

ANNUAL REPORT

2020-2021



TRADE
MARK
EAST AFRICA

Growing Prosperity Through Trade



**ACCELERATING
AFRICA'S TRADE**

ANNUAL REPORT 2020–2021

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Milk traders at Tog-Wajaale border, the crossing point between Somaliland and Ethiopia. They are beneficiaries of TMEAs' Safe Trade Zones. Story on Page 98.



Faith Muiruri is a long distance cargo truck driver plying the Northern Corridor in East Africa. She has witnessed improved efficiency at the port of Mombasa and reduction of NTBs along the Corridor that has reduced time taken to transport cargo from Mombasa Port to Malaba border by more than half. Read her story here (<https://www.trademarka.com/stories/un-clogging-supply-chain-bottlenecks-so-truckers-connect-us-to-our-favourite-things/>).

1

UNDERSTANDING TRADEMARK EAST AFRICA

WHO WE ARE

OUR VISION

OUR MISSION

OUR CORE VALUES

ROADMAP TO CHANGE

GOVERNANCE

WHO WE ARE

TradeMark East Africa (TMEA) is an organisation established as a not-for-profit instrument for Aid for Trade (AfT) delivery in East Africa. Out of an initial budget of less than US\$42 million in 2010, TMEA had become, by June 2021, one of the leading AfT institutions in the world with a cumulative budget of approximately US\$1 billion and programmes across 13 countries in Eastern, Southern and the Horn of Africa. Our goal is greater prosperity through trade within Africa and with the rest of the world. Our interventions are clustered into two outcomes: Reducing barriers to trade; and Improving business competitiveness. We partner with regional inter-governmental organisations, national governments, private sector and civil society organisations.



WHERE WE WORK





OUR VISION

A united East Africa with flourishing trade, strong investment and less poverty.



OUR MISSION

To promote rapid advances in East Africa's integration, trade and global competitiveness for all East Africans.



OUR CORE VALUES

Our values are integral to TMEA's corporate culture and the way we work. They are brought to life by our employees in everything we do.



COLLABORATION

We are partner-centric, flexible and responsive to our stakeholder needs.



INCLUSIVENESS

We embody diversity, maintain respectful relationships with our employees and partners and promote equal opportunity for all.



INNOVATION

We empower our employees and partners to create sustainable solutions.



INTEGRITY

We are transparent, honest and ethical at all times.



PROFESSIONALISM

We are enthusiastic in delivering excellence in everything we do.



RESULTS DRIVEN

We focus on improving the livelihoods of Eastern Africans by implementing effective efficient interventions.

ROADMAP TO CHANGE

TMEA's theory of change recognises that barriers to trade raise the costs of doing business, thus reducing demand for imports and exports within the region, and between the region and the world. Targeted interventions in select key areas of trade can reduce these costs.



IMPACT



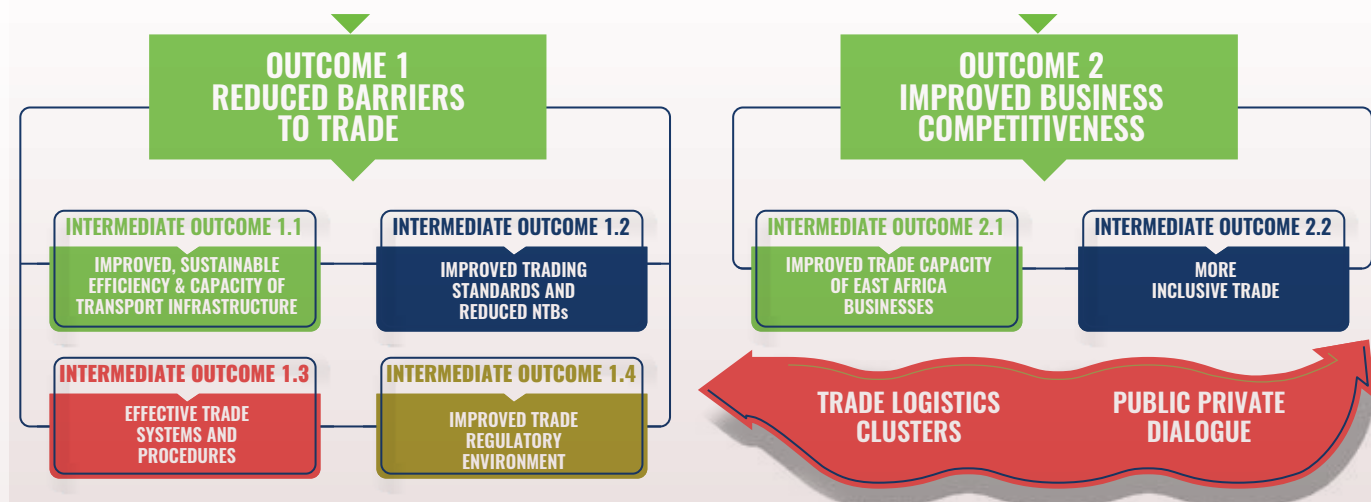
**SUSTAINABLE,
INCLUSIVE
PROSPERITY**

INTERMEDIATE IMPACT



**INCREASED
TRADE**

INCREASED TRADE COMPETITIVENESS



At the height of COVID-19 in 2020, a historic backlog of trucks was witnessed at Busia, the main border crossing between Kenya and Uganda. This resulted from restrictions and protocols instituted by governments to contain the spread of COVID-19. With TMEA's support, East African Business Council (EABC) mobilised EAC governments to jointly institute quicker clearance through mutually recognised COVID-19 protocols. Further, the development of the EAC Regional Electronic Cargo and Driver Tracking System (REC-DTS) App, facilitated issuance of EAC-COVID-19 test certificates that are recognised in Kenya, Uganda, Rwanda and Burundi, thus eliminating the need for multiple testing of drivers at borders, and complementing efforts to decongest borders.



GOVERNANCE

GLOBAL PANDEMIC REAFFIRMS TMEA'S RELEVANCE & IMPACT

2021 marked an important watershed moment for global trade, as the effects of the COVID-19 pandemic started to subside, and countries began to post stronger economic growth. According to the United Nations Conference on Trade and Development (UNCTAD), global trade touched a high of \$28 trillion, 11% growth from pre-pandemic levels. Trade in services is however yet to fully recover. Furthermore, while the global trade growth remained uneven across countries and sectors, it was broader towards the end of the year. Its therefore still early to celebrate yet, even though the future might be promising.

The global picture bears similarities with activities in TradeMark East Africa, which has continued to post impressive results in addition to expanding our geographical footprint across Africa, whilst battling COVID-19 induced disruptions. It is for instance gratifying to see many women traders from vulnerable backgrounds being able to maintain their livelihoods due to medically COVID-19 compliant markets that were constructed during the year to safeguard them and their clients. Similarly, seeing many regional micro, small and medium enterprises reap the benefits of reducing costs of trade due to various interventions such as growing digitisation of trade services by regional Governments, and improved evacuation of cargo along key trade corridors, are heart-warming.

Amidst this, TMEA's approach to trade facilitation continued to be relevant, in high demand, and impactful. Development of physical and digital trade corridors,

promotion of inclusive trade, supporting standards harmonisation, and increasing the private sector's voice in reforming trade policies have enabled many nations in the region to fare better and weather the COVID-19 storm.

Excitingly, TMEA's expansion towards the Western and Southern parts of the Continent, will undoubtedly enable it to contribute to the big vision of greater intra-African trade through the Africa Continental Free Trade Area (AfCFTA) and greater integration into global trade systems.

In a year that witnessed widespread adverse climatic conditions, TMEA's green and sustainability-grounded approaches continued to bear dividends, affirming it as a path the organisation must continue in. We are happy and look forward to supporting the newly developed and approved concept of the Green Corridor programme. Its' successful implementation, with donor and host Government support, will ensure greening of transport and trade corridors in TMEAs areas of operation and this will benefit future generations in Africa. It will indeed, provide useful lessons for the World, for wider replication.

The growing demand for TMEA's services, recovering global trade, and persistent after-shocks of the pandemic, all demonstrate the need for an even greater support for the organisation. As TMEA donors, we pledge continued support and commitment to ensure TMEA continues to have a lasting impact, especially to the population of the Continent.



Andrew Ockenden
Chair of the Council

TIME TO FOCUS BEYOND COVID-19

The better part of the last two financial years have been marked by unprecedented global focus on COVID-19, the global pandemic that took the World by surprise. The numerous natural, economic, and intellectual resources that have been spent to contain the spread of the rapidly-mutating enigmatic disease, and to eradicate it, have been worthwhile.

In the Eastern Africa region for instance, conditions for external trade and investment have tremendously improved due to enhanced focus on trade as a key ingredient for economic resilience. This, I dare state, is a direct result of joint efforts by TradeMark East Africa (TMEA), the region's Governments, donors and other partners, to accelerate innovative approaches to trade in the face of the COVID-19 pandemic. By the start of the 2020/2021 financial year, exports of most East African Community Partner States had surpassed their 2019 levels, whilst imports recovered to pre-pandemic levels, testimony of increased regional resilience.

At TMEA, we strove to maintain progress and associated developmental gains generated over the years, that could have been easily reversed by the effects of the pandemic. In our commitment to make meaningful and resolute impact through inclusive and sustainable trade in the region, TMEA intensified focus on innovation and digital transition, simultaneously with its expansion plan. Innovation and digital transition enabled markets and borders to safely remain open for continued trade, thus speeding up recovery and promoting traders' resilience. This contrasts with other parts of the Continent whose trade continues to be affected by the pandemic.

The Safe Trade Emergency Facility (Safe Trade), TMEA's programmatic response to COVID-19, was developed to support Governments to mitigate the impact of the pandemic on trade. In line with other TMEA programmes, Safe Trade is powered by a strong coalition of partners. National governments and agencies related to Health and Trade, Regional Bodies such as the East Africa Community (EAC), and Intergovernmental Authority on Development (IGAD), private sector associations, international bodies such as World Food Programme (WFP) and UN-OCHA, and donor agencies came together under the shared objective to tackle COVID-19 and reposition the region for recovery. Notably, Safe Trade interventions enabled TMEA's plan to expand to the Horn and the rest of Africa, which started in October 2018, to happen within Zambia, Mozambique, Malawi, Ethiopia, Djibouti and Somaliland.

Our annual \$76.5 million budget was deployed across several thematic areas, such as efficient transportation and logistics, trade policy, women and trade, advocacy, and policies, digital trade, and digitisation of Government systems. We also accelerated programmes to support e-commerce, standards harmonisation, and commenced work on Sanitary Phytosanitary issues, and sustainable inclusive trade. We supported Governments to engage on trade reforms and adopt policies that support broad outcomes, especially as implementation of the Africa Continental Free Trade Area (AfCFTA) starts. Supporting Governments to adopt efficient trading systems by building stable and coherent processes, providing technical assistance, capacity building of institutions and private sectors has remained central to the success of our thematic focus. As COVID-19 abates and countries open up, we are more convinced that a global recovery can be built on inclusive trade, recognising that shocks have had significant effects on livelihoods.

TMEA has made good progress on defining the feasibility planning for its new commercial arm that will aim to catalyse commercial capital into TMEA's infrastructure and digital workstreams. With promising support from TMEA's development partners, we anticipate this being established over the next year.

The Board acknowledges that all these achievements would not be possible without our staff's commitment to TMEA's mission to accelerate prosperity in Africa through trade. Our management team managed to absorb 18% budget cuts due to the effects of the pandemic on aid budgets in donor countries. The staff's dedication reflects organisational resilience that has been developed over the last 12 years, and the strong support for TMEA's mission and vision. I thank my fellow Board and Council members for their close engagement this year on supporting management.

In the face of the pandemic, African economies have not only demonstrated resilience and fortitude, but also identified opportunities for economic acceleration. I believe it is time to look beyond the pandemic, as Africa's economic potential intensifies in the face of continued global economic recovery. Free trade, enshrined in the landmark Africa Continental Free Trade Agreement (AfCFTA) holds the much-needed stimulus for greater intra-African trade, and economic promise to reduce the Africa's exposure to global disruptions. Finalising the outstanding negotiations will substantially help boost local manufacturing and productivity, particularly through the expansion and deepening of regional value chains.



Amb. Erastus Mwencha
Chair of the Board

COMBATING COVID-19 AND SUPPORTING RECOVERY

The COVID-19 pandemic has shaken the globe and disrupted the lives of billions of people in every corner of the world. Eastern Africa has not been left unscathed. The pandemic has affected trade and economic activity in a fundamental way. Whereas many have weighed the impact of COVID-19 on health terms, we in trade facilitation have seen first-hand how debilitating its impact has been to global trade, disrupting supply chains across the globe. This knowledge informed our quick adaptation, and helped to offset major trade disruptions experienced in the Eastern, Southern and Horn of Africa Region.

The impact of COVID-19 hit TMEA closer home. Cuts to donor funding caused by COVID-19 inflicted economic recession in donor countries necessitated a human resource restructuring process, and scaling down of programming. Nevertheless, TMEA was resilient and delivered strong impact. I am honoured to mention a few of the interventions and associated impacts achieved in the last year, as I welcome you to read about many more in this annual report.

Safe Trade

Amongst the quick counter and cushioning measures we implemented were the Safe Trade Emergency Facility Programme (Safe Trade), a multi-donor funded and multi-stakeholder programme that enabled governments and communities to adopt short- to medium-term measures for safe continuity of trade. The innovation driving Safe Trade won an award during the Paris Peace Forum due to its focus on the immediate threat posed by the pandemic, and post-COVID-19 recovery that empowered communities to bounce back better. Recovery efforts have also been complemented by broader policies that support equitable outcomes. We have learned that it is critical to include measures that

counter health shocks in trade facilitation initiatives, as they otherwise become non-tariff barriers to trade.

Within Safe Trade Programme, the East African Community's (EAC's) Regional Electronic Cargo and Driver Tracking System (RECDTS) mobile application provided a platform for issuance of mutually recognised COVID-19 health certificates. This enabled faster clearance of cargo truck drivers at borders. RECDTS ensures that transit drivers are not inadvertent carriers of COVID-19. Over 113,000 drivers had been registered into the platform by December 2021. We joined government efforts in Kenya, Ethiopia, Malawi, Uganda and Zambia to create awareness of COVID-19 mitigation measures and vaccine uptake.

We also supported the procurement and supply of Personal Protective Equipment (PPE) to 30 border crossings in Eastern, Horn and Southern Africa, and at the Ports of Mombasa and Djibouti. These protected and benefited frontline border workers and traders. 90 percent of the PPEs were procured in the region for the region. Working with the Financial Sector Deepening Programme (FSD) in Kenya, we transferred patient capital to over 900 women traders in the Kenya-Uganda border town of Busia, many of whom had lost over 90 percent of their business capital. To further support women cross-border traders, we supported the construction of Safe Trade Zones (STZ) in select border markets in Somaliland, Ethiopia, Kenya and Rwanda. This we believe revived the hopes and incomes of traders whose businesses were adversely affected by the pandemic.

“...it is critical to include measures that counter health shocks in trade facilitation initiatives, as they otherwise become non-tariff barriers to trade.”



The effectiveness of Safe Trade was anchored on strategic partnerships. For example, with the EAC Secretariat, we developed guidelines for the manufacture, use, handling and disposal of PPE and hygiene products. Similarly, with apex bodies like the East Africa Business Council, the Federation of East African Freight Forwarders Associations, and the Kenya Private Sector Alliance we successfully advocated governments to review taxes and encourage banks and mobile lenders to reduce interest rates on loans.

Bouncing back better

We supported Kenya, Uganda, and Rwanda to develop national African Continental Free Trade Area (AfCFTA) strategies that provide implementation roadmaps. Great progress was also made on the infrastructure front, particularly the construction of Kipevu, Magongo and Mbaraki Roads in Mombasa, Kenya, and Hargeisa Bypass in Somaliland, promising to help exploit trade and economic potential of the Northern Bypass and Berbera Corridor, respectively. Kipevu road was completed and handed over to Kenya Ports Authority. It is expected to significantly reduce the time taken by trucks to exit the port through the main gates. As a key link on the Berbera Corridor, the Hargeisa Bypass will provide urgent and strategic alternative route for increasing trade efficiency in the Horn of Africa. Trade volumes are expected to rapidly accelerate due to an investment by DP World in additional capacity at Berbera Port. In Uganda, construction of Gulu Logistics Hub (GLH), which H.E. President Yoweri Museveni launched, is nearing completion. It will be operational by the close of the next financial year.

Ongoing Information Communication for Trade work contributes to borderless trade. Notably last year, we facilitated single windows and customs systems such as Kenya Revenue Authority's new customs system, iCMS, which doubled customs clearance efficiency for East Africa's leading economy, and is projected to substantially increase revenue. The Rwanda Electronic Single Window saw implementation of the International Air Transport Association manifest going live during the year, with airlines successfully forwarding electronic manifests to the ReSW. We completed Tanzania's e-learning and integrated Standardisation, Quality Assurance, Metrology and Testing Platforms for Tanzania Bureau of Standards. This has increased the efficiency of processing certificates, and

increased access by small and medium enterprises and other stakeholders.

We continue paying special attention to the needs of women traders and medium, small, and micro enterprises (MSMEs). It is noteworthy that women traders account for the bulk of informal trade in the region. Through our women and trade programme, we have since 2012, cumulatively reached over 89,000 beneficiaries, 23,954 of them this year. We've also reached 3,500 MSMEs. In the last year, tens of thousands of women cross-border and other traders were able to sustain their trade after benefitting from TMEA's capacity building, advocacy, and digital access to information. We are keen to expand new interventions to advance and broaden access to the benefits of trade because experience show us that businesses still faces significant trade and investment uncertainty. We have brokered new partnerships to enable this happen.



Expansion plans to the rest of Africa continued. Significantly, we secured funding from Agence Francaise de Development (AFD) to develop the Djibouti Corridor under the Horn of Africa Initiative. Our support will include facilitating the implementation of a cargo tracking system that will improve real time tracking of

cargo, thereby eliminating the need for numerous check points, and reducing the dwell-time to transport cargo along the corridor. We have also started examining the viability of extending our support to help implementation of the AfCFTA, with new operations likely to start in West Africa next year. In addition, we scoped new programming in Malawi, Zambia, Mozambique, and Southern Africa. This will move us towards our long-term goal of becoming a Pan-African institute.

The urgency of the climate crisis demands that greater attention be given to the role of trade in accelerating emissions, mitigating the effects of climate change while pursuing sustainable growth. TMEA's Strategy on Green Transport and Logistics Corridors in Eastern Africa promises to do just that. TMEA's eco-system takes a multi stakeholder approach to diagnosing problems, designing solutions, and implementing transformative trade facilitation projects. This has delivered a strong performance over the last 12 years, and we can plan for bigger impact in the coming years. I remain grateful to all our donors, the European Union, the Governments of Belgium, Canada, Denmark, Finland, France, Ireland, Netherlands, Norway, the United Kingdom and the United States of America.

Exciting and fulfilling journey

It has been my honour leading TradeMark East Africa since its conceptualisation and establishment; for 12 years as the CEO and the four years of pre-establishment, design and fundraising. We have achieved much over the decade and a half, for which I sincerely thank all our dedicated staff, partners, Board, Council, and development partners for your unwavering support and partnership. It has been quite a journey; both exciting and fulfilling in terms of the large-scale impact TMEA and its partners have generated together. I decided to hand over the baton of leadership to a new Chief Executive Officer at the end of my contract in June 2022. At the time of writing, this process is advancing well. I will work hard with my team to ensure that the transition is smooth. My sincere thanks to everyone, and I hope to provide my inputs into next year's report.

Frank Matsaert
Chief Executive Officer

BOARD MEMBERS



ERASTUS MWENCHA
Board Chairman



PATRICK OBATH
Board Vice Chairman



MAGGIE KIGOZI
Board Member



ANTHONY MASOZERA
Board Member



EMILIAN BUSARA
Board Member



PATRICIA ITHAU
Board Member



ROB RUDY
Board Member



PATRICIA OJANGLE
Board Member



GABRIEL NEGATU
Board Member





2

IN BRIEF

SAFE TRADE EMERGENCY FACILITY

2020-2021 HIGHLIGHTS

SAFE TRADE EMERGENCY FACILITY

TMEA set up the Safe Trade Emergency Facility (Safe Trade) Programme as a response to COVID-19. Now valued at **US\$32 million**, the programme has enabled governments to undertake critical measures along the transport and trade routes to ensure trade continues safely while protecting livelihoods in Eastern, Southern and the Horn of Africa. The Programme has three main components, and seven pillars, as follows:



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

- Distribution of emergency Personal Protective Equipment
- Trade Technology Interventions
- Trade Policy Interventions



Ensuring food security and access to critically required medicines:

- Supply Chain Support
- Standards and SPS Projects



Supporting measures that reduce job losses and supports exports:

- Advocacy Interventions
- Gender Inclusion, Women in Trade, and Safe Zones



Emergency Personal Protective Equipment

TMEA facilitated various Government Agencies with personal protective equipment (PPE) worth US\$2.1 million. These included reusable masks, safety boots, hand sanitisers, hand washing points, disinfectantspray, infrared thermometers, and face shields for frontline workers to ensure continuous trade at major ports and borders across Eastern, Southern and the Horn of Africa.



Trade Technology Interventions

113,000 drivers have since been registered on EAC Regional Electronic Cargo and Driver Tracking System (RECDS), with 70 percent of them receiving at least one digital COVID-19 certificate on the mobile phone based application. This has eased traffic at borders previously caused by long waiting periods for COVID-19 test results.



Trade Policy Interventions

- In partnership with EAC Secretariat, developed COVID-19 protocols indicating step by step border clearance process flows, to facilitate faster movement across borders. The protocols were disseminated across all EAC Borders.
- Developed administrative guidelines on movement of goods and services, which were translated into French and Swahili and distributed across the EAC Region to raise awareness.
- With the support from UNCTAD – a Reform Tracker which is an online tool to monitor trade facilitation reform projects has been piloted in Kenya and Rwanda. Well embraced by stakeholders as an important tool to reduce unnecessary barriers to trade.



Supply Chain Support

E-commerce

- We partnered with KEPSA to train MSMEs on utilisation of digital platforms to access markets and efficient logistics services. The programme surpassed its target of 2,000 by registering 2,545 MSMEs for the training. 1,605 of them onboarded onto various platforms.

Food Supplies

- In partnership with FEAFFA and other apex bodies, TMEA had engagements in Kenya, Uganda, Tanzania and Rwanda to address disruptions in food supplies. This related to access to information and markets, availability and efficiency of logistics service providers, and harassment of transporters along key supply chains.



Standards and SPS Projects

- To sustain operations in line with the COVID-19 health protocols, 1,131 Kenyan farmers were trained on compliance with food safety standards.
- In Burundi, 51 small and medium sized enterprises involved in cereals, meat, dairy and fisheries, were coached and trained on standards and phytosanitary measures applicable throughout the food supply chain.



Advocacy interventions

Advocacy through TMEA-EABC partnership contributed to a reduction of backlog of trucks at key East African Borders of Busia, Malaba, Isebania, Rusumo, and Namanga, and promoted mutual recognition of COVID-19 health certificates thus eliminating the need for multiple tests across borders, and reducing time and costs of trading.



Gender Inclusion, Women in Trade and Safe Zones

- Safe Trade Zone Markets constructed in Busia, Kenya, Tog-Wajaale Somaliland and Ethiopia, and in Rwanda. Approx 1,000 women cross-border traders will benefit.
- 18,000 women cross-border traders benefited from capacity building and advocacy initiatives during the year.



2020/2021 HIGHLIGHTS



AUGUST 2020

Partnership signing with IGAD-GIZ-IOM- TMEA- UNICEF and UNOPS to mitigate the impact of COVID-19.



OCTOBER 2020

Ground-breaking event of the Gulu Logistics Hub graced by HE Yoweri Museveni.



NOVEMBER 2020

Government of Kenya and TMEA sign Kes. 1.31 Billion Financing Agreements to support infrastructure development.



JANUARY 2021

PPE Handover to Government of Somaliland to boost fight against COVID-19.



