West Africa Trade and Investment Hub



The Abt-led USAID West Africa Trade and Investment Hub ("Trade Hub") is driving changes to boost regional trade in staple crops and global exports of high-potential products. Concurrently, the Trade Hub addresses the region's trade and transport constraints within the region and connects export-ready agribusinesses with financing. These parallel efforts clear a path for regional economic growth, while raising incomes and creating jobs.

Implemented by Abt Associates since 2014, the Trade Hub works throughout West Africa, with focused efforts in the member countries of the Economic Community of West African States (ECOWAS) and West African Economic and Monetary Union (WAEMU). The Trade Hub directly engages firms, industry associations and regional alliances to promote reforms, attract buyers and investors, and adopt improved business practices.

Project Background

Promoting regional economic growth by driving private sector capacity for regional and global trade

West Africa is one of the poorest regions in the world, and the economic growth rates in most of its countries are insufficient to raise the majority of people out of poverty. Regional trade is minimal, with heavy reliance on imported staple foods and exports of raw goods. Most farmers and firms produce and trade in local markets and cannot access investments to help them reach larger, international markets. Internal and external barriers include inefficient transportation, heavy delays at border crossings, lack of access to finance, and poor competitiveness of regional products in the global marketplace.

To overcome poverty and spur economic growth, the Trade Hub is addressing weaknesses in the private sector and the trade enabling environment—both integrally linked. The Hub concentrates efforts in targeted sectors to professionalize business operations and connect emerging industries and agribusinesses to finance and investment.

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QUICK FACTS

- USAID project, 2014-2018
- Project offices in Ghana, Cote d'Ivoire, Burkina Faso, and Senegal
- Promotes trade in six sectors: livestock and grains for regional trade and mango, apparel, shea, and cashew for global exports
- Generated \$97 million in regional and international exports, especially in livestock, mango and apparel (March 2017)
- Contributed to \$114 million in new sales, including \$22.9 million locally (March 2017)
- Facilitated \$44 million in investment, with 60 businesses in six countries expanding their operations in targeted value chains (March 2017).
- Created over 14,500 new jobs, including 7,000 for women (March 2017).

Key Activities

Expanding regional trade in cereals and livestock

The Trade Hub develops market connections and formalizes business transactions to boost the regional trade of cereals and livestock. These two key agricultural commodities are often imported, due to poor quality control and difficulties in their transportation and distribution. For both value chains, the Hub seeks to formalize trade practices through contracting and adherence to quality standards. For cereals, the Hub develops market and trade linkages between lead firms and industrial processors; for livestock, the project adds value through cattle fattening. These approaches include support to national and regional associations—such as the livestock federation COFENABVI and the West African Grains Network (WAGN).

Promoting exports for high-potential sectors

The Trade Hub is developing the high-value sectors of apparel, cashew, shea, and mango for export to global markets. To promote exports in these sectors, the Hub works with regional partners—including the Global Shea Alliance, the African Cashew Alliance, and Ethical Apparel Africa—to build the technical capacity of promising companies and improve their business operations and production quality. The April 2017 Hub-sponsored Mango Symposium in Côte d'Ivoire connected over 200 local mango producers and processors with international buyers to boost Ivorian mango exports. The Hub also helps firms navigate customs procedures to export eligible goods to the U.S. under the African Growth and Opportunity Act (AGOA). This includes partnering with AGOA Trade Resource Centers—housed within export promotion agencies and chambers of commerce across the region—to inform businesses, governments, and investors about exporting to the U.S. and other international markets.

Connecting businesses to finance and investment

The Trade Hub is connecting agribusinesses to sources of finance and investment. Through its regional network of Financial Advisors, the Hub helps businesses prepare and apply for loans from partner banks. The Hub also offers training in business development, including management, accounting, and marketing. In tandem, the Hub partners with financial institutions to increase loans to agribusinesses—including the deployment of Development Credit Authority guarantees—by strengthening knowledge of agricultural value chains and risk mitigation.

Removing barriers to efficient transport and trade

To address barriers to efficient transport and trade in West Africa, the Trade Hub collaborates with the private sector, government institutions, and West Africa's regional economic communities—ECOWAS and the Economic and Monetary Union of West Africa (UEMOA)—and other regional organizations to accelerate policy and regulatory reforms to facilitate trade within the region and with other parts of the world. For example, the Hub worked with local officials in Côte d'Ivoire, Burkina Faso, Benin, and Togo to abolish requirements for certificates of origin for regional exports of raw agricultural products, which violated the ECOWAS free trade protocol.

Supporting trade advocacy organizations

The Trade Hub supports five West African producer, trader and advocacy organizations to strengthen their member services, enabling more regional and global trade from the ground up. These include the Borderless Alliance and the African Cashew Alliance; WAGN; the livestock confederation, COFENABVI; and the regional network of market information systems, RESIMAO. With Hub support, all five have shown improved organizational capacity—most significantly in governance, administration, and human resources management.

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