

Informal Cross-Border Trade and Security Concerns in the IGAD Region: An Interrogation of the Policy Framework

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Abstract

This paper interrogates the IGAD ICBT-CBSG Policy (2018) to explore the intricate nexus between Informal Cross-Border Trade (ICBT) and Cross-Border Security Governance (CBSG) in the IGAD region. It employs an analytical framework that integrates human and national security paradigms of cross-border governance. The practice of security in the IGAD region has traditionally followed a state-centric lens, prioritizing national sovereignty and border integrity. However, this approach often overlooks the human-centric aspects crucial for sustainable security within the region's borderlands as they are dominated largely by informalities of a people trying to eke a living in and out of the border points. Consequently, the paper argues for a comprehensive security framework that merges national and human security, advocating for a security governance approach to manage the complex relationship between trade and security in the region's borders. It also highlights the necessity of regional cooperation and policy harmonization to address the challenges posed by globalization, which exacerbate security threats and economic disparities. The proposed reform policy framework emphasizes the importance of including borderland communities in policy formulation and implementation, ensuring that their socio-economic realities are reflected in regional security strategies. In the final analysis the contribution of the present paper lies in its call for a broader understanding of ICBT, encompassing both small-scale and organized trade, to effectively address the security and economic challenges in the IGAD region.

Keywords

Informal Cross-Border Trade (ICBT), Cross-Border Security Governance (CBSG), IGAD Region, Human Security, Regional Integration

1. Introduction

Globalization's impact on Africa is immense yet challenging, particularly when considering the structure of the African economy. The continent's economy is predominantly informal, and its borderlands are notably porous, making Africa a special case where balanced and forward-thinking policies are essential. Such policies must ensure that the nexus between cross-border security and cross-border trade neither undermines livelihoods and borderland economies nor compromises border security and governmental revenue.

The IGAD region exemplifies this complexity due to prolonged conflicts in Somalia and Sudan, which highlight the interplay between security challenges and informal economic activities. Informal cross-border trade (ICBT) constitutes a cornerstone of economic activity within the IGAD region. A 2019 report estimated the informal economy's contribution to IGAD's GDP at 24.1%. While projections suggest this may decrease to 22.4% by 2043, the entrenched nature of informal trade, particularly in some IGAD countries such as Tanzania which rates at over 40% of GDP—almost twice the continental average, renders such an anticipated decline uncertain (Institute of Security Studies [ISS African Future, 2024]). Policies must not only exist but must also be carefully designed and implemented to protect livelihoods while gradually steering practices toward formalized trade and resilient borderland economies.

Since its inception as the Intergovernmental Authority on Drought and Development (IGADD) in 1985, IGAD has broadened its mandate to encompass food security, environmental sustainability, and regional integration (IGAD, 2016a; IGAD, 2016b). Despite these expanded efforts, borderland communities within the IGAD region remain marginalized, facing socio-economic hardships exacerbated by weak policy frameworks and recurrent insecurity. It is crucial to address these gaps to foster sustainable development and stability in the region.

This paper interrogates the 2018 IGAD ICBT-CBSG Policy, exploring the intricate nexus between ICBT and cross-border security governance (CBSG). Historically, security in the IGAD region has been approached through a state-centric lens, emphasizing sovereignty and territorial integrity. However, this paradigm neglects the human security dimensions critical for sustainable governance in borderlands, where livelihoods are intricately tied to informal trade (Kasera & Owiso, 2021). Informal cross-border trade, predominantly conducted by women and small-scale traders, operates largely outside formal regulatory frameworks, representing flows of goods unregistered in government statistics but integral to local economies (Mwaniki, n.d.; Afrika & Ajumbo, 2012). This paper argues that to address the vulnerabilities and complexities of ICBT, a comprehensive security framework is essential—one that integrates national and human security perspectives.

