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BIZNET WEEKLY

Fortnightly Newsletter of the COMESA Business Council

NEWS & FEATURES

Who we Are!!

CBC is the recognized Business Member Organization, established as a private sector institution of COMESA. We represent the interests of businesses sectors at a regional level. The services provided go beyond advocacy, to actively promote business participation in regional integration, investment and global trade. This is done by facilitating the growth of strong business synergies, the development of business opportunities, business alliances, legislative and strategic advocacy. We provide custom tailored services that are driven by both industry and enterprise interests.

Kenya, Ethiopia, DRC Ahead in the Region in Benefits of AGOA Treaty

Kenya led the East African Community members in its use of the Africa Growth Opportunity Act (Agoa) treaty, scoring 98 per cent. However, it came second to Ghana which recorded 99.1 per cent with Madagascar coming third at 93.7 per cent. According to data contained in the US Trade and Investment with sub-Saharan Africa: Recent Trends and New Developments report, Ethiopia at 81.9 per cent and the Democratic Republic of Congo (DRC) at 68.2 per cent are the other eastern Africa countries that have also taken advantage of the treaty to increase exports to the US mainly of products like textile and apparels, metals, agricultural products and artifacts.

Increase in apparel exports by Madagascar, Ethiopia and Kenya resulted in US imports of apparel from the region under Agoa increasing by 9.9 per cent annually to $1.2 billion from 2016 to 2018. "The 10-year extension of the AGOA programme and AGOA third-country fabric provision allowed countries to expand apparel production and were the primary causes of the increase in apparel imports," stated the report.

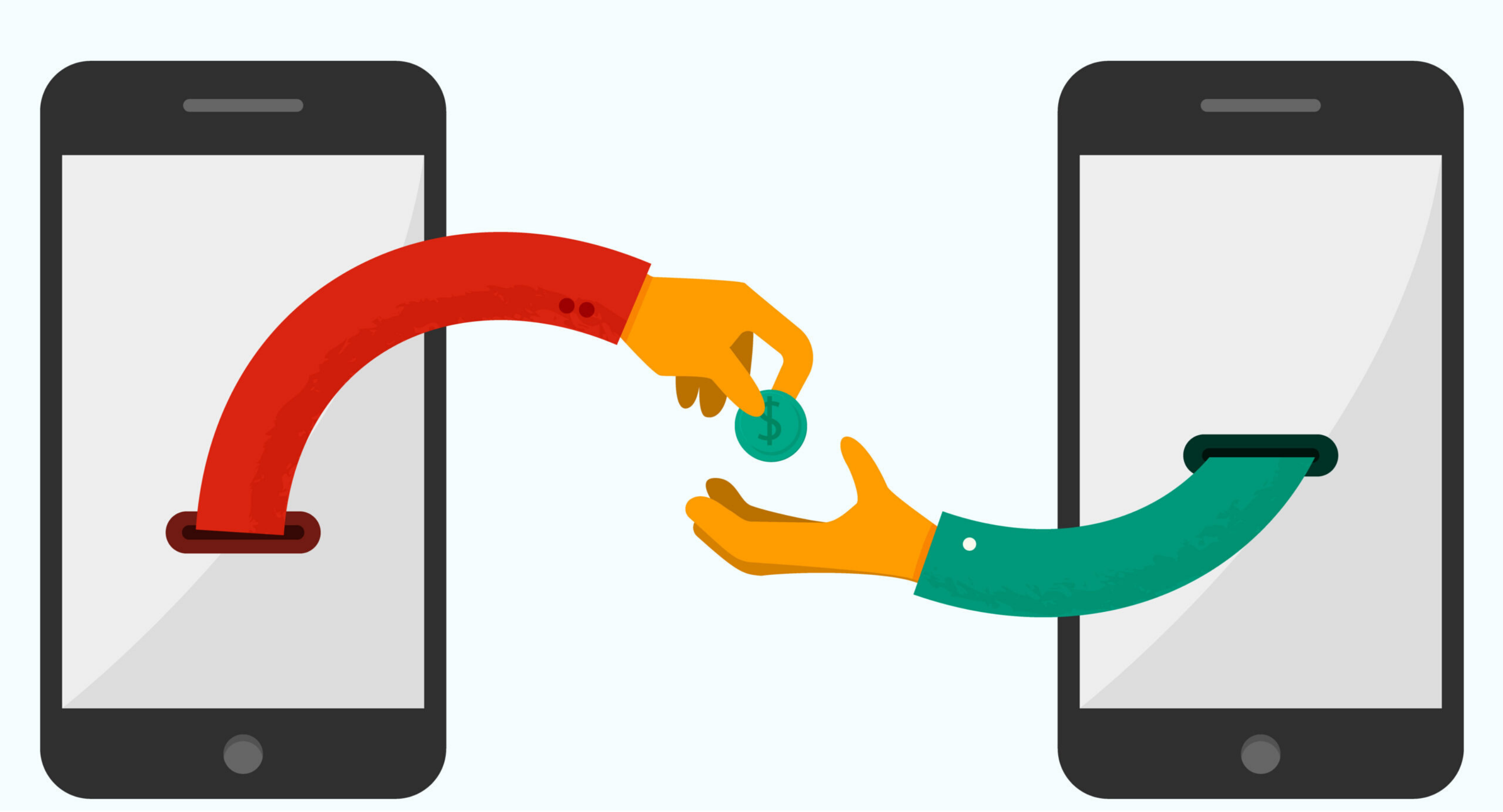
Kenya's high rate of AGOA utilisation comes when the country has announced intention to negotiate a US-Kenya free trade agreement that would see Kenya open its borders for duty-free imports from the US, while Nairobi would also get to export a range of goods tax-free to the US. The two countries share around $1 billion in trade annually. Notably, only 16 of the 39 Agoa beneficiary countries have prepared national utilisation strategies that identify sectors with the potential to increase exports to the US under the treaty that will expire in 2025.

