East African Community (EAC)
East African Business Council (EABC)

Monitoring Mechanism for Elimination of Non-Tariff Barriers in EAC

under the GTZ Project of
"Support of Regional Business Organisations in East Africa (SRBO-EA)"

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Glossary of Abbreviations

EAC	East African Community
EABC	East African Business Council
WTO	World Trade Organisation
NTB	Non-Tariff Barriers
SQMT	Standardization, Quality Assurance, Metrology and Testing Services
KPA	Kenya Ports Authority
URA	Uganda Revenue Authority
TRA	Tanzania Revenue Authority
NMC	NTBs National Monitoring Committee
TIIC	EAC Trade, Industry and Investment Committee
Council	EAC Council of Ministers
BCI	EAC Business Climate Index
CU	EAC Customs Union
CET	Common External Tariff
TBT	Technical Barriers to Trade
SPS	Sanitary and Phytosanitary Measures
COMESA	Common Market for Eastern and Southern African countries
PVoC	Pre-shipment Verification of Conformity to Kenyan Standards program
TRIPS	Trade Related Intellectual Property Rights of WTO
EAPCO	East African Police Chiefs Organization
CRM	Customs Reforms Modernization Program (Kenya), commonly referred to as Simba 2005.
RIFF	Regional Integration Facilitation Forum for Eastern and Southern African countries
UMA	Uganda Manufacturers Association
CTI	Confederation of Tanzanian Industries
KAM	Kenya Association of Manufacturers
KEPHIS	Kenya Plant Health Inspectorate Service
PCPB	Pest Control Products Board (Kenya)
ASYCUDA	Automated System of Customs Documentation and Administration
CET	Common External Tariff
MOA	Ministry of Agriculture
MOLD	Ministry of Livestock Development (Kenya)
KRA	Kenya Revenue Authority
TRA	Tanzania Revenue Authority
GVM	Gross Vehicle Mass
TLB	Transport Licensing Board (Kenya)

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EXECUTIVE SUMMARY

This Non-Tariff Barriers (NTBs) Monitoring Mechanism was developed as a joint initiative of the East African Business Council and the East African Community Secretariats. Its objective is to facilitate the process of identifying, reporting and monitoring the elimination of current and future NTBs within the EAC Partner States, so as to consolidate the economic integration process under the EAC Customs Union.

The Mechanism was developed through wide consultations with the policy makers, heads of agencies responsible for enforcing trade related requirements, business associations, clearing and forwarding associations and representatives of key businesses that have substantial activities within the original EAC countries (Kenya, Uganda and Tanzania).

For the purpose of identifying NTBs and monitoring their elimination, the Partner States will define NTBs as "quantitative restrictions and specific limitations that act as obstacles to trade", and which appear in the form of rules, regulations and laws that have a negative impact to trade. In order to effectively facilitate the process of eliminating these NTBs, the Mechanism will be based on two key principles, namely: (1) Goodwill and commitment at both the political and technical levels to implement aspirations of the EAC Treaty; and (2) Enshrinement of the Legal and Regulatory Framework governing the integration process.

Regular monitoring of Council decisions aimed at facilitating cross-border trade among the EAC states will be facilitated at both the national and EAC levels, and will be conducted at various stages by relevant trade officials. Also, to ensure efficient implementation of the Mechanism, Partner States will undertake key activities that include Awareness creation and sensitization of key stakeholders; Regular monitoring of Council decisions; and Allocation of sufficient and timely resources for NTB activities.

Most of the NTBs that businesses experience in the course of their intra-EAC trade fall under (1) Customs and administrative documentation procedures (2) Immigration procedures (3) Cumbersome inspection requirements (4) Police road blocks (5) Varying trade regulations (6) Varying, cumbersome and costly transiting procedures (7) Duplicated functions of agencies involved in verifying quality, quantity and dutiable value of imports and export cargo, and (8) Business registration and licensing. The impact of specific NTBs under each of these clusters and the proposed elimination process are given in the NTB Elimination and Monitoring Plans the original EAC Partner States, which appears as Part 2(b) to this Mechanism. Line ministries, departments and agencies (MDAS) responsible for taking actions on the identified NTBs, the EABC and EAC Secretariats will initiate activities aimed at eliminating these NTBs. Further, the EAC Secretariat will convene a meeting aimed at harmonizing the identified benchmarks for monitoring progress of NTBs elimination, and kick-starting the elimination process. Also, each MDA responsible for taking action on an NTB will prepare a quarterly report of reported NTBs and corrective action taken, and table them to the National Monitoring Committee (NMC).

The impact of NTBs to businesses will be measured by the amount of official and unofficial payments to clear goods at the borders, General expenses incurred by businesses at border points, Lost business opportunities, Value and quantity of wasted products during inspection and Cost of time lost in understanding and complying with un-transparent procedures.

Various institutions will be involved in identifying, taking corrective actions, and monitoring the NTBs elimination process. These include businesses, line ministries ands agencies, business associations, the National Monitoring Committee (NMC) for each Partner State, the EAC and EABC Secretariats, the EAC

Trade, Industry and Investment Committee (TIIC), Co-ordination Committee, Council and Trade Remedies Committee. Each of these organs has been assigned specific responsibilities as defined in Part 1 of the Monitoring Mechanism. Businesses will identify and report to NMCs, line ministries and their business associations on each NTB experienced. Business associations will act at the watchdogs on the NTBs elimination progress. Line ministries or agencies responsible for enforcing trade regulations will receive NTB cases and take corrective actions. Each NMC will meet on quarterly basis to discuss reported NTBs and actions taken. At the regional level, NMCs will establish an annual regional forum which will enhance sharing of experiences on the NTBs elimination process. The EAC Secretariat will receive quarterly progress reports from NMCs on resolved or unresolved cases through the EAC Director of Trade and Customs, and forward them to both the EAC Co-ordination Committee and TICC for discussions and necessary decisions. The EABC will disseminate information on the NTBs elimination progress through its website and undertake an annual Business Climate Index (BCI) Survey.

The Mechanism will have two forms for identifying, recording and reporting NTBs. Form 1 will be used by commercial drivers and clearing and forwarding agents, while Form 2 will be used by NMCs for reporting to the EAC Secretariat on actions taken to correct the NTBs.

The NTBs Monitoring Plans for each Partner State will be disseminated to all trade stakeholders for information and action by business associations, chambers of commerce, EAC line ministries, NMCs and the EABC secretariat. This will ensure that businesses and their representative organizations can effectively monitor the progress achieved in the NTBs elimination process.

The Monitoring Mechanism and NTBs reporting Forms will be marketed by EABC and business associations, while hard copies of the form will be kept at the border offices of agencies responsible for enforcing trade requirements such as Customs, Immigration and Police departments.

To enable the current EAC Directorate of Trade and Customs to play an effective role in facilitating NTBs elimination process, the office will act as the EAC focal point for reporting and monitoring NTBs within the region. Also, to ensure that the office handles this responsibility efficiently, Partner States will allocate sufficient and timely resources through their national budgets for NTBs activities, including joint projects such as one-stop-business center at the borders. The mechanism proposes that technical assistance should be factored in the implementation process for coordinating various actions, and has also proposed an Action Plan (Annex 1) to facilitate implementation of the mechanism without delay.

1.0 JUSTIFICATION OF THE MONITORING MECHANISM

1.1 Introduction

As part of efforts to facilitate elimination/reduction of Non-Tariff Barriers (NTBs) that businessmen experience in intra-EAC[1] trade, the East African Business Council (EABC) set up an ad-hoc working group in 2003, which recommended that actions to facilitate monitoring and removal of such trade hindrances need to be identified. As part of efforts to act on this recommendation, the EABC in 2004 initiated the Business Climate Index Survey (BCI) for East Africa[2]. The main aim of the BCI survey was to identify the nature and scope of NTBs experienced in the day-to-day business within the region. The 2004 BCI covered 500 companies and 150 government executives. Broadly speaking, NTB's are rooted in a variety of causes that can be labeled as "structural bottlenecks". These include inadequate government structures/procedures, mismanagement, erratic application of rules and bureaucratic staff attitude coupled with low staff morale. For the private sector, NTB's represent an additional cost factor and sometimes even lead to complete loss of markets or customers. The consequence has often been that both businesses and public sector officials responsible for enforcing trade related requirements resort to corrupt practices, which appear to be a pragmatic way of overcoming NTB's. The 2004 BCI survey found out that NTBs do exist within the EAC countries, and recommended for establishment of an effective mechanism for monitoring and facilitating the elimination of the current and future NTBs within the region, as provided for under Article 13 of the East African Customs Union[3]. As a follow-up to the recommendation on set-up of the NTB Monitoring Mechanism, the EAC Secretariat requested EABC to undertake a study to design the Monitoring Mechanism, which was commissioned in July 2005.

1.2 Objective of the Monitoring Mechanism

The objective of the NTB monitoring mechanism is to facilitate the identification, reporting, monitoring and elimination/reduction of current and future NTBs within the EAC partner states. This is part of efforts to consolidate the EAC economic integration process under the EAC Customs Union.

1.3 Methodology used to design the Monitoring Mechanism

The design of the monitoring mechanism was based on specific approaches identified through consultations[4] with trade stakeholders. These approaches were regarded as the most feasible in facilitating the identification, reporting and elimination of current and future NTBs within EAC. The Monitoring Mechanism was that developed into two major parts, namely (1) Procedural Elements NTB monitoring mechanism, and (2) National NTB elimination and monitoring plans. Consultations leading to development of the Mechanism were carried out between August 2005 and March 2006. The NTBs inventory was thereafter updated in 2007 through an exercise commissioned by COMESA to harmonize the NTB

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[1] EAC-East African Community

[2] The 2004 BCI was undertaken by Daima Associates Ltd of Dar Es Salaam, Tanzania

[3] Article 13 of the East African Customs Union Protocol on Non-tariff Barriers, Section 1 specifies that "unless provided for or permitted by the Protocol, each of the three East African Partner States will remove, with immediate effect, all the existing non-tariff barriers to the importation into their respective territories of goods originating in the other Partner States and, thereafter, not to impose any new non-tariff barriers". To achieve this goal, Article 13 goes further under Section 2 to provide that "the Partner States shall formulate a mechanism for identifying and monitoring the removal of non-tariff barriers".

[4] It should be noted that the Consultations process involved the original EAC Partner States (Kenya, Uganda and Tanzania). The two additional EAC members (Rwanda and Burundi) which joined the Community in 2007 were not covered. However, an inventory of NTBs experienced by the 2 additional members were latter compiled under the COMESA NTBs elimination process in 2007.

Monitoring Mechanisms for COMESA, SADC and EAC regional integration blocs; and to design the national NTB elimination and monitoring plans. The consultation process involved four main stages, namely:

- 1.3.1 One-to-one-discussions between August-December 2005 and between February-March 2007 with key policy makers, heads of agencies responsible for enforcing trade related requirements, business associations, clearing and forwarding associations and representatives of key businesses that have substantial activities within EAC countries. The NTB inventory was thereafter updated in 2007 after another round of one-to-one consultations with key trade stakeholders.
- 1.3.2 National workshops in November-December 2005, during which the results of the one-to-one consultations were presented, discussed and further inputs made,
- 1.3.3 National Working Committee meetings between December 2005-March 2006 in each EAC capital, which deliberated and added further inputs to the draft monitoring plans for each country and the monitoring mechanism, and
- 1.3.4 A regional workshop in March 2006 where consensus was reached on the national monitoring plans and reporting/elimination mechanism.

PART 1 PROCEDURAL ELEMENTS OF THE NTB MONITORING MECHANISM

2.0 WORKING DEFINITION OF NTBS WITHIN THE EAST AFRICAN COMMUNITY

NTBs are often justified on four main reasons:

3.1 To safeguard health, safety, and security of human beings, animals and plants, and against environmental pollution.
3.2 To protect home industries and consumers
3.3 To safeguard national security
3.4 To safeguard against revenue loss

NTBs appear in the form of rules, regulations and laws that have a negative impact to trade. The EAC has adopted this broad guideline to define NTBs as "quantitative restrictions and specific limitations that act as obstacles to trade". Such restrictions and limitations are embedded in laws, regulations, practices and requirements other than tariffs; and include non-tariff charges, government participation in trade, restrictive trade practices and policies; customs and administrative procedures and practices; Technical Barriers to Trade (TBT); Sanitary and Phytosanitary Measures (SPS); and un-harmonised working hours.

3.0 GUIDING PRINCIPLES OF THE MONITORING MECHANISM

To effectively facilitate the identification, reporting, monitoring and elimination/reduction of current and future NTBs, the NTB Monitoring Mechanism will be guided by the following policy principles:

3.1 Goodwill and commitment

Partner States need to consolidate and demonstrate their political and technical goodwill to implement aspirations of the EAC Treaty. This will ensure that decisions passed by the EAC Council of Ministers are respected and domesticated through timely amendments of national laws, regulations and practices. Any intended introduction of laws, regulations and practices that may have an impact on trade need to be jointly discussed by the Partner States, and consensus reached before enforcement. Further, the Partner States need to recognize that with the coming into force of the Customs Union, they have lost their sovereignty on trade issues. This recognition is important so that policy makers do not make arbitrary decisions and statements that may be injurious to the ability of one partner state to trade within the region. Goodwill and commitment will also minimize the time often lost during protracted discussions on harmonization of trade requirements, subsequent delays in their implementation, and introduction of trade requirements by one partner state without discussions and consensus by all members.

3.2 Legal and Regulatory Framework

The Partner States need to ensure that the legal and regulatory framework governing the integration process is properly enshrined in the national laws, and clearly understood and complied with by all regulatory and administrative agencies. This is important to ensure that relevant agencies do not introduce laws, regulations, practices and procedures that may contradict aspirations of the EAC Treaty.

4.0 KEY ACTIVITIES FOR EFFICIENT IMPLEMENTATION OF THE MONITROING MECHANISM

Key activities to ensure that monitoring mechanism is efficiently implemented include:

- Creating awareness and sensitizing key stakeholders
- Regular monitoring of Council decisions aimed at facilitating cross-border trade among the EAC states
- Sufficient and timely allocation of resources for NTB activities

4.1 Awareness creation and sensitization

The EAC Secretariat will regularly document laws, regulations, and procedures on which harmonization decisions have been made by the Council. The information will be effectively disseminated to relevant enforcement and administrative agencies so that they can update themselves on timely basis regarding required practices in their headquarters and at border stations. The information will also be used to sensitize stakeholders, including the business community, policy makers, politicians, and the EAC public regarding the EAC integration process. The sensitization process will serve both as an information dissemination tool, and to encourage active private sector participation in the integration process. In this respect, all trade related areas that may have been harmonized since the EAC Treaty came into force will be disseminated to stakeholders so as to hasten fast-tracking of the integration process. Such areas include the free movement of goods and services, and other factors of production.

4.2 Regular monitoring

Regular monitoring of the Council decisions to ensure timely implementation and understanding of costs and benefits of the integration process will be observed. This will ensure that corrective actions can be made early enough on any decisions that could delay the integration process. Monitoring will be facilitated at both the national and EAC levels[5], and will be conducted at various stages by relevant officials[6].

4.3 Resource allocation

Each partner state will allocate and maintain sufficient budget resources for NTBs activities at the national and regional level. In this respect, each Partner State should establish a government ministry or department to deal exclusively with EAC matters, to ensure that sufficient and timely allocation of a specific EAC budget.

5.0 ACKNOWLEDGED LIST OF NTBS WITHIN EAC AND PROPOSED MONITORING PLAN FOR ELIMINATION

The 2004 BCI survey categorized NTBs under six clusters (1) customs documentation and administrative procedures (2) immigration procedures (3) quality inspection procedures (4) transiting procedures (5) police road blocks, and (6) business licensing and registration. All NTBs under these 6 clusters frustrate business people and translate into business time loss and additional costs during their application.

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[5] At the National level, monitoring will be facilitated by National Monitoring Committees, while at EAC level, it will be facilitated by EAC Secretariat (refer to Parts 11.0 on Terms of Reference for stakeholders),

[6] Refer to section 6.0 on responsibilities for NTBs monitoring

The six clusters under which the most severe NTBs were identified during the 2004 BCI survey were further broken down into eight clusters during the one-to-one consultations of between August to December 2005 and February to March 2007. These NTB clusters have been used to design the national NTB elimination and monitoring plans under "WTO NTB Categorization Codes" (refer to Part 2). The 8 NTB clusters are:

5.1 Customs and administrative documentation procedures

Examples of NTBs under this cluster include varying systems for imports declaration and payment of applicable duty rates, limited customs working hours, varying interpretations of the COMESA Rules of Origin[7], application of discriminatory taxes and other charges on imports originating from amongst the region, cumbersome procedures for verifying containerized imports, unfair competition from counterfeit products, and diversion of transit goods into the region.

5.2 Immigration procedures

Some of the NTBs experienced under this cluster include varying application of visa fees and work permits, cumbersome and duplicated immigration procedures, and lack of an East African Passport by many citizens who cross borders in search of business opportunities.

5.3 Cumbersome inspection requirements

NTBs experienced under this cluster include cumbersome inspection procedures on Gross Vehicle Mass and axle load regulations, cumbersome and costly quality inspection procedures, inspection of products that are certified by accredited laboratories, inspection of imports that have certification marks of issued by the East African Standards Bureaus, varying quality inspection and testing procedures introduced without prior discussions and consensus (for example PVoC in Kenya[8]), and varying procedures for issuance of certification marks.

5.4 Police road blocks

The most serious NTB under this cluster is that police officers stop commercial vehicles at various inter-country road blocks and at border crossings even where there is no sufficient proof that goods being transported are of suspicious nature (e.g. smuggled goods, drugs, etc).

5.5 Varying trade regulations among the three EAC countries

The most notable NTBs under this cluster that is Uganda and Kenya both use the harmonised COMESA axle load specifications of 16 tonnes while Tanzania uses a higher legal limit of 18 tonnes for double axles.

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[7] EAC rules of origin currently apply only where an import originating from another EAC partner state is wholly produced in that country. Where such a product may have gone through a process of transformation, change of tariff heading or other value adding processes in the EAC originating country, the COMESA rules of origin are used, until the EAC reaches consensus on its rules of origin. However, the contention by Ugandan importers is that when the COMESA rules are used, Uganda customs has sometimes insisted that rule 3 and 4 should be used together, while both are supposed to be used independently. **Rule 3** states that "local content of local raw materials should exceed 35% of the ex-factory cost of the finished product". **Rule 4** states that "the product should be classified in a separate tariff heading other than those of the non-originating raw materials used in production". The two rules are supposed to be used independently of each other, meaning an importer can either use 3 or 4, whichever applies to the import product.

[8] PVoC refers to the Pre-shipment Verification for Conformity to Kenyan standards program

Further, the specified maximum Gross Vehicle Mass (GVM) for commercial vehicles differs amongst the three EAC countries at 54 tones in Kenya, 46 tones in Uganda, and 56 tones in Tanzania which limits the ability to undertake efficient transit traffic within the region. Also EAC countries have different parameters on weights, labelling, and quality, tolerance in measurements, and type and technology used in packaging, which limits ability of goods to cross borders.

5.6 Varying, cumbersome and costly transiting procedures in the three EAC countries

Under this cluster, the most serious NTBs are varying requirements on the type of commercial trucks used in transit traffic, bottlenecks in offloading imports at the Port of Mombasa, unrealistic grace period on imports before application of demurrage charges, and application of insurance bonds even on goods destined to the region

5.7 Duplicated functions of agencies involved in verifying quality, quantity and dutiable value of imports and exports

There are many agencies involved in Import and export inspection, and in certification procedures. These agencies do not seem to collaborate, which results to duplication of effort and wasted time for businesspeople. Also, many of the inspection bodies have not established laboratories at major entry and exit points.

5.8 Business registration and licensing

The most serious NTBs under this cluster are:

- Varying business registration procedures and lack of preferential treatment to EAC originating businesses in comparison to foreign originating businesses, which makes cross-border registration of business branches difficult,
- Cumbersome and expensive manual processes used in business names search, registration and payment of relevant charges,
- Multiplicity of licenses among the three countries for production, distribution and sale of goods, which result to duplication and inhibitive cost of licensing.
- Categorised of EAC countries as either developing or developing countries, which is a potential impediment to cross border trade of patented products like medicinal and pharmaceutical products under the WTO TRIPS[9] agreement.

Details of the above NTBs are listed under **Part 2 (a)** of the Monitoring Mechanism, while the Elimination and Monitoring plans are given **Part 2(b)** of the Monitoring Mechanism.

6.0 HARMONISED WTO NTB CATEGORISATOION CODES FOR REPORTING EXISTENCE OF NTBS WITHIN EAC

EAC Partner States will report on existence of NTBs using the WTO NTB Categorization Codes[10] so as to facilitate an internationally accepted approach to their elimination/ reduction. These WTO Codes are as summarized below.

[9] TRIPS – Trade Related Intellectual Property Rights Agreement of the WTO

PARTS AND DESCRIPTIONS		SECTIONS AND DESCRIPTION	
Part	**Description**	**Section**	**Description**
Part I	Government Participation in Trade and Restrictive Practices Tolerated by Governments	A	Government aids, including subsidies and tax benefits
		B	Countervailing duties
		C	Government procurement
		D	Restrictive practices tolerated by governments
		E	State trading, government monopoly practices, etc.
Part II	Customs and Administrative Entry Procedures	A	Anti-dumping duties
		B	Customs valuation
		C	Customs classification
		D	Consular formalities and documentation
		E	Samples
		F	Rules of origin
		G	Customs formalities
		H	Import licensing
		I	Pre-shipment inspection
Part III	Technical Barriers to Trade	A	General
		B	Technical regulations and standards
		C	Testing and certification arrangements
Part IV	Sanitary and Phytosanitary Measures	A	General
		B	SPS measures including chemical residue limits, disease freedom, specified product treatment, etc.
		C	Testing, certification and other conformity assessment
Part V	Specific Limitations	A	Quantitative restrictions
		B	Embargoes and other restrictions of similar effect
		C	Screen-time quotas and other mixing regulations
		D	Exchange controls
		E	Discrimination resulting from bilateral agreements
		F	Discriminatory sourcing
		G	Export restraints
		H	Measures to regulate domestic prices
		I	Tariff quotas
		J	Export taxes
		K	Requirements concerning marking, labelling and packaging
		L	Others
Part VI	Charges on Imports	A	Prior import deposits
		B	Surcharges, port taxes, statistical taxes, etc.
		C	Discriminatory film taxes, use taxes, etc.
		D	Discriminatory credit restrictions
		E	Border tax adjustments
Part VII	Other NTB Categories	A	Intellectual property issues
		B	Safeguard measures, emergency actions
		C	Distribution constraints
		D	Business practices or restrictions in the market
		E	Others

7.0 REQUIRED ACTIONS ON NTBS

7.1 Publication and harmonization of current NTBs

All trade requirements under the eight clusters (laws, regulations, procedures and practices) that are officially recognized within the Community will be published so that businesses are well informed of applicable trade-related requirements that, and to enable them to challenge practices that do not have a

[10] A workshop the organized by COMESA between 27th and 28th June 2007 in Nairobi also agreed that COMESA, SADC and EAC should use the WTO NTB categorization Codes in an effort to harmonize identification, reporting, monitoring and elimination of NTBs within the three Regional Integration Communities.

legal basis. The line ministries and agencies responsible for taking action on identified NTBs, EABC and EAC Secretariats will initiate activities aimed at eliminating NTBs detailed in the NTB Elimination and Monitoring Plans. Further, the EAC Secretariat will convene a meeting to harmonize identified benchmarks for monitoring the NTBs elimination process, agree on an action plan, and to kick-start the implementation of the Mechanism.

7.2 Identification of future NTBs

NTBs are dynamic and new ones can occur at any time in the form of trade laws, regulations, procedures or practices. The inventory of NTB clusters therefore needs to be updated regularly, depending on which new NTBs have been introduced and their impact to intra-EAC trade. Identification of future NTBs will be done by businesses, and also through consultations and workshops that involve trade stakeholders. The process of identification, reporting and eliminating the NTBs will require a lot of commitment by businesses, their representative associations, line ministries and agencies responsible for their enforcement. Each line ministry and agency responsible for taking action on an NTB will prepare a quarterly report of reported NTBs and actions for eliminating them. The reports will be tabled for discussion by the National NTB Monitoring Committees (*refer to **9.0 and 10.0** below on responsibilities of stakeholders*). The quarterly reports will as a minimum specify:

1. Product and sector affected by the NTB.
2. WTO NTB Categorisation Code (Part), and cluster under which an NTBs has been identified as enumerated under **Part 2(b)** to this Mechanism.
3. Current justification for enforcing the NTB and whether it is backed by law.
4. Description or brief narration of the specific NTBs and its impact to businesses, using the yardsticks specified under **8.0** below.
5. Agency/ies responsible for enforcing the Non-Tariff Measure (trade laws, regulations, procedures and practices) that end up becoming NTBs.
6. Planned improvements and/or likely solutions to eliminate or reduce the NTBs, as mutually agreed with enforcement agency/ies.
7. Realistic monitoring indicators that are easily measurable and clearly specify what to do and by when.
8. Practical benchmarks that could be pursued, where possible using international benchmarks.
9. Likely bottlenecks that are likely to be faced in the process of eliminating or reducing the NTBs (*for example change in mind sets, personnel or financial and resources)*.
10. Success factor/s in form of realistic and practical solutions that should be used to overcome the bottlenecks (*for example intervention through a government policy, central government allocation, structured sensitization and training*).

8.0 YARDSTICKS TO MEASURE IMPACT OF NTBS

Not all trade requirements (laws, regulations, procedures and practices have a significant impact to trade. The Monitoring Mechanism will therefore be used to identify report and monitor elimination of only those trade requirements NTBs that have a significant negative impact on the ability of businesspeople to trade within the region. Trade in this respect includes importation, exportation, production and distribution of goods and services, within and across the borders of EAC. Also, since every NTB that has a significant impact to trade finally translates into a cost, it is important to define some yardsticks that will be used to measure the severity of an NTB impact. In this respect, any of the following yardsticks will be used to measure impact, depending on the nature of each NTB that may be experienced.

8.1 Official payments

How much the business spend on official payments for example on quality inspection on imports.

8.2 General expenses (e.g. staff costs, storage costs, etc)

How much the business spent on accommodation of managers and other employees while awaiting verification or clearance of cargo cost at border crossings due to delayed clearance of goods.

