



USAID
FROM THE AMERICAN PEOPLE

AFRICAN GLOBAL COMPETITIVENESS INITIATIVE

BEST PRACTICES IN AFRICAN ENTERPRISE DEVELOPMENT



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“He who cannot draw on 3000 years is living hand to mouth.”
–*Johann Wolfgang von Goethe*

ABOUT THIS DOCUMENT

USAID is one of the world’s premier development agencies, known for its rich international development experience. Through the groundbreaking African Global Competitiveness Initiative (AGCI), its people work in over 40 African countries, generating knowledge on trade, investment and competitiveness and requiring timely information wherever they are. USAID’s knowledge can be found in reports in a mission in Nairobi, in databases in Accra, in the expertise and skills of a South African employee, or in the head of an employee in Washington. This knowledge can be lost as people move from one post to another within the organization or as someone retires. USAID Africa Bureau’s Knowledge Sharing & Analysis project supports the capturing and sharing of this experience that is so important for continued success.

AGCI’s Enterprise Development Component focuses on providing assistance to help trade and business associations and entrepreneurs identify products with export potential and to expand exports. Activities funded by USAID’s regional and bilateral missions target specific export constraints faced by SMEs in regional and international markets. This approach targets interventions specific to those points along the value-chain (e.g., factor/input procurement, production, marketing, distribution) where technical assistance can be a key factor in improving the competitiveness of the product.

This document aims to capture those best practices cited by AGCI stakeholders and beneficiaries as contributing to tangible increase in business competitiveness and exports. By sharing these best practices among USAID personnel, implementers, and government counterparts, it is envisioned that these successful approaches can be institutionalized and replicated across the continent and drive economic growth.

INTRODUCTION

A major goal of the African Global Competitiveness Initiative (AGCI) is to increase value-added exports from Africa to global markets. To accomplish that goal, each of the African Global Competitiveness Hubs (commonly referred to as the Trade Hubs, or simply “The Hubs”) implementing AGCI has supported African exporters in improving their competitiveness and their knowledge of market opportunities and export requirements. The Hubs have taken an active role in facilitating market linkages between global buyers and those African enterprises, as have other U.S. Government-funded programs (both past and present) such as the Africa Fast Track Trade (AFTT), AGOA Linkages in COMESA (ALINC), West Africa International Business Linkages (WAIBL), and South Africa International Business Linkages (SAIBL) programs.

A review of key success factors in supporting African enterprises identifies those best practices that have helped client firms grow their exports and in turn create more and higher-skilled jobs. The dissemination of information about these best practices will benefit African exporters and those that support exporters alike, and will create an opportunity for The Hubs and other projects to learn from one another’s individual efforts.

The AGCI Knowledge Sharing and Analysis project (KSA) has undertaken research and compilation of a Knowledge Sharing and Analysis Brief (KSAB) that will identify Best Practices in supporting African export business development (EBD). The primary audience of this KSAB is USAID personnel and implementing partners but it is envisioned that some export-ready African enterprises and market linkage promotion providers would find the KSAB of value as well.

KSA staff and consultants looked within and across the Trade Hubs and selected bilateral programs for best practices that stood on their own merit without regard for geographic distribution; they did not seek to find or apportion best practices equally across The Hubs and bilateral USAID missions.

Initially it was envisioned to break down types of assistance by firm-level technical assistance, market access requirements and trade show facilitation, as described below.

- **Firm-level technical assistance.** Firm-level interventions such as training in and/or direct consultation on sales management, product assessments, product development, financing and financial analysis, production and quality management, development of marketing materials, marketing, and links to suppliers and buyers. Based on this analysis, KSA staff identified those activities that have produced the greatest impacts in building firm-level capacity to produce internationally competitive products. They are subsequently referred to as Best Practices.
- **Market access requirements.** Improving the understanding of AGOA requirements and opportunities in the United States market play a great role in building exports to the United States. To a lesser degree, assistance was provided on requirements for entry into the EU (e.g. EurepGAP, etc.). KSA staff analyzed the technical assistance provided to client firms to understand the wide range of requirements for gaining access to preferential markets such as: group training on provisions and benefits of AGOA, rules of origin, Category 9 certification, textile visas, Customs documentation and import procedures, Animal and Plant Health Inspection Services (APHIS) requirements, USDA/FDA purity and labeling requirements, Hazard Analysis and Critical Control Points (HACCP) certification, and general information requests and analysis on impacts of U.S. policy decisions on trade.