FEBRUARY 2021

Denmark-TMEA financial agreement signing to support green trade and the fight against COVID-19 in East Africa.

2020/2021 HIGHLIGHTS



MARCH 2021

Financial agreement worth €10.5 million between the Government of Finland and TMEA to support regional trade.



MAY 2021

Somaliland President HE. Muse Bihi and British Ambassador to Somalia and Somaliland, Kate Foster, launch the construction of Hargeisa Bypass.



JUNE 2021

TMEA supports sensitisation of Ethiopia and Kenya officials on one-stop control as the Moyale OSBP starts operations.



JULY 2021

Agence Française de Développement (AFD) and TMEA sign a €29.9 million grant agreement to support interventions in the Horn of Africa.



SEPTEMBER 2021

TMEA and AfCFTA Secretariat sign MoU committing to partner in unlocking Africa's trade potential.



3

FOCUS AREAS

CLIMATE CHANGE

PHYSICAL INFRASTRUCTURE

ENHANCED TRADE ENVIRONMENT

IMPROVED BUSINESS COMPETITIVENESS

EAC MEMBER STATES ADOPT GREENHOUSE GAS EMISSIONS ESTIMATION MODEL



The EAC Member States validated the 2018 baseline study report on March 9, 2021, and adopted a Greenhouse Gas (GHG) Inventory Tool and Methodology for the Northern Corridor Transit and Transport Coordination Authority (NCTTCA) and the Central Corridor Transit Transport Facilitation Agency (CCTTFA). The report will facilitate continuous monitoring and reporting on GHG emissions through the transport observatories and identification of proposed policy and project interventions to reduce GHG emission intensities for the two corridors.

The adoption of the model was timely in addressing climate change issues in the region given the entry into force of the African Continental Free Trade Area (AfCFTA) in January 2020, through which trade volumes are projected to rise, and consequently GHG emissions. The model will provide a credible source of information for the countries when preparing their international reporting or implementing their climate strategies and Nationally Determined Contributions (NDCs) under the Paris Agreement.

In response, TMEA developed a US\$210 million Green Transport and Logistics Corridors in Eastern Africa Strategy Framework that provides a roadmap for TMEA's green development over the next decade. TMEA has built partnerships with environment and transport authorities of Member States on GHG inventories that support the countries' NDCs aimed at climate investments and actions in the freight transport sector. This is in its efforts to promote a greener approach to enhancing trade in the Eastern Africa Region. The programme aims to reduce pollution and GHG emissions of freight transport, logistics and trade sectors by mainstreaming climate change mitigation and adaptation action to existing projects, and developing new interventions that promote green approach and low-carbon technology in growth and trade.

A BUSINESS CASE FOR SUPPORT

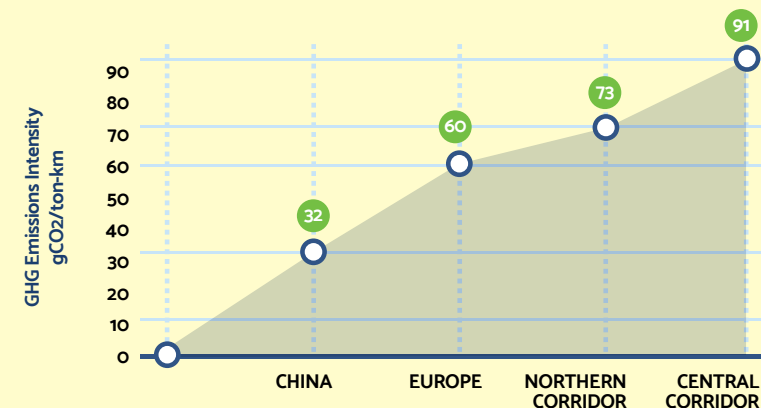
The methodology and tool for estimating GHG emissions along the corridors was developed following the United Nations Framework Convention on Climate Change (UNFCCC)/ Intergovernmental Panel on Climate Change (IPCC) guidelines for the freight transport sector, in collaboration with the Corridors Authorities, EAC Partner States, and other international organisations. It considered fuel consumption and previous works done, by factoring in the different truck categories, routes representing different countries, vehicle make, gross weight of the categories of trucks, fuel consumption when loaded and on empty trips, the average age of the vehicle, its average speed, and type of load. Additionally, as a quality check, a survey was conducted whose outcome on fuel efficiency of trucks was compared with figures from similar studies in the region.

The report found that total GHG emissions of the Northern Corridor are 1.72 MMtCO₂e (million metric tonnes of carbon dioxide equivalent) while that of the Central Corridor is 1.24 MMtCO₂e. This translates to GHG emissions intensities of 73 and 91 gCO₂/tonnes-KM (grammes of carbon dioxide per tonne-Kilometer) of cargo transported through the NCTTCA and CCTTFA respectively. Compared with the GHG emission intensities for similar transport corridors in Europe (60 gCO₂e/tonnes-KM) and China (32 gCO₂e/tonnes-KM), the GHG emission intensity for Northern Corridor is 2.3 times more than that of China and 1.22 times more than that of Europe, while for the Central Corridor is 2.84 times more than that of China and 1.52 times more than that of Europe.

Exports accounted for 14 percent of the total trade for both corridors, with 70 percent of trucks returning empty, thus constituting a significant portion of the estimated total GHG emissions of the return journey. The top 10 of 25 most GHG intensive routes in the Northern Corridor accounted for 86 percent of the total GHG emissions, while the top 5 of the 11 most GHG intensive routes in the Central Corridor accounted for 94 percent of the total GHG emissions. These routes are therefore prioritised where climate change mitigation actions can be identified and implemented for reducing GHG emissions in the corridors.

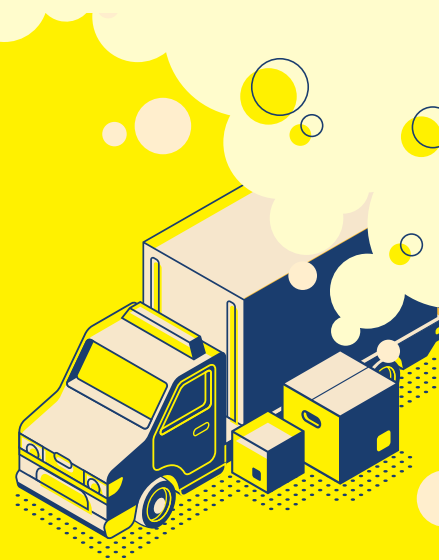
The report recommended a 20 percent reduction in GHG emission intensities by 2030, considering 2020 as the baseline for the Central Corridor, and a 15 percent reduction in GHG emission intensities by 2030 considering 2021 as the baseline for the Northern Corridor. Empty truck return trips in both corridors will need to be reduced through route optimisation, reverse logistics for efficiency, and cost-effectiveness and implementation of a truck aggregator model. Capacity building for truck drivers on eco-driving practices, shifting focus to fuel-efficient vehicles, implementing vehicle efficiency improvement projects, and promoting modal shifts is also greatly emphasised.

GHG Intensity of Road Freight Transport in Different Regions



If you would like to learn more about our planned work, please follow the following links:

- Corridors' GHG inventory final report inclusive of the validation workshop report: http://www.ttcanc.org/documents/GHG_Inventory_Report_for_the_Northern_and_Central_Corridors_ENGLISH.pdf
- Communication of Member States adoption of the Corridor GHG Emissions Estimation Model: http://www.ttcanc.org/documents/Northern_Corridor_DIGEST_Issue_No2_March2021.pdf



PHYSICAL INFRASTRUCTURE

PORTS



SAFE TRADE



ONE-STOP
BORDER POSTS



ROADS



INFRASTRUCTURE
FOR VALUE CHAINS



TMEA'S RESOLVE TO SUPPORT INFRASTRUCTURE DEVELOPMENT INTACT

The resolve of TradeMark East Africa (TMEA) to improve trade in the Eastern Africa region was evident at the peak of the COVID-19 pandemic throughout the 2020-2021 FY. Buffered by the Safe Trade Emergency Facility (Safe Trade), and a wealth of innovation, we maintained our infrastructure projects, making substantial progress in improving ports, One-Stop Border Posts (OSBPs), roads, and infrastructure for value chains across the Eastern Africa region.

Infrastructural works to increase transport capacity hence efficiency at Mombasa Port, progressed. Upgrade of Kipevu and Magongo Roads, both leading to the Port of Mombasa, will reduce congestion, thereby lowering the average travel time, and cost of transporting freight in and out of the Port. Improvement of the 1.2km stretch of Nyerere – Mbaraki Road will reduce congestion in the Mbaraki Terminal area and increase traffic flow due to quicker truck turnaround times expected to reduce from 8 days to 4 days. The roads are collaboratively constructed by TMEA, the Kenya National Highways Authority (KeNHA) and the Kenya Ports Authority (KPA); and the County Government of Mombasa respectively. They are funded by UKaid and Danida.

Plans to upgrade the Rubavu, Rusizi and Karongi-Nkora Ports in Rwanda, the Democratic Republic of Congo and Uganda respectively, progressed, with design works undertaken. In the Horn of Africa, we focused on improving the Berbera Corridor



through construction of Hargeisa Bypass, which progressed to 35 percent. The Bypass will decongest Somaliland Capital, Hargeisa, and reduce transportation time from the Port City of Berbera to Tog-Wajaale Border crossing with Ethiopia. To achieve efficient transportation, TMEA renewed its commitment to support regional governments to adopt modern transportation systems and improve key trade physical infrastructure, whose absence can cause excessive delays in trading resulting in high costs.

Abhishek Sharma, Snr. Director Infrastructure.

#SafeTrade 
#SafeBorders#SafeTrade

SAFE TRADE EMERGENCY FACILITY



Safe Trade Zones

Safe Trade Zones are trading areas constructed at high traffic business routes with architectural design that incorporate safety and hygienic measures and other COVID-19 health protocols. These enable formal and informal cross-border traders to carry on their business operations despite restrictions.

We provided technical support for the creation of Safe Trade Zones in the following border markets.

- Ongoing construction at Busia Safe Trade Market at Soko Posta, Kenya, on land allocated by the County Government of Busia. The market will accommodate 300 women traders.
- Construction of Tog-Wajaale Market, Somaliland, was completed and occupied by 200 traders.
- Construction of Tog-Wajaale Market, Ethiopia, was completed and occupied.





PORTS

Lake Kivu Ports, Rwanda

- Design for Rubavu Port was completed and construction started.
- Detailed design for Rusizi Port was ongoing.
- Design and preparation of tender documentation for Karongi-Nkora Ports was completed.



Rubavu shore protection works



Ntoroko Jetty landing slab

Ntoroko Lake Port, Uganda

Land for the construction of Ntoroko Lake Port was acquired and construction started.

Kalundu Port infrastructure upgrade, the Democratic Republic of Congo

Detailed design of Kalundu Port infrastructure upgrade was completed, and construction began.

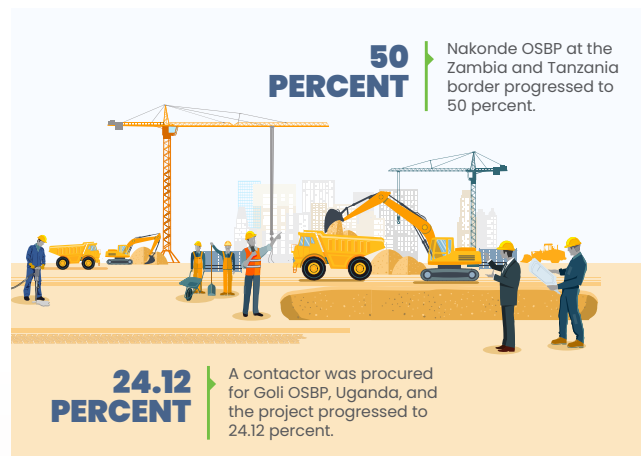


Kalundu Port



ONE-STOP BORDER POSTS

Since 2010, TMEA has overseen successful construction and operationalisation of 15 OSBPs which have delivered multiple benefits. These include facilitating faster movement of goods and persons across borders by combining activities of neighbouring countries at a single location, which reduces the number of stops in a cross-border transaction. Construction of physical infrastructure for One-Stop Border Posts and adoption of One-Stop Controls at five border crossing points across Eastern Africa progressed.



Progress was made in supporting the following OSBPs:

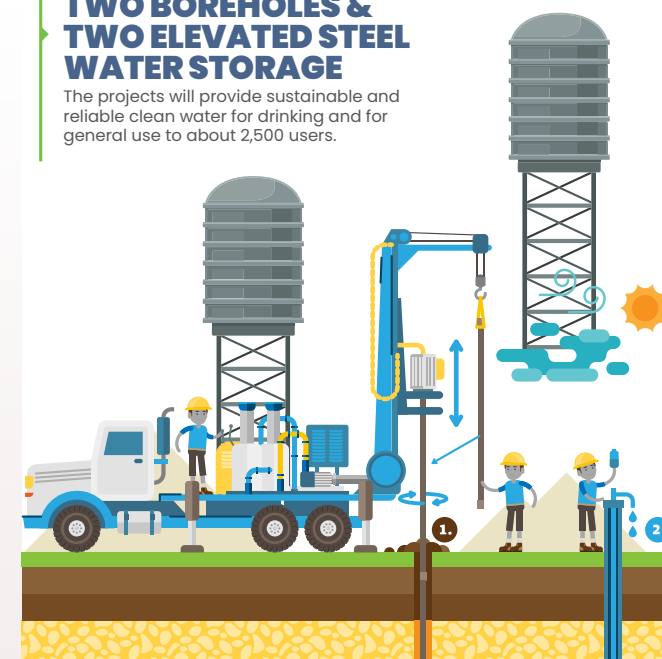
- Following the official launch of Moyale OSBP in December 2020, and operationalisation in June 2021, relevant officials of Kenya and Ethiopia are now jointly conducting exit and entry formalities.
- A contractor was procured for Goli OSBP, Uganda, and the project progressed to 24.12 percent. Meanwhile, the overall construction of Mahagi OSBP (DRC-Uganda Border) progressed at 25 percent.
- A design and supervision consultant was recruited, and a contractor engaged for construction on the Rwanda side of Rusizi II OSBP; while feasibility studies, design and tender documentation of the project, and procurement of a contractor for the DRC side, were completed.
- A detailed design of Nakonde OSBP at the Zambia and Tanzania Border progressed with

the procurement of a consultant and concept and preliminary designs on the Zambia side finalised.

- Two boreholes and two elevated steel water storage tanks, one each for the Kenya and Uganda side of Malaba OSBP; and rehabilitation of Malaba Border Post, on the Kenya side, progressed. The projects will provide sustainable and reliable clean water for drinking and for general use to about 2,500 users.

TWO BOREHOLES & TWO ELEVATED STEEL WATER STORAGE

The projects will provide sustainable and reliable clean water for drinking and for general use to about 2,500 users.





ROADS

Hargeisa Bypass

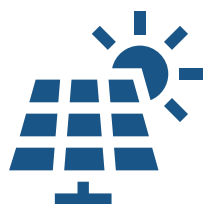
Physical project progress of the high-priority construction of Hargeisa Bypass, funded by UKaid, progressed to 35 percent, with a ground breaking ceremony in May 2021. The Bypass will decongest Somaliland Capital, Hargeisa, and reduce transportation time from Berbera to Tog-Wajaale, the border crossing with Ethiopia..



Roads at Mombasa Port, Kenya

- Funded by UKaid and the Kenya Ports Authority, the 1.2km Kipevu Road was completed and currently in use. The road will contribute to reduction by more than half in truck turnaround time from the respective Container Freight Stations (CFS) to the Port and back to the CFSs. Kipevu Road introduces an alternative multi-lane road within Mombasa West, and its expansion has ensured greater use of the additional entry points at the Port's critical gates. It is complemented by fully automated gate processes and streamlined controls and procedures for entry and exits, hence reducing the time trucks spend within the Port. Magongo Road, also funded by UKaid, progressed to 77.7 percent and is expected to be completed by mid-next financial year.

- Nyerere-Mbaraki Road works progressed to 46 percent and include improvement of the 1.2km road from murram to bitumen standard. Once complete, the road will reduce congestion in the Mbaraki area, which hosts oil terminals and container freight stations, increase traffic flows and reduce barriers to trade along the Northern Corridor and Mombasa County as a whole. The design of the road positions it to facilitate greener freight transport and specifically lower carbon intensity of local transport operations through quicker truck turnaround times, reduction in GreenHouse Gas (GHG) emissions within urban Mombasa and installation of sustainable solar powered street lighting. The road provides for accessibility by non- motorised vehicles (like handcarts and wheelchairs). It is funded by UKaid and Danida.



INFRASTRUCTURE FOR VALUE CHAINS

- A transaction advisory consultant was contracted to guide the commercial and financial close of Phase 1a of Kilifi Eco-Industrial Park and develop a bankable financial model to be used to, among others, provide accurate financial information to potential investors.



- The Kigali Wholesale Market for Fresh Produce project progressed to 25 percent, with completion of a detailed design. The market will help to streamline agro-logistics in Kigali.



- Gulu Logistics Hub achieved 80 percent overall progress with the construction phase nearing completion. The Hub is expected to improve capacity of transport infrastructure in Northern Uganda to serve markets in South Sudan and Eastern DRC. It is funded by EU and UKaid.
- Jijiga ICD Feasibility Study started; it will inform on the opportunities of setting up connecting logistics services (dry port or an internal container depot) in Ethiopia.



UK High Commissioner to Kenya, H.E Jane Marriott (left) TMEA Kenya Country Director Ahmed Farah (second left) TMEA CEO Frank Matsaert (Second right) and Mombasa County Governor H.E Ali Hassan Joho (right) during the ground breaking ceremony of Mbaraki-Nyere-re road in Mombasa. Story on page 62.

ENHANCED TRADE ENVIRONMENT

QUALITY
STANDARDS
& SPS



TMEA - EAC
PARTNERSHIP
PROGRAMME



ICT
FOR TRADE



TRADE
POLICY



2020–2021 EXPENDITURE

**US\$4.8 M**

DONORS

**UKaid, USAID,
The Netherlands**

RESILIENCE, SUSTAINABILITY & INCLUSIVITY STEERED TRADE RECOVERY

COVID-19 disrupted and defined the trade environment. It exposed fragile systems, reinforced or introduced new barriers to trade and necessitated introduction of health protocols and other mitigation measures that inhibited free flow of trade. Our key objective remained building partnerships anchored on resilience, sustainability and inclusivity. We shifted attention to supporting contactless trade, review of cross-border trade guidelines and strengthening standards harmonisation and conformity assessment processes and procedures that enhance the capacity on SPS governance frameworks that support food safety.

The pandemic exposed some of the weaknesses of non-peer reviewed and recognised conformity assessment frameworks. In response, TMEA supported activation of the existing but dormant EAC Peer Review Mechanism; in addition to developing common and shared frameworks for conformity assessment procedures and processes, which will contribute to a reduction in the many technical barriers to trade. Creating a trust infrastructure for conformity assessment will in the coming years change the standards regulatory environment, resulting in reduced compliance time and cost by up to 20 percent and 10 percent, respectively.

In supporting contactless trade transactions, we fast-tracked rollout of digital systems to accelerate paperless trade as follows:

- i) The new online tea trading platform at the Mombasa Tea Auction which eliminated the need for physical presence in tea bourse, thus increasing the speed of trade from 4.2 to 5.8 tea lots per minute;
- ii) Single Customs Territory (SCT) instruments that supported more paperless customs transit transactions at borders and ports, complemented by new administrative procedures;



- iii) Country and regional level interventions such as KRA's new customs system, iCMS, the Electronic Single Window System of Burundi Revenue Authority, the Regional Trade Logistics Information Pipeline (TLIP), and associated regional information sharing platforms.

Under the trade policy programming, we supported the EAC Secretariat to develop new administrative procedures to aid safer trade across borders. The procedures, coupled with the Regional Electronic Cargo and Driver Tracking System (RECDTS) enabled borders to operate more optimally to pre-pandemic times. Focusing on a post-pandemic economic recovery outlook, TMEA also backed completion of the EAC External Trade Policy within which is annexed the EAC Post-COVID-19 Economic Recovery Plan. As implementation of AfCFTA started, we supported the EAC in simplifying and building regional capacity on knowledge of AfCFTA Rules of Origin. This enabled EAC to meet one of the key milestones of AfCFTA.

Alban Odhiambo, Senior Director.



STANDARDS, QUALITY INFRASTRUCTURE (SQI), SANITARY AND PHYTOSANITARY (SPS) MEASURES

TMEA supported EAC Partner States to manage standards related constraints to movement and safety of traded goods, particularly in the context of COVID-19. For example, we aided the development of guidelines for the manufacture, use and disposal of personal protective equipment (PPE).

TMEA also helped to secure regional partnerships with Standards, Sanitary and PhytoSanitary authorities to support the development of new projects. Such included development of policies on food safety and animal health. For example,;

- We supported the Kenya National Codex Committee to generate background documents and positions on food standards in Africa.
- 72 harmonised standards were gazetted by the EAC Secretariat, enhancing the potential for regionally traded goods to access markets in the Region without being subjected to different sets of standards among Partner States.
- In early 2021, Kenya introduced several requirements for maize imported from the region to protect consumers from aflatoxin risk. This resulted in significant clearance delays at the borders, costing transporters

up to US\$300 per truck. In response, TMEA developed and delivered a training programme for commodity inspectors at the borders. This harmonised and

fast-tracked clearance procedures of traded crops and food commodities at the Kenyan borders.



RESOLVED TECHNICAL BARRIERS BOOST EAST AFRICAN FOOD AND COSMETICS TRADE



	PROJECT BUDGET US\$100,000
	PERIOD OF IMPLEMENTATION 2017–2021
	DEVELOPMENT OF THE TECHNICAL REGULATIONS FRAMEWORK FOR COSMETICS AND PACKAGED FOODS
	DONORS The Netherlands



East African food and cosmetics industry should expect a boost as a key non-tariff barrier to trade that has inhibited export of multi-million dollars worth of products is set to be resolved.

Currently, food and cosmetics products traded in the region are subjected to multiple requirements, including registration and licensing fees, levies and inconsistent conformity assessment and regulatory control processes by several regulatory institutions. This creates uncertainty for businesses, increases the cost of trading, reduces competitiveness, and impedes trade. According to EAC Trade and Investment Report (2018), formal intra-EAC trade is about 12 percent, which is low compared to other economic blocks such as Southern Africa Development Community (SADC) where intra-regional trade is about 46 percent, and European Union at about 67 percent.

One of the key barriers to intra-EAC trade is restrictive trade-policy measures and technical requirements such as multiple conformity assessments for the food and cosmetics industry in each of the EAC Partner States. While the goal is to enhance product safety and consumer health, the multiplicity in regulation and inconsistencies in the conformity assessment and regulatory controls across borders limits trade and has occasioned businesses abandoning export to some Partner States. To resolve this challenge, TMEA worked with the EAC Secretariat, National Standards Bodies, and other regulators in the foods and cosmetics sector to establish a framework that clearly outlines the principles, requirements, processes, and a coordination mechanism that ensures close collaboration among Partner States' regulatory and conformity assessment institutions in enhancing safety and free flow of food and cosmetics products across borders.

Upon establishment, with the support of the Principal Standards Officer at the EAC Secretariat, the East Africa Community Framework for Inter-Agency Control of Foods and Cosmetics to Facilitate Cross-border Trade (EAC Technical Regulations Framework) was approved by the Sectoral Committee on Trade, Industry, Finance and Investment (SCTIFI). Its approval paves way for regulatory cooperation in the EAC for cosmetics and packaged foods. The next steps to implement the framework include raising awareness and establishing implementation mechanisms. This milestone is anticipated to:

- Reduce the multiplicity of the agencies involved in safeguarding consumer health and safety in regionally traded foods and cosmetics;
- Reduce the cost of regulatory compliance for those commodities among private sector players;
- Ease access and reduce the time to access regional markets for foods and cosmetics in EAC.