The interplay between ICBT and CBSG in the IGAD region reflects a multifaceted policy dilemma. Informal trade represents an estimated 43% of Africa's GDP, playing a critical role in sustaining livelihoods and supporting formal market

channels (Afrika & Ajumbo, 2012; Little, Sarris, & Morrison, 2010). However, its unregulated nature poses significant challenges, including economic losses for governments, facilitation of illicit activities, and exacerbation of security risks (FSNWG, 2020). Furthermore, distinctions between formal and informal trade are blurred; for example, maize informally sourced from trans-border markets is often sold through licensed retail shops in importing countries, demonstrating the interconnectedness of formal and informal economies (Lesser & Moisé-Leeman, 2009). These dynamics necessitate policy responses that are sensitive to local socio-economic realities while addressing broader regional integration and security objectives.

Emerging scholarship underscores the dual-edged nature of ICBT, which simultaneously sustains livelihoods and fosters vulnerabilities (Titeca, 2009; Pavanello, 2010; Castens & Raballand, 2017). For borderland communities, informal trade is not merely an economic activity but a lifeline, particularly for women traders who often bear the burden of supporting families (Masinjila, 2011). Yet, the unregulated nature of ICBT also facilitates smuggling, human trafficking, and other security concerns, underscoring the need for integrated policy frameworks (Bouet, Pace, & Glauber, 2018). The IGAD Free Trade Area, endorsed in 2010, was envisioned as a step towards regional economic cooperation and integration. However, achieving this goal remains a formidable challenge given the fragmented governance structures and ongoing insecurity within the region (IGAD, 2016b).

The 2018 IGAD ICBT-CBSG Policy represents an important milestone in linking trade and security governance. Yet, its implementation has been hampered by gaps in policy harmonization, limited stakeholder engagement, and inadequate focus on human security (AUDA-NEPAD, 2019). This paper critically examines whether the policy fosters regularized cooperation, establishes platforms for stakeholder consultation, and ensures convergence of national, bilateral, and multilateral policies to address the inseparable concerns of state and human security. These issues are pivotal to understanding the challenges and opportunities in cross-border governance within the IGAD region.

This paper is based a desk review of materials relevant to the topic and retrieved through Google Scholar's indexed articles on the subject of ICBT-CBSG within IGA region. After this introduction, the study begins by examining the nature of ICBT and its socio-economic implications in the IGAD region. It then explores emerging cross-border security threats and their intersection with human and national security. Subsequently, the study evaluates the 2018 IGAD policy framework, identifying gaps and opportunities for enhancing its effectiveness. Finally, the paper concludes with recommendations aimed at improving policy implementation through inclusive approaches that reflect the socio-economic realities of borderland communities. By engaging with policy and practice, this study contributes to the broader discourse on regional integration, human security, and economic development, urging a paradigm shift in cross-border governance.

2. Research Problem Statement

The IGAD region relies heavily on informal cross-border trade (ICBT) as a critical economic activity that sustains the livelihoods of marginalized borderland communities. Despite its socio-economic importance, ICBT remains largely unregulated, contributing to significant vulnerabilities. These include economic losses for governments, challenges to national revenue systems, and the facilitation of illicit activities such as smuggling and trafficking. Furthermore, the predominance of state-centric security approaches that prioritize sovereignty and border control has marginalized the human security needs of communities dependent on this trade. These gaps underscore the need for a more comprehensive and harmonized policy framework that addresses both state and human security concerns while fostering economic development and regional integration.

The 2018 IGAD ICBT-CBSG Policy aimed to address these interconnected challenges, but its implementation has revealed significant shortcomings. Limited coordination among regional and national actors, insufficient stakeholder engagement, and inadequate integration of human security considerations have hindered the policy's effectiveness. As a result, borderland communities continue to face socio-economic insecurities and heightened exposure to cross-border security threats. This policy vacuum calls for a critical examination of existing frameworks to identify solutions that can align trade governance with security imperatives, ensuring sustainable and inclusive development in the IGAD region.

