



# WTO Trade Facilitation Adoption Challenges in East African Trade Region during COVID-19 Crisis

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## Abstract

The emergence of COVID-19 crippled global trade, exacerbating supply and demand chain shocks. As COVID-19 was unanticipated, policymakers in East Africa resorted to numerous trial-and-error methods to stabilize their economies, as they lacked predetermined trade policies for times of crisis. The high number of trade notifications to the World Trade Organization demonstrates East Africa's numerous trial-and-error approaches to (WTO). Before COVID-19, developing and developed nations complained to the WTO about excessive cross-border bureaucracy. The WTO drafted the Trade Facilitation Agreement (TFA) to address this problem. Full implementation of the Trade Facilitation Agreement is projected to reduce African trade costs by 14.3%. The study focuses on the five East African region nations; Kenya, Uganda, Tanzania, Burundi, and Rwanda. The study employed an empiricist methodology with a constructivist ontology, which asserts that social actors shape social phenomena and their meanings. This study examines trade facilitation adaptation obstacles in the policymaking environment that impede or stall TFA adaptation and execution in East Africa during COVID-19. During COVID-19, many challenges hindered the WTO trade facilitation agreement adaptation; the biggest challenge is the "policy implementation gap" that prevents trade facilitation policies from taking root. The positive aspect of the lessons learned from COVID-19's challenges is the increased urgency with which East Africa has adopted the WTO trade facilitation agreement, which has facilitated the cross-border movement of goods and services, with the most effective facilitation in East Africa being the "One Stop border post" in Namanga, Kenya-Tanzania.

## Subject Areas

Socioeconomics

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## Keywords

Trade Facilitation, East Africa, COVID-19, Trading Blocs, Trade Policy and Trade Facilitation Challenges

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## 1. Introduction

Multilateral trade agreements are commerce pacts between three or more countries; thus, the effectiveness of agreements is highly dependent on a nation's commitment to cooperation, and collaboration with other nations is a crucial factor in determining the agreement's effectiveness. Developing countries benefit from Multilateral Trade by integrating and engaging in emerging markets through global value chains [1]. The World Trade Organization (WTO) is the only international organization responsible for regulating global trade between nations [2].

The regional trade agreements Created under the WTO act in East Africa are the East African Community (EAC) Common Markets of the East and Central Africa (COMESA) and the Southern African Development Community (SADC). The EAC is the most desired trading bloc in the region because it has taken the most significant steps toward full integration [3]. The EAC began constructing trade agreements to advance its goals of enhancing multilateral trade within its member states and the rest of the world to uphold the multilateral trading system of free and equitable trade [4]. Thus, the study focuses on the five East African nations of Kenya, Uganda, Tanzania, Burundi, and Rwanda. (South Sudan will be omitted because it has not yet joined the WTO, and DRC Congo will be omitted because it is a new member of the East African community that requires more time to be adequately analyzed.).

Consequently, traders from developing and developed nations have aired their grievances about the extensive amount of bureaucratic red tape involved in trading across borders; hence WTO drafted the Trade Facilitation Agreement (TFA) to address this issue [5]. The TFA (Trade Facilitation Agreement) focuses on simplifying, modernizing, and harmonizing export and import procedures to reduce and eliminate cumbersome bureaucratic delays that burden trade [5]. The TFA aims to expedite the movement, release, and clearance of goods and outlines effective trade facilitation and customs compliance cooperation between customs and other relevant authorities. Additionally, it includes provisions for technical assistance and capacity building [5].

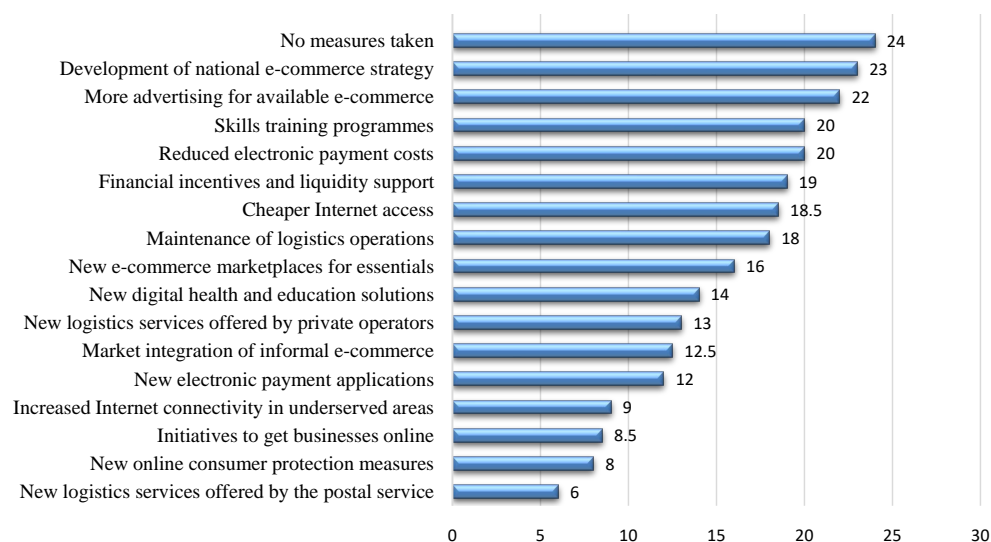
Consequently, the TFA became the world's most advanced and comprehensive multilateral trade agreement. The East African Community ministers pledged to implement trade facilitation reforms under WTO agreements to make trade quick, efficient and streamlined to promote economic integration in East Africa. Implementing the TFA has been projected to benefit the economy [5]. The benefits include;

