

Appendix B

REGIONAL COMPETITIVENESS ACTIVITIES

Donor-led, regional, and national level competitiveness-related activities are presented below. A matrix of additional activities is presented in Table 8.

Donor-led Activities

http://www.afdb.org/projects/projects_country.htm

African Development Bank Group activities in SADC-member countries related to competitiveness include: physical infrastructure development projects and rural income enhancement projects.

<http://www.idrc.ca/library/world/idrcproj.html>

http://network.idrc.ca/ev.php?URL_ID=5895&URL_DO=DO_TOPIC&URL_SECTION=201

The **International Development Research Centre** is a public corporation created by the Canadian government to help communities in the developing world find solutions to social, economic, and environmental problems through research.

The Acacia initiative is an international program to empower sub-Saharan communities with the ability to apply information and communication technologies (ICTs) to their own social and economic development. This initiative is designed as an integrated program of research and development and demonstration projects to address issues of applications, technology, infrastructure, policy and governance. Partners include science, technology, and telecommunications organizations in South Africa, Tanzania, as well as elsewhere throughout Africa. Conceived and led by the International Development Research Centre (IDRC), Acacia supports Canada's contribution to the African Information Society Initiative (AISII) which was endorsed by African governments as an action framework to build Africa's information and communication infrastructure.

<http://www.unido.org/en/doc/3704>

The **U.N. Industrial Development Organization's** (UNIDO) major initiatives in Africa include a plan of action to address capacity-building, including strategies, policies and institutional support for industrial competitiveness; linking industry and agriculture to enhance productivity and competitiveness; promoting growth in small and medium enterprises (SMEs), including rural development and the informal sector; promoting private investment and technology; environmental management and cleaner production; and private sector development, productivity and the application of standards for international competitiveness.

World Bank-led activities

<http://www4.worldbank.org/sprojects>

<http://www.ifc.org/johannesburg/docs/Projects.doc>

IFC projects in Southern Africa include:

- Mozambique aluminum smelter project to outsource non-core operations to local small and medium enterprises;
- assistance to Kruger National Park, South Africa, to privatize/outsource many tourism services;
- assistance to develop linkages between a South African winery estate and local agricultural and service providers;
- support to Eskom, South Africa, to develop commercial markets for energy-efficient lighting technologies;
- the Africa Project Development Facility (APDF) is a multi-donor initiative, managed by IFC, that seeks to strengthen African small and medium enterprises through the provision of business advisory services, enterprise support services; and skills development.

http://apdf.ifc.org/annual_message_from_management.htm

The Africa Project Development Facility (APDF) has been a vital part of efforts to promote private sector development in Africa. Critical new roles, these include building capacity in local consulting companies, business associations and African financial institutions, and helping SMEs to benefit from business opportunities with big corporations and investment projects.

Building on its expertise in business plan development and raising finance, APDF has broadened its services to include enterprise support services. This mainly involves assistance in strategic planning, organizational development, market planning and strategies, production process and accounting systems improvements. These services are needed and are in high demand, and clients have been willing to pay for them.

APDF has started working on business clusters and linkages programs, aimed at growing and strengthening business between African SMEs and large corporations and investment projects. These initiatives are underway in Nigeria, Chad, South Africa, and Zambia. Alongside these innovations, APDF is continuing its efforts at developing support programs and initiatives that will involve women entrepreneurs. Specific programs are underway in Nigeria and South Africa.

<http://www1.worldbank.org/wbiep/trade/Standards/africa.htm>

Issues related to trade standards and technical regulations are becoming of increasing importance to the least developed countries as they seek to strengthen industrial performance, increase agricultural productivity and competitiveness, and expand access to international markets. The World Bank International Trade Team, through the Africa Trade Standards Project (ATSP), is helping to bridge the gaps in capacity, and to promote concrete and deeper understanding of the role, impact, and opportunities for improving of the standards and regulatory framework in Africa. Mozambique and South Africa are two SADC member countries involved with the Bank via the ATSP.

Among the country level, World Bank-led, competitiveness-related projects in SADC member countries are the following:

TANZANIA: Implementation of small agricultural development sub-projects planned and managed by community members and farmers groups.

This objective will be achieved by:

- empowering self-selected rural communities and farmers' groups to make decisions regarding choice of sustainable and remunerative productive technology;
- sharing of costs by the public sector and participants, and hence sharing the risk of adoption of improved technologies, again for self-selected participants;
- enhancing demand for products and services provided by the private sector in rural areas by increasing the purchasing power of participating groups and encouraging the growth of savings;
- promoting improved land and crop husbandry practices by participants;
- supporting the ongoing decentralization process at the district level;
- partially financing maintenance and/or construction of roads, bridges, and other small sub-projects to improve access to markets.

TANZANIA: The development objective of the project is to provide a reliable, affordable and sustainable water supply service and improve the sewerage and sanitation services in area served by the Dar es Salaam Water and Sewerage Authority (DAWASA) that includes Dar es Salaam and part of the Coast region . This will help improve public health and well being in a city prone to cholera outbreaks or other water borne diseases and support productive activities of the country's main economic center.

