



# 28<sup>TH</sup> ANNUAL RESEARCH WORKSHOP

## Pursuit for Sustained Growth and Trade Expansion

### WORKSHOP REPORT

29TH-30TH OCTOBER 2024,  
EAC HEADQUARTERS, ARUSHA, TANZANIA





# 28<sup>th</sup> Annual Research Workshop

## "Pursuit for Sustained Growth and Trade Expansion"

29<sup>TH</sup>-30<sup>TH</sup> October 2024 EAC Headquarters - Arusha, Tanzania



Government  
of Ireland  
International  
Development  
Programme

 **Norway**



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## Executive summary

Sub Saharan Africa (SSA) is growing, but not fast enough—with an average GDP growth of less than 4% over the last decades. In order for more than 400 million Africans to rise out of poverty, continued economic growth across Africa's 54 nations will have to increase at an average of 7% annually or more. *One of the strong engines for sustained growth is trade expansion.*

SSA's recorded cross-border trade has also grown relatively modestly in recent decades, with limited growth in merchandise trade and an unchanged share of services trade in GDP. SSA is the least integrated region in the world. The continent's exports to the rest of the world are dominated by commodities, while trade within the region is more diversified and includes a larger share of processed goods. These trade patterns are consistent with the continent's limited integration in the global value chains (GVCs), reflecting:

Its fragmented trade policy landscape marked by multiple regional economic communities;

A challenging trade environment with gaps in structural factors such as transport networks, customs and border processes; and

Limited access to finance.

At the same time, there appears to be significant informal cross-border trade although it is hard to measure. These patterns, including the more diversified nature of intra-African trade reflect the potential for significant gains for African trade from building regional value chains, unifying the trade policy landscape, and strengthening the trade environment within and across the continent.

In that regard, increased agricultural productivity, accelerated industrialization and building up of international competitiveness in tradable sectors should all constitute basic objectives which must be pursued in a step-by-step way focusing on the real economy targets—revolving around the following six pillars:





### The Six Pillars:

- ▶ Setting clear and realistic goals and targets;
- ▶ Lifting core binding constraints to the development of productive capacities;
- ▶ Addressing issues of policy incoherence;
- ▶ Harnessing gender potential for productive transformation;
- ▶ Developing, promoting and diversifying exports;
- ▶ Making regionalism work for productive transformation.

Trade interacts in a complex but in complementary ways with other national policies requiring coherence and coordinated approaches. Mainstreaming trade and trade policies into national and regional development strategies requires the systematic cultivation of mutually reinforcing policies cutting across government departments agencies and countries, as well as the private sector and the donor community to create synergies in support of sustainable development. The effective intent of mainstreaming trade and trade policies require:



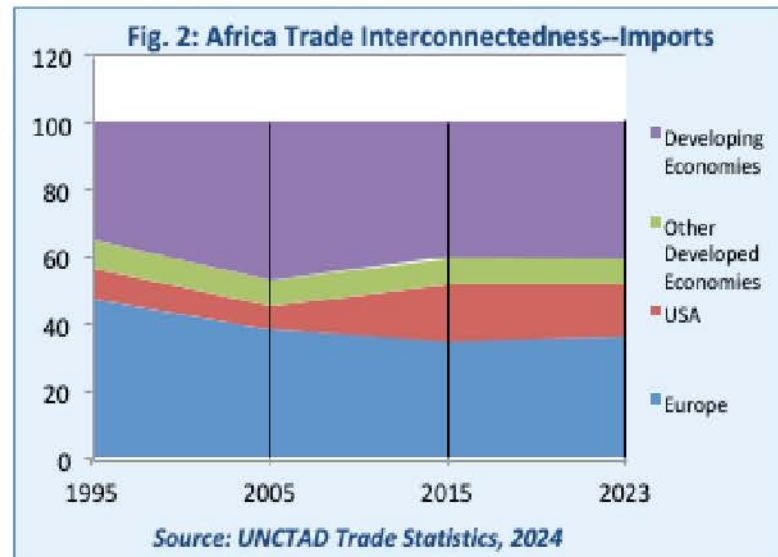
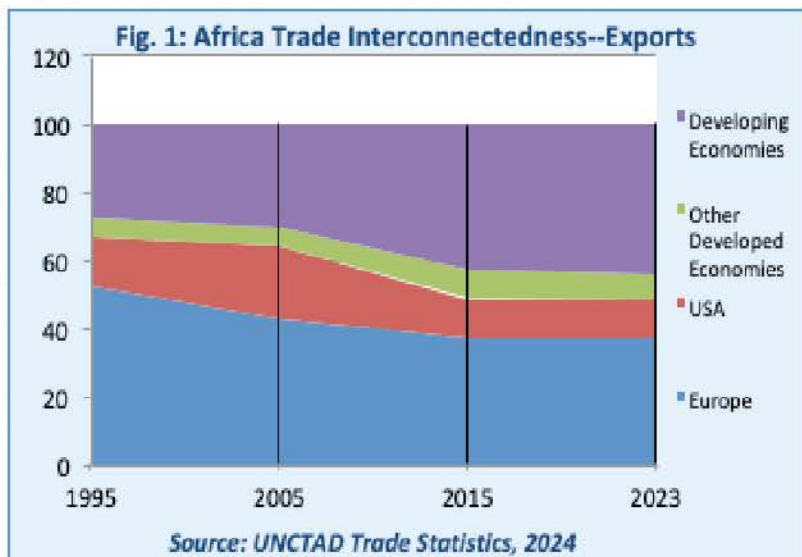
A good government coordination, and



Effective participation of the private sector and the relevant non-state actors.

Different ministries and agencies have different tasks regarding the elaboration of effective policies to increase the competitiveness of SSA economies and their effective integration into the global economy.

The search for ways to facilitate sustained trade expansion and to overcome trade obstacles has engaged SSA governments and their development partners for years. Political commitment will be required to translate these trade agendas into sound policy and regulatory reforms, and to implement them effectively to maximize the benefits for the people. Going forward, as these efforts demonstrate the huge gains available from regional cooperation, SSA countries would expect to see the pace of their integration into the regional and global economies accelerate. Figures 1 and 2 shows the trend in Africa's interconnectedness with the rest of the world.



Faster integration into RGVs and GVCs require strengthening trading capacity and competitiveness. The SSA countries' effective and greater integration into the global economy through enhanced competitiveness remains one of their key objectives. This should provide:

- Greater impetus to collective efforts to sustain export expansion;
- Effective penetration into the regional and global value chains (RVCs and GVCs respectively); and
- Strategic participation into the regional and global supply chains (RVCs and GVCs respectively) based on comparative advantages given by accumulated natural wealth.

As much as trade encourages competitiveness, enhanced competitiveness can in turn expand the level of trade with the rest of the world quantitatively and by raising the standards of product quality, thus facilitating access to new and larger global markets.



Long-term productivity growth will be driven by innovation, investment in physical capital, and enhanced human capital.

Cross-border technology transfer, and expertise in producing complex and sophisticated exports have increased in importance, and these are essential for promoting regional supply chains and integration in global supply chain.

A comprehensive approach will be needed to promote a growth-friendly macroeconomic and institutional environment that will promote such transfers and supply chain linkages.

Underlining this collective consensus are the key priority areas for policymakers and researchers focusing on how current and future reforms (and the development visions) can steer the region and respective member states towards *sustained growth and trade expansion*.

***These include the following nine key points:***



- **Timeliness and significance**--REPOA and its partners—EALA/EAC, Ministry of Industry and Trade, CRDB Bank PLC, Trademark Africa, TAHA, and SAGCOT were congratulated for selecting the right theme of the workshop—***“Pursuit for Sustained Growth and Trade Expansion”***—***at the right time.***

The ARW forum was timely to collectively reflect, analyse, and strategize on a shared goal that is close to the heart of Africa's future, i.e. sustainable economic growth and trade expansion. It was emphasized that this theme was very much in line with the development agendas of Tanzania, the Regional Economic Communities (RECs) in Africa and that of the African Union reflected through the African Continental Free Trade Area (AfCFTA)—the expected ***“game changer”*** of the African economies going forward. The AfCFTA has been adopted as a Framework for Africa's Industrialization.



## Second

- **Opportunities and Challenges for Sustaining Trade Expansion**--Strategies for successful trade expansion by the private sector in the EAC member states and best lessons from the Caribbean States on their successful trade expansion with the Global North.

Strongly highlighted that African trade has been failing because Africa has abandoned the very ethics of regional integration—the failure to adequately coordinate the distribution of the production burden with many state trade policies focusing on vertical integration as opposed to exploiting gains from specialisation in different components of the value chain. The latter should constitute a strategy for successful trade expansion by the private sector. Strongly proposed that Governments can support the private sector by removing regulatory barriers to reduce the cost of expanding to the regional value chain.

Building partnerships on sustainable trade expansion—EALA and the EAC Secretariat have played their respective roles in supporting trade expansion and the enhancement of productive capacities through legislation and dialogue with member states. Recent legislations passed include the EAC Customs Management Act, Vehicle Axle Load Act, Competition Act, and Statistics Act. EALA is currently considering the Standardisation and Conformity bill designed to facilitate seamless trade expansion and conduct in the EAC member states. The EAC Secretariat has One-Stop Border posts, defining and regularizing trade standards, and resolving NTBs. Trade is considered essential to fostering resilience in the EAC economies, unlocking innovation, and improving the quality of life.

Trade expansion of the Caribbean to the Global North is worth examining to inform Africa's trade development strategy. It has been driven by two main factors: the Guyana's oil boom and the region's service sector led by the Dominican Republic. Caribbean economies are largely dominated by services—mostly tourism and transport. The success also lies in sustained capacity building, as well as a considerable concentration of trade professionals that are key in negotiations and setting effective trade policies. For Africa, it was proposed that policy makers and the private sector should be mindful that trade expansion can be uneven, thus efforts aimed at sustainably building competitiveness need to factor in the quality of trade, quality of jobs, and inclusiveness of trade.



### Third

- **Enabling Trade Competitiveness**--Export Trade Potential of the EAC under the AfCFTA is approximately US\$ 1.9 billion. The state of harmonization of standards and certifications in Africa require that the quality culture should be embedded in the business environment.

#### **Export Trade Potential of the East African Community under the AfCFTA**

The EAC's total export potential in AfCFTA is approximately US\$ 1.9 billion.

Kenya at US\$ 705.5 mn—70% of exports to Africa	Tanzania at US\$ 594 mn—48% of exports to Africa	DRC at US\$ 342.8 mn
Uganda at US\$ 178.2 mn—90% of exports to Africa	Rwanda at US\$ 36.1 mn—90% of exports to Africa	Burundi at US\$ 1.3 mn—74% of exports to Africa

South Africa, Egypt, and Zambia are the top export destinations for products from EAC to AfCFTA.

#### Corresponding policy recommendations include:

- Trade facilitation—harmonize certification processes and establish a regional certification centre;
- Promote value addition—encourage industrial parks and enhance productivity; and
- Technology and digitalization—modernize trade processes and promote e-commerce.

#### **The state of standards and certifications harmonization in Africa**

Quality culture should be embedded in the business environment to pave the way for the processes of harmonization of standards and certification. AfCFTA's Annex 6 stipulates that African countries are required to use ARSO standards as the basis for harmonization. To that end, ARSO has now developed more than 2,000 standards that are a priority for Africa—which is simply 18% of the AfCFTA tariff lines. However, the implementation of that 18% is very low—with Tunisia as the country that has adopted the most standards—at 10% of implementation.

ARSO has also developed standards for cocoa for Cote d'Ivoire and Ghana. Those standards were accepted by the EU. These can be replicated in most value chains where Africa is a leading producer. Certification is mainly done by private sector institutions—currently by the EU private sector institutions. In the future, this certification business can be a thriving opportunity for African private sector companies.

### Hard Laboratories

- It was advised that **hard laboratories** should be developed in African countries with the view to creating trust. Accreditation of laboratories to—**one standard, one test, and one certification**— is a basis for securing acceptance everywhere.

### *Potential for maintaining trade effectiveness and competitiveness with the Global South.*

The following recommendations were, inter alia, highlighted :

- Countries and RECs should work together, and not in silos, to fully exploit the existing trade opportunities and maximize on what is working well;
- Exploit the huge market potential of the Global South while protecting the welfare of both the consumers and producers;
- Pursue the harmonization of standards within the Global South building on what has been achieved in terms of standards and certification with the Global North.

### Fourth

- **Enhancing Productive Capacities for Trade Expansion**--this captures: Opportunities for enhancing agro-productivity growth; Institutional and policy support for the Expansion of Regional Trade; Common pitfalls for SMEs and farmers when expanding within and beyond national boundaries; Institutional, governance innovation and enhancement of productive capacities in the EAC countries; and CRDB's Financing of Trade Expansion.

**Opportunities for enhancing agro-productivity growth**—Because of the substantive productivity gains and trade expansion over the past decade, Tanzania is the main and strategic player in food production and trade—especially rice in the EAC and SADC. The target is to enable Tanzania to be a food basket for EAC and Africa.



***Institutional and policy support for the expansion of regional trade***—Africa is a net importer of agricultural products including food. Africa is currently utilizing 25% of its export and trading capacity mainly because of the challenges of standards and certification processes. In support of efforts to effectively address those challenges, Governments, RECs and private sector institutions are, inter alia looking into value chains prioritizing; supporting the critical mass of private sector operators in the respective value chains including SMEs; and exploiting productivity growth and trade expansion opportunities in horticultural and food products.

The SAGCOT in particular is:

- Supporting the Southern Corridor Highlands in Tanzania through enhancement of productivity in the production of fruits—avocados and apples;

- Supporting the production of livestock feeds—mainly soya, maize, etc.;

- With the support of Norway, SAGCOT is additionally focusing on enabling Tanzania to increase the productivity of soya for animal and human consumption.

***Common pitfalls for SMEs when expanding within and beyond national boundaries***—All value chain actors do exploit the opportunities to ambitiously enhance productivity in their respective areas of production—large and small—, but when entering into internal and external markets do face the following critical challenges that need to be effectively redressed to enable the key clusters of productivity enhancement to effectively translate into commensurate trade expansion.

The key challenges include:	
Accessing capital and lending resources	Less than 12% of bank loans go to the agriculture sector; This prohibits the SMEs from adequately accessing the targeted markets through trade expansion;
Market support infrastructure facilities for exports, in particular	Perishable products need refrigerated pack-houses and containers; Non-availability of pack-houses and containers hinders SMEs market expansion; Pack-houses and containers are expensive for individual farmers / traders; Processing facilities may hinder certification process if not located in industrial parks;
High costs of compliance and certification	TAHA established a dedicated company for certification at lower costs to facilitate exports of fresh fruits and food items.
Informality of SMEs and the inherent regulatory burden	This is a hindrance to most farmers (SMEs).
Non-tariff- barriers (NTBs)	Tend to hinder the SMEs from reaching out to regional markets.

Recommendations to address these challenges include:

Need to do more research on financing for agriculture—how this should be handled including related policies;

Government / public investments with big multipliers should be developed and made available – similar to the South African cases of the Durban Port and the Johannesburg Airport.

***Institutional innovation and enhancement of productive capacities in the EAC countries***—Africa needs to learn from Asia's examples to reorient its trade growth strategy towards increased value addition and external trade, both within and beyond the continent. Value can be created by relaxing capital flows and creating special-purpose vehicles to facilitate access to private capital for production and trade expansion. The key challenge is that banks do not have a tradition of financing value addition and farming activities. The case of India could provide a way out—where the banking regulation requires banks to allocate 20% of their capital to finance agriculture and exports.

To that end, the EAC now seeks to create a regional investment bank that would incubate entrepreneurs rather than lending money on commercial terms.

***CRDB's Financing of Trade Expansion***—CRDB is the largest integrated financial service provider in Tanzania. It plays a key role in the markets, supporting economies to unlock sustainably for the benefit of the stakeholders it serves mainly targeted producers, traders and consumers; and support the development of the economies to their fullest potential.