8.3 Non-official expenses

How much the business spent on bribery payments at border entry and exit points, roadblocks and weighbridges in order to speed up clearance of goods. Such bribes could have been paid to:

- Customs officials to facilitate the entry or exit of goods, assist in preparation of correct documentation, shorten the process of clearing duties and subsequent clearance of goods.
- Port officials to assist in jumping the import release queue.
- Quality inspection officials regarding certification, inspection queries, or to assist in undercutting the inspection/ laboratory analysis procedures.
- Police officers at road blocks/ border crossings to ignore flouted traffic requirements, overloading of commercial trucks or to circumvent physical verification of goods being transported.
- Immigration officials to assist in issuance of travel documents.
- Officials at weighbridges to ignore flouted axle load and gross vehicle mass specifications.
- Officials in charge of licensing and registration functions to shorten or ignore cumbersome processes.

8.4 Lost business opportunities

This will give information on the value or quantity of a lost business opportunity arising from application of discriminatory tax rates and other import procedures. Examples of discriminatory tax rates could include a higher than applicable EAC tariff being applied by one partner state on a product originating from the Partner States, a higher domestic tax being applied on imports from the other Partner States than on equivalent domestic goods, or even a procedure being applied on imports and not on equivalent domestic products.

8.5 Wasted products (especially perishable ones)

This will record the value or quantity of perishable goods that could have gone to waste in the process of a full inspection as opposed to sampled inspection, or during process of weighing axle load or Gross Vehicle Weight specifications?

8.6 Cost of time lost in understanding and complying with un-transparent procedures

This will record whether a regulation or procedure is justified and/ or transparent. It will also record how much time was spent and how much cost was incurred during:

- The process of sorting out import/ export documentation, quality and quantity queries at border crossings, road blocks and weighbridges
- The process of understanding a new trade related requirement so as to enable a business to comply.

Also, time loss will be measured by whether there are any import, export and other trade regulations that have been introduced without sufficient lead time to enable a proper understanding and compliance by affected businesspeople[11].

9.0 RESPONSIBILITIES FOR MONITORING NTBS

9.1 Stakeholders

By the nature of their responsibilities, the following persons and institutions have a good knowledge of the existence of NTBs within EAC region, and will therefore have specific responsibilities in identifying, reporting, monitoring, and facilitating elimination of current and future NTBs as detailed under Section 10 on Terms of Reference for stakeholders:

9.1.1 Commercial transport drivers, and clearing and forwarding agents, who experience the existence and practice of NTBs in the course of their duties, and who have the first hand knowledge whenever new regulations, practices or procedures are introduced either on domestic or cross-border trade.

9.1.2 Logistics managers, administration managers, and managing directors of businesses, to whom NTBs cases are reported by drivers and clearing and forwarding agents.

9.1.3 Ministries, Departments and Agencies (MDAs) responsible for enforcing laws, regulations, procedures and practices that end up becoming NTBs. Such cases are often reported to MDAs by individual businesses, business associations, chambers of commerce or clearing and forwarding associations. Examples of such MDAs include Ministry in charge of Roads, customs, immigration, quality inspection agencies and police departments.

9.1.4 Business Associations, chambers of commerce and clearing and forwarding associations, which constantly receive complaints on NTBs from their members.

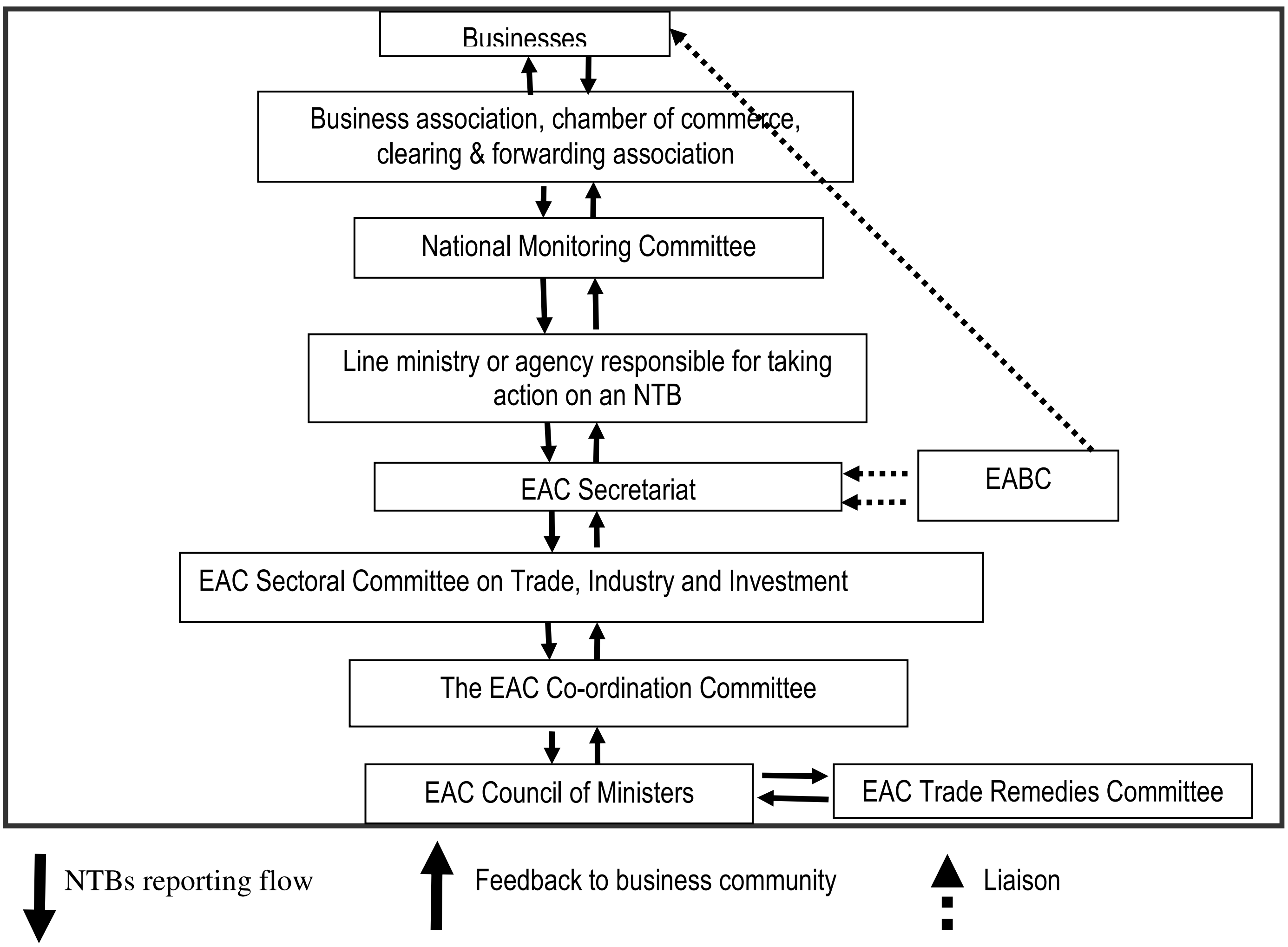
9.1.5 Ministry responsible for trade and industry matters in each Partner State, which is constantly made aware of bottlenecks regarding the investment climate by individual businesses, business associations and chambers of commerce businesses regarding

[11] Examples of regulations that may be difficult to understand could include the Customs Reforms Modernization Programme (CRM – Simba system) introduced in Kenya from1st July 2005, and the related requirement by Kenya Bureau of Standards for imports to be accompanied by a quality certificate issued by an internationally accredited laboratory. In end June 2005, the Pre-Shipment Inspection program which was previously contracted to international PSI companies came to an end. Consequently, Kenya Customs introduced the CRM, commonly referred to as the Simba system, whose focus is inspection of quantity and dutiable value of imports. The Kenya Bureau of Standards also introduced the Pre-Shipment Verification of Conformity to Kenyan standards program (PVoC), which focuses on quality inspection and conformity of imports to Kenyan standards. Kenyan businesspeople and their Ugandan and Tanzanian counterparts strongly voiced their objections that both the CRM and PVoC were introduced without sufficient lead time to enable full compliance and uninterrupted imports.

9.1.6 Ministry or department responsible for EAC matters in each partner state, which is regularly updated on bottlenecks experienced on intra-EAC trade by businesses or their business associations.
9.1.7 EAC and EABC Secretariats, to whom NTBs are reported by national Governments and business associations.
9.1.8 Members of the EAC Trade, Investment and Industry Committee (TIIC), who often discuss existence of NTBs within EAC.
9.1.9 EAC Council of Ministers, to whom NTB disputes are tabled for information and dispute resolution.

9.2 Institutional set-up for reporting, monitoring and giving feedback on NTBs elimination

The following institutional structure will be used for reporting, monitoring, and eliminating NTBs. It will also be used to give a feedback to businesses on progress of NTBs elimination/reduction.



9.3 Procedures and formats for reporting existence and giving feedback on NTBs elimination process

9.3.1 Any new trade laws, regulations, rules and procedures will be recorded by businesses whenever they experience a negative impact. Truck drivers, and clearing and forwarding agents will report such NTBs to their company heads[12] using **Monitoring Form 1 below**.

Form 1: Reporting format for drivers/ clearing & forwarding agents

What to record	How to record
Date NTB experienced	Record date when a trade requirement that hinders free movement of goods or services is experienced
Procedure name	If known, record the requirement's name, e.g. quality standards inspection, police road block, etc
Responsible government institution/ agency	This will specify which institution was responsible for enforcement of a trade related requirement; e.g. customs, immigration, police, etc
Time spent to clear goods	This will specify how many hours, days, or months were lost in the process of clarifying or sorting out a trade requirement that hinders free movement of goods or services
Cost incurred during clearance process	This will specify the exact cost incurred during movement of goods or services, for example: o Official expenses incurred to clear goods at borders (*where receipt is available* o Unofficial expenses, e.g. incurred to bribe officials o Accommodation & other costs incurred by drivers/ other employees at borders while awaiting clearance, e.g. mileage claims, out of pocket, overtime claims, etc.
Business loses	This will specify the type of product lost due to new trade requirement (*e.g. perishable goods that went to waste*)

9.3.2 The company head will verify the genuineness of cases reported by their drivers, clearing and forwarding agents, estimate the value and volume of business lost in the process of complying with the trade related requirement, prepare a report of such cases and forward copies to:

- Line Ministry or agency in charge of enforcing an NTB: For action purposes
- Business association/ chamber of commerce: for information and to facilitate monitoring of elimination progress.
- National Monitoring Committee (NMC): for information and to facilitate monitoring of elimination progress.

9.3.3 Business associations/ chambers of commerce will act as watchdogs on the progress of eliminating NTBs. They will receive NTB cases from their members, and where possible verify the accuracy of such reports, and whether the requirement is backed by any law. They will then propose for a practical review of the requirement to the line ministry or agency under which the NTB is being experienced. If no satisfactory solution is given by the line ministry or agency within one calendar month from the date the NTB is reported, the associations/ chambers of commerce will refer the cases to National Monitoring Committee (NMC) and EAC secretariat for monitoring and policy action (*refer to 8.0 below on responsibilities of institutions that will be involved in the NTBs monitoring process*). Actions

[12] *The designated business head may vary depending on type of business, but the crucial focus is to have a system that works. In this respect, the company head is taken to mean the business official who is responsible for liaison with Government Ministries or Business Association/ Chamber of Commerce.*

expected should be in the form of a planned review, amendment or withdrawal. The associations will also follow-up at NMC meetings on progress achieved in eliminating or minimizing NTBs. They will also inform their members on the progress made in resolving NTBs at national and regional level through their communication channels, including newsletters and brochures.

9.3.4 The line Ministry or agency responsible for taking action on an NTB will receive all NTB cases and the proposed actions. It will verify the genuineness of cases reported, review the justification for the law, regulation or procedure, and prepare a plan for corrective action, using the format specified under points **4.1 to 4.10** above. It will report to the NMC on progress achieved on quarterly basis.

9.3.5 Each EAC partner state will built national capacity for centralizing and resolving trade related disputes that are arise from enforcement of laws, regulations, practices and requirements by various government agencies. In this respect, each partner state will establish a national arm of the EAC Trade, Industry and Investment Committee (TIIC) to deal with trade related disputes, hereby referred to as the National Monitoring Committee (NMC) on NTBs. The NMC will discharge its mandate efficiently by concentrating only on trade related barriers, which is the core mandate of the part of the functions of the TICC. The National Monitoring Committees (NMCs) will establish an annual regional forum during which its members can share their experiences on NTBs elimination process (*refer to Item 11.3 below on the responsibilities of NMCs*). The regional forum will also incorporate officials on the ground such as drivers, clearing and forwarding agents, customs officials, policemen, immigration officers, etc.

9.3.5 The EAC Secretariat will receive quarterly progress reports from NMCs on resolved or unresolved cases through the EAC Director of Trade. The EAC Secretariat will then prepare progress reports for the Co-ordination Committee and TIIC for information or for dispute resolution. The Secretariat, through the Director of Trade will also monitor actual practices at major exit/ entry points and facilitate an annual verification of actual practices by TIIC.

9.3.6 The TIIC Committee has the core responsibility for resolving trade related disputes within EAC. Under the direction of the Co-ordination Committee, the TIIC will resolve NTB cases of a regional nature and report to Coordination Committee on quarterly basis. The Co-ordination Committee will thereafter report to Council of Ministers regarding progress of NTBs elimination or minimization of impact. The TIIC will also conduct an annual verification of actual practices at borders.

9.3.7 The Council of Ministers will receive quarterly progress reports on NTBs for information purposes and give further guidance on unresolved cases. For any cases that cannot be resolved by the Council, they will be referred to the EAC Trade Remedies Committee, which has the overall mandate on trade disputes resolution and whose decision is final as specified under Article 24 of the EAC Customs Union Protocol

9.3.8 The EABC will disseminate information on the NTBs elimination progress through its website and undertake an annual Business Climate Index (BCI) Survey. The BCI survey will give a feedback on whether the business climate within the region is improving and whether new initiatives in dealing with NTBs are required.

9.4 Working Procedures of National Monitoring Committees

9.4.1 The NMCs will work in close consultation with line ministries or agencies responsible for enforcing trade related requirements and with affected businesses to eliminate or minimize the impact of NTBs at the national level. They will receive copies of NTB complaints sent to the line ministry or agency responsible for enforcing an NTB by individual businesspeople, business associations, chambers of commerce and clearing and forwarding associations.

9.4.2 Each NMC will review progress of actions to eliminate NTBs elimination or minimize their impact through scheduled meetings. Each will network with respective NMCs in the other Partner States regarding cases of a cross border nature and pursue an elimination process. Where cases are resolved satisfactorily, the respective NMC will disseminate such information to businesses through their business association, chamber of commerce or clearing and forwarding association. The information will also be disseminated to the EAC Secretariat for onward transmission to NMCs in the other Partner States. NMCs will also use other communication media to reach small businesses that may not have an appropriate membership forum.

9.4.3 Each NMC will also refer NTB cases of national or regional level that have not been resolved to the Co-ordination Committee, to initiate an elimination process through the TIIC. Such cases will be sent to the EAC Secretariat through the Director of Trade and Customs. The Director will also disseminate information on resolved cases to the TICC, Co-ordination Committee, respective NMCs and EABC for onward transmission to the business community. Feedback to the business community even on unresolved NTBs is crucial so as to build confidence that such cases are receiving attention. This will encourage businesses to continuously monitor and report existence of practices that hinder smooth flow of trade within the community.

9.4.4 NMCs will also meet annually to share experiences on the NTBs eliminations process . In addition, they will aim at harmonizing all initiatives aimed at easing cross border trade by collaborating closely with, and acting as the umbrella of other national initiatives that focus on easing cross-border trade. For the three EAC countries, the “Regional Integration Facilitation Forum” (RIFF) is a relevant initiative. For Kenya and Uganda, the “COMESA NTBs Monitoring Unit”, which has developed an instrument for reporting NTBs and other barriers to trade within COMESA, and the “Northern Transport Corridor Project”, are relevant initiatives. For Tanzania, the November 2004 “Inventory of NTBs for SADC Region” is also relevant.

9.4.5 Preferably, initial meetings of each NMC should be on a monthly basis so as to set a results-based agenda for kick-starting implementation of the NTBs elimination and monitoring plans (*refer to Part 2(b) of the Mechanism*). Thereafter, each NMC will meet on a quarterly basis to discharge its mandate as specified in its Terms of Reference appearing under **Section 10.4** below. The Ministry in charge of EAC matters or the Ministry of Trade and Industry[13] will act as the secretariat for the NTBs program, including convening and hosting NMC meetings. The Chair of each NMC will be

[13] *The designated ministry in charge of the NTBs program will depend on the designated ministry in each EAC state.*

the Permanent Secretary of the host ministry. This will give each NMC an effective mandate, legitimacy and influence in dealing with NTBs.

9.4.6 All information reported by NMCs to the EAC secretariat either for information, dissemination or dispute resolution will be in the format provided in **Monitoring Form 2** below[14].

9.4.7 Members of each NMC will be determined at the country level. Examples of such members are the trade stakeholders listed in **Table 1** below.

Form 2: Reporting form by NMCs to MDA and EAC Secretariat

What to record	**How to record**
NTB description	This will be a short statement of the exact problem and how it affects cross border trade
Short narrative and impact of NTB to national businesses	This will be a short description of the NTB, where it is mostly prevalent, which agency is in charge, how it affects cross border trade in terms of cost and time
Current or planned law on which NTB is based	This sill specify whether a trade related law, regulation, practice of requirement is based on a current or planned law, and should be done in consultation with agency responsible for enforcement of such requirement
Justification by ministry/ institution/ agency for applying NTB	This will focus on the reason given on why the law, regulation, practice of requirement is used; e.g. to protect human, plant, animal health, environmental protection, domestic industry protection, etc.
Possible or proposed measures to eliminate the NTB	This will be a short statement of what requires to be done
Expected achievement of elimination or review	This will specify the expected volume or value of cross-border trade, or number of hours that will be saved after elimination of an NTB
Performance Indicator/ benchmark	This will record what to eliminate or review and by when; where possible using an international benchmark
Means of verification	This will focus on how to give records of issue being monitored; e.g. a monthly, quarterly or annual report
Likely bottlenecks to be overcome in process of eliminating the NTB	This will focus on any expected mitigating factors, for example unsupportive attitudes by responsible officials, lack of sufficient resources, etc.
Solutions to eliminate bottlenecks	This will specify what type of support is required in order to eliminate or reduce impact of an NTB, e.g. how much resources required and who to allocate, type of training and for who/ where, etc

[14] The EAC NTBs proposed reporting form is similar to the COMESA form for recording existence of NTBs given in Annex II to this Monitoring Mechanism[14]. However, the EAC form is more detailed and exhaustive on issues to report than the COMESA instrument. The details given in the EAC reporting format will enable the EAC Trade Remedies Committee to make quick decisions.

Table 1: Membership of National Monitoring Committees on NTBs

No	Kenya	Tanzania	Uganda
1	Permanent Secretary Ministry of Trade and Industry	Permanent Secretary Ministry of Trade and Industry	Permanent Secretary Ministry of Tourism, Trade and Industry
2	Permanent Secretary Ministry of East African and Regional Cooperation	Permanent Secretary Ministry of East African Community	Permanent Secretary Ministry Foreign Affairs (*in charge of EAC matters*)
3	Commissioner General Kenya Revenue Authority	Commissioner General Tanzania Revenue Authority	Commissioner General Uganda Revenue Authority
4	Commissioner of Customs and Excise	Commissioner of Customs and Excise	Commissioner of Customs and Excise
5	Commissioner of Domestic Taxes	Commissioner of VAT	Commissioners of VAT
6	Head of Weighbridges Department	Chief Executive Tanzania National Roads Agency (Tanroads)	Head of Weighbridges Department
7	Managing Director Kenya Bureau of Standards	Executive Director Tanzania Bureau of Standards	Executive Director Uganda National Bureau of Standards
8	Chief Executive Kenya Ports Authority	Chief Executive Tanzania Ports Authority	Uganda Representative Kenya Ports Authority
9	Chief Executive Kenya Railways Corporation	Chief Executive Tanzania Railways	Chief Executive Uganda Railways
10	Commissioner of Police	Commissioner of Police	Commissioner of Police
11	Chief Executive Kenya Plants Health Inspection Services (KEPHIS)	Chief Executive Tanzania Food and Drugs Authority	Chief Executive Food Inspection Agency
12	Chief Executive Pest Control Board	Chief Executive Officer Weights and Measures Agency	Chief Executive Officer Enterprise Uganda; or Permanent Secretary Ministry of Agriculture
13	Chief Executive Kenya Association of Manufacturers	Chief Executive Confederation of Tanzania Industries	Executive Director Uganda Manufacturers Association
14	Chief Executive Kenya International Freight and Warehousing Association	Chief Executive Tanzania Freight Forwarders Association	Chief Executive Uganda Freight Forwarders Association
15	Chief Executive Kenya National Chamber of Commerce and Industry	Chief Executive Tanzania Chamber of Commerce, Industry and Agriculture	Chief Executive Uganda Chamber of Chamber of Commerce and Industry
16	Chief Executive Export Promotion Council	Director General Board of External Trade	Chief Executive Uganda Export Promotion Board
17	Managing Director of a manufacturing company with substantial exports to the other 2 EAC countries	Managing Director of a manufacturing company with substantial exports to the other 2 EAC countries	Managing Director of a manufacturing company with substantial exports to the other 2 EAC countries
18	Town Clerk of relevant local authority	Town Clerk of relevant local authority	Town Clerk of relevant local authority
19	Permanent Secretary Ministry of Finance	Permanent Secretary Ministry of Finance	Permanent Secretary Ministry of Finance

10.0 TERMS OF REFERENCE OF STAKEHOLDERS WHO WILL BE INVOLVED IN REPORTING, MONITORING AND FACILITATING ELIMINATION OF NTBS

10.1 Businesses

Responsibilities of businesses will be to identify, report to their associations on the existence of NTBs, and monitor whether planned actions by line ministries and agencies responsible for enforcement are being implemented.

10.2 Business Associations/ Chambers of Commerce

Responsibilities of business associations and chambers of commerce in implementation of the monitoring mechanism will be to:

10.2.1 Receive NTB complaints from their members.
10.2.2 Where possible verify the genuineness of cases reported, and whether applied regulations, procedures and practices are backed by law.
10.2.3 Prepare reports on reported cases and forward them to the NMC members, line ministry in charge of EAC matters and the EAC secretariat for policy action and elimination.
10.2.4 Built a database on reported NBTs.
10.2.5 Act as watchdogs on the progress of eliminating NTBs.
10.2.6 Follow-up on progress achieved in eliminating or minimizing NTBs at NMC meetings.
10.2.7 Inform their members on the progress made in resolving NTBs at national and regional level.

10.3 Line Ministry, Department or Agency responsible for taking action on reported NTBs

The responsibilities of the MDAs responsible for taking action on an NTB will be:

10.3.1 To receive NTBs complaints from individual businesses, business associations and chambers of commerce.
10.3.2 To verify the genuineness of reported cases, review the justification for the law, regulation or procedure, and whether such laws, regulation or procedure contravenes any EAC or international requirements (for example WTO agreements)
10.3.3 To prepare quarterly reports on NTB cases reported and actions taken, and table them to NMC meetings.

10.4 National Monitoring Committees on NTBs (NMCs)

Each NMC will be the national arm of the TIIC. It will only focus on NTBs that hinder the free flow of trade in goods and services, and persons that accompany such goods within the EAC Partner States. Each will act as the watchdog in monitoring the progress of eliminating NTBs experienced at the national and EAC level. The NMC will receive copies of NTB cases that have been sent to the line ministry or agency responsible for taking action on an NTB by businesses and their representative associations, and discuss such cases during its quarterly meetings. Each NMC will be hosted by the line ministry in charge of EAC or Trade and Industry matters in each partner state, which will also prepare the agenda and convene scheduled meetings. The specific Terms of Reference for NMCs will be to:

10.4.1 Receive copies of NTB complaints sent to line ministry or agency by business associations, chambers of commerce, and individual businesspeople.
10.4.2 Discuss whether actions taken by the line ministry or agency responsible for enforcement are sufficient.
10.4.3 Initiate bilateral discussions with counterpart NMCs in the other two partner states regarding NTB cases that may be of a cross-border nature, and initiate an elimination process. Where necessary, equivalent agencies responsible for enforcement of trade regulations will be brought together to negotiate a harmonization process, if the NTB in question is in form of varying trade requirements between EAC states. Bilateral dispute resolution will always be used before any NTB cases are referred to the EAC Secretariat for policy action.
10.4.4 Forward information on national actions taken by line ministry or agency responsible for acting on an NTB to the EAC Secretariat through the Director of Trade for information and onward dissemination to the other two Partner States' NMCs.
10.4.5 Disseminate information on actions taken on reported NTBs received from the other two partner states through the EAC Secretariat to the business associations and chambers of commerce for onward transmission to the business community.
10.4.6 Refer cases to EAC Secretariat, where no satisfactory solution in form of a planned review, amendment or withdrawal has been proposed by the agency responsible for enforcement within one calendar month from the date of reporting.
10.4.7 Hold an annual regional forum where members can share experiences on the NTBs elimination process, review achievements made, challenges faced and necessary initiatives for improving on the efficiency of the Monitoring Mechanism.

10.5 EAC Secretariat

The responsibilities of the EAC Secretariat will be to:

10.5.1 Receive quarterly progress reports from NMCs on resolved or unresolved cases.
10.5.2 Prepare progress reports for the TIIC and Co-ordination Committee for information on resolved cases.
10.5.3 Monitor actual practices at major exit/ entry points
10.5.4 Initiate dispute resolution by the TIIC on cases that have not been resolved at the national level or through bilateral discussions at the regional level initiated by NMCs.
10.5.5 Facilitate an annual verification of actual practices by TIIC.

10.6 The Trade, Industry and Investment Committee

This is one the key Sectoral Committees that functions under the EAC Co-ordination Committee is the EAC Trade, Industry and Investment Committee (TIIC). As specified in the EAC Treaty, each Sectoral Committee is mandated to

10.6.1 Prepare a comprehensive implementation program and priorities relevant to its sector
10.6.2 Monitor and constantly review implementation of programs under its sector
10.6.3 Submit reports and recommendations to the Co-ordination Committee on implementation of issues relevant to its sector
10.6.4 Undertake other functions conferred on it by the Treaty

Sectoral Committees are supposed to meet whenever necessary to discharge their functions. However it is recommended that the TIIC should initially meet on quarterly basis to resolve the NTBs identified in the national NTBs elimination and monitoring plans. This will be a point of departure from the current unscheduled meetings whose agenda is dictated by ad-hoc complaints received from member states.