ANGOLA: The objective of the Economic Management Technical Assistance project is to strengthen the ability of the key economic ministries to implement institutional and policy reforms that create an enabling environment for the private sector to flourish, building on reforms already under way as agreed with the International Monetary Fund. The project will support implementation of a Poverty Reduction Strategy Paper, which is being prepared.

LESOTHO: The objective of the Water Sector Improvement project is to support the Government to secure sustainable, adequate and clean water supply and appropriate wastewater services for consumers living in the Lowland areas.

MALAWI: The objective of the Financial Management Transparency and Accountability project is to promote effective and accountable use of public resources through improved budget implementation and increased transparency of government institutions. The project will focus on expenditure accountability by (a) improving management systems and information flows, (b) promoting compliance and oversight, (c) strengthening performance monitoring, and (d) developing skills and capacity.

MOZAMBIQUE: The objective of the Energy Reform and Access program is to expand access to electricity in rural and peri-rural areas. Components will include technical assistance, capacity building, investments in low-cost main grid extensions to rural areas, setting up isolated mini-grids where main grid extension is not economical or feasible in a timely manner and photovoltaic lighting systems for institutions and households in underserved areas. The program

is expected to reduce barriers that impede development of renewable energy and to facilitate energy sector reforms including restructuring/privatization of public energy enterprises.

SOUTH AFRICA: The primary objective of the Industrial Competitiveness and Job Creation Project is to support sustainable economic growth and job creation needs by enhancing industrial competitiveness of South African firms, particularly small, medium, micro- and medium-sized enterprises, thereby accelerating their supply response. The project has three components: (1) A Competitiveness Fund to enhance competitiveness and stimulate the market for business development services through cost-sharing grants; (2) A Sector Partnership Fund to support initiatives to foster information-sharing and networking among groups through cost-sharing grants; and (3) A Short-Term Export Finance Guarantee Facility to reduce the perceived risk associated with export financing.

ZAMBIA: The Support to Economic Expansion and Diversification (SEED) Tourism project seeks to support the Government's efforts to stimulate diversified economic growth and private sector investment, using tourism as an entry point. This is to be achieved through public/private partnership for building an enabling environment conducive to private sector growth and community-based development, and by preserving Zambia's extensive cultural, natural and wildlife assets. Appraisal mission was scheduled for late May 2003.

ZIMBABWE: The Railways Restructuring project will include staff retrenchment and rationalization, infrastructure rehabilitation, studies and technical assistance, training and counseling and assistance to retrenched staff. Project preparation is on hold due to the country situation.

Southern Africa regional activities

<http://www.asareca.org/about/about.htm>

The **Association for Strengthening Agricultural Research in Eastern and Central Africa** (ASARECA) is a non-political organization of the National Agricultural Research Institutes (NARIs) of ten countries: Burundi, D. R. Congo, Eritrea, Ethiopia, Kenya, Madagascar, Rwanda, Sudan, Tanzania and Uganda. It aims at increasing the efficiency of agricultural research in the region so as to facilitate economic growth, food security and export competitiveness through productive and sustainable agriculture.

<http://www.jitap.org/country.htm>

<http://www.jitap.org/URT.htm> (Tanzania)

Joint Integrated Technical Assistance program (Trade development in Africa): JITAP, jointly funded by the International Trade Centre, the World Trade Organization, and UNCTAD enhances development opportunities of African country partners, through their more effective participation in the Multilateral Trading System (MTS). Its activities aim to meet the most pressing needs of eight countries, one of which is Tanzania. JITAP's three objectives are to build national capacity to understand the evolving MTS and its implications for external trade; adapt the national trading system to the obligations and disciplines of the new MTS; and seek maximum advantage from the new MTS by enhancing the readiness of exporters. In Tanzania, JITAP's Inter-Institutional Technical Committee (IITC), has played an active role in assisting the

preparations of the Tanzanian position in different important meetings, organizing a workshop on WTO issues, and holding national seminars on Post-Doha results and services/ tourism trade in Tanzania.

<http://www.saen.info/saenframeset.htm>

The **Southern African Enterprise Network (SAEN)**, officially launched in September 1998 and encompassing Angola, Botswana, Namibia, Lesotho, Madagascar, Malawi, Mozambique, South Africa, Swaziland, Zambia, and Zimbabwe, is part of a pan-African association that brings together new generation African entrepreneurs who seek to improve the business climate in their home countries and to foster regional trade and investment in their geographic sub-regions.

