



EAST AFRICAN COMMUNITY

**11TH EAC REGIONAL FORUM ON NON-TARIFF
BARRIERS**

27TH TO 29TH JUNE, 2013

EAST AFRICAN HOTEL, ARUSHA, TANZANIA

REPORT OF THE MEETING

(REF: EAC/ /2013)

**EAC SECRETARIAT
ARUSHA, TANZANIA
JUNE, 2013**

Handwritten signatures and initials:
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EAC REPORT OF 11TH REGIONAL FORUM ON NON-TARIFF BARRIERS

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1.1 Introduction

The 11TH EAC Regional Forum on NTBs was held from 27th to 29th June, 2013, at the East African Hotel, Arusha, Tanzania in accordance with EAC Calendar of activities for January to June, 2013.

The meeting was attended by the Members of the National Monitoring Committees (NMCs) from the EAC Partner States; EAC Secretariat, and Trade Mark East Africa (TMEA). The list of participants is attached hereto as *Annex I*.

1.2 Constitution of the Bureau

Ms. Angela Achieng Barungi, Supervisor, International Affairs, Department of Customs, Uganda Revenue Authority chaired the meeting while Ms. Liliane Gahungu, Burundi was the Rapporteur.

1.3 Adoption of the Agenda

The agenda was adopted and is hereto attached as *Annex II*.

1.0 STATEMENT BY EAC SECRETARIAT

On behalf of the Secretary General, the Principal Trade Officer (Internal) Mr. Nduati Wa Karanja welcomed participants to the meeting and wished them fruitful deliberations.

2.0 CONSIDERATION OF REPORTS OF NATIONAL MONITORING COMMITTEES ON NON TARIFF BARRIERS (NMCs)

The Partner States presented their quarterly report on NTBs as follows:

2.1 REPUBLIC OF KENYA

Kenya reported that she held her NMC meeting on 24th June, 2013 where they updated the matrix among others. During the NMC meeting, the following recommendations were made;

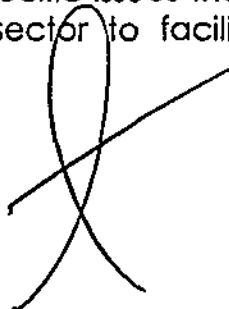
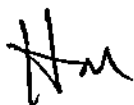
- a) The matrix needs to be updated especially on the time frame column;
- b) There is need to indicate when the NTBs were reported and subsequently resolved;
- c) There is need to define the NTBs and revise the EAC Time Bound Programme to remove the ones which are not NTBs according to the definition; and
- d) The Matrix should reflect the reality on the ground.

The Kenya National Stakeholders Workshop on the draft bill on the legally binding mechanism was held in Nairobi on 20th May, 2013 with an impressive attendance and participation.

Kenya noted that URT had issued a written notice to expel Kenyan settled in Tanzania since 1973. The evidence was submitted to URT.

Kenya recommended the following:

- (i) That URT should communicate to the borders about the Sectoral Council decision of 10th June 2013 that plastics manufactured in East Africa which meets the EAC rules of origin should be given preferential tariff treatment;
- (ii) Uganda should undertake a verification mission through EAC secretariat to determine whether Capwell Industries Ltd rice is wholly produced; and
- (iii) Partner States were asked to raise specific issues they have with motor vehicle assembly and accessories sector to facilitate trade in East Africa (GM East Africa).



2.2 REPUBLIC OF UGANDA

Uganda reported that she held two national workshops to discuss the draft legally binding mechanism, the meeting made extensive comments which were submitted to the secretariat for review of the bill.

Uganda also convened a meeting on the Implementation of Electronic Single Window System (E-SWS). TMEA is extending support to Uganda to implement the E-SWS and a Technical Working Group comprising of various stakeholders from NMC institutions was established to drive the process of implementation of e-single window system.

Uganda reported having developed a draft MOU on the Information exchange framework between MDAs and Ministry of Trade, Industry and Cooperatives (MTIC). In that regard, the meeting observed clearing and forwarding industry needs assistance in form of IT equipment and capacity building so as to move on the same trend in e-SW implementation and that Uganda should utilize the EAC developed guidelines for implementing Single Window System in the region. Regarding the way forward; the technical working group on e- SWS will develop a draft work plan for implementation. The Ministry of Trade will make presentations to senior leadership of institutions that will be involved in e-SWS and a follow up workshop for all stakeholders will be held once the Ministry of Trade and TMEA have reviewed and agreed on the proposed work plan for e-SWS implementation.

