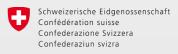


The GTEX/MENATEX programme and how it supports regional collaboration



Funded by:



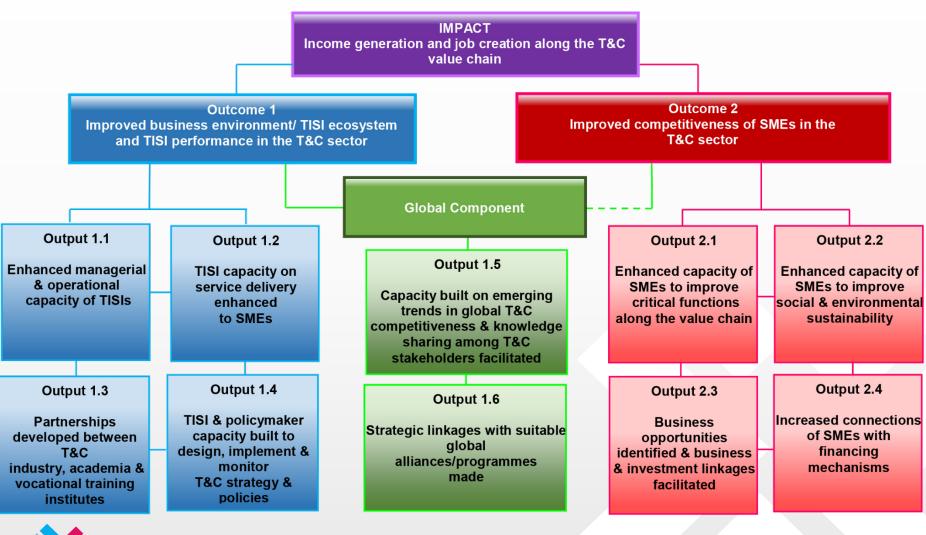
Swiss Confederation







GTEX/MENATEX Intervention Logic

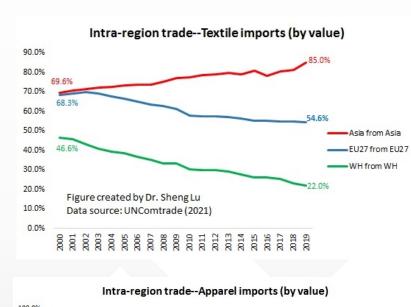


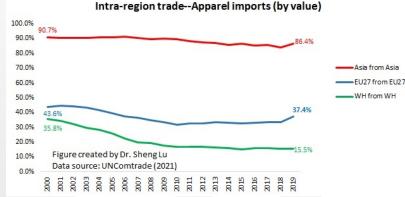


TRADE IMPACT FOR GOOD

The rational for regional collaboration

- Intra-regional trade stands at only
 1.5% of the total T&C trade of the
 4 countries
- Regional supply chains remain a key feature of world T&C trade
- The pandemic moved focus on national survival and interest
- But market changes accelerated by the pandemic (nearshoring, smaller orders, agility, etc.) could be more easily addressed when cooperating







TRADE IMPACT FOR GOOD

The scope for regional collaboration and trade under GTEX/MENATEX

- Collaboration can be gradual between 2, 3 or all 4 member countries
- Collaboration can be between enterprises, T&C-related institutions, academia, and between policy-makers
- Facilitating trade along the supply chain:
 - raw materials,
 - · intermediate products such as yearns and fabrics,
 - apparel of local/national brands in regional markets,
 - accessories
 - services around the T&C industry
- Collaboration can start with simple measures such as information sharing, getting to know and understanding each other, working on joint initiatives that are non-competitive in nature, towards tackling similar challenges and problems



What we have done so far

- Supporting enterprises in participating in national and regional trade fairs
- Facilitating exchanges of enterprises & visits
- Supporting companies to launch operations
 & collaboration within the region
- Organizing joint seminars of interest to stakeholders from all countries
- Organizing regional meetings for policy makers, institutions & enterprises
- Need for an independent analysis to elaborate recommendations to enhance regional collaboration & trade
- Complementing other ITC work:
 - Strengthening regional integration in Arab States by addressing trade obstacles related to non-tariff measures
 - EuroMed Trade Helpdesk, a transparency initiative covering 9, incl Agadir countries









