



**SUCCESS STORIES OF WOMEN**  
**IN CROSS TRADE IN KENYA AND TANZANIA**  
**THROUGH THE IMPLEMENTATION OF EAC**  
**COMMON MARKET PROTOCOL**

PREPARED BY \_\_\_\_\_

**BASE FOR EDUCATION DISSEMINATION**

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## **Executive Summary**

This document presents stories of women engaged in cross border trade (CBT) between Kenya and Tanzania along Isibania in Migori County and Sirari in Tarime District, of Mara region borders; and their perceptions on the implementation of East African Community (EAC) common market protocol. The perception survey was conducted in December 2019. The survey was conducted as a part of the implementation of the IIDEA project being implemented by Base for Education Dissemination (BED). As per project objective, the survey was seeking to bring to light and to the attention of the two governments (Kenya and Tanzania), EAC and other EAC stakeholders the success stories of women in cross border trade – the environment in which they are doing their businesses; factors behind success; challenges that they encounter day in day out in the course of doing business; identify enabling environments from their (women in cross border trade) perspectives; and their general perception of the implementation of EAC common market protocol.

The Stories of Women In cross border trade in Kenya and Tanzania is an IIDEA-led one-year project (October 2019 – September 2020) initiative which seeks to document and publicise the experiences and success stories of women in cross border trade in Mara region of Tanzania and Migori County in Kenya. The project is being implemented to bridge the current gap in documentation and publication of the experiences of women in cross border trade both online, electronically and in print materials. The project is being implemented so as to have evidence on the women's engagement in the EAC cross border trade that can be used as an example for motivating more women to join cross border business and improve their competitiveness in regional value-chains.

In conducting the survey, BED consulted authorities in the Mara region and Migori County to obtain a permit/go ahead to engage with women in cross border trade in respective areas. Interviews (guided by an interview guide) were recorded and later transcribed for the preparation of this document.

Overall, women perceptions on the common market protocol suggests that a lot more need to be done to improve people's understanding of the provisions of the protocol and Partners States on the other hand needs to fasten the harmonization of rules and regulations governing trade and investment in order to facilitate smooth trading especially to small and medium women in cross border trade.

### **Factors contributing to the success of women in cross border trade and the challenges they encounter**

The survey established that most women succeeded in business out of their hardworking, persevering harsh and unfriendly environment and keep on trying alternative lines of business when things seemed to work against their original ideas. Very few consulted women had formal entrepreneurial skills when they started the business. They all learned by doing/advise from friends or from their own mistakes which in many a time were costly as they had effects on their hardly obtained capital.

The survey also noted that women in cross border trade appreciate improved security (on transit, at the border and in the market places) which has led to reduced incidences of loss of goods hence capital due to theft.

Another enabling factor noted by women is the easing of obtaining business licenses which have made it easier for women in cross border trade to formalize their businesses. The formalization on the other hand has opened the doors for women to access loans from mainstream financial institutions. Doing business legally has also helped women to spend less time to clear their goods at the border.

As regard to challenges encountered, women in cross border trade mentioned high tariffs charged by authorities; lack of information on tax/tariffs payable for different goods; lack of information on the provisions of EAC common market protocol including how its implementation is supposed to influence and impact their businesses; difficult in accessing financial facilities (loans) to service their businesses; fear of border authorities which leads to failure to inquire for relevant information and clarification; difficult in obtaining permit and certificates of origin which inhibits free movement of goods; multiple levies charged to traders while on transit or at market places; Long time spent on processing documents at the border; and unequal treatment of traders visiting other member states.

### **Women in cross border trade perceptions of the EAC common market protocol**

The survey noted that the provisions of the protocol are not well known by most of the people despite the fact that the protocol has been operational since 2010. Lack of understanding of the protocol provisions was manifested by consulted women in cross border trade who likened the EAC common market protocol to a common market place where traders from both countries will be allowed to freely sale their products.

### **What needs to be done going forward**

This document suggests the following actions to be considered for further improvement of the CBT environment:

- i. There is a need for BED, the Government of Kenyan and Tanzanian, the EAC and other women cross-border facilitators to provide adequate information to women about the EAC trade policies, protocols, tariffs, regulations and processes;
- ii. The border authorities need to be trained on customer care and gender dimensions of cross-border trade; and
- iii. There is also a need for governments and civil societies to improve corruption incidents reporting mechanism in a manner that will protect whistle blowers and women in cross border trade.

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BED	Base for Education Dissemination
CBT	Cross Border Trade
EAC	East African Community
EFD	Electronic Fiscal Device
IIIIDEA	The Incubator for Integration and Development in East Africa
KRA	Kenya Revenue Authority
KSHs	Kenyan Shillings
SMEs	Small and Medium Enterprises
TIN	Tax payer Identification Number
TRA	Tanzania Revenue Authority

# 1. Introduction

## 1.1. About the East African Community Common Market Protocol

Since its inception in 1997, the East African Community (EAC) member state has been striving to push the agenda of Regional Integration as provided in the EAC treaty.

The Common Market which is the focus of this documentation is the second Regional Integration milestone of the EAC, which has been in force since 2010, in line with the provisions of the EAC Treaty, it follows the Customs Union, which became fully-fledged in January 2010.

To accelerate economic growth and development, it means that the EAC Partner States maintain a liberal stance towards the four freedoms of movement for all the factors of production and to rights between themselves. These freedoms and rights include: Free movement of goods; Free movement of persons; Free movement of labour / workers; Right of the establishment; Right of residence; Free movement of services; and Free movement of capital.

Underlying the EAC common market are operational principles of the community, namely: Non-discrimination of nationals of other Partner States on grounds of nationality; Equal treatment to nationals of other Partner States; Ensure transparency in matters concerning the other Partner States; and Share information for the smooth implementation of the Protocol.

Sectors under the common market are: Agriculture and Food Security; Culture; Customs; Education, Science and Technology; Energy, Environment and Natural Resources; Gender, Community Development and Civil Society; Health; Immigration and Labour; Industrialization and SME Development; Infrastructure; Investment Promotion and Private Sector Development; Peace and Security; Tourism and Wildlife Management; and Trade.

