





# USAID SOUTHERN AFRICA TRADE AND INVESTMENT HUB

The USAID Southern Africa Trade and Investment Hub (USAID TradeHub) engages with partners across the region to increase sustainable economic growth, global export competitiveness, and trade in targeted Southern African countries. It supports these objectives by increasing exports from Southern African countries to South Africa and the United States (under the African Growth and Opportunity Act [AGOA]), boosting capital and technology flows from South Africa to other Southern African countries, and providing targeted trade facilitation support to Zambia. The USAID TradeHub works with market actors to identify and resolve enterprise constraints and implement sustainable solutions through market-based trade and investment facilitation services. The USAID TradeHub partners with the USAID Bilateral Missions through the Regional Mission to successfully deliver its objectives.

## **FAST FACTS**

FUNDING LEVEL: \$73.7 million

PRESIDENTIAL INITIATIVE: Feed the Future

**DURATION:** 2016-2022

PROJECT LOCATION: Pretoria, South Africa;

Lusaka, Zambia

GEOGRAPHY: Angola, Botswana, Eswatini, Lesotho, Malawi, Mozambique, Namibia, South Africa, and Zambia (eligible but not yet active countries: the Democratic Republic of the Congo, and Zimbabwe)

**KEY PARTNERS:** U.S. and Southern Africa private enterprises, U.S. government agencies, the Southern African Development Community (SADC), business membership organizations, and trade and investment promotion agencies IMPLEMENTING PARTNERS: DAI Global, LLC.

Ndarama Works (Pty) Ltd., and Genesis Analytics

# **ACCOMPLISHMENTS TO DATE**

- Facilitated more than \$89.6 million in African intra-regional trade and exports to the United States, including through AGOA
- Facilitated \$177.2 million in private-sector investment (\$114.2 million in agriculture and \$63 million in non-agriculture sectors)
- Facilitated \$16 million in agriculturerelated finance
- Formed 63 public-private partnerships
- Created 1,448 new jobs

# THREE OBJECTIVES



## **Development Objective I:**

Inclusive economic growth catalyzed in targeted areas



## Intermediate Results 1.1 & 1.2

Increased trade with an emphasis on agriculture; and increased investment

## OBJECTIVE I

Exports increased from targeted Southern African countries to South Africa

## **OBJECTIVE 2**

Investment increased from South Africa to targeted Southern African countries

# **OBJECTIVE 3**

Sustainable utilization of AGOA opportunities by targeted Southern African countries



#### **STRATEGY**

In its fifth year, the USAID TradeHub will maintain its strategic focus on its objectives established in year four:

- 1. increased exports to South Africa from targeted Southern African countries,
- 2. increased investment of capital and technology out of South Africa to targeted Southern African countries, and
- 3. sustainable utilization of AGOA opportunities by targeted Southern African countries.

In addition, the USAID TradeHub will improve Zambia's trade enabling environment as part of a buy-in from USAID/Zambia.

# **ADAPTIVE MANAGEMENT**

The project focuses on fine-tuning innovations to maximize cross-regional learning and mitigate the project-related risks posed by the COVID-19 pandemic, which has become a driving force for innovation worldwide.

At the advent of the pandemic, the USAID TradeHub adapted its response to these risks by introducing webinars and virtual trade events it is now hosting as a standard part of its business operations. These early adaptations have been institutionalized in the project and the partnership with hosts of new online event platforms and e-commerce service providers.

In line with this adaptive management approach, the USAID TradeHub strategy in year five is two-pronged. Firstly, the project aims to embed sustainability of the impact of its activities undertaken under the three objectives. Secondly, the project aims to enhance market actors' resilience in the Southern African region by strengthening market trade promotion support and enhancing digital trade capabilities.

### **EMBEDDING SUSTAINABILITY**

- The USAID TradeHub strengthens the relationships and market systems within which exporters and investment facilitators operate to the point where the project can step back and allow the private sector to engage directly.
- The USAID TradeHub provides capacity-building support to its partner trade promotion service providers and
  business membership organizations in project countries. This capacity-building includes the exchange and transfer
  of USAID TradeHub knowledge and networks to, for example, organize (virtual) trade shows, institutionalize
  award systems based on existing platforms and undertake export support processes beyond the life of the project.

# **ENHANCING RESILIENCE**

The main focus of the USAID TradeHub in enhancing resilience is a digital forward approach:

- **Algorithm-based trade platforms**: To sustain project impact, the USAID TradeHub supports its partner financial service providers in developing and launching digital platforms that match investor and investee needs and link exporters with buyers, financiers, and logistics service providers. For example, the project has supported the launch of a continental first digital trade platform, linking Southern African suppliers with international buyers.
- **E-commerce**: Given the devastating blow which COVID-19 dealt to economies in 2020, exploring avenues such as e-commerce becomes a critical expansion and survival strategy for businesses in the Southern Africa region. The USAID TradeHub will continue to support its partners across the target countries to list on established platforms such as Amazon to facilitate increased exports from and into South Africa and the U.S.

# **USAID TRADEHUB CONTACTS:**

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## **USAID/SOUTHERN AFRICA CONTACTS:**

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