

# IMPACTS OF COVID-19 ON EASTERN AFRICA TRADE, TRANSIT AND BORDERS TRADE MARK EAST AFRICA

# 1. Introduction

TradeMark East Africa works closely with Government and Private Sector partners across the region. The following is a weekly compilation of the dynamic situation on the ground due to the current COVID-19 crisis. TMEA has captured daily updates as they became known to us through our partner contacts, as well as from media reports (links provided). Please note that TMEA has not independently verified the media reports, and that the details below change rapidly and may become obsolete or overtaken by events as quickly as it is distributed.

Country	No. of confirmed cases	Weekly % Increase of Total cases since 15	Deaths as a result of nCOV	Recoveries	Total tests (Worldometer)	Tests/1M population (Worldometer)	Total Tests (Africa CDC)	Tests/1M population (Africa CDC)	Population (Africa CDC)
Burundi	144	32%	1	93	382	32	1,866	157	11,890,784
Djibouti	4,582	3%	43	3,859	44,604	45,165	44,606	45,148	988,000
*DRC	5,826	18%	130	841			20,597	230	89,561,403
Ethiopia	4,532	26%	74	1,213	216,328	1,883	216,328	1,882	114,963,588
Kenya	4,738	24%	123	1,607	140,012	2,606	140,012	2,604	53,771,296
Malawi	730	25%	11	258	9,763	511	10,790	564	19,129,952
Table 1: COVID-19 Cases by Country as of June 22, 2020	4000 C		<b>P</b>	<b>(</b> +)					
Mozambique	733	20%	5	181	23,760	761	23,760	760	31,255,435
Rwanda	728	20%	2	359	111,257	8,597	108,005	8,339	12,952,218
* Somaliland	656	16%	28	128					
South Sudan	1,892	11%	34	169	9,829	878	9,984	892	11,193,725
*Tanzania	509	0%	21	183			2,680	45	59,743,218
Uganda	770	10%		578	155,882	3,412	166,917	3,649	45,741,007
Zambia	1,430	5%	11	1,194	47,968	2,612	47,968	2,609	18,383,955

**Table:** Source of data is from Johns Hopkins Resource Centre **Here**, Worldometers **Here** and Africa CDC **Here**.

\*Source from Govt situation database. **Here** (Data last updated 22.06.2020)

\*\* Tanzania last reported new cases on 29 April 2020

<sup>2.</sup> Overview



2.1 Disputes over the authenticity of tests is have been the major factor in continued tensions between EAC neighbours, especially Kenya and Tanzania. More than 100 Kenyan lorries were impounded by Tanzanian authorities at the Isebania border since 9<sup>TH</sup> June. Frustrated drivers have threatened to stage a protest, appealing to the Kenyan government to intervene since some of the cargo included highly perishable goods like fish, and that they risked incurring heavy losses. Story here. Kenyan Cabinet Secretary for EAC Affairs and Regional Development, Adan Mohamed, spoke to the media about the situation and EAC response on June 14<sup>TH</sup>. Watch here. On 15<sup>TH</sup> June, normal border operations at Namanga resumed smoothly with Tanzania agreeing to have drivers subjected to testing by Kenyan health officials. On 18<sup>TH</sup> June, reports noted a fresh agreement for joint testing at border points rather than at points of departure. Story here.

2.2 On June 16<sup>TH</sup> TMEA and the European Union signed a €5 million agreement to support the Safe Trade Emergency Facility, in the presence of the Cabinet Secretary for Industry, Trade & Co-operatives, Betty Maina, and the Secretary for EAC Affairs & Regional Development, Adan Mohamed. The funds from the European Union will fund the Kenyan component of the programme making the EU the largest donor to the programme. More here.





2.3 TMEA is supporting the Kenyan Ministry of Transport with the upgrade of an access road at the Malaba border point to ease traffic congestion that has been made worse by coronavirus. In recent weeks, truck drivers have been stuck in traffic stretching 40km along the a due to lengthy wait for results of the Covid-19 test that is mandatory before crossing the border. Story here.

2.4 East Africa member states are set to roll out digital Covid-19-free certificates to eliminate the possibility of truck drivers using fake documents to travel within the region. It will be implemented as soon as member states put in place technology that will link all the laboratories and ensure a seamless operation. Story here.





2.5 "Higher levels of internal trade will help wean Africa off its reliance on the external markets so exposed by the pandemic." TMEA Op-Ed highlights the critical ongoing AfCFTA efforts during the pandemic.

2.6 CEOs of the Private Sector Associations in the EAC met on June 9 to discuss the ongoing border issues. The meeting agreed that the East African Business Council (EABC) and National focal points should enhance advocacy efforts on the free movement of cargo and organise border visits to assess the situation at the borders. EABC noted TMEA's journey management system/electronic cargo tracking that had been endorsed by EAC ministers the previous week.





