



**SUMMARY OF RECOMMENDECTIONS FROM THE 2<sup>ND</sup> EAST AFRICAN BUSINESS AND ENTREPRENEURSHIP CONFERENCE & EXHIBITION HELD ON 14<sup>TH</sup> - 16<sup>TH</sup> NOVEMBER 2017 AT SERENA HOTEL DAR ES SALAAM, TANZANIA**

SESSIONS	CHALLENGES	RECOMMENDATIONS	RESPONSIBLE INSTITUTION/TIME FRAME
<p><b>Deepening Regional Integration in Africa : Emerging Priorities for World Bank Group Support</b></p>	<ol style="list-style-type: none"> <li>1. Non implementation of the agreed regional commitment(Customs Union and Common Market Protocols) by EAC Partner States</li> <li>2. High cost of doing business in the region resulting into uncompetitiveness by the private sector.</li> <li>3. Uncertainties of policy makers on benefits, losses and how to mitigate loses arise from integration</li> <li>4. Exclusion of specific segments from integration process ( women and youth and some sectors)</li> <li>5. Inadequate support to strengthen existing private</li> </ol>	<ol style="list-style-type: none"> <li>1. There is need for EAC Partner States to relinquish part of their sovereignty and implement fully Customs Union and Common Market Protocols.</li> <li>2. There is need for the Structured Dialogue between Public and Private Sector on implementation of the agreed commitments</li> <li>3. There is need for evidence based advocacy to policy makers on matters of regional integration</li> <li>4. There is need for further investment in the regional infrastructure to support the integration process ( power pool, ICT interconnectivity,</li> </ol>	<p>World Bank Group, EAC Partner States, EABC , EAC Secretariat</p>

	sector regional body to spear-head regional integration	transport corridors, financial sector integration) 5. There is need for inclusive participation of all key segments in the EAC integration processes ( women, youth, agriculture) 6. There is need for strengthening of private sector regional bodies that support advocacy towards full integration of the region 7. Mobilisation of private sector to take advantages of financial window provided by International Finance Cooperation (IFC).	
<b>Opening session</b>	<ol style="list-style-type: none"> <li>1. Low productivity levels in the agricultural sector</li> <li>2. Unconducive business environment for businesses to prosper</li> <li>3. Declining intra-EAC trade and inflow of Foreign Direct Investment in to EAC region</li> <li>4. Lack of a Regional Local Content Policy</li> </ol>	<ol style="list-style-type: none"> <li>1. There is urgent need for the region to focus on industrialisation which creates strong linkages with the agricultural sector</li> <li>2. There is need for effective policy reforms in key regional trade instruments such as having undistorted EAC Common External Tariff, elimination of Non-Tariff Barriers (NTBs)</li> <li>3. Promotion of Cross Border Investment in the region</li> </ol>	EAC Partner States, EAC Secretariat, EABC, Manufacturer Associations, Development Partners

		<p>4. There is need for the Region to formulate a Local Content Policy to stimulate private sector in the region to actively participate in the ongoing Mega Infrastructural Projects in the Region.</p>	
<p><b>Creating an enabling environment for business to foster industrialization , innovation and Investment in the EAC</b></p>	<ol style="list-style-type: none"> <li>1. Lack of viable strategies, policies and systems of coherent laws and regulations to stir up industrialisation</li> <li>2. Inadequacies in institutional capabilities to provide support services, which are needed to backstop the process of industrialization</li> <li>3. Inadequate capacity to mobilise critical mass of essential resources</li> <li>4. Shortage of essential industrial skills, quality infrastructure and Research &amp; Development</li> <li>5. Low level of inflow of FDI into EAC as percentage of global FDI flows</li> <li>6. Unconducive business and investment environment</li> </ol>	<ol style="list-style-type: none"> <li>1. Diversifying the manufacturing base and raising local value add from existing rate of below 10% to at least 40%. This can be achieved through promoting the development and investment in strategic regional industries with sectors in which EAC has potential comparative advantage i.e.</li> <li>2. Strengthening institutional capacity for industrial policy design , management and implementation</li> <li>3. Strengthening Research and Development ( R&amp;D) ; Technology and Innovation as well as Sustainable</li> </ol>	

