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The U.S. Government's Global Hunger & Food Security Initiative

GLOBAL LEARNING AND EVIDENCE EXCHANGE
M A R K E T S Y S T E M S

JUNE 5–10, 2017 // DAKAR, SENEGAL

West Africa Regional Breakout



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**West Africa Regional Session:
Regional Context and USAID Regional
Program Information
Presented by:
Catherine Hamlin
June-8-2017**



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Regional Flow of Livestock and Staple Food

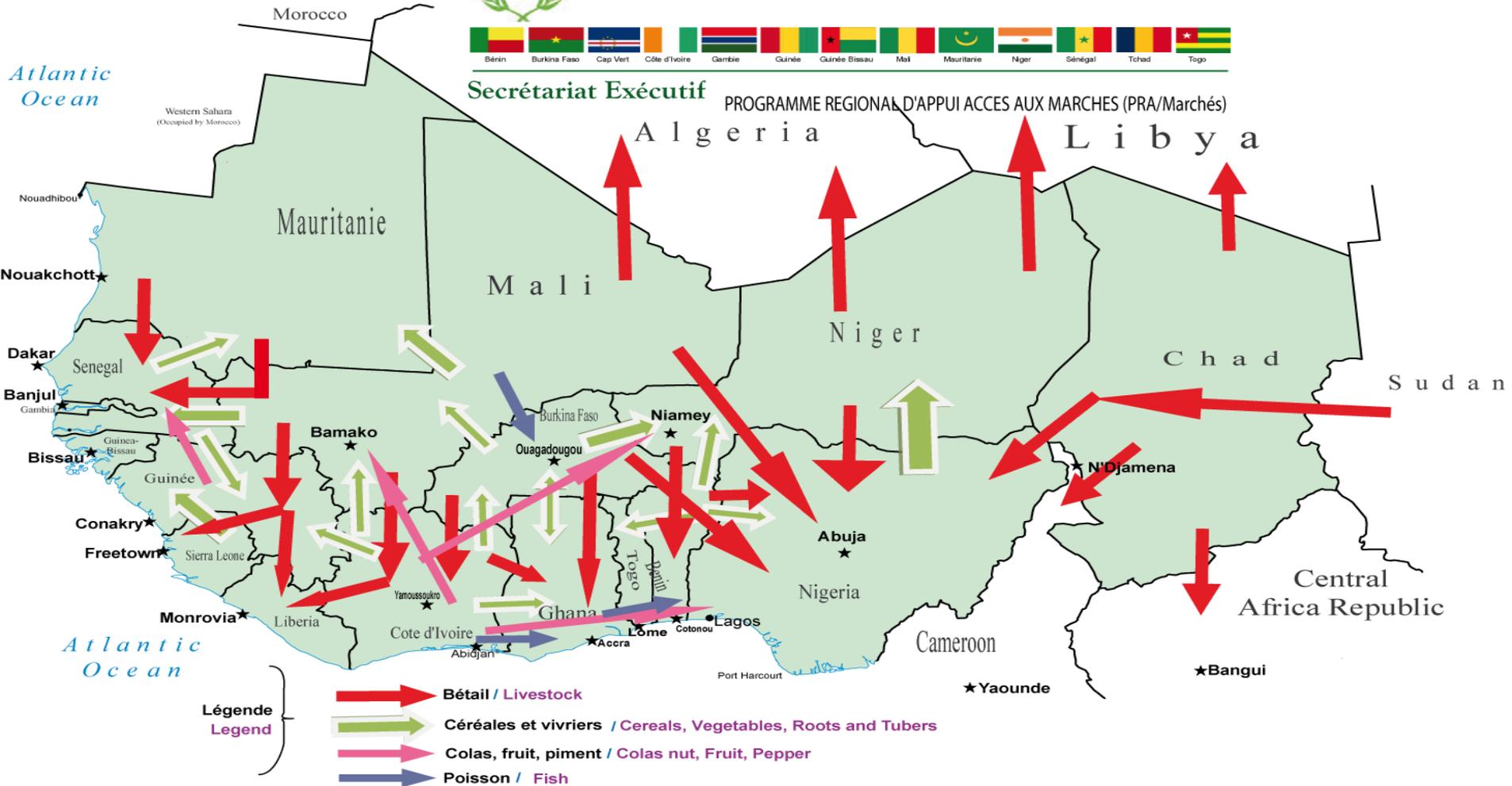


COMITE PERMANENT INTER-ETATS DE LUTTE CONTRE LA SECHERESSE DANS LE SAHEL
PERMANENT INTERSTATE COMMITTEE FOR DROUGHT CONTROL IN THE SAHEL



Secrétariat Exécutif

PROGRAMME REGIONAL D'APPUI ACCES AUX MARCHES (PRA/Marchés)





ECOWAS Policies and Priorities

ECOWAS prioritizes the promotion of intra-regional trade in agriculture products to boost regional growth, improve food security and reduce poverty.

ECOWAS is working to:

- To lower the cost of food staples, recognizing that West Africa needs to improve the competitiveness of the transport and logistics sector.
- Address critical constraints to competitiveness and demonstrate West Africa's productive potential in order to trigger greater regional investment.
- Develop targeted value chains; create a trade-supportive enabling environment, and build professional capacity to attain world-class trade participation.
- Link West African farmers to regional processors and facilitate better access to information on market opportunities and increase the understanding of market requirements. This includes building smallholder farmers' capacities to meet health regulations; grading, handling, and sorting requirements.



CILSS Regional Markets Program

Objectives:

Provide market actors with the information needed to promote trade in livestock and agricultural products in the Sahel and West Africa;

Improve policies for trade in livestock and agricultural products in the Sahel and West Africa

- CILSS is working with ECOWAS and UEMOA member countries to monitor the volume and value of trade in agricultural products, food and livestock at the regional level.
- CILSS is also working with regional partners to disseminate information on regional trade policies, regulations and trade opportunities to reduce the physical and non-physical barriers that are crippling intra-regional trade in the Sahel and WA.



Trade and Road Harassment Data Collector Monitoring Trade Barriers by traveling with a Regional Truck Driver



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CILSS Data Collection Corridors