To that end, the Bank:

- Transforms productivity growth and trade expansion through financial services;
- Has regional presence in markets with solid prospects – Tanzania, Burundi, DRC; and
- Drives financial inclusion and social impact through its branches and subsidiaries.





- **Enhancing Convergence Through Regional and Global Value Chains**--Supporting private sector agro-manufacturing and integration into RVCs and GVCs; REC's support to member states and the private sector to take advantage of regional trade agreements; Roles of regional value chains in promoting convergence among countries; Policies that governments should prioritize to foster convergence through value chains.

***Supporting private sector agro-manufacturing and integration into RVCs and GVCs***—Governments need to play active roles in promoting agro-industries and integration into the regional and global value chains. The government of Tanzania, for example, under the Ministry of Industry and Trade (MIT) supports the private sector agro-manufacturers through various programmes such as business development; business skills training to SMEs; infrastructure development—industrial clusters, and estates; marketing and business-related information portal; networking and business meetings (B2B); trade fairs and exhibitions; and policy advocacy.

***REC's support to member states and the private sector to take advantage of regional trade agreements***—To take advantage of regional trade agreements, the regional trade bodies and member states must:

- First
  - Address the knowledge gap among the private sector players;
- Second
  - Enhance the private sector's readiness by providing favourable financial market conditions to facilitate accessibility for increased investment; and
- Third
  - Sharpen effectiveness of public-private dialogue to improve the business environment.

***Roles of regional value chains in promoting convergence among countries***—Regional value chains can promote convergence and narrow development gaps, particularly in African regions where the industrialization level is low and uneven. To support RVCs, countries extensively invest in infrastructure like roads, ports, and energy; facilitate economies of scale and cost reductions; enhance regional trade policy, competition, and productivity improvement. The success of regional value chains in promoting and narrowing development gaps thus hinges on corporate responsibility and good governance to ensure equitable benefits of the regional trade integrations. Ethical business practices enhance transparency, fairness, accountability, trust, and sustainability.

**Policies that governments should prioritize to foster convergence through value chains**—Policies should adhere to the principles of coherence, consistency, competitiveness, and complementarity. Policies should also foster convergence through value chains by removing unnecessary bureaucracies and enhancing efficiency and equal participation in the regional and global value chains. Further,

- ▶ Prioritize policies that address infrastructure and structural inequities; and
- ▶ Ensure inclusivity, sustainability, and equal participation of all players in the value chain.

## Sixth

- **Enhancing Convergence through Regional and Global Supply Chains**--Comparative Advantage Sector-wise and Integration into the Global Supply Chains; Challenges and Recommendations for Perishable Goods Supply Chains in Africa; Supply Chain Diversification and Competitiveness; Enhancing Kenya's Export Sector through Export Supply Hubs (ESH)".

**Comparative Advantage Sector-wise and Integration into the Global Supply Chains**—Africa possesses significant comparative advantages, particularly in natural resource-based sectors and the continent's extensive coastline and marine resources offer further potential for growth in the blue economy. A key challenge lies in integrating these sectors into global supply chains, which can be effectively addressed, inter alia, as follows:

The capital-intensive nature of natural resource exploitation necessitates international partnerships with local content provisions prioritized to protect domestic interest

Robust infrastructure is vital for seamless integration into global markets;

A critical need for warehouses equipped with cold chain facilities to maintain the quality of perishable produce; and

Equip African nations with the necessary skills and knowledge to participate effectively in global supply chains—especially the importance of modernizing customs procedures and enhancing capacity for logistic services.



## **Challenges and Recommendations for Perishable Goods Supply Chains in Africa—**

The key challenges in the logistics and transportation of perishable goods in Africa are as follows:

Regulatory hurdles	The imposition of numerous levies and checkpoints, particularly along long-distance routes that significantly increase transportation costs and delays.
Poor Infrastructure and logistics	The lack of appropriate storage facilities, such as pack houses, and the use of non-refrigerated trucks for perishable goods contribute to product losses.
Policy and regulatory constraints in the RECs	The exclusive provision of Regional Customs Transit (RCT) bonds by national insurance companies can lead to bureaucratic delays and higher costs.

**Recommendations** for enhanced integration of perishable goods in Africa into the global supply chain include:

Regulatory reform—by simplifying and harmonising regulations governing the transportation and export of perishable goods in the region;

Infrastructure development—by expanding the network of cold storage facilities and refrigerated transport to maintain product quality as well as upgrading road infrastructure to reduce transit times and minimize product damage;

Policy and institutional reforms—the need to allow multiple insurance companies to provide RCT bonds to increase competition and reduce costs;

Enhancing awareness and providing training to government authorities and logistics operators on best practices for handling and transporting perishable goods; and promoting ethical practices in the logistics industry to safeguard the quality and safety of perishable goods.

The European Union's Supply Chain Act underlines the importance of product traceability and adherence to human rights and environmental standards. This presents an opportunity for African nations to adopt similar practices, particularly for products targeting the EU market. To facilitate this, governments should play a crucial role in addressing the supply chain constraints.

**Supply Chain Diversification and Competitiveness**—Diversifying supply chains across different regions can help mitigate risks associated with external factors such as political instability, natural disasters, and economic downturns. A diversified supply chain can improve resilience to unexpected disruptions ensuring a continuous flow of goods and services. Diversification can also facilitate the transfer of technology, leading to increased productivity and competitiveness.

To effectively facilitate and implement diversification of the supply chain the following solutions were proposed: .

- ✓ Implementing harmonized policies and regulations;
- ✓ Investing in logistics & infrastructure;
- ✓ Investing in education and training programmes; and
- ✓ Leveraging technology.

**Enhancing Kenya's Export Sector through Export Supply Hubs (ESH)**—Recent trends in the EAC indicate that there is a "Greening of trade"—i.e. a modal shift from Air Freight to Sea Freight in line with member countries' (mainly Kenya's) ambitions of increasing sea freight by 50% by 2030. The ESH activates industry potential, providing infrastructure, knowledge, and policy support to stimulate efficiency, expansion, and economic empowerment within the horticultural and other agro-subsectors. ESH serves as a facilitator for the entire export process, offering a comprehensive array of services tailored to meet the needs of exporters and growers that includes storage facilities, sorting and grading, export clearance, transportation coordination, quality assurance, and digital platform integration.

#### Seventh

- **Partnerships and Benefits of Trade Agreements**--Partnerships and trade agreements provide benefits to partner states, including economic growth, employment, and well-being.

The African states have concluded many regional and continental partnerships and trade agreements, but they have not yet benefitted greatly from such arrangements because of poor implementation. The criticality of trade to the growth and prosperity in small countries with vast natural resources was emphasized, citing the experience of Norway. Norway's success has demonstrated that when the country combines natural resources with good governance, good policies, solid institutions, and human capital development, it can create a powerful engine of lasting growth. These combinations have enabled countries like Norway, Sweden and Ireland to foster intra-regional trade, which has been and continues to be the basis of economic growth and structural transformation. The countries' immediate neighbours are, and will continue to be, their most important trading partners.



The main factors influencing the effective implementation of RECs' agreements are sovereignty, national interests, trust, global politics, capacity, and accountability. To improve the implementation of these arrangements, the government officials should be well-informed and equipped with negotiation skills, and partner states must be held accountable when they do not honour the agreements. It is important to note that economic integration is driven by political will. More research should be conducted on the implementation of these arrangements.

### **Institutional Partnership Agreements**

The three partners that organized the workshop demonstrated the importance of partnerships in meeting common development objectives by signing partnership agreements on areas related to productivity and trade expansion through research as follows:

1. REPOA and TAHA signed a partnership agreement on **"Research and Information Management in Tanzania"**.
2. REPOA and SAGCOT signed a partnership agreement on **"Research on Best Practices in Agriculture sector"**.



## **Eighth**

**Empowering Africa's Human Capital**--The gap in education highlights the need for urgent action in equipping the youth with the skills necessary to compete in the global economy, particularly in the areas of science, technology, engineering, and mathematics (STEM).

Africa's youth remain its greatest asset. With over 60% of the continent's population under the age of 25, the potential for innovation and entrepreneurship is immense. The continent's labour force is expected to surpass 1 billion by 2035, making it larger than China's and India's combined. However, the gap in education highlights the need for urgent action in equipping the youth with the skills necessary to compete in the global economy, particularly in the areas of science, technology, engineering, and mathematics (STEM). Thus, education systems must be aligned with the demands of the modern workforce, ensuring that young people can contribute meaningfully to the sustainable growth of key sectors such as, inter alia, renewable energy, agriculture, and digital services.

## Nineth

- **Strengthening the research capacity of the key research institutions**--Research generates scientific knowledge which informs development, including trade policy formulation, review, and dialogues to identify the best options to realise sustainable development.

Enhanced contribution to respective countries' policies through evidence-based policy advice was encouraged. Research generates scientific knowledge which informs development, including trade policy formulation, review, and dialogues to identify the best options to realise sustainable development. This enables the countries to continue to respond to the needs of a competitive trade environment. The Government's partnership with REPOA has many indirect positive spill overs including fostering inter-ministerial coordination and analytical capacity in implementing the national development vision through trade and industrial development. Hence, continued collaboration among the workshop partners in efforts to promote the use of research-based evidence to inform policies and development interventions in Africa was highly desirable.









## 1. INTRODUCTION

The 28th Annual Research Workshop (ARW) was held in Arusha, Tanzania at the East African Community (EAC) Headquarters from Tuesday 29th to Wednesday 30th October 2024. It was REPOA's first regional workshop, under the theme 'Pursuit for Sustained Growth and Trade Expansion.'

The overall aim of the workshop was to provoke and promote policy dialogue and contextualized research on how to sustainably accelerate trade expansion and competitiveness of the Tanzanian and other SSA economies and improve the respective outcomes, that is, inclusive, competitive and productivity-led sustainable economic growth. The workshop was guided by three key strategic and operational objectives of:

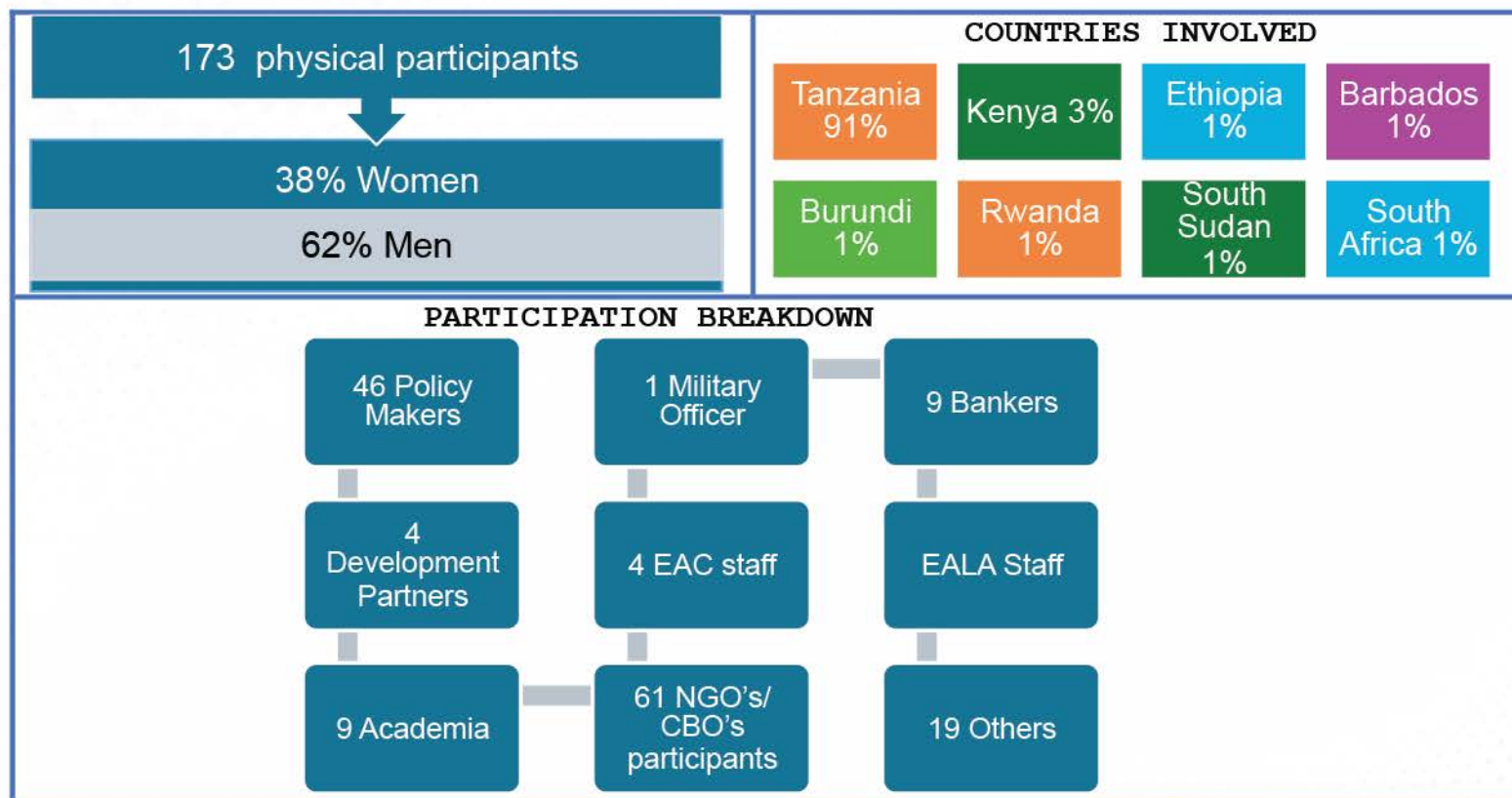


The fulfilment of these objectives was achieved through a series of plenary discussions on key facets of productive capacities and trade. This report synthesizes the proceedings of the workshop in summary, focusing on the issues presented, discussed, and recommend for policy action.

The workshop was organized in collaboration with the East African Legislative Assembly (EALA) supported by the EAC Secretariat, TradeMark Africa (TMA), CRDB Bank Plc, Tanzania Horticultural Association (TAHA), Southern Agricultural Growth Corridor of Tanzania (SAGCOT), and the Ministry of Industry and Trade (MIT) of the United Republic of Tanzania (URT). The workshop was graced by the Minister for Industry and Trade, Honourable Dr. Selemani Jafo on behalf of the Deputy Prime Minister of the United Republic of Tanzania and Minister for Energy, Honourable Dr. Dotto Mashaka Biteko.

The ARW featured two keynote addresses: AfCFTA as a Framework for Industrialization and Trade Expansion by Ms. Trudi Hartzenberg, Executive Director of the Trade Law Centre (TRALAC); and African Sustainable Trade and Economic Expansion by Junior Lodge, Assistant Secretary-General, Organization of African, Caribbean, and Pacific States (OACPS). The ARW was closed by Honourable Speaker of EALA, Right Honorable Joseph Ntakirutimana. A total of 173 participants attended the workshop.





## 2. OPENING SESSION



The workshop began by welcoming remarks from Dr. Donald Mmari, REPOA's Executive Director on behalf of the Members, Board of Directors, and Staff of REPOA. He thanked all participants for attending this important event. He then acknowledged with appreciation, along

with REPOA's partners, the presence of the Guest of Honour, among other dignitaries.

**Dr. Mmari** highlighted that trade and productive capacities are key to the general development of nations. However, he noted that trade has also fallen victim to the following:

The extended disruptive effects of Covid-19;

The ongoing geopolitical conflicts including the Russian-Ukraine war and instability in the middle east;

Trade wars among large economies; and

The adverse effects of climate change.

### Productivity

• Which measures the quantity of output per unit of inputs used in production, is an important determinant of the productive capacity of an economy, which also determines the ability of the country to expand its overall trade and exports.

### These concerns

• Explain why REPOA and its partners considered the choice of this theme for the workshop, in pursuit of collective efforts for *raising the productive capacities and expanding trade* within Africa and between Africa and the rest of the world.



