



# Leaving a Mark Through Trade

Impact Stories Compendium Volume 5



TRADE  
MARK  
EAST AFRICA

*Growing Prosperity Through Trade*



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 TradeMark East Africa

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## Who we are

TradeMark East Africa (TMEA) is funded by a range of development agencies to promote prosperity in East Africa through trade. We believe that enhanced trade contributes to economic growth, reduced poverty and increased prosperity.

TMEA works closely with East African Community (EAC) institutions, national governments, the private sector and civil society organisations to increase trade by unlocking economic potential through reducing barriers to trade and increased business competitive.

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### **Donors:** The following development agencies



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## Reducing barriers to trade

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## Stories from inception

## Target results 2017-2024



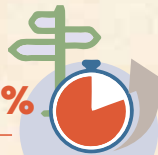
Increase in **total trade** in goods in  
selected value chains in Eastern Africa



**10%**  
10% reduction in trade **costs** on key  
routes, nodes and process points of  
TMEA intervention



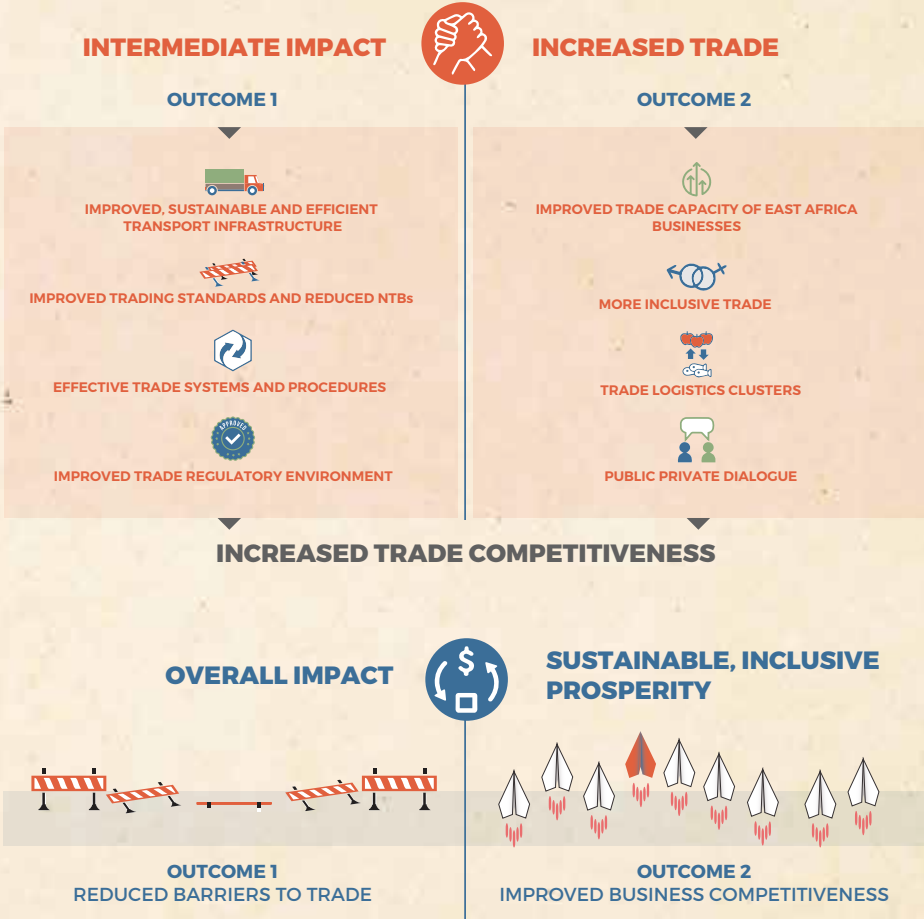
**\$170mil**  
US\$170m additional **investment**  
leveraged by TMEA activities in Eastern  
Africa



**15%**  
15% reduction in **trade time** on key  
routes, nodes and process points of  
TMEA intervention

# A journey towards 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 selected key areas of trade can reduce these costs.





## The Marathon Continues

Since its inception in 2010, TMEA has worked with its partners across East Africa towards our overarching goal-Growing Prosperity Through Trade. We now celebrate 10 years of building infrastructure to facilitate market access, reducing non-tariff barriers and delays at key trade nodes including ports and borders and improving East Africa's business environment and its competitiveness.

An independent evaluation commissioned by the Department for International Development (DFID) observed that TMEA's work enhanced ease of trading by significantly reducing time spent in trade transport and processes, particularly at the Mombasa Port and at Busia One-Stop Border Post (OSBP). TMEA's aggregate contributions in this regard reduced cost to trade by USD 115.8m in 2017 alone – a figure expected to compound over time. Reductions to trade costs have rekindled hopes of cross border traders, especially women, who are now able to explore new markets in neighbouring countries.

The fifth edition of the TMEA Impact Stories Compendium vocalises voices of beneficiaries from various TMEA projects, showcasing how we are leaving a significant mark through trade.

Read about Caroline and Juliana, empowered women who are paying it forward in their communities as a result of training from a local partner, which has enabled them to improve the products and access more markets, gain more revenue and in doing so hosting children orphaned by HIV and running a charity organisation.

Edwin Lasti, a truck driver who uses the Holili- Taveta route recalls the days he used to spend thirty days at the Kenya-Tanzania border awaiting clearance from officials. He is elated that clearance now takes just a day. Revenues collected at the border have increased due to increased efficiency of trade at the border.

Partnership is the key ingredient of TMEA's actions in facilitating trade initiatives. This collection of stories demonstrates that collaboration with the private sector, governments and the East African Community is the key ingredient of our achievements. We are well on our journey to impact millions of lives across East Africa and beyond.

Trade facilitation continues to be a key objective for countries in East Africa and our strategy 2 prioritises on two key themes: reducing barriers to trade and improved business competitiveness. Having ventured into the Horn of Africa and further down south on the continent, TMEA hopes to impact even more bread baskets across the continent. Although operationalisation of the AfCFTA has been put on hold due to a global crisis caused in the wake of Covid-19 pandemic, we believe that our partnership with the African Union,

Regional Economic Communities and governments will contribute to recovery of regional economies.

We hope that these stories are an inspiration to you as an individual or organisation in playing your part towards the prosperity of East Africa and beyond. We are proud of the results achieved with you, our partners, and look forward to generating a greater impact working together over the coming years.

My thanks go to our partners, supportive donors and my incredibly dedicated team at TMEA, that have made achievement of these results possible.

*Frank Matsaert*

*Chief Executive Officer*

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## Our mission

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

## Our vision

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

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## Our core values



### 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.



### Integrity

We are transparent, honest and ethical at all times.



### Innovation

We empower our employees and partners to create sustainable solutions.



### Results driven

We focus on improving the livelihoods of eastern africans by implementing effective and efficient interventions.



### Professionalism

We are enthusiastic in delivering excellence in everything we do.

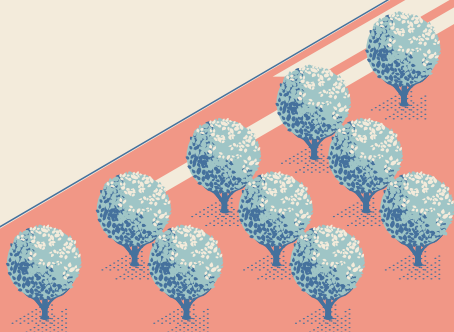


## The Mombasa Port

Has direct connectivity to over 80 seaports worldwide with 33 shipping lines calling at the Port. It plays a vital role in import and export transport. The built environment of the port comprises almost 80% of the land area. This means that the area under vegetation is limited.



Through TMEA's Mombasa Port Resilient Infrastructure Programme, a tree planting initiative involved planting and maintaining 8500 seedlings on selected sites in the coastal region.





# REDUCING BARRIERS TO TRADE

TMEA works on both pooled general funding and specific project funding from our respective donors.



## A green port. What is it worth?

A few years ago, the cargo handling section of Mombasa port teamed with dusty and sweaty workers busy hauling heavy packages on their backs, from the warehouses to the waiting lorries. Injuries and chest pains were the norm.

One of these workers was Humphrey Agini. He recounts how the polluted and risky work environment caused him to take many sick leaves; and quantifies the wages he lost, as a result, to the thousands of shillings.

**He wishes away those back breaking days.**

For years, Humphrey, who is employed by Kenya Ports Authority (KPA) spent his days offloading heavy sacks of clinker, coal, fertiliser and industrial chemicals. The fierce sun would burn on ruthlessly. He worked for sheer survival. Each time he was about to give up, he remembered his parents back in the rift valley region of Kenya and his younger siblings who relied on the earnings he made. He became a sort of expert in han-



dling dirty cargo. Yet, protective gear was unheard of and many were the days when both he and his colleagues fell ill. Just as hundreds of other port workers shared in his fate; so, did hundreds of importers and exporters, who contended with the delays this caused to exit or enter the port.

## Greening the port takes off

Humphrey's hard work and diligence had caught the eye of his superiors. And so, when KPA in partnership with TMEA transitioned to mobile harbour cranes for bulk cargo handling in 2017, to increase port productivity, he was employed as a mobile crane operator. When the two partners resolved to

acquire the environmentally friendly Eco-Hoppers, in 2017, Humphrey was one of the 19 workers who received training on how to operate the Eco Hoppers. *"We were trained for 1 year and five months before supply of the equipment and after they were commissioned and in use. During the training I was chosen as the Eco Hopper team leader."*

Committed to improving the efficiency of Mombasa Port, TradeMark East Africa supported KPA's efforts toward greening the port through its Mombasa Port Resilient Infrastructure Programme (MRIP) to improve the ports environmental and social conditions. This multi-pronged programme funded by UK's Department for International

Development (DFID), has enabled the port to mitigate and adapt to climate impacts. The programme ranges from complex initiatives; like acquiring modern specialised environmentally friendly bulk cargo handling equipment such as Eco-Hoppers and mobile harbour cranes and adoption of modern energy solar supply power system.

Results achieved under this programme include removal and disposal of asbestos, efficient and green transport logistics through modal shift from road to rail, planting of trees, eco-terra facing slope protection, improvement of water supply and waste management and infrastructure improvement such as eco-friendly conveyor belts.



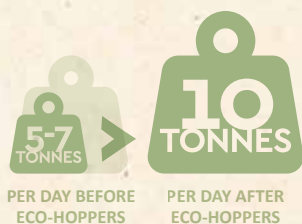
## Modern technology – pollution prevention

Paul Bor, the Head of Conventional Cargo Operations at KPA says the new technologies such as Eco-Hoppers and the Mobile Harbour Cranes, have greatly contributed to greening the port agenda, increased port efficiency, and changed the lives and health of port workers in the ten months they have been in operation. *"We have recorded fewer sicknesses and less absenteeism since the Eco-Hoppers were introduced and the Green Port Policy enhanced its tentacles."* The engines do not produce the smoke and the technology reduces dust.

*"The Eco hopper machine sucks in all the dust as it lowers cargo into trucks. The grabs have capacity of 25 tonnes compared to the traditional ones which had 5 to 10 tonnes capacity. This has led to reduction in time taken to offload bulk cargo from a ship thus reducing the ship turn around time. The Eco-hoppers have dramatically led to a reduction in number of sick leaves from workers. We work for 8 hours a day and we normally have 2 shifts, with each person operating the machine for 4 hours."* Says Humphrey.

The lorry carrying the dusty cargo drives between the gigantic 'legs' of the hopper. A dust sucking filter is then lowered into the lorry. Since the Hopper is computerised, the operator can visually access every part of the lorry to ensure all the dust is sucked out and safety is enhanced.

“Impact on the environment was immediate: “The smoke and dusty emissions have gone down. The hills within the port where we had planted trees, grass and shrubs have remained green,” Says Bor. “The dust used to be a nuisance and a major expense to the port. We used to have our computer centre near Berth number 13. The clinker dust almost destroyed our servers.” Recalls Bor who has worked at KPA for 25 years.”



The eco hoppers have also speeded up operations due to their ability to scoop and load more cargo than the traditional hoppers that had been used for years. That has improved significantly resource efficiency. Trucks now move faster in and out of the port.

*"With the Eco-Hoppers, the ships that would take 10 days to offload clinker can now be served within half the time. The kind of ships that dock here normally come with a parcel of 45 to 50 metric tons of clinker and it now takes us an average 6 days or less to offload."* Says Bor

Bor says that clinker cargo has grown tremendously due to demand from increased cement factories around the country and the region and a vibrant construction sector. Today, KPA handles about 3 million tons of clinker every year, 40% of which goes to Uganda with Kenya consuming the remaining 60%. Says Bor: "Before the Eco-hoppers, we would handle about 5000 to

7000 metric tons of clinker per day. Today, we handle 10,000 tons per day. When we receive a vessel of 50,000 tons, we can clear it within 5 days. That is how efficient the Eco-Hoppers are."

Bor however says that for the port to operate at its optimum, it needs four more Eco-Hoppers: "The current Eco-Hoppers can only service one vessel at a time which is difficult when two ships dock. We also need additional Harbour Mobile Cranes so that each crane can serve one Eco-Hopper. Provision of specialised trucks and wagons with covers are required for transporting clinker to the hinterland to prevent dust emission"

## A perfect complement – Port physical infrastructure rehabilitation

Complementary to the eco-friendly machines, KPA has undertaken various physical infrastructure upgrades, with the same objective. In those days before KPA initiated the Green Port Policy, some dock yards lay in ruins. Large swamps inhabited by rodents and other creatures covered sections of the port depending on the weather conditions.



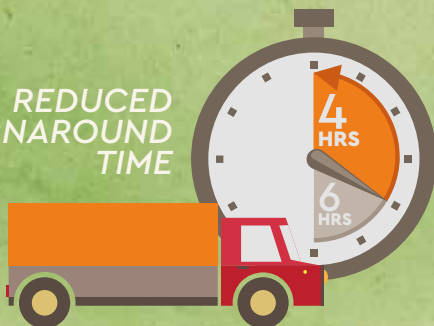
“ In 2015, at a time when the Green Port Policy was being formulated, a senior Project Engineer at KPA, Kennedy Nyaga described one of the yards. “For close to 100 years, Yard 5 was an abandoned area. We could only use it for two weeks in a month in the rainy season.” ”

Whenever rains fell, heavy machines got stuck in the muddy and soggy yards. Sometimes for days. In dry season, the yards would turn into dusty enclaves inhibiting visibility at the port. One of those was yard 5 and the G-Section yard.

As part of the port rehabilitation process, TMEA, with funding from DFID rehabilitated, paved and modernised yard 5. Yard 5 covers an area of 17,300 square meters. The project was started in 2013 and completed in 2014 at a cost of USD 19.45 million. An upgraded yard 5, created an additional 293 Ground Slots with an annual yard capacity of 77,778 Twenty Feet Equivalent Units (TEUs) thereby increasing the container handling capacity of Mombasa Port. It has reduced truck turnaround time from 6 hours to 4 hours and also catalysed additional investment by KPA in Rubber Tyred Gantries at a cost of USD\$ 5.5 million.

“The rehabilitation of Yard 5 has tremendously improved the business space at the port: “We are now able to stack the 293 20-foot containers at a height of four per slot in an average of four days. The has enhanced the annual capacity to 1.32 million TEUs”.

REDUCED  
TURNAROUND  
TIME





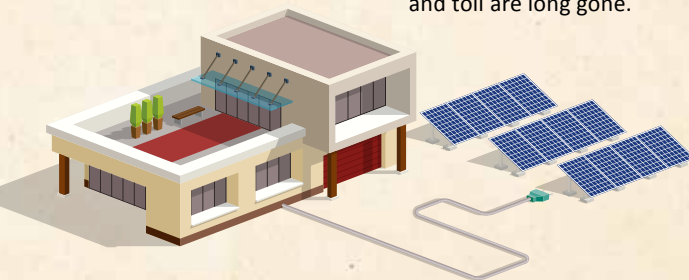
*Ecohoppers at the Kenya  
Ports Authority yard in  
Mombasa*

Installation of a solar power plant at the Port of Mombasa is generating 410KW of green energy per day for use in workshops operations and lighting in offices. The project also included removal of asbestos, re-roofing of workshops and rainwater harvesting. The project was completed in March 2018 at a cost of USD 3.2 million.

## It's all about green growth

When Humphrey Agini, talks of a cleaner environment, healthier motivated workers and increased productivity, he points to green growth. And when Paul Bor indicates increased capacity resulting from quick turnaround time. He points to green growth. Green Growth is important when we talk about the health of workers at the Port of Mombasa. The growth resulting from greening has led to many good things, increased revenues, better asset utilisation, catalysing additional investments, better human resource productivity and a win-win relation between Kenya Port Authority, port workers and traders.