3. The Nature of Informal Cross-Border Trade in the IGAD Region

The IGAD region's borderlands are characterized by a mix of diversity and shared historical, geographical, political, climatic, and cultural attributes. Despite this interconnectedness, these areas face acute human security challenges, including intra- and inter-state conflicts, recurrent droughts, food insecurity, and limited access to essential social services such as healthcare, clean water, and education (Agreement Establishing IGAD, 1996: p. 4; IGAD, 2016b: pp. 22-25). These challenges disproportionately affect the marginalized communities inhabiting the region's borderlands (Titeca, 2009; Atler et al., 2018; Pavanello, 2010; Castens & Raballand, 2017). Fluid identities, shaped by shared kinship and cultural ties across borders, further underscore the interconnected nature of these communities. Informal cross-border trade (ICBT), which operates in this context, serves as a lifeline for many borderland residents. However, the extent of policy implementation or its absence directly influences the socio-economic well-being of these populations (Masinjila, 2011; IGAD, 2016b: p. 14). The borderlands, while serving as frontiers of regional cooperation and integration, simultaneously represent zones of heightened vulnerability where development and security conditions remain dire (EU, n.d.; Afrika & Ajumbo, 2012).

ICBT in the IGAD region operates through intricate networks sustained by trust, kinship, and communal relationships. These networks not only connect

traders and products but also drive the resilience and persistence of informal trade (Kasera & Owiso, 2021). Trade patterns mirror geographical and urban developmental factors, reflecting both sector-specific comparative advantages and levels of industrial growth. For instance, Nairobi and Dar es Salaam are key hubs for construction materials but depend on the supply of fish, cereals, and grains. Similarly, the borderland economies of Isiolo and Garissa in Kenya act as critical frontier markets for staple foods moving from north to south. The informal nature of these transactions, often facilitated by accessible but underdeveloped markets, highlights the necessity of pragmatic and inclusive policy interventions to balance economic integration with human security (TMEA, 2016).

Actors within this trade landscape adapt to its inherent risks through strategic practices, such as holding small stocks, diversifying commodities, and conducting cash transactions to facilitate quick turnovers (Little, Sarris, & Morrison, 2010). This adaptability extends to their reliance on informal financial systems, such as borrowing from kin and using middlemen for large transactions like livestock sales. Such arrangements mitigate risks while lowering transaction costs compared to formal banking systems, which charge significantly higher fees (*Ibid*). However, the lack of formal infrastructure, including storage facilities and secure transportation networks, exacerbates the challenges faced by these traders. Furthermore, borderlands shaped by colonial-era boundaries often experience socio-economic disruptions stemming from their strategic yet precarious positions within the broader East African trade network (TMEA, 2016).

Informal trade remains central to the livelihoods of borderland communities, providing a buffer against economic and social shocks, including natural disasters and political upheavals. Historically, trade across these regions has been facilitated by shared languages like Kiswahili, which continues to serve as a critical link among traders across Kenya, Uganda, Tanzania, and beyond. Modern ICBT reflects this historical continuity, contributing to food security and regional economies. For instance, a 2010 market analysis of food and livestock trade in eastern Africa revealed that informal trade accounted for 24% of the total cross-border exchange, underscoring its importance as an alternative to formal markets, particularly in insecure regions like Doble on the Kenya-Somalia border and Gambella on the Ethiopia-South Sudan border (FSNWG, 2011).

This analysis of the nature of ICBT underscores its dual role as both a vital economic activity and a source of socio-economic vulnerability, consequently calling for comprehensive policies that align economic governance with human security priorities.

4. Cross-Border Security Threats in the IGAD Region

The porous nature of IGAD's border regions and the limited capacity of member states to regulate and manage the movement of goods and people across these borders constitute significant security threats (IGAD, 2017b). For instance, the Kenya-Somalia-Ethiopia border serves as a conduit for the smuggling of foodstuffs,

consumer goods, cattle, camels, khat, cars, and construction materials. This tripartite border is also notorious for gun smuggling and human trafficking (Owiti & Kuntner, 2018). Such borders are hotspots for organized crime, triggering conflicts, corruption, and other criminal activities. Ineffective border security measures not only destabilize the region but also create tensions between neighboring states and exacerbate challenges for bordering communities (IGAD, 2017a).

A comprehensive assessment of transnational organized crime across IGAD borderlands highlights numerous security vulnerabilities. These include terrorism and violent extremism, violent conflicts, insurgencies, trafficking in humans, weapons, wildlife, and their derivatives, as well as the smuggling of goods such as livestock, khat, food items, textiles, electronics, and household commodities (Owiti & Kuntner, 2018). Other significant threats include illicit cross-border financial flows and various forms of organized crime. Together, these activities form a nexus of security challenges that undermine stability in the region (IGAD, 2017b).

