

The USAID East Africa Trade and Investment Hub (The Hub)

The USAID Hub partners with East African and U.S. businesses to attract investment that transforms the East African private sector into vibrant global trading partners. The USAID Hub also promotes a more predictable, transparent and enabling business environment in East Africa by supporting adherence to intra-regional and international trade agreements and conformity to international standards. Improving the region’s trade competitiveness, encouraging export diversification beyond natural resources, and promoting broader, more-inclusive economic growth will lead to more food secure and resilient East African communities.

Project Timeline: September 2014 to August 2019

Investment and Technology

Hub-Supported Accomplishments in Tanzania Since Project Inception



\$71.4M
Total investments in pipeline

\$33M	Under review
\$33.4M	With active engagement
\$5M	Pending closure
\$0.2M	Closed investments

Investment is a core ingredient for firms of all sizes to innovate, grow and ultimately sell their products locally, regionally and internationally. The Hub, through partnerships with Cross Boundary and Open Capital Advisors, offers neutral investment advisory services and market linkage support to reduce the risk, cost and deal time of transactions in the region. The Hub also sources needed investments in the region’s agribusiness sector with impact investor GroFin. To ensure that Tanzania continues to attract and maintain investment, the Hub provides customized technical assistance and training to the Tanzania Investment Commission, building the agency’s ability to profile investment opportunities and facilitate deals.

Agriculture and Agribusiness

Hub-Supported Accomplishments in Tanzania Since Project Inception



\$258.8M
In intra-regional staple foods trade (38% of East African total)



35
New technologies introduced to farmers to raise productivity

Efficient agricultural markets enable cross-border trade in staple foods and contribute to economic growth and food security. The Hub partners with governments, the private sector and institutions to harmonize regional policies and create an enabling environment for intra-regional trade. With Hub support, the East African Community (EAC), including Kenya, adopted nine grain standards that improve grain quality and reduce transaction costs. The Hub also provided implementation training on the WTO’s Sanitary and Phytosanitary (SPS) notification systems, building compliance with food safety and animal and plant health measures. The Hub’s policy work is complemented by its staple foods transaction facilitation, which reduces food shortages and establishes long-term relationships among traders, creating a base for continued intra-regional staple foods trade.



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Trade Promotion and African Growth and Opportunity Act (AGOA)

Hub-Supported Accomplishments in Tanzania Since Project Inception



\$100.7M

In AGOA exports to the U.S.
(51% of East African total)



56%

Increase in AGOA exports



\$239,600

In AGOA exports from
Hub-supported firms

Exports, particularly value-added exports, raise profits and create jobs. The Hub provides firm-level technical assistance to businesses across five sectors - textiles/apparel, footwear, cut flowers, home décor/fashion and specialty foods - to improve export capacity and create connections with international buyers. The Hub trained Tanzanian firms on AGOA benefits and sector-specific technical export requirements, and facilitated 167 export linkages through trade shows, buyer missions and business-to-business events. The Hub also worked with Tanzania's government to develop a National AGOA Strategy that addresses the constraints impeding firms from taking full advantage of export opportunities. The Hub will advise government and industry leaders on how implement the strategy and provide firms with assistance, ensuring that East African AGOA exports continue to grow.

Trade Policy and Regulatory Reform

Hub-Supported Accomplishments in Tanzania Since Project Inception



Adoption of ePing electronic alert system and TBT/SPS online notification submission system



Collapse/revision of 6 policies that restricted the movement of goods, services and capital

Predictable, transparent and enabling business environments boost trade competitiveness and investment. The Hub supports countries' compliance with intra-regional and international trade agreements and international standards, namely the U.S.-EAC Cooperation Agreement on Trade Facilitation, TBT and SPS and the EAC Common Market Protocol, to promote the movement of goods, services and capital. The Hub also works closely with a network of private businesses, investment firms and trade associations to gather and assess evidence that can be used to advocate for trade policy and regulatory reform in support of business-enabling policies. In Tanzania, such efforts contributed to a repeal a value-added tax on port-related services that undermined the Dar es Salaam port's competitiveness.