It is due to potential impact that is imbedded within the protocol to the lives of citizens of the EAC member states that Base for Education Dissemination (BED) through IIDEA is implementing *“the stories of women in cross border trade”* project which seek to bring to light perceptions of people specifically women in cross border trade on how the provisions and implementation of the protocol has promoted and contributed to establishment and growth of their businesses with reference to Cross Border Trade (CBT).

## 1.2. Project goal and objective

The overall goal of the project is to heighten information regarding the benefits of cross border trade for women in cross border trade with reference to Isibania and Sirari borders in Kenya and Tanzania respectively.

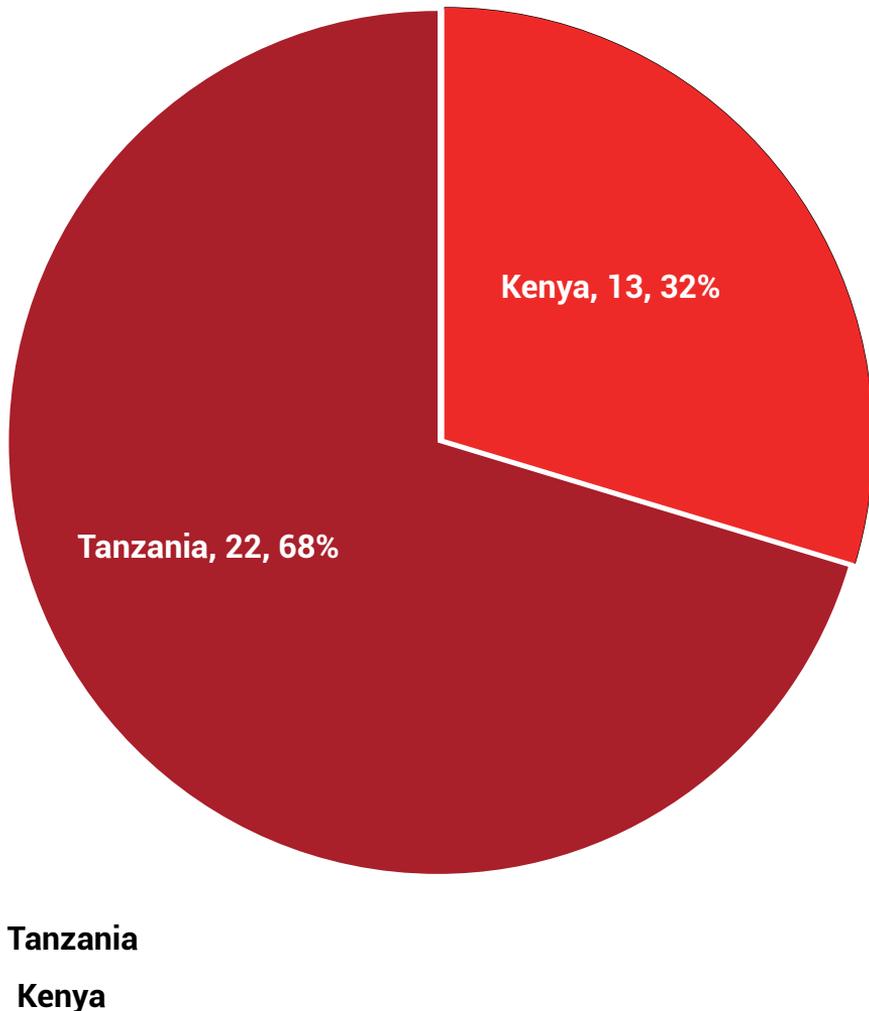
Specifically, the project seeks to attain the following three objectives:

- i. To gather and document information on women success stories in EAC cross border trade to enhance information and evidence-based documentation and dissemination of the successes of women in cross border trade;

# 1. Introduction

- ii. To produce information and public relations materials on women engagement in the regional cross border trade in Mara and Migori Regions of Tanzania and Kenya; and
- iii. To show case and publicise experiences and best practices of women engagement in the regional cross border trade in Mara and Migori Regions of Tanzania and Kenya.

In order to attain the aforementioned objectives, BED consulted 40 small and medium scale women in cross border trade operating their businesses along Kenya and Tanzania borders of Isibania and Sirari.



*BED – EAC common market protocol perception study*

Figure 1 shows that 32% (13 out of 40 women) of consulted women cross border traders were from Kenya and 68% from Tanzania. They were all from Migori County and Mara regions respectively.

