

Group: Export Promotion
Date: 05/07/03
Name: Senegal Export Promotion
RFP Number: N/A

Contract Mechanism:

SEGIR - GBTI

Special Instructions:

N/A

Statement of Work:

Terms of Reference

Sustainable Economic Growth and Institutional Reform (SEGIR)

General Business, Trade, and Development (GBTI)

I. BACKGROUND

For several years the Government of Senegal (GOS) has shown interest in increasing opportunities for trade and investment. The Investor's Roadmap Analysis, some privatization, participation in WTO, AGOA and other initiatives, and certain institutional reforms are some of the positive steps. Also Senegal is one of the Integrated Framework (IF) countries. The Senegal IF Action Plan (also called the Diagnostic Trade and Integration Study – DTIS) spells out many of the steps necessary for increasing trade opportunities. Although there are still important obstacles to gaining significant increases in trade and investment, in some cases the Senegalese private sector is in a position to capitalize on Senegal's advantages – long term political stability, strong communication and transportation, and educational systems, an advanced services subsector, and geographic proximity to European, African, and American trade partners. To facilitate the Senegal's trade efforts the GOS plans to create an Export Promotion Agency in the next few months.

II. PURPOSE

USAID / Senegal is planning to award, through the SEGIR IQC, a 24 month task order through February 2005 to implement several elements of the IF action plan to help the Senegalese private subsector and others investing in Senegal to take advantage of international trade opportunities. Using EGAT FY 02 funds granted in the first quarter of

FY 03, USAID will work through the SEGIR IQC / GBTI component to implement the IF Action Plan objectives:

“Support the export subsector” and

“Work towards greater market access in the framework of multilateral negotiations: Strengthen capacity to engage in beneficial international negotiations”

Using the same funds USAID also plans to implement another Action Plan element through the SEGIR TESS component “Improve access to competitively-priced infrastructure services”. There is a separate TOR for this element.

III. RELATION TO USAID/SENEGAL MISSION PROGRAM

The activity corresponds to Strategic Objective 1, Key Intermediate Result 1: Removing Barriers to Trade and Investment. The activity will work in partnership with the USAID West African Regional Program (WARP), international donors, the Senegalese Ministry of Commerce (MOC), Trade Point Senegal, the Senegalese Investment Promotion Agency, local and international NGOs, and Senegalese business associations and private firms.

Geographic coverage:

Senegal, principally the Dakar metropolitan area and intermediate cities.

IV. STATEMENT OF WORK

ACTIVITY 1: Export training and technical assistance

Task 1. Identification of export subsectors and services in Senegal

Performance Requirements:

1. Using the recommendations from the MOC, USAID, and the STRADDEX sectoral studies (available from USAID / Senegal), priorities identified in the Integrated Framework DTIS, other donors, and private Senegalese firms the Contractor shall make a final determination of the most promising export subsectors in Senegal that can be assisted within the limits of this program. The subsectors should be those that are the most competitive and / or have the most competitive potential. The list will be used as a basis for targeting seminars and technical assistance. The list must be approved by the CTO of the activity. If in the course of carrying out the activities below the contractor discovers that there is a lack of interest among actors in a chosen subsector, the contractor may select another more suitable subsector with approval of the CTO. The subsectors will include but are not limited to:

- Horticultural products – fruits and vegetables, for off season European and American markets, dried fruit (mangoes)

- Horticultural products – destined for the West African region (potatoes, onions, lemons, watermelon)
- Processed millet and corn products
- Bissap (hibiscus) syrup and juice, and dried bissap flowers
- Artificial hair
- Printed or dyed cotton fabric
- Hand-woven fabric, hand woven / dyed fabric
- Clothing made from cotton cloth
- Arts and crafts – paintings, wood, brass stone sculptures, embroidered clothing, leather goods, jewelry, cards / stationary, etc.
- Gum Arabic – powder or pure gum form
- Fish – smoked, dried, or salted
- Shelled peanuts, shelled and roasted / baked cashews
- Sesame seeds
- Canned tuna
- Fresh or frozen seafood – whole or filleted fish, shrimp, squid and octopus

The Contractor should take into account the regional nature of some subsectors. Businesses in adjacent countries may participate in the training and technical assistance if they can demonstrate that their participation will create links that will improve the sector as a whole.