		<p>Industrial Development</p> <ol style="list-style-type: none"> <li>4. Promoting Equitable Industrial Development and Gender Equity</li> <li>5. Transforming Micro Small and Medium Enterprises capable of contributing up to 50% of manufacturing GDP from 20%</li> <li>6. Establishment of a Regional Platform for interaction among Academia, Research and Technology</li> <li>7. Organize regional and South to South R&amp;D institutional study tours for best practice sharing and bench marking as a foundation for active collaboration</li> <li>8. Establish a regional match making scheme (technology brokerage) involving local and international suppliers, private sector and R&amp;D institutions.</li> <li>9. Organizing periodically , regional industrial technology and innovation</li> </ol>	
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		<p>conference/exhibition</p> <p>10. Creating consortia of SMEs involved in R&amp;D to reduce the high initial cost of doing research at enterprise level and scale up R&amp;D activities undertaken by SME. To encourage formation of consortia, Partner States need to formulate attractive fiscal and non-fiscal incentives</p> <p>11. Application/use of public procurement to stimulate demand for technology and innovative products development in the region.</p> <p>12. Creating a networking R&amp;D interactive web portal for real time dissemination and exchange of Science, Technology and Innovation (STI) information</p> <p>13. Prepare a catalogue of successful industrial innovation stories in the sub-Saharan region, which can be</p>	
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		<p>replicated, including the need to develop Regional Science and Technology Parks, the use of ICT to enhance research and development, and innovation available to the industrial sector.</p> <p>14. Partner States should accelerate promotion of cross border investment (CBI) and double their efforts to encourage East Africans to take advantage of regional opportunities to grow their businesses instead of over-dependence on FDI outside the region.</p> <p>15. Create credible rules based regional investment regime that enhance predictability for investment policies and laws with mechanism to resolve trade disputes and enhance awareness about and promotion the EAC region as a single destination for FDI</p>	
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		<p>16. Improve the free movement of capital as well as factors of production through the operationalization of the provision of the Common Market to enable capital and other factors of production move freely into from one Partner State to another with ease in the region</p> <p>17. Improve and modernize Information and Communication Technology (ICT) in order to remove impediments to trade and investment in the region.</p> <p>18. Fast-tracking and strengthening the legal and institutional reforms with regard to business registration and resolving disputes</p> <p>19. Partner States continue with business regulatory reform as one of the key agenda of countries with aim of improving business</p>	
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		environment in the region.	
<b>Towards a single EAC investment Destination</b>	<ol style="list-style-type: none"> <li>1. Failure to fully implement the EAC Customs Union and Common Market Protocols</li> <li>2. Uneven business and regulatory business environment</li> <li>3. Different investment incentives across the region leading to competition instead of cooperation</li> </ol>	<ol style="list-style-type: none"> <li>1. Implement fully the EAC Customs and Common Market Protocols</li> <li>2. Formulate an EAC Investment Policy &amp; Strategy</li> <li>3. Synchronise reforms in the business &amp; investment environment to make it attractive for investment</li> <li>4. There is need for EAC Partner States to embark on Joint investment Promotion</li> </ol>	EAC Partner States, Investment Promotion Agencies, EABC, EAC Secretariat,
<b>Creating synergies between local cotton and textiles industry and the untapped markets of the region</b>	<ol style="list-style-type: none"> <li>1. Wrong mind set of not buying and wear locally produced garments by public sector and local consumers in the region</li> <li>2. Uncompetitive cotton industry with low yields,</li> <li>3. Ginning overcapacity coupled with low ginning outturn ratio,</li> <li>4. Country specific inefficiencies along value adding chain, with Kenya being strong in apparel</li> </ol>	<ol style="list-style-type: none"> <li>1. Mainstreaming local sourcing of uniforms for schools and public sector at national level first before mainstreaming at EAC level as EAC Partner States embark on harmonisation of public procurement processes.</li> <li>2. There is need for EAC Partner States to establish stabilization funds to promote stability of the Cotton Textile and Apparels</li> </ol>	EAC Partner States, EAC Secretariat, EABC, Textile Stakeholders, Government Procurement Agencies