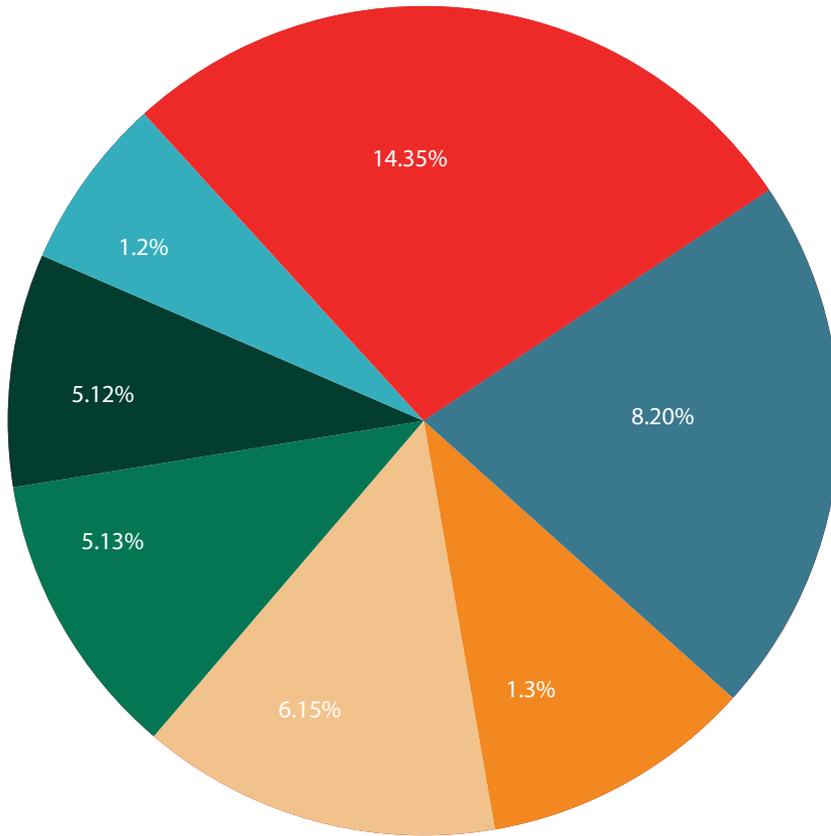
# 1. Introduction

## 1.3. Report structure

The report begins with section 1 which provides the background of the perception study followed by (section 2) which provides a summary of successes, experiences and specific challenges of women in cross border trade. general challenges and enabling environment for formal CBT are presented in section 3; and EAC Common Market protocol in the eyes of women in cross border trade and Governmebt officials at the border is presented in section 4. Section 5 sets out what needs to be done to further strengthen formal CBT.

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders

The study was meant to document experiences and perceptions of women in cross border trade in both Kenya and Tanzania on CBT and EAC common market protocol as a facilitative tool to trade particularly CBT. A total of 40 conducting business along Isibania and Sirari borders in Kenya and Tanzania were consulted.

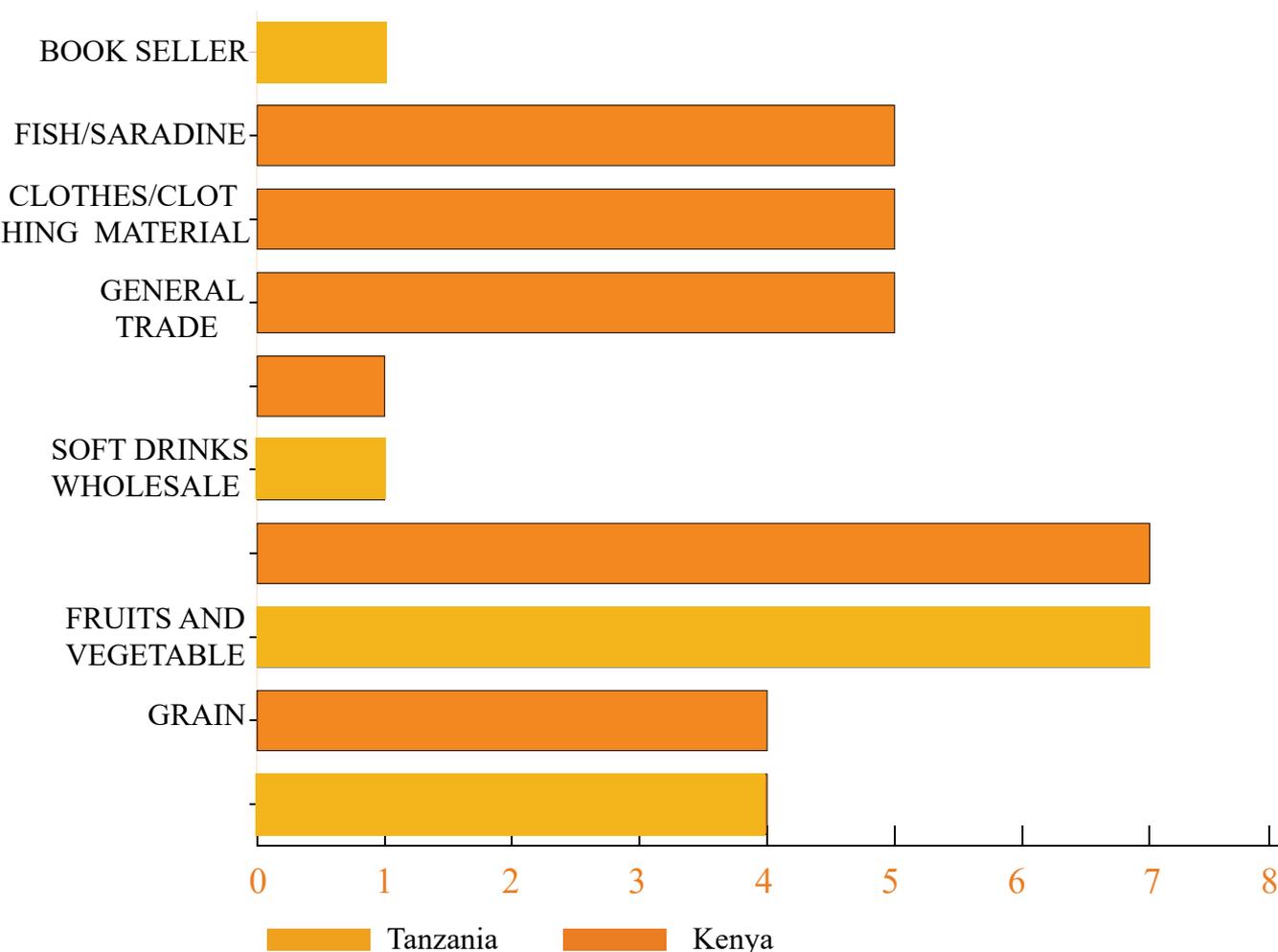


*BED – EAC common market protocol perception study*

Figure 2 above shows the distribution of consulted women in cross border trade by type of business while Figure 3 below presents the distribution of the same by type of business and country.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

Figure 3: women in cross border trade consulted by type of business and country



*BED – EAC common market protocol perception study*

### 2.1. The Tale of Tanzania's Cross Border Traders

The study consulted 27 Tanzania based women in cross border trade engaged in Grain selling (4), Fresh fruits and vegetable (7), Trader-soft drinks (1), General trading (5), Clothes and clothing materials including beddings (5) and dry fish (5). Under this section, tales of 10 women traders are summarized to show experiences and challenges that Tanzania based women cross border traders are encountering during the course of doing their businesses.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.1.1. From maize vender to a food processor



Ms. Esther John is a woman cum a mother who earns a living through cross border trade. Esther trades maize and maize flour from Tanzania to Kenya. She started cross border trading in an attempt to make ends meet.

