

**STATEMENT OF WORK
THE COMPETITIVENESS AND TRADE EXPANSION
PROGRAM (COMPETE)**

I. SUMMARY

The purpose of this task order is to implement the Competitiveness and Trade Expansion (COMPETE) program which will enhance economic growth and food security in Eastern and Central Africa by stimulating increased trade and competitiveness in both regional and global markets. COMPETE will be headquartered in Nairobi and will be one part of the USAID/East Africa's new regional Agriculture, Competitiveness and Trade Activity (ACT) (See Annex IV). ACT aims to increase trade and competitiveness in regional and global markets by reducing barriers to trade, improving market access, and furthering regional integration [see Annex VI for a results matrix for ACT]. USAID/East Africa will implement the rest of the ACT activity through agreements with the East African Community (EAC) and/or the Common Market for East and Southern Africa (COMESA). The implementer of COMPETE is expected to view the EAC and COMESA as key partners in the implementation of ACT.

USAID/East Africa expects that the COMPETE program will result in:

- increased integration and reduced barriers to regional and international trade;
- increased competitiveness and trade in select regional value chains; and
- increased trade between the US and East and Central Africa (ECA) and capacity of ECA countries to engage in multi-lateral trade negotiations.

II. BACKGROUND

While growth rates have been slowly rebounding with the rise in commodity prices during the last four years, the countries served by the USAID/East Africa Mission are still found at the bottom of the Human Development Index, with all but Mauritius showing up in the "low human development" category. In the ECA region, poverty rates (measured at the \$1 a day level) range from 23.9% in Kenya to 92.4% in the Democratic Republic of the (DR) Congo.

Development assistance has had a limited impact on broad-based economic growth in Africa where the average income per person in 2006 was 11 percent lower than it was in 1960. Growth is still overly dependent on global demand and prices for a handful of basic commodities. In recognition of this fact, the G-8 has begun to focus on new ways of supporting economic development in Africa. It is widely recognized that increased trade - -when combined with improved governance, increased domestic productivity and improved human capacity -- can lead to significant poverty reduction. Africa currently contributes only 3% to the value of goods traded globally and until this fact changes, a dramatic decrease in poverty on the continent is unlikely. While Developed nations have offered up an increasing number of preferential trade opportunities (such as the African Growth and Opportunity Act or AGOA) in recent years, the impact of these programs has been mixed. Many East and Central African goods simply cannot compete on international markets.

COMPETE will build upon the achievements of two regional projects that are coming to an end this year, and will integrate the goals of two Presidential Initiatives. The Eastern and Central

Africa Competitiveness Hub (ECA Hub) has improved the policy and regulatory enabling environment and has reduced barriers to trade as part of the African Global Competitiveness Initiative (AGCI). The Regional Agricultural Trade Expansion Support (RATES) program - working in partnership with four regional trade associations, COMESA and the EAC - has facilitated trade in four commodity value chains as part of the Initiative to End Hunger in Africa (IEHA). See Annexes for more detail on RATES, ECA Hub, IEHA, and AGCI.

USAID/East Africa covers 16 countries – Somalia, Djibouti, Ethiopia, Sudan, Uganda, Burundi, Rwanda, Kenya, Tanzania, the Democratic Republic of Congo, Eritrea, Mauritius, the Seychelles, Madagascar, Zambia, Central African Republic and Comoros. However, COMPETE will not be required to work in each of the aforementioned countries or even equally. Programs in Somalia, for example, will not be initiated unless the ongoing conflict subsides.

III. IMPLEMENTATION PRINCIPLES

The Contractor will incorporate the following principles into the COMPETE activities.

- *Private sector-led.* The Private Sector should be considered the key beneficiary, particularly producers, buyers and traders in the value chains supported hereunder and in supporting industries.
- *African-led.* Sustainability requires ownership by African regional institutions, such as regional private-sector associations, COMESA, and EAC. Every effort should be made to support African-led solutions to removing barriers to trade and competitiveness in the region.
- *Build on Bi-lateral Mission, donor and private sector investments.* Regional programs are often most successful when implemented in collaboration with bilateral donors who are better disposed to reach and support national level ministries, small and medium sized firms and farmers. National-level consortia of private sector stakeholders can also be powerful bilateral partners. Every effort should be made to link this regional program with bilateral programs.
- *Build linkages with other USAID/East Africa Regional Programs* including those led by the Regional Conflict Mitigation Office and the Regional Health and HIV/AIDs Office.
- *Utilize ICT as a means to an end or a solution to an identified constraint in a selected value chain.* ICT includes Internet access, presence and web-based applications; cell phone networks; radios and even digital cameras. Given the cross-border character of the selected value chains and hence the inherent geographic distances the value chains will likely span within the region, ICT is an especially important tool to employ, where practical.
- *Build Alliances.* Actively seek to establish alliances with other organizations - public and private.
- *Donor coordination.* Donor coordination is always important but it is particularly important when engaging in trade and competitiveness activities in this region as there are so many other donors implementing programs in this area. The Contractor should be

cognizant of the activities of other donors in the technical areas covered by this contract and of other donor coordination efforts in the region, such as those addressing CAADP.

- *Cost-sharing and sustainability.* At every opportunity, the Contractor should look for ways to leverage the investments of other USAID Missions, donors and/or firms in the targeted sectors.
- *Integration between the different components.* To the extent possible, synergies should be built between the different Components of the COMPETE program.

IV. STATEMENT OF WORK

The Statement of Work (SOW) for year 1 is quite detailed, given the budget constraints, the need to build upon and/or continue several key activities currently being implemented, and the need for assessments to guide year 2 programming. Starting in year 2, USAID anticipates larger budgets permitting expansion to new areas.

IV.A General Tasks:

General Tasks to be completed by the Contractor implementing the COMPETE Program:

1. Be mobilized with Key Personnel in Kenya by October 1, 2008 or within 60 days after award of the task order, whichever is earlier.
2. A draft COMPETE work plan for year 1 should be completed within 90 days after award of the Task Order.
3. A draft Performance Monitoring Plan (PMP) should be submitted within 120 days after award of the Task Order.
4. The Contractor will participate in annual joint work planning with all implementers of the ACT. The resulting ACT annual work plans will outline key objectives that will be jointly supported and the deliverables of each partner.
5. The Contractor will design a logo for COMPETE that, with CTO approval, will be included, in combination with the USAID logo, on all business cards, letterhead and other communications.
Deliverable: A COMPETE logo.
6. The Contractor will design, construct and maintain a project website that will house key documents and highlight recent activities.
Deliverable: A project website is maintained throughout the LOP.
7. The Contractor will publish an electronic newsletter on a monthly basis highlighting recent activities and success stories.
Deliverable: A monthly newsletter is issued in electronic format.

