

West Africa Regional Economic Bulletin | February 2023

Dear Colleagues, Partners, and Friends,

Continue to stay aboard with us as we take you across West Africa, providing you with updates on our work with the people of West Africa to strengthen systems and advance economic growth. This month's edition highlights engagements that promote agriculture and food security, increase business opportunities, and improve livelihoods. Through its co-investment schemes, the West Africa Trade and Investment Hub continues to unlock economic opportunities for small businesses and smallholder farmers, generating much needed income for West African households. From water quality management, sanitation and hygiene, to power, energy and food security, our partnerships demonstrate the longstanding commitment between the West African and American people to advance economic prosperity for all.

You can view this month's edition on our website as well as stay abreast with <u>previous</u> editions.

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Enjoy, and continue to stay safe and healthy.

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THIS MONTH'S HIGHLIGHTS

The West Africa Trade and Investment Hub (WATIH) Promotes the Mango Value Chain in Benin



Traditional mango trees in a household in Benin. Photo Credit: Promo Fruits

The USAID-funded West Africa Trade and Investment Hub (WATIH) has partnered with Promo Fruits, a local fruit processing company in Benin, to accelerate the country's ability to harness the potential of the mango value chain to unlock new investment and provide thousands of smallholder farmers with a dependable source of income and improved quality of life.

A \$2 million co-investment grant from USAID will catalyze further private investment of at least \$8 million, enabling Promo Fruits to establish a first-of-its-kind mango puree processing facility in Parakou in the N'Dali Region of Benin. This mango puree processing facility will create a new pathway for a network of thousands of household and smallholder mango farmers to have easy market access. Farmers will no longer have to resign themselves to losses from thousands of harvested fruits rotting on their farms due to lack of market outlets.

Though the Government of Benin has made substantial investments in the mango value chain, including a massive mango tree planting campaign to double production, phytosanitary problems (mainly fruit fly infestation) and market access challenges impede the profitability of this sector. The USAID West Africa Trade and Investment Hub grant is therefore positioning Promo Fruits to bolster the mango value chain in Benin for the long-term.

To benefit from this partnership, households and smallholder mango farmers have begun planting new mango trees in preparation for market access opportunities that will open in the future due to the Trade Hub's co-investment. There is real excitement for households with mangoes on their compounds who will have the opportunity to sell their fruits to PromoFruits and earn much needed income.

USAID Partners with Local Implementers to Support Private Sector Associations in West Africa



Dr. Aissatou Ngom (from Association of Gynecologists of Senegal) presenting challenges and solutions for Senegal's Health Sector at the Senegal Kickoff. Photo credit: HSDF

The Health Strategy and Delivery Foundation (HSDF), with support from USAID, has launched the Connect and Learn for Sustainable Associations (CLOSA) project in Ghana,

Nigeria and Senegal to help private sector associations (PSAs) in West Africa become commercially viable and financially sustainable. CLOSA is doing this by developing a robust multi-country knowledge base on building PSAs and supporting adaptive learning across multiple associations.

Private sector associations in Africa are largely underdeveloped and plagued with numerous challenges including limited access to finance, high member turnover, lack of adequate data and technology, knowledge gaps of members, lack of effective leadership and governance mechanisms, and lack of financial management and sustainability systems. To address these challenges, the CLOSA project will enhance the business operations of PSAs and increase their profitability and financial sustainability beyond donor support by putting in place systems that will better position them to serve the needs of their constituent associations.

Speaking on the significance of the initiative at the kickoff event in Accra, Mr. Wisdom Adongo, the representative of the Private Enterprise Federation (PEF), comprising nineteen (19) business associations, expressed excitement about the ideas shared during the project presentations and the potential impact that the project would have on private sector associations operating in Ghana. He stated that:

"Among other things, I believe this project will enhance the business operations of PSAs in a bid to increase their profitability and financial sustainability beyond donor funding and/or donor support by putting in place systems that will make them more commercially viable and position them to serve the needs of their constituent associations."