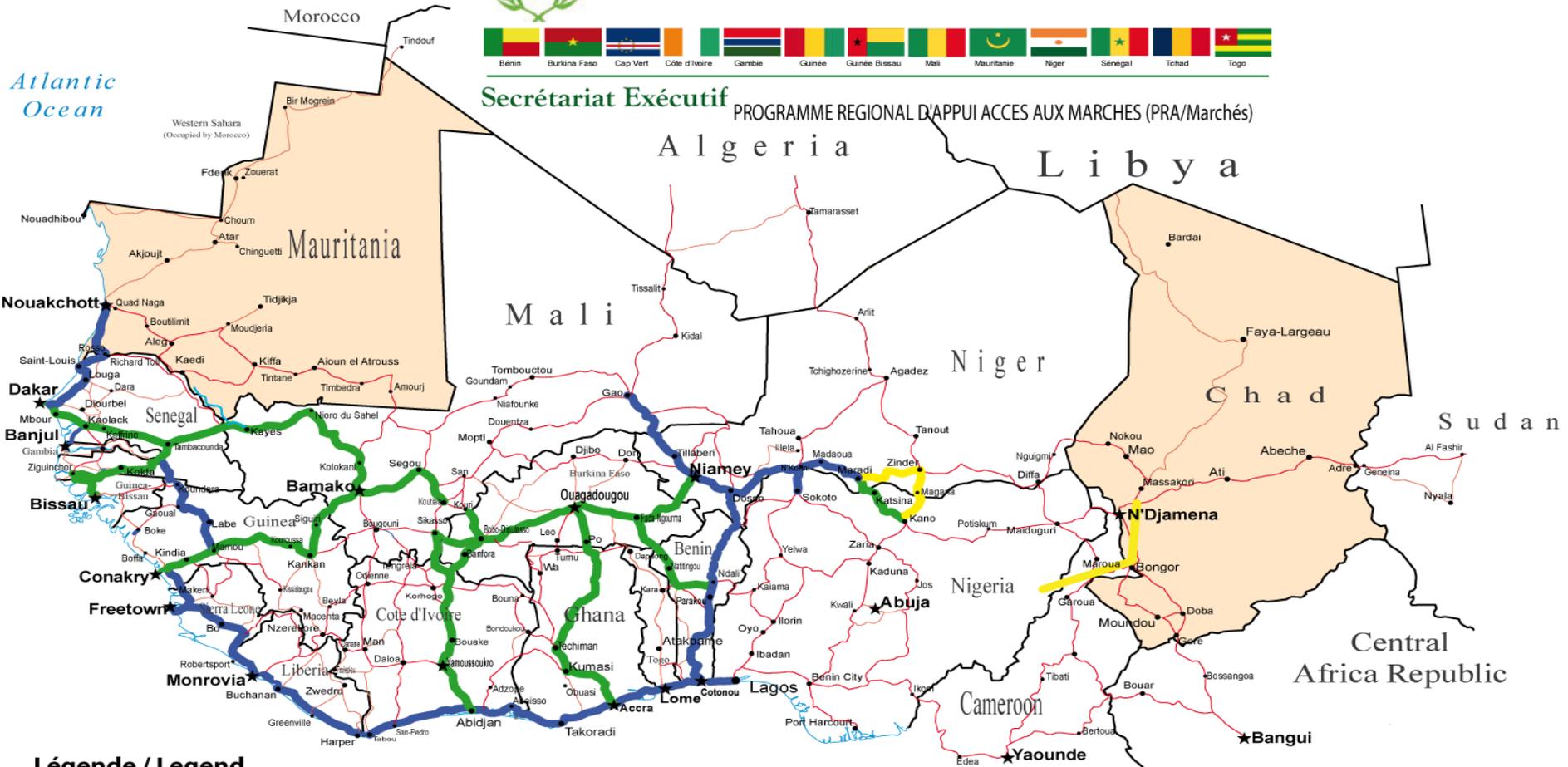


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Légende / Legend

- Corridors financés par USAID-CILSS / Corridors funded by USAID-CILSS
- Corridors financés par FAB / Corridors funded by FAB
- Corridors financés par la Banque Mondiale / Corridors funded by the World Bank



CILSS Regional Markets Program

CILSS is monitoring Trade flows and Road Harassment along seven corridors totaling 7,414 Km (4,606Mi).

Product	Corridor	Distance (Km)
Cereals (Maize)	Bouaké (Côte d'Ivoire) to Niamey (Niger)	1,371
Cattle	Ouagadougou (Burkina Faso) to Accra (Ghana)	1,004
Livestock	Pouytenga (Burkina Faso) to Nigeria via Parakou (Benin)	565
Par-boiled Rice	Bama (Burkina Faso) to Kouri (Mali)	165
Cereals (Maize)	Koutiala (Mali) to Dakar (Senegal)	1,865
Livestock	Kati Darale (Mali) to Dakar (Senegal)	950
Livestock	Kati Darale (Mali) to Conakry (Guinea)	1,494

ECOWAS and CILSS, with support from the US and Canada are expanding the number of corridors monitored under the Food Across Borders Program.



Results of the CILSS Markets Program

	2013	2014	2015	2016
	Value US\$ (mil)	Value US\$	Value US\$	Value US\$
Livestock	319.3	445.1	427.3	326.7
Rice	3.0	2.7	3.3	5.3
Maize	36.8	27.8	17.1	34.8
Sorghum	23.6	13.2	7.8	11.3
Millet	28.9	14.7	8.7	11.9