TMEA-EAC PARTNERSHIP PROGRAMME (TEPP)



The EAC Secretariat is TMEA's most instrumental partner in contributing to the realisation of regional integration objectives. In the year under review, the following were achieved:

- **Single Customs Territory:** Development of the Single Customs Territory (SCT) information sharing platform, and its implementation strategy started, and a draft business process redesign with detailed business requirements developed. The SCT procedure manual, and M&E framework were also reviewed, updated and automated through the East African Monitoring System. The SCT will facilitate exchange of key documents and information among key government agencies involved in cargo clearance, thus easily leveraging on existing tools like Electronic Cargo Tracking Systems. To support the SCT, the EAC Customs Bond (EACCB) is under development to reduce the costs currently incurred from multiple



bonds generated from transiting through different countries. The sustainability strategy for the Regional Electronic Cargo Tracking System (RECTS) was developed and approved.

- **Infrastructure:** On easing transport along EAC Corridors, project information memorandum for the Burundi/Tanzania Multinational Road was finalised, while a detailed design of the Mugina/Manyovu One-Stop Border Post (OSBP), between Tanzania and Burundi, started. Further, the EAC transport/infrastructure database containing among others, the EAC Multi-Sectoral Multi-Modal Corridors Projects was developed to help stakeholders access project information easily. We also assessed the effects of COVID-19 on border operations and identified gaps that need attention for uptake by EAC Partner States.





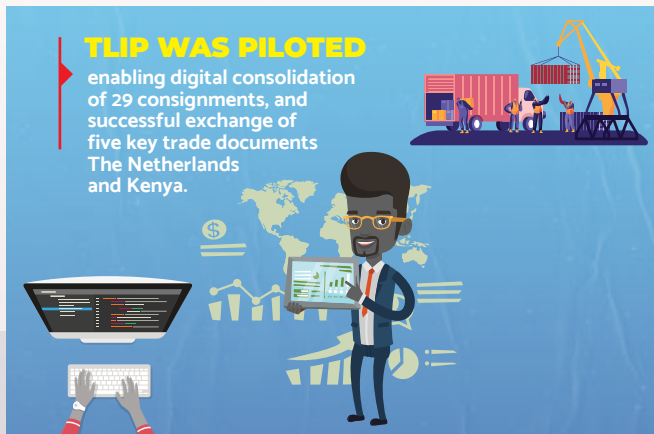
- **Video Conferencing:** The video conference facility, a previous initiative of TMEA, came in handy as COVID-19 triggered virtual meetings. A cumulative US\$4.4 million was saved from 42 meetings, including the East African Legislative Assembly, Council and Sectoral Council meetings. We undertook system and software upgrades to enhance security standards of the system.
- **Simplified Trade Regime:** Work on the EAC Simplified Trade Regime and the Rules of Origin started. Successful implementation will enable small-scale cross-border traders to do business across the region and ensure efficient and effective collection of revenue by relevant customs authorities.
- **AfCFTA:** Trading under the AfCFTA framework requires that citizens have access to and understand the AfCFTA Rules of Origin (RoO). For offtake by East African countries, TMEA supported EAC to undertake several initiatives including: development of the AfCFTA Rules of Origin simplified guide; training of 35 trainers to support knowledge transfer to public and private sector stakeholders; and training of 535 key actors and decision makers in the public and private sectors regarding potential benefits, opportunities and challenges presented by the RoO provisions.



INFORMATION COMMUNICATION TECHNOLOGY FOR TRADE (ICT4T)

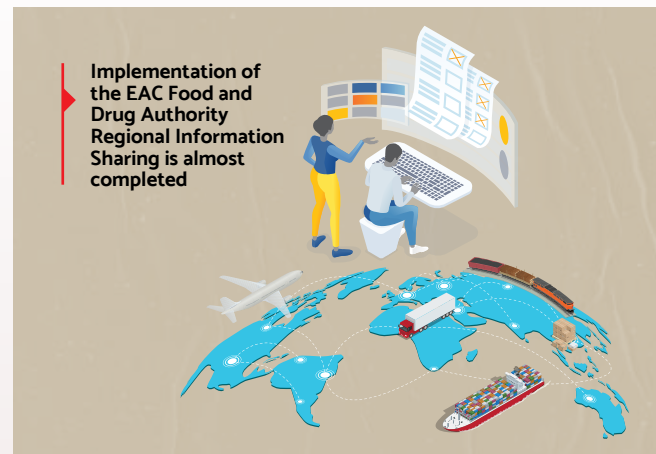
Trade Logistics Information Pipeline (TLIP) for the horticulture value chain was piloted. This enabled trade actors in Kenya and The Netherlands to digitally consolidate 29 consignments, and exchange five key trade documents generated through the Kenya Electronic Single Window. TLIP eliminates manual exchange of mandatory import and export trade documents, thus reducing transaction time and increasing transparency.

Development of an information sharing platform for sanitary and phytosanitary export and import commodities is ongoing, with the proof of concept for fish and agro-inputs trade lanes developed to facilitate

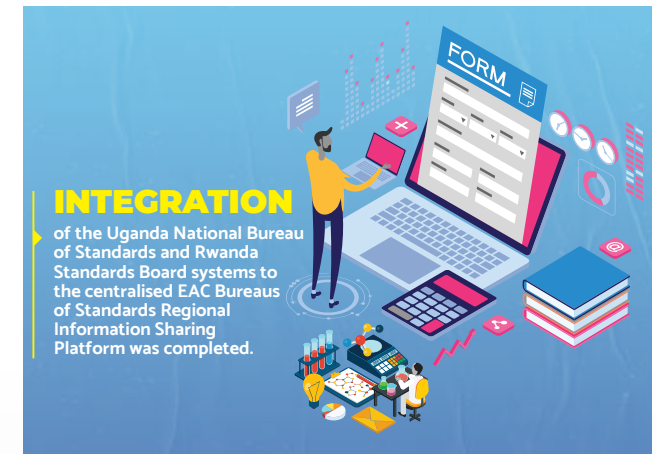


sharing of trade documents between Kenya and Uganda. The first phase integrates national level systems for SPS competent authorities, KEPHIS in Kenya and MAAIF in Uganda, and will progressively onboard others in the region, and other economic blocks that trade with the EAC.

Implementation of the EAC Food and Drug Authority Regional Information Sharing is almost complete with integrations to national level systems for Tanzania, Uganda, and Rwanda done. Integrations to national level systems for Burundi and Kenya is ongoing. Once completed, the integrations will facilitate instantaneous exchange of information related to joint medicines registration and good manufacturing practice inspection processes, between the agencies



Integration of the Uganda National Bureau of Standards and Rwanda Standards Board Systems to the centralised EAC Bureaus of Standards Regional Information Sharing Platform was completed, with integrations to Burundi, Kenya and Tanzania at an



advanced stage. The information platform converges data and information exchange, better equipping National Bureaus of Standards to share information on certified, banned and prohibited goods for decision making.

Regional Electronic Cargo and Driver Tracking System (RECDTS): Implemented as a safe trade response to border congestion, the RECDTS App was fully operationalised in Kenya, Rwanda and Uganda. The App facilitates sharing of EAC digital COVID-19 certificates from accredited national laboratories and government officials. By June 2021, over 250,000 digital COVID-19 certificates had been shared. Integration of the App to Burundi, DRC and South Sudan national systems are at advanced stages.



TRADE POLICY



25 NON-TARIFF BARRIERS RESOLVED

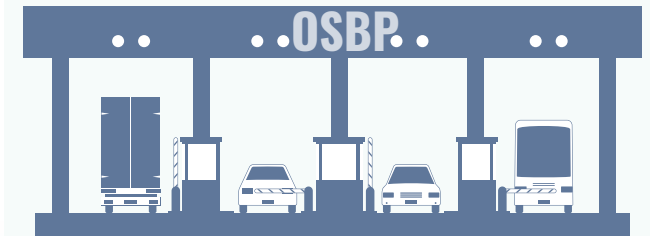
The EAC Time-Bound Programme on the Elimination of NTBs was updated.

Authorised Economic Operators (AEO): AEOs account for 20.5 percent of EAC Partner State revenue, and 14 percent of the total import and export trade volume. 16 Rwanda and Burundi companies joined the AEO Programme, raising the regional number to 136. AEOs receive preferential treatment from customs in clearance procedures due to their compliance, thus reducing the time and transactional costs related to imports and exports. Separately, automation of AEO processes started; while trade procedures in Kenya, Rwanda, Tanzania and Uganda were simplified, helping to reduce administrative cost burden by between US\$152 and US\$397.

OSBP: A study on Climate Change, Environment and Social Assessment of existing One-Stop Border Posts (OSBPs) was conducted to integrate adherence to environmental and social sustainability in future OSBP operations. As a result, a corresponding plan, and a Green Investment Plan were developed.



Green Investment Plan developed, and an OSBP Performance Measurement Tool under development.



Meanwhile, an OSBP Performance Measurement Tool that will compute border crossing time; infrastructure maintenance; coordination among government agencies, and with cross-border traders, among others, is under development.

Non-Tariff Barriers (NTBs): The EAC Time-Bound Programme on the Elimination of NTBs was updated with 25 resolved NTBs, among them, multiple police check points from Mombasa to Malaba; double registration by the Rwanda Food and Drugs Authority; and discrimination and denial of market access for Tanzanian salt exports to Burundi.

IMPROVED BUSINESS COMPETITIVENESS

EXPORT CAPABILITY

SAFE TRADE

WOMEN & TRADE

PUBLIC-PRIVATE
DIALOGUE



2020–2021 EXPENDITURE

**US\$4.94 M**

DONORS



**Denmark, EU,
Finland, Global
Affairs Canada,
Ireland,
The Netherlands,
UKaid, USAID**



EAST AFRICA'S BUSINESS COMPETITIVENESS BLOSSOMS

A United Nations Economic Commission for Africa (UNECA) and TradeMark East Africa (TMEA) impact of COVID-19 Report (2021) hailed the resilience of the East Africa Community (EAC) economies against the severe global economic and social repercussions of COVID-19.

Bolstered by the Safe Trade Emergency Facility (SafeTrade) Programme, TMEA's Business Competitiveness Programme achieved significant results within its focus areas of Public - Private Dialogue (PPD), Export Capability, and Women in Trade. Safe Trade was set up to help governments better respond to the impact of COVID-19 by addressing disruptions along trade corridors and critical supply chains. Part of Safe Trade initiatives was working with partners like East Africa Business Council (EABC) and Federation of East African Freight Forwarders Associations (FEAFFA), to monitor and provide timely reports of transport corridor performance. This supported governments to take actions that for example, reduced backlog of trucks at key East African borders.

With TMEA support, EABC submitted five policy briefs to the East Africa Community Secretariat (EAC) for adoption. These included the Inter-Agency Regulatory Framework to Facilitate Trade in Food and Cosmetics Products in the EAC Region, which was adopted. Others were the Kenya Breast Milk Substitute Regulations; and a policy brief on the requirement that Rwanda Food and Drugs Authority re-register food products originating from the EAC Partner States. These briefs aimed at enhancing mutual recognition of standards by the different EAC Partner States, to reduce the time and costs of doing business. The approval of the Regional E-commerce Ecosystem



Assessment, and the launch of several tourism promotion strategies, among other initiatives, enhanced the region's export capabilities.

We have noted the following trends in the region, which may point to a positive impact of TMEA's interventions over time. First, exports of most EAC Partner States had by the third quarter of 2020, surpassed their 2019 levels, indicating recovery from the COVID-19 crisis. Second, intra-EAC trade exhibited greater resilience than extra-EAC trade. Third, the imports of all the EAC Partner States recovered to pre-pandemic levels by the second half of 2020, after governments' lockdown restrictions were eased and a broader global trade recovery started to take place. Detailed achievements of the programme are outlined in the following pages.

Anataria Karimba, Programme Director



PUBLIC-PRIVATE DIALOGUE

Public Private Dialogue (PPD) provides a platform that contributes to creating an enabling environment for transport and logistics advancement, trade facilitation, efficiency of customs, harmonisation of standards, reduction of non-tariff barriers and enhanced export capability.

Complementary to PPD initiatives, US\$122,000 was allocated to EABC the regional apex private sector business organisation, to facilitate development of recovery mechanisms for businesses post-COVID-19.

US\$122,000

allocated to EABC to develop post pandemic recovery mechanisms.



EABC led in the resolution of seven non-tariff barrier-related conflicts. These included non-recognition of COVID-19 health certificates from Tanzania to Uganda at the Mutukula Border, which led to increased cost and delays in supply of critical products. For example, Mukwano Industries approximated increased costs of US\$300 per truck per day paid as detention charges.

Other resolved NTBs include divergent standards for timber products entering Kenya, at the Malaba Border, and conflicting Kenya/Uganda standards certification for petroleum jelly, at the Busia Border. The petroleum jelly stand-off led to clearance delays at the border for up to two weeks, increased operational costs to transport companies by up to US\$2,100 for seven days.

Working with partners, TMEA contributed to the achievement of the following policy related initiatives. i) The Open Skies Policy and the extension of freedoms which resulted in the resumption of air

transport operations in the EAC Region, and continuity in export business during COVID-19; ii) Amendment of the Kenya Finance Act, 2021, which abolishes 25 percent excise duty on glass bottles imported from the EAC Partner States, thus enhancing market access for the multi-million industry; and iii) Abolishment of 20 percent excise duty Uganda imposed on furniture from Kenya, leading to increased trade volumes and savings.

The success of the ongoing advocacy efforts on EAC Agreement on Avoidance of Double Taxation, and overhauling the existing EAC Common External Tariff (CET) from a three-band to a four-band tariff to safeguard EAC manufacturers against cheap imported products, will enhance trading environment.





EXPORT CAPABILITY



TMEA's plan to increase exports includes targeted investments in transport and logistics to enhance capability of operators; providing support to horticulture sector to attain global quality standards and access to markets through marketing campaigns and value addition; tourism development; and development of e-commerce ecosystems.

As COVID-19 brought East Africa's tourism sector to a standstill, we facilitated the relaunch of The East Africa Tourism Platform (EATP). EATP is spearheading lobbying and advocacy on harmonisation of travel protocols, recovery strategies and guidelines on reopening tourism services. This is in addition to reactivating the joint East African Regional Marketing

Committee with the marketing portal **www.visiteastafrica.net** published; and improving EAC's standards on hospitality establishment, grading and classification.

Export capability recorded the following additional results:

- The development and marketing of 19 tourism products.
- Completion and validation of the Kenya Cruise Tourism Strategy, the Religious Tourism Strategy for Rwanda and Uganda, respectively, and the Meetings, Incentives, Conferences and Exhibitions/ Events (MICE) Strategy for Tanzania.



WOMEN IN TRADE

To increase effective participation of women in trade, TMEA supported: research, advocacy and dialogue; strengthening of trade associations; and creating platforms that strengthen trade and information access.

Amid COVID-19 pandemic, Women in Trade Programme repurposed its interventions to respond to the emergency needs of women traders whose businesses were severely affected by the restrictions with losses of up to 90 percent. To facilitate economic recovery and build resilience, support focused on formalisation and collective market access as this would reduce the women's vulnerability to external shocks and increase sustainability.



18,000 women cross-border traders benefited from capacity building and advocacy initiatives during the year. The borders covered were LungaLunga, Mutukula, Busia, Isebania/Sirari, Elegu/Nimule, Malaba, Goli/Mahagi, Taveta/Holili, Kaya and Nadapal.

Access to information remains a key constraint to women's participation in trade. During the period, we made 80 percent progress in software development for the regional information platform. The platform will enable at least 20,000 women traders' access market and trade information in a timely manner.

We launched and disseminated the report, **The impact of COVID-19 on Women Cross-Border Traders in Eastern Africa**. The event drew high-level participation from policymakers in Kenya and Uganda who committed to supporting inclusive and gender-responsive strategies based on the report recommendations. Further, the report was presented at the WTO Aid for Trade stock-taking

event in March 2021, and has been a key resource in defining post-COVID-19 recovery strategies.

In a bid to enhance market access for women SMEs across the EAC, a profiling exercise was conducted to document the legal status, turnover, commodities traded, capacity needs and other key data related





to this segment. The profiling was completed for 547 women-owned businesses. Capacity building initiatives to address some of the needs identified will be rolled out in the next financial year.

Eastern African Sub-Regional Support Initiative for the Advancement of Women (EASSI) influenced five policy responses that improved the trading environment for women cross-border traders. These included a 50 percent reduction in COVID-19 screening costs, thus enabling women cross-border traders to re-engage in trade; increased representation in decision-making in seven joint-border commissions; a 80 percent reduction in health inspection fees (from US\$2.5 to US\$0.5) for traders dealing in highly perishable goods like fish; reallocation of 500 displaced women traders at Busia Border, to new trading spaces; and abolishment of an unlawful levy of approximately US\$3 on women cross-border traders at Nyalip Market, Mahagi.

With increased gender-based violence (GBV) and vulnerability of women traders due to loss of household incomes and increased use of informal routes and care burden for women traders, particularly during the COVID-19 pandemic, we rolled out women's rights campaigns and provided mechanisms to address GBV. Additionally, the project enhanced inclusivity by establishing a pilot cluster for 50 women traders with disabilities at the Busia Border to address their unique issues, advocating for their rights, trading collectively and rebuilding their income from trade.

Logistics

Through FEAFFA, The East Africa Customs Freight Forwarding Practicing Certificate (EACFFPC) Course was adopted at the East Africa regional level. Its adoption and uptake will contribute to improving the competencies of customs and freight forwarding agents, thus reducing import and export processing time delays related to human labour, and reducing transaction cost of doing trade.



#SafeTrade
#SafeBorders#SafeTrade

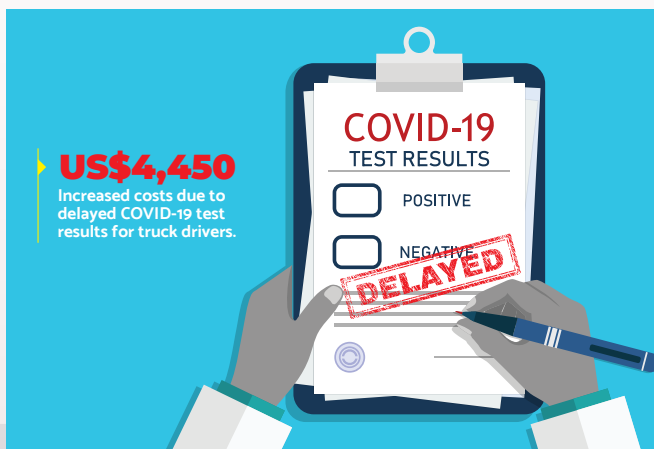


SAFE TRADE EMERGENCY FACILITY

Set up to address disruptions along trade corridors and critical supply chains during the COVID-19 pandemic, interventions under this project helped to maintain low costs and efficient time of doing business.

Some of the challenges that demanded policy advocacy were:

- Delayed COVID-19 test results for truck drivers by up to 48 hours, leading to increased costs by up to US\$4,450 per day.
- Non-implementation of the EAC COVID-19 standard operating procedures for truck drivers.



- Insufficient parking spaces for cargo trucks along the Northern Corridor, raising COVID-19 safety challenges.
- Border staff working for less than 24 hours, thus causing delays.
- Restrictions on movement of people at border posts like Isebania inconvenienced women cross-border traders operating under the Simplified Trade Regime.

Successes include:

- Advocacy by EABC to reduce a backlog of trucks at key East African Borders of Busia, Malaba, Isebania, Rusumo, and Namanga, and promoting

mutual recognition of COVID-19 health certificates thus eliminating the need for multiple tests across borders, and reducing time and costs of trading across borders.

- Salvaged time and cost due to faster testing and issuance of COVID-19 results.
- Kenya increased safety standards staff at its OSBPs.
- More parking spaces were to be built for cargo trucks near the EAC OSBPs, thus increasing safety of the cargo trucks and in turn reducing insurance premiums for the trucking companies.
- Operationalisation of Ministries of Health and World Health Organisation COVID-19 standard operating procedures, e.g., enabling small-scale cross-border traders, especially women, to continue trading.



KEPSA STARTS E-COMMERCE TRAINING FOR MSMEs



	PROJECT BUDGET US\$1.6 M
	PERIOD OF IMPLEMENTATION 2020–2021
	E-COMMERCE BOOSTER PROGRAMME
	DONORS EU & UKaid



The E-commerce Booster Programme implemented in partnership with the Kenya Private Sector Alliance (KEPSA), is an initiative under TMEA's Safe Trade Programme aimed at facilitating greater market access for Micro, Small and Medium Enterprises (MSMEs). COVID-19 amplified the need for quick adoption of E-commerce which is not only one of the key drivers of growth and innovation in the world today; but whose importance at a time when physical trade was minimised cannot be overstated.

With TMEA's support, KEPSA launched the KEPSA E-commerce Booster Programme to train and support MSMEs develop e-commerce strategies, onboard them to e-commerce platforms and link them to domestic and cross-border e-commerce marketplaces. This will help them increase and diversify revenue streams during

and post-COVID-19 period. The programme targeted 2,000 MSMEs. The following results were achieved:

- 2,545 MSMEs registered for the programme with 1,605 onboarding to various digital platforms.
- 16 Cohorts were trained over 64 sessions covering Introduction to e-commerce, Content creation and management, Digital Marketing, and Aftersales.
- 15 guest sessions were conducted with programme partners: Infosphere Ltd (Cyber Security), Ronalds LLP (Taxation), Ajua (Customer Engagement), Pesapal (E-payments), Adshop (Advertising), Jumia (Online Marketplace), Google through Africa 118 (Google Tools), DHL (Logistics).

Beneficiary Quote

"The KEPSA E-Commerce Booster Programme was central to my taking the leap to position my business online, thus reaching more customers. I applied the tips given at the training to register my company and standardise my products with Kenya Bureau of Standards in readiness to tap into regional markets. I learned to separate business expenditure from household expenditure, and subsequently opened different accounts, one through which clients can directly pay to the business. I opened facebook, twitter and instagram accounts and now venturing to create content for the platforms. I now understand personal branding and marketing. I now understand digital marketing and what I need to do to reach international markets."

Lilian Bitok, the founder of Acacia Woods Honey, Eldoret Town, Kenya.

3,500 SMALL BUSINESSES POSITIONED FOR MORE EXPORT

TMEA continues to support Small to Medium Enterprises across the Eastern African region improve their capacity to access export markets. A fruit bowl of interventions ranging from training in business skills, to providing linkages to finance and business to business connections, and provision of e-commerce platforms, has contributed to the success of the programme. It is noteworthy that while the initiative is contributing to building a network of competitive profitable businesses, that also these businesses are increasing their staff count, thus creating employment opportunities.

By August 2021, the interventions realised across EAC Partner States had impacted more than 3,500 SMEs. Regionally, the East Africa Women in Business Platform profiled 547 women-owned businesses to help them access markets across EAC. To complement this, development of an online platform, that will enhance online transactions for East Africa women traders, progressed to 88 percent completion, and is expected to be operational by June 2022.

The Programme provided technical assistance to Burundi Association of Quality Service to develop and implement manuals on the controls and management of sanitary and phytosanitary (SPS)

51 BURUNDI SMES

out of which 20 were women-owned, were trained on plant health, among others.



measures along Burundi's food supply chains. As a result, 51 Burundi SMEs out of which 20 were women-owned, were trained on plant, personnel and animal health; among others.

In Kenya, Partner Africa Consortium identified 36 SMEs with potential to export and onboarded them into the SME export programme where they'll receive technical assistance to export to regional and international markets. Through the project, six companies were linked to new local and export markets; and supported to access financing worth US\$285,000. The KEPSA E-Commerce Booster Programme registered and virtually trained 2,545 SMEs, with 1,605 onboarding various digital platforms.



Rwanda Development Board, jointly with Dalberg, and Karisimbi Business Partners, implemented the Export Development Programme to provide specialised business development services to Rwandan firms; link them to US\$3 million worth of exports, and US\$2 million worth of debt, equity or grant financing, by 2023. 42 firms, 25 percent of them female owned, and 15 percent of which are first time exporters, have joined the programme.

36 SMES

with potential to export onboarded into the SME export programme.



27 assessments were concluded, 3 firms linked to markets worth US\$500,000 in total, and debt and grant financing worth US\$615,000 received.