#### A journey to success

Like many women cross border trader, Ms. Esther John started trading at a very small scale and grew over time.

**Type of business:** Maize seller and processor **Location:** Sirari Tarime district of Mara region, Tanzania

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#### A journey to success

Like many women cross border trader, Ms. Esther John started trading at a very small scale and grew over time.

#### BOX 1: Verbatim Quote from Esther John

*“I started this business with a very small capital I obtained from own savings emanating from farm activities and paid labor”.*

The decision to go to business was prompted by difficulties in making ends meet through farming activities and seemingly high demand for maize and maize flour from our neighbors in Kenya. She started by smuggling raw maize to Kenya through unofficial routes commonly known as “chocho” or “panya routes ” in an attempt to avoid custom tariffs that according to her were very high and could have made the business nonprofitable if dully paid. During the process of smuggling maize traded using hard earned capital she realized that the risks involved in smuggling business were very high and killing if they (risks) actually occur.

#### BOX 2: Verbatim Quote from Esther John:

*“I witnessed fellow traders losing a lot of money to either bribe police officers to rescue their consignment caught while on transit through “chochos” or failing to rescue consignments seized from Custom Authorities. I told myself, these risks are very high and expensive to bear so I decided to go formal”.*

“The decision to formalize my business was a turning point for my little business. It was a painful process as it involved paying for business licenses and paying taxes due to the district council which was not the case during the smuggling era. I now have an address and my suppliers and customers know exactly where to find me. And being faithful, often time suppliers give me goods on credit and pay them back after selling the goods”.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

She started by smuggling raw maize to Kenya through unofficial routes commonly known as “*chocho*” or “*panya routes*” in an attempt to avoid custom tariffs that according to her were very high and could have made the business non-profitable if fully paid. During the process of smuggling maize traded using hard earned capital she realized that the risks involved in smuggling business were very high and killing if they (risks) actually occur.

*BOX 2: Verbatim Quote from Esther John:*

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“The decision to formalize my business was a turning point for my little business. It was a painful process as it involved paying for business licenses and paying taxes due to the district council which was not the case during the smuggling era. I now have an address and my suppliers and customers know exactly where to find me. And being faithful, often time suppliers give me goods on credit and pay them back after selling the goods”.

Esther is gradually moving from selling raw maize. She has now embarked on processing and packaging maize flour on different weight packages based on the affordability of her clients. She currently packages her products in 5Kgs and 25Kgs packets.

### **Results from business formalization and cross border trade**

The formalization of business has helped Ms. Esther John to significantly reduce clashes with Council Authorities due to the fact that she operates legally by complying with business license requirements and pays all government taxes and other tariffs.

*BOX 3: Verbatim Quote from Esther John:*

*I want my children to have much better life. I don't want them to go through the hardship I experienced while growing up and nurturing them during their childhood”.*

Furthermore, through a cross border trader, Ms. Esther John has been able to adequately provide for her family. “I thank God I am now able to provide for my family and take my children to good schools where they access quality education”.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.1.2. From market vendor to the grain store owner

Stella Lucas



Ms. Stella Lucas has been into cross border trade for several years. Stella trades maize and rice between Tanzania and Kenya. She started cross border trading in an attempt to ease challenges of providing for her family which was getting tougher each passing day.

Like many women cross border trader, Ms. Stella Lucas started retailing maize and rice in market places but now she owns and runs a grain store in Sirari.

She started trading informally through panya routes but later decided to formalize her business by complying with Tanzania's trade licensing and tax requirement.

**Type of business:** Grain (maize and rice) seller

**Location:** Sirari. Tarime district of Mara region, Tanzania

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*"I realized that trading informally was more expensive and riskier as the line between continuing with business and losing capital is very thin. In informal cross border trade, you can wake up the next morning without business capital if happens that your goods are confiscated by the authorities"*

Stella Lucas).

She noted that harassments by the Police Officers and clashes with Local Government Authorities have been minimized significantly following the formalization of her business.

#### Stella's opinion on challenges facing women in cross border trade

Ms. Stella Lucas is of the opinion that tariffs charged by Customs Authorities are too high for cross border traders to make a profit and grow their businesses. She further said "cross border traders are increasingly finding it difficult to trade rice across the border. Police Officers occasionally raids their business places and seize parcels of rice that are suspected to be on transit to Kenya.

Another challenge highlighted by Stella is the processes and costs of obtaining certificates of origin. According to Stella, one has to travel to Dodoma (the capital city of Tanzania) to process the certificate which is very costly to small and medium cross border traders.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### Stella's opinion on the strategies to facilitate women to engage in formal cross border trade

Stella is urging the Government of the United Republic of Tanzania to consider delegating the mandate of processing and issuing certificates of origin to District Authorities so as to save Cross Border

### 2.1.3. Different strategies, same goal



**Name:** Veronica John

**Type of business:** Grain (rice) seller

**Location:** Sirari, Tarime district of Mara region

Ms. Veronica John – is a cross border trader with a fighting spirit. She started business as a fish and sardine seller and later opted to grain (rice selling) following massive challenges that she encountered in the fish selling business.

### The beginning and change of business

Veronica started fish vending with a loan from a saving and credit society but could not sustain the fish selling business due to regular clashes with Police and Fisheries Officers on her way back home from the market place. She decided to switch to grain (rice) selling as a measure of safeguarding her small and hard-earned capital.

#### BOX 4: Verbatim Quote from Veronica:

“I started vending 10Kgs of rice, then grew to 50Kgs, 100Kgs now am capable of stocking up to 15 bags (equivalent of 1,500Kgs) of rice at once”.