Kenya, Tanzania and Rwanda are the only EAC countries that have complete utilisation strategies in certain industries like agricultural and food processing, textile and apparels, handicrafts, jewel and mining. According to the report, US exports to sub-Saharan Africa countries rose from $13.5 billion in 2016 to $15.9 billion in 2018, a compound annual growth rate of 8.5 per cent. Exports of petroleum products represented the largest portion of the increase followed by exports of aircraft, spacecraft and related equipment, certain motor vehicle parts, motor vehicles, natural gas and components and poultry. Despite poultry farmers in Kenya companioning of lack of markets, US poultry exports into the region increased by 28.3 per cent to $465 million from $283 million during the 2016-18 period.

In deed in 2018, the US was the third largest global supplier of poultry to sub-Saharan Africa by value after the European Union and Brazil, with the region accounting for 11 per cent of US exports to the world. "Rising population and incomes have led to increasing demand for meat protein food sources, which has boosted US exports of poultry to sub-Saharan Africa," noted the report.

Read more: https://www.theeastafrican.co.ke/business/Kenya-Ethiopia-DRC-benefits-of-Agoa-treaty/2560-5562726-5ghqy8z/index.html

Mobile Money Becomes Lifeline as Telecoms Thrive in Covid-19 Era



Mobile money and data have emerged as the lifeline in revenue growth for African-focused telecoms operators Vodacom Group and Airtel Africa across markets characterised by stiff competition and challenging regulatory regimes. The two telcos this week released full year results for the year ended March 31 that show impressive growth in mobile money and data earnings amidst near flat increase in voice revenue.

This year, the companies are apprehensive of the impact of the Covid-19, something that has forced Airtel Africa to extend the maturity of $254 million of debt facilities by an average of 18 months in order to improve its liquidity. South Africa-based Vodacom rode on its investment in Kenya's Safaricom, which is Africa's second biggest telco by market capitalisation, to grow its revenues by 4.8 per cent to $4.9 billion from $4.7 billion posted the previous year as the M-Pesa mobile money continued to gain traction in more markets.