Tanzania Horticulture Association consistently works to increase firm level horticulture exports by certifying farmers and packhouses. In the 2020/2021 FY, new export routes were established, and 1,200 farmers trained on international market standards to improve compliance. Three of the groups with over 200 members received Global Good Agricultural Practice (GAP) certification. Accordingly, horticultural produce exports increased in 2020, when exports of other non-traditional products dwindled. Meanwhile, the Tanzania Women Chamber of Commerce facilitated training of 1,369 women traders on rules and regulations for trading in the EAC Region, to increase export by women SMEs. As a result, 40 women SMEs from various sectors were awarded and authorised to mentor other SMEs. Also, 400 women were trained on safe food protocol to improve safety in the food value chain.

Beneficiary Profile

Jessica Wudu, 46, is a widowed mother of five, living in Nimule, the border town between North of Uganda and South Sudan, where she operates a small business. She joined a TMEA supported programme managed by AMSCO. After training in business skills, Jessica secured a loan of SSPs300,000 (approx. US\$630) from the SACCO against her savings and expanded her product range to include manufactured goods. She says, “My daily sales have doubled to SSPs14,000 (US\$31.1) and I easily generate monthly sales income of SSPs140,000 – 280,000 (US\$311 – 600) since I work six days a week. The training gave me the courage to expand my business and dare to succeed.”





COUNTRY PROGRAMMES



BURUNDI PURSUES
DIGITISATION OF TRADE
PROCESSES AND ADVOCACY
FOR GROWTH



SERVICES SECTOR
BOLSTERS **RWANDA'S**
ECONOMIC RECOVERY



DRC EYES EXTRACTIVES
SECTOR FOR FUTURE
GROWTH



PEACE AND STABILITY KEY
FOR **SOUTH SUDAN'S**
ECONOMIC TURNAROUND



STRATEGIC RESPONSE TO
PANDEMIC DELIVERS FAST-
ER ECONOMIC REBOUND IN
KENYA



HUMANE MEASURES AFFORD
TANZANIA LOW INFLATION,
FISCAL DEFICIT



SAFE TRADE IN **MALAWI**
BOOSTS CONFIDENCE AND
BUSINESS CONTINUITY



UGANDA POSITIONS FOR
ECONOMIC GROWTH DESPITE
COVID-19 CHALLENGES

HORN OF AFRICA



ETHIOPIA ONBOARDS THE PRI-
VATE SECTOR FOR ECONOMIC
GROWTH



TMEA RESHAPING **HORN OF
AFRICA** FORTUNES

NEW FRONTIERS



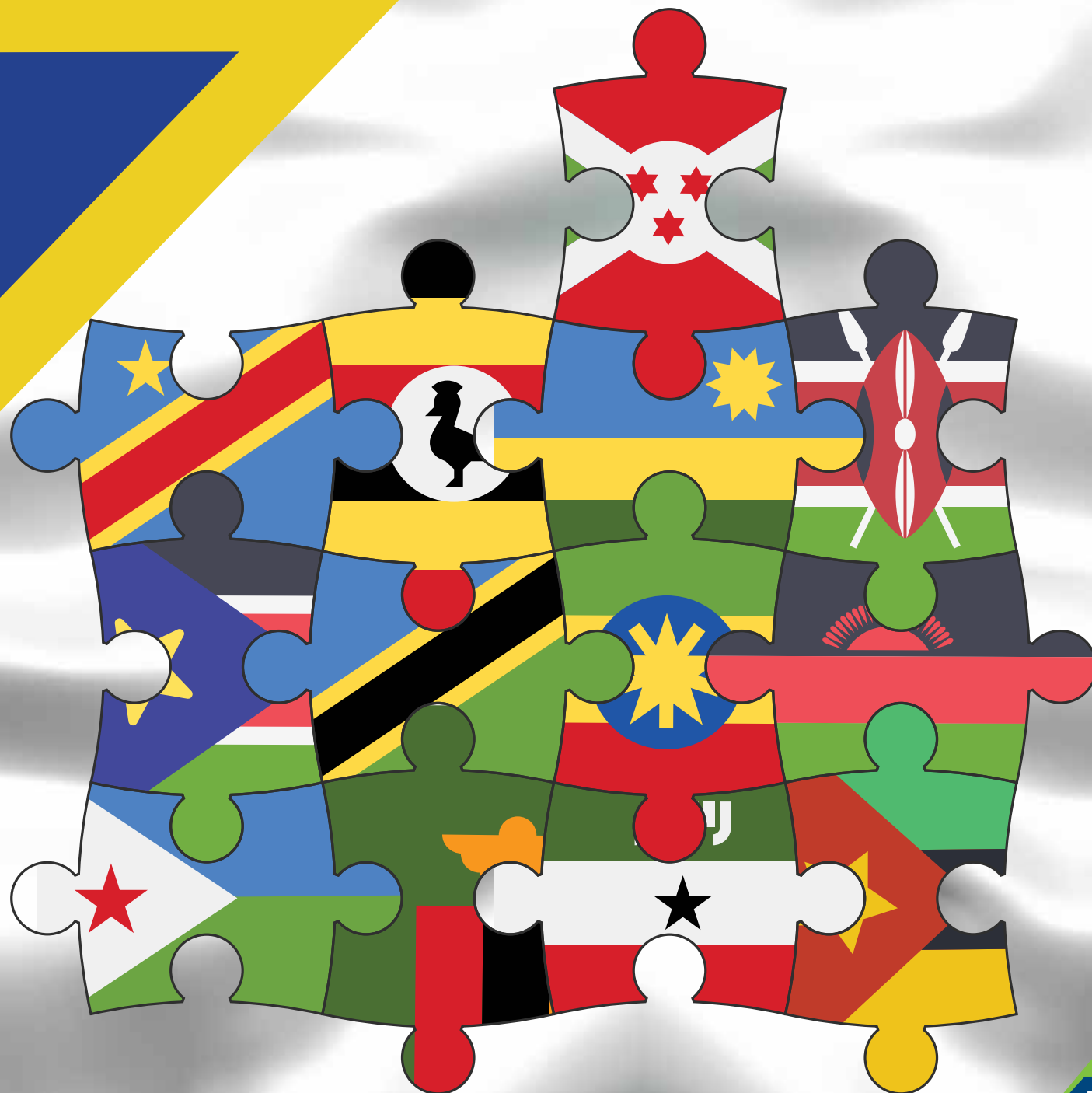
DJIBOUTI



MOZAMBIQUE

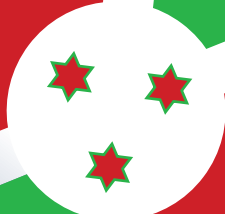


ZAMBIA





BURUNDI



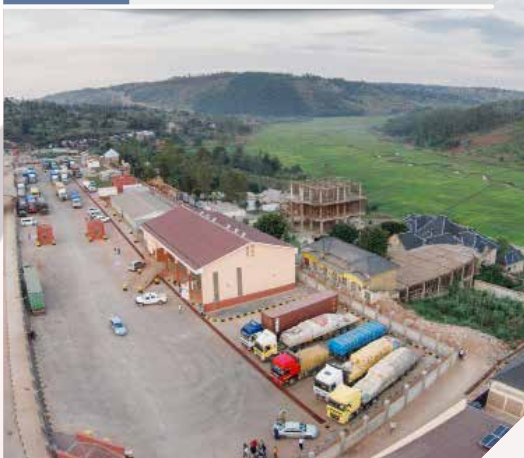
2020–2021 EXPENDITURE

**US\$1.22 M**

SUPPORTED PROJECTS

4

DONORS

**Belgium,
The Netherlands
& UKaid**

BURUNDI PURSUES DIGITISATION OF TRADE PROCESSES AND ADVOCACY FOR GROWTH

Burundi approaches its 60th anniversary of independence, next year, with a little more than hope for a better political and socio-economic future. The country has made some strides towards fostering internal “peace, security, stability and social cohesion”, as well as in restoring old, and building new diplomatic relations. Not only has Burundi made effort to firm up its relationships with fellow East African Community (EAC) Partner States, but it has also shown cordiality and goodwill to other countries, including South Africa, Ethiopia, Equatorial Guinea, Egypt, China, and the European Union (EU). These efforts augur well for the country’s policy priorities, particularly alleviating growth bottlenecks and supporting the private sector, and continuing to strengthen transparency and governance.

Upon ascending to power in June 2020, President Evariste Ndayishimiye, prioritised the fight against COVID-19 pandemic. The new government has committed to pursue its other priorities – revitalising the agricultural sector and increasing employment of youth. Indeed, agriculture is the main contributor to the country’s GDP, and its key export earner. Coffee constitutes 69 percent, and tea 26 percent of the country’s total exports.

In the year under review, TradeMark East Africa (TMEA) continued to aid Burundi’s efforts to harness regional value chains and strengthen linkages to international supply chains. Towards this end, completion of Burundi Revenue Authority’s (OBR) Electronic Single Windows (ESW) system enabled online processing of 100 percent of import permits from the Ministry of Health to importers of medicines. ESW is expected to lead to a 30 percent reduction of the average time taken to clear and transit goods in Burundi. Similarly, various trainings and market linkage initiatives boosted the potential of women in business. For instance, 325 women earned revenue worth



approximately US\$1,500 each from supplying 2.4 tonnes of palm nuts. Furthermore, capital savings of the trained women traders averaged US\$80, and their investment capital rose to US\$361.

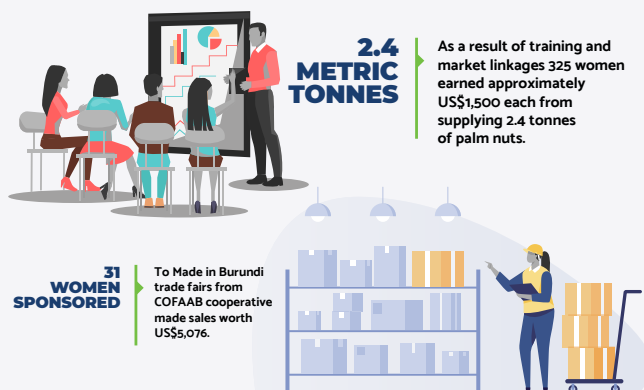
We recorded the impact of climate change in the Greater Imbo Region, where a rise in Lake Tanganyika waters affected the Rumonge and Gatumba areas, hence slowing down interventions for women traders. TMEA’s safeguarding protocols, coupled with close contact with key stakeholders, helped manage the interventions. This occurrence highlights the urgent need for continued climate change mainstreaming in our programming. We have therefore intensified fundraising to enhance our readiness to respond to similar future risks. Other project activities and emerging results are outlined in more detail in this report

Christian Nibasumba, Country Representative



EMERGING RESULTS

1. Burundi Revenue Authority's (OBR) Electronic Single Windows (ESW) system was operationalised, enabling online processing of 100 percent of import permits from the Ministry of Health to importers of medicines. The Ministry of Agriculture will use the system for import authorisation and issuance of phytosanitary certificates for exports. The system will lead to a 30 percent reduction in average time taken to clear and transit goods in Burundi.
2. As a result of training and market linkages 325 women earned approximately US\$1,500 each from supplying 2.4 tonnes of palm nuts, while 400 others were connected to UN-Women to produce and supply soaps. Furthermore, capital savings of trained women who trade in palm cream and palm fruit firewood substitute averaged US\$80, and their investment capital rose to US\$361. Thirty-one women sponsored to participate in Made in Burundi trade fairs from COFAAB cooperative made sales worth US\$5,076.



3. To enhance information access to women in trade, information desks at Gatumba, Rumonge, Mugina and Ruhwa Borders were operationalised. At the same time, 400 women traders were trained on association management, entrepreneurship, leadership, and credit management to help them expand their businesses.
4. In helping women formalise trade, report fraud and corruption and confront gender-based violence, Burundi Revenue Authority (OBR) undertook a media campaign reaching 500 women traders in Gatumba and Rumonge.
5. Empowerment through the advocacy activities supported resolution of a tax-related dispute regarding exportation of flat sheets to Tanzania. The Burundi Parliament passed a law on ratification of the African Continental Free Trade Area (AfCFTA) following an awareness workshop on the country's sub-regional and regional commitments on the trade regime.
6. Other achievements include training of 112 clearing agents on the East Africa Customs Freight Forwarders Practicing Certificate (EACFFPC). 460 traders in the provincial members of the Federal Chamber of Commerce and Industry of Burundi (CFCIB) were sensitised on the new taxation law. An average of 6 new partnerships were forged and 8 new jobs created by each participating company at the Burundi Association of Manufacturers and Industrial Trade Fair (Salon Industriel).

7. TMEA's Safe Trade Emergency Facility – a response to COVID 19 – enabled delivery of personal protective equipment (PPE) to Kobero/Kabanga, Mugina/Manyovu and Gatumba/Kavinvira Borders. The PPE reduced the risk of COVID-19 infection to front line border workers, hence enabling business continuity.
8. Other interventions that enabled business continuity included:
 - Training and registering 1000 Burundi transporters in the Regional Cargo and Driver Tracking System (RCDTS) that monitored the COVID-19 status of truck drivers crossing EAC Borders.
 - Creating a digital seed market where over 25 tonnes were purchased thus sustaining key food supply and the agricultural value chain. Around 110,700 households are reconnected to the digital market.
 - Coaching and training 51 small and medium sized enterprises involved in cereals, meat, dairy and fisheries on standards and phytosanitary measures applicable throughout the food supply chain.



Beneficiary quote

The training on taxation and cross-border trade procedures has changed our lives. We traded in the dark before, putting together all the money we received and unable to tell if we had made a profit or loss on our investment. Our practices are now improved as we learned how to record expenses. The training has also enabled us increase our capital.

**Marie Goreth
Ndayishimiye.**

CUSTOMS UPGRADE CUTS WAITING TIME BY 30%



	PROJECT BUDGET US\$1.3 M
	PERIOD OF IMPLEMENTATION 2019–2022
	OBR–CUSTOMS MODERNISATION
	DONORS The Netherlands



Last year, 100 percent of all drug import permits issued by Burundi's Ministry of Health were through the Electronic Single Window Module as part of the OBR Customs Modernisation process. This reduced the waiting period from one week to just under 24 hours in addition to promoting transparency. The process involves a major upgrade of Burundi Revenue Authority's ASYCUDA World platform.

Following the shift into digital licensing, 360 new users (OBR staff, health officials, importers and clearing agents) were integrated into the new system. OBR now has the capacity to conduct live business, with the system expected to reduce by 30 percent, the time taken to clear and transit goods through Burundi.

The Ministry of Agriculture introduced an additional module to enable online import authorisation and issuance of Sanitary and Phytosanitary (SPS) export certificates. It involved replacing the three forms filled manually with a single user-friendly one filled online. This reduces physical contact between customs officers and import and export traders, hence promoting transparency.

Beneficiary Quote



"This system is of great gain for our department. Previously we spent a lot of time, energy, and resources collecting and analysing data. Integrating a health module into the OBR System has reduced file processing time from five days to less than 24 hours. The analysis and processing of data is digitalised, which gives us easy access to information and in a timely manner."

*Salvator SINDAYIGAYA,
Director of Medicines, Autorite'
Burundaise de Regulation des Medica-
ments et des Aliments (ABREMA).*





**DEMOCRATIC REPUBLIC
OF CONGO**



2020–2021 EXPENDITURE

**US\$1.98 M**

SUPPORTED PROJECTS

5

DONORS

**EU, UKaid,
The Netherlands**

DRC EYES EXTRACTIVES SECTOR FOR FUTURE GROWTH

The African Development Bank projects a favourable economic outlook for the Democratic Republic of Congo (DRC) for 2021 and 2022 if the COVID-19 pandemic is brought under control and global demand for exports recovers. DRC is among countries with the least COVID-19 testing and vaccine uptake rates, due to rampant myths surrounding the disease. This combined with insecurity in Eastern DRC made implementation of programmes particularly challenging.

DRC's real GDP is expected to grow by 3.3 percent in 2021 and 4.5 percent in 2022, driven by higher prices for minerals such as copper, and recovery in both consumption and investment. A recovery in the extractive sector will boost the country's export earnings as DRC is Africa's largest producer of copper and the world's largest producer of cobalt.

DRC is slated to become the seventh member of the East African Community (EAC). This follows completion of its verification process, earlier in 2021. Eastern DRC trades with most EAC Partner States, in addition to utilising the Dar es Salaam and Mombasa Ports for its international trade.

We strengthened our partnership with government ministries and agencies related to trade to improve trade infrastructure and trade systems and processes in efforts to remove infrastructure bottlenecks that hinder economic development. On the other hand, partnerships with local businesses and communities led to establishment of market linkage initiatives whose components at the back end involved diversification of exports.

Benefits of reduced clearance time and costs between DRC and Rwanda draw near as plans to upgrade infrastructure around Ruzizi II One-Stop Border Post (OSBP) progressed with the site plan, and Environmental and Social Impact Assessment Plan approved. The upgrade includes adding about 8,500 square metres of land to be curved off an inhabited adjacent hill. A.



resettlement action plan for the current occupants was developed. Part of the support involved rolling out regional Safe Trade Emergency Facility (Safe Trade) to manage effects of COVID-19 and ensure continuation of safe trade. In this regard, we sensitised and distributed Personal Protective Equipment (PPE) to border agencies in Goma and Bukavu.

Users of Kalundu Port have reported benefits from improvement works that were completed in 2018. Dredging of Lake Tanganyika and Rivers Ruzizi and Kamongola, and planting trees to reduce erosion into the Port has helped to reduce ship offloading time by 50 percent. Before dredging, 1,500 tonnes of goods took 15 days to unload. The same load now takes seven days. Furthermore, ships carrying up to 4,000 tonnes of load can now enter the Port, up from 800 tonnes. Such outcomes help to persuade beneficiaries that greater impacts await them in the future.

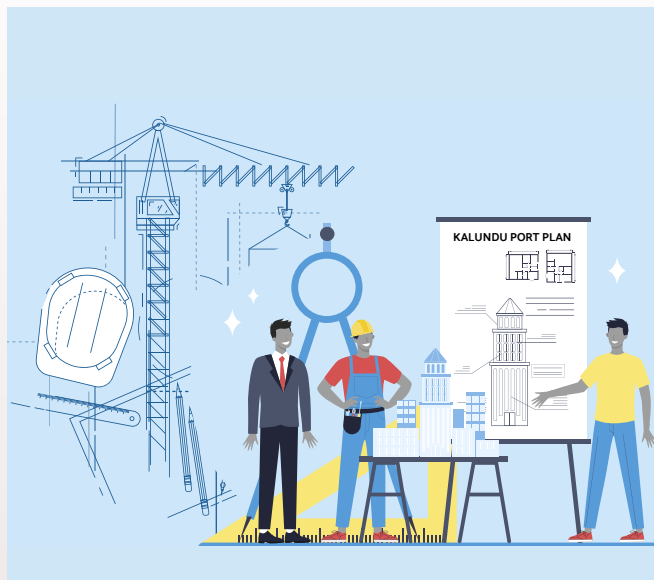
Aime Nzoyihera, Country Director



EMERGING RESULTS



1. The site plan and an environmental and social impact assessment plan for upgrading Ruzizi II OSBP were approved, while a local community resettlement action plan awaits approval. The upgrade involves addition of about 8,500 square metres of land curved off an inhabited adjacent hill.
2. Detailed architectural designs for the upgrade of Kalundu Port, which involves construction of an administration building, dispensary, toilets, a fence, a gate and a transformer shed, a fence, construction of two new warehouses and rehabilitation of two others, and electrical installations, were approved.
3. UNCTAD's efforts to extend ASYCUDA World Customs Management System to border posts in Eastern DRC progressed with the development of the risk management system, interfaces for mobile devices and electronic payment note. The interventions enhance transparency in procedures and reduce border crossing time and costs.



4. Construction works at Mahagi OSBP, one of DRC's busiest border crossings, progressed to 50 percent.

MAHAGI OSBP TO INCREASE DRC'S TRADE LINKS



PROJECT BUDGET

US\$4.2 M



PERIOD OF IMPLEMENTATION

2020–2023



MAHAGI ONE-STOP
BORDER POST



DONORS

**The Netherlands,
UKaid**



Mahagi is a busy border crossing between the Democratic Republic of Congo (DRC) and Uganda. The border point serves the adjacent communities of Mahagi and Bunia in DRC and Arua in Uganda, linking to the larger East African region through the Northern Corridor that connects the Port of Mombasa and Kisangani region.

Trade between DRC and the East African region is estimated at US\$650 million. A significant portion of this trade flows through Mahagi Border. For years, this border has lacked modern infrastructure and trade-supportive facilities such as warehouses, parking yards, access roads and administration buildings, resulting in lengthy and costly delays for goods and human traffic. Some of these challenges will be solved by construction and operationalisation of Mahagi One-Stop Border Post (OSBP). In addition to improving trade flows by reducing clearance time and costs for cargo, a functional OSBP holds promise for more inclusion of informal women cross-border traders.

Through a contribution of US\$3 million from the Government of The Netherlands, and US\$1.2 million from UKaid's Foreign and Commonwealth Development Office, Mahagi OSBP is now 50 percent complete.



KENYA





2020–2021 EXPENDITURE

US\$20.2 M

SUPPORTED PROJECTS

33

DONORS

**Canada, Denmark,
EU, Ireland,
The Netherlands,
UKaid, USAID**



STRATEGIC RESPONSE TO PANDEMIC DELIVERS FASTER ECONOMIC REBOUND

As COVID-19 ravaged the world, compromising human health and socio-economics of societies, the Government of Kenya established a multi-sectoral national coordination committee, with representatives from Public and Private sector, and a mandate to respond and create a recovery plan beyond COVID-19. The committee developed a Rapid Economic Stimulus Programme, and the Post-COVID-19 Economic Recovery Strategy, which have, among others, helped sustain the country's vision of job creation, better income and poverty elimination, and Industrialisation.

By the third quarter of 2020, Kenya had recorded a partial economic recovery. The economy is projected to grow by 4.5 percent in 2021, and 5.0 percent in 2022 to 2023, supported by moderate recovery of the service sector, increased agricultural production and trade.

TMEA- Kenya supported the Government in its fight against COVID-19 through the Safe Trade Emergency Facility (Safe Trade), which recorded major milestones in testing and provision of Personal Protective Equipment, vaccination campaigns, ICT solutions and construction of Safe Trade Zones.

Automating the services of key government trade agencies demonstrated how technology helps create resilient trading systems that can withstand shocks. For example, the Integrated Tea Trading System (iTTS) at the Mombasa Tea Auction aided uninterrupted trading of tea as the physical bourse closed. Kenya Revenue Authority's, integrated Customs Management System (iCMS) enabled faster clearance processes for businesses thus enhancing revenue collection at ports of entry. iCMS integrates and harmonises customs processes into one system, consequently enhancing efficacy in customs and



border control operations and reducing cargo clearance time by at least 60 percent.

Reducing cargo clearance time at the Port of Mombasa received a boost through construction of roads, establishment of Service Level Agreements between

port agencies, and improvement of systems. The construction of Kipevu Road was completed; while dualling of Magongo Road is at 78 percent; and rehabilitation of Mbaraki Road progressed to 33 percent completion. Other achievements include the launch of Moyale One-Stop Border Post (OSBP) in December 2020 and its operationalisation in June 2021. The OSBP is an important link between Kenya and Ethiopia and is expected to spur cross-border trade between the two countries.

We worked with the Government of Kenya to develop its African Continental Free Trade Area (AfCFTA) Strategy, and a draft road map for enhancing the competitiveness of Kenyan firms. This will guide the country's engagement in intra-Africa trade.

