

HORN OF AFRICA

HORN OF AFRICA SEIZING ITS BUSINESS POTENTIAL



2019-2020 BUDGET
US\$7.9 MILLION



SUPPORTED PROJECTS
6



DONORS
•Irish Aid •UKaid



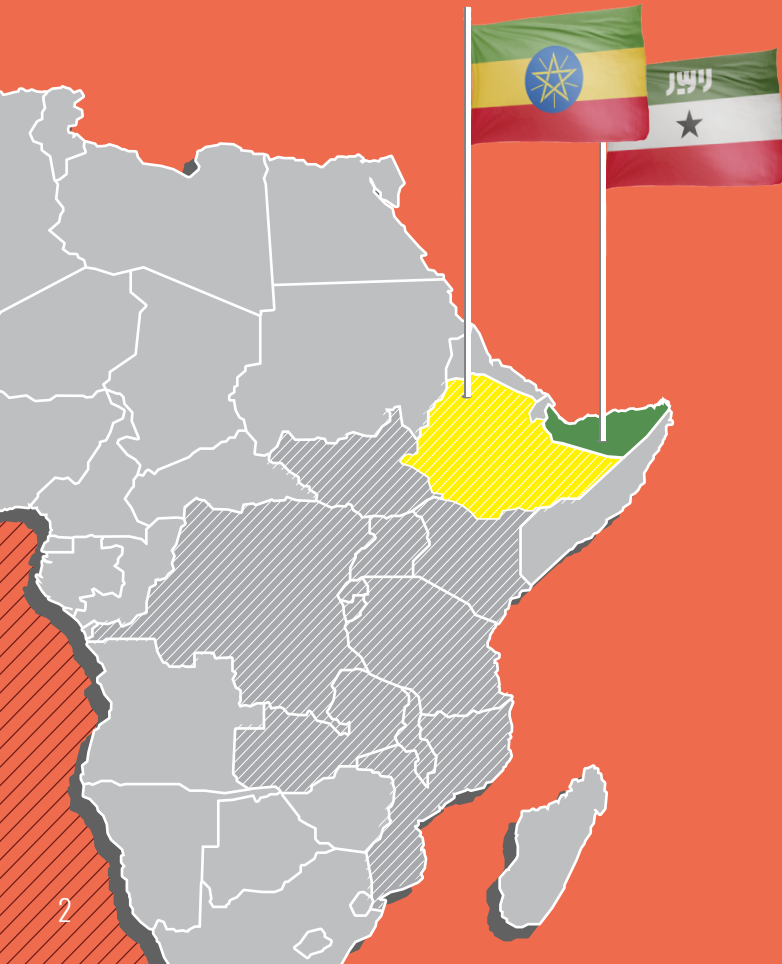
MISSION
**GROWING PROSPERITY
THROUGH TRADE**



FEATURED PROJECT



UNLOCKING PROSPERITY IN THE HORN OF AFRICA (HOA)



HORN OF AFRICA SEIZING ITS BUSINESS POTENTIAL

The Horn of Africa (HoA) has tremendous economic potential but remains one of the most complex regions in Africa. It is strategically located on one of the world's busiest shipping lanes and trading routes, including via Berbera Port in Somaliland. The 2018 World Bank Logistics Performance Report ranked the region's logistics as extremely inefficient, thus raising cost of trade, yet, transport corridors in the Horn are significant economic arteries. TMEA's Horn of Africa Programme includes Somaliland and Ethiopia.



ETHIOPIA

Ethiopia has implemented many reforms since 2018, under the leadership of Prime Minister Abiy Ahmed. The country is keen to grow its trade volumes with its neighbours, regionally and internationally. Currently 95% of Ethiopia's trade travels through Djibouti. Looking ahead, International Monetary Fund (IMF) projects Ethiopia's export growth to increase to 6.951% by December 2025. This growth in trade volumes demands multiple transport alternatives.

Tadesse Yimamu,
Country Director, Ethiopia

SOMALILAND

Berbera Port in Somaliland is a gateway to the Berbera Corridor, which provides access to sea for landlocked countries like Ethiopia. Berbera Corridor has the potential to economically transform Somaliland if operations along it are optimised. This includes formalising cross-border trade and implementing trade facilitation policies such as adoption of simplified and transparent customs processes and procedures, enhancing inter-agency border operations, and improving information technology infrastructure, and eliminating non-tariff barriers (NTBs) to trade.

