

## Economic empowerment of women is essential to the growth of East Africa

The USAID East Africa Trade and Investment Hub (the USAID Hub) contributes to women's self-reliance and economic empowerment by increasing their access to productive economic resources, namely: assets, credit, income and employment. The below brief outlines USAID Hub technical assistance and training to women in three areas: cross-border trade, firm-level support and access to finance. These three areas offer significant income generation opportunities for women and contribute to overall economic growth in East Africa.

Since project start (September 2014), the Hub has supported **the creation of 43,040 full-time jobs, seventy percent of which women filled.**



Informal cross-border trade is estimated to account for up to 60 percent of all intra-regional trade in the East African Community and women are estimated to comprise 80 percent of all informal traders.

### CROSS-BORDER TRADE

The Hub supports efficient agricultural markets that contribute to economic growth and food security. It does this by helping to align regional policies and address fundamental challenges in crop production, post-harvest handling and trade information. To improve the availability of trade information, the Hub offers capacity building training sessions to traders – particularly to women, who are estimated to comprise 80 percent of all informal traders.

Since April 2017, the Hub and partners have **provided 313 women cross-border traders with training in business management skills and knowledge of cross-border trade requirements.** Empowered with information, these women are now better equipped to participate in formalized cross-border trade and less vulnerable to actors who prey upon unrepresented traders.

Formalized trade strengthens regional agricultural markets and offers more earning potential for traders.

To promote the sustainability of its cross-border initiatives, the Hub provides grants to established agricultural organizations. From 2017 – 2018, two Hub grants improved the capacity of 282 women to participate more fully in formal trade. These women now have stronger entrepreneurial skills, greater awareness



Natimba Halima participated in one of the first Hub-supported capacity building classes along the Kenya/Uganda border. She singled out “record keeping” as one of the most important lessons she learned.

of market opportunities, increased access to financial institutions and greater access to industry representation. They have also become mentors and partners to other female traders, helping them to formalize their practices and reap the associated benefits.

The Hub supported one of its grantees, the Agricultural Market Development Trust, to initiate a cross-border traders association. The association, *East African Cross Border Traders Association*, led by chairperson Miria Akankwasa, provides cross-border traders with a stronger voice in the East African Community and a role in the formulation of trade policies. The association leadership and membership maintain strong female representation, ensuring that concerns that apply exclusively or disproportionately to women reach the ears of policy decision makers.

## ACCESS TO FINANCE

The Hub offers an array of investment facilitation services targeting mid-to large-sized firms in high-impact sectors, “missing middle” small- to medium-sized enterprises (SMEs) that export under the African Growth and Opportunity Act (AGOA) and small and growing businesses in the agriculture sector. The Hub defines “high-impact sectors” as those that have the greatest potential for growth and those that have strongest social and economic outcomes for communities, e.g. improved livelihoods and job creation. One of the strongest factors for improved social and economic outcomes is the involvement of women.

Women’s economic participation maximizes economic growth in a country and most directly impacts the betterment of entire families. When women have more assets and control over spending, they typically invest a higher proportion of their earnings into the family, such as in their children’s education, than men (The Organization for Economic Co-operation and Development).

Access to finance for female-owned and female-led enterprises remains a major constraint on business growth in East Africa. To address this barrier, the USAID Hub helps connect female-owned and -led enterprises to investors who are looking for promising companies in East Africa. To date, the Hub has supported the closure of **\$12.4 million in new investment for female-owned and -led enterprises and trained 600 female entrepreneurs on how to pitch their companies to investors and prepare for the export market.**

In May 2018, the Hub collaborated with New Faces New Voices to provide investment pitch training and mentorship to twenty Tanzanian women entrepreneurs. Eight of those women participated in a “shark tank” pitching



Sophy Nantongo incorporated the African Queen in 1993 with \$3,000 in her pocket and a high school education. Her business concept is the same now as when she started – distribute consumer goods, such as foods and beverages, personal care (hair and skin), stationery and home care to an underserved but expansive consumer market. Now, in 2018, thanks to her ingenuity and hard work, and a \$4 million capital infusion supported by the Hub, Ms. Nantongo is delivering globally recognized brands using sales force automation technology, a new fleet of trucks, and a 235-person logistics team. In 2017, the African Queen distributed \$13.6 million worth of high-quality commodities to schools, restaurants, hotels and retailers.

competition to win funding for their businesses, and three received funding. All participants benefitted from greater confidence, new connections with the business community and increased investor awareness regarding their businesses and women-owned businesses in general. ([Blog](#), [Video](#), [Photo](#))

With events such as the above and by supporting the closure of profitable investments, the USAID Hub is demonstrating the viability of gender lens investing.

## FIRM-LEVEL SUPPORT

The Hub supports buyer-seller export linkages, buyer missions and business-to-business events for U.S. companies looking to source from and invest in East Africa. The Hub also provides firm-level technical assistance to East African businesses across five sectors – textiles/apparel, footwear, cut flowers, home décor/fashion accessories and specialty foods.

Much of this support is targeted to improve the export capacity and U.S. market know-how of female-owned or -led businesses. Since November 2014, the Hub and partners have supported **49 women entrepreneurs to access the U.S. market and make 883 trade linkages.**

In April 2017, the Hub conducted workshops for home décor and fashion accessories exporters in Rwanda, Uganda, Tanzania and Ethiopia to help them secure deals with U.S. buyers. The training covered topics such as U.S. market trends, exporting goods under AGOA, product costing and pricing, technical requirements and certifications for products and labelling, packaging and shipping norms. Of the 104 participating entrepreneurs, 74 percent were women.

The Hub improves the competitiveness of East African apparel companies and provides pathways to employment by supporting training programs for young Kenyans to become sewing machine operators. The graduates – a majority of whom are women – secure skilled employment with the growing Kenyan apparel industry. To date, the Hub has trained 526 (405 females and 121 males) sewing machine operators. Seventy-two percent of the female graduates have found work. The result is a win-win for the apparel companies and for the young women in search of jobs.



Verline Mosiria, the youngest member of a family-run accessories company in Kenya, LULEA, designed the hot-selling item that recently garnered LULEA accolades and orders from a U.S. trade show. To meet U.S. demand for the “parachute bag,” LULEA expanded its operations and hired eight new full-time workers, a majority of whom were young women just out of university. The LULEA brand is taking off and so are employment opportunities with the company. [Read the success story.](#)