- Full adoption of the WTO Trade Facilitation Agreement is projected to minimize trade costs by an average of 14.3 percent, with African and least developed countries (LDCs) expected to experience significantly more significant economic savings.
- Trade costs are high, especially for low-income traders. Trade costs in developing nations are comparable to a 219 percent ad valorem tariff on international trade percent ad valorem tariff on international trade. Even in high-income countries, the exact product would face an ad valorem equivalent of 134 percent in trade cost [5].
- The Backbone of East Africa's economy is Agriculture, which plays a crucial role in their industrial development and trade [6]. Thus, the TFA policy on clearing goods across borders could boost trade in perishable agricultural goods and the East African community [5].
- Burdensome trade procedures, customs and regulations are often mentioned as significant obstacles to SMEs' export participation. This is because large firms, especially multinational firms, are better equipped to navigate complex regulatory environments. Thus trade facilitation can boost participation by small and medium-sized enterprises (SMEs) in trade. Among more.
- Enabling poorer counties to compete in a globalized world market by increasing their productivity, Ensuring equitable sharing of trade benefits for disadvantaged groups to benefit and shield vulnerable groups from negative impacts of trade liberalization or protectionist policies [6] [7].

Developing countries have not been actively engaged in multilateral trade negotiations until the Uruguay round [6] [7], demonstrating that developing countries are still new to multilateral trade policies and need more initiatives to improve trade, especially in Africa, which is the continent with the highest combination of developing and least developed countries.

**Figure 1** demonstrates a UNCTAD 2020 research; respondents were asked, "Since the outbreak of the COVID-19 crisis, which governmental or private sector measures, if any, have been most important to facilitate your e-commerce business?" **Figure 1** below shows that most developing nations took "no measures" at all during the COVID-19 pandemic even though most countries and regions, such as the East African Community countries, had already ratified the WTO trade facilitation agreement, which would have, ideally, reduced trade delays across their borders.

**Figure 1** demonstrates the need for research in developing countries and the vitality of taking measures to protect their regions from trade shocks. Trade is crucial for the 2030 Agenda, leading to poverty reduction and economic growth [9]. According to The East African Business Council (EABC) survey, the most affected area in trade during the COVID-19 pandemic was cross-border restrictions by 55.9%, which stagnated regional supply—herewith demonstrating the need for trade facilitation policies that allow and increase the free flow of goods [10].



**Figure 1.** Most important measures taken during the pandemic in developing countries (Source: UNCTAD, 2020) [8].

## 2. Significance of the Study

There is a high level of global interdependence and interconnection; hence collaboration and coordination of national policies are required to achieve shared objectives and address shared global challenges. These emphasize the importance of TFA in addressing trade challenges to attain economic growth. According to Meunier and Nicolaïdis [11], trade is equivalent to soft and hard power in global economic and political affairs. The authors explain that, for instance, the European Union established itself as a dominant force in international affairs by using trade as the foundation for its inherent and normative power. As the WTO is the only international organization regulating international trade [2], thus the WTO Trade Facilitation Agreement (TFA) is the world's most advanced and comprehensive trade agreement. The Full implementation of the WTO Trade Facilitation Agreement is anticipated to reduce trade costs by an average of 14.3%. African nations and LDCs are expected to experience the most significant reduction in average trade costs by over 16%. In addition, it is estimated that full implementation will reduce agricultural trade costs by 10.4 percent, which will benefit the East African community as agriculture is the foundation of the East African economy [5].

Despite being aware of the benefits of the TFA, East Africa had only adopted a few TFAs prior to COVID-19. Additionally, there is a significant data gap in Africa. Data is essential for the negotiation, formulation, and adaptation of multilateral policies; however, because of the scarcity of data in East Africa on the impact of the WTO TFA, we cannot analyze the region for optimal adoption strategies. The study addresses trade facilitation implementation challenges in the policymaking environment that impede or stall TFA adaptation and execution. Multilateral Trade Policies are the first line of defense during a crisis, determining the extent to which a region can mitigate the adverse effects of a crisis

on trade [12]. As all East African nations have ratified the WTO trade facilitation agreement and supporting institutions are prepared to aid the region in adopting policies, the TFA is the most effective and quickest option. This study examined the adoption of WTO TFA in the region, including the policies adopted and the obstacles encountered.

**Research question:** What are the WTO Trade facilitation adoption challenges in the East African trade region during the COVID-19 crisis in Africa?

### 3. Methodology

An empiricist methodology was employed for this study under a constructivist ontology, which asserts that social actors shape social phenomena and meanings. This study utilized inductive reasoning, so no hypothesis was required; instead, the investigation began with facts, observations, and discoveries. In this study, both qualitative and quantitative research methods were employed. Questionnaires were used to gather primary data, whereas reports were used to obtain secondary data.

#### 3.1. The Population of the Research

Multilateral trade requires the coordination of national policies among at least three nations. Consequently, regional trade institutions (EAC, COMESA, and SADC) [13] are involved in the development of multilateral trade policies in the East African trade region, and multilateral trade support institutions (UNCTAD, WTO, and UNECA, among others) [14] support multilateral trade initiatives in the East African Region, so these two groups of organizations comprised the study population.