Hence, he emphasized the **need to address the issues of** productivity, diversification, and trade competitiveness **with a sense of urgency.**

Dr. Mmari pointed to two alarming observations. First, based on the Global Trade Update issued by UNCTAD in July 2024, the global trade growth in the first quarter of 2024 was primarily driven by increased exports from China (9%), India (7%) and the United States (3%). Conversely, Europe's exports showed no growth and **Africa's exports decreased by 5%.** Second, while Africa has the largest population engaged in agriculture and its related trade, a 2022 report released by the Intergovernmental Panel on Climate Change (IPCC) on climate change impact, adaptation and vulnerability indicated that **across Africa, agricultural productivity has declined by 34 per cent since 1961** due to climate change, more than in any other region.

Dr. Mmari concluded his remarks by thanking REPOA's core partners for their continued and very valuable support without which REPOA's contribution to policy research and capacity building as a leading think tank in Tanzania could not have been realized. REPOA's core partners include:

The Embassy of Sweden

The Embassy of Norway, and

The Embassy of Ireland.

Dr Mmari also thanked:

The Ministry of Industries and Trade

EALA and EAC Secretariat

Trademark Africa, CRDB Bank, TAHA, and SAGCOT

for agreeing to partner with REPOA in organizing this workshop.

## Welcome Remarks from the Host



**Mr. Alex Obatre, Clerk of EALA** and the event's host, remarked on the historical partnership with REPOA. Despite an ongoing EALA parliamentary session in Kampala, EALA's select Committee on Trade and Communications remained in Arusha to effectively participate in this workshop. He informed participants that EALA has played its role in supporting trade and the expansion of productive capacities through legislation and dialogue with member states. Recent legislations passed include the EAC Customs Management Act, Vehicle Axle Load Act, Competition Act, and Statistics Act. EALA is currently considering the Standardisation and Conformity bill designed to facilitate seamless trade expansion and conduct in the EAC member states



**Ms. Annette Mutaawe Ssemuwemba, the EAC Deputy Secretary-General for Trade, Customs and Monetary Affairs**, also took to the stage to welcome delegates to the ARW. She emphasized that trade opportunities are abundant, but the challenges afflicting the production chains are also apparent. She cited some key successes in the EAC, including One-Stop Border posts, efforts to define and regularize trade standards, and resolving some NTBs. Trade is essential to fostering resilience in the EAC economies, unlocking innovation and improving the quality of life. Ms. Ssemuwemba thanked REPOA for convening the workshop and pledged continued support for this endeavour..



## Remarks from Collaborating Institutions



**Mr. Elibariki Shammy, TMA's Tanzania** Country Director, also welcomed participants by remarking on the importance of the workshop's theme, on the identification of resources, capacities, and opportunities to be unlocked for mutual integration benefits. TMA expressed hope that the 28th ARW would provide valuable insights that would galvanise the trade policy discourse, particularly on the inclusiveness, sustainability, and increased benefits from trade.

**Dr. Jacqueline Mkindi**, the Executive Director of TAHA expressed optimism that the workshop would help identify needed solutions to ongoing challenges in agriculture. Supply-side challenges including logistics and NTBs are hampering the growth of both trade and production in the horticulture value chain. The genesis of some of these challenges is security-related, including the ongoing instability in the Red Sea that has spiked shipping and insurance rates in the waterways. Post-harvest challenges remain abundant, ostensibly driven by incomplete value chain development and market linkages. The very regional nature of this year's ARW offers a regional platform for the EAC member states and private sector players to discuss and find common ground needed to facilitate the intended trade expansion.



**Mr. Gerald Kamugisha**, CRDB's Head of Trade Finance--noted the growing scope of the trade facilitation segment of their market. CRDB currently accounts for 40% of all agricultural sector financing in Tanzania, and a lot of the trade-related challenges outlined in the opening remarks that impact the performance of the bank's portfolio. Consequently, CRDB is happy to support the workshop and its deliberations as it is a key component of its core business.

## Remarks from REPOA's Core Partners

H.E. Tonne Tinnes, the Ambassador of Norway to Tanzania and the EAC, began her remarks by acknowledging and appreciating the presence of the Guest of Honour, the leaders of EALA and the EAC Secretariat, other dignitaries, and all distinguished participants at the important research workshop. She gave her remarks on behalf of REPOA's core partners; that is Sweden, Ireland and Norway. The Ambassador was also pleased to see that the three Norwegian partners—REPOA, Trademark Africa and SAGCOT working well together in organizing such an important dialogue.

H.E. Tinnes welcomed representatives from the East African Legislative Assembly present at the workshop, noting that as drivers for economic and political integration they are key to the workshop's discussion on sustained growth and trade. Today's business and trade go hand on with efforts to create a friendly environment and climate for production and trade.

She emphasized the criticality of trade in small countries, noting that, Norway being a small country, trade has been so critical to its growth and prosperity. Norway is also a country with vast natural resources, both renewables and non-renewables. And Norway's success has demonstrated that when you couple natural resources with good governance, good policies, solid institutions, and human capital development, they can create a powerful engine of lasting growth.

Thus, for Norway, Sweden and Ireland, intra-regional trade has been and continues to be the basis of economic growth and structural transformation. The countries' immediate neighbours continue to be their most important trading partners.

For Africa, H.E. Tinnes emphasized that regional economic integration is also important, including in East Africa. However, there is a huge untapped potential for trade in Africa and in East Africa.





On the feasibility of unlocking this potential, she proposed five issues that would help to increase trade and ensure sustainable growth in both East Africa and Africa:

***First, the urgent need for a people centered trade and growth policy.***

For economic and political integration, trade and growth policies must be formulated in a way that puts people and societies in the center;

In the process the underlying dynamics are explained well in a way that ordinary people understand the benefits of trade and integration and, therefore, will support it; and

Economic and trade policies need to look after those who loose-out in the short run, helping them access new markets by sharing information and improving skills.

***Second, ensure the countries' trade and growth policies also empower women.***

Not only because it is right. But because it is smart;

Human capital is in economic terms a value—women are not only the majority but also keep a catalytic role in household welfare and poverty reduction; and

No country can afford to leave out a substantial part of their human capital.

***Third, economic integration is driven by political will.***

This is the reality in Europe and Asia - but also in Africa;

Countries need the political will to reduce non-tariff barriers; to develop infrastructure corridors; and to develop joint plans to expand value addition—manufacturing and processing;

Politicians should help businesses to succeed by setting common standards and regulations that stimulate change and prepare for the future.

***Fourth, the issue of environmentally and climate friendly production.***

Climate change is affecting the nature and society globally and in Tanzania, represents both an opportunity and a challenge;

Cited joint efforts of REPOA, WAJIBU and Norway on a pre-COP 29 knowledge exchange and dialogue on climate change and green transition; and

Tanzania is well positioned to leverage together with regional partners its critical natural resources and at the same time promote structural transformation for the country.

***Fifth, the current geo-political situation does influence global trade and structural change.***

Much has been written about critical minerals—the world's building blocks for emerging and future technologies; and essential to manufacturing, clean energy production, and semiconductor production;

Critical minerals exist in abundance in East Africa and Africa region—including lithium, cobalt and graphite;

Despite the attractiveness of these minerals, the market remains dominated by very few countries—with China as the main player maintaining 60 percent of the world's rare earth mining production and approximately 90 percent of processing and refining in 2024. This concentration of these vital supplies exposes the market to disruptions and potential market abuse;

This concentration also makes global trade vulnerable to external shocks, to trade disputes and to geopolitical tensions. Countries like Norway takes value chain vulnerability into account and explore opportunities for trade with other countries to reduce vulnerability. This is also an important aspect that countries like Tanzania and others in the EAC need to consider; and

Further, conflict and war continue to affect trade and productive capacities. Russia's invasion of its neighboring country Ukraine in February 2022, did not only violate the UN Charter but it led to increased prices on energy, on food, on fertilizers globally, and the risk of further economic disruptions is still very high.



She emphasized that with its strong position, East Africa is leading the way in integration and trade. The newly concluded tripartite of EAC, COMESA and SADC, and finally the larger African Continental Free Trade Agreement for the entire continent represent exciting opportunities to further boost integration. It will significantly increase the opportunities for value addition and benefits accruing to Tanzania, East Africa and Africa overall from the international economy.

H. E. Tinnes concluded her remarks with a positive note for Tanzania's effort in setting ambitious goals in its development vision 2050 - for its people and for the country. Moving towards a high-middle income economy with inclusive growth and the ambition to develop a welfare state is continuation of the legacy and heritage of the founding father of the nation, Mwalimu Nyerere.

Norway is one of the countries that celebrate 60 years of diplomatic relations with Tanzania this year. Norway, Sweden and Ireland have all provided substantial development aid to Tanzania and other EAC countries during this period.

She emphasized that the partners were now entering into a phase where trade and business will be even more important. Norway is proud to partner with Tanzania:

• In improving the business environment.

• In increasing productivity in agriculture and other sectors

• In bringing in Norwegian companies that brings competence and capital needed for building sustainable growth, productive capacities and trade.

Partnerships should be dynamic and open to change. This is the spirit that Norway brings into the dialogue and the cooperation.

She commended the partnership of EAC Secretariat, EALA, REPOA, Trademark Africa, CRDB Bank, TAHA, SAGCOT, and the Ministry of Industries and Trade as a good example of innovative, non-standard collaboration between state and non-state actors seeking a common goal of sustained and inclusive development.

**Prof. Rwekaza Mukandala** welcomed the Minister of Trade and Industrial Development—Revolutionary Government of Zanzibar, to invite the Guest of Honour.

On behalf of Members and Board of Directors of REPOA, Research Community and all stakeholders present,

He welcomed all participants to the 28th Annual Research Workshop under the theme “Pursuit for Sustained Growth and Trade Expansion”;

He offered a special welcome to the Guest of Honour and expressed appreciation for his support to grace this important event;

He noted that the relevance of the subject of the workshop for the African region, in particular, in the context of the AfCFTA, the initiative underscored to be the game changer to the future of Africa.

Prof. Rwekaza Mukandala also expressed his great pleasure for the presence of many delegates from various African countries and regional organizations, which will constitute an important platform for knowledge exchange, and more importantly, on the best practices and recommendations for making the respective national policy frameworks work towards the achievements of the AfCFTA objectives.



He reaffirmed appreciation of REPOA’s and the research communities for the recognition of the contribution of research in development, expressed today by the strong partnership in organizing this workshop that have involved the regional legislature—EALA—, the EAC Secretariat, the Ministry of Industries and Trade, Trademark Africa, and the private sector institutions, namely TAHA, CRDB Bank, and SAGCOT. He thanked these partners and looked forward to the continued collaboration in efforts to promote the use of research-based evidence to inform policies and development interventions in Africa.

He expressed the pleasure of hosting the workshop’s two keynote speakers, Madam Trudy Hartzenberg, and Mr. Junior Lodge. He welcomed other speakers and participants, and he gave a special welcome to those who have come from outside Tanzania.

He concluded his statement by inviting Hon. Omar Said Shaaban, Minister of Trade and Industrial Development of the Revolutionary Government of Zanzibar, to invite the Guest of Honour.





## Hon. Omar Said Shaaban, Minister of Trade and Industrial Development—Revolutionary Government of Zanzibar.

**Hon. Shaaban** thanked the God Almighty for enabling the meeting at the East African Community's Headquarters in Arusha, an important gathering of policy makers, development partners, researchers, the private sector and other non-state actors to mark the 28th instalment of REPOA's Annual Research Workshop.

Hon. Shaaban emphasized that the Annual Research Workshop is the foremost creative force for engaging the country's top leaders, policy makers, development partners and policy researchers in collaborative efforts to review and shape national policies and strategies, noting that REPOA has organised these workshops on an annual basis for 28 years aiming to:

First

- Stimulate and inform policy making with evidence from timely, methodologically robust and relevant research; and

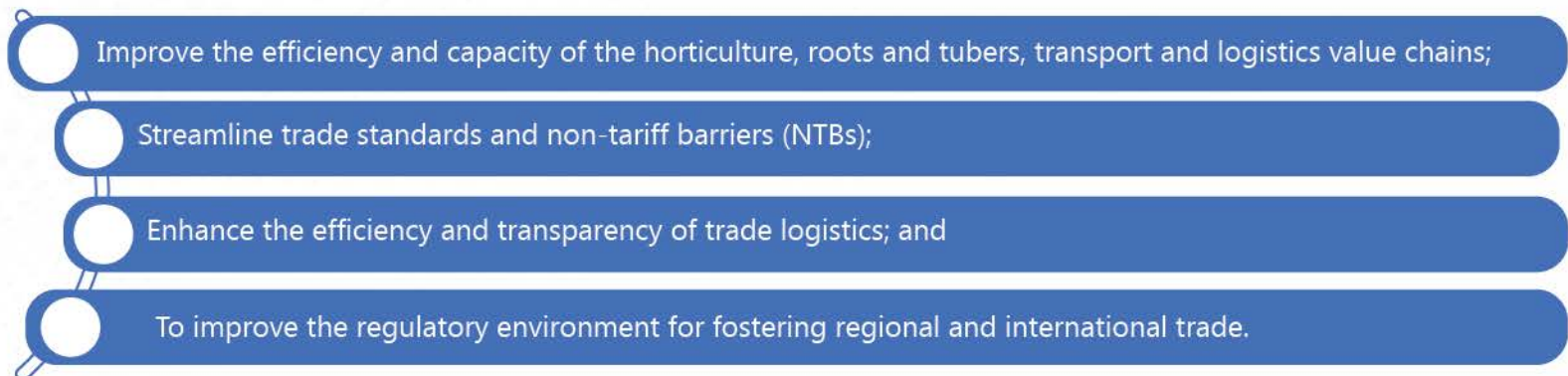
Second

- Expose researchers to the complex real-life realities that policy makers and practitioners face to inform their contextual understanding of policy processes, the operating environment and evolving concerns.

He noted that this is done to promote mutual understanding of each other's perspectives and to enhance the alignment of research with the country's current and future development needs. Further, this is necessary to foster research that is specific, timely, relevant and capable of contributing to both national and local development aspirations. The workshops also offer an opportunity to build the capacity of young researchers through the validation and dissemination of their work.

In welcoming the Guest of Honour, Hon. Shaaban remarked that the Government has been working with REPOA for decades on research, value addition and capacity development on some key aspects of trade policy including agriculture value chains, with a focus on the textiles, sisal, livestock, seaweed, spices and horticulture, as well as on the quality management to enhance the competitiveness and diversification of the country's exports. The Government's partnership with REPOA also has many

indirect positive spill overs including fostering inter-ministerial coordination and analytical capacity in implementing the national development vision through trade and industrial development.

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- 1. Improve the efficiency and capacity of the horticulture, roots and tubers, transport and logistics value chains;
  - 2. Streamline trade standards and non-tariff barriers (NTBs);
  - 3. Enhance the efficiency and transparency of trade logistics; and
  - 4. To improve the regulatory environment for fostering regional and international trade.

This collective venture is a template for public-private partnerships essential for national development. The Government will continue to promote such inclusive partnerships in the pursuit of the National Development Vision and the desire of Tanzania to be an important player in regional trade and economic cooperation with other countries in Africa in the spirit of the African Continental Free Trade Area.

He then invited the **Guest of Honour** to offer his remarks and formally open the workshop.

**Hon. Dr. Selemeni Jaffo (MP), Minister of Industries and Trade—the Guest of Honour** Hon. Jaffo began his opening remarks by acknowledging the presence of Hon. Omar Said Shaaban, Minister of Trade and Industrial Development—Revolutionary Government of Zanzibar, Hon. Members of the East African Legislative Assembly, Members of the EALA, H.E. Tone Tinnes, the Ambassador of Norway to Tanzania and the EAC Secretariat, other dignitaries, and all distinguished participants.





He appreciated a great honour to grace the opening of this important workshop on behalf of **Hon. Dr. Doto Mashaka Biteko (MP)**—Deputy Prime Minister of the United Republic of Tanzania and Minister of Energy, who wanted to personally attend this important workshop but because of other equally important matters he could not make it, and therefore, wished all participants a successful workshop.