The most pressing security challenge in the IGAD region stems not from a lack of hard security measures but from deficiencies in human security. This encompasses vulnerabilities linked to extreme poverty, social injustice, inequality, and systemic shocks (Goodhand, 2013). Addressing human security is crucial for fostering sustainable hard security, yet IGAD states have consistently demonstrated either an inability or unwillingness to tackle these challenges effectively. Poor governance, often marked by a lack of commitment to democratic values, has been identified as a major contributor to this failure (IGAD, 2016c).

A recent study by the World Bank (2020) underscores the acute challenges faced by borderland areas within IGAD. These regions, predominantly arid and marginalized, suffer from extreme poverty, vulnerability, fragility, and chronic food insecurity. The youth bulge in these areas further complicates efforts to sustain livelihoods and income generation. Drivers of fragility—such as environmental degradation, violent extremism, conflicts, and forced displacement—compound these challenges and elevate security risks for member states (World Bank, 2020).

A report by the EU on border collaboration in the Horn of Africa highlights that the acute poverty observed along the Kenya-Ethiopia-Somalia borderlands is a secondary manifestation of deeper systemic issues: violent conflict, climate shocks, and marginalization (EU, n.d.). These root causes underscore the multifaceted nature of insecurity in the region, necessitating integrated approaches that address both the immediate and structural drivers of instability.

The framing of ICBT as a cluster of illicit activities alongside legitimate livelihood strategies adds another layer of complexity to security governance. This conflation arises partly due to overlaps between the trade of legitimate goods like livestock and food products and illicit commodities. The resultant lack of consensus on how to define and regulate ICBT inadvertently criminalizes legitimate economic

activities, further marginalizing vulnerable communities. A nuanced policy approach is needed to distinguish between informal trade and fraudulent activities, ensuring that governance interventions are both equitable and effective (TMEA, 2016).

Political insecurity and conflict in the IGAD region also create significant market risks for ICBT. Border areas heavily reliant on informal trade for essential goods are particularly vulnerable. For instance, the southern Somali and South Sudanese borderlands, plagued by banditry and insecurity, deter traders due to the potential for disruption and loss. This, in turn, affects trade flows, exacerbating food shortages and income deficits (Little, Sarris, & Morrison, 2010).

5. Human Security, National Security, and Cross-Border Security Governance

The IGAD region has long been a theater of security concerns at both national and regional levels (Mwagiru, 2004; Ofuho, 2004; OCHA & Charlotte, 2016). Traditionally, security has been conceptualized from a state-centric perspective, where threats are primarily viewed as external challenges to state sovereignty, often focusing on border integrity. This perspective aligns with the classical notion of national security, emphasizing territorial protection, governmental stability, and the use of military power (Babu, 2016; Mahar, 2017; Buzan & Hansen, 2009). Under this framework, the state is the primary referent and object of security considerations. However, this approach overlooks critical human-centric dimensions such as food security, health, shelter, and environmental sustainability. For a holistic understanding of security threats, it is imperative to address human security, which directly affects the stability and functionality of states.

The 1994 *Human Development Report* marked a paradigm shift by asserting that global peace is unattainable unless individuals experience security in their daily lives. This declaration laid the foundation for a broader human security framework that emphasizes economic, food, health, environmental, personal, community, and political security (UNDP, 1994: p. 24; Food Security & Nutrition Working Group [FSNWG, 2020]). This approach advocates for policies that are people-centered, comprehensive, context-specific, and prevention-oriented, emphasizing both protection and empowerment (UN, 2016; IGAD, 2016a; IGAD, 2016c). Notably, human security and national security are not mutually exclusive; rather, they are interdependent and require integrated application (Babu, 2016). The concept of “comprehensive security” merges traditional and non-traditional security perspectives, illustrating their inseparability in practice (Mahar, 2017: pp. 51-53).

