

AFRITRADE & ENTERPRISE ADVISORY SERVICES

COMPLETION REPORT FOR THE PROJECT: EAC MARKET PLACE

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NAIROBI, KENYA**

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1. Executive Summary

The following table intends to give a quick overview of your activities. Please also indicate the respective countries, e.g. "Total number of people reached: 1 K, 2 T, 1 U, 2 R, 1 B, 1 S".

Name of the Project	EAC Market Place
Name of the Organization	AfriTrade & Enterprise Advisory Services (ATEAS)
Organization is active since	July 2016
Number of People in the Organization	4 working on the EAC Market Place Project
Project Duration	August 2018 to February 2019
Any other Stakeholders involved?	The East African Business Council (EABC); the East African Women in Business Platform and Export Promotion Centre, Kenya.
EAC member states involved	5 EAC Partner States
Total Number of people reached	317 reached directly: Kenya: 82; Uganda: 101, Tanzania: 62; Rwanda 18 and Burundi: 54. Indirectly, over 7000 reached, to whom the guide was distributed by our partner organisations.
Benefit for people reached	The immediate benefit is provision of information on the market and opportunities for Processed Fruit Juice and Finished Leather products market in the EAC.
Number of events organized	6 Dissemination Workshops (2 each in Kenya, Uganda and Tanzania)
Number of people participated in events	150 people – Kenya: 53, Tanzania: 47 and Uganda: 50
Benefit for people participating in events	Well researched and analysed information on the market and opportunities for Processed Fruit Juice and Finished Leather products market in the EAC.
Number of beneficiaries	As above
Concrete impact on beneficiaries	It is too early to determine impact, which will ultimately be based on how the SMEs use the information provided. Importantly, most of those attending workshops (94.7%) agreed that the information provided on the market and opportunities was useful to them and 90% agreed that were it not for the guide, they would not have any other way of accessing such info.
Number of paying customers	N/A
Frequency & amount of purchase	N/A

Number of jobs created	Not yet possible to determine
Sort of jobs & income	N/A
Further activities planned?	Yes, ATEAS will undertake further research based on requests from the industry
Financing secured for further operations?	Not yet

2. Introduction and Background

AfriTrade and Enterprise Advisory Services (ATEAS) specialises in provision of strategic advisory services to private sector firms drawn from across the globe; business membership organisations (BMOs); the public sector; regional economic communities and development partners operating especially in the East African region but also across Africa. ATEAS offers services in three broad areas: business and industry advisory services; BMOs and MSMEs capacity building, and advisory work in regional Integration, trade policy and regulatory reforms.

The **‘EAC Market Place’** is an information product under our business and industry advisory services. Through the EAC Market Place, ATEAS seeks to provide EAC businesses, especially SMEs with tailored sector specific trade and market intelligence that among others provides an analysis of the market size, growth trends and prospects; competition, the opportunities for export, import and / or investment in the sector, as well as the legal, regulatory and operating environment.

Except for some medium and large companies who have the financial means to undertake their own research (and a number of who are already taking advantage of the expanded market), many MSMEs lack tailored and targeted market information on specific sector opportunities in the EAC, or other sectors that may have good potential. This limitation means that many of them often lack the confidence to pursue new regional markets, perceiving entry into them as being too risky and / or too costly. Available support, mainly from governments and donors is usually of a general nature (for example sensitisation on the Common Market Protocol (CMP) and its provisions); often poorly targeted, and sometimes poor value for money (for example taking companies to general trade fairs or general training on standards and / or export requirements). This lack of information about opportunities in other countries also means that there is lack of synergies across a given sector, where companies may collaborate, specialise and employ economies of scale given the widened market. This is THE GAP that EAC Market Place intends to meet through production of sector specific guides.

The main aim of the EAC Market Place is therefore to go beyond the rhetoric of 'expanded market' arising from the EAC Common Market Protocol, to actually establish where the opportunities lie in each sector, with a view to enhancing SMEs knowledge of these sectors, thereby guiding their decisions on how to get involved. The information will be provided in the form of 50- 75 pages A4 sized Sector Guides, written in an ordinary business person language and availed in both soft and hard copies.

3. Objectives of the Project

The overall goal of the EAC Market Place project is to enhance market information on opportunities in finished leather products and processed fruit juice and to support business in the EAC, especially MSMEs, to take advantage of them.

