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COMESA & ACTESA PROGRAMMES MERGER WITH SDEP

For an inclusive and sustainable Africa

EUSL

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Introduction to Merging the Five COMESA Programs into SDEP

In response to growing demands for regional harmonization, COMESA has entrusted **EUSL** with the task of integrating five critical development programs under the **Social Development and Empowering Programme (SDEP)**. These programs—**COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA**—each address crucial aspects of **agriculture**, **biotechnology**, and **trade harmonization** across Eastern and Southern Africa. Merging them into SDEP will enhance regional efficiency, boost agricultural productivity, and support economic growth. This integration will be guided by clearly defined policies on **budgeting**, **ownership**, and **governance**.

The integration follows the strategic principles outlined in the **COMESA Merger Assessment Guideline**. This process seeks to unify these programs under a single governance framework, enabling the efficient use of resources, reducing administrative overlap, and enhancing impact across the COMESA region. The approach draws on the **best practices** of **mergers** by establishing common objectives, improving efficiency, aligning policies, and creating opportunities for international trade facilitation.

Key Directions for the Merger

1. Merger Type and Scope

- Horizontal and Non-Horizontal Merger Consideration: As we are merging multiple agricultural programs that operate across the same sector (agriculture, biosafety, and seed harmonization), we classify this integration as both horizontal and non-horizontal. Horizontal aspects would include the overlap between similar agricultural initiatives (e.g., seed harmonization and biotech development), while non-horizontal aspects would involve complementary programs (e.g., biotech and horticultural value chains).
- Regional and Market Definition: Given that COMESA programs span across multiple countries, the "regional dimension" must be considered. The regulations require that mergers have an appreciable effect on trade between Member States, with a focus on the potential impact on intra-regional agricultural trade.

The merger involves integrating five distinct programs, each addressing key areas in **bioprotection**, **biotechnology**, **fertilizer regulation**, **seed harmonization**, and **horticulture development**. This scope covers:

- **Agricultural Inputs and Sustainability** (COMBIHAP and COMFREP): Addressing the region's need for sustainable agricultural practices through bioprotection and improved access to fertilizers.
- **Biosafety and Biotechnology** (COMBIIP): Ensuring the safe implementation of GMO policies and biotechnology for modernized farming.
- **Seed Systems and Certification** (COMSHIP): Harmonizing seed certification systems across COMESA member states to enhance intra-regional trade.
- **Horticultural Value Chains** (CEHA): Supporting the development of horticultural exports with a focus on high-value crops and cold storage infrastructure.

This merger is guided by a **blended governance** model with **EUSL** and **GSIA** as the operational owners, ensuring a neutral and effective oversight mechanism that balances regional integration and international compliance.

2. Efficiency Gains

- Supply-Side Efficiencies: The integration of programmes under SDEP can lead to improved logistics, distribution of agricultural technologies, and seed certification, boosting efficiency. This aligns with COMESA's focus on harmonizing regulations for seed certification and variety release, ensuring that farmers across regions have access to high-quality seeds .

- Demand-Side Efficiencies: By integrating these programs, the demand for high-quality agricultural inputs is likely to increase. COMSHIP's work in improving the reliability of seed quality and COMBIIP's focus on bioprotection harmonization will help create a competitive market for agricultural inputs, benefiting smallholder farmers .

The integration is expected to generate several key **efficiency gains**:

- **Centralized Governance**: By consolidating governance under **SDEP**, administrative costs and redundant structures across these five programs will be reduced. Centralized governance under **GSIA** will streamline decision-making and policy enforcement.

- **Shared Infrastructure**: Programs will benefit from shared infrastructure investments, such as **cold storage** and **digital monitoring systems**, reducing operational costs.

- **Harmonized Regulations**: Unified policies for bioprotection, fertilizer use, seed certification, and biotechnology will eliminate **trade barriers** and simplify compliance across borders, allowing for quicker adoption of innovative practices and products.

These efficiency gains will position **SDEP** as a **model of operational excellence**, driving faster implementation and achieving greater impact across the COMESA region.

3. Policy Harmonization and Governance

- **Harmonizing Biotechnology and Biosafety Policies:** COMBIIP and COMSHIP are aligned with SDEP's goal to provide integrated support for agricultural development. The merger will standardize biosafety protocols across COMESA, helping Member States that lack mature frameworks to adopt advanced technologies such as GMO crops . This supports SDEP's objective to provide a robust governance framework, incorporating global standards like those from the EU.

- **Seed Trade Harmonization:** COMSHIP's role in seed harmonization directly complements the SDEP's aim of boosting agricultural productivity through streamlined seed trade regulations. Harmonizing these efforts will allow SDEP to spearhead initiatives in seed certification, variety release, and phytosanitary measures, enhancing intra-regional trade.

The merger will ensure **policy harmonization** across all program areas, with a special focus on:

- **Bioprotection Standards** (COMBIHAP): Harmonizing the approval and use of bioproducts such as bio-pesticides and organic fertilizers, promoting sustainable agricultural practices.

- **Biosafety Protocols** (COMBIIP): Implementing a standardized regulatory framework for biotechnology and GMO use across the COMESA region, ensuring that biosafety standards align with international best practices.

- **Seed Certification and Fertilizer Trade** (COMSHIP and COMFREP): Creating uniform systems for seed certification, variety release, and fertilizer regulations, facilitating cross-border trade and enhancing regional food security.

- **Horticultural Standards (CEHA):** Harmonizing quality standards for horticultural products and improving post-harvest infrastructure, boosting trade opportunities and export readiness.

Governance will be managed by **GSIA** in coordination with key partners like **UNDP** and **AfDB** board members, ensuring **transparency** and adherence to international standards. This harmonized policy environment is essential for creating a **business-friendly atmosphere** and reducing the barriers that impede agricultural growth in the region.

4. International Trade

- **Expanding to Global Markets:** By merging these programs under SDEP, we can not only boost regional trade but also facilitate international trade with regions like the EU. GSIA can serve as the policy owner, ensuring that SDEP complies with stringent EU standards, making African agricultural products competitive globally. This harmonization can provide a framework for other African regions to follow .

An important aspect of this merger is its focus on **international trade**. By aligning the merged programs with **EU trade policies** and global standards, **SDEP** will:

- Enable **intra-regional trade** among COMESA member states by removing regulatory inconsistencies and improving market access.
- Facilitate **export opportunities** for high-value agricultural products, such as those under the **CEHA program**, targeting **European** and **Asian markets**.
- Position the **ECHO platform** to digitally monitor and ensure compliance with global trade agreements, allowing African products to meet stringent **EU standards** and thereby increasing competitiveness.

This alignment with global trade standards will open doors for African farmers and businesses to access international markets, enhancing both **regional integration** and **economic growth**.

Guidelines for Merger

The merger of the five programs—**COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA**—into **SDEP** will follow the guidelines aligned with the **COMESA Merger Assessment Framework**. This approach ensures that the programs, while maintaining their unique objectives, are aligned with the broader goals of **SDEP** to enhance agricultural productivity, facilitate trade, and promote sustainability across the COMESA region.

1. **COMBIHAP (Bioprotectants Harmonisation Programme)**: **COMBIHAP** will focus on the **harmonization of bioprotection products** across the region. Under SDEP, this program will ensure that sustainable, organic bioprotection products like bio-pesticides and fertilizers are regulated and distributed efficiently. The harmonization of **bioprotection standards** will facilitate cross-border trade in bioproducts, reduce harmful chemical inputs, and support the region's transition to **climate-smart agriculture**. By promoting the adoption of bioprotection products, **COMBIHAP** supports the **sustainability goals** of SDEP and enhances food security through environmentally friendly agricultural practices.
2. **COMBIIP (Biosafety and Biotechnology Implementation Plan)**: **COMBIIP** will drive the development and harmonization of **biosafety protocols** for **GMOs** and other biotechnology products across the region. The program's integration into SDEP will ensure that biotechnology innovations are deployed safely and that biosafety regulations are consistently applied across

COMESA member states. This will facilitate the introduction of climate-resilient crops and modern agricultural technologies.