Humphrey takes his evening break. He takes off his protective gear and wears a warm smile. The transformation, he says, over the last 7 years, can only be sustained and points to an upward trajectory for coming years. For now, he is still getting used to going home in clean clothes. The days of dust and mud, sweat and toil are long gone.



*Solar power plant  
generating 410KW of green  
energy per day. Completed  
in March 2018*

FUNDED BY:

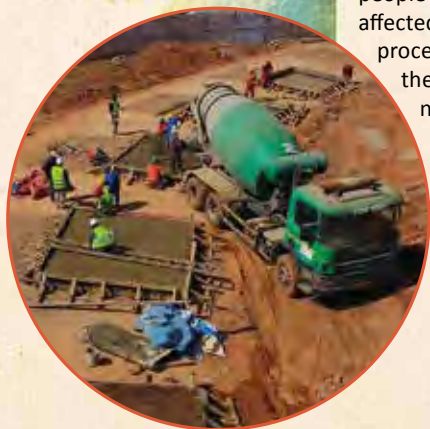




## One stop border posts: transforming trade And lives

To most people, a One Stop Border Post (OSBP) at one of East Africa's border crossing points is simply a building where papers are processed. TradeMark East Africa (TMEA) has worked to establish and improve systems at 13 OSBPs across East Africa to ensure that they are much more efficient. To the frequent border users, these infrastructures are more than just brick and mortar. OSBPs represent safety, ease of doing business and time and cost savings.

Truck drivers, importers and exporters, clearing and forwarding agents and cross-border traders are among the many people whose livelihoods are affected by border crossing processes. Unfortunately for them, border posts in Tanzania and other East African countries have traditionally lacked the efficiency to ease the burden on trade to the thousands of their users resulting in high transactional costs and delays.



Part of the problem was infrastructural, the other human. The old border posts lacked important facilities such as reliable power, internet, avenues for efficient information sharing among border authorities, and enough space for day-to-day activities. This resulted in a back log of clearance and hence congestion. Inspection sheds were too small and could only accommodate one or two trucks at a go with tens and in some cases, hundreds of others waiting in queue. Traders had to undertake multiple paperwork processes, physically moving from one office to the next, often many metres apart. In many cases, drivers endured weeks of clearance time, partly due to only daytime processing hours. Nowadays, several processes are undertaken on a 24-hour basis.

From the human aspect, border users and border officials treated each other with suspicion leading to tension; perhaps made worse by fatigue and frustration with duplicated processes and delays. Limited access and understanding of trade information by the traders caused them agitation that is synonymous with ignorance. This led to strained relationships, resulting in many traders, especially women, using illegal routes.

In the spirit of integration, TMEA, with funding from the United Kingdom Department for International Development (DFID) and Global Affairs Canada, set out to make crossing the border faster by bringing order and better coordination at border crossing points. They have so far supported construction and operationalisation of 13 One Stop Border Posts (OSBPs) across East Africa which include 4 in Tanzania: Holili, Mutukula, Kabanga and Tunduma. An OSBP simplifies controls at border points by enabling joint checks conducted on only one side; in the country of destination, by border officials of the two neighbouring countries



## 2011 & 2016 BORDER CROSSING TIME COMPARISON

We visited all four OSBPs in Tanzania to hear first-hand about the changes users experience as well as some of the emerging opportunities. OSBPs have facilitated faster movement of goods, persons and services. For instance, a time, traffic and user satisfaction survey conducted in 2016 for the Holili border post recorded a border crossing time reduction of 90% (from 22 hours in 2011 to 2 hours in 2016) for trucks, and 89% for containerised cargo (from 27 hours in 2011 to 2 hours in 2016). Similar efficiency improvements have been observed in surveys conducted in Mutukula and Kabanga OSBPs.

OSBPs have facilitated faster movement of goods, persons and services. For instance, a time, traffic and user satisfaction survey conducted in 2016 for the Holili border post recorded a border crossing time reduction of 90% (from 22 hours in 2011 to 2 hours in 2016) for trucks, and 89% for containerised cargo (from 27 hours in 2011 to 2 hours in 2016). Similar efficiency improvements have been observed in surveys conducted in Mutukula and Kabanga OSBPs.

Border authorities attest to the benefits; including meeting their revenue targets, less strenuous work conditions and better clearance volumes. David Deusdedit, the Assistant Custom Officer at Holili OSBP says; *“Before the OSBP, our collection was as low as between TZS 1 to 2 billion per year because of smuggling. But we now collect between TZS 3 to 4 billion per year because of the*

*OSBP’s efficiency,”* he says, adding that thanks to the OSBP, clearance of customers now takes an average of just five minutes. John Mwinyala, a Tanzania Food and Drug Authority (TFDA) official working at Mutukula border says, it now takes only about five (5) minutes for a traders’ documents to go through five (5) different offices.

“Before the OSBP, our collection was as low as between TZS 1 to 2 billion per year because of smuggling. But we now collect between TZS 3 to 4 billion per year because of the OSBP’s efficiency,”

Yusuphu Chacha, a Mwanza-based entrepreneur who frequently uses the Mutukula border affirms this experience. He says, “before the OSPBs were constructed, you would spend 2 to 3 hours at the border. Now, if all your documents are in order, you would spend only about half an hour for inspection, after which you receive your tax estimates, pay and be on your way without any delays.”

Edwin Lasti, a truck driver who uses the Holili route recalls the old days when he spent a month at the border, waiting for clearance processes to be completed. “Because of the OSBP, you can now get cleared within a day”, he says. He remarks that in places where there are no OSBPs, the costs incurred by drivers are phenomenal as they must cater for accommodation and other upkeep.

## Double pronged approach to ensure small scale traders benefit

The OSPBs have been transformational to small scale traders, especially women doing cross border trade. In one hand capacity building of border officials has improved customer service, therefore breeding cordial relationships with the traders. On the other hand, training the traders on various trade regimes, standards and requirement of cross border trade, has improved compliance with traders who are now confident to use legal routes, therefore minimizing conflict with border officials.

Agatha Mushi, 57, a trader at Taveta/Holili the border between Kenya and Tanzania, recalls of the times she had to illegally cross over to Kenya to do business. “I had to carry a baby on my back, pretending to be a Kamba woman from Kenya. Kenyan immigration officials sympathised with me, knowing that I was returning home, but I was crossing the border for business, my luggage having already been smuggled in,” she says.

Ms. Filipina had given up trading wheat across the border more than a decade ago owing to what she considered bureaucratic processes. However, the efficiency at the border, coupled with knowledge from training encouraged her to re-start her business.





*Tanzanian travellers interact with Kenyan immigration officers at the Holili-Taveta OSBP*

“Thanks to the Holili OSBP and the knowledge obtained through workshops and training organised by TWCC, I have been encouraged to restart my cross-border trade despite my age and other domestic commitments.” Filipina is part of a group of women processing roselle and bananas for export through the Holili border.

Petro Paul Israel, who works with the Tanzania Food and Drugs Authority (TFDA) at Holili OSBP has participated in training the women traders and encouraging them to use formal routes. He notes that following due process prevents harassment by border officials – something the border posts have been accused of in the past, and the reason why most small-scale traders used illegal routes. TFDA is Tanzania’s primary organisation for issuance of licenses to businesses trading products related to food, drugs, cosmetics and medical services. As a border authority, TFDA is keen to combat entry of substandard or counterfeit products. Many cross-border women traders import food and cosmetics, making TFDA one of their key stakeholder.





Busia border town in Uganda  
abuzz with activity

## OSBPs aid cross border trade at the grass-roots

Illegal trade routes exposed women traders to various risks; including sexual harassment, arrest, confiscation of products and loss of goods to crime. Nizetha Mushi, 48, a member of an unregistered women traders group named Luwarane Group, recounts various arrests she experienced as a result of using illegal routes, prior to the OSBP. *"I did not know that crossing the border legally was much safer and easier than doing so in a clandestine manner," she says.*

Despite the many risks the women traders were exposed to, a lot of them persisted. Ignorance erroneously guided them to believe that formal crossing was cumbersome and costly.

TFDA's Petro Paul Israel notes an important fact, previously unknown to the women, that products which have certificates of origin from East African Community member countries can cross the border free of charge; so do products worth less than US\$ 2000. *"This is a great advantage to small-traders with small capital. Customs officers even fill out the transit forms for them at no*

*charge, so all they have to pay is a small amount for duties,"* Israel adds. This improved customer service at border posts has been instrumental in restoring the women traders' trust in the formal process for doing cross-border trade.

Without a doubt, benefits of OSBPs are evident in the lives of border communities and users including border authorities, truck drivers, owners, clearing and forwarding agents and women cross-border traders.



## Accessing global markets: Rwanda's game-plan in getting standards right

**How can Rwanda get more of its domestic products to international markets?**

A key element in achieving this goal requires applying rigorous requirements to food, animal and plant exports, known as Sanitary and Phytosanitary (SPS) measures set by importing countries to address food safety, animal health and plant health risks that may be carried by traded products. Working with the Rwanda government, TradeMark East Africa's (TMEA) Standards, Technical Regulations and SPS Measures project continues to support interventions that will enable Rwanda producers to meet these rigorous requirements. On the one hand, the TMEA interventions support regulatory bodies to improve their capabilities and authority to implement requirements to access export markets through acquisition of modern laboratory equipment building inspection capacities and automating trade



processes to reduce costs and time involved in certifying products. On the other hand, the interventions focus on private sector by training of value chain players from farmers to pack houses to exporters, to ensure quality and safety is adhered to from the farm gate. Combined, this is contributing to reduction of standards related barriers to trade and rejection of Rwanda's agricultural exports due to SPS concerns.

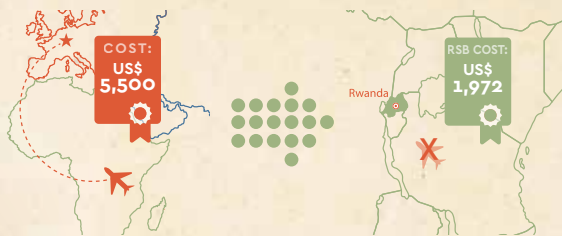
### **Improving businesses**

Diego Twahirwa an exporter in Rwanda knows too well the losses that follow non-compliance to SPS measures. The thirty-one-year-old businessman is the founder and owner of Gashora Farms, a leading chilli export firm based in Bugesera District. In September 2019, he signed a five-year agreement with a Chinese firm – GK International Enterprises – to supply 50,000 tonnes of dry Chili every year. He recounts, *"Initially, I was exporting through an individual as I was just a chili outgrower. Eventually I set up my own company but during my first export process, the buyer rejected*



*my container of dry chili worth USD 30,000, because the chili product had residues of pesticides used for coffee. I was collecting my product from individual outgrowers or organized cooperatives and it is difficult to control the quality and safety of the product because most cooperatives simply act as collection centers. At that time, few were trained in pesticide control, harvest and storage practices and had little to no safety and quality assurance.”* Diego sees a bright future with TMEA’s interventions that cut across the value chain including adequate training and certification processes for producers. The installation and use of modern laboratory equipment and capacity training being conducted will mean exporters like him have much better options.

According to Beatrice Uwu-mukiza Rwanda Agricultural Livestock Inspection and Certification Services (RALIS) Director General, “RALIS is keen to improve on our service delivery model with a commitment to ensure not only consumer safety but improved trade facilitation.”



## Localising certification processes

During phase 1 (2010-2017) TMEA supported Rwanda Standards Board (RSB), the key regulatory body for standards to obtain modern laboratory equipment and train personnel. This enhanced RSB’s ability in providing testing and certification services to local industries, therefore minimizing the need for producers to send samples of their exports abroad for testing, which was a costly and time-consuming process. Now, RSB provides product and system certification for Quality, Environment, and Food Safety & Quality Management Systems and has moved on to certify 46 companies who can now export to international markets. Local producers can tell the difference, the cost of acquiring the certification has reduced. A sample case of Inyange Industries shows that it cost US\$ 5,500 to obtain management systems certification from Europe where they had to ship samples, and that it now costs them USD 1,972 to get the certification from the Rwanda Standards Board (RSB), a 64% reduction in system certification acquisition. The cost reduction excludes air tickets and hotel accommodation. RSB reduced testing time from 60 days in 2012 to 8 days in 2014 and the testing cost from US\$ 500 to US\$250, a 50% cost reduction in the programme.

To build on the successes of phase 1, TMEA rolled out a multi-agency project that includes Rwanda Standards Board (RSB), Rwanda Agriculture and Livestock Inspection and Certification Services (RALIS) and National Agricultural Export Board (NAEB), to be implemented between 2017 and 2022. The current project is building on structural success to include implementation of good agricultural and manufacturing practices by training small-holder farmers, pack houses, feed millers and feed transporters to adhere to international SPS requirements for locally produced agricultural products. The results are emerging. As an example, Diego’s export business has improved in terms of the coordination between the three government agencies and other stakeholders, thus reducing transaction time and costs. Training domestic farmers to produce for export markets with strict standards and SPS requirements has also contributed to more reliable relationships between exporters and farming cooperatives.



“Over 70% of Rwandans are employed in agriculture. In addition to this, SMEs employ 97% of the workforce. It was important for us to find ways in which we could localize the SPS certification process and increase exports that met international standards.”

*A Rwandese farmer checks progress of her produce.*

## Localising international certification

Exporters dealing with agricultural products face high certification costs when they must acquire international certificates. TMEA is working with NAEB, which plays a catalytic role in Rwanda's agricultural exports, to encourage international certifying bodies to invest in and open shop in Rwanda and impart SPS certification skills to local experts. Eric Ruganintwali is the Quality Assurance & Regulatory Division Manager at NAEB. He says, *“One of the main reasons for poor SPS compliance amongst producers in Rwanda is due to inadequate service provision to offer certification in the agriculture sector.”* Indeed, according to data from the Ministry of Agriculture, Rwandan traders experienced significant interceptions of their products at the European Union markets over the last three years – three interceptions in 2016, twelve in 2017 and eleven in 2018. Eric presents economic context on the importance of localizing certification for agriculture products.

## A promising future

Rwanda is investing in SPS Compliance infrastructure that makes export of its traditional and emerging commodities easier. From coffee, tea, sericulture (cultivation of silkworms) to horticultural commodities, compliance with SPS requirements and internationally driven market standards are requisites for export of these commodities.

Rwandair is opening new routes on a regular basis. The newly opened Dubai Ports World Kigali Logistics Platform, where TMEA played a catalytic role in providing transaction advisory services that attracted the investors, enables Rwanda to connect a market of more than 1.2 billion consumers in Africa and beyond, and positions Rwanda to become a hub for exports from the region.

The Standards and SPS programme is not only having an impact at the bottom of the pyramid by helping farmers reduce losses, but also facilitating traders and exporters to access high value export markets by complying with SPS requirements and standards. Ultimately this will lead to increasing sustainable incomes and creating jobs. The goal is that by 2023, at least forty (40) enterprises including SMEs will comply with ISO 22000.



## Fast track compliance programme a boon for businesses in Uganda

*Authorised Economic Operator programme earns rewards for traders*

For business owners, time is money and delays that hold up delivery of goods represent loss of potential earnings. In Uganda, an AEO programme funded by United Kingdom's Department for International Development (DFID) through TradeMark East Africa (TMEA) is helping businesses overcome delays by encouraging voluntary compliance.

Richard Lubulwa, inbound Logistics Manager at Nice House of Plastics, a leading manufacturer in Uganda, recounts the costly delays he used to face importing goods from Kenya to Kampala before his company acquired Authorized Economic Operator (AEO) status with the Uganda Revenue Authority (URA). *"Whenever we had a truck coming from Kenya, I would*



*personally travel to Malaba or Mombasa to ensure that the truck was cleared. I spent a lot of money making such travels because whenever we let the truck driver deal with the authorities, we would experience days and days of delays. It was costly and tiresome."*

This changed once Nice House of Plastics became an AEO five years ago. AEO is a voluntary compliance scheme aimed at facilitating global trade anchored on the World Customs Organisation (WCO) framework of standards.

Built upon the World Customs Organisation SAFE Framework of Standards to Secure and Facilitate Global Trade (SAFE Framework) AEO programme's

goal is to enhance security, deter international terrorism, secure revenue collection and increase the efficiency of the supply chain in relation to cross border transportation of goods. Therefore, an AEO is a business entity involved in international trade and has a proven track record of compliance with customs regulations and has thus been allowed to self-manage parts of customs processes such as submitting electronic supporting documents and self-managing bonded warehouses. AEO status earns companies like Nice House of Plastics priority treatment from URA with rewards ranging from faster clearance of goods to self-management of select customs processes. This reduction in transport and

clearance time has resulted in cost savings leading to expansion of the company which now employs more people.