Joint Venture

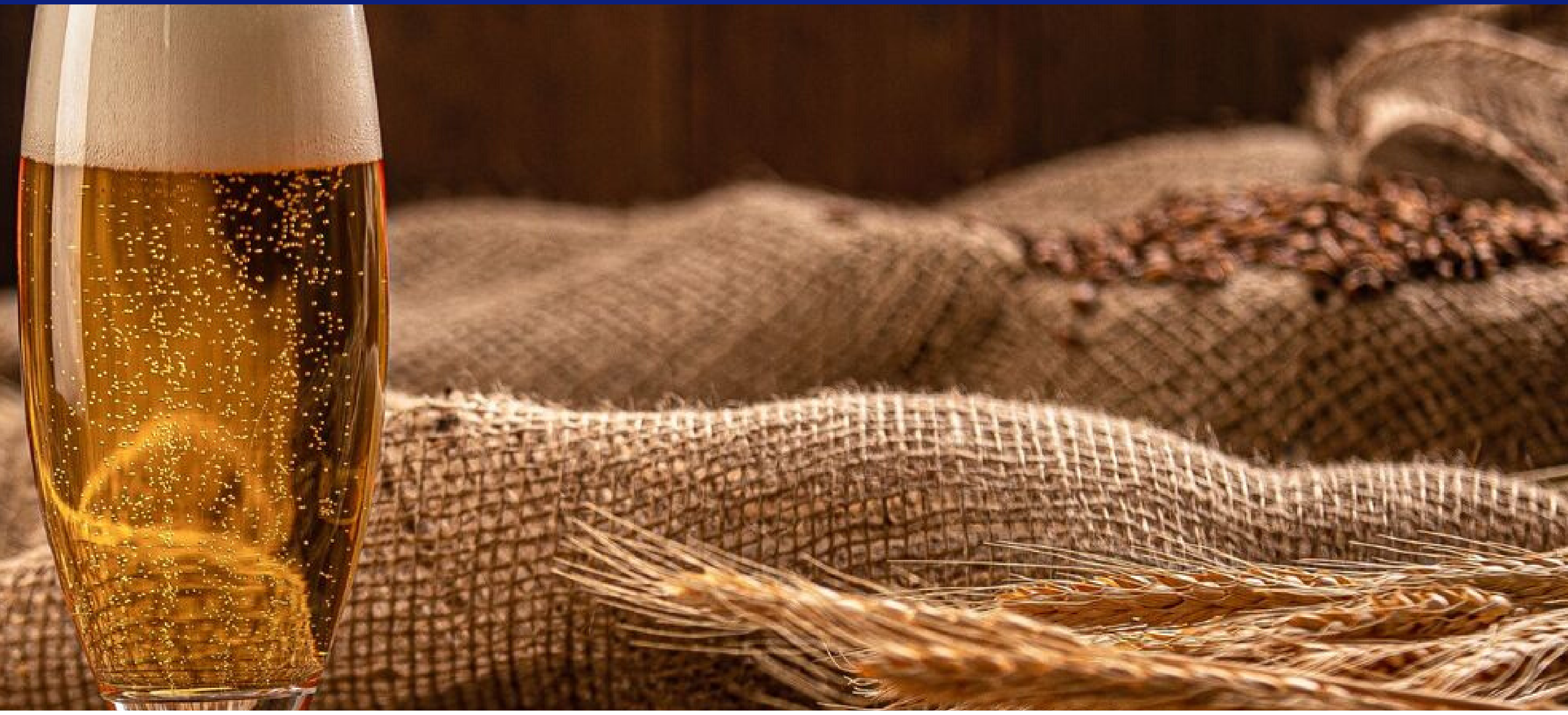
The company, which saw its net profit increase by7.2 per cent to $905.4 million from $844.9 million, said that its investment in Safaricom delivered a 30.4 per cent boost in profits with growth bolstered by currency factors and inclusion of the new M-Pesa joint venture. "An additional four million customers and increased demand for data and M-Pesa services contributed to a 12.5 per cent increase in service revenue across our operations," said Shameel Joosub, Vodacom Group chief executive. He added the company currently boasts of 40 million customers transacting on M-Pesa across all its operations generating total revenue of $881.3 million and growing at 22 per cent a year.

Vodacom and Safaricom acquired the M-Pesa brand, support and product development services from Vodafone through a newly created joint venture with the deal intended to accelerate M-Pesa's growth in Africa by giving the two telcos full control of the brand, product development and support services, as well as the opportunity to more closely align product roadmaps to be deployed across all markets. On its part, Airtel Africa saw its revenues for the year increase by 11.2 per cent to $3.4 billion from $3 billion last year driven by 36.1 per rise in data revenue to $930 million from $683 million and 32.9 per surge in mobile money revenue to $311 million up from $234 million. The company recorded a marginal 2.9 per cent growth in voice revenue to reach $1.97 billion from $1.91 billion. The telecoms giant saw its net profit decline by 4.4 per cent to $408 million from $426 million realised in 2019. This was driven by a 28.9 per cent increase in customers and a 21.4 per cent growth in transaction value per customer, supported by the expansion in distribution network through more agents, kiosks and Airtel Money branches.

In East Africa, the company reported a nine per cent growth in revenue with all countries except Rwanda delivering double-digit revenue growth with performance improving in the last quarter largely as a result of an increase in voice and data customers in Tanzania, Uganda and Kenya.

https://www.theeastafrican.co.ke/business/Mobile-money-becomes-lifeline-as-telecoms-thrive-in-Covid19-era/2560-5556522-dieft5z/index.html

Rwanda Brewers Stare at Lower Earnings as Expired Stocks Pile



Rwandan brewers are feeling the effects of the Covid-19 pandemic as sales continue to drop since the country went into lockdown in March. As a result of the shutdown shocks, Bralirwa Plc, the only brewery listed on the Rwandan stock exchange, has proposed to its shareholders to suspend dividend payouts this year. This will enable the company to reserve its cash flow and keep operations running as the ongoing pandemic takes hits its revenue streams.

As of May 14 on the Rwanda Stock Exchange, there were outstanding offers of 748,600 Bralirwa Ltd shares between Rwf 138 ($0.14) - Rwf150 ($0.16) and no bids. The current share price reflects the highest and lowest gain over the last 12 months. “Given the significant uncertainties on the extent and duration of the disruption as a result of the Covid-19 outbreak, the board is taking steps to protect our cash flow to preserve liquidity in the interest of our company, and as such proposed not to pay out any dividend on the 2019 result,” it said in a statement.