3. **COMFREP (Fertilizer Regional Programme)**: **COMFREP** will focus on the harmonization of **fertilizer standards** and ensure a reliable supply chain for fertilizers across borders. Under SDEP, this program will expand access to fertilizers, improving agricultural productivity and reducing soil degradation through the development of localized fertilizer blends and distribution networks.

4. **COMSHIP (Seed Harmonisation Implementation Plan)**: **COMSHIP** will lead the harmonization of **seed certification and variety release systems** across the region, ensuring that high-quality, certified seeds are available to farmers. The program will streamline seed trade and ensure that countries within COMESA can easily access and trade seeds, enhancing regional food security and resilience.

5. **CEHA (COMESA-EAC Horticultural Accelerator)**: **CEHA** will focus on building horticultural value chains, supporting farmers with **post-harvest handling**, cold storage, and logistics infrastructure. Integrating CEHA into SDEP will facilitate trade in **high-value horticultural products** like avocados, onions, and potatoes, while promoting climate resilience in agriculture.

By merging these programs into a single, unified framework, **SDEP** will centralize the governance, infrastructure, and operational support required to make each program more effective. Each program will contribute to SDEP's goals of **sustainability**, **trade facilitation**, and **agricultural modernization**, while receiving the financial, policy, and logistical support needed to succeed.

Each of these programs will be integrated into SDEP with a tailored approach, ensuring that policy harmonization, market facilitation, and infrastructure development align with both COMESA objectives and global trade standards. By treating each program individually, SDEP will be able to maximize their impact while ensuring the efficiency and sustainability of the overall initiative.

Merging the five programs under SDEP is a strategic step toward creating a unified, efficient, and impactful regional development initiative. Through centralized governance, a long-term financial plan, and adherence to global trade policies, SDEP will enhance agricultural productivity and trade within Africa and beyond. This merger offers the chance to maximize the potential of each program while creating new opportunities for regional and international collaboration.

What SDEP Will Provide for Each Program

COMBIHAP (Bioprotectants Harmonisation Programme)	Infrastructure for the production and distribution of bioprotectants.	Regulatory frameworks for safe use and application of bioprotectants.	Capacity-building initiatives for farmers on sustainable practices.
COMBIIP (Biosafety and Biotechnology Implementation Plan)	Harmonized biosafety protocols for the introduction of GMOs.	Capacity-building programs for stakeholders on biotechnology and biosafety measures.	Collaboration with research institutions for the development of safe biotechnological practices.
COMFREP (Fertilizer Regional Programme)	Development of standardized quality control measures for fertilizers.	Infrastructure support for the storage and distribution of fertilizers.	Training programs for farmers on the responsible use of fertilizers.
COMSHIP (Seed Harmonisation Implementation Plan)	Harmonization of seed certification and variety release processes.	Development of a centralized database for seed varieties and certifications.	Training and capacity-building initiatives for seed producers and distributors.
CEHA (COMESA-EAC Horticultural Accelerator)	Infrastructure development for cold storage and transport logistics.	Establishment of quality standards for horticultural products.	Training programs focused on post-harvest handling and market access.

What EUSL Will Provide

COMBIHAP (Bioprotectants Harmonisation Programme)	Expertise in developing sustainable agricultural practices.	Coordination of capacity-building programs for farmers on the use of bioprotectants.	
COMBIIP (Biosafety and Biotechnology Implementation Plan)	Support in establishing harmonized biosafety regulations compliant with international standards.	Collaboration with academic institutions to develop educational materials on biotechnology.	
COMFREP (Fertilizer Regional Programme)	Development of training materials on fertilizer application and management.	Coordination of partnerships with agricultural stakeholders for effective fertilizer distribution.	
COMSHIP (Seed Harmonisation Implementation Plan)	Facilitation of workshops and seminars to train farmers and distributors on seed certification processes.	Coordination with local regulatory bodies to streamline seed variety approvals.	
CEHA (COMESA-EAC Horticultural Accelerator)	Support in the development of training programs focused on improving horticultural practices.	Coordination with local governments to ensure infrastructure development aligns with CEHA objectives.	

What GSIA Will Provide

COMBIHAP (Bioprotectants Harmonisation Programme)	Governance frameworks for regulatory compliance with international bioprotectant standards.	Support for establishing partnerships with international bioprotection organizations.	
COMBIIP (Biosafety and Biotechnology Implementation Plan)	Development of comprehensive policies and guidelines for biosafety compliance.	Access to global networks for sharing best practices and innovations in biotechnology.	
COMFREP (Fertilizer Regional Programme)	Strategic partnerships with funding organizations to secure financing for fertilizer programs.	Expertise in developing trade compliance frameworks to meet international fertilizer standards.	
COMSHIP (Seed Harmonisation Implementation Plan)	Implementation of global best practices for seed trade and certification.	Access to international markets through connections with trade organizations.	
CEHA (COMESA-EAC Horticultural Accelerator)	Policy implementation support to align horticultural practices with EU trade standards.	Facilitation of international partnerships to enhance market access for African horticultural products.	

Ownership and Governance Structure of SDEP

Given the scope and significance of the programs involved, **EUSL** and **GSIA** will play primary roles in **ownership and governance**. This decision positions both organizations as neutral entities capable of minimizing political influence and ensuring fair distribution of resources. **GSIA** will take on the **risk management** and **compliance** aspects, ensuring that the programs adhere to international standards, especially regarding trade and climate commitments.

The **Social Development and Empowering Programme (SDEP)** will be governed by a **multilayered oversight and governance model**. The goal is to balance **neutral international oversight** with **regional involvement**, ensuring that the program operates transparently and efficiently across all sectors—agriculture, biotechnology, trade, and infrastructure.

Hybrid or Shared Ownership

A **hybrid model** could be a practical solution, where **project ownership** is shared between **GSIA**, **COMESA**, and **EUSL**, each playing distinct roles:

- **GSIA**: Owns and manages the **governance frameworks**, ensuring compliance with international standards, policy alignment, and overall accountability.
- **COMESA**: Represents the **regional interests** and political relationships, ensuring smooth cross-border operations and alignment with national governments.
- **EUSL**: Manages the **day-to-day operations**, training programs, capacity building, and on-the-ground project management through its network and experience.

This structure would combine the strengths of all three organizations, ensuring:

- **Neutrality and transparency** (GSIA/EUSL),
- **Regional representation** and political support (COMESA),
- **Operational efficiency** (EUSL).

Primary Governance Bodies

A. EUSL (European Social Label)

- **Role**: As one of the **primary project owners**, EUSL will be responsible for **day-to-day management** and **operational leadership**. This includes overseeing the implementation of all five programs under SDEP—**COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA**.
- **Responsibilities**:
    - Coordinating program execution with local and regional partners.
    - Managing resources and logistics for project implementation.
    - Ensuring that the objectives of each program are met according to the project's timeline and budget.
- **Key Strength**: EUSL's **neutral status** and **European-based governance** make it an ideal entity to ensure impartial project management, reducing the potential for political influence.