Also, in order to discharge its mandate efficiently, the TIIC should incorporate ex-officio members from amongst NMCs whenever the need arises, including individual businesses. For the purpose of facilitating efficient implementation of the NTB Monitoring Mechanism, the national arm of the TIIC will be the NMCs, whose responsibilities are specified under **section 10.4** above.

10.7 The Co-ordination Committee

As per Articles 17 and 18 of the EAC Treaty, the Co-ordination Committee is comprised of Permanent Secretaries responsible for regional Co-operation in each Partner State and other relevant Permanent Secretaries as each Partner State may determine. Its responsibilities are to:

- 10.7.1 Submit report and recommendations to the Council of Ministers regarding implementation of the EAC Treaty. With respect to the Customs Union, this includes reporting on progress of eliminating NTBs.
- 10.7.2 Implement decisions of the Council as directed.
- 10.7.3 Receive and consider reports of the Sectoral Committees and co-ordinate their activities.
- 10.7.4 Request sectoral committees to investigate specific cases, which with respect to the Customs Union include NTBs
- 10.7.5 Undertake other functions conferred on it by the Treaty

As part of its mandate on trade promotion, the Co-ordination Committee will therefore be involved in monitoring progress of NTBs elimination. It will refer any NTB cases that cannot be resolved by the TIIC to the Council of Ministers, for necessary guidance or for dispute resolution by the EAC Trade Remedies Committee (EACTR). As specified under Article 24 of the EAC Customs Union Protocol, the decisions of the EACTR Committee with respect to the settlement of disputes shall be final.

10.8 **East African Business Council**

The responsibilities of EABC will include:

- 10.8.1 Disseminating information on NTBs elimination progress to business people through its website and national members.
- 10.8.2 Undertaking an annual Business Climate Index (BCI) Survey, which will indicate whether the business climate within the region is improving and whether new initiatives are required in dealing with NTBs.
- 10.8.3 Convening a regional annual NMCs forum aimed at sharing experiences on NTBs elimination process.
- 10.8.4 Undertaking other activities which will facilitate elimination/reduction of NTBs and improvement of the business environment.

11.0 MEDIUM FOR DISSEMINATING THE NTBS MONITORING PLANS

The National NTB Elimination and Monitoring Plans on current NTBs in each EAC Partner State should be disseminated to all trade stakeholders for information and action purposes. The plans will be disseminated to the following trade stakeholders.

11.1 Policy makers, who include the Ministries of Trade and Industry, EAC, Roads, and Planning and National/ Economic Development
11.2 Customs officials at Headquarters and at all entry/ exit points
11.3 Immigration officials at headquarters and at all entry/ exit points
11.4 Police at headquarters, entry/ exit points and at roadblocks
11.5 Officials of inspection agencies at headquarters and at entry/ exit points
11.6 Ports authorities and shipping companies
11.7 Representatives of business associations and chambers of commerce and industry for onward dissemination to their members.

The organs responsible for disseminating the Plans will be business associations, chambers of commerce, clearing and forwarding associations, EAC line ministries, NMCs and the EABC secretariat. All these organs will use the most effective media, including electronic and print media, to ensure that the information reaches the target audience. The aim of disseminating this information will be to inform stakeholders on planned actions aimed at facilitating smooth flow of trade within EAC. This way the stakeholders will understand the actions planned on various issues that have previously hindered the EAC integration process. This will also ensure that businesses and their representative organizations can thereafter effectively monitor the progress achieved in the NTB elimination process.

13.0 MARKETING OF THE MONITORING MECHANISM

The Monitoring Mechanism and the form for reporting NTBs by drivers, clearing and forwarding agents and businesses will be marketed through the following medium:

13.1 The EABC website for downloading by businesses
13.3 Hard copies of the form will be kept at the offices of Customs, Immigration and Police departments at the border stations
13.4 Business associations and chambers of commerce will keep sufficient copies of the form and inform their members of its existence
13.5 Companies that participate in annual BCI surveys will be given copies of the form for their use

14.0 PROCEDURAL AND LOGISTICAL ISSUES

14.1 Capacity of the Directorate of Trade and Customs

To ensure that the EAC Directorate of Trade and Customs plays an effective role in facilitating NTBs dispute resolution, the office will handle the following NTBs-specific functions:

14.1.1 It will be the EAC focal point for reporting and monitoring NTBs within the region.
14.1.2 It will initiate trade disputes resolution process under the Co-ordination Committee, which will delegate this function to the TIIC

14.1.3 It will be the reference point for the business community at border stations, responsible for receiving complaints from businesspeople whenever they experience problems, for example regarding compliance to difficult procedures.
14.1.4 It will offer on-the-spot service to businesspeople in resolving conflicts with the agencies responsible for enforcement of trade regulations/ requirements.
14.1.5 It will report to the Co-ordination Committee and TIIC on cases that have been forwarded by NMCs for dispute resolution or for information.
14.1.6 It will facilitate an annual verification of actual practices at the border stations by the TIIC Committee.
14.1.7 It will monitor the work of NMCs, the progress of implementing Council decisions by Partner States, and prepare quarterly progress reports to the Co-ordination Committee to facilitate reporting to the Council.
14.1.8 It will facilitate dissemination of information on NTBs to the business community through EABC, NMCs and other relevant organs.

14.2 Resource Requirements

Financial and human resources will be required at national and EAC level, to facilitate efficient functioning of the NTBs Monitoring Mechanism. In this respect, partner states will allocate sufficient and timely resources through their national budgets for monitoring and facilitating elimination of NTBs. Where necessary, the budgets will be supported by resources from development partners, and funding proposals will in this respect be developed by the Secretariat. The NTBs budget will be utilized in the following areas among others:

14.2.1 Building and maintaining capacity of the office of Director of Trade to monitor quarterly progress of implementing trade related Council decisions, monitor practices at major entry and exit points, and to offer on the spot service to businesspeople at such stations.
14.2.2 Facilitating periodic verification of practices at the border stations by the TICC.
14.2.3 Facilitating quarterly travel expenses by the Coordinating Committee and TICC, including the relevant private sector representatives[15].
14.2.4 Undertaking an annual Business Climate Index Survey.
14.2.5 Facilitating establishment of joint projects where necessary, including:

a. Shared “one-stop business center” at borders, which will include customs operations and quality inspection aimed at enhanced sharing of information and application of similar customs procedures, duties, inspection, mutual recognition of standardization marks, etc.
b. Joint investment in scanners to be used in monitoring transit traffic
c. Joint publications, for example EAC standards certification, testing and accreditation procedures

[15] Currently, officials of the EAC Committee on Trade, Industry and Investment sometimes are not able to attend meetings due to budgetary constraints, since necessary allocations may not have been factored in their ministry’s budgets. The result is that delegates from two countries may attend a meeting, but without delegates from the third country, no negotiations can held and therefore no consensus can be reached regarding an NTB. Also, private sector representatives who attend meetings at Arusha, for example the High Level Trade Task Force, are not funded by the exchequer, which greatly limits the participation of the business community in the integration process. This means the private sector is unable to discharge its mandate of driving the EAC integration process.

d. Joint investment in cranes at the Mombasa and Dar es Salaam Ports so as to facilitate clearance of imports

The NTBs monitoring mechanism budget will be financed from the sources identified under **Table 2** below:

Table 2: Sources of budget for financing the monitoring mechanism

Budget item	Institution to facilitate	Budget source
Development of the database on NTBs	Business associations Chambers of Commerce	No new budget, only assigning specific officers to NTBs programme
Building and maintaining NTBs program at national level	Co-ordination Committee and TIIC	Ministry in charge of EAC matters in each Partner State
Building and maintaining capacity of the office of Director of Trade to monitor progress of implementing trade related Council decisions on quarterly basis, practices at major entry and exit points, and offer on the spot service to businesspeople	Co-ordination Committee	EAC Secretariat budget
Facilitating periodic verification of practices at the border stations by the TIIC Committee	EAC Secretariat	EAC Secretariat budget
Facilitating quarterly travel expenses by the EACTR Committee, including the relevant private sector representatives	Co-ordination Committee	EAC Secretariat budget
Undertaking an annual Business Climate Index Survey	EABC	Development partners
Establishing joint projects where necessary	EAC Secretariat	Partner States with assistance of development partners

The EAC Secretariat will prepare an action plan to operationalise the Monitoring Plan, which will specify all tasks to be undertaken, responsibilities, timings and related budgets. A sample Action Plan has been proposed as Annex

PART 2 (A): SUMMARY CATEGORISATION OF THE MOST SEVERE NTBS EXPERIENCED BY EAC BUSINESSES UNDER WTO NTB INVENTORY CODES

Kenya	Tanzania	Uganda
1. WTO NTB INVENTORY CODES PART II: CUSTOMS AND ADMINISTRATIVE ENTRY PROCEDURES		
The Customs Reforms Modernisation Programme (CRM)[16], introduced from 1st July 2005, had initially increased the time and cost of clearing imports, escalated confusion on procedures required to clear imports, and led to shortages of raw materials in Kenyan manufacturing plants. While these were initial problems, the lack of consultation with the private sector, especially clearing and forwarding companies on how the system would operate was a major huddle in integrating the system among users. The private sector is generally sceptical about such systems which are introduced without proper consultations, which end up making imports clearance costly and time consuming to comply with. Also, the SIMBA system has not yet automated the entire process of imports declaration. Once a clearing agent lodges an import declaration, a customs declaration officer examines it and decides on the next step, i.e. whether the declaration is correct and approved, incorrect, has incomplete submission or whether goods need to be examined. This means a risk management module which is actually available within the system has not been implemented to allow for automated processing of an import declaration. Although the system has now eliminated the need for paper work to trigger processing of an import, the lack of implementing the risk management module is an avenue for corruption. The system also has legal problems since legislation has not been amended to allow for electronic submission of import documents, such as certificates of origin, security bond and import declaration form, bill of landing, and packing list.	The newly introduced ASYCUDA ++ system is only operational in Dar es Salaam International Airport, which means that at other import entry points, delays are experienced in declaring and clearing imports using ASYCUDA 2.7 system. Tanzania Freight Forwarders Association is also of the opinion that Tanzania Customs needs to move to the higher ASYCUDA WORLD which has more modules than ASYCUDA ++	On average, 49% of all customs clearance at border crossings using ASYCUDA 2.7 system takes more than 10 days, which involves declaration of imports, assessment of classification of goods and import duty payable, physical verification of goods if applicable, payment of dutiable value, and release of goods from the customs area. Also in the past, exports to Rwanda took more than 2 weeks to reach their destination, which meant tying exporter's working capital in insurance bonds.
There are far too many documents related to a single impo consignment. The key documents include an Impo Declaration Form, Shipping Manifest, Single Entry Docume referred to as C63, Airway Bill or Bill of Landing, Certificate Origin, Customs Bond, Pre-shipment Inspection certifica While it may seem that these documents are few in numbe most must have other supporting documents, which a determined by the trade transaction and nature of an import. typical import requires a total of 52 different documents enable it to be cleared and released to the importer or h forwarding agent.	While Tanzania and Uganda have both introduced the ASYCUDA++ system, Kenya has decided to implement the Simba system.	Although Customs Uganda has confirmed that ASCUDA can integrate data from the SIMBA Programme and that is possible for the 2 systems to be compatible since they are web based, a system for data exchange has not been designed yet. The inability of the systems to share data online could affect the volume of imports, since online sharing of information between Kenya and Uganda customs would be difficult. Consequently this would delay duty payment in Kampala, clearance of imports at Malaba and cancellation of insurance bonds – thus tying up of importer's working capital
Customs officers at border crossings in most cases contin applying national taxes, duties, regulations and procedur long after relevant rules are harmonised by EAC Council Ministers (*for example after harmonisation of EAC CET*[17] *Jan 2005*)	There is a lot of shuttling between the Port of Dar es Salaam and TBS to certify acceptance of specified products.	In most cases, the importer spends a lot of time trying to sort out the interpretation of rules of origin with customs officials at the borders. The problem is most serious during weekends, since the importer's goods have to be held for two days at the border until Monday when Customs HQs can make a satisfactory interpretation. Although Uganda Customs officials were before June

[16] *CRM system is also referred to as SIMBA 2005.*
[17] *CET – EAC Common External Tariff*

Kenya	Tanzania	Uganda
		2006 rightly interpreting the of the rules or origin, application of wording made imports especially raw materials more expensive
Limited customs open hours (*daylight hours*) for verifying documents and clearing import cargo is a hindrance to faster movement of goods across borders, and mainly affects perishable products	The lodgement module of ASYCUDA ++ is available 24 hours and installed with clearing and forwarding agents who have the facilities to accommodate its application. However, the limited customs open hours for verifying documents and clearing cargo is a hindrance to faster movement of goods across borders, which limits the efficiency of ASYCUDA++.	Time lost to clear goods at borders Cost of corruption at border crossings
Customs officers at border crossings in most cases continue applying national taxes, duties, regulations and procedures long after relevant rules are harmonised by EAC Council of Ministers (*for example after harmonisation of EAC CET*[18] *in Jan 2005*)	In some instances, Kenya Customs demands that Tanzanian exporters wishing to penetrate the Kenyan market have to produce an EA certificate of origin, or alternatively an international certificate of origin. An EA certificate of origin does not exist yet, since the EA countries are using the COMESA Certificate of Origin until they develop their own.	Lost business time after 4 pm and over weekends
Off-loading and re-loading containers for 100% verification of imports where customs doubts value and container content, or where other inspection agencies doubt content and other product specifications leads to lost business time and inability to fit goods in original package (*e.g. 2nd hand clothing & tyres*)	The EA Customs officials sometimes have different interpretation of tariff lines especially on raw materials, which have an implication on duty payable by importers if such materials originate from Kenya.	The cumbersome procedures of exporting to Tanzania take an average of 21days, making Ugandan companies poor competitors for the Tanzanian market.
Exportation is made cumbersome by numerous export documents, which number 11, compared to Africa's most successful economies, namely Mauritius and South Africa at 5 each. Even within the EAC, Tanzania is more competitive on ease of exporting with just 3 export documents. Some of the documents sited by KAM that are required for an export include the certificate of origin, commercial invoice, bill of landing, customs export declaration form, export permit/ license, packing list, shipping note, preferential certificate and technical standard/ health certificate	On a number of occasions, Kenyan Customs demands that products originating from Tanzania have to be unloaded for physical verification, which means destruction of the product packages. The exporter has thereafter to repackage at own cost, since the importer may have ordered goods in specified packages. Products most affected include tyres, textiles, konyagi spirit, and cigarettes.	The yards delay period of transit and add onto transport costs.
Uganda insists on use of closed body trucks or sealable tarpaulins for transit cargo passing through Uganda aimed at guarding against dumping into Ugandan market Uganda insists that the procedure conforms with the Kyoto convention on the international transit of goods under the WCO[19] and the East African Community Customs Management Act of 2004	Some SADC members have not ratified the SADC trade protocol,	Time lost to clear imports from the port, at an average of between 7 to sometimes more than 10 days, and more when weekends are included; and consequent demurrage charges that have to be paid for un-cleared cargo. Due to the insufficient number of railway wagons and slow operating cranes, ships cannot be offloaded fast enough, which has resulted into a large fleet of containers at the port, estimated at 11,000 as of mid September 2005. The slow speed in offloading containers results to heavy cost of surcharge by shipping vessels due to long turn-around time, currently estimated at 5 days (the *average surcharge is US$ 2,900 for a 40 foot container.*). .
	Differences in axle load and GVM[20] amongst EAC countries mean that Tanzania trucks transiting through Kenyan roads en-route to Uganda have to strip off excess cargo so as to	

[18] *CET – EAC Common External Tariff*
[19] WCO – World Customs Organisation
[20] GVM means Gross Vehicle Mass.

Kenya	Tanzania	Uganda
	avoid financial penalties for overloading. Sometimes, this may mean hiring of additional trucks to transport the stripped-excess weight	
	Unnecessary time lost to unload and reload cargo during physical verification; and too many agencies involved in verification of imports.	
	Kenyan customs often demand for a customs insurance bond on transit goods destined to Uganda, Rwanda, Burundi, or DRC, which costs about US$ 200 for a 20 foot container.	
	Businessmen allege that goods originating from Tanzania and destined to Uganda or vice versa and which use Kenyan roads must be transported using Kenyan trucks during transit through Kenya.	
2. WTO NTB INVENTORY CODES PART VI: CHARGES ON IMPORTS		
Selected exports face problems of accessing Tanzanian market, due to application of discriminatory domestic taxes. Examples include: o A higher rate of excise duty on imported cigarettes that do not have a 75% local content. o An import license required on Kenyan originating tea		Before Oct 2006, Tanzania used to charge US$ 200 per annum or US$ 20 per entry on sales vehicles and US$ 5 fuel tax per vehicle originating from the other two EA countries, which were not applied by Uganda and Kenya.
Before Oct 2006, Tanzania used to charge USD 200 per annum or US$ 20 per entry on sales vehicles entering Tanzania and a USD 5 fuel tax per vehicle. These charges were not applicable in Kenya.		Kenya Customs still charges an Import Declaration Fees, although. Pre-shipment Inspection was removed in July 2005. Under the PSI, a 2.75% IDF fee was charged on value of the imports. However after removal of PSI, the fee was not waived.
		Imports at Mombasa port start attracting demurrage charges after a grace period of only 21 days from the time they are entered into a customs warehouse. However it takes more than 10 days for exporter's and import's bank to conclude correspondence on a letter of credit, 10 days to clear the goods at the docks, 10 days to complete process of declaring the cargo, pay duty and applicable surcharge before goods can be released. This means goods have to stay within the port area for a minimum of 30 days. The 21 days grace period is therefore unrealistic.
		After the warehousing period of 21 days at Mombasa Port, goods can only be re-warehoused for an extra 7 days after which they risk being auctioned.
3. WTO NTB INVENTORY CODES PART VII: OTHER NTB CATEGORIES		
Counterfeits products that bear trade marks of EAC manufactured products, which mostly originate from China, and also from EAC countries, are sold widely in Uganda, and also to some extent in Kenya and Tanzania.	Clearance of travel documents through immigration involves cumbersome procedures, with a requirement to fill exit/ entry forms even where scanning of passports is undertaken.	Delays at roadblocks and weighbridges in Kenya is a great hindrance to free movement of imports into Uganda
Diversion of transit goods into the domestic market, on which VAT and import duties have not been paid.	Many East Africans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry	Kenya police requires that transit trucks carrying goods from Uganda to Kenya and vice versa should be registered in Kenya.
Tanzania has recently increased the single business entry charge from USD 50 to USD 100 to business people entering Tanzania.	While the search and registration for a business name can be done online, payment for a business certificate is still manual, and a new applicant has to travel to Dar es Salaam to pay and obtain a business certificate from the	Clearance of travel documents through immigration involves cumbersome procedures, with a requirement to fill exit/ entry forms even where scanning of passports is undertaken.

Kenya	Tanzania	Uganda
	Attorney General's Chambers. Business licensing it of is separated from business registration, and is carried out by the Ministry of Commerce and Industry, while the two functions should be undertaken under one agency. In addition, various Local Authorities in the past used to charge separate fees from the same business entity, if such an entity distributes its products in different localities. This requirement has now been changed through the new Business Activities Registration Act of January 2007, which has repealed the Business Licensing Act of 1972. Under the new Act business licensing has been removed from the Ministry of Industry, Trade and Marketing and Local Authorities will not charge any fee for business licenses	
Uganda and Tanzania requires work permits for Kenyan employees of Kenyan companies that have branches in either of the two countries.	Currently, mainland Tanzania and Zanzibar have different legal requirements for registration of businesses	While Uganda readily gives work permits to employees of East African businesses wishing to establish branches in Uganda, there are complaints that it is difficult to get such work permits in Kenya, unless the Ugandan businessman enters into partnership with a Kenyan
Many East Africans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry	Registration of a new business in another EA country is cumbersome.	Many Ugandans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry
Most exit/ entry points have introduced computerised scanning of passports, but immigration exit and entry forms are still in use	The three EA countries are categorised as either LDCs or developing countries. This is a potential impediment to cross border trade when viewed under the WTO TRIPS[21] agreement.	Police officers stop commercial vehicles at various border crossings, while officially, they are only supposed to stop vehicles based on proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc*)
Registering a new business and obtaining a business license within country are cumbersome procedures	Police officers stop commercial vehicles at various border crossings, while officially, they are only supposed to stop vehicles based on proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc*)	Registration of a new business in another EA country is cumbersome.
Registration of a new business in another EA country is cumbersome	Kenyan police stop Tanzanian originating commercial vehicles at various road blocks, instead of stops based on proof that goods being transported are suspicious – *ref above*. Consequently, police checks in Kenya hinder access to the Kenyan market by Tanzanian originating goods.	Registering a new business and obtaining a business license are cumbersome procedures
Police officers stop commercial vehicles at various road blocks while officially, they are only supposed to stop vehicles based on more than 52% proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying*	Businessmen allege that goods originating from Tanzania and destined to Uganda or vice versa and which use Kenyan roads must be transported using Kenyan trucks during transit through Kenya.	Cost of licensing is duplicated among various local authorities

[21] TRIPS – Trade Related Intellectual Property Rights Agreement of the WTO

Kenya	Tanzania	Uganda
drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc)		
The number of weighing scales at each weighbridge stations is too few and slow, which results into long queues, slow weighing of vehicle GVM and axle loads and consequent delays in delivery of cargo to point of destination. Transporters also suspect that weighing is deliberately delayed so as to exhort bribes.		
While Uganda and Kenya use the harmonised COMESA[22] axle load specifications, Tanzania uses is at a higher legal limit[23], which also exceeds the load specifications under SADC[24]. Further, the specified maximum Gross Vehicle Mass (GVM) for commercial vehicles differs among the three EA countries[25], which limits the ability to undertake transit traffic within the region.		
4. WTO NTB INVENTORY CODES PART IV: SANITARY AND PHYTOSANITARY MEASURES		
Kenyan exporters of beef and poultry have been denied market access in Uganda due to a Government ban on the products which is related to unspecified animal diseases.		
5. WTO NTB INVENTORY CODES PART III: TECHNICAL BARRIERS TO TRADE		
EAC Standards Bureaus have varying procedures for issuance of certification marks, inspection and testing. This makes it difficult to carry out cross border trade.	Exports go through unnecessary, onerous and costly documentation procedures, since the TBS, TFDA[26], Ministry of Health and Tanzania Atomic Energy Authority each have to issue export certification on every export consignment, a function that could be carried out by one body in consultation with the others.	UNBS[27] requires that all imported products whose standard specifications are declared as compulsory under the UNBS Act should be inspected for conformity to the relevant Ugandan Standard before release into the Ugandan market. This includes even products that are certified by accredited laboratories.
From 1st July 2005, after the phase out of Pre-shipment Programme, the Kenya Bureau of Standards introduced a new import inspection procedure that is difficult and expensive to implement by businesses, since it requires that imports will only be allowed into the country if accompanied by a quality inspection certificate from an internationally accredited laboratory.	Government inspection/ regulatory Agencies e.g. TBS & TFDA apply a levy on transhipment companies based on percentage value of imported items.	Kenya has quality standard requirements on selected goods, which must go through scientific analysis by SGS before they are allowed into the Kenyan market.
	Too much time lost during cross-border pre-shipment inspection and certification for Kenyan bound cargo	A lot of time is spent to inspect even products that have certification marks from another EA Standards Bureaus.
	In July 2005, after the phase out of Pre-shipment Programme in Kenya, the Kenya Bureau of Standards introduced a new import inspection procedure that was found to be difficult and expensive to implement, requiring that imports will only be allowed into the country if accompanied by a quality	EAC Standards Bureaus have different procedures for issuance of certification marks, which makes it difficult to undertake the same processes on imports inspection and testing.

[22] *COMESA – Common Market for Eastern and Southern African countries. The COMESA axle load legal limit for Tandem (double) axle is 16 tones, same as SADC.*
[23] *Tanzania's axle load limits are at 18 tonnes for double axle, while for Uganda and Kenya, the limits are at 16 tonnes.*
[24] *SADC – Southern Africa Development Cooperation*
[25] *Kenya has implemented the COMESA GVM specification of 54 tones, while Uganda has not and is still at 46 tones limit; and Tanzania, is at a higher limit of 56 tones. GVM refers to the combined weight of truck and cargo.*
[26] TFDA – Tanzania Food and Drugs Authority
[27] UNBS – Uganda National Bureau of Standards

Kenya	Tanzania	Uganda
	inspection certificate from an internationally accredited laboratory[28].	
	Some regional buyers do not accept quality assurance certificates issued by bodies like TBS. They instead insist on certification of products by internationally accredited organisations	
6. WTO NTB INVENTORY CODES PART V: SPECIFIC LIMITATIONS		
	EAC countries in some instances have different parameters on weights, labelling, quality, tolerance in measurements, type and technology used in packaging, which makes entry of Tanzanian originating goods into the other two EA countries and vice versa difficult.	

Source: Consultations with EAC Stakeholders between August and December 2006; and in February/March 2007

[28] While an agreement has been reached regarding the application of PVOC for EAC originating goods, its application needs to be monitored to ensure it does not disrupt imports from the other 2 EAC countries.

