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Women traders in East Africa: The case study of the Busia One Stop Border Post

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Abstract

Across the continent, African countries are implementing various projects to improve intra-regional trade, with a specific focus on improved trade facilitation and the constraints that impede cross-border trade. Efforts have focused on ensuring improved hard infrastructure such as one-stop border posts, together with policy and regulatory reforms. However, while improved trade facilitation has reduced constraints to cross-border trade, one of the lesser areas of focus is the gendered impact that hard and soft infrastructure has on informal cross-border traders, specifically women traders. Women informal cross-border traders constitute up to 70% of informal cross-border trade in Africa; despite this, policy reforms and infrastructural improvements do not always factor in a gender-sensitive approach. This paper focuses on the case study of the Busia One-Stop Border Post (OSBP), one of the busiest border crossings between Kenya and Uganda, in order to examine the impact that improvements to soft and hard infrastructure have had on the daily trading realities of women traders. In discussing the Busia case study, the paper assesses the specific constraints currently facing women traders in East Africa and how policy and infrastructural reforms have responded to the needs of women. It concludes with recommendations on helping government agencies meet the needs of women traders.

Introduction

The plight of women informal cross-border traders (WICBTs) has long been on the margins of debates on improving regional trade and integration on the continent. Up to 70% of informal cross-border (ICB) traders in Africa are women,¹ and they are the face of informal cross-border trade (ICBT) on the continent. While education levels vary among WICBTs, many of them are the primary breadwinners in their families. According to the UN Conference on Trade and Development (UNCTAD),²

Informal cross-border trade is trade between neighbouring countries conducted by vulnerable, small, unregistered traders. Typically, it is proximity trade involving the move of produce between markets close to the border. The informality refers to the status of the trader (unregistered), not necessarily to the trade itself (captured or unrecorded by the official customs system).

Given the high prevalence of WICBTs, the issue is strongly rooted in gender-based concerns and intrinsically tied to the feminisation of poverty.³ Gender, informal work and poverty are

1 Koroma S et al., *Formalisation of Informal Trade in Africa: Trends, Experiences and Socio-Economic Impacts*. Accra: FAO (Food and Agriculture Organization) Regional Office for Africa & CUTS International, 2017.

2 UNCTAD (UN Conference on Trade and Development), 'Informal cross-border trade for empowerment of women, economic development and regional integration in Eastern and Southern Africa', <http://unctad.org/en/Pages/DITC/Gender-and-Trade/Gender-Project-1617J.aspx>, accessed 16 July 2019.

3 Koroma S et al., *op. cit.*

often linked, and the informal economy is an important source of employment and income for women throughout the developing world. This is because restrictive regulatory and legal environments, coupled with an absence of skills, push women and other vulnerable groups into self-employment in the informal sector.⁴ For many women in rural areas near borders, ICBT is often the only source of income: up to 60% of the non-agricultural self-employment of women in sub-Saharan Africa comes from cross-border trade.⁵

While accurate data on ICBT volumes is limited, estimates suggest that between 50% and 60% of total intra-African trade is informal.⁶ ICBT contributes between 30% and 40% of total intra-regional trade in the SADC region and 40% in the Common Market for Eastern and Southern Africa (COMESA) region.⁷ The goods traditionally traded informally include non-processed foods (ie, basic food supplies); low-value manufactured goods; and re-exported goods (including handicrafts and value-added agro-processed foods). Women traders also play a significant role in contributing to the regional and domestic economies of their respective countries, both by volume traded and by employment opportunities created. In some cases, such as during the Zimbabwean economic crisis in the mid-2000s, WICBTs played an essential role in procuring manufactured goods and food supplies from South Africa to re-sell in Zimbabwe. Similarly, across East Africa, the goods most commonly exchanged are consumer goods and staple food commodities that play a key role in meeting food security needs.⁸

ICBT contributes between 30% and 40% of total intra-regional trade in the SADC region and 40% in the COMESA region

The distinction between 'formal' and 'informal' traders is academic and does not necessarily exist in daily trading practices. A 2000 study of cross-border traders between South Africa and Mozambique found that most had some engagement with officials, with many travelling with valid visas between the countries, and most paying some (though not all) duties on goods.⁹ This overlapping behaviour blurs the distinction between formality and

4 Spevacek AM, *Constraints to Female Entrepreneurship in sub-Saharan Africa*, USAID Knowledge Services Centre. Washington DC: USAID, 2010. See also Koroma S *et al.*, *op. cit.*

5 Brenton P & C Soprano, 'Small-scale cross-border trade in Africa: Why it matters and how it should be supported', *Bridges Africa*, 7, 4, 2018.

6 Fundira T, 'Informal Cross-Border Trading: Review of Simplified Trade Regimes in East and Southern Africa', Tralac Trade Brief. Stellenbosch: Tralac Trade Law Centre, 2018.

7 Sommer L & C Nshimbi, 'The African Continental Free Trade Area: An opportunity for informal cross-border trade', *Bridges Africa*, 7, 4, 2018.

8 Jouanjean MA *et al.*, *Regional Infrastructure for Trade Facilitation*, Report. London: ODI (Overseas Development Institute), 2016.

9 Higgins K, *Gender Dimensions of Trade Facilitation and Logistics: A Guidance Note*. Washington DC: World Bank Group, 2012. See in reference Peberdy S, 'Border crossings: Small entrepreneurs and cross-border trade between South Africa and Mozambique', *Journal of Economic and Social Geography*, 91, 4, 2000.

informality in real-life settings. Nevertheless, the linkages between formal and informal trade remain indisputable. Formality, fundamentally, refers to the procedures of trade itself and not necessarily the goods traded or the traders themselves.¹⁰ ICBT should also be distinguished from criminal cross-border trade, which involves a more illegal practice (intentionally or not) as a result of under-invoicing, misclassification, bribery and misdeclaration, as detailed in Table 1.

Category A	Category B	Category C
Informal (unregistered) traders or firms operating entirely outside the formal economy	Formal (registered) firms fully evading trade-related regulations and duties (for example, avoiding official border crossing posts)	Formal (registered) firms partially evading trade-related regulations and duties by resorting to illegal practices such as misclassification and under-invoicing

Source: Ogalo V, 'Informal Cross-Border Trade in EAC: Implications for Regional Integration and Development', Policy Briefing 7. Geneva: CUTS Geneva Resource Centre, 2010

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Cross-border trade (formal or informal) is often influenced by the availability of goods, the quality of road and transport infrastructure, and the existence of trust-based networks among traders.¹¹ Lesser and Moise-Leeman note that ICBT is most likely to occur when:¹²

- the formal entry or exit of certain goods is obstructed, and there are price disparities between formally and informally traded goods;
- law enforcement is weak, corruption and bribery are high, and payments are needed to facilitate the cross-border movement of goods; and
- the transaction costs arising from regulatory requirements (ie, customs, taxes and other monies) are significant and act as a barrier to women entering the formal trading economy.

10 Koroma S *et al.*, *op. cit.*

11 Lesser C & E Moisé-Leeman, 'Informal Cross-Border Trade and Trade Facilitation Reforms in sub-Saharan Africa', Trade Policy Working Paper, 86. Paris: OECD (Organisation for Economic Co-operation and Development), 2009.