- **Trade show facilitation.** KSA staff joined Hub staff and African exporters at selected U.S. trade shows to observe the on-site trade show support provided to enterprises, observe the dynamics between buyers and sellers, and to engage in dialogue with potential buyers on what African exporters can do to develop a strategy for trade show participation, building relationships, maximizing their respective investment, establishing an international presence, and promoting “Brand Africa.”

In practice, trade show assistance is conducted at the firm level. Hence it has been reported as a sub-set of firm-level technical assistance. Most market access requirements assistance was also provided at the firm-level, particularly as related to product labeling or company certification. Such assistance has also been treated, for the purposes of this *Best Practices* study, under firm-level assistance. In contrast, more general market requirements assistance such as provision of AGOA information has been treated separately under the category *Market Access Requirements - AGOA*.

Within the category *Firm-Level Assistance*, best practices were further sub-divided by a) approach or b) intervention.

DEFINITION OF BEST PRACTICES

Defining what constitutes a best practice can be challenging. At present, there is no standardized definition among USAID staff, AGCI implementing partners, and other AGCI stakeholders. However, it is ultimately the best practices in export business development that drive success of these activities and contribute to economic growth. This makes standardizing a definition of best practices essential in order to define, disseminate, replicate, and expand activities in order to achieve greater results in driving export business development.

At the March 2008 AGCI Hub Meeting, KSA posed the question, “what principles comprise a best practice?” to the working groups of assembled AGCI stakeholder participants. Groups were given scenarios of sample activities and results and they were tasked with determining which qualities of those activities could be considered a best practice. The outcome was a consensus on those activity characteristics and qualities of activities that can be considered a best practice.

Groups also considered the idea that a best practice constitutes a new or innovative idea but ultimately rejected that principle in recognizing that a best practice may represent older, established ideas or even standard practices that

DEFINING BEST PRACTICES

AGCI stakeholders challenged latent assumptions, and identified a set of characteristics that should be used to define a best practice. Some of the characteristics include:

- The practice works! Although this seems obvious, a best practice must clearly be recognized as effective and successful.
- The practice addresses a clearly defined need and therefore is relevant to those persons targeted.
- The practice must have an objective/standardized process that is capable of delivering results that are measurable either quantitatively or qualitatively (e.g. buy-in from the participating firms as demonstrated by their willingness to co-pay for their involvement.)
- The practice or the outcome of the practice is sustainable through the life of the activity and beyond.
- The practice is replicable across environments to expand the benefit of the activity to areas not yet assisted.
- The practice is adaptable to many different environments through consensus, not compromise.
- There must be buy-in for the implementation of the practice from the respective stakeholders.
- The practice contributes to more efficient use of resources.
- The practice moves toward compliance with recognized (international and local) norms of operation.
- The practice clearly identifies actors needed for implementation.

need only be entered into a new environment.

Broadly, the AGCI stakeholder group agreed that best practices: 1) must be measurable, 2) must be applicable to multiple environments, and 3) are not always easy to define.

To leverage this consensus, the definitions of best practices in export business development identified in this paper will be consistent with these three outcomes.

DEFINITION AND MEASUREMENT OF EBD SUCCESS

Inherent in the identification of EBD Best Practices is the definition of EBD “success.” KSA asked the USAID Mission representatives it interviewed to define EBD success and to state how EBD success should be measured. Though responses tended to be variations on a theme, there was little uniformity across USAID representatives’ response to the question of how they define an Export Business Development success. Responses included the following:

- Increase in value and volume of export sales (four respondents),
- Increase in employment (one respondent),
- Creation of “good,” or skilled/semi-skilled jobs (excluding reach-back jobs such as cotton harvesting jobs attributed to increased cotton garment exports) (one respondent),
- Increased capacity to do long-term export (vs. one-time sales) (two respondents),
- Increase in investments (one respondent),
- Number of new buyer contacts and actual orders placed by those buyers (one respondent), and
- Generation of foreign exchange (one respondent).