	<p>production, Tanzania strong in fibre production and ginning and Uganda meeting average in fibre production and ginning.</p> <ol style="list-style-type: none"> <li>5. Only 15% of EAC cotton is processed locally leaving the majority 85% to be exported in the lint form</li> <li>6. Trade liberalisation and unprotected regional market against cheap, substandard and counterfeited textile products</li> </ol>	<p>(CTA) when there is over/undersupply of cotton production.</p> <ol style="list-style-type: none"> <li>3. There is need for EAC Partner States to reduce import duty of all yarns other than cotton to 0% to ease blending and create more fabrics availability in the EAC region</li> <li>4. There is need for EAC region to introduce new tariff band so that EAC CET structure will have four-band in order to encourage value addition across CTA value chain and to address degree of processing in the CTA sector</li> <li>5. All EAC Partner States should uniformly implement progressively restrictions of second hand clothes (<i>mitumba</i>).</li> <li>6. Partner States should implement no-fiscal measures such as human</li> </ol>	
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		<p>capital, infrastructure, modernization of tannery, financing etc as they build their processing and manufacturing capacities</p> <p>7. EAC Partner States should closely identify and monitor dumped and/or subsidized imports into region with view of institute measures against imports deemed dumping or subsidized.</p> <p>8. Promotion of <i>Made in East Africa</i> and change the perception and belief of the people on locally produced textiles.</p> <p>9. There is need for EAC Partner States to dedicate atleast one day in a week to wear locally made clothing as a way of boosting the EAC textile industry.</p> <p>10. There is need for creation of linkages between the local</p>	
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		<p>fashion designers with the textile manufacturers to further strengthen this value chain as African fabric has hit the spotlight on the international market.</p>	
<p><b>From subsistence agriculture to commercial agriculture , towards a food secure region</b></p>	<ol style="list-style-type: none"> <li>1. Agriculture is predominated by smallholder farmers with less than 15% of the total production marketed and less than 10% of producers have access to credit,</li> <li>2. Inefficient production systems characterized by rain-fed production, hand hoe, and small sub-divided land parcels,</li> <li>3. low productivity with over two third of population relying on it but contribute to just one third of GDP</li> <li>4. Inability to compete with farmers outside the region</li> <li>5. Weak market linkages, prevalence of informal trade due to trade barriers</li> </ol>	<p>There is need to transform subsistence agriculture to Commercial Agriculture through Policy reforms to support:</p> <ol style="list-style-type: none"> <li>1. Formalised, Structured Trade through removal of barriers to domestic and regional trade (e.g. elimination of export ban )</li> <li>2. Strengthening of linkages with Agro-Industry through local content policies</li> <li>3. Increasing productivity and competitiveness through land an tenure systems and affordable access to credit</li> <li>4. Establish agro-processing industries which will use local agricultural produces as their main raw materials to ensure markets for the farmers.</li> </ol>	<p>EAC Partner States, EABC, EAC Secretariat and Farmers Association</p>