12 Fundira T, *op. cit.*

To date, considerable research has been done on the general constraints and challenges facing WICBTs and governments' efforts (or lack thereof) to incorporate them into formal trading avenues. To varying degrees, issues around the trading and economic realities of WICBTs have also been the focus of donors and international development agencies. Reasons for these efforts range from the protection of women's human rights to issues related to job creation, improved food security and the creation of small regional value chains. Most importantly, addressing the core constraints that WICBTs face will capacitate women and contribute towards their emancipation.

Despite fluctuating interest in addressing the needs of women traders, numerous challenges still face WICBTs. One of the major reasons for this is the absence of gender-mainstreaming initiatives in trade policies in African countries and the need to incorporate gender-related sensitivities in issues related to infrastructure development and construction. Existing literature tends to highlight cross-border infrastructure development in the context of improved trade facilitation and smoother cross-border operations. It makes little mention of progress or shows little insight into gender-specific considerations of how border infrastructure affects WICBTs.

This paper focuses on assessing the effects of African governments' pursuit of improved trade facilitation (specifically OSBPs and simplified trade regimes [STRs]) on WICBTs. It examines how improved trade facilitation efforts have made a meaningful impact on the daily trading realities of WICBTs, and whether they have been able to use improvements to hard and soft infrastructure to their advantage. It also gives insight into ongoing government efforts to improve the trading environment for WICBTs. The case study of the Busia OSBP crossing between Kenya and Uganda offers an assessment of the uptake of soft and hard infrastructure improvements by women traders. The paper concludes by identifying implementation and policy gaps that call for attention from donor agencies, the Ugandan and Kenyan governments and civil society organisations.

Understanding the East African trading environment, and the role of WICBTs

The trading profile of the East African region

The East African Community (EAC) Customs Union has been in force since 2005, while the EAC Common Market became fully operational in 2010.¹³ EAC member states have adopted a linear model of integration, following a step-by-step process of goods, labour

13 The East African Community (EAC) members are Burundi, Kenya, Rwanda, Tanzania, Uganda and South Sudan. All of them, except South Sudan, are also World Trade Organization (WTO) members. This analysis centres on the EAC as the focal regional economic community (REC) because the Busia OSBP is located at the Kenya-Uganda border. The Common Market for East and Southern Africa (COMESA) is referred to only where necessary or to highlight other projects to which Uganda is a party through its COMESA membership.

and capital market integration, and eventually monetary and fiscal integration. The EAC Customs Union includes a common external tariff on imports from third countries, duty-free trade between member states in accordance with EAC rules of origin, and common customs procedures.¹⁴ The Protocol on the Establishment of the EAC Common Market entered into force in July 2010, and delineates four freedoms: the movement of goods, labour, services and capital. Reforms to implement the EAC Common Market have progressed at differing rates among member states, although there is continued progress.¹⁵ However, EAC countries struggle to improve their intra-regional trade levels. Agriculture and services are the two main drivers of EAC economies, but the ratio of EAC – World Trade Organization (WTO) members’ trade (including intra-EAC trade) in goods and services remains at 50% (intra-EAC trade by itself constitutes only 10% of the total merchandise trade of the community over the review period). This is the result of, inter alia, informal (unrecorded) cross-border trade; poor infrastructure; and non-tariff barriers, such as cumbersome administrative procedures.¹⁶ This 50% figure comes on the back of a notable decline in intra-EAC trade, from 57.2% in 2011 to 37.5% in 2017.¹⁷

In recognising the challenges in regulating cross-border trade, African countries have made several efforts to improve trade facilitation at their borders and to deepen their regional integration. According to the UN Economic Commission for Africa’s Regional Integration Index Report 2016, the EAC ranks as the top performing community in overall regional integration.¹⁸

Various EAC legal instruments account for the ongoing and possible contributions that women make to the region’s economy. Article 5.1 of the EAC Treaty broadly provides for cooperation among partner states in a wide range of issues, including political, social, economic, technology, defence, legal and security matters. Article 121 of the EAC Treaty provides for opportunities that ‘create or adopt technologies which will ensure the stability of employment and professional progress for women workers’, while Article 122 provides for the role of women in business. It specifically promotes special programmes for women in small, medium and large-scale enterprises, recognises national and regional associations of businesswomen and supports them to promote the effective participation of women in the trade and development activities of the EAC.¹⁹

The EAC Treaty’s gender-based provisions are underscored by the EAC Gender Policy of 2018, which provides for gender mainstreaming and gender-based auditing across a wide range of issues.²⁰ It seeks to promote equal access to and control of productive

14 Zarilli S et al., *Borderline: Women in Informal Cross-Border Trade in Malawi, the United Republic of Tanzania and Zambia*. Geneva: UNCTAD, 2019.

15 *Ibid.*

16 Trade Policy Review Body, *Report by the Secretariat: Trade Policy Review of the East African Community*, WT/TPR/S/384. Geneva: WTO, 13 February 2019.

17 *Ibid.*

18 Aydiner-Avsar N, *East African Community Regional Integration: Trade and Gender Implications*. Geneva: UNCTAD, 2018.

19 EAC Secretariat, ‘The Treaty for the Establishment of the East African Community 1999, as amended 2000 & 2007’. Arusha: EAC Secretariat.

20 EAC Secretariat, *East African Community Gender Policy 2018*. Arusha: EAC Secretariat, 2018.

resources and participation in regional trade for all women, and to support and promote the participation of women in small, medium and large-scale enterprise development and cross-border trade.²¹

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In recent years the income and contribution potential of informal traders has captured governments' attention, and regional economic communities are increasingly trying to improve the trading realities in ICBT. Some governments now realise that, if properly organised, informal traders can have positive macro-economic and socio-economic benefits, alleviate food insecurity and help promote income generation, particularly in rural border communities.²²

However, these benefits can only be realised when the contributions WICBTs make to their communities and to the economy are recognised. For African economies, it is important to realise that while informal enterprises provide a short-term solution to covering daily expenditures, it is also important to create an economy with a higher proportion of formal enterprises that offer long-term job sustainability, poverty reduction and welfare creation.²³ This requires implementing measures that formalise trading channels for ICBT and that build gender-based considerations into infrastructure design. Ensuring that ICB traders operate within the law does not necessarily mean they need to undergo a full formalisation process. It does, however, entail simpler regulations and improved infrastructure that allow them to trade in a safe environment while complying with trade-related regulations.²⁴ It also requires formalisation to be supported by simplified administrative requirements, technical assistance, financial services and other incentives and systems, with net positive gains transferred to the informal traders.²⁵

Trade facilitation mechanisms: STRs and the implementation of OSBPs

In the EAC and COMESA, member states have begun implementing STRs and OSBPs. OSBPs are at the core of a 'whole of government' approach to border coordination. They are aimed at reducing the time and costs associated with clearing goods into countries

21 *Ibid.*

22 Fundira T, *op. cit.*

23 Lesser C & E Moise-Leeman, *op. cit.*

24 Jouanjean MA *et al.*, *op. cit.*

25 Koroma S *et al.*, *op. cit.*

and goods in transit, and call for the application of joint controls to minimise routine activities and duplications.²⁶ The EAC's operationalisation of the OSBPs and regional customs instruments is part of member states' greater plan to drive and promote regional trade and integration.²⁷ To this end, the EAC One-Stop Border Posts Act of 2016 provides for the establishment and implementation of OSBPs at common borders. The objective is improved efficiency in the movement of goods, persons and services across the EAC, and about 15 posts have been designated as OSBPs thus far.²⁸ As of November 2018, 13 OSBPs had been operationalised.²⁹

Developing an STR falls within the WTO's requirements for its member states.³⁰

Article VIII of the World Trade Organization's GATT Agreement and provisions of the Revised Kyoto Convention for the Simplification and Harmonization of Customs Procedures suggest the development and implementation of simplified trade procedures for eligible small-scale traders to overcome these challenges.

