

The deadly COVID-19 has spread rapidly since December 2019 creating a major global crisis and disrupting global supply chains. Governments have taken unprecedented containment measures—underscored by social distancing—to stop the spread of the virus. As a result, air travel dropped significantly, borders closed, factories have stopped production, and staying at home has become the norm.

Like many parts of the world, Eastern and Southern Africa have faced major disruption in trade, with manufacturing and key export sectors like horticulture and tourism recording a massive decline in the first few weeks. The flow of goods across borders has slowed down, as government's undertake physical distancing and transport operator testing measures along key trade and transport routes, as these are believed to be major infection conduits. Manufacturers have scaled back production leading to loss of jobs, logistics companies face labour shortages leading to constraints in accessing markets, and lockdowns may lead to closure of small businesses.

In the midst of this, opportunities have emerged: The importance of harmonised and joint regional approaches have been elevated, and ministries across countries have come together to undertake joint measures; Local manufacturers have developed capabilities to produce Personal Protective Equipment (PPE); There is increased focus on fast tracking harmonisation of standards to enable intra-regional exports and digitisation of key trade processes.

TradeMark East Africa's new, approximately USD 20 million Safe Trade Emergency Facility will support Eastern And Southern African governments in the implementation of containment measures against COVID-19, to save lives and build resilience of local economies. This will be undertaken alongside scaling up existing programmes, to capitalise into the emerging opportunities that build the region's socioeconomic resilience. The programme will support trade continuing safely and unhindered; and protect the health of traders, trade officials and transport operators. The emergency programme combines short to medium-term interventions that are critical for resumption of economic activity, food security and social stability, jobs, and economic recovery.



## Safe Trade Emergency Facility Footprint

Burundi, Eastern DRC, Djibouti, Ethiopia, Kenya, Malawi, Mozambique, Rwanda, Somaliland, South Sudan, Tanzania, Uganda, and Zambia.

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Dr. Mukhisa Kituyi - Secretary General, UNCTAD

## **Programme Components**







Making ports, borders, and critical supply chains safe for trade.

Ensuring food security and access to critically-required medicines.

Support measures to prevent job and income losses and make the region more resilient to future crisis.



TMEA will support the following measures to safeguard the health and safety of supply chain actors, government officials, and cargo passing through regional ports and borders.

- Harmonised safety and hygiene protocols.
- Supply of adequate critical protective equipment.
- Rapid Covid-19 tests at the ports, airports, and borders.
- Making available quarantine facilities and health offices at key borders.
- Establishment of joint border committees for better interpretation & implementation of directives on Covid-19.
- A fact-based communication campaign on Covid-19 to all supply chain actors at regional ports and borders.
- Support advocacy work by private sector

- to ensure continued harmonized approach and quick intervention in addressing arising bottlenecks to trade.
- Developing Safe Trade Zones.
- Extending the Regional Electronic Cargo Tracking System (RECTS) to track movement of trucks currently not covered.
- Implementing a bar code reader system of all travel and cargo documents, to minimize Covid-19 spread through contaminated objects and surfaces.
- Ensuring tracking of truck drivers to minimize transmission along the corridors.
- Having a centralised data collection on trade flows and ensuring it's available to different stakeholders, on a regular basis for transparency and quick resettlement of emerging bottle necks.

"Regionally we must work together to have our economies revive after Covid-19. It's clear that sectors such as hospitality and tourism are really affected, and we must find innovative ways on how these can recover soon."

Hon. Soraya Hakuziyaremye - Minister of Trade and Industry, Rwanda



With the unprecedented disruption of supply chains, this initiative will support uninterrupted flow of food and medicines through the following interventions:

- Ensure critical supply chain actors adhere to recommended hygiene measures.
- Support regional harmony in adopting uniform tariffs and tax measures.
- Introduce rapid inspection and clearance of goods.

- Carry out regular research and survey to inform regional governments response.
- Ensure effective distribution of goods to endconsumers.
- Safety and hygiene measures for the informal sector traders.
- Support Eastern African Governments and the EAC Secretariat in developing measures that boost E-commerce.

"Replacing importation with local production will take some time. What we should be thinking about is retooling, re-kitting, and repurposing existing supply chains to meet local needs during Covid-19."

Nick Nesbitt - Chair, East Africa Business Council





The Safe Trade emergency facility will support local businesses to build resilience to minimise the number of jobs lost. Special focus will be given to cross-border women traders as the economic impact of the Covid-19 becomes more apparent. Specific interventions include:

- Working with trader associations to support MSMEs in rebuilding trading capabilities.
- Partner with relevant organisations to innovate targeted financial solutions for small traders.
- Engage governments to support players of key sectors such as tourism, transport, and logistics

  —with monetary and fiscal reliefs.
- Engage humanitarian organisations, among them the World Food Programme (WFP) and

- private sector, to raise humanitarian support to most vulnerable border communities.
- Support quick tackling of Standards and Sanitary and Phyto-Sanitary trade related issues for faster settlement.
- Promote local sourcing of key equipment to manage the current crisis.
- Accelerate the implementation of technology solutions, such as the Trade Logistics Information Pipelines (TLIP), for greater visibility of supply chain for importers from the region.
- Rapid change to air freight regulations by lobbying for the suspending of restrictions on airlines doing multiple stops.



Safe Trade Emergency Facility interventions will in the immediate reduce Covid-19 related barriers to trade at ports and borders; Enhance regional availability of foods and medical supplies, and mitigate job and export losses. The following will be the key measures of success:

- Ensure ports and borders have adequate equipment, facilities, and fact-based information.
- Effectively track cargo and truck drivers through E-platforms.

- Enhanced the EAC policies on "Covid-19 Essential Goods" & E-Commerce.
- Ensure critical supply chain trade is facilitated.
- Ensure TMEA's existing programmes are accelerated and enhanced.