Despite important and ongoing efforts to ensure good monitoring and evaluation of trade development projects, and to enhance the institutional learning from such projects, there is not yet clear uniformity within USAID on the definition and measurement of success in export business development. The majority of USAID respondents defined EBD success as increase in a value and volume of export sales; however, others cited creation of new jobs or other achievements as at least a part of their definition. All of these definitions may be appropriate measures, but consistency is needed in identifying success across projects.

Interviews showed greater consensus on measurement of EBD success but some notable differences remain that become problematic when reviewing impact across projects. Specifically, some project report sales in the pipeline, while others do not count a sale until goods have been delivered and payment received, while the latter clearly delays reporting of sales (sometimes preventing project credit for impact). Uniformity in definition and measurement standards would facilitate reporting and comparison across projects, and prevent problems associated with the comparison of activities using different measurement standards. Uniformly counting sales only once payment is received may also build greater appreciation for the time needed and challenges faced in moving from a pipeline sale to receipt of payment. Such information, if documented, could help positively inform future project planning even in the earliest stages of project conception and determination of project length.

Using externally generated import/export data (such as government trade statistics) is challenging in disaggregating data across products in some categories, due to delays in reporting time. This challenge highlights the need for adequate capture of firm-level baseline and sales data. While capturing firm-level data does not necessarily fully measure the impact of broader gains across the business community, it does allow

adherence to the requirement by some USAID Missions of a clear causal link between project activities and sales reported.

FIRM-LEVEL ASSISTANCE: APPROACH

The approach a given program adopts generally reflects the overall trade development strategy or philosophy of the given implementer's and/or USAID Mission leadership; it drives the selection of activities and interventions implemented.

It appears that an approach that assesses the entire value chain to identify and prioritize specific interventions, rather than working primarily or exclusively at the market linkages stage, best enhances the likelihood and scale of impact. If carefully planned, this can be achieved by two or more projects working together, such as upstream agribusiness and downstream trade. At the same time, a narrow and deep approach to selecting the number of firms to be assisted better enables project client firms to pass that tipping point where they can overcome enough obstacles to make new and larger sales. While a few exceptional companies may only need one or two specific interventions to cross that threshold, most client firms in sub-Saharan Africa need assistance on multiple fronts in order to achieve export success. In the majority of cases, a broad, shallow approach would achieve little, if any, sustainable effect while spending vast resources. To maximize the impact of assistance, a narrow and deep approach should be targeted to those firms which can make the greatest impact. The desire to help those of somewhat greater need must be balanced with the need to show commensurate impact for resources spent.

While useful economies of scale can be achieved through some activities such as creating trade show pavilions or by standardizing assistance activities across firms within a sector, rigid adherence to an approach or plan may lessen or even counteract assistance. Because no two firms are alike, care must be taken within the projects to “think globally (sector and markets) but act locally (firm-specific).” Customization is important and should be balanced carefully with economies of scale. The projects reviewed generally showed flexibility in adapting assistance and interventions over time as the needs of a firm or a sector evolved. It is vital that such flexibility continues and become a key characteristic of future projects.

Opinions varied widely on the most appropriate length of program for fostering export business development success. However, it is clear that even firms appropriately deemed “export ready” face lengthy challenges that may span two to three years and preclude export to the United States or other key