*"Our growth has been exponential because of the AEO status. Our dream of becoming a giant player in the East African market is becoming a reality. In fact, we now want to begin exporting to Egypt. Our knowledge and networks have grown along with us as well - being an AEO means we have participated in trainings and knowledge transfer sessions organized by TMEA," says Richard.*

This growth is replicated across 66 other companies that have acquired the status, such as Bollore Transport and Logistics.



Charles Mwebembezi works as the Customs Relations Manager at Bollore Transport and Logistics, a company that obtained national AEO status in 2013, and 4

years later in 2017 acquired regional AEO status. Having been on this job since 2000, Mwebembezi has a first-hand account of the numerous benefits the AEO status has brought. "AEO status has enabled us to carry out business with significantly reduced interruptions," he says as he explains that one of the big benefits is the annual automatic renewal of customs licenses, partly because the status exempts them from yearly audits and competence tests and so a simple letter of intent to URA means they can obtain license renewal within a week. This is a process that takes non AEO's at least 3 months.

*"Previously, the license renewal process was cumbersome. It could take up to three months of hard work to get a renewal, and many businesses were frustrated by this as their operations were hampered and therefore their profits cut short," says Mwebembezi.*

Other benefits include the option of choosing where customs will physically examine their cargo, dependent on their needs and convenience should their cargo be selected for examination. Alongside other cost-saving benefits, AEOs are exempted from withholding tax and self-manage their bonded warehouses.



Bollore team mobilizing out of gauge cargo in transit to DRC Congo at the Bollore Kampala ICD facility.

## 67 AEO's REPORT SAVING CLEARANCE TIME



- From 4 days average to under eight hours
- Saved costs (some AEOs save US\$100 to US\$700 per transaction)

**RESULT: products priced more competitively. Grows their share of the market in Uganda.**

This translates to growth, as Oliver Wells the Managing Director of Bollore Logistics points out. The company has recorded an annual increment of “16% in tonnage,” which is a win for a company that measures its success on volumes hauled along East Africa’s key transport corridors. Wells notes that, “this is a significant improvement of revenue for the company,” which now hires more than 300 people and has a presence in all border stations in Uganda. Part of the growth, in addition to obviously a good business strategy, can be pegged to easier marketing as a result of enhanced reputation from the AEO status and resultant efficiency. In December 2017, URA awarded Bollore as the best AEO within the clearing and forwarding industry in that year, and this “has made it easy to market and win new clients. Clients see our AEO status and that wins their trust.”

Rumanyika Charles, Manager at URA leading on the implementation of the AEO program, says, “The traditional customs approach centered around control which would entail cumbersome physical checks. The AEO program recenters URA’s customs approach around trust

and rewards businesses and entities that have proven themselves to be trustworthy by reducing and even eliminating some of these controls. They can then pass on these savings to the consumer, and ultimately contribute to the growth of the Ugandan economy.”

The benefits of AEO transcend the business to impact individual employees as Mwebembezi notes that his productivity has improved and his job satisfaction at an all-time high. “Sometimes we experience unnecessary delays and all I have to do now is call the AEO liaison office and the issues are resolved. I don’t need to travel miles away. This has made my life easier.” Charles explains that the new status has instilled a culture of compliance within the company. “Staff care about their jobs and this company, and they are all aware that we must be compliant to protect our AEO status. We collectively ensure that anything that can compromise our position as an AEO is dealt with.” To increase their competitiveness, Bollore Transport and Logistics has set a key performance indicator (KPI) of under 2 hours for clearance of goods. This, notes Charles, is a significant improvement from the up-to 24 hours that it used to take to go through the same processes.

To encourage more compliant companies to join the programme, URA has partnered with TMEA to automate AEO processes which will make it easier to identify and register new companies. An automated system will expand reach to more businesses. AEOs contribute around 40% of Ugandan customs revenue collection, its growth therefore makes it a boon for the Ugandan economy.

FUNDED BY:



did  
YOU  
know?



86%

Reduction in average  
clearance time

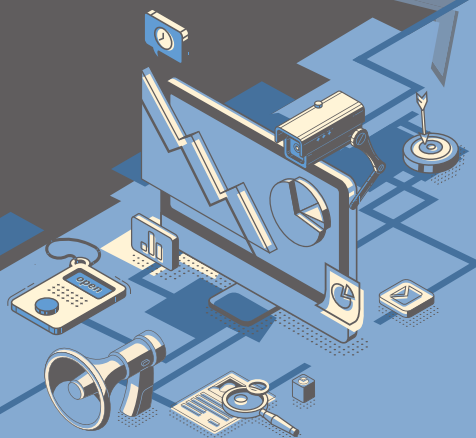
## ICT for Trade Programme

Supported 19 government agencies  
to automate their processes during  
TMEA's strategy 1 from 2010-2017



Average transaction  
costs reduced by

97%



Single Window Information



Online information portals



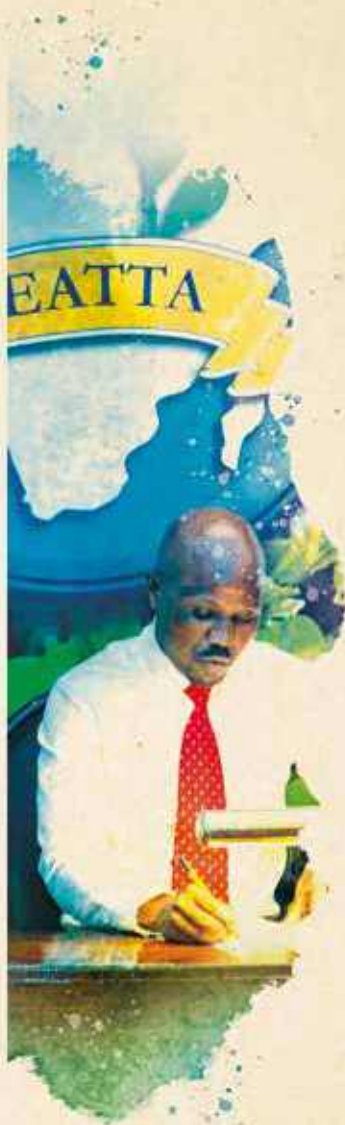
Modernised customs systems



## Brewing tea trade in one click

Like many Kenyans, George Adulu an Information Technology (IT) professional from Nairobi, religiously takes a hot cup of tea with his breakfast, paying homage to an age-old Kenyan tradition. Tea is a breakfast staple, a ten o'clock break beverage and a night cap. Many households brew it with milk and water until it acquires a golden colour. The case is repeated across many Eastern African countries.

The popularity of tea makes it the second most consumed drink in the world after water. In 2018, global consumption of tea amounted to about 273 billion litres and is forecast to reach 297 billion litres by 2021. George's home country, Kenya and its neighbours in East and Central Africa regions are not only big consumers of tea, but also leading producers who trade most of their black tea at the Mombasa Tea Auction. This is the largest black crush, tear and curl (CTC) tea auction center in the world that accounts for 32 percent of global tea exports. The Mombasa Tea Auction (MTA) centre is known for high quality teas that are brought in from across



other African tea growing countries including Kenya, Uganda, Tanzania, Rwanda, Burundi, Ethiopia, Democratic Republic of Congo, Malawi, Madagascar and Mozambique. Every Monday and Tuesday, the auction is a buzz of activities governed by the strike of a hammer as numerous papers are exchanged between buyers, sellers and their intermediaries and tea hauled into ships afterwards.

**Tea trading at MTA is everything but seamless. That's about to change.**

Digitisation is transforming tea trade on the African continent. From the moment the farmer tills the soil to plant the crop to the moment it pours into cups

across the globe, the change is palpable.

For many tea farmers in East and Central Africa, the tea trading process is mysterious. Little information is availed by the tea cooperatives societies on what happens beyond tea collection. Many resign to the fact that the determinants of who, where, and how much tea is sold can only be found beyond their village tea collection centres and factories which is way beyond their reach. Ongoing digitisation efforts will soon enable the farmer in the remotest part of Africa to trace the movement of his or her tea across factories and shipping companies and the market trends affecting tea trade in the world; using the mobile phone.

Central to making this possible is TradeMark East Africa's (TMEA), digitising efforts that are automating the various aspects of tea trade, building transparency and ridding key industry players of manual processes by supporting digital platforms that will enhance tea trade. For example, with funding from DANIDA, TMEA has partnered with the East African Tea Trade Association (EATTA) to automate Mombasa tea trading auction centre through adoption of the Integrated Tea Trading System (ITTS). The ongoing automation is focusing on four areas: membership, catalogue, the auction and business and EATTA members are currently undergoing training centered on the four components.



EATTA is an umbrella body that represents associations under the tea sector from ten East and Central African countries including producers, brokers, buyers, warehouse workers among others helping them ease the buying and selling of their tea. EATTA has more than 220 tea members with small scale farmers comprising 60% of the membership according to EATTA Managing Director, Edward Mudibo.

Following its founding in 1957, EATTA rapidly set up its own tea auction in Mombasa to run the sales of East African teas, which had been traded through the London auction until then. The manual system currently used in tea trading at the auction is wrought with high transaction costs for traders, delays and limits frequency of trading. At times tea remains unsold because it is humanly impossible to manually sell everything on busy days. Sometimes traders extend trading hours to even 2100hours to try and deal with demands. It is such a sweat inducing exercise

that runs non-stop. The manual applications not only affect the auction centre but also other activities involved in tea trade for instance, buyers have to make their reconciliation and payments manually, and then the tea has to be exported or be transported back to Nairobi for other value addition. Currently, tea auctions are held on Mondays and Tuesdays with a main grades auction held on Tuesdays and secondary grades auction held on Mondays. Because it is manual, multiple stakeholders including tea producers, warehouses, brokers, buyers, middlemen, banks and the government intervene at various points of the trading cycle. The multiple players mean that the process is only familiar to a few people, and the tea farmers have little/no say in the prices of their tea. With evolving global trends in other large auctions of the world such as Colombo in Sri Lanka and Kolkata in India, East African tea risks being overtaken by changing technological advances in trade.

*"We are funding EATTA with US\$2 million to create a robust platform that will deliver a digital information flow of buying and selling tea. We have been working with EATTA to re-engineer all the services that are manual, and paper based, and move them in to the digital platform, named The Integrated Tea Trading System. This will make it easy for people to share information." Says Alban Odhiambo, TMEA's Senior Director, Trade Environment.*



**US\$ 20 MIL**

WEEKLY POTENTIAL

**He continues, "Our projections show that an automated system has potential of pushing tea sales to more than US\$20 million weekly as it will resolve one of the key structural challenges under the manual system, which is the limited amount of tea that can be sold in a day."**

The Integrated Tea Trading System will reduce the time taken in the tea trading cycle; reduce the cost incurred by producers in the financing trading process; and increase the frequency of trading teas through the auction meaning that traders can sell more volumes in a day.

With the other complimentary automation projects, we are supporting in the sector, tea trading will become more convenient for exporters as they can now buy tea at the Mombasa Tea Auction and get their export permits much faster. They no longer have to wait for one week to ship their consignment like was the case in the past, Alban enthuses.

The transition has not been without its challenges as Mudibo notes, "In 2012 some members were opposed to the automation process in totality and others were of the view we should only automate certain aspects and especially keep our hammer. But with intense awareness to members, positions have changed... and many of us now realize that automation will increase and grow business." A cross section of the auction ecosystem outline some of the expected benefits including reduction of paperwork, reducing redundancy of data entry improve record management and maintain a historical trail of the tea trading chain thus enhancing decision making.

TMEA's Alban Odhiambo hints at a green future saying the institution envisions supporting many more advanced digitised platforms that will relay simplified information to a farmer and eliminate paper. Farmers should, using their mobile phones, know who bought their tea and who is consuming it and consumers should be able to know under what conditions their favourite hot cup was produced.

**"In agriculture, traceability is becoming a very critical issue where health safety issues are concerned. Consumer habits and preferences as well as marketing trends are making mobile phones a critical part of trade in agricultural produce. An app that tells farmers who consumes their tea and their preferences will help them work to capture other markets."**



FUNDED BY:



MINISTRY OF  
FOREIGN AFFAIRS  
OF DENMARK  
Danida



## Made in Tanzania electronic certificates of origin a delight to Tanzania- based exporters

From commercial to regulatory formalities, export procedures are often burdensome and time consuming for the average businessperson. Small delays in the implementation of any of these or more procedures have the potential to bring serious negative impact on businesses.

*"Buyers' minds are often directed at obtaining a quality service or product, and in a timely manner. They are not too empathetic on procedural issues on the suppliers' side. This burden is the exporters' and cannot be shifted to anyone else,"* explains Octavian Kiviryo, an expert in freight and logistics who has worked with many exporting businesses in Tanzania.

*Mr Octavian Kiviryo,  
coordinator of the freight  
and logistics platform*



Certificates of Origin (CoO) are important and mandatory pieces of documentation for the export business. As the name suggests, CoO details the origin of goods in a consignment. For a long time, a CoO cumbersome procedural requirement slowed down the exporting process from Tanzania. Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) and Zanzibar National Chamber of Commerce, Industry & Agriculture (ZNCCIA) are the institutions vested with the full mandate of verifying the origin of all goods manufactured or processed in Tan-

zania for the export market and therefore, the issuance of the Certificates of Origin. For a long time, they used manual process, that was littered with a lot of paper-work and multiple visits by traders to offices. Today, and with support from TradeMark East Africa (TMEA) the two institutions have adopted an electronic system for application of CoO greatly cutting back on transaction costs and time traders incurred.

This is premised on the fact that manual trade processes not only slow down exporters, but also discourage them from reaching their optimal volumes of exports. It is expected that, only when critical trade systems are fully electronic, will the country's export potential begin to be fully experienced.

Traders agree. Bavon Ndumbati, Export Coordinator for Tanzania Distilleries Limited has managed exports for his company for close to a decade. He recalls the timeline he had to go through to obtain certificates of origin for his shipments.

“Before you would collect your certificate, you would have to go to at least three places. First you would need to collect the forms at TCCIA, then go to bank to pay. Then you would need to go back to TCCIA with proof of payment, before the certificate can be processed. You would then receive the certificate in soft copy at TCCIA, after which you would be required to find a printer, print out the certificate and take it back to TCCIA for signing.” This, according to him, translates into a significant loss in time chasing export permits.



EXAMPLE OF TIME SPENT ON MANUAL CERTIFICATION PROCESS

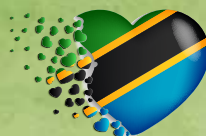
Bavon estimates that the manual system took between 4 and 6 hours to complete one certificate, something he says distracted him from focusing on other tasks which could increase his company's export potential. Tanzania Distilleries exports to Rwanda, Kenya and Zambia and flags off an average of 16 trucks every month; which totals up to 16 certificates of origin and 16 Tanzania Food and Drugs Agency (TFDA) licenses every month. He reflects on TMEA's support in implementation of the electronic system of issuing permits, saying he can now get those permits almost instantly after making an online application and without any physical movement.

Unlike the manual process which was full of errors and led to rejection of the Certificates of Origin in some countries; the electronic application system has returned almost nil errors, because the process is computer aided. Hamad Hamad, Executive Director of ZNCCIA remarks that there were multiple cases in the past, where Rwanda and China rejected ZNCCIA certificates of origin due to faulty signatures.

Fatma Hamis, Executive Director at TCCIA still sees potential to further redeem precious time for exporters. She says, *"the next phase of support from TMEA will go towards designing an electronic payment system, which will eliminate the need for physical movement to the bank to pay for the certificates."* When this has been implemented, TCCIA hopes that electronic certificates of origin will be processed and obtained almost instantly after application.

*"We hope the smooth and swift process of obtaining certificates of origin will motivate more local traders to look at foreign markets," says Fatma. When the country is taking more products to other countries, it does not only position its economy to grow, but it also builds its reputation as a worthy business partner for those countries. Such an image can last for generations.*

It is vital that the label 'Made in Tanzania' carries a positive association to buyers outside the country. This, among other things, comes with increased exporting capacity. Thus, TCCIA and ZNCCIA's improved efficiency in issuing certificates of origin is a step in the right direction in strengthening the national brand; and TMEA is at hand to accelerate this process.





## Kirabira George: from reluctant farmer to maize standards champion

Before the Kagera War in 1979, Kirabira George Kamya, now 61, had qualified to be a primary school teacher in his village in South Eastern Uganda. His dream of becoming a headmaster at his childhood school was one of the casualties of the war. He worked as a teacher for two years before the ensuing insecurity and displacement changed everything. Farming was the natural fallback option. Both his parents had been subsistence farmers, and he recalls holding a hoe as soon as he could walk - but their lifelong toil in the farm never lifted them out of poverty. Kirabira says that, at first, he felt that life had forced him to become a farmer. Today, however, he says he is grateful at the turn of events that led him here because of how transformative agriculture has been to his life.