The Specific Objectives of the project are the following:

- Objective 1: To produce EAC wide sector specific guides for processed juice and leather products
- Objective 2: Sensitise and create awareness among MSMEs on the market opportunities and market access requirements in the two sectors
- Objective 3: To sustain and scale up the EAC Market Place Project to other sectors

4. Are you collaborating with any other organizations?

Yes, the EAC Market Place project is collaborating with other Organisations. By the end of the Project, we had secured partnership with three organisations and are in discussion with a two others, as follows:

- **East African Business Council (EABC)** – Tanzania (www.eabc.info), but with regional mandate. EABC is the umbrella body of the private sector in the EAC Region. EABC partnered with the EAC Market Place project, specifically to disseminate the guide to its members and wider stakeholders. In addition, EABC was instrumental in inviting participants to the dissemination workshops.
- **East African Women in Business Platform (EAWiBP)** – Tanzania (www.eawibp.org), but with regional mandate. (EAWiBP) is a forum that brings together business-women from across the East African Community (EAC). Under the EAC Market Place, EAWiBP partnered with ATEAS to ensure that as many women entrepreneurs as possible are made aware of the guide and will utilize it to enhance their participation across the EAC market.
- **Export Promotion Council (EPC) Kenya** (www.epc.go.ke): EPC is the Kenya government agency mandated to promote exports from Kenya to the external markets. EPC collaborated

with ATEAS to among others, provide comments on the draft Sector Guides; support dissemination of the guide through hosting it on the EPC website and distributing it to relevant stakeholders, as well as mobilizing participants for the dissemination workshop.

- Though we do not have formal partnerships, we collaborated with these organisations as well, who were very important in distributing information to their members – African Women in Agricultural Network (AWAN) Kenya and Tanzania Chapters; Uganda Women Entrepreneurs Association Ltd (UWEAL); Uganda Small Scale Industries Association (USSIA) and Association des Industrielles du Burundi (AIB)

On- going discussions:

- **Invest in Africa (IIA)** – Kenya: IIA is a not-for profit, private sector partnership initiative that is working to drive growth and job creation. IIA works to enhance the skills, improve access to markets and finance of SMEs with various Partners. Specifically, our discussions are around the IIA’s online technology platform -The African Partner Pool (APP) that links pre-vetted and verified SMEs (Suppliers) to IIA Partners (Buyers). The latter sources goods and services locally from these verified suppliers thus promote ethical and transparent business dealings. IIA supports its Partners achieve their local content and business Sustainability plans through the APP platform. For ATEAS, such partnership will be a good way of taking forward the guide and linking SMES in the leather sector especially to international buyers. We shall therefore pursue these discussions further.
- **TanTrade:** the Tanzania government agency mandated to promote exports from Tanzania to the external markets. TanTrade officials attended the dissemination workshop organised in Dar es Salaam and amongst the issues discussed was the possibility to organise training focusing on processing fruit into powder, which among others increases the shelf life and use up surplus fruit during bumper harvest season. The possibility of partnering on other activities is also being explored.

5. Report of the Project Activities

What has been implemented as per the work plan agreed? Report on the different activities implemented, dates, venue, objectives, and number of participants, output and outcomes as well as results plus pictures. Please number the activities accordingly.

The EAC Market Place project was expected to commence on 1st July 2018 and the work plan had been drawn for 01 July to 31st December 2018. In reality however, implementation of the project activities began a month later, on 9th August 2018, once the contract was signed with

GIZ. The completion date was however also extended to 28th February 2019. The following are the activities that have been implemented:

A. Under Objective 1: To produce EAC wide sector specific guides for processed juice and leather products:

- i. As per the Work plan, 2 (two) Sector Guides were produced:
 - A Sector Guide for Finished Leather Products in the East African Community
 - A Sector Guide for Processed Fruit Juice in the East African Community.