8. The Contractor will identify and cultivate promising private-private and public-private-partnerships (PPPs), (including those that could lead to Global Development Alliance agreements (GDAs) and/or Development Credit Guarantees using the USAID Development Credit Authority for implementation by USAID). The Contractor will conduct basic analyses required by USAID/East Africa in order for the latter to complete the GDA or DCA.
Deliverable 1: Promising PPPs identified and recommended to CTO as GDA/DCA opportunities.
Deliverable 2: Basic analyses conducted as required by USAID/East Africa.
9. The Contractor will annually solicit for proposals under a Partnership Fund to be managed by COMPETE. Partnership sub-awards will be designed to support increased value chain competitiveness and ensure the sustainability of the regional trade associations. For year 1 the targeted value chains are staple foods, cotton/textiles/apparel, and specialty coffee, and the RTAs are Eastern Africa Grain Council (EAGC), African Cotton and Textiles Industries Federation (ACTIF), and the Eastern Africa Fine Coffees Association (EAFCA). In year 2, up to 3 value chains will be added with a corresponding number of RTAs. In year 1 it is anticipated that the Partnership Fund will be approximately \$600,000. In subsequent years, the partnership fund is anticipated to be approximately \$.2-2.5 million per year, subject to the allocation of funds.
Deliverable: Solicitation for partnership grant proposals completed and sub-awards made to RTAs or other appropriate organizations with CTO approval.
10. The Contractor will annually survey targeted East and Central Africa USAID bilateral Missions to ascertain their AGOA needs. The resultant recommendations for interventions to be undertaken by COMPETE will be included in developing the annual work plan.
Deliverable: Annual survey of USAID bilateral programs completed and recommendations included in the annual work plan.

IV. B Component 1: Reduced Barriers to Trade

RESULT: Increased integration and reduced barriers to regional and international trade.

Competitiveness in East and Central Africa is inhibited by a number of external factors: the extraordinary time and cost of transporting goods; a poor policy environment; the high cost of energy; and poorly developed financial markets. This Component will work with partners to identify and remove barriers to trade and competitiveness within the regional enabling environment.

IV.B.1 Transit Facilitation

RESULT: Improved efficiency of selected transport corridors

Targets:

- ❖ A 30% decrease in transit clearance times at a minimum of four borders in the COMESA/EAC region.

- ❖ A 10% reduction in the paperwork requirements for trading goods in the COMESA/EAC region.
- ❖ Market stakeholders (business owners, transporters, and customs brokers) have increased access to information, improved skills in identifying and advocating for changes in customs and transport procedures as well as for key investments in seaport, roadway, and other infrastructure improvements.
- ❖ Regional and national counterparts in at least four countries are implementing at least four new technologies and improved procedures that align with the World Trade Organization (WTO) and the World Customs Organization (WCO) standards and substantively improve reliability and reduce time and cost of trade.

IV.B.1.1 Introduction – Transit Facilitation

Transportation costs in East Africa are some of the highest in the world. It takes 42 days to get a container from Kigali to Mombasa and can cost up to \$1000 per day. This adds an unbearable cost to the bottom-line of many goods that could be traded. High transportation costs are a function of poor road quality, inefficient and corrupt customs practices, and poorly developed and enforced transport facilitation tools. Border operations do not meet WCO standards under the Kyoto protocol and, as a result, containers wait hours and sometimes days at the border for clearance. The objective of this component is to reduce the time and cost of transporting goods in the region by streamlining border operations, bringing the latter into compliance with international standards and implementing a variety of transit facilitation tools.

IV.B.1.2 Tasks and Deliverables – Transit Facilitation Year 1

IV.B.1.2.1 Continuing Activities

In the first year of the project, the Contractor will work to build upon and increase the impact of a number of transit facilitation projects that were previously initiated as follows.

IV.B.1.2.2 RADDex

The Revenue Authorities Digital Data Exchange (RADDex) is a software that helps customs units from opposite sides of the border transmit important customs information while maintaining the security of their individual systems. By September 30, 2008 it is anticipated that at least 3 border posts along the Northern Corridor will be using RADDex. The Contractor will implement activities that expand the use of RADDex, or an improved version thereof, to other border posts in the region. This is expected to increase connectivity and the speed with which information crucial to the clearance process can travel between customs units.

Deliverable: Installation of RADDex, or an equivalent (if not better) technology, facilitated at two additional border posts.

IV.B.1.2.3 RCTG

The COMESA Regional Customs Transit Guarantee (RCTG) is being developed to bond goods on a regional basis instead of country by country. When fully functional, the RCTG will unlock approximately \$500 million in business capital in the region that is currently being used to bond goods in each COMESA country. The RCTG has been piloted but is still not fully functional. The Contractor will assess the status of the RCTG and make recommendations to USAID as to

next steps. Based on the direction of the CTO, the Contractor should plan to provide technical assistance to viable RCTG activities.

Deliverable 1: Assessment with recommendations for next steps of RCTG completed and submitted to USAID.

Deliverable 2: Technical assistance provided to implement viable RCTG activities, if so directed by the CTO.

IV.B.1.2.4 One-Stop Border Posts

The one-stop border post at Malaba has achieved a reduction in clearance times for goods traveling by train between Kenya and Uganda from 3 days to 3 hours. However, there is more work to do to establish it as a fully functioning one-stop border post. The World Bank is paying for the construction of the infrastructure needed to complete the one-stop border. However, other interventions might be necessary to ensure that the intervention results in a fully-functioning one-stop border. The Contractor will conduct a needs assessment to determine what remains to be done to make Malaba a fully functional one-stop border post. Based upon the technical direction of the CTO, the Contractor will work with the Kenyan and Uganda Revenue Authorities to complete the needed improvements at Malaba.

Deliverable 1: Assessment with recommended improvements for Malaba one-stop border completed and submitted to USAID.

Deliverable 2: Technical assistance provided to complete selected improvements at Malaba, if so directed by the CTO.

IV.B.1.2.5 COMESA/EAC Regional Transit Facilitation Instruments

The ECA Hub has been assisting COMESA in increasing utilization of regional transit facilitation instruments such as RCTG, regional axle load limits, the Yellow-Card regional insurance scheme, and the regional carrier's license. Such instruments will lead to the harmonization and simplification of requirements for transporting goods in the region. The Contractor will identify existing transit facilitation instruments and make recommendations as to interventions that will increase utilization. Based on Technical Direction from the CTO, the Contractor will implement activities to increase utilization of at least one transit facilitation instrument by 20%.

Deliverable 1: Transit facilitation instruments identified and recommendations made for year 1 as to interventions that will result in increased utilization of one of them by 20%.

Deliverable 2: Activities implemented to increased utilization of at least one transit facilitation instrument by 20%

IV.B.1.2.6 Donor Coordination Meeting

The Contractor will organize a donor coordination meeting on transit facilitation in order to exchange information on best practices and ongoing or planned programs in the region. The meeting should be held in May or June 2009 within the region. The Contractor will prepare a meeting report on the best practices and ongoing or planned programs in the region.

Deliverable 1: Transit Facilitation Donor Meeting held.

Deliverable 2: Meeting report disseminated to attendees within 30 days.

IV.B.1.2.7 Transit Facilitation Study

The Contractor will conduct a transit facilitation study that will identify interventions to increase the efficiency along the transit corridors that are most important to the selected value chains supported under COMPETE. Said study will:

- i. Use existing data resources to map the transit routes that directly impact the competitiveness of these value chains;
- ii. Identify the corridors where COMPETE can add the most value, based on information about (1) which routes are most important to the targeted value chains, (2) what other donors are doing along those routes, and (3) key efficiency gaps where COMPETE could have an impact;
- iii. Make recommendations to USAID on interventions that will improve transit efficiencies at targeted locations along selected corridors.