The company says its products “by definition social products, enjoyed together, there is a pause to hospitality and events because of Covid-19, and this will undoubtedly have an effect on our sales.” This proposal will also be subject to approval during the upcoming AGM though the dates are yet to be set due the lockdown. Although the brewer is yet to quantify the effect of the pandemic on its sales and revenues this year, the company says it will be affected.

A company statement says Bralirwa’s plan for 2020 was to further top line, profit and margin growth in the context of continued outperformance of the Rwandan economy relative to the broader African region driven by new product introductions, cost management and further debt reduction. “However, the outbreak of Covid-19 represents an unprecedented health crisis and macro-economic risk, which is likely to have a significant impact on the economy and our business in the near term,” said Merid Demissie, vice chairman of the board and managing director of Bralirwa.

The brewer was coming off a bullish year, having recorded a 5.4 per cent growth in total volumes, and a 1.8 per cent growth in revenues, to a tune of Rwf 101billion ($107.3 milion) last year, compared to Rwf 99billion ($105 million) recorded in 2018. Beer volume grew by single digit, mainly driven by strong performance of its flagship brands of Primus, Mutzig and Amstel. During the lockdown, both Bralirwa and Skol breweries suffered reduced sales, as all bars, shops and hotels were closed, as part of government efforts to control the coronavirus spread.

Skol alone supplies up to 3,500 bars and retail points around the country, and sales in all these have been at a standstill since March. Even when government recently eased the lockdown, where bars and restaurants can operate up to 7pm, many bars and hotels have not yet resumed selling alcoholic drinks. Many bars, hotels and depots have already incurred losses, after thousands of beer bottles from Skol and Bralirwa expired.

“A lot of the beer we had stocked has expired; we have made losses. Skol recently promised to meet with us and see what they can do to help,” said Faustin Habumugisha, a bar owner at Kisimenti. He said that during the lockdown they have made a loss of between Rwf3 to 4 million, which is the case with many other bars. Dealers have faced the brunt of the lockdown because on top of not selling beers to bars and hotels since March, they have had to pay rent and also suffer losses due to expired beers.

Some resorted to selling beers to supermarkets and small boutiques, while many are still closed. “These are exceptional times and therefore we are in close contact with our customers and suppliers to listen to their concerns about the immediate impact of Covid-19 on their businesses and to support where possible,” said Batamuliza. According to the latest results, Bralirwa also registered a decline in soft drink volumes, which decreased by a mid-single digit due to the price increase on RGB 30cl and 50cl in 2018 and only started to recover halfway through 2019. Capital expenditure in 2019 dropped to Rwf12.6billion ($13million) from Rwf15.4 billion ($16 million) in 2018.

Read more on: https://www.theeastafrican.co.ke/business/Rwanda-brewers-stare-at-lower-earnings-as-expired-stocks-pile/2560-5556574-j098fd/index.html

Egypt Reopens Slowly to Revive Coronavirus Pandemic-Hit Economy

Egypt's economy had just started to recover after years of political turmoil and militant attacks when the coronavirus crisis hit, impacting especially its vital tourism sector. Now President Abdel Fattah El-Sisi's government has loosened a strict curfew for the Muslim holy month of Ramadan in an effort to kickstart North Africa's largest economy. Having shuttered shops and cafes in late March and forced millions of civil servants to stay home, it is slowly reversing some of these measures, bringing back many state workers and extending the trading hours of shops and malls. The blessing for the emerging economy of more than 100 million people, experts say, is that activity has kept ticking over in agriculture and construction, and especially in the vast informal sector.

"Twenty-five percent of the workforce is in agriculture, which remains unaffected," said Angus Blair, a business professor at the American University in Cairo. "Many other businesses continue to remain open, albeit with reduced staff, and construction is continuing." Egypt's main sources of foreign currency have been tourism, remittances sent home from workers abroad, and Suez Canal revenues — which have all dropped sharply during the global lockdown in travel and trade.

But more than half of Egypt's private sector is made up of the so-called informal economy — ranging from streetside fruit sellers to day laborers on construction sites to one-man auto repair businesses. Around four million workers make up this shadow economy comprised of low-paid irregular laborers. "The large informal sector, while finding conditions slower, will continue to function," predicted Blair. The challenge is huge for Egypt, where nearly a third of people live below the poverty line, many more face precarious conditions and social order has traditionally been maintained by a strict military apparatus.

Slow growth and fewer jobs may have "a temporary impact on poverty rates in the country," warned Alia El-Mahdi, former dean of Cairo University's faculty of economics and political science. "The state must encourage the private sector on a macroeconomic scale so that it can overcome the crisis." The El-Sisi government approved a $6 billion (100 billion Egyptian pounds) aid package to stem the fallout of the coronavirus, which has caused 400 deaths and nearly 7,000 infections according to official data. This included payments of 500 pounds a month to informal workers who lack any social insurance to fall back on.