*Kirabira George, a  
Ugandan farmer*



## ADDRESSING MAIZE GRAIN STANDARDS



Starting in 2015, Kirabira was part of a group of farmers who played a key role in developing the Nakaseke Maize Standards Ordinance (NMSO). The ordinance is a grassroots-led effort to address the issue of maize grain standards - from maize production to its regional distribution. It sets out bylaws and decrees that ensure maize farmers in Nakaseke produce grain that meets the market requirements embedded in the East African Community (EAC) maize grains standard. This allows Nakaseke farmers to trade their maize internationally and grow their livelihoods and businesses. The ordinance's development and subsequent enforcement was supported and funded by TradeMark East Africa (TMEA) through its implementing partner: Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI). It has been heralded as a gold standard ordinance in Africa, and as a model for how local governments across the region can work with rural farmers to facilitate regional trade and help lift them into prosperity.

TMEA's work with SEATINI was implemented in Masindi, Lira and Nakaseke districts of Uganda. Kirabira was one of 700 farmers trained directly by SEATINI to improve their compliance with EAC standards and ensure Uganda maize products compete regionally. Working with the Uganda National Bureau of Standards (UNBS), SEATINI defined and influenced standards policy on maize and sesame - drafting policy papers and presenting them to the government for adoption. With TMEA support, they also established maize and sesame information portals for their trainees and other value chain actors to access easily. These efforts reached an estimated total of 55,000 households in the target districts, including Kirabira.

## From a reluctant to a committed farmer

So how did Kirabira go from a reluctant farmer to one of the men leading the charge to improve the production standards for East Africa's most important food crop?

After the war, Kirabira returned to agriculture by attaining a diploma in organic farming, which saw him recruited by the National Agricultural Advisory Services (NAADS) as a sub-county procurement officer. In the 90s, his career pivoted to include his teaching skills when he became the founder & chairperson of Gakuwebwa Munno: a farmers' collective in Nakaseke - the county he moved into after the war. The name translates to 'advising each other for progress'. Gakuwebwa Munno unites individual farmers so their collective harvests can trade competitively in local and international markets.



The collective grew but met serious challenges when it first tried to trade its maize internationally. They had contact with the World Food Program (WFP) who were interested in purchasing tons of maize from the collective. This initial excitement quickly turned into tears for the farmers once they learnt that their produce did not meet WFP standards. A potentially life-changing deal had evaporated because their grain was just not good enough. This was a turning point for Kirabira and his fellow farmers, who vowed to get the knowledge they needed to improve the quality of their produce to meet international standards

Enter TMEA and SEATINI: Kirabira says, *"I cannot tell you how grateful we were to have found the SEATINI trainings. We thank TMEA for funding them. We had just lost the biggest opportunity of our lives, and here was an organisation ready to train us on how to meet international standards so that our farmers don't lose out again on future opportunities."* These trainings and seminars were the foundation for the Nakaseke Maize Standards Ordinance, and its subsequent replication in Lira and Masindi districts in Uganda.

Today, in accordance with Section 38 of the Local Government Act, Cap 243, Nakaseke district has enacted the ordinance on maize standards titled "Nakaseke District Local Government Maize Ordinance 2015" to develop and regulate the maize industry in the district and ensure the production of quality maize that meets EAC market standards. Kirabira adds, *"The Uganda National Bureau of Standards were brought to the table and sensitized us on how to meet the standards so we developed the NMSO. TMEA supported all our trainings, seminars and our movement. But it was us, the farmers, that developed the NMSO as we saw there was a need to set bylaws to regulate our produce. TMEA's intervention gave birth to our proudest moment: developing the NMSO."* The ordinance is implemented across two zones in Nakaseke district: the agricultural zone in the south covering four sub-counties including Nakaseke, Kasong'ombe, Semto and Kapeka; together with the cattle zone in the north.

Kirabira is sure to tell you that it is the farmers themselves who have taken ownership of the ordinance's implementation. Strict bylaws were set out by the farmers then ratified by the local government, all to improve the quality of the maize grain produced in the district. Farmers in the sub-counties covered by the NMSO agree to stringent penalties - like a jail time of up to 8 weeks - for farmers who fail to ensure their produce meets EAC market standards. Already, district officials from Lira and Masindi have come to Nakaseke to learn from Gakuwebwa Munno's efforts and, with help from TMEA, have developed their own ordinances.



## Expanding quality grain farming further

Today the collective has over 1000 farmers, and all of them strictly adhere to the NMSO. Energised by their increased regional trade volumes now that their grain meets EAC market standards, the farmers collective's dreams have also grown. They want to add

40,000 farmers from adjoining districts to the collective and own 300 acres for commercial maize farming thereby taking advantage of economies of scale and trade internationally at truly competitive prices. They also want to own a maize milling factory so the farmers themselves control more parts of the maize value chain.

“These are not dreams we could even mention before TMEA’s interventions. The trainings showed us what’s possible and now, with the ordinance in place, the quality of our grain has given us a voice at the table where decisions are made.” says Kirabira.

Kirabira says his dreams of becoming an educator have been met in a round about way: with his involvement in training other farmers on maize grain standards, and even being consulted as a researcher for the National Agricultural Research Organization (NARO): *“These trainings have had a huge impact on us. For example, big clients used to complain about the moisture content of our grain. We didn’t even know what that meant! SEATINI and TMEA sensitized us and connected us to policy makers so our voices are heard. We learned and we train others,”* he says.

Farmers have agreed to stringent penalties!



One by one, rural farmers in Nakaseke are lifting themselves out of poverty into self-reliance. Kirabira has all but forgotten the war that brought him to Nakaseke, and challenges him and fellow farmers faced before the trainings and the NMSO:

“Before, middlemen would frustrate us and determine the prices they would buy from us. Now our maize is an international quality grain. We get to decide how much we’re selling the maize for. We get to decide our livelihoods!”



## Busia border

Is one of the busiest in East Africa handling transit to and from the Great Lakes region.



# 15

OSBPs supported by TMEA /  
EAC in East Africa since 2010



# US\$117

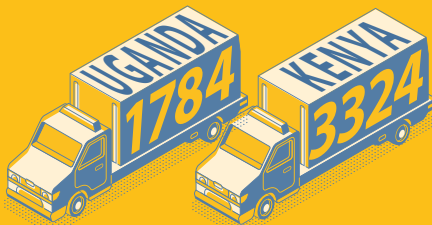
million

Invested by TMEA in  
OSBPs & roads since 2010

\* OSBP = One-Stop Border Post



Total weekly traffic count  
through Busia:





## Technology reduces lurking danger for truck drivers and goods

*"Armed men broke his wind-screen and started hitting him with an iron bar. They stole the goods he was carrying and left him for dead. By the time help came, it was too late. He had died from excessive bleeding,"-Patrick Mutinda, former Truck driver*

East Africa's Regional Electronic Cargo Tracking system (RECTS) has many benefits some of which include safety of cargo, expedited clearance at borders and reduced dumping. To many long-distance truck drivers, it has assured them of safety on the sometimes-treacherous transport corridors. RECTS is a web-based system that provides a harmonised platform for revenue authorities in Kenya, Uganda, Rwanda to monitor transit cargo from loading to offloading thus curbing cargo dumping, diversion among other risks. Over the years, cargo volume along transport corridor has increased and this raised the need to facilitate quick movement of cargo



without compromising customs security controls. That is the well-known story. The untold story is that of long-distance truck drivers ferrying high risk and often in demand goods, whose lives have been saved from armed robbers by the rapid response unit attached to RECTs. Drivers like Mutinda.

Mutinda is a former long-distance truck driver. He recalls his perpetual discomfort driving along Kiu, a lonely hilly section of the Mombasa-Nairobi highway near Salama, as the area was known for armed gangsters who attacked cargo trucks. His friend lost his life in one such incidence. "My friend... as his truck slowed down, armed men attacked him, injuring him, and taking off with the goods he was carrying. He died from excessive bleeding," recalls Mutinda.

And so, when Mutinda's unlucky day arrived, he was luckier than his friend, because by then RECTs was already operational. On hearing commotion on top of his oil tanker, he dialled the emergency number that all cargo drivers had been issued with to report that his truck was under attack. *"Soon enough several police vehicles were in hot pursuit of my petrol tanker. Then, I heard gunshots and some screams. When I eventually stopped the tanker, armed policemen were at hand to take a quick statement. Two of the gangsters had been apprehended with the third escaping with gunshot wounds,"* says Mutinda.

Mutinda's rescue is RECTs Rapid Response Unit (RRU) who are stationed at different points of the Northern Transport Corridor. In case of transit violations, system alerts are generated and the centralized monitoring centre staff dispatch to rapid response units to take action which may include moving to the scene, supervising transfer of cargo in case of accidents, transshipments, initiating investigations in case of theft etc. In Kenya, the teams comprise of customs and police officers who cover the Malaba and Mombasa-Busia highways.

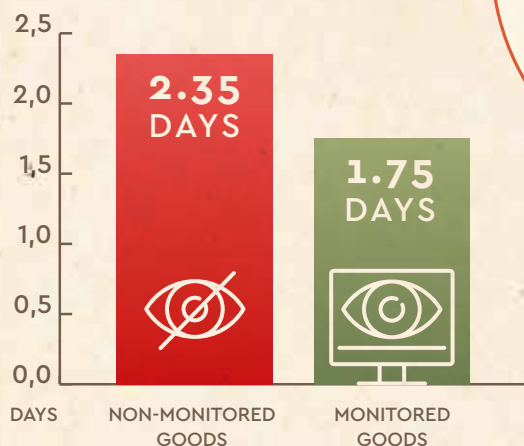
His could have been one of the  
**28,258 ALERTS**  
received by KRA's Central  
Monitoring Unit in 2019.





**Kenya Transporters Association (KTA) concurs that statistics of heavy commercial truck drivers being attacked, and goods stolen or diverted have dramatically reduced since introduction of RECTs.**

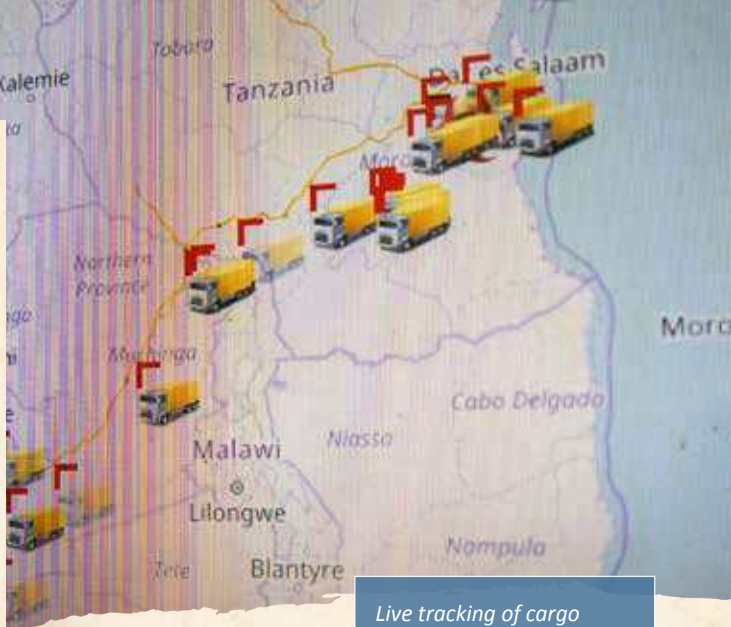
“Attacks on our drivers as well as theft of goods in transit have reduced significantly in Kenya because the 24 hour rapid response unit has been quick to act on any distress calls,” says Mercy Ireri, the Chief Operations Director of KTA.



**US\$ 10M SAVED**  
by the system since inception

Alban Odhiambo, TMEA's Senior Director Trade Environment says that in addition to the peace of mind that safety of cargo affords transporters and truck drivers, the system has also reduced the time it takes for transit cargo to reach destination. Data from KRA shows that in March 2019, non-monitored goods took an average of 2.35 days while monitored goods took 1.75 days. This affords truck drivers more time to spend with their families, as well as reduced related logistical costs associated with longer duration journeys. Data from the regional monitoring centre shows that the system has saved the region US\$ 10M since inception.

**TMEA invested US\$14 million in the system which is currently operational in Kenya, Uganda and Rwanda. Plans to roll out RECTs in Democratic Republic of Congo and South Sudan started in 2019.**



*Live tracking of cargo across borders*

Currently RECTs tracks goods classified as high risk such as those that can be diverted because of tax variation or their sheer value. *“Since it’s a joint regional effort, Rwanda, Kenya and Uganda cargo tracking managers, agree on a profile of the high-risk consignment they need to track.”* At the Mombasa port, the KRA working with representatives from tax agencies from Uganda and Rwanda decide which consignments will be monitored by using analytical tools to make the decision. The tools are based on value and type of product, diversion risk factor and value due to the destination country. Usually, target goods include textiles, sugar, tea, cigarettes, and rice.

Mercy says that the tracking system has enhanced business for the truckers who have adopted it. The system, she says, gives the transporters in the programme confidence of getting more clients because of the certainty that the cargo would reach its destination:

**“It has helped a lot because before its installation, one needed prayers for cargo to safely reach its destination. But now you can track your cargo from the comfort of your seat,” says Mercy.**

RECTs enables customs and revenue officials to account in real time where a consignment is along the corridor and whether someone tried to tamper with it or violate any transit regulation by diverting goods from the designated transit route.

# How it works

## AT DEPARTURE

1. The Customs officer physically attach an E-Seal and activates it in the system
2. Customs controlled release points will have Smart Gates and will scan vehicle details automatically



## IN TRANSIT

3. **A Centralised Monitoring Centre**  
There will be three interlinked Centralised Monitoring Centres in Nairobi, Kampala and Kigali to conduct real-time electronic monitoring of transit cargo



4. **Rapid Response Units**  
In case of Transit violation, system alerts will be generated and the Centralised Monitoring Centres for staff to analyse and dispatch to the RRLs for further action



## AT DESTINATION

5. The RECTs process will terminate when the Customs officer deactivates the E-Seal in the system and then physically deactivates the E-Seal from the container or any other authorised means of carriage

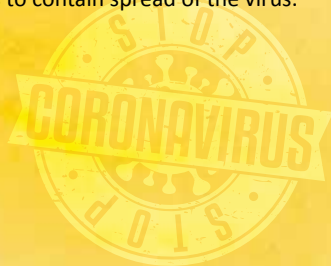


RECTs - Regional Electronic Cargo Tracking System

She argues that the system also helps employers understand peculiar habits of drivers; for example, areas where they have prolonged lay overs or rests. This is in addition to monitoring other operational issues which result in better decisions to improve efficiency.

Alban envisions a future where the system will link all key players in the cargo transport system; from cargo owners, to customs and revenue authority bodies, the security apparatus and banks so that at no point in the movement of cargo will there be reason for delay. Another key objective is to create an automated trade platform where several regulatory entities can share information in real time about consignments of interest. They can collaborate and work together to reduce the time it takes to go through border formalities or documentary compliance.

In recent times, RECTs has proved beneficial in monitoring the safety of truck drivers amidst Covid-19 pandemic. For example, in Uganda, the Revenue Authority used RECTs to track down a driver who had tested positive for Covid-19, therefore preventing him from risking the lives of his family and other people he interacted with. TMEA rolled out a driver tracking app that capitalised on the RECTs platform with the EAC partner states. Aptly named Regional Cargo and Driver Tracking System (ReCDTs), this is a monitoring and surveillance tool for cargo and driver movement along the corridor. ReCDTs enhances compliance to health measures among truck drivers to contain spread of the virus.