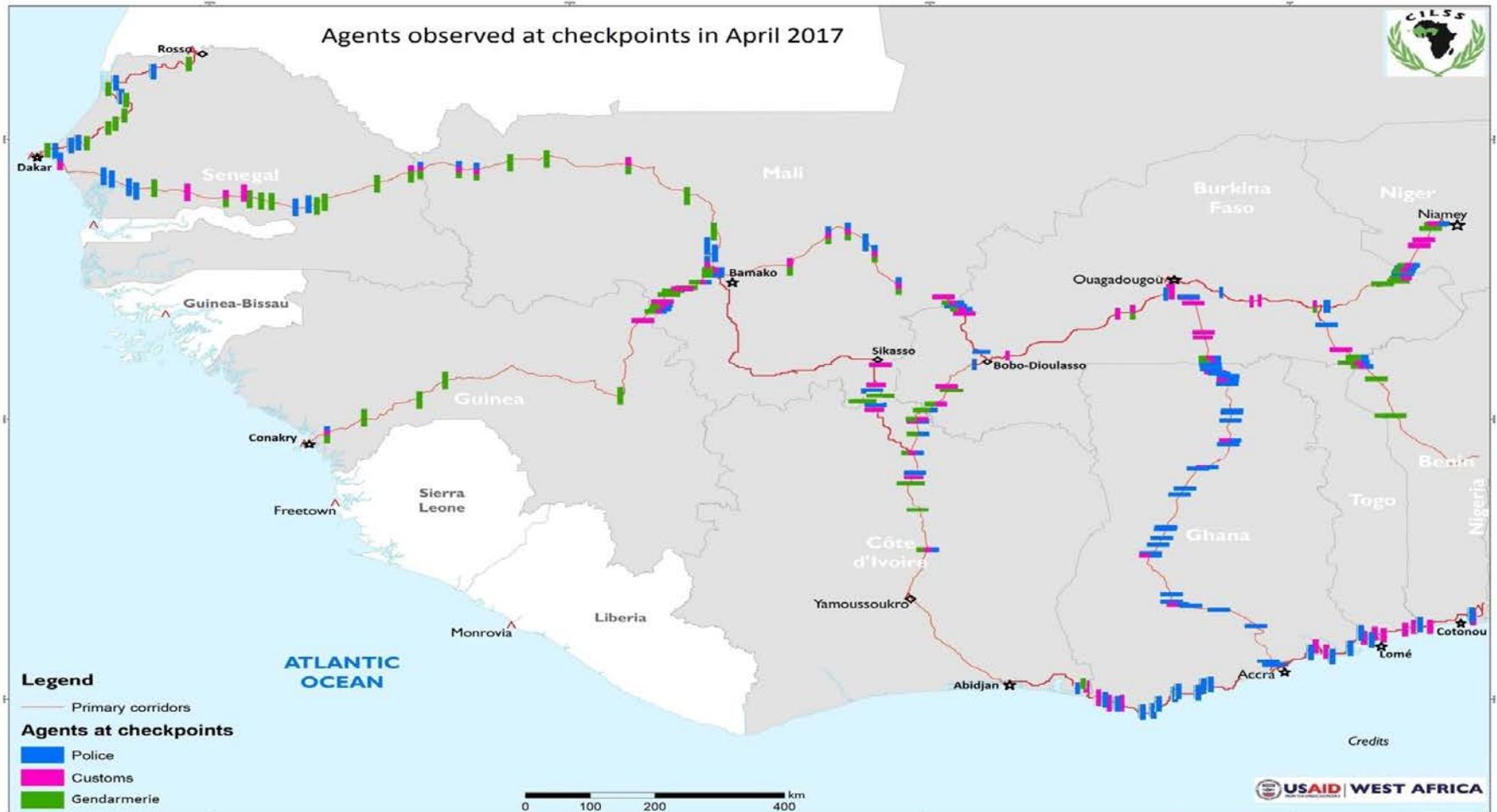
- Monthly data on the volume and value of trade across 7 trade corridors for selected agriculture products and Livestock.
- Documentation of un-official and illegal checkpoints and the amount of bribes paid.
- Increased networking among private and public market players, and enhanced information about regional policies, instruments and tools on trade that will result in increased commercial transactions on staple foods and livestock in the Sahel and WA region.