Cairo also sought a fresh loan from the International Monetary Fund last month and cut its interest rates in March to encourage lending for individuals and businesses. The biggest cash-cow, tourism, has however taken a heavy blow as the COVID-19 pandemic shuttered travel worldwide. It was all the more painful after the country famed for the Pyramids, Nile river cruises and Red Sea resorts had last year booked tourism revenues topping $12.6 billion, the highest in a decade. Mahmoud Al-Dabaa, a travel agent in the popular seaside resort of Sharm el-Sheikh, said he was shocked at how the once bustling travel destination had turned into a ghost town with deserted beaches."It's the first time I see Sharm completely empty like this," he said. Dabaa had expected this season to also be profitable, but a string of canceled bookings signals a bumpy road to recovery.

On Sunday, the government announced that hotels may start operating again for domestic tourists, provided they stick to a limit of 25 percent of capacity until the end of May. From the start of June, this will rise to 50 percent, reflecting the authorities' confidence they can keep infections under control while jump-starting the tourism sector. Egypt hopes to get back to the relatively better times of recent years, which saw annual economic growth rates above five percent. The government has been implementing financial reforms since 2016 when it secured a $12 billion IMF loan, and investors have flocked back in recent years, driving a booming construction sector. As recently as January, Egypt was ranked among the top ten countries in Morgan Stanley's Emerging Markets Index.

Planning Minister Hala El-Saeed has estimated that the economy will slow down to about 4.5 percent growth in the third quarter because of the aftershocks of the virus. But Blair said he was optimistic of a gradual recovery, judging that, if the constraints loosen further in June, a broader revival of commercial activity could "drive economic growth further late in the third and fourth quarters this year."

Read more on: https://www.arabnews.com/node/1670281/middle-east

Focus on Mauritius: Promoting Sustainability Through Perseverance and Policy

"Let us provide the business community with the necessary tools to carry out their operations in a predictable, transparent and fair manner and let the private sector walk alongside us by taking a measure of responsibility for growing a prosperous, empowered and equitable society. Let the public-private sector alliance be built on good governance, transparency and accountability." H.E. Pravind Kumar Jugnauth, Prime Minister of Mauritius. Mauritius is a breathtakingly beautiful tropical island of 1.3 million inhabitants and an upper middle-income economy positioned in the Indian Ocean at a strategic converging point for Africa, Asia and Australia.

"Mauritius is a gateway to Africa, and is one of the superior places in terms of establishing your services," says Sanjiv Bhasin, Chief Executive Officer, AfrAsia. "The service industry can penetrate any economy from here." The nation set out about reinventing itself after its independence in 1968, becoming not only one of the most stable democracies in Africa, but one whose prosperous diverse economy aims to achieve high-income status by 2025. With only half a century since its independence, Mauritius has come a long way due to the implementation of its diversification policieswhich have fortified its local economy. The accomplishment of its Sustainable Development Goals (SDGs) have played a key role. Using a social platform, the SDGs address youth unemployment, while implementing technology and innovation to push Mauritius to the next level, with a specific focus upon the protection of its marine and terrestrial ecosystems against climate change.

Its aim is to be simultaneously a model of sustainability, a green destination and a fully fledged ocean economy. "With the help of the Mauritius Oceanographic Institute, we are currently working on wave energy," states Deputy Prime Minister and Minister of Energy and Public Utilities, Hon. Ivan Leslie Collendavelloo, GCSK, SC. "We have launched a prototype, which is an entirely Mauritian concept, developed by five scientists of the Mauritius Oceanographic Institute; the technology is there." In January 2020, Mauritius implemented a fisheries and acquaculture reform programme in order to empower SMEs while promoting acquaculture through PPPs. "The island aims to be sustainable," states Sanjiv Bhasin, CEO of Afrasia Bank. "We are concentrating on how we can adapt sustainable technologies and methods to doing business and conducting business in the corporate way and carry that forward."

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Mauritius has understood the importance of focusing upon fostering a conducive business environment in order to strengthen the island's position as leading investment destination. Mark van Beuningen, Chief Executive Officer of CIM Finance, affirms: "If you look at Mauritius as a base for growing a business in Africa, it has a very stable climate. It is very easy to do business here, there are very strong financial services regulations and the legal framework is very strong as well." Mauritius ranked 13 out of 190 countries according to the Ease of Doing Business Report in 2019, while coming in absolute first in Africa in the World Bank Doing Business report for 2020 and the Ibrahim Index of African Governance. It is also amongst the top 30 countries in the world on a further eight indicators, as well as amongst the top 10 countries in terms of business facilitation for 'Paying Taxes' and 'Dealing with construction permits.' It appears clear that the rapid growth of its economy is no miracle but a result of perseverance and policy. "Mauritius is a country where investors over the years have seen that there is certainty and stability," declares Ravin Dajee, Managing Director of Absa Mauritius. "Rule of law applies and we have educated and skilled talent, ready to add value."