THANK YOU

Matthias Knappe Programme Manager, Fibres, Textiles & Clothing International Trade Centre (ITC)



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www.intracen.org/projects/Global-Textiles-and-Clothing-Programme-GTEX/



TRADE IMPACT FOR GOOD





Regional T&C Trade opportunities and Collaboration

Agadir (Egypt, Jordan, Morocco, Tunisia)

A presentation to: T&C Stakeholders in Agadir

By: ITC & Euromonitor International

Date: 17th June, 2021





Agenda

Introduction

Importance of Collaboration

Key learnings from other regions

Recommendations







Objective

Emphasize the need for regional level collaborations towards investment promotion, value chain integration, and enhanced trade

Approach

Communication and in-depth engagement with the key industry stakeholders in the 4 countries, i.e. government, companies and institutions.

The Analysis in this report is reflective for the current situation; however, the trade analysis has taken into consideration 2019 statistics to avoid any bias caused by the COVID impact on the global trade in 2020

The recommendations are forward looking to achieve the ultimate goal of enhancing and enriching the collaboration among the four countries, with action items dealing with the post COVID impact





Importance of Collaboration







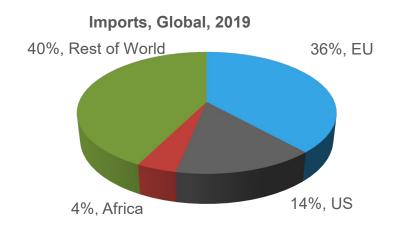
Overview of Global T&C

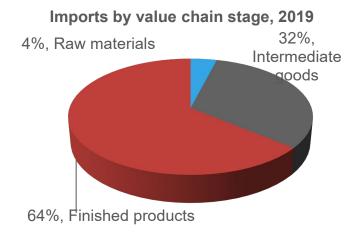
Global Trade Size

2016	2019			
US\$ 712 Bn	US\$ 765 Bn			
CAGR (2016-2019) + 2.4%				

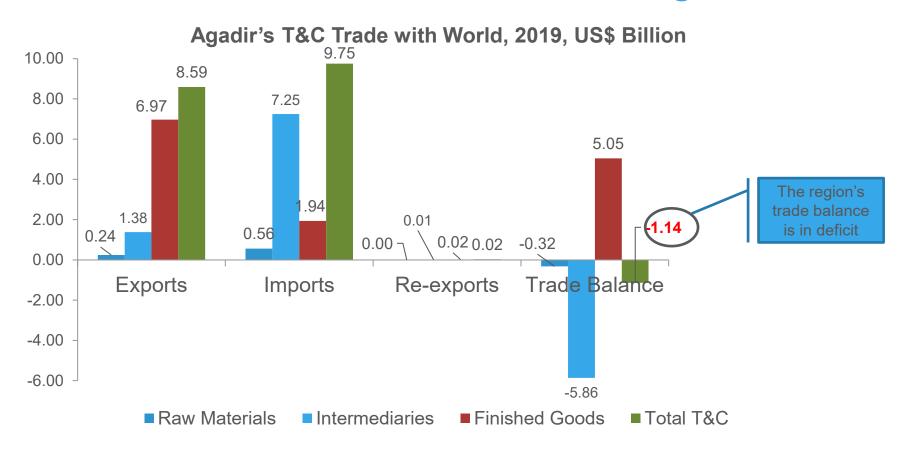
Key Trends in the T&C industry

- Hyper-consumption of fashion
- Cost-conscious purchases
- Emphasis on sustainability
- Emphasis on "fast fashion"
- Nearshoring
- Preference to full-package providers
- Digitalisation





The need for collaboration in Agadir



Need for collaboration

Capitalize on the strengths of the member countries' value chain, in order to provide products that meet clients' requirements and increase the competitiveness of the region as a holistic solution provider



Areas of collaboration

- Information exchange
- Cross-national investments
- Value Chain Integration
- Promotion of regional strengths

Priority products to trade within and outside Agadir

Value Chain	To Agadir	To the World
Raw	Cotton, Artificial & Synthetic	Cotton, Coconut and vegetable fibres
Intermediate	Woven fabrics of silk & synthetic woven fibre	Textile wall coverings, Yarn of Jute
Final	Ties and cravats, Blankets and travel rugs	Tarpaulins and sun blinds, Packing sacks and bags

mr arra carara r igaan		
Value Chain	To Agadir	To the World
Raw	Wool, Artificial & Synthetic	Cotton, Synthetic filament
Intermediate	Carpets and textile floor coverings, Nonwovens	Artificial Yarn & Woven fabrics
Final	Men's innerwear, Women's dresses from man-made filaments	Men's nightwear, Babies' garments