The project will leverage existing structures and offer strong technical and managerial approaches through local experts' coaching and mentoring; support private sector associations to build on current member-engagement and business strategies; and leverage on the systems thinking approach to understand the current context of private sector associations, identify root causes of underperformance, and develop context-specific and locally informed strategies and solutions to increase sustainability and improve commercial viability across the Agriculture, Health, and Entrepreneurship sectors.

Power Africa Supports Senegal's Energy Transition



Solar panels, key to powering Senegal's clean power generation. Photo Credit: Power Africa

Power Africa is partnering with Senegal to develop and implement the country's Energy Transition Strategy to help mitigate the impact of climate change and increase energy access, reliability, and affordability. The strategy focuses on decarbonization through renewables and cleaner gas-to-power transitions. The document outlines how Senegal's current power generation can serve as a catalyst for renewables in the long term.

The strategy also details various decarbonization recommendations, with a focus on Senegal's gas-to-power transition, and innovative approaches to ensure that in the long term, the country's gas infrastructure can help support the development of renewable energy; capacity building to streamline planning and operational measures; increased greenhouse gasses (GHG) emission measurement and optimization; support for wind, solar, biomethane, and cogeneration; and the establishment of a carbon market. It also includes a long-term green hydrogen policy to support the decarbonization process and achieve carbon neutrality by 2050.

The strategy aligns with Senegal's Nationally Determined Contribution goals to reduce GHG emissions by at least 23 percent and to increase renewable energy generation to 30 percent of its energy mix by 2030. Power Africa will continue to work with countries across Africa to draft and implement similar approaches to greener energy production in support of their commitment to the global climate change agenda.

The West Africa Trade and Investment Hub partners with Injaro Investments Ltd. to Promote Economic Diversification in Cabo Verde



Representatives at the official launch of the Fundo Pro Impacto in Cabo Verde. Photo Credit: WATIH

The USAID-funded West Africa Trade and Investment Hub has partnered with Injaro Investments Ltd., the World Bank, and Pro Capital (the venture capital vehicle of the government of Cabo Verde) to establish the Fundo Pro Impacto, a venture capital impact investment fund that invests in Small and Medium Enterprises (SMEs) in diverse sectors of the economy including technology, clean energy, aquaculture, and health.

The Fundo Pro Impacto fund will make individual investments of \$350,000 in SMEs, strengthening critical sectors of the Cabo Verdean economy. The fund would unlock private investment to tap into Cabo Verde's economic growth potential, and support SMEs in Cabo Verde to confront challenges in raising capital to sustain or scale their operations.

With the Trade Hub co-investment grant of \$1 million, the Fundo Pro Impacto will catalyze about \$12 million in additional private sector and institutional investment, create 120 new jobs, and impact 2,034 direct and indirect jobs, all while positioning selected SMEs as champions in sectors beyond tourism over the course of the partnership.

The Municipal Water, Sanitation and Hygiene Project in West Africa (MuniWASH) Promotes Sanitation in Côte d'Ivoire



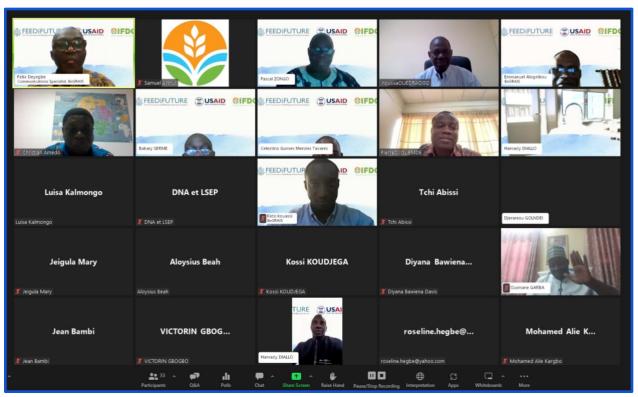
A MuniWASH-affiliated MSME showcasing sanitation products in Mankono, Côte d'Ivoire. Photo credit: MuniWASH

The USAID-funded Municipal Water, Sanitation and Hygiene Project in West Africa (MuniWASH) has been working to support the Sustainable Development Goal (SDG) 6, which targets universal and equitable access to safe drinking water, hygiene, and sanitation by 2030.