Despite its relevance, the human security approach faces challenges in implementation, particularly in regions like IGAD, where state-centric paradigms dominate policy frameworks (Abdi & Seid, 2013). Human security emphasizes the individual's well-being as a cornerstone of sustainable security systems, but this requires substantial shifts in governance models. For instance, addressing food and

health insecurities in IGAD borderlands would necessitate policies that integrate socio-economic development into security governance, balancing state priorities with human welfare. Such integration underscores the interconnectedness of threats; economic deprivation can lead to political instability, while environmental degradation exacerbates health crises.

The linkage between human security and national security is also evident in the context of cross-border trade (*Ibid*; Ackello-Ogutu & Echessah, 1997; Adler et al., 2018). Policies aimed at regulating ICBT often prioritize state revenue protection over traders' livelihoods, creating tensions that undermine security. A human-centric lens advocates for an equilibrium that protects state interests while empowering communities engaged in trade. The resulting stability not only reduces conflict potential but also fosters regional cooperation, a critical component of IGAD's objectives.

Recognizing the complex interplay between trade and security in the conflict-prone IGAD region, a security governance approach is essential for managing ICBT effectively (Adler et al., 2018; AUDA-NEPAD, 2019). Security governance shifts focus from state-centric control to collaborative, multi-stakeholder strategies that address new-age threats such as transnational crime, terrorism, and migration (Krahmann, 2003). This approach underscores the necessity of transnational cooperation, incorporating globalization's impacts, which have both exacerbated and redefined security challenges. Effective governance must integrate governments, international organizations, civil society, and private entities in formulating, promoting, and implementing policies that address the ICBT-CBSG nexus. This framework enables a holistic understanding of and response to the intertwined dynamics of informal trade and cross-border security governance in the IGAD region.

In addition, globalization and its effects in health sector, such as witnessed during COVID-19 has amplified the vulnerabilities of borderland communities by increasing economic disparities and creating environments conducive to illicit trade (Bouet, Pace, & Gluber, 2018). However, it also offers opportunities for strengthening cross-border cooperation through technology and shared frameworks. Leveraging these opportunities requires comprehensive security governance that aligns with IGAD's mandate of promoting regional integration and addressing root causes of insecurity. For example, regional mechanisms like trade harmonization and joint border patrols can enhance both human and national security, ensuring that security measures do not disproportionately burden vulnerable populations.

6. Arguments for a Policy Framework

Informal cross-border trade (ICBT) has historically been marginalized due to its characterization as survivalist and uneconomical, resulting in traders often bypassing official channels (Ndlela, 2006). However, contemporary research reveals a shift in the narrative. Lesser and Moisé-Leeman (2009) highlight that ICBT today includes both formal and informal actors, such as registered firms and

individuals, engaging in cross-border trade informally (Afrika & Ajumbo, 2012: pp. 1-2). This evolution has prompted some states, like Uganda and Rwanda, to monitor ICBT systematically. Uganda's decade-long tracking efforts include annual surveys published by the Bank of Uganda, detailing products, volumes, values, and flows across nineteen gazetted border posts. Similarly, Rwanda has conducted regular ICBT surveys since 2012. In contrast, Kenya, South Sudan, and Burundi lack comprehensive national frameworks for monitoring cross-border trade (TMEA, 2016).

The globalization era has ushered in new dynamics in regional integration, emphasizing the liberalization of trade and participation in regional economic communities. This trend has reduced protectionist barriers, expanded markets, and created opportunities for economic growth, social integration, and conflict reduction. In this context, openness to trade participation increasingly defines regional integration success (Abdi & Seid, 2013). The transformation of the General Agreement on Tariffs and Trade (GATT) into the World Trade Organization (WTO) further catalyzed this shift. Reforms, such as the Doha Development Agenda launched in 2001, have prioritized developing countries' trade needs, reducing barriers and introducing revised trade rules to support their economic growth (WTO, n.d.).

Africa has adopted several regional cooperation initiatives to enhance intra-African trade, including the Common Market for Eastern and Southern Africa (COMESA), the East African Community (EAC), and the COMESA-EAC-SADC Tripartite. These initiatives address trade, investment, supply-side constraints, and sector-specific issues such as energy and biodiversity (IGAD, 2011). Efforts like the Tripartite arrangement aim to harmonize trade and macroeconomic policies, aligning with the African Union's goal of accelerating regional integration and sustainable development (EAC, 2020). Nonetheless, regional integration remains hampered by distortions, including high business costs, non-competitiveness, and political differences, which researchers argue have fueled informal trade across borders (Ackello-Ogutu & Echessah, 1997; Gulub, n.d.).