PART 2(B): NATIONAL NTB ELIMINATION AND MONITORING PLANS FOR KENYA, TANZANIA AND UGANDA

A. KENYA NTB ELIMINATION AND MONITORING PLAN

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
1. NTB Inventory under WTO codes: Part II Customs and Administrative Entry Procedures								
Section C: Customs classification Section G: Customs Formalities	The Customs Reforms Modernisation Programme (CRM)[29], introduced from 1st July 2005, had initially increased the time and cost of clearing imports, escalated confusion on procedures required to clear imports, and led to shortages of raw materials in Kenyan manufacturing plants. While these were initial problems, the lack of consultation with the private sector, especially clearing and forwarding companies on how the system would operate was a major huddle in integrating the system among users. The private sector is generally sceptical about such systems which are introduced without proper consultations, which end up making imports clearance costly and time consuming to comply with. Also, the SIMBA system has not yet automated the entire process of imports declaration. Once a clearing agent lodges an import	Licensed clearing & forwarding companies pay Ksh. 15,000 for training to use system, compliance & for the access code (*online declaration of customs coding and dutiable value*). In addition, an annual access fee of Ksh. 15,000 is payable by registered users. The system had resulted to clogging of the Mombasa Port[30], thereby increasing demurrage charges and delays in procuring of raw materials. As per World Bank benchmarks, it takes an average of 8.3 days to clear customs. There is no operational manual on how the system operates, which has resulted into corruption. Between July and mid August, the system used to break down at least once per week since it wasn't able to take up a lot of load, which was making it impossible to declare and clear imports on time Banks are not connected to the	Kenya Customs Department (KRA[31]) – Ministry of Finance	Publish an operations manual for Simba system. Establish a green channel to fast-truck clearance of raw materials when the system breaks down. Establish online connection with all major banks to facilitate efficient payment of applicable duty. Speed up training of personnel for clearing and forwarding agents that have paid to use system Ensure that the current fall-back position is efficiently maintained so that declaration and clearance of imports continues without interruption should the main server ever breaks down[32]. Establish a monitoring committee of Customs and stakeholders to regularly check and ensure system is working efficiently.	An operational manual in place by mid 2006 Imports without queries are cleared through customs within 2 days compared to current 8.3 days. Target Latvia's 1.2 days, the best case country in the world[33]. Imports declaration & duty payment completed electronically without manual processes by end 2007.	Annual reports by Customs on average clearance time for all imports	Resistance by customs to publish Simba system operations manual due to lack of financial resources. Lack of financial resources to train clearing and forwarding agents on compliance to Simba system. Resistance by Customs to introduce a green channel for imported raw materials, on argument that system should not favour certain imports. Some customs officers may still classify some imports under the yellow and red channels, which require physical verification, so that they can continue with rent-seeking practices.	Sufficient Government resource allocations to enable publication of operations manual and efficient training on use of Simba system. Efficient imports clearance within 2 days without complaints

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29 *CRM system is also referred to as SIMBA 2005.*

30 *In the past, using the manual system, about 500 containers were cleared per day at the Mombasa Port, but with introduction of the Simba system on 1st July 2005, only about 200 containers were initially cleared per day.*

31 *KRA – Kenya Revenue Authority*

32 *The Simba system currently has a reliable fall-back, since the main server is backed by a mirror server and a second server which is based outside Times Towers, to ensure that if it breaks down, data on imports is not lost.*

33 *Comparisons on average number of days to clear customs for various countries of the world are given in the World Development 2005 report of the World Bank.*

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
	declaration, a customs declaration officer examines it and decides on the next step, i.e. whether the declaration is correct and approved, incorrect, has incomplete submission or whether goods need to be examined. This means a risk management module which is actually available within the system has not been implemented to allow for automated processing of an import declaration. Although the system has now eliminated the need for paper work to trigger processing of an import, the lack of implementing the risk management module is an avenue for corruption. The system also has legal problems since legislation has not been amended to allow for electronic submission of import documents, such as certificates of origin, security bond and import declaration form, bill of landing, and packing list.	system, to enable importers to pay online. Lack of electronic submission of import documents is an avenue for corruption.						
Section Part C: Customs classification Section D: Consular formalities and documentation	There are far too many documents related to a single import consignment. The key documents include an Import Declaration Form, Shipping Manifest, Single Entry Document referred to as C63, Airway Bill or Bill of Landing, Certificate of Origin, Customs Bond, Pre-shipment Inspection certificate. While it may seem that these documents are few in number, most must have other supporting documents, which are determined by the trade transaction and nature of an import. A typical import requires	In Kenya, clearing an import is a cumbersome process, which on average takes 45 days, compared Mauritius 16 days. Within EAC Tanzania performs better than Kenya at an average of 39 days according to World Bank Doing Business 2007. Also other many of Kenya's competitor's for COMESA market perform much better, with China at 22 days, Egypt at 25 days and South Africa at 34 days. The implication of lengthy time taken to clear an import is that a Kenyan manufacturer is unable to access raw materials required to process	Kenya Customs, KPA, KRC, KEBS, Port Health, KEPHIS, PCPB, MOA, MOLD, Fisheries Dept, MOH, Narcotics Police, Clearing & Forwarding agents	Urgently implement the proposed Community Based System (CBS), which aims at establishing an electronic data exchange and integration of clearance processes among various agencies (*like KPA, KPA, KEBS, KEPHIS, Port Health, Narcotics Police and others*)	All agencies involved in clearing imports use an electronic system of data exchange which will reduce clearance time from current 45 days to 2 days and 8 hours by end 2007	Monthly feedback to NM by Clearing and Forwarding Agents through KIFWA on procedures in imports clearance	The cost of CBS system is quite high, estimated at USD 3.223 to set up.	An electronic data system used by all agencies at Mombasa port which reduces clearance time to 2 days and 8 hours

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
	a total of 52 different documents to enable it to be cleared and released to the importer or his forwarding agent.	an order on time, resulting to preference by major international buyers to procure from the better performing countries with assured times for delivery after placement of an order.						
Section G: Customs formalities	Limited customs open hours (*daylight hours*) for verifying documents and clearing import cargo is a hindrance to faster movement of goods across borders, and mainly affects perishable products	The opening of customs border offices only from 8 am to 5 pm translates to lost business time to clear goods at borders. Also, a lot of cost is incurred to bribe customs officials to clear goods especially on Fridays so that they don't stay at borders during weekends, in order to save on 2 days and avoid loss through theft.	Customs Department	Increase operating hours from current 12 to 24 at border crossings that have justifiable trade volume, by operating through shifts	Major border crossings open 24 hours per day by mid 2006	Monthly reports by Customs on operating time at border points and volume of trade transacted	Lack of "service attitude" by customs officers Insufficient number of customs officers might hinder implementation	Customs officers to have a service oriented approach to business issues. Sufficient Government budget allocation for customs operations at major border crossings.
Section B: Customs valuation Section C: Customs classification	Customs officers at border crossings in most cases continue applying national taxes, duties, regulations and procedures long after relevant rules are harmonised by EAC Council of Ministers (*for example after harmonisation of EAC CET*[34] *in Jan 2005*)	Varying taxes and import regulations among EAC states, resulting into unequal level of competition among the EAC businesses in local markets.	EA Customs Departments	Publish an EAC gazette to enable domestication of customs regulations immediately they are harmonised, and communicate with border customs officials. The Council[35] to establish a minimum period during which harmonised regulations should be domesticated after publication of an EAC Gazette.	Direction by EAC Council of Ministers on issuance of EAC Gazette	Report of Council meeting reflecting on minimum period for issuance of EAC Gazette notice after a Council decision	Insufficient financial resources among partner states may hinder publication of EAC Gazette once customs laws are harmonised.	Sufficient budget are allocation for EAC matters.
Section C: Customs classification Section D: Consular formalities and documentation Section G: Customs formalities	Off-loading and re-loading containers for 100% verification of imports where customs doubts value and container content, or where other inspection agencies doubt content and other product specifications leads to lost business time and inability to fit goods in original package (*e.g. 2nd hand clothing & tyres*)	1. Lost business time during 100% verification, and consequent demurrage charges while awaiting verification. 2. Inability to repackage goods in original package may increase repackaging costs.	Kenya Customs Department, other inspection agencies	Introduce scanners to reduce need for offloading, reloading and 100% verification of containerised goods. Establish a one-stop business centre for all major border crossings using the Mombasa model where all agencies involved in verifying imports and exports work under one roof, to ensure verification is carried out once.	Only scanners used to verify imports at major entry points by end of 2006. All agencies involved in imports/ exports	Monthly reports by Customs on verification done and method used.	Lack of financial resources to introduce scanners at major entry points. Lack of an EAC law that allows neighbouring countries to operate under one roof. Insufficient resources to build one business	Council to spearhead enactment of a legislation that allows EAC agencies at border crossings to operate under one roof. EAC Governments to

34 *CET – EAC Common External Tariff*
35 *Council means EAC Council of Ministers*

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
				The operations of the business centre should also be extended to accommodate other agencies from the neighbouring EAC state that shares a border with Kenya, so that exports from one partner state, which become imports in the other state, are cleared under the same roof.	clearance working under one roof at major border crossings by end 2006. The alternative is to mandate and capacitate customs to deal with all issues related to trade[36]		centre for the EAC states that share a border crossing.	allocate sufficient resources as part of customs modernisation programmes (*for commonly shared buildings*).
Section G: Customs formalities *Cumbersome export documentation*	Exportation is made cumbersome by numerous export documents, which number 11, compared to Africa's most successful economies, namely Mauritius and South Africa at 5 each. Even within the EAC, Tanzania is more competitive on ease of exporting with just 3 export documents. Some of the documents sited by KAM that are required for an export include the certificate of origin, commercial invoice, bill of landing, customs export declaration form, export permit/ license, packing list, shipping note, preferential certificate and technical standard/ health certificate	The numerous export documents translate to lost business time. In this respect, it takes an average of 25 days to obtain all export documents for a single export consignment in Kenya, compared to best performers like Denmark at an average of 5 days. A key Kenyan competitor for export markets within Africa is Mauritius in which export documentation takes an average of 16 days. The lengthy time taken to complete export documentation translates to a long period before an exporter can fulfil an order, and may in the end mean a lost business opportunity.	Customs, KEPHIS, PCPB, KPA, MOTI, KCCI, KAM, Veterinary Department, MOLD	Harmonise export documents	Number of export documents reduced to maximum of 3 as in Tanzania	BCI reports on number of export documents	Resistance by authorizing institutions to harmonise export documents on reasons of verifying compliance to export procedures	Sensitise authorizing institutions on need to reduce time and cost of exporting
Section D: Consular formalities and documentation *Varying transit requirements among EAC states*	Uganda insists on use of closed body trucks or sealable tarpaulins for transit cargo passing through Uganda aimed at guarding against dumping into Ugandan market Uganda insists that the procedure conforms with the Kyoto convention on the	Extra cost of using closed trucks and/or sealable tarpaulins. This does not promote the spirit of either EAC or COMESA integration, since there should have been prior discussions and consensus among EAC and/or COMESA members on a	Uganda Customs and Police Department	Introduce tracking system on transit cargo	Tracking system is used to monitor transit cargo instead of police escorts by end of	Daily records on transit traffic by Police Department and method used to track movement of	Cost of introducing tracking system	Sufficient budgetary allocation by Ugandan Government to facilitate use of tracking system on transit traffic

[36] *Trade issues would include customs coding, dutiable value, standards, sanitary and phytosanitary, weights and measures, and intellectual property rights like patenting and piracy.*

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
	international transit of goods under the WCO[37] and the East African Community Customs Management Act of 2004	harmonised procedure before its introduction by any state.			2006	trucks		through Uganda en-route to DRC, Rwanda and Burundi
2. NTB Inventory under WTO codes: Part VI Charges on Imports								
Border tax adjustments	Selected exports face problems of accessing Tanzanian market, due to application of discriminatory domestic taxes. Examples include: a. A higher rate of excise duty on imported cigarettes that do not have a 75% local content. b. An import license required on Kenyan originating tea	Inability to penetrate Tanzanian market by cigarette and tea manufacturers. For example, KETEPA has been unable to sell tea in Tanzania from 1998, where it had managed to capture a two-container load market per week, worth about Ksh. 5-6 million (*and which was just a small percentage of the potential market*)	Tanzania Revenue Authority	**1.** Harmonise domestic taxes and import regulations among EAC countries. **2.** Agree to treat EAC originating raw materials as local content.	Acceptance of this proposal by Council during 1st quarter 2006.	Report of Council meeting in 1st quarter 2006 reflecting decision to harmonise domestic taxes, import regulations & local content.	1. Fear of loss of tax revenue after harmonisation of domestic taxes. 2. Resistance by Tanzanian tobacco producers on treatment of EAC raw materials as local content. 3. Fear of loss of market share by Tanzanian tea producers.	Need to Sensitise producers that EAC is now one customs territory, where taxes and import regulations should apply equally on goods produced within the region. Tanzania Government needs to explore areas where revenue lost from harmonised excise duty could be recovered, e.g. efficient collection of other taxes like VAT.
Section E: Charges on imports	Before Oct 2006, Tanzania used to charge USD 200 per annum or US$ 20 per entry on sales vehicles entering Tanzania and a USD 5 fuel tax per vehicle. These charges were not applicable in Kenya.	The charges applied by Tanzania makes penetration of Tanzanian market more difficult compared to Uganda and Kenya.	Customs Department Tanzania	Harmonise EAC cross-border transport charges	Harmonised cross border charges within EAC	Report of Council reflecting decision to harmonise cross-border transport charges	Fear of loss of revenue by Tanzania Customs Department	Tanzania Government needs to explore areas where revenue lost from harmonised transport charges could be recovered, e.g. efficient collection of other taxes like VAT.

[37] WCO – World Customs Organisation

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
3. NTB Inventory under WTO codes: Part VII Other NTB Categories								
Section D: Business practices or restrictions in the market	Counterfeits products that bear trade marks of EAC manufactured products, which mostly originate from China, and also from EAC countries, are sold widely in Uganda, and also to some extent in Kenya and Tanzania.	Selling of counterfeits take away the market share of EAC manufactured products, and dents the corporate image of EAC manufacturers in consumers' mind, since the counterfeits are of poor quality[38].	EAC Customs Departments	Gazette the proposed "EAC Counterfeit Bill 2005" Gazette EA experts responsible for prosecuting culprits of counterfeit cases. Prepare and implement a crash training programme for EAC counterfeits prosecutors[39].	Finalisation of the EAC Counterfeits Bill.	An EAC Anti-Counterfeit Bill published and enacted.	The EAC does not yet have an extra-territorial jurisdiction law, to facilitate joint customs operations, including prosecutions of culprits beyond the borders of one partner state. There could be resistance to conclude and enforce the proposed EAC counterfeit bill, since it is alleged that some government officials, including Ministers, are involved in counterfeit trade.	The an operational EAC counterfeits law
Section D: Business practices or restrictions in the market	Diversion of transit goods into the domestic market, on which VAT and import duties have not been paid.	Diversion of transit goods into the domestic market results into unfair competition with locally manufactured goods on which duty (*including IDF fee*) and VAT have been paid[40].	EAC Customs and Police Departments	Vigorously enforce the current laws against diversion of transit trade into the domestic markets. EAC partner states need to introduce a harmonised tracking system for all exports to ensure they cross borders.	Diversion of transit goods into the domestic market eliminated and minimal complaints from genuine manufacturers	Quarterly reports by Customs and police departments to Council on diversion cases netted and measures taken. Harmonised tracking system for EAC countries operational before end of 2006.	Lack of seriousness by customs and police officers to enforce current laws on diversion of transit trade due to fear of loss of rent-seeking opportunities. Lack of sufficient funds to introduce tracking system on all major transit routes by EAC governments	The Council need to agree on a harmonised system for dealing with diversion of transit goods into the EAC markets.

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[38] *Some of the products most affected products by counterfeits are bic pens manufactured by HACO Industries, and batteries manufactured by Eveready Batteries Ltd.*
[39] *The contents of the training programme on counterfeits would such topics as what are counterfeits, intellectual property, piracy, and procedures of prosecuting culprits.*
[40] *Diversion of transit goods into the domestic market is an illegal practice.*

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Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
Section VII E: Other NTB descriptions *Immigration procedures at border crossings*	Tanzania has recently increased the single business entry charge from USD 50 to USD 100 to business people entering Tanzania.	Cost of doing business in Tanzania by East Africans is very high since the visa fee is payable per entry.	Immigration Department Tanzania	Tanzania should remove the business visa fee for East Africans. Tanzania should implement the Council's decision to give a six-month visitors' pass to holders of the East African passport by stamping the passport accordingly.	Immediate implementation of issuance of 6-months visitors' passes to EAC passport holders.	Monthly reports by Immigration Departments on number of East Africans having a 6-months visitors pass	Immigration officials could resist implementation due to fear of loss of opportunities for corruption.	Harmonised Business entry charges and procedures within EAC
	Uganda and Tanzania requires work permits for Kenyan employees of Kenyan companies that have branches in either of the two countries.	Companies spend a lot of time and incur substantial costs following up their employees' work permits applications. Failure to secure the work permits mean that companies may sometimes be forced to employ locals who do not have the required skills, which eventually compromises on companies' efficiency and product quality.	Immigration Departments in Tanzania and Uganda	Allow free movement of factors of production especially labour, even before the Common Market comes into operation, in the spirit of East African Community. Further, Harmonize entry/work permits within EAC	Immediate harmonisation of entry/ work permits, since the target date of July 2005 has already passed.	Monthly reports by Immigration Departments on number of work permits issued.	Pressure by local people in Uganda and Tanzania on their Governments to resist issuance of work permits to Kenyans, based on fear of loss of employment opportunities.	Working and travel within EAC undertaken without facing immigration difficulties
	Many East Africans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry	Many people (*especially small business people*) cross borders through undesignated routes, which is illegal, and could attract substantial costs if one is arrested as an immigrant	EAC Immigration Departments	Immigration Departments should speed up issuance of the EA passport by simplifying the application procedures, minimising application fees, decentralising issuance to major urban areas, and sensitising the citizens on the passport's existence. Further, the requirement to stamp the passport at every entry/ exit should be removed, by respecting the Council's decision to issue an automatic 6 months multiple entry visas and pass without delay. In the long run, EA partner states should accept the national identity card as a valid document for crossing borders, once issuance of identity cards in Uganda and Tanzania is completed.	Number of illegal immigrants reduced to bare minimum by end of 2007.	Monthly reports by Immigration Departments on number of EA passport holders.	Time to re-design new application forms for an East African passport	EAC issuance of EAC passports to EA citizens
	Most exit/ entry points have introduced computerised	A lot of unnecessary time is spent queuing for scanning and passport	Immigration Departments	At the border points where computerised scanning of	East Africans spend not more	2006/07 BCI[41] Survey report	Resistance by Immigration Department	EAC citizens cross borders are

[41] Business Climate Index

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	scanning of passports, but immigration exit and entry forms are still in use	stamp at exit and entry points – on average, 29% of all border crossings take more than 1hour.	in the three East African countries	passports has been introduced, the need for entry and exit forms should be removed, since this is a duplicated function. Information accessed from the scanned passport should give immigration the required data on travellers.	than 15 minutes to cross borders.	by EABC on time taken and procedures for crossing borders	to phase out exit & entry forms	treated like nationals
Section C: Distribution constraints *Business registration & licensing procedures*	Registering a new business and obtaining a business license within country are cumbersome procedures	Potential businesspeople spend a lot of time and incur substantial cost travelling to Nairobi to register business names and limited companies. For 19% of all new registrations, the process of searching for a business name, applying for registration and obtaining a registration certificate takes more than 2 weeks. For limited companies, there are substantial costs associated with drawing of memorandum and articles of association since the process can only be done by a legal practitioner. Before 2006 budget, distribution and sale of goods in Kenya was very cumbersome and expensive, since the Single Business Permit (*payable at Ksh. 80,000 in Nairobi*) covered only production and distribution/ sales in the jurisdiction of the local authority issuing the license. In addition, all local authorities charged a Ksh. 6,000 fee on sales vehicles that bear a brand name, while Transport Licensing Board (TLB) charges 1,500 per annum and KRA Ksh. 2,400 p.a. advance tax per sales van and Ksh. 2,100 p.a. road	Registrar of companies Local authorities KRA[42]	Introduce online business names search and registration of business name so as to remove current requirement that involves travel to Nairobi to undertake the process (*there are no other registration centres apart from Nairobi*). Maintain the Single Business Permit fees structure as per 2006/07 budget on production, sales, distribution and related business activities. Introduce payment of other business licenses and charges road licenses under one body, and decentralise payment system to all urban areas of the country.	Online process of business name search and registration Payment for all business licenses and charges under one body[43].	Annual reports by Registrar of Companies on registered businesses. A new Act on business licenses and charges	Resistance by officials at Registrar of Societies who would lose rent-seeking opportunities Insufficient resources for computerisation of business registration Resistance by local authorities not to introduce new charges to replace revenue lost through harmonisation of business licenses and charges	Sufficient GOK budget allocation business registration reforms Substantial reduction in time taken to register new businesses, number and cost of business licenses

[42] Kenya Revenue Authority

[43] *The harmonised business license should operate like the TLB, which is payable one per annum to KRA, and which allows company vehicles to operate in any part of the country without additional charges.*

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		license per sales van.						
	Registration of a new business in another EA country is cumbersome	For 13% of all businesses, registration in another EA country takes more than 2 weeks	EAC Registrars of Companies	Harmonise and introduce online registration of businesses within from East Africa, using Tanzania's BRELA[44] model	Time to register EAC businesses reduced from current average of over 2 weeks to 1 Harmonised business registration and related annual returns within EAC.	Report of the decision by Council to harmonise and computerise business registration procedures	Requirement to harmonise business registration might be resisted on justification of national interest and fear of lost rent-seeking opportunities. Lack of funds to establish an electronic process could derail the process	Resource allocations to computerise business registration processes by the EA governments Efficient process of business registration within EAC
Section E: Cumbersome inspection procedures on imports and distribution of goods in domestic market	Police officers stop commercial vehicles at various road blocks while officially, they are only supposed to stop vehicles based on more than 52% proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc*)	Road blocks are a source of rent-seeking opportunities while precious time is wasted on pretence that verification of goods is being done. On average, 19% of all businesses view road blocks as a major obstacle to free movement of goods	Kenyan Police Department	Introduce scanners at major road blocks, and tracking system for transit vehicles. Introduce heavy financial and other penalties for transporters involved in trade malpractices (*e.g. withdrawal of driving license*). Introduce clearly laid down procedures on which checks are undertaken at border points and road blocks for commercial vehicles and inform businesspeople accordingly. Give clear instructions to police to spend less time when checking vehicles carrying transit goods. Also, transport drivers to demand receipts whenever approached by police for any form of payment.	Use of scanners at police roadblocks and vehicle tracking system for transit trucks on major highways. Maximum of 30 minutes spent on checking commercial transit cargo, from current average of about two hours.	Daily records on vehicles inspections at roadblocks	Lack of resources to introduce scanners at road blocks and tracking system for transit traffic. Resistance by police to implement scanners and tracking system due to fear of loss of bribery opportunities. Police checks are often justified for security reasons.	1. Maximum of 30 minutes spent at roadblocks on major highways
Section E:	The number of weighing scales at	19% of all businesses view	Kenya	Increase number of weighing	Zero	Daily records	Financial constraints to	Sufficient

[44] BRELA – Business Registration and Licensing Authority. BRELA has established an efficient system of business registration, trade / service marks and patents, under business registration forms and registration for business names can be made online. However, payment of a business certificates online is hampered by existence of the Evidence Act which needs to be reviewed to allow electronically generated documents to be admissible in court as evidence.