B. GSIA (Global Social Impact Alliance)

- **Role**: **GSIA** will serve as the **governance and compliance authority** for SDEP. Its primary function is to ensure that all programs adhere to **international standards** in **environmental sustainability**, **trade compliance**, and **governance**.
- **Responsibilities**:
  - **Risk management** and ensuring that all project components meet global standards.
  - Establishing **compliance frameworks** that align with **EU policies** and international trade regulations.
  - Monitoring financial integrity and preventing corruption or mismanagement.
- **Key Strength**: GSIA brings **global governance expertise**, especially in ensuring that SDEP complies with international trade and sustainability standards, crucial for expanding access to **European markets**.

Governance and Reporting Processes

The governance model will include **regular reporting**, **performance reviews**, and **external audits** to ensure that SDEP remains accountable at every level.

A. Annual Reporting:

- **EUSL** and **GSIA** will be responsible for preparing **annual reports** that summarize the program's progress, financial performance, and challenges. These reports will be submitted to all stakeholders, including the **oversight committee** made up of **non-regional members** and **development agencies**.
- The reports will highlight **key metrics**, such as agricultural outputs, climate resilience achievements, trade facilitation outcomes, and financial expenditures.

B. Quarterly Oversight Meetings:

- **Oversight meetings** will be held quarterly with participation from all **key governance bodies**. This includes **non-regional members**, development agencies, and COMESA representatives. These meetings will serve as checkpoints for reviewing the program's progress and identifying any issues that need immediate attention.

C. Independent Audits:

- Independent, third-party audits will be conducted annually to ensure **financial transparency** and that all **resources** are used in line with the project's objectives. These audits will be managed by **international auditing firms** to maintain credibility.

Ensuring Long-Term Sustainability

This governance structure ensures that **SDEP** operates with the highest standards of **integrity**, **transparency**, and **accountability**. By involving **non-regional oversight bodies**, **development agencies**, and **local stakeholders**, SDEP's governance model balances **neutrality** and **regional ownership**. This will not only help in mitigating risks such as corruption but will also build **global trust**, encouraging continued **investment** and **partnerships** for the program's long-term success.

This **robust governance model** ensures that SDEP is equipped to handle its complex objectives across regions, with oversight from neutral, trusted entities to ensure its success in driving sustainable development and international trade.

Oversight and Its Importance

The success of the **Social Development and Empowering Programme (SDEP)** hinges not only on effective program implementation but also on the presence of a robust **oversight structure**. In large-scale, multi-country initiatives like SDEP, oversight ensures **transparency**, **accountability**, and **adherence to global standards**, particularly when merging complex programs from different regions.

The role of oversight becomes even more crucial when the program spans **multiple sectors**—agriculture, biotechnology, infrastructure—and involves diverse stakeholders such as **regional governments**, **development agencies**, and **private sector partners**. To mitigate risks such as **corruption**, **mismanagement**, or **policy misalignment**, SDEP must be monitored by both regional and international entities. This oversight will safeguard the program's integrity and reassure funders, member states, and beneficiaries that SDEP is operating ethically and effectively.

As **SDEP** grows and integrates complex, multi-country programs across the COMESA region, establishing an effective **oversight structure** is critical to its success. The proposed solution is that **Oversight** will be provided by development agencies such as **UNDP**, **AfDB board members with emphasis on non-regional member countries**, and other international partners to ensure the highest levels of transparency and accountability. This oversight structure will allow SDEP to maintain independence while being monitored by trusted global actors.

While the role of **regional stakeholders** is essential for on-the-ground implementation, the inclusion of **non-regional member countries** as primary oversight entities offers a unique opportunity to bring in **global expertise**, enhance **neutrality**, and ensure **transparency**. This strategy is not meant to imply distrust toward regional entities but to complement their efforts by leveraging external, **neutral third-party supervision** to uphold the highest standards of governance and accountability.

Key Importance of Oversight

1. **Transparency and Accountability: External oversight** ensures that all funds, resources, and decisions within SDEP are handled transparently. Independent oversight bodies, particularly those from **non-regional member countries** and development agencies, can provide neutral monitoring and evaluation, reducing the risk of **financial mismanagement** or **favoritism**.

2. **Mitigating Corruption:** Given the scope and scale of SDEP, robust oversight is critical to mitigating any potential **corruption** or conflicts of interest that could arise during implementation. By involving **external actors**—such as representatives from **UNDP**, **AfDB board members**, and **non-regional countries**—the program can ensure that no single entity has undue influence over decisions, enhancing confidence among all stakeholders.

3. **Global Standards Compliance:** With oversight from **international development agencies** and **global financial institutions**, SDEP can ensure that it adheres to the highest levels of **compliance** with international laws, **trade agreements**, and **sustainability standards**. This is particularly important for enabling SDEP to access **international markets** and attract long-term investments from the private sector.

4. **Reassurance for Investors and Donors:** Development finance institutions (DFIs), such as **AfDB**, **Sida**, **USAID**, and **JICA**, as well as private investors, need assurance that their contributions are

being used effectively and ethically. Oversight from **neutral, external stakeholders** helps to build confidence in the program's governance, making it more attractive for future **funding** and **scaling**.

5. **Continuous Improvement:** Effective oversight allows for the regular monitoring and evaluation of SDEP's activities, providing feedback on what works and what needs improvement. This dynamic ensures that the program is **adaptive** and can evolve to meet changing needs in the region, whether through adjusting to market trends, environmental challenges, or new opportunities in trade and technology.

By ensuring comprehensive oversight, **SDEP** can operate with the highest standards of **integrity**, **transparency**, and **efficiency**, fostering trust among stakeholders and laying the foundation for **long-term success**.

External Oversight Bodies

To enhance **transparency** and ensure that SDEP operates with integrity, external oversight will be provided by a mix of **non-regional member countries** and **development agencies**. This ensures that governance is monitored by **neutral third parties** who can objectively assess the project's performance.

A. Non-Regional Member Countries (AfDB Board Members)

- **Role**: Non-regional members of **AfDB**, such as **Sweden**, **Germany**, **Japan**, and the **United States**, will provide **external oversight**. Their inclusion ensures that oversight remains neutral, and they bring **global expertise** to ensure the highest standards of governance.
- **Responsibilities**:
    - Monitoring **financial performance** and ensuring funds are used appropriately.
    - Conducting **annual reviews** and audits to ensure **compliance with international standards** and the strategic objectives of SDEP.
    - Providing input on **global best practices** in governance, financial management, and trade.
- **Key Strength**: Their **externality** ensures neutrality, while their involvement builds **global trust** in the project, essential for future funding and partnerships.

B. Development Agencies and DFIs (e.g., UNDP, Sida, USAID, JICA)

- **Role**: Major development agencies like **UNDP**, **Sida**, **USAID**, and **JICA** will also participate in the oversight structure. Their role focuses on ensuring SDEP aligns with **sustainable development goals** (SDGs), financial accountability, and **ethical practices**.
- **Responsibilities**:
    - Overseeing SDEP's alignment with **global sustainability goals**, especially in areas like **climate resilience** and **sustainable agriculture**.
    - Providing ongoing evaluations and feedback to ensure that the program meets its **development objectives**.
    - Engaging in **knowledge sharing** and facilitating **technical partnerships** between their home countries and SDEP.

- **Key Strength**: These agencies bring expertise in **sustainable development**, and their participation enhances **financial transparency** and ensures **alignment with global priorities**.

Regional Stakeholders

While external oversight is crucial, **regional stakeholders** will remain integral to the governance structure. Their role will focus on ensuring that **SDEP** is adapted to local contexts and meets the needs of member states and beneficiaries.

