



**Key Message:**

*Building sustainable capacity for competitive regional and international trade in East Africa.*

**2013 OYB Funding:** \$6.5M; Total: \$70 million

**Duration:**

February 11, 2009 – August 31, 2014

**Targets:**

- 30% increase in both the value and volume of international and intra-regional trade
- 10% decrease in paperwork requirements for trading goods in the EAC region
- 15% reduction in the time and cost of transporting goods through selected border points along the Northern, Central and Dar corridors

**Impact Highlights:**

- \$125 million plus in exports facilitated to the U.S. under AGOA, and 200 firms assisted to gain market access / expand in the U.S.
- 2,100 agricultural-related firms supported
- 17 policies, standards or procedures developed and implemented to improve regional trade
- 16 joint border committees established contributing to a 50 percent reduction in transit time at the Malaba border (Kenya/Uganda)

**Where We Work:**

Kenya, Rwanda, Tanzania, Uganda, Burundi, Ethiopia and Mauritius

**Key Partners:**

Regional Economic Communities

Principally: East African Community (EAC) and the Common Market for Eastern and Southern Africa (COMESA)

Regional Trade Associations

Such as: Eastern Africa Grain Council, African Cotton & Textile Industries Federation, African Fine Coffees Association and Federation of East African Freight Forwarders Associations

**Websites:**

[www.eatradehub.org](http://www.eatradehub.org)

[www.eastafricancorridors.org](http://www.eastafricancorridors.org)

**EA Trade Hub Knowledge Center:**

[www.eatradehub.org/resources/index.php](http://www.eatradehub.org/resources/index.php)

**OVERVIEW**

The USAID East Africa Trade Hub<sup>1</sup> works with regional public and private sector partners to develop systems and policies that improve competitive regional and international trade and food security in East Africa. The Trade Hub's partners include regional economic communities (RECs) such as the East African Community (EAC) and regional trade associations (RTAs) such as the Eastern Africa Grain Council (EAGC). With its partners, the Trade Hub implements information and communication technology solutions, trade facilitation tools, and regional strategies to improve the transparency and accessibility of markets and provide policy makers with the evidence they need to make informed decisions for the region. Regional integration is key to fostering development of regional markets and increasing the competitiveness of African products globally.

The East Africa Trade Hub is a proud component of the new United States Trade Africa Presidential Initiative.

**ACTIVITY AREAS**

**Streamlining Transit and Cross-Border Trade**

The Trade Hub and its partners work to reduce and remove trade barriers along the major regional transport corridors in East Africa. Examples of Trade Hub initiatives include the creation of Joint Border Committees (JBCs) to facilitate multi-agency collaboration at domestic border posts and the Revenue Authorities Digital Data Exchange (RADDEx), a software platform for customs and transit data exchange, management and reporting. Both JBCs and RADDEx increase efficiency at the borders and improve the trade environment by encouraging communication between agencies and removing redundant procedures. The EA Trade Hub maintains a website portal of valuable information on East African transit and trade issues.

[www.eastafricancorridors.org](http://www.eastafricancorridors.org)

**Improving Trade Policy**

The Trade Hub works with the EAC to develop common regulatory policies that are consistent with global standards. The Trade Hub convenes policy workshops necessary for regional integration and provides advisory services in the form of policy papers, research, and strategy development. Examples of Trade Hub regional trade policy initiatives include harmonizing food standards, the licensing of clearing agents to encourage professionalism in freight forwarding, and a Simplified Certificate of Origin (SCO) that reduces duties for small traders. EAC shared standards build a platform for intra-regional trade by creating a common language for assessing quality and grade of foods. The licensing of clearing agents and SCO helps traders move their goods across borders.



Trucks at the Uganda-Kenya border – EA Trade Hub helps to coordinate customs clearance processes to reduce border congestion.



EA Trade Hub supports regional efforts to promote grain aggregation and bulking models to increase smallholder access to structured trading systems and commercial markets.



EA Trade Hub helps African companies get the technical expertise they need to export their products to the U.S.

The Trade Hub supports trade transparency through the development of the EAC's Customs Valuation Manual, Customs Procedures Manual, and Post Clearance Audit Manuals and the EAC Trade Helpdesk, a web-based tool that allows users to query EAC import and export trade statistics by country of origin and destination, as well as applicable tariff and trade regulatory requirements. [www.tradehelpdesk.eac.int](http://www.tradehelpdesk.eac.int)

### Supporting Structured Trading Systems

The Trade Hub works to develop structured trading systems (STS) that integrate smallholders into the formal market, facilitate trade, and enhance food security. The Trade Hub and the EAGC are training regional staple foods actors in warehouse receipts, storage and aggregation, grades and standards, and other key elements of STS. The goal is to disseminate the building blocks of organized and structured grain trading systems across the region. Wider adoption of STS will increase opportunities for smallholder access to commercial markets. Regional integration makes it easier to shift food from areas that have a surplus to those with shortages, increasing availability and reducing price volatility.

The Trade Hub works to improve access to market information through the Regional Agricultural Trade Intelligence Network ([www.RATIN.net](http://www.RATIN.net)), the Regional Food Balance Sheet and the Real-Time Warehouse Volume Tracking (RTVT) system. RTVT plots the location of grain storage facilities through GIS mapping. RATIN gives current market prices through both SMS and a web portal, and RFBS charts food availability across the region. Market information provides smallholder farmers, traders and policy makers with the data they need to make informed trade decisions and leads to better functioning agricultural markets.

### Increasing Trade Under AGOA

The Trade Hub provides technical assistance to African firms and governments to enhance their competitiveness in global markets and help African businesses take advantage of trade opportunities available under AGOA (African Growth and Opportunity Act). The Trade Hub targets its assistance in five sectors: apparel, cut flowers, footwear, specialty foods and home décor & fashion accessories.

Together with the African Cotton & Textile Industries Federation (ACTIF), the Trade Hub established the *Origin Africa* awareness campaign to change perceptions about doing business in Africa, put Africa on the map as a preferred sourcing destination, and demonstrate to international buyers and industry leaders that creativity and innovation are an integral part of Africa's future.

With the Trade Hub's *Origin Africa* buyer awareness campaign, ACTIF is reaching out to the African design community to build a domestic market for African-produced fashion and setting the stage for economic growth.

<sup>i</sup> Previously known as the Competitiveness and Trade Expansion (COMPETE) program, the East Africa Trade Hub has rebranded itself in an effort to harmonize the USAID brand across the three regional trade hubs.