As a member of both the EAC and COMESA, Uganda has implemented the STR regime and is rolling out OSBPs at its borders.

It is important to distinguish between an STR and the OSBP: the STR is a policy instrument used by governments, whereas the OSBP is hard infrastructure constructed at border crossings.³¹

The EAC STR is a provision under the EAC Customs Union that aims to promote regional integration by providing a framework to ease the requirements of small-scale traders participating in structured cross-border trade.³² Under the STR, EAC governments have bilaterally agreed upon a list of products that do not require certification in small consignments. The list of goods is displayed at border posts at customs offices and allows small traders to obtain a Simplified Certificate of Origin (SCO) for the goods that will be resold and that qualify for import duty exemption.³³ STRs apply to low-value, cross-border consignments under agreed thresholds that usually do not exceed \$2,000.³⁴ STRs are tailored to the specific needs of small-scale traders and provide a two-fold benefit:

26 Parshotam A, 'Implementing the TFA: Trade Facilitation Activities in Zambia', Occasional Paper, 298. Johannesburg: SAIIA (South African Institute of International Affairs), 2018.

27 EAC Secretariat, *EAC Trade and Investment Report 2017: Accelerating Market Driven Integration*. Arusha: EAC Secretariat, March 2018.

28 Trade Policy Review Body, *op. cit.*

29 EAC, 'EAC operationalizes 13 one-stop border posts', Press Release, <https://www.eac.int/press-releases/142-customs/1276-eac-operationalizes-13-one-stop-border-posts>, accessed 11 July 2019.

30 Tralac, 'SADC moves towards a simplified trade regime', 9 May 2017, <https://www.tralac.org/news/article/11594-sadc-moves-towards-a-simplified-trade-regime.html>, accessed 20 January 2020.

31 Skype interview, World Bank representative, 19 July 2019.

32 USAID East African Trade and Investment Hub, 'Cross-border traders learn more about the EAC Simplified Trade Regime from new guide', 15 November 2018, <https://www.eatradehub.org/cross-border-traders-learn-more-about-the-eac-simplified-trade-regime-from-new-guide>, accessed 19 July 2019.

33 Fundira T, *op. cit.*

34 Lesser C & E Moisé-Leeman, *op. cit.*

formalising small-scale trade, which leads to increased revenue for governments through tax collection; and providing customs procedures to traders, who can plan and budget for cross-border trade activities.³⁵

The EAC List of Originating Goods Commonly Traded by Small Scale Cross-Border Traders demarcates 370 products, which include household agricultural commodities (beans and maize), fish products, textiles, cosmetics and household goods.³⁶ It is important to note that the STR does not rule out import and export permits for certain agricultural goods and animal products, in terms of which small traders are still required to apply for permits where necessary,³⁷ and also does not negate the payment of certain domestic taxes and border requirements.³⁸

Ongoing trade facilitation efforts in East Africa targeting WICBTs: Small steps forward

Donor-led initiatives and development finance institutions are actively supporting improved trade facilitation efforts that include WICBTs in their targeted outcomes. In particular, Uganda is part of the World Bank's Great Lakes Trade Facilitation Project (GLTFP), which is being implemented in collaboration with COMESA as the regional coordinating entity.³⁹

The GLTFP consists of two phases and is financed and implemented by the World Bank. Phase 1, approved in 2015, focuses on infrastructure improvements and is currently implemented at five border locations along the Democratic Republic of Congo's (DRC) eastern border, shared with Rwanda and Uganda.⁴⁰ Phase 2, currently under preparation, will extend similar infrastructure-focused interventions to Burundi, Tanzania and Zambia.⁴¹ The GLTFP is a loan to the three partner countries in Phase 1 (reflecting the World Bank International Development Association's financing terms applicable to each country) and is valued at \$14 million for the Ugandan components specifically, and \$5 million for COMESA.⁴²

Evidence suggests that there have been some gains for small-scale traders through the implementation of the STR regime. The use of SCOs has made formal paperwork easier to complete, and the creation of pedestrian lanes designated specifically for WICBTs⁴³ has helped them to clear consignments quickly and with fewer hassles, which

35 USAID East African Trade and Investment Hub, *op. cit.*

36 Fundira T, *op. cit.*

37 *Ibid.*

38 Aydiner-Avsar N, *op. cit.*

39 Skype interview, World Bank representative, 19 July 2019.

40 The targeted border crossings in Phase 1 include: Mahagi (DRC) - Goli (Uganda); Kasindi (DRC) - Mpondwe (Uganda); Bunagana (DRC) - Bunagana (Uganda); Goma/Petite Barrière (DRC) - Rubavu (Rwanda); and Bukavu/Ruzizi 1 (DRC) - Rusizi 1 (Rwanda).

41 Skype interview, World Bank representative, 19 July 2019.

42 IDA (International Development Association), 'Trade and Competitiveness Global Practice, Africa Region: Project Appraisal Document for the Great Lakes Trade Facilitation Project', Report PAD1254. Washington DC: World Bank Group, 2015.

43 Skype interview, TMEA (TradeMark East Africa) representative, 17 July 2019.

translates into lowered costs that directly benefit the consumer.⁴⁴ There has also been greater awareness of the gender-sensitive nature of ICBT among government officials and improved relationships between small traders and border officials.⁴⁵ For example, officials from Burundi, the DRC, Rwanda, Tanzania and Uganda have committed to work together in addressing challenges hindering cross-border trade in the region. This includes constructing markets at the borders to support ICB traders and other complementary facilities such as early childhood development centres to support women traders.⁴⁶

BOX 1 AN OVERVIEW OF THE GLTFP PROJECT

GREAT LAKES TRADE FACILITATION PROJECT: MEETING THE NEEDS OF WOMEN TRADERS^a

The GLTFP aims to facilitate cross-border trade by increasing capacity for commerce and reducing trading costs faced by traders, especially WICBTs. The project has a three-pronged approach focused on hard infrastructure improvements; policy and procedural reforms, with extensive capacity building and awareness raising for targeted recipients (WICBTs, who comprise up to 80% of cross-border traders in the Great Lakes region); and change management for border agencies (increasing incentives and better behaviour at the border to reduce threats towards WICBTs and incidents of bribery and corruption).^b

Infrastructure and policy processes currently being implemented under Phase 1 include:

- the construction of permanent infrastructure, including new border facilities, cross-border markets and pedestrian lanes; and
- the establishment of a cross-border committee between the DRC and Rwanda, which meets regularly to discuss and harmonise bilateral trade issues, including those affecting small-scale traders and women.