FIVE BEST PRACTICES IN FIRM-LEVEL TA APPROACHES

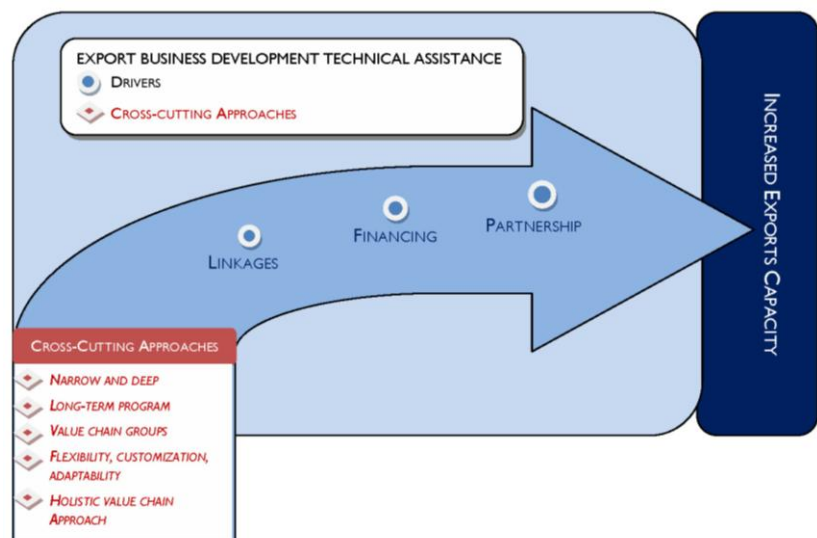
1. **Address value chains holistically** to resolve bottlenecks and barriers throughout value chain (up- and down-stream) from supplier to market.
2. **Use a narrow and deep approach** to providing repeated and ongoing assistance to a select group of beneficiary firms (leaders and potential leaders) enabling those firms to reach a critical mass of knowledge, skill, and capacity to meet export market needs vs. providing limited assistance to as many firms as possible one time, moving few, if any, to real export capacity.
3. **Be flexible in program/work plan design** and implementation to customize assistance to the unique of the client firms, and adapt it as those needs evolve over time.
4. **Build local capacity** by fostering and working through an industry group or association to identify, prioritize, and address real needs across the value chain, ensure client ownership, and build active participation by client firms.
5. **Have a long term program horizon**, providing repeated and ongoing assistance to selected firms for a minimum of three years, more suitably five to seven years.

countries until resolution. As previously stated, it is not unusual for buyers to wait two years or more from date of introduction before placing an initial order with a client firm. This reflects, in part, a need for relationship-building and buyer confidence in a client firm’s stability over time. It may also simply reflect lengthy internal buyer procedures such as in-house product development, sampling, and fit/size verification. In many cases, time delays may well be out of the control of the client firm, and even out of the sphere of influence of the assistance project. Examples include rigid and lengthy but buyer-required vendor qualification processes that must be completed before a first order is placed; USDA, FDA, or similar government-mandated producer or product certification for which a firm may have to get on a lengthy waiting list; third-party certification of workplace conditions, organic production, or other market-demanded characteristics.

Documentation and reporting by projects of this type of information, along with documentation (mentioned above) of lag times between initial sale and receipt of payment could help inform decisions on project length for future export assistance projects. It is critical that such unavoidable lag-times between initial market introduction and documented sale be considered during project conception, in addition to allowing time for provision of technical and other assistance needed to prepare client firms for the marketplace.

FIRM-LEVEL ASSISTANCE: INTERVENTIONS – MARKET LINKAGES

Export development assistance projects have utilized a wide variety of activities to foster market linkages. Though costly, it is strongly believed that trade show assistance through cost-sharing, preparation, and on-site assistance is vital, and on an ongoing-basis – not a one-time basis. This is likely to remain the case, across sectors for at least a few more years to come, particularly as buyers reduce travel under budget constraints, while not reducing a need for “face time” in relationship building.



The introduction of unified “Africa Pavilions” at trade shows has been useful in building awareness of Africa as a viable sourcing geography. However, care must be taken so that the pavilion concept and execution remains exciting and fresh so as to continually excite and motivate buyers to source with client firms.

The projects reviewed, though usually providing some measure of preparation and/or on-site training, must not miss opportunities to update client firms on industry changes, changes in buying practices, etc. Each trade show should be used as a motivation and opportunity for updating client firms’ knowledge of today’s evolving marketplace. Trade show organizers often host highly informative, up-to-the-minute presentations by key buyers, key technology suppliers, and industry experts – many or most of which are free of charge to show exhibitors. Project staff can leverage these opportunities by a) attending or encouraging client firms to attend such presentations and disseminate the information and insight provided, or b) making efforts to get private presentations to client firms outside normal show hours.