#### 3.2. Sampling Techniques and Sample Size

Primary data: The region's two most significant economic blocks were chosen using purposive sampling. The study chose EAC and COMESA because the RTA contains the majority of East African nations. Simple random sampling was used to select multilateral trade policy support institutions concerned with policy formation, such as UNCTAD, UNECA, WTO, and IT. Given the delicate nature of the topics and the organizational structures, Chatham house rules were implemented to encourage greater participation and discussion. Secondary data was gathered from RTA and multilateral trade policy support institution reports and press releases.

#### 3.3. Instrumentation

Questionnaires were developed based on the study's objectives and used to collect data for the study. Questionnaires' reliability was tested Using the "Alternate-form" method of testing, which measures the degree of agreement between two or more research instruments (in this case, two different questionnaires) before data collection. The questionnaires contained both open-ended and closed-

ended sections (see **Appendix**).

### **3.4. Data Analysis**

Because the study's theoretical foundation is based on constructivist ontology, which claims that social actors influence social phenomena and meanings, the data was evaluated using content analysis. Content analysis is used to examine qualitative and interpretive social phenomena. The content analysis condenses qualitative data and transforms dense information into a succinct, well-organized summary of key findings. The questionnaire developed for this study was thus adequately analyzed through content analysis.

## **4. The WTO Trade Facilitation Adoption Challenges in the East African Trade Region during Covid-19 Crisis in Africa**

The EAC produced Administrative Guidelines to Facilitate the Movement of Goods and Services during the COVID-19 epidemic one month after the lock-down. In addition, they established a Regional Coordination Committee with Risk Communication, Policy, Logistics, Data, and Statistics Subcommittees to supervise the regional response to COVID-19 [15]. Eventually, the EAC had to return to accelerating the TFA's adoption to improve the free movement of products.

### **4.1. WTO Trade Facilitation Agreement Policies Adopted by EAC during COVID-19**

#### **1) Transparency**

Transparency encourages the openness and accountability of governments by making information easily accessible and usable to the public, enhancing the predictability of economic transactions.

##### **a) Trade notifications**

The WTO indicated that the East African region, specifically Kenya, Rwanda, Tanzania, and Uganda, had some of the highest notification rates during COVID-19. They accounted for 26% of worldwide notices submitted in 2020. East Africa did this to strengthen the predictability of the trading environment and prevent unforeseen expenses and delays. The notifications enable conversations in the event of a dispute, allowing members to lessen trade tensions before implementing a measure and preventing the escalation of a formal dispute [16].

##### **b) Information availability**

Kenya published information about COVID-19 trade-related emergency measures on the Info Trade Kenya Portal, which was established with cooperation from UNCTAD [15]. In addition, the Kenya Private Sector Association (KEPSA) established a 24-hour call centre and an information website [17]. In Rwanda, Customs provided the public with contact information for operational supervisors to facilitate communication [15].

##### **c) Trade information portal (TIPS)**

Kenya, Rwanda, Tanzania, and Uganda have all implemented Trade Information Portals (TIPS), but Burundi has not been adhering to the EASC's trade facilitation policy. Fortunately, in July 2021, Burundi launched a portal for trade-related information. Burundi's fulfilment of its commitment to the 38th EAC meeting of the Sectoral Council on Trade, Industry, and Finance is an indication that it is committed to facilitating trade by making trade information more transparent [18]. The portal will catalogue her imports, exports, transit procedures, fees, and duration. The subsequent step, which follows mapping, will simplify and eliminate unnecessary and redundant bottlenecks.

## **2) Modernization**

COVID-19 has required many physical distancing policies. During the pandemic, digital solutions were crucial for conducting business in every sector of the global economy. Therefore, East Africa must embrace the modernization of trade facilitation policies by digitizing its systems during and even after COVID-19; this will ensure the effectiveness of the current restrictions [19].

### **a) The online digital system (Paperless trade)**

Uganda utilized their online system to clear the cargo process. With the aid of the ASYCUDA tool, Uganda was able to respond to queries and inquiries more efficiently [17]. In Rwanda, documentation and accompanying cargo must be submitted electronically to customs administration to avoid paper manipulation [17]. In Kenya, cashless transactions such as mobile money and credit cards are encouraged and in many areas enforced. Kenya Ports Authority facilitated online document submission systems to reduce human contact at Mombasa Port [17].

### **b) Electronic cargo tracking technology**

The East Africa Community plans to make its Common External Tariff accessible online. The WCO supports the project in the context of the EU-WCO Programme for the Harmonized System in Africa. Workshops were organized that brought together more than 90 Customs officers from Burundi, Kenya, Rwanda, Tanzania and Uganda [17].

### **c) Expedite the release of cargo (Green lanes)**

Rwanda maximized the utilization of nonintrusive cargo scanners for identical cargo. For instance, SCT enforced the "clearance framework", which allowed the payment of duties and taxes prior to the prompt release of goods at entry border posts [17].

### **e) Electronic Certificate of Origin (eCO) (encouraging paperless trade)**

COVID-19 has accelerated the need to implement the ecosystem, given the supply chain's dire challenges. Thus COMESA took steps toward digitalization, The (eCO) System. The system is projected to eliminate and streamline documentation associated with the movement of goods, including declaration, assessment, and payment of duties. Thus, promoting safe trade and achieving a perfect balance between SDG 3 and SDG 9 promotes good health and well-being and SDG 9's inclusive and sustainable economic growth [17].



### 3) Simplification

It is the practice of removing all extraneous aspects and duplications from business formalities, processes, and procedures. Simplifying trading procedures improve economic performance and eliminate incentives and chances for border-related corruption, bolstering good governance and integrity [20].