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Weighbridge requirements and procedures	each weighbridge stations is too few and slow, which results into long queues, slow weighing of vehicle GVM and axle loads and consequent delays in delivery of cargo to point of destination. Transporters also suspect that weighing is deliberately delayed so as to exhort bribes.	weighbridges as a major obstacle to efficient movement of goods on Kenyan roads especially along the Northern Corridor en-route to destinations like for exports to Uganda, DRC, Congo, Rwanda, and Burundi. al	Department of Weighbridges, Ministry of Roads	scales at each weighbridge station. In the long run, introduce computerised electronic weighbridges so as to hasten the speed of the weighing process, and facilitate monitoring from a central point. This development would also introduce transparency by enabling transporters to also see the axle loads readings on their trucks. EAC and COMESA countries should harmonise axle loads and GVM on transit vehicles. Install weighbridges at entry points so that commercial transit vehicles are checked only once in the transit country.	complaints on time spent at weighbridge stations and harmonised axle loads within EAC and COMESA countries	of number of transport vehicles passing through weighbridge stations, & number of computerised weighbridges at each station. Harmonised EAC axle load limits and GVM for trucks	procure additional weighbridge scales, and facilitate introduction of computerised electronic weighbridges. Weighbridge operators could resist introduction of new procedures and computerised system due to fear of lost rent-seeking opportunities. Delays before EAC &COMESA countries agree whether to harmonise axle load limits & GVM under COMESA or SADC specifications.	budgetary allocation for computerised weighbridges. Efficient crossings at weighbridge stations
Section E:Other NTBs *Varying weighbridge requirements and procedures*	While Uganda and Kenya use the harmonised COMESA[45] axle load specifications, Tanzania uses is at a higher legal limit[46], which also exceeds the load specifications under SADC[47]. Further, the specified maximum Gross Vehicle Mass (GVM) for commercial vehicles differs among the three EA countries[48], which limits the ability to undertake transit traffic within the region.	Kenyan transit trucks that use Ugandan roads (*e.g. en-route Rwanda, Burundi, DRC*) always face the danger of exceeding the GVM and consequent financial penalties[49].	Ministry of Roads the three EA countries	Harmonise axle load and transport vehicle specifications and procedures for weighing among EA countries, either under COMESA or SADC. Also, introduce electronic weighbridges so as to save on time spent at the weighbridge stations.	Council decision to harmonise axle load, GVM and weighing procedures, either under COMESA or SADC specifications by 2nd quarter 2006. Electronic	Report of Council meeting during 2nd quarter 2006	Department of Roads in the three countries may have ideological differences on whether to use COMESA or SADC specifications and procedures Lack of resources to install electronic weighbridges	Accurate weighbridge scale readings Sufficient budgetary allocation for electronic weighbridges Efficient crossing through weighbridges

45 *COMESA – Common Market for Eastern and Southern African countries. The COMESA axle load legal limit for Tandem (double) axle is 16 tones, same as SADC.*

46 *Tanzania's axle load limits are at 18 tonnes for double axle, while for Uganda and Kenya, the limits are at 16 tonnes.*

47 *SADC – Southern Africa Development Cooperation*

48 *Kenya has implemented the COMESA GVM specification of 54 tones, while Uganda has not and is still at 46 tones limit; and Tanzania, is at a higher limit of 56 tones. GVM refers to the combined weight of truck and cargo.*

49 *The fee for overloaded vehicles is aimed at recovering the cost of damages to the roads and bridges and is paid on the spot to the Weighbridges Department. The fee covers exceeding the legal limit on axles and gross vehicle mass, and is based on the excess weight on each axle. The overloaded vehicle is detained until the fee has been paid. Further, if a vehicle bypasses a weighbridge station, whether overloaded r not, the owner of the vehicle has to pay a bypassing fee. Any overloaded vehicle has to offload the excess weight, even after paying the overloading fee.*

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					weighbridges introduced at major stations by end 2006			
4. NTB Inventory under WTO Codes: Part IV: Sanitary and Phytosanitary Measures								
Section B SPS measures including chemical residue limits, disease freedom, specified product treatment, etc.:	Kenyan exporters of beef and poultry have been denied market access in Uganda due to a Government ban on the products which is related to unspecified animal diseases.	The import ban by Ugandan Government leads to loss of identified market opportunities.	Uganda Veterinary Services Department, Ministry of Agriculture	COMESA countries should pass a Council resolution requiring members to give prior notification before introduction of bans and other market entry requirements	A COMESA council resolution regarding prior notification on market entry requirements before introduction by any member	Minutes of Council meeting resolution	Some members might continue introducing new market entry requirements in complete disregard of Council resolution	Members respect for the Council resolution on prior notice to introduction of market entry requirements
5. NTB Inventory under WTO Codes: Part III Technical Barriers to Trade								
Section B: Technical regulations and standards Section C: Testing and certification arrangements *Varying quality standards procedures*	EAC Standards Bureaus have varying procedures for issuance of certification marks, inspection and testing. This makes it difficult to carry out cross border trade.	Businesses face different inspection and testing procedures before getting a certification mark within the region, which means even if one understands the procedures in one country, one has to spend extra time and money to understand and comply with procedures of the other countries. For EAC which has a Customs union, such procedures should be similar.	EAC Standards Bureaus	Implement fully the EAC SQMT protocol	harmonised procedures for testing, inspection and issuance of quality certification markets within EAC	Minutes meetings of standards bureaus regarding status of SQMT implementation and certification procedures	Financial costs related to implement SQMP protocol and haronised certification procedures Resistance by national standards bureaus to harmonise standards due to national pride	Harmonised procedures on testing, inspection and certification within EAC
Costly and cumbersome pre-shipment quality inspection procedures	From 1st July 2005, after the phase out of Pre-shipment Programme, the Kenya Bureau of Standards introduced a new import inspection procedure that is difficult and expensive to implement by businesses, since it requires that imports will only be allowed into the country if accompanied by a quality inspection certificate from an internationally accredited laboratory.	The new KEBs requirement did not advice importers on which are the internationally accredited laboratories in import originating countries, which was initially a major impediment to imports especially by small scale businesses that do not have resources and contacts in imports originating countries. The effect was felt on declining imports, including raw materials, since importers would hesitate to import products that could thereafter be rejected on arrival at Kenyan ports	KEBS	KEBS should open up PVOC to other inspection bodies without limiting the contract to 2 companies so that all exporting countries are served equally. KEBS should review the PSI fees from current 0.475% of import value or minimum USD 180. Foreign manufacturers with ISO certification should not be required to go through a manufacturing audit process.	A revised PVOC legislation by end 2007, which should be prepared in consultation with private sector stakeholders through KAM	A new PVOC legislation incorporating all proposals for review.	Resistance by KEBS to publish new import inspection procedures on assumption that they are easy and inexpensive to comply with	Easy to comply with import inspection procedures

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		of entry and the consequent cost of returning such consignments to country of origin or destroying them. This PVOC costs on inspection, testing, audit, and certification means an additional cost to the normal Import Declaration Fee (IDF) of 2.75% on value of the import, which was not waived although the post-shipment inspection program itself was phased out. There are delays in inspection and issuance of CoC, translating to delays in procuring raw materials and consequently to delayed production schedules. Small consignments are overcharged, since they may be or small value than the minimum inspection fee of USD 180.		Imports from EA and COMESA region should be waived from PVOC requirements. Waive the IDF fee on imports				
Section A: General TBT requirements Sections B: Technical regulations and standards	Import and export inspection, and certification procedures involve many government bodies[50] which do not collaborate, resulting to duplication of effort. Also, many of the inspection bodies have not established laboratories at major entry and exit points. EAC countries also have varying import requirements, which makes cross border trade a frustrating exercise since quality certificates marks are not mutually recognised by relevant	A lot of time is spent in the import and export inspection process by business people	Customs, KEBS, KEPHIS, PCPB, MOA, MOLD, Equivalent bodies in Uganda and Tanzania	All inspection bodies should operate in one office so as to undertake inspection requirements at once. Introduce scanners at all major import entry and export exit points Inspection and diagnostic laboratories need to be established at all production and border entry points.	A publication on import and export regulations that are applied by all inspection bodies. Harmonised EAC import procedures	A new publication on import requirements into Kenya and responsible agencies. Report of the Council meeting reflecting decision to	Resistance by import agencies to operate in one office at border points. Lack of sufficient resources to establish diagnostic and inspection laboratories at major production and entry/ exit points. Lack of sufficient financial	Efficient inspection procedures Sufficient resource allocation by central governments to facilitate establishment of appropriate laboratory

[50] The quality inspection bodies in Kenya include Customs, KEBS, KEPHIS, PCPB, MOA, and MOLD.
- Customs – verification of import coding, quantity and dutiable value, and control of prohibited and restricted exports
- KEBS – Kenya Bureau of Standards – undertakes sampled inspection on quality requirements
- KEPHIS – Kenya Plant Health Inspectorate – undertakes sampled inspection and certification of phytosanitory requirements for imports and exports
- PCPB - Pest Control Products Board - undertakes assessment of safety, quality and efficacy of pesticides and likely impact to crops if applied in farming.
- MOA – Ministry of Agriculture - approves and issues import permit permits for any plant imports
- MOLD – Ministry of Livestock Development - approves and issues permits for any animal imports

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	bodies.			Identify possible areas of harmonisation amongst EAC countries, so as to facilitate harmonisation of import and export inspection procedures and requirements, including technical information, procedures/ steps, and administrative fees for registration of certified products. Undertake interactive attachments amongst similar inspection agencies on implementation and harmonisation procedures so as to solidify and entrench the integration process. Undertake adequate training for inspectors on assessment of documents for registration, development of required quality assessment data, etc.		harmonise EA inspection procedures.	resources to facilitate an EAC continuous process of discussions regarding areas to harmonise, documents to harmonise documents, regular monitoring and implementation of harmonised procedures. Varying technical capacity among EAC inspection equivalent bodies. Some technical areas may be difficult to harmonise, e.g. for pesticides, due to varying climatic conditions.	facilities Harmonised trade facilitation procedures within EAC countries

Source: Consultations with Kenyan stakeholders between August and December 2006; and in February/March 2007

B. TANZANIA NTB ELIMINATION AND MONITORING PLAN

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Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
1. NTB Inventory under WTO codes: Part II: Customs and Administrative Entry Procedures								
Section D: Consular formalities and documentation	The newly introduced ASYCUDA ++ system is only operational in Dar es Salaam International Airport, which means that at other import entry points, delays are experienced in declaring and clearing imports using ASYCUDA 2.7 system. Tanzania Freight Forwarders Association is also of the opinion that Tanzania Customs needs to move to the higher ASYCUDA WORLD which has more modules than ASYCUDA ++	On average, declaration of imports, assessment of classification of goods and import duty payable, physical verification of goods where applicable, payment of dutiable value, and release of goods from the customs area takes an average of 7 days at Dar es Salaam International Airport, two weeks at Dar es Salaam port, and 1 day at other major import entry points. Consequently, it costs US$ 6,500 to transport a 14 foot container load of cargo from Dar es Salaam to Kampala, which is double the cost for transporting similar cargo from New Jersey to Dar es Salaam, a journey that takes an average of 18 days.	Customs Department	Introduce ASYCUDA++ at all major import entry points, by end of 2007[51] as planned so as to reduce time taken from imports declaration to release of goods. Continue with current initiatives of recruiting new staff so as to increase efficiency in customs clearance. Continue with ongoing initiative of compulsory customer services training in customs training programs Using the comparison of time taken and cost incurred to transport a 14-foot container from Dar to Kampala (*7 days at US$ 6,500*), with transport from New Jersey to Dar (*18 days at about US$ 3,200*), target a reduction of time from Dar to Kampala to 3 days and cost to about US$ 1,600, by using the most efficient and cost effective transport system. Ensure efficient	ASYCUDA++ operational at all import entry points, so as to reduce time taken on imports to 6 hours. Substantial reduction in transport time and cost, using the most efficient and cost effective transport system; *Target reduction of transport time from 7 day to 3 days, and transport cost from US$ 6,500 Dar-Kampala to not more than 3 days, and from US$ 6,500 to a much smaller amount for a 14-foot container*[52]. Target imports clearance from current average of 17.5 days to Latvia's 1.2 days, the best world case country[53].	Annual reports by Customs on average clearance time at entry points. EAC BCI 2006/07 to report on time and cost comparisons between 2004 & 2006 for transporting cargo between Dar and Kampala	Insufficient financial resources to roll out ASYCUDA++ at all import entry points. Lack of efficient railway system.	Sufficient government resource allocations to enable rolling out of ASYCUDA ++ at all import entry points Timely orientation and sensitization of customs officials and clearing agents on operations of new system[54]. Simplified customs procedures by upgrade imports clearance to ASYCUDA ++ Timely communication with border officials whenever areas of customs harmonisation are agreed by the Council of Ministers. Modernisation of railway system, to enable change from

[51] TRA has already started the process of upgrading to ASYCUDA ++. So far, stations upgraded include Dar es Salaam Customs Service Centre, Dar es Salaam Port, Zanzibar, Tanga, Tunduma, Kasulu, Holili, KIA and Mwanza. The remaining stations are scheduled to be completely upgraded by July 2007. Namanga, Tarakea, Hororo, Sirari and Mtukula stations will be upgraded in the next financial year.

[52] If a 14-foot container takes 18 days from New Jersey to Dar at about US$ 3,200, then one day should cost about US$ 180, which means 3 days target to transport a similar container from Dar to Kampala could cost much less than the current US$ 6,500, if transported by rail instead of by road – which is the current transport mode used.

[53] Comparisons on average number of days to clear customs for various countries of the world are given in the World Development 2005 report of the World Bank.

[54] At the moment TRA is planning to add a web based module to ASYCUDA ++ and to include it in the training modules for courses run at its College for all clearing and forwarding agents

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				communication with officials at import entry points whenever areas of customs harmonisation are agreed by the Council (*e.g. customs procedures/ taxes*)				road to rail transport
Section C: Customs classification Section G: Customs formalities	While Tanzania and Uganda have both introduced the ASYCUDA++ system, Kenya has decided to implement the Simba system.	ASYCUDA and Simba systems are not compatible although both are web based. This could affect online sharing of information between the EA Customs Authorities thus disrupting efficient implementation of the EA Customs Union, since if sharing of customs information is not possible, imports/ exports cannot be cleared ontime. Consequently this would delay duty payment and clearance of imports, since importers have to wait for import documents[55] to arrive before lodging them for declaration and subsequent import clearance. Also, in case of imports from Kenya, relevant insurance bonds cannot be cancelled until the exports leave the Kenya customs territory, which ties up the exporter's working capital, and may end up delaying an intended import into Tanzania.	The three EAC Customs Departments	The initiative by Uganda to test an interface for intercommunicating between the two systems is commendable and needs to be finalized soonest in order for the EAC countries to agree on the way forward regarding sharing of web-based customs information	Importers fully sensitised on operations of ASYCUDA ++ and Simba systems	Publication on how the Simba and ASYCUDA systems work and share information online	Customs Tanzania could regard fears by businessmen as unfounded and therefore does not warrant spending on a publication on how the systems operate	Sensitise Customs officials on usefulness of the publication in facilitating compliance by importers, and faster importation of raw materials for manufacturing
	There is a lot of shuttling between the Port of Dar es Salaam and TBS to certify acceptance of specified products.	Time lost travelling to Dar es Salaam and in chasing clearance documents between TBS and Dar Port	TRA Dar Port	TBS should open a sub-office at Dar es Salaam port and introduce a similar service in urban centres such as Mwanza, Kigoma, Mbeya, Mtwara, Tanga and Arusha)	Business time in documentation and impost clearance reduced substantially			
	The lodgement module of ASYCUDA ++ is available 24 hours and installed with clearing and forwarding agents who have the	Time lost to clear goods at borders Cost of corruption at border crossings, in efforts to clear goods	Tanzania Customs Department	Respect and immediate implementation of Council decision to operate customs on 24-hour basis	Border crossings open 24 hours per day	Report by Customs on operating hours	Lack of "service attitude" by customs officers, which may not	1. Orientation of customs officers to view customs as a business

[55] Import documents include exporter's invoice and bill of lading, which are either posted or delivered by the transporters.

1 Problem Area/ WTO NTB description	3 Description of the most severe NTBs	4 Impact of NTB to businesses	5 Responsible Ministry/ Department	6 Possible approach to eliminate NTB	7 Performance Benchmarks	8 Means of Verification	9 Constraints	10 Success factor
	facilities to accommodate its application. However, the limited customs open hours for verifying documents and clearing cargo is a hindrance to faster movement of goods across borders, which limits the efficiency of ASYCUDA++.	before close of the day's business		at borders by 1st quarter 2006[56]. Finalise the ongoing joint effort at the Namanga and Sirari stations to use only one clearance procedure based on trust between customs, which will entail that only one customs office receives the customs documents. This is a positive development since currently, both the exit and entry points are involved in customs documentation.			view a 24 hours operation as necessary Insufficient number of customs officers might hinder implementation	service institution 2. Increase number of customs officers manning border crossings
Section C: Customs classification Section F: Rules of Origin	In some instances, Kenya Customs demands that Tanzanian exporters wishing to penetrate the Kenyan market have to produce an EA certificate of origin, or alternatively an international certificate of origin. An EA certificate of origin does not exist yet, since the EA countries are using the COMESA Certificate of Origin until they develop their own.	The problem is mostly experienced by small-scale exporters of batiks and other textile products, who are denied access to the Kenyan market through Namanga and Lunga Lunga border points.	Kenyan Customs Officials at border points, mostly Namanga and Lunga Lunga	Customs Authorities in each partner state need to communicate to border officials on decisions of the Council, so that harmonised laws are implemented without delay.	Immediate domestication of harmonised laws once decisions are made by EAC Council of Ministers	Regular verification on actual practices at borders by EAC Secretariat.	Resistance to implement harmonised laws since rent-seeking opportunities will be lost.	EA Customs Departments need to introduce penalty measures on errant officials who do not implement Council Decisions
Section B:Customs Valuation Section C: Customs classification	The EA Customs officials sometimes have different interpretation of tariff lines especially on raw materials, which have an implication on duty payable by importers if such materials originate from Kenya.	Tanzanian importers of raw materials from Kenya sometimes pay higher than applicable duty rates, which results to higher prices of the finished product. This makes it impossible for the finished products to compete on an equal footing in the Tanzanian market, with equivalent products originating from Kenya and Uganda, on which raw materials have duty exemption.	The EAC Customs Departments	Customs Officials at borders need to be sensitised properly on tariff coding so that they can classify products in the correct tariff lines. Publish an EA Gazette on the Intra EAC tariffs and CET to enable similar interpretations of tariff codes and rates.	Customs officials from any two EA countries that share a border entry/ exit point to be housed in the same building, so that interpretations of tariff lines can be agreed face to face. The pilot customs office at Malaba which jointly houses officials from Kenya and Uganda should	Quarterly reports to the Council on border stations with joint sharing of customs offices.	Lack of resources, since the joint sharing of offices proposal may entail building new customs office blocks at borders points.	Sufficient allocation of resources under an itemised "joint EAC projects budget".

[56] TRA is actually considering undertaking a feasibility study to facilitate opening up the borders station on 24 hour. The study will take into the cost involved, facilities to accommodate the required number of staff to run 24 hr services, and the amount of traffic involved. This will enable a decision to be made on which border stations merit a 24 hr service.

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Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
					be replicated at all EAC border stations.			
Section G: Customs Formalities	On a number of occasions, Kenyan Customs demands that products originating from Tanzania have to be unloaded for physical verification, which means destruction of the product packages. The exporter has thereafter to repackage at own cost, since the importer may have ordered goods in specified packages. Products most affected include tyres, textiles, konyagi spirit, and cigarettes.	Cost of repackaging and time lost during unloading, physical verification and reloading.	Kenya Customs Department	A joint investment in scanners by Kenya and Tanzania customs departments in the major border points. Prior assessment of type of scanner required before procurement is necessary to avoid investment in "white elephants".	Consensus on a joint scanner project between Kenya and Tanzania customs departments, and assessment report prior to any investment.	A joint report by Kenyan and Tanzania Revenue Authorities to the Council of Ministers	Lack of sufficient resources to invest in the proposed joint project between Kenya and Tanzania customs departments.	The project could be budgeted under the EAC budget, to enable timely .sourcing for funds from the development partners.
	Some SADC members have not ratified the SADC trade protocol,	SADC preferential tariffs cannot be applied on goods originating from member countries, Tanzania included	Malawi and Zambia Governments	Deposit trade instruments with SADC secretariat and ratify trade protocol	SADC secretariat report on ratification of trade protocol	SAD report on ratification of trade protocol	Fear of customs revenue loss by central governments of Zambia and Malawi	Malawi and Zambia Governments should carry an impact assessment of ratifying the trade protocol
Section D: Consular formalities and documentation *Transiting procedures on exports*	Differences in axle load and GVM[57] amongst EAC countries mean that Tanzania trucks transiting through Kenyan roads en-route to Uganda have to strip off excess cargo so as to avoid financial penalties for overloading. Sometimes, this may mean hiring of additional trucks to transport the stripped-excess weight	Cost of possible financial penalties if the vehicles exceeds the specified axle load limits or GVM. Also, cost of hiring additional trucks if excess load is stripped to required weight.	Kenya Weighbridge Department, Roads Department in Uganda , and Tanroads in Tanzania	Harmonise EAC axle load and GVM specifications, either under COMESA or SADC specifications[58].	Harmonised axle load limits and GVM specifications	A joint quarterly report by EAC Departments responsible for weighbridges to EAC Council on progress of harmonising axle load and GVM specifications and cargo weighing procedures	Ideological differences among EAC countries on whether to harmonise axle load limits and GVM either under COMESA or SADC specifications may delay the harmonisation process.	Council should give direction on whether to harmonise under COMESA or SADC
Section D: Consular formalities and documentation	Unnecessary time lost to unload and reload cargo during physical verification; and too many agencies involved in verification of imports.	Business time lost at borders – 24% of all cargo cleared at borders takes more than 1 week to unload for inspection	Various bodies – Customs, Police, Inspection	Establish common clearance business centres at major border stations, since the Council has already reached a decision	Unloading and reloading time reduced to minimum 1 day for all cargo, from	Daily records on cargo unloaded/ reloaded; & a quarterly	Cost of establishing joint business centres at border stations.	Sufficient budgetary allocation by EAC Governments for joint business

[57] GVM means Gross Vehicle Mass.

[58] The harmonisation should be guided by the targeted size of the potential market within COMESA or SADC, i.e. which trade bloc has the biggest potential market for EAC countries, is it COMESA or SADC?

1 Problem Area/ WTO NTB description	3 Description of the most severe NTBs	4 Impact of NTB to businesses	5 Responsible Ministry/ Department	6 Possible approach to eliminate NTB	7 Performance Benchmarks	8 Means of Verification	9 Constraints	10 Success factor
			bodies (e.g. TBS[59])	on the matter. Introduce mechanised unloading/ reloading of cargo In future, undertake inspection on samples but not 100% inspection	current average of more than 1 week for 24% of goods where physical verification takes place, since verification by exit/ entry inspection agencies will be carried out jointly.	report by inspection agencies regarding progress in joint verification of export/ import cargo.	Cost of mechanised unloading & reloading ○ Resistance to establish joint operations by various officers who benefit from manual unloading through rent-seeking practices	centres
Section G: Customs formalities	Kenyan customs often demand for a customs insurance bond on transit goods destined to Uganda, Rwanda, Burundi, or DRC, which costs about US$ 200 for a 20 foot container.	The insurance bond ties up business working capital.	Kenya Customs Department/ Kenya Revenue Authority	The EA Revenue Authorities need to dialogue and find a practical way of waiving the insurance bond if the goods are on transit to neighbouring countries, since there are no implications on customs duty revenue. However, such a mechanism should ensure the goods are not diverted into the Kenyan market or other transiting country since there are implications on VAT revenue.	A consensus to waive the insurance bond on transit goods between EAC Revenue Authorities	A joint report by EAC Revenue Authorities to the Council	Kenya Revenue Authority may resist waiving the bond, due to potential danger that goods on transit may be diverted into the Kenyan market, which would have implications on VAT revenue.	The VAT element that would be affected needs a practical way to deal with, while still pursuing the objective of waiving the insurance bond.
	Businessmen allege that goods originating from Tanzania and destined to Uganda or vice versa and which use Kenyan roads must be transported using Kenyan trucks during transit through Kenya.	This denies Tanzania transporters the opportunity to undertake long distance transit transport, and also denies Tanzanian exporters and importers the chance to choose their own transporters, based on cost of freight and efficiency in delivery.	It is not clear which is the responsible agency in Kenya that requires this practice.	The Kenyan EAC desk needs to verify the genuineness of this allegation and require a satisfactory answer on reasons for insisting on the requirement. EAC should be viewed as one territory after coming into force of the Customs Union.	A report to the Council on reasons why the requirement is practiced.	Report by Kenyan EAC desk to Council	Kenyan transporters may resist requirement that any EAC transporters can undertake transit transport through Kenyan roads for fear of potential business loss.	The Council should resist any pressure to delay the EAC integration process.
2. NTB Inventory under WTO codes: Part III: Technical Barriers to Trade								
Section B: Technical regulations and	Exports go through unnecessary, onerous and costly documentation procedures, since the TBS, TFDA[60],	Exporters of food products incur a lot of costs, and are forced to spend a lot of unnecessary	TBS, TFDA, TAEA, Ministry of	Quality inspection bodies should collaborate in issuance of the various	Harmonised inspection procedures among	A joint EAC publication on	Disagreements may arise as to which body to	The Central Government needs to offer guidance

[59] TBS – Tanzania Bureau of Standards.
[60] TFDA – Tanzania Food and Drugs Authority

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standards Section C: Testing and certification arrangements	Ministry of Health and Tanzania Atomic Energy Authority each have to issue export certification on every export consignment, a function that could be carried out by one body in consultation with the others.	business time during the certification process (f*or example, Tsh. 30,000 is payable for quality inspection certificate TBS, Tsh. 30,000 to 40,000 for radiation certificate, Tsh. 30,000 for health certificate*. In total, a food products' exporter spends not less than Tsh. 200,000 on every export consignment. In addition, exporters experience a lot of frustration having to repeat the same documentation on each export consignment since any previous export is not recognised as a reference of good quality practice.	Health	inspection certificates by designating one of them to issue one certificate covering all inspection requirements. Exporters who have a credible export history should not be required to undergo through the inspection procedures on every export consignment before issuance of the necessary certificates, but their products should be stamped as certified automatically. However, occasionally, they could be inspected by the relevant agencies just to confirm that good manufacturing practices are used.	the inspection agencies and a designated agency to issue the inspection certificate covering all requirements on behalf of others	inspection procedures available to exporters of food products and the responsible agency	designate the responsibility of issuing the inspection certificate.	on the harmonisation of inspection requirements and designate of one agency to issue the export certificate.
	Government inspection/ regulatory Agencies e.g. TBS & TFDA apply a levy on transhipment companies based on percentage value of imported items.	The transhipment levy is too high, and companies sometimes end up paying as high as Tsh. 400,000 or more. This means the higher the value of the import items the higher the fee, which has to be passed on to consumers, making Tanzanian goods uncompetitive.	TBS, TFDA	Inspection companies should charge a nominal specific amount per consignment and not on value of cargo	Payment for import inspection based on a shipment and not on import value	Report by TBS and TFDA on amendment of inspection charges	Resistance by TBS and TFDA to amend the inspection charge procedures due to fear of revenue loss	Future import inspection charged on the shipment as opposed to current charge on import value
Section B: Technical regulations and standards Section C: Testing and certification arrangements	Too much time lost during cross-border pre-shipment inspection and certification for Kenyan bound cargo	Time lost during pre-inspection of export cargo destined to Kenya, while KEBS also undertakes either sampled and in some cases 100% inspection before goods are allowed into the Kenyan market, instead of recognising TBS certification mark on goods originating from Tanzania. The process of inspection means that some goods may have to be	TBS/ KEBS	EAC Standards Bureaux should mutually recognise each other's certification marks for products where standards have been harmonised, without undertaking 100% inspection, as this was the main objective of the SQMT[61] Protocol signed in 2002. Sampled inspection	Immediate recognition by EA Standards Bureaux of each other's certification marks for products where standards have been harmonised (*about 500 standards already harmonised*).	Monthly reports of EA Standards that are mutually recognised, those where sampled or 100% inspection is	1. The EA Standards Bureaux may insist on undertaking continued inspection of imports as the accepted procedure for allowing entry of	The Council of Ministers should monitor through the Secretariat, that any EA harmonised procedures are respected, implemented and consistently practised.

[61] SQMT – Standardization, Quality Assurance, Metrology and Testing

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		unloaded, while the inspection may involve laboratory analysis, a process that may have to be undertaken only in Nairobi since most border points do not have laboratory facilities. These procedures result to lost business time and cost.		should only be undertaken occasionally to confirm goods declared on documents are of certified quality. EA Standards Bureaux and other inspection agencies should harmonise their inspection and analysis procedures, fees, and distribution regulations, so as to facilitate easier movement of goods across borders. EA inspection agencies should built their capacities for accreditation to the same level, so that their certification marks are mutually recognised. Introduction of scanners at border posts where volume of imports is significant needs to be considered in collaboration with customs, so that a one time inspection is undertaken.	EA Standards Bureaux should aspire to built their technical capacity for certification to the same level in the long term	undertaken	imports, since the practice may be too entrenched to discard. 2. Lack of sufficient resources to procure scanners may hinder introduction of scanners at all major border stations.	Standards Bureaux need to collaborate with Customs departments in procuring scanners.
Section B: Technical regulations and standards Section C: Testing and certification arrangements	In July 2005, after the phase out of Pre-shipment Programme in Kenya, the Kenya Bureau of Standards introduced a new import inspection procedure that was found to be difficult and expensive to implement, requiring that imports will only be allowed into the country if accompanied by a quality inspection certificate from an internationally accredited laboratory[62].	Although the quality inspection by KEBS has now been waived for imports originating from EAC states, it had been introduced without tripartite consultations with the other EAC Standards Bureaux, while in the Customs Union any trade requirements should involve tripartite discussions and consensus. The requirement had led to confusion among Tanzanian exporters and suspicion the Kenya is not a serious trade partner.	KEBS	Any future trade requirements should go through a process of tripartite discussions and consensus since EAC is now one customs territory.	A decision by EAC Council that any new trade requirements should go through tripartite discussions, consensus and approval by Council	Council guidelines on process of introducing trade requirements by any EAC partner state	Resistance by enforcement agencies, which may regard requirement as taking away their authority as enshrined in national laws.	EAC Governments goodwill to the integration process by directing enforcement agencies to respect Council guidelines.