Notably, technology and modern methods and fora for communication are vastly underutilized by the projects reviewed. As increasing numbers of buyers regularly look to or rely on online communities, chat rooms, text messaging, web searches, and other Web-based platforms for meeting people, researching suppliers and products, building relationships, export development assistance projects should lead the way in using such platforms themselves to enhance their tracking of and interaction with the marketplace, and should bring client firms on board.

On-site trade show assistance was cited by respondents as useful, depending upon the industry expertise of the person providing the on-site assistance. While it is often easier and less costly to send a generalist to assist client firms at trade shows, such ease and cost considerations should be balanced against the importance and payoff of industry expertise and relationships brought by someone with industry-specific knowledge and experience. The same is true (perhaps even more so) for home office efforts to have staff assist with market linkages across industries and sectors. Import regulations and market distribution channels have become so specialized that a one-size-fits-all approach to U.S.-based marketing assistance is unlikely to pay the high dividends export-development dividends that engaging industry-specific market linkage personnel could produce.

FIRM-LEVEL ASSISTANCE: INTERVENTIONS – SUPPLIER LINKAGES

Supplier linkages remain a key constraint in some industries in sub-Saharan Africa, most notably apparel. The B2B events sponsored by the Southern Africa Global Competitiveness Hub have shown important success and offer a model for adaptation and use in other sectors where supply or value chains linkages need strengthening.

Modeled after “speed dating” events in which a large group of pre-qualified, interested individuals are invited to an introduction or match-making event, to participate in timed fifteen-minute interviews on a rotating basis, the B2B event brought together textile suppliers, garment manufacturers, wholesale buyers, and retailers from across sub-Saharan Africa and the United States. This event squarely and successfully addressed SSA garment manufacturers’ repeatedly identification of the difficulty sourcing export quality raw materials and supplies as a major barrier to growing U.S. sales. Four of the six respondents participating in the event cited this B2B activity as “very helpful.” Those who participated were highly enthusiastic, saying it was an excellent model for addressing multiple supply chain and market issues.

Several respondents who participated in the B2B event cited subsequently purchasing or negotiating to purchase raw materials from fabric or findings (buttons, zippers, etc.) African suppliers they met at the B2B event but with whom they were not previously familiar. This has a double benefit – it brings business to the African suppliers, and it facilitates African manufacturers finding, locally or regionally, at least some of the raw materials they need to meet international market demands without going offshore. (That said, at least in the garment sector, some fabrics and / or findings demanded by the export market are not produced in Africa, particularly specialty or high-performance inputs for some athletic, health care, or other industry garments.)

FIRM-LEVEL ASSISTANCE: INTERVENTIONS – MOBILIZATION OF CREDIT

One of the most exciting and promising efforts in the mobilization of credit was the partnership created by the West Africa Trade Hub with a local bank to conduct joint training of lenders and client firms. In its comprehensiveness and its inclusion of both lenders and potential borrowers, this pilot appears to have

been both innovative and productive. In addition to expansion across countries and other banks, it might be well-considered as a potential model for building other key client firm – supplier relationships whether with raw materials or service suppliers including Customs, shipping agents, or others.

Access to affordable credit for a) expanding or modernizing capacity to meet foreign buyers’ production needs, b) purchasing of raw materials for signed orders and / or c) bridge financing to span the gap between delivery and payment, has repeatedly been cited by African firms as a major impediment to growing export sales. While the U.S. Government has made significant efforts to encourage provision of commercial credit to a larger number of firms in the business community through loan guarantee programs, exporters and would-be exporters continue to face challenges in their attempts to access affordable commercial credit to finance legitimate business activities.

In an attempt to better address the credit needs of its stakeholders, the West Africa Trade Hub partnered with Ecobank in Ghana, to design and implement a pilot program to mobilize credit for more than 100 export-ready enterprises. The program combines an intensive three-month training program for bank lending officers and pre-screened client firms, direct consultation with client firms to ensure good financial practices, with loan guarantees from USAID’s Development Credit Authority portfolio.