#### a) Simplification and streamlining of documentation processes

The KenTrade and NTFC Secretariat (border regulatory agencies) collaborated to identify simplification measures that would permit business continuity without requiring physical contact [21]. KEPHIS' (Kenya Plant Health Inspectorate Service) simplifying processes was another effort by East Africa to reduce red tape and facilitate the movement of goods. KEPHIS decreased the number of days required to fill out documents from six to three, thereby reducing the administrative cost incurred by businesses in the registration procedure from KES 40197.35 (US\$375.5) to KES 15287.29 (US\$142.8), equating to a 62% decrease in trading costs without any changes to the law.

#### b) One-stop border post

East Africa implemented its policy initiative for a one-stop border post. Kenya and Tanzania were the first EAC members to implement this initiative. The One-Stop Border Post has increased trade and tourism between Kenya and Tanzania, reversing the effect COVID-19 had on trade flow and becoming a pacesetter in the African continent [22].

#### c) Extending cargo storage period

The Kenya Ports Authority (KPA) has increased the duration of free cargo storage. The domestic import container-free storage period was extended from 4 to 5 days, and the transit import container-free storage period was extended from 9 to 15 days at the Inland Kenyan port [23].

### 4) Standardization

This entails developing formats for practices and procedures, documents and information internationally accepted by multiple parties. Then, practices and methods are aligned and eventually harmonized using standards.

#### a) Single window system

Rwanda Customs Agency recommended carrying out Customs' related payments through the e-payment feature developed by ASYCUDA and enforced stakeholders and the public to use ASYCUDA and the online services available in the Rwanda Electronic Single Window System [15].

#### b) Ensure consistency and Uniformity

Rwanda called for private and public institutions to collaborate to implement national measures to protect society [15].

### 5) Harmonization and Coordination

The President of Zanzibar urges the harmonization of standards within the East African Community (EAC) to effectively address Non-Tariff Barriers (NTBs) that impede intraregional trade. For example, authorities should cease retesting imports that have already been tested and certified in other Partner Countries, as



this practice impedes the free movement of goods [24]. Benefits of harmonisation and coordination included:

**a) Cross-border coherence (Benefit of one-stop border post)**

The advantage of the one-stop border post between Kenya and Tanzania at the Namanga border is that it is a trade facilitation initiative that supports the adaptation of other trade facilitation initiatives, including the single window system, green lanes, and others. The land border between these two East African countries has streamlined border procedures by reducing wait times, redundancy, and administrative burden.

**b) Cooperation**

East African Community assisted Tanzania and Uganda in reaching a truck movement agreement between the two nations. In addition, the East Africa Community assisted Kenya, Uganda, and Rwanda in reaching an agreement to test truck drivers for COVID-19 upon departure to alleviate bottlenecks at border crossings after each nation insisted on conducting mandatory testing independently.

## 4.2. Challenges in Forming Multilateral Trade Policy

During a crisis, a nation's economy's first line of defense is its trade policies. East African nations had already ratified the WTO Trade Facilitation Agreement; these policies should have been the first multilateral policies to ensure the free flow of goods, but this was different. According to WTO notifications, East Africa employed many knee-jerk and trial-and-error policies. East Africa alone accounted for 26% of worldwide notices submitted in 2020, though trade facilitation policies they could have utilized were already present. Despite several integration obstacles, EAC eventually returned to adopt numerous TFA policies [3]. The challenges experienced by the East African region in forming multilateral trade policy included:

**1) Lack of adequate coordination and cooperation with professional bodies**

**a) The correct professional bodies were not involved during policy formulation.**

During the COVID-19 crisis, trade committees should have been given a more significant role in emergency response. The WTO Trade Facilitation Agreement (TFA) requires multisectoral coordination by relevant professional bodies such as the NTFCs as a key to unlocking trade flows. Contrary to this policy, during the COVID-19 crisis, NTFCs were essential for addressing the effects of the coronavirus pandemic on international trade. A response would guarantee the free flow of trade by implementing and coordinating effective multilateral trade. The RFCs needed to be sufficiently involved in the ad hoc emergency committees of the countries [8]. The senior director of TMEA supported this claim by stating that it is crucial to include NTFCs in trade matters involving national and regional emergency responses, such as the COVID-19 Task Forces [8].

### **b) Failing to consult professional bodies during policy formulation**

NTFCs have dependable cross-border networks in their portfolio. Consequently, positioning them to support the East African trade facilitation initiatives during a pandemic. NTFCs can address obstacles such as time-consuming export and import procedures for emergency supplies. They have the knowledge and expertise to effectively advise on interventions that will create a swift, dependable, cost-effective, and secure trading environment for the region and ensure that the supply chain remains open during COVID-19 [8]

### **c) Professional bodies are spread out too thin.**

The WTO mandates that NTFCs participate in ad hoc multilateral trade policy discussions during national and regional emergency response meetings. NTFCs have also been tasked with managing and assessing situations at the borders, such as unlocking trade blockages and assisting with impromptu problems at the border, such as double charges in COVID-19 test kits and harmonizing the rules and regulations on test kits [8]. It is essential to develop capacity-building initiatives for the NTFCs to improve their technical skills and increase their capacity to expand their operations across sectors and still participate in ad hoc emergency response negotiations.