To improve sanitation, health, and environmental conditions, MuniWASH has been training and supporting micro, small, and medium enterprises (MSMEs) to offer affordable, high-quality sanitation products and services. These businesses have introduced nearly 500 households in Côte d'Ivoire to a variety of easy-to-install sanitation products and sensitized them on the risks of contamination of water sources through open defecation. These facilities meet the quality and safety standards for homes and public places, and real estate owners and tenants expressed a strong interest in these innovative latrines.

Since 2019, MuniWASH, with its learning partner, the African Water Association (AfWA), has been building the capacity of sanitation value chain actors in Côte d'Ivoire to provide cost effective sanitation services.

Feed the Future Project Discusses Fertilizer Quality Issues with Key Regional Partners



A screenshot of participants at the virtual regional meeting. Photo Credit: EnGRAIS

The Feed the Future Enhancing Growth through Regional Agricultural Input Systems (EnGRAIS) project for West Africa has held a regional meeting with key regional fertilizer stakeholders to discuss the establishment of the West African Committee for Fertilizer Control (WACoFeC), and the setting up of the National Committees to address challenges confronting fertilizer quality control efforts. The stakeholders included the Economic Community of West African States (ECOWAS), the West African Economic and Monetary Union (UEMOA), and the Permanent Interstate Committee for Drought Control in the Sahel (CILSS).

WACoFeC will assist ECOWAS and UEMOA Commissions, as well as the Executive Secretariat of CILSS, to implement ECOWAS Regulation C/REG.13/12/12, which focuses on fertilizer quality control, in a bid to develop an efficient fertilizer sector within Member States and add value to agricultural productivity.

Participants at the meeting advocated for the following measures to ease their implementation efforts:

- Intensive capacity building in materials and equipment for fertilizer quality control inspectors and laboratory technicians on fertilizer quality control and analysis across countries
- Provision of adequate financial and human resources by regional, national, and organizational stakeholders to support field work on fertilizer quality control
- Construction and adequate tooling of national, accredited fertilizer laboratories for professional fertilizer analysis
- Extensive dissemination of existing regulatory instruments and sensitization of stakeholders on their use, as well as adoption and application of sanctions in case of default
- Increased number of trained and equipped fertilizer inspectors and technicians for the fertilizer testing laboratories

EnGRAIS will continue to work with ECOWAS and UEMOA to provide necessary resources to establish a functioning WACoFeC, as well as advocating for governments in West Africa to allocate adequate resources to implement regional and national regulatory frameworks for quality fertilizers and assist Member States to complete and enforce regulatory frameworks for quality fertilizers.

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Virtual Workshops on Communication and Monitoring and **Evaluation (M&E)**



VIRTUAL WORKSHOPS ON COMMUNICATION AND MONITORING AND EVALUATION (M&E)

Register Now till March 17

21-22 March 2023:

Key Concepts.

28-29 March 2023

Monitoring and Evaluation Communication Concepts (Advocacy, Development Approaches and Methods Communication, Behavior

Change Communication)



The Analytical Support Services and Evaluations for Sustainable Systems (ASSESS) project, in consultation with USAID/West Africa is organizing virtual capacity building workshops to strengthen the monitoring and evaluation (M&E) and communication systems of its Implementing Partners (IPs). These virtual workshops will complement the existing Communication and Monitoring, Evaluation and Learning (MEL) training provided directly by USAID.

The first workshops are scheduled as follows:

- 21-22 March 2023: Monitoring and Evaluation Key Concepts, Approaches and Methods
- 28-29 March 2023: Communication Concepts (Advocacy, Development Communication, Behavior Change Communication)

Click <u>here</u> to register for the workshops.

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This newsletter is compiled by the USAID West Africa Analytical Support Services and Evaluations for Sustainable Systems (ASSESS) Project.