This pilot was deemed highly successful by Ecobank, and has created a new understanding on the part of the bank officers about the real (vs. perceived) risk of selected industries or sectors and a greater level of confidence in the WATH client firms. It has also assisted the client firms to better understand the bank’s needs, the credit application process, and the importance and practice of sound financial record keeping.

According to Ecobank’s Managing Director, “Providing credit for export trade was a problem for the bank because firms couldn’t present a bankable project, even if they had one. This pilot program provided training over three months. Most importantly it helped both sides (bankers and companies) understand each other better; the two groups met, exchanged ideas, and overcame misconceptions.” Furthermore, Mr. Adjei reported that at the end of the training, two firms were granted loans for capital investment and export financing, and additional loan applications are currently under review.

Both WATH personnel and Ecobank expressed interest in expanding this program to additional banks and / or countries. While some other banks may offer training in export finance for its loan officers, it is not believed to be either a) as comprehensive or b) as effective, nor is it believed to put loan officers and export firms side by side in the training to foster a feeling of partnership between bank and client firm rather than the adversarial or mistrustful relationship that too often exists otherwise exists.

FIRM- LEVEL ASSISTANCE: INTERVENTIONS – PARTNERSHIPS

Valuable synergy was realized when program staff coordinated and collaborated closely across regional programs, across bilateral programs (e.g. ATEP and AGOA Plus VEGA in Ethiopia), and between bilateral programs and a regional Hub (e.g. SAGIC and WATH). Benefits grew with the degree to which key staff shared information, sought input, and brainstormed across programs. Benefits were also greater when information was shared early in the planning stages of initial and annual Work Plans, and specific activities such as trade show assistance. The ATEP and AGOA Plus VEGA programs in Ethiopia earn high marks for close collaboration, made easier by their being housed in the same office building. Likewise, over recent years, the regional Hubs have increased coordination and collaboration on key activities such as trade shows and B2B events, with positive effects (e.g. cost-sharing on marketing activities, heightened awareness by U.S

buyers of Africa as a viable source of goods). Information sharing across the Hubs may have been facilitated by two Hubs (three offices) sharing a common prime contractor.

In a number of cases Trade Hub or bilateral personnel sit on or chair varied donor or implementer groups, holding monthly or quarterly information sharing and coordination meetings. While such in-person meetings are not possible on a high frequency basis, they could be a model of sorts for selected Trade Hub personnel to follow, using communications technology such as video conferencing, conference calls, or Internet-based chat rooms. Regularly scheduled tele-meetings, posting Work Plans, shared calendars, scopes of work, and the like electronically can also be used to enhance information and idea sharing and encourage or improve coordination on related activities.

However, it is important to note that many examples of successful collaboration have initially been the result of personal relationships among implementers and stakeholders. Institutionalizing such collaboration through incorporation even at the project concept stage could pay further important dividends, but such partnership cannot be forced or mandated. Recognizing and rewarding cross-project or cross-regional workshops, planning sessions, information-sharing, sector-selection, or activities in the earliest stages of project planning and throughout project life is important. Encouraging close interaction between key personnel across projects and/or regions and allocating budgetary resources would further leverage such collaboration.

FIRM- LEVEL ASSISTANCE: INTERVENTIONS – MOBILIZATION OF DIASPORA PARTNERS

Increasingly around the world, mobilization of diaspora partners is seen as a useful effort that can pay early and important dividends. It has, in some cases, been criticized, but nonetheless offers potential as diaspora partners may be more willing to take early risks in an emerging economy or sector, will be more likely to have a personal interest in the country of export and its success, can more easily bridge language and cultural gaps, and may be more understanding and flexible to the challenges inexperienced enterprises from their home country face. That said, initial linkages with the diaspora community may be challenging for project staff and generally require time and effort not just in the host country, but in the importing country as well, thus requiring either home office effort and resources, or travel expense and travel time for key in-country project staff. While this has been a notable success, it must be mentioned that it may not be transferable to all countries or regions where EBD assistance is provided, as by definition, it requires a vibrant and successful Diaspora community.

GAPS IN EBD ASSISTANCE

Over the course of identifying Best Practices, two key gaps in current EBD programs were identified. They are 1) a lack of upstream and mid-stream assistance to help address supply capacity and efficiency problems, and 2) the need for a professional, ongoing U.S. market presence.