As a multiethnic, multi-religious, multicultural and multilingual nation, Mauritius is also the most liberalised country on the continent. In these uncertain times, it is also a robust model and example of the importance and strength of unity in diversity, never has its 50th anniversary slogan 'Lame Dan Lame' (meaning hand-in-hand) been so pertinent and crucial to its resilient development. Mohammed Shamshir Mukoon, General Manager of Central Electricity Board (CEB) agrees: "Our people are very versatile and we have structures available to satisfy all the different cultures we receive. We are very mixed ourselves, so, it's easier for us to feel and welcome investors in the country and meet their expectations." The key to Mauritius' success appears to lie in its aptitude to inject innovation into its economic policies combined with a dose of pragmatism in its effective and efficient policies; an idyllic business landscape whereby global civilisations converge and prosper.

Read more on: https://www.forbesafrica.com/brand-voice/2020/05/14/focus-on-mauritius-promoting-sustainability-through-perseverance-and-policy/

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Product Focus - Garlic

Garlic (Allium sativa) is an herb that is grown around the world. It is related to onion, leeks, and chives. It is thought that garlic is native to Siberia but spread to other parts of the world over 5000 years ago. Garlic is most commonly used for conditions related to the heart and blood system. Garlic varieties are classified into softneck and hardneck (also known as topset) varieties.

Varieties

Hardneck varieties: (Allium sativum var. ophioscorodon) bolt during late spring/early summer, producing a tall, flower stalk or scape. There is considerable variability in the size and number of bulbils produced by hardneck garlic. Bulbils may be used as planting stock but require 2 or more years of growth to develop into marketable bulbs.

Softneck varieties: (A. sativum var. sativum) do not produce a scape. A general rule of thumb is that hardneck varieties are more winter hardy, produce larger cloves but have a shorter storage life than softneck varieties.

Pest Control

Viruses, nematodes and fungi are the most common pests that plague garlic. All can negatively affect the yields and keeping quality of garlic. For all of these, prevention is the best strategy to minimize these problems. Start with clean seedstock, avoid growing garlic in wet areas or in exactly the same spot of soil from year to year, and be gentle during harvest and curing.

Opportunities

The global import of garlic increased by 26% in the period 2015 to 2019 from US$2.2 billion to US$2.7 billion. The table below highlights major importers regionally and internationally.

International Markets		Regional Markets	
✓ Indonesia	✓ Russian Federation	✓ Morocco	✓ Tunisia
✓ Brazil	✓ France	✓ Senegal	✓ Sudan
✓ United States of America	✓ Netherlands	✓ Kenya	✓ Egypt
✓ Malaysia	✓ Italy	✓ South Africa	✓ Ghana
✓ Germany	✓ United Kingdom	✓ DRC	✓ Mali
		✓ Côte d'Ivoire	✓ Angola

source: ITC Trademap and ExportPotentialMap

Indonesia, Brazil and the United States of America are the leading importing countries of garlic.

Market Analysis

According to UN COMTRADE - Trademap statistics, COMESA's exports of garlic to the world increased by 250% over the past five years, US$8 million in 2015 to US$28 million in 2019. The major export markets for COMESA include, Taipei, Russia, Brazil, Poland, Germany, Netherlands, France, Slovenia, Italy, Australia, Comoros, USA, Greece and Czech Republic, among others.

Export Potential

In the past years COMESA countries who have been producing and exporting garlic include:

Product Focus - Garlic

	Country	Potential & Existing Export Markets
1.	Egypt	Russia, Poland, Italy, Slovenia, Netherlands, Taipei, Ukraine, Libya, Tunisia, France, Lebanon, Australia, Turkey, South Africa, Jordan, United States of America, Germany, Belgium, Albania, Saudi Arabia, Kazakhstan, Spain, Morocco, Iraq, Bulgaria.
2.	Madagascar	Comoros, France, Ukraine, Gambia, Mauritius, Pakistan, India
3.	Kenya	Angola, Somalia, South Sudan, Burundi, Rwanda, Uganda, DRC, Djibouti, United Arab Emirates, Netherlands, South Africa, United Kingdom, Tanzania.
4.	Ethiopia	Sudan, Somalia, Djibouti, Kenya.
5.	Tunisia	Libya, Germany, Canada, Algeria, France, Italy.

Source: ITC Trademap and ExportPotentialMap

Market Entry

Certification and the need to fulfil both legal and non-legal requirements pose major obstacles to producers and exporters entering the market. As an exporter you depend a lot on the quality control of your buyer.

Quality

In all classes, subject to the special provisions for each class and the tolerances allowed, the bulbs must be:

- sound;
- produce affected by rotting or deterioration such as to make it unfit for consumption is excluded
- clean and practically free of any visible foreign matter
- practically free from pests
- practically free from damage caused by pests
- firm
- free of damage caused by frost or sun
- free of externally visible sprouts
- free of abnormal external moisture
- free of any foreign smell and/or taste

The development and condition of the garlic must be such as to enable them:

- to withstand transport and handling, and
- to arrive in satisfactory condition at the place of destination

Quality Tolerances

(i) Extra Class 5

per cent by weight of bulbs not satisfying the requirements of the class, but meeting those of Class I or, exceptionally, coming within the tolerances of that class.