Deliverable: Transit efficiency study completed by August 1, 2009, and submitted to the CTO.

IV.B.1.3. Tasks and Deliverables Transit Facilitation -Years 2-5

IV.B.1.3.1. Annual Donor Coordination Meeting

The Contractor will organize an annual donor coordination meeting on transit facilitation in order to exchange information on best practices and ongoing or planned programs in the region. The meeting should be held each year within the region. The Contractor will prepare a meeting report on the best practices and ongoing or planned programs in the region.

Deliverable 1: Transit Facilitation Donor Meeting held.

Deliverable 2: Meeting report disseminated to attendees within 30 days.

IV.B.1.3.2. Selected technical assistance

The Contractor will provide up to 75 person days per year in technical assistance to private sector transit and logistics associations, revenue authorities and other national or regional stakeholders, COMESA and/or EAC in the area of transit facilitation. Said TA will be subject to the technical direction provided by the CTO.

Deliverable: TA delivered as directed by the CTO.

IV.B.1.3.3. Illustrative Tasks and Deliverables for Transit Facilitation Years 2-5

In years 2-5 the Contractor will be expected to continue to undertake activities along the targeted corridors that result in reduced time and cost of transporting goods by streamlining border operations, bringing the latter into compliance with international standards and implementing a variety of transit facilitation tools.

The following deliverables are illustrative.

- 2-3 trainings conducted per year in response to requests by ECA customs authorities on relevant topics to deepen implementation of Regional Economic Community (REC)

integration initiatives, such as electronic transfer of customs data, risk management, control and release, and post-audit capability.

- Two border posts receive technical assistance and training resulting in an electronic advance clearance system leading to reduced clearance times.
- Regional training of trainers on customs procedures conducted for representatives of select regional and national private sector associations.
- RCTG implemented in three additional countries.
- Advocacy campaign conducted by transport associations of the targeted corridors in three of the region's most active countries.
- Support efforts to strategically locate improved weight stations along targeted corridors (efforts in this area will not include direct construction of infrastructure).
- Activities completed that result in accreditation by a recognized regional body of freight forwarding companies and truck operators.
- At least 3 new transit facilitation tools (similar to the regional customs transit guarantee) implemented resulting in reduced transit times in the region.
- The "one-stop border" post model is implemented in at least three additional border posts.
- Customs officials at border posts along the targeted corridors in the ECA region have updated relevant procedures and duties.
- Private sector transporters can move their goods in the EAC/COMESA region using one common electronic format.
- Information on customs requirements and related legitimate transaction costs to trade within the ECA region readily available to shippers.

IV.B.2 Trade Policy

RESULT: Implementation of key policies that support increased regional integration & increased trade

Targets:

- ❖ Implementation of at least four new regional policies that result in increased economic integration in East Africa.
- ❖ Targeted RECs have increased capacity to assist member states to adopt and implement customs unions, common market policies, and/or regional services and other trade agreements.

- ❖ Targeted RECs have increased capacity to collect and analyze trade, customs, and transport data and to use this analysis to engage member governments on actions to increase regional integration.
- ❖ Targeted RECs demonstrate the capacity to assist member states adopt and implement at the national-level harmonized customs measures that reduce barriers to regional trade.

IV.B.2.1 Introduction – Trade Policy

Inadequate scale economies impact the competitiveness of East African goods in many ways. On the supply-side, many East African firms simply do not have the capacity to produce goods at a scale that will allow them to reach globally competitive price points or meet the product needs of international buyers. Demand is also a problem in that domestic markets in many countries are not large enough to encourage production at levels that can absorb the high transaction costs of doing business in the first place. Regional integration can help firms achieve scale economies by allowing for vertical integration of industries – increasing production capacity – and by giving them access to larger end markets.

Traders in the region are haunted by unnecessary red-tape and duplicative and often contradictory bureaucratic requirements. Paperwork requirements for trade are time consuming and differ from country to country. Sanitary and Phytosanitary Standards (SPS) and other standards impacting traded goods are equally variable and opaque. Traders often resort to or are forced to pay bribes to ensure that their goods get to their destination.

The current COMPETE budget will not allow for extensive activities in this area in year 1. As a result, the Contractor will only implement activities to support increased utilization of the “COMESA Simplified Trade Regime”.¹

IV.B.2.2 Tasks and Deliverables -Trade Policy Year 1

The Contractor will support activities that will simplify and harmonize trade policies in the region. Specifically, the Contractor will undertake the following tasks in year 1.

Tasks:

IV.B.2.2.1 The Contractor will identify key policy-level inhibitors to regional integration, assess what other donors are doing in the regional trade policy arena, and make recommendations for possible interventions by COMPETE in years 2-5.

Deliverable: Assessment and recommendations submitted to USAID CTO by August 1, 2009.

IV.B.2.2.2 The Contractor will provide TA to COMESA, national-level revenue authorities and/or customs officials in at least two countries to support implementation of the “COMESA Simplified Trade Regime.”

Deliverable: TA delivered to support implementation of the simplified trade regime in at least two countries.

¹ http://www.ratescenter.org/policy_highlights4.htm

IV.B.2.3 Tasks and Deliverables - Trade Policy Years 2-5

IV.B.2.3.1 The Contractor will recruit and hire one or two Trade Policy Advisor(s) to be placed in COMESA and/or EAC to increase their capacity to develop and implement selected regional trade policies that increase integration. The Trade Policy Advisor(s) will provide on-the-job training to COMESA and/or EAC counterparts to enable them to continue development and implementation of regional trade policies. The Contractor will need to have a budget for training and travel for the EAC counterpart.

Deliverable 1: 1 or 2 Trade Policy Experts recruited, hired, and placed in COMESA and/or EAC.

Deliverable 2: Trade policy experts provide on-the-job training to their COMESA and/or EAC counterpart/s.

Deliverable 3: EAC Trade Policy counterpart/s able to accompany the Trade Policy Advisor in supporting implementation at the national level and to attend regional meetings and conferences. The amount for this should not exceed \$15,000 per year.

Deliverable 4: EAC Trade Policy counterpart/s receive external training for an amount not to exceed \$10,000 per year.

IV.B.2.4 Illustrative Tasks and Deliverables - Trade Policy Years 2-5

In years 2-5, the Contractor will be expected to continue to support implementation of key policies that lead to increased regional integration and increased trade.

- TA delivered to support implementation of the “COMESA Simplified Trade Regime” in at least four additional countries.
- At least five new simplified standards and procedures for trade implemented at regional and national levels in order to achieve key EAC/COMESA benchmarks that lead to increased economic integration.
- COMESA/EAC assisted in conducting additional statistical analysis of trade data designed to show the benefits of integration.
- Public awareness of EAC/COMESA Custom Union and/or common market processes, procedures and requirements increased in at least five additional target ECA countries.
- Technical assistance provided to support implementation of regional trade in services agreements in EAC/COMESA.
- Provide technical assistance and training to regional private sector associations and to the RECs to improve communications that influence policy decisions.
- Technical assistance and/or training provided to support the implementation of the RECs’ common external tariff and customs union.

- At least two activities a year implemented that result in harmonization of regional standards allowing for increased trade in priority areas for the new value chains.