As part of policy and procedural reforms, Trade Information Desk (TID) officers, in collaboration with COMESA, have been appointed at border posts. They are tasked with assisting traders with border clearance procedures and helping them solve disputes with border authorities.^c The programme is also undertaking extensive regional and national training for traders and officials, including on the gender aspects of cross-border trade, along with awareness-raising and dissemination activities.

Even incremental changes to the way in which hard and soft infrastructure are implemented can ensure massive improvements to the trading realities for WICBTs.

44 Fundira T, *op. cit.*

45 Skype interview, TMEA representative, 17 July 2019.

46 Sommer L & C Nshimbi, *op. cit.*

Previous studies in the Great Lakes region showed that threats to their personal safety remained a constant challenge for WICBTs. A 2012 World Bank report found that 80% of respondents in a study of cross-border trade in the Great Lakes region had to pay a bribe to cross the border, and that 50% reported physical harassment and abuse (including sexual harassment and even rape).^d Similarly, dilapidated border offices and market stalls, the absence of gender-segregated toilets and restrooms, and insufficient lighting and fences all heighten the vulnerability of WICBTs. While women traders do not face similar levels of personal danger in all regions in Africa, it remains a well-established fact that cross-border trade holds specific gender-based threats for women traders.

Under Phase 1, even temporary infrastructure led to massive positive improvements in the trading experiences of women traders. For example, something as simple as introducing solar panel lighting has allowed for greater security and longer trading hours

Therefore, part of the emphasis in Phase 1 has been to focus on women-sensitive infrastructure. Under Phase 1, even temporary infrastructure led to massive positive improvements in the trading experiences of women traders. For example, something as simple as introducing solar panel lighting has allowed for greater security and longer trading hours. It has led to extended border opening hours (from 6pm to 10pm) and has allowed WICBTs to make cross-border journeys at night. It has also improved security measures at crossings by enabling border officials to perform their duties past sunset without the help of a torch. Installing sex-differentiated toilets, together with resting areas and dustbins, has helped to improve health and environmental conditions. Constructing border markets for women traders – the vast majority of whom trade in agricultural goods – facilitates the selling and buying of goods at locations close to the border. These markets serve as logistics platforms, allowing the consolidation and transportation of products, and ultimately lessen the need to travel long distances and exposure to predatory middlemen.^e World Bank surveys of WICBTs operating at the Goma-Petite Barrière and Rusizi I border crossings (DRC-Rwanda) confirmed that these temporary measures appear to have a disproportionately higher and positive impact.

a Skype interview, World Bank representative, 19 July 2019.

b IDA, *op. cit.*

c *Ibid.*

d Brenton P, Gamberoni E & C Sear (eds), *Women and Trade in Africa: Realizing the Potential*. Washington DC: World Bank Group, 2013.

e IDA, *op. cit.*

One of the softer support mechanisms offered to ICB traders has been capacity building and knowledge of trade regulations. The STR makes provision for TID officers to assist traders with completing customs documents, clearing procedures and answering trade-related questions.⁴⁷ In recent years the Agricultural Market Development Trust (AgMark), a non-governmental organisation, has begun offering capacity-building assistance to women traders and Cross-Border Traders Associations (CBTAs) in Uganda. It trained 291 women cross-border traders between 2017 and 2019 on issues related to trade regulations, formal trade participation, basic business management skills and financial literacy.⁴⁸ Together with TradeMark East Africa (TMEA),⁴⁹ AgMark has also lobbied for women traders' participation in joint border committees (JBCs).⁵⁰ JBCs have grown in popularity across East Africa, and are used as a formal mechanism for CBTAs to engage with border officials. A JBC is a working group composed of government agencies and private sector representatives responsible for facilitating trade across the border. The members are officers from customs, immigration, food and plant safety, security and standards, health, the private sector and CBTAs.⁵¹

Ultimately, offering women traders the opportunity to be better trained and organised members of CBTAs, enabling their access to market information, and empowering them through knowledge capacitation and other softer infrastructure changes are essential for levelling the playing field for WICBTs and enabling them to move into a space where they can grow their enterprises and take on elements of formality in their businesses.

Trickling down the benefits of improved trade facilitation to women traders: A hit-and-miss affair

Despite the improvements that hard infrastructure changes such as OSBPs offer to cross-border trading, not all benefits have filtered down to women traders and there remains much to be done. These challenges come on the back of general difficulties that the EAC region has experienced in terms of improving regional integration. For example, although the introduction of the EAC Customs Union has largely eliminated barriers to trade, the export regime, including procedures and documentation requirements, is not yet fully harmonised.⁵² Similarly, although the East African region is still in the process of removing non-tariff barriers, the EAC Non-Tariff Barriers Act of 2017 unfortunately makes no provision for women traders and the specific obstacles that they face.⁵³ This is a lost opportunity to factor into the EAC's policy formulation measures that address women traders' specific challenges in relation to non-tariff barriers.

47 *Ibid.*

48 East African Trade and Investment Hub, 'USAID Hub Women Cross-Border Traders' Compendium'. Nairobi: USAID East Africa, June 2019; Skype interview, AgMark representative, 17 July 2019.

49 TMEA is a non-profit company that receives donor funding for the implementation of projects based on three key areas: increased physical access to markets, enhanced trading environment, and improved business competitiveness.

50 Skype interview, AgMark representative, 17 July 2019.

51 AgMark, *Feed the Future: East Africa Food Security through Enhanced Regional Trade (Foster Trade Project)*. Washington DC: USAID Feed the Future Programme, December 2016.

52 Trade Policy Review Body, *op. cit.*

53 Aydiner-Avsar N, *op. cit.*

A 2018 UNCTAD survey conducted in Malawi, Tanzania and Zambia (all COMESA member states) also showed mixed outcomes, including:⁵⁴

- an overall lack of trade facilitation and border infrastructure, including an absence of transportation for WICBTs;
- a list of eligible products that does not fully match traders' needs;
- threshold value for consignments to benefit from the COMESA STR being too low and having a high administrative burden (in comparison to the EAC threshold, COMESA offers only \$1,000); and
- traders having limited awareness of the STRs and difficulty accessing information about them.

In terms of the EAC region specifically, informal traders are responsible for producing certificates of origin, as well as an export permit, depending on the goods traded. These are generally only obtainable from government departments located in the capital. As traders are often unable to provide such certificates when at the border, goods that in principle should cross the border duty-free are subject to duties when their origin cannot be demonstrated.⁵⁵

Limited access to finance has stopped women traders from transitioning to formal trading channels. For example, in Uganda women own 38% of all registered enterprises but can access only 9% of formal finance – and the chances of getting finance when one operates on the margins of informal trade are even lower.⁵⁶ Deficiencies in the formal banking sector and currency exchange services at most border sites mean informal money changers regularly inflate the exchange rates, thus reducing traders' profit margins.⁵⁷ A lack of access to tax and exchange rate information and, on the Ugandan side specifically, frequent fluctuations in the currency conversion rate result in small-scale traders' being forced to pay agents whatever rates they are quoted.⁵⁸

Awareness of the implications and benefits of the STR system also appears to be mixed, and interviewees confirmed that they encountered challenges in disseminating information on how STRs are used and how women traders can use OSBPs to their advantage.⁵⁹ In some cases traders pay for SCOs although they are available free of charge, or are unaware that goods not originating in the region (such as second-hand clothing, which is widely traded throughout the EAC) cannot benefit from the STR. In other places,

54 Zarilli S *et al.*, *op. cit.*

55 *Ibid.*

56 EAC Secretariat, *op. cit.*

57 Koroma S *et al.*, *op. cit.*

58 Ruiter C, Hadley L & Q Li, *Impacts of Non-Tariff Barriers for Women Small Scale Cross-Border Traders on the Kenya-Uganda Border*, Sauti Africa, 2017, <http://sautiafrica.org/wp-content/uploads/2017/03/REV-4-Web-Impacts-of-Non-Tariff-Barriers-for-Women-Small-Scale-Cross-Border-Traders-on-the-Kenya-Uganda-Border.pdf>, accessed 20 January 2020.