Veronica's business has grown from vending rice in market places and now she owns and run a grain store in Sirari where clients from both Tanzania and Kenya come to buy rice for domestic consumption and retailing.

### Veronica's opinion on challenges facing women in cross border trade

Like is the case with many cross-border traders, Ms. Veronica John is of the opinion that tariffs charged by Customs Authorities are high for cross border traders to make a profit and grow their businesses.

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.1.4. My network is my net worthy



Name: Ms. Elizabeth Bernard Njeri

Type of business: General Trader

Location: Sirari. Tarime district of Mara region, Tanzania

Year started: 2015

Ms. Elizabeth Njeri is a cross boarder general trader running a wholesale and a retail shop in Sirari. She started her business in 2015 with very small capital (which she could not disclose).

#### BOX 5: Verbatim Quote from Elizabeth Njeri:

*“I started my store with very small capital. The shop was poorly stocked to the extent that some people considered me a joker. Notwithstanding the jokes and humiliations, I invested adequate effort in building business relationships with mega traders for both mentorship and possibilities of obtaining goods from them on credit. Trustworthy that I demonstrated with little stocks granted to me opened doors for bigger stocks that were given to me on the same arrangements”.*

Elizabeth thanks God for the business mentors and partners who she owes her success to their support. She said that without their support she wouldn't be where she is today. “I can't say I am a big trader but definitely I am not the same person I was four years ago. As you can see, I am healthy and my children are going to the best schools (Elizabeth Njeri)”. Other factors that contributed to Elizabeth's business success include hardworking, trustworthy, financial discipline, and playing by the rules i.e. complying with all government requirements for running a business legally.

Elizabeth's opinion on the state of free movement of goods between Kenya and Tanzania through the border of Isbania/Sirari

Elizabeth is of the opinion that free movement of goods between Kenya and Tanzania is guaranteed if one abides by the laws and regulations governing trade.

### 2.1.5. How unfriendly tax regime frustrates growth of women businesses

Ms. Theresia Mujuni owns a Kioski in Sirari. She sells various provisions for households' consumption. She cumulated startup capital through own savings from the sale of farm produces.

After several months of saving, she rented a Kiosk and obtained a business license from the District Council.

Theresia sources the items she sells in her Kiosk from both Kenya and Tanzania.

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders



Name: Ms. Theresia Mujuni

Type of business: Retail Shop (Kioski)

Location: Sirari, Tarime district of Mara region

### Theresia's opinion on challenges facing women in cross border trade

Theresia mentions high tariff rates as the main challenges as she sources most of the stuff she is selling from Kenya. She further said that fines charged for goods seized (that are suspected to be brought from Kenya) is too high for traders to pay to the extent that they (traders) sadly allow the goods to be impounded by the authorities.

Theresia also complained that the introduction of EFD machines is also causing them a lot of problems with TRA.

### Box 6: Verbatim quote from Theresia:

*“The machines (EFD) are causing us a lot of problems with authorities (TRA). If happens that the business day is not good and you did not sell anything; you sold one item only; or the kioski was remained closed - authorities sends you a warning thinking that you are trying to evade tax. The harassments are high such that one thinks of closing business”.*

She urges the government of the United Republic of Tanzania to consider the environment in which small scale traders are operating and come up with a tax plan that is friendly and encourages the growth of businesses.

### 2.1.6. How unfriendly tax regime frustrates growth of women businesses (2)

Ms. Monica James owns a Kioski in Sirari. She sells various items for households' consumption. She obtained startup capital through own savings from the sale of farm produces and support from family members.

Monica started trading formal from day one. She was advised by a friend to formalize her business from word go in order to avoid unnecessary clashes with the government authorities. After several months of saving, she rented a Kioski and obtained a business license from the District Council. Theresia sources the items she sells in her Kioski from both Kenya and Tanzania.

### Monica's opinion on challenges facing women in cross border trade

Like many traders, Monica mentions high tariff rates charged by Tax Authorities as one of the biggest challenges faced by cross border traders as she sources most of the pieces of stuff she is selling from Kenya.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

She also complained of the poor handling of tax related issues by TRA by saying that the introduction of EFD machines did not consider the size of business. Small traders were forced to buy EFD machines something that affected their businesses. Taxes charged by TRA are sometimes not realistic.



Name: Ms. Monica James

Type of business: Retail shop

Location: Sirari, Tarime district of Mara region, Tanzania

Box 7: Verbatim quote from Monica:

“I was running two outlets using the same TIN but had to close one outlet and informed TRA in writing regarding my decision to close one outlet. To my surprise, the following tax estimates by TRA were prepared on the basis of two outlets without considering the information I submitted to the authority”.

Monica says that, despite high tariffs and multiple levies charged by Border authorities and District Council, she still feels that she made a wise decision to go formal from word go.

### 2.1.7. Cushioning capital and maximizing profit through diversification



Name: Ms. Dora Seronga Wangwe

Type of business: Various

Location: Sirari, Tarime district of Mara region, Tanzania

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

Ms. Dora Wangwe is a widow and mother of children who make ends of her family meet through cross border trade. She has been into a number of cross border trades (selling plastic goods, clothing materials, readymade clothes, Irish potatoes, and animal feeds) for many years.

The genesis and journey so far

Ms. Dora started trading plastic goods from Kenya to Tanzania in 2010. Despite the seemingly high demand of plastic goods in Tanzania, Dora decided to quit the business due to high tariffs charged by custom authorities, difficulties to obtain an entry permit from Dar es Salaam, high costs involved in engaging clearing and forwarding agents and harassments and kickbacks demanded by Police officers while on transit

In 2012, I decided to leave the plastic goods business and secured a bank loan to start buying clothing materials from Dar es salaam and sale the same to traders in Sirari. I was supplying the materials to traders on credit and collect my money later. “There was an incident where a certain trader I owed a significant amount of money refused to pay my money and I took the matter to the court of law for settlement. The case took long but fortunately I got my money back (Dora Wangwe)”.

