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GREAT SUCCESS FOR TRADECOM II CO-EVENTS

The 14th edition of the European Development Days (EDD 2019) took place in Brussels at Tour & Taxi on 18-19 June 2019 under the theme of “Addressing inequalities: building a world which leaves no one behind”. The EU-ACP TradeCom II Programme organised two debates on pressing development issues in the African, Caribbean and Pacific countries (the ACP Group).

The two sessions were well attended and were considered by all the participants to have been a great success in terms of participation and quality of discussion.



Unlocking digital opportunities: promoting e-commerce for inclusive trade growth

The session “Unlocking digital opportunities: promoting e-commerce for inclusive trade growth – Leaving no one behind: investing in inclusiveness of trading opportunities through e-commerce in small-island and land-locked ACP Economies” moderated by Axel Pougine de la Maissonneuve (Deputy Head of Unit, EU - DG DEVCO) was aimed at responding to the question: Can the digital economy deliver on its aim of inclusiveness, leaving no one behind, and seek to provide related solutions for ACP countries, specifically small-island and land-locked economies?

The digitalization of the global economy is increasingly gaining terrain as the use of modern technologies is catapulting global exchanges into new dimensions. Developing countries, and specifically, ACP countries, can also leapfrog into global prosperity through E-commerce in the digital age. However, they face inherent challenges of a weak private sector, high trade costs and lack of the availability of trade data in order to bolster opportunities for SMEs and boost intra-regional trade. E-commerce is seen as a catalyst to boosting exports to foreign markets, and also to tap into foreign supply chains, supporting entrepreneurship and promoting the integration of MSMEs into value chains so as to become global entities. However, to do so, many developing countries require more time and policy space to implement these requirements in a proper manner. Moreover, many ACP countries are taking a precautionary approach to E-commerce in general.

Therefore, arises the problematic of how to make future trade more inclusive for Small States, LDCs, ACP countries and Sub-Saharan Africa, and more equal for women and young entrepreneurs. How sustainable is technology-enabled trade and is the risk of displacement of slower-paced developing countries real, as a result of their limited access to global value chains, markets and technology. For the time being, there is a concentration of data intensive companies in the developed

world and some companies are already reaping the benefits of the digital age, while most developing countries lag behind.

Axel Pougine de la Maissonneuve opened the floor asking crucial questions that underlie discussions around digital trade and developing countries include:

- 🌐 How to apprehend the existence of technical gaps among global economies countries and its impact on the existence of gender disparity?
- 🌐 The digital revolution implies an intellectual and structural revolution and this is the bottom line for ACP countries – how quickly can they transition into software and dematerialisation that characterise the types of services required by global digital trade?
- 🌐 Does equality in the digital age mean leaving no one behind?
- 🌐 Is the digitalization of the economy a double-edged sword?
- 🌐 E-commerce as a vector of or solution to inequality among states and within states?
- 🌐 How can e-commerce serve to promote inclusiveness for women and youth?

Shamika Sirimanne, Director, Division Technology & Logistics UNCTAD pointed out that e-commerce is an extremely fast growing area and its opportunities are enormous, but only small niche areas (tourism, value added food products, creative economic activities) are benefiting from e-commerce. “When we look at the differences among developed and developing countries the digital divide is still huge” she said. A digitalisation that overcomes technical barriers like connectivity (50% of the world don’t have access to internet), payment systems, legal regulatory frameworks (cyber security, consumers protection) and access to e-commerce platforms, will allow small farmers, producers, women entrepreneurs to better sell their products, and consumers to benefit from a larger choice and lower prices.