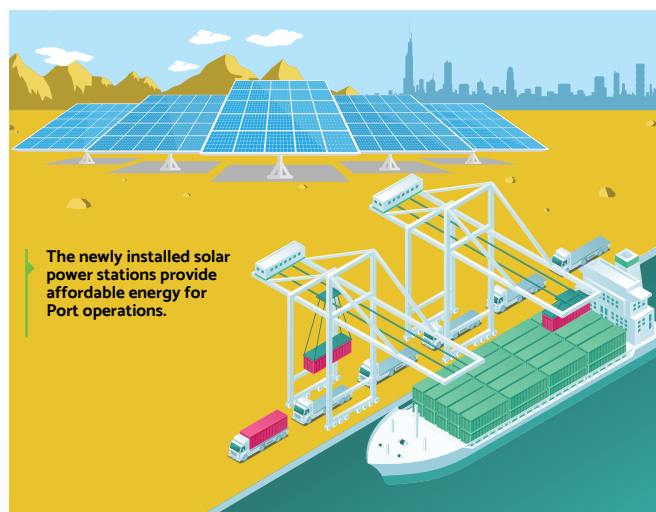
I invite you to read the report for detailed coverage of the programme during the year. Welcome!

Ahmed Farah, Country Director



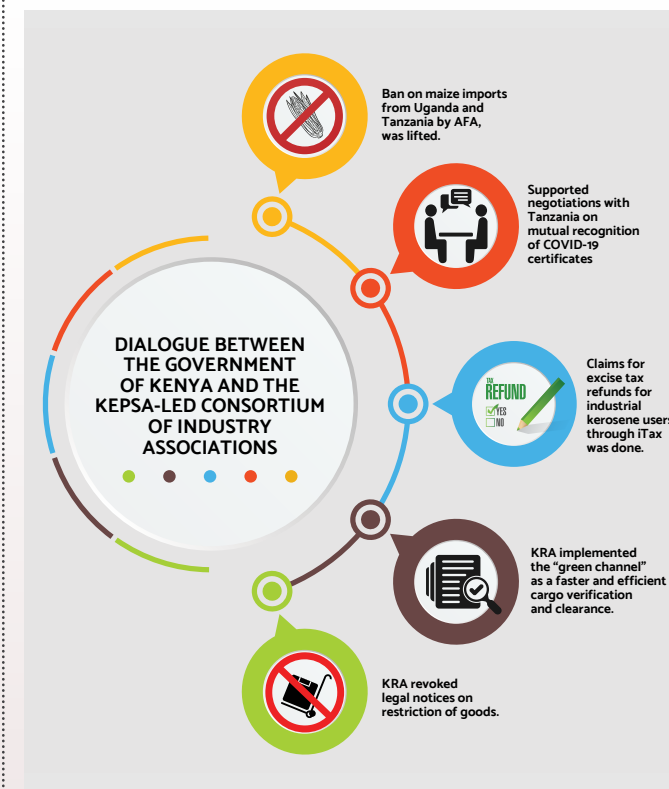
EMERGING RESULTS

1. Data from the Northern Corridor Transport Observatory (NCTO) shows that the implementation of the Mombasa Port and Northern Corridor Community Charter (MPNCCC or the Charter) has contributed to reduction of dwell times from about 91.2 hours in June 2019 to 83.9 hours in March 2021, and improvement of berth productivity from around 34.8 moves per ship per hour in June 2019 to 38.9 moves in March 2021. To ensure stakeholder access, the Charter website (<https://mpnccc.net>) and multi-media campaigns targeting key stakeholders was undertaken. MPNCCC creates a framework for engagement between the many stakeholders involved in the Northern Corridor to deal with emerging barriers along the corridor.
2. Women aggregators collected 46 metric tonnes of assorted produce sourced from 454 female producers across different value chains. Six SMEs have accessed new local and export markets, and raised a total of US\$285,000 in addition to debt funding from funders such as, Kenya Catalytic Fund (KCF), Kenya Climate Innovation Centre (KCIC) and Solidaridad.



3. Kenya Ports Authority signed Service Level Agreements and Standard Operating Procedures with Kenya Bureau of Standards (KEBS), that will guide streamlining of Port operations and improve productivity.
4. Environmental, health and safety management systems at Mombasa Port were developed. Newly installed solar power stations provide affordable energy for Port operations; and training of senior management enhanced accountability, on environmental risk management and compliance with environmental regulations.
5. Construction of key link roads continued. Kipevu Road was completed, Magongo Road is at 78 percent and Mbaraki Road is at 33 percent. Combined, the three roads will contribute to reducing the entry and exit time at the Port of Mombasa.
6. Products certified by KEBS can be sold locally and within EAC. To help businesses access certification, KEBS setup satellite laboratories in Garissa, Meru and Moyale. Installation of equipment has reduced time taken for aflatoxin tests for grains from 1-2 weeks to 1-2 days.

7. Public Private Sector Dialogue between the Government of Kenya and the KEPSA-led consortium of industry associations resolved several tariff and non-tariff barriers to trade. These include;
 - In May 2021, Agriculture and Food Authority (AFA) lifted its ban on maize imports from Uganda and Tanzania.
 - Tanzania and Kenya agreed on mutual recognition of COVID-19 certificates which reduced congestion at border points.
 - Excise tax refunds for industrial kerosene users could be processed through iTax after system issues were resolved.



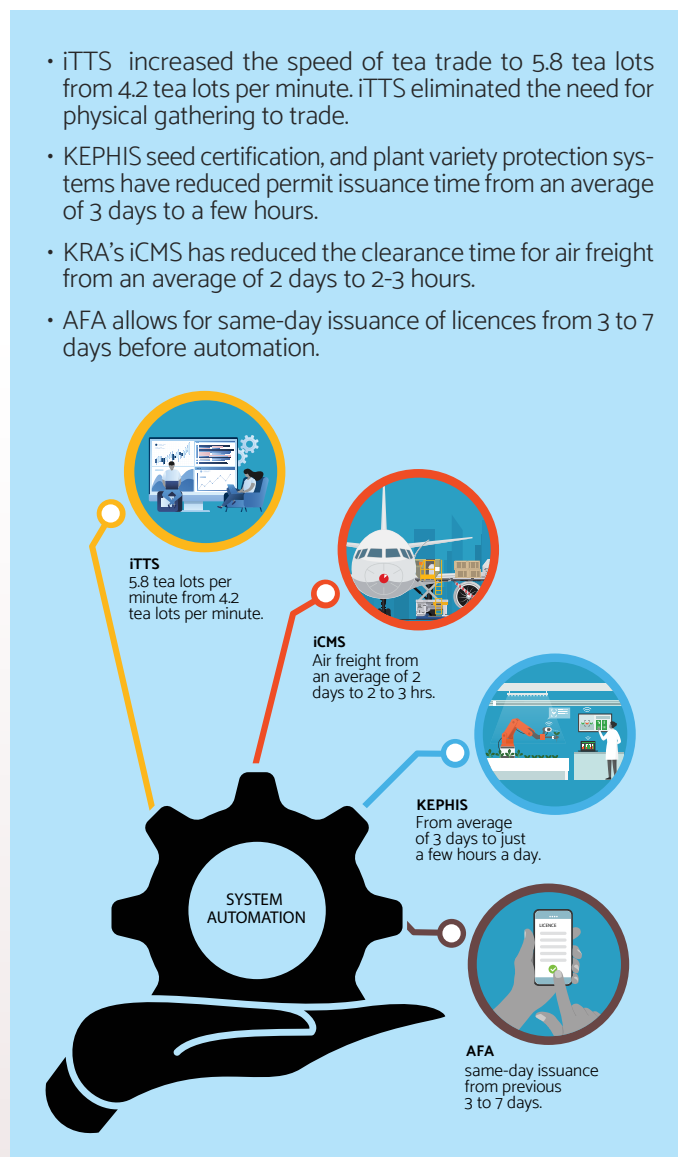
**46
METRIC
TONNES**

of assorted produce sourced from 454 female producers across different value chains for the year ending June 2021.



- KRA implemented the “green channel” as a faster and efficient cargo verification and clearance process for perishable products.
8. TMEA supported 59 companies to renew export certification, consequently providing access to markets for more than 1000 farmers.
 9. A consortium of fresh produce exporters successfully advocated for rehabilitation of the Moi South Lake Road which serves the Naivasha horticulture cluster. The Naivasha cluster produces the bulk of cut flowers (65 to 70 percent) and about 20 percent of the fresh vegetables exported by Kenya.
 10. We supported the following trade agencies to automate their processes and systems with increased use indicating a reduction in time and costs of trade. Mombasa Tea Trade Integrated Tea Trading System (iTTS), Kenya Plant Health Inspectorate Service (KEPHIS) and Agriculture Food Authority (AFA), Kenya National Chamber of Commerce (KNCCI) Pharmacy and Poisons Board (PPB), Anti Counterfeit Authority (ACA), Maritime Single Window and Kenya Revenue Authority's integrated Customs Management System (iCMS).

Some of the emerging results are summarised in the graphic below:



GENDER & INCLUSION

Benefits from TMEA investments are equally accessible to women and men. For example, the farmer groups benefiting from training and export opportunities in the horticulture sector have a good representation of men and women.

The roads that are funded by TMEA are designed in an inclusive manner to accommodate multiple users, including human traffic as well as other non-motorised traffic.

To complement policy interventions TMEA has designed targeted programmes such as the Women in Trade Project which supports women entrepreneurs to access information, finance and local and international markets. Deliberate effort is taken for women's involvement in policy consultations through multi-stakeholder or women only forums.

For example, consultations with women traders on Safe Trade interventions. Safe Trade Project will benefit a significant number of women through the construction of markets at Busia Border and through cash transfers to women cross-border traders.



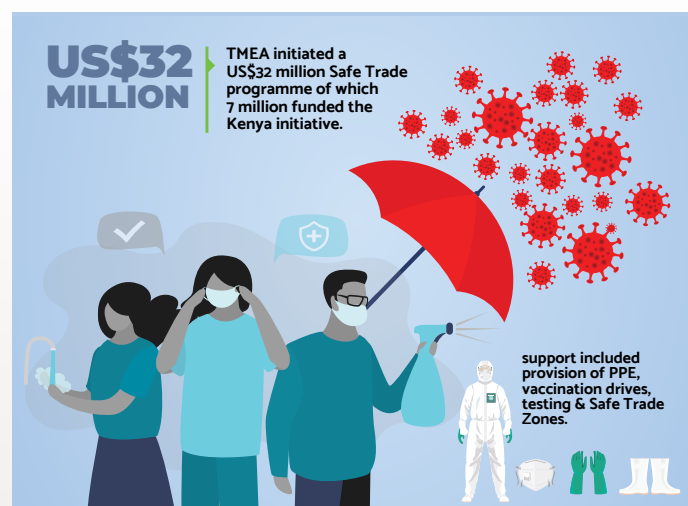
SAFE TRADE CUSHIONS THOUSANDS FROM COVID-19 DISRUPTION

#SafeTrade 
#SafeBorders#SafeTrade

	PROJECT BUDGET US\$7 M
	PERIOD OF IMPLEMENTATION JUN 2020 – DEC 2021
	SAFE TRADE EMERGENCY FACILITY – KENYA COUNTRY PROGRAMME
	DONORS Denmark, EU, Ireland, UKaid

TMEA initiated a US\$32 million Safe Trade project to support Eastern Africa Governments in implementation of containment measures against COVID-19 to save lives and built resilience of local economies. Approach in Kenya included; provision of PPEs, vaccines, vaccination campaigns, Safe Trade Zones and a truck drivers' tracking app.

- Personal Protective Equipment (PPE) worth US\$772,000 were distributed to 5,000 frontline trade workers at the Port of Mombasa; at Busia, Malaba, Isebania and Namanga Border Posts where cross-border traders also benefitted; and at the Nairobi Inland Container Depot (ICD). This helped to keep infection rates low and enabled continuity of cross-border trade.



- Provided the Ministry of Health with PCR lab equipment, consumables and reagents to enhance its COVID-19 testing capabilities and track the spread of the disease.
- In partnership with the East Africa Community, the Regional Electronic Cargo and Driver Tracking System (RECDTS) was

rolled out, enabling aided issuance of mutually recognised EAC-COVID-19 Health Certificates. This cleared a historic cargo truck congestion at the borders and enabled faster evacuation of cargo. More than 96,000 drivers (50,000 Kenyans) have since been registered in RECDTS, 70 per cent of who have received a COVID-19 certificate on the mobile phone based application.

- To sustain operations in line with the COVID-19 health protocols, 1,131 farmers were trained on compliance with food safety standards; while in partnership with KEPSA, 1,605 out of 2,545 SMEs trained on digital strategies, were onboarded onto e-commerce platforms such as Jumia, DHL Express and Google, which enabled them to continue trading despite the lockdowns.
- Once completed, the Safe Trade Zone Market at Busia (Soko Posta) worth US\$350,000 will provide space for 300 women traders to continue business while observing COVID-19 protocols.
- 1,200 households benefited from TMEA and Financial Sector Deepening Kenya (FSD-K) cash transfer programme. 900 women traders received startup capital after a UNECA and TMEA report established that many lost over 90 per cent of their incomes and capital due to COVID-19.





Beneficiary Quote

“We thank the EU and TMEA for Busia Soko Posta Market which will address numerous challenges Kasarani women traders have been facing, including operating in the open despite the harsh weather conditions.”

Judith Maketso,

Busia County Executive Committee Member for Trade, Investments, Cooperatives and Industry.

“Support by TMEA for the purchase of lab equipment under the Safe Trade Programme will target the efficiency in testing services, hence enabling quality control monitoring, resulting in a wider market for the local industry. This is key to improving of our business competitiveness to achieve the SDGs.”

Bernard Njiraini,

Managing Director, KEBS.

MOMBASA PORT IMPROVES CLIMATE ADAPTABILITY: PORT USERS GAIN MOST



	PROJECT BUDGET US\$36 M
	PERIOD OF IMPLEMENTATION 2016–2021
	GREENING THE PORT OF MOMBASA
	DONORS UKaid

One of the greatest expected outcomes of implementing the Green Ports Policy at Mombasa Port is improved health of Port workers and reduced GreenHouse Gas emission. This follows major environmental initiatives, including among others, increased tree planting, improved waste management and replacing Asbestos roofing materials with galvanised roofing sheets at the Port's workshops, adoption of solar power, mechanisation of processes with dust reducing equipment. "We have recorded fewer sicknesses and less absenteeism since implementation of the Green Port Policy," the Head of Conventional Cargo Operations at Kenya Ports Authority (KPA), Paul Bor, says.

The Green Port Policy and an associated implementation plan was developed to support transformation of the Port into a modern and competitive regional hub. Full implementation of the Policy will help reduce operational costs for KPA and Port users, minimise accidents, and improve labour productivity, health and safety of the workforce, and enhance environmental quality for the port and its surroundings.

The Policy was developed following recommendations of a 2012-2016 KPA and TMEA Study of Mombasa Port Programme. The study assessed the impact of Port operations on local communities; GreenHouse Gas (GHG) emission; air, water and soil quality; noise and sound by vessels; smoke emitted by ships; waste management; oil spill; marine pollution; energy consumption and utilisation; natural resources, wildlife and marine conservation. It concluded and recommended as follows:

- Immediate and urgent environmental pollution problems caused by Mombasa Port operations be immediately addressed to minimise and limit the harm caused to the health of Port workers and the surrounding community.
- Compared to major world-class ports, Mombasa Port produces high concentrations of GHG from ships using



"We have recorded fewer sicknesses and less absenteeism since implementation of the Green Port Policy," the Head of Conventional Cargo Operations at KPA, Paul Bor, says.



- heavier fuel and running their generators while docked, and older, polluting vehicles that access the Port.
- Noticeable degradation of the bio-diversity systems caused by Port operations, which if not reversed, may cause significant economic and environmental harm to the natural resources around the Port.
- KPA's lack of an environmental audit or environmental management system, and organisational capability to apply and conform to international conventions and regulations for environmental protection, to which it is a signatory.

Emerging Results

- Four eco-hoppers and two mobile harbour cranes were acquired to improve the discharge of dirty cargo, like clinker, coal and fluorspar. This has improved Port productivity, e.g., the eco-hoppers and mobile harbour cranes have helped reduce the time for offloading clinker ship from 11 days to 5.5 days while reducing dust.
- Replacement of asbestos roofing materials with galvanised roofing sheets in KPA workshops, and installation of solar and water tank for rain-water harvesting, is complete. This has led to improved health of Port workers through protection from carcinogenic asbestos dust and dust from clinker.
- Tree planting and forestry is complete. It is aimed at environmental sustainability, creating a safe and healthy working environment, and establishing a tree stock that will serve as a carbon

sinker for the high GHG emissions from Port operations.

- Solar power installation (350Kw) at Kapenguria Phase II was completed and commissioned, leading to the generation of 760kW solar green energy for workshops.
- Implementation of ISO Standards on Environmental Management Systems 18001 and Occupational Health and Safety Systems 45001 aimed at minimising accidents and enhancing safety at the work environment is 90 percent complete.
- A feasibility study on port and ship waste management at the Port of Mombasa was done and a waste management plan generated. The plan will assist Port management to improve collection, transfer and disposal of Port-generated waste in a cost effective and environmentally friendly manner.
- A feasibility study and detailed design for multi-purpose, multi-directional conveyor belt system for upgrading the existing system for efficient dry bulk cargo handling was completed.
- A feasibility study on energy needs assessment and power options, including cold ironing, for the Port was completed, and led to enhanced environmental protection.
- Eco-terra phasing of hill sides at Mombasa Port were completed, reducing silting and flooding of various port terminals, therefore leading to reduced cargo delays as hill slopes got stabilised.



MALAWI



2020–2021 EXPENDITURE

US\$700,000

SUPPORTED PROJECTS

1

DONORS

UKaid & Finland

SAFE TRADE IN MALAWI BOOSTS CONFIDENCE AND BUSINESS CONTINUITY

The Technical Assistance Agreement between the Government of Malawi and TradeMark East Africa (TMEA) was signed in mid-August 2020, setting the stage for the Safe Trade Emergency Facility Programme (Safe Trade), which helped stave off severe repercussions of COVID-19 on trade. Business performance in Malawi had by early 2021 shown improvement, with 46 percent of firms surveyed by the Malawi Confederation of Chamber of Commerce and Industry (MCCCI) in February 2021 indicating they expect positive performance for the year.

Working closely with the Government of Malawi, development partners and the business community, TMEA supported business continuity activities in four border posts of Mwanza, Dedza, Mchinji and Songwe, with provision of Personal Protective Equipment (PPE), establishing hygiene and sanitation facilities, installing testing and quarantine facilities, alongside other trade facilitation measures. In partnership with MCCCI, Mchinji Market was made a safer trading zone through the supply of PPE, hygiene products and sensitisation of traders on COVID-19 preventive measures.

TMEA supported the Malawi Revenue Authority (MRA) to enhance its Blue Lane System by upgrading its ASYCUDA Selectivity Module and training nine staff to expedite clearance of COVID-19 related goods, including PPE and vaccines. Efficiency in clearing of COVID-19 related emergency supplies improved considerably from three days to three hours, with notable increase in revenue collection. Under Standards and Sanitary and PhytoSanitary (SPS) interventions, support was rendered to priority value



chains for groundnuts, soya bean, wheat, fruits and vegetables, hatching eggs, day-old chicks, milk products, hides and skins, honey and fish. The aim is to improve productivity and trade in the value chains.

Evidently, the impact of the programme activities during the year had a wide reach. Read along for a detailed rundown of the activities and their impact.

Myra Deya, Outgoing Country Director.



EMERGING RESULTS

1. Installation of 4 quarantine and screening facilities at Dedza, Mchinji, Mwanza and Songwe borders.
2. Distribution of Personal Protective Equipment (PPE), hygiene and sanitation facilities and installation of 16 hand washing points that served over 150,000 traders.



3. Upgrading of the MRA ASYCUDA Selectivity Module (Blue Lanes System) and subsequent training of nine staff increased efficiency in handling COVID-19 related items (188 in total) from three days to three hours, with 17 health institutions benefitting, and revenue collection increasing by 29 percent.



4. A COVID-19 Operational Guidelines document was developed and 450 border officials, border users and representatives of border communities/markets sensitised.

5. Community sensitisation on COVID-19 Protocols through radio programming had an estimated reach of 292,000 people (according to Malawi Communications Regulatory Authority). 15 peer educators for each border were oriented, and distributed over 2,000 leaflets, reaching 4,000 people from the border communities.
6. MCCCCI the apex body of the private sector in Malawi, conducted a baseline study on the impact of COVID-19 pandemic on businesses and trade in Malawi, and is in the process of preparing a report to facilitate advocacy and engagement with the Government. Further, the body is advancing a Simplified Trade Regime for women traders and other small businesses, and alerting border officials on stigma and harassment of women in cross-border trade.





Malawi's Minister of Health Hon Khumbize Kandodo Chiponda and British High Commissioner to Malawi David Beer, hands over a quarantine facility for COVID-19 at Mchinji Border.



Beneficiary Quote

"People at this border (Mchinji), including some of those who should enforce COVID-19 preventive measures, are not taking it seriously. So, a programme like this one is an important intervention to ensure that COVID-19 remains on the agenda, even in regular joint-border committee meetings."

Victor Msesa, Station Manager, Songwe Border Post during the start of TMEA Safe Trade in Malawi.



KIGALI CONVENTION CENTRE

RWANDA

2020–2021 EXPENDITURE

**US\$5.5 M**

SUPPORTED PROJECTS

**21**

DONORS



**EU, Global Affairs
Canada,
The Netherlands,
UKaid, USAID**



SERVICES SECTOR BOLSTERS RWANDA'S ECONOMIC RECOVERY

Rwanda's rapid, systematic, and comprehensive approach to containing COVID-19 was widely praised, as the country became the first in East Africa to impose a nationwide lockdown and install handwashing-stations and temperature checks in all public spaces.

Among Rwanda's hailed innovative interventions were its robust risk communication and community engagement. At the onset of the pandemic, the National Bank of Rwanda reduced the key Repo rate to 4.5 percent in April 2020 from 5 percent in 2019 to stimulate growth. Although socio economic consequences of the pandemic and its containment measures, such as collapse of some businesses, job cuts and rising poverty, were unavoidable, Rwanda's economy has recorded steady growth since quarter one of 2021.

According to Rwanda's National Institute of Statistics, the services sector expanded by 24 percent in the second quarter of 2021, backed by strong performances in trade and transportation at 41 percent, wholesale and retail trade at 34 percent, information and communication at 28 percent, and financial services at 19 percent.

National Bank of Rwanda predicts that the economy will expand by 5.1 percent in 2021 before a bounce back to double digit growth post 2022. This will be driven by an aggressive vaccine roll-out, fiscal stimulus package, accommodative monetary policy stance and improved agricultural performance

TradeMark East Africa (TMEA) Rwanda interventions remained aligned to the Rwanda Government's priorities and sought to address key barriers to trade including elimination of non-tariff barriers, customs efficiency enhancements and facilitation to women in cross border trade, which combined will contribute to Rwanda's export dynamism and regional integration agenda.



We renewed focus on cross-border trade by for example fast-tracking the Lake Kivu transport project, the Rusizi II One Stop Border Post (OSBP), and direct support to cross-border traders, especially women. With the Ministry of Trade and Industry (MINICOM) efforts to eliminate Non-Tariff Barriers (NTBs) and consolidate national strategies related to exports and trade such as the National Trade Policy, the National Industrial Policy, and the National Export Strategy III continued. Combined, TMEA's facilitation will contribute to reducing the time and cost it takes to trade; increase Rwanda's exports; increase investments; and create decent jobs.

Emerging successes as outlined in this report have been made possible by the unwavering support of our donors, the Government of Rwanda and the private sector, to whom we remain indebted.

Patience Mutesi, Country Director



EMERGING RESULTS

1. Industrial parks in Rwanda will support the government strategy of building an export led economy and creation of sustainable jobs. In this regard, TMEA provided technical support to MINICOM and Ministry of Finance and Economic Planning (MINECOFIN) to file a proposal required to draw down US\$100 million loan from India Exim Bank for the development of Bugesera and Rwamagana Industrial Parks.
2. Staple farmers continued to access markets and better prices through the East Africa Exchange (EAX), trading 26,000MT of grains and surpassing the set target by 12,000MT. Earnings from grain export was six times higher, at RWF 89M (US\$88,344) against a target of RWF 14M (US\$13,896), while the value of loans acquired through warehouse receipt financing was US\$60,000 against the targeted US\$50,000. Further, the 11,473 (out of the targeted 12,000) farmers trained on best agricultural and



post production practices, posted improved grain quality, evidenced by near zero rejection at EAX warehouses. The training focused on quality assurance, agriculture best practices, calculation of production costs, post-harvest handling, trading and electronic warehouse receipts..