A. COMESA and Member States

- **Role**: Regional governance will be overseen by **COMESA** and the relevant ministries from member states. Their involvement ensures that **local laws** and **regulatory frameworks** are integrated into SDEP's governance.
- **Responsibilities**:
  - Supporting the **implementation of programs** at the local level and ensuring compliance with regional policies.
  - Facilitating **cross-border collaboration** and trade agreements, particularly for programs like **COMSHIP** and **CEHA** that depend on regional integration.
  - Managing the relationship between SDEP and **local communities**, ensuring that the program benefits **farmers**, **businesses**, and other stakeholders on the ground.
- **Key Strength**: COMESA's involvement ensures that SDEP maintains strong **regional support** and that the program adapts to local political and economic realities.

How the Annual Reporting Strategy Can Leverage AfDB Member Countries

Since **non-regional members** like **Sweden**, **Germany**, **Japan**, **France**, **the United States**, and others are major stakeholders in the AfDB, presenting **SDEP** in the right way to them can generate a significant impact in terms of both **funding** and **market opportunities**.

1. Annual Report as a Strategic Communication Tool

Annual Reports can be distributed to **AfDB board members** with two key objectives:

- **Transparent Reporting**: Showcasing the progress of SDEP to demonstrate its success, effectiveness, and alignment with **international development goals**.
- **Promotion and Market Exposure**: Highlighting SDEP's accomplishments in **agriculture**, **trade facilitation**, and **sustainable development**, which may attract **potential buyers**, **investors**, or **partners** from non-African member countries.

2. Tailored Communication for Non-Regional Members

Each **non-regional member country** can receive a **customized version** of the report that emphasizes how **SDEP** aligns with their interests:

- **Sweden**: Highlight **climate-smart agriculture**, **sustainability**, and how SDEP aligns with **Sida's** goals for sustainable development.

- **Germany**: Focus on **green technology**, **renewable energy** (ECHO platform), and **trade partnerships** in agriculture, aligning with **Germany's development policy**.
- **United States**: Emphasize **agricultural innovation** and the potential for American ag-tech firms to partner with SDEP.
- **China**: Highlight opportunities for **infrastructure investment** in Africa's agricultural supply chains, aligning with China's interest in building trade routes through Africa.
- **Japan**: Emphasize **technological advancements** and **agricultural mechanization**, appealing to Japan's expertise in these areas.

3. Market Promotion via the AfDB Network

By leveraging AfDB's **non-African board members**, you can create strategic ties with **buyers and investors** in these countries:

- **Agricultural Exports**: As SDEP strengthens agricultural value chains, particularly in **horticulture** (CEHA) and **seed trade** (COMSHIP), these countries represent potential buyers for African products (e.g., avocados, onions, potatoes, certified seeds).
- **Technology Transfers**: Countries like **Germany**, **Japan**, **the US**, and **South Korea** are leaders in **agricultural technology**. SDEP can facilitate **technology transfers** in areas like biotechnology (COMBIIP) and green technology (COMBIHAP).
- **Trade Partnerships**: Many of these countries have bilateral trade agreements with African countries. Highlighting **trade facilitation** as a key benefit of SDEP in the annual report can attract **private sector partners** interested in **African markets**.

4. Increase Funding and Global Partnerships

Non-regional countries like **Sweden**, **Germany**, and **Japan** often provide additional funding through their own **development agencies** (e.g., Sida, GIZ, JICA). By consistently reporting on the **success of SDEP**, you create a **long-term funding pipeline**:

- **Bilateral Development Agencies**: Build relationships with organizations like **Sida**, **USAID**, **JICA**, **DFID**, and **GIZ** to secure funding for specific SDEP projects.
- **Private Sector Funding**: Annual reports can also be a tool to attract **corporate funding** from companies in these countries. Highlighting the **opportunities for private-sector involvement** in African agriculture, technology, and infrastructure can make SDEP appealing for **corporate social responsibility (CSR) initiatives** or **impact investments**.

5. Long-Term Strategy for Global Market Penetration

By maintaining consistent and **transparent communication** with **AfDB non-African board members** through annual reports, SDEP positions itself as a **global project** with strong governance and market relevance. This can lead to:

- **Recognition of SDEP as a Model for African Development**: Creating a **global reputation** for SDEP will attract further investment, not only from **development finance institutions (DFIs)** like AfDB but also from **global corporations** and **investors**.
- **Global Buyers for African Products**: Countries like **Japan**, **South Korea**, and **the United States** could become major buyers of African agricultural exports once SDEP's value chains (CEHA, COMSHIP) are fully operational.

List of African countries and non-regional members of AfDB

Member States		Non-Regional Member Countries
1. Algeria	30. Madagascar	1. Argentina
2. Angola	31. Malawi	2. Austria
3. Benin	32. Mali	3. Belgium
4. Botswana	33. Mauritania	4. Brazil
5. Burkina Faso	34. Mauritius	5. Canada
6. Burundi	35. Morocco	6. China
7. Cabo Verde	36. Mozambique	7. Denmark
8. Cameroon	37. Namibia	8. Finland
9. Central African Republic	38. Niger	9. France
10. Chad	39. Nigeria	10. Germany
11. Comoros	40. Rwanda	11. India
12. Democratic Republic of the Congo (DRC)	41. São Tomé and Príncipe	12. Italy
13. Republic of the Congo	42. Senegal	13. Japan
14. Côte d'Ivoire	43. Seychelles	14. Kuwait
15. Djibouti	44. Sierra Leone	15. Luxembourg
16. Egypt	45. Somalia	16. Netherlands
17. Equatorial Guinea	46. South Africa	17. Norway
18. Eritrea	47. South Sudan	18. Portugal
19. Eswatini (Swaziland)	48. Sudan	19. Saudi Arabia
20. Ethiopia	49. Tanzania	20. South Korea
21. Gabon	50. Togo	21. Spain
22. Gambia	51. Tunisia	22. Sweden
23. Ghana	52. Uganda	23. Switzerland
24. Guinea	53. Zambia	24. Turkey
25. Guinea-Bissau	54. Zimbabwe	25. United Arab Emirates
26. Kenya		26. United Kingdom
27. Lesotho		27. United States
28. Liberia		
29. Libya		

Budget Strategy

The integration will require a long-term **budget strategy** to cover **infrastructure**, **training**, and **program management** for at least the next **10 years**, or as long as the individual programs last. The **blended finance model** will combine grants, loans, and private investments.

Key aspects of the budget include:

- **Infrastructure Investment**: Focus on **cold storage**, **seed hubs**, and **digital infrastructure** for real-time monitoring (especially under the **ECHO platform**).
- **Operational Costs**: Funded by a **100% overhead** on direct costs and a **27% overhead** for future expansion and scale-up, ensuring long-term sustainability.
- **Blended Finance**: Contributions from **Sida**, **USAID**, **JICA**, and **DFID** will supplement **AfDB** and **World Bank loans**, with additional revenue generated from agricultural trade reinvested into the programs.

The **Social Development and Empowering Programme (SDEP)** has evolved into a comprehensive initiative that merges five key **COMESA programs**—COMBIHAP, COMBIIP, COMFREP, COMSHIP, and CEHA—alongside the **Effort Project**. To ensure the long-term sustainability and success of these programs, the budget will be structured to last **10 years**, aligning with the lifecycle of the individual programs and their objectives.

This strategy ensures that the financial planning for **SDEP** is resilient, adaptable, and capable of scaling as the program grows. Our approach focuses on providing robust financial support for **infrastructure**, **governance**, **operational expansion**, and the **long-term sustainability** of the initiative.

1. Long-Term Budget Duration

The budget for **SDEP** will cover a **10-year period**, ensuring that the program has the necessary resources to grow and scale over time. This long-term outlook is essential because the merged programs (such as **CEHA** and **COMSHIP**) will require ongoing financial support to build critical infrastructure, develop governance frameworks, and execute operational activities.