In summary, the rationale for an ICBT-CBSG policy framework is threefold. First, individual states and institutions already monitor and manage ICBT processes, albeit unevenly. Second, globalization has created new security challenges and opportunities that require an integrated governance approach, balancing national and human security needs within a comprehensive framework. Finally, while economic integration in the East and Horn of Africa has accelerated post-2010, high costs and restrictive formal trade policies compel both impoverished informal traders and registered firms to resort to ICBT. Formalizing and harnessing such activities necessitate cooperative security measures in ICBT governance. These elements underscore the significance of the ICBT-CBSG nexus, which is systematically explored in the subsequent section.

7. Policy Framework on the Informal Cross-Border Trade & Cross-Border Security Governance Nexus

The policy framework on the informal cross-border trade and cross-border

governance nexus was made out of the reality that the IGAD region stretches over an area of 5.2 million Km². The region has 6960 km of coastal line with the Indian Ocean, Gulf Aden, Gulf of Toudjoura, and the Red Sea. The external borders with the region, on the other hand, span 6910 Kms (IGAD, 2016b). The region experiences exchanges and interactions between pastoralists, agropastoralists and crop farming communities in dryland parts of the region, who play a critical role in the stability and sustainability of their livelihoods (CELEP, 2018). The region has made efforts to address human security, stability resilience, and drought through the IGAD Drought Disaster Resilience Sustainability Initiative (IDDRISI), the IGAD Conflict Early Warning and Response Mechanism (IGAD-CEWARN), and the IGAD Center for Pastoral Areas and Livestock Development (ICPALD). All of these are overarching efforts and encompass the issues around the trade in the borderland regions, which are of existential importance to the entire IGAD region (IGAD, 2018b).

Cognizant of the important policy shifts in the management of informal cross-border trade in the IGAD region towards improving cross-border security governance, the Ministers In-charge of Trade from the IGAD Member States considered and adapted a regional policy framework on June 21, 2018 (IGAD, 2018a). They did that because borderland communities in the IGAD region maintain trans-boundary socio-economic and cultural ties. The borderlands are also loci of bilateral, multilateral, and cross-border cooperation and collaboration and their economic and developmental aspects are expanding and deepening with significant implication to the relations among IGAD member states (IGAD, 2018b).

The core objectives of the regional policy framework on informal cross-border trade and cross-border security governance include the following: a) ensuring a coherent understanding of ICBT contributions to livelihoods and economic well-being of borderland communities; b) enhancing greater ICBT-CBSG policy convergence and harmonization in IGAD Member State; c) strengthening border security systems and supporting trade facilitation at border crossing points (BCPs); d) promoting the participation of borderland communities in policy consultations to ensure cross-border trade and security-related decisions are enriched and borderland communities' interests and concerns promoted, and; e) ensuring availability and access to consistent, timely and reliable data and analysis on cross-border economic exchanges and ICBT (IGAD, 2018b: p. 7).

8. A Discussion of the Framework

This section presents a brief discussion of the policy framework by exposing it to the questions asked in this chapter: Do the regional policy frameworks on informal cross-border trade and cross-border security governance ensure sensitivity to local dynamics and perspectives in the IGAD region?

IGAD launched its ICBT policy in June 2018. The policy framework aims to establish the nexus between ICBT and CBSG. The quest for a conceptual linkage between ICBT and CBSG follows from a presumption derived from previous

research products on the issue of ICBT (see, e.g., [IGAD, 2017a](#); [Hummels, 2009](#); [Niger-Thomas, 2001](#); [IGAD, 2016c](#)), which shows the existence of a critical policy dilemma in the actual practice of the two concepts. While ICBT presents a home-grown community solution to livelihoods of borderland dwellers, several factors (e.g., particularly borderland communities marginalization resulting from their long-standing detachment from the center of state power) make borderland activities, including ICBT, potential and actual causative factor for cross-border insecurity ([IGAD, 2018b: pp.8-14](#)).