3. Post training and sensitisation assessments of women in cross-border trade programme implemented by Profemme Twese-Hamwe, indicated that more than 70 percent of the 7,590 (4928 of them women) cross-border traders had good knowledge of Simplified Trade Regime (STR) and Cross Border Trade (CBT) issues, bolstering their confidence to access markets through formal routes and interactions with border officials.
4. Three cooperatives benefited from reduced time and cost of processing coffee for export after a coffee sorting and grading facility was installed at the National Agricultural Export Development Board (NAEB), and five staff trained on its use.
5. The second phase of the Rwanda Standards Board (RSB) Laboratory Information Management Systems (LIMS) was operationalised, after completing testing and training on all system modules, which include metrology, system certification, product certification, administration, standards and finance. Within the standards division, more than 1,990

standards were uploaded into the system. More than 100 training and service requests have been made. The upgrade will reduce testing turnaround time of samples sent by enterprises to RSB Laboratory from 7 days to 6 days.

6. Sixty eight Agri-food enterprises were trained and mentored in ISO 22000 and RS 184 HACCP. The cohort comprised of 117 professionals from RSB who reported achieving efficiency at work following the training. Training modules include production for feed, provision of transport and storage services for perishable food and feed, and provision of catering services.
7. Exporters were trained on third-party certification to enhance access to markets and reduce interception of agricultural commodities at ports of entry. In partnership with NAEB and Rwanda Inspectorate and Competition Authority (RICA), 16 horticulture producers and traders were trained on prevention and management of the false codling moth (FCM) and potato virus Y (PVY) to ensure system compliance comply with export markets Sanitary and PhytoSanitary measures. Trainings are expected to equip the exporters with knowledge and skills to comply with third party certification requirements and fulfill Global Gap practices requirements.

Sixty eight Agri-food enterprises in the animal feed producers, hotel operators and food transporters value chains were trained and mentored in ISO 22000 and RS 184 HACCP.



8. We supported improvements to key trade systems to simplify business processes and reduce transaction time and cost on selected imports. The Single Transaction Point Portal of the Rwanda Electronic Single Window (RESW) was developed, and installed with multi-language support for Kinyarwanda, English and French. Implementation of the Rwanda Utilities Regulatory Authority (RURA) license convergence system advanced with licensing services digitised and deployed online and the NAEB and RSB Single Window Information for Trade (SWIFTS) were rolled out.
9. Working with NAEB and a steering committee comprising of Government agencies and development partners, TMEA continued to support conceptualisation of the Kigali Wholesale Market through the development of designs, assessment of backward and forward linkages to the market, Environmental and Social Impact Assessment (ESIA) and review of market operations and management models. The concept design of the Kigali Wholesale Market was completed and validated, assessment of the linkages completed, and operations models presented for validation.



10. Working with Rwanda Transport Development Agency (RTDA), construction of Rubavu and Rusizi Ports on Lake Kivu progressed to 10.3 percent and 9 percent completion, respectively, while designs for Karongi Port were completed. Based on lessons learnt in the procurement of the first two ports, we adjusted the approach for procurement of construction of Karongi and Nkora Port facilities, effectively transferring it to the Rwanda Government. This shortened project timelines and improved donor coordination. The projects have integrated elements of inclusion by either considering women and other special groups, such as people with disabilities, in their design and/or focusing on facilitating trade for vulnerable groups not just large-scale traders. Also, prioritisation of Environmental and Social Impact Assessments (ESIAs) in their inception and application of necessary safeguards has ensured value for money (VfM).
11. Concept designs for the Rusizi II One-Stop Border Post (OSBP) between Rwanda and the Democratic Republic of Congo (DRC) were completed. OSBP operational procedures and a bilateral agreement for the establishment and operationalisation of the OSBP were submitted for validation.



NTBs REDUCE FOR RWANDAN GOODS AND SERVICES IN THE REGION



	PROJECT BUDGET US\$242,700
	PERIOD OF IMPLEMENTATION 2019–2021
	TECHNICAL SUPPORT TO THE NATIONAL TRADE FACILITATION COMMITTEE
	DONORS USAID



Trading in Rwanda received a boost following elimination of at least 8 Non-Tariff Barriers (NTBs), simplifying trade procedures in the Trade Information Portal and enhanced compliance to the World Trade Organisation (WTO) Trade Facilitative Measures.

These were achieved under the project 'Technical Support to National Trade Facilitation Committee (NTFC)' implemented through the Ministry of Trade and Industry (MINICOM). This committee draws its membership from MINICOM, Rwanda Revenue Authority and the Private Sector Federation (PSF) among 32 other trade facilitation actors.

Major NTBs such as the requirement by Tanzania Food and Drugs Authority (TFDA) for companies exporting to Tanzania to register, re-label and re-test certified EAC products exported by partner states were removed.

Other NTBs eliminated include: i) Removal of multiple police checks in Kenya along the Northern Corridor; ii) Requirement by Kenya for foreign exhibitors participating in trade fairs

to have a trading license; iii) A fine by Kenya Revenue Authority of Ksh 100,000 (US\$893) for trucks without Electronic Cargo Tracking seals; and, iv) A requirement by Tanzania for transit trucks carrying chemicals to have export and chemical transport permits.

Rwanda's compliance to the World Trade Organisation (WTO) Trade Facilitation Agreement (TFA) category A measures was enhanced, from 26.89 percent in 2015 to 83.2 percent in March 2021.

Up to 30 export, import and transit commodities have been documented and uploaded in the Trade Information Portal to provide accurate and timely information to traders. This portal has been embedded and linked to the websites of 29 partner and 11 Rwandan Embassies, greatly raising awareness of Rwandan goods to export markets.

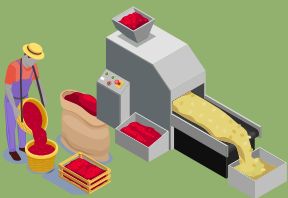
To ensure sustainability in the implementation of the trade facilitation measures beyond the life of the project, and support Rwanda's push for positive positioning in the global market place, a plan of action was developed for a five-year horizon through a National Trade Facilitation Roadmap 2019-2024 and a National Strategy for elimination of NTBs 2020-2025.

Beneficiary Quote

"The Ksh 100,000 (US\$909) fine per truck by Kenya Revenue Authority for cargo trucks without Electronic Cargo Tracking Seals was quite a pain to our businesses. I operate 4 trucks that make about 12 trips each month to Nairobi. So you can see how much savings I have made since the fines were dropped. In the cement industry alone there are about 40 trucks that make similar trips to Kenya, if you consider other industries, the savings made on this NTB alone will run into hundreds of thousand dollars."

Mbonigaba Damien, Proprietor- Dignitas Trading Ltd.

RWANDA'S CAPACITY TO SUPPLY HIGH GRADE COFFEE RAISED 48-FOLD



PROJECT BUDGET

US\$1.38 M



PERIOD OF IMPLEMENTATION

2020–2021



COFFEE GRADING MACHINES



DONORS

**USAID &
The Netherlands**



The National Agricultural Export Development Board (NAEB) Coffee Warehouses in Gikondo, Kigali has been a beehive of activities as 32 coffee farmers' co-operative societies served by the board deliver truck loads of the bean beverage for sorting, grading and export to foreign markets.

Automated sorting of high-grade coffee enhances ability to comply to standards and phyto-sanitary measures a key requirement for access to international markets. Lack of compliance has been a key barrier to Rwanda's access to markets resulting in low prices and losses in the value of millions of dollars. On the other hand, the coffee sorting tables have significantly improved the working conditions

of the sorters that still have to provide that extra check for buyers that require this additional layer of processing. Combined, the new equipment has enabled coffee exporting cooperatives to fill up to 4 forty-foot containers in a day, up from 1 forty-foot container in 8 days.

The modern equipment now raises the overall grading capacity at NAEB to 64-80 Metric tonnes a day and is expected to improve the fortune of the 400,000 small holder coffee farmers who exported 16,880 metric tonnes of coffee in the year, earning the country US\$ 61.5 million.

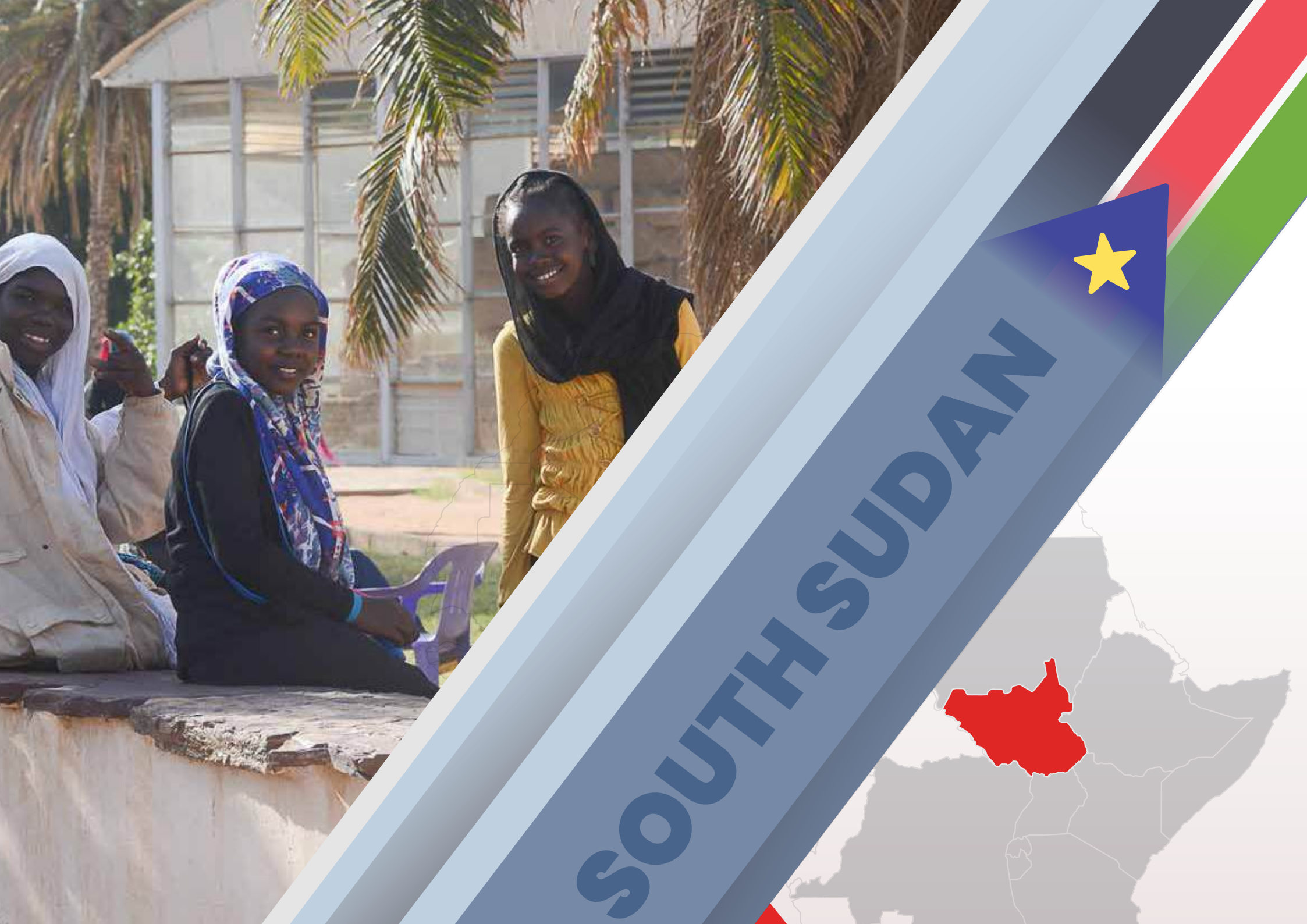
TMEA in partnership with NAEB has rolled out plans to assimilate labourers into other functions at the facility such as the horticulture pack house. Similarly, support will be provided to train them in business management and mobilise them to form business associations/ cooperatives to help them transition into self-employment.



Beneficiary Quote

"With the modern equipment, we will be able to sort and grade 64-80 Metric Tonnes per day. This will fill up to four 40-foot containers, which is 48 times our current capacity. The huge capacity will greatly benefit the 32 coffee producer co-operatives that we serve. Previously it took a team of 35 workers, 12 days to sort and grade one container of coffee."

NAEB Chief Executive Officer Claude Bizimana.



SOUTH SUDAN



	2020–2021 EXPENDITURE US\$1.014 M
	SUPPORTED PROJECTS 10
	DONORS UKaid & EU



PEACE AND STABILITY KEY FOR SOUTH SUDAN'S ECONOMIC TURNAROUND

South Sudan's fiscal deficit is expected to improve to about 2.7 percent of GDP in the 2021/2022 financial year, the World Bank Group reports. This reflects a higher than projected oil and non-oil revenue for the oil-rich nation, and the impact of ongoing financial consolidation efforts. In addition, the country's current account deficit is expected to narrow to 7.1 percent of GDP, from the previous 7.9 percent. This follows a financial year that was marked by slow growth, resulting from effects of the COVID-19 pandemic, lower oil production, floods, and intensified conflict in parts of the country.

Although South Sudan has consistently returned increased agricultural production in recent times, exceptionally high food prices continue to constrain access to food for large segments of its population. The positive country outlook depends on peace and stability, sustained commitment to economic and public finance management reforms, improved budgeting and allocation of resources, and stabilisation of smallholder agriculture. If achieved, food security, and accordingly, the living conditions of about 8.3 million South Sudanese currently on humanitarian assistance will improve.

Women constitute about 70 percent of South Sudan's informal traders doing business with neighbouring Uganda, the Democratic Republic of Congo, Ethiopia, Sudan and Kenya. TradeMark East Africa (TMEA) – South Sudan is working with these businesswomen to increase their incomes, and boost their capacity to access trade information and market intelligence, and advocate for an improved business environment, for posterity. In the year under review, 2005 women traders were trained



on business management skills, marketing, and export trade in Nimule, Nadapal and Kaya, respectively.

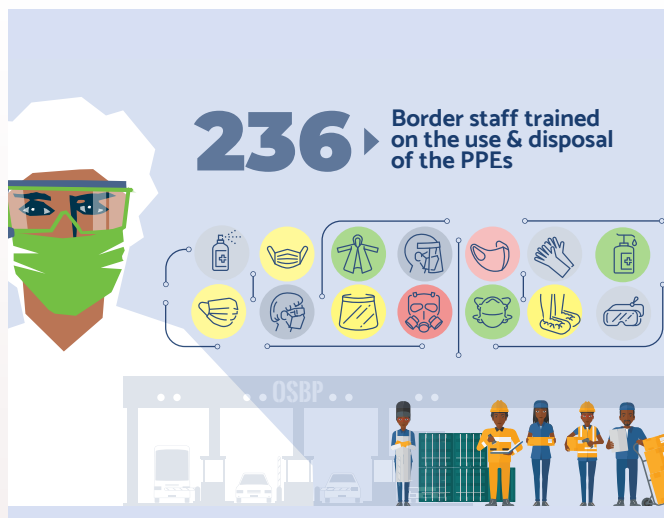
Other interventions that enhanced business continuity included distribution of Personal Protective Equipment (PPE) to cross-border traders and border officials, and training on safety protocols. This was done under the auspices of TMEA's Safe Trade Emergency Facility Programme which was developed to help Eastern African Governments mitigate the spread of COVID-19 and ensure safe continuity of trade.

Catherine Ssekimpi, Ag. Country Representative



EMERGING RESULTS

1. PPEs were distributed to cross-border traders and border agencies at Nimule Border, and about 236 border staff drawn from government agencies trained on the use and disposal of the PPEs.



2. Safe Trade Zones at Nimule Border crossing point and operating protocols were established for informal traders and border communities. The marketplace provides traders with safe trading spaces that comply with COVID-19 health protocols, thus helping them continue trade while avoiding infection and spread of the disease. Their livelihoods were safeguarded, as a result.

3. 1,002 women in Nimule, 500 in Nadapal and 503 in Kaya were trained on business management skills, marketing, and export trade, which is aimed at cementing their ability to provide for their families and expand their businesses. Trained women now have know-how to add value to their goods, access new markets, sustain businesses and increase their incomes.
4. Due to infrastructural development and capacity building of border agencies (to operate an integrated border management system) at Nimule OSBP, the time it takes for cargo clearance reduced by over half, in spite of COVID-19 related difficulties.
5. Improved capacity of South Sudan National Bureau of Standards (SSBNS) and the private sector will reduce technical barriers to trade and improve access to trade opportunities in both South Sudan and the region. 20 Small and Medium Enterprises received training on Standards and SPS measures, with products from four of them approved for trading in South Sudan. Further, 150 staff of SSNBS and 30 staff of other Ministries, Departments and Agencies (MDAs) were trained on standards and regulations to improve efficiency in service delivery. Manuals for food additives, contaminants and mycotoxins to aid procurement of laboratory chemicals, reagents and consumables for testing honey destined for export were also submitted.



SAFE TRADE ZONES SUSTAIN NIMULE-ELEGU BORDER ECONOMY

#SafeTrade 
#SafeBorders#SafeTrade

	PROJECT BUDGET US\$237,000
	PERIOD OF IMPLEMENTATION 2020–2022
	SAFE TRADE ZONES
	DONORS EU

TMEA's Safe Trade Emergency Facility – a response to COVID-19 – enabled continuation of trade at South Sudan's Nimule Border (Uganda's Elegu Border). Nimule Border is critical for South Sudan and its closure would deprive the country of crucial supplies. It was therefore important to sustain operations during the pandemic without jeopardising the safety of the border staff.

Personal Protective Equipment (PPE) worth US\$86,000 was delivered to the border agencies and cross-border traders.

In partnership with AMREF, awareness creation and sensitisation meetings on COVID-19 were undertaken. Border officials indicated that the information shared helped them establish and observe safety protocols. Joint training with EAC Secretariat enhanced collaboration and cooperation between the Uganda and South Sudan border agencies in fast-tracking the clearance of COVID-19 related medical supplies as well as other essential goods.

At the same time, Safe Trade Zone Protocols were developed and more than 500 informal cross-border traders sensitised on measures to combat the spread of COVID-19. Construction of a cross-border market with a capacity to host about 420 women traders is underway. The market will improve the trading environment and help reduce the economic impact of the pandemic on women.

As a result of training and awareness creation provided, women traders now feel better prepared to engage in cross-border trade.



Beneficiary Quote

"The training organised by AMSCO was an eye opener and I learnt a lot. Applying the skills I learnt, has assisted me very much—as I can now track daily business expenses as well as sales revenues. In fact, my daily sales have doubled in the period following the training. This translates to gross monthly income of SSPs 150,000 – 300,000 (an equivalent of US\$334 – 667).

Nakai Margret,

Food vendor in Narus, Nadapal. Her business targets long distance truck drivers.



TANZANIA



2020–2021 BUDGET

**US\$9.67 M**

SUPPORTED PROJECTS

21

DONORS

**Ireland, Ukaid,
Norway**

HUMANE MEASURES AFFORD TANZANIA LOW INFLATION, FISCAL DEFICIT

With the passing on of President Dr. John Pombe Magufuli, in March 2021, the country exercised a peaceful transfer of powers to the then Vice President, Hon. Samia Suluhu Hassan.

At the onset of the pandemic, there were minimal business disruptions, with some sectors, specifically horticulture, registering increased trade activities and volumes. During this time, Tanzania lowered its monetary policy rate to 5 percent from the previous 7 percent, to better accommodate and support credit and economic growth targets. Similarly, the price of food was lowered, leading to a drop-in inflation rate to 3.3 percent from 3.5 percent in the previous year. It is noteworthy that Tanzania's fiscal deficit also remained lower than the government's 5 percent target, increasing minimally to 2.3 percent from 2 percent of GDP.

Like the rest of the world, COVID-19 slowed down Tanzania's economic growth by 2.2 percent to 4.8 percent from the previous 7 percent, as employment in manufacturing, agriculture, and tourism sectors decreased. On a positive note, the African Development Bank (AfDB) has predicted a 4.1 percent growth rate in 2021, following increased tourism and re-opening of key trade routes and corridors. President, Hon. Samia Suluhu Hassan, has emphasised need for increased Private Sector engagement, thus presenting opportunities for further economic growth. At this time, the impact of TradeMark East Africa (TMEA) supported Single Window Information for Trade (SWIFTs) in various government agencies was felt. Critically, SWIFTs helped create resilient trade facilitation systems by allowing contactless operations which allowed business operations to continue during the pa



dem. For example, the Tanzania Medicines and Medical Devices Authority (TMDA) system now allows for online submission of drug approval applications, while integrated Standardization, Quality Management, Metrology, and Testing (iSQMT) allows customers to track progress in the testing and approval of imported goods without the need for physical engagement with TBS.

We signed a renewed 5-year Memorandum of Understanding (MoU) with the Government of Tanzania. The new status enhances the programme's opportunities and cooperation with implementing partners. The programme posted several results some of which include: Strategic engagements and dialogues on standards regulations, trade and investment, customs and tax, and the Africa Continental Free Trade Area (AfCFTA) agenda were facilitated to inform adoption at national level and policy considerations.

Monica Hangi, Country Director



EMERGING RESULTS

1. Public private sector dialogue led by Tanzania Horticulture Association (TAHA) helped to improve procedures for handling perishable cargo at Dar Port, allowing horticulture cargo to be exported. As a result, 334.5 MT of avocados worth US\$635,550 were exported through the port in 2020 and 490.6 MT worth US\$932,140 in 2021.
2. In 2020 TAHA trained two farmer groups from Mbeya and Songwe regions in Southern Tanzania and supported them to acquire GlobalGap certification. This enabled the groups to export 486 MT of avocados worth US\$306,391 in 2021.
3. Additional testing equipment provided to the National Fish Quality Control Laboratory (NFQCL) increased its handling capacity from 10 to 50 samples at a time, and reduced preparation time from 60 to 10 minutes.

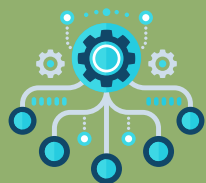


Consequently businesses receive their product results in three working days down from 10.

4. The Tanzania Bureau of Standards (TBS) e-learning platform, and an integrated Standards Quality Management, Metrology, and Testing (iSQMT) system were launched in April 2021, and 28 MSMEs and TBS staff trained on the use of both platforms. As a result, the time taken for testing and issuing conformity certificates has decreased from 4 to 3 days, while costs have decreased to about US\$140 from US\$160.
5. A prototype for the Central Corridor Trade Organisation (CCTO) toolkit, fully integrated with the Uganda Revenue Authority system was developed, alongside a mobile application based on android for data collection. The two are aimed at supporting the Central Corridor Agency to operationalise the trade community information systems and enhance efficiency of the Central and Dar Corridors.

6. Establishment of the online auction for the Tanzania Mercantile Exchange (TMX) provided visibility and transparency of market prices. This has not only increased the value of goods traded through the TMX by 400 percent in two years, but also enabled farmers to earn better income. For example, farmers now earn TZS 1600 per kg of yellow grams up from an average of TZS 500 per kg in 2019.
7. TMEA continued supporting Tanzania's quest for an improved business environment. Development of the following policies progressed: National Investment Policy, National Trade Policy and the National Export Strategy.
8. A rapid survey of 1,369 women traders trained on EAC simplified trade regime indicated an enhanced understanding of business opportunities within the food sector, and better application of EAC rules while trading across the region. 2,948 women traders have been reached through various interventions.
9. We realised the following reforms through advocacy: removal of value-added tax (VAT) on ancillary services, and improved COVID-19 response and establishment of policies to mitigate its impact. Others included calculation of corporate income tax, exemption of agricultural crop insurance from VAT, input tax for exporters of raw materials, widening of the tax base, multiplicity of taxes, and electronic tax stamps (ETS) on excisable goods.