IV.B.3 Finance (from Year 2)

RESULT: Improved access to trade and infrastructure finance

Targets:

- ❖ International quality services for export finance and business investment will be available to qualified East African exporters.
- ❖ Policies and regulations enable private sector investments in infrastructure in at least three East African countries.
- ❖ RECs in the region are supported to implement a number of reforms that will increase the ability of local capital markets to finance infrastructure projects with bonds.

IV.B.3.1 Introduction - Finance

Underdeveloped financial markets in the region hurt businesses and governments alike. Business do not have adequate access to finance to allow them to scale-up and fill large orders where there is demand and do not have access to adequate insurance for their goods and other services that impact their ability to trade. Transaction costs are high because of weak scale economies, a challenge that could be mitigated with increased integration. Attention should be given to the potential avenues for unleashing the scale economies that can be gained by taking a regional approach. Governments and private sector implementers of infrastructure projects are forced to look to donors and international capital markets to finance their activities, exposing themselves to currency risk and the reality that donors will never provide enough capital to support the infrastructure necessary for real economic development in the region. Meanwhile, local assets fester in pension funds that are not confident enough in existing capital markets to invest.

EAC is probably the natural first step as it is a more limited number of countries, most of whom are ripe for activities that support the deepening of their financial markets. However, COMESA should be well-informed as to any activities in this area and should be engaged where it makes sense. COMESA can also help share the lessons learned with a broader set of member-states in the region.

There are a number of other donors who are doing work in this area under the Making Finance Work for Africa Initiative, including the African Development Bank (AfDB), the United Kingdom Department for International Development (DFID), the German aid agency (GTZ), the World Bank, the Swedish aid agency (SIDA), and the International Finance Corporation (IFC). There are also several entities that specialize in infrastructure finance including DevCo, BidCo, and the International Consortium for Africa (ICA).

USAID/East Africa initiated a few activities in this area with FY 2007 funds but will not have funding to support activities in the financial sector in Year 1. However, the Contractor should be prepared to launch such activities in Year 2.

IV.B.3.2. Tasks and Deliverables - Finance Years 2-5

Activities will focus on increasing the availability of the private sector to support trade and infrastructure related investments. The Contractor is encouraged also use pilot activities to test innovative approaches to infrastructure and trade finance. In every instance, the Contractor should carefully examine the long-term sustainability of a particular project before supporting it. Every effort should be made to avoid “one-off” initiatives with little or no prospects for widespread uptake.

IV.B.3.2.1 Tasks and Deliverables for Finance for Year 2:

The Contractor will assess the portfolio currently being supported by other donors and carefully identify a value-added niche for the COMPETE project.

Deliverable: Assessment completed with recommendations of possible areas of intervention for COMPETE.

IV.B.3.2.2. Illustrative Deliverables for Years 2-5 for Finance:

- Framework for implementation of a regional agreement on trade in financial services completed.
- Key constraints to a regional payments system identified and 2-3 critical activities identified and taken leading to a deepening of financial markets in the region.
- At least two technologies introduced that will support broader and more ready access to banking services in the EAC region.
- Ground work and preparation for a regional DCA undertaken to support small and medium sized firms in the region who wish to finance increased production to meet international deals or access gap financing until they receive full payment for their goods.
- TA and training provided to support insurance schemes that result in increased coverage of traded goods as they are transported in the region.
- Broker partnership between regional or national entity to be determined with one or more of the big three credit rating agencies (Standard & Poor, Moody’s and Fitch) to explore opportunities for joint ventures to serve the EAC region.
- Training provided to EAC Ministry of Finance officials and nascent national credit rating agencies to support implementation of international standards.
- Roadmap outlined in consultation with RECs for legal and regulatory reform that will enable and increase public/private partnerships in support of infrastructure development. Activities identified and technical assistance delivered that will lead to the elimination of at least three barriers to public-private partnerships before the close of this program.

IV.B.4 Energy (from Year 2)

RESULT: Policy framework for regional power grid strengthened

Targets:

- ❖ Improved policy framework and regulatory environment for regional trade in electricity that encourages private sector investment.

IV.B.4.1 Introduction - Energy

A 2007 World Economic Forum (WEF) report attributes an 8% loss in sales to power outages. Power resources are severely under-tapped in the region, and power grids often do not provide adequate coverage. This, combined with the fact the energy producers cannot even cover the costs of operation, let alone capital improvements, means that there is little prospect of improvement without government and donor interventions. The East African Power Pool (EAPP) will be assisted to improve the policy framework and regulatory environment for regional trade in electricity so as to encourage increased private sector investment, with a focus on renewable resources.

Very few bilateral USAID Missions support programs in the power sector. Among international donors active in the sector, the ICA packages bankable infrastructure projects, and the AfDB finances power projects in the region. The World Bank and the Public-Private Infrastructure Advisory Facility (PPIAF), the Overseas Private Investment Corporation (OPIC), the US Trade and Development Agency (USTDA) and the European Union (EU) are also active in the sector. COMESA and EAC also play important regional roles in this sector.

USAID/East Africa will fund limited activities in this area under its agreement with COMESA in CY 2008/9. It is anticipated that in year 2 COMPETE will initiate activities in this sector with FY 2009 funding.

IV.B.4.2 Tasks and Deliverables- Energy Years 2 – 5

IV.B.4.2.1. Tasks and Deliverables – Energy Year 2

IV.B.4.2.1.2 Subject to the availability of energy funding, the Contractor may be required to i) review existing literature regarding the EAPP; ii) consult with EAPP, EAC and COMESA; and iii) make recommendations to USAID/East Africa for activities that could be initiated; and iii) having received technical direction from the CTO, activities implemented that will result in an improved policy framework for a regional power grid.

Deliverable 1: Energy sector recommendations provided to USAID CTO.

Deliverable 2: Activities implemented which result in an improved policy framework for a regional power grid.

IV.B.4.2.2. Illustrative Deliverables – Energy Years 2-5

- Technical assistance and training provided to EAPP to complete cross-border protocols for the transmission of power between at least 4 countries in the region.
- Contractor provides technical assistance to EAPP to conduct at least two EAPP-sponsored trainings related to the required policy/regulatory framework for implementation of a regional power grid and to support policy working group meetings.
- Technical assistance and training provided to EAPP to support implementation of standardized grid codes for the region.
- A detailed study completed of the functions and procedures for a regional regulatory association and subsequent technical support for its launch.
- Completion of feasibility studies on intra- and inter-region transmission interconnection.
- 3 study tours to US and African power pools.

IV.C. Component 2: Value Chain Development

RESULT: Increased competitiveness and trade in select agricultural and non-agricultural regional value chains

Targets:

- ❖ Increased value and volume of trade in select value chains
 - For a total of four agricultural and two non-agricultural value chains:
 - the value of international trade is increased by 30 % and the volume is increased by 30%;
 - the value of intra-regional (COMESA) trade is increased by 30 % and the volume is increased by 30 %;
- ❖ Increased competitiveness of select value chains
 - For a total of four agricultural and two non-agricultural value chains, competitiveness is improved as measured by an index.²
 - Increased numbers of lead firms³ investing in upgrading for selected value chains
- ❖ Increased sustainability and effectiveness of private sector-led regional trade associations (RTAs).
 - RTAs show significant improvement against an index⁴ that includes elements such as financial sustainability and the capacity to serve interests of members.
- ❖ Increased capacity of RTAs to provide services to national associations of smallholders and/or Small and Medium-sized Enterprise (SME) to help their members take advantage of market opportunities in selected value chains:

² Index to be defined in detail during the work planning process.