Shamika Sirimanne - Director, Division Technology & Logistics UNCTAD



Ifeyinwa Ugochukwu - CEO Tony Elumelu Foundation (TEF)

Viwanou Gnassounou, ASG of the ACP Secretariat, recalled the strong potential of e-commerce but also the need to invest on non-physical infrastructures that can bring knowledge, information on the e-commerce solutions among the developing countries to those that can benefit from these solutions. Furthermore, he urged the development Institutions (ACP, EU, WTO) to foster partnerships that can mobilize resources and support ACP Countries to choose to access to e-commerce and digital solutions that can help to improve the profitability of economic sectors with a great potential like, agriculture, farming and make these sectors more attractive for young people and entrepreneurs.



Paolo CICCARELLI - Head of Unit, EC-DG DEVCO



Viwanou Gnassounou - ASG ACP Secretariat

H.E. Mere Falemaka, Permanent Delegation of The Pacific Islands Forum to the WTO went through the challenges of the Pacific Countries. The most of Pacific Islands face a lack of soft infrastructure. Many of them don't have supporting legislation in place, or policies on how to handle e-commerce, any regulatory framework on data and consumers' protection. Partnerships with international governments and institutions are helping Pacific countries to bridge the digital divide in terms of physical infrastructures. The knowledge, skills and regulatory frameworks on e-commerce are challenges that the Pacific countries are addressing with the support of Institution such as UN, WTO and EU (through the technical assistance of the TradeCom II Programme).

Ifeyinwa Ugochukwu, CEO of the Tony Elumelu Foundation (TEF) focused her intervention on young entrepreneurs and their need for an enabling environment. They need policy measures that could drive foreign investments in Africa to build infrastructures, create a unified market and offer business opportunities. There are millions of African young people with amazing innovative ideas waiting to transform these ideas into reality. They need an enabling environment, trainings and funding. Africa can only be developed by Africans since they know what the problems are, they are on the field, they can solve the problems but they need to benefit from a massive cooperation among the private sector and with development organisations and institutions.

Paolo CICCARELLI, Head of Unit at DG DEVCO stated that the EU is the best example of digital single market in the world with a great attention to the rules on data security, consumers' protection, human rights. This is the best added value support that EU can give to ACPs on these soft issues that are as important as the financial support in the creation of an open and accessible digital market.



H.E. Mere Falemaka - Permanent Delegation of The PIF to the WTO

Partnerships for broad-based and inclusive economic development in African, Caribbean, and Pacific countries

The session “Partnerships for broad-based and inclusive economic development in African, Caribbean, and Pacific countries” was organised by World Bank jointly with **EC, ACP Secretariat, ITC, UNIDO and TradeCom II Programme**.

Despite the heterogeneity of ACP countries, an important common challenge is to promote the private sector as an active development partner by closing the investment gap and improving the ability of domestic firms to compete in international markets through global and regional value chains. ACP countries need to gradually integrate into the global economy, while keeping poverty and inequality reduction at the core of their reform efforts. Inclusive and sustainable growth is only possible by ensuring that a vibrant private sector creates more and better jobs. For the private sector to thrive, it needs enabling business-friendly policies and laws, as well as an enabling ecosystem that fosters business productivity and competitiveness.

The new perspectives brought by global commitments such as the United Nations 2030 Agenda place a great emphasis on the role of the private sector for inclusive and sustainable growth, and on the need for using official development assistance (ODA) to leverage public and private investments to this effect.

In this context, the panel, moderated by **Antti Karhunen** (Head of Private Sector Unit at DG DEVCO), through the contribution of **Viwanou Gnassounou** (Assistant Secretary General, ACP Secretariat), **Philippe Scholtes** (Managing Director for the Programme Development and Technical Cooperation of the UNIDO), **Hernan Manson** (Head Inclusive Agribusiness at International Trade Center) and **Christine Qiang** (Practice Manager of the Macro, Trade and Investment of World Bank Group) redefined new perspectives regarding the role of private sector development and engagement in the framework of the ACP-EU partnership. In order to achieve sustainable development and create jobs, with a population, which is, expected to double by 2050, private investment must increase significantly.