AUTOMATED SYSTEMS HALVE TIME, COST OF TBS SERVICES



	PROJECT BUDGET US\$3.92 M
	PERIOD OF IMPLEMENTATION JUL 2016 – JUN 2021
	QUALITY AND STANDARDS PROGRAMME.
	DONORS Ireland, UKaid, Norway



TMEA supported Tanzania Bureau of Standards to develop an integrated Standardisation, Quality Assurance, Metrology and Testing (iSQMT) portal that automates all TBS processes to reduce time and costs for testing and issuing permits and certifications. TMEA also supported TBS to develop a self-paced online training platform for Micro, Small, and Medium Enterprises (MSMEs). Both systems were launched in April 2021. The iSQMT portal incorporates all TBS operational activities and coordinates performance of core responsibilities that include standards development; quality assurance of goods and services; testing; metrology services; and customer complaints. The system ensures that updated and satisfactory information is available; and enables businesses to submit their applications online. It will ultimately promote business, and increase government revenue. Since going live, iSQMT has reduced

the time it takes to acquire TBS services by more than 50 percent. In particular, time to issue conformity certificates decreased from four to three days, and cost reduced from about US\$160 to US\$140. Other benefits accruing from the system include:

- Customers can now conveniently access relevant information, process and monitor their applications for licenses and permits online, leading to increased productivity.
- Decreased service waiting time since basic services and activities are integrated, therefore simplifying and enhancing the flow of information from one location to another and reducing processing time.
- Efficiency in service delivery has increased value and accuracy in the reporting and operation of projects in the process of manufacturing standards.

The system is available through: <https://portal.tbs.go.tz/>



Beneficiary Quote

"Providing automated services has largely reduced waiting and processing times and costs for TBS's stakeholders to secure various services. Stakeholders previously travelled long distances, printed documents and submitted paper work, a process which was dominated by delays, errors and costs."

Athuman Ngenya
Director General, Tanzania
Bureau of Standards.



UGANDA



2020–2021 EXPENDITURE

**US\$8.6 M**

SUPPORTED PROJECTS

18

DONORS

**EU, DANIDA,
Finland,
UKaid**

UGANDA POSITIONS FOR ECONOMIC GROWTH DESPITE COVID-19 CHALLENGES

In the last year, Uganda not only surpassed its projected economic growth, but also held successful parliamentary and presidential elections. The country's economic expansion hit 3.3 percent against earlier predictions of 3.1 percent. The growth is attributed to a surge in the country's economic activities and aggregate demand resulting from partial easing of lockdown measures at the start of the financial year.

In terms of ease of doing business, Uganda has moved 10 places to 12th position in Africa due to the enhancement of trade through the Uganda Electronic Single Window (UESW) which has led to the removal of multiple regulatory requirements, paperwork and clearances across several agencies. The UESW is a web-based electronic facility that is intended to reduce the time it takes to process import and export documents in Uganda, in addition to enhancing coordination and sharing of data amongst trade regulatory agencies. The benefits for traders and businesses are reduced transactional costs and for trade-related agencies improved efficiency due to streamlined processes. Harmonisation of trade laws and regulations is key in bringing about clarity and synchronisation of trade operations thereby saving the business community the difficulty of dealing with multiple differing and siloed regulations across the region. Uganda held bilateral negotiations and harmonised trade regulations with Kenya particularly on the maize, milk, sugar, poultry and beef value chains.

At the project level, the Ntoroko and Goli-Mahagi border construction activities between Democratic Republic of Congo (DRC) and Uganda continued; and the Gulu Logistics Hub construction progressed to over 80% completion. Once completed, the hub with a handling capacity of 20,000 TEU's per annum will reduce transportation and logistics costs and promote trade in Northern Uganda, Eastern DRC and South Sudan. Given its strategic location, the hub will reduce the logistical challenges associated with storage, customs clearance and onward transit.



Support to the Uganda National Bureau of Standards (UNBS) to decentralise provision of testing services in the different parts of the country continued. The decentralised services will reduce the time taken to conduct tests from 35 days to targeted 14 days while reducing costs associated with travelling to Kampala.

We intensified efforts to achieve inclusive trade targeting women, youth and informal traders. This support ranged from making technological solutions accessible to incorporating aggregation centres within warehouses where small traders consolidate produce for collective transportation. One such aggregation centre at Elegu One Stop Border Post (OSBP) provides safe storage space for traders who miss all necessary documentation and/or tax amounts to clear their goods.

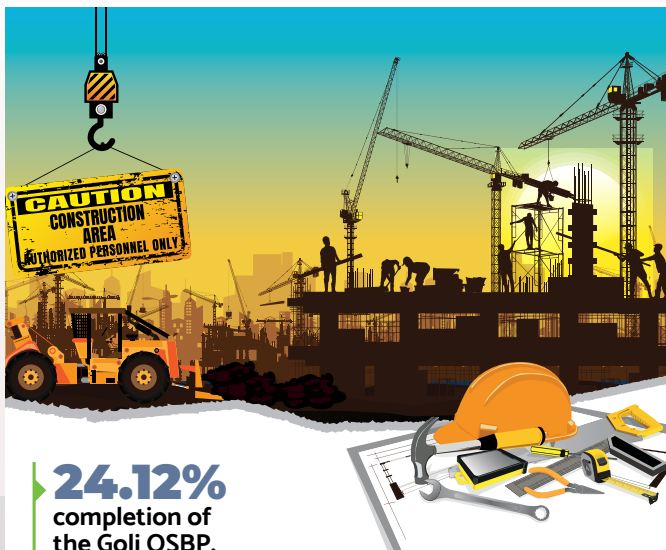
During the reporting period, the country programme secured an additional US\$5 million funding from Finland.

Catherine Ssekimpi, Ag. Country Director



EMERGING RESULTS

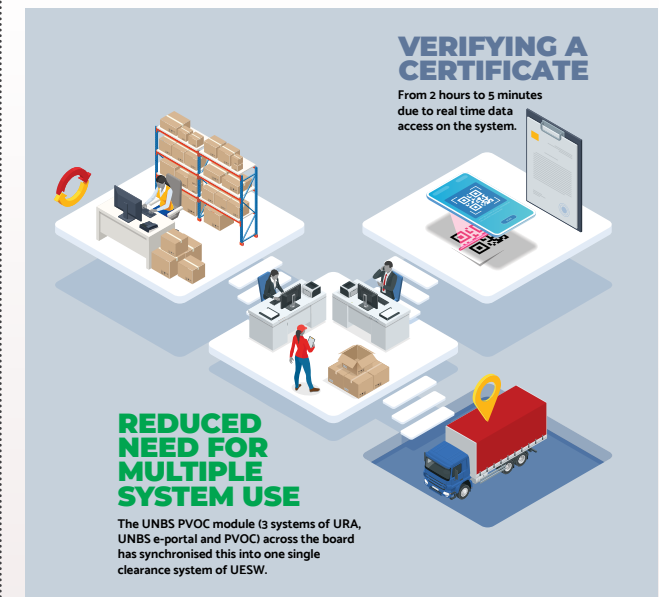
1. Construction of Goli-Mahagi One-Stop Border Post (OSBP) progressed to 24.12 percent completion. It entailed excavation and setting up the foundation for staff quarters. Casting blinding concrete for foot and tie beams commenced, bringing the project to 13.19 percent completion.
2. After President Museveni broke ground for the construction of Gulu Logistics Hub in October 2020, works commenced and are at 87 percent completion.



3. Construction of Ntoroko Lake Port facility which includes reinforced cement concrete (RCC) jetty, wharf wall, customs and immigration building, verification shed, entry and exit gates, staff quarters, fencing, pavements and footpaths, and the associated mechanical and electrical works, progressed to 45 percent.
4. As a step towards self-regulation, the Federation of East African Freight Forwarders Associations (FEAFFA) in partnership with Uganda Revenue Authority (URA), launched a continuing professional development programme. It trained 26 members as trainers under the National Logistics Platform and certified them to provide the International Federation of Freight Forwarders Associations (FIATA) Diploma on international freight forwarding. Furthermore, the two bodies created a working technical group to collectively address the development of road infrastructure, ensuring sufficient consultation on road regulations, inclusion of local content in road construction and information sharing.
5. Uganda Electronic Single Window's Single Transaction Portal (STP) was successfully deployed and upgraded with 6 government agencies integrated/interfaced in the system. Trainings and sensitisations have been organised

for liaison officers to impart them with skills to train their respective stakeholders.

6. Within UESW the Uganda National Bureau of Standards pre export verification of conformity module has synchronised three systems (URA, UNBS e-portal and PIVOC) into a single clearance system. This has reduced clearance time from 3 weeks to one day and time taken to verify a certificate from 2 hours to 5 minutes. The system does not have a working time limitation and provides an audit trail and query options for easy follow up. At the same time, the need for multiple documents for the various government agencies has been reduced significantly, saving resources and time taken to access various licenses and permits.



NTOROKO PORT BORDER POST TO SPUR TRADE WITH DRC



PROJECT BUDGET

US\$3.8 M



PERIOD OF IMPLEMENTATION

2020–2022



LAKE NTOROKO



DONORS

UKaid



CONSTRUCTION OF NTOROKO OSBP

Ntoroko Port Border Post along Lake Ntoroko is a lake border crossing between Uganda and the Democratic Republic of Congo (DRC). The busy border crossing is however characterised by inadequate modern and insufficient facilities for government agencies operating at the post, thereby slowing cross-border trade by the adjacent communities.

To address this situation, the Ministry of Works and Transport, with support from TradeMark East Africa is upgrading the border into a modern Lake Port to include construction of infrastructure, installation of requisite integrated border management system and training of border staff in application of modern port procedures.

The project is now 60% complete. It is anticipated to spur crossborder trade by reducing the time and cost

taken to enter and exit the border. The project will also enhance levels of cooperation and regional integration between Democratic Republic of Congo and East Africa Community Countries. Finally, the project will boost more inclusive trade given that the bulk of traders at the Ntoroko and the adjacent Kasenyi border on the DRC side are women.



Beneficiary Quote

“With government plans to upgrade the Karugutu- Ntoroko road to bitumen standard, the Ntoroko Lake Port is expected to become the biggest Lake Port on the western border of Uganda opening up to the DRC through Kasenyi. Ntoroko Lake Port will support DRC’s Bunia City which has been projected by the United Nations to be the 10th fastest growing city on the African continent between 2020-25 with a growth rate of 5.63%. In the broader perspective, the Lake Port will be able to expedite clearance of our

domestic exports and transit cargo destined to the DRC. We are optimistic that the lake port will reduce the cost of doing business, especially for our manufacturers who export to the DRC through faster clearance. Exports worth UGX 134 billion and 143 billion (approx. US\$37.6 M & 40.1 M) were facilitated through Ntoroko during the 2019/20 and 2020/21 FYs respectively. Similarly, imports worth 554 million and 492 million (approx. US\$15.5 M & 13.8 M) were received in the same period.

Uganda’s major exports have constituted; palm oil, wheat flour, sugar, cement, rice, plastics, beer, vegetables, amongst other whilst major imports from the DRC include timber, cocoa beans, waste scrap, and bitenge (printed cloth).”

Mr. Abel Kagumire, Commissioner Customs.



ETHIOPIA



2020–2021 EXPENDITURE

**US\$2.3 M**

SUPPORTED PROJECTS

13

DONORS

**IrishAid, UKaid
& EU**

ETHIOPIA ONBOARDS THE PRIVATE SECTOR FOR ECONOMIC GROWTH

Ethiopia's resilience is doubtless; confronting a dynamic political environment that's compounded by COVID-19 pandemic, and protracted political conflict, yet incorporating the private sector to ensure socio-economic progress. It is noteworthy that Ethiopia held elections in June and September 2021, in which the incumbent Prime Minister, Abiy Ahmed, got re-elected for another five years. However, the country has faced political instability thereafter.

TradeMark East Africa (TMEA) programming is aligned with the country's Home-Grown Economic Reform (HGER) and the national logistics strategy in addition to other trade-related initiatives across the larger Horn of Africa (HoA).

In the 2020/2021 financial year, TMEA supported Ethiopia's efforts to grow its trade volumes with its regional and international neighbours, which includes reducing barriers to trade and taking steps to improve export led industrialisation. Logistics in the HoA region has been classified as extremely inefficient, thus raising cost of trade, hence efforts by government of Ethiopia to transform the logistics industry through targeted interventions. During the year, the Moyale One Stop Border Post (OSBP) with Kenya was operationalised. Similarly, a feasibility study for the construction of Jijiga Inland Container Depot (IICD) in the Somali region of Ethiopia



started, with the aim to establish a logistics centre that complements Berbera Corridor initiative.

TMEA Ethiopia Country office delivered projects that are already transforming business operations in the country. Read more about it in the ensuing pages.

Abenet Bekele Haile, Ag Country Director

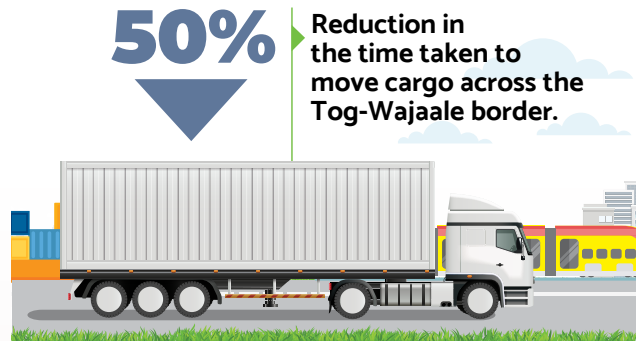


EMERGING RESULTS

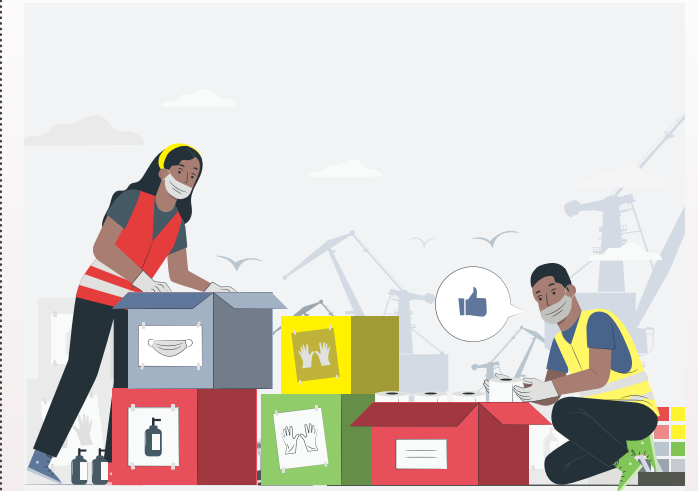
1. A site was selected for the construction of Jijiga Inland Container Depot (IICD) which will provide sustainable efficient logistics infrastructure. It will also enhance public private partnerships in rural economic development, especially along the four major population centres of Berbera, Hargeisa, Tog-Wajaale, Jijiga and neighbouring trading centres.
2. Ethiopia, and Kenya Governments inaugurated the Moyale One-Stop Border Post in December 2020, and pilot operations commenced in June 2021. The community was sensitised on operations of the post, and a joint committee formed to enhance operations. The OSBP will reduce time and costs of crossing the border and increase trade between the two countries.



3. Ethiopia and Somaliland agencies responsible for national quality infrastructure are steering harmonisation of standards for seventeen most traded goods in the two countries. Harmonisation will help increase the volume of exports from Somaliland to Ethiopia through Tog-Wajaale by at least 25 percent, and contribute to a 50 percent reduction in the time taken to move cargo across the border.



4. The Ethiopian Chamber of Commerce and Sectoral Associations (ECCSA) digitalisation initiative was launched and includes upgrade of its Management Information System (MIS). The system will facilitate digital issuance of certificates of origin (CoO) for exports and with the Ethiopian Customs single window system, provide transparency and reduce time and cost to issue CoO. Currently, all trade facilitation operations at the Chamber are processed manually—traders purchase the forms at ECCSA offices, fill them in via typewriter, and return them for approval.
5. We facilitated the Ministry of Transport, and Ethiopian Customs Commission with personal protective equipment (PPE) worth US\$390,000, including reusable masks, safety boots, hand sanitisers, hand washing points, disinfectant spray, infrared thermometers, and face shields. The PPE reduced the risk of COVID-19 to frontline trade workers, thus enabling continuity of services at Galafi, Metema, and Tog-Wajaale, among other border points. Other interventions that enabled business continuity included enhancement of standards and sanitary and phytosanitary (SPS), advocacy, supply chain support, and assistance for women traders.



HARMONISED PRODUCT STANDARDS ENHANCE TRADE



	PROJECT BUDGET US\$237,000
	PERIOD OF IMPLEMENTATION 2019–2021
	STANDARDS HARMONISATION
	DONORS UKaid



TMEA facilitated the signing of an MoU between Somaliland Quality Control Commission (SQCC) and Ethiopia's National Quality Infrastructure Institutions (NQIs) following which a Joint Technical Committee in charge of standards was formed. The committee steered harmonisation of standards for 17 most traded goods between the two countries. Similarly, mutual recognition of respective countries' certificates of conformity will be established. This will enhance cross border trade of SMEs.

This initiative will lead to reduced cost of compliance by at least 25 percent (from source to destination). It is further envisaged to contribute to a 50 percent reduction in the time taken to move cargo across the border; and promote an increase in the volume of exports from Somaliland to Ethiopia through Tog-Wajaale, by at least 25 percent.

Nine SQCC experts have since attended a capacity building training on good laboratory practice, food microbiology analysis, animal feed analysis, ISO/IEC 17065 and related requirements, with another seven SQCC technical experts participating in technical training and consultations held in collaboration with the Ethiopian Standards Agency (ESA), in Addis Ababa. Further, senior experts from the National Metrology Institute of Ethiopia (NMIE) did a general assessment of SQCC and trained its staff on Metrology.



الجمهورية الصومالية



SOMALILAND



2020–2021 EXPENDITURE

**US\$5.5 M**

SUPPORTED PROJECTS

3

DONORS

UKaid & EU

TMEA RESHAPING HORN OF AFRICA FORTUNES

In 2018, TradeMark East Africa (TMEA) expanded its operations to the Horn of Africa, covering Ethiopia, Somaliland and Djibouti. The Horn of Africa Programme aims at improving competitiveness of trade and transport along the Berbera Corridor, resulting in reduced cost and time for doing business.

The three components of TMEA-Somaliland Programme - infrastructure development, trade facilitation and strengthening inclusive local economic development, are timely.

The main project under infrastructure development involves upgrading a 22.5km section of Hargeisa Bypass into a dual carriageway. This is expected to ease traffic around Hargeisa from 12-hour delays to merely 30 minutes (estimated by World Food Programme trucks).

Trade facilitation focuses on trade and transit negotiations between Somaliland and Ethiopia, in addition to supporting Somaliland Quality Control Commission (SQCC) to implement quality requirements of goods for Somaliland's participation in international trade. The programme is strengthening local inclusive economic development along Berbera Corridor by supporting businesses to exploit trade and investment opportunities.

Somaliland, and indeed the larger Horn of Africa, has struggled with drought for two decades. Drought intensified when rains began to consecutively fail in 2015, affecting Somaliland's most important source of income - livestock exports - and worsening food insecurity.



Despite these challenges, the Government of Somaliland maintains optimism for economic growth through the National Development Plan II and the 2030 Vision. It pledges its commitment to ensuring efficient and effective management of public resources and adherence to budget plans.

TMEA-Somaliland implemented COVID-19 containment measures at the key border crossing point of Tog-Wajaale including donation of Personal Protective Equipment (PPE), establishment of hygiene and sanitation facilities, Safe Trade Zones as well as other trade facilitation measures. An overview of progress is outlined in the following pages of this report.

Abdi Osman, Country Representative



EMERGING RESULTS

1. Construction of Hargeisa Bypass progressed considerably pointing to a possible completion by August 2022. Delays resulting from the COVID-19 pandemic saw a revision of the standard operating procedures at the site to incorporate COVID-19 Government protocols. When completed, the bypass will redirect transit cargo from Hargeisa along the Berbera Corridor thus decongesting the city.



2. Somaliland and Ethiopia agencies responsible for national quality infrastructure are steering harmonisation of standards of top 17 most traded goods between the two countries. The harmonisation will contribute to increasing the volume of exports from Somaliland to Ethiopia through Tog-Wajaale Border by at least 25 percent, and contribute to a 50 percent reduction in the time taken to move cargo across the border.



3. The Safe Trade Emergency Facility took strategic measures to sustain trade by ensuring safety at ports, borders and critical supply chains, food security, access to critically required medicines, job security, and exports. Specifically, Tog-Wajaale Market, located near Somaliland border with Ethiopia, was upgraded into a Safe Trade Zone, among others, building adequate stalls with social distancing protocols in place, and installing other public health enhancing measures.



UPGRADED TOG- WAJAALE RESTORES TRADERS' INCOMES



	PROJECT BUDGET US\$316,107
	PERIOD OF IMPLEMENTATION 2020–2021
	THE SOMALILAND TOG-WAJAALE SAFE TRADE ZONE MARKET
	DONORS UKaid & EU



Rapid spread of COVID-19 and enactment of health protocols to protect lives caused hundreds of women traders at Tog -Wajaale Border in Somaliland to lose their incomes by up to 90 percent. Market places were closed, supplies were low and costs of basic commodities tripled.

Accessing basic provisions was a challenge, as Amina Ahmed, a milk trader and mother of 10 said. “Even though schools are closed, the children still need to wear masks, which I am unable to buy. Since COVID-19 started, I often find myself with no money, which was never the case previously as my businesses did well.” Other traders at the market shared Amina’s sentiments.

Deqa Hussein Omar, one of the women traders summarised her experience, “Everything became expensive or unavailable, a litre of milk that previously cost 20 Birr (Approx US\$0.42) now costs 50 Birr (Approx US\$1). Some women closed their shops.”

Tog-Wajaale is located at the Somaliland border with Ethiopia. For a long time, the women were trading from an old small market whose infrastructure was run down and the hygiene and waste management systems were poor.

In response to the plight of the women traders, TMEA initiated several safety measures to make Tog-Wajaale Market, a Safe Trade Zone. The new market adheres to COVID-19 health protocols, allowing women traders to continue business while giving the authorities confidence that traders and market users are safe and protected from contracting COVID-19.

Tog-Wajaale Border was selected because of its strategic linkage to the Berbera Corridor and the high number of women cross-border traders whose businesses were adversely affected by COVID-19. A baseline assessment of women-led SMEs and cross-border traders in Somaliland noted significant reduction in the quantity of fresh vegetables and milk traded between 2020 and 2021. The two are among the main commodities traded in the region, and especially from Ethiopia.

Further, 81 percent of the 318 women cross-border traders interviewed in Tog-Wajaale market, were the heads of households, their main source of income (78 percent) coming from their individual business activities.

The new Somaliland Tog-Wajaale Market is 1,800 m², and is sub-divided into three sections for meat, milk, fruit and vegetables, respectively, and fitted with 196 stalls distanced 2.5 metres apart. A prayer room, a breastfeeding area, a cold chain room, a kitchen and three handwashing points have been established. The market has 200 chairs for women traders, steel hangers for displaying meat, water harvesting tanks and 150 milk containers.

Moreover, COVID-19 related signage and messaging were erected in various strategic points of the market. The local authorities have provided a continuous supply of electricity and water.

This initiative has helped to strengthen gender-inclusive local economic development in Somaliland. The women have since occupied the market and are trading from within it.





British Ambassador to Somalia and Somaliland Kate Foster (right) and Somaliland President Muse Bihi during the ground-breaking for the construction of Hargeisa bypass.

NEW FRONTIERS



DJIBOUTI



2020–2021 EXPENDITURE
US\$23.7 M



DONORS
EU, AFD

Safe Trade

Implementation of the Safe Trade Emergency Facility in January 2021 kicked off TMEA programming in Djibouti. We distributed Personal Protective Equipment (PPE), and conducted awareness campaigns targeting truck drivers and traders at Guelile and Galafi Borders, and at the Port of Djibouti. The support minimised the spread of COVID-19 among key actors, such as truck drivers and frontline workers, ensuring safety and security at the key entry and exit points on the Djibouti Corridor. We also aided the development of Protocols and Standard Operating Procedures for Djibouti Port, which was submitted to stakeholders for review and comments. Its adoption and implementation will enhance trade in critical medicines and food.

