and TPOs/TSIs in member States, as well as among TPOs/TSIs <b>Likelihood:</b> Low <b>Effect:</b> Medium <b>Mitigation Strategy:</b> REC capacity building in managing and sustaining TSI network; foster linkages through trade information network and seminars; involve country institutions interested in taking part in new initiatives coming from RECs; programme stimulating joint activities among TPOs/TSIs</li> </ul>

Activities	Outcome/Outputs	Output Indicators	Assumptions/Risk Indicators
<p>4.1.1 In accordance with sector strategy framework (see output 2.3), facilitate the cooperation among sector-related TSIs for concerted service delivery to SMEs</p> <p>4.1.2 Organize capacity building of and skills transfer to sector-specific service providers at national and regional level</p> <p>4.1.3 Organize awareness creation events on international market demand for specific lines of products (including international environmental and social responsibility standards)</p> <p>4.1.4 Assist TSIs to perform supply capacity and demand analyses</p> <p>4.1.5 Provide direct counselling and advisory services to SMEs and/or clusters of micro-producers for product and market development for moving up the value chain, in partnership with TSIs</p> <p>4.1.6 Develop trade partnerships through business matching tours for African SMEs to target markets</p> <p>4.1.7 Assist TSIs to organize regional buyer/seller meetings for SMEs with complementary trading interests</p> <p>4.2.1 Identify ACCESS! beneficiary countries, partner institutions and teams of trainers within the context of expansion strategy</p> <p>4.2.2 Identify key sectors with high potential for women exporters in priority sectors</p> <p>4.2.3 Enhance ACCESS! business development services to include sector specific training and business counselling</p> <p>4.2.4 Improve ACCESS! Web portal and create links with relevant information services</p> <p>4.2.5 Transfer capacities to identified TSIs and build local certified capacities to deliver export-related BDS services</p> <p>4.2.6 Assist TSIs to implement country-specific exporter readiness programmes and services for businesswomen and link them to sector specific structures</p> <p>4.2.7 Assist TSIs to build the supply capacity of women producers in selected sectors, via assistance in product development, design and adaptation</p> <p>4.2.8 Assist TSIs to organize sector-specific matchmaking events to create business partnerships for the target groups</p>	<p><b>Outcome 4</b></p> <p>Cross-border business linkages and enterprise-level export success for good in priority sectors and markets</p> <p><b>Output 4.1</b></p> <p>Sector-specific product and market development services preparing SMEs for regional and international markets, in adherence with regional sector strategy framework</p> <p><b>Output 4.2</b></p> <p>Gender-responsive business development services and market linkages for women exporters provided through ACCESS! network</p>	<p><b>Indicators linked to Output 4.1</b></p> <p>19. Quality of sector-specific product and market development services provided to SMEs:</p> <p>a) Appreciation by client enterprises of available services</p> <p>b) Partnerships among TSIs for service delivery to SMEs</p> <p>20. Progress towards export success of SMEs:</p> <p>a) Number of SMEs trained</p> <p>b) Product/process improvement within SMEs</p> <p>c) Number of SMEs which established new business partnerships for export</p> <p><b>Indicators linked to Output 4.2</b></p> <p>21. Number of trainers certified to deliver the ACCESS! package</p> <p>22. Progress towards export success of target groups:</p> <p>a) Number of SMEs trained</p> <p>b) Export strategies developed</p> <p>c) SMEs ready to participate in matchmaking events</p> <p>d) SMEs with established business partnerships</p> <p>23. Proportion of ACCESS! host institutions a) having a realistic sustainability plan, b) adhering to it</p>	<p><b>Assumptions:</b></p> <ul style="list-style-type: none"> <li>• Commitment from the regional business women networks to share in costs (staffing; premises)</li> <li>• Willingness of selected women run businesses to contribute/share in costs</li> <li>• Partnerships with related enterprise support programmes, incl. sector development/ women entrepreneurship development/ cleaner production/ HIV/Aids</li> <li>• African experts (trainers/consultants) have business interest in deepening/expanding their service offerings in the field of TDP</li> <li>• Businesses participating in training committed to address HIV/AIDS awareness and environmental management principles as part of their business strategy</li> </ul> <p><b>Risks:</b></p> <ul style="list-style-type: none"> <li>• <b>Risk:</b> Delays in decision-making and in implementation of recommendations regarding organisational adjustments, export potential assessments and regional sector strategies <b>Likelihood:</b> Medium <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Involve decision-makers in all aspects of implementation; identify key influencers within and outside REC Secretariat to influence and motivate decision-makers</li> <li>• <b>Risk:</b> Delay in actions as regards eventual supply chain improvement measures required. <b>Likelihood:</b> High <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Identify key influencers in both public and private sector to lobby vis-à-vis action-takers; provide regular and coherent messages as part of communication strategy; seek synergies with and leverage from other programmes with complementary focus.</li> <li>• <b>Risk:</b> Lack of business infrastructure related to logistics, quality control and packaging threatening timely delivery of products <b>Likelihood:</b> Medium to high (depending on the sector) <b>Effect:</b> Medium to high <b>Mitigation Strategy:</b> Find synergies with other programmes that support business infrastructure development.</li> <li>• <b>Risk:</b> Only a number of companies operating within the sector benefit from services rendered under the programme. <b>Likelihood:</b> High <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Ensure support services are effectively rendered through intermediary organisations, for multiplier effect; mobilise complementary funding from other donor sources and schemes; facilitate the sharing of best practices within the sector.</li> <li>• <b>Risk:</b> SMEs have limited access to adequate resources (capital, human, and financial) to implement their improvement plans <b>Likelihood:</b> Medium <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Encourage participation of financial institutions within national TSI network providing sector-specific business development services</li> <li>• <b>Risk:</b> Reluctance of companies to cost-share their participation in activities <b>Likelihood:</b> Medium <b>Effect:</b> Medium <b>Mitigation Strategy:</b> Design specific communication strategy targeting SMEs in the sector; publicise the positive experience of companies having benefited from participation in activities; provide sponsorship for 'strategic' participants</li> </ul>





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