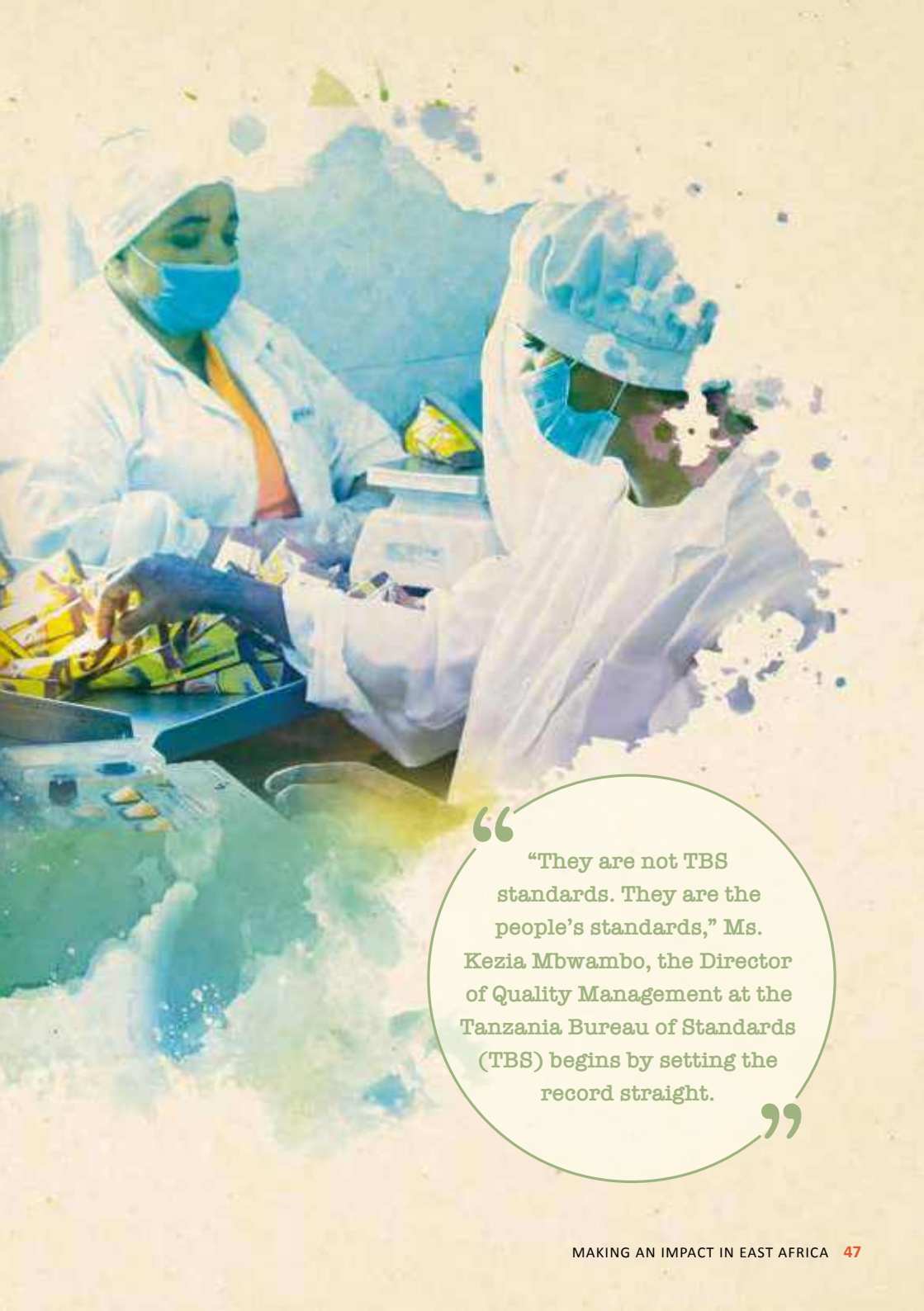
## Renewed drive to improve uptake of standards offers fresh hope to MSMEs

*"They are not TBS standards. They are the people's standards,"* Ms. Kezia Mbwambo, the Director of Quality Management at the Tanzania Bureau of Standards (TBS) begins by setting the record straight.

Ms. Mbwambo feels it is very important to address the constraint of a misguided public perception about standards and their uses.

She does not however feel it is important nor helpful to apportion blame. On behalf of the TBS Director General, she has been leading efforts at the Tanzania Bureau of Standards to make standards work better for Tanzanians with support from TradeMark East Africa (TMEA).





“They are not TBS standards. They are the people’s standards,” Ms. Kezia Mbwambo, the Director of Quality Management at the Tanzania Bureau of Standards (TBS) begins by setting the record straight.

”



*Employee at Nature Ripe's processing facility inspects cashewnuts*

“There has been slow uptake of standards, this despite the fact that TBS has always used participatory design strategies to come up with these standards, in line with international protocols and requirements for development of national standards,” Ms. Mbwambo says.

With support from TMEA, the bureau is embarking on a process of improving its service delivery mechanisms to its stakeholders. Part of this improvement includes developing a training programme on standardization and quality assurance, mainly targeting micro, small and medium enterprises (MSMEs) using both paper-based and digital platforms. The bureau is also developing an Integrated Standardization, Quality assurance, Metrology and Testing (SQMT) system that will automate the key administrative processes used to offer services to its stakeholders.

For TBS, this is expected to quicken the process of certifying products and expand the base of products that have met standards. For many entrepreneurs with dreams to do well in the country, bridging the gap in knowledge of standards and making the process of obtaining certificates quicker promises to bring significant improvements in their business operations.

*Employee at Nature  
Ripe's processing facility  
at work.*



Nature Ripe Kilimanjaro Limited is a company dealing with processing and marketing of various fruit products for local sale and export. The company's CEO, Ms. Fatma Riyami has led the business into considerable commercial success in Tanzania and has received several accolades for her inspiring entrepreneurial journey.

Ms. Riyami is grateful to TBS for the important role they have played in her business, especially through their quarterly visits where they do product testing, provide directions and instructions to ensure her products are of the best quality.

However, despite having a range of products that have received TBS and TFDA certification, she still feels that if improvements are made in the certification processes, her company has the potential to introduce many more products to the Tanzanian market.

Her stability and persistence in business is not enjoyed by many MSMEs. Ms. Mbwambo explains that *"when it takes too long for a product to match set standards, more resources and time would be spent in the process of doing laboratory re-runs and retesting. Some entrepreneurs give up at this stage."*



*Fatma Riyami, Owner  
and Managing Director of  
Nature Ripe. Her company  
stands to benefit a lot from  
improvements at TBS.*

*"This is why the training programme for MSMEs supported by TMEA is important," explains Ms. Mbwambo. Several modules of the training are in development, which, when complete, will also be delivered online. Ms. Mbwambo says "it is important for TBS to have an online training platform for business owners, showing them how to prepare products to meet the best quality standards. This will save a lot of the time currently being spent going back and forth to meet requirements"*

Ms. Riyami recalls a past incident which affirms the usefulness of having the standards easily accessible. At the time, Riyami embarked on introducing a new product using ginger, and followed all the standards as obtained in a standards document purchased at TBS. She says, *"to my surprise, the product was not certified, as I was told we needed to boil the ginger to a degree where it would be safe from salmonella. This requirement was not in the standards document I bought, and when I inquired, I was informed the document had been updated to include the additional requirement."* She adds, *"the only way I would have known about this new development is if the updated standards document was available online, from where I would have downloaded an updated copy."*

The Integrated SQMT systems will ensure small business owners get assistance quickly and in a timely manner, something that is done manually now, making the process slow. *"It would be ideal to test a business owner's product quickly to shorten their production process and enable them take it to the market in a timely manner. The ICT workstream in our work with TMEA should help in making the process faster,"* says Ms. Mbwambo.

Apart from the integrated SQMT system, TMEA is also supporting the development of a National Quality Policy Framework to enhance the implementation and harmonization of standards in Tanzania, as well as a program supporting TBS to domesticate regionally harmonized standards and have their systems and service delivery processes accredited.

All these efforts are geared towards unlocking the potential of Tanzanian MSMEs to be competitive in regional markets in the short to medium term, and global markets in the longer term.

*"We at TBS understand that if standard requirements are properly supervised, we will be supporting the country to industrialize faster and more sustainably. And we are targeting MSMEs because we know that for them to be competitive in the market, there is no other secret than meeting standard requirements."*

The benefits that can be accrued from increased uptake of standards can be quite significant. Taking an example of Ms. Riyami who currently employs over 50 people, both full time and part time, MSMEs have the potential to generate significant revenues to the nation, especially if they can meet the quality standards needed to export. They can also employ many people and thus reduce the country's unemployment rate.

FUNDED BY:





## New initiatives at KEBS reduce certification time, open doors for SMEs

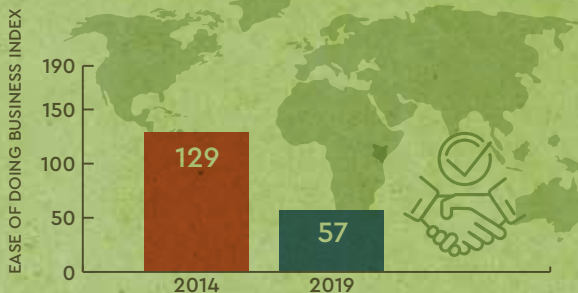
Bureaucratic delays related to standards certification almost led Michael Kimeu\* to give up on his ambitions to set up a bottled water business in early 2010's.

Kimeu set up a water distillation and bottling plant on the outskirts of Kajiado, a county to the south west of Kenya's capital Nairobi. However, he knew that he could not embark on his new venture without his product acquiring certification from the Kenya Bureau of Standards (KEBS). The certification is a mandatory requirement for all locally manufactured products before they are shipped to markets locally or even regionally. It is issued to a firm as confirmation that a product conforms to requirements set by the Bureau.





As soon as his equipment was installed and first product samples generated, Kimeu lodged his application for a permit. Almost half a year later, he was yet to receive the permit and attempts to follow up led to frustration. The delay had a negative impact on his business as supermarkets and other retailers could not stock his product without the KEBS mark of quality. It is an offence under the Standards Act Cap 496 of the laws of Kenya to offer a product for sale without a valid standard mark of quality. To keep his business active, Kimeu altered his initial plans and set up a small-scale water-refilling business, awaiting the KEBS license. *"The kind of investment I had made could not be recouped by the new strategy and I found that I was running into debt mainly because I had installed the machinery in a big facility in anticipation that the orders I had received from retailers and hotel suppliers would cover the rent and associated bills,"* Kimeu said. Just when he was about to give up, Mr. Kimeu received a call from KEBS to collect his certificate, paving way for him to get his initial plan back on track.



Kimeu is one of hundreds of stories from Kenyan entrepreneurs, who a few years ago, almost gave up brilliant business ideas due to the slow pace and arduous process of acquiring the necessary regulatory documents from various state agencies. In the early 2010's KEBS had a backlog of requests for certification of products from local SMEs, mostly driven by inadequate testing capacities at the Bureau. This was one of the many reasons that Kenya fared poorly in the World Bank's *Ease of Doing Business Index*, having ranked at position 129 out of 190 countries in 2014; until 2018 when deliberate steps were taken to simplify and speed up the business licensing processes, including through the introduction of unified business permits. The following year, Kenya ranked at 57 in the global rankings. Strategic partnerships have pushed KEBS closer to being a world class bureau of standards. Working with partners like TMEA, the KEBS adopted a multi pronged strategy that focused on reviewing its governance frameworks on policy and institutional contexts; building capacity standards development, adoption and application; Quality infrastructure services such as quality promotion, conformity testing and inspection; Compliance/third party quality assurance and certification programmes and stakeholder interactions and information exchange. It is on the strength of this approach that KEBS promises that the enabling environment has improved and that it is now possible for qualifying businesses to receive the 'Standardization Mark (S-Mark)' in under two weeks. Part of this efficiency is attributable to TMEA's support to KEBS that improved the Bureaus' efficiency and effectiveness in product testing.

Following the multi pronged strategy, KEBS evaluated its processes, especially in relation to product testing and permit issuance and TMEA provided support of approximately US\$ 1.714 million, and KEBS started implementation of identified initiatives



*A laboratory technician uses modern equipment to inspect product standards at the Kenya Bureau of Standards*

in 2011 until 2017. Specifically, the initiatives ranged from support in acquisition of modern equipment, training of standards staff, review of the Standards Act, and development of the National Quality Policy. Collectively these have enabled KEBS widen its testing scope by 20 additional tests, including improvement of testing sensitivity levels up to parts per trillion from parts per million. This intervention has increased effectiveness of test results, leading to Kenyan products being assured of meeting market requirements before they are exported. Interception of Kenyan products has also reduced, enabling market access for products.

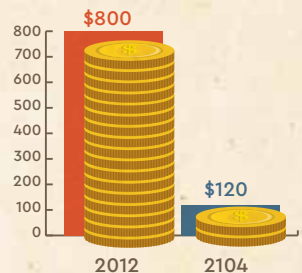
Reduction of turnaround time for testing and costs associated with testing for various parameters have reduced significantly, from 14 days in 2012 to 1 day in 2014 and cost reduction from an average of US\$800 to US\$120, thanks to the partnership by KEBS and TMEA. Further, average time taken for standards-related clearance of goods at select Kenyan borders reduced from 3 days in 2010 to 2 days in 2014. Moreover, increased capacity at the Bureau has resulted in increased product certification to 1820 permits issued in 2014 compared to only 619 in 2010. As part of advocacy and capacity building efforts, KEBS trained small and medium-sized enterprises (SMEs) on standards and certification, to increase their compliance levels and enhance chances of getting their products certified upon submission of samples.

Lucy Ikonya, Manager-Trade Affairs, KEBS says the programme has had a huge impact. *“One of the things it has built is the capacity for Standards Quality Management, Metrology, and Testing (SQMT) activities. This is crucial to ensure effective trade facilitation for Kenyan products in the regional market and beyond.”*

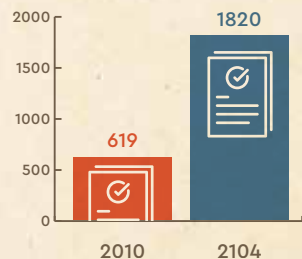
#### REDUCED TURNAROUND TIME



#### REDUCED COSTS IN US\$



#### MORE PERMITS ISSUED



“The TMEA support helped equip the KEBS laboratory with state-of-the-art analytical instruments, which have greatly increased our efficiency,” said Antony Irungu, from the KEBS Food and Agriculture Laboratory and Microbiology department. “So radical was the transformation that tests which would have initially taken 10 days to perform, now take just two minutes - KEBS microbiology laboratory is now able to perform up to 25 tests in 120 seconds.”



Similarly, the equipment has expanded the scope of testing to cover organic contaminants in drinking water such as benzene, xylene and halo-methanes, as well as methyl mercury and other toxic elements in food products such as fish and beverages. This is in addition to testing mineral elements in animal feeds, food products and mineral supplements. “Our detection limits have also improved - the new equipment are 1000 times more sensitive and have moved our detection

ability to ultra-trace levels up from trace level,” Irungu said. He explains that ultra-trace testing capabilities gives consumers the assurance that products approved for markets by KEBS are safe to use.

With gains in laboratory functions, Ms. Ikonya adds, KEBS has witnessed a spike in its trade facilitation activities supported by the hastened pace of issuing the standardization mark to SMEs.

**“The results of the tests done using the equipment are used to support the issuance of S-Mark through testing of products under the product certification scheme. This has led to the doubling of certified SME products,” Ikonya said.**

Other achievements arising from the investment include the set up of a web-store, allowing certified businesses to purchase and print the standards online, as opposed to waiting for hard copies of the stickers from KEBS, a process that previously took several weeks based on demand.

Such progress is exciting for Kimeu and other SMEs. “Up and coming businesses need all the support from the government, and most of it arises from smoothing the licensing processes. I am glad that new SMEs will not have to go through the challenges and frustrations I underwent in getting my products certified,” Kimeu said.



*\*Name has been changed to protect the interests of source*

did  
YOU  
know?

## Africa Continental Free Trade Area

Could increase Gross Domestic  
Product (GDP) across the  
continent by an estimated

**\$62**  
billion  
a year



EA anticipated  
**US\$1.8 billion**  
in welfare gain  
&  
**+2 million jobs**



## Cutting red tape for inclusive trade, one procedure at a time

### Simplification works.

Exporters, and importers of fresh and dry produce to Kenya are required to register with Kenya Plant Health Inspectorate Service (KEPHIS). Until recently, this registration took between 10 to 28 days with the traders completing a total of 10 steps and filling in 13 documents. A time-consuming effort that was also costly. Simplification of processes by KEPHIS have reduced the number of steps by half - to 5- and requirement to submit only 3 documents, translating into a 62% reduction of traders' transactional costs

The Information for Trade in Kenya Portal (InfoTradeKE) serves as a one-stop shop for information on trade-related procedures, from various government directorates, and provides a step-by-step guide on foreign trade procedures from the user's (exporter/importer) point of view. It was implemented by Kenya Trade Network Agency (KenTrade) in partnership with TradeMark East

Africa (TMEA) through funding from United States Agency for International Development (USAID) and the Netherlands and with technical support from the United Nations Conference on Trade and Development (UNCTAD).

The Portal has approximately 10,000 visitors each month. It has proven to be an ideal tool for regulators to analyse interventions in the export and import chain, providing insights on bottlenecks and barriers to trade that need to be dealt with to make the trader's experience more efficient. The results from the simplification of the procedure to register as an exporter of fresh and dry produce with the Kenya Plant Health Inspectorate Service (KEPHIS) provides a perfect illustration of the power of this approach.

Simplification of trade procedures involves the elimination of steps, redundancies, and duplication of requirements, by looking at the current procedure against the laws (Acts and Regulations) that govern it. Additionally, simplification critically analyses the administrative cost incurred by businesses while applying for certificates, licences and permits for export and import.