59 Skype interview, Sauti Africa representative, 26 June 2019; Skype interview, World Bank representative, 19 July 2019.

such as Namanga (Tanzania–Kenya border), information dissemination efforts have been more successful. Here, WICBTs largely understood that, as a result of the EAC Customs Union and Common Market protocols, they are entitled to free movement of goods, persons, and services (89%), suppression of internal customs controls (87%), elimination of trade tariffs on EAC-originated goods (94%), and harmonisation of intra-EAC tax rates (84.5%).⁶⁰

These findings show that it is not enough to rely on improved trade facilitation to fuel knock-on/trickle-down effects that address the needs of women traders. Although the findings are specific to the COMESA STR, these challenges highlight important – and general – observations that can be made in terms of understanding the importance of governments’ drawing up policies, making hard and soft infrastructure improvements, and continuing outreach and sensitisation efforts among border officials and traders alike. Such a whole-of-government approach will result in overall improvements to the cross-border trading regime, which ultimately benefits both men and women CBTs.

Busia OSBP and Ugandan efforts to improve the daily trading realities for WICBTs

Despite the challenges Uganda faces in terms of its ease of doing business environment, poor infrastructure and a high trade deficit, positive gains have been made.⁶¹ Improvements to Uganda’s trade facilitation regime include:

- reducing the time needed to export and import, by further implementing the Single Customs Territory and developing the Centralised Document Processing Centre in February 2018, which helps to smooth the clearance of goods;
- reducing multiple appeal processes as a result of inconsistent valuations by multiple customs stations;⁶² and
- implementing the Authorised Economic Operator programme for both imports and exports, which has reduced the costs of doing business and paperwork.⁶³

These positive developments are further enhanced by Uganda’s score of 72 out of 167 countries on the Logistics Performance Index, only four rankings below Kenya.

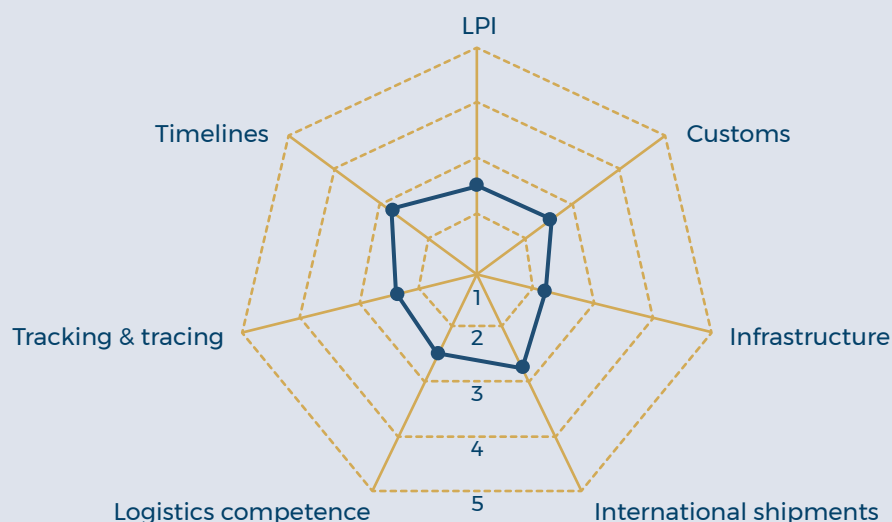
60 EASSI (Eastern African Sub-Regional Support Initiative for the Advancement of Women), *Women Informal Cross-Border Traders: Opportunities and Challenges in the East African Community*. Kampala: EASSI, 2012.

61 The World Bank’s Ease of Doing Business 2019 rankings position Uganda at 127 out of 190 countries, having slipped from its 2018 ranking of 122 and 115 in 2017. World Bank Group, *Doing Business 2019: Training for Reform*. Washington DC: World Bank, 2019.

62 Skype interview, URA official, 25 July 2019.

63 *Ibid.*

Figure 1 Uganda's Logistics Performance Index rating 2018



Source: World Bank Group, 'Country score card: Uganda 2018', <https://lpi.worldbank.org/international/scorecard/column/254/C/UGA/2018#chartarea>, accessed 23 July 2019

In Uganda, in particular, ICBT provides a critical contribution to its national income (Table 2). In 2018 informal exports from Uganda to its neighbours were estimated at \$538 million.⁶⁴ Records from 2017 show that Uganda's informal exports grew by 23.6% to \$549 million from \$419 million in 2016; moreover, the country's informal imports also increased by 19.8% to \$80.9 million in 2017 from \$64.8 million in 2016.⁶⁵

	2013	2014	2015	2016	2017
Burundi	15.1	15.0	1.9	-	-
DRC	135.0	139.5	181.4	221.3	270.0
Kenya	69.7	92.9	96.4	79.1	141.7
Rwanda	27.9	24.5	21.8	33.5	39.0
South Sudan	130.8	119.5	79.5	41.6	47.8
Tanzania	42.8	23.3	18.2	43.8	50.5
Total informal exports	421.3	414.7	399.2	419.3	549.0

Source: EAC Secretariat, *EAC Trade and Investment Report 2017: Accelerating Market Driven Integration*. Arusha: EAC Secretariat, March 2018

64 Siu J, *Trade Costs, Trade Facilitation and Formalisation of Trade: Evidence from One-Stop Border Posts in Uganda*, Working Paper. London: International Growth Centre, April 019.

65 EAC Secretariat, *EAC Trade and Investment Report 2017: Accelerating Market Driven Integration*. Arusha: EAC Secretariat, March 2018.

In March 2018 Ugandan President Yoweri Museveni and his Kenyan counterpart, President Uhuru Kenyatta, officially launched the Busia OSBP. The OSBP caters for the single inspection of consignments by all agencies (eg, customs, Bureau of Standards and Agricultural Authorities) on one side of the border (destination), without repeating inspection on the other side (origin). The Busia OSBP was added to entry and exit points already operating under Uganda's Coordinated Border Management Concept, and is part of the EAC's free trade zone within which there have been significant hard and soft infrastructure developments in recent years. According to Sauti Africa's data, Busia represents 70.7% of all cross-border trade by women traders between Kenya and Uganda and is also the highest-ranking final destination market for bilateral cross-border trade, at 34.9%.⁶⁶

Evidence shows that OSBPs can reduce poverty and increase welfare among ICB traders as a result of improved infrastructural facilities. However, little data is available so far. For example, current studies do not differentiate between men and women traders in their findings, and existing research has different and contrasting outcomes. Any assessment of the impact of the OSBP on the daily realities of women traders is directly affected by the number of women traders interviewed, the type of questionnaires prepared, and the interviewees' exposure to formal customs procedures.

