

Galvanising Effective Partnerships to Better Leverage AfT and EIF Results *Zambia Sets the Path*

The governance structures promoted by Aid for Trade (AfT) and the Enhanced Integrated Framework (EIF) ought to be supported by a participatory process of relevant stakeholders and technically-equipped officials who are able to provide the necessary policy direction for the programme and undertake effective delivery. The Global AfT Review 2013 must ask as to what extent this process has been facilitated and what are the spin-offs. It is also important to share and highlight some of the key developments which have been taking place in Zambia.

Introduction

Zambia, like other least developing countries, is searching for new trade advantages, in the form of competitiveness and many other variables. The signals show that the emphasis of the EIF on beneficiary countries to identify small bankable projects, in sectors dominated by disadvantaged groups within different value chains, and leveraging resources to address those needs could be one remedy in addressing economic and social obstacles of trade. Zambia sets a right path by acquiring a Tier II project and promoting democratic architectural platforms which give non-state actors an opportunity to participate. Therefore, this note attempts to share a “snap-shot” of the progress made by Zambia in implementing AfT and the role which non-state actors (especially CSOs) can play to stimulate better trade outcomes.

Implementation of AfT and EIF in Zambia – The Role of Government and Civil Society

Trade Governance and Ownership

Zambia has institutionalised the EIF governance structures by establishing a focal point at the Ministry of Commerce Trade & Industry (MCTI), under the office of the Director of Foreign Trade, an National Implementation Unit (NIU) and a High-level National Steering Committee represented by key government ministries, government agencies, donor facilitator, cooperating partners, private sector associations and the civil society. The Committee is chaired by Private Sector represented by the Zambia Association of Manufacturers and vice chaired by Civil Society represented by CUTS International Lusaka.

Non-state actor participation in the trade policymaking and implementation process is key to the democratisation of trade governance. CSOs’ participation holds two major promises. Firstly, by taking part in the policy debates at national level, CSOs have the capacity to transport new issues, interests and concerns from grassroots stakeholders to the national governance trade arrangements. Secondly, their presence contributes to the emergence of a national public sphere in which policy choices are exposed to public scrutiny. (CUTS International)

Addressing Trade Related Needs

Zambia Reviewing the 2005 DTIS

In August 2011, the MCTI after approval from the Executive Secretariat, commissioned the review of Zambia’s current Diagnostic Trade Integrated Study (DTIS) of 2005 through the World Bank to be completed in 2013. This development was driven by the Ministry’s desire to sharpen its trade policy agenda as well as demands from key stakeholders, such as CUTS international Lusaka who had done an analysis of the DTIS revealing a significant gap between its content and the priority needs of many stakeholders.

Zambia's Participation in Mainstreaming Trade

Zambia has embraced the concept of trade mainstreaming and participated in a pilot on Trade Mainstreaming exercise facilitated by the EIF Executive Secretariat and the United Nations Development Programme to design a roadmap for better mainstreaming trade in national and sectoral strategies. In view of this, CUTS conducted a study on the extent to which Zambia has been able to mainstream trade into the national development plan.

The Ministry is committed towards optimising Zambia's trade potential. Addressing productive, supply-side institutional capacity constraints remains the Ministry's key priority. Additionally, improving trade governance is also a key function of the Ministry.

Zambia's First Ever Tier 2 Project Launched

Zambia's first ever Tier 2 project entitled, 'Trade and Investment Project for Enhanced Competitiveness of Zambia's Apiculture Sector' (TIPEC-ZAS) over a period of three years was recently launched. The project targets about 5,000 small producers working in Apiculture and aims at enhancing sustainable entrepreneurship in the Apiculture sector through increased productivity, improved market access, quality and standards.