Each year, the budget will be reviewed and adjusted based on project milestones, external factors (like inflation), and new opportunities for expansion. This iterative process ensures that **SDEP** remains financially flexible while maintaining a consistent focus on long-term goals.

2. Phased Funding Approach

The budget is divided into **three distinct phases**, each of which is aligned with **SDEP's expansion strategy**:

Phase 1: Initial Implementation (Years 1-3)

- During this phase, the focus will be on consolidating the five COMESA programs under **SDEP** and establishing the necessary infrastructure. This includes:
  - Harmonizing **bioprotection policies** (COMBIHAP) and **biosafety protocols** (COMBIIP).
  - Setting up **fertilizer hubs** (COMFREP) and **seed certification systems** (COMSHIP).

  - Developing infrastructure for **horticulture value chains** (CEHA), such as **cold storage** and **logistics networks**.

- Initial funding will be allocated to cover **operational costs**, **capacity building**, and **infrastructure development** in the first target regions: **East and Southern Africa**.

Phase 2: Regional Expansion (Years 4-7)

- In this phase, **SDEP** will expand its reach into new regions, including **West Africa** (via **ECOWAS**) and **Southern Africa** (via **SADC**).
- The focus will shift to building agricultural hubs, expanding **trade networks**, and scaling **biotechnology** and **seed certification** programs.
- Additional funding will be required to establish **regional offices**, deploy **logistics infrastructure**, and scale the governance model through **GSIA**.

Phase 3: Global Market Penetration (Years 8-10)

- The final phase will focus on integrating **SDEP** into **global markets**, especially by aligning African agricultural products with **EU trade standards** and other international regulations.
- This phase will require investments in **compliance frameworks**, international trade facilitation, and technology transfers, particularly in partnership with global development agencies like **JICA** and **USAID**.

3. Infrastructure Investment for Sustainability

To ensure that **SDEP** creates lasting impact, significant investments will be made in the **physical and digital infrastructure** needed to support agricultural growth. Key infrastructure investments include:

- **Cold Storage and Post-Harvest Management**: For the **CEHA horticultural program**, infrastructure investments will focus on developing **cold chain logistics** to ensure that products like avocados, onions, and potatoes can be stored and transported efficiently, reducing post-harvest losses.
- **Fertilizer Hubs and Seed Certification Systems**: Programs like **COMSHIP** and **COMFREP** will require infrastructure to manage the distribution of **certified seeds** and **high-quality fertilizers** across borders. This includes the creation of **seed and fertilizer depots** in strategic agricultural regions.
- **Digital Platforms for Trade and Monitoring**: The **ECHO platform** will be expanded to allow for real-time monitoring of agricultural outputs, bioprotection usage, and trade flows. **GSIA** will lead the governance of these platforms, ensuring that they meet global compliance standards.

4. Overhead and Scale-Up Costs

To cover indirect costs and ensure the program is scalable, we have structured the budget with a **100% overhead** on direct project costs. This ensures that all **administrative**, **operational**, and **unexpected expenses** are accounted for over the course of the project’s 10-year lifespan.

Additionally, there will be a **27% overhead** dedicated to supporting the **future scale-up** of SDEP, as the program expands into new regions and sectors. This overhead will be shared between **EUSL**, **COMESA**, and **GSIA**, ensuring that all partners have the resources necessary to manage their growing responsibilities as the project scales. This additional overhead will also fund the **governance**

frameworks needed to ensure that SDEP remains compliant with **global trade and environmental standards**.

5. Strategic Partnerships and Blended Finance Model

The funding strategy for **SDEP** will rely on a **blended finance model**, combining **grants**, **soft loans**, and **private sector investments**. This diversified funding approach will ensure that SDEP remains financially sustainable throughout its 10-year lifecycle. Key components of the blended finance model include:

- **Development Agency Grants**: Long-term funding from agencies like **Sida**, **USAID**, **JICA**, and **DFID** will be critical for financing the **initial implementation** phases. These agencies will also support capacity building, particularly in technology transfer and agricultural innovation.
- **Soft Loans from DFIs**: **AfDB**, the **World Bank**, and other DFIs will provide **low-interest loans** to support large-scale infrastructure development, particularly in areas like **fertilizer distribution** and **post-harvest logistics**.
- **Private Sector Partnerships**: **Private investors** will be engaged through public-private partnerships (PPP) in areas such as **technology adoption**, **biotechnology**, and **market access** for African agricultural products. These partnerships will help drive **innovation**, expand market reach, and increase SDEP's financial stability.
- **Revenue Reinvestment**: As SDEP facilitates **trade across borders** and enhances the profitability of agricultural exports, a portion of the revenue generated will be **reinvested** back into the program, particularly for infrastructure maintenance and expansion.

6. Financial Sustainability Beyond the Initial 10 Years

The budget strategy ensures that **SDEP** is not just financially viable for 10 years but also positions it for long-term sustainability. By focusing on **infrastructure**, **capacity building**, and the creation of sustainable trade systems, SDEP will generate revenue that can fund future operations beyond the initial investment period.

In particular, the programs with a strong trade focus (such as **CEHA** and **COMSHIP**) will generate returns that can be used to further invest in local agricultural economies, ensuring that SDEP becomes **self-sustaining** in the long term.

The 10-year budget strategy for **SDEP** is designed to ensure that the program has the financial resources necessary to scale successfully, achieve its long-term goals, and generate sustainable growth in African agriculture. By structuring the budget around **phased funding**, **infrastructure investment**, and a **blended finance model**, SDEP will be able to operate efficiently, expand regionally and globally, and ultimately become a key driver of agricultural development and trade in Africa.

With **transparent governance** provided by **GSIA**, operational leadership from **EUSL**, and strategic oversight from international development agencies, this budget ensures that SDEP will have the support it needs to deliver lasting impact.

Budget Guideline for SDEP Programme Integration

1. Overview of the Budget Structure

The budgets for each program—**COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA**—will be designed to support the programs' goals under **SDEP** over a **ten-year period, or as long as the programme is running**. The budgets will cover:

- **Direct costs** related to programme implementation (e.g., infrastructure, personnel, training, logistics).
- **Salaries and personnel costs**, including the hiring of **three staff members** for **EUSL** and **three staff members** for **GSIA** and three staff members from ACTESA to support each programme.
- **Salaries, indirect and initial costs** will be covered by a **100% overhead** allocation to ensure all administrative, operational, and unforeseen expenses are accounted for.
- A **27% overhead** (increased from the previous 20%) to cover **future scale-up, programmes, currency fluctuations and similar** is added and shared equally between **EUSL**, **COMESA**, and **GSIA**.

2. Categories for Budget Allocation

A. Personnel and Staffing Costs

- **EUSL** will hire three full-time staff for each program to manage:
  - Policy coordination
  - Capacity building and training
  - Logistics and infrastructure support
- **GSIA** will hire three full-time staff for each program, focused on:
  - Governance frameworks
  - Compliance with international standards (e.g., EU policies)
  - Partnership facilitation with global trade networks and organizations
- Staff salary breakdown should follow local market rates and include benefits for the duration of the five-year plan.

B. Programme-Specific Direct Costs

- These are costs directly tied to each programme's activities, which vary based on scope:
  - **COMBIHAP**: Costs for setting up bioprotection infrastructure, regulatory frameworks, and farmer training initiatives.
  - **COMBIIP**: Costs for biosafety protocol development, research collaborations, and GMO-related training.
  - **COMFREP**: Costs for infrastructure development, fertilizer quality control, and training on fertilizer use.
  - **COMSHIP**: Costs for seed certification workshops, trade facilitation infrastructure, and seed development research.