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Trade Barriers Recorded-April 2017



Key Actions Planned for the Next Two Years

- ECOWAS RAIP scale up the use of the Regional Trade Data.
- Continuing efforts to reduce road harassment of truckers by officials and non-officials along West Africa's trade and transit corridors—lowering the cost of food staples.
- Address critical constraints to competitiveness and demonstrate West Africa's productive potential in order to trigger greater regional investment.
- Further develop targeted value chains; create a trade-supportive enabling environment, and build professional capacity to attain world-class trade participation.

ECOWAS Rules for Staple Foods Trade

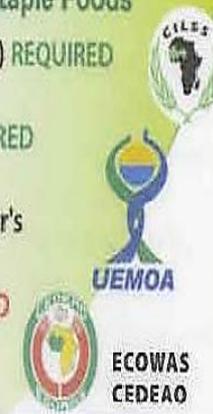
Customs Duties? **NO**
 VAT or sales tax? **NO**
 Statistical tax? **NO**
 Computerization fee? **NO**
 Freight forwarder fee? **YES**
 Transit fee? **NO** (and **no** ISRT Logbook)
 Weighbridge fee? **YES**
 Official road tolls? **YES**



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Documents for Trading in Staple Foods

ECOWAS Brown Card (insurance) **REQUIRED**
 Export declaration **REQUIRED**
 Phytosanitary certificate **REQUIRED**
 Waybill **REQUIRED**
 National and international driver's licenses **REQUIRED**
 Certificate of origin **NOT NEEDED**
 ISRT Logbook **NOT NEEDED** (and **no** transit fee)



USAID WEST AFRICA

Tel: (+226) 50 37 41 25 / 26 - 50 49 96 00 / E-mail: pramarches@cifss.bf



Key Actions Planned for the Next Two Years

- Link West African farmers to regional processors and facilitate better access to information on market opportunities and increase the understanding of market requirements.
- Build smallholder farmers' capacities to meet health regulations and grading, handling, and sorting requirements.
- USAID/WA will support the creation of a network of regional transporters dedicated to better management and increase the incentives for truckers to adopt more professional and efficient approaches to doing business.
- Using funds, USAID/WA will work through public and private sector regional institutions to address the critical barriers to trade foods across borders through more consistent implementation of the provision of ECOWAS's free trade agreement. This will include dissemination CILSS trade data collection methodology, validation sessions with the national statistical services, and the use of the data.



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We Partner with West Africans to Achieve Peace and Prosperity

USAID West Africa

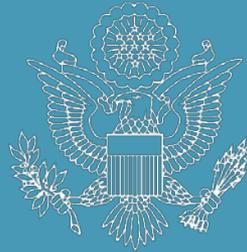
Catherine Hamlin, Agriculture Team Lead

No. 24 Fourth Circular Road, Cantonments

chamlin@usaid.gov

<https://www.usaid.gov/west-africa-regional>

Tel. +233 0302741000



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West Africa Trade and Investment Hub
presentation
on
REGIONAL VALUE CHAINS



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TOPICS

**TAKE-AWAYS FROM THE TRADE AFRICA WORKSHOP
IN SOUTH AFRICA**

**THE WEST AFRICA TRADE AND INVESTMENT HUB
EXPERIENCE**



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Take-Aways from the Trade Africa Workshop in South Africa

Current U.S. Administration's Agenda

Placing more emphasis on American exports and job creation is a priority for the new Administration, and USAID and its projects will need to include strategies to address these issues. This requires adding new approaches, emphases, and activities.