[62] While an agreement has been reached regarding the application of PVOC for EAC originating goods, its application needs to be monitored to ensure it does not disrupt imports from the other 2 EAC countries.

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Section B: Technical regulations and standards	Some regional buyers do not accept quality assurance certificates issued by bodies like TBS. They instead insist on certification of products by internationally accredited organisations	Lost business opportunities to Tanzania businesses		Ministry of Industry, Trade and Marketing to coordinate efforts sensitise relevant authorities in Uganda, Kenya, SADC and regional buyers accept TBS certified products	Tanzanian products accepted by regional buyers	Reports by manufacturers on sales turnover to various markets	Changing biased opinions of regional buyers that locally made products are of inferior quality	Proper sensitisation of regional buyers to accept products certified by TBS. Sufficient budgetary allocation needs to be made by Central government for this activity
3. NTB Inventory under WTO codes: Part V Specific Limitations								
Section K: Requirements concerning marking, labeling and packaging	EAC countries in some instances have different parameters on weights, labelling, quality, tolerance in measurements, type and technology used in packaging, which makes entry of Tanzanian originating goods into the other two EA countries and vice versa difficult.	Differences in parameters translate into Technical Barriers to Trade (TBT), which are impediments to penetration of Kenyan and Ugandan markets for Tanzanian products in some instances (*for example cement*). The difficulties experienced in penetrating these markets become a source of frustration, bribery, time loss, and theft of goods kept by traders at the borders while awaiting clearance by relevant agencies.	EAC agencies responsible for weights and measures, and Standards Bureaux	Finalise the EAC SQMT Bill, and thereafter domesticate it in each EAC country without delay, so that issues related to TBT can be harmonised.	SQMT Bill finalised and domesticated into the laws of each partner state	Quarterly reports to Council on progress of finalising and domesticating the SQMT Bill	Domestication of the SQMT into national laws may be delayed by differences in calendars of national parliaments, while enforcement of harmonised practices may not get entrenched as fast as planned in the SQMT Bill, due to entrenchment of practices that cut across many government organisations/ bodies	The Council to give priority to finalisation of the SQMT Bill A plan by EAC Secretariat to domesticate the Bill once finalised
NTB Inventory under WTO codes: Part VII Other NTB Categories								
Section E: Other NTBs *Immigration procedures at border crossings*	Clearance of travel documents through immigration involves cumbersome procedures, with a requirement to fill exit/ entry forms even where scanning of passports is undertaken.	The requirement to fill exit/ entry forms even at entry/ exit stations where scanning of passports is used seems a duplicated function, since the scanning should give automatically record information on the travellers. The current duplicated function means unnecessary time spent at border crossings. Currently, on average,	Immigration Department	Optimise immigration procedures by removing requirement to fill entry/exit forms in exit/ entry points where computerised scanning of passports is already operational Make the immigration counters for East Africans	Average time for crossing EA borders for East Africans reduced to not more than 15 minutes at all entry/ exit points	Annual Business Climate Index Survey report by EABC on time taken and procedures for crossing borders	Resistance by Immigration Department to phase out exit & entry forms	Sensitize immigration officials on essence of time to business people and on efficiency of using only computerised scanning of travel documents to record travellers'

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		12% of border crossings by Tanzanians take more than 1 hour.		more efficient by increasing the number of officials manning them, and enhance their training on use of the scanners, so as to increase efficiency.				data. Government budget allocations for introduction of passport scanners at all entry/ exit points.
	Many East Africans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry	Many people (*especially small business people*) cross borders through undesignated routes, which is illegal, and could attract substantial costs if one is arrested as an immigrant	Immigration Departments in the three East African countries	Immigration Departments should speed up issuance of the EA passport by simplifying the application procedures, minimising application fees, decentralising the issuance process to major urban areas, and sensitising the citizens on the passport's existence. Further, the requirement to stamp the passport at every entry/ exit should be removed, by respecting the Council's decision to issue an automatic 6 months multiple entry visas and pass without delay. In the long run, EAC partner states should accept the national identity card as a valid document for crossing borders, once issuance of identity cards in Uganda and Tanzania is completed.	Illegal immigrants reduced to bare minimum	Monthly reports by Immigration Departments on number of EA passports issued.	Time to design new application forms for an East African passport	Sufficient resource allocation by EAC governments for issuance of EA passport
Section D: Business practices or restrictions in the market *Business registration & licensing procedures*	While the search and registration for a business name can be done online, payment for a business certificate is still manual, and a new applicant has to travel to Dar es Salaam to pay and obtain a business certificate from the Attorney General's Chambers. Business licensing it of is separated from business registration, and is carried out by the Ministry of	Time and cost of travelling to Dar es Salaam to pay and obtain a business license Registration of new businesses takes an average of 5 days, but more than 2 weeks for 17% of all new applications. The requirement to have separate agencies responsible for business name search and registration, payment and issuance of business	BRELA, Ministry of Commerce and Industry, Attorney General's Chambers, Local authorities.	Streamline business name search and registration, payment and issuance of business certificate, licensing and related local authorities' charges under BRELA Review the Evidence Act to allow electronically generated documents to be admissible in court as	Business name search, registration, payment of business certificate, licensing and business charges under one agency (BRELA) Electronically generated documents used to register limited	Half year reports by BRELA on harmonised procedures for business registration, licensing, and issuance certificates, charges, and	Resistance by officials at various agencies currently responsible for business licensing, registration, payment and issuance of business licenses, due to fear of jobs	Sufficient Central Government allocation of financial resources for comprehensive reforms of business laws and computerised registration. The central

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	Commerce and Industry, while the two functions should be undertaken under one agency. In addition, various Local Authorities in the past used to charge separate fees from the same business entity, if such an entity distributes its products in different localities. This requirement has now been changed through the new Business Activities Registration Act of January 2007, which has repealed the Business Licensing Act of 1972. Under the new Act business licensing has been removed from the Ministry of Industry, Trade and Marketing and Local Authorities will not charge any fee for business licenses	certificate, and business licensing, is cumbersome and unattractive to new investors. The previous multiplicity of fees and charges by Local Authorities has been a source of frustration to efficient importation since a delivery truck had to pay charges to every local authority whenever through which it passed en-route to its destination. It is hoped that the new requirement not to charge business licenses will be implemented without delay. The current requirement by Courts that electronically generated documents cannot be used to register limited companies means one has to engage a lawyer for registration of limited companies, which is an expensive undertaking.		evidence Introduce online payment of new businesses certificates so as to remove current requirement that involves travel to Dar es Salaam for physical payment and issuance of certificate. Reform legal requirement by courts on registration of limited companies, so as to allow for registration using electronically generated documents.	companies A new Evidence Act allowing electronically generated documents to be admissible in courts of law. An EAC harmonised business law on administrative requirements	electronically generated documents	loss. Insufficiency of resources for computerisation to enable online payment for business certificates and registration of limited companies. Resistance by local authorities on one business law due to fear of revenue loss.	government needs to give guidance on a long-term and comprehensive policy that would form the framework for business reforms. This could for example be in the form of a private sector development strategy.
	Currently, mainland Tanzania and Zanzibar have different legal requirements for registration of businesses	Businesses operating in Zanzibar have to register as foreign businesses in mainland Tanzania and vice versa. This restricts the ability of businesses to operate freely in the country as common market.	Attorney General's Chambers, Central Government	Central Government to harmonise business registration procedures between Tanzania mainland and Zanzibar.	A harmonised business registration law covering Tanzania mainland and Zanzibar	One business registration law for mainland Tanzania and Zanzibar	Resistance between mainland Tanzania and Zanzibar to treat businesspeople between the two regions equally, due differences in political ideologies.	Sensitize the people of mainland Tanzania and Zanzibar on the need to nurture a common development agenda and focus for the two regions.
	Registration of a new business in another EA country is cumbersome.	For 10% of all EAC businesses, registration across the borders takes between 6 days to over 2 weeks	Registrar of Companies in the three EA countries	EA to be viewed as one market and investment area so as to enable cross-border registration of businesses within the partner states. Registrar of Companies in the three countries to harmonise and computerise registration procedures, and	Time to register EA businesses reduced from current 6 days to more than 2 weeks for 10% of new registrations, to some few hours Similar agencies for business registration	Annual reports by EAC Registrars of Companies on cross border business registrations	Requirement for faster cross-border registration might be resisted on justification of national interest Corruption practices might be entrenched,	The Council needs to give further guidance on the way forward regarding cross border business registration, and to sensitise registration officials to treat East Africans equally

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Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
				agencies responsible for business registration.	among EA countries in place		making it difficult to accept proposal for computerization	
Section A: Intellectual property issues	The three EA countries are categorised as either LDCs or developing countries. This is a potential impediment to cross border trade when viewed under the WTO TRIPS[63] agreement.	Under the TRIPS agreement, Kenya as a developing country can patent its products, while the other two countries cannot do so. The implication is that Kenyan patented products (*for example pharmaceuticals*) can access the markets of the other two countries without facing TBT restrictions, while the other two cannot access the Kenyan market. This is a potential NTB which will derail the process of integration.	EA focal points for TRIPS agreement	EA TRIPS focal points need to discuss further the implications of the TBT agreement and make proposals to WTO, aimed at harmonising their TBT obligations.	Clear proposals by EA focal points to the Council on areas that need to be harmonised so as to facilitate patenting of products by the three EA countries without infringing on the TRIPS agreement.	A joint report by EA focal points on areas to be harmonised under the TRIPS agreement to the Council A harmonised law between EA countries on procedures for patenting products that are compliant to TRIPS agreement	The EA focal points on TRIPS agreement may not see any potential impediments to cross border trade due to the different categorisation of the three countries	Consensus by the Council regarding the implications of the TRIPS agreement to cross border trade is necessary
Section E: Other NTBs *Police checks at boarder crossings and road blocks*	Police officers stop commercial vehicles at various border crossings, while officially, they are only supposed to stop vehicles based on proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc*)	Police checks are a source of rent-seeking opportunities while precious time is wasted on pretence that verification of goods is being done. On average, 12% of all police checks at border crossings take over 1 hour	Police Department	Introduce scanners at major border points, using the example of Dar Port, where scanners have increased clearance from previous 60 to 20 containers per day. Also, introduce sniffer dogs for vehicles suspected to be involved in trade malpractices, and tracking system for transit vehicles. Introduce heavy financial and other penalties for transporters involved in trade malpractices (*e.g. withdrawal of driving license*).	Future police checks to use scanners or sniffer dogs on suspected commercial vehicles, while tracking system to be used for transit trucks	Daily records on vehicles inspected at border points, methods used and reasons for inspection	Lack of resources to introduce or purchase sniffer dogs[65] or scanners at border points, and tracking system for transit traffic. Resistance by police to implement scanners due to fear of loss or rent-seeking opportunities. Police checks are	Central Government allocation of sufficient resources for sniffer dogs or scanners as a major long term investment at major border points and tracking gadgets for transit trucks Keep up war on insecurity, especially at borders

[63] TRIPS – Trade Related Intellectual Property Rights Agreement of the WTO
[65] One sniffer dog costs an average of US$ 50,000, same cost as a scanner.

1	3	4	5	6	7	8	9	10
Problem Area/ WTO NTB description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsible Ministry/ Department**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success factor**
				Introduce clearly laid down procedures on which police checks are undertaken at border points for commercial vehicles and inform businesspeople accordingly. Introduce EAPCCO[64] motor vehicle clearance certificate for vehicles crossing borders in each EAC country, and enforce the carrying of the certificate by all drivers so as to facilitate faster movement of goods across EAC borders.			often justified for security reasons.	Keep up war on anti-corruption
	Kenyan police stop Tanzanian originating commercial vehicles at various road blocks, instead of stops based on proof that goods being transported are suspicious – *ref above*. Consequently, police checks in Kenya hinder access to the Kenyan market by Tanzanian originating goods.	Police checks are a source of rent-seeking opportunities while precious time is wasted on pretence that verification of goods is being done.	Police	Apply same measures as 2.1 above for road blocks in the three EAC countries. This requires harmonisation of police checks within EAC.	Use same benchmark as 2.1 above and report on progress of harmonisation to the EAC Council of Ministers	Same records as 2.1 above and a joint report by EAC Police Chiefs to Council of Ministers	Same bottlenecks as 2.1 above	Apply same solutions as 2.1 above
	Businessmen allege that goods originating from Tanzania and destined to Uganda or vice versa and which use Kenyan roads must be transported using Kenyan trucks during transit through Kenya.	This denies Tanzania transporters the opportunity to undertake long distance transit transport, and also denies Tanzanian exporters and importers the chance to choose their own transporters, based on cost of freight and efficiency in delivery.	It is not clear which is the responsible agency in Kenya that requires this practice.	The Kenyan EAC desk needs to verify the genuineness of this allegation and require a satisfactory answer on reasons for insisting on the requirement. EAC should be viewed as one territory after coming into force of the Customs Union.	A report to the Council on reasons why the requirement is practiced.	Report by Kenyan EAC desk to Council	Kenyan transporters may resist requirement that any EAC transporters can undertake transit transport through Kenyan roads for fear of potential business loss.	The Council should resist any pressure to delay the EAC integration process.

Source: Consultations with Tanzania trade stakeholders between September and December 2005and in Feb/March 2007

[64] EAPCCO – EA Police Chiefs Cooperative Organisation, in which comprises of 9 states of Eastern Africa are members, including the 3 EA countries. Major transporters are also part of the organization.

C. UGANDA NTB ELIMINATION AND MONITORING PLAN

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Problem Area/ WTO NTB Description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsibility**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success Factor**
NTB Inventory under WTO codes: Part II Customs and Administrative Entry Procedures								
Section C: Customs classification Section G: Customs formalities	The newly introduced ASYCUDA[66] ++ system is only operational at Malaba, and is planned to be rolled out at Busia before end of September 2005. This means that delays are still experienced in declaring and clearing imports at Busia which uses ASYCUDA 2.7 system.	On average, 49% of all customs clearance at border crossings using ASYCUDA 2.7 system takes more than 10 days, which involves declaration of imports, assessment of classification of goods and import duty payable, physical verification of goods if applicable, payment of dutiable value, and release of goods from the customs area. Also in the past, exports to Rwanda took more than 2 weeks to reach their destination, which meant tying exporter's working capital in insurance bonds.	Customs Department	Introduce ASYCUDA++ at all import entry/ export exit points, by end of 2005 so that time spent from import declaration to release is reduced from current average of 2 days for green channel goods, and from7 to 10 days for goods with import queries to not more than 3 days. Ensure ASCUDA++ works efficiently so as to maintain the current period of immediate cancellation of insurance bonds for exports to Rwanda, instead of the previous period of two weeks. For imports clearance, target Latvia's 1.2 days, which is the best case country in the world[67]. Complete and implement the planned Risk Management System for Uganda Customs aimed at determining high, middle and low risk goods; Operating an accreditation scheme for compliant importers to clear imports under a permanent green channel; Ensuring goods under green channel are	ASYCUDA++ operational in all entry/ exit points by Dec 2007.	Mid 2007 report by Customs on entry/ exit points where ASYCUDA ++ is operational Report by the NTB National Committee.	Insufficient financial resources to roll out ASYCUDA++ at all import entry and export exit points. Integrating computer systems has caused delays in rolling out the system.	Make ASYCUDA system operational on major transit routes like Malaba, Busia, Mutukula, and Katuna. Also implement plans to roll out the system in other routes such as Mpondwe and maintain it efficiently. Allocate sufficient funds for customs modernization on imports clearance.

[66] ASYCUDA – Automated System of Customs Data. The system has more modules than ASYCUDA 2.7 system, which include Green Channel - for automatic clearance and release, yellow - for scanning and thereafter proceed for release or physical verification, and red - for physical verification. The classification depends on the degree of risk of imports, which itself depends on country of origin and also whether the importer is known to have engaged in any past trade malpractices. Further, the system has a transit module, which means information can be transmitted electronically by customs Uganda to import originating country, and vice versa. This enables insurance bonds on an export to Uganda to be cancelled much faster than if the export documents were to be posted, which is the process used under ASYCUDA 2.7.

[67] Comparisons on average number of days to clear customs for various countries of the world are given in the World Development 2005 report of the World Bank.

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				cleared within the set 30 minutes and that their seals are not broken in future.				
Section C: Customs classification Section G: Customs formalities	While Uganda and Tanzania have both introduced the ASYCUDA ++ system for imports declaration, Kenya has introduced Simba system, and it is not clear to Ugandan businesspeople whether the two systems are compatible.	Although Customs Uganda has confirmed that ASCUDA can integrate data from the SIMBA Programme and that is possible for the 2 systems to be compatible since they are web based, a system for data exchange has not been designed yet. The inability of the systems to share data online could affect the volume of imports, since online sharing of information between Kenya and Uganda customs would be difficult. Consequently this would delay duty payment in Kampala, clearance of imports at Malaba and cancellation of insurance bonds – thus tying up of importer's working capital	Uganda and Kenya customs departments	Uganda Customs need to sensitize and assure importers that the Asycuda ++ and Simba systems are fully compatible, and that: o imports through the Mombasa port will be declared online o Information on declared imports will be transmitted electronically from Mombasa to Uganda Customs, to enable preparation of release documents and payment of duty in time before goods arrive at border station.	Importers fully sensitised on operations of ASYCUDA ++ and Simba systems by end 2nd quarter 2007	A publication on how the two systems will share information online out by end 1st quarter 2006	Customs Uganda could regard fears by businessmen as unfounded and therefore does not warrant spending on a publication on how the systems operate	Complete the ongoing design of a data Exchange & Integration mechanism between ASYCUDA and SIMBA by ICT Uganda.
Section F: Rules of Origin	After entry of the EA Customs Union in January 2005, many importers used to experience problems with interpretation of the COMESA rules of origin, which are sometimes used when product transformation occurs[68]. This problem was only resolved in June 2006 through the Legal Notice EAC/11/2006	In most cases, the importer spends a lot of time trying to sort out the interpretation of rules of origin with customs officials at the borders. The problem is most serious during weekends, since the importer's goods have to be held for two days at the border until Monday when Customs HQs can make a satisfactory interpretation. Although Uganda Customs officials were before June 2006 rightly interpreting the of the rules or origin, application of wording made imports especially raw materials more expensive	Uganda Customs Department	Sensitize customs officials at border points on the correct interpretation of COMESA rules of origin. Publish an EA Gazette on the COMESA rules of origin to enable similar interpretations of tariff codes and rates.	Further publication of the correction in Local News Papers by 2nd Quarter of 2007.	A daily record of importers experiences at the borders regarding import clearance procedures under the EA Customs Union.	There could be delays in sensitizing customs officials at borders, since customs HQs may not have sufficient personnel to train border officials. Some customs officials may have deliberately interpreted the rules to catch in on initial ignorance by importers on interpretation of the rules, especially the small businesspeople.	Apply the resolution by the EAC Council of Ministers which was gazetted in the EA Gazette of 30th June 2006-Legal Notice No. EAC/11/2006 & the EAC Customs Management ACT 2004 on rules of origin
Section G:	The limited customs open hours	Time lost to clear goods at borders	Uganda	Increase customs	Major border	2006 annual	Lack of "service	Operate customs

[68] EAC rules of origin currently apply only where an import originating from another EAC partner state is wholly produced in that country. Where such a product may have gone through a process of transformation, change of tariff heading or other value adding processes in the EAC originating country, the COMESA rules of origin are used, until the EAC reaches consensus on its rules of origin. However, the contention by Ugandan importers is that when the COMESA rules are used, Uganda customs has sometimes insisted that rule 3 and 4 should be used together, while both are supposed to be used independently. **Rule 3** states that "local content of local raw materials should exceed 35% of the ex-factory cost of the finished product". **Rule 4** states that "the product should be classified in a separate tariff heading other than those of the non-originating raw materials used in production". The two rules are supposed to be used independently of each other, meaning an importer can either use 3 or 4, whichever applies to the import product. The EAC Rules of Origin adopted from COMESA, omitted the word "or" from the printed Text, which brought about problems in interpretation.

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Customs formalities	for verifying documents and clearing cargo is a hindrance to faster movement of goods across borders	Cost of corruption at border crossings	Customs Department	operating hours from current 12 to 24 at borders. However, this improvement should work hand-in-hand with 24 hours operations for other institutions as well, e.g. quality inspection agencies, police, immigration, and even banks (to facilitate payment of duty).	crossings open 24 hours per day for all institutions by end 2007	report by Line Ministry in charge of EAC in Uganda on progress made to open borders on 24-hour basis	attitude" by institutions at borders, which may not view a 24 hours operation as necessary Insufficient number of officers to man border stations on 24-hour basis Funds to pay the necessary personnel.	at entry/exit points on 24hr basis
	The Bank of Uganda limits the opening and closing hours for all banks including banks at the border posts to between 9am and 4pm between Monday to Friday, and between 9am and 11 am on Saturdays. In turn, importers are unable to pay respective duties and clear their goods on time.	Lost business time after 4 pm and over weekends	Bank of Uganda	Adjust working hours to include after 4 pm and weekends	Faster clearance of imports through flexible bank working hours	Actual verification of bank working hours and feedback by importers to customs	Banks could resist adjustment of working hours due to related implication of increased personnel costs Banking hours are set as a matter of law, and changes in the law might not occur as proposed by business people and customs.	Complete ongoing negotiations between Uganda Customs and Bank of Uganda regarding a moratorium for border banks to work for longer hours.
Section D: Customs formalities Section B: Customs valuation	Exporting to Tanzanian is extremely difficult and cumbersome. The process involves obtaining a tag number from the TRA[69] regarding an import, getting an assessment of import classification[70] and dutiable value done by the local agent of Cotecna - TRISACN, which thereafter sends the report Cotecna Durban office (*South Africa)* for approval. Clearance by Customs Tanzania then follows as the last stage.	The cumbersome procedures of exporting to Tanzania take an average of 21days, making Ugandan companies poor competitors for the Tanzanian market.	Tanzania Customs Department	Uganda Customs to initiate discussions under EAC Director of Customs aimed at minimising import procedures in Tanzania, since with introduction of Asycuda ++, Tanzania Customs should not have contracted TRISCAN to advice on classification of imports and dutiable value.	Discontinuation of TRISCAN contract and full passing responsibility to Customs regarding classification and valuation of imports. TRISCAN to be compelled by the Tanzanian Authority to carry out full inspections with Tanzania other than Durban No future complaints from	Future functions of Customs include classification and valuation of all imports. Uganda exporters to give monthly feedback to UMA & UCFA[71] on days and procedures involved to export to Tanzania.	Legal implications of current contract to COTECNA/TRISCAN could derail discontinuation of contract	Target fewer days than current 21 for exporting to Tanzania to ensure no future complaints by exporters regarding procedures of penetrating Tanzania market are eliminated

[69] TRA – Tanzania Revenue Authority
[70] Refer to footnote 1 on how Asycuda ++ classifies imports either under Green channel, Yellow or Red channel for purpose of clearance and release.
[71] UMA – Uganda Manufacturers Association; UCFA – Uganda Clearing & Forwarding Association.

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					exporters regarding procedures of exporting to Tanzania.			
Section D: Consular formalities and documentation *Transiting procedures*	Transit trucks using the Kampala-Malaba route destined to Kenya, and those using Kampala-Katuna route en-route to Rwanda, DRC and Burundi have to park at Transit Yards licensed by Customs. While the transit yards have helped to reduce accidents on these routes especially at night, and have contributed to reduction of pilferage of un-customed goods into the Ugandan market, the related parking fee is considered exorbitant at an average of USD 10 per truck since the yards are privately owned.	The yards delay period of transit and add onto transport costs.	Uganda Customs Department	Customs to introduce computerised tracking system.	Removal of need for parking yards.	Publication by Uganda Customs on the new computerized tracking system and report to National NTB committee on elimination of parking yards.	Cost implication of the program.	Complete the planned design of computerized terminals to track movement of commercial trucks during the 2007/08 financial year
	Offloading cargo at the port of Mombasa is a nightmare for Ugandan importers. One has to spend between two weeks and one month in process of clearing goods at the port. This is due to clogging of the port as a result of insufficient and slow operating cranes to offload incoming cargo and because Kenya Railways grossly lack wagons to transport goods out of the port to destinations like Uganda. As of mid September 2005, an estimated 6,000 Ugandan bound containers were held at the port.	Time lost to clear imports from the port, at an average of between 7 to sometimes more than 10 days, and more when weekends are included; and consequent demurrage charges that have to be paid for un-cleared cargo. Due to the insufficient number of railway wagons and slow operating cranes, ships cannot be offloaded fast enough, which has resulted into a large fleet of containers at the port, estimated at 11,000 as of mid September 2005. The slow speed in offloading containers results to heavy cost of surcharge by shipping vessels due to long turn-	KPA, Kenya Railways, Shipping lines	Continue with investment in modern equipment at the port, including cranes, which could be done as a joint investment between Kenya and affected countries, including Uganda, Rwanda, Burundi and DRC[72]. The new management of Kenya and Uganda Railways under concession agreement should urgently modernise wagons. Establish a shippers council to control surcharges	Time taken to offload and clear cargo from the port reduced from current more than 10 days to 3 days (benchmark *Durban port of 2 days to offload ships*). Rail transport cost and time from Mombasa to Kampala reduced significantly, so as to encourage rail	BCI[73] 2006/07 reports on cost comparisons between 2005 & 2006/07 regarding time taken to clear goods at Mombasa port, transport cost from Mombasa to Kampala, & on surcharge rates by delivery vessels.	1. Cost of investment in modern cranes 2. Resistance by various officers who benefit from manual unloading/ reloading, & slow clearance of goods through corruption	Ensure lose follow up of the target achieving speedy clearance to ensure a change of transport from railway to road system. Closely monitor improvement of port operations aimed at minimising port charges[74].