He lauded REPOA, in collaboration with the six partners, for holding its Annual Research Workshop in Arusha—a destination of choice for many international travellers, owing to its unique location and a variety of attractions, in addition to the welcoming nature of its people.

Hon. Dr. Jaffo also noted the broader scope of the workshop, encompassing:

- Regional actors from the EAC;
- Other Regional Economic Communities;
- Pan-African trade and regulatory organizations, international organizations; and
- Private sector actors from around Africa

This explains the rationale for this commendable collaboration of the East Africa Legislative Assembly (EALA) and the East African Community, who are hosting the workshop at their headquarters in the great city of Arusha, ***“the Geneva of Africa”***.

The Minister appreciated REPOA's record of working with various Government Ministries and Agencies, private sector actors as well as regional bodies and other global academic and research institutions on research, capacity building, and policy development. In that regard, he stressed on the importance that the Government of Tanzania attach to research work and policy dialogue of this nature, which provides the opportunity to exchange views, inculcate new thinking on development, and on the strategies for achieving the aspirations of improving people's welfare. He commended REPOA and its core partners for supporting the Government of Tanzania in its quest to accelerate the transformation of its economy, by modernising and upgrading the key drivers and enablers of sustainable economic growth, including trade, tourism, manufacturing, agriculture, and aquaculture.

He appreciated the important feature of this workshop that entails the collaboration involving multiple and diverse partners, that are all united by their collective desire to see Africa prosper through enhanced productivity and trade expansion. This confluence of ideas and interests harbours positive synergies for current and future policy making and practice. Each one of these organisations: REPOA, EALA, the Ministry of Industry and Trade, CRDB Bank PLC, Trademark Africa, TAHA, and SAGCOT are indeed true allies of inclusive, progressive, productive, market-friendly and above all evidence-based development. In that regard, he invited all participants to join him in commending all these partners for showing unity in diversity for a greater cause.

Hon. Dr. Jaffo further expressed his belief that REPOA, its partners and the many stakeholders present at the workshop, will continue to support the efforts of the Government of Tanzania, and other African Governments in their pursuit of high and inclusive economic growth, sustained trade expansion to the Global North and the Global South, as well as sustaining high rates of human development.



In reference to the theme for this year's workshop, the **"Pursuit for Sustained Growth and Trade Expansion"**, he emphasized that it was very much in line with the agenda of the United Republic of Tanzania, the agendas of the Regional Economic Communities in Africa and of the African Union, through the African Continental Free Trade Area— the **"game changer"** of the African economies and its people going forward. They all put trade expansion and productive capacity enhancement high in their respective priorities for accelerating private sector-led economic growth. It is also in line with the aspirations of the East African Community Secretariat, the host of the workshop, to widen and deepen economic, political, social and cultural integration to improve the quality of life of the people of East Africa through increased competitiveness, value added production, trade and investments expansion.



He outlined some institutional reforms that the Government of Tanzania has put in place to enhance trade and productive capacity, and to support the functioning of a vibrant, competitive and learning private sector, including ratification of the AfCFTA: Examples of policy and institutional efforts include:



The Minister emphasized that research would help in evaluating our own policies and strategies that we set forward, the objective being to show us where we have succeeded, where we have made mistakes, and to learn from the success of other countries, considering our relative comparative advantages, initial conditions, technological evolution, African and global trade governance and geo-political landscape.

He noted that in recent years, Tanzania has increasingly become integrated into the regional and global economy. The country's exports to the SADC region have grown by 50% while those to the EAC have grown by a whopping 174%. With a combined value of USD 2.8 billion, the EAC and SADC are now Tanzania's single biggest export market—"the African component of the Global South".

The reorienting of the country's trade aspirations towards the immediate neighbours validates the premise of increased regional integration while showing that it is possible to grow through trading within the region. That experience has shown that trade linkages and regional economic integration can deliver competitiveness and benefits to individual countries only if existing trade barriers are resolved comprehensively while at the same time, enhancing the productive capacities of the respective productive sectors. Further, the increased development and growth of regional value chains within and between the African economies stands to enhance cooperation.

He indicated that he has for a long time been a believer that mutual gains from trade expansion can be attained by lowering trade barriers and improving the speed and efficiency of inter-country trade through improved regional infrastructure, efficient one-stop border posts, and related financing. These signify the need for African governments and the respective Regional Economic Communities to create an enabling environment through good industrial and trade policies and especially through regulatory frameworks for tackling market failures. Improving the growth and resilience of Regional and Global Value Chains also requires maintaining an open trading system and addressing trade facilitation and financing bottlenecks.

As such the importance of developing productive capacities for economic growth, industrial and trade expansion, and poverty reduction can be evident in the development experience of developing countries which have managed to achieve sustained industrial and trade expansion and substantial poverty reduction over the last three decades. It requires efforts to effectively promote investment, innovation and structural transformation. In that regard, increased agricultural productivity and agro-processing, accelerated industrialization and building up of international competitiveness in tradable sectors should all constitute basic objectives which must be pursued step-by-step, focusing on the real economy targets.

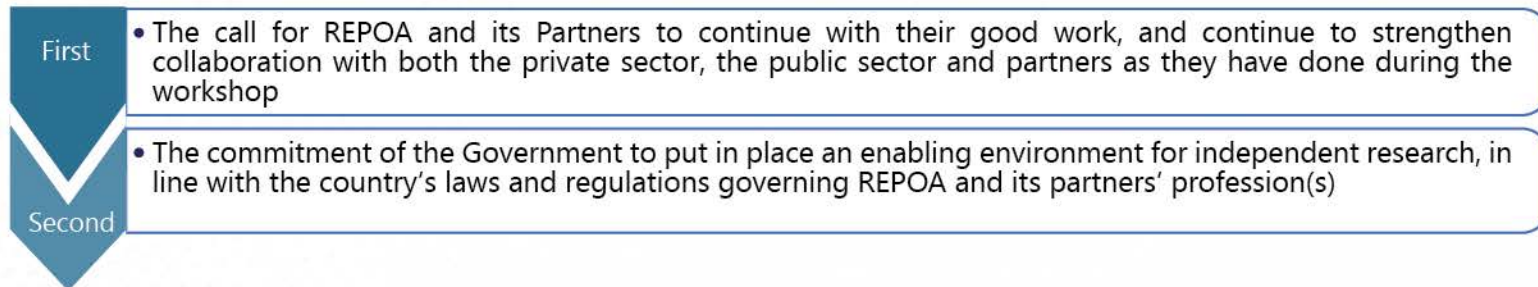




Hon. Dr. Jaffo recommended four areas that he wished the workshop to think through and provide answers, to inform and support the feasibility of the various country strategies going forward:

First	Both trade and productive capacities in East Africa and Africa in general, are very much dependent on climate-sensitive sectors: agriculture, tourism, mining, and other primary production activities. How can we transform quickly towards highly tradeable, high-value, productive and competitive secondary and tertiary sectors without compromising climate change mitigation commitments towards greener growth?
Second	<p>Tanzania and the broader EAC region have the potential to leverage their abundant youthful populations and comparatively attractive land and nature to expand both production and trade. What do you see as the drivers of successful expansions of productive capacities and trade, potential obstacles, and how can these obstacles be overcome?</p> <p>Certainly, significant investments will be needed to overcome some of the obstacles you will identify, and thus while addressing this question, I urge you to also dwell on the options for financing the various solutions that you will propose.</p>
Third	Under what conditions can Tanzania and other African countries leverage the current technology and digital innovation era to trade more competitively in the evolving regional and global value and supply chains?
Fourth	How can African countries strike an affirmative balance of sustainable trade expansion with the Global North and the Global South?

Hon. Jaffo reiterated:



**In winding up his opening remarks, the Guest of Honour, on the behalf of the Government:**

Thanked all the Developing Partners that are continuing to support REPOA and its Partners—namely REPOA's core partners that include the Embassies of Sweden, Norway, and Ireland; and other programme partners such as DANIDA; the European Union Commission, FCDO, and many others.

Recognized their contribution to enhancing policy research capacity and constructive policy dialogues, including this workshop and urged them to continue with such partnerships as they are beneficial to the country and the region.

Observed that in this century, characterized by digital transformation and unprecedented speed in technological innovation, we cannot succeed without research.

Noted that global competition is intensifying, and economies and social lives are becoming increasingly interconnected, and thus effective policy responses will require continuous and credible, research-based evidence.

Finally, on the behalf of Hon. Doto Mashaka Biteko (MP)—Deputy Prime Minister of the United Republic of Tanzania and Minister of Energy, Hon. Dr. Selemani Jaffo declared the 28th Annual Research Workshop of REPOA and its Partners officially opened.

Wished participants productive deliberations.



### 3. KEYNOTE PRESENTATIONS SESSION

The first keynote speaker was Trudi Hartzenberg, Executive Director of the Trade Law Centre (TRALAC) based in Pretoria, South Africa. She gave a presentation on AfCFTA as a Framework for Industrialization and Trade Expansion. She began her presentation by pointing out that the overall expectations are that AfCFTA will boost intra-Africa trade. However:

The reality is quite different with intra-Africa trade currently at only 16% (2023) with high levels of regional concentration, and preponderance of NTBs.

Research by the Trade Law Centre (TRALAC) shows that a 20% reduction in transit time – on the road and at border posts – would yield greater trade and welfare benefits than the complete elimination of tariffs.



AfCFTA is an ambitious initiative, integrating a large number of diverse, unequal partners. While the AfCFTA recognizes the RECs, it creates a co-existence model where the REC-free trade areas are building blocks of the AfCFTA. But AfCFTA is not all regional, it is also cognizant of Africa's global partners and dedicates considerable resources to fostering existing global partnerships and forward-looking linkages with the rest of the world.

Trade-led industrialization and the AfCFTA may yield uneven results, with those State Parties that have economic and trade capacity benefitting, but others such as the LDCs, land-locked, weakly diversified may well be left behind.

To support diversification and expansion of productive capacity, the AfCFTA has been adopted as a Framework for Africa's Industrialization. The key modality being:

Regional and continental value chains;

Industrialization not an end in itself but targeted at creating jobs, expanding access to economic opportunities, enhancing resilience, expanding and diversifying trade, supporting food security, attracting FDI and R&D; and

A framework for innovation and effective contribution to sustainable development.

Ms. Hartzenberg noted that the quality of industrialization is what matters, in terms of the quality of jobs—not just the number, the quality of trade and the welfare effects of trade. She emphasized the importance of examining the AfCFTA from an industrialization perspective. Further, current African trade is largely commodity-driven with limited value addition, and extremely high costs of doing business.

**However, the AfCFTA does not have:**

- A Protocol on Industrial Development (as for example in SADC); and
- A Protocol on Agriculture.

The importance of trade liberalization and trade facilitation for industrialization, and cross-border value chain development is mainly through:

Tariff liberalization—the 4 Annexes to the Protocol on Trade in Goods: Customs cooperation & mutual administrative assistance;

Trade Facilitation--Elimination of NTBs; Transit standards (Annexes on SPS and TBT – serve legitimate public policy objectives, also important in competitiveness development and securing market access);



Trade-industrial policy linkages as acknowledged in WTO – though the inherent challenge of subsidies especially by developed countries has not been resolved; but underlies the key question of the nature of trade policy space for late industrialisers like most African countries; and

Competing in core manufacturing -- with e.g. China, Vietnam etc. that prompts different thinking about industrialization.

Industrialization must be economy-wide (agriculture, manufacturing, services, digital) – leveraging the linkages and relationships across sectors. The role of services and digital innovation are also integral to all economic activities, and thus services liberalization, regulatory cooperation and harmonization are important to reduce costs of compliance and facilitate access to services.

AfCFTA can be a vehicle for sustainable transformation in a digitally empowered 21st-century economy. Implementation of AfCFTA needs to take the regional disparities into account and adopt pragmatic approaches (both in scope and nature). Most recent development includes protocols on digital trade and women that seek to bridge trade facilitation.

There are four annexes to the protocol on trade and goods focusing on reducing the transaction costs of doing business and supporting the timely input needed to facilitate trade. The AfCFTA also has a chapter on standards which are critical to developing competitiveness and ensuring value to consumers. Services are also central to the AfCFTA agenda, based on the catalytic role in facilitating the movement of goods and people. There is a need to harmonise the services protocol to facilitate adoption. AfCFTA commits state parties to invest in renewable energy as a foundation for any business and trade facilitation. It is important to think of the prospects of mainstreaming energy sustainability in the functioning of the AfCFTA components. However, AfCFTA fails on consumer protection with only a sparse treatment of consumer affairs and silent on broader aspects, allowing for variable geometry which can be detrimental not just to consumer rights but also to integration.

AfCFTA needs to localize the protection of intellectual property rights within the continent. Many of the continent's leading innovations such as M-PESA are domiciled in the United Kingdom, it is important to domesticate these rights and build a supporting ecosystem.

TRALAC's recent work has shown that:

Value Chain databases at UNIDO, WTO and others come with a hefty access price tag, which hinders creativity and analysis.



Such data doesn't come with gender markers as such it is difficult to understand where women are situated in local value chains.



TRALAC has surveyed 21 African countries to understand the role of women in Value Chains.



Unsurprisingly, access to finance emerged as a top concern affecting the development of micro, small and medium-scale enterprises (MSMEs).

In concluding her address, Ms. Hartzenberg emphasized the following five sets of Protocols (under Phase 2 of the AfCFTA Protocols) that would strengthen the continent's industrialization perspective:

Protocol on Investment:	Promote, facilitate and protect cross-border investment and investors in Africa;
	Investment facilitation (improvements in good governance, transparency in regulations etc.) that will also apply to FDI from global sources too.
Competition Policy:	Promote fair competition and eliminate anti-competitive practices (ensure that benefits of trade liberalization are not eroded; and that unfair competition does not disadvantage especially MSMEs)
Protocol on Digital Trade:	Protocol adopted, now work on Annexes covering data governance including storage, transfer, cybersecurity, digital identity, consumer protection.
	Essential to have a governance framework to support digital innovation and access to digital trade opportunities (digitally ordered (e-commerce) and digitally delivered trade e.g. content – video, music, gaming, SAAS (software as a service e.g. accounting software).



## Protocol on Women and Youth in Trade:

For an inclusive AfCFTA; address systemic challenges that women, youth and other marginalized communities face (must link to the implementation of the other legal instruments such as on customs and border management; elimination of NTBs).

The second keynote speaker was **Mr. Junior Lodge**, Assistant Secretary-General, Organization of African, Caribbean, and Pacific States (OACPS)—who gave a presentation titled the **African Sustainable Trade and Economic Growth**.

At the outset Mr. Lodge noted a link that had emerged—that connects Ireland, the Shridath Ramphal Centre, and being in Tanzania. The link of the countries that came together because they recognized that trade and development preferences that were awarded by the UK and by other countries that had acceded to the EU in 1973 needed to be extended beyond the former colonies of France, Italy and Belgium. One of the initiatives launched by Sir Shridath Ramphal was bringing together countries such as those in the Caribbean and Africa to form the Organisation of African, Caribbean and Pacific States. And one of the leaders was the founding father of Tanzania—Julius Nyerere. In that sense REPOA has facilitated these connections and linkages—most grateful.

Mr. Lodge applauded REPOA for organising the 28th edition of its ARWs – that in itself is a most commendable feat and attests to the

organisation's vision, perseverance and leadership. In today's rapidly changing geopolitical landscape resulting in the nascent formation of new alliances and multipolar blocs, coupled with the secular persistence of trade and development challenges, the guidance of research bodies such as REPOA and others is needed more than ever.

In reference to the title of the workshop, the term "pursuit" suggests that economic growth has remained elusive and new impulses are required. Therefore, the forum was timely to collectively reflect, analyse, and strategize on a shared goal that is close to the heart of Africa's future, i.e. sustainable trade and economic growth.



