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INFORMATION BULLETIN OF TRADECOM II PROGRAMME

AID FOR TRADE GLOBAL REVIEW 2017

GREAT SUCCESS FOR
JOINT EU-ACP EVENT:
“THE INCLUSIVENESS AND
CONNECTIVITY DIMENSIONS OF
EU-ACP TRADE AND DEVELOPMENT
COOPERATION”



TRADECOM II PROGRAMME
ACP / EU
BUILDING ACP TRADE CAPACITY
RENFORCER LES CAPACITÉS COMMERCIALES DES ACP



COLEACP


AID FOR TRADE GLOBAL REVIEW 2017

GREAT SUCCESS FOR JOINT EU-ACP EVENT

The Aid for Trade Global Review 2017 took place at the WTO headquarters in Geneva on 11 — 13 July 2017.

The Global Review provided an opportunity for stakeholders to look at how best Aid for Trade can contribute to the integration of developing countries and least developed countries into the multilateral trading system and the achievement of the 2030 Agenda for Sustainable Development.

In the framework of the WTO's Aid for Trade Global Review 2017, **TradeCom II Programme** in collaboration with the **COLEACP** and **CTA**, and on behalf of the **European Commission** and the **ACP Secretariat**, organized an EU-ACP event on the "**Inclusiveness and Connectivity Dimensions of EU-ACP Trade and Development Cooperation**" aiming at contributing towards meeting the objectives of inclusive trade for ACP countries. This event was held on the 11th July 2017.



The event benefited from the contributions of: **Viwanou GNASSONOU** (ASG Secretariat of the ACP Group), **Catherine KROBO-EDUSEI** (CEO of EDN Tree, Ghana), **Jane NGIGE** (CEO of Kenya Flower Council, Kenya), **H.E. Tadeous CHIFAMBA** (Co-Chair of ACP—EC Trade & Commodities Subcommittee), **Hermogene NSENGIMANA** (Secretary General, ARSO) and **Axel Pougin DE LA MAISONNEUVE** (Deputy Head of Unit, DEVCO).

The panellists discussed the most recent dimensions of EU aid for trade for ACP countries and modalities for fostering connectivity and inclusiveness.

The Panellists advanced the views that trade expansion and diversification are key areas of the well-structured cooperation and relationships that links ACP and EU since the last 60 years. Today the EU aid for trade initiatives are called to address new realities of international trade and to help ACP to overcome the remaining barriers to access the global economy.

The introduction by **Viwanou GNASSOUNOU** (ASG Secretariat of the ACP Group) highlighted the ACP Group's longstanding relation with the EU. He emphasized the need to add value to ACP products to create wealth and move from the traditional approach of exporting raw products towards more sophisticated processed goods. This is what the new approach of the ACP strategy on commodities aims at building profitable value chains and generating revenue gains for the operators.

Intra-ACP Connectivity and Inclusive Trade

H.E. Tadeous Tafirenyika CHIFAMBA (Co-President of ACP-EC Trade & Commodities Sub-Committee) stressed that trade should support the equitable and balanced integration of ACP countries. He noted that today the international division of labour is unbalanced.

Most countries become suppliers of raw materials while others process them. Most developing countries remain at the supplier level. The nature of employment available is thus at the low end of the market. Generally, people thus fail to escape the poverty trap due to low revenues. He urged for the need to change the paradigm and aid for trade to tackle this unbalanced situation. Further, ACP countries need further capacity building to negotiate trade agreements with the EU. There should be space to support agri-businesses, to better link SMEs to global markets, to increase the volume of intra-ACP trade, which is key to reinforce regional integration. Attention must be dedicated to women and youth, in line with SDGs and emphasis has to be put on improving the competitiveness and assist producers in enhancing the product quality.



Viwanou Gnassounou (ASG Secretariat of the ACP Group)



H.E. Tadeous Chifamba (Co-Chair of ACP—EC Trade & Commodities Subcommittee)

ACP-EU Value Chains and Inclusive Connectivity

Catherine KROBO-EDUSEI (CEO of Eden Tree in Ghana) explained that Eden Tree is a SME from Ghana that produces, processes and packages fruit and vegetables which are sold to local supermarkets. The introduction of minimum standards is positive but ACP Countries need support through aid for trade financing to enable them to comply with certifications. Hence, technical assistance and capacity building in this area is extremely needed to transform the ideas and the energy of many SMEs into real life successes.



Catherine Krobo-Edusei (CEO of EDN Tree, Ghana)

Jane NGIGE (CEO of the Kenya Flower Council) pointed out that one of the major success factors of the flower industry in Kenya comes from the sector's capability to meet market requirements (quality, performance, sustainability) which translated into a specific quality scheme -- Kenya Flower Scheme. The scheme is very robust. The producers and authorities are also considering a national standard which will be mandatory for exporters and support the creation of a national brand. Through the Kenya Flower scheme, they have been able to communicate to their wide range of stakeholders and thereby enjoy an environment of acceptance from civil society and labour unions. They are now considering expanding this scheme to fruits and vegetables. The

certification system is contributing positively to the expansion of the flower industry in Kenya. Nevertheless, producers are left alone by public authorities and the costs of certification and traceability can discourage investors. Public aid, through aid for trade, is needed in this area to lighten producers' load and attract more investments.



Jane Ngige (CEO of Kenya Flower Council, Kenya)

Intra-ACP Quality Infrastructure Connectivity in Pursuit of Sustained Competitiveness

Hermogene NSENGIMANA (Secretary-General of ARSO) recalled that mainly in ACP countries, conformity assessment is a public service with national standard bodies while in developed countries these services are mainly provided by the private sector. He pointed out that ACP countries should be more present when establishing the standards and designing the conformity assessment procedures. It is important for ACP countries to deal with these issues faced by SMEs in terms of compliance otherwise they will never be dealing in an equitable way with partners.