- A survey conducted by Tyson in 2015 found that 53% of ICB traders interviewed at the Busia border crossing reported that the OSBP had a positive impact on their livelihoods, as the simplified crossing procedure allowed them to access other markets and increase their number of customers. A total of 36% reported a neutral effect.⁶⁷
- However, a survey conducted among 876 cross-border traders (men and women) from August to October 2018 showed that only 5% of the selected sample had switched their main border-crossing routes to OSBPs, and 73% of these individuals had switched from informal channels to formal trading routes.

Bearing in mind these considerations, qualitative fieldwork undertaken for this paper with a small representative sample of nine interviewees found that some positive and compelling changes have been implemented at the Busia OSBP, and that there are ongoing efforts to address the trading challenges facing WICBTs. The benefits that the Busia OSBP and the STR offer WICBTs can be divided into two categories: benefits that have enhanced trade facilitation and improved the overall cross-border trading regime, and improvements to soft and hard infrastructure (including services offered to WICBTs) that have benefitted women traders specifically.

66 Sauti Africa, 'Informal cross-border trade data', <http://sautiafrica.org/informal-cross-border-trade-data/>, accessed 16 August 2019.

67 Jouanjean MA *et al.*, *op. cit.* See also Tyson JE, 'One-stop border posts and informal livelihoods in Busia, Kenya', *Development in Practice*, 28, 4, 2018.

General improvements to the overall trading regime in Busia that benefit women traders

- Housing Ugandan and Kenyan governments in the same office space has improved relations and the sharing of information and intelligence between the two sides, ultimately improving the OSBP's functionality. This has led to quicker clearance times. Since its operationalisation, the OSBP has reduced customs processing times and border crossing times in Busia by 80%: a truck that once took 1 hour 27 minutes to clear the border now takes only 17 minutes,⁶⁸ thereby improving the overall quality of cross-border trade at the Busia crossing.
- Women traders interviewed in Busia confirmed that the implementation of the STR and the OSBP had improved bilateral relations between traders and government officials and reduced incidents of corruption and requests for bribes. In their opinion, corruption incidents also decreased because there were fewer middlemen/counterparts, although this is an ongoing challenge (as discussed below).

Women traders interviewed in Busia confirmed that implementation of the STR and the OSBP had improved bilateral relations between traders and government officials and reduced incidents of corruption and requests for bribes

- The Ugandan Revenues Authority (URA) has rolled out simplified payment modules that include mobile banking at border stations (such as PAYWAY) and delinked payment reference numbers from banks. As many WICBTs do not have access to formal banking/ own a bank account, this delinking has enabled them to settle tax payments directly at the border posts. It has also helped to formalise women traders through the issuance of tax identification numbers and payment of taxes.⁶⁹ Electronic payments and direct deposits have drastically diminished the handling of cash at the border, which has also helped to reduce instances of bribery.⁷⁰
- With the introduction of new identification cards, cross-border traders no longer need passports to cross the border – instead, they complete a simplified inter-pass form that facilitates their crossing and reduces opportunities for bribery.

68 Siu J, *op. cit.*

69 Skype interview, URA (Ugandan Revenues Authority) official, 25 July 2019.

70 Personal interview, TID (Trade Information Desk) officer, Busia, 12 July 2019.

Hard infrastructure targeting WICBTs

- A storage facility at the OSBP on the Kenyan side allows traders to store their non-perishable goods for 30 days for free, while they collect the money to pay the relevant taxes or fees.⁷¹ Given the number of women traders who engage in cross-border agricultural trade in Busia,⁷² the payment-free storage facility plays a crucial role in preserving agricultural produce and goods in the event of any delay in crossing the border.
- There is a 24-hour security presence at the border crossing – unlike on informal routes – which has ultimately contributed towards the personal safety of WICBTs.

Soft infrastructure: Simpler documentation, sensitisation efforts, capacity building & access to information

- In providing soft infrastructure support to WICBTs several initiatives have been implemented at the Busia crossing:
 - » The URA has implemented a simplified customs regime for cross-border traders such as the PB4 (passenger baggage-imports) and simplified export declarations, which allow WICBTs to declare their cargo as personal baggage that does not need a clearing agent or customs systems control to clear the border.⁷³
 - » A TID has been established within the OSBP office to provide WICBTs with market-related information and assistance in completing the necessary paperwork. WICBTs interviewed confirmed it was easier to get a Certificate of Origin and that the forms were easy to complete after a few trips to the OSBP. TID centres also have filled-in forms available as samples of how to best complete the necessary paperwork. However, the TID office faces operational challenges, as discussed in more detail below.
 - » In line with the services offered by the TIDs, the Ministry of Trade, Industry and Cooperatives (MTIC) has now made it easier to report non-tariff barriers at the TIDs for follow-up. Common complaints among informal traders include disputes over the quality of maize exported to Kenya from Uganda; sudden and arbitrary bans on goods such as maize, cereals and beans by Kenyan border officials, which negatively affect traders who have already bought the goods and are in the process of exporting them; and harassment of WICBTs by new police deployed at the border post.⁷⁴ Complaints are reported to the TID officers, who then discuss these during JBC meetings where the traders are represented by a member of their association.

71 Skype interview, URA official, 25 July 2019.

72 In an interview with the Busia Women Cross Border Traders Association (BWCBTAs), members indicated that the most commonly traded agricultural goods at the Busia crossing included cereals and grains, fresh fruit and vegetables, smoked fish, fresh tilapia, Nile perch, and eggs.

73 URA Women Traders' Facilitation Framework, August 2018.

74 Personal interview, TID officer, Busia, 12 July 2019.

- Customs officials have been involved in all training programmes for WICBTs, where traders are informed about taxation and the different government officials' functions and roles at the border.⁷⁵ Their efforts include providing WICBTs with information on updated regulations and tax laws, tax procedures and exemptions, and helping them to understand budgetary payments.⁷⁶ The URA has conducted 38 sensitisation and training sessions for women traders, reaching approximately 400 women thus far.⁷⁷
- Together with the TID, the Busia Women Cross Border Traders Association (BWCBTAs) also has an office at the OSBP – specifically a Women's Cross-Border Gender Office – where women traders can join the CBTA, raise complaints and challenges, keep documents and seek information.⁷⁸ The participation of the BWCBTAs in the Busia JBC has provided an additional outlet for women traders' concerns, and has furthered their participation in and contribution to border management processes at Busia. Although seen as a small intervention, the WICBTs interviewed indicated that the presence of the CBTA at the border increased their visibility and gave them a meaningful opportunity to have their voices heard and their concerns addressed. The BWCBTAs' sensitisation and training efforts are supported by the MTIC, the URA, the TMEA and the Eastern African Sub-Regional Support Initiative for the Advancement of Women. Lastly, the EAC Secretariat also conducts quarterly meetings with traders as part of sensitisation efforts on the workings of the customs union, common market and trading opportunities across member states. These efforts have helped to improve access to market knowledge and trading regimes for WICBTs.⁷⁹

