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EAST AFRICAN COMMUNITY
EAST AFRICAN LEGISLATIVE ASSEMBLY

**REPORT OF THE COMMITTEE ON
COMMUNICATIONS, TRADE AND INVESTMENTS
ON THE NON-TARIFF BARRIERS (NTBs), ALONG THE
NORTHERN AND CENTRAL CORRIDORS OF
THE EAC PARTNER STATES**

February 17th - 22nd, 2013

Clerk's Chambers
3rd Floor, EALA Wing
EAC Headquarters
Arusha, Tanzania

April, 2013

1.0 INTRODUCTION

The East African Legislative Assembly's (EALA's) Committee on Communications Trade and Investment (CTI) conducted an oversight tour from February 17th-22nd 2013 on the Northern and Central corridors of EAC Partner States, to track the existing Non-Tariff Barriers (NTBs) and find out the status of the implementation of the NTBs elimination program.

The justification for this activity was based on two factors; the first one is that The EAC Partner States committed to eliminate the NTBs to ease doing business in the region, and to this effect, they established the NTBs National Monitoring Committees (NMCs). Secondly, *Article 49 of Chapter 9* of the Treaty for the Establishment of the East African Community mandates EALA to exercise its oversight role on the EAC Programmes and activities and recommend to the Council of Ministers on the implementation of the EAC Treaty among others.

2.0 OBJECTIVES

The overall objective of the tour was to assess the status of the implementation of elimination of NTBs in the EAC region; The Specific objectives of the tour were four:-

1. To identify the NTBs along the EAC Corridors;
2. To assess mechanisms in place for the elimination of NTBs in the region;
3. To establish the challenges involved in the elimination of the NTBs;
4. To come up with possible recommendations for the elimination of NTBs.

3.0 EXPECTED OUTPUTS

The expected outputs of this exercise were as follows:-

- (i) Status of implementation of EAC NTBs elimination Mechanism identified;
- (ii) The NTBs to trade be identified;
- (iii) Necessary recommendations made;
- (iv) Produce a report on the tour of the northern and central corridors of EAC.

4.0 METHODOLOGY

In carrying out this activity, the Committee divided itself into three (3) groups each, consisting five (5) members respectively traveling by road through the following areas. Group A covered Bujumbura, Akanyaru border (Burundi/Rwanda), Kigali, Kobero/Kabanga between Burundi and Tanzania, Rusumo (Tanzania/Rwanda), Via Kagitumba/Mirama Hills (Rwanda/Uganda), to Kampala Uganda. Group B Covered Mombasa Port, Nairobi, Via Malaba (Kenya/Uganda) to Kampala Uganda, and Group C covered Dar-es-Salaam, Kahama, via Mutukula (Tanzania/Uganda) to Kampala Uganda.

The following methods were employed; review of literature on NTBs and other related materials in all EAC Partner States; observation, checklist, meetings, discussions and interactions with various stakeholders on the subject matter in the five Partner States visited. The stakeholders included:

- a) The Ministries of East African Community Affairs;
- b) The Ministries of Trade;
- c) The National Monitoring Committees (NMCs) on NTBs
- d) The Port and Road transport authorities;
- e) The Immigration and Customs authorities;
- f) The National Bureaus of Standards;
- g) The Police Force Authorities including officers along the corridors 'road blocks;
- h) The truck drivers along the corridors; and
- i) The Associations of transporters and traders.

5.0 COMMITTEE OBSERVATIONS AND EMERGING ISSUES

Arising out of the tour on the two corridors, the Committee noted the following emerging issues, challenges and or observations.

5.1 Committee Observations and Emerging Issues from the Central Corridor

1. The committee was informed that Partner States established National Monitoring Committees (NMCs) on NTBs in East Africa with the objective

to identify and register NTBs and coordinate their elimination at national and regional level. All EAC Countries have adopted a proactive approach for elimination of NTBs.

2. NMCs in EAC countries have registered achievements such as increase in border and customs working hours and removal of all roadblocks among others. However, they have encountered a number of challenges including;
 - (i.) Absence of a legal framework at national level and lack of a mechanism to ensure proper oversight to the NMC and accountability of its members. Therefore it depends on Partner States' good will for removal of NTBs,
 - (ii.) Introduction of new NTBs by some Partner States for example;
 - (a) Kenya has issued new immigration regulations whereby work permits will not be issued to other nationalities below the age of thirty five years and earning not less than K.shs168,000 per month.
 - (b) Uganda Government has restricted the employment by NGOs to Ugandans only
 - (c) Tanzania has re-introduced requirement for yellow fever card to nationalities entering the country.
3. It was reported that the EAC Time Bound Programme for elimination of NTBs was updated during the meetings of 9th EAC Regional Forum on NTBs held on 13th – 15th December, 2012, Dar Es Salaam, Tanzania. During that forum, it was discovered that the status of elimination of NTBs in the region indicated that Thirty seven (37) NTBs were unresolved; Four (4) NTBs were reported as new, and Forty (40) NTBS were reported as resolved.
4. It was apparent that the existing non-tariff barriers (NTBs) along the central corridor are as a result of multiple structural bottlenecks. These include:

- (i) inadequate government structures and or procedures;
 - (ii) erratic application of rules;
 - (iii) lengthy customs administrative documentation procedures;
 - (iv) lengthy and duplicated immigration procedures;
 - (v) cumbersome inspection requirements;
 - (vi) un-harmonized standards; and
 - (vii) Police road blocks and or check points.
5. The Committee observed lack of harmonized working hours of various stakeholders and or institutions at the Dar-es-Salaam port, along the central corridor weighbridges and checkpoints as well as border posts.
6. The Committee physically observed more than seven (7) weighbridges from Dar-Es-Salaam to Mutukula, the border between Tanzania and Uganda. The weighbridges/checkpoints which the Committee visited and interacted with stakeholders along the central corridor are:-
- (a) Coastal Region - Kibaha and Misugusugu;
 - (b) Morogoro Region - Mikese and Dumila;
 - (c) Singida Region - Njuki weighbridge;
 - (d) Shinyanga Region - Mwendakulima; and
 - (e) Kagera Region - Nyakahura.
7. Tanzania Roads Authority (TANROAD) informed Members that much as weighbridges seem to act as non-tariff barriers, they are very important because they are meant to protect the roads;
8. It was reported that road blocks have reduced from 50 up to 15 between Dar-es-Salaam and Mutukula.
9. The Committee observed that most border posts and weighbridges lack facilities like sufficient parking bays, reliable electricity, office space, health and banking facilities, among others. These have impacted negatively on the operational efficiency of the border;

5.2 Committee Observations and Emerging Issues from ^{Both} the Northern Corridor

- (i) Lengthy border documentation procedures exacerbated by un-coordinated border management systems leading to wastage of time;
- (ii) There are multiple inspections and police checks as evidenced by numerous police and weighbridge inspection points and these constrain free movement of trucks;
- (iii) With respect to weighbridges, the Committee observed four existing weighbridges between Mombasa and Malaba. These are stationed at Mariakani, Athi River (Mlolongo), Gilgil and Webuye;
- (iv) Prohibition of transit trucks from carrying return cargo except those vehicles fitted with Electronic Cargo Tracking System;
- (v) The corridor is characterized by corrupt tendencies and arbitrary fees charged on transporters and traders for certain services to be provided. These tendencies negate the spirit of integration;
- (vi) The Committee observed inadequate infrastructure such as poor road network, insufficient parking and office space both at the borders and weighbridges, outdated and un- standardized weigh bridges;
- (vii) The Committee was informed that there are un harmonized local travel documents where some Partner States issue local temporary travel documents at the border posts while others donot;
- (viii) Smuggling and other cross border criminal activities including drug and human trafficking, terrorism etc. These are being handled through existing security arrangements (i.e. police and immigration officers) but the Committee was informed that they pose a challenge to the enjoyment of rights and freedoms enshrined in the various integration instruments;
- (ix) The committee was informed that there are un-harmonized vehicle load limits and axle load weights across the region. Moreover there exists poor and restrictive Infrastructure; narrow bridge, narrow roads, lack of parking yards, verification bays, scanners, cargo holding areas, medical facilities, office space, banks among others;

- (x) Inadequate Manpower to work 24 hours is still a hindrance to the operations of some border posts. it was observed that only customs officials are operating 24 hours while other border agencies do not operate 24 hours;
- (xi) Network interruptions and power outages delay businesses at most of the border posts;
- (xii) Lack of disaster preparedness facilities such as firefighting equipment;
- (xiii) It was also reported that the port of Mombasa is characterized by a number of challenges such as prolonged procedures, high and unjustified administrative charges, and high levels of theft of cargo under unclear circumstances among others;
- (xiv) It was reported that truck drivers make unnecessary stop-overs for their own personal interests such as relationship establishment and or increase days to earn more allowances hence causing congestion along the roads and delaying delivery of goods;
- (xv) Police denial and harassment of petty cross-border traders dealing for example in fresh agricultural products, dried fish and others;
- (xvi) Most stakeholders lack adequate information concerning the EAC laws, for example the SPS measures (Sanitary and Phyto-Sanitary) and EAC Simplified Certificates of Origins.