	*	
Value Chain	To Agadir	To the World
Raw	Cotton	Coconut and vegetable fibres, Jute fibres
Intermediate	Cotton sewing thread, studio back-cloths	Woven fabrics of animal hair, Yarn of jute
Final	Toilet & kitchen linen, Men's or boys' coats	Furnishing textiles, Tarpaulins and sun blinds

Value Chain	To Agadir	To the World
Raw	Silk, Natural	Hemp, Wool
Intermediate	Textile fabrics, yarn & strip	Metallised Yarn, Textile wicks
Final	Gloves, ties, mittens, Women's coats	Women's negligees, Men's or boys' swimwear

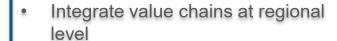
Learnings from other regions

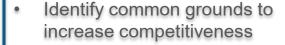
Collaboration Areas



- Negotiation of ROO
- Vertical integration in maquila industries
- Transport and logistics to cut costs
- Joint marketing events

Key implications

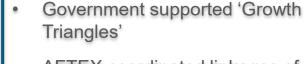






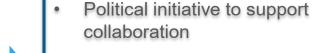
 Represent as one Agadir unit in trade events

Collaboration Areas



- AFTEX coordinated linkages of growth triangles
- Active involvement of large enterprises
- Cross national investments

Key implications



- Forming regional level alliances at institutional level
- T&C companies to be forthcoming for collaboration initiatives





Recommendations







Foundation Stage

Agadir Technical Unit may play a pivotal role in facilitating the execution of recommendations; ITC could support the Agadir Technical Unit's measures

The Arab Mediterranean Free Trade Agreement

- Raise awareness
- Facilitate meetings
- Facilitate collective exports
- Form Textile & Clothing Committee
- Suggest business improvements



- ITC may work alongside Agadir Technical
 Unit to support the set up of a T&C chapter
- Initiate and facilitate meetings
- Facilitate interaction

Expected Outcome

Convergence in the core objectives of both the Agadir Technical Unit and ITC is anticipated to enable smoother actions towards collaboration, value chain integration and enhanced trade

Recommendation 2 (within 2 years)

Create awareness on comparative advantages of intra-regional trade in each stage of the value chain to benefit from the accumulation of Rules of Origin



Share production capabilities and existing strengths

Share needed support to improve the value chain



Associations could facilitate a survey among buyers who source from the region

Trade Facilitation
Committees could
disseminate knowledge
about Rules of Origin



Ministries of industry and trade could facilitate the data exchange

Ministries could anticipate any change in ROO, and update institutions

Expected Outcome

Gap in knowledge between T&C enterprises about accumulation of Rules of Origin is expected to be bridged towards enhanced trade within and outside the region

Recommendation 3 (within 2 years)

Create a repository of competitive and quickly accessible raw materials for import from the rest of Africa and potential exports of intermediate and finished products



Conduct in-depth analysis of supply and in demand for yarns, fabrics, and end clothing products



T&C associations and trade facilitation entities could support enterprises by conducting market studies



The Ministries could facilitate discussions between T&C industries of Agadir and textile hubs such as South Africa, Kenya, and Ethiopia

Expected Outcome

Reduced final cost and lead time of currently traded end clothing products with the EU and the US and support the export of intermediate and final products to other AfCFTA signatories

Recommendation 4 (within 2 years)

Create one common online platform to find sector and company specific information and share best practices



Commit to enroll in the online platform, share and update information, and form pilot groups towards collaboration



Facilitate the creation of an online portal

Share experiences and best practices



Ministries of industry and trade could provide endorsement to add credibility to the information exchanged

Expected Outcome

Strong ties and trade relationships would be achieved towards a united Agadir front for intraand extra-regional trade

Recommendation 5 (within 2 years)

Organise trade seminars, technical conferences and business meetings between enterprises, institutions, and ministries to identify potential investment areas



Organise seminars, conferences, and meetings to highlight supply and demand in each country