[72] DRC – Democratic Republic of Congo

[73] BCI refers to Business Climate Index Survey, carried out by East African Business Council (EABC). 1st survey was carried out in 2005, and the second one for 2005/06 is underway on recommendations by that it should be undertaken annually.

[74] A positive change on port operations occurred on 5th March 2007, whereby Kenya Ports Authority removed storage charges and increased warehousing period from 21 days to month during which storage charges will not apply.

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		around time, currently estimated at 5 days (the *average surcharge is US$ 2,900 for a 40 foot container.*). .			transport instead of the more expensive road transport. The target should be to reduce transport cost of a 40 foot container by 60%, from current average of US$ 760-1,000 by road, when rail transport becomes reliable. Standardised surcharges by delivery vessels on import cargo			
NTB Inventory under WTO codes: Part VI: Charges on Imports								
Section E: Border tax adjustments	Before Oct 2006, Tanzania used to charge US$ 200 per annum or US$ 20 per entry on sales vehicles and US$ 5 fuel tax per vehicle originating from the other two EA countries, which were not applied by Uganda and Kenya.	The charges applied by Tanzania made penetration of Tanzanian market more difficult compared to Uganda and Kenya.	Customs Department Tanzania	Harmonise EAC cross-border transport charges	Harmonised EAC cross-border transport charges end 2006.	Report of Council meeting in last quarter 2006 on decision by Tanzania to remove border charges.	Fear of loss of revenue by Tanzania Customs Department	Ensure border charges removed in Oct 2006 are not introduced through other means.
	Kenya Customs still charges an Import Declaration Fees, although. Pre-shipment Inspection was removed in July 2005. Under the PSI, a 2.75% IDF fee was charged on value of the imports. However after removal of PSI, the fee was not waived.	IDF fee raises pries of goods b 2.75%.	Kenya Customs	Remove IDF fee since PSI is no longer applicable.	Removal of the IDF fee through 2007/08 budget	A Kenya Gazette notice to remove the IDF fee.	Customs could resist removal of IDF fee on reasons of revenue loss	Remove IDF fee and publish a Kenya Gazette notice to this effect
Section B; Surcharges and, port taxes	Imports at Mombasa port start attracting demurrage charges after a grace period of only 21 days from the time they are entered into a customs	After 21 days, imports are transferred to the responsibility of Kenya Ports Authority, which then starts levying warehouse rent and demurrage charges. However in	Kenya Customs, Kenya Ports Authority, Kenya	Until more efficient cranes and railway wagons are procured, the grace period before demurrage charges become effective should be	○ Grace period increased from current 15 to more than 30 days by end 1st quarter	BCI 2006 to report whether any improvement in clearance of	Lack of financial resources to modernise cranes. Rehabilitation of current	Complete ongoing discussions between KPA and Customs Ken/Ug regarding port

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Section B; Surcharges and, port taxes	warehouse. However it takes more than 10 days for exporter's and import's bank to conclude correspondence on a letter of credit, 10 days to clear the goods at the docks, 10 days to complete process of declaring the cargo, pay duty and applicable surcharge before goods can be released. This means goods have to stay within the port area for a minimum of 30 days. The 21 days grace period is therefore unrealistic.	practice, 30 days are spent to complete bank correspondence on a letter of credit, clear imports from the docks, complete declaration process, and pay applicable duty and surcharges before goods are cleared. This means there is no way an importer can avoid payment of demurrage charges. The long clearance process also results into a large build up of containers at the port. This leads to slow speed in removal of goods from the warehouse, occasioned by inefficient working cranes used to load containers onto trucks, and unavailability of railway wagons. Importers are charged warehouse rent for factors beyond their control.	Railways	increased from 21 to more than 30 days[75]. KPA should increase the pace of procuring modern cranes. Before modernisation and increase of railway wagons, expected after the recent concession of Kenya and Uganda Railways in September 2005, Kenya Railways could consider rehabilitation of its current stalled wagons.	2006, before demurrage charges become applicable. ○ Imports cleared from the port area within three days (*benchmark with Durban port time of 2 days*)	imports from the port, compared to situation in 2005.	stalled wagons by Kenya Railways may be considered unviable by new management.	modernisation to reduce cost of port operations.
	After the warehousing period of 21 days at Mombasa Port, goods can only be re-warehoused for an extra 7 days after which they risk being auctioned.	Failure to remove goods from port area after re-warehousing period means the goods risk being auctioned by customs. Many Ugandan bound vehicles have been auctioned due to this reason.	Customs Kenya	Extend the period for warehousing to more than 30 days, and for re-warehousing by at least an extra 30 days, since removal of goods from the customs area may be due to factors beyond the importer's control, e.g. lack of railway wagons or slow cranes to load trucks.	Combined period for warehousing and re-warehousing increased from current 30 to 60 days by end 2007. Kenya Customs, KPA and Kenya Railways to explore urgent measures to improve imports clearance.	BCI 2006/07 to report on 2005 & 2006/07 cost and time of clearance comparison.	Resistance by Customs and KPA to increase the periods for warehousing and re-warehousing, sighting the need to decongest the port.	Design a long term policy and strategy for improving clearance of imports at Mombasa port, in consultation with neighbouring Governments and the private sector
NTB Inventory under WTO codes: Other NTB Categories								
Part C: Distribution constraints	Delays at roadblocks and weighbridges in Kenya is a great hindrance to free movement of imports into Uganda	Police stop commercial vehicles although officially, such vehicles are not supposed to stop at road blocks. For example there are approximately 8 road blocks between Malaba and Eldoret, a journey of only 1.5 hours. For vehicles suspected to be carrying dangerous products like drugs, unloading may be demanded in some few instances. Customs also	Police Department, Customs, Weighbridge Department	1. Uganda and Kenya Police Departments should dialogue and develop a standard procedure for transit trucks destined to Uganda. Such procedures should be clearly documented and communicated to transporters, so that they understand the type of	Time spent to transit through Kenya from Mombasa port to Malaba border reduced from average of 7 days to 2 days by 1st quarter 2007.	BCI 2006 to report on 2005 & 2006/07 cost and time comparison on transport between Mombasa and Kampala Gazetting	Collaboration between Uganda and Kenya Police could delay due to bureaucratic procedures. Cost of procuring electronic cargo tracking system and electronic weighbridges could	Conclude ongoing discussions between Ug/Ken Ministries of Transport & Roads on proposal to weigh goods only at port of origin. Conclude ongoing design of

75 Note the warehousing period before demurrage charges apply was increased from 21 to 30 days on 5th March 2007.

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		requires transit commercial vehicles to move in a convoy under police escort, which translates to lost time waiting to have the required number of vehicles to make a convoy. On the other hand, a lot of time is spent at weighbridges during verification of axle loads. On average, about 7 days are spent on Kenyan roads for Uganda bound commercial vehicles, while this time could be reduced to 2 days.		checks required at road blocks if any. Also, sniffer dogs could be used to check on contents of containers suspected to be carrying dangerous products, instead of unloading, which is time consuming, and which could destroy packaging. Customs should introduce electronic cargo tracking system for transit commercial vehicles, which is more efficient, less expensive and time saving than police escorts and weighbridges[76].		approved weighing bridges in the EA Gazette.	delay the objective to increase speed in transit trade.	computerized terminals by Customs aimed at tracking movement of trucks in order to eliminate diversion from designated routes & the need for weighbridges by 2007/07 Financial year.
Part C: Distribution constraints	Kenya police requires that transit trucks carrying goods from Uganda to Kenya and vice versa should be registered in Kenya.	Business Owners have to incur extra transport costs of hiring transport when they would have used their own trucks. This translates to high transport costs. Ugandan registered transporters are running out of business on major routes.	Kenya Police	Remove requirement under spirit of EAC integration.	Free movement of EAC registered trucks/ vehicles	Notice of elimination of the requirement in East African Gazette and local newspapers.	Kenya Police resistance to remove requirement on argument that use of Ugandan Trucks could encourage false declarations.	Conclude ongoing discussions between Ugandan/Kenya Customs on harmonised procedures for transit trucks and involve police in the discussions.
Section E: Other NTBs *Immigration procedures at border crossings*	Clearance of travel documents through immigration involves cumbersome procedures, with a requirement to fill exit/ entry forms even where scanning of passports is undertaken.	The requirement to fill exit/ entry forms even when scanning of passports is done seems a duplicated function, since the scanning should automatically record information on the traveller. The duplicated function means unnecessary time spent at border crossings. On average, 29% of border crossings take more than 1 hour.	Immigration Department	Optimise immigration procedures by removing requirement to fill entry/exit forms in exit/ entry points where computerised scanning of passports is already operational Operate the separate immigration counters for East Africans more efficiently and remove the need to stamp EA passports on every entry/	Average time for crossing EA borders by East Africans reduced to not more than 15 minutes at all entry/ exit points by mid 2007.	Annual Business Climate Index Survey report by EABC on time taken and procedures for crossing borders	Resistance by Immigration Department to phase out exit & entry forms	Allocate sufficient budget to Computerise scanning of travel documents at all entry points so as to replace the need for entry/exit forms.

[76] Kenya Customs incur an average of Ksh. billion per annum to finance police escorts.

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				exit, but instead issue the multiple 6 months visa and pass period.				
Section E: Other NTBs Work permits	While Uganda readily gives work permits to employees of East African businesses wishing to establish branches in Uganda, there are complaints that it is difficult to get such work permits in Kenya, unless the Ugandan businessman enters into partnership with a Kenyan	The potential Ugandan businessperson is forced to enter into a partnership where none was intended, if he wants to set up a branch in Kenya.	Immigration Department	Facilitate the issuance of work permits to East Africans/ COMESA citizens without discrimination, even before the Common Market comes into effect	Number of complaints recorded from Ugandans on non-issuance of work permits reduced to zero by mid 2006	Quarterly reports by the three EA immigration departments to the Council meetings	Kenyans might resist issuance of work permits to other East Africans due to fear of loss of job opportunities, especially since the unemployment rate has become a major challenge for the country.	Allocate sufficient budget to sensitize EA/COMESA citizens on potential employment opportunities within the region and to harmonise cross-border employment procedures.
Section E: Other NTBs *Immigration procedures at border crossings*	Many Ugandans do not yet have an East African passport, while even for those who have it, the Immigration Departments still insist on stamping it at every exit or entry	Many people (*especially small business people*) cross borders through undesignated routes, which is illegal, and could attract substantial costs if one is arrested as an immigrant	EAC Immigration Departments	Immigration Departments should speed up issuance of the EA passport by simplifying the application procedures, minimising application fees, decentralising the issuance process to major urban areas, and sensitising the citizens on the passport's existence. Requirement to stamp the passport at every entry/ exit should be removed, by respecting the Council's decision to issue an automatic 6 months multiple entry visas and passes without delay. In the long run, East African Community partner states should accept the national identity card as a valid document for crossing borders, once issuance of identity cards in Uganda and Tanzania is completed.	Number of illegal immigrants reduced to bare minimum by end of 2007.	Monthly reports by Immigration Departments on number of EA passports issued.	Time to design new application forms East African passport	EAC governments to allocate sufficient resources for issuance of EA passport The Public needs to be sensitized about the existence and benefits of obtaining an EAC passport. Especially the business community.
Section E: Other NTBs	Police officers stop commercial vehicles at various border	Police checks are a source of rent-seeking opportunities while	Police Department	Introduce scanners or sniffer dogs at major border points	Future police checks to use scanners or	Daily records on vehicles	Lack of resources to introduce or purchase	Central Government to

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Police checks at boarder crossings and road blocks	crossings, while officially, they are only supposed to stop vehicles based on proof that goods being transported are suspicious (*e.g. that vehicle exceeds allowed axle load, goods are smuggled, vehicle is carrying drugs or other dangerous products like arms, documentation does not conform to goods being transported, etc*)	precious time is wasted on verification of goods. Ugandan businesspeople report that on average, 16% of all police documentation at border crossings takes over 1 hour		for vehicles suspected to be involved in trade malpractices, and tracking system for transit vehicles. Introduce heavy financial and other penalties for transporters involved in trade malpractices (*e.g. withdrawal of driving license*). Introduce clearly laid down procedures on which checks are undertaken at border points for commercial vehicles and inform businesspeople accordingly. Introduce EAPCCO[77] motor vehicle clearance certificate for vehicles crossing borders in EAC, and enforce the carrying of the certificate by all drivers so as to facilitate faster movement across EAC borders.	sniffer dogs on suspected commercial vehicles, while tracking system to be used for transit trucks	inspected at border points, methods used and reasons for inspection	sniffer dogs[78] or scanners at border points, and tracking system for transit traffic. Resistance by police to implement scanners due to fear of loss or rent-seeking opportunities. Police checks are often justified for security reasons.	allocate sufficient resources for sniffer dogs and scanners at major border points as a long term investment, and tracking gadgets for transit trucks Ensure efficient insecurity checks at borders so as to achieve less complaints from business people. Closely ensure corruption at borders are substantially minimised
Section D: Business practices or restrictions in the market *Business registration & licensing procedures*	Registration of a new business in another EA country is cumbersome.	For 21% of all Ugandan businesses, registration in another EA country takes between 6 days to over 2 weeks	Registrar of Companies in the three EA countries	EA to be viewed as one market and investment area so as to give priority to cross-border registration of businesses within the region. Registrar of Companies in the three countries to harmonise and computerise registration procedures, and agencies responsible for business registration. The proposed system to be used as a fast track for	Time to register cross border businesses reduced from average 6 days to 2 weeks to a few hours by end 2006; COMESA to carry a business climate index, which should include days for cross-border registration of businesses	Annual reports by Registrar of Companies in the three EA countries on cross border business registrations COMESA BCI survey undertaken in 2007	Requirement might be resisted by EA/ COMESA countries on justification of national interest Corruption practices might be entrenched, making it difficult to accept proposal on computerization	Harmonise business registration procedures within EAC and COMESA Sensitise registration officials to treat all East Africans and COMESA citizens equally

77 EAPCCO – EA Police Chiefs Cooperative Organisation, in which 9 states of Eastern Africa are members, including the 3 EA countries. Major transporters are also part of the organization.
78 Sniffer dogs on average cost an average of US$ 50,000, the same a scanner

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				harmonisation of business registration procedures within COMESA	Similar agencies for business registration among EA countries in place by end 2007.			
Section E: Other NTBs	Registering a new business and obtaining a business license are cumbersome procedures	The time for travelling to Kampala and associated costs to register a new business can be taxing, since the search for a business name, registration and payment through URA[79] is centralised in Kampala.	Registrar of companies, Central Government, Local authorities	Introduce online registration of new businesses so as to remove current requirement that involves travel to Kampala to search and register a business name. Allow the Registrar of Companies to retain some funds collected by URA from business registration, to enable the institution to modernise business search, registration and payment by introducing online operations in all urban areas.	Business search, registration and payment transformed from a manual to an online process.	Annual reports by Registrar of Companies reflecting progress in reforms on business registration	Insufficiency of resources for computerisation Registration of business is a legal requirement, so any improvements can only be eased by amendments to the law, which takes time.	Allocate sufficient financial resources by EAC Governments aimed at comprehensive reforms of business laws and computerisation of registration. Design a long-term & comprehensive policy on business reforms, focusing ultimately on a private sector development strategy.
Section E Other NTBs	Cost of licensing is duplicated among various local authorities	The cost of paying levies to various local authorities is enormous, since one central body to which such payments can be done does not exist, which means each local authority collects its own money from every business that undertakes operations within its jurisdiction.	Local authorities, Central Government	Introduce new law on all administrative requirements by local authorities. Establish one central body for collection and distribution of levies payable to local authorities (*such a body could be the URA*). Harmonise business laws, regulations, licenses and levies within EAC.	Cost and time spent paying levies to local authorities' reduced substantially and an EAC harmonised law on business regulations, licenses and levies.	Annual account reports by URA on revenue from business registration Annual reports to the EA Council on EAC business laws & practices.	Resistance by local authorities for introduction of one business law and central body for collection of levies due to fear of revenue loss and rent-seeking opportunities by officials	Harmonise business registration procedures within EAC

[79] URA – Uganda Revenue Authority

1	2	3	4	5	6	7	8	9
Problem Area/ WTO NTB Description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsibility**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success Factor**
NTB Inventory under WTO codes: Part III Technical Barriers to Trade								
Section B: Technical regulations and standards Section C: Testing and certification arrangements :	UNBS[80] requires that all imported products whose standard specifications are declared as compulsory under the UNBS Act should be inspected for conformity to the relevant Ugandan Standard before release into the Ugandan market. This includes even products that are certified by accredited laboratories.	The requirement translates to unnecessary time lost and costs incurred during pre-shipment inspection and certification. Further, even if the import consignment gets certified after the evaluation as conforming to the relevant UNBS standard, the import clearance is for that batch alone, and does not apply to subsequent consignments, which means regular importers get frustrated having to go through the same process over and over again, without any due recognition of their compliance.	UNBS	The requirement to undertake conformity evaluation for products that are certified by accredited laboratories should not apply. Further, UNBS should not repeat import inspection on every consignment imported by regular importers who have a good track record of compliance to relevant standards. Training of assessors on accreditation schemes and parameters applied by accreditation laboratories is necessary, so that evaluations of products in question can be minimised to periodic sampled inspection.	Products with test certificates from accredited laboratories allowed into the country without further inspection by mid 2007, unless in periodic instances just to confirm compliance. Continuous training of product assessors carried out from the beginning of 2007.	Quarterly reports to Council of Ministers on progress in mutual recognition of certification marks and import inspection procedures. A training programme and manual on accreditation schemes available at the beginning of 2006.	UBS may still insist on evaluations, since this is practice is backed by law	Waive imports certified by internationally accredited laboratories from UNBS inspection requirements
	Kenya has quality standard requirements on selected goods, which must go through scientific analysis by SGS before they are allowed into the Kenyan market.	The requirement is a setback to progress of the integration process since an SQMT protocol has already been signed which requires recognition of various Member States standards as long as they have certification marks from EAC Standards Bureaus. A recent example of this setback is that a truck of milk into was denied entry into the Kenyan market on reasons that it did not satisfy the respective Kenyan standard. After spending 7days at the border and paying the necessary fees it was still sent back, which translated to lost market and wasted product.	Kenya Bureau of Standards	Mutual recognition of products with certification markets issued by EAC Standards Bureaus	Full application of EAC SQMT protocol	Reports to national NTB Committees reflecting NTBs related to standards.	Resistance by standards bureaus to fully implement the SQMT protocol on reasons of contravention of national standards specifications	Domesticate the SQMT protocol within EAC and adopt it within COMESA members
Section B: Technical regulations and	A lot of time is spent to inspect even products that have certification marks from	Unnecessary time lost during inspection and issuance of import clearance certificate Further, even	UNBS	The agreement to undertake mutual recognition of certification marks amongst	Immediate mutual recognition of	Quarterly reports to the Council on	Delays in adhering to EAC SQMT[81] protocol, since it has	Domesticate the SQMT protocol within EAC and

[80] UNBS – Uganda National Bureau of Standards

[81] SQMT – Standardization, Quality Assurance, Metrology and Testing protocol, finalized in 2002.

1	2	3	4	5	6	7	8	9
Problem Area/ WTO NTB Description	**Description of the most severe NTBs**	**Impact of NTB to businesses**	**Responsibility**	**Possible approach to eliminate NTB**	**Performance Benchmarks**	**Means of Verification**	**Constraints**	**Success Factor**
standards Section C: Testing and certification arrangements	another EA Standards Bureaus.	if the import consignment is certified as conforming to the relevant UNBS standard, the importer has to go through the same procedure in subsequent consignments, which is frustrating. Where sampled inspection is undertaken, this may mean a lot of time waiting for results of the laboratory analysis, since facilities for such analysis may not be available at border points.		EA Standards Bureaux needs to be respected. Further, UBS should not repeat import inspection on samples for every consignment imported by regular importers who have a good track record of compliance to relevant standards.	certification marks issued by EA Standards Bureaux for products where standards have been harmonised (*about 500 have been harmonised*)	progress in mutual recognition of certification marks and import inspection procedures	not been domesticated in EAC countries	adopt it within COMESA members
	EAC Standards Bureaus have different procedures for issuance of certification marks, which makes it difficult to undertake the same processes on imports inspection and testing.	Businesses have to face different inspection and testing procedures, which means even if one understands the procedures in one country, he has to spend extra time understanding procedures applied by the other two countries, yet EAC is supposed to be one Customs union where similar procedures should apply.	EAC Standards Bureaus	Harmonise import inspection, testing and certification procedures.	A joint publication issued by the three Standards Bureaux, specifying procedures for import inspection, testing and certification within EAC by mid 2007.	A joint report to the Council on progress in publishing import inspection, testing & certification procedures	Lack of resources for developing the joint publication	Earmark funds for joint publications related to standards in EAC national budgets

Source: Consultations with Uganda trade stakeholders between September and December 2005 and in Feb/March 2007

ANNEX I PROPOSED ACTION PLAN FOR IMPLEMENTATION OF THE NTB MONITORING MECHANISM

1. Member States should establish their national institutional structures for facilitating NTB reporting, elimination/reduction and feedback to business community. In this respect, the institutional structure that was endorsed by the Trade, Industry and Investment Committee in Arusha in March 2006 should be established without further delay. The key area that requires urgent attention is establishment of the National Monitoring Committees (NMC), whose key responsibility will be to coordinate elimination of reported NTBs. The NMC should comprise key stakeholder institutions from the Public and Private Sector. In summary, the NMCs will be responsible for:

    - Defining the process of elimination
    - Defining mandate and responsibilities
    - Confirming deadlines for action
    - Agreeing on recourse to non-action.

Summary Institutional Structure for Reporting and Elimination of NTBs

REPORTING PROCESS	ELIMINATION PROCESS
Complainant ↓ National Focal Point ↓ EAC Director of Trade and Customs ↓ NTB Maintaining Country ↓ Resolution Mechanism/Process ➢ Bilateral ➢ Multilateral o TIIC Committee o CC o CM ↓ ➢ EACTR final dispute resolution	National NTB Committee ↓ Notification and Categorisation Process ↓ EAC Secretariat ↓ ALL MSs National NM Committees ↓ EAC Directorate of Trade and Customs ↓ ➢ Monitoring ➢ Technical Assistance ↓ NMC undertakes elimination steps/process

2. Member States should form consensus on the major responsibilities of key stakeholder institutions in reporting, monitoring and facilitating NTBs elimination process. Such responsibilities include:

Stakeholder Institution	Responsibilities
Businesses	Reporting existence of NTBs to their associations or chambers of commerce, and monitoring whether planned/recommended actions are being implemented by line ministries and agencies responsible for enforcement.
Business Associations/ Chambers of Commerce/ Clearing & Forwarding Associations	▪ Receiving NTB complaints from members. ▪ Where possible verifying the genuineness of cases reported. ▪ Preparing reports on reported cases for the NMC[82] members, line ministry in charge of EAC matters for information and facilitation of regional discussions/ policy action. ▪ Building a database on reported NTBs. ▪ Acting as watchdogs on the progress of eliminating NTBs. ▪ Following up progress achieved in eliminating or minimizing NTBs at NMC meetings. ▪ Inform their members on the progress made in resolving NTBs at national and regional level.
Line ministry or agency	▪ To receive NTBs complaints from individual businesses, business associations and

[82] NMC – National Monitoring Committee

Stakeholder Institution	Responsibilities
responsible for enforcing a regulation and taking action on reported NTBs	chambers of commerce. ▪ To verify the genuineness of reported cases, review the justification for the law, regulation or procedure, and whether such laws, regulation or procedure contravenes any EAC or international requirements (for example WTO agreements) ▪ To prepare quarterly reports on NTB cases reported and actions taken, and table them to NMC meetings.
NTBs National Monitoring Committees (NMCs)	Each NMC will be the national arm monitoring the progress of eliminating NTBs experienced at the national and EAC level. Each will be responsible for: ▪ Receiving copies of NTB complaints sent to line ministry or agency by business associations, chambers of commerce, and individual businesspeople. ▪ Discussing whether actions taken by the line ministry or agency responsible for enforcement are sufficient. ▪ Initiating bilateral discussions with counterpart NMC in other EAC partner states on NTB cases that may be of a cross-border nature, and initiating an elimination process. Where necessary, equivalent agencies responsible for enforcement of trade regulations will be brought together to negotiate a harmonization process, if the NTB in question is in form of varying trade requirements between member states. Bilateral dispute resolution will always be used before any NTB cases are referred to the EAC Secretariat for policy action. ▪ Forward information to EAC Secretariat on actions taken by line ministry or agency responsible for enforcing an NTB for dissemination to other Partner States NMC. ▪ Disseminating information on actions taken on reported cases in other partner states to the business associations and chambers of commerce for onward transmission to the business community. ▪ Referring cases to relevant EAC Secretariat, where no satisfactory solution in form of a planned review, amendment or withdrawal has been proposed by the agency responsible for enforcement within one calendar month from the date of reporting. Such cases will be forwarded to EAC Secretariat within one calendar month from the date of reporting by the business association/chamber of commerce. ▪ Holding an annual regional forum where members can share experiences on the NTBs elimination process, achievements made, challenges faced and necessary initiatives for improving the efficiency of the Monitoring Mechanism.
COMESA Secretariat	▪ Receive quarterly progress reports from NMCs on resolved or unresolved cases. ▪ Prepare progress reports on resolved cases for the EAC Trade, Industry and Investment Committee and Co-ordination Committee. The reports will inform the committees regarding resolved cases and guide further action. ▪ Initiate dispute resolution by the EAC Trade Remedies Committee on cases that have not been resolved through national, bilateral and regional level discussions. ▪ Facilitate an annual verification of actual practices by the EAC Trade, Industry and Investment Committee.
EAC Trade, Industry and Investment Committee (TIIC)	As mandated by the COMESA Treaty, the EAC TIIC will ▪ Prepare comprehensive implementation programs and prioritise actions to be taken on NTBs ▪ Monitor and constantly review implementation programs and actions ▪ Submit reports and recommendations to the Co-ordination Committee on implementation of actions related to NTBs ▪ Undertake annual verification of actual practices at entry/ exit border stations
Co-ordination Committee (Permanent Secretaries)	The Permanent Secretaries of ministries responsible for EAC matters in each partner state will form the NTB Coordination Committee in line with their mandates under the EAC Treaty. They will chair the NMC in their respective countries and also: ▪ Submit NTB reports and recommendations to the Council of Ministers and progress achieved in eliminating NTBs. ▪ Implement decisions of the Council of Ministers. ▪ Receive and consider reports of the T&C Committee and co-ordinate their activities. ▪ Request TIIC to investigate specific NTB cases ▪ Refer cases that cannot be resolved by the TIIC to the Council of Ministers for policy direction and guidance
EAC Trade Remedies	The EAC Trade Remedies Committee will make a final determination of all NTBs disputes that

Stakeholder Institution	Responsibilities
Committee	cannot be resolved either on a bilateral basis or by the TIIC as mandated by the EAC Treaty.
Business Associations/ Chambers of commerce/ Clearing and Forwarding Associations	▪ Disseminate information on NTBs elimination progress to business people. ▪ Host the EAC annual Business Climate Index (BCI) Survey, aimed at monitoring whether the business climate within the region is improving, or whether new initiatives are required in dealing with NTBs. ▪ Organise regional NMC forums to facilitate sharing of experiences on the NTBs elimination process, achievements made, challenges faced and new initiatives for an efficient Monitoring Mechanism.