### **2) Differences in Tax Policies negatively affect trade in EAC.**

EAC countries still operate on different tax policies, defeating the purpose of the EAC Customs Union. Gaps in CET implementation increase the opportunity for corrupt or tax-avoidance practices, such as smuggling, particularly if a country has varying tax rates. Harmonization should ideally be achieved with similar tax principles and laws [25]. Regional tax harmonization is essential. However, one of the region's most significant obstacles to tax harmonization is the varying development levels in each East African nation.

### **3) The difference in cross-border cost policy**

EAC Sectoral Council on Trade, Industry, Finance, and Investment (SCI-FI) urged the EAC Regional Coordination Committee (RCC) to review and harmonize the Covid-19 testing charges, validity, and mutual recognition of the certificates. To establish a safe and smooth trade flow in the region, EAC member countries have been directed to eliminate visas e all discriminatory fees, levies, and charges of equivalent effect [25]. EAC called for a harmonized policy to tackle COVID-19 as it greatly affected cross-border trade and the free movement of people [26].

### **4) Lack of sufficient trade policies for landlocked countries.**

Landlocked countries were the hardest hit regions in East Africa by the COVID-19 crisis. It was projected that exports in these regions would decline by Rwanda at 37%, Uganda at 34% and Burundi by 22%, respectively. EIU foresees modest impacts on the two largest economies in the region, Kenya and Tanzania, as they are not landlocked and thus have free access to ports [27]. Additionally, the Bank of Uganda [28] reported that the adverse effects of COVID-19 in Uganda hit exports and imports much harder than in Kenya, experiencing a 36

and 37% decline, respectively, in March-May 2020, the previous year. In addition, Ugandans experienced a complete collapse of informal trade after small-scale cross-border trading was prohibited from containing the spread of the virus, showing the adverse effects of trade on landlocked countries in East Africa [27].

### **5) Cross-border inefficiencies**

The most significant cross-border inefficiencies that caused Businesses to suffer through direct and indirect costs during COVID-19 were reportedly caused by; a) Excessive paperwork; multiple parties requiring similar or overlapping documents. b) Long queues at the government offices responsible for stamping paperwork c) Checks at the border take too long d) The office hours kept by officials need to coincide with the actual timing of the goods' arrival at the border. e) Officials are unnecessarily heavy-handed in soliciting payment for "special" treatment. f) Officers need to appreciate how their actions impact trade costs g) Published rules and procedures cannot be easily accessed or need to be updated h) Officers at ports and borders interpret applicable rules and procedures inconsistently, adding to confusion and expense. i) The capacity of inspection facilities is constrained; significant backlogs and extended periods of delay result. j) The various board agencies need to coordinate their controls, resulting in duplications of control activity, delays and additional costs. k) Paper documents went missing. l) Officials reject documents because of minor errors - for example, the letter "l" and the number "1" look the same. m) Correction and appeal mechanisms may not exist—or are very cumbersome n) The operational practices of one government agency contradict those of another 15. Government agencies fail to take adequate advantage of modern technologies, thus adding to cost Source [29].

### **6) Adoption challenges**

Policy implementation failure is a barrier to trade that undermines trade facilitation initiatives, especially during crises. Emergency policies can only be adequately introduced if previously agreed-on policies were established. Kenya has projected that GDP performed better than Tanzania, which had equal opportunities. Because Tanzania still needed to implement most WTO Trade Facilitation Agreements (TFA) like modernization and digitization, thus Kenya quickly adopted a single-window system. In contrast, some of its neighbors had to begin creating an online system before creating a single-window system, thus taking a long time.

Additionally, although all member Countries have established NTBs Focal Points, several countries are yet to formalize and operationalize their National Monitoring Committees. These are critical to implementing the regulations and eliminating NTBs [29]. Nations agreed upon multilateral trade policies, but on the ground, the story was different.

#### **a) Lack of follow-up procedures and adaptability**

After implementing a multilateral policy, there still needs to be an adequate follow-up structure to ensure all countries and cross-border staff are utilizing

online portals as intended. For example, the Northern Corridor Transit and Transport Coordination Authority (NCTTCA), the Transport Observatory platform, has been tracking performance along the corridor using raw data collected from stakeholders in all Member countries. (NCTTCA) noted that there is a decline in the number of people visiting the sites. (NCTTCA) wants to hold a survey to understand challenges facing users while accessing the portal to find out whether it is the portal that is difficult to maneuver or s it lacks the structure of adhering to this policy [24].

**b) Partner countries need more commitment to implementing agreed-upon policies.**

The SCIFI noted that Tanzania, Rwanda and Burundi had waived visa fees under the Common Market Protocol. However, Kenya and Uganda were still charging visa fees [30]. Additionally, EAC noted that member countries had taken trade-restrictive measures against each other, and the council instructed member countries to comply with the notification obligations in EAC legal instruments. EAC minister advised members to eliminate NTBs by removing all discriminatory fees, levies and charges that stunt trade flow [30].

**c) Capacity challenges**

In the EAC's 21st Ordinary Summit, Heads of State acknowledged that not all member countries could sign, ratify and implement the EAC-EU-EPA agreement. Therefore it was concluded that member countries who sought to continue with the agreement could proceed and commence the EAC-EU EPA implementation, as provided for in the EAC Treaty [30].

**d) Regional integration**

According to the AFDB, The primary challenges of regional integration in East Africa were "Insufficient complementarity in trading, the low, competitive position of countries to supply goods in the region, weakness in institutional capacity to advance regional integration, and failure to address political issues related to regional."