KEPHIS has the mandate of quality assurance of agricultural inputs and produce to prevent adverse effects on the economy, environment, and human health. Exporters or importers of fresh and dry produce are required to first register

with KEPHIS. Prior to simplification, this registration process required one to complete a total of ten (10) steps and provide thirteen (13) required documents. The whole process took between ten (10) to twenty-eight (28) days; as outlined on the "Register with Kenya Plant Health Inspectorate Service (KEPHIS) – Original" procedure on the Portal.

### **Reducing the administrative burden cost by 62% without changing any laws**

A series of simplification workshops conducted by National Trade Facilitation Committee (NTFC) and KenTrade analysed the procedure documented on InfoTradeKenya and identified registration of exporters of fresh and dry produce as cumbersome and submitted short term and long-term proposals to KEPHIS. Following which, KEPHIS has since implemented the short-term proposals identified, which has resulted to the following: the steps have now been reduced to five (5) (from 10), mandatory requirements to just two (2) (down from

13), and the duration of the procedure is now at six (6) to fourteen (14) days; as outlined on the new (current) "Register with Kenya Plant Health Inspectorate Service (KEPHIS)" procedure on the Portal.

Further to the reduction of the required documents, KEPHIS has also implemented the proposed application form in the registration procedure; previously, traders were required to submit a cover letter addressed to the Managing Director, stating their intent to export, market of export, crop to export, among other details - which is complex to structure. Implementation of the form has drastically reduced the number of attachments to accompany the cover letter, as the required information is now outlined on the new application form.

Furthermore, KEPHIS management agreed that applications could be submitted by email. Previously, these had to be delivered in person to KEPHIS regional centres, which was costly for businesses.





Simplifying KEPHIS' registration procedure has not only impacted the total number of steps involved in the export of coffee, tea, flowers, beans, peas, avocados, nuts and oil crop products, cotton, sisal etc., but has also significantly reduced the administrative burden cost incurred by businesses in the registration procedure from **KES 40,197.35 (US\$ 375.5)** to **KES 15, 287.29 (US\$ 142.8)** therefore sav-

ing each business wishing to trade any type of plant products a total of **KES 24, 910.06 (US\$232.7)**. **This represents a cost reduction of 62%.**

It is important to note that these significant simplification results were achieved without changing any law and regulation. The measures to simplify were implemented right away thanks to effective managerial oversight at KEPHIS and coop-

eration with KenTrade and the NTFC Secretariat.

KEPHIS is happy with the efforts made to simplify procedures as this has reduced repetitive tasks and streamlined registration. Further, availing the information through the Portal has led to less inquiries, walk-ins and call-ins by traders enabling KEPHIS to better focus on its core objective of ensuring phytosanitary control.



## Supporting safe trade post Covid-19

The KenTrade InfoTrade Team and the NTFC Secretariat are currently liaising with the border regulating agencies to

**identify quick simplification measures that allow for business continuity** while avoiding physical contact. For example, over the past few weeks, they have accelerated the Coffee and Tea Directorates and the Department of Veterinary Services' adoptions of Mobile payment solutions (such as M-Pesa) making it possible for non-human contact payments of various fees relating to the exports permits and licenses issued by these authorities. Such improvements are relayed

in real time on InfoTradeKenya and monitored through a Simplification Dashboard accessible to decision makers.

Simplification of trade processes within KEPHIS is only one of the various initiatives being undertaken across the region. TMEA in partnership with East Africa Community (EAC) secretariat and UNCTAD are already scaling up efforts to simplify 43 other procedures to improve ease of doing business in Kenya. Similarly, such initiatives are being undertaken in Tanzania, Uganda, and Rwanda in partnership with respective governments. Each of these countries have also implemented similar Trade Information Portals with TMEA, UNCTAD and EAC support. They can all be accessed via EAC' regional tradehelpdesk: <http://tradehelpdesk.eac.int/> providing traders with an easy single access to information related to imports or exports in the region.

FUNDED BY:



Ministry of Foreign Affairs of the Netherlands

ORDER POST

Infrastructure,  
 ...s, fast custom  
 sharing will  
 e border.

**ORDER POST**  
Infrastructure.  
... fast custom  
... sharing will  
... the border

“Don’t get me wrong. We were not bringing in dangerous contraband,” she notes, “it was things like rice, wheat flour, and household goods. Yet the process of going through the proper routes at the Busia border, before the One-Stop Border Post was built was too complicated and too difficult for us small traders. The offices we have today didn’t exist. None of us knew where to go to clear our goods, the officers were rude and corrupt, and there was much paperwork to do - it was all so expensive. We never felt welcome at the border!”



Today, Mariam is the chairwoman of the Women’s Cross Border Traders Cooperative Society. From her office at the Women’s Trade Desk at the Busia One-Stop Border Post (OSBP), she reflects on her decade-long transformation. The changes at the border over the past several years, she says, have not only changed the border but also changed her life. She notes the establishment of the East African Community (EAC) Common Market, the construction of the OSBP and, most importantly for her, the Simplified Trade Regime for small-scale traders, as key improvements that have facilitated trade and allowed traders like her to formalise and grow their businesses.

While the Busia border was one of the busiest in East Africa even prior to the construction of the OSBP, the Uganda side consisted of erratically built and run down buildings, an unending line of stalled trucks, and lengthy, unclear processes to clear one’s goods into the country. Trucks with goods could take up to five days to get clearance, as many of the government agencies necessary for clearance did not have consistent presence at the border.

TMEA’s multimillion-dollar investments in the OSBP’s construction, improved border ICT infrastructure, and harmonisation of working procedures on both the Kenyan and Ugandan sides are paying off in a big way beyond pure economics. The OSBP included construction of office buildings, roads and parking yards, cargo verification bays, a scanner shed, passenger sheds, targeting booths, a warehouse and canopies, ICT networks and hardware, furniture, and institutional support to the border agencies. The projects were funded by UK’s Department for International Trade and Global Affairs Canada.

The project has boosted trade by reducing the cost and time related to clearing goods between Kenya and Uganda, and increased volumes of trans-shipment cargo through the Central Corridor. It has also had a singular impact on the economic empowerment and livelihoods of women traders like Mariam.

*“My life has changed because of TMEA’s investment. I don’t only say that because I make more profits now. The improvements at the border have meant I don’t need to smuggle goods anymore. The threats of extortion and sextortion in the bush, dangerous routes with cunning agents, the stress of getting caught by the police and having your livelihood taken away are all behind me now. My life is calmer, my family is healthier because of this modern border post now.”*



“The improvements at the border have meant I don’t need to smuggle goods anymore. The threats of extortion and sextortion in the bush, dangerous routes with cunning agents, the stress of getting caught by the police and having your livelihood taken away are all behind me now.”



Mariam Babu at the EASSI Offices at the Busia One Stop Border Post



Mariam recalls her lowest point as a smuggler. In 2009, she lost her brother and had to transport his body from Kenya to Uganda for a burial ceremony at their birth village. Using the bush routes they were accustomed to, the group she was traveling with was intercepted by Ugandan police. After hours of harassment and threats they were ordered to open the coffin so as to confirm that it was indeed carrying the remains of his brother and not contraband goods.

The indignity of having her brother’s remains mis-handled like that was a turning point for Mariam. Going forward, she decided, she would use the gazetted route despite its then cumbersome and hostile condition. Gratefully for Mariam and

other small-scale traders like her, the series of TMEA-supported improvements noted above were underway.

So, what has been the significance of the changes to small cross border traders like Mariam? The Simplified Trade Regime allows fast-tracking of customs clearance for consignments worth below US\$ 2000 - the range traders like Mariam typically trade in. The EAC Common Market allows goods produced in member states to be exported to other member states with a zero-rated import tariff. Pertinently, the OSBP has made border crossings significantly faster for traders of all sizes. Cargo trucks that used to take four to five days to clear, now take on average just three hours. Faster clearance translates into significant time and cost savings for all traders.

At the OSBP, Mariam also notes that TMEA-led trainings for traders and border agency staff have improved their personal capacity and has had positive multiplier effects, like the establishment of the women’s trade desk and the weekly joint border stakeholder meetings where traders voice their concerns and receive updates from border officials.

*“With the great improvements for women traders like me, it is easy to forget how dark and challenging things used to be. TMEA’s work on many fronts has made it so easy for us small-scale traders to grow our businesses and support our families. So many people appreciate how quick and painless it is now to trade through the Busia border. When I say the OSBP changed my life for good, I really mean it”* says Mariam.



## **Caroline and Juliana: empowered women entrepreneurs paying it forward**

As a simple tailor in the city of Dodoma earning a small income, Juliana Mtenga's real full time job was to take care of her children and house. As any caring mother, Juliana cared about her children's nutrition – more so for the youngest child she was raising back in 2010. But this was no small feat for her. Quality baby formula was expensive and not readily available, so she had to contend with running short of the important nutrition for her child, until one day when she decided that she had had enough.



**Juliana embarked on a very ambitious mission to make her own baby formula. She read about it and began making powdered formula at local grain grinding mills. She quickly perfected her formula and was able to make a nutritious meal to feed her young baby. Little by little, her neighbors noticed her product, and it was not long before she made the life-changing move of stocking a few products at her small tailoring shop.**



By 2012, Juliana had grown from producing 5 kgs to 200 kgs of her formula every month. But it seemed that she would remain stuck at this level, because up to this point, she had almost reached her full capacity to serve people in close proximity to her. She also viewed this as a side activity, not a business, until she was exposed to Tanzania Women Chambers of Commerce (TWCC).

With support from TMEA, TWCC has trained many women entrepreneurs with the aim of improving their standards and subsequently help them expand their markets locally and across the border.

Several sessions held by TWCC between 2016 and 2019 helped Juliana meet and interact with many other entrepreneurs and this broadened her ideas and vision for her business.





*Juliana Mtenga watches grains exposed in the sun to dry before being processed*

“ She recalls, “TWCC took us to Arusha where we saw other women entrepreneurs, majority of who were doing cross-border trade. This is where I first got a real drive to expand. I had seen others who are just like me doing it, and I believed in my product, so I wanted to grow.” ”

However, expanding involved observing certain standards and regulations that Juliana never had to worry about as a small businesswoman mostly supplying to people close to her. But to address this obstacle, TWCC’s intervention had to play a very significant role.

She says, “when I thought about the laborious work I had to do to comply with standards so I can also grow, I almost gave up. But, gratefully, TWCC was always there to hold my hand throughout the process. As a result, I upgraded my production facilities and finally got the confidence to seek certification from the Tanzania Food and Drugs Authority.”

Juliana is almost tearful at this point as she pauses and reminisces what could have been an immature end to her big business vision. She lifts her head with a smile, saying “I finally succeeded.”

Juliana’s growth from this point forward became exponential. In a short span of 3 years since she made significant changes to her business, she had grown to producing up to 4,000 kilograms (4 tonnes) every month. From doing everything herself, Juliana now employs six people in her business.



*Caroline Kisinza's drip irrigated tomato farm*

**Juliana's story is not too dissimilar to that of Caroline Kisinza, also hailing from Tanzania's capital, Dodoma. Caroline, a humble, strong and self-driven entrepreneur is a successful farmer who finds joy in feeding her community and providing employment to people around her.**

Caroline ventured into livestock keeping in 1995, and that remained her main economic activity until 2009. But an unpredictable market and stiff competition forced her to rethink her business. Largely through her husband's connections, she ventured into supplying concrete culverts to construction projects and her company, Jakaska Investments was officially registered in 2012. Caroline became the second only female engineer in Dodoma working with the Council in different construction projects. However, the construction projects were usually short-lived and seasonal, therefore the need to sustain income generation was still not met.

When TWCC introduced workshops for female entrepreneurs, she attended, mainly because of her desire to improve her business. However, on a trip to China supported by TWCC, she learnt that she could turn her 4 acres of land into a successful farming enterprise. In China, she was made aware of drip irrigation, and she decided to apply this technology in her farm.

In 2018, she managed to harvest 22 tons of tomatoes and 4.2 tons of onions which were all sold to the local market, earning over TZS 30 million. She is happy and motivated to do even better in future.

“She says “my farm has been so successful that it has motivated my children into believing that agribusiness pays off, and they are now starting their own ventures instead of relying on being employed.”



Caroline Kisinza is ready to visit her farm

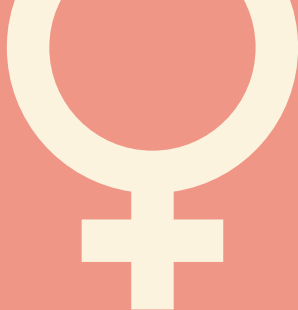
**Paying it forward**  
**Juliana and Caroline**  
**are an embodiment**  
**of the common idea**  
**that when women**  
**are empowered,**  
**their communities**  
**are empowered too.**  
**Caroline has run a**  
**charity organization**  
**from 2008. Her organ-**  
**ization owns a center**  
**hosting orphans and**  
**children living with**  
**HIV, and it received**  
**financing from various**  
**sources up to 2018**  
**when there was no**  
**external funding.**

Caroline's relentless concern for the well-being of the 25 children she is taking care of now cannot allow her to cease her support. With the proceeds from her farm she is expanding her center to give more room and privacy for the children. *"I derive a lot of joy in seeing that all the children I am taking care of can grow up and succeed in life. I have some who are in university now, and others in secondary school,"* she says.

Juliana gives 10% of her monthly income to an orphanage center in Dodoma because she believes in caring for the needy. She also intends to teach her fellow women on how to produce the flour to its final stage.

Juliana Mtenga at an orphanage she supports in Dodoma

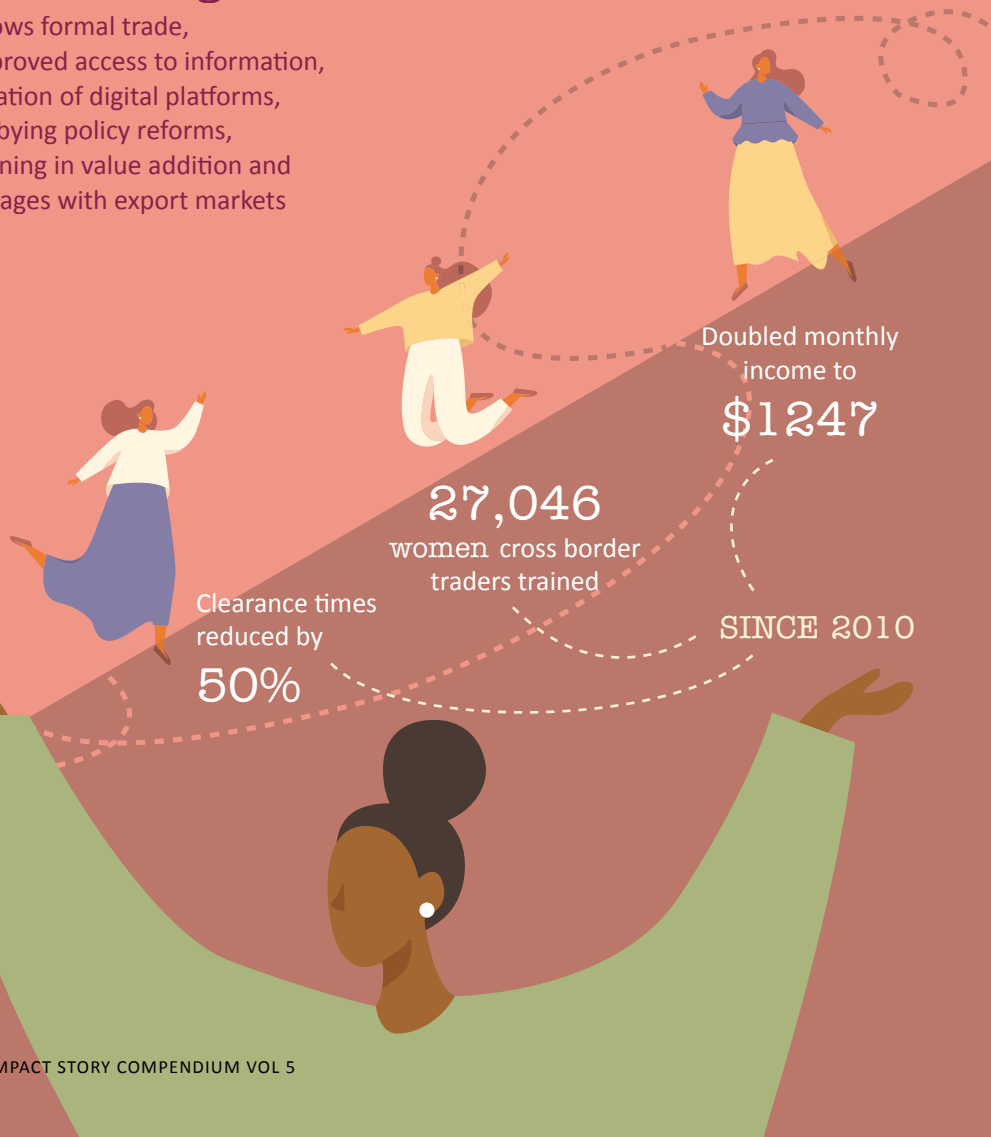




Over **70%**  
of cross-border  
traders (In East  
Africa) are women

## TMEA Women and Trade Programme

Allows formal trade,  
improved access to information,  
creation of digital platforms,  
lobbying policy reforms,  
training in value addition and  
linkages with export markets





# IMPROVING BUSINESS COMPETITIVENESS



## Collective trading transforms a widow's fortune

Modesta Nekesa, 31, has been a farmer for most of her adult life. However, it was not until two years ago that she started making money from her land by cultivating and selling a crop that was unfamiliar to her community - chilli.