Both guides are available for download on our website under <http://ateas.co.ke/publications/>

B. Under Objective 2: Sensitise and create awareness among MSMEs on the market opportunities and market access requirements in the two sector:

The following activities were undertaken under this objective:

- ii. Revamping of the ATEAS website, including announcement of the Award and link to IDEAS website has been done. The site can be viewed on www.ateas.co.ke
- iii. Development of a brand for EAC Market Place has been developed as shown below:



Six dissemination workshops were held; one for each sector guide in Kenya, Uganda and Tanzania, as follows:

iv. **Dissemination Workshop for a Sector Guide for Finished Leather Products in the EAC:
Monday, 18th February 2019, at the Laico Regency, Nairobi**



**v. Dissemination Workshop for a Sector Guide for Processed Fruit Juice in the EAC:
Monday, 18th February 2019 at the Laico Regency, Nairobi**



vi. **Dissemination Workshop for a Sector Guide for Finished Leather Products in the EAC:
Wednesday, 20th February 2019, at the New Africa Hotel in Dar es Salaam**



**vii. Dissemination Workshop for a Sector Guide for Processed Fruit Juice in the EAC:
Wednesday, 20th February 2019, at the New Africa Hotel in Dar es Salaam**



**viii. Dissemination Workshop for a Sector Guide for Finished Leather Products in the EAC:
Friday, 22nd February 2019, at the Imperial Royale in Kampala**



- ix. **Dissemination Workshop for a Sector Guide for Processed Fruit Juice in the EAC:
Friday, 22nd February 2019, at the Imperial Royale in Kampala**



- x. Lists of SMEs active in the leather and processed fruit juice market have been drawn up for all 5 Partner States. This list was not only used during the dissemination workshops, but will form the basis of further engagement with the sector players.

6. Outreach of the project (in Numbers)

The Project estimates that 317 people have been reached directly, while over 7000 have been reached indirectly. A breakdown of the numbers is as follows:

Group 1: With regard to the total number of people reached directly, the following is a breakdown of the numbers,

- **Kenya:** Men (26) Women (38) Youth (18) Total: 82
- **Uganda:** Men (32) Women (31) Youth (38) Total: 101
- **Tanzania:** Men (20) Women (30) Youth (12) Total: 62
- **Rwanda:** Men (11) Women (8) Youth (0) Total: 18
- **Burundi:** Men (31) Women (24) Youth (0) Total: 54

For those reached indirectly, the main avenue has been through our partner organizations EABC (who has over 5000 members in their database) and EAWiBP (with more than 1000 members) as well as through other BMOs like USSIA, UWEAL, AIB and also the ATEAS website. We are not able to break this number down by gender or age. In terms of interactions, these are people to whom information on EAC Market Place has been shared by email and they have obtained it from our website.

Group 2: The following is a breakdown of people who participated in the dissemination workshops that we organised.

- **Kenya: 53**

Leather: 19 participants, of which: Men (2) Women (11) Youth (6)

Juice: 34 participants, of which Men (5) Women (20) Youth (9)

- **Tanzania: 47**

Leather: 26 participants, of which: Men (7) Women (13) Youth (6)

Juice: 21 participants, of which Men (5) Women (12) Youth (4)

- **Uganda: 50**

Leather: 31 Participants, of which: Men (16) Women (8) Youth (7)

Juice: 19 Participants, of which: Men (7) Women (8) Youth (4)

As part of the dissemination, we presented to them the findings of the research, including on market size and characteristics; potential for trade and opportunities, the operating environment, as well as the challenges in the sector. We also obtained their views on the accuracy of the data, recommendations on how else the guide could be made of value to them and what other information was required.