**e) Trade disputes**

Prior to COVID-19, the EAC indicated that intra-EAC trade disputes were one of the most significant obstacles. During COVID-19, trade conflicts intensified mostly due to protectionist policies, increased non-tariff measures, and a lack of harmonization. Trade conflicts appeared to trump agreed-upon harmonization initiatives, such as the Authenticity of tests. The East African Community secretariat had standardized the authenticity test to permit the free flow of commodities within East Africa. Nevertheless, there were trade conflicts regarding the validity of tests, where cross-border officials of one country had different testing policies than those of another; this infuriated traders, who protested and pleaded for immediate assistance because the cargo contained very perishable commodities, resulting in traders incurring substantial losses. Commercial conflicts between East African member nations, especially Kenya and Tanzania, influenced this disagreement, which constantly modified regulations without notice.

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## 5. Results and Discussion

The data was analyzed using structured content analysis to address the particular objectives. Due to the sensitivity of charter information and the nature of the given organizations, Chatham house rules were applied to the analysis. Under the Chatham House Rule, anyone attending a meeting may use information from the discussion but cannot reveal who made a specific comment intended to encourage greater discussion openness. Thus, data from regional trade agreements such as EAC, COMESA, and SADC were referenced without specifics. For trade support institutions, bodies of the United Nations and other trade support institutions in the region were included. Analysis of the research study questions centred on answering the research objective.

### 5.1. Trade Negotiation and Cooperation

76% of the RTA target population and 90% of the MTSIs target population agreed that East African countries are cooperative during trade negotiations of multilateral trade policies. This analysis demonstrates that counties demonstrate a good level of openness to negotiation; this shows that the challenges in adapting TFA, all factors held constant, start on a different level.

### 5.2. Prioritization of TFA Pillars

According to the MTSIs' target population, all the TFA pillars are equally important and cannot be summarized as one is more important than the other, they work together cohesively during COVID-19, and increasing transparency was the most critical WTO trade facilitation pillar. RTAs target population stated that increasing transparency and simplifying procedures are the most important to identify and solve the remaining three equally on the same level and can be arranged in any format; this demonstrates that MTSIs focus on promoting and aiding in enforcing all policies equally, while RTAs have identified a prioritization strategy.

### 5.3. Simplification and Modernization of Trade Facilitation Policies

The MTSIs' viewed all the policies as equally important. However, the RTAs target population stated the ranking below with the online digital system and the Electronic Certificate of Origin (eCO) (encouraging paperless trade) as priorities (**Table 1**). Notably, the RTAs are adopting trade facilitation policies that are important to the region. They are, therefore, an excellent basis to demonstrate to MTSIs where the most urgent need is required.

### 5.4. Trade Policy Restraint

Seventy-six percent of the RTA target population agrees that trade policy restraint by WTO members prevented protectionism from strangling world trade; this should be adopted in the TFA. However, 70% of the MTSI's argument

**Table 1.** Simplification and modernization.

Simplification and modernisation	Total Ranking
The online digital system and the Electronic Certificate of Origin (eCO) (encouraging paperless trade)	5
Electronic cargo tracking technology	4
The expediting release of cargo (Green lanes)	3
Simplification and streamlining of documentation and processes	3
One-stop border post	1

is that world trade was still affected regardless. Additionally, they argued that this move infringed on a nation's right to free trade according to WTO trade rules; any nation has the justification for protecting its economy if it perceives a threat, and COVID-19 was a valid reason for increased protectionism.

### 5.5. Prominent Areas that Need Investment Query

MTSIs argued that more effort should be devoted to negotiation. While RTA believes that more focus and investment should be placed on adaptation and implementation, primarily because implementation is one of the most significant obstacles facing trade facilitation. There are numerous adaptation gaps in the field.

### 5.6. Harmonization and Cooperation

RTAs stated that professional bodies are spread out too thin (**Figure 2**), while MTSIs believed that there were all equally important challenges. Some of the RTA population specified that the professional bodies, specifically the NTFCs, are required by the WTO Trade Facilitation Agreement (TFA) as a key to unlocking trade flows end up with the most significant load of work in the trade value chain and end up with much responsibility. Financing, training and growing these bodies can improve implementation challenges in cross-border trade.

### 5.7. Policy Adoption Challenges

Both RTAs and MTSIs thought that digitization was the biggest challenge. "Failure to utilize digitization effectively with 30% of subject group circling or repeating the word digitization, demonstrating that digitization is a big contentious issue. Surprisingly lack of sufficient trade policies for landlocked countries was the least of the worries for all the target groups. Some expressed that landlocked countries always find a way around the system. At the same time, another noted that the wealthy countries in the region do not perceive it as a pressing issue and are, therefore, quickly forgotten (**Table 2**).

### 5.8. Best TFA Policies on Building Back Better Post-COVID-19 trade

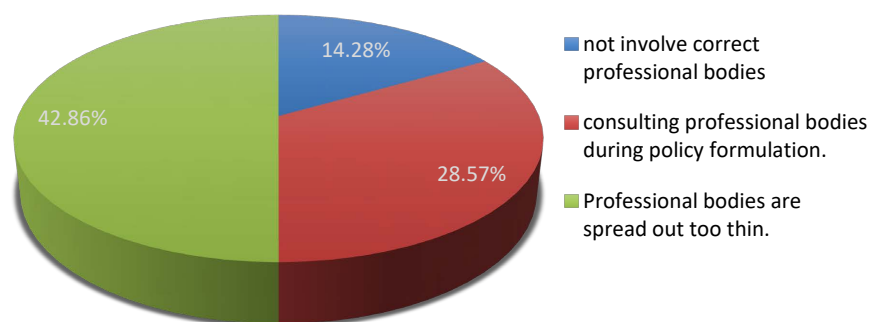
1) MTSI remained neutral, not arranging the policies in prioritization (**Table 3**).