Ms. Nekesa lives in Busia, a town on the Kenya-Uganda border where she moved to after getting married at 17. She was widowed at 23 with three children. Her late husband, Michael Oluoch had bequeathed her five acres of land, but inheritance tussles saw half of it taken away by her brothers-in-law.

And so, destiny subjected her to a life of subsistence, cultivating maize, beans, and occasionally sweet potatoes. She barter-traded some for other household utilities and the largest portion was consumed by her young family.



“We fed off the land, and for years, I never had a shilling to my name. Any little money I got from selling part of my (not-so-good) harvests was immediately spent on books, pencils, uniform repairs or other such immediate needs,” Ms. Nekesa said.

All this changed after Ms. Nekesa accepted an invitation from a friend to attend an agriculture seminar organised by the Joyful Women Organization (JOYWO), an implementing partner of Trade-Mark East Africa's (TMEA) Women and Trade programme. This course opened her eyes to a world of farming entrepreneurship.

*“I attended the training as a good way to pass time as the rains had delayed thus there was little farm work,” she says, a hearty laughter breaking the seams of her face.*

The training introduced Nekesa and 99 other Busia residents to chilli farming, value addition and cross border trade.

*“The programme started by recruiting interested members, then later they are trained on the best farming practices and market access modules. Such included training in GAP standards, business management, record keeping and market identification,” Gilbert Metto, then Head of Department, Table Banking at JOYWO explained.*

After the training, Nekesa acquired the African Bird Eye chilli seed variety which takes just three months to mature, with a harvesting season lasting 3-4 months. On average, a well-managed chilli crop has a productive lifespan of 2-3 years, with yields of 1000-3000Kg an acre per harvest, after which it is advisable to rotate with tubers such as cassava, yams and sweet potatoes or legumes like beans, peas and lentils.

*"I have always had one or two chilli plants next to my house, but just for domestic use. It had never occurred to me that with economies of scale, I could actually make some money from the crop," Nekesa said.*

She needed about 200g of the seed to cover half an acre of land.

*"Even with the knowledge I had acquired from the training, I still considered this new venture a gamble, hence the hesitation to plant more acreage," Nekesa said. The rains came soon after and, in a calculated fashion, dissipated in just under three months, the time it takes for chilli to ripen.*

Nekesa's first chilli harvest, early 2018, totalled 300kg, which she sold at KSh30 (£0.24) per Kg to middlemen, who had inroads to Kampala, the capital city of Uganda, where there was high demand.

***"The Ksh. 9,000 (US\$ 94) may not seem like much to some, but it was the first real money I made, and, for once, I was sure my children would stay in school a full year," she said.***

Her second season yielded a lot more having increased the size of coverage to one and a half acres. With her group she had also found a new market, this being a processing plant in Eldoret a Kenyan town some 166Km from Busia. The processing plant gave her better prices. The processor's requirements are, however, stringent hence the need for better husbandry, a skill she had learned during the JOYWO training. Fueled by the new market demand and support from JOYWO, Ms. Nekesa became a semi-professional chilli farmer. With her confidence soaring from the training and success of first attempt Ms. Nekesa decided to bypass middlemen and directly delivered her Chilli to Uganda where she discovered that the middlemen were ripping her off almost KSh20 (US\$0.19) per Kg.

Women account for 51% of the informal cross-border traders at Busia and Malaba, border crossing points between Kenya and Uganda; and where TMEA has implemented the One Stop Border Posts that reduce the time taken to enter and exit the bor-

der. In addition to construction of physical OSBP's infrastructure, training of border officials; TMEA has also invested in training of cross border traders on Single Trade Regime and provision of information on markets. Such investments as common customs clearance and proper business training have been found to boost women's incomes and in encouraging them to either join or initiate meaningful trade activities. *"I never imagined I could do business outside of Kenya borders because rumors had it that it was expensive to get border permits. However, after trying it, I can confirm that everything is quite straight-forward,"* she says, in relation to the efficiencies realised by the installation of the OSBP at Busia.

Going forward, and following on the success of the Busia training, JOYWO'S Metto appeals for similar initiatives around the country, with a recommendation that this should encompass producers farming various products.





## Roaring cross-border trade lifts thousands of women out of poverty in Rwanda

In Rwanda from the capital city of Kigali to the borders with Democratic Republic of Congo and Uganda, cooperatives are building socially and economically resilient communities. TMEA has an interest in supporting women economic empowerment as demonstrated by its recent financial commitment to increase funding to women programmes. As well as its partnership with local organisations such as Pro-femme Twese/Hamwe to devote increased attention to forming cooperatives for women cross border traders to help them tap into their collective power.





At the border of Goma and Rubavu, Kōtiheza cooperative comprising of 36 women is milling, packaging and exporting maize flour to Uganda and Democratic Republic of Congo, in addition to distributing within Rwanda, as a result of this programme. Musa Abonabise is the President of Kōtiheza cooperative, and the only man in the co-operative.



“We started off as informal traders stationed right at the border of Goma\* and Gisenyi. Kōtiheza was formed in 2011 when we came together to formalize our operations. Before becoming a cooperative, most of what we did was against the rules and regulations of cross-border trade. Pro-Femme/Twese Hamwe helped us found the cooperative, offered us training and advocated on our behalf with the Ministry of Trade and Industry to access financial grants. Our lives have been positively transformed.”

### Success shows in the ranking

Joseline Twizereyimana the Vice President of Kōtiheza Cooperative recalls her life before, *“I was very poor and it showed in my body weight. I literally weighed 46 kgs. But now, Kōtiheza has made it possible for my family and that of my fellow cooperative members to be placed in the third category of Ubudehe,”* Additionally, she is able to educate, decently clothe and pay health insurance for her children.

Ubudehe is a Rwandan home-grown development program whereby citizens are placed into different socio-economic categories, ranking from one to four. These categories inform the level of support families receive from government social protection programs. Category 1 ranks families who do not own a house and can hardly afford basic needs, while Category 4 consists of people who own large-scale business, individuals working with international organisations and industries, as well as public servants. According to Musa, all Kōtiheza Cooperative members own their homes.

*\*Goma is the capital of North Kivu province in the eastern DRC. It is located next to the Rwandan city of Rubavu (also commonly referred to as Gisenyi).*

*"We've come a long way since 2011," Joseline says. "Trading was so difficult mainly because we were always avoiding the police and engaging in illegal practices. Now we are taxpayers and can sell our maize flour in neighbouring countries without worry."*

As Musa and Joseline take us on a tour of their restaurant they narrate how in just eight years, Koti-heza Cooperative transformed from just selling raw maize then milling and producing maize flour, to now selling value-added product in their own restaurant. *"As you can see, we are one of the few restaurants that operate here at the Rubavu Cross-Border Market. When it was completed in March 2019, Pro-Femme/Twese Hamwe encouraged us to prepare ourselves and tap into the opportunities that would emerge from this new market facility."*

## Fashionably made in Rwanda

**"Before our cooperative started, we used to sell clothes without paying taxes, and often used illegal routes (panya routes) between Rwanda and the Democratic Republic of Congo. Incomes were low and security was always an issue."**

Unamukore Gisenyi was founded in 2012 by 46 women who were in the business of selling clothes. Justine Mugwan-eza its President says, *"Before our cooperative started, we used to sell clothes without paying taxes, and often used illegal routes (panya routes) between Rwanda and the Democratic Republic of Congo. Incomes were low and security was always an issue."*

When the District of Rubavu invested in various cooperatives in 2012, Unamukore received Rwf 1 million. Soon after, Pro-Femme/Twese Hamwe supported them to receive funding from the Business Development Fund which they invested in land and sewing projects. *"We were interested in the Made in Rwanda Campaign although we never had enough material*

*or equipment for garments. Pro-Femme/Twese Hamwe supported us to get the twelve sewing machines that we're using now, and trained us to use the equipment,"* Justin says. Unamukore Gisenyi Cooperative soon started attending trade fairs and began exporting their clothes to DRC. *"We applied and received a bank loan of Rwf 33 million, based on collateral of the first property we acquired and used it to buy our own land and build a core working space. We are paying off that mortgage and look forward to owning our second property,"* Justine states. Today, Unamukora Gisenyi Cooperative has a total of 115 members, all women. They have property worth Rwf 22 million (US\$23,252), which they rent out to commercial and residential tenants.

Bora Nyirasengimana Ebole a member of the same cooperative says, *"During my time at the cooperative, my life changed. My husband and I saved what I made and bought land on which we built a house. All my three children are in school and we have no issue*





*raising the school fees. What I appreciate most is that I find more dignity in my work. Now I dress up well and sit in meetings with women leaders, something that I would never have done before joining Unamukora Gisenyi Cooperative,” says Bora with a smile.*

Unamukore Gisenyi Cooperative has a rotational work system for its members, people work on different days of the week so that everyone has a chance to make and sell their ‘Made in Rwanda’ clothes. Their main clients are based across the border in Goma. *“At the moment, we require more support to get electronic sewing machines. Currently we cannot keep up with the demand from DRC using our old foot pedal sewing machines,”* Justine says.

## Value and volume of trade

Forming cooperatives echoes the Rwandan government’s goal of building institutions that will propel trade and improve livelihoods. According to Emma Marie Bugingo, Executive Director of Pro-Femme/Twese Hamwe, *“To date, 24 women cross-border cooperatives have acquired machines*

*and equipment for value addition that will increase both quality and quantity of their products.”* The TradeMark East Africa and Pro-Femme/Twese Hamwe Programme has enabled 10 cooperatives gain new market opportunities as a result of project interventions.

In terms of trade volume, Emma Marie states that, *“trade volume increased by 64% and export value increased by 72% among the target group. Twenty-four cooperatives received financing for value addition projects through Pro-Femme Twese Hamwe, and twenty-three cooperatives secured funding from the Business Development Fund (BDF).”*

There is continuous effort to resolve challenges such as sustainability of volume and quality, cooperative governance and that women can access travel documents for infants that they cross the borders with.

## Opportunities in need

Informal cross-border trade has been a source of livelihoods for border communities across many parts of Africa. In Rwanda, total informal exports in 2018 amounted to US\$125.3

million. Women contribute the bulk of informal cross border trade, accounting for 74% of traders operating between Rusizi-Bukavu and Rubavu-Goma border crossings.

Gender-based violence, extortion, financial exclusion and a lack of knowledge regarding the rules and regulations governing cross-border trade inhibit these women from attaining their full potential. Between 2012 and 2018 with support from TradeMark East Africa, Pro-Femmes/Twese Hamwe set out to empower Rwandan informal cross-border traders. Within six years, 63 cooperatives with over 3,000 members (98% women) were trained on how to formalise their trade and gain access to markets and finance. The project ran across nine main border districts. Pro-Femmes Twese Hamwe is an umbrella of 53 women’s economic empowerment associations representing over 45,000 individual members.

Between 2019-2023, the programme will support ninety-two cross-border cooperatives representing 3,500 traders across nine border districts in Rwanda.



## Supporting Rwanda farmers to reduce losses and access markets

For many farmer cooperatives across Rwanda, especially those that farm staple crops, access to finance has always been an issue and this is complicated by post-harvest losses that discourage finance providers from investing in agriculture. Positively, the government of Rwanda is undertaking improvement in infrastructure such as cold storage facilities, road and air transport to eliminate post-harvest losses and make agriculture value chains an exciting investment prospect.



*mobile dryers have led to  
significant improvement in  
the overall quality of maize*

Joshua Rugema, Country Director, The East Africa Exchange EAX states that, *“right now, Rwanda’s agriculture export revenue is an average of USD 500,000,000 per year and I believe that with the investments being undertaken, we will easily get to US\$ 2bn in 2023 by embracing innovative agricultural value chain strategies, and utilising the conducive environment government has created.”* TradeMark East Africa is supporting these efforts and has partnered with EAX to reduce risks by training farmers in production, post-harvest handling, cooperative governance, while at the same time providing equipment for grain management and building linkages to markets. Two years into the programme, farmers now access larger markets, have reduced rejection rates for their grains by over 70% and access loans against their grains.



EAX is a regional commodity exchange established to link small-holder farmers to agricultural and financial markets, secure competitive prices for products, and facilitate access to financing opportunities. EAX in Rwanda has maize, beans and soya farmer cooperatives representing around 80,000 farmers. For the past four years, EAX has enabled soya, maize and sorghum farmers from 500 cooperatives to secure bank loans worth US\$4.7million from using their harvest stock in warehouses as collateral. The partnership with TMEA with funding from UKAID, Belgium, Global Affairs Canada, Netherlands, Ministry of Affairs Finland, Netherlands and USAID, is consolidating these gains. Joshua Rugema, Country Director for EAX underscores the need stating, *“In 2018, over 70% of supply from cooperatives we work with were rejected because of prevalence of aflatoxin, which makes crops unfit for human consumption. In terms of volumes, this 70% equals 17,200 tons of maize worth Rwf 4.3 billion.”* Rwanda produces an estimated 700,000 tonnes of grain annually, according to statistics from Rwanda maize farmers’ cooperative federation and like other East African countries aflatoxin contamination from fungi remains a threat. In Rwanda, levels of aflatoxin increase rapidly during post-harvest processing and subsequent poor storage of grain.

## Improving staple quality

With TMEA partnership, EAX is focusing on, *“helping smallholder farmer cooperatives to the next level by giving them access to finance, access to safe and secure storage, access to market information and methods on how to improve quality of their grains, which in turn gives them access to premier markets.”* How does this work? EAX reaches out to identified cooperatives where it provides training on post-harvest handling, agricultural practices, drying and storage services, and linking them to financial institutions. This has enabled farmers access major processing companies that are usually governed by strict standards such as Africa Improved Foods (AIF) and MINIMEX.



Aflatoxin on maize  
credit: Texas A&M  
AgriLife Research,  
Blair Fannin

Ramba Gatunda Cooperative in Nyarurema district started in 2011 and its members grow beans, soya and maize. Rusi Muhimundu, its President says that, "Since engaging with EAX we've managed to increase our harvests each season. The trainings have helped us learn effective agricultural practices, as well as how to better govern our cooperative."

## Reducing post-harvest losses

To address the issue of post-harvest losses EAX conducted a needs assessment with cooperatives countrywide in 2018 and consequently developed a training curriculum that was delivered to twenty trainers who in turn train trainers that are members of cooperatives. Topics range from secured storage, quality improvements to harvest, as well as inventory financing. Cooperative representatives then transmit the same knowledge to their cooperative members.

**“Florence Niyikuze is a trainer, farmer and member of the Ramba Gatunda Cooperative. She says, “Support from EAX brought a lot of changes to our crop yields. Last season, our crops were categorized as Grade 1 and we sold all of it. This is because of the training on pre- and post-harvest processing.”**

Additional to production and storage training, Cooperatives are trained to use aflatoxin testing kits. The acquisition of two mobile dryers has led to significant improvement in the overall quality of maize delivered to the market by the cooperatives.

**According to Olivier Ngoga, Commercial Director at EAX, “in normal circumstances, maize can be sun-dried. However, the big harvest of maize in Rwanda takes place during a rainy period (February – May), meaning that the drying process is quite difficult. The impact of driers therefore is to help farmers speed up the drying process through mechanization and this has significant gains in limiting post-harvest losses.”**

*“Grant funds from TMEA enabled us to get two mobile driers to deal with this issue. We brought the dryers as close as possible to the farmers, and this has helped deal with the issue of aflatoxin,” states Joshua.*

## Cooperative governance

Perhaps the most critical element in taking Rwanda's agriculture export revenues to the next level is the effective and efficient management of its farmer cooperatives. To this day, it is large cooperatives that have driven agricultural transformation in countries such as Denmark, South Africa or some Eastern European countries like Ukraine. These countries are considered breadbaskets of Europe. *“This success is due to good governance,”* says Joshua. *“Cooperatives drive production, investments and exports.”* Following a needs assessment exercised by EAX, farmer cooperatives are trained on principles of cooperative structures and various corporate governance organs and committees. The theoretical and practical trainings are to ensure proper checks and balances, transparency and efficient governance of the cooperatives. This training on cooperative governance complements TMEA interventions, which are geared at ensuring sustainability of the agricultural outputs that these cooperatives work toward.