Key stakeholders from the Public and Private Sector should be selected at the national level, and each should be represented at the policy making level. Some examples include:

No	Institution	Designation of member
1	Ministry in charge of Trade and Industry matters	Permanent Secretary
2	Ministry in charge of EAC matters	Permanent Secretary
3	Ministry in charge of Foreign Affairs	Permanent Secretary
4	Ministry in charge of transport, communications, roads	Permanent Secretary
5	Ministry in charge of Public Finance	Permanent Secretary
6	Ministry in charge of Agriculture, livestock, and fisheries matters	Permanent Secretary
7	Ministry in charge of immigration matters	Permanent Secretary
8	Revenue Authority	Commissioner General
9	Customs and Excise Department	Commissioner
1	Weighbridges Department	Director or Head of department
0	Bureau of Standards/ authority	Director/ Head/ Chief Executive
11	Ports Authority	Chief Executive
12	Railways Corporation/authority	Chief Executive
13	Institution in charge of plants health and pest control inspection services	Chief Executive
14	Weights and Measures Agency	Chief Executive
15	Business association/ manufacturers association	Chief Executive
16	Clearing and forwarding association	Chief Executive
17	Chamber of Commerce and Industry	Chief Executive
18	Export Promotion Council/ public trade promotion organisation	Chief Executive
19	Selected businesses with substantial regional trade (exports and imports)	Managing Directors
20	Selected local authorities whose functions impact substantially on business activities	Town Clerk

3. All Member States should report on existence of NTBs using the already provided NTB Reporting Form. Further, Member States should report on such NTBs under the following WTO NTB Categorization Codes so as to facilitate an easy approach to elimination/ reduction process:

   3.1 Government participation in trade and restrictive practices tolerated by governments
   3.2 Customs and administrative entry procedures
   3.3 Technical barriers to Trade
   3.4 Sanitary and Phytosanitary Measures
   3.5 Charges on imports
   3.6 Other NTB Categories

4. The National Monitoring Committees will report to the EAC Secretariat on existence of NTBs that have been resolved and also those that have not resolved at national level or through bilateral discussions under the above WTO categorization codes using the following template:

WTO NTB Inventory Code (Part)								
1	2	3	4	5	6	7	8	9
Problem Area/ WTO NTB Description (section & description)	Description of the most severe NTBs	Impact of NTB to businesses (time and cost)	Responsibility	Possible approach to eliminate NTB	Performanc e Benchmarks	Means of Verification (e.g. reports)	Constraint s	Success Factor (to eliminate constraint)

5. Members States should notify introduction of any Non-Tariff Measures (NTMs) in order to lessen the perception of unfair or arbitrary NTBs. It should be obligatory for any Member State to first notify the EAC Secretariat of any intention to impose a legislative, ministerial or regulatory NTM on any product or service. The notification should include a justification and duration for such an NTM. Such notifications should then be circulated to all Member States and then by the Ministry responsible for EAC matters to key stakeholders in the Partner States. Under emergency situations, such notification will be made as soon as possible after issuing of the NTM. This is important since only through transparency and information sharing can trade barriers to trade be understood. Member States should however note that many NTMs may exist for legitimate reasons such as consumer protection, public safety, & environment protection. Such measures only become genuine NTBs when they are implemented in such a manner that unnecessarily adds to costs or inhibit trade, are discriminatory or are applied in an illegitimate manner. Also, Member States should note that apart from the straightforward category of border restrictions (e.g. import or export quotas), some measures become NTBs if the administration (or lack thereof) become obstacles during their implementation. Such consequences should be avoided as much as possible.

6. The EAC Secretariat should:
    - Address the interpretation of the provisions of the rules of origin through capacity building activities aimed at promoting intra-EAC trade. This will include administrative issues that have constrained intra-EAC trade over a number of years.
    - Put in place a robust programme for harmonizing technical standards and implementation of the SQMT protocol as a way of providing a platform for regional mutual recognition of standards, and testing for conformity to regional technical regulations.
    - Coordinate the annual BCI to measure whether the business climate is improving or deteriorating within the region. The BCI in future should cover more business towns, give comparisons with best case countries on trade-related procedures, and cover the new EAC members (Rwanda and Burundi).

7. For an effective NTB reporting, monitoring and reduction/elimination process, Technical Assistance Needs and Other Supportive Arrangements will be required at the national level. It is therefore imperative that technical assistance be factored into the implementation process, whose purpose will include:

7.1 Specifying and clarifying responsibilities of various institutions identified in each country's action plan, and monitoring implementation of actions as per the set deadlines

7.2 Following-up with responsible ministries, agencies and departments on whether actions on planned NTB elimination process have been taken, and identifying any mitigating factors where actions are not undertaken on schedule

7.3 Organising regular and action-oriented consultations between NMCs and various institutions responsible for providing services to the private sector, such as those in charge of utilities and infrastructure, finance, land/business premises, security and business support services.

7.4 Preparing progress reports for National NTB Committees regarding actions taken on recommended NTB elimination/reduction process

7.5 Coordinating organization of regional level forums for NMCs aimed at harmonizing procedures and practices, and following-up progress of such harmonization initiatives

7.6 Assisting the EAC Secretariat to coordinate a harmonized approach to regional level reporting, verification, monitoring and arbitration of notified NTBs

7.7 Organising bi-annual verification of actual practices at border stations with regard to customs, immigration and standards/ export certification; and practices at police roadblocks and weighbridge stations

7.8 Organising regular action-oriented policy dialogue and experience-sharing consultations between the Private Sector and ministries, agencies and departments responsible for enforcing trade-related procedures and regulations

7.9 Organising media forums aimed at providing information to the public regarding NTBs that have been eliminated, those reduced and the impact of such actions to the EAC integration process

7.10 Organising sensitization events with various private sector groups as an outreach strategy. Where necessary, such events will include other stakeholders within the EAC such as media, NGOs and CBOs

7.11 Coordinating the annual business climate index survey for EAC whose results will indicate whether the business climate is improving or deteriorating with regard to NTBs and other business climate factors. The BCI results will also indicate new initiatives that may be require to be considered by Policy Makers in the as the integration process deepens.

ANNEX II: MONITORING MECHANISM CONSULTATION PROCESS

(a) NATIONAL ONE-TO-ONE CONSULTATIONS (*September and December 2005 and in Feb/March 200)*

1. KENYA

Name of Official and Position in Organization	Organization
Mrs. Rachael Ntoyai – Head of Phytosanitary Inspection; Phytosanitary Dept	Kenya Plant Health Inspectorate (KEPHIS)
o Mr. John Matheka - Trade Dev Officer o Mr. Laban Onditi Rao – 1st Vice Chairman	Kenya National Chamber of Commerce and Industry (KNCCI)
o Mrs. Margaret Aleke – Head of Dept (Service Standards) o Mr. John Wepukhulu – Head of Pre-shipment Verification of Conformity (PVoC) o Mrs. Jane N Maina – Head of Section (I/E ICDN) o Mrs. Immaculate Odwori – Head of Quality Assurance	Kenya Bureau of Standards (KEBS)
Mr. Walter Kamau - Executive Officer, Trade	Kenya Association Manufacturers (KAM)
o Mr. Keli Kiilu – Corporate & Regulatory Affairs Director/ Manager EAC o Mr. Eric Kiniti – CORA Executive – Corporate & Regulatory Affairs	BAT Ltd
Mr. George Kidenda – Managing Director	SDV Transami
Mr. Daudi Kyalo – Traffic Commandant	Kenya Police Force
Mr. Edwin Bii – Area Sales Manager (East)	Ketepa Ltd
Mr. James Kinyanjui - Administration & Human Resources Manager	Beta Health care
Mr. Nicholas Ondigo – Asst Principal Immigration Officer	Immigration Department
Mr. Antony Mburu – Exports Manager	Haco Industries
Mr. Dev K. Bij – Managing Director	Star Freight
Mr. Peter Opiyo – Chief Analyst	Pest control Products Board
Mr. Ng'ang'a - Deputy Registrar of Companies	Registrar of Companies
Mr. Boniface M Makau – External Trade Dev Officer	Ministry of Trade and Industry

2. TANZANIA

Name of official and Position in Organization	Organization
Mr. Hussein S Kamote - Director of Policy and Research	Confederation of Tanzania Industries (CTI)
Mr. Kalua M. Simba - Chamber Development Officer	Tanzania Chamber of Commerce, Industry and Agriculture
Mr. Uledi A. Mussa - Senior Industrial Economist	Ministry of Industry and Trade
Mr. Esteriano E Mahingila - Chief Executive Officer	Business Registrations and Licensing Authority
o Mrs. Beatrice Mutabazi - Deputy Director o Eng. Katabwa J. - Chief Quality Assurance Officer	Tanzania Bureau of Standards (TBS)
Mrs. C. Ugullum - Ag. Director General o P.U. Matagi o S.I. Kajuus o Grace Mng'ong'o o Ouyumpia Kowero o S.S. Ngendabanko o L. Mwambole o Raymond Wigenge Heads of Departments	Tanzania Food and Drugs Authority (TFDA)
Mr. K. Mwasha - Ag. Director General	Board of External Trade
Mr. Said M Said	Said Salim Bakhresa & Co.
Mr. Mohammed Remtulla - General Manager	Kioo Ltd
Mr. Laurean M. Tibasana - Commissioner of Police (Operations and Training)	Tanzania Police Force
Mr. Audifax Choma - Assistant Commissioner/ Ag. Director EAC Affairs	Ministry of Foreign Affairs and International Cooperation
Mr. Louis Accaro - Executive Director	Tanzania Private Sector Foundation
Senior Principal Collector – Technical Units: Customs and Excise	Tanzania Revenue Authority
Mr. Ali H M Tukai - Chief Executive Officer	Weights and Measures

Name of official and Position in Organization	Organization
	Ministry and Industry and Trade
Dr. F. Y. Addo-Abedi - Chief Executive	Tanzania National Roads Agency
Mr. David Maina - Commercial Attaché	Kenya High Commission

3. UGANDA

Name of Official and Position in Organization	Organization
Mr. Tibeyongaw	Uganda Police
Mr. Ibnul Hassan Rizvi – Managing Director	Mukwano Group of Companies
Mr. Richard Kamajugo	Ag Commissioner of Trade
o Ms Florence Kata – Executive Director o Mr. Ben Naturida – Director Information Systems	Uganda Export Promotion Board
Mr. Bisereko Kyomuhendo - Ag Registrar General	Uganda Registration Services Bureau
Mr. Theodore Kaahwa Sababaki - Commissioner for Trade Mr. Patrick Okilangole - Principal Commercial Officer- COMESA Desk	Ministry of Tourism, Trade and Industry
Mr. John Twinomusinguzi - Secretary General	Uganda National Chamber of Commerce and Industry (UNCCI)
Mr. Hilary Obonyo - Executive Director	Uganda Manufacturers Association (UMA)
Mr. Oyo-Nyeko Benson - Assistant Commissioner of Police; Regional Police Commander - Kampala Area	Uganda Police
Mr. Vinay Dawda - Managing Director	Britania Allied Industries Ltd
Mr. Keith Diniz - Commercial Director	Interfreight Uganda Ltd
Dr. J B Kasirye - Officer in Charge, Regulatory Services	Veterinary Services, Ministry of Agriculture
Officer in Charge of Weighbridges	Weighbridge Department
Mr. Dennis Manana - Head EAC Division	Ministry of Foreign Affairs
Mr. Charles Mwebembezi - Declaration/ ICD Manager	SDV Transami
o Mr. Terry Kahumba - Managing Director o Mr. Musoke Ggviira - In Charge, Import Inspection	Uganda National Bureau of Standards
Mr. Elinathan Masiko - Supervisor Tariff Mrs. Angella Achieng B - Supervisor International Affairs Mr. Stephen Katumba - Supervisor Revenue Intelligence	Customs and Excise Department
Mr. Kassim Omar; Vice President- UNCCI Associate chairman; UCFA	Uganda Clearing and Forwarding Agents Association Uganda National Chamber of Commerce and Industry (UNCCI)
Officer in Charge of Weighbridges	Weighbridge Department
Ms. Maudah Atuzarirwe - Registrar	Uganda Registration Services Bureau
Mr. James Kisaale - Ugandan Representative	Joint Permanent Commission
Mr. Hitesh Shah - Managing Director	Union Logistics (U) Ltd

(b) ATTENDANCE TO NATIONAL DISSEMINATION WORKSHOPS

1. KENYA (26th Oct 2005)

Institution	Name of Official	Designation
Ministry of Trade and Industry	Mr. David Nalo	Permanent Secretary
Ministry of East African and Regional Cooperation	Amb. Peter Ole Nkuraiyia	Permanent Secretary
Ministry of East African and Regional Cooperation	Mr. Barrack Ndegwa	Director of EAC
Kenya Revenue Authority	Mr. El-Samma Ndegwa	Commissioner of Motor Vehicles
Kenya Revenue Authority	Ms. Florence Otuory	Senior Assistant Commissioner
Ministry of Immigration and Registrar of Persons	Mr. Nicholas Ondigo	APLO/ Visa
Kenya Bureau of Standards	Ms. Jane Mina	Head of Department – Internal Container Deport (Nairobi)
Kenya Bureau of Standards	Mr. Reuben Gisore	Standards Officer
Kenya Plants and Health Inspectorate	Dr. Esther Kimani	Officer in charge of plant quarantine

Institution	Name of Official	Designation
		station
Kenya Institute of Public Policy and Research Analysis	Mr. Fred Mweincha	Policy Analyst
Kenya Ports Authority	Mr. A. Mutai	
Ministry of Roads and Public Works Weighbridges Department	Eng. Z. Maangi	
Ministry of Roads and Public Works Weighbridges Department	Eng. George Onyach	Head of Department
Ministry of Finance	Mr. Evans Maturu	
Ministry of Trade and Industry	Mr. B.M. Makau	External Trade Dev Officer
Ministry of Trade and Industry	Mr. M. Otieno	External Trade Dev Officer
Ministry of Trade and Industry	Mr. D.C. Koech	External Trade Dev Officer
Ministry of Trade and Industry Weights and Measures Department	Mr. J.G. Kiarie	
Pest Control Board	Ms. Everline Cherangoi	Registration Officer
Pest Control Board	Mr. Peter Opiyo	Chief Analyst
Police Department Traffic Commandant's Office	Mr. Alfred Asilingi	Senior Superintendent of Police
Export Promotion Council	Mr. Maurice Otieno	Research Manager
GTZ/ EABC	Mr. Busso Von Alvensleben	Advisor
East African Business Council	Mr. Moses Ogwal	Trade Expert
Star Freight Limited	Mr. Peter Ngunjiri	Import Supervisor
KETEPA Ltd	Mr. Edwin Bii	S/ Manager
Kenya International Freight and Forwarders Association	Mr. John Mathenge	Executive Officer
Kenya International Freight and Forwarders Association	Ms. Jacinta Maganda	Secretary General
Kenya National Chamber of Commerce and Industry	Mr. Laban Onditi	1st Vice Chairman
Kenya National Chamber of Commerce and Industry	Mr. John Matheka	Senior Trade and Development Officer
Mabati Rolling Mills Ltd	Mr. George Arodi	Exports Manager
Haco Industries Ltd	Mr. Polycarp Igathe	Director of Sales and Marketing
Nation Media Group	Ms. Wanjiku Waithaka	Business Writer
Kenya Times Ltd	Mr. Vincent Musumba	Business Writer
Panapress	Mr. David Otieno	Reporter
Kenya News Agency	Mr. Jacob Oboko	Reporter
The Standard Newspaper	Mr. John Oyuke	Reporter
General Motors East Africa	Eng. John Mwirichia	KAM Vice Chairman
Kenya Association of Manufacturers	Ms. Betty Maina	Chief Executive
Kenya Association of Manufacturers	Mr. Walter Kamau	Senior Executive Officer
Kenya Association of Manufacturers	Mr. Dickson Poloji	Policy Analyst
Kenya Association of Manufacturers	Ms. Betty Akinyi	Meetings Facilitator
Kenya Association of Manufacturers	Ms. Sylvia Mulindi	Economist (Intern)
Trade and Investment Consortium	Mr. Simon Ihiga	NTBs Monitoring Mechanism Consultant

2. TANZANIA (*28th October 2005*)

Institution	Name of Official	Designation
Confederation of Tanzania Industries	Mr. Amu Shah	Representing Mr. A B S Kilewo Chairman EABC
Confederation of Tanzania Industries	Mr. Harpreet Duggal	Representing Mr. S N Salgar 1st Vice Chairman
Ministry of Foreign Affairs and International Cooperation	Mr. Audifax A Choma	Chairman/Moderator of the Workshop Assistant Commissioner/ Ag. Director EAC Affairs
Tanzania Chamber of Commerce Industry and Agriculture	Mr. Kalua Simba	Workshop Discussant Chamber Development Officer
Tanzania Revenue Authority	Mr. Edes Francis Banzi	
Sumaria Group (T) Ltd	Mr. Rahul Machotra	
Ministry of Industry and Trade	Dr. L S Kaboyoka	

Treasury – Ministry of Finance	Mr. Geoffrey Kabakaki	
Weights and Measures Agency	Mr. Richard E Kadege	
Tanzania Bureau of Standards	Mr. Joshua Katabwa	
Vibindo Society	Mr. Gaston G Kikuwi	
Tanzania Private Sector Foundation	Mr. Peter Lanya	
Tanzania Freight Forwarders Association	Mr. Walter Mndeme	
Presidents Office, Planning and Privatisation	Ms. Diana E Makule	
Tanroads	Ms. Verdiana Macha	
Tanroads	Mr. Feya Malekela	
EABC	Mr. Elly Manjale	Executive Director
Presidents Office	Mr. Lewis Mtoi	
Ministry of Agriculture and Food Security	Ms. Margaret Ndaba	
Ecolab East Africa	Mr. Amon M Shaidi	
Tanzania Distilleries (T) Ltd	Mr. Kirowi Suma	
Confederation of Tanzania Industries (CTI)	Mr. Hussein S Kamote	Director of Policy and Research
Confederation of Tanzania Industries (CTI)	Mr. Thomas M Kimbunga	CTI Secretariat
Confederation of Tanzania Industries (CTI)	Ms. Neema Mhondo	CTI Secretariat
Confederation of Tanzania Industries (CTI)	Mrs. Theckla Myovela	CTI Secretariat
Trade and Investment Consortium	Mr. Simon Ihiga	NTBs Monitoring Mechanism Consultant
Freelance Journalist	Mr. Japhet Benjamin	Journalist
The Guardian	Mr. Bilal Abdul-Aziz	Journalist
Mwananchi	Mr. Isaac Ulimboka	Journalist
East Africa TV	Mr. David Gumbo	Journalist
Radio Mlimani	Ms. Natihaika Amini	Journalist
The Express	Ms. Gloria Lyatuu	Journalist
ITV	Mr. Allan Lawa	Journalist
ITV	Mr. Abdallah Kaniki	Journalist
Radio One	Mr. John Lugendo	Journalist
Business Week	Ms. Mwajabu Mlanzi	Journalist
The Business times	Mr. Andrew Msekelo	Journalist
East Africa Radio	Ms. Flora Nzema	Journalist
Praise Power Radio	Ms. Joyce Rutha	Journalist
The Citizen	Mr. Finnigan Simbeye	Journalist

3. UGANDA

Name of official	Organisation
Hon. M. Nabeta	Ministry of Tourism Trade and Industry
Mr. Abid Alam	Alam Group
Dr. Morris Obwona	EPRC
Mr. Hilary Obonyo	Uganda Manufacturers Association
Mr. Dennis Manana	Ministry of Foreign Affairs
Mr. Richard Kamajugo	Uganda Revenue Authority
Mrs. Jennifer Mwijukye	Uganda Freight Forwarders Association
Mr. Oyo Nyeko	Uganda Police
Mr. Othieno	Uganda Export Promotion Board
Mr. Joseph Bogera	Uganda National Chamber of Commerce
Mr. Sansa Ambrose	Uganda Manufacturers Association
Mr. J. Mwongera	Mukwano Industries
Mr. Augustine Mwendya	UNFFE
Mrs. Akale Proscovia	UMIA
Mr. Nalumu Rebecca	Uganda Investment Authority
Mr. John Ssempabwa	Private Sector Foundation
Mr. Mark Ongom	Celtel (U) Ltd
Mr. Muchake Jairus	Roofings Ltd
Mrs. Betty Kiguli	Nice House of Plastics
Mr. Mawanda Robert	Uganda Manufacturers Association
Mr. Ogwal Moses	EABC

Mr. Vincent Freedom Kaheeru	ICGU
Mr. Jagadish Kumathe	Brittania Industries
. William Tibyasa	UFPEA
Mr. Musooka Kiwanuka	UREA
Mr. Gumisiriza Caleb	UNFFE
Mr. F.X Mubuuke	UNABCEC
Mr. E. F Ntanda	Uganda Commercial Farmers
Mr. Chris Ssewagudde	Federation of Uganda Employers
Mr. James Ogwang	UGA PRI
Mr. Michael Kyeyune	UMU
Mr. Richard Mubiru	Southern Range
Mr. R. Partel	BPC
Mr. Alex Lugya	Maganjo
Mr. Walter Wafula	Daily Monitor
Mr. R. Bhatanagar	Uganda Baati
Mrs. Ann P. Omenye	Kenya Ports Authority (Kampala Office)
Mr. James Kisambira	Nile Fishing Company
Mr. Kashiwada Yuichi	Phenix Logistics
Mr. Anant Parmar	Sigma Knitting
Mr. Manish Gathani	Nile Cosmetics
Mr. Peter Kaiju	New Vision
Mr. Alex Gita	KFM
Mr. Peter Kimanthi	Daily Monitor
Mr. Christopher Jacques	Total Uganda
Mr. John Nsubuga	Riley Industries
Mr. P.K Sharma	Farm Engineering Ltd
Mr. Consolate	KPI
Mr. Dan Muhimuza	Shumuk Aluminium
Mr. Edith Nansamba	Tuwereza Bakery
Mrs. Musoke Ann	Uganda Batteries
Mr. Kennedy Mulwa	Proctor and Allan
Mr. Miiro Nsubuga	Ntake Bakery
Mr. Mugere Musa	Luuka General Enterprises
Mr. Keith Diniz	Interfreight
Mrs. Nakyeyune	Kisakye Pharmaceuticals
Mr. Komuntu	Ken Group
Mr. Bukenya Sulaiman	Mavid Pharmaceuticals
Mr. B.M Kibirige	Hotel Africana
Mr. Nabimalwa Wuber	Red Pepper

(c) MEMBERS OF NATIONAL WORKING COMMITTEES

1. KENYA

Institution	Name of Official	Designation
Ministry of East African and Regional Cooperation	Mr. Kasangu – representing Mr. Barrack Ndegwa	Director of EAC
Kenya Bureau of Standards	Mr. Reuben Gisore	Standards Officer
Kenya Institute of Public Policy and Research Analysis	Mr. Fred Mweincha	Policy Analyst
Ministry of Roads and Public Works Weighbridges Department	Eng. George Onyach	Head of Department
Ministry of Trade and Industry	Mr. B.M. Makau	External Trade Dev Officer
Police Department Traffic Commandant's Office	Mr. Alfred Osilingi	Senior Superintendent of Police
Kenya International Freight and Forwarders Association	Mr. John Mathenge	Executive Officer
Kenya National Chamber of Commerce and	Mr. John Matheka	Senior Trade and Development Officer

Industry		
Kenya Association of Manufacturers	Mr. Dickson Poloji	Policy Analyst
Trade and Investment Consortium	Mr. Simon Ihiga	NTBs Monitoring Mechanism Consultant

2. **TANZANIA**

Institution	Name of Official
Weights and Measured Agency	Ms M. Chuwa
Customs Department	Mr. Magori C. Magori
Ministry of Trade and Industry	Ms. H.G. Kembo
Tanzania Bureau of Standards	Mr. Katabwa Joshua
Confederation of Tanzania Industries	Mr. Hussein Kamote
Tanzania Police Force	ACP A.W. Mugambo
NTBs Monitoring Mechanism Consultant	Simon Ihiga

3. **UGANDA**

Institution	Name of Official	Designation
Benson Oyo-Nyeko	Uganda Police	Regional Police Commander/ Kampala
Mukwano Industries	Ibnul Hassan Rizvi B.W. Rwabwogo	CEO
Ministry of Tourism, Trade and Industry	Mr. Theodore Kaahwa Sababaki	Commissioner for Trade
SDV Transami	Mr. Kironde Peter S.	
Britania Allied Industries Ltd	Jagadish Kumathe	General Manager
Ministry of Foreign Affairs	Mr. A.D. Manana	EAC Division
NEPB	Othieno Odoi	STPO
Uganda Registration Services Bureau	Mr. Assuna Juliet	PSA (Ag. RG)
Customs and Excise Department	Mr. Bihari HO	Supervisor
Interfreight Ltd	Mr. John Okwaroi	Declaration Officer
Interfreight Uganda Ltd	Mr. Keith Diniz	Commercial Director
Trade and Investment Consortium	Mr. Simon Ihiga	NTBs Monitoring Mechanism Consultant