Financial institutions, academia, trade bodies and T&C associations could help enterprises define the necessary conditions to attract investments



Governments may collaborate in the discussions and take up related recommendations

Expected Outcome

Could be the initiation for identifying and substantiating investment opportunities and potential benefits for investors and the industry and attract both domestic and foreign investments

Recommendation 6 (3 to 4 years)

Develop full package solutions via regional integration to address EU buyer demands and capitalise on repeat orders



Enterprises may need to be more open to vertical integration in the T&C sector



Trade facilitation and export promotion agencies could create a database of EU buyers and their seasonal requirements



Ministries in member countries may facilitate technical seminars at a national and regional level

Expected Outcome

Increased competitiveness with holistic solutions from companies of all AGADIR countries; would enable meeting the EU buyers' requirements; especially with fast fashion trends

Recommendation 7 (3 to 4 years)

Cross national investments to establish production setups or sub-contracts to small enterprises within the Agadir region





Cooperate by subcontracting production to, or partnering with SMEs in Egypt or Jordan Exchange technical knowhow to enterprises towards meeting standards required for the US or FU markets Ministries could consider the benefits of potential collaborations and support such measures

Expected Outcome

Potentially minimises costs through the value chain to export price-competitive final products to the USA and the EU

Recommendation 8 (3 to 4 years)

Launch virtual trade fairs towards the USA, the EU, and the rest of MEA and represent Agadir member countries in person at international trade fairs



Support marketing and promotional campaigns at virtual expos by sharing digital company profiles



Collaboration from all T&C and trade related institutions is essential to build reputation and credibility for each member country's T&C industry



Relevant ministries to support the approach with positive statements regarding the national T&C

Expected Outcome

Meet demand appropriately in destination markets, showcase Agadir members' capabilities in the global T&C sector, and attract potential investments and collaborations

Discussion









Agadir Technical Unit's Initiatives to Strengthen Regional Integration along the T&C Value Chain









Webinar on



Overview, The ATU

ATU sectoral Studies

Sectoral Studies - Textile & garments Study

The Agadir Business Council

The Council's Strategy, Sectoral Committees

Agadir Business Partnerships Network

Objectives & Benefits



Agadir Agreement Overview, The ATU

ATU sectoral Studies

Sectoral Studies - Textile & garments Study

The Agadir Business Council

The Council Strategy, Sectoral Committees

Agadir Business Partnerships Network

Objectives & Benefits

Overview



Objectives



Developing economic activity, supporting employment, increasing productivity and improving living standards within the Member Countries.



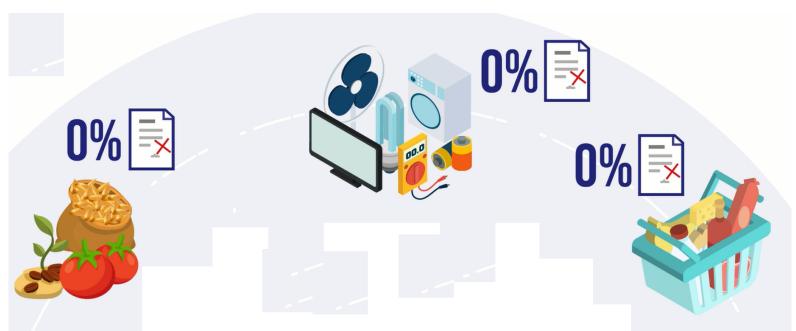


The co-ordination of overall and sectoral economic policies in the Member Countries

The approximation of legislations between the Member Countries with the aim of creating an appropriate environment for economic integration



Products Coverage



Under the provisions and principles of the agreement, industrial, agricultural and processed agricultural goods originating in the member states and exchanged among them are fully exempted from customs duties.

Agreement's Privilege



Agadir Technical Unit (ATU)

- Established in April 2007
- Headquartered in Amman- Hashemite Kingdom of Jordan.
- Funded by the Member States and the EU





- Supports the implementation of the Agadir Agreement
- Follows-up on the decisions of the Committees of Ministers of Foreign Affairs and Trade.
- Provides technical advice concerning the Implementation of the Agreement.