Mr. Lodge sought to frame the underlying challenge by offering a few key data points. For example:

- Sub-Saharan Africa accounted for 16% of the world's population in 2024, but 67% of its people live in extreme poverty.
- Two-thirds of the world's population experiencing extreme poverty live in Sub-Saharan Africa, rising to three quarters when including all fragile and conflict-affected countries.
- The persistence of extreme poverty in Africa comes in spite of the continental economic growth averaging 3.5% during the period 2018 – 2023.

Yet Africa remains at a crossroads. With its youthful population, abundant natural resources, and increased integration into regional and global value chains, the continent has the potential to earnestly boost its economic performance. The OACPS firmly believes that Africa's future prosperity lies not only in harnessing its resources but also in applying sustainable trade practices to spur inclusive growth. This requires aligning its economic ambitions with the global agenda for sustainability and the development of resilient economies.

OACPS remains committed to supporting Africa's trade development by focusing on the following key aspects of sustainable trade and economic growth environment:

First

- Regional integration as a pillar of sustainable growth: The AfCFTA is a milestone achievement for the continent. It offers the potential to boost intra-African trade, reduce dependency on external markets, and create a more diversified and resilient African economy. It is most commendable that ratification of the AfCFTA protocols is the fastest in the history the continent has ever experienced.

In 2023, intra-African trade was estimated to account for 17% of total African exports and is expected that the implementation of AfCFTA will increase this figure to 25% by 2030.

This will potentially create a market of over 1.4 billion people with a combined GDP of \$3.4 trillion.

Such continental GDP would make Africa the sixth largest economy behind the US, China, Japan, Germany and India.

A World Bank study notes that an effectively implemented AfCFTA could potentially lift 50 million people out of extreme poverty and generate total income gains of up to US\$450 billion by 2035.



AfCFTA constitutes a significant step towards unlocking the full potential of African markets, but the journey is just beginning. Africa's GDP growth is projected to average 3.7% in 2024, with sectors such as agriculture, technology, and green energy showing significant promise.

To reap the full benefits of AfCFTA, it remains essential to harmonize policies, enhance infrastructure, and improve regional connectivity. Most notably, trade facilitation must be prioritised through the elimination of non-tariff barriers and the promotion of digital solutions to reduce transaction costs and open new opportunities for African entrepreneurs.

Mr. Lodge expressed the collective salute for the efforts of RECs that support the delivery of essential infrastructure such as roads, railways, and energy networks all required for the smooth implementation of the AfCFTA. He noted the following most admirable initiatives to enhance infrastructure and connectivity, but which he argued they urgently need to be both scaled up and applied continent-wide:

- The cross-border infrastructure projects, such as the Northern Corridor in East Africa connecting landlocked countries to ports in Kenya;
- The Trans-African Highway network involving SADC and ECOWAS;
- The Lobito Corridor linking DRC with Angola; and
- Regional power arrangements such as the West African Power Pool (WAPP).

## Second

Building sustainable value chains: Africa's wealth of natural resources, agricultural potential, and biodiversity offer vast opportunities to create sustainable value chains. The key to long-term economic growth and development lies in moving beyond commodity and low value-added trade to processed and transitioning to value-added production and processing.

Currently, Africa accounts for about 60% of the world's uncultivated arable land, and agriculture remains a key driver of its economy, contributing around 14% of total GDP. Yet, African countries continue to face challenges in moving up the value chain.

The more compelling case for moving up the value chain is provided by critical raw materials. The continent has considerable mineral wealth, and many countries are clustered as recourse intensive economies – particularly with mineral inputs required for the green and digital transition. Of the global production, Africa accounts for:

✓ Rhodium (91%);	✓ Rhodium (91%);	✓ Cobalt (78%);
✓ Tantalum (62.5%);	✓ Manganese (61%);	✓ Chromium (57%); and
✓ Palladium (46%).		

But the continent also suffers from commodity dependence—UNCTAD Trade and Development Report 2021 cites that 45 of the 53 African countries are commodity-dependent. This paradox is best exemplified by the Democratic Republic of Congo – the country with 70% of global production of cobalt and yet is categorised as an LDC!

There is documented evidence of a secular demand for critical raw materials with a recent UNCTAD report suggesting that the demand for lithium, nickel, cobalt and copper could all rise by over 1,500% by 2050. The demand for lithium used in electric vehicles, batteries, and energy storage is expected to increase 12-fold by 2030 and increase 89-fold by 2050.

Mr. Lodge recollected that it is in this context that the OACPS crafted a position paper on critical raw materials with the following five major policy proposals:

First	Recognition of the imperative that the secular demand for critical raw materials should not herald a commodity rush in Africa.
	Commodity dependence essentially means Africa will be failing to adequately capture value from its resources and reduced to persistent underdevelopment.
	Hence, the challenge remains that of advancing value addition, beneficiation, and industrialisation.
Second	The internalisation that critical raw materials are value chains with linkages to various other sectors in the economy, most notably, renewable energy, health, education, skills training, electrification, feedstocks for agriculture, and institutional support for mining communities.
	In that context, it is not difficult to imagine Africa's lithium holdings resulting in the production of lithium-based batteries that serve to deliver electricity to towns and villages via mini-grids.
	The literal power of viewing critical raw materials comes from the recognition that any thrust towards industrialisation requires sustainable, cost-effective and reliable power generation.
Third	The International Renewable Energy Agency (IRENA) estimates Africa's renewable energy potential at: <ul style="list-style-type: none"> <li>• over 10 terawatts of solar power,</li> <li>• 350 gigawatts of hydro electric energy,</li> <li>• 10 gigawatts of wind and</li> <li>• more than 20 gigawatts of geothermal power.</li> </ul>
	This massive potential in renewable energy could also spur the manufacture of green hydrogen, green ammonia and eventually zero carbon fertilisers, thereby repositioning the continent as a hub for decarbonised global food supply chains.



Mr. Lodge emphasized that any thrust towards industrialization remains preconditioned on access to unlocking Africa's massive energy potential. By incorporating environmentally sound practices into African production processes, natural resources are protected but also a competitive advantage can be leveraged in a global marketplace marked by increasing demand for sustainable goods and services. By investing in renewable energy, sustainable agriculture, and responsible mining, Africa can build resilient economies that withstand global market shocks while creating decent jobs for the people.

He further noted that public-private partnerships will play a crucial role in this transformation. Additionally, strengthening the region's small and medium-sized enterprises and connecting them to regional and global markets will ensure that the benefits of trade are realised at every level of the respective societies.

There is a compelling case for Africa to invest in green production and a circular economy. Investing in renewable energy could help build resilient economies while creating decent jobs for Africans. Global servicification is also emerging as an important lever with value addition key to unlocking competitive trade as evidenced by 83% of the value of Ethiopian roses sold in the Netherlands being services. Servicification is offering opportunities for Africa to participate in global value chains by focusing on components of high value.

#### Fourth

Empowering Africa's human capital: Africa's youth remains its greatest asset. With over 60% of the continent's population under the age of 25, the potential for innovation and entrepreneurship is immense. The continent's labour force is expected to surpass 1 billion by 2035, making it larger than China's and India's combined. However, for African economies to thrive, gaps in education, skills development, and access to capital must be remedied.

While Africa's unemployment rate stands at around 12%, youth unemployment is considerably higher, with estimates placing it at over 40% in some countries. This gap highlights the need for urgent action in equipping the youth with the skills necessary to compete in the global economy, particularly in the areas of science, technology, engineering, and mathematics (STEM). Education systems must be aligned with the demands of the modern workforce, ensuring that young people can contribute meaningfully to the growth of sustainable sectors such as renewable energy, agriculture, and digital services.

Mr. Lodge recommended that research bodies such as REPOA should review the results of the Africa - Europe Alliance for Investment and Jobs. This initiative, launched in 2018 under the Juncker Presidency of the European Commission reflects that bloc's flagship policy initiative to then emergent migration crisis. Key elements of that initiative were:

Promoting African skills development;

Strengthened dialogue and cooperation with African partners on business and investment climate reforms;

Strengthened EU-African trade with the prospect of a continent-to-continent FTA building on existing agreements; and

Enhancing connectivity of intra-African and strategic linkages between the Africa and the EU.

Underpinning these noble initiatives was an External Investment Plan aimed at generating €44 billion in investment by 2020. Has this materialised, and if so, what lessons can be distilled in terms of policies and partnership in support of African sustainable development?

The effort directed at empowering young people – sources of entrepreneurship and dynamism, must be complemented by an increased focus on gender inclusivity. Women in Africa remain underrepresented in the formal economy, particularly in leadership roles. However, recent data shows that empowering women entrepreneurs can add an estimated \$316 billion to Africa's GDP by 2025. Providing access to financial services, ensuring that women have a voice in trade policies, and removing barriers to their participation in key sectors are essential steps toward achieving inclusive economic growth.



Fifth

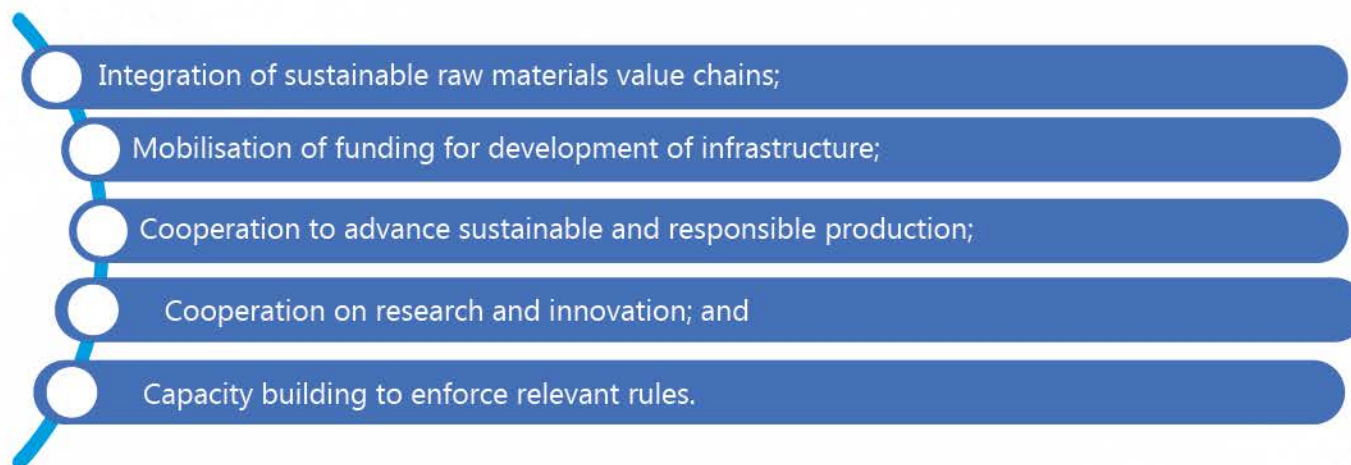
Global partnership for African trade competitiveness: reconfirmed that the OACPS remains proud of its long-standing partnership with the EU. In essence, a two-tiered legal construct has emerged – one where general priorities and approaches are enumerated at the all-OACPS–EU level but effectively operationalised through the three appended Regional Protocols.

In the African Regional Protocol, the following economic sectors are prioritised, viz.: Agriculture; Livestock and Leather; Blue Economy and Fisheries; Extractive Industries and Processing; Manufacturing; Services; Transport; Sustainable Energy; ICT and Digital Economy; and Tourism. The enumeration of strategic African economic sectors to benefit from prioritised treatment in the Samoa Agreement means crafting flanking policies and support interventions to harness these sectors' potential. This means improving the investment climate, supporting business development, skills training, and of course, strengthening the overall governance framework.



In implementing the African Regional Protocol, an example worth propagating might be the EU Critical Raw Materials Act (CRM Act). This policy framework underpins the European drive to “develop take-off agreements” for 34 materials defined as critical – here criticality reflects a risk assessment relative to both EU industrial needs and security of supplies. One key plank of the CRM Act is the provision for the establishment of Strategic Partnerships, with MOUs concluded thus far with DRC, Namibia, Rwanda and Zambia to secure access to critical raw materials. The OACPS posits the view that these Strategic Partnerships constitute a coherent and synergetic approach to trade partnership worth replicating beyond the realm of critical raw materials. These partnerships link trade, investment (access to EU Global Gateway); logistics (in particular, trade infrastructure) and capacity building.

Mr. Lodge emphasized that in operationalising these EU Strategic Partnerships, there are following 5 broad areas of interventions, namely:



It is abundantly clear that the EU’s CRM Strategy is predicated on the bloc’s newfound need to strengthen its economic security. However, it might be worth encouraging the EU to replicate, if not propagate, this holistic approach to other key African economic sectors as a concrete means of supporting the continental trade competitiveness.

He further noted another proposal, one that the OACPS delivered at a side event at the recent meeting of the UNCTAD Trade and Development Board in September 2024, namely, let the partners enhance the General System of Preferences by inserting the following elements:



These policy recommendations would significantly lift the economic performance of the 33 African LDCs and proffer the core of the new trade and development compact needed to support African sustainable development.

Mr. Lodge concluded his address with an emphasis that the future of Africa is gloriously bright, but this requires sustained effort, visionary leadership, and collaboration and partnerships at every level. Sustainable trade and economic growth are not just laudable objectives but imperatives for the survival and prosperity of the continent. He invited the participants to reflect, analyse and share research that will shape a bright African economic future, and, in that regard, to remain committed to building a continent that is self-reliant, inclusive, and sustainable. The OACPS stands ready to work alongside governments, private sector, civil society, and international partners to build a prosperous, equitable, and green future for Africa. Together, these visions can be turned into reality.

#### 4. VOTE OF THANKS

Mr. Geoffrey Kirenga, Chief Executive Officer of SAGCOT gave the vote of thanks on behalf of REPOA and other partners first by recognizing the presence of the Guest of Honour Hon. Dr. Selemani Jaffo, Minister of Industry and Trade who represented Hon. Dr. Doto Mashaka Biteko (MP)—Deputy Prime Minister of the United Republic of Tanzania and Minister of Energy, Hon. Omar Said Shaaban, Minister of Trade and Industrial Development, Revolutionary Government of Zanzibar, H.E. Tone Tinnes, the Ambassador of Norway to Tanzania and the EAC, and the leadership of the key institutions present at the workshop.

He thanked the excellent speeches from the Guest of Honour that will provide a basis for ongoing policy dialogue and further research. This will enable REPOA and the partners to this workshop to internalize and domesticate the profound knowledge with the view to support the trade competitiveness drive in Tanzania and the East African States.



In that respect, he thanked the Government of Tanzania for its continuous support of the research and capacity building work of REPOA in Tanzania, East Africa, Africa and beyond.

He thanked H.E. Tone Tinnes for her excellent remarks and profound recognition of the reforms in the European Union and global the trading environment that have taken place, but also the remaining challenges in the business environment that are still facing many countries especially those in Africa.

He acknowledged the great contribution of the keynote speakers – Ms. Trudy Hatzenberg and Mr. Junior Lodge, and emphasized the need for African countries to collectively address the productivity and competitiveness of agriculture in their respective economies.

## 5. DELIBERATIONS FROM THEMATIC PANEL SESSIONS

### 5.1 Opportunities and Challenges for Sustaining Trade Expansion

The panel discussion on the Opportunities and Challenges for Sustaining Trade Expansion was chaired by Hon. Omar Said Shaaban, Minister of Trade and Industrial Development, Revolutionary Government of Zanzibar, with four panelists: Adrian Njau from the East African Business Council; Elias Kilembe from the Petroleum Upstream Regulatory Authority (Tanzania); Dennis Karera from the Gold Capital Investment and Kigali Heights of Rwanda; and Alicia Nicholls from the Shridath Ramphal Centre of the University of West Indies.





### ***Strategies for successful trade expansion by the private sector in the EAC member states***

Strongly highlighted that African trade has been failing because Africa has abandoned the very ethics of regional integration—especially the failure to exploit existing opportunities.

The challenge within the EAC region is the failure to adequately coordinate the distribution of the production burden with many state trade policies focusing on vertical integration as opposed to exploiting gains from specialisation in different components of the value chain.