**Table 2.** Policy adoption challenges.

	RTAs	MTSIs
Failure to utilise digitisation effectively	5	5
Lack of sufficient trade policies for landlocked countries.	1	1
Cross-border inefficiencies	3	4
Insufficient policies for essential goods	2	2
Lack of willingness to implement policies	4	3

**Table 3.** The best policies to build trade back better post-COVID-19.

MTSIs
Simplification of procedures; Clarity regarding requirements
Harmonization of procedures at the borders; similar procedures have a single window for many different government agencies involved in controlling trade and borders.
Modernization of procedures, Electronic Solutions, and preferential treatment for trusted companies with a good record of accomplishment.
Document standardization follows a similar format and user-friendly software to allow the same paperwork.

**Figure 2.** Harmonization and cooperation challenges facing.**Table 4.** The best to build back better post-COVID-19.

RTAs
1 Enhancing digital platforms and innovative ways of facilitating cross-border trade.
2 Implementing Coordinated Border Management to address cross-border procedures, including healthy controls holistically.
3 Full implementation of commitments made at REC and Continental level related to duty reductions and transparent procedures for issuing Certificates of Origin. expedited clearance
4 Simplified customs procedures Allow consolidated consignments for small-scale traders.

2) The RTAs had a prioritization list of TFA policies that were best to build better post-COVID-19 (**Table 4**).



## 6. Conclusion and Recommendations

### 6.1. Conclusions

**From the study, we can conclude the following:**

1) There were increased challenges to safe trade and underlying policy implementation failure that amplified pre-existing challenges that intensified trade disputes, among other challenges.

2) The COVID-19 pandemic gives the East African trade region a chance to change course by speeding up trade facilitation initiatives to speed up the flow of goods and services between countries to put the region back on track to a quick recovery. The East African countries must adopt more Multilateral policies as COVID-19 has proved that bilateral relationships are tremendous, but bilateral relationships alone are insufficient to sustain resilience during a crisis.

3) COVID-19 has made East African countries take more significant steps toward digitization. COVID-19 accelerated the need to adopt a digital system, with even Burundi, which has usually been left behind by its neighbors, making significant steps towards digitization to facilitate trade. East Africa has promoted paperless initiatives such as electronic cargo testing systems, electronic certificates of origin, e-commerce, and e-payment systems, creating online portals that support single window systems and facilitate green lanes.

4) There is urgency in fully implementing the WTO Trade Facilitation Agreement through the simplification, modernization, and modernization of export and import processes, done by creating Trade facilitation measures such as digitizing, streamlining border processes, reducing border procedures, and creating “green lanes”, among others. Although East Africa has been quite innovative in minimizing the disruption to the supply chain, landlocked countries in East Africa have yet to be fortunate in terms of the overall trade impact. A coordinated regional approach is critical for intra-regional trade to secure vulnerable countries from the COVID-19 crisis fallout.

5) MTSIs acting according to their mandate focus on all the trade facilitation policies equally because they are all equal. However, the RTAs can adopt the policies to their region and see what their regions need more clearly, thus making it easier to prioritize what is most crucial to their success. MRIs can use that data to prioritize areas of specific support needed

6) COVID-19 accelerated the need for East Africa’s adoption of the WTO trade facilitation agreement. It facilitated the movement of goods and services across borders with impactful policies such as digitalization which promoted paperless trade initiatives such as electronic cargo testing systems, with the one-stop border post between the Kenya-Tanzania borders being the most effective.

### 6.2. The Main Shortcomings of the Research

#### 6.2.1. Measurability of Implementation

The WTO Trade Facilitation Agreement Full implementation is projected to reduce African trade costs by 14.3%. How do we measure the WTO TFA to moni-

tor and establish that a country has attained 100% implementation? This would mean that the country would have scored 100% on each of its weighted averages (the weighted average here would be the five WTO pillars; Transparency, simplification, harmonization, standardization and coordination). Thus, in theory, each weighted average should be at 100% to attain full implementation.

Converting WTO TFA into measurable econometrics would be essential in providing policymakers with more precise data to form a well-informed decision and better identify implementation challenges and how to solve them. In this research, it took work to come up with an accurate econometric analysis that would be able to measure the success rate of the WTO pillars. As some of the WTO TFA is easier to measure, such as the single window system and a one-border post, others are more challenging to measure, such as transparency. For instance, to what level should a country be considered to attain a 50% transparency rate?

### 6.2.2. COVID-19 Focused

The research addressed factors that occurred before COVID-19 and during COVID-19.

- The research has not projected what will occur during other crises, such as the Russian-Ukraine conflict.
- It is impossible to project if the policies implemented during COVID-19 will be adopted in the long run or will only be implemented temporarily.

### 6.3. Recommendations

**The study, therefore, recommends that**

1) The nations of East Africa are obligated to encourage the modernization of customs procedures and the transition to paperless trade to make international business dealings more efficient, convenient, and open while simultaneously ensuring that they comply with applicable regulations.

2) In order to construct a commerce structure that is more robust on a regional level, East Africa ought to create a harmonized policy implementation-tracking tool that monitors and adheres to the WTO TFA guidelines.