It is from this presumed dilemma that the policy seeks to find the nexus between ICBT-CBSG by premising it on three core conflicting concepts: human security as conceived in [UNDP Human Development Report \(1994\)](#); ICBT conceived as unrecorded cross-border trade in legal commodities; and finally, CBSG conceived as “cross-border multilateral or bilateral cooperation, coordination and collaboration among States, civil society and/or borderland communities to address threats and harness opportunities along their borders toward commonly shared peace, integration and prosperity” ([IGAD, 2018b: p. 10](#)). The policy framework is centered on two broad strategic goals helpful to leverage ICBT as a strategy for enhancing and promoting livelihoods of borderland communities and as a strategy for coordinated and collaborative security governance in the Horn of Africa region.

The extent to which the framework speaks to the two questions asked in this paper is threefold. First, the issue of ICBT intrinsically concerns the local communities living in border areas from in and outflows of informal cross-border trading is more intense. Such policy can't exclude this group of people. The extent to which their perspectives are taken to account, however, remains an issue for long-term evaluation owing to the fact that the policy is only two years old and the IGAD Member States are yet to mainstream it into their respective national policies. Secondly, IGAD views ICBT as an “organic and community-driven” ([IGAD, 2018b: p. 13](#)) activity enhancing both the livelihoods of borderland citizens of the region and most importantly as a direct mechanism for promoting regional integration of formally excluded populations. From this particular reading of the policy, it appears that there lies an instrumentalist approach to finding a nexus between ICBT-CBSG. More specifically speaking, ICBT is to be harnessed as a means to regional integration by finding solutions to the inherent security challenges in its procedures. On this ground, the policy does not seek to enhance the livelihood of borderland dwellers in the longer-term.

This analysis is vindicated, in part, by the policy framework's narrow definition of ICBT as “the small-scale cross-border trade of legitimate subsistence goods and services, which intentionally or unintentionally evades taxation and other procedures set by governments, and often goes unrecorded in official national statistics” ([IGAD, 2018b: p. 10](#)). As explained in the reports by [Afrika & Ajumbo \(2012\)](#) and the [Lesser & Moise-Leeman \(2009\)](#), ICBT happens via registered and unregistered, semi-professional, and professional traders and is trade on both subsistence

and non-subsistence goods as well as services. The near-absolute target on the small-scale and unregulated trade and traders begs the question: Does the policy aim for inclusivity or does it perpetuate further marginalization by targeting small-scale unregistered firms and intentionally or otherwise letting registered and professional firms go scot-free? It is the submission of this contribution that one of the lenses through which the policy ought to be evaluated is this ethical stance.

Lastly, the need to bring on board borderland communities is necessitated by a traditional conception of security and the urgent need for it. Security as border/territorial security, and regional integration as the integration of states with safer borders needs to be integrated with the calls for human security. This requires a systematic mainstreaming of borderland people's needs and sensitivities in to bilateral and regional policy frameworks. The frequent mention of human security in the policy framework document does not appear, as the end goal, but as a means to the end goal: peaceful regionalization in the Greater Horn of African region. By collaborating with both extra-IGAD and Intra-IGAD states and organizations—intergovernmental or otherwise, IGAD thus seeks to harmonize policy issues around ICBT and to find common understandings of the ICBT-CBSG nexus to promote safe boundaries in the region. While this is a necessary long-term objective, it may not be achieved without, first, expanding the definition of ICBT to include formal cartels and governmental elites, dealing with such dangerous trade as in small arms and light weapons (SALW) across borders which affect both border security and economic accountability hence the development in IGAD region (see, for example, Ndawana, Hove, & Ghuliku, 2018: p. 58). Second, human security must be the primary goal. The seven elements identified in the [UNDP HDR \(1994\)](#) must be systematically integrated into broader political initiatives of IGAD and its Member States. Lastly, and related to the former points, ICBT must be conceived beyond borderland actors. Borderland traders maybe direct ICBT traders, as well as mere conveyor belts for very organized underdog cartels, who may be living within the same country but out of borderland communities or are international actors. The policy thus is called upon to handle the ICBT-CBSG nexus with a more comprehensive analysis of the borderland regions and actors, comprehensive domestic environment assessment, as well as local-international backward and forward linkages.