This discussion was aimed at showcasing how a renewed partnership between very different, but complementary institutions (such as EU, ACP, UN, WTO and World Bank) can provide different layers of expertise, providing higher impact towards achieving economic and social development in partner countries through implementing an ACP-EU innovative programme for ACP countries that ensure a joint approach towards supporting business-friendly inclusive and responsible national policies as well as strengthening productive value chains.





AID FOR TRADE GLOBAL REVIEW 2019

EU-ACP TRADE AND DEVELOPMENT COOPERATION

REVOLUTIONIZING ECONOMIC DIVERSIFICATION AND EMPOWERMENT THROUGH INCLUSIVE AND SUSTAINABLE AID FOR TRADE



The Aid for Trade Global Review 2019 took place from 3 to 5 July 2019 at the WTO headquarters in Geneva, under the theme “Supporting Economic Diversification and Empowerment for Inclusive, Sustainable Development through Aid for Trade”.

In the spirit of cooperation, the EU-ACP TradeCom II Programme, the EU-ACP CTA (Technical Centre for Agricultural and Rural Cooperation) and COLEACP, jointly organised a joint EU-ACP session around the theme “EU-ACP Trade and Development Cooperation - Revolutionizing economic diversification and empowerment through inclusive and sustainable aid for trade”.

It brought together representatives of the EU Commission, the ACP Secretariat, the Commonwealth Secretariat, the Organisation Internationale de la Francophonie (OIF), ARSO, CROSQ, the Eastern Africa Farmers’ Federation and the Global Shea Alliance, to discuss ways and means of translating Aid For Trade into real economic gains on the ground in ACP countries, including for youth and for women.

can drive the sustainable development agenda, and create synergies with other trade and cooperation instruments for more effective, sustainable and progressive results?” and in particular on three main areas highlighted by **Axel POUGIN DE LA MAISONNEUVE** (Deputy Head of unit, DevCo European Commission) in his key-note remarks: the economic empowerment of women and youth; quality infrastructure development as a pillar of trade partnerships; and innovation in North-South and South-South connectivity. These elements reflect in part the requisite for enhancing EU-ACP trade cooperation as they help maintain inherently inclusive aspects while seeking to achieve greater integration into the global economy and promoting sustainable development. These imply harnessing the strengths of the EU Aid For Trade Strategy to ensure that it brings real gains in the areas of trade and investment and poverty eradication through job creation. This also means real and full implementation of the EU External Investment Plan encouraging investment in partner countries in Africa, promoting a new model of participation of the private sector and contributing to the achievement of the Sustainable Development Goals (SDGs). Finally, this implies maintaining the solidarity of the ACP Group going forward and commitment to sharing of best practices for enhanced cooperation and connectivity.



Vivanou Gnassounou - ASG ACP Secretariat

Discussions, moderated by **Vivanou GNASSOUNOU** (Assistant Secretary General, ACP Secretariat), focused on the question “How EU-ACP aid for trade cooperation



Axel Pougou de la Maisonneuve - Deputy Head of Unit, DG DEVCO

With respect to economic empowerment of women and youth, **Elisabeth NSIMADALA** from the Eastern Africa Farmers' Federation, representing 20 million farmers (and organisations) in East Africa, highlighted that more than 70% of farmers in Sub Saharan Africa are involved in cross border trade with a high number in the informal sector. The analysis done by her organization led to the development of an agribusiness toolkit mapping all actors along the value chain within the East African region, that includes training manuals, documents cross border requirements with guidelines, and facilitates cross-border trade and sharing of best practices. "E-GRANARY" is an innovation of the Federation, allowing for virtual aggregation of farmers (in terms of input, service and output markets), creating critical mass and influencing national policy in favor of women and youth. Specific problems encountered by women and youth are related to capacity and access to finance. Solutions could be the creation of a special fund to de-risk agriculture and support financial inclusion of women and youth.