Uganda also reported the following;

Denial of entry into Kenyan Market of Ugandan Sugar:

- In December 2012, Kenya denied market access for Ugandan Sugar and as a result, trucks loaded with sugar were stuck at the Malaba Border – Kenya Side, for 6 Months.
- It was also noted that various commitments from the Kenya side to allow the Sugar into Kenya were not being fulfilled, even after the two countries conducted a joint verification mission to determine whether the sugar was originating from Uganda. However, the sugar was later allowed entry in May 2013.
- The meeting noted that arbitrary imposition of such measures that are trade prohibitive and costly to traders.

Weighbridges

- Uganda conducted a study on the management of weighbridges and the final report was submitted to the Ministers of Works and Trade for review and implementation of the recommendations.
- It was also noted that Kenya continues to use the Axle Load formulae of weighing as opposed to the Gross vehicle Mass (GVM) even for wet cargo that shifts constantly in the container.
- It was also observed that Kenya is implementing the 48 limit tons as opposed to 56tons as agreed and passed by EALA.
- Uganda requests Kenya to implement GVM at the maximum weight of 56 tons.

Imported crude Palm Oil through the Port of Mombasa:

- Palm Oil in Transit to Uganda is being held by KRA on grounds that it does not meet the Kenya standards required for this kind of Oil.
- Transit crude palm oil should not be subjected to Kenyan standards. All Ugandan bound goods in transit through Mombasa Port should be allowed to continue to their final destination.
- Any goods in transit should be allowed to continue to their final destination and can only be highlighted for the attention of Ugandan authorities.
- Regional standards should be developed before such measures are implemented.
- Goods in transit should not be subjected to Kenyan standards of value and quality since the Ugandan authorities do the same verification when the goods enter Uganda.
- Ugandans in Kenya are generally subjected to rigorous process of obtaining work permits to the extent that some Ugandans now don't even want to apply for the same. In this regard, Immigration departments of the two countries to work together and harmonize positions on issuance of permits for work permits.

New Non-Tariff Barriers;

The Republic of Uganda reported three new NTBs as follows:

- (i) Kenya Revenue Authority has notified clearing agents through their website that from next financial year (2013) that there will be no further extension of customs warehousing;
- (ii) KRA requires oil to be transported through rail and by road bank guarantees' are required; and
- (iii) Palm oil on transit in Kenya is required to meet certain standards.

2.3 THE UNITED REPUBLIC OF TANZANIA

The United Republic of Tanzania held her Monthly NMCs meeting on 24th June, 2013 where several NTBs were reported and discussed. The NMC meeting made the following observations/ recommendations on the Time Bound Programme;

- More information should be provided regarding the reporting and resolution of NTBs;
- The SMS NTBs monitoring tool which is now operational in Tanzania should be adopted in the EAC region. The code for reporting NTBs was given as 15539 and website to access the system is www.tccia.com/ntb;
- Partner States should source for funds from TMEA for development of an SMS reporting tool or adopt the URT one; the EAC Secretariat should develop a programme for implementation of the SMS tool The SMS number for reporting NTBs. TMEA should support training of SMS NTBS reporting mechanism; and
- Double charges do not exist at the port of Dar es Salaam.

The National Stakeholders Workshop on the EAC Legally Binding mechanism on NTBs was held on 25th June, 2013 in Dar es Salaam where her comments were noted and will be incorporated along with comments from the other Partner States.

New NTBs

The United Republic of Tanzania reported four new NTBs as follows:

- (i) Uganda Bureau of Standards is restricting export of mosquito nets produced by A to Z Mills Company in Arusha to access Uganda



- market. UNBS has introduced requirements that do not adhere to WHO, ISO and TBS standards;
- (ii) Kenya Revenue Authority requires all goods to be inspected at the factories before being loaded to the trucks, and it takes up to two weeks in some occasions before the goods are inspected;
 - (iii) Kenya Bureau of Standard at Taveta Border requires certificates of Origin from Tanzania to have serial numbers. It should be noted that according to prevailing practice, all EAC Certificates of Origin from Tanzania bear only reference numbers; and
 - (iv) Rwanda and Uganda have restricted rice from Tanzania to cross their borders at Rusumo and Mutukula respectively.