In 2013, Dora started to deal with readymade garments from Nairobi to Tanzania. She found the business less profitable due to high tariffs charged on garments by TRA. She then decided to source the garments from Dar es Salaam and later Mwanza after realizing that transport expenses to Dar es salaam were high and it was paying more to source the items from Mwanza. She later decided to diversify the business by trading Irish potatoes and animal feeds from Tanzania to Kenya.

### Challenges encountered

Dora mentions challenges she encounters in her business as bureaucratic procedures to obtain certificates of origin while transiting goods from Tanzania to Kenya; high tariffs charged by custom authorities to get goods cleared; and demand of kickbacks by Police officers (in both Tanzania and Kenya) at check points despite the fact that all government tariffs have been paid.

She also mentioned incidences of corruption by immigration officers especially for traders travelling without yellow fever vaccination cards.

Going forward, Dora urges the government of the United Republic of Tanzania to consider delegating the mandate of issuing certificates of origin to regional authorities in order to help traders to reduce the costs of doing business. **What can be done today should not wait tomorrow.**

*Box 8: Verbatim quote from Dora:*

*“I had to give kickbacks to Police officers in every checkpoint all the way from Sirari to Mwanza. I found this situation very costly hence decided to start another business”*

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders



Name: Ms. Rebeca Elias

Age: 49

Start date: 2008

Type of business: Shop (selling clothes)

Location: Sirari. Tarime district of Mara region, Tanzania

Ms. Rebeca Elias is a cross border trader involved in the garments business. She has been into cross border trade since 2008.

### How she started the business

Ms. Rebeca had a passion for business but was challenged with capital to start a business. She decided to start food vending which is not capital intensive and slowly cumulated capital from profit obtained from food vending.

She then opened a garment store (shop) in Sirari. She sources clothes from Dar es Salaam and occasionally from Kenya and Uganda. She saves customers from both Kenya and Tanzania. Some of the clients are vendors who buy from her shop and sell the same on market days. Apart from selling clothes, occasionally Rebeca jumps into other businesses by engaging in high demanded items such as grains when the market offers good prices.

### Challenges encountered

Ms. Rebeca mentioned the following as challenges that trouble her in day to day business:

- Regular harassment (including kickback demands) by while on transit;
- She and fellow traders lack understanding of proper channels to file their concerns when they are maltreated by either Police officers, Revenue Authorities, Local Government Officers or Immigration officers;
- High tariffs charged by custom authorities at the border; and
- Expensive financial facilities (loans) due to the high interest charged by financial institutions.

### Box 9: verbatim quote from Rebeca:

*“I believe in power of helping one-self. I knew that If I could have waited for someone else to provide me with capital, I could have waited forever. So, I decided start food vending with the little amount I had in my possession. What can be done today should not wait tomorrow.”*

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

She urges both governments (Kenya and Tanzania) to see how they can put to rest these challenges for the betterment of cross border trade and women in cross border trade' prosperity.

### 2.1.8. A goal driven woman



Ms. Evelyn Joseph Mwita aged 45 years has been into cross border trade for the past 15 years. She started trading between Kenya and Tanzania at the age of 30 years.

#### The humble beginning

Ms. Evelyn started a retail shop in 2004 with a small capital of TZS 800,000.00.

#### Box 10: Verbatim quote from Evelyn Mwita:

*“I cumulated capital from farming activities. I was cultivating maize and tomatoes. In year 2004 I had bumper harvests and obtained good price from my produce so I set aside TZS 800,000.0 to start a sundry store (small shop). I was retailing items for household consumption such as soap and cooking oil to mention a few.”*

Name: Ms. Evelyn Joseph Mwita

Age: 45 yrs.

Type of business: Shop (Clothes, clothing materials and beddings)

Location: Sirari. Tarime district of Mara region, Tanzania

Year started: 2004

After sometime, she realized that the profit from the shop was very minimal. For instance, she had to sell a cartoon of soap to get a TZS 1,000.00 profit. So, she thought of changing the business (from retail shop to clothing business) but the challenge was where to get additional capital and which business will earn her relatively good profit compared to the retail shop. She was advised by friends to invest in the clothes business. She then went to NMB and accessed a TZS 500,000.00 loan and added to what she had to start a clothing business. She successfully repaid the loan and went for higher loans to further expand her business. *“I have built trust with the bank (NMB) through compliance with licensing & tax requirement and timely repayment of the loans. This has made it easier for me to access loans whenever I need a financial facility to service my business as long as I don't have an outstanding loan”* Evelyn Mwita. The clothes and clothing material business has made it possible for Evelyn to provide for her family including sending her children to a good school.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

Evelyn sources clothes and clothing materials from Dar es Salaam. She obtains bedding materials (bed sheets and blankets) from Kenya where they are relatively cheap and of good quality compared to Chinese pieces of stuff that are sold in Dar es Salaam.

### Challenges encountered

Evelyn mentions the following as major challenges affecting her business:

i. Tariffs charged to traders at the border are too high hence discourage small scale traders from using legally accepted means to clear their goods and opt to use unofficial routes (panya routes); and

ii. Corruption is high among Police officers at check points and those patrolling along the border. “The Police officers will make your passage through the checkpoint difficult even if you have all the documents so as to prompt you to give them money to save time”.

Evelyn urges Kenya and Tanzania governments to consider standardizing tariffs including reviewing the current rates to make them more affordable and attractive for small scale traders to pay. This will significantly reduce tax/tariffs evasion and increase compliance with tax laws and regulations.

### Persisted hardships to chase her dreams



Name: Ms. Esther Joseph Peter

Type of business: Fresh Fruits

Location: Sirari. Tarime district of Mara region, Tanzania

Ms. Esther Joseph Peter is a cross border traders engaged in fresh fruits business between Tanzania and Kenya.

### How she started

Prior to starting fresh fruits business, Esther worked as unskilled labor in construction sites.