Other initiatives: NGOs and donors

Although not a direct initiative of the Ugandan government, another important step forward has been the services offered by Sauti Africa, a non-governmental organisation striving to improve the daily realities of WICBTs. Sauti has developed a platform accessed by simple mobile phones that use USSD codes⁸⁰ to provide trade- and market-related information (for example, on trading procedures at specific border crossings), exchange rates, commodity prices and other information relevant to women traders in the EAC. The information is shared via SMS.⁸¹ Sauti is currently operational in Kenya (where it first launched), but is also accessible in Uganda and Rwanda, with plans to expand into the rest of East Africa in the near future.⁸² WICBTs interviewed at the Busia crossing confirmed that Sauti's real-time exchange and market rates empowered them to rely less on middlemen

75 *Ibid.*

76 Personal interview, URA official, Busia border, 13 July 2019.

77 Skype interview, URA official, 25 July 2019.

78 The BWCBTAs has members in Kenya and Uganda. The Kenyan body was formed in 2002 and has 1 200 members while the Ugandan body was formed in 2010 and has about 180 registered members.

79 Personal interview, BWCBTAs representative, Busia, 12 July 2019.

80 Unstructured Supplementary Service Data (USSD), also known as 'quick codes', is a communications protocol used by GSM cellular telephones to communicate with the mobile network operator's computers. USSD codes are used, for example, to check airtime balances.

81 Skype interview, Sauti Africa representative, 26 June 2019.

82 *Ibid.*

for information, thereby reducing their exposure to unfair exchange rates and other unnecessary costs.

Sauti's real-time exchange and market rates empowered them to rely less on middlemen for information, thereby reducing their exposure to unfair exchange rates and other unnecessary costs

Finally, under TMEA, Uganda receives support from the Danish International Development Agency from 2017–2023, with the aim of increasing trade through reduced barriers to trade and business competitiveness, ultimately improving trade facilitation across Uganda's five borders.⁸³ TMEA has also been active at the Busia OSBP and its activities include the construction of markets on the Ugandan and Kenyan side (Masafu in Uganda) to enable women traders trading in perishables to find easier markets for their produce, thereby ensuring less wastage and higher profits.

BOX 2 TMEA'S ENGAGEMENT WITH WOMEN TRADERS IN EAST AFRICA^a

TMEA has a long-standing engagement in East Africa focused on women traders, and works on three main issues:

- creating an enabling environment that addresses practical and legal issues;
- providing institutional support and capacity building to women traders' apex committees; and
- addressing business barriers facing WICBTs by providing them with information on trade procedures and documentation requirements (via CBTA and apex bodies).

One of the other initiatives that TMEA has helped to spearhead is the decentralisation of certificates of origin (traditionally issued by customs) to women traders' associations in order to build awareness and help inform women traders about the STR. According to its reports, the initiative is currently being piloted at the Rwanda–Uganda border crossing and has seen a gradual increase in the number of women using formal trading channels as opposed to informal routes.

^a Skype interview, TMEA representative, 17 July 2019.

⁸³ Skype interview, DANIDA (Danish International Development Agency) representative, 16 July 2019.

While these are positive steps, there remains work to be done. Not all improvements have resulted in widespread gender-sensitive results, and there are discrepancies between the facilities offered on the Kenyan side and those on the Ugandan side. According to women traders interviewed, the Kenyan side of the OSBP has constructed hard infrastructure designed for WICBTs' needs. On the Ugandan side there is a lack of access to sanitation and shower facilities at the OSBP compared to the Kenyan side, which charges women KES⁸⁴ 50 (about \$0.50) to use the bathroom, but offers changing areas for babies, shower facilities and sanitary pads. Another important consideration is the absence of hotel facilities for an overnight stay, which, according to the women traders, results in WICBTs' sleeping in vehicles outside the OSBP or in unsafe and unsanitary accommodation.

According to Ugandan government officials interviewed (two URA staff members and one regional integration officer), it is also difficult to manage the different types of traders at the border. There have been isolated instances where big traders have masqueraded as informal traders because of the benefits offered to ICB traders via the STR. Bigger traders abuse the STR system by splitting their goods into small quantities to fit the small-scale trader category. Such behaviour creates trust issues between government authorities and real ICB traders. Equally problematic is that customs officials are unable to detect how often this happens – in July 2019 one such case was reported, but customs officials suspect that similar fraudulent behaviour is occurring more often.⁸⁵ Another challenge is the presence of middlemen. In spite of ongoing efforts to capacitate and improve the knowledge of women traders around the STR and other cross-border trading requirements, middlemen continue to operate outside the OSBP area, where they convince women traders to use their services to broker better taxes and fee rates. It is difficult for government officials to monitor these middlemen/brokers outside the OSBP, given the numerous irregular routes at the border crossing and the porousness of the shared border.⁸⁶

Despite various outreach campaigns, training and the use of advertisements, not all traders know how to use the STR. This is caused by a combination of inadequate government funding and a lack of resources, which limits the outreach of government-led sensitisation efforts. An overarching issue has been the internal organisational challenges facing CBTAs (as confirmed by the BWCBTA). They face organisational problems in terms of regional and national coordination with other CBTAs, owing to insufficient funding and inadequate lobbying experience.⁸⁷

The BWCBTA's efforts in its training outreach are limited by an absence of financial support owing to challenges in raising membership fees/annual subscriptions, thereby impacting the CBTA's overall financial status. Equally problematic is the fact that the TID office is not funded by the government (neither Kenyan nor Ugandan). Unlike TID officers in the GLTFP,

84 Currency code for the Kenyan shilling.

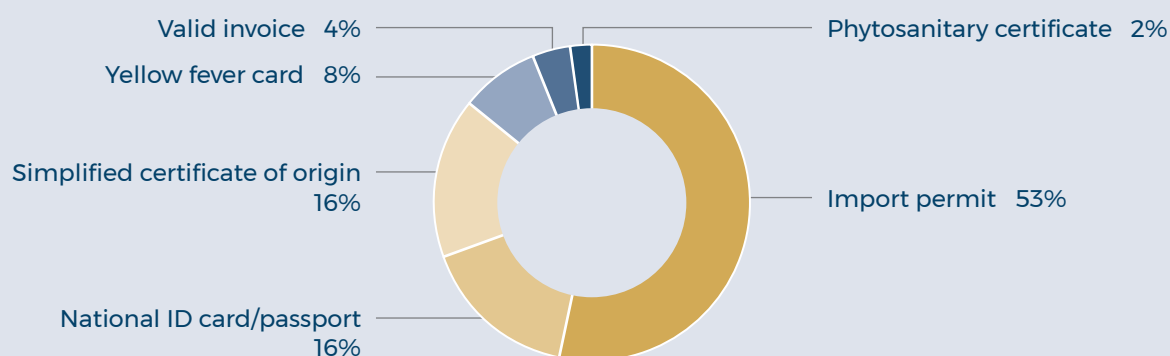
85 Personal interview, customs officer, Busia, 16 July 2019.