2. The Contractor shall compile a list of service businesses important to exporting goods from Senegal for the subsectors identified by the contractor. This will include but is not limited to companies offering the following services: shipping and freight, customs expediting, international marketing, financial services, packaging, advertising, product development, product specific technical advice, refrigeration and preservation, etc.

3. The Contractor shall conduct a succinct review of donor activities in the trade subsector to inform the contractor, USAID, other donors, and the GOS of the activities and enhance coordination among donor funded trade activities.

Expected cost: \$15,000

Time Frame: within three months after start of activity

Result: USAID, GOS, business community have better understanding of export subsectors

Task 2. Information campaign:

Performance requirements:

1. To increase visibility of Senegalese products internationally, The Contractor shall supervise the development, within the first four months of the contract, a web site, in French and English that features Senegalese products available for export. It will include catalogs of Senegalese products and entrepreneurs, pertinent calendars, links with Senegalese firms, links with related existing local and international sites – MOC, AGOA, ITC, USDA, SYSPRO, etc. The Contractor shall ensure that the website is featured / linked on major export / trade related sites. The Contractor shall identify a local partner, possibly Trade Point Senegal / Export Promotion Agency who will be closely involved in the development, operation and maintenance of the site. The local partner will eventually take over all aspects of the sites operation. Or the Contractor may contract with a local firm for particular aspects of the site development, operation and maintenance as long as the local contractor works in conjunction with the local partner.

The MOC and other trade related organizations have identified other important informational barriers to Senegalese exports:

- a. Lack of awareness of the possibilities of export and benefits of export
- b. Lack of information on required processes for export
- c. Lack of information on benefits / procedures of AGOA and other agreements

2. To remedy these asymmetries The Contractor shall develop and implement an information campaign designed to make the above information available to Senegalese entrepreneurs, associations, the GOS and NGOs. Firms and others accessing the information will consist of anyone interested in exports, from the general public to firms requiring detailed information on exports. The Contractor shall develop and implement the following tools for the information program, which is based on a plan developed by the MOC:

Written press

Radio

Television

Internet

Information seminars for subsector groups / associations and the public

Information packets, available to the public

Deliverables for Task 2:

The content of the information to be made available will include:

General information on the export process

Information on external markets and appropriate exportable products

Technical information on targeted markets and how to access them, notably US, Europe, Canada, and West Africa

Detailed information on phytosanitary, customs, packaging, pesticide, and other regulatory / technical areas affecting exports

Detailed information on AGOA and other agreements

Export related services available in Senegal (list compiled in part one above)

Availability of the export training sessions and technical assistance (next section)

In partnership with Trade Point Senegal, MOC, or another appropriate partner The Contractor shall provide an information center / export center that can serve as a central point for inquiries and referrals. As part of the information center The Contractor shall create and maintain a database of inquiries and referrals. The Contractor shall train the local partners on maintenance and updating of the database.

Time frame: one year, beginning at project start-up

Expected cost: \$100,000

Result: The Senegalese business community and public are substantially more aware of the benefits and opportunities relating to exporting products from Senegal.

Task 3. Training seminars

Performance requirements:

The Contractor shall identify program participants for the previously identified subsectors using the following sources, in addition to others:

- Lists of entrepreneurs and associations from USAID partners, other donors, GOS
- Entrepreneurs and associations requesting assistance
- Entrepreneurs already involved in exporting from Senegal – both Senegalese
- Contacts resulting from the information campaign
- GOS and NGO officials substantially involved in exportation from Senegal
- Referrals from Senegalese and regional business associations and unions
- Entrepreneurs and associations substantially involved in production in the targeted subsectors and with interest and capacity to export.

1. For each identified subsector or group of subsectors the Contractor shall analyze what entrepreneurs in the particular subsectors need to know and fashion a seminar / technical assistance package that responds to their needs. In this analysis the contractor may determine that the subsector(s) may not need a formal training seminar, but may benefit instead from targeted technical assistance, or a combination of both.

