



Tripartite Local Sourcing for Partnerships Project

- Training and capacity building workshops for the SMEs on food safety and standards to create Local Sourcing Partnerships (LSPs)
February- June 2017
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Supported by the AfDB Tripartite Capacity Building Programme



1.0 Background

The business community is a key stakeholder to trade and regional integration. However, there is still limited engagement and participation of the private sector in trade; from negotiations and actual business linkages within the Tripartite Free Trade Area framework.

The Tripartite Private Sector Platform composed of the COMESA Business Council (CBC), East African Business Council (EABC) and Association of SADC Chambers of Commerce and Industry (ASCCI) have been tasked to represent and ensure the inclusiveness of the private sector in the TFTA negotiations and policy making processes. In addition, they have also sought for ways and strategies to ensure tripartite businesses are able to trade and form linkages amongst themselves paving way for the TFTA. The Tripartite Capacity Building Programme (TCBP) funded by the African Development Bank has provided funding for the above activities.

A key step in promoting business and market linkages is strengthening the technical capacity of the businesses in the region to participate in trade through encouraging local sourcing initiatives. To promote local sourcing, a project has been initiated targeting the Small Growth Enterprises within the hospitality and agro-industry sector, with the aim of building their technical capacity on quality standards and promote business linkages with the Hotel industries to enable the agro food suppliers' participation in the supply chains. The project is aimed at promoting local sourcing by corporate companies from the small and medium enterprises within the region in order to create jobs and economic development. The project focuses on the agriculture and the agro-processing hospitality and tourism sectors.

The project has two key components which include (i) capacity building of the MSMEs on food safety management systems using the a curriculum based on the HACCP (Hazard Analysis and Critical Control Points) and (ii) market linkages whereby forums are organized for buyers and suppliers to exchange market information.

The goal of the project is to build inclusive growth of SMEs in business processes, establish job creation of SMEs and to contribute to overall improvement of intra-trade development in the Tripartite Region.

The initial focus of the meeting will be on three countries; one per Regional Economic Community; Madagascar for COMESA, Tanzania for EAC and South Africa for SADC.

2.0 Overview of the LSP Meetings

The project will target 150 Small Growth Enterprises in three countries namely. The capacity building activity will consist of three days' workshops incorporating on and off-site training of the SMEs. A day's field visits will be facilitated to selected firms in order for the SMEs to learn the application of HACCP standards in a practical situation. A one day buyer-seller platform will be organized to facilitate interaction and dialogue between the SMEs and key buyers in the countries.

The sellers will hold a mini exhibition showcasing their products to the buyers. The buyers will also have an opportunity to give guidance on their purchasing requirements and checklists.

Post the training the hospitality industry- hotels will engage the trained suppliers on a trial basis, under a preferential market access arrangement, to supply a particular range of food products- within the requirements and quantities expected. It is envisaged that the project will result in strengthened standards capacities for the agro suppliers and a direct market, to supply into the hotel chains.

3.0 Objectives of the Meetings

- ✓ To train and equip agro- food suppliers on food safety and quality management standards, Sanitary and Phyto-Sanitary (SPS) compliance- HACCP standard;
- ✓ To facilitate competitive relationships between buyers and suppliers into the purchasing systems of a target of 6 corporate companies
- ✓ Increased participation of local food suppliers in the supply chain networks of Multi-National Companies in the region.
- ✓ To promote the newly developed business linkages portal for distributors and suppliers;
- ✓ To develop and promote the brand of the local sourcing recognition certificate received by companies/ customers.

4.0 Activities

The key activities of the meeting are twofold:

1. Capacity building: organize a 3 Days training workshop for the SMEs. They will be trained on curriculum based on the HACCP or GFSI. A curriculum that has been developed through the LSP will be adapted to fit the requirement of each of the countries and will be used for the training. The SMEs will be on their own self-assessment and developing an action plan towards improving their standards. Information on the buyer requirements and checklist will also be shared with the SMEs.

A day's field visits will be facilitated to selected firms in order for the SMEs to learn the application of HACCP standards in a practical situation.

2. Building market linkages: A one day buyer-seller platform will be organized to facilitate interaction and dialogue between the SMEs and key buyers in the countries. The sellers will hold a mini exhibition showcasing their products to the buyers. The buyers will also have an opportunity to give guidance on their purchasing requirements and checklists.

5.0 Expected results/outcomes

1. SMEs empowered on buyer requirements and standard requirement.
2. SMEs initiate supplier arrangements and sign contractual agreements with the buyers present

3. e-SME/Enterprise Intelligence database expanded to accommodate more countries ;
4. A number of strategic SME business partnerships created per year through database
5. Increased efficiency for at least 150 SMEs in selected value chains as a result of business development and quality management trainings ;

6.0 Target participants

1. Buyers-
 - a. Hotels and hospitality industry
 - b. Supermarkets and other large retail outlets
2. Sellers: The project will focus on suppliers in the dairy, meat, meat and horticulture sub-sectors. The suppliers will have to meet the following criteria:
 - i. Registered
 - ii. Paying taxes
 - iii. Operations minimum - 2-3 yrs
 - iv. Financial intelligence: bank account for 1 yr in name of business
 - v. Market share: have exiting supply contracts
 - vi. Revenue - US\$ >US\$20k
 - vii. Number of staff - permanent/ contract staff >6

7.0 Key Preparation Steps prior to the Meetings

	ACTIVITY		TIMELINE	RESPONSIBLE
1.	Identification of the key stakeholders.	<ul style="list-style-type: none"> • The government ministries, parastatals, media, key buyers etc. 		REC Business Councils
2.	Identification of SMEs.	<ul style="list-style-type: none"> • Identify about 50 SMEs according to the set criteria to participate in the meeting. • Work with the buyers to get their list of suppliers who can benefit from training. 		REC Business Councils
3.	Adjustment of the curriculum			CBC and Trainer
4.	Arrangement of the logistics- Venue, Transports etc.			CBC
5.	Communication, Invitation and Confirmation of all the participants	<ul style="list-style-type: none"> • Invitation of suppliers to the meeting and to bring their products for the exhibition • Invitation of buyers to the buyer-seller forum and the 		CBC working with respective REC Business Council

		exhibition <ul style="list-style-type: none"> • Invitation of the stakeholders to the meeting 		
6.	Field Visits	<ul style="list-style-type: none"> • Identify the firm to visit and organize the visit 		CBC working with respective REC Business Council
7.				

7.0 Meeting Programme and/or organization of work

A draft 3 days programme is attached.

8.0 Proposed date of the meeting

The proposed dates of the meetings are as below:

1. Tanzania(Dare salaam) LSP Meeting –March 2017
2. Madagascar LSP Meeting –2017
3. South Africa LSP Meeting –April 2017

The venues of the meeting will be communicated.

9.0 Coordination and logistics

1. **Coordination and Meeting logistics;** the meeting is organized as part of the Tripartite private sector platform agenda. The COMESA Business Council secretariat will work other private sector institutions of the RECs to arrange documentation, venue, break teas, lunch, water and transport for the field visits during the meeting.