Strongly proposed that Governments can support regional integration by removing regulatory barriers that would reduce the cost of integration and expand the regional value chain. Ethics that hinder competitiveness include the failure to liberalise the regional air space and the failure to ratify the one area network protocol that would liberalise telecommunications, despite having been agreed by the Summit of the Heads of State. In the absence of these, the cost of doing business for the EAC private sector simply becomes too prohibitive.

The EAC needs renewed recalibration of its priorities especially at the regional level to accord the requisite weight to matters of substance as opposed to administrative ones.

The EAC's founding treaty requires revisiting and renewal to bring it up to speed with the times and to enable the EAC Secretariat address the opportunities and challenges facing the region.

The next ARW should, inter alia, focus on the key reflections of what has failed, who is responsible for that failure, and when did it happen.

### ***Strategies for successful trade expansion in the energy sector in EAC member states***

Competitiveness is a factor of speed with which one moves in exploiting the full scale of available capabilities in the energy sector and other key sectors in the economy. A failure to act quickly could equally erode trade competitiveness. To that end, Governments can aid the process by avoiding lengthy bureaucratic procedures, streamlining sourcing, and conducting market intelligence to gauge gaps and openings that incentivize investment in production and innovation for trade expansion. Competitiveness also relies heavily on regulatory clarity, which affects investment in the petroleum value chain, especially in instances where their business and investment environments are non-converging.

### ***Caribbean's sustained trade expansion to the Global North, and the best cases for SSA.***

Highlighted that the trade expansion of the Caribbean to the Global North has been driven by two main factors: the Guyana's oil boom and the region's service sector led by the Dominican Republic. Caribbean economies are largely services (mostly tourism and transport) except for Guyana, Surinam, and Trinidad and Tobago.

CARICOM has been quick to foster trade agreements with the Global North that have allowed them to benefit from the respective trade agreements. The success also lies in sustained capacity building, as well as a considerable concentration of trade professionals that are key in negotiations and trade expansion policies. Recent global supply chain disruptions have led to increased sourcing of commodities and services from CARICOM because of the improved intra-regional logistics.



## For Africa

It was proposed that policy makers and the private sector should be mindful that trade expansion can be uneven, thus efforts aimed at sustainably building competitiveness need to factor in the quality of trade, quality of jobs, and inclusiveness of trade.

Further considerations noted that, for EAC and other SSA economies:

Domestic politics within the EAC have long been insular, undermining trade liberalisation within the region.

Regional bodies like EALA have advanced the development of encompassing regulatory frameworks but the founding statute allows the retention of national sovereignty on trade matters, and the lack of harmonization and coordination in the approach to policy affects the instantiation of such regulations in practice.

Governments within the region have found it difficult to strike a balance between their core functions of trade facilitation and regulation.

Heavy-handedness has been rife, and coupled with adverse domestic politics has created politically driven commerce-disguised rents that adversely impact policy outcomes and the consistency of policy practice.

## 5.2 Enabling Trade Competitiveness

The panel discussion on Enabling Trade Competitiveness was chaired by Ms. Marloes Hamelink, the Executive Director of the European Business Group (EUB) in Tanzania, with five panelists: Benedict Msengele from the TradeMark Africa, Stella Onyacha from the EAC Competition Authority, Hermogene Nsengimana from the African Organization for Standardization (ARSO), Latifa Khamis from TanTrade Tanzania, and Ben Ngowi from Tanzania Plant Health and Pesticide Authority (TPHPA).





## Export Trade Potential of the East African Community under the AfCFTA

The EAC's total export potential in AfCFTA is approximately US\$ 1.9 billion.	• Followed by Tanzania at US\$ 594 million—48% of exports to Africa, DRC at US\$ 342.8 million;
	• Uganda at US\$ 178.2 million—nearly 90% of exports to Africa;
	• Rwanda at US\$ 36.1 million—90% of exports to Africa; and
	• Burundi at US\$ 1.3 million—74% of exports to Africa.
	• For South Sudan only 2% of exports to Africa are with EAC partners.

South Africa, Egypt, and Zambia are identified as the top export destinations for products from EAC to AfCFTA. As for sectors, a significant export potential exists in Cereals (processed) for Burundi, metals (except ferrous and precious) for the DRC, tea and maize for Kenya, food products (processed or preserved) for Rwanda, wood for South Sudan, mineral products for Tanzania, and dairy products for Tanzania.

Several benefits to the EAC members for trading under the AfCFTA include:	Enhanced market access;
	Financial development and increase in investment flows;
	expansion of networks and partnerships between domestic and foreign companies;
	Improvement of quality and investment in infrastructure (roads, seaports, and airports);
	Growth in digital trade, industrialization, and capacity for value-addition, development and growth of the EAC's niche industries such as agriculture, automotive, pharmaceuticals, and logistics (such as warehouses).

Overall, AfCFTA is an opportunity to boost EAC's private sector and cohesion with other African countries. To exploit the export potential in AfCFTA, EAC Member States need to promote the capacity of value addition of businesses by creating industrial clusters/parks for knowledge sharing and economies of scale. EAC governments should also:

Improve the productivity of businesses by developing initiatives such as duty remission schemes and manufacturing under bonds.

Enhance access to finance/credit by businesses by establishing special credit lines for priority sectors, establishing a central currency bond to reduce the effects of exchange rate fluctuations, and introducing an export insurance scheme, a buffer fund, or an export guarantee scheme for businesses that trade in volatile regions or some agricultural sectors.

Invest in the digitalization of services and empowering women traders should also be prioritized.

Additional and corresponding policy recommendations include:



- Trade facilitation—harmonize certification processes and establish a regional certification centre;
- Promote value addition—encourage regional industrial parks and enhance productivity; and;
- Technology and digitalization—to modernize trade processes and promote e-commerce.

### ***The state of harmonization of standards and certifications in Africa***

It was emphasized that quality culture should be embedded in the business environment to pave the way for the processes of harmonization of standards and certification. AfCFTA's Annex 6 stipulates that African countries are required to use ARSO standards as the basis for harmonization. To that end, ARSO have now developed more than 2000 standards that are a priority for Africa—which is simply 18% of the AfCFTA tariff lines. This level of performance signifies the great need to do more as the implementation of that 18% is still very low. The country that has adopted the most standards—at 10% of implementation—is Tunisia.

ARSO developed standards for cocoa for Cote d'Ivoire and Ghana. Those standards were accepted by the EU. Hence, this can be replicated in most value chains where Africa is a leading producer.

Key reference was made to the EU requirements for harmonization of standards. The EU has placed a standards restriction for several African forestry products that require sustainability certification by 2025 otherwise will be barred from entry into the EU—including the key African tree crops such as coffee, tea, etc. Only 15 African countries are embracing the sustainability certification.



Certification is mainly done by private sector institutions – currently by the EU private sector institutions. In future this certification business can be a thriving opportunity for African private sector companies.

### Hard Laboratories

It was advised that hard laboratories should be developed in African countries also with the view to creating trust.

Accreditation of laboratories to – **one standard, one test, and one certification** – is a basis for securing acceptance everywhere.

This requires:

- Market surveillance;

- Opportunities for standardization that are huge because of the large number of value chains, and developing new value chains for job creation and innovation;

- Informed research on the standards that are being developed.

It was further noted that regional cooperation and coordination are needed when it comes to proliferation of different standards and their metamorphosis into NTBs. Further that across the region, despite member states signing MoUs and on harmonisation, individual country standards organisations are continually deploying concerns on standards as an indirect NTBs when it comes to trade disputes.

### ***Hinderances to regional member states from free trading***

It was argued that the arbitrary application of existing regulations as well as the politicisation of technical trade matters compels countries to resort to the manipulation of existing trade standards regulations and protocols. This erratic dissonance allows member states to create and exploit ambiguities in the regulatory frameworks allowing them to impose punitive actions related to standards.

## ***Potential for maintaining trade effectiveness and competitiveness with the Global South***

The following recommendations were, inter alia, highlighted :

- Countries and RECs should work together, and not in silos, to fully exploit the existing trade opportunities and maximize on what is working well;
- Exploit the huge market potential of the Global South while protecting the welfare of both the consumers and producers;
- Pursue the harmonization of standards within the Global South building on what has been achieved in terms of standards and certification with the Global North; and
- Build and sustain fairness in trade competition and sustain exploitation of the full power of standards and certification.

### ***Protecting the African consumers***

It was argued that a lot of imports only need to conform to standards guidelines from their countries of origin but there is a distinct lack of understanding of existing continental standards and their enforcement. The year 2024 saw the enactment of the African Standards and Guidelines for Quality Assurance (ASG-QA). However, enforcement of these standards remains affected by inadequate institutional capacities which leads to the outsourcing of pre-shipment verification of exports (PVoE) to often foreign-owned entities.

Ultimately, given the salience of standards in trade, it is important for consumers to also assume a more proactive approach by learning their rights and exercising them by seeking discourse with the relevant standard enforcement agencies at both the national and regional levels.

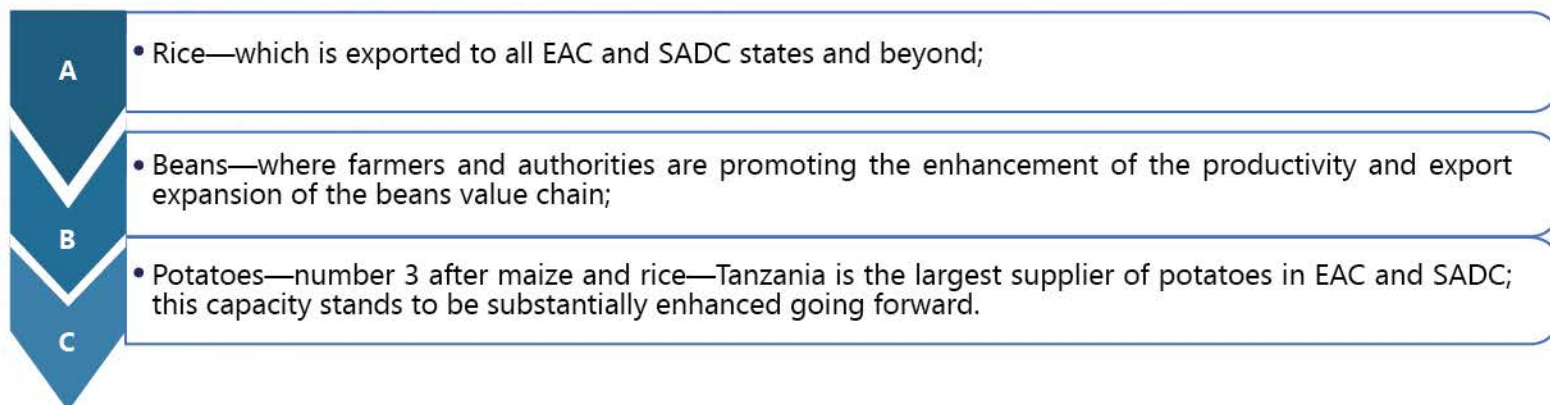
### **5.3 Enhancing Productive Capacities for Trade Expansion**

The panel discussion on Enhancing Productive Capacities for Trade Expansion was chaired by Elibariki Shammy, the Country Director TMA--Tanzania, with five panelists: Gerald Kamugisha from CRDB Bank Plc, Tullah Mloge from SAGCOT, Kelvin REMEN from TAHA, Hon. Suleiman Shabal from EALA Committee on Communication, Trade and Investment, and Adam Zuku from the Textiles and Garments Manufacturers Association of Tanzania (TEGAMAT).





Because of the substantive productivity gains and trade expansion over the past decade Tanzania is the main and strategic player in food production and trade—especially rice in the EAC and SADC. Other key agricultural products (mainly agro-foods) that have great potential for substantive productivity gains and trade expansion include:



- The target is to enable Tanzania to be a food basket for EAC and Africa.
- Farmers are building capacity to effectively understand the significance of soil management and productivity enhancement.

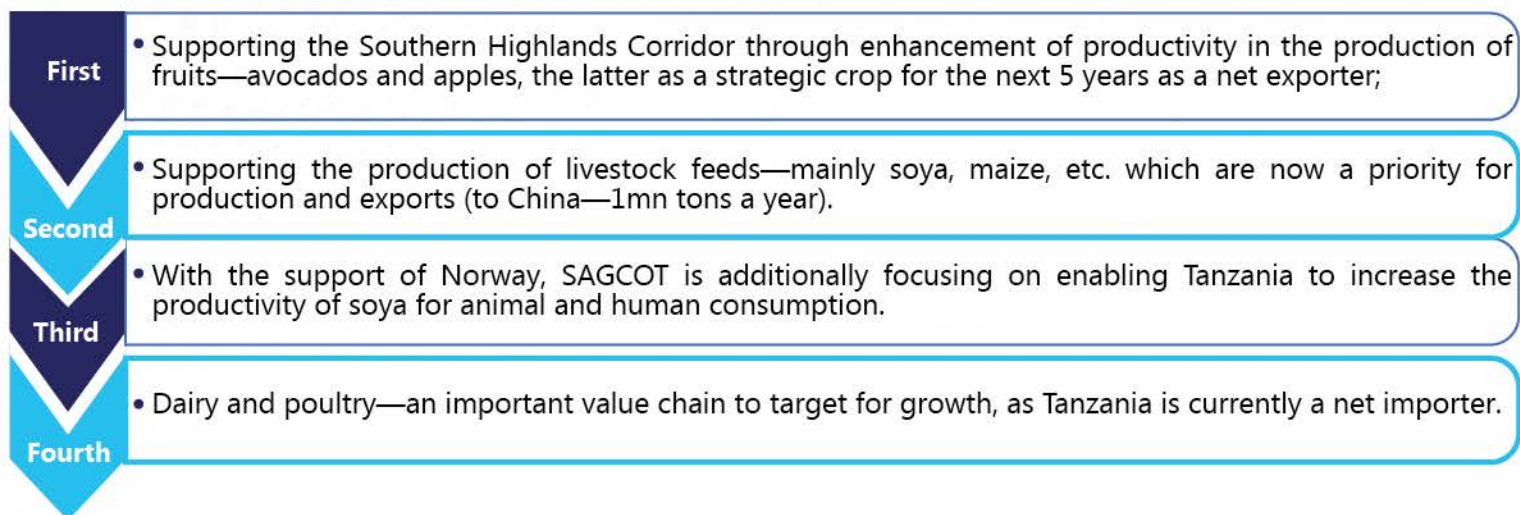
### ***Institutional and policy support for the Expansion of Regional Trade***

Africa is a net importer of lots of agricultural products including food. This is irrespective of the sizable potential to expand domestic production via enhancement of productivity in many countries and regions in Africa. Africa is currently utilizing 25% of its export and trading capacity mainly because of the challenges of standards and certification processes. In support of efforts to effectively address those challenges, Governments, RECs and private sector institutions are, inter alia:

- Looking into prioritising value chains;
- Supporting the critical mass of private sector operators in the respective value chains including SMEs; and
- Exploiting productivity growth and trade expansion opportunities in horticultural and food products.



The SAGCOT in particular is:



***Common pitfalls facing small and medium scale farmers when expanding within and beyond national boundaries***

All value chain actors do exploit the opportunities to ambitiously enhance productivity in their respective areas of production—large and small—, but when entering into internal and external markets, they face the following critical challenges that need to be effectively redressed to enable the key clusters of productivity enhancement to effectively translate into commensurate trade expansion.