(ii) Class I

10 percent by weight of bulbs not satisfying the requirements of the class, but meeting those of Class II or, exceptionally, coming within the tolerances of that class. Within this tolerance not more than 1 per cent by weight of bulbs may have cloves with externally visible sprouts.

(iii) Class II

10 percent by weight of bulbs satisfying neither the requirements of the class nor the minimum requirements, with the exception of produce affected by rotting or damaged by frost or sun, or any other deterioration rendering it unfit for consumption.

In addition to this tolerance, not more than 5 per cent by weight of bulbs may have cloves with externally visible sprouts.

Ventilation

Garlic requires particular ventilation conditions:

- Recommended ventilation conditions: air exchange rate: 25 changes/hour (airing) with continuous supply of fresh air.
- Garlic consume large quantities of oxygen due to their metabolic activity and have a tendency to self-heating, it is important to dissipate the CO 2 gas arising during respiration by appropriate ventilation measures and to ensure cooling by supplying fresh air if the cargo becomes heated.
- With chilled goods, the fresh air supply must be controlled in such a way that the CO 2 content of the circulating hold/container air does not exceed 0.4 vol.%.

Product Focus - Garlic

Packaging

With the exception of dry garlic presented in strings, which may be transported in bulk (loaded directly into a transport vehicle), garlic must be packed in such a way so as to protect the produce properly. The materials used inside the package must be new, clean and of a quality such as to avoid causing any external or internal damage to the produce. The use of materials, particularly paper or stamps, bearing trade specifications is allowed provided the printing or labeling has been done with non-toxic ink or glue. Packages, or lots for produce presented in bulk, must be free of all foreign matte.

Presentation

Garlic must be presented as follows:

i. Loose in the package, with cut stems, the length of the stem not to exceed:
- 10 cm in the case of fresh and semi-dry garlic,
- 3 cm in the case of dry garlic

ii. In bunches by:
- Number of bulbs,
- Net weight

The stems must be evened off.

iii. in the case of dry and semi-dry garlic only, in strings by:
- Number of bulbs, there being at least six bulbs per string
- Net weight.

In the case of presentation in bunches or strings, each package must have uniform characteristics (number of bulbs or net weight). Irrespective of the type of presentation, the stems must be cut cleanly, as must the roots in the case of dry garlic classified in the "Extra" class.

iv. Provisions concerning marking
- Each package 6 must bear the following particulars, in letters grouped on the same side, legibly and indelibly marked, and visible from the outside.
- For garlic in strings transported in bulk (loaded directly into a vehicle), these particulars must appear on a document accompanying the goods and attached in a visible position inside the transport vehicle.

Phytosanitary Requirements

- Garlic to be exported to various markets must comply with the legislation on plant health.
- Most destination markets require garlic to go through plant health checks before entering or moving within their countries for example EU, USA and Asia.
- Exporters are encouraged to consult with their Agriculture Ministries to be issued a relevant certificate/permit.

Standards

Environmental and social issues are becoming more and more important in the supply of vegetables i.e. garlic. Social and environmental certification schemes include actions aimed at sharply reducing and registering the use of pesticides, taking action to ensure the safety of employees and/or even including price guarantees.

Exporters are urged to comply with food quality and safety standards such as Global GAP, Fair Trade and Sustainable Agriculture Network:

a) **GLOBAL G.A.P. Crops (Global Good Agricultural Practice):** the standard is primarily designed to reassure consumers about how food is produced on the farm by minimising detrimental environmental impacts of farming operations, reducing the use of chemical inputs and ensuring a responsible approach to worker health and safety as well as animal welfare.

b) **HACCP (Hazard Analysis and Critical Control Points)** Requirements for the hygiene of food is laid down and states the general hygiene procedures for food at all stages of the production process from primary production to the world consumer ("from-farm-to-fork approach").

c) **Fair Trade International:** an independent, non-governmental, not-for-profit organization that promotes sustainable development and poverty alleviation and sets the Fairtrade standards. One organization (FLO-CERT) is responsible for auditing and certification of compliance against the Fairtrade standards.

d) **Sustainable Agriculture Network** - Rainforest Alliance: network of conservation groups committed to community-based conservation initiatives and research. The certification program for SAN standards is operated by Rainforest Alliance.

e) **BRC (British Retail Consortium)** - BRCGS' Standards guarantee the standardisation of quality, safety and operational criteria and ensure that manufacturers fulfil their legal obligations and provide protection for the end consumer. Certification to BRCGS' Standards is now often a fundamental requirement of leading retailers, manufacturers and food service organisations.

f) **IFS (International Food Standard)** - The IFS comprise eight different food and non-food standards, covering the processes along the supply chain. However, IFS does not specify what these processes must look like but merely provides a risk-based assessment of them. The different standards are now used by manufacturers and retailers worldwide to meet new requirements for quality, transparency and efficiency resulting from globalisation.