Elisabeth Nsimadala - President of Eastern Africa Farmers' Federation

Aaron ADU, Managing Director of Global Shea Alliance (GSA), expounded on the importance of shea butter and kernels in East and West Africa benefitting 16 million women (collectors and processors). Its exports have boomed over the past 20 years (from 30 mt in 2000 to 500 000 mt in 2017). Barriers, however, to women's empowerment include norms and resources. The GSA sustainability programme seeks to provide infrastructure and market linkages to women, leading to increase in income, increased productivity, new technology and the development of leadership roles in communities and cooperatives. Over 300 000 women have been trained by the GSA and have been organized into cooperatives. This has encouraged the private sector outreach to the cooperatives to further their enhancement and growth. All donor support, including the form of Aid for Trade, is used to support trade and export of shea products by women.



Aaron ADU - Managing Director of Global Shea Alliance (GSA)

Under the sub-session on Trade Partnerships for mutual benefit, quality infrastructure was discussed as central to economic empowerment of the private sector. **Hermogene NSENGIMANA**, Secretary General of African Organisation for Standardisation (ARSO), took the opportunity to underline the need to support inter-African trade on products that are consumed across the African regions. He insisted on the harmonisation of norms as being essential for trade. Respecting and upholding institutional frameworks should also be the subject of aid for trade.



Hermogene NSENGIMANA - Secretary General of ARSO

CROSQ's Executive Director, **Deryck OMAR**, reiterated that the future of QI is in conformity assessments, which basically means proving that the quality of a product is approved through, inter alia, better market surveillance, laboratories, certification systems. The representative supported the idea that EU AIT programmes should focus on intra-regional trade. Trade-related investments are also important to help the quality infrastructure in a new and pertinent way, coupled with capacity building.



Deryck OMAR - Executive Director CROSQ

The session also focused on innovation in North-South and South-South connectivity.

Going beyond quantitative considerations in the area of trade, Thê Quang **DONG**, Director, Francophonie économique et numérique pointed out that "The Francophonie" has elaborated a three-pronged approach: a) it focuses on local investment in local products to assist their export and creation of wealth; b) secondly, it is important to focus on South-South connectivity which require concrete and operational solutions; and c) finally the OIF focuses on sharing of best practices among South regions.



Thé Quang DONG - Director, Francophonie économique et numérique



Arjoon SUDDHOO - Deputy Secretary General of Commonwealth Secretariat

Arjoon SUDDHOO, Deputy Secretary General of Commonwealth Secretariat, focused on the Hub and Spokes initiative, which has deployed over 30 trade advisors over the past years and, as with similar programmes, worked well because of partnership and collaboration. With respect to digital trade, development advisors have developed digital strategies for Member States. The recent Commonwealth connectivity agenda aims at promoting economic growth and development by digitalization. Its aim is to close the digital divide between developed and developing countries through 6 components, viz., physical connectivity (trade facilitation and infrastructure development); digital connectivity (supporting

development of national digital economies, regulatory framework and best practices); regulatory connectivity (improving legal frameworks and promoting good practices); business to business connectivity (greater interface between public and private sectors, with focus on MSMEs); supply side connectivity (participation of members in global value chains) and inclusive and sustainable trade (ensuring that women and youth are mainstreamed in all pillars).

These two programmes mentioned above, encourage cross fertilization of actions across all ACP regions and foster inclusive, gender responsive approach to the development of trade policy.

TRADECOM II GRANT SIGNING CEREMONY

As a component of the TradeComm II Programme, the Grant is an inclusive, demand-driven facility that supports cooperative responses to the Programme's objectives and expected results. The Grant complements the demand-led support with longer-term and locally anchored institutional capacity building.

The Collective Grant Signing Ceremony was held in the Atrium of the WTO's headquarters in Geneva, the 4th July 2019 within the Aid For Trade Global Review 2019.