The key challenges include:

The key challenges include:	
<b>Accessing capital and lending resources</b>	<p>a. Major challenge is that of accessing capital and lending resources. Upscaling business require investment and access to finance; but in SSA:</p> <ul style="list-style-type: none"> <li>• Less than 12% of bank loans goes to the agriculture sector;</li> <li>• This prohibits the SMEs from adequately accessing the targeted markets through trade expansion;</li> </ul>
	<p>➤ Need to do more research on financing for agriculture—how this should be handled including related policies.</p>

<b>Market support infrastructure facilities</b>	<p>b. Market support infrastructure facilities for exports, in particular:</p> <ul style="list-style-type: none"> <li>• Perishable products need refrigerated pack-houses and containers;</li> <li>• Non-availability of pack-houses and containers hinders SMEs market extension;</li> <li>• Pack-houses and containers are expensive for individual farmers / traders;</li> <li>• Processing facilities may hinder certification process if not located in industrial parks.</li> </ul> <p>➤ Government / public investments with big multipliers should be developed and made available – similar to the South African cases of the Durban Port and the Johannesburg Airport.</p>
<b>High costs of compliance and certification</b>	<p>c. High costs of compliance and certification—because of that TAHA established a dedicated company for certification with lower costs to facilitate exports of fresh fruits and food items.</p>
<b>Formality of SMEs</b>	<p>d. Formality of SMEs and the inherent regulatory services – this is a hindrance to most farmers (SMEs).</p>
<b>NTBs</b>	<p>c. NTBs—tend to hinder the SMEs from reaching out to regional markets.</p>

### ***Institutional and governance innovation to enhance of productive capacities in the EAC countries***

There is so much bureaucracy and unnecessary laws that frustrate private sector development, enhancement of productive capacities and trade expansion. Some more than 590 NTBs have been removed by the EAC, yet plenty more remain abound. While inter-African trade has increased to 16%, its share of world trade has remained at 3%. Value addition remains an insurmountable obstacle with commodities exporters in Africa missing out on downstream high-end value segments of the value chain.

Africa needs to learn from Asia's examples to reorient its trade growth strategy towards increased value addition and external trade, both within and beyond the continent. Value can be created by relaxing capital flows and creating special-purpose vehicles to facilitate access to private capital for production and trade expansion. The key challenge is that banks do not have a tradition of financing value addition and farming activities. The case of India could provide a way out—where the banking regulation requires banks to allocate 20% of their capital to finance agriculture and exports.



To that end, the EAC now seeks to create a regional investment bank that would incubate entrepreneurs rather than lending money on commercial terms.

#### CRDB's Financing of Trade Expansion

CRDB is the largest integrated financial service provider in Tanzania. It plays a key role in the markets, supporting economies to unlock sustainably for the benefit of the stakeholders it serves mainly targeted producers, traders and consumers; and support the development of the economies to their fullest potential.

To that end, the Bank is:

- Transforming productivity growth and trade expansion through financial services;
- Entering Regional markets with solid prospects – Tanzania, Burundi, DRC; and
- Driving financial inclusion and social impact through subsidiaries.

Three-fold aspirations:

- Extend financial services to African countries and beyond; currently in Dubai;
- Non-present country prepositions;
- Diaspora prepositions.

#### CRDB's Rationale for Expanding into New Markets

<b>Support for CRDB's Existing Customers</b>	Enhancing cross-border support for customers with operations outside of Tanzania.
<b>Facilitating trade across borders</b>	Simplifying cross-border trade to boost economic growth and opportunities and enhancing CRDB's regional influence.
<b>Business Diversification</b>	Sourcing alternative funding and income routes while enhancing financial access.

### 5.4 Enhancing Convergence through Regional and Global Value Chains

The panel discussion on Enhancing Convergence Through Regional and Global Value Chains was chaired by Ms. Weyinmi Omamuli, Senior Economic Advisor, UNDP, with four panelists: Elijah Munyi from TradeMark Africa, Sempeho Nyari from the Ministry of Industry and Trade (MIT)—Tanzania, Bereket Alemayehu, from the United Nations Economic Commission for Africa, and Aidan Msafiri from the Mweka College of African Wildlife Management, Moshi, Tanzania.





### ***Enhancing Kenya's Export Sector through Export Supply Hubs (ESH)***

Recent trends in the EAC indicate that there is a "Greening of trade"—that is a modal shift from Air Freight to Sea freight in line with member countries' (mainly Kenya) ambitions of increasing sea freight by 50% by 2030. This requires support the shift from airfreight to sea freight in export of high value perishable agri-products from EAC.

The ESH, as a catalyst, the ESH activates industry potential, providing infrastructure, knowledge, and policy support to stimulate efficiency, expansion, and economic empowerment within the horticultural sector. ESH serves as a facilitator for the entire export process, offering a comprehensive array of services tailored to meet the needs of exporters and growers that includes;

- storage facilities,
- sorting and grading,
- export clearance,
- transportation coordination,
- quality assurance, and
- digital platform integration.

ESH provide opportunities for synergy in improving efficiency, compliance and competitiveness of the tropical fruits' exports from ALL in East African states. Sustainability concerns of horticultural and tropical fruits exports necessitate a sea freight shift as an essential step in greening trade that is particularly important for responding to consumer preferences and the EU common market.

### ***Supporting private sector agro-manufacturing and integration into RVCs and GVCs***

The government of Tanzania under the Ministry of Industry and Trade (MIT) supports the private sector agro-manufacturers through various programs such as:

The government of Tanzania under the Ministry of Industry and Trade (MIT) supports the private sector agro-manufacturers through various programs such as:

- The Project on Strengthening Manufacturing Enterprises through Quality and Productivity Improvement (KAIZEN) that is implemented in collaboration with JICA. It strengthens manufacturing enterprises through business development services, quality, and productivity improvement.
- Provision of entrepreneurship and business skills training to Small and Medium Enterprises (SMEs) to operate their businesses efficiently, profitably, and sustainably through the Small Industries Development Organization (SIDO).
- Infrastructure development—industrial clusters, and estates.
- Marketing and business-related information portal “TanTrade Biashara Portal” provides pricing data for various goods such as crops, industrial products, minerals, etc., and analyzes commercial trends.
- Networking and partnership activities such as business meetings (B2B) are organized between the local business community and international stakeholders to exchange information on various business and investment opportunities in different sectors.
- Trade fairs and exhibitions provide opportunities for local and foreign businesses to market their products and services.
- Policy advocacy—the 2023 trade policy with the theme “Trade Competitiveness for Accelerating Industrial-led Social-Economic Transformation” puts greater emphasis on policy coherence, institutional and legal frameworks, domestic trade development, and trade integration.



**Underlying challenges and constraints** on enhancing regional value chains, global value chains convergence, and trade expansion include the following:

- Limited access to finance among agro-processors;
- Limited productive capacity of local SMEs which constrains consistent supply of goods and services to continuously meet the demand of consumers both local and international; and
- Sustainability concerns that pose a challenge in the production processes due to changing consumer preferences such as growing demand for organic produce.

### **Regional trade bodies' support to member states and the private sector to take advantage of regional trade blocks and agreements**

Regional bodies can support the member states by:

- Formulating strategies that guide member states on their roles and available opportunities for value addition in sectors with comparative advantage.
- Facilitating harmonization and regulation of standards to simplify trade among member states.
- Promoting investments in the region through instruments such as investment protocol, protection of intellectual property rights, etc. which are crucial for enhancing value addition in the region.
- Creating predictable and secure markets and facilitating sustainable business practices necessary for integration into regional value chains.

On the East African Community (EAC) private sector reported low awareness of AfCFTA opportunities, benefits, implementation status and the level of political will in supporting the agreement. Thus, to take advantage of regional trade blocks and agreements, the regional trade bodies and member states must:



### **Role of regional value chains in promoting convergence among countries**

Regional value chains can promote convergence and narrow development gaps, particularly in African regions where the industrialization level is low and uneven. To support RVCs, countries extensively invest in infrastructure like roads, ports, and energy; facilitate economies of scale and cost reductions; enhance regional trade policy, competition, and productivity improvement.

The success of regional value chains in promoting and narrowing development gaps thus hinges on corporate responsibility, and good governance to ensure equitable benefits of the regional trade integrations. Ethical business practices enhance transparency, fairness, accountability, trust, and sustainability. Unethical behaviours such as labour exploitation, tax avoidance, and profit prioritization over societal welfare can undermine social justice and negatively affect the broader community.

***Policies that governments should prioritize to foster convergence through value chains***

- Prioritize policies that address infrastructure and structural inequities; and
- Ensure inclusivity, sustainability, and equal participation of all players of the value chain.

Policies should adhere to the principles of coherence, consistency, competitiveness, and complementarity. Also prioritize policies that foster convergence through value chains, remove unnecessary bureaucracies, and enhance efficiency and equal participation in the regional and global value chains.

## **5.5 Enhancing Convergence through Regional and Global Supply Chains**

The panel discussion on Enhancing Convergence Through Regional and Global Supply Chains was chaired by Dr. Lucas Katera, Director of Collaborations and Capacity Building at REPOA, with three panelists: Elias Baluku, Ag. Executive Director, East African Federation of Freight Forwarders; Timothy Mlaga, General Manager TAHA Fresh; and Charles Chitikitira, Group Manager ASAS.





The session assessed the opportunities and challenges for enhancing convergence through regional and global supply chains for trade expansion in the Sub-Saharan countries building on the selected country experiences and the respective regional organizations.

### ***Comparative Advantage Sector-wise and Integration into the Global Supply Chain***

Africa possesses significant comparative advantages, particularly in natural resource-based sectors and the continent's extensive coastline and marine resources offer further potential for growth in the blue economy. Environmental sustainability should be prioritized in transportation and production practices. A key challenge lies in integrating these sectors into global supply chains.

#### **Respectively these can be effectively addressed as follows:**

- The capital-intensive nature of natural resource exploitation necessitates international partnerships whereby local content provisions should be prioritized to protect domestic interests.
- Robust infrastructure is vital—the East African region heavily relies on road networks, with 38% of the Northern Corridor roads in poor condition and only 41% in good state. Addressing these infrastructure gaps is crucial for seamless integration into global markets.
- A critical need for infrastructure development, warehouses that are equipped with cold chain facilities to maintain the quality of perishable produce to ensure its successful integration into global supply chains.
- Equip African nations with the necessary skills and knowledge to participate effectively in global supply chains—especially the importance of modernizing customs procedures and enhancing capacity in logistic services.
- The importance of aligning policies and regulations across African countries to streamline trade processes and reduce bureaucratic hurdles.
- The need for improved infrastructure, including roads, ports, and railways to reduce transportation costs and transit time.
- The importance of consolidating/aggregating supply from various African countries to meet global demand and achieve economies of scale.

## Challenges and Recommendations for Perishable Goods Supply Chains in Africa

### Among the key challenges in the logistics and transportation of perishable goods

#### Regulatory hurdles

The imposition of numerous levies and checkpoints, particularly along long-distance routes (e.g. Njombe-Makambako-Mombasa), significantly increases transportation costs and delays.

#### Poor Infrastructure and logistics

The lack of appropriate storage facilities, including pack houses, and the use of non-refrigerated trucks for perishable goods contribute to product losses.

The reliance on longer sea routes, such as the Cape of Good Hope, due to security concerns in the Red Sea increases transit times and exposes perishable goods to spoilage risks.

#### Policy and regulatory constraints in the RECs

The exclusive provision of Regional Customs Transit (RCT) bonds by national insurance companies can lead to bureaucratic delays and higher costs.

On the other hand, the inconsistent application of taxes on irrigation equipment, particularly imported components, can hinder agricultural development.

**Recommendations** for enhanced integration of perishable goods in Africa into the global supply chain include:

First

- Regulatory reform—by simplifying and harmonising regulations governing the transportation and export of perishable goods in the regions.

Second

- Infrastructure development—by expanding the network of cold storage facilities and refrigerated transport to maintain product quality as well as upgrade road infrastructure to reduce transit times and minimize product damage.

Third

- Policy and institutional reforms—the need to allow multiple insurance companies to provide RCT bonds to

Fourth

- Enhancing awareness and providing training to government authorities and logistics operators on best practices for handling and transporting perishable goods; and promoting ethical practices in the logistics industry to safeguard the quality and safety of perishable goods



The European Union's Supply Chain Act underlines the importance of product traceability and adherence to human rights and environmental standards. This presents an opportunity for African nations to adopt similar practices, particularly for products targeting the EU market. To facilitate this, governments should play a crucial role in addressing supply chain constraints

### ***Supply Chain Diversification and Competitiveness***

Diversifying supply chains across different regions can help mitigate risks associated with external factors such as political instability, natural disasters, and economic downturns. A diversified supply chain can improve resilience to unexpected disruptions ensuring a continuous flow of goods and services. Diversification can facilitate the transfer of technology, leading to increased productivity and competitiveness.

To effectively facilitate and implement diversification of the supply chain the following solutions were proposed:

- ✓ Implementing harmonized policies and regulations;
- ✓ Investing in infrastructure;
- ✓ Investing in education and training programs; and
- ✓ Leveraging technology.

## **5.6 Partnerships and Benefits of Trade Agreements**

The panel discussion on Partnerships and Benefits of Trade Agreements was chaired by Prof. Masinde Wanyama, from the Centre for Regional Integration (CEFRI), South Africa, with three panellists: Said Mzee, from the Ministry of Trade and Industrial Development, Zanzibar, Melaku Geboye Desta from the United Nations Economic Commission for Africa (UNECA), and Weyinmi Omamuli, from the United Nations Development Programme (UNDP) office in Tanzania.



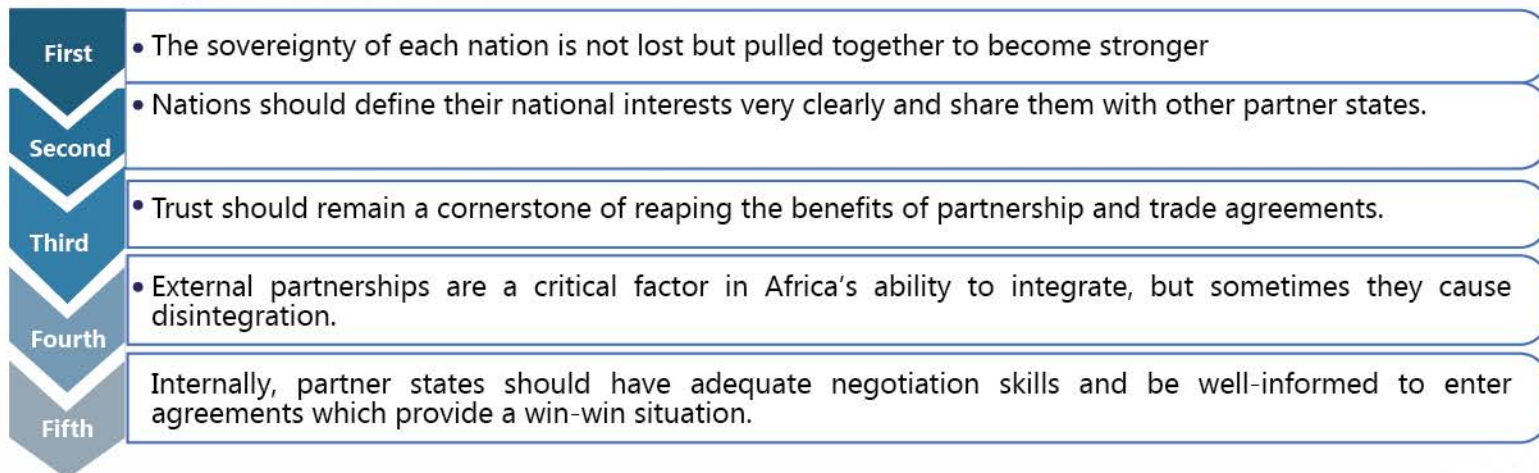


Partnerships and trade agreements provide benefits to partner states such as economic growth, employment, and well-being. The African states have many regional and continental partnerships and trade agreements, but they have not yet benefitted greatly from such arrangements because of poor implementation. The main factors influencing the effective implementation of the arrangements are sovereignty, national interests, trust, global politics, capacity, and accountability. To improve the implementation of these arrangements, the government officials should be well-informed and equipped with negotiation skills, and partner states must be held accountable when they do not honour the agreements. Moreover, African states should have an ACP-like platform to counter external pressure. Also, more research should be conducted on the implementation of the arrangements, for example, to assess the effectiveness of Pan-African Payment and Settlement System (PAPSS). Finally, though external arrangements like the European Union Economic Partnership Agreement (EPA) are significant, African countries should focus on internal arrangements such as the AfCFTA.