Abdi Osman,
Country Representative, Somaliland

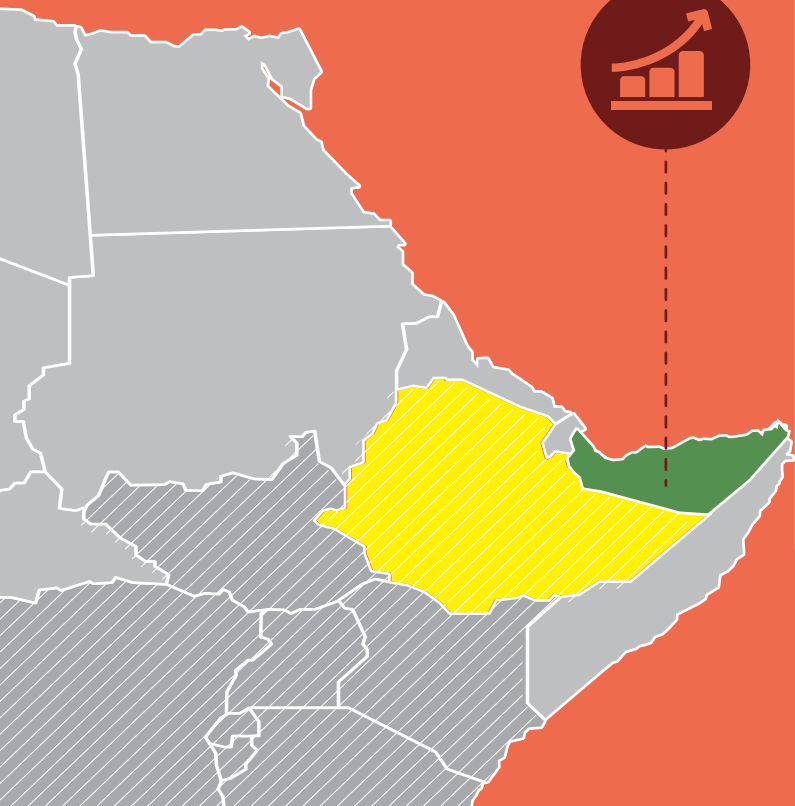
FEATURED PROJECT UNLOCKING PROSPERITY IN THE HORN OF AFRICA (HOA)

 **PERIOD OF IMPLEMENTATION**
2018 - 2023

 **BUDGET**
US\$25 MILLION

 **PURPOSE**
REDUCE BARRIERS TO TRADE

 **DONORS**
•Irish Aid, UKaid



TradeMark East Africa (TMEA) launched the Unlocking Prosperity in the HoA Programme in October 2018, to harness the trade and economic potential of the Berbera Corridor. This will be achieved by improving transport infrastructure, facilitating trade, and enhancing local economic development. The programme, which is implemented by TMEA-Somaliland and TMEA-Ethiopia, is steering construction of Hargeisa By-pass to decongest the capital city, and reduce transport time from Berbera Port to Tog Wajaale border crossing. It is also reducing the cargo clearance time across the border between Somaliland and Ethiopia, and linking ‘anchor’ businesses with small and medium-sized enterprises (SMEs) through harmonisation and adoption of trade standards.

TMEA is supporting Ethiopia’s export led industrialisation, which includes transformation of logistics industry through targeted interventions like operationalisation of the Moyale One Stop Border Post (OSBP) with Kenya; implementation of an automated system for the issuance of a certificate of origin for export goods; and exploring opportunities for appropriate logistics centres in Jijiga – Somali region of Ethiopia – to complement the Berbera Corridor initiative.

In Somaliland, a partnership with Somaliland Quality Control Commission (SQCC), the national standards agency,

envisions provision of priority laboratory facilities, to test import and export goods, and conduct training. The agency has already launched a 5-year strategic plan, and is working with Ethiopia National Quality Infrastructure to harmonise standards of commonly traded goods between the two countries, especially at their common border of Tog Wajaale, and build its capacity in the area. A programme targeting women in trade has been designed and will train women on business practices as well as enable them access markets.





PROGRESS TOWARDS RESULTS

1. The Moyale OSBP interconnectivity was completed, cross-border procedures reviewed in preparation for its commencement, and staff on both sides of the border trained on the new procedures. The launch of the OSBP operations were however interrupted by COVID-19 induced travel restrictions.

2. Contracting and climate-proofing of engineering design are complete. Environmental and social impact assessment, and environmental and social management and monitoring plan are also in place and civil works started later in 2020.

3. On trade facilitation and transit institutional frameworks, TMEA signed MoUs with all relevant national partners in Ethiopia and capacity building conducted for joint steering corridor committee, and joint technical corridor committee.



4. A gap assessment of priority products for which trade standards should be developed for regional trading was undertaken. The assessment prioritised development of 12 standards from 6 trade sectors i.e: food, beverages, pharmaceuticals, cosmetics, petroleum and COVID-19 equipments. In addition, a tool for standards development was adopted and under implementation.

5. Gender equality and social inclusion plans were reviewed and a local economic development strategy completed, promoting cross-border opportunities for women and youth. Hygiene stations were delivered to border posts.



COVID-19 INTERVENTIONS

In March 2020, as part of adaptation to the COVID-19 context, the programme designed a safe trade emergency facility, focused primarily on ensuring safe continuity of trade at the border crossing of Tog Wajaale and Moyale. A needs assessment was undertaken at the border and a workplan developed, focusing on making borders and critical supply chains safe for trade, and ensuring food security and access to critically required medicines. As a result of the engagement with cross-border local authorities, COVID-19-compliant cross-border markets were prioritised for construction. The project is conducted in partnership with a local NGO, HAVAYOCO, to lead the construction, sensitisation and other outreach programmes in the markets and amongst border communities.

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