Overview, The ATU

ATU sectoral Studies

Sectoral Studies - Textile & garments Study

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The Council Strategy, Sectoral Committees

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The Council Strategy, Sectoral Committees

Agadir Business Partnerships Network

Objectives & Benefits

The ATU's Sectoral Studies

overview



- The Agadir Technical Unit conducts studies in areas and sectors of common interest to the Member States, and sectors of promising prospects for complementarity by highlighting the potentials for integration in the concerned sectors.
- In this context, the ATU has conducted a number of sectoral studies in fields, including: automobiles and their components; textiles and garments; leather and footwear, food. Moreover, the ATU has also completed a regional study on the reduction of transportation costs and support (SME's) study.

The ATU's Sectoral Studies

overview



Automobiles-and Parts thereof study:

http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=34

■ Textile and Garment study:

http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=36

Leather Industries and Footwear study :

 $\underline{http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=35}$

Food Industries study:

http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=41

SMEs study:

http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=37

Study on The Reduction of Transportation Costs study :

http://agadiragreement.org/DetailsPage/AghadirAr/StudiesDetailsAr.aspx?PID=38

The ATU's Sectoral Studies

Textile & Garments Study

Objectives of the Study:

- Identifying the cooperation fields between the four Agadir Agreement countries through analysing complementarities opportunities, accumulation of origin and integration in the textiles and apparel sector.
- · Strengthening regional trade between the Agadir agreement countries.
- Promoting exports to the European Union in the textiles and apparel sector.
- Identifying the existing opportunities to develop the sector among the countries and to realize complementary projects.
- Attracting European and other investments to the Agadir Agreement countries.



Agadir Agreement

Overview, The ATU

ATU sectoral Studies

Sectoral Studies - Textile & garments Study

The Agadir Business Council

The Council Strategy, Sectoral Committees

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Objectives & Benefits



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Objectives & Benefits

Overview

The Agadir Business Council was established in 2016, to be the umbrella through which the private sector can contribute to achieving the Agadir Agreement's objectives. And to benefit from the advantages provided by the Agreement through creating channels to link businesses to achieve more trade and investment partnerships in the Agadir region.













Objectives

Increase awareness of the Agadir Agreement and its advantages among companies belonging to businesspersons' organizations in Member States and among organizations affiliated with this council.

Maximize the benefit of the Agadir Agreement through enhancing partnerships, cross-investments, and trade exchanges between companies and businesses in the Agadir Member States by providing advice and issuing recommendations to government agencies concerned with the implementation of the Agadir Agreement.

To exploit cooperation opportunities available between small and medium enterprises (SMEs) by utilizing the rules of origin and activating the cumulation of origin principle Support and encourage small and medium enterprises (SMEs) that apply the cumulation of origin principle and propose the best mechanisms to help them improve their performance and competitiveness in export markets, whether within the Member States or towards the European Union.

Improve the export performance among the Member States and towards the Euro-Mediterranean space by creating programs and mechanisms that contribute to achieving this objective.

Improve the export performance among the Member States and towards the Euro-Mediterranean space by creating programs and mechanisms that contribute to achieving this objective.

Agadir Business Council Objectives

Agadir Business Council Strategy (2021-2023)

The Council developed a strategy for (2021–2023) to achieve its objectives

Main Pillars of the Strategy

Developing the council, its structure, institutional relations, and means of communication

Enhancing the role of the council in preparing policies, providing advice, presenting proposals and submitting recommendations

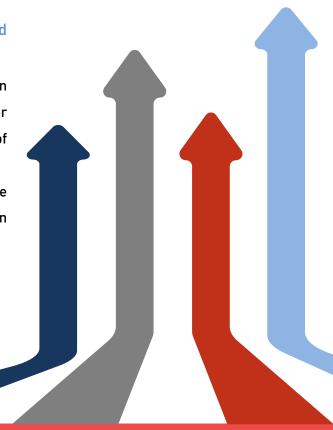
Developing intra-trade, promoting partnerships, joint investments and industrial integration among the Member States.

Agadir Business Council Strategy (2021-2023)



The strategy includes ambitious objectives and supportive ideas to

- ✓ Build effective partnerships and industrial integration between business communities in the Agadir Member States, by utilizing the advantage of accumulation of origin provided by the Agreement
- ✓ Raise the level of trade exchanges between the Member States and exports towards the European Union.