<p><b>Scaling up the contribution of women entrepreneurs in the regional and international trade</b></p>	<p>Minimal women contribution to Regional and International Trade within the EAC</p>	<p><b>On Market access and market linkages</b></p> <ul style="list-style-type: none"> <li>• Document, link and scale up innovative ICT projects on trade to provide market information and linkages to women entrepreneurs in East Africa;</li> <li>• Explore ways of working with foreign embassies in accessing regional and international markets for women entrepreneurs in East Africa;</li> <li>• Link existing trade information platforms to the 50 million women speak project;</li> <li>• Develop and or disseminate the brief document opportunities on AGOA for women entrepreneurs to access.</li> </ul> <p><b>On access to finance;</b></p> <ul style="list-style-type: none"> <li>• Establish a task force at EAWiBP to document, consolidate and share best practices on available financial solutions and identify two that can replicated/scaled up across</li> </ul>	<p>EAC Partner states, EAWiBP; EAC Secretariat, EABC</p>
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		<p>the region;</p> <ul style="list-style-type: none"> <li>• Develop financial literacy campaign for women business association to disseminate Strengthen through investment the women entrepreneurs associations and platform to provide financial literacy and advisory services, financial services, account and report on the available women funds to promote regional and international trade;</li> <li>• Advocate for a regional legal framework to support innovative financial solution for women entrepreneurs in East Africa.</li> </ul> <p><b>On capacity gaps;</b></p> <ul style="list-style-type: none"> <li>• Provide training and mentoring services on RoO, Common Market and trade procedures, financial literacy, business plan and strategies to women entrepreneurs in East Africa;</li> <li>• Advocate for a regional policy framework (local content and procurement) in</li> </ul>	
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		<p>collaboration with EABC to support regional entrepreneurs producing services and goods manufactured produced;</p> <ul style="list-style-type: none"> <li>• Establish business incubation to provide capacity development to women entrepreneurs in East Africa.</li> </ul> <p><b>On data;</b></p> <ul style="list-style-type: none"> <li>• Collect and document training and mentoring opportunities available on one matrix and disseminate to women entrepreneurs in East Africa</li> <li>• Map the women in businesses and what they need</li> </ul>	
	<p>Urban population is growing rapidly with limited investment in the necessary infrastructure and utilities</p>	<ol style="list-style-type: none"> <li>1. There is need for regional cities to have multisectoral sustainable development strategy which plan and execute investments in their territories on the basis of medium- to long-term integrated strategies and target sustainable development.</li> <li>2. There is need to for the cities</li> </ol>	<p>EAC Partner States, Urban planners, Private Sector, City Authorities</p>

		<p>to utilise their comparative advantages through efficient use of human capital, resources and assets to optimise their comparative advantages.</p> <ol style="list-style-type: none"> <li>3. There is need for the regional city authorities to consult citizens and stakeholders and take into account take all their views directly or through their associations, as well as the representatives of economic, social, cultural and political organisations.</li> <li>4. There is need for the cities to adopt a comprehensive approach in the making of investment decisions through having projects which analyse costs and benefits, sustainability over their life-cycle, integration within the urban system and other planned investments, as well as overall consistency with the urban or regional development strategy</li> <li>5. There is need for the EAC cities to use new technologies, skills and</li> </ol>	
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		<p>innovation by investing in advanced technologies, in particular in information and communication technologies.</p> <p>6. There is need for EAC cities to foster a pro-innovation environment. This will include fostering an innovative ecosystem through investment and by encouraging and collaborating with universities, industry and other partners to put in place the infrastructure, services and skills needed to support and nurture innovation.</p> <p>7.</p>	
<p><b>Patents and copy rights: The relevance of the creative industry for the growth in the EAC</b></p>	<ul style="list-style-type: none"> <li>• Lack of a regional framework that will help to improve the enforcement of intellectual property rights(IPRs) , patents and copyrights</li> </ul>	<ul style="list-style-type: none"> <li>• There is need for harmonization of the different regulatory frameworks across the region especially in the enforcement of copyrights and IPRs</li> <li>• There is need for awareness raising among the creative industry about the steps to patent and demand their copyrights</li> <li>• Need for capacity building among the judiciary and</li> </ul>	<p>EAC Secretariat, EAC Partner States, EALA, Creative Industry, EAC Registration Services Bureaus</p>