³ Lead firm defined

⁴ Index to be defined in detail during the work planning process.

- At least two new services for smallholder/SME associations made available by each RTA; and
- RTAs adopt at least two new policy objectives that reflect smallholder/SME priorities.

IV.C.1. Introduction – Value Chain Development

While it is important to remove the many barriers to trade in East Africa, there is also much to do to increase the competitiveness of specific value chains. In addition to the many external barriers to trade, firms in the region suffer from outdated production technologies and equipment, lack of good market information, poor marketing skills, a lack of appropriate scale economies and value chains that are fragmented in a way that harms overall productivity. International best practices have been established over decades in the field of value chain development that will guide implementation of COMPETE. These are summarized in Annex I.

The RATES model was innovative and successful. COMPETE should build on its successes, further strengthening the ability of RTAs to take the lead in all aspects of their day-to-day business and in catalyzing the relationships necessary for upgrading the value chains they represent.

USAID/East Africa procured the *East Africa Value Chain Assessment* (Annex VII) to assist in choosing the value chains to be targeted by COMPETE. Using the results of this study, in combination with additional analysis, USAID/East Africa selected three value chains for support in year 1:

1. Staple foods: maize, pulses, plus others to be determined in consultation with EAGC;
2. Specialty coffee; and
3. Cotton/textiles/apparel.

While dairy is not a pre-selected value chain, limited assistance will be required to complete work initiated by RATES in year 1.

In year 2, budget providing, 3 additional values chains could be targeted. USAID/East Africa pre-selected 5 value chains for consideration.

1. Livestock/leather;
2. Horticulture;
3. Processed foods;
4. Tourism; and
5. Transport/logistics (truck transport, storage, coordination of information).

The exact three will be chosen by USAID/East Africa based on the recommendations of the Contractor.

IV.C.2 Tasks and Deliverables Year 1 – Value Chain Development

IV.C.2.1. The Contractor will develop 5-year competitiveness strategies for the three priority regional value chains in collaboration with EAGC, EAFCA, and ACTIF, using the studies produced by RATES, development partners, and others in the region. Competitiveness strategies should include:

- i. benchmarking and end market positioning;
- ii. analysis of constraints to meet demand;
- iii. identification of upgrading needs and key gaps where COMPETE can have the greatest impact;
- iv. identification of lead firms that are likely invest in upgrading activities along the value chain;
- v. development of a strategy for sustaining competitiveness through innovation;
- vi. illustrative interventions and estimated costs;
- vii. differentiated activities outlined in the competitiveness strategies that will be implemented by the Contractor, the RTAs, other private-sector actors and by year;
- viii. highlight gender and environmental considerations and actions; and
- ix. for staple foods only, a) outline a methodology for strengthening institutions for structured trade in the region including implementation of warehouse receipts programs in at least four of EAGC's client countries and b) a plan to strengthen the capacity of a select number of banks and commodity managers to participate in the aforementioned programs.

Having completed the above strategies, the Contractor should recommend to the CTO activities to be initiated in Year 1. The CTO will provide his/her concurrence through a technical directive for the Contractor to execute.

Deliverable 1: One 5-year competitiveness strategy completed for each of the selected value chains (staple foods, specialty coffee, and cotton/textiles/apparel) targeted by EAGC, ACTIF, and EAFCA and recommendations made to USAID.

Deliverable 2: Activities initiated that support implementation of the five-year competitiveness strategies.

IV.C.2.2. The Contractor will develop a methodology and index for measuring the impacts of COMPETE activities on value chain competitiveness.

Deliverable: A methodology and index developed and used for measuring the impacts of COMPETE activities on value chain competitiveness.

IV.C.2.3. The Contractor will provide technical assistance to EAFCA, ACTIF, and the EAGC to develop/update institutional sustainability plans. The sustainability plans should show how the RTA will:

- i. increase self-generated revenues by at least 50%;
- ii. identify the most efficient and effective organizational structure;
- iii. identify lead firms that will contribute to upgrading efforts in the value chain;
- iv. improve upon existing suite of member services;
- v. achieve increased advocacy and influence in policy decisions made by RECs;
- vi. establish time frames for the completion of i-iv above as well as when the RTA will be fully self-sustainable and/or no longer require USAID and/or other donor assistance.

Deliverable 1: Technical assistance provided to develop/update institutional sustainability plans for EAFCA, ACTIF, and EAGC.

IV.C.2.4. The Contractor will design a sustainability index to measure its progress in strengthening RTAs. The index will be developed using best practices in the field of organizational development.

Deliverable: sustainability index developed and used to measure progress strengthening RTAs.

IV.C.2.5. Based on the institutional sustainability plans, the Contractor will make recommendations to USAID of priority technical assistance needs of the RTAs to be provided either directly or from others. Upon receipt of technical direction from the CTO, the Contractor will provide up to 60 person days of technical assistance to the RTAs to strengthen their institutional capacity or facilitate procurement from other sources.

Deliverable 1: Recommendations made to USAID CTO as to priority technical assistance needs to strengthen the RTAs institutional capacity.

Deliverable 2: Technical assistance provided to strengthen institutional capacity of RTAs.

Deliverable 3: Procurement of technical assistance to strengthen institutional capacity of RTAs facilitated by Contractor.

IV.C.2.6. The Contractor will enhance the capacity of EAFCA, ACTIF, and EAGC to: 1) help small holders access support services for upgrading (could be provided by lead firms and/or other private-sector service providers), 2) attract more direct trade linkages between smallholders and buyers (working toward a more directed value chain governance pattern as a strategy for implementing quality standards and investments by buyers into smallholder upgrading), and 3) increase smallholder access to market intelligence.

Deliverable 1: Capacity of EAFCA, ACTIF and EAGC is enhanced to attract more direct trade linkages between smallholders and buyers (working toward a more directed value chain governance pattern as a strategy for implementing quality standards and investments by buyers into smallholder upgrading).

Deliverable 2: RTAs capacity is built to facilitate access to supporting services needed for smallholder upgrading.

Deliverable 3: Capacity of EAGC, EAFCA and ACTIF is built to improve dissemination to and use by smallholders of market intelligence for selected commodities.

IV.C.2.7. In partnership with COMESA, EAC, and the East and Southern Africa Dairy Association (ESADA), the Contractor will execute activities to support full implementation of harmonized dairy and maize standards.

Deliverable: Activities executed to support full implementation of harmonized dairy and maize standards.

IV.C.2.8. In year 1, the Contractor will recommend three additional value chains to be targeted starting in year 2. One of these will yield transformative impacts in the agricultural sector and contribute to achieving a 6 per cent annual growth therein regionally. The second and third

value chains recommended will be non-agricultural. The final decision as to which value chains will be supported will be made by USAID/East Africa and communicated to the Contractor by the CTO through a Technical Directive. The Carana Value Chains Assessment [Annex VII] is attached to assist in the recommendations. All value chains will be considered in light of their growth, poverty alleviation, and employment generation potential as well as prospective links to other activities supported by COMPETE and ACT. The Contractor will also apply the additional criteria used by USAID/East Africa as directed by the CTO.