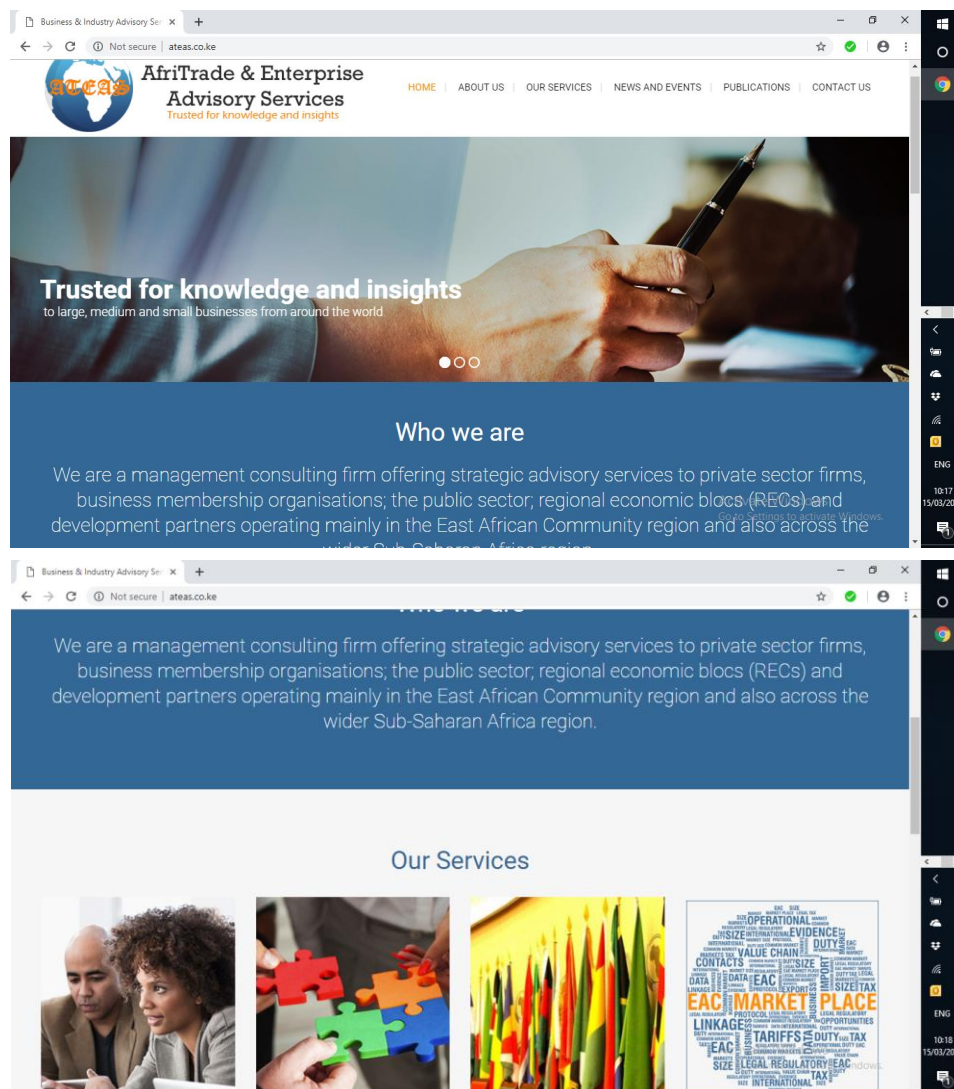
Group 3: People with substantial life improvements through your project

Given the duration of the project – just 7 months since commencement, it is not possible to gauge how many, if any, people fall under this category yet.

7. Describe the Communication interventions

The following are the main communication activities undertaken:

- a) Revamping the ATEAS website as earlier indicated. The website has a full page dedicated to the EAC Market Place. In addition, the two guides have been uploaded to the website and can be downloaded by interested parties. Below is a shot of our new website.



- b) A video has been developed that talks about the rationale behind the EAC Market Place, some of findings and some of the initial feedback from those to whom the guides were disseminated. The Video is available through this <http://ateas.co.ke/gallery/>
- c) Emails, as well as links through phone (for those without emails) have been sent to all the 317 people in the list we have drawn up. The same has been shared with our partners, EABC and EAWiBP, who have written to their members to provide them with information.