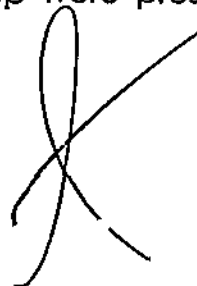
2:4 REPUBLIC OF RWANDA

The Republic of Rwanda and the Republic of Uganda held a Joint Technical Meeting a meeting on 11th to 14th March, 2013 at Kagitumba/Mirama Hills and Gatuna/Katuna borders where joint Border Committees were established. National Stakeholders Workshop on the Draft EAC Bill on Legally Binding Mechanism on NTBs was held on 13th May, 2013. Validation workshop of the Survey Report on NTBs along the Northern Corridor and discussions on the Rwanda NMC semester Report was held on 21st May, 2013. Rwanda reported that she had introduced an SMS feedback system and that training of relevant Stakeholders on the utilization of the system was being organized.

Rwanda further organized a validation workshop on "Rwanda's Road Freight industry competitiveness Study" and the documentary film of the state of NTBs in the EAC region that took place on 18th June, 2013. The final documents will be shared with Partner States through the EAC Secretariat.

2.5 REPUBLIC OF BURUNDI

The Republic of Burundi held its NMCs meeting on 5th April, 2013 and discussed the Action Plan 2013 and the National Strategic Plan for Elimination of NTBs. The NMC also consulted further on the NTBs by Rwanda concerning restriction of food products such as fresh fruits, dried fish. Burundi reported that double handling charges at the Dar es Salaam Port had been abolished. The NMC members attended the Tripartite FTA NTBs meeting in Lusaka, Zambia to launch the SMS reporting tool. National Stakeholders Workshop on the Draft Bill on Elimination of NTBs was held in Bujumbura, Burundi on 15th May, 2013 and the comments arising from the Workshop were presented to the EAC Secretariat.



3.0 UPDATING OF EAC TIME BOUND PROGRAMME ON ELIMINATION OF IDENTIFIED NON TARIFF BARRIERS

The meeting updated the EAC Time Bound Programme on elimination of identified NTBs and is hereto attached as *Annex III*. A summary on the status of elimination of NTBs in the region shows that:

- (i) Twenty four NTBs were unresolved;
- (ii) Eight NTBs were reported as new, and
- (iii) Eight NTBS were resolved.

RECOMMENDATIONS

The meeting recommends to the Coordination Committee to:

- (i) Note the progress made in the elimination of reported NTBs;*
- (ii) Take note that URT has agreed to develop a concept note on NTBs SMS and online reporting and monitoring system and share the same with Partner States through the EAC Secretariat within two weeks;*
- (iii) Direct the Secretariat to hold the next Regional Forum on NTBs in Dar es Salaam to enable the National Monitoring Committees to undertake a study tour to understand how the Tanzania NTBs SMS and Online Reporting and Monitoring System works;*
- (iv) Direct the EAC Secretariat to support the Partner States in developing their NTBs SMS and Online Reporting and Monitoring System; and*
- (v) Urge Partner States to seek for funds to establish their NTBs SMS and Online Reporting and Monitoring System.*

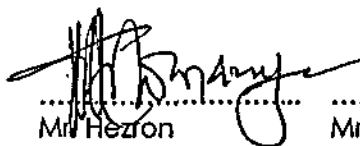
4.0 ANY OTHER BUSINESS

The meeting requested the EAC Secretariat to circulate the consolidated report with comments from all the Partner States on the Draft NTBs Bill.

There being no other business, the meeting ended at 12.00 hrs.



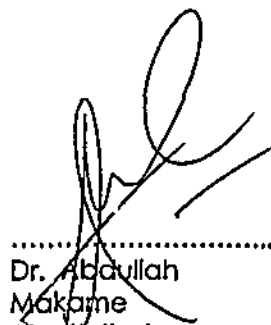
Signed this 29th day of June, 2013 by the Heads of Delegation as hereunder:



Mr. Hezron
Momanyi
The Republic of
Kenya



Mr. Vincent Safari
The Republic of
Rwanda



Dr. Abaullah
Makame
The United
Republic of
Tanzania



Ms. Elizabeth
Tamale
The Republic of
Uganda



Mr. Christophe
Ndikubwayo
The Republic of
Burundi