Deliverable: Three additional value chains recommended by July 31, 2009, for support by COMPETE in years 2-5.

IV.C.3. Tasks and Deliverables Year 2-5 Value Chain Development

IV.C.3.1. For each newly selected value chain, the Contractor will identify and establish working relationship with RTA or, where none exists, gather strong private sector national associations together to establish a regional platform for collaboration.

Deliverable: RTAs in newly selected value chains identified and working relationships established or, where none exists, strong private sector national associations brought together to lay the groundwork for the establishment of a regional platform for collaboration.

IV.C.3.2. The Contractor will develop 5-year competitiveness strategies for the newly selected values. Competitiveness strategies should include:

- i. benchmarking and end market positioning;
- ii. analysis of constraints to meet demand;
- iii. identification of upgrading needs and key gaps where COMPETE can have the greatest impact;
- iv. identification of lead firms that are likely invest in upgrading activities along the value chain;
- v. development of a strategy for sustaining competitiveness through innovation;
- vi. illustrative interventions and estimated costs;
- vii. differentiated activities outlined in the competitiveness strategies that will be implemented by the Contractor, the RTAs, and other private-sector actors and by year; and
- viii. highlight gender and environmental considerations and actions.

Having completed the above strategies, the Contractor should recommend to the CTO activities to be initiated in Year 2. The CTO will provide his/her concurrence through a technical directive for the Contractor to execute.

Deliverable 1: One 5-year competitiveness strategy completed for each of the selected value chains and recommendations made to USAID.

Deliverable 2: Activities initiated that support implementation of the four-year competitiveness strategies.

IV.C.3.3. The Contractor will use the methodology and index developed in year 1 for measuring the impacts of COMPETE activities on value chain competitiveness for the new value chains, as well as those started in year 1.

Deliverable: The methodology and index developed for measuring the impacts of COMPETE activities on value chain competitiveness applied to new value chains, as well as those started in year 1.

IV.C.3.4. The Contractor will provide technical assistance to RTAs in the newly selected value chains to develop/update institutional sustainability plans. The sustainability plans should show how the RTA will:

- i. increase self-generated revenues by at least 50%;
- ii. identify the most efficient and effective organizational structure;
- iii. identify lead firms that will contribute to upgrading efforts in the value chain;
- iv. improve upon existing suite of member services;
- v. establish time frames for the completion of i-iv above as well as when the RTA will
 - a. be fully self-sustainable and/or no longer require USAID and/or other donor assistance.

Deliverable 1: Technical assistance provided to develop/update institutional sustainability plans for the newly selected value chains.

IV.C.3.5. The Contractor will use the sustainability index developed in year 1 to measure its progress in strengthening the new RTAs targeted in addition to using the index to measure continued progress as the result of assistance to EAGC, EAFCA, and ACTIF.

Deliverable: Sustainability index used to measure progress strengthening new RTAs.

IV.C.3.6. Based on the institutional sustainability plans, the Contractor will make recommendations to USAID on priority technical assistance needs of the new RTAs to be provided either directly or from others. Upon receipt of technical direction from the CTO, the Contractor will provide up to 80 person days per year to both the new RTAs and the year 1 RTAs to strengthen their institutional capacity or facilitate procurement of technical assistance from other sources.

Deliverable 1: Recommendations made to USAID CTO as to priority technical assistance needs to strengthen the new RTAs institutional capacity.

Deliverable 2: Technical assistance provided to strengthen institutional capacity of RTAs.

Deliverable 3: Procurement of technical assistance to strengthen institutional capacity of RTAs facilitated by Contractor.

IV.C.3.7. The Contractor will enhance the capacity of EAFCA, ACTIF, EAGC, and the new RTAs to: 1) help small holders access support services for upgrading (could be provided by lead firms and/or other private-sector service providers), 2) attract more direct trade linkages between smallholders and buyers (working toward a more directed value chain governance pattern as a

strategy for implementing quality standards and investments by buyers into smallholder upgrading), and 3) increase smallholder access to market intelligence.

Deliverable 1: Capacity of EAFCA, ACTIF, EAGC, and the new RTAs are able to attract more direct trade linkages between smallholders and buyers (working toward a more directed value chain governance pattern as a strategy for implementing quality standards and investments by buyers into smallholder upgrading).

Deliverable 2: RTA's capacity is built to facilitate access to supporting services needed for smallholder upgrading.

Deliverable 3: Capacity of RTAs is built to improve dissemination to and use by smallholders of market intelligence for selected commodities.

IV.D. Component 3: The East and Central Africa (ECA) Trade Hub

RESULT 1: Increased US/ECA trade.

Targets:

- ❖ Increase in number of East African firms exporting to the United States and other international markets.
- ❖ The number of these firms that continue to access the U.S. market without further assistance from the ECA hub.
- ❖ Improved capacity of African firms to use market information, make business contacts, improve product design and packaging, develop marketing strategies, and respond to market demand.
- ❖ Improved capacity of African firms to meet AGOA requirements (textile visas, category nine certification, and rules of origin, etc.) and other U.S. and global standards, such as SPS.

RESULT 2: Increased ability of ECA countries to engage in multilateral trade negotiations

- ❖ Increased capacity of RECs and their member states to participate in international trade discussions such as Doha negotiations and implement existing multilateral agreements such as WCO and WTO protocols.

IV.D.1 Introduction – East and Central Africa Trade Hub

The success of world trade negotiations rests on the ability of developing and lesser developed countries (LDCs) to realize the benefits of participation in global trade markets. As a result, under the DOHA round, developed nations have committed themselves to increasing market access for developing countries and LDCs. However, while market access is important, it is also clear that these countries need additional assistance to help them with negotiations. The ACT activity responds to the [African Growth and Opportunity Act](#) and USG commitments to trade capacity building under the DOHA round of WTO negotiations.

As part of this effort, the United States provides beneficiary countries in Sub-Saharan Africa with the most liberal access to the U.S. market available to any country or region on a unilateral basis. However, these countries often have difficulty using this access. To become more competitive, Africa needs to increase both the quantity and quality of its products as well as diversifying from traditional exports of raw commodities to products with greater value-addition. This means more investment on the factory floor and efforts to build ECA local skills in marketing and meeting sanitary, labeling, and packaging standards.

The current East and Central Africa Global Competitiveness Hub (or “ECA Hub”) is one of four core Hubs in the Africa region implementing AGCI. The COMPETE Component 3 will be branded as the “ECA Hub”. USAID provides technical assistance to African firms and governments to enhance their competitiveness globally and through AGCI assists African businesses to take better advantage of AGOA and other international trade opportunities.

IV.D.2. Tasks and Deliverables – East and Central Africa Trade Hub Years 1-5

IV.D.2.1. The Contractor will maintain and use the established brand name and logo of the East and Central African Competitiveness Hub as well as that of USAID. See Annex XII for the ECA Hub logo.

Deliverable: Brand and logo of ECA Hub and USAID maintained and used.

IV.D.2.2. The Contractor will identify at least four AGOA-eligible sectors that have a number of export-ready firms and that produce goods that fill a growing demand within the US market. Where possible these sectors should have synergies with the value chains supported by COMPETE.