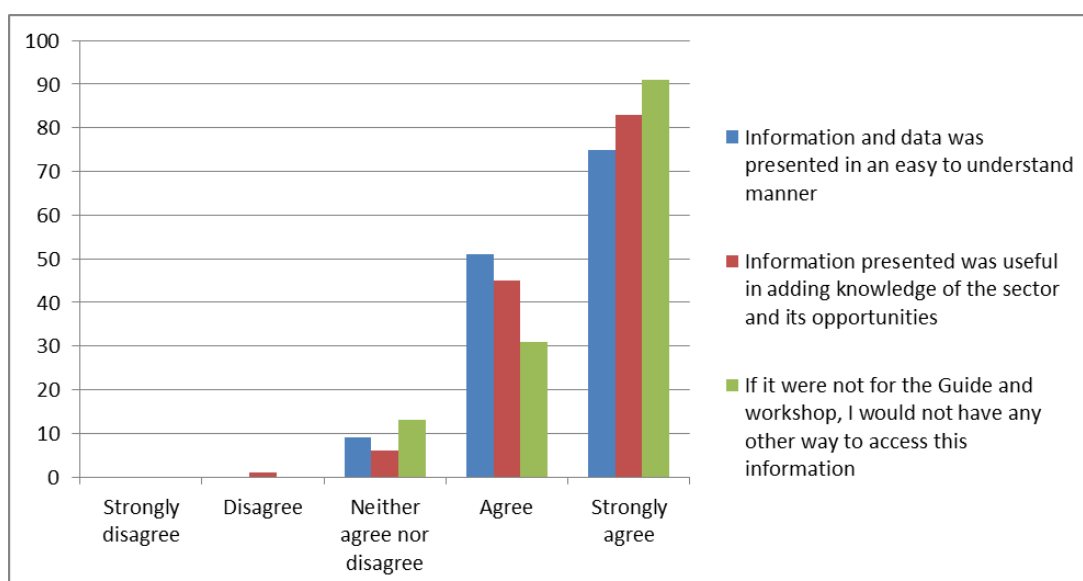
8. Describe the M & E intervention implemented

Please describe the output, outcomes as well as results attained (include pics etc.)

As the project has just completed and the entire project duration was 7 months, it is too early to start evaluating it. However, during the Dissemination Workshops, we prepared feedback forms for the participants to complete. The feedback we sought covered 7 areas, which asked them to agree or disagree with the following three statements, among others:

- The information and data on the market and opportunities was presented in a clear and easy to understand manner
- The information presented is useful in adding to my knowledge of the sector in the EAC and the opportunities available
- If it were not for this workshop and the sector Guide, I would not have access to this type of information

The results, which are illustrated below, are very heartening and speak to the value of the Guides which have been produced under the EAC Market Place.



Of the 135 people that completed the feedback forms at the dissemination workshops, 93.3% agreed, with 55% of them 'strongly agreeing' that the information and data on the market and opportunities was presented in a clear and easy to understand manner. On whether the information provided was useful in adding to their knowledge of the sector in the EAC and the opportunities available, 94.7% agreed, with 61.4% strongly agreeing. To a statement that they would not have any other means to access such information were it not for the Sector Guides and dissemination workshops, 90.3% agreed, with 67.4% of them strongly agreeing.

9. Achievements during the project implementation period

Outline and explain the achievements and showcase the success stories registered during the project time frame.

See below the table for projects achievements registered during the project elaborated for specific activity.

OUTPUTS: Detail all Planned and actual activities carried out during the reporting period and the actual outputs. Explain any deviation between the planned and actual activities and propose follow-up actions.				
Description of activities planned for the reporting period	Output targets		Level of achievement (achieved/planned) in per cent	Explanation (s) / Performance / Remarks
	Planned	Achieved		
Pre-stakeholder consultation (EABC, Ministries, TPOs)	Obtain at least 1 support letter from each P/State.	3 partnerships secured (EABC, EAWiBP & EPC)	100%.	Though we did not secure formal partnerships across all states, through EABC and EAWIBP, as well as other partners, we reached all partner states.
Guide Structure, Research and data collection; as well as design and printing of the sector guides	2 sector guides developed	2 sector guides produced	100%	Guides available on the ATEAS website
Revamping of the ATEAS website (including announcement of the Award and link to IIDEA website)	Operational Website with award announcement	Operational Website, with dedicated		The ATEAS website has been revamped, with a page dedicated to the EAC Market Place project.
Development of other social media communication	Brand for EAC Market Place,	Partly achieved. Only brand for EAC Market	50%	Decided against the twitter handle as it will be difficult to maintain communication.

platforms	Twitter handle and hashtags for the Project	Place developed		Also, targeted audience, SMEs are not heavy on twitter.
Participants list drawn and invitations sent	Participants list drawn and invitations sent	List of 317 stakeholders in the sectors drawn.	100%	List will grow as further engagements in the sector are held
Dissemination of the Guides through Workshops and Website	Disseminations held in each of the 5 Partner States	1 dissemination per sector held in Kenya, Uganda and Tanzania, giving total of 6 disseminations	60%	The potential number of participants in Burundi and Rwanda was too low to support the cost of a dissemination workshop .
Enhanced identification of EAC market opportunities in selected sectors	1 other sector partners with ATEAS to produce additional guide	Issue not pursued	N/A	Decided to focus on additional work arising from the two sectors.