### Box 11: Verbatim quote from Esther Peter:

*“Before starting this business, I used to provide labor in constructions sites by carrying concrete mix and bricks for daily wage. It is from these earnings that I cumulated capital to start this business. I gave it all – my pride and energy in pursuit of my dream i.e. to start my own business”*

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

She had to tolerate the hardships – engaging with the tasks that are considered men’s chores in order to obtain capital to start a small business as she could neither be trusted by money lenders nor financial institutions due to lack of collateral.

She started carrying small quantities of pineapples, watermelon, mangoes and oranges by cash and later when got acquainted with farmers/suppliers she started taking additional consignment on credit based on the orders that she had from Kenya based venders.

### Challenges encountered

Esther mentions the following as major challenges affecting her business:

- i. Multiple levies charged on top of Tariffs paid at the border which are also too high for small scale traders; and
- ii. Tanzania based traders not been treated equally with their Kenyans colleagues in the same market environment (i.e. charged more levies).

Esther envisions a situation where small scale cross border traders will operate freely between the two countries (i.e. between Kenya and Tanzania). She is of the opinion that the two countries should establish specific market places for small scale traders and all tariffs should be charged at a market place. She feels that Police checkpoints are breeding places for petty corruption which is a

### 2.2. The Tale of Kenya’s Cross Border Traders

The study consulted 13 Kenya based cross border traders engaged in Grain selling (4), Fresh fruits and vegetable (7), Book seller (1), and Beer store owner (1). Under this section, tales of 7 women are summarized to show experiences and challenges that Kenya based women cross border traders are encountering during the course of doing their businesses. All 13 consulted Kenya women were from Nyamaraga, Kuria West Sub County in Migori County.

#### 2.2.1. Not letting a business opportunity pass you by

She has been living in Nyamaraga for the past twenty years and engaged in cross border trade since 2007. She is selling grains (mainly maize) sourced from both Tanzania and Kenya. She started grain business by capitalizing on the opportunity resulted from a severe food shortage in her area in 2007.

#### Ups and downs in her journey to success

Ms. Flora started trading maize from Tanzania with an initial capital amounting to KSHs 7,000.00 and grew over time.

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders



Name: Ms. Flora Moleka

Age: 57

Type of business: Grain (Maize) seller

Location: Nyamaraga, Kuria West,  
Migori County, Kenya

Year started: 2007

Initial capital: KSHs 7,000.00

### BOX 12: Verbatim Quote

*“I started this business with a capital amounting to KSHs 7,000.00 from own savings”.*

The decision to go to business was prompted by food shortage that heated her area in 2007 which resulted in a high demand for food stuff specifically maize which is the staple food for most people in Migori County.

She started by buying maize from Tanzania where they had relatively good harvests. Regular visits to Tanzania (to buy maize) earned her trust with wholesalers who in turn provided her maize on credit and paid back the costs of consignment after selling the stock and retained the profit. This to a greater extent accelerated growth of her business and capital.

### BOX 13: Verbatim Quote

*“During early days of my business I used to transport my consignment by bicycles and motorbikes. Thank God am now capable of buying bulk stocks and transport the same using tracks”*

### Challenges encountered during the course of doing business

Ms. Flora says that, “you need to be a woman of strong character to remain in cross border trade – especially grain selling” as there are a number of challenges facing both traders and their clients. The main challenge faced by traders includes a long time taken to obtain customs clearance especially on the Kenyan side of the boarder. In many a time, the seemingly long time taken to clear consignments at the border causes problems between traders and transporters for time wasting. Another challenge faced by traders is the lack of clarity on government requirements especially on taking maize from Tanzania to Kenya. Sometimes farmers/traders are banned from moving maize from Tanzania to Kenya hence encouraging smuggling.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.2.2. A humble beginning – from a vender to the grain store owner



Ms. Evelyn Ghati aged is a mother of and cross border trader. She trades maize from Tanzania and Kenya depending on demand, availability and prices from either side. She started cross border trading in an attempt to make ends meet.

A journey to success

Like many women cross border trader, Evelyn started trading at a very small scale and grew over time.

Name: Ms. Evelyn Ghati

Type of business: Grain (Maize) seller

Location: Nyamaraga, Kuria West, Migori County, Kenya

#### *BOX 14: Verbatim Quote from Evelyn*

*“I started this business by buying small quantities of maize (about 50Kgs) from small holder farmers and retailed the same in market places. I ploughed back the profit into the business now I can buy up to 50 bags of maize at once”.*

With the growing capital, Evelyn decided to formalize her business and established a Grain store. Now she has a business address and her suppliers and customers know exactly where to find her.

Results from business formalization and cross border trade

With increased income, Evelyn has been able to educate one of her children to the university level. She has also been able to shift her other children from public schools (where the learning environment is not conducive) to private schools.

Evelyn’s opinion on the state of free movement of goods between Kenya and Tanzania through the border of Isbania/Sirari

Evelyn registered the challenges she faces in her business as follows

- i. Difficulty in obtaining permits to export/import maize and certificates of origin; and
- ii. Custom clearances taking longer to the extent of frustrating transporters.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.2.3. KSHs 500.00 that is changing the life of a cross border trader



Name: Ms. Dorothy Bhoke Thomas

Age: 31

Type of business: Fresh Vegetables and Fruits

Location: Nyamaraga, Kuria West, Migori County, Kenya

Year started: 2014

Initial capital: KSHs 500.00

Ms. Dorothy Bhoke Thomas is a Kenyan based cross border trader trading tomatoes and assorted fresh fruits from Tanzania. Ms. Dorothy has been into cross border trade since 2014. For the past five years, Dorothy has witnessed highs and downs and vice versa in her business resulting from the unpredictable business environment.

A humble beginning.

Like many women cross border trader, Dorothy started her business on a very small scale and grew over time

*BOX 15: Verbatim Quote from Dorothy Thomas:*

*"I started the business of buying fresh fruits and vegetables from Tanzania in 2014 with small capital of KSHs 500.00 only*

Dorothy and other fresh vegetables and fruits sellers sale their goods on roadsides and places frequently visited by many people. According to Dorothy, roadsides and places visited frequently by many people are strategic to the nature of their business as it makes it easier for clients to access and buy fruits/vegetables.