86 *Ibid.*

87 Spevacek AM, *op. cit.*; Skype interview, Sauti Africa representative, 26 June 2019; Skype interview, TMEA representative, 17 July 2019; personal interview, BWCBTA representative, Busia, 12 July 2019.

TID officers at the Busia crossing receive little or no fixed payment for their work, which can lead to a lack of motivation in assisting ICB traders.⁸⁸ However, capacitation issues do not only affect women traders: Ugandan authorities confirmed that in cases where government agencies deploy new officials at the OSBP who have not undergone training on how the OSBP operates and how the STR is implemented, they often fall back on the ‘old ways’, which include soliciting for bribes, harassing women and unlawfully confiscating goods. Another challenge facing government efforts to improve cross-border trade is insufficient automation. Some Ugandan authorities still operate manually, resulting in delays and a lack of accountability for those agencies issuing paperwork. For example, despite the OSBP’s tagging goods electronically, the agricultural assessment and sanitary certificate inspection are still done manually, which ultimately slows down the functionality of the OSBP systems.

Figure 2 Most requested documentation for procedures



Note: These results are based on a survey of 424 women traders across Kenya, Rwanda and Uganda

Source: Sauti Africa, 'Informal cross-border trade data', <http://sautiafrica.org/informal-cross-border-trade-data/>, accessed 16 August 2019

Nevertheless, and despite existing challenges, the Ugandan government is making great strides in ensuring greater gender awareness and implementing gender-mainstreaming approaches in its trading regime. For example, the MTIC is currently undertaking a review of Uganda’s National Trade Policy with the aim of focusing on gender-related issues and improving gender sensitivities in Uganda’s trade strategies.⁸⁹ Unfortunately, the review has only started recently and there is no indication as to when it will be concluded, as regional stakeholder meetings are yet to take place. At the very least, it reflects a step in the right direction.

88 Personal interview with TID officer, Busia, 12 July 2019.

89 Skype interview, MITC official, 7 August 2019.

Similarly, in August 2018 the URA launched its Trade Facilitation Framework with the goal of contributing to women's economic empowerment through innovation and gender-responsive trade facilitation initiatives. The framework is designed to complement initiatives already underway, with the ultimate aim of addressing some of the gaps in knowledge and capacity building, by:

- building the capacity of women in trade and increasing the participation of women in formal trade;
- simplifying customs clearance processes and procedures;
- advocating for gender responsiveness among partners and stakeholders through the appointment of Gender Focal Customs persons at each border station, who are tasked with engendering policies and procedures;
- improving access to trade information; and
- enhancing communication with women traders.⁹⁰

In August 2018 the URA launched its Trade Facilitation Framework with the goal of contributing to women's economic empowerment through innovation and gender-responsive trade facilitation initiatives

Part of addressing the challenges facing WICBTs is a simplified offence procedure. This is particularly important as women traders' lack of access to information and ignorance of trading procedures often result in cross-border trade in goods that have not been appropriately cleared and identified. The URA's internal statistics indicate that approximately eight out of 10 women traders need customs assistance.⁹¹ In 2017 statistics from customs enforcement interventions and seizures show that, of the 366 seizures generated on goods impounded at informal entry routes at the Busia OSBP, 226 (62%) affected women traders.⁹²

90 Skype interview. URA official, 25 July 2019.

91 *Ibid.*

92 URA Women Traders' Facilitation Framework, *op. cit.*

Recommendations

- Policy frameworks should have the buy-in and support of border officials, government departments and ICB traders themselves. For example, the Regulations on Minimum Standards for Treatment of Small-Scale Cross-Border Traders enshrine the Charter for Cross-Border Traders (developed by the World Bank and part of COMESA's STR documents). It can serve as a useful tool in informing all parties of their rights and obligations in terms of border behaviour and responsibilities. It can also facilitate dialogue between the parties, which ultimately dispels negative notions and encourages collaboration and communication between border officials and traders.⁹³ Policies need to be harmonised across borders and institutions, and should be informed by data (which remains difficult to access), as well as the daily experiences of traders and border agencies.⁹⁴
- As illustrated by the GLTFP example and some of the small but important changes (such as storage facilities) instituted on the Kenyan side of the border, hard infrastructure must be adapted to serve the needs of women. Sanitation and health facilities need to be constructed on the Ugandan side. Traders also asked that the government provide yellow fever vaccinations on the Ugandan side and construct cold-room storage facilities for perishables.⁹⁵
- A big improvement has been women traders' increased access to loans via the clusters to which they belong (ie, groups of women doing the same kind of business). However, accessing formal loans on an individual basis is still problematic, as banks often require collateral from WICBTs in exchange for loans. While initiatives such as PAYWAY are an important step forward in simplifying payment processes at the border, initiatives also need to focus on creating mechanisms that enable women traders to withdraw money regardless of which side of the border they are. Therefore, governments and the financial sector should consider the potential for simplified cross-border banking tailored to meet the needs of WICBTs. Such a solution should offer streamlined services supported by simplified documentation requirements, unlike some of the onerous requirements of the formal banking sector.
- Similarly, the WICBTs interviewed who are members of the BWCBA recommended the operationalisation and creation of savings and credit co-operatives (SACCOs), which will enable women traders and associations to save and/or borrow money at low interest rates to use as seed capital, buy tools, or add value to their products sold at cross-border markets. SACCOs can be an important way forward in helping WICBTs to access credit and expand their businesses. It is important to note, however, that while funds for the SACCO have already been set aside by the government, it is yet to be operationalised.

93 Skype interview, World Bank representative, 19 July 2019.

94 Skype interview, TMEA representative, 17 July 2019.

95 Personal interview, TID officer, Busia, 12 July 2019.

- Gender continues to play a role in determining the choice of border crossing: even with smoother customs procedures and the possibility of lowered taxes, the gendered nature of cross-border trade persists. There is also, unfortunately, a significant positive correlation between women traders who use informal crossings and those who have encountered officials threatening to confiscate their goods or soliciting a bribe.⁹⁶ Therefore, training and sensitisation efforts must target both women traders and customs officials, in particular sensitising new border officials to the rights and responsibilities of both parties in relation to cross-border trade.
- Access to information remains an ongoing struggle: beyond capacity building and knowledge development among WICBTs, women traders asked that both governments notify traders, via their CBTA and across border towns, of goods that may not be traded across countries. This points to an ongoing misunderstanding or absence of knowledge among ICB traders over the import and export permits required for certain agricultural goods and animal products. Knowledge dissemination needs to be more widespread than current initiatives – for which more funding will have to be provided.

The African Continental Free Trade Area's momentum can be used to create framework STRs that can be applied across the continent, enabling ICB traders to formalise and increase their exposure to larger cross-border markets

- Finally, using the African Continental Free Trade Area's momentum is an important way to create framework STRs that can be applied across the continent, which could enable ICB traders to move towards formalisation, increase their exposure to larger cross-border markets, and facilitate market linkages through harmonised export requirements and documentation.

96 Research showed that usage of informal trade routes increased over a period of three months when such incidences occurred. See Siu J, *op. cit.*

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Cover image

A woman trader crosses the busy Ancien Pont Bridge in Cotonou, Republic of Benin (Martin Reilly/Getty Images)

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