In their Opening statements **Axel POUGIN DE LA MAISONNEUVE** (Deputy Head of unit, DevCo European Commission) and **Vivanou GNASSOUNOU** (Assistant Secretary General, ACP Secretariat) congratulated the representatives of beneficiaries (COMESA Secretariat, TRAPCA – ESAMI, UNECA, OECS, OAPI, REPOA, FAIMM) and recalled the focus of the projects awarded under the Grant component, inter alia:

- Support to ACP trade institutions (trade research and trade capacity building institutions, including academic institutions, etc.);
- Encourage the establishment of both North-South-twinning (specialized providers of TRA from EU Member States in partnership with ACP beneficiaries) and cooperation with international organizations;
- Support to South-South cooperation arrangements in the domain of institutional trade capacity building;
- Foster the development of trans-ACP research and trade capacity building networks, thus facilitating reinforced complementarities on the intra-ACP level.

The Signing ceremony of the Grant Contracts was also a kick-off for cooperation among beneficiaries that were enthusiastic to start to implement the planned projects successfully and fully utilize these facilities at the best in the spirit of EU-ACP cooperation.







TRAINING ON GRANT MANAGEMENT

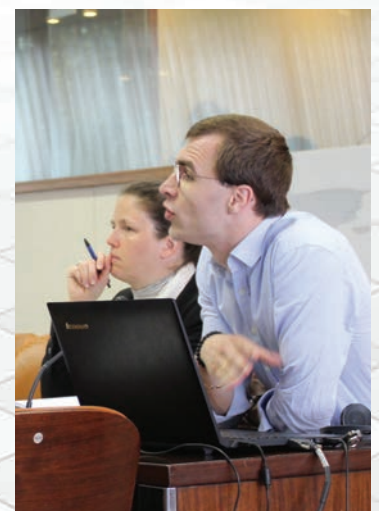
The 9 and 10 July 2019, Tradecom II PMU organized a 2-days training on Grant Management for the representative of the beneficiaries of the TradeCom II Programme with the aim to ensure that the resources are used optimally and efficiently to achieve maximum impact. This training course was designed to equip the participants with best practices and essentials skills in effective grants management.

The training was managed by “Welcome Europe” and structured in 7 modules:

- 📍 EC’s contractual conditions for grants
- 📍 Contractual and Financial Management

- 📍 Accountability and internal controls
- 📍 Important Risk areas
- 📍 Implementation of the actions under the grant contracts
- 📍 Output indicators
- 📍 Involvement of contractual partners

At the end of the training the 25 beneficiaries’ representatives (COMESA Secretariat, TRAPCA – ESAMI, UNECA, OECS, OAPI, REPOA, FAIMM) were positive on the organisation and benefits of this training and on the effective and fruitful implementation of the projects..





THE 8TH STEERING COMMITTEE

The 8th Steering Committee (SC) of the ACP-EU TradeCom II Programme was held at the ACP House on July 8, 2019. The Committee was chaired by Viwanou Gnassounou, Assistant Secretary-General responsible for Sustainable Economic Development and Trade at the ACP Secretariat and assisted by Françoise Guei, the ACP Secretariat's Project Manager for the TradeCom II Programme.

DEVCO was represented by Antti Karhunen (Head of Unit DEVCO Dir. C) and Philippe Jacques (Policy Officer DG DEVCO C4). In attendance was also Christiane Leong (Expert Multilateral Trade Issues at the ACP Secretariat), representatives of the Grant's beneficiaries (COMESA Secretariat, TRAPCA – ESAMI, UNECA, OECS, OAPI, REPOA, FAIMM) 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 three components of the TCII Programme (Programme Estimate, Rapid Response Facility and Grant), and the Programme's future implementation strategy. Furthermore, the representatives of the Grant's beneficiaries gave a presentation of the main results foreseen and the work plan of their projects.

During the meeting, the various stakeholders were very positive in their remarks on the Programme's activities over the period January-June 2019. Furthermore, the workplan for the July 2019-December 2020, 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 9th meeting of the SC will take place in 6 months' time.