2. At this point the contractor will develop a one-year work plan, to be presented and approved by the CTO, for the training and technical assistance. In the last quarter of the first year of the activity, the contractor will develop and present to the CTO a work plan for the activities for the remainder of the program.

3. For the subsectors that need formal training seminars, the Contractor shall plan, organize, and carry out at least five subsector-specific training seminars, each to be conducted in Senegal and to last approximately one week long, depending on the subsector. The seminars can group related subsectors together according to their common informational needs – for example the non-processed vegetables may be grouped together, processed agricultural products (bissap, cashews, sesame, gum Arabic) may be grouped together, etc.

The seminars will target entrepreneurs or associations that stand to increase exports or begin exporting in a short time frame after completing the seminars. Eligible entrepreneurs / associations shall be already involved in exportation and / or production in the targeted subsectors, or are capable of investing in an export and / or production enterprise in the targeted subsectors. All interested in these categories will be considered for assistance, including entrepreneurs and associations in the informal sector and / or in outlying regions. Export related service industries may participate in the seminars and technical assistance. The Contractor shall determine how to apply these criteria.

Private subsector attendees will compose at least half of the participants. Government officials of relevant ministries will also be invited to attend. A minimum of 75 people will attend each seminar. Relevant material will be developed and disseminated. All materials will be translated into French where necessary, presentations will use appropriate local language translation when necessary.

Each seminar must provide the participants with detailed information and instructions on all of the steps necessary to export from Senegal, including exports through AGOA and other agreements, in each of the subsectors covered in the seminars. Content of the seminars will include many of the same elements available through the information campaign, but more focused on the specific subsector. The large volume of information must be presented in a well-organized and accessible way that is understood by Senegalese entrepreneurs.

The seminars must explain how the follow-on technical assistance will work and how participants can access and schedule it.

4. The Contractor shall hire local Senegalese consulting firms to assist with the training seminars. The local contractors will assist with seminar planning, identification of participants, advertising, and identification of local private subsector and GOS / NGO experts for presenting at the seminars, curriculum preparation, presentation, and evaluation. The purpose of this partnering is to enable the local firms to better offer long-term assistance to the participant firms. USAID / Senegal and partners may help by referring a pool of local contractors. The local contractors must be approved by the CTO of the activity.

5. The Contractor shall identify opportunities for relevant site visits for the training participants. The visits will be subsector specific, most likely in foreign settings, and will provide practical export-oriented examples transferable to Senegal. Costs of the site visits will be borne by the participants, but The Contractor shall make all arrangements. The Contractor shall produce an instructional summary of each site visit to be available to Senegalese firms not able to attend the site visits.

6. The Contractor shall coordinate when possible with the Farmer to Farmer volunteer program for both the training and technical assistance tasks of this activity. Farmer to Farmer volunteer experts can be accessed to provide detailed presentations at the training sessions or provide technical assistance in specific technical areas. This should provide cost savings to the program, add expertise, and create links between businesses here and in the US.

7. The Contractor shall develop an affordable participant fee structure for both the training and technical assistance tasks. The structure will require participants to pay a fee for any training and / or technical assist they acquire from the contractor(s). While the fees will cover only a percentage of the training and technical assistance costs, they will promote the fact that the services have value and must be paid for. It will get the businesses used to paying for services offered by the participating local firms and other firms after the activity end date. Any program income will be applied to the training or technical assistance task budgets.

8. No more that 50% of the resources of any task can be used for a single subsector.

Time Frame: Nine months, beginning at project start-up

Estimated cost: \$300,000

Result: See combined result with Task 4, below.