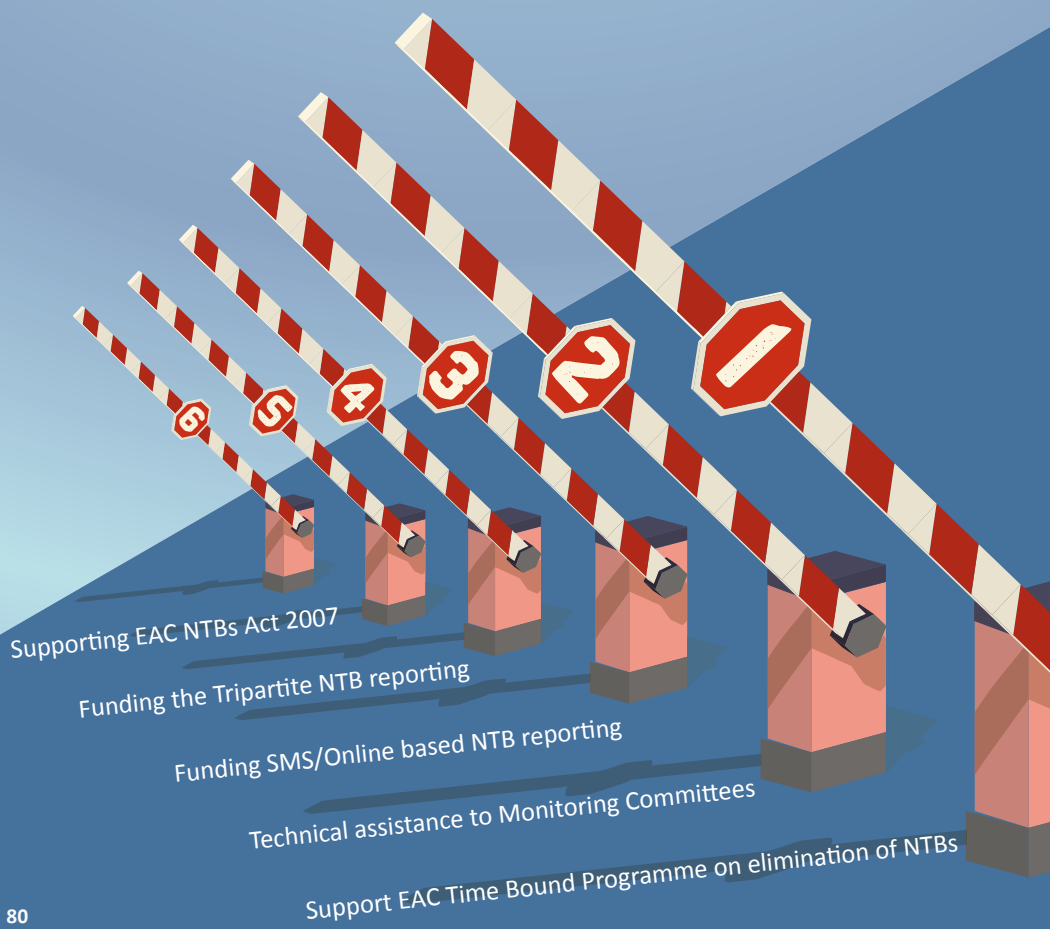




During its Strategy 1 from 2010-2017,  
TMEA worked with partners to support  
interventions that led to resolution of

# 127

## Non-tariff barriers (NTBs)





## Building bold business-women, one at a time

The Editorial of Burundi's Jimbere Magazine recently remarked that the TradeMark East Africa (TMEA) Women in Trade programme has, *"Offered hundreds of Burundian women and girls the opportunity to learn and achieve their dreams. It has restored their pride in earning incomes, enabling them to become taxpayers and therefore contribute to the development of the country. Before the interventions, these women lived in fear of authorities and dreaded the day their businesses would be closed for non-compliance."*

TMEA has supported Burundi women traders since 2012, and formally launched a Women in Trade project in 2017 with funding from Netherlands. This programme continues to train women traders in basic business practices and regional trade laws, as well connecting them to new markets. One of the implementing partners is Association Des Femmes Entrepreneurs Du Burundi (AFAB), a local



association that advocates for the interests of business-women in the country. AFAB brings together various women-owned businesses and, “of the 400 men and women entrepreneurs targeted to benefit from training, 318 have been reached,” says Immaculalee Nsengiyumva, the AFAB Executive Secretary. AFAB’s success cuts across the country impacting the women cross border traders at Kobero Kabanga border to those living further afield in Gasorwe.

When AFAB started training women traders around Kobero-Kabanga border, the crossing point between Tanzania and Burundi, a vocal and sceptical Zirfa Hamissi was among its first beneficiaries. “I had a hard time believing in stories told by AFAB and other trainers. But AFAB came at a time when my business was unstable, and I was having a hard time, so I was ready to pursue every available opportunity to find a lasting solution.” Zirfa had traded at this border, operating a hotel and food business for nearly 10 years. She looks back at her experiences before AFAB. “When I started trading in 2012, I had a capital of only 300,000 BIF (US\$157); and traded illegally mostly hiding from the revenue authority. Because of my limited knowledge on trade laws, I wrongly assumed that collaborating with customs would lead me to losses. Out of ignorance I viewed them suspi-



Members of AFAB thank their trainers for the value gained through the training programme

ciously, and as a result made monumental losses. I was caught by the police or OBR agents several times and in many occasions, I had to close business because my goods had been confiscated.” Yet, the determined businesswoman never gave up, even though she earned nothing from the business.

When in 2017 AFAB set up shop at Kobero, Zirfa immediately signed up, mostly responding to the hype and excitement the announcement caused while managing her expectations about the benefits of the training. Little by little, she discovered nuggets of knowledge and wisdom and ended up a better business manager who understood various regulations surrounding her business. As a result, she re-structured her business model consequently reducing the number of times she crossed

the border into Tanzania to source ingredients or sell her food. She realised her customers could now easily cross the border to her well-maintained restaurant and she could have the ingredients delivered.

“AFAB molded me to be bold. I regularly pay taxes, and I am proud of it. My business is now stable, and on average I make 10.000 BIF (US\$5.2) of profit per day. I would never have imagined that one day, I will hold a NIF, a trade register and even pay taxes.”

An NIF is a taxpayer identification number issued by the Burundi Revenue Authority to businesses and individuals. It protects the holder from tax penalties from the revenue authority.

Amida Uwingabiye is a major dry foods supplier who sources her products from Tanzania and brings them to Burundi selling them at Kobero and her native town of Gasorwe. She has her sights set on the East Africa region as her market. Amida provides insights into the lives of thousands of cross border traders who are yet to be reached by training programmes. She recalls that, in the early days of her business, getting her goods through the border involved pre-arranging customs clearance with friendly officers.



*"Sometimes, I would pay more than I earned. I remember one day, I imported goods worth US\$700 and then ended up paying more than a million Burundian Francs. Obviously, my profits were diminished."*

After several such runs, Amida imagined there could be a better way to do business. In 2013, she looked for other women traders with whom to collaborate in order to harness their collective power. It was at this time that she heard of AFAB and she signed up immediately, marking the beginning of growth for her business. Lessons in regulations on importation and exportation of goods, competition laws, identifying and making investments and savings shifted her focus. In one of the seminars, she identified the unstable foreign exchange market in Burundi as an opportunity to expand her business to include supply of food. *"Thanks to its training, today, we are knowledgeable*

*of basic business principles and can control all aspects of our business activities."* Like many other businesswomen in Burundi, Amida, has limited formal schooling and AFAB training filled in a critical knowledge gap.

Amida dreams of doing business internationally, then reluctantly voices the challenge she will face. *"What language shall I use, when that time comes?"* She asks; and almost intuitively gives a solution, *"TMEA can consider training us in English and Kiswahili, which are the most commonly used languages in business transactions in Eastern Africa."*

For the last five years, TMEA Burundi programme has worked predominantly with the private sector to support projects aimed at improving the capacity of businesses to trade.



## **The resilience of a Uganda woman trader has moved a community of 4000 from challenge to success**

In Gulu, Northern Uganda, Santa Joyce Laker leads a cooperative society of 4,070 farmers and traders, 3,000 of whom are women. Her story is an example of recovery and resilience after disaster, rising to succeed against the impact of conflict that plagued the region for almost 20 years. From rape to death of loved ones, to being displaced and facing hunger, Joyce says she saw it all, and so have many members of her cooperative. When the opportunity to do business presented itself, she ran with it and co-founded Atiak Out-growers Cooperative Society. As in many post conflict places, it is the steady hand of optimists seizing opportunities and being on the front lines that lead the way for their communities to begin recovery from the aftermath. Joyce was the optimist in Gulu.



The Atiak Outgrowers Cooperative Society collectively grows and trades sugar cane, sesame, maize, beans, rice, cotton, shea, and honey. The cooperative links members to agricultural inputs, information, agronomic education, collective financing, and markets. This has enabled farmers to double their incomes

Santa founded the cooperative after receiving training from the Uganda Women Entrepreneurs Association Ltd (UWEAL) as part TradeMark East Africa (TMEA's) Women in Trade project, funded by Government of Netherlands. Inspired by the lessons on managing businesses profitably and collective power, Santa began organising other women back home in Gulu. She convinced them that forming a cooperative will help them access bigger more lucrative urban markets directly.

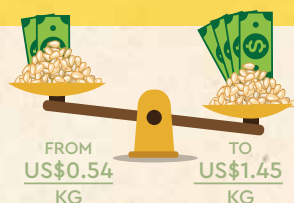
TMEA's women in trade project is premised on the fact that women often face more severe impediments to trade than their male counterparts. Ranging from gender power imbalances to sextortion and cultural barriers, these constraints undermine the region's efforts to realise its full economic potential. Often, East African women traders are less likely than men to know their rights under trade treaties and protocols, to know national product standards, border management processes, business costs, access to finance, and to form vital information and partnership networks.

## From the training room to the market

Santa notes: *"This cooperative is a child of TMEA, birthed by UWEAL. After a series of trainings on bulk marketing, business management, and sourcing accurate information, I and the other ladies from Gulu who took part in the training decided to come together to strengthen our position and apply these lessons together. The fact that our group has grown to 3000 women in rural Uganda has amazed even ourselves - but, as the trainings showed us, there was a huge need to organise and work together as rural farmers to increase our productivity, incomes and access to markets."*

## Building linkages to regional markets

Beyond founding of the cooperative society, Santa now sells her sesame and shea in neighboring Kenya because the project bridged gaps between players in Uganda's trade eco-system by linking women business member associations to policymakers, export service providers, and trade facilitation agencies like Uganda Revenue Authority and Uganda National Bureau of Standards). The project also supported women traders address non-tariff barriers that have hindered their capacity to trade across the region. Access to regional markets was propelled by the success of a parallel project supported by TMEA and implemented by Southern and Eastern African Trade, Information and Negotiations Institute (SEATINI). SEATINI advocated



for implementation of EAC standards on maize and worked with the Uganda National Bureau of Standards (UNBS) to draft the sesame standards and lobby for adoption. Adoption of these standards have ensured that traders and farmers adhere to the same measures. It has led to doubling of sesame price from UGX 2000 (US\$0.54) per kg to UGX 5350 (US\$1.45) per kilo. The benefits have been far reaching exceeding the Central Uganda areas where SEATINI concentrated its work, to reach the far-flung Northern Uganda where Joyce is. Sesame is largely grown by women and although local demand is not high, the Middle East, Europe and north Africa are all potential buyers.

The project is now bearing fruit: 4772 women like Santa were trained on East Africa Community (EAC) procedures, benefits and opportunities, six business advisory hubs launched, facilitated and equipped in the districts of Kabale, Masaka, Hoima, Kapchorwa, Kampala and Amuru. Additionally, with collectives like the Atiak Outgrowers Cooperative Society formed after the training, costs for the farmers and traders have significantly reduced. Six other cooperatives like Santa's were registered in Masaka, Kabale, Kapchorwa, Hoima and Jinja, Mpigi. Additionally, UWEAL has continued to work with the women traders to advocate for policies and practices that improve their working conditions.

## Recognition

Cooperative societies like the Atiak Outgrowers Cooperative offer women a strong, knowledgeable network and, with TMEA support, connects the women directly to policymakers. Members also get services including group standards certification and negotiated discounts from service providers. Santa speaks of the confidence she and the women in her cooperative have found from participating in the training:

*"Authorities now respect our women traders. The women now know what they're doing, know their rights and know which office to visit depending on their needs. TMEA gave us the knowledge that a cooperative society will give us more power. Now, we are receiving some support from the government because UWEAL held our hands until we could become a recognized cooperative society."*

This hand-holding included: Simplifying of EAC trade requirements during training sessions, a comprehensive advocacy strategy was developed and is now being implemented, studies and policy briefs highlighting the barriers to trade women face, and links to government decision-makers.

## Dreaming big

Santa notes that every member of the cooperative has a minimum of three acres to grow sugar cane (the season's focus crop). They aspire to become the largest women-led cooperative society in Uganda, growing from the current 4,070 to 15,000 by 2025.

*"Today, when you mention our name - Atiak - even the government knows what you are talking about. We are stronger together than when we were working individually. I have applied all the lessons I've learned from UWEAL into this cooperative society. And those of us who were part of the training teach the rest. I truly thank TMEA and UWEAL for all the work that went into making things possible for rural Ugandan women."*



*A participant of the SEATINI project in Nakaseke which led the change in adoption of maize standards.*



## Stories from Inception:

### 2017 - 2018

Clare Kabakyenga a trader between the borders of Uganda and Rwanda benefited immensely from our Women and Trade Programme. Through access to information about export requirements in the East African Community (EAC), Clare scaled up her business to trade at Kenya's Busia Border. Her earnings have increased from UGX 800, 000 (\$224) per season from selling maize to UGX70million (\$19600).



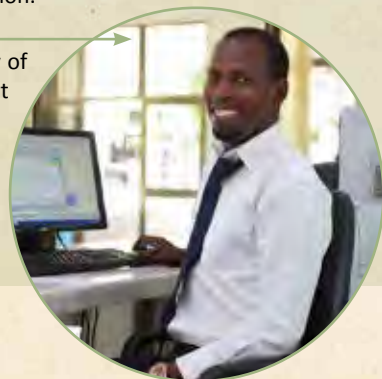
James Ssewankambom, a Ugandan truck driver who ferries goods weekly from the port of Mombasa on Kenya's coast to Uganda's capital Kampala has seen transit times come down and improved security of his goods as a result of the Regional Electronic Cargo Tracking System (RECTS).



### 2015 - 2016

Kenya Ports Authority (KPA) collaborated with TMEA to restore the environment and ecosystem by modernising infrastructure at the port of Mombasa and adopting measures that will minimise negative environmental impact of port operations. Such efficiency has saved not only people's lives but also increased the port's efficiency to expand trade and job creation.

Robert Bapfakurera, a Rwanda executive who is a beneficiary of the Authorised Economic Operator programme enjoys import of his fast moving products from neighbouring countries in record time. Through the Rwanda Electronic Single Window, Robert's transit time has reduced by an incredible two thirds, which means he can make more trips at a lower cost and create much needed jobs for Rwanda's youths.



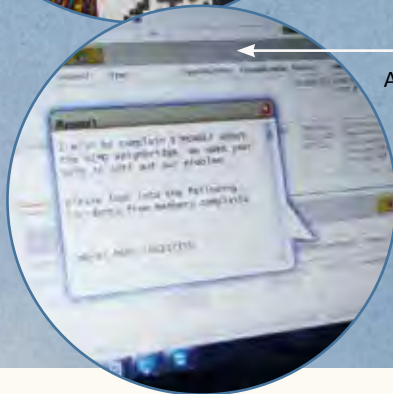
## 2010 - 2014

The Burundi Tax Revenue Authority, a public institution, increased its revenue collection thanks to its partnership with TMEA. The extra revenue has been used to fund a foundation for mothers and children to access maternal and child health care, as well as constructing a hospital serving over 40,000 people.

TradeMark East Africa facilitated the creation of the Mombasa Port and Northern Corridor Community Charter that came into force in 2012. TMEA had by end of 2018 invested over US\$53 at the port focused on infrastructure development, productivity improvement and creating institutional framework.



Through its partnership with South Sudan's National Bureau of Standards (SSNBS), TMEA supported establishment of a strong standards authority that helps protect consumers from potentially harmful products while streamlining trade at the same time



A trailblazing scheme developed by the Tanzanian business community allows frustrated operators to report Non Tariff Barriers (NTBs) slowing their freight by SMS message and online – and it is working. The award-winning scheme, developed with help from TradeMark East Africa, attracted attention from the transport industry across the region as it struggles to overturn NTBs inherited from the days before the East Africa Community was birthed.



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