Sectoral Committees

- The strategy proposed establishing sectoral committees with the aim to:
 - ✓ Identify the value chains and the potentials.
 - ✓ Program activities to exchange experiences, benefit from successful experiences, and cooperate in the field of
 training and technology transfer between specialists in the sectoral committees.
 - ✓ Coordinate to hold B2B meetings to create business links and exploring opportunities of joint projects.



Agadir Agreement

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The Agadir Business Partnerships Network

Objectives & Benefits

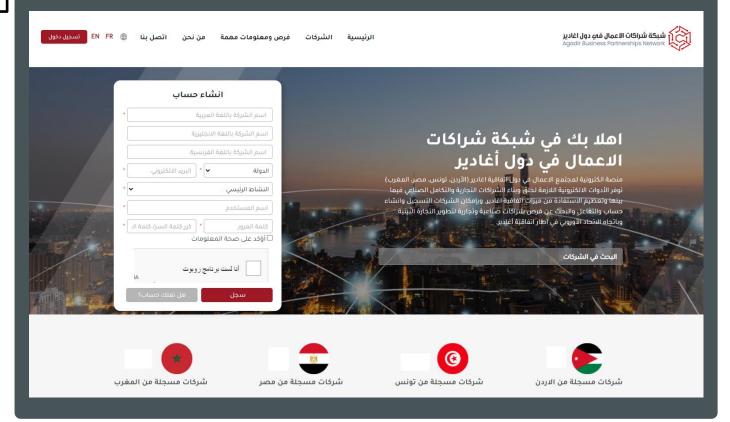
- An electronic platform for the business community in the Agadir
 Member States
- The overall objective of the Agadir business partnerships network is to provide the business community with an electronic instrument necessary to find and establish partnerships & industrial integration in the member states.
- The businesses can create networks and interact with each other, and it is possible to showcase/ present products and update information as needed, so it would be a dynamic and interactive platform.
- This platform also helps to define the Agadir value chains and the industrial integration opportunities.