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# 3. Country and Regional Updates and Media Links



#### DRC

• The unemployment rate in DR Congo could skyrocket amid Covid-19. Here



# Ethiopia

- Mastercard Foundation has announced a partnership with small and medium enterprises in Ethiopia to repurpose their factories to manufacture personal protective equipment.

  Here
- Ethiopia is looking to its national carrier to help navigate economic shocks from Covid-19.
- Ethiopian economy expected to grow by 6 per cent this year, says PM Abiy Ahmed. Here



#### Kenya

- The High Court in Kenya has suspended the notice issued by the Ministry of Transport making it compulsory from 1<sup>ST</sup> June 2020 for goods detained for Uganda, Rwanda and South Sudan to be transported from the Port of Mombasa by Standard Gauge Railway (SGR) to the Naivasha Inland Container Depot. According to the petitioner, the claim that the measure would help contain the COVID-19 pandemic is not backed by any scientific study.
- Kenya's foreign direct investment (FDI) inflows fell \$294 million (Sh31.3 billion) last year, annual estimates by a UN agency show, partly reflecting depressed growth in new jobs that has been worsened by the global coronavirus pandemic. Here
- Kenya's trade deficit drops KSh 33.6 billion on corona woes. Here
- On June 6<sup>TH</sup>, the President of Kenya announced a 30-day extension to the nationwide dusk-to-dawn curfew and other restrictions as the country continues to grapple with rising cases.



# Mozambique

- Half the workers in Mozambique's transport sector are at risk of unemployment, and 1,200 have already been suspended. Here
- Mozambique Airlines (LAM) has once again postponed the resumption of direct flights between Maputo and Lisbon. Here
- Mozambican NGO Centre for Democracy and Development (CDD) says government's decision to restrict Covid-19 financial support for the informal sector until registered with the Tax Authority is economic exclusion. Here



#### Rwanda

- An extraordinary cabinet meeting held on June 16<sup>TH</sup> resolved that hotels be allowed to host gatherings, meetings and conferences effective immediately. Here
- Rusizi district and Rusumo bordering DRC, and Kirehe district bordering Tanzania have remained the most affected by COVID-19 as rest of the country contemplates a return to normalcu. Here
- Local businesses have been invited to apply for funding under the Economic Recovery Fund, a two-year facility established by the Government to accelerate the recovery of Covid-19 hit businesses. Here
- Private tech developers, tour and travel agencies, and others in tourism industry have agreed that digital tourism is new approach to help recovery from the effects of Covid-19. Here



#### Somaliland

• The Government of Somaliland's COVID-19 response and its socio-economic impact. Here



#### South Sudan

• Both humanitarian and commercial cargo must flow to reduce the threat posed by a deadly combination of hunger and Covid-19, according to WFP Country Director in South Sudan. Here



#### Tanzania

- President Magafuli declares Tanzania Covid-free. Here
- Tanzania's economic growth is expected to drop to 2.5 per cent in 2020 from 6.9 per cent last year, the World Bank said on Monday, citing the impact of the coronavirus pandemic. Here
- With hundreds of cargo trucks stranded at Tanzania's border posts with Rwanda and Kenya, the Tanzania Truck Owners Association (TATOA) has asked the government to re-negotiate with its counterparts for permanent solutions. Here
- Tanzania and Rwanda to hold fresh talks over on cargo drivers' row. Here
- World Bank Economic Analysis indicate that Tanzania could seize important opportunities to mitigate negative effects of the Covid-19 Pandemic. Here



## Uganda

- Police and Ministry of Health officials in Busia District are investigating circumstances under which a Kenyan truck driver was found dead in Uganda. Here
- The Chief of Staff Land Forces has urged the public to recognize the vital role being played by long distance truck drivers in the COVID-19 fight. Here
- Reports that Kenya has suspended a recent order that all transit cargo be transported using the Standard Gauge Railway to the Naivasha Inland Container Depot has offered temporary relief to investors in the logistics sector. Here
- Uganda and Rwanda have recorded a 30 per cent and 32 per cent reduction in trade flows, according to a new COMESA report. Here
- The downturn in the Ugandan private sector as a result of Covid-19 continued in May, with further reductions in output, new orders and employment registered. Here
- Uganda Civil Aviation Authority has announced new measures to contain the spread of Covid-19 as it plans the reopening of the country's Entebbe International Airport. Here

## **Regional Eastern Africa**

- How East Africa could bounce back from Covid-19. Here
- President Paul Kagame, Chairperson of the EAC says the region still has many issues to address in order to jointly face challenges presented by Covid-19. Here
- On 11 June 2020, the Finance Ministers of the East African Community (EAC) member countries, except for Rwanda, continued the tradition of the synchronised presentation of their respective budgets. Most of the measures proposed are stimulus packages and social safety net programmes to provide relief from economic hardships as a result of pandemic restrictions, and to facilitate quick economic recovery once the pandemic is brought under control. See highlights Here