<http://www.sdi.org.za/>

The **Spatial Development Initiative (SDI)** program, launched in 1996/7, is modeled on the successful Maputo Development Corridor sponsored by South Africa's national Departments of Transport and Trade and Industry. SDI activity focused on preparations to facilitate investment-led growth, as well as to pilot some institutional models to support joint planning and integrated development while newly created or changing institutions 'jelled' in the shifting socio-political environment of that period. SDI is a program of the Department of Trade and Industry (DTI) located at the Development Bank of SA (DBSA). The rationale behind physically locating SDI in the DBSA was mutually acknowledged synergies between DBSA's infrastructure investment programs and the objectives of SDIs to bring new fixed investment into high potential areas, and the role of DBSA specialists in SDI technical task teams.

National Activities

Mozambique

http://cyber.law.harvard.edu/itg/projects/past_projects.html

Networked Readiness of Mozambique: The Center for International Development selected Mozambique as the first country in Africa to collaborate with on ICT policy development. Mozambique, a country that is one of the fastest growing countries of the world, and one of the poorest, is eager to enter the information age. The Information Technologies Group worked closely with the ICT Policy Commission, headed by Prime Minister Mocumbi, to make this happen. The ITG conducted an initial Networked Readiness Assessment of Mozambique as part of its efforts to provide assistance to the government.

Namibia

<http://www.mti.gov.na/>

Namibia's Ministry of Trade and Industry website, with links to international trade, investment, and SME development activities.

South Africa

<http://www.naci.org.za/a06.cfm>

National Advisory Council on Innovation: The National Advisory Council on Innovation (NACI) is appointed by the Minister of Science and Technology to advise him (and through him, the Ministers Committee and the Cabinet) on the role and contribution of innovation (including

science and technology) in promoting and achieving national objectives, including to strengthen the country's competitiveness in the international sphere. The membership of **NACI** is broadly representative of all sectors and is constituted in a manner that ensures a spread of expertise and experience regarding: national and provincial interests; scientific and technological disciplines innovation the needs and opportunities in different socio-economic fields; and research and development in all sectors. Current projects include the development of a national competitiveness strategy for South Africa. This will be done by focussing on human capital, technical progress / infrastructure indicators, business performance, R & D / innovation generation, absorption and diffusion, and the technology balance of trade.

<http://www.africacncl.org/Linkages/saibl.asp>

The **South African International Business Linkages Program** (SAIBL) builds the capacity and international competitiveness of historically disadvantaged, small and medium South African businesses through trade and investment partnerships with U.S. companies. SAIBL, a cooperative agreement between USAID and the Corporate Council on Africa, offers South African and U.S. companies an opportunity to be a part of expanding business opportunities in South Africa.

<http://www.tips.org.za/>

<http://www.tips.org.za/satrn>

The online resource centre for trade and industrial policy research in South Africa. TIPS is also institutional home to the Southern Africa Trade Research Network (SATRN).

<http://www.naci.org.za/home1.cfm>

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<http://www.nrf.ac.za/profile/>

South Africa's **National Research Foundation** (NRF) is the government's national agency responsible for promoting and supporting basic and applied research as well as innovation.

<http://www.csir.co.za>

CSIR is South Africa's premier Science Council, created to bridge market-oriented research contracts. CSIR is committed to supporting innovation in South Africa to improve national competitiveness in the global economy. Technology services and solutions are provided in support of various stakeholders, and opportunities are identified where new technologies can be further developed and exploited in the private and public sector.

<http://www.productdevelopment.co.za/Index.asp>

Productdevelopment.co.za: Example of a skills and product development company, based in South Africa, funded by the Department of Science and Technology. Special funds available for innovation, technology and human resources, small and medium enterprise development, and competitiveness research.

Tanzania

<http://www.sdi.org.za/members/iii/sdi.nsf/d2f50fb68d1b021142256c3f00611326/1669c0b1c232272542256c4400486d60!OpenDocument>

Determined to capitalize on an encouraging flow of foreign investment, Tanzania is stepping up its program to attract more investors by opening and promoting opportunities in special export-driven development corridors in partnership with neighboring countries.

Lesotho						Industrial development; transport and infrastructure support							
Malawi			See general	Regional Cooperation Framework	Dedza Malawi Exports - TEEM	Funds most major roads projects, and those to Mozambique and Tanzania EBAS ASYCUDA					EDEP-		
Mauritius			See general	Trade and environment seminar, small island developing states workshop		COMTEL project and other private sector							
Mozambique						The Nacala Corridor Private Sector support; Limpopo railway							
Namibia			See general			Productive sectors including private sector development							
Seychelles			See general			Melon Fruit Fly Eradication Program;							
South Africa						European Program for Reconstruction and Development; Banana Industry Support; Risk capital fund; Investment promotion	TIPS for Trade	Supports collaboration between Swedish and local firms; supports micro-finance activities					

Swaziland			See general		SME and private sector support	Agriculture and Forestry Project							
Tanzania	11 donors support private sector and infrastructure development projects					EIB Private Sector Financing							
Zambia			See general			Airport rehabilitation; Mpulungu Harbour; rehabilitation of sections of the Monze Zimba road			Transport project	The Zambia Export Growers' Training Trust	Transport project		
Zimbabwe			See general										