It is key to raise awareness of the role of quality infrastructure (QI) in trade and the benefits of compliance with internationally recognised standards. To that end, there is the need to harmonise standards and conformity assessment procedures at international and regional level.

ARSO with the support of the ACP EU TBT Programme developed an online Africa Trade Portal with the aim to improve the data collection system and to make the information available and accessible.

In Pursuit of Agenda 2030— Updating the 2007 Joint EU and member States' Aid for Trade Strategy

Axel Pougin De La MAISONNEUVE (Deputy Head of Unit, Private Sector and Trade-EC's Directorate General for International Cooperation and Development) highlighted that the relationship between the EU and the ACP has evolved over time.

Aid for trade has always been at the centre of this relationship, which represents 34 % of total aid for trade budget from the EU (in 2015). ACP states are the 7th economic partner of the EU (4,5% of total trade).



Axel Pougin De La Maisonneuve (Deputy Head of Unit, DEVCO)

In relation to connectivity and digital technologies, the EU has recently released its new strategy “Digital for development” that will enable development policy interventions along four key priorities: Digital infrastructure; Digital skills; Digital entrepreneurship; Digital accessibility.



The EU external investment plan looks at neighbouring countries and Africa by attracting EU private sector investments and the support to SMEs in terms of access to finances will form a core part of EU aid.

Furthermore, too often, revenues from international trade only benefit a small part of the population.

Trade must be as inclusive as possible to ensure growth and to support entrepreneurship which includes women and youth increasing incomes of the entire population

Following the speakers' presentations, during the Q&A session, questions from the audience including on how Aid for trade could focus on supporting SMEs and especially women-run Business.

In response, the suitable actions would include:

- Economic training for smallholder farmers to improve the quality of food production;
- Policy support to foster mutual recognition in the framework of Non-tariff trade barriers;
- Technical Support in the area of standards implementation and compliance; and
- Market linkages: concrete information and ad-hoc training for companies on how to connect and reach markets.



HUB AND SPOKES

NEW PHASE FOR HUB AND SPOKES PROGRAMME

SIGNING CEREMONY

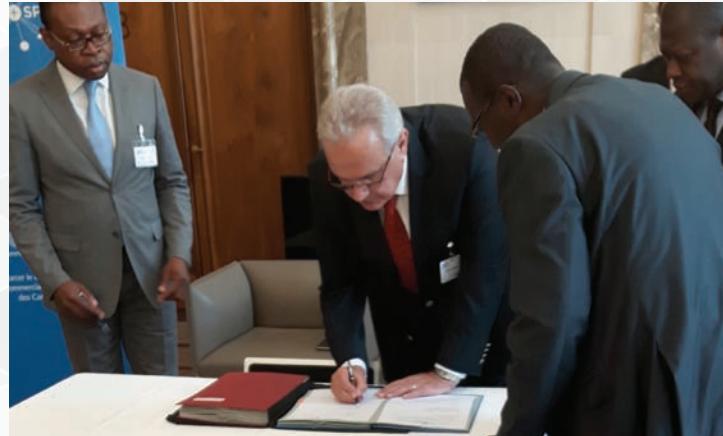
A signing ceremony marking the launch of the next phase of the programme **Hub and Spokes**, a joint initiative of the **Commonwealth Secretariat**, **European Union**, **ACP Group Secretariat** and **Organisation Internationale de la Francophonie**, was held on Tuesday 11 July 2017 at the headquarters of the World Trade Organization in Geneva by leading representatives of the four organisations.

Through the initiative, 10 regional trade advisers, or 'hubs', and 32 national trade advisers, or 'spokes', are currently deployed in ACP countries. These include six regional advisers and 16 national advisers managed by the Commonwealth Secretariat.

During the signing ceremony, European Union Commissioner **Neven Mimica** highlighted the role of the Hub and Spokes Programme as a reference for connectivity while promoting trade and inclusiveness.

ACP Assistant Secretary-General **Viwanou Gnassounou** confirmed the support of the ACP Secretariat in the implementation of the agreements in this consolidation phase.





TRADECOM II PROGRAMME

THE THIRD MEETING OF THE STEERING COMMITTEE

The third meeting of the Steering Committee (SC) of the ACP-EU TradeCom II Programme was held at the ACP House on July 26, 2017. The Committee was chaired by **Viwanou Gnassounou**, Assistant Secretary-General responsible for Sustainable Economic Development and Trade at the ACP Secretariat and assisted by **Morgan Githinji**, the ACP Secretariat's Project Manager for the TradeCom II Programme.

DEVCO was represented by **Koen Rossel-Cambier** (Programme Manager - Economics and Trade related assistance). In attendance was also **Christiane Leong** (Expert Multilateral Trade Issues at the ACP Secretariat), and representatives of the **AESA Consortium** that is implementing the TCII Programme.

The meeting offered an opportunity to consider the progress of the PMU activities under the two components of the TCII Programme, and the Programme's future implementation strategy till May 2018.

During the meeting, the various stakeholders were very positive in their remarks on the Programme's activities over the period January-June 2017. Furthermore, the workplan for the period up to the end of the Programme Estimate 1, May 2018, was approved by the Steering Committee.

The Chairman concluded the discussions by congratulating the work done by the PMU team, the commitment of the contractor of the Technical Assistance and the confirmed support of the EC in the implementation of the Programme. The fourth meeting of the SC will take place in 6 months time.

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