6.0 COMMITTEE RECOMMENDATIONS

Arising from the observations and emerging issues during the on spot assessment exercise along the central and northern corridors, the Committee recommends that:-

- (i) Harmonization of working hours and adopt 24/7 basis of operation at all border posts;
- (ii) Weigh bridges should be upgraded and standardized (weighing in motion).
- (iii) Sensitization campaigns should be carried out against corruption and strong punitive measures taken;
- (iv) Partner States have to invest in infrastructure particularly build hotels and banks at the border posts. Partner States should also provide facilities

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ADDITIONAL Recommendations

- The Council of Ministers should establish a ^{revised} medium-term roadmap for the removal of the remaining NTBs and shall present it to the House in its ~~planned~~ session in KAMPALA End May-June 2013.

• Furthermore, the C. of Ministers should present the status of the implementation of the single custom territory.

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such as scanners, metal detectors at all border posts rather than doing security checks manually; (*Committee to reconsider this*).

- (v) The Partner States should adopt a disaster management policy and set up relevant infrastructure at all border posts;
- (vi) The principal of OSBP should be put in reality to facilitate trade at all borders of the Community and also increase awareness of the border communities on the EAC integration and its benefits;
- (vii) The EAC Council of Ministers should establish a monitoring and enforcement mechanism of the EAC decisions, policies and laws to realize full integration in East Africa;
- (viii) Harmonization of Axle Weights by all Partner States to facilitate trade. This would be addressed by the proposed law on the EAC Vehicle Load Control if it is fast tracked;
- (ix) The EAC Partner States should adopt railway network to facilitate fast growing trade and reduce on the high transport costs incurred on road transport;
- (x) The EAC Partner States should invest in infrastructure development such as ports, roads, electricity, telecommunications and others. This will reduce the cost of doing business and facilitate efficiency of doing business in East Africa;
- (xi) Wider and deeper sensitization programs should be undertaken to enable all stakeholders appreciate and have sufficient knowledge on the importance of the OSBP law in integration process;
- (xii) EAC Partner States should promote joint regular border meetings to address issues affecting trans-boundary communities. Such meetings should involve security and local leaders among others within the borders;
- (xiii) There is need to harmonize travel and verification documents including students' passes to East African Partner States on gratis basis;
- (xiv) Adoption of the use of Single Window system for cargo clearing, and use of e-tracking system should be encouraged to minimize physical verification; E-tagging and sealing of cargo from the port should be encouraged as well, to reduce repeats and diversion tendencies on transit;

- (xv) EAC should establish a disaster preparedness and management policy to curb incidents of fire and other tragedies within the border;
- (xvi) The Committee recommends that a study on vehicle/truck compartmentalization should be undertaken to address issues of load shifting during cargo transportation;
- (xvii) The Committee recommended a re-visit of the ports of Mombasa and Dar es Salaam to appreciate in detail the operations of these ports.

7.0 CONCLUSION

It is clear that both Northern and Central corridors majorly face more or less similar Non-Tariff Barriers with few divergences. Similar approach therefore needs to be adopted for complete elimination by Partner States. Despite the establishment of the National Monitoring Committees to identify, register and coordinate the elimination of NTBs, a number of NTBs have been eliminated while new ones have been introduced. This is due to the fact that, its upon Partner States good will to eliminate the NTBs as there is no legally established mechanism or any punitive measures to ensure compliance.

8.0. ACKNOWLEDGEMENT








The Committee would like to appreciate the following personalities and institutions for having facilitated it to build its capacity to discharge its mandate effectively and efficiently:

- (i) The Rt. Hon. Speaker EALA for facilitating and making sure that the Committee was able to fulfill its activity in the EALA annual calendar of activities;
- (ii) The Governments of all East African Partner States in general for the warm reception, hospitality and courtesies extended to the Committee during the NTBs tracking exercise along the corridors;
- (iii) Trade Mark East Africa for financing the activity;
- (iv) The Office of the Clerk for ensuring that all logistics were in order prior to the activity.

MEMBERS OF THE COMMITTEE ON COMMUNICATIONS, TRADE AND INVESTMENT

Report on Non-Tariff Barriers (NTBs)

February 17th – 22nd 2013, along Northern and Central Corridors of
The EAC Partner States

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2. Hon. Adam Omar Kimbisa	-	-----
3. Hon. Dan F. Kidega	-	----- 
4. Hon. Dora K. Byamukama	-	----- 
5. Hon. Dr. James Ndahiro	-	-----
6. Hon. Emerence Bucumi	-	----- 
7. Hon. Frederic Ngenzebuhoro	-	----- 
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10. Hon. Nusura Tiperu Omar	-	-----
11. Hon. Patricia Hajabakiga	-	----- 
12. Hon. Peter Mathuki	-	-----
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14. Hon. Straton Ndikuryayo	-	----- 
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