Take-Aways from the Trade Africa Workshop in South Africa: Considering American Interests in Africa

Win-win partnership with U.S. exporters, investors and buyers

- Greater focus on exploring partnerships with a range of U.S. companies, including buyers, processors, investors, service providers, equipment manufacturers
- Facilitate U.S. participation in African Shows / Coordinate with U.S. Chambers of Commerce, reverse trade missions
- Provide investment advisory services to U.S. investors
- Program sector-based U.S. investor / African Chamber of Commerce tours



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THE WEST AFRICA TRADE AND INVESTMENT HUB EXPERIENCE





Private Sector Development – Regional Value Chains: CEREALS

Formalize and professionalize regional trade and support local sourcing of processors

Industry Level Support

- Organize regional forums to formalize market linkages with cereals traders, focusing on trade logistics and pricing requirements, SPS issues, contracts, professional management via associations.
- Widely disseminate knowledge re: food safety and food preservation issues such as aflatoxin, storage practices

Direct Firm Support

- Create B2B linkages between industrial processors and cereals traders
- Work through individual transaction logistical and contractual problems.



Photo credit: Jeune Afrique

Côte d'Ivoire: The Hub linked two high-potential cereals processors: Association Group Domak—which purchases, cleans, dries and stores grain for sale to breweries and institutional buyers—and Company PKL, which processes retail cereals for human consumption (above), hiring workers to clean the grain manually. Per a Hub-brokered agreement that saves costs for both companies, Domak will now use their facilities to clean, dry and store grain for PKL, which will now source directly, at market prices, from Domak.

Private Sector Development – Regional Value Chains: LIVESTOCK

Professionalize & expand trade flows from landlocked countries to coastal markets

Industry Level Support

- Support regional livestock associations to promote the use of scales to determine actual weights at loading and discharge, linked to contract-determined sales price
- Develop regional associations' management and sustainability skills and options (membership services and fees, etc.)
- Conduct workshops on SPS requirements to reduce health risks and costly delays in trade from Mali/Burkina Faso to CDI

Direct Firm Support

- Create B2B linkages and use of contracts. Example: CDI supermarket PROSUMA in contract with BF SOFIVIA for 30 butchered beef/week in refrigerated containers, to increase if successful



Niger: The Trade Hub supports regional associations to promote best practices so farmers can get better prices for their livestock. We hosted two cattle-fattening workshops with the Niger Livestock Federation to share best practices with other country's associations. Niger's group includes a cooperative of women livestock fatteners (founder Zalika Moumouni Maïga pictured here) who pool resources to better compete in livestock exports.

Private Sector Development – Global Value Chains: MANGO AND OTHER FRUIT

Train & support certification for export-quality produce, providing the necessary base conditions for export

Industry Level Support

- Training to address VC weaknesses that decrease quality and quantity of exportable mangos (fresh and dried).
- Certification of growers' associations and exporters; training in harvesting and processing export-quality mangoes (fresh fruit to Europe and Middle East; processed to the U.S.). GlobalG.A.P., HACCP, Organic and GRASP certification field work.
- Sourcing assistance to ensure regular supply of fruit for processing.

Direct Firm Support

- Identified and assisted 30 export-ready lead firms in Ghana, Côte d'Ivoire, Senegal, Togo, Burkina Faso. Presenting shortlist of 14 lead companies to U.S. buyers of mango and other dried fruits.
- Organized 2017 regional mango symposium in Côte d'Ivoire with buyers from the U.S., Europe and South Africa, plus representative lead companies throughout West Africa.
- Supporting select West African firms at U.S. trade shows in 2017.
- AGOA documentation hands-on help.



In FY16, the Trade Hub boosted production of quality mangoes in four West African countries by training 2,320 growers in best production and harvesting techniques. Training focused on post-harvest handling, orchard management, fruit fly control and other phytosanitary issues, and proper hygiene in packing and handling.



Lessons Learned to Maximize Regional and International Trade

- **Lack of PROFESSIONALIZATION** in African private sector and enabling environment
- Country-specific regulatory requirements that are often ad hoc and reactive to current issues, e.g. local drought
- Reasonable regulatory framework but practically non-existent implementation, also corruption, lack of political will
- Regional associations very fragile and financially unstable. Immature in member services, **but these orgs are necessary** for both advocacy efforts and for ultimate industry level approaches for info and technical dissemination to professionalize industries.
- Lack of investment readiness of companies, so it is difficult to raise capital
- Lack of professional company management (middle management non-existent, not trained, or not empowered)
- Quality control, certifications, meeting export requirements, logistics practices still lacking



Lessons Learned to Maximize Regional and International Trade

Target Value Chain Entry Points

Professionalization must be addressed at the industry level and at the direct firm level BOTH.