  - **CEHA**: Costs for cold storage facilities, logistics, horticultural training programs, and post-harvest handling.

- Each program should also include costs for **technology** and **equipment** necessary for implementation (e.g., monitoring systems, lab equipment for biotechnology, etc.). This may also include ECHO platform, Flowhub Trio Plus.

C. Indirect Costs and Overhead

- A **100% overhead** is applied to the initiation of each program to ensure that all indirect costs, including administrative, operational, and unforeseen expenses, are covered. This is defined as the first three staff hired. This will ensure the programs' sustainability and flexibility.
- The **27% overhead** will be split between **EUSL**, **COMESA**, and **GSIA**, and it will cover:
  - Future program scale-up
  - Expansion into new regions or markets
  - Continued partnership building and compliance with emerging international regulations.

D. Implementation of the ECHO platform

- Allocation for a testbed and demonstration site
- A 15% overhead on orders on ECHO to be divided by 5% to EUSL, 5% to GSIA and 5% to COMESA

E. Capacity Building and Training

- Allocation for vocational training workshops, seminars, and educational programs related to each program’s focus area (e.g., bioprotection, seed harmonization, biosafety).
- Allocation for vocational training workshops, seminars, and educational programs related to ECHO.
- **EUSL** will oversee **on-the-ground training** and coordination with local partners, while **GSIA** will focus on governance and international compliance training.
- Costs for **training materials**, venue rental, and facilitator fees.

F. Monitoring and Evaluation (M&E)

- Budget allocation for monitoring and evaluation tools to track the success and impact of each program. This includes the development of **M&E frameworks**, **reporting systems**, and third-party assessments.

3. Budget Scaling with Effort

Effort Project Budget:

- While awaiting the **Effort Project budget**, SDEP will prepare a flexible scaling plan. As Effort focuses on **higher education** and **research**, additional funds will be allocated for:
  - University partnerships
  - Research and innovation funding

    - Integration of Effort's activities in **Rwanda**, **Uganda**, and **Kenya** with the broader SDEP framework.

The combined SDEP and Effort budget will serve as the basis for the **AfDB** and other funding applications, and include:

- **Shared infrastructure** and resource costs where applicable.
- **Unified training and capacity-building initiatives**.

4. Application of Overhead

To cover indirect and future scaling costs, we propose:

- A **27% overhead**, which will be divided as follows:
    - **EUSL**: 9%
    - **COMESA**: 9%
    - **GSIA**: 9% This overhead will ensure that both current and future operations are fully covered, particularly as the programs grow and scale across multiple regions and sectors.
- A **15% overhead** for ECHO implementation
    - **EUSL:** 5%
    - **COMESA:** 5%
    - **GSIA:** 5%

5. Membership Fees for GSIA, EUSL, and AFSL:

Membership fees for **GSIA**, **EUSL**, and **AFSL** are required for COMESA and its member states to access resources, platforms, and governance structures provided by the organizations. The fees for **GSIA** membership are structured to be shared by member states, with an additional administrative fee per state to cover the increased workload.

- **COMESA Membership Fee in GSIA**: The **flat fee for COMESA's membership** in **GSIA** is €3,000,000 annually. This fee grants access to the full range of **GSIA resources**, governance participation, and strategic initiatives.
    - **Division of Costs Among Member States**: If the costs are divided among multiple member states, the **€3,000,000 fee** is distributed equally among participating countries. For example:
        - If only **one member state** participates, the full fee of **€3,000,000** is paid by that state.
        - If **two member states** participate, each would pay **€1,500,000**.
        - If **three member states** participate, each would pay **€1,000,000**, and so on.
    - **Administrative Fee per Member State**: In addition to the base membership fee, there is an **administrative fee** of **€200,000 per member state** to cover the increased workload, coordination, and support required by **GSIA** to handle multiple member states. This fee ensures that **GSIA** can adequately manage the additional complexity introduced by having multiple participants from different member states.

- **EUSL and AFSL Membership Fees**:
    - **Supranational Entities (COMESA)**:
        - Fee: €3,000,000 annually.
        - Provides access to all **EUSL** and **AFSL** resources, platforms, and strategic governance structures.
- **Countries/Member States**:
    - Fee: €800,000 annually per member state.
    - Grants access to national-level initiatives, governance support, and participation in **SDEP** projects.
- **SMEs**:
    - Fee: Between €100 and €100,000 annually, depending on size and financial capacity.
    - Provides tailored support for business development, resources, and strategic partnerships through **GSIA**, **EUSL**, and **AFSL**.

Each member state will submit a funding proposal that clearly outlines their **direct and indirect costs**, **overhead allocations**, and **membership fees** for **GSIA**, **EUSL**, and **AFSL**. The cost-sharing structure for **COMESA's GSIA membership** ensures that financial responsibility is distributed evenly among participating member states.

6. Application of Budget to COMESA and Member States

Each member state will submit a funding proposal that clearly outlines their direct and indirect costs, overhead allocations, and membership fees for GSIA, EUSL, and AFSL. The cost-sharing structure for COMESA's GSIA membership ensures that financial responsibility is distributed evenly among participating member states.

7. Shared Responsibility and Financial Sustainability

By structuring the GSIA membership fee as a shared cost among COMESA's member states, this model allows for a balanced distribution of financial responsibility. The additional €200,000 administrative fee per state ensures that GSIA can manage the increased workload and coordination needs effectively.

This model promotes financial sustainability by allowing each member state to share the costs while still benefiting from full access to GSIA's governance, strategic support, and resources. By placing the cost burden on member states through a shared, transparent model, COMESA can continue to play an active role in the region's social and economic development while ensuring that all member states contribute to the success of the broader initiative.

8. Presenting the Budget

When presenting the budget for **SDEP** and the five merged **COMESA programs—COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA,** as well as **EFFORT** when its available—to **AfDB** and other donors, the following key points will emphasize the program's efficiency, sustainability, and scalability:

A. **Integrated Program Efficiency**: The merger of these programs under **SDEP** creates significant operational efficiencies through **coordinated management**. By consolidating governance, infrastructure, and resources, we reduce administrative overhead and optimize the use of shared platforms such as **ECHO**. This coordinated approach allows for a more efficient scaling process across the COMESA region, reducing duplication and enhancing the overall impact of the programs.

B. **Direct and Indirect Costs for Sustainability**: We have carefully structured the budget to ensure that both **direct and indirect costs** are accounted for. These costs are essential to ensuring the long-term sustainability and growth of the programs. Funding for infrastructure, capacity building, and ongoing operational needs is key to maintaining momentum and ensuring that the programs achieve their development objectives over the **next decade**.

C. **100% Overhead Allocation**: A **100% overhead** has been applied to the initial direct costs of the programmes to cover **administrative, operational, and unforeseen expenses**. This overhead is crucial for launching the program in new areas, ensuring that all operational needs are met without the need for additional emergency funding. It serves as a **strategic solution** to cover indirect costs such as logistics, staffing, and administrative support, ensuring smooth and uninterrupted project execution.

D. **27% Scale-Up Overhead for Future Growth**: In addition to the 100% overhead, a **27% scale-up overhead** has been included to provide the necessary funds for future growth and expansion. This scale-up overhead is critical for ensuring that **SDEP** and its integrated programs can extend into new markets and regions. It will cover the costs associated with scaling operations, expanding infrastructure, and developing new partnerships as the programs grow across the COMESA region and into new markets beyond.