Global Trade Helpdesk:Simplifying Market Research for Firms' in the Face of COVID Challenges

The World Trade Organization expects global trade to contract between 12-32% in 2020 due to the corona virus pandemic. African firms are already beginning to feel the economic impacts of falling demand, plummeting commodity costs, travel restrictions, economic lockdowns within the region and with traditional trading partners, as well as the resulting supply chain disruptions. Preliminary results from an ITC COVID Business Survey indicate that 74% of African firms surveyed report being strongly impacted by the crisis, most of them through decreased sales. The impact is especially evident among Small and Medium sized Enterprises (SMEs).

Among these firms, one-third report they are at risk of permanent shut-down within the next three months. This is especially relevant because SMEs represent 90% of firms in Africa, and contribute to 80% of employment on the continent. The impacts on trade in key sectors are already visible. Emerging trade data for goods trade for March 2020 signals significant drops in year on year trade both globally and from Africa. The largest year on year drops in imports from Africa were in the Beverages sector with a decrease of 25%, and the Textile and Apparel sector of 20%. Globally, exports declined most in Leather products by 24% and Vehicles by 13%.

According to UNECA estimates, growth for the year is expected to reach 1.8% in the best-case scenario or contract at a rate of 2.6% in the worst case, with the potential to push 27 million people into extreme poverty. What are some of the actions firms can take in the face of these unprecedented challenges? How can they prepare themselves to be resilient in this changing global context? According to a recent statement by the International Chamber of Commerce, access to clear information about changing trade policies and trade information is one of the crucial elements. Firms need to be proactive and monitor changing conditions; both in terms of temporary restrictions put in place by governments in response to the pandemic, but also compare opportunities for market diversification to spread the risks associated with shutdowns and pandemic responses in traditional markets.

Designed with the needs of micro, small and medium-sized enterprises (MSMEs) in mind, the Global Trade Helpdesk – accessible at www.GlobalTradeHelpDesk.org – simplifies market research for firms of all sizes through unified access to crucial trade and business information. The online tool helps companies identify and compare export opportunities across potential markets. It integrates key sources of trade data from partner agencies including the WTO, ITC, UNCTAD, World Bank, IADB, FAO, WCO, WIPO, as well as UNIDO, and makes this information available free of charge through a user-friendly interface. Furthermore, it helps companies keep abreast with changes to trade policy with access to daily updated information regarding the temporary trade policy notifications related to medicines, medical supplies, agricultural products, and more.

For an exporter looking to compare opportunities in different markets, the tool brings together key information into one simple search. For example, a Rwandan coffee exporter looking to diversify from its traditional export markets of the United States and Germany can explore opportunities can explore opportunities in other markets. Here are the results for the Swedish market, which is currently not under economic lockdown:

Simply entering Rwanda as the exporting country, Sweden as the importing country and HS product code 090111 into the search boxes reveals:

- Sweden is the 14th largest importer of coffee in the global market, with global imports of $308 million in 2019.
- Rwanda has a market share of 2% in the Swedish market, with import growth of 26% per year during the last 5 years. Export to Sweden reached 6.5 million USD in 2019. There is an estimated 1.7 million USD of room per year for additional export growth in this market in the coming 3 years.
- Rwandan coffee exporters have duty-free access to the Swedish market
- Rwandan coffee imported into Sweden is subject to 15 mandatory regulations in including traceability requirements, processing history, and labelling requirements among others.
- There are 24 Sustainability Standards that are certifiable in Rwanda and accepted in Sweden. These private certifications may help Rwandan exporters reach niche consumers. These private standards include the EU Organic Standard, Fairtrade International, Global GAP, among others.
- To export coffee from Rwanda, an exporter will need to complete 5 tasks, requiring 21 documents involving procedures in 10 domestic entities. The process takes between 1-2 months for a first time exporter and involves a cost of RWF 233,000 on average. Exporters can access the detailed step-by-step process in the Navigate Procedures module.
- To put their export plan into action, a Rwandan exporter needs access to key services including trade finance. Using GTH the exporter can find contact details for 10 banks in Rwanda that provide trade finance.
- A Rwandan exporter can also access the contact details the Export Promotion Agency to seek advice on negotiating the export contract or preparing an export plan.
- A Rwandan exporter can also contact the relevant IP offices to protect their trademark both in their domestic market, as well as abroad.

We invite you to try the Global Trade Helpdesk today to make informed export decisions, and begin adapting your trade strategy to changing global circumstances.

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OUR SERVICES

BUSINESS POLICY AND ADVOCACY
Influencing policy is at the heart of what we do

1

BUSINESS FACILITATION SERVICES
Business support services that are regional in nature.

2

MEMBERSHIP DEVELOPMENT
We are our members -towards strengthened business collaboration

3

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