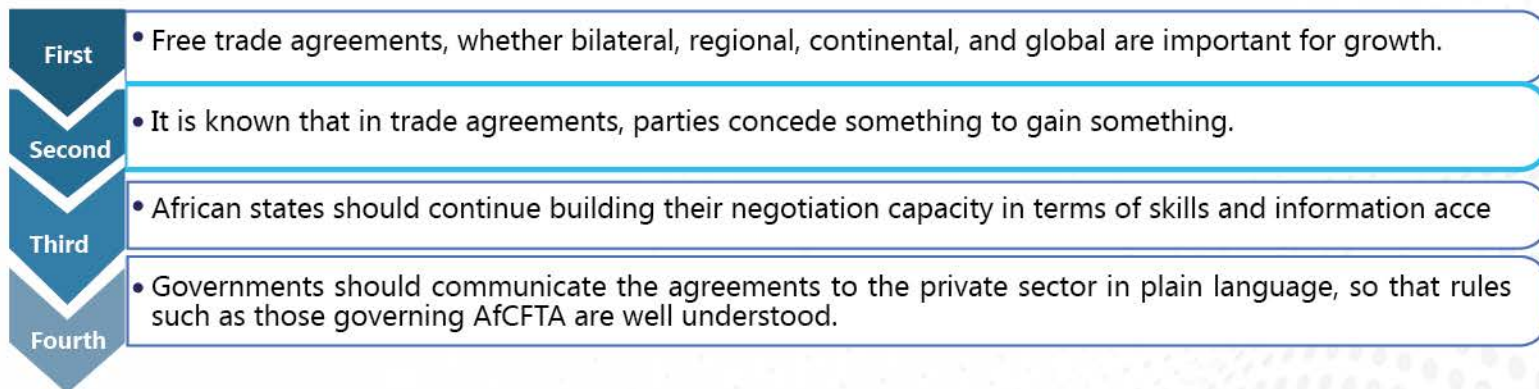


## Key messages

- AfCFTA and intra-Africa trade are the future of Africa as the research supports this claim and ambition.
- The benefits of regional and continental partnerships and trade agreements have hardly been realised because such partnerships are weak, and to a greater extent, the trade agreements are not fully implemented.
- There are many reasons for such poor achievement despite many initiatives and concerted efforts. The main reasons are sovereignty, national interests, trust, global politics, capacity, and limited accountability by the member states. Hence, the following recommendations:



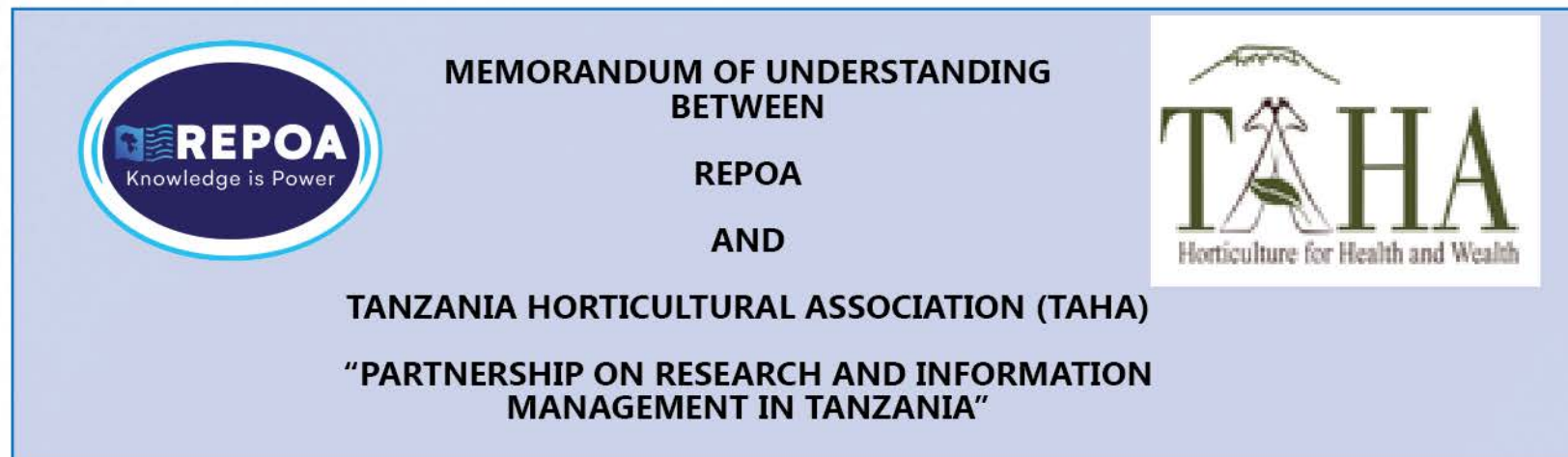
Further recommendations were made as follows:



## Signing of Partnership Agreements

To signify the importance of partnerships in leveraging relative comparative advantages, further collaborations were formalized through Memorandum of Understanding (MoU) between REPOA and its two partners, namely TAHA and SAGCOT, as summarized below:

### REPOA—TAHA PARTNERSHIP






## **“PARTNERSHIP ON RESEARCH AND INFORMATION MANAGEMENT IN TANZANIA”**

The Parties (TAHA and REPOA) to this MEMORANDUM intend to join together in a partnership to leverage their collective resources, expertise, and networks to enhance research, knowledge dissemination, policy advocacy, and capacity building in the horticulture industry and related socioeconomic sectors.

<b>To that end:</b>	
<b>REPOA will:</b>	<b>TAHA will:</b>
<ol style="list-style-type: none"> <li>1. Provide expertise and capacity building in research, socioeconomic analysis, and data analysis.</li> <li>2. Engage in research on horticulture and related socioeconomic issues and co-publish reports with TAHA.</li> <li>3. Collaborate with TAHA to produce policy briefs and technical notes for dissemination to key stakeholders.</li> </ol>	<ol style="list-style-type: none"> <li>1. Facilitate access to horticultural data and market information for research purposes.</li> <li>2. Provide technical expertise in horticulture, trade facilitation, and post-harvest management.</li> <li>3. Disseminate research outcomes through its TAHA Research and Information Center (TARIC) and other platforms.</li> </ol>

## **REPOA—SAGCOT PARTNERSHIP**




**MEMORANDUM OF UNDERSTANDING**

**BETWEEN REPOA**

**AND SAGCOT CENTRE LIMITED**

**“PARTNERSHIP ON RESEARCH ON BEST PRACTICES IN AGRICULTURE SECTOR AND RESPECTIVE CORRIDORS”**





## **"PARTNERSHIP ON RESEARCH ON BEST PRACTICES IN AGRICULTURE SECTOR AND RESPECTIVE CORRIDORS"**

The Parties hereto have agreed to enter into cooperation and collaboration in studying the institutional arrangements and impact of public-private partnerships on agriculture sector, focusing on sustainable practices, technological advancements, and support for small holder farmers in line with the public and private investments that is being made along the SAGCOT Corridor and in the newly targeted corridors.





To that end:	
REPOA will:	SAGCOT will:
<ol style="list-style-type: none"> <li>1. Provide expertise in proposal writing, and support policy engagements with Government of Tanzania and development partners.</li> <li>2. Lead the development of research designs, implementation, and report writing.</li> <li>3. Support SAGCOT in the preparation and submission of policy briefs and other communication materials to be shared with relevant stakeholders.</li> </ol>	<ol style="list-style-type: none"> <li>1. Provide expertise in sustainable agriculture and community development.</li> <li>2. Lead the development of project proposals related to agricultural initiatives.</li> <li>3. Provide necessary information and data about the SAGCOT Corridor activities</li> </ol>

## 6. Reflections and Emerging Research Issues

Dialogue and deliberations during the two days of the workshop demonstrated continued and increasing demand by all stakeholders, particularly the Governments, EAC and Partners, for robust research to generate credible evidence for informing the policymaking process in the SSA countries. This was also made clear by the Guest of Honour during the opening address that required further research and analytical work to inform assist the Governments and RECs in attaining the long-sought objectives of sustainable growth and trade expansion. It is within this context that four emerging research agendas with specific research themes were proposed:

### **Research agenda 1: Accelerating sustained growth and trade expansion.**

1. Addressing the binding constraints for strategic sectors which, if prioritized, will have multiplier effects to multiple other sectors.
2. Assessing how the current and future reforms (and the development vision) can steer the region and respective member states towards sustained growth and trade expansion.
3. The search for ways to enhance the contribution of research-based evidence in policies of member states.
4. Identifying the drivers of successful expansions of productive capacities and trade, potential obstacles, and how these obstacles can be overcome.
5. Efforts required to address emerging concerns, and existing deficiencies in regional integration.
6. Identifying options for the RECs and member states to unlock financial resources for effective public and private sector investments.

**Research  
agenda 2:  
Private sector  
development**

1. Strategies for successful trade expansion by the private sector in the EAC member states and best lessons from the Caribbean States on their successful trade expansion with the Global North.
2. Strategies to promote competitiveness are associated with the quality of trade, quality of jobs, and inclusiveness of trade.
3. Need to do more research on alternative financing options for agriculture, along with best agricultural practices.
4. Foster research that is specific, timely, relevant and capable of contributing to private sector growth.
5. The role of state in promoting the private sector engagement in the diversified export market and effective integration into regional and global value chains.

**Research  
agenda 3:  
Geopolitical  
partnerships,  
advances in  
RVCs, GVCs, &  
supply chains.**

1. Strategies for equipping African nations with the necessary skills and knowledge to participate effectively in regional and global value chains.
2. Strategies for enhancing capacities of African nations to participate effectively in global supply chains, using their natural resources such as critical minerals to build competitive advantages.
3. Designing tailor-made awareness and training to the relevant government authorities and logistics operators on best practices for handling and transporting agricultural commodities, particularly perishable goods in line with the global standards.
4. Promoting ethical practices in the logistics industry to safeguard the quality and safety of perishable goods.
5. Enhanced collaboration among the workshop partners in efforts to promote the use of research-based evidence to inform policies and interventions to increase productive capacities and expanding intra-regional trade in Africa.



**Research agenda 4:  
Strengthening  
the capacity of  
the key research  
institutions**

1. Research generates scientific knowledge which informs development, including trade policy formulation, review, and dialogues to identify the best options to realise sustainable development.
2. Strategies for enhancing the interface of research and policy to expose researchers to the complex real-life realities that policy makers and practitioners face to inform their contextual understanding of policy processes, the operating environment and evolving concerns.
3. Strengthening Research and Information Management in the RECs and Member States.
4. Targeted workshops to offer opportunities for building the capacity of young researchers through the validation and dissemination of their work.
5. For REPOA and its partners to continue to support the efforts of the African Governments in their pursuit of high and inclusive economic growth, sustained trade expansion to the Global North and the Global South, institutional support from the public and private, and development partners needs to be strengthened.
6. Strategies for African countries to strike an affirmative balance of sustainable trade expansion with the Global North and the Global South.

## 7. Conclusions and the Way Forward

REPOA's Executive Director, Dr Mmari thanked:

The EALA and the EAC Secretariat for hosting the workshop successfully. And in particular the Management and staff of EALA and EAC Secretariat for their cordial and effective support throughout the preparation of the workshop.

The Guest of Honour, the Minister for Industry and Trade, the United Republic of Tanzania, Hon. Dr Selemani Jaffo for his very instructive opening remarks.

The full and effective participation of the Minister of Trade and Industrial Development from Zanzibar, the Revolutionary Government of Zanzibar, Honourable Mr. Omari Said Shaaban from the start of the workshop to the end, as session chair, and a panelist.

The Deputy Permanent Secretary at the Ministry of Industry and Trade, Ambassador Simbachawene, and his team from the Ministry for effective support and participation at the workshop.

All workshop partners, keynote speakers, panelists, session chairs, and moderators for their excellent performance.

The synergy between think tanks, legislature, executive, private sector, non-state actors, and regional and international organisations at the workshop demonstrated collective resolve to achieve the objectives of enhancing production capacities and trade expansion.



The members of the workshop planning team from REPOA led by Ahmed Ndyeshobola, and those from its partners, namely EALA, TradeMark Africa, SAGCOT, CRDB Bank, TAHA, and the Ministry of Industry and Trade for working hard to making the workshop a success.



The performance of the Regional Administration for ensuring that the city and the venue was secure, peaceful, and with a good atmosphere for a successful workshop.

Wished all participants a safe journey back home and asked those who did not live in Arusha to tour the city, the Geneva of Africa.

He invited the Honourable Speaker of EALA, Right Honorable Joseph Ntakirutimana, to give

The Honourable Speaker of EALA, Right Honorable Joseph Ntakirutimana revolved around recognition, appreciation, reflection on the workshop, EALA commitment and trade oversight activities, call for actions, and official closing.

He appreciated the workshop co-organising partners, EALA (also fully represented at the workshop by the EALA Committee on communication, trade, and investment), TradeMark Africa, SAGCOT, CRDB Bank, TAHA, and the Ministry of Industry and Trade of the United Republic of Tanzania; and REPOA's core funders, the embassies of Ireland, Norway, and Sweden.



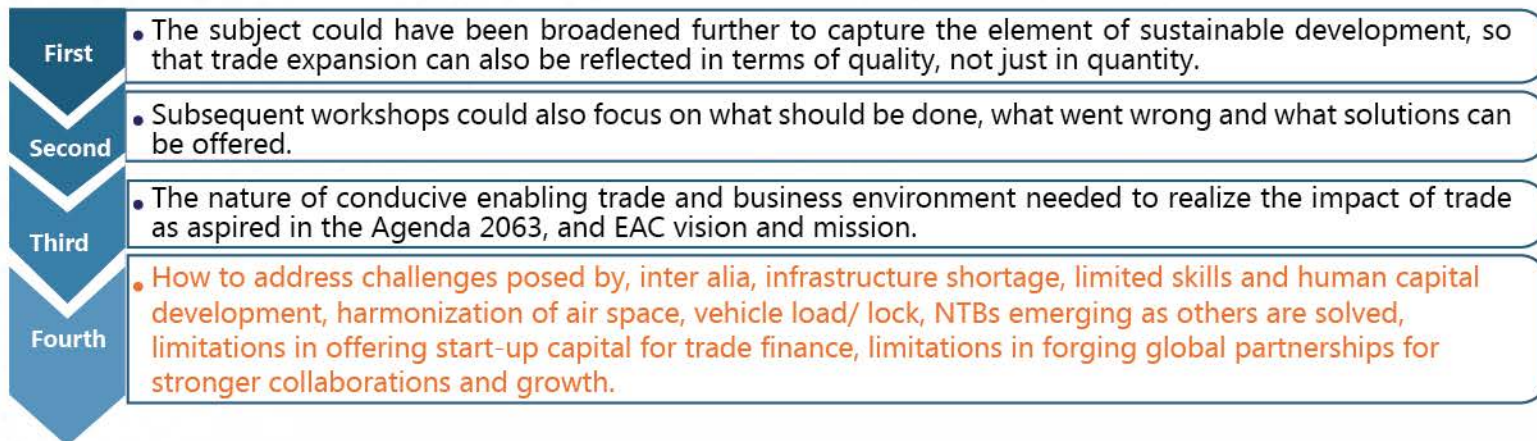
He was convinced that the EAC members present in Arusha have used their time effectively and will be good Ambassadors for important policy changes in the EAC and effectively engage with their respective Ministers and Cabinets.



He noted that during the workshop, there were fruitful and open discussions between policy makers, implementors, producers, consumers, think tanks, regulators, and two keynote speakers – Madam Trudy and Mr. Lodge –, as well as various panelists whose open and simple presentations provoked the rich discussions in the subject matter.



He outlined some of the issues for consideration as follows:



The Hon. Speaker urged that the recommendations of the workshop should be documented, published, and disseminated. The EALA Committee should also prepare the workshop report which will be debated in one of EALA's plenaries.

The Honourable Speaker concluded by thanking REPOA, EAC members, sponsors, keynote speakers, presenters, and all the distinguished participants and declared that the 28th Annual Research Workshop was officially closed.































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