E. **ECHO Platform Overhead**: As part of the budget, a **15% overhead** has been allocated specifically for the **ECHO platform**, divided equally among key stakeholders:

  - **5% for EUSL**: To cover operational management and technical support.
  - **5% for GSIA**: To ensure governance, compliance, and risk management.
  - **5% for COMESA**: To maintain regional oversight and coordination.

This allocation ensures the ECHO platform remains an integral part of the monitoring and scaling process, providing digital infrastructure and real-time data collection essential for managing the programs effectively.

The structured budget ensures both **sustainability** and **scalability** of SDEP and the merged programs. With careful allocation of resources and overheads, we aim to optimize efficiency, reduce risks, and ensure that the programs are well-prepared for future growth. This approach positions **SDEP** as a model for regional agricultural development and trade facilitation, with a clear plan for expansion and impact across new regions.

Example Budget Breakdown:

Category	Year 1	Year 2	Year 3	Year 4	Year 5	Total
Personnel (EUSL)	$X	$X	$X	$X	$X	$Total
Personnel (GSIA)	$X	$X	$X	$X	$X	$Total
Personnel (COMESA)	$X	$X	$X	$X	$X	$Total
Indirect Costs personnel (100% Overhead)	$X	$X	$X	$X	$X	$Total
Programme Direct Costs	$X	$X	$X	$X	$X	$Total
Training & Capacity Building	$X	$X	$X	$X	$X	$Total
Monitoring & Evaluation	$X	$X	$X	$X	$X	$Total
27% Scale-up Overhead	$X	$X	$X	$X	$X	$Total
15% ECHO Overhead	$X	$X	$X	$X	$X	$Total
AFSL/EUSL/GSIA Membership	$X	$X	$X	$X	$X	$Total
Grand Total	$X	$X	$X	$X	$X	$Grand Total

AFDB ROLE

The **African Development Bank (AfDB)** is a **multilateral development finance institution** with a **board of governors** that includes representatives not only from **African member states** but also from **non-African countries**, such as **Sweden**, **Norway**, **Germany**, **the United States**, and others. These **non-regional member countries** contribute to AfDB's financial resources and play a role in its governance and decision-making processes.

Why This is Important for SDEP

1. **International Influence and Oversight**: The inclusion of countries like **Sweden** on AfDB's board means that you have the potential to leverage their **influence** and **support**. Since **EUSL** has connections to **Sweden** (being a European entity), this could strengthen your case for project ownership or direct funding. **Sweden's involvement** on the board adds an additional layer of **international oversight** that could reinforce transparency and governance within SDEP.

2. **Strengthening Neutrality and International Standards**: If **non-African member countries** like **Sweden** or **Germany** are part of the oversight structure for SDEP, it further emphasizes the project's **neutrality** and commitment to **international standards**. This would appeal to **private investors** and other **development finance institutions** as well, ensuring that the project is not dominated by regional political interests.

3. **Broader Access to Funding and Partnerships**: With countries like **Sweden** having a stake in AfDB's governance, you could potentially tap into **bilateral partnerships** and **additional funding** from Swedish development agencies, such as **Sida** (Swedish International Development Cooperation Agency). These partnerships could provide supplementary funding streams or **technical support** for the implementation of SDEP.

Further funding for expansion

By including **AfDB board members** (with **Sweden** and other non-African countries) in the **oversight role**:

SDEP can strategically engage key **international development agencies**—such as **Sida**, **USAID**, **JICA**, and **DFID**—to secure **future funding**, raise **awareness**, and build a global **business case** for sustainable development in Africa. Each of these agencies has a **unique focus** and offers different opportunities for **financial support**, **partnerships**, and **technology transfer**. EUSL will discuss how SDEP can position itself as an attractive investment for each agency, with the dual purpose of **raising funds** and **increasing global visibility**.

1. Sida (Swedish International Development Cooperation Agency)

Sida's Focus:

- **Sustainability**: Sida prioritizes **climate action**, **sustainable agriculture**, and **gender equality**, making it a strong partner for SDEP's focus on **green technologies** (COMBIHAP) and **horticulture value chains** (CEHA).

- **Private Sector Collaboration**: Sida often works with **private sector actors** through programs like **Swedfund**, which targets investments in developing countries, particularly in **sustainable agriculture** and **clean energy**.

Opportunities for SDEP:

- **Green Tech and Climate-Smart Agriculture**: Highlight SDEP's **bioprotection** (COMBIHAP) and **biosafety** (COMBIIP) initiatives, emphasizing their role in promoting **climate resilience** in African agriculture. Sida is particularly interested in projects that focus on **environmental sustainability** and **reducing CO2 emissions**.
- **Gender Inclusion and Youth Empowerment**: SDEP's focus on **vocational training** and **capacity building** (particularly under CEHA) aligns with Sida's mission to promote **women and youth** in sustainable sectors. By promoting SDEP as a **gender-inclusive** and **youth-focused** initiative, Sida can be convinced of its long-term social impact.
- **Private Sector Engagement**: Through **Swedfund**, Sida can support **technology transfer** from Swedish companies (e.g., ag-tech or green energy firms) to SDEP. Positioning SDEP as a **platform for Swedish businesses** to invest in African agriculture could attract funding and partnerships.

Sida Funding Streams:

- **Sida's Climate Change Initiative** and **Sustainable Economic Development** programs offer multi-year funding for projects aligned with climate action and poverty reduction.
- **Swedfund** offers **private investment opportunities** that could help scale SDEP's infrastructure projects (e.g., cold storage, renewable energy solutions in rural areas).

2. USAID (United States Agency for International Development)

USAID's Focus:

- **Agricultural Development and Food Security**: USAID's **Feed the Future** initiative emphasizes **food security** and **agriculture-led economic growth** in developing countries, making it a strong match for SDEP.
- **Innovation and Technology Transfer**: USAID is keen on supporting projects that use **innovative technologies** in agriculture and sustainability, aligning with SDEP's **tech-driven approach** (e.g., ECHO platform, biotechnology).

Opportunities for SDEP:

- **Food Security and Trade Facilitation**: SDEP's focus on harmonizing agricultural inputs (e.g., seeds under COMSHIP, fertilizers under COMFREP) and improving cross-border trade aligns with USAID's goal of **boosting agricultural productivity** and creating sustainable markets in developing regions.
- **Agricultural Innovation**: SDEP's use of **biotechnology** and **green technologies** (under COMBIIP and COMBIHAP) could be positioned as **innovation in action**. USAID often funds projects that demonstrate the potential for **scaling innovation** across multiple regions, which aligns with SDEP's regional scope.
- **Linking to Feed the Future**: By aligning SDEP's goals with **Feed the Future**, USAID's flagship food security program, SDEP can position itself as a major player in Africa's drive for **agricultural resilience**.

USAID Funding Streams:

- **Feed the Future**: Provides multi-year grants for projects that focus on boosting food security, agricultural innovation, and market systems. SDEP could position its projects in **seed harmonization** (COMSHIP) and **horticulture** (CEHA) as core components.
- **Development Innovation Ventures (DIV)**: USAID's DIV program supports scalable, cost-effective innovations in development. SDEP's digital platforms (e.g., ECHO) and biotechnology initiatives could qualify for innovation funding.

3. JICA (Japan International Cooperation Agency)

JICA's Focus:

- **Technology Transfer and Capacity Building**: JICA is known for promoting **technological innovations** and **infrastructure development** in agriculture. They focus heavily on **capacity building** and the **transfer of Japanese technologies** to developing countries.
- **Sustainable Development and Infrastructure**: JICA invests in projects that build **agricultural infrastructure** and improve food security through **mechanization** and **logistics**.