10. To what extent do the outcomes of the project match the objectives of the original proposal?

Please further indicate to what extent (in %) you fulfilled every single objective of the original proposal and briefly elaborate on that.

The overall goal of the *EAC Market Place* project is to enhance market information on opportunities in finished leather products and processed fruit juice and to support business in the EAC, especially MSMEs, to take advantage of them. Specifically, the Project sought to achieve the following during the initial seven months of incubation:

- a) **Objective 1: To produce EAC wide sector specific guides for processed juice and leather products:** This objective has been met 100% as we have the two sector guides completed and available for use by interested stakeholders.

- b) **Objective 2: Sensitise and create awareness among MSMEs on the market opportunities and market access requirements in the two sectors.** We initially set to sensitise over 500 people on the contents of the guides. 317 have been sensitised directly, while over 2000 have been sensitised indirectly through EABC and EAWiBP. Furthermore, we expect more to be sensitised since the guide is available for download on our now revamped website. Also worth noting is that the number of players in both industries is not as high as initially assumed. We therefore believe we have met 100% of this objective.
- c) **Objective 3: To sustain and scale up the EAC Market Place Project to other sectors.** As earlier indicated, under this objective, we sort to secure 1 other sector to partner with ATEAS to produce additional guide – this has not been achieved and is currently NOT being pursued. Feedback from the dissemination workshop indicated the need for additional work in the two sectors and more crucially, activities to capacity build SMEs to enable them take advantage of the opportunities in these sectors. We intend to pursue these two activities in the short to medium run, before seeking other sectors to undertake research in.

11. Project's lasting impact and sustainability

As indicated in other sections, it is too early to gauge the project lasting impact since it has only been implemented over the last 7 months. That said, initial feedback speaks to a positive value of the EAC Market Place as a product targeting SMEs. With regard to sustainability, we believe the product will continue to grow given the additional work planned in just the two sectors. Specifically, from the feedback forms, some of the requests we shall explore further include:

- Undertaking comparison study of carbonated / non-carbonated and fruit juice drinks. While we can undertake this from a trade flow perspective (Import / export perspective) without need for additional resources, we would require industry / specific company support local production and consumption related research.
- Undertake consumer profile of preferences in fruit juice – again, industry would not to meet the cost of undertaking this.
- Undertake comparison for juice, nectars, drink market, raw fruit juice – as above
- Undertake import data vs local data comparison
- Consider conducting a study / intervention to deal with fragmentation of the sector
- Hold more workshops to disseminate the findings (both leather and fruit juice)
- Hold workshops on fruit product development such as conversion of fruit into powder
- Support forums to create market linkages across the sector

Furthermore as earlier indicated, we are pursuing discussion with IIA to establish how our organisation can collaborate.

With regard to funding, we are also preparing an application for some African Union Commission call for proposals under the theme _Expansion and improvement of agricultural markets and trade.

Our greatest challenge going forward however remains the reluctance of businesses to spend money on good, targeted and in depth research that is necessary to support their entry / expansion into other EAC markets or to other overseas markets. While they admit that the lack of tailored information is a key challenge to their business growth and to their taking advantage of opportunities arising from the EAC integration process or in global markets, few are ready to invest to secure this information.

12. Describe the Lesson Learnt during the Implementation of the Project

Over the 7 months during which we implemented the project, the following were the key lessons learnt:

- **Start small and scale up:** Our ambition was initially to look at three sectors, which we scaled down to two sectors after discussions with the IIDEA team. In retrospect, we should have scaled down to 1 sector given the duration of the project and the available resources. This would have enabled us to do more in-depth analysis of 1 sector instead of a less deeper analysis of two. For example, we were not able to undertake research on production capacities in each country as well as local consumption, both of which are key to understanding actual potential for trade, as well as the opportunities. Reliable secondary data for this was not available.
- **Sector Specific data is a constraint:** related to the above, well researched and updated data is not readily available and even data available on credible sources like Comtrade and ITC may not be a true reflection of the industry. Specifically in the processed fruit sector, industry players indicated data on imports was grossly under what they believe it to be. This points to the need for all sector players, both public and private, to update data for their sectors as needed. BMOs have an opportunity / responsibility in this regard, as do government bodies. —
- **Partnerships are crucial:** In order to reach many stakeholders, it is necessary to partner with various organisations with an interest in the sector. The East African Business Council and the East African Women in Business Platform have been very important in expanding the reach of the Guide. In addition, supporting the SMEs to actually utilise the information

in the guides is equally if not more important and in the coming months, these are the partnerships we shall pursue more strategically.