Available in three Languages

- ✓ Arabic
- ✓ English
- ✓ French



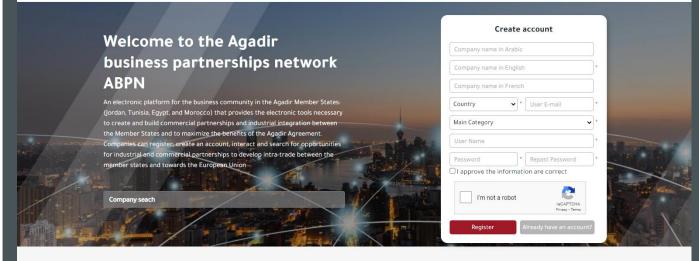


http://www.Agadiragreement.org



Home Companies Opportunities & Important information About Us Contact us

AR FR Log in





Companies registered in Tunisia



cCompanies registered in Egypt



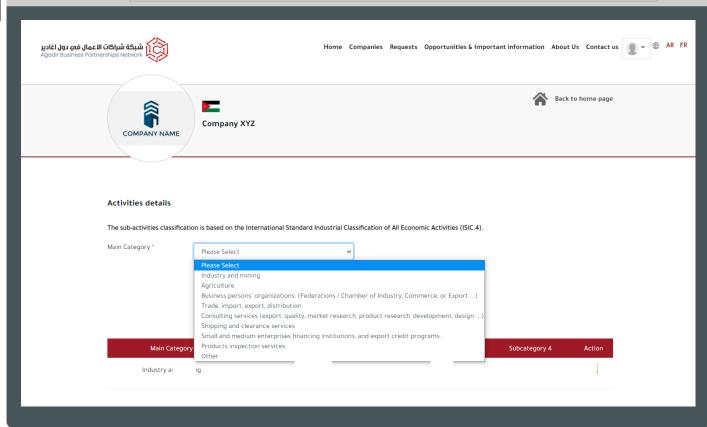
Companies registered in Morocco





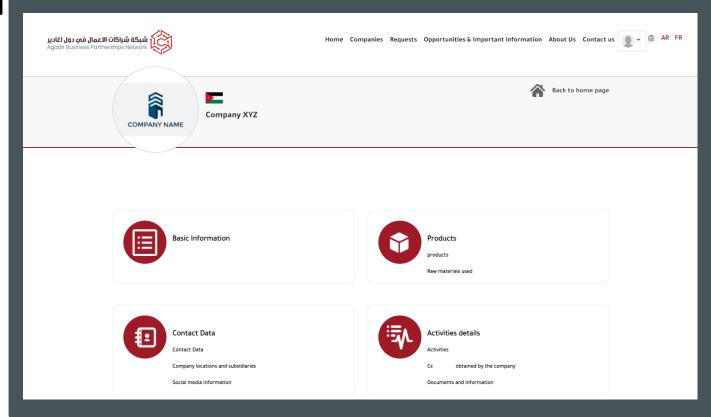


Creating & Editing Profile



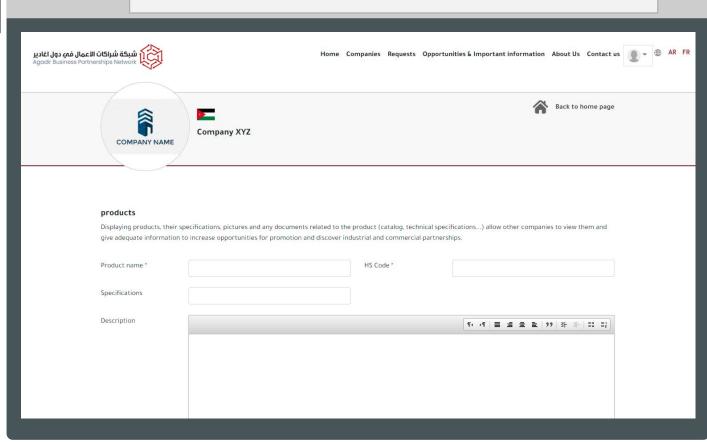


Creating & Editing Profile



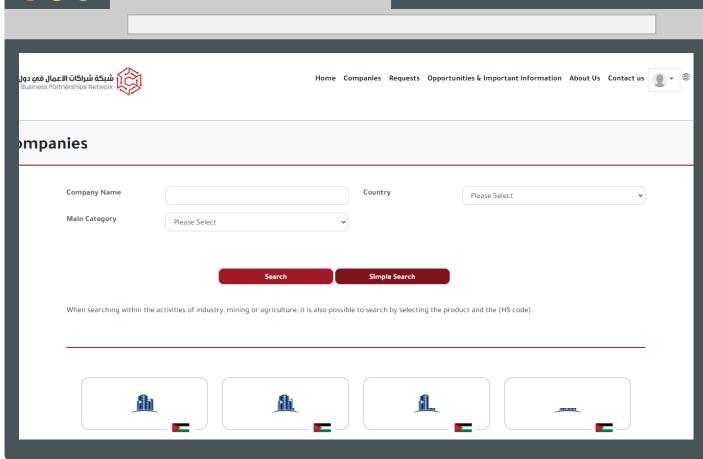


Add Company products & other info





Searching for companies



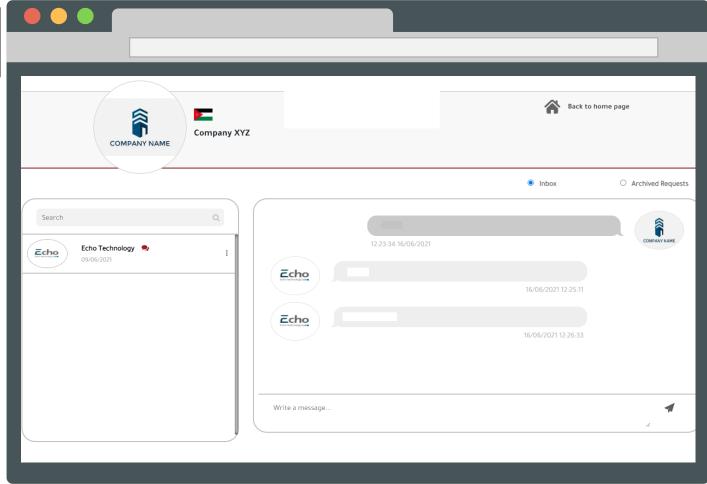


Interaction &

Networking

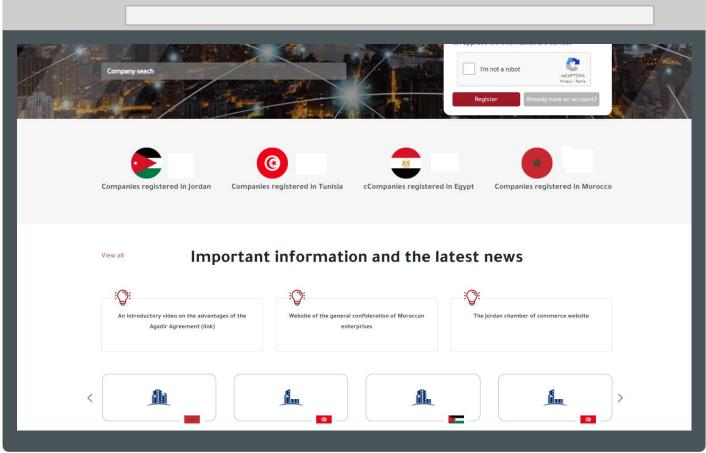
Sending

Requests

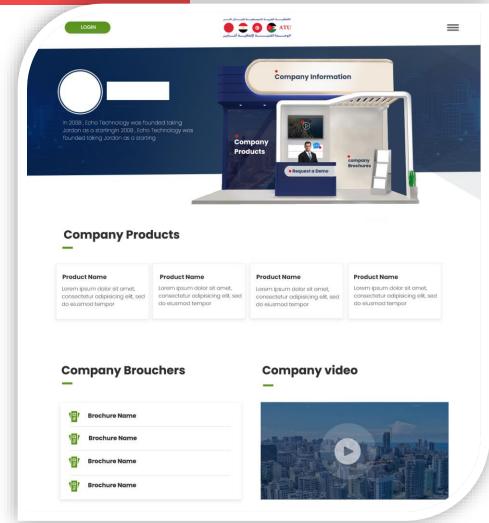




Important info & opportunities



The next step targeting the business community is to organize virtual exhibitions



The Arab Mediterranean Free Trade Agreement



Agadir Technical Unit

3 Hanna Qa'war St, Al Radwan district, Zahran P.O. Box 830487 - Amman 11183 - Jordan

TEL: +962 (0) 6 59 35 305 FAX: +962 (0) 6 59 35 306

Thanks

www.agadirageement.org







https://www.linkedin.com/company/agadir-technical-unit



The GTEX/MENATEX programme Regional Action Plan

Funded by:



Confederaziun svizra Swiss Confederation السويد Sverige





Main interventions to strengthen cooperation between Agadir countries

The ITC intervention will focus on three areas:

- Reinforced cooperation between the Ministries in charge of the T&C sector
- Enhanced capacity of T&C relevant TISIs to deliver effective Regional support services to SMEs
- > Enhanced capacity of SMEs to benefit from regional opportunities



Reinforced cooperation between the Ministries in charge of the T&C sector

- Facilitate the establishment of Committee for the T&C Sector under the umbrella of ATU Business Council;