Opportunities for SDEP:

- **Technology Partnerships**: Japan is a global leader in **agricultural machinery**, **biotechnology**, and **cold chain logistics**. SDEP can position itself as a platform for **Japanese technology transfer**, particularly in areas like post-harvest management (CEHA) and seed production (COMSHIP). Highlight how **Japanese innovations** can help African countries improve **agricultural efficiency** and productivity.
- **Infrastructure Development**: JICA's focus on building infrastructure in developing regions fits well with SDEP's plans for **cold storage**, **fertilizer hubs**, and **seed certification facilities**.
- **Capacity Building**: By emphasizing SDEP's **training programs** for smallholder farmers and the use of **bioprotection** and **biotechnology** tools, JICA can be brought in as a partner for scaling these efforts across **East Africa**.

JICA Funding Streams:

- **JICA Loan Programs**: Offers **soft loans** for large-scale infrastructure development. SDEP's infrastructure-heavy programs (CEHA, COMFREP) could benefit from these loans.
- **Technical Cooperation Projects**: Provides grants for capacity-building and technical transfer initiatives. SDEP can apply for technical partnerships in **agricultural mechanization** and **logistics**.

4. DFID (Department for International Development- UK)

DFID's Focus:

- **Climate Resilience and Economic Development**: DFID emphasizes the importance of **climate resilience**, **poverty reduction**, and **sustainable livelihoods** through agriculture.
- **Public-Private Partnerships**: DFID often works with **private sector actors** to promote sustainable development and inclusive growth, aligning with SDEP's partnerships in **agricultural trade** and **value chain development**.

Opportunities for SDEP:

- **Climate-Smart Agriculture**: SDEP's focus on **sustainable agriculture** (COMBIHAP and CEHA) aligns well with DFID's interest in **climate-smart farming**. By positioning SDEP as a model for building **climate resilience** in African agriculture, DFID could be a strategic funder for specific components of the project.
- **Private Sector Partnerships**: DFID's role in **private-sector development** makes it an ideal partner for **scaling SDEP's value chains** (CEHA) and fostering partnerships with international companies interested in **African agricultural markets**.
- **Impact Reporting**: DFID is known for its focus on **impact metrics**. By providing clear, data-driven reports on SDEP's progress in building **resilience** and **economic opportunities**, SDEP could secure continued DFID funding.

DFID Funding Streams:

- **Climate and Development Fund**: Offers multi-year grants for projects focused on climate adaptation and resilience in agriculture. SDEP's bioprotection and climate-resilient seed initiatives could attract funding.
- **Private Enterprise Partnerships (PEP)**: Provides funding for projects that involve **private sector participation** in sustainable development. SDEP could apply under PEP for its efforts to build **agribusiness value chains**.

5. Other Potential Development Agencies

GIZ (Germany)

- **Focus**: **Climate action**, **renewable energy**, and **sustainable agriculture**.
- **Opportunities for SDEP**: GIZ could be a strong partner for SDEP's **green technology** and **bioprotection** efforts. Germany's focus on **sustainability** aligns with SDEP's long-term goals for **environmentally friendly agriculture**.
- **Funding Streams**: GIZ's **Agricultural Innovation Fund** provides grants for projects that foster agricultural innovation and improve resilience to climate change.

NORAD (Norwegian Agency for Development Cooperation)

- **Focus**: **Sustainability**, **climate adaptation**, and **food security**.
- **Opportunities for SDEP**: NORAD could support SDEP's **sustainable agricultural practices** and **climate-resilient infrastructure**. Norway's emphasis on **clean energy** also aligns with SDEP's **renewable energy** components under the ECHO platform.
- **Funding Streams**: NORAD's **Climate and Forest Initiative** could support agroforestry initiatives and sustainable land management.

Summary of the Merger of COMESA Programs into SDEP

The merger of five key **COMESA programs**—**COMBIHAP**, **COMBIIP**, **COMFREP**, **COMSHIP**, and **CEHA**—into the **Social Development and Empowering Programme (SDEP)** marks a significant step toward enhancing regional agricultural development, trade, and sustainability across the COMESA region. By integrating these programs under a unified framework, SDEP aims to streamline governance, harmonize policies, and drive efficiency across sectors critical to the region's growth.

Unified Approach to Agricultural Development

Each of the five programs addresses a distinct aspect of agricultural and economic development, from **bioprotection** and **biosafety** to **seed certification**, **fertilizer access**, and the development of **horticultural value chains**. The merger ensures these programs are no longer operating in silos but are integrated into a single, cohesive strategy that maximizes impact across the region.

- **COMBIHAP** will drive the harmonization of **bioprotection standards**, promoting sustainable practices by enabling the safe use and distribution of bio-pesticides and organic inputs.
- **COMBIIP** focuses on creating a unified regulatory framework for **biotechnology** and **GMOs**, ensuring the safe application of advanced agricultural technologies.
- **COMFREP** will enhance **fertilizer access** through standardized regulations and distribution networks, addressing soil health and improving crop yields.
- **COMSHIP** brings efficiency to **seed certification**, facilitating cross-border trade in certified seeds to boost food security and agricultural productivity.
- **CEHA** will focus on developing the region’s **horticulture sector**, ensuring infrastructure for post-harvest handling and cold storage, which will support regional and international trade of high-value crops.

Efficiency Gains and Shared Resources

The merger is designed to create significant **efficiency gains** by consolidating governance under **SDEP** and enabling shared use of infrastructure, resources, and expertise. This approach reduces redundancy, cuts operational costs, and allows for better allocation of resources across the various sectors.

The integration will also leverage SDEP’s existing digital tools, such as the **ECHO platform**, which will be instrumental in monitoring agricultural outputs, managing trade logistics, and ensuring compliance with international standards.

Policy Harmonization and Trade Facilitation

A critical aspect of this merger is the **harmonization of policies** across all program areas, enabling smoother cross-border operations. The alignment of regulations for bioprotection, biotechnology, seed certification, and fertilizer trade will create a consistent framework across COMESA member states, facilitating both **regional trade** and **international market access**.

The merger is also focused on enhancing **trade opportunities** for the region. By aligning agricultural standards with **global trade requirements**, particularly **EU regulations**, SDEP will enable African producers to export high-quality products, such as horticultural goods, to international markets. This will boost economic growth and create new opportunities for farmers and businesses throughout the region.

Governance and Oversight

The governance of the merged programs will be managed under a centralized framework, with **EUSL** and **GSIA** playing key roles in **ownership** and **compliance oversight**. By maintaining neutrality, this governance structure ensures transparency and accountability, reducing the risk of political interference and promoting fair access to resources.

Oversight from **UNDP**, **AfDB**, and other development partners will ensure the program adheres to global standards, facilitating further funding and investment. This governance structure will also allow for the **scalability** of SDEP, enabling the integration of additional regions or sectors in the future.

The Role of AfDB and Future Expansion

The **African Development Bank (AfDB)** will be a critical funding partner, providing the necessary financial support to develop infrastructure, expand market access, and scale operations. With initial funding from AfDB, **SIDA**, **USAID**, and other development agencies, SDEP is poised to expand beyond the COMESA region in the coming years, targeting new markets and opportunities for trade growth.

As SDEP moves forward, the program will focus on ensuring long-term sustainability, with future phases aimed at integrating more regions, improving digital monitoring, and expanding partnerships with global markets. Through this merger, SDEP is set to become a model for agricultural and economic development in Africa, driving growth through policy alignment, resource efficiency, and international trade.

The merger of these five programs into **SDEP** creates a unified, efficient, and scalable framework for advancing agricultural development and trade across the COMESA region. With a focus on harmonized policies, sustainable practices, and global market integration, SDEP will strengthen regional economies and pave the way for Africa’s future in international trade.