Upstream Assistance Needs. Bilateral programs generally offer greater upstream assistance (particularly technical assistance) than the regional programs, due to the bilateral's ability to focus on one country and the value chains within that country. This makes close collaboration between bilateral and regional programs of great importance. In those sectors or countries not covered by existing bilateral programs, emphasis on working throughout the value chain in order to drive greater export sales places added pressure on the Hubs to provide upstream assistance. That said, travel-related expenses, current work loads, and lack of

specialized technical expertise in many areas make it very difficult for the regional programs to provide significant upstream, in-country technical assistance, especially in non-presence countries.

Professional Ongoing U.S. Market Presence. U.S. buyers face growing budget and time pressure, making travel to and communication with overseas suppliers increasingly costly and difficult. Increasingly, especially in sectors such as garments, speed to market¹ is critical to making a sale and maintaining business.² This reflects the speed with which fashions change, the success of Spanish retail leader ZARA to introduce new apparel styles to its retail outlets more than thirty times per years (as compared to the outdated industry standard of four to five times per year), and (with roots in the principles of just-in-time manufacturing) the degree to which buyers want to push color and size decisions closer to delivery times in order to better limit overstocks and control price markdowns at retail. While speed to market is a particularly strong issue in apparel, it can easily be expected to spread across many other sectors.

A U.S. marketing office could greatly facilitate buyer – supplier communications, sample approval, and resolution of problems before they derail a relationship or a sale. SATH and WATH reportedly assigned a home office employee play the role of U.S. Market interface. However, distribution channels and sales procedures are highly differentiated and specialized, even within a single distribution channel such as grocery chains. A generalist, particularly one without prior professional sales or buying experience and contacts, will likely have great difficulty identifying key market entry points and embarking on the relationships with professional buyers that facilitate trade. At best, the learning curve will be steep.

In an environment where many client firms have limited experience dealing directly with very exigent foreign buyers, industry professionals are needed both to facilitate sampling, order, delivery, and payment processes, and to gain the buyers confidence. A home office generalist is generally ill-prepared to intervene effectively, to deliver a good return on investment, and a generalist who appears inexperienced may even risk diminishing the nascent confidence U.S. buyers may have with one or more client firms.

CONCLUSIONS

With the identification of these best practices in African enterprise development, this study provides the initial analytical base to further examine those interventions that address the issue of increasing the competitiveness of export-oriented African businesses. The dissemination of best practices is critical in replicating the success of EBD programs across USAID's trade portfolio in Africa.

Clearly, it is recommended that even in the earliest stages of project concept development and solicitation of proposals that the best practices identified above be shared and incorporated by both USAID and implementers. It is recommended that project monitoring and evaluation standards reflect the learning that has taken place both by USAID and implementers throughout the course of project implementation to date, and from this Best Practices Study. It is recommended, however, that the learning continue.

¹ Speed to market refers to the time from initial buyer request for a garment sample to delivery of finished goods to the retailer. This includes any design modifications, samples for quality and fit, order processing, procurement of raw materials and findings, production, shipping, and delivery of finished goods.

² When queried three years ago at a major industry trade show, a panel of senior executives from the largest garment chains responded that a) speed to market and b) consolidation of buying to fewer countries and suppliers, were the most important changes taking place in the garment industry.

APPENDIX A: METHODOLOGY

Following briefing meetings in Washington, DC with representatives of USAID's EGAT and Africa Bureau, KSA staff and the consultant sought to collect data that would allow identification of best practices underlying EBD success stories well-documented by the Trade Hubs and bilateral programs. Both primary and secondary methods of data collection were used. Each is detailed below.

a. Primary Research. Primary research consisted of interviews with key stakeholders in USAID's export development efforts, specifically:

- a. USAID representatives,
- b. Project implementers (Trade Hub and bilateral program staff), and
- c. Client firms having received assistance from the Trade Hubs and/or bilateral programs.