- Support the T&C Committee in the development of its operational and action plans;
- Identify key NTMs relevant and specific to the T&C sector and propose concrete actions to be undertaken at national and regional levels to eliminate selected obstacles,
- Organize high-level workshop for policy makers and government officials to take stock of achievements and share experience though an active consultative process



Enhanced capacity of T&C relevant TISIs to deliver effective Regional support services to SMEs

- Support relevant T&C-related institutions from the four countries in identifying common areas of interest (e.g. gender development, academic and training content, etc.) and promote collaboration among them
- Build an online B2B platform to showcase sector and company specific information for networking among industry stakeholders at all levels.
- Organise trade seminars, technical conferences, or business meetings to identify e.g. potential investment areas.
- Facilitate joint promotional activities that could promote the T&C sector of the region



Enhanced capacity of SMEs to benefit from regional opportunities

- Organize webinars, training sessions and meetings to raise awareness on the benefits of intra-regional trade along the value chain.
- Gather and collect relevant info from SMEs to feed into the regional platform, while building on existing databases of T&C associations
- Together with the institutions, deliver coaching and training programmes to SMEs to enable them use the platform (e.g. possibilities of sourcing, and others).
- Facilitate the delivery of joint promotional activities (e.g. Magic, Première Vision, Destination Africa and other events that attract buyers)
- Facilitate the participation in trade fairs and other events in any of the 4 members countries

TRADE IMPACT FOR GOOD