Deliverable: Four AGOA-eligible sectors identified and recommended to the USAID CTO within 90 days of task order award.

IV.D.2.3. The Contractor will conduct six trade missions per year in the AGOA focus-sectors. These missions should target trade shows in the US and/or in the region that attract US buyers. Where possible these sectors should have synergies with the value chains supported by COMPETE.

Deliverable 1: Six trade missions in focus sectors conducted.

IV.D.2.4. The Contractor will, in coordination with the US SPS Advisor located in Nairobi, assist ECA firms to adopt quality standards and practices that enable American and other importers to purchase from producers in the ECA region.

Deliverable: Technical assistance provided to help ECA firms to adopt quality standards and practices that enable American and other importers to purchase from producers in the ECA region.

IV.D.2.5. The Contractor will supply a standard package of AGOA information to African institutions throughout the region for distribution to “export”- ready firms.

Deliverable: African institutions have AGOA information package that they can distribute to “export”-ready firms.

IV.D.2.6. The Contractor will provide 30 person days per year of technical assistance to RECs for support during WTO and/or other multilateral trade negotiations.

Deliverable: 30 person days of provided to RECs for support during WTO and/or other multilateral trade negotiations.

IV.D.2.7. The Contractor will conduct at least two issue specific seminars or analyses per year on topics such as WTO Trade Facilitation negotiations, Information Technology Agreement implementation, General Agreement on Trade in Services (GATS) negotiations, etc...

Deliverable: At least two issue-specific seminars or analyses conducted to support WTO negotiation and compliance.

IV.D.2.8. The Contractor will hold three AGOA workshops per year designed to educate firms as to the rules and requirements for exporting to the US under AGOA.

Deliverable: Three AGOA workshops per year held to educate firms as to the rules and requirements for exporting to the US under AGOA.

IV.D.2.9. The Contractor will complete/update three AGOA strategies per year to help ECA countries identify viable AGOA-eligible sectors, identify barriers to increased trade under AGOA, and understand key steps that need to be taken to eliminate those barriers.

Deliverable: Three AGOA strategies produced per year for ECA countries.

IV.D.10. The Contractor will outline at least two new strategies/approaches to promote a sustainable increase in US/East Africa trade under AGOA. Make recommendations to CTO and upon receiving technical direction, implement activities to achieve the objectives of these strategies.

Deliverable 1: At least two strategies/approaches outlined to promote a sustainable increase in US/East Africa Trade.

Deliverable 2: Recommendations made to CTO.

Deliverable 3: Activities conducted to achieve the objectives of these strategies.

IV.E. Cross-cutting Issues

In the proposal, the Contractor will not be expected to address each one in detail but will be expected to incorporate the cross-cutting themes into their approach to achieving results under each component.

IV.E.1. Gender

In every part of Africa, women play a dominant role as farmers, agricultural workers, and natural resource workers. Women make up 60% of the population in eastern and southern Africa and produce as much as 80% of the food crops. They are responsible for more than 50% of the labor input for the production of cash crops although actual ownership (for coffee and tea for example) tends to be lower. In addition, women predominate in processing food at home and marketing both at the farm-gate and at local trade centers. Nevertheless, when crops change from subsistence production to commercial production, men tend to take over the marketing of the crop.

Given these critical gender dimensions to agriculture and food security, COMPETE interventions will be implemented such that the results do not aggravate the lower social status and marginalization of women in decision-making and resource allocation in respective commodity sub-sectors. Efforts will be made to ensure that there is no gender discrimination in accessing program benefits and the Contractor should clearly incorporate gender concerns into their approach for implementing COMPETE.

IV.E.2 Environment

All activities conducted under this contract will be conducted in compliance with Regulation 216 on environmental compliance and with the findings of the Initial Environmental Examination which will be provided to the Contractor upon award. The ECA region's resource base is fragile, subject to drought, resource-based conflict, poor soil fertility, loss of vegetative cover, and the like. Investments are needed which place significant value upon the sustainability of enterprises which ultimately depend upon the natural resources base.

COMPETE will favor, to the extent feasible, sustainable business practices, and "cleaner" and "greener" technologies and practices to the entire value chain in agricultural trade, food processing, and agricultural production. Many of the principles have been applied in the past as part of more focused efforts or under other names (e.g. integrated pest management (IPM),

organic farming, “green labeling,” and “fair trade.”). Voluntary compliance with best practices will be encouraged.

IV.E.3. Corruption

Corruption is one of the key barriers to trade and competitiveness in the region and adds immeasurable costs to doing business. The Contractor should make every effort to identify approaches to accomplishing the goals and objectives of each component of this SOW that have anti-corruption impacts. Towards this end, the Contractor should pay special attention to WCO recommendations *vis a vis* customs reforms that can reduce corruption.

IV.E.4. HIV/AIDS

The burden of HIV/AIDS falls heavily on the developing world and particularly in Africa. The social, health and economic consequences in Sub-Saharan Africa are enormous and will continue for many years. HIV/AIDS has reduced life expectancy, lowered productivity and reduced the labor force to the extent of reducing the gross national product in some countries, and created a large group of orphans who need education, vocational training, and social support

V. PERFORMANCE MONITORING PLAN

The Contractor, with support from USAID as needed, will develop a monitoring and evaluation plan (M&EP) that supports USAID’s Performance Management Plan (PMP). The Contractor’s M&E plans should contain the relevant PMP standard and custom indicators as well as annual performance targets that support USAID’s Operational Plan (OP) objectives, program areas, and elements [see Annex IV for REGI PMP]. The Contractor’s monitoring and evaluation plans should contain direct and applicable references to the USAID Operational Plan components that will be provided by the Cognizant Technical Officer. The MEP will be submitted to the USAID CTO for review and approval within 90 days from this award unless a later date is agreed to and approved by the Contracting Officer with technical concurrence from the CTO.

VI. REPORTING REQUIREMENTS

VI.1. Activity Reports, Strategies and Studies: The Contractor shall submit to the T.O. CTO three (3) hard copies and an electronic copy (in PDF format) in English of all reports, strategies and studies completed during the course of implementation within two weeks of their completion

VI.2. Quarterly Progress Reports: Not later than two weeks following the close of each quarter, the Contractor will prepare and submit to USAID quarterly reports. Quarterly reports will summarize progress in relation to agreed upon milestones contained in the Annual Work plan that shall account for FAS as appropriate, and will specify any problems encountered and indicate resolutions or proposed corrective actions. For each action, the Contractor will designate responsible parties and establish a timeframe for completion. The report will list activities proposed for the next quarter, noting where they deviate from the approved Annual Plan and explaining why. Progress reports should include financial information highlighting accurate pipeline levels and accurate expenses.

V.3. Annual Reports: Not later than 30 days following the end of each year of the contract, the Contractor will submit an annual report covering activities of the previous year. These reports will provide a succinct presentation of Contractor achievement of results, milestones and targets in the previous year, with supporting discussion as warranted, including as necessary explanation

of any shortfalls. These reports will summarize progress, highlight success stories, provide an analysis of impact based on activities completed or in progress, and suggest resolution of any outstanding issues.