Task 4. Technical assistance:

Performance requirements:

1. The Contractor shall provide, with the assistance of the local consulting firms, follow-up technical assistance to the entrepreneurs / associations that participated in the training sessions (first priority) and to others in the same subsectors (second priority) and entrepreneurs / associations in other subsectors (third priority). The local consulting firms will assist to an extent that will allow them to provide similar technical assistance after the project period, and the participant fee structure will encourage this. The technical assistance shall follow-up on the training sessions and be comprehensive enough as to provide the clients with all of the tools necessary to export products from Senegal, including exports through AGOA and other agreements. This assistance includes but is not limited to:

- a. Assistance in finding U.S. clients through electronic and other marketing / trader / commercial networks
- b. Advice in developing and packaging products to respond to the market demands
- c. Assistance with meeting foreign phyto-sanitary, customs, and other requirements
- d. Assistance in identifying suitable export services / transportation arrangements
- e. Advice on financial and other services necessary for export
- f. Advice on enhancing firms' supply capabilities
- g. Advice and referrals on diagnostic services and in-plant assistance

2. The Contractor shall be responsible for setting up and operating a technical assistance center, in conjunction with the information center, for providing scheduled and walk-in technical assistance. Local contractors must be substantially involved in the center, which would ideally be taken on by a private firm at the end of the program.

3. Technical assistance funds may be used for preparatory or follow-up studies for particular subsectors – harmonization studies for vegetable exports for example. Each study must have direct impact on reducing an export barrier. The total amount for all studies may not exceed \$40,000.

4. The contractor may arrange international field trips for seminar participants and other interested parties. No activity funds shall be used to pay for participant expenses—they must be borne 100% by the participants. However activity funds may be used to fund field trip coordination and contractor’s participation in the field trips. Each field trip must provide direct successful examples of export enterprises in the particular subsector. The contractor must produce a detailed report of each field trip and make it available to interested parties in the subsector.

5. If funds allow, the contractor may provide follow-up in-country seminars for specific topics according to need.

6. Note the performance requirements on Farmer to Farmer and fee structure explained in sections 4 and 5 of Task 3 above. These also apply to Task 4.

7. No more than 50% of the resources of this task can be used for a single subsector.

Time frame: Two years, beginning at project start-up

Estimated Cost: \$400,000

Result: As a result of training and technical assistance, Tasks 4 and 5, at least 10 firms send at least one shipment to a new client in the US, or Europe, or other international location within six months of receiving training or technical assistance; at least 20 additional firms send one or more shipments within one year of receiving assistance.

ACTIVITY 2: International Trade Negotiation Assistance

The Ministry of Commerce has created six committees to coordinate international trade relations on behalf of Senegal. The categories correspond with the committees of the WTO. The MOC has requested that USAID assist three of the committees – customs, environment, and intellectual property rights (TRIPS). Assistance will be in the form of short-term technical assistance visits to each of the committees over the next 1-2 years.

Task 1. Create a technical assistance plan

In conjunction with the MOC and trade committee leadership The Contractor shall analyze the technical assistance needs of each of the three committees and create a technical assistance work plan to be implemented over the next one – two years. The

Contractor shall take into account the donor assistance study carried out in task one of activity one, above. The plan shall be submitted for approval to USAID / Senegal.

Task 2. Technical assistance

The Contractor shall carry out the technical assistance missions within two year's time of the beginning of the activity. The assistance is anticipated to be in these areas, though the content may vary according to the work plans established for each committee:

- WTO compliance
- AGOA enhancement
- Trade negotiation techniques
- Consultations in technical areas
- Organizational development of the committees
- Information access for the committees
- Coordination with other GOS entities
- Coordination and communication with other donors, including the US Dept. of Commerce
- Coordination and communication with the Senegalese private subsector

The role of the contractor is to point out policy options to the committees and allow them to make better-informed decisions. The contractor's role is not to make direct policy recommendations to the committees.

USAID anticipates the assistance to be no more than six months total, to be divided among the three committees by the contractor. Most likely the assistance shall be in the form of a series of short-term visits. The assistance will include, if necessary, limited ITC equipment / software purchase, maximum \$30,000 total for all three committees; one computer for each committee, one laptop computer for the general director.

Time Frame: Within two years of project start-up

Estimated Cost: \$175,000 (including ITC equipment)

Result: The three target committees will more effectively represent Senegal in International Trade Agreements by and increase opportunities for international trade in Senegal

V. REPORTING

The Contractor shall submit monthly progress reports on each task to USAID / Senegal , two copies. These reports shall be sent via A.I.D./Washington pouch not later than the 20th of the following month.