

12 Mainstreaming trade for industrial development in Africa

he Enhanced Integrated Framework (EIF) works with African LDCs to mainstream trade priorities for national development and build trade-related institutional and productive capacity. In line with UN Sustainable Development Goal (SDG) 9, "Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation", the EIF not only supports targeted agro-processing projects, but also the active integration of trade dimensions in existing national policy strategies. Sectors that have mainstreamed trade into their strategies include infrastructure, industry, agriculture, tourism, energy, environment, information and communications technology, and transport. Policy development and implementation are fostered through strong coordination and engagement mechanisms.

In recent years, the EIF has intensified efforts to help LDCs identify key productivity and policy bottlenecks, prioritize them and leverage finance to address them. Analytical work through diagnostic trade integration studies (DTIS) and feasibility studies enable African LDCs to use a sector-by-sector approach in identifying needs related to infrastructure and industrialization and the linkage to trade. The DTIS and action matrices are evidence-based analyses that underpin priority identification needed to guide the trade agenda and the Aid for Trade needs of LDCs. These analytical studies help LDCs determine their biggest constraints to trade integration, prioritize actions to address them accordingly and serve as a basis for the development community to provide trade-related support.

Countries then work with development partners to secure support for the implementation of these priorities in addition to the provision of catalytic support through a dedicated EIF trust fund. The demand for EIF resources through the trust fund has been predominantly concentrated in agribusiness (accounting for more than 60 per cent of the EIF's productive capacity projects), with this sector providing opportunities for growth and added value. Other areas include supporting mechanisms, such as addressing standards, promoting smoother facilitation of trade, and developing supportive policy environments.

The EIF has a key focus on supporting the development and adoption of new technologies in tradeable sectors, ranging from cutting-edge payment solutions for e-commerce to introducing technologies in agriculture, production and processing with a view to supporting African LDCs to effectively move into the "Fourth Industrial Revolution", characterized by a combination of physical, digital and biological technologies.

There have been encouraging signs and positive developments from many countries in Africa. For instance, through an EIF project, the Benin Agricultural Development Company has increased its production by 25 per cent, and now produces 1,500 boxes of pineapple products a month. They are generating new exports to West Africa where almost 80 per cent of this production is destined.

In another example, in Burkina Faso, an EIF project has helped to increase the production and export of both cashews and dried mangoes, with the goal of creating jobs and increasing incomes for producers. Through the project, revenues have increased for 6,679 people in the mango sector (80 per cent of these being women) and 3,217 in the cashew sector (90 per cent of these being women). Overall, 1,436 new jobs have been created in the

two sectors, thanks to increased production capacities and the creation of new mango processing units. In 2017, 1,520 tonnes of dried mangoes and 940 tonnes of cashews were exported (Kovacevic, 2018).

In Malawi, the Malawi Investment and Trade Centre is helping exporters obtain access to international markets. One such initiative has been through the establishment of a trade consulate in neighbouring Mozambique. This has facilitated new exports of Malawian-made products, from concentrated juice to processed soy.

Finally, Comoros produces more than 60 per cent of the world's supply of ylang-ylang flowers and is an important source for vanilla and cloves – all important ingredients in international cosmetic and food products. Local businesses are moving up the value chain with the support of an EIF project in collaboration with the ITC and United Nations Development Programme (UNDP).

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