Additionally, a study by the World Bank in 2020 alludes that development policymakers and social scientists suffer from “borderland blindness” resulting in state-centric approaches to development intervention. This position is derived from three key assumptions: a) that the state wields sovereignty over its entire territory; b) that the domestic and international spheres can be delineated; and c) that group identity is coterminous with the geographical boundaries of a state ([Goodhand, 2013](#)). The study argues that the unique situation in the Horn of Africa (the long history of colonial rule, separatism, territorial conflict within and among states, and multiple hybrid overlapping governance institutions) renders these

assumptions null (World Bank, 2020). The study goes further to argue that a reconsideration of these complexities, including a weak state that has minimal reach rendering informal, illicit, and criminal strategies to thrive is critical. Without such a reconsideration, borderlands with real economic potential, pastoralist lifestyles that combine well with trade and local institutions that can navigate the borderland complexities in order to regulate and facilitate economic activities, the highly-connected circuits for global and capital exchange which these borderlands represent remain obscured (World Bank, 2020).

The study by Little, Sarris, & Morrison (2010) also found out that ICBT plays a vital role in the economies of societies within the eastern African region. No matter how it is considered, the authors argue, the activity suffers from policy ambiguities, misunderstandings, and unwarranted concern that the trade's informality breeds illegality, leading to loss of public revenue. By way of concluding their arguments, the authors identify the following as immanent challenges faced by ICBT: a) scarcity of information for policymaking, b) trader perceptions, c) administrative and legal ambiguities, d) inadequate infrastructure, security and communications.

Another study by Masinjila (2011) also shows that traders across the region do not use available formal systems/structures to transact. That, of course, obscures the possibility for regional policy initiatives such as the East African Common Market Protocol to have any significance on this trade. The policy-legal framework for operation is weak in content and implementation. That is partly because there are inadequate actions targeting these sectors. This partly means that traders working in this environment of survival economy lack official recognition (Masinjila, 2011). This partiality is because the survivalist perspective is only one perspective. As reported by Lesser & Moise-Leeman (2009) and Afrika & Ajumbo (2012), other than informal actors in ICBT, there are semi-formal and fully formal actors, who perhaps reap most of the benefits accruing from ICBT

9. Conclusion

The conclusion of this study underscores the critical need for a comprehensive and inclusive approach to addressing the nexus between informal cross-border trade (ICBT) and cross-border security governance (CBSG) within the IGAD region. The current policy framework, while acknowledging the significant role that ICBT plays in the livelihoods of borderland communities and in regional integration, falls short in fully integrating the complex realities of these areas. A narrow focus on small-scale, unregulated trade excludes the larger, more organized actors and fails to address the broader security challenges posed by activities such as the illicit trade in small arms and light weapons. For the policy to be effective, it must expand its scope to include these critical elements and prioritize human security as the primary goal, rather than merely a means to achieve broader regional stability.

Moreover, the existing framework appears to be driven by an instrumentalist

approach that views ICBT primarily as a tool for regional integration, rather than as a mechanism for improving the long-term well-being of borderland communities. This perspective risks perpetuating the marginalization of these communities by focusing on their immediate economic contributions while overlooking the need for sustainable development and security measures that address their unique vulnerabilities. The policy must shift towards a more holistic understanding of security that integrates the seven elements of human security identified by the UNDP, ensuring that the needs and perspectives of borderland communities are central to any regional security strategy.

Finally, the study calls for a more nuanced and comprehensive analysis of the ICBT-CBSG nexus, taking into account the broader geopolitical, economic, and social dynamics that influence borderland regions. This includes recognizing the role of formal and informal actors beyond the immediate borderland areas, as well as the complex interactions between local and international stakeholders. The policy must also address the “borderland blindness” identified by previous research, which has led to state-centric approaches that fail to capture the full spectrum of challenges and opportunities in these regions. By adopting a more inclusive and integrated approach, IGAD and its member states can better harness the potential of ICBT to contribute to both regional security and economic development.

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Conflicts of Interest

The authors declare no conflicts of interest during the conceptualization, research, writing and processing of this paper.

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