

SUCCESS STORY

Improving Investment Climate with an Innovative Tool

USAID makes doing business easier in two southern African countries with National Enquiry Points



Photo: Southern Africa Trade Hub

National Enquiry Points: Improving Food Security

In addition to dampening foreign investment and slowing down business, barriers to trade can also have a detrimental impact on food security in Africa.

USAID's Feed the Future program supports countries like Malawi to improve food security and reduce poverty by developing value chains and creating an enabling policy environment.

Removing trade barriers is an important part of this work, and resources like the National Enquiry Point help eliminate obstacles in trade flows and ease the movement of commodities to improve the food security scenario for local populations.

Standards and technical regulations are critical to global trade, but keeping up with varied standards is complicated, especially in southern Africa where few harmonized standards exist. A National Enquiry Point (NEP) helps by offering a single contact point to which requests for information on standards and regulations can be made. In addition to responding to enquiries, an effective enquiry point maintains a reference collection of standards, specifications, test methods, codes, and recommended practices. Without such an entity, gathering required information can be cumbersome and even impossible.

Realizing the increasing importance of standards in facilitating trade, the standards bodies of Malawi and Lesotho requested technical assistance and capacity building support from USAID's Southern Africa Trade Hub to establish strong Enquiry Points in their countries. A well-functioning National Enquiry Point is considered international best practice, and all World Trade Organization members must have one.

To assist Malawi and Lesotho in establishing this important resource, USAID's Trade Hub worked for over a year with the standards bodies to get the countries ready for launch. As part of its assistance, the Trade Hub provided training to more than 20 participants each in Malawi and Lesotho before sending five designated NEP officials for a five-day benchmarking mission to the U.S. hosted by the American National Standards Institute and National Institute of Standards and Technology. USAID's Trade Hub also provided IT equipment, office furniture, training for personnel, and a series of awareness seminars before officially launching the National Enquiry Points.

An effective National Enquiry Point is a requirement of the WTO's Technical Barriers to Trade Agreement and also makes a country more attractive for foreign investment. This crucial feature was noted by the Acting Principal Secretary of the Lesotho Ministry of Trade and Industry Molebatsi Rabolinyane at the NEP Launch in Maseru: "What we are witnessing here is a very important milestone in positioning our country Lesotho as a destination of choice to prospective investors." Both the public and private sector attended the launches and awareness seminars, where participants hailed the NEP as a crucial tool to reduce the time and cost of trading internationally.

With the establishment of National Enquiry Points in Malawi and Lesotho and plans for others in the region, USAID is helping the private sector gain a simple and accessible means to gather required information. National Enquiry Points allow Malawi and Lesotho to fulfil their obligations as WTO members and utilize twenty-first century tools to streamline trade, improve food security, and encourage investment in the region