KSA identified the programs/projects to be included in the assignment. They were the three regional Trade Hubs (represented by four offices), and selected bilateral programs (AGOA Plus VEGA, ATEP, SAGIC, SAIBL, and TIPCEE). From her knowledge of earlier trade development programs and her network of contacts, the consultant also interviewed representatives of the U.S. Government-funded AFTT, ALINC, ATA, SAAGA, and SAIBL programs, and trade development programs of the States of Maryland and Michigan.

David Fischer, Chief of Party, SEGURA/IP3 Partners, identified target respondents at the USAID offices and program implementers; the individual Trade Hub and bilateral program managers identified the client firms to interview. Trade Hub and bilateral program staff contacted client firms and scheduled interviews. They also provided an introduction to client firms (for telephone interviews) in countries to which the consultant was unable to travel. Due to the extensive communications necessary to identify respondents and schedule interviews, the consultant could not have undertaken the assignment with the same level of success without the tremendous assistance the Trade Hub and bilateral programs staff provided. Without exception, they provided invaluable assistance.

In total, the consultant conducted seventy-two interviews (56 in person, 13 by telephone, and three via e-mail). At two client firms, the consultant interviewed two individuals.

Greatest emphasis was placed on interviewing a large number of client firms, as they are the best positioned to identify and articulate which specific interventions were most helpful to their company in its export efforts.

The consultant traveled to Botswana, Ethiopia, Ghana, Kenya, Senegal, and South Africa to conduct interviews. She conducted interviews by telephone with individuals in Cameroon, Mauritius, Mozambique, Nigeria, Sierra Leone, South Africa, Tanzania, and Uganda. She attempted unsuccessfully to contact schedule interviews with target respondents in Madagascar, and Rwanda, and USAID Southern Africa.

Whenever possible, interviews were conducted in person; where in-person interviews were not possible due to travel constraints (the consultant or the target respondent) interviews were conducted via telephone or e-mail. Although interviews of French-speaking respondents were

conducted in French, the consultant checked the respondents' level of English in order to ascertain the ease or difficulty with which the individual would be able to communicate with a U.S. buyer. Live interviews allowed the consultant to probe beyond the original questions, where appropriate for clarification or greater detail.

The consultant developed three questionnaires, one for each group of interviewees. Questionnaires were designed to capture recall of the types of assistance provided, tangible results such as new sales or job creation attributed to specific assistance provided, perceived and comparative effectiveness of each assistance activity, major barriers to greater export success, ongoing needs. Data was analyzed both quantitatively and qualitatively.

Limited general information characterizing the client firm and its representative respondent was collected to allow a general characterization of the respondent's general level of business knowledge. Client firm representatives interviewed were all at the senior management level (Founder, owner, CEO, managing director, general manager, or marketing director); all were directly involved in the day-to-day operations of the company. Thirty of the forty respondents hold a college degree (Bachelor's degree or higher); two have only secondary level schooling. The remainder completed technical school. The vast majority have either a native or fluent command of English.

b. Secondary Research. KSA staff and the consultant also conducted secondary research to inform data collection and analysis. The consultant reviewed more than thirty-six program documents including project quarterly reports, project final reports, concept documents, export guides, and success stories. She also reviewed several program and implementer websites. This secondary research served mainly to provide background and to highlight previously-documented success stories.

APPENDIX B: DOCUMENTS REVIEWED

- AGOA Export Toolkit – making trade happen, version 8.0.1*, West Africa Trade Hub
- AGOA Linkages in COMESA (ALINC) Final Report, July 2002 to October 2004*, International Executive Service Corps, Inc., March 31, 2005
- Agribusiness and Trade Expansion Program (ATEP) Quarterly Report January – March 2008*, Fintrac, Inc., March 2008
- Aid to Artisans Market Readiness Program*, www.aidtoartisans.org/site/PageServer?pagename=mrp, June 2008.
- Amelioration de la Qualité des Noix de Cajou au Senegal, Support for Accelerated Growth and Increased Competitiveness*, April 2007
- Apparel Export Guide – Marketing to U.S. Buyers*, West Africa Trade Hub, January 2006
- Compendium of SSA Trade-Related Success Stories, 2007 – 2008*, SEGURA-IP3 Partners LLC, May 2008
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