V.4. Submission of Geospatial Data: USAID is required to make non-proprietary geospatial data available to the public. Therefore, where appropriate, Contractors that choose to create geospatial data under this order will be required to electronically submit data layers to the CTO within 30 days after the end of each fiscal year during the life of the contract. Data shall be consistent with US Federal Geographic Data Committee (FGDC) level 1 metadata standards. USAID is in the process of developing standards and protocols for geospatial related activities. The contractor will be provided a copy of these once they are developed, and will be required to abide by them.

VII. Websites, Virtual Media and Software

All websites, virtual media and software produced with the financial resources of this contract are the property of the US Government and shall be used for public purposes as approved by USAID. The Contractor will provide DVDs with all websites, virtual media, software, and associated training manuals produced during the course of this contract to the CTO at the end of the Task Order.

VIII. PERIOD OF PERFORMANCE

The Contractor will be expected to implement a 4.5 year USAID-funded project. The project start-date will be September 15, 2008. The project will end on February 15, 2013.

IX. KEY PERSONNEL

Senior Level Trade Advisor - Chief of Party

- A Master's degree or the equivalent in economics, business administration, international trade or one of the sector areas covered by this SOW strongly preferred;
- at least fifteen years of relevant experience, five of which should be in a developing country;
- at least eight years experience in managing and coordinating complex development programs, with a strong preference for experience managing regional programs;
- experience as Chief of Party of a USAID program of equivalent size and scope strongly preferred;
- at least 5 years experience in trade promotion and trade policy analysis in the context of regional market development and integration agreements;
- demonstrated experience assisting developing countries with multi-lateral trade negotiations and helping developing country firms take advantage of preferential trade agreements such as AGOA;
- previous experience serving in an advisory capacity to high-level government officials on trade policy and global competitiveness issues;
- demonstrated ability to work collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- excellent writing and presentation skills;
- ability to utilize standard word processing and spreadsheet computer software packages; and
- excellent English and working knowledge of French.

Mid-level Trade Advisor - AGOA Export Business Development Advisor

- a Master's degree in economics, business or the equivalent in a closely related field strongly preferred;
- at least ten years of trade promotion and market linkages development experience and five years work experience in Africa is preferred;
- experience educating firms as to AGOA objectives, provisions, procedures and eligibility requirements;
- experience in expanding awareness of the benefits, provisions and procedures of regional trade agreements to private sector organizations and government officials;
- demonstrated ability to increase awareness within the private sector of trade opportunities under AGOA;
- demonstrated experience helping developing country firms meet the requirements for exporting goods to the United States, such as apparel manufacturers, with regard to meeting external market demand (i.e., formation of strategic alliances with buyer organizations);
- demonstrated ability to work collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- excellent writing and presentation skills;
- ability to utilize standard word processing and spreadsheet computer software packages;
- excellent English required, and working knowledge of French preferred.

Senior Sector Specialist - Transit Facilitation Advisor

- at least a Master's degree or the equivalent in economics, business, engineering, operational research or a closely related field
- at least ten fifteen years of relevant experience three of which should be in Africa;
- experience in transport planning, policy and customs reform - demonstrated ability to implement reforms in a developing country context;
- working familiarity with international transport/customs conventions and ability to initiate their adoption and enforcement in the region;
- experience in developing public-private partnerships in the transportation sector;
- demonstrated experience working collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- demonstrated ability to develop and implement efficient and effective communication and information sharing frameworks with stakeholders;
- excellent writing and presentation skills;
- ability to utilize GIS-based applications for transit planning and development preferred; and
- excellent English required and French preferred.

Senior Sector Specialists – *One for Cotton/Textiles and one for Staple Foods.*

- Master's of Business Administration or equivalent in a related field relevant to the sector of coverage. MBA can be replaced by at least 8 years working for a private firm in the sector (the 8 years can be part of the 15 years of relevant experience);
- at least fifteen years of relevant experience five of which should be in a developing country;

- experience working to meet the requirements of the end markets for the sector, trends in the end market, competitors and buyers regionally or internationally;
- experience that has resulted in contacts with key value chain stakeholders: producers, traders, actors in the supporting markets, the business enabling environment, associations which support the sector, research and policy institutes that study and publish on the sector;
- demonstrated experience in achieving increased competitiveness in the targeted sector in a developing country context;
- skills for fostering inter-firm collaboration; cooperation with associations, other donors, and USAID bilateral missions; and an industry approach to achieving competitiveness;
- experience promoting use of cutting edge technologies and methods for increasing factory-level productivity in the targeted sector;
- 5-10 years private-sector experience in a relevant sector highly desired but not required;
- demonstrated ability to work collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- excellent writing and presentation skills;
- excellent English and working knowledge of French.

Year 2:

In year 2, the Contractor should expect to hire the following key personnel, budget providing:

Senior Trade Advisor – Regional Integration Specialist (to be placed in EAC or COMESA)

- A Master's degree or the equivalent in economics, business administration, international trade or one of the sector areas covered by this SOW strongly preferred;
- at least fifteen years of relevant experience, five of which should be in a developing country;
- at least 5 years experience in trade promotion and trade policy analysis in the context of regional market development and integration agreements;
- demonstrated experience assisting developing countries with multi-lateral trade negotiations and helping developing country firms take advantage of preferential trade agreements such as AGOA;
- ability to use econometric models to measure trade flows and the impacts of external variables on regional trade patterns;
- previous experience serving in an advisory capacity to high-level government officials on trade policy and global competitiveness issues;
- demonstrated ability to work collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- excellent writing and presentation skills;
- ability to utilize standard word processing and spreadsheet computer software packages; and
- excellent English and working knowledge of French.

3 Additional Senior Sector Advisors – 1 for each new value chain selected

- Master's of Business Administration or a related field relevant to the sector of coverage. MBA can be replaced by at least 8 years working for a private firm in the sector (the 8 years can be part of the 15 years of relevant experience);
- at least fifteen years of relevant experience five of which should be in a developing country;

- experience working to meet the requirements of the end markets for the sector, trends in the end market, competitors and buyers regionally or internationally;
- experience that has resulted in contacts with key value chain stakeholders: producers, traders, actors in the supporting markets, the business enabling environment, associations which support the sector, research and policy institutes that study and publish on the sector;
- demonstrated experience in achieving increased competitiveness in the targeted sector in a developing country context;
- skills for fostering inter-firm collaboration; cooperation with associations, other donors, and USAID bilateral missions; and an industry approach to achieving competitiveness;
- experience promoting use of cutting edge technologies and methods for increasing factory-level productivity in the targeted sector;
- 5-10 years private-sector experience in a relevant sector highly desired but not required;
- demonstrated ability to work collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- excellent writing and presentation skills;
- excellent English and working knowledge of French.

Senior Sector Advisor – Finance

- Master's of Business Administration, Economics or at least 8 years working for a private firm and/or bank in the sector;
- at least fifteen years of relevant experience five of which should be in a developing country;
- demonstrated experience implementing activities that resulted in increased access to trade and/or infrastructure finance in the developing world;
- demonstrated experience implementing activities that resulted in use of cutting-edge technologies to increase access to financial services for rural/marginalized urban populations;
- demonstrated experience working collaboratively with institutional and private sector partners and stakeholders in a multi-country setting;
- demonstrated experience with identifying and completing analysis required for completion of guarantees using the USAID Development Credit Authority preferred but not required;
- excellent writing and presentation skills;
- excellent English required and working knowledge of French preferred.