The implementation of the EIF Programme in Zambia though could be said to have been smooth recently there are still few challenges that are being experienced, such as difficulties with stakeholders in reaching consensus on the main elements to be contained in the Tier 2 project proposals, e.g. Apiculture proposal and effectively managing individual vested interests, which affected the time of submission. This also affected the finalisation of the Dairy proposal as more time than earlier envisioned was dedicated to the finalisation of the Tier 2 Apiculture Proposal. (MCTI)

EIF Focus Building Capacity of Small Producers

The NIU, in collaboration with Zambia Development Agency (ZDA) and Develop4Value, a Dutch company specialised in Private Sector Development, held engagement conclaves with Zambian private sector players and associations to expose them to available credit finance options under a initiative called 'Private Sector Investment Programme'.

MCTI to Introduce a 'Trade Policy and Development Course'

The MCTI, through the NIU, and in collaboration with the University of Zambia (UNZA) will introduce a Trade Policy and Development Course at UNZA in 2013 to generate a national critical mass of expertise in international trade policy and development analysis in Zambia.





EIF to Support Smallholder Beekeepers

The NIU in collaboration with Honey Industry Associations facilitated the participation of 13 smallholder beekeepers in the 2nd Africa Organic Conference in Lusaka to provide learning on best practices of organic farming and accessing relevant market information.

Similarly, CUTS facilitated training of trainers for a small scale dairy women farmer organisation by linking this women's group to Professor Thompson Sinkala who developed an integrated traditional value chain system which focuses on reducing production costs while generating income at various stages and producing a bio-fuel as an end product.

There is still need to engage small and marginalised group of stakeholders (especially small producers) facing challenges to get better market access and marginalised consumers facing livelihood challenges and AfT should facilitated this. (*CUTS International*)

EIF Regional Training Workshop

Zambia hosted the EIF Regional Training Workshop on the theme 'Results Reporting and Communications Capacity Development' at Lusaka, during April 22-25, 2013. The overall objective of the workshop was to support EIF countries, in particular NIUs to not only ensure delivery of results but also effectively communicate specific outcomes in line with the programme's objectives. It highlighted the need to have a programmatic and institutional reforms, including a practical and useful monitoring and evaluation system. The workshop attracted 13 Anglophone African countries.

Key Research Studies on AfT (EIF) and Trade

- a. Assessment of the State of Trade Mainstreaming in Zambia (CUTS 2013) – forthcoming
- b. Aid for Trade and Economic Development: A Case of Zambia (CUTS 2012)
- c. An Assessment of the Zambian Diagnostic Trade Integrated Study (CUTS 2009)
- d. A Study of the Rice Value Chain in Zambia (CUTS 2009)
- e. Towards More Inclusive Trade Policy Making: *Process and Role of Stakeholders in Select African Countries* (CUTS 2009)

Zambia being a land-locked country (or land linked), there is a need for research showing the imperative of regional AfT initiatives to enhance regional trade in Southern Africa, particularly in commodities which ensure satisfaction of basic needs. (*CUTS International*)

There is need to increase support to CSOs working on trade and regulatory issues to generate new knowledge and expertise for bridging macro-micro gaps in mainstreaming trade into national development strategies. (*CUTS International*)



Communication and Outreach

NIU produced a local DVD entitled 'Don't Give me Fish anymore Rather Teach me How to Fish' for sensitising stakeholders about the EIF programme and benefits of trade in Zambia.

The NIU has continued to engage media and CSOs, in particular CUTS, to communicate its functions and results of the EIF so far. Zambia was also one of the countries selected for the trading stories to be launched at the 4th Aid for Trade Global Review in July 2013, documenting various sites of Zambia's economic strength, such as mining and agriculture.

Perception that the EIF NIU is there to only support activities under one department or only MCTI, has resulted in other ministries/department's not fully appreciating the role of the NIU of the EIF and how it can support implementation of activities under their mandate. (MCTI)

Newsletter

- A joint newsletter by CUTS International Lusaka and NIU is produced on a bi-annual basis for wider outreach and information dissemination



Key EIF Stakeholders

- Finnish Embassy Zambia – Immediate past Donor facilitator and major funder of CUTS activities
- European Union Zambia – Present Donor Facilitator
- Department for International Development
- United Nations Development Programme
- World Bank
- United Nations Office for Project Services

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