

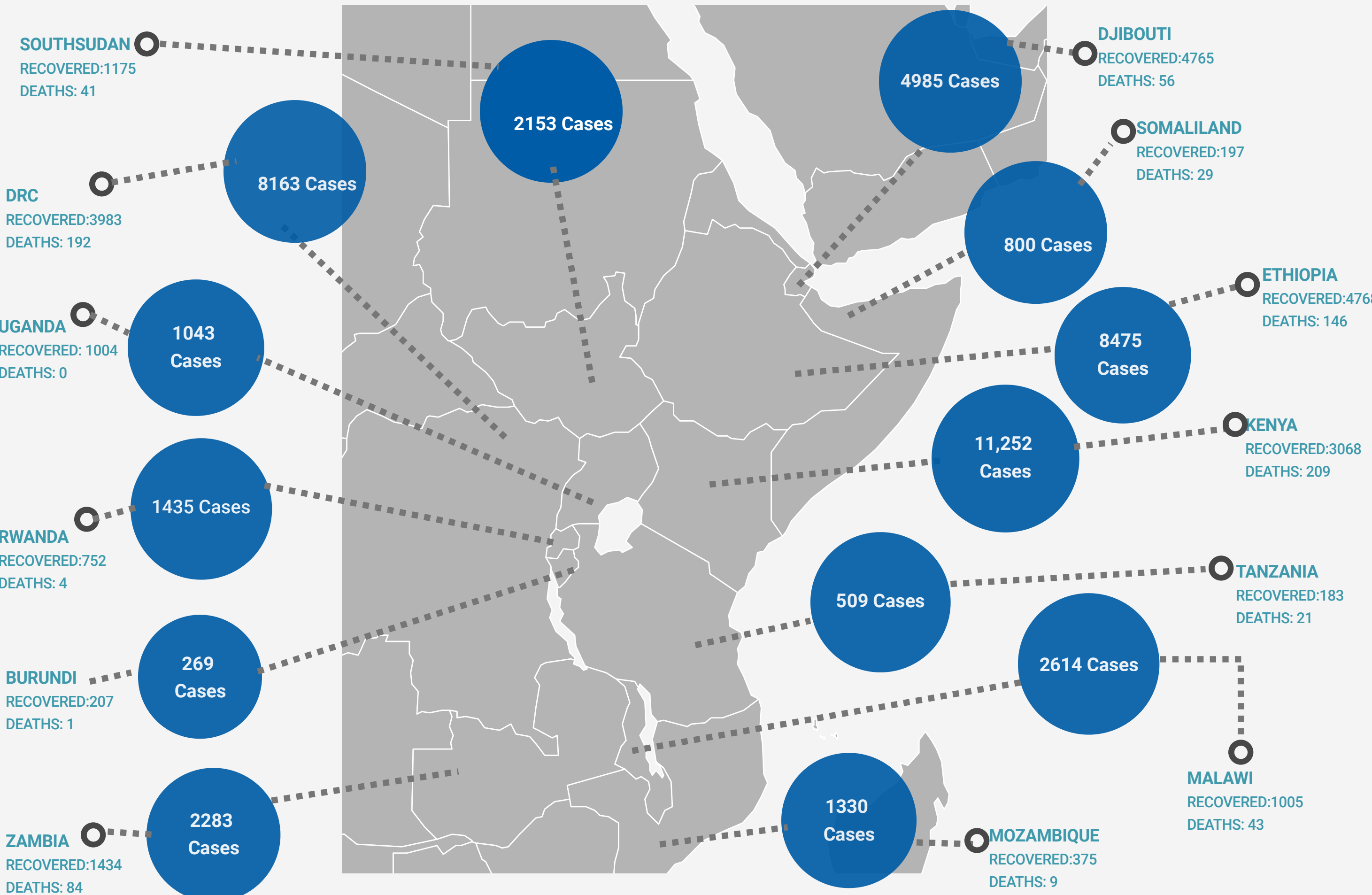
Impacts of COVID-19 on Eastern Africa Trade, Transit and Borders

July 13th-17th 2020

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.

Source of data is from Johns Hopkins Resource Centre
Here, Worldometers Here and Africa CDC Here
*Source from Govt situation database. Here
(Data last update 14.07.2020)
** Tanzania last reported new cases on 29 April 2020



DISCLAIMER: The maps in this report are for illustrative purposes only. Representations and the use of boundaries and geographical names on these maps may include errors and do not imply judgment of the legal status of a territory, nor official recognition or acceptance of these boundaries by TMEA.

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Situation Overview

1.1 The East African Community (EAC) has prepared an EAC Economic Recovery Plan 2021 – 2020 to guide the recovery of the EAC's six Partner States' economies. It is expected that the EAC Heads of State Summit will endorse the document when they next meet. TMEA was engaged in the Strategy's development through its ongoing relationship with the EAC secretariat. The plan will provide a useful guide for TMEA and its development partners going forward as a framework to engage with EAC Partner States in supporting the recovery.