13. What are some of the Challenges encountered during the Project Implementation

Please list the biggest challenge on top and sort the others in descending order.

1a. Obstacle: The key challenge is how to ensure the guides are of value to MSMEs. While the data has provided valuable information on what each Partner State imports and exports, turning these in opportunities that MSMEs can tap into has been a challenge.

1b. Solution: As indicated, we are seeking further partnerships with organisations that support capacity building of SMEs as well as looking for addition resources to undertake some of these capacity building activities ourselves.

Obstacle: 2a. Besides identifying the opportunities, the other critical issue is how to capture the data in a reader friendly format, as well as how to distribute it. A number of the contacts we received from BMOs we contacted could only be reachable on phone and not email. Furthermore there were requests to present the guide in local languages like Kiswahili and Luganda for ease of understanding.

2b. Solution: We have prepared powerpoint presentations (Improved from those we used during the dissemination) and we will share these with interested companies as well as upload them on our website.

3a. Obstacle: Additional funding for undertake more research – As earlier indicated, we would have wished to undertake more in-depth research especially on production and domestic consumption to better gauge potential demand. This was financially not possible, nor could the time available allow it.

3b. Solution: We are seeking additional funding from other development partners that fund similar work. In addition, we shall approach some industry stakeholder to establish if they can fund company specific research.

4a. Obstacle: Number of participation during the dissemination Workshops – especially for the leather sector. The dissemination coincided with an EAC meeting to discuss the draft Leather and Leather Products Strategy, where most key players in the sector were. Their input to the guide was therefore missed.

4b. Solution: - We have not planned to hold other disseminations at the moment, but the guide has

been distributed electronically to all key players. We intend, in the longer term, to revise the electronic version as new information becomes available.

14. What are the Recommendations for the Integration Process from the Project?

The following are some of the recommendations for the integration process from the Project:

- There is need to address trade facilitation constraints across the region. Issues raised include the lengthy export and import processes, taxation for SMEs and cost of utilities like power.
- Data availability remains a challenge across the two sectors. There is need for industry to work with Bureaus of Statistics to improve availability of credible data on every sector.
- Both sectors are largely fragmented, an issue that is well articulated in the various national policies. A step towards addressing that fragmentation is to have platforms / avenues where stakeholders across the sectors meet.

15. Conclusions and Way Forward

The interest which the EAC Market Place Sector Guides have raised so far and especially during the dissemination workshops validates our rationale for the project – that businesses need well researched and evidence based sector specific trade information that dissects the sector as well as highlights the opportunities in it in order to make decisions on how to get involved in any sector. One participant especially stated that she is considering a luxury line for leather bags and the Sector Guide on Leather has given her the confidence she needed to pursue the idea further (*See video*). In addition, the feedback we received called for more such workshops, further research, as well as capacity building to prepare the SMEs as well as link them to markets. This is the ‘proof of concept’ we sought through the IIDEA incubation grant.

The ‘EAC Market Place’ would not have seen the light of day without the support from the IIDEA project, to whom we remain indebted. Going forward, ATEAS intends to grow the EAC Market Place brand, by initially taking forward further work proposed in the 2 sectors, pursuing other partnerships as well as further funding as highlighted in previous sections.

16. Pictures

Please include some pictures of different activities from your project with a brief description.



Together at last! The ATEAS Project Team. The team is usually based in Uganda, Rwanda and Kenya.



William Babigumira, making a point on opportunities in the leather sector in Kampala



Ana Nderitu, welcoming our guests for the dissemination workshop



Typical work day - Ana and Agatha discussing the findings of the research into the finished leather goods market.



Typical work day - William Babigumira and Agatha Nderitu in Kigali, Rwanda discussing the outline of the Guides and ways to make the guides more useful to MSMEs



Aaron and Agatha congratulate each other after a successful round of dissemination workshops