		<p>Registration Services Bureaus across the EAC Partner States to address matters related to patents and copyrights</p> <ul style="list-style-type: none"> <li>• There is need for assent by the EAC Heads of State the EAC Creative and Culture Industries Bill 2015 that provides for the establishment of the East African Creative and Culture Industries Council that will have the role to formulate policies and strategies to stimulate creativity and innovation among the youths.</li> </ul>	
<p><b>The role of the ICT in driving EAC Regional Integration</b></p>	<ul style="list-style-type: none"> <li>• High cost of telecommunications across the EAC region for Partner States that haven't joined the One Network Area (ONA) ie Burundi and United Republic of Tanzania</li> <li>• Lack of an ICT interconnectivity infrastructure in the region</li> <li>• Inadequate IT skills in the region</li> </ul>	<ul style="list-style-type: none"> <li>• There is urgent need for EAC Partners specifically Burundi and Tanzania to enrol on the One Network Area (ONA) for telecommunication to reduce on communication costs across the entire region</li> <li>• There is need for the region to build an ICT interconnectivity system( infrastructure) in the region to support regional business</li> <li>• There is need for EAC Partner States flexibilities in their regulations aimed at</li> </ul>	<p><b>EAC Secretariat, EABC, ICT Practitioners</b></p>

		<p>attracting innovations</p> <ul style="list-style-type: none"> <li>• There is need to address the IT skills gap in the region if we are to advance through strengthening institutions that are providing IT related courses.</li> </ul>	
<p><b>Increasing market access and optimizing business models through e-commerce</b></p>	<ul style="list-style-type: none"> <li>• Lack of awareness of the value of e-commerce</li> <li>• Limited access</li> <li>• High set up and maintenance costs</li> <li>• Data penetration or regulation related barriers for e-commerce</li> <li>• Technical and mental readiness to utilize e-commerce (Trust issues and proficiency)</li> </ul>	<ul style="list-style-type: none"> <li>• EAC Partner States intervention in the logistical infrastructure development</li> <li>• Develop products based on segmentation of markets</li> <li>• There is need for product diversification and transformation</li> <li>• Need for secure e-commerce platform for buyers and sellers</li> <li>• Alignment of e-commerce providers with best practises and the international standards</li> <li>• Sourcing locally and develop local supply chains</li> <li>• Meet supply standards of franchisers</li> </ul>	
<p><b>Health Entrepreneurship: The role of the Private sector in East Africa</b></p>	<ul style="list-style-type: none"> <li>• Low markets for medical trade</li> <li>• Limited local manufacturing of drugs</li> </ul>	<ul style="list-style-type: none"> <li>• Private Sector should prioritize and investment in research for responsive medical services</li> </ul>	

	<ul style="list-style-type: none"> <li>• Shortage of Human Resource for health (Doctor/patient ratio, limited capacity to produce medical personnel matched with ability to consume available/ready qualified personnel in the labor market)</li> <li>• Increase of fake medicine</li> <li>• Unfriendly policies and legal framework that is impeding on number of health private facilities, high cost of medicines/medical devices and equipment/operation costs due to high and multitude of taxes, bureaucratic registration procedures in some Partners States.</li> <li>• Harmonized policies, standards, frameworks on health</li> <li>• Limited pace un embracing medical technology</li> <li>• In efficiency (waiting times, procedure, processes and high medial service cots)</li> </ul>	<ul style="list-style-type: none"> <li>• Using of franchising methods to increase Universal Access to Health Coverage</li> <li>• Embrace technology to hub medical records online, use hotlines in areas of low health facility coverage, consultations among medical professions across borders and creation and use of information and knowledge sharing on new health breakthroughs and discoveries E-Health methods,</li> <li>• Increase and review of insurance policy to enhance broader health insurance coverage</li> <li>• Promote Increase knowledge of Centers of Excellence among East Africans</li> <li>• Enhance and improve quality of Private Public Partnerships/Mix (PPP/PPM)</li> <li>• In future conferences ensure presence of Ministries and EAC during such dialogues</li> </ul>	
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	<ul style="list-style-type: none"> <li>Limited private sector investment in research</li> </ul>		
<b>The relevance of the banking and finance sector as essential for growth and investment in the EAC</b>			
<b>The role and potential of hubs, labs and centers of excellence</b>			