1.2 East Africa holds its ground as fastest growing region on the continent. African development Bank's East Africa Regional Economic Outlook 2020 projects that economic disruption caused by the COVID-19 pandemic has pushed East Africa's growth projection for 2020 down to 1.2 percent, a rate that outstrips other African regions, and is forecast to rebound to 3.7 percent in 2021. The projection is under the baseline scenario that assumes the virus is contained by the third quarter of this year. [Read more](#)

1.3 Trade must become more fluid in a post pandemic era: An opinion piece by the French Development Agency in the IJK's Africa Report highlights that, at a time when Africa is seeking to rely on the local market to increase economic opportunities – for which Covid-19 measures will play a crucial role in supporting demand – trade must become more fluid. Otherwise, producers will not be able to access the markets, and there will be no economies of agglomeration or scale. [Read more](#)

Country and Regional Updates

Burundi

Burundi kicks off mass Covid-19 testing in Bujumbura following the new President's declaration that the government will be stepping up the fight against the pandemic. [Read more](#)

Ethiopia

- Africa must adopt 'aggressive approach' against Covid-19. As cases increase by 24 percent in a week, top health official urges countries to increase testing and mask use. [Read more](#)



3.7%

Projected EAC economic rebound
in 2021

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Kenya

- The Ambassador of the European Union to Kenya and TMEA's CEO visited the Busia border on July 17 to deliver personal protective equipment (PPEs) to the border authorities as part of TMEA's Safe Trade Emergency Facility.
- Kenya flower farm workers troop back as sales improve. While the article states that "the high cost of cargo flight charges remained a major threat to the farmers who were now back to full production," TMEA predicts that the market will correct itself once commercial passenger flights resume to near normal. [Read more](#)
- S&P Global Ratings revised Kenya's outlook to 'negative' from 'stable', citing that the pandemic will slow the country's GDP growth significantly in 2020 and weigh on its already weak public finances. [Read more](#)

Malawi

- Malawi has witnessed a spike in COVID-19 cases by over 40% with the number of confirmed cases rising to 2,716. The country has also recorded 51 deaths. The sharp rise in the number of cases has been attributed to the June 23 court-sanctioned presidential election re-run where thousands of Malawians ignored health measures and social distancing rules to attend political rallies. [Read more](#)

Mozambique

- The Lebombo port of entry to Mozambique has been temporarily closed after an official from the South African Revenue Service tested positive for Covid-19. [Read more](#)
- Mozambique's deflation in June is due to declines in prices for food and transport, opening scope for a reduction in official interest rates, according to analysis by Oxford Economics. [Read more](#)
- The Association of Industry, Commerce and Services argues that state stimulus for companies cannot be administrative only; must be financial as well. [Read more](#)

Rwanda

- Why Rwanda is a model for Covid-19 management. [Read more](#)
- Rwanda is ready to engage its neighbours for solutions on cross border trade challenges, says President Paul Kagame. [Read more](#)

South Sudan

- South Sudan's Central Bank took steps to bolster the economy amid Covid-19 lockdown, but an analyst warned economy will only improve once peace and security is reached. [Read more](#)



July 17

EU Ambassador to Kenya and TMEA
CEO visited the Busia OSBP to
handover PPE to border authorities

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Tanzania

- Tanzania plans to issue Covid-19 clearance 'certificates' for travellers. [Read more](#)
- Tanzania to register fastest economic growth in East Africa. [Read more](#)

Uganda

- Fifteen Kenyan truck drivers have been blocked from entering Uganda due to Covid-19. The 15 tested positive on the Busia, Malaba border. [Read more](#)
- Uganda deploys two mobile laboratories to Adjumani, Malaba to increase diagnostic capacities for Covid-19. [Read more](#)

Zambia

- Zambia expects its gross domestic product to shrink by around 4.2% in 2020, more than the 2.6% contraction forecast by the central bank in May. [Read more](#)

Regional Eastern Africa

- East African Business Council (EABC) pushes for reopening of regional airspace. [Read more](#)
- According to the EAC Trade and Investment Report, trade between EAC member states has increased by 60.75 percent from \$3.72 billion when the Common Market Protocol was launched in 2010 to \$5.98 billion in 2018. Due to Covid-19, however, EABC's Executive Director told The East African that the volume of intra-regional trade is expected to decline by close to 50 percent this year. [Read more](#)
- EABC also reports that trucks from Kenya are being stopped 10 kilometres upon entry to Tanzania and drivers forced to undergo mandatory testing at their own costs. The measure is increasing the time and cost of transport particularly as transmission of results is taking up to 3 weeks.



60.75%

Increase in intra-EAC trade since
2010