3) To facilitate the clearance of goods for small-scale cross-border traders through methods such as introducing green lanes, green lanes improve the expedition of trade exports where trusted goods are immediately released without the need for any inspection.

4) The WTO TFA should establish a universal econometric analysis to analyze WTO implementation and adaptation rate to establish when a country hypothetically attained 100% implementation. The econometric should calculate each weighted average of the five WTO pillars (Transparency, simplification, harmonization, standardization and coordination). A deeper analysis is needed to develop the analysis by sector and country further.

5) East African community could use the COMESA's proposal of sanctioning countries that introduce new trade restrictions without informing WTO and the

region. This will increase regional transparency as traders will clearly understand trade costs and requirements.

6) East Africa should simplify and Harmonize cross-border procedures. For instance, East Africa could simplify customs procedures by merging repetitive or similar procedures and centralizing procedures so that a company finalizes its procedures in one office instead of five different offices.

7) To modernize procedures, Electronic Solutions, and preferential treatment for trusted companies with a good record of accomplishment. Enhancing digital platforms and innovative ways of facilitating cross-border trade. Implementation of Coordinated Border Management to holistically address cross-border procedures, including healthy controls.

## Conflicts of Interest

I, Beryl N. Olubandwa, declare that I do not have any conflict of interest.

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## Appendix

### Section A: Organisation profile.

1) Which organisation are you working for

- EAC       COMESA       SADC       UNCTAD  
 UNECA       WTO       Other

### Section B: WTO trade facilitation agreement during the COVID-19 crisis

1) During COVID-19, East Africa had one of the highest notifications to the WTO at 26%. Is this a positive indicator?

- Positive       Negative

2) During COVID, some argued that East Africa's high notification score of 26% to the WTO increased transparency.

- Strongly agree       Agree       Uncertain       Disagree  
 Strongly Disagree

3) What is the main reason East Africa had the highest notification score?

KEY: Rank on a scale of 1 - 5 (1-Least reason - 5 highest reason)

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Ranking

Increase the predictability of the trading environment

Help avoid unexpected costs and delays.

Aid in providing room for discussions in case of disputes in order to allow members to reduce trade tensions before a measure enters into force

East Africa was making many Knee jerk-reaction policies.

East Africa was making trial-and-error policies.

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4) During COVID-19, which WTO trade facilitation pillar was the most critical  
 (KEY: Rank on a scale of 1 - 5 (1-Least critical - 5 Most critical))

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Ranking

Increasing transparency

Simplification of procedures

Harmonisation of trade policies

Standardisation of policies

Coordination of policies

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5) During COVID-19 in the East African trade region, which simplification and modernisation trade facilitation policy allowed trade to flow more freely?

(KEY: Rank on a scale of 1 - 5 (1-Least flow - 5 Most flow))

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Ranking

The online digital system and the Electronic Certificate of Origin (eCO)  
 (encouraging paperless trade)

Electronic cargo tracking technology

**Continued**


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The expediting release of cargo (Green lanes)  
Simplification and streamlining of documentation and processes  
One-stop border post

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6) During COVID-19, which protectionist policies hampered, trade the most in the East African trade region?

(KEY: Rank on a scale of 1 - 5 (1-Least hampered- 5 most hampered))

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Ranking

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Quarantine policies  
COVID-19 testing policies  
Moving from multilateral policies to nationalistic policies preventing the import of non-national products such as the “buy Kenya, build Kenya campaign”  
Increased cross-border documentation and procedures  
Reduced cross-border personnel

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7) Some argue that trade policy restraint by WTO members prevented protectionism from strangling world trade. Should the WTO introduce more restraining policies that prevent its members from protectionist policies during a crisis?

Strongly agree       Agree       Uncertain       Disagree  
 Strongly Disagree

8) Should EAC, COMESA or SADC introduce trade policy restraints to member countries to prevent protectionism from strangling the East African trade region?

Strongly agree       Agree       Uncertain       Disagree  
 Strongly Disagree

9) With the WTO, aid for trade invests 3% of the amount in policymaking. Should the percentage for financing policymaking increase?

Strongly agree       Agree       Uncertain       Disagree  
 Strongly Disagree

10) Suppose WTO was to invest more funds in multilateral trade policies in the East African trade region. Which section of the policy value chain requires the most focus?

(KEY: Rank on a scale of 1 - 5 (1-Least focus - 5 most focus))

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Ranking

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Policy Implementation  
Multilateral trade policy negotiations  
Capacity building of trade policy workers such as cross-border agents?  
Trade policy research and findings  
Building trade facilitation infrastructure?

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**Section C: Challenges faced by multilateral trade support institutions in the policy formation during the COVID-19 crisis;**

1) What were the biggest challenges facing trade facilitation policies under harmonisation and cooperation?

KEY: Rank on a scale of 1 - 5 (1-Lowest - 5 being the biggest challenge)

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Ranking

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RTAs should have involved the correct professional bodies during policy formulation.

Not consulting professional bodies during policy formulation.

Professional bodies are spread out too thin.

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2) What were the biggest challenges facing trade facilitation policies under simplification and modernisation?

KEY: Rank on a scale of 1 - 5 (1-Lowest - 5 being the biggest challenge)

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Ranking

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Failure to utilise digitisation effectively.

Lack of sufficient trade policies for landlocked countries.

Cross-border inefficiencies

Insufficient policies for essential goods

Lack of willingness to implement policies

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