- Organize regional forums, trade missions for buyers and sellers **focused on** emphasizing new techniques such as written contracts and quality standards (these are not the old-time B2Bs)
- Repetition, visibility for successes critical to inspire the innovator/early adopter/majority model to bring industry players along; e.g. , use of contracts, fattened cattle
- Link industrial processors with regional cereals traders focused on key quality issues (e.g., aflatoxin)
- Create new markets regionally (Tabaski for livestock, maize from Sahel to coast for cereals)
- Mentor regional value chain orgs to provide technical services to members, not just advocacy. Build their financial sustainability plans including meeting member services needs. ***These organizations are the eventual channels for broad-based industry development through which technical and up-to-date methods must be disseminated.***
- Certifications are critical for international export markets and to help local markets too as more supermarkets require them. Cost share for Global Gap, BRC, HACCP, and Organic certifications.
- Promote *regional* trade even for international products, to build volume and logistical capabilities

Trade Hub Communications and Work with Bilateral Partners

Communications and Tools for Broad Awareness Building

- Webinars to reach larger audiences regionally
- **Entrepreneurielle** Campaign
- “Loaded” flip charts provided for cascade trainings
- Videos/films to capture live stories
- Website, newsletters, interactive social media, brochures, company profiles, country profiles, “Ask the Expert”

Partnering with Bilateral Missions

- Supporting USAID/Senegal for regional Mango Alliance development
- Working with bilateral projects for regional impact (Mali Livestock, Nigeria NEXTT)
- Programming targeted events for bilateral stakeholders (AWEP in Burkina, Ghana, CDI, Togo; Agency for Promoting Investments and Partnerships (APIP) in Guinea Conakry)





Our Accomplishments

Cumulative results: March 2014-March 2017

Total Exports
\$96.9 million

Livestock: \$64.2 M (66%)
Apparel: \$16.3 M (17%)
Mango: 9.8 M

New Sales
\$122.2 million

Local Sales: \$25.3 M
(20.6% of all sales)

New Jobs
14,740

Women: 7,256 (49%)
Mango sector: 9,012 (61%)
Apparel sector: 5,108

New Enabling Environmental Policies
9

Includes reforms, policies, regulations and administrative procedures implemented with USG assistance

Investment in Ag & Non-Ag Sectors
\$44.4 million

99% in agricultural sector



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West Africa Trade and Investment Hub



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FROM THE AMERICAN PEOPLE

WEST AFRICA
**TRADE &
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Bill Noble

Value Chain & AGOA Components Director

Bill_Noble@watradehub.com

+233-26-2800-781

Marvel House, 148-A Giffard Road
East Cantonment, Accra

www.watradehub.com



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THANK YOU



Madame Zaliika Moumouni Maïga (right) set up a women's livestock fatteners cooperative in Niger. They pool their resources in order to be competitive in livestock exports.



Regional Trade Breakout Session

Discussion Questions Part 1: (15 minutes)

- Are these priorities?
- Do they need to be modified at all?
- Anything missing?

Discussion Questions Part 2: (15 minutes)

- How to collaborate with partners, including private sector, to take advantage of opportunities and address challenges?
- What operational challenges exist that inhibit greater cooperation across regional and bilateral missions and partners? What can we do to address those challenges?

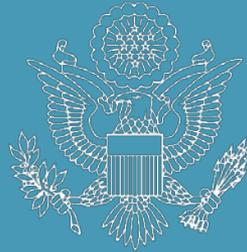


Regional Trade Breakout Session

Country-level Action Planning (20 minutes)

In groups with others who work in your country, you will:

- Identify specific actions that mission and partners will take to advance priority opportunities and address challenges over the next year.
- Agree on one immediate “next step” to move forward when you get back to your mission/country.
- Identify any support needed to enable success.
- Chart your actions and support needed, if any, on a flipchart using markers.



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