Electronic Cargo Tracking System

Baseline surveys were conducted on the Djibouti Corridor, and bidders submitted design options for the development of an Electronic Cargo Tracking System, which will streamline movement of cargo along the corridor.

Other planned interventions include:

1. Djibouti Corridor infrastructure upgrade.
2. Corridor management and coordination.
3. Standards and SPS Programme.
4. Customs modernisation.
5. Trade policy facilitation.



MOZAMBIQUE



2020–2021 EXPENDITURE
US\$393,000



DONORS
Canada, The Netherlands
through RVO, Ireland

Safe Trade

TMEA's programming in Mozambique began with the implementation of Safe Trade in October 2020. We distributed Personal Protective Equipment to frontline workers and officials at Ressano Garcia Border. Complementing ongoing sensitisation efforts by the Government of Mozambique, we targeted border officials, truck drivers and communities around the border posts with key messages disseminated through radio, TV, printed materials and social media.

Safe Trade Protocols

To facilitate rapid inspection and clearance of critical goods, we supported the development of Safe Trade Protocols and training of 120 border officials in customs, immigration, health, Sanitary and Phytosanitary Inspection, and policy departments at Ressano Garcia, Calomue, and Zobue Borders.

Women and Trade

A sensitisation and awareness training was conducted amongst border officials in Ressano Garcia, Calomue and Zobue on stigma and harassment of women in cross-border trade.

Other planned Interventions include Trade Policy Facilitation.



ZAMBIA



2020–2021 EXPENDITURE
US\$656,469



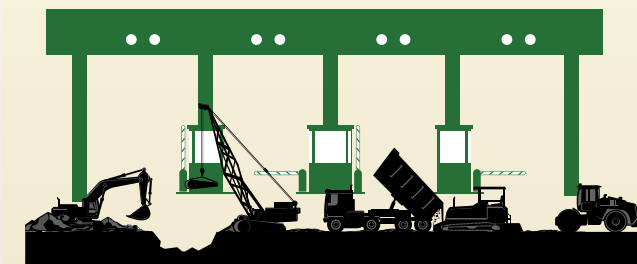
DONORS
UKaid

Safe Trade

TMEA programming in Zambia started with Safe Trade interventions in October 2020. We procured and distributed Personal Protective Equipment at Nakonde Border and satellite stations along Nakonde Corridor. We also supported installation of protective glass screens on public counters at Nakonde and Kapiri Mposhi ZRA Enforcement Centre to minimise direct contact between frontline staff and customers. Similarly, a communication campaign targeting frontline border workers and traders with information on infection, prevention and control of COVID-19 was undertaken through local and national radio programmes.

Nakonde OSBP

Detailed architectural and engineering designs, and Environmental and Social Impact Assessment Studies for infrastructural development of Nakonde One-Stop Border Post were completed. Construction work will start in the next financial year.





5

**CONNECTIONS.
PEOPLE. ENTHUSIASM**

RESEARCH & LEARNING

COMMUNICATION

RESULTS & ORGANISATIONAL PERFORMANCE

ENVIRONMENTAL SOCIAL SAFE GUARDS

CORPORATE SERVICES

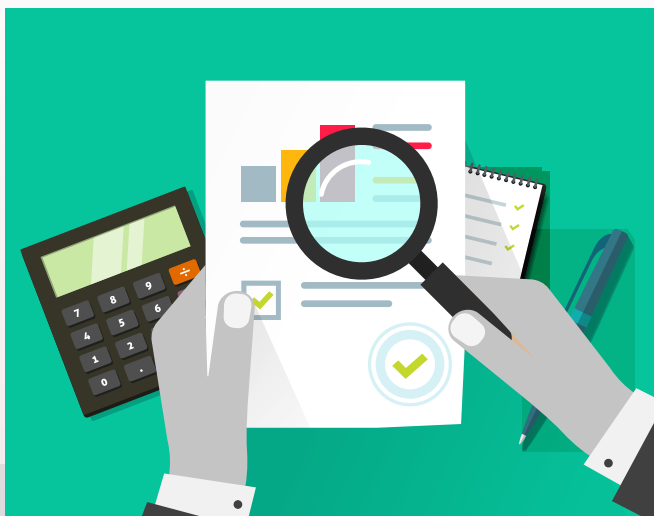
OUR PEOPLE



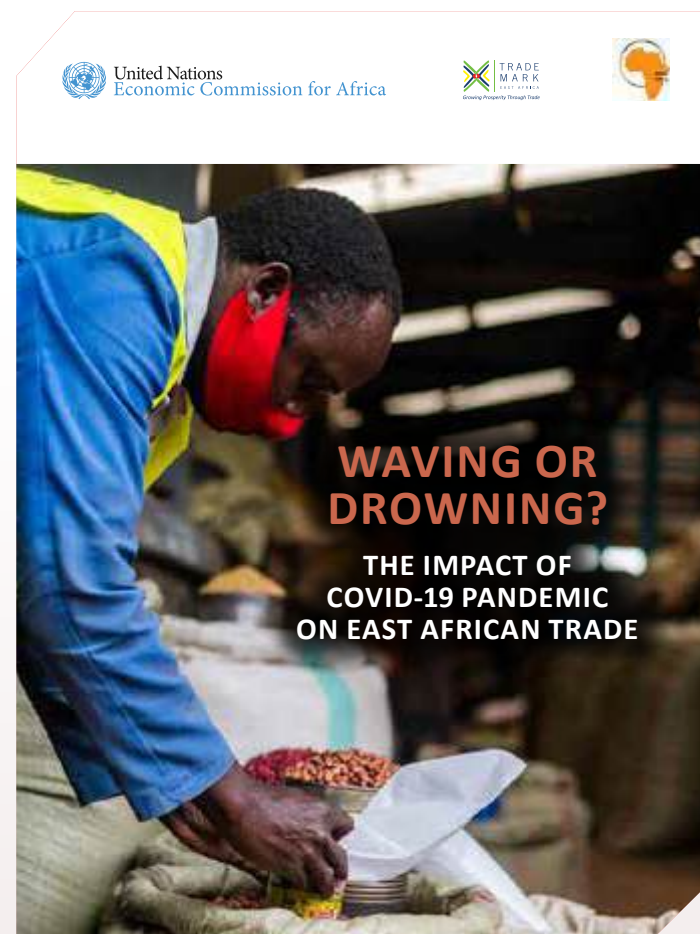
RESEARCH & LEARNING

In line with TMEA's effort to promote research on Aid for Trade (AfT) in Eastern, Southern and Horn of Africa and beyond, we conduct policy-relevant research that provide TMEA staff and partners, policy makers and practitioners with knowledge and data to harness trade development. Below are the highlights of the year under focus:

- Production of the following internal policy briefs: Trends in Trade, Investments and Trade Facilitation in East Africa (2015-2019); Relevance of Global Value Chains (GVCs) to Africa Countries; and Road Infrastructure and Enterprise Performance: Evidence from TMEA's Mombasa Roads Improvement Initiative.



- We partnered with Overseas Development Institute (ODI) to develop a detailed OSBP Study and SPS Communities of Practice (CoP); and with the European Centre for Development Policy Management (ECDPM) to develop Political Economy Toolkits. Both projects are ongoing.
- TMEA also partnered with United Nations Economic Community for Africa (UNECA) and African Economic Research Consortium (AERC) to develop and launch a regional COVID-19 flagship report titled, **Waving or Drowning? The Impact of COVID-19 on East African Trade**. The report assesses the impact of COVID-19 on EAC economies, and intends to influence short-term policy interventions to mitigate adverse effects of pandemics on business performance, employment, and the economy.
- Programmatically, we continued to conduct SME and AfCFTA research on women owned enterprises in Kenya; and developing a knowledge and sharing hub (a microsite and data visualisation dashboard) that will provide access to research outputs, data from TMEA's interventions, and research analytics to guide policy prescriptions for partners.



COMMUNICATIONS



The Communications Unit steers TMEA's strategic liaisons with decision makers and the wider public, including government agencies, the media, the private sector, and women in trade.

Communication outreach and events

We guided execution of a robust campaign around Safe Trade Emergency Programme (Safe Trade) by planning high-profile awareness events and creating content encompassing news features and opinion editorials in local, regional, and international media. The key interventions highlighted included provision of Personal Protective Equipment (PPE) to frontline workers in key trade routes; launch of an innovative COVID-19 digital cargo and driver tracking system; a study on the impact and lessons from COVID-19 pandemic; and Standards, Phyto-Sanitary and Sanitary (SPS) ground-breaking for Safe Trade Markets in Kenya, Uganda, and Somaliland. At the same time the unit provided strategic support to private and public partners in execution of effective COVID-19 testing and vaccination campaigns.

We engaged the media in raising the visibility of over 30 high-profile events such as the WTO Aid for Trade Review and the Paris Peace Forum where TMEA was awarded for its Safe Trade Programme.

TMEA reach via social media platforms averaged 2 Million with 1,795 direct media mentions, representing 25.6 percent and 25 percent, respective increment from the previous period.



RESULTS & ORGANISATIONAL PERFORMANCE

The Results and Organisational Performance Unit provides a comprehensive overview of the change TMEA, its partners and donors seek to deliver in Eastern, Southern, and Horn of Africa. We achieved the following results in the 2020/2021FY:

Portfolio Review

- We conducted a comprehensive review of TMEA's portfolio to support the alignment of programmes to the prevailing COVID-19 aid for trade environment.
- We performed a results audit of projects in TMEA's portfolio with a view to aligning their respective expected results, and expected end-of-project results to TMEA's corporate-level outcomes.

TMEA MEL Strategy

- We advanced implementation of the Monitoring, Evaluation and Learning (MEL) Strategy.
- In Burundi, we undertook a political economy analysis - including risks and assumptions - which informed the country-level theory of change. A similar process commenced in Malawi.
- We started to work with programme teams to develop indicators to monitor shorter-term outcomes and key assumptions in the intermediate outcome level theories of change.



ENVIRONMENTAL & SOCIAL SAFEGUARDS

The Environmental and Social Safeguards Unit continues to provide technical support in the review and development of environmental and social impact assessments (ESIAs) for various projects under design. The Unit continued to build the capacity of staff and partners on safeguarding processes by training programme leaders and officers, partners such as women-in-trade, and technical consultants involved in TMEA's new frontiers and Mbaraki Road Project at the Port of Mombasa.

With easing of COVID-19 travel restrictions towards the end of the second quarter, the Unit resumed safeguarding review missions with a focus on infrastructure projects such as the Hargeisa Bypass, Mombasa Roads Projects and the Busia Safe Trade Zone. During the year we facilitated the resolution of several grievances received, an indicator that TMEA project beneficiaries appreciate the set grievance redress mechanisms. For example, a cultural heritage assessment conducted around the culturally sensitive Naas Hablood Hills along the Hargeisa Bypass Project site in Somaliland provided evidence and guidance on preservation of the cultural, natural and archaeological heritage in the hills.

CORPORATE SERVICES



Corporate Services consists of various units that collectively work to ensure TMEA's optimal performance by facilitating the smooth running of processes and proper management of people and resources.

Governance

TMEA launched a major review of its governance structure to ascertain suitability, reflect the recent geographical expansion, and effectively oversee TMEA's operations.

Human Resources and Administration

Cuts to donor funding caused by COVID-19 inflicted economic recession in donor countries necessitated a human resource restructuring process, and scaling down of programming.

We however continued to prioritise employee health and wellbeing by adopting the following measures:



- Facilitated remote working, with a few offices re-opening under strict observance and adherence to Government directives, health and safety protocols in all areas of operation.
- Initiated a hybrid model of office and on-site attendance, with close monitoring to ensure staff safety, as well as limited corporate travels.
- Provided staff with PPE kits, regular expert medical advice and psychosocial support to ease uncertainty, special assistance to those who contracted the virus and shared COVID-19 related news updates.
- Duty of Care support was provided during the election period in four TMEA countries of operations - Uganda, Tanzania, Ethiopia and Burundi, and the contracting of in-country service providers to respond to staff emergency requests finalised.
- TMEA also revised its corporate business continuity plan to accommodate emerging crises like COVID-19 and effective operationalisation of the BCR.

Finance

- TMEA made good financial progress in view of the effects of COVID-19, closing the financial year with committed funding exceeding US\$550 Million.
- To ensure sustainability, TMEA reviewed its operations and running costs and developed an indirect cost policy to better reflect the full cost of delivering projects.



Risk and Compliance

The organisation strengthened its risk and compliance systems to include threats emerging from COVID-19. TMEA initiated risk mitigation measures including the Safe Trade Emergency Facility, efficiency savings, project prioritisation, and internal organisational and programmatic reviews to reduce the scale and impact of the risks.

Information Communication Technology (ICT)

- The ICT Unit supported continued operations by training staff on effective video conferencing and innovating solutions to minimise the risk of COVID-19 contagions such as changing Biometric Access Devices at the office headquarters from touch to facial recognition.
- Moreover, implementation of the TradeMark Resources Integrated Management System (TRIMS) continued well, with the first two phases of User Acceptance Testing (UAT) for most modules completed, and the data migration exercise commenced.
- With growing ICT security threats due to geographical expansion and remote working, TMEA reviewed its Information Security (Cybersecurity) Policy in line with ISO 27001 Standards, and passed a Cyber Security Essentials Network Infrastructure assessment by the UK National Cyber Security Centre.

Procurement

- Safe Trade Programmes dominated TMEA's procurement. Notable among them was the successful procurement of PPE, in conjunction with UNOPS, for Partner Governments across

the region, alongside mainstream mobilisation, which contributed to the achievement of the annual expenditure target.

- TMEA also began the process of securing reaccreditation by the Chartered Institute of Procurement and Supply (CIPS), anticipated in the 2021/2022FY.

Audit & Assurance

TMEA's Audit and Assurance Unit continues with its mission to enhance and protect the organisation's value by providing risk-based, independent and objective assurance, advice and insight.

The last year presented unique challenges to the organisation and the unit by extension. The emergence of COVID-19 and consequent funding cuts and new ways of working compelled the unit to re-look the internal audit methodology to build agility into the process and dynamic risk assessments to help allocate assurance resources to areas where they were needed most.

In collaboration with management, the Unit undertook a number of advisory engagements to enhance internal control, compliance and risk management culture within the organisation. For sustainability in our work and continued impact, the function initiated discussions with the Risk and Compliance Unit on collaborative assurance. This will be pursued in detail in the coming year to ensure a more coherent internal assurance planning, optimal use of resources, swifter resolution and implementation of risk issues.



OUR PEOPLE



I am honoured to serve such an exceptional organisation that is involved in reducing poverty by facilitating advancements in trade. TMEA's working environment has given me an opportunity to grow academically and professionally. It is my joy to work among a team of hardworking, passionate, driven and committed people who are changing lives across Africa..

Beatrice Akinyi,
TMEA Office Assistant.



I joined TMEA in March 2020 at the onset of the COVID-19 and immediately started working from home. Regardless of this, I have come to enjoy the diversity within the organisation that has helped me learn about different cultures. TMEA is a knowledge-based organisation that has encouraged me to apply my skills as I learn new ones. Excited for the growth as the organisation extends its scope to the rest of Africa.

Abdirahman Abdilahi,
Finance and Administration
Officer Somaliland.



I joined TMEA in January 2020 as the Risk and Compliance Manager, tasked with embedding and developing the newly enhanced Risk and Compliance Programme. Joining just before COVID-19 was declared a pandemic, and staff had to work remotely, TMEA's working environment remained supportive, caring and resilient. I enjoy working with the diverse team spanning 13 African countries, as we mitigate threats and improve compliance across TMEA's programmes. The warm and caring culture and supportive structures inspire excellence, and make me look forward to work each day.

Elsie Wangai,
Risk and Compliance
Manager.



TMEA has a multi-cultural environment, with diversity in gender, nationality and background as well as a lot of growth and learning opportunities. Working here has positively changed my professional view, especially during these early career years. It has given me an opportunity to engage and work with government, private sector, as well as civil society organisations across the region. Through direct involvement in designing, development, and implementation of trade and trade facilitation projects, I have been able to proudly witness the impacts of what we do to improve trade as well as poverty reduction in the region.

Solomon Mrema,
Programme Manager,
Tanzania



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**FINANCIAL
HIGHLIGHTS**

SUMMARY FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS

- Opinion
 - Summary financial statements
 - The audited financial statements and our report thereon
 - Directors' Responsibility for the Summary Financial Statements
 - Auditor's Responsibility
-

Independent Auditor's Report on the Summary Financial Statements to the Members

Statement of Comprehensive Income for the Year Ended 30 June 2021.

Statement of Financial Position as at 30 June 2021

Statement of Fund Balance for the Year Ended 30 June 2021

Statement of Cash Flows for the Year Ended 30 June 2021

Note 1 Basis of preparation



PricewaterhouseCoopers CPA. PwC Tower,
Waiyaki Way / Chiromo Road, Westlands
P O Box 43963 – 00100 Nairobi, Kenya
T: +254 (20)285 5000
F: +254 (20)285 5001 www.pwc.com/k

SUMMARY FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT ON THE SUMMARY FINANCIAL STATEMENTS TO THE MEMBERS

Opinion

The summary financial statements comprise the statement of financial position as at 30 June 2021 and the statements of comprehensive income, changes in fund balances and cash flows for the year then ended and which are derived from the audited financial statements of TradeMark East Africa for the year ended 30 June 2021.

In our opinion, the accompanying summary financial statements give a true and fair view of the financial position of TradeMark East Africa at 30 June 2021, and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards and the requirements of the Kenya Companies Act, 2015.

Summary financial statements

The summary financial statements do not contain all the disclosures required by the International Financial Reporting Standards and in the manner required by the Kenyan Companies Act, 2015.

Reading the summary financial statements and the auditor's report thereon, therefore, is not a substitute for reading the audited financial statements and the auditor's report thereon. The summary financial statements and the audited financial statements do not reflect the effects of events that occurred subsequent to the date of our report on the audited financial statements.

The audited financial statements and our report thereon

We expressed an unmodified audit opinion on the audited financial statements in our report dated 2 December 2021.

Directors' Responsibility for the Summary Financial Statements

The directors are responsible for the preparation of the summary financial statements in accordance with the basis described in Note 1.

Auditor's Responsibility

Our responsibility is to express an opinion on whether the summary financial statements are consistent, in all material respects, with the audited financial statements based on our procedures, which were conducted in accordance with International Standard on Auditing (ISA) 810 (Revised), Engagements to report on summary financial statements.

Bernice Kimacia

CPA Bernice Kimacia Practicing certificate No P/1457
Engagement partner responsible for the audit

For and on behalf of PricewaterhouseCoopers LLP
Certified Public Accountants
Nairobi

2 December 2021

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 30 JUNE 2021

	Year ended 30 June 2021 US\$'000	Year ended 30 June 2020 US\$'000
Income		
Grant income	74,492	78,517
Other income		
Gain on disposal of assets	-	11
Total income and other income	74,492	78,528
Expenditure		
Personnel costs	18,059	16,296
Consultancy costs	21,772	16,919
Professional services	4,367	1,914
Conferences and workshops	3,446	6,911
Grants to partners	8,104	4,698
Office supplies	322	196
Project assets	17,320	24,623
Project materials and supplies	271	4,419
General expenses	1,212	1,622
Travel expenses	499	1,746
Depreciation and amortisation	914	892
Exchange gains	(987)	(2,139)
Total expenditure	75,299	78,097
Finance income	77	76
(Deficit) / surplus for the year	(730)	507
Other comprehensive income, net of tax	-	-
Total comprehensive (deficit) / surplus for the year	(730)	507



STATEMENT OF FINANCIAL POSITION AS AT 30 JUNE 2021



	As at 30 June 2021 US\$'000	As at 30 June 2020 US\$'000
ASSETS		
Non-current assets		
Property and equipment	748	729
Intangible assets	894	482
Right of use assets	1,786	2,358
	3,428	3569
Current assets		
Cash and bank balances	15,947	14,602
Receivables and prepayments	928	1,314
Donor receivables	9,224	7,413
	26,099	23,329
TOTAL ASSETS	29,527	26,898
FUND BALANCES AND LIABILITIES		
Fund balances		
Unexpended funds	(17,476)	(16,746)
Liabilities		
Deferred grant income	33,350	33,042
Payables and accruals	11,691	8,151
Lease liabilities	1,962	2,451
	47,003	43,644
Total fund balances and liabilities	29,527	26,898

STATEMENT OF FUND BALANCE FOR THE YEAR ENDED 30 JUNE 2021



Year ended 30 June 2020

Unexpended funds as at 1 July 2019
Total comprehensive surplus for the year

US\$'000

(17,253)
507

Unexpended funds as at 30 June 2020

(16,746)

Year ended 30 June 2021

Unexpended funds as at 1 July 2020
Total comprehensive deficit for the year

(16,746)
(730)

Unexpended funds as at 30 June 2021

(17,476)

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 30 JUNE 2021



	Year ended 30 June 2021 US\$'000	Year ended 30 June 2020 US\$'000
Operating activities		
Grants received from donors	73,282	89,159
Reported total expenditure	75,299	78,097
Adjusted for:		
Depreciation and amortisation	(914)	(892)
Interest expense on lease liabilities	(170)	(153)
Advances made	(386)	(234)
Movement in payable and accruals	(3,540)	150
Cash paid to suppliers, employees and partners	70,289	76,968
Translation differences on donor balances	293	1,810
Translation differences on lease liabilities	27	-
Proceeds from disposal	-	(11)
	70,609	78,767
Cash generated from operations	2,673	10,392
Investing activities		
Interest received on bank balances	77	76
Acquisition of property and equipment	(446)	(755)
Acquisition of intangible assets	(412)	(257)
Cash used in investing activities	(781)	(936)
Financing activities	(547)	(602)
Lease payments		
Cash used in financing activities	(547)	(602)
Increase in cash and cash equivalents	1,345	8,854
Movement in cash and cash equivalents		
At start of year	14,602	5,748
Increase in cash and cash equivalents	1,345	8,854
Cash and cash equivalents at end of year	15,947	14,602

Note 1 Basis of preparation

These summarised financial statements are derived from the complete annual audited financial statements of TradeMark East Africa for the year ended 30 June, 2021, which were prepared in accordance with International Financial Reporting Standards and Kenyan Companies Act, 2015.

A copy of the complete audited financial statements is kept on file at TradeMark East Africa and can be provided upon request.

The set of criteria applied by directors in preparing these financial statements is outlined in the paragraph below.

The figures presented in these summarized financial statements agree with the figures presented in the complete audited financial statements. Directors believe that the summarized financial statements contain the necessary information and are at an appropriate level of aggregation so as not to be misleading to the users.

ABBREVIATIONS & ACRONYMS

ASYCUDA	Automated System for Customs Data
AfCFTA	Africa Continental Free Trade Agreement
AfT	Aid for Trade
COVID-19	Coronavirus Disease - 19
DANIDA	Danish International Development Agency / Denmark Development Cooperation
EACFFPC	East Africa Customs Freight Forwarding Practicing Certificate
EIA	Environment Impact Assessment
ESW	Electronic Single Window
MOU	Memorandum of Understanding
NTB	Non-tariff barriers
OBR	Burundi Revenue Authority
OSBP	One Stop Border Post
PPE	Personal Protective Equipment
RECTS	Regional Electronic Cargo Tracking System
RECDTS	Regional Electronic Cargo and Driver Tracking System
SME	Small and Medium Enterprise
SPS	Sanitary and Phytosanitary
TMEA	TradeMark East Africa
UKAID	United Kingdom Agency for International Development
UNCTAD	United Nations Conference on Trade and Development
USAID	United States Agency for International Development



TRADE
MARK
EAST AFRICA

Growing Prosperity Through Trade

2nd Floor, Fidelity Insurance
Centre Waiyaki Way,
Westlands
Nairobi, Kenya
+254 20 423 5000
info@trademarkea.com