She (Dorothy) sites a moment when they were forcefully removed from roadsides and sent to an allocated place at the back of the bus terminal as the worst period of her business.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

*BOX 16: Verbatim Quote from Dorothy Thomas:*

*“Local government decision to remove us from roadside to designated place at the back of bus terminal affected our business adversely. The place was not easily accessible by clients hence affected our sales. It took us long time to clear stocks something that led to fruits/vegetables to perish hence loss of capital. The situation forced us to hold demonstrations demanding to be allowed to go back to roadsides. We are thankful that our cries were heard and allowed to do business on roadsides.”*

The drop in business following government ban to conduct business by the roadside had a negative impact on Dorothy's ability to pay her bills including meeting education expenses for her children. The situation worsened to the extent that fresh fruits/vegetable sellers had to demonstrate demanding to be allowed to go back to roadsides the demand that was granted by the government of Kenya. Dorothy's opinion on the state of free movement of goods between Kenya and Tanzania through the border of Isbania/Sirari

Dorothy registered the challenges she faces in her business as follows:

- i. Unfriendly government taxes and tariffs; and
- ii. Harsh working environment.

On unfriendly taxes and tariffs, Dorothy asserts that tariffs charged by Kenya's Revenue Authority on fruits and vegetables are very high. She further asserts that Vegetable/Fruits sellers are subjected to local government tariffs upon crossing the border and everyday local government officers visit them at market place/roadside. This forces traders to pay the tariff on the same consignment several times. Dorothy also highlighted that referral procedures in case a trader feels that taxes/tariffs charged are higher than the value of goods are neither clear nor known by traders. In the harsh working environment, Dorothy said that. Vegetable/Fruits sellers conduct their business in a harsh environment as they are exposed to sun and rains due to lack of proper shades.

Dorothy mentioned access to financial services as one of the main challenges faced by the small cross border. Loan conditions set by mainstream financial institutions are not friendly to small scale cross border traders. On the other hand, individual money lenders who are easily accessed by cross border traders charge very high interest rates that are detrimental to the growth of the businesses.

### 2.2.4. The power of KHS 1,000.00

Ms. Alice is a Kenyan based cross border trader trading various fresh fruits from Tanzania. Ms. Alice has been into cross border trade for quite sometime now.

How she started a business and the journey so far.

Alice like many cross-border Traders started her business on a very small scale and grew over time.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders



Name: Ms. Alice Basweti

Age: 38

Type of business: Fresh fruits/vegetables

Location: Nyamaraga, Kuria West,  
Migori County, Kenya

Initial capital: KSHs 1,000.00

### *BOX 17: Verbatim Quote from Alice:*

*"I started the business of buying fresh fruits and vegetables from Tanzania with small capital of KSHs 1,000.00 only*

Alice sale her fruits/vegetables on roadside and places regularly visited by many people as a strategy of getting closer to the would-be clients for fast movement of stock.

Alice recalls a moment when she and fellow traders were forcefully removed from roadsides and sent to an allocated place at the back of the bus terminal to pave way for road expansion as the nastiest period of her business.

The dewdrop in business following government ban to conduct business by the roadside had an adverse impact on Agnes's ability to pay her bills and grow her business.

### Challenges encountered

Alice mentions a harsh working environment as one of the biggest challenges faced by vegetable/ fruits sellers. According to her, fruits/vegetable sellers are exposed to all sorts of weather (sun and rain) throughout the year.

Another challenge mentioned by Ms. Alice is unfriendly taxes and tariffs. Agnes said that tariffs charged by Kenya's Revenue Authority on fruits and vegetables are very high hence hampers the rapid growth of capital. She further said that other levies charged by local government authorities are adding burden to their business as they are not considerate to business performance as they (levies) are been demanded every day the trader goes out to sell her goods. This forces traders to pay levies on the same consignment several times.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### Alice's opinion on the state of free movement of goods between Kenya and Tanzania through the border of Isbania/Sirari

Alice acknowledges that the free movement of goods between Kenya and Tanzania is guaranteed if one follows the government set rules and procedures.

### Alice's opinion on challenges facing women in cross border trade

Alice mentioned access to financial services as one of the main challenges faced by the small and medium size cross border traders. Loan conditions set by banks and formal microfinance institutions are not friendly to small scale cross border traders. This situation leaves many cross border traders with no option but to opt for individual money lenders who are easily accessed by cross border traders BUT charge very high interest rates that are detrimental to the growth of the businesses.

### 2.2.5. Fighting spirit – It is not over until is over



Name: Ms. Mary Robhi

Age: 54

Type of business: Fruits/Vegetable selling

Location: Nyamaraga, Kuria West, Migori County

Initial capital: KSHs 1,200.00

Ms. Mary Robhi is a fresh fruits/vegetable vender in Nyamaraga, Migori County. She always buys fruits/vegetables from Tanzania and sells the same in Kenya specifically in Nyamaraga.

### How she started

Mary obtained capital from her own savings. She used to fetch and sell water to her neighbors and generated KSHs 1,200.00 which she used as a starting capital for her small business. Mary's business has not grown much because she had to provide capital to a relative (a graduate from one of the universities) so she had to go back to fetching water and cumulate capital to restart her business.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### Challenges encountered

Mary mentioned the poor working environment and demands for kickbacks from patrol Police Officers as major challenges affecting her business.

As regards to poor working environment Mary said that, *“we are doing business in a very harsh environment. As you can see, we neither have stalls nor shades. We are exposed to both hot sun and rains which are damaging our health and goods”*.

Mary recalls a moment where fruits/vegetable vendors were banned from selling their goods on the roadside and forcefully moved to a new location behind the bus terminal and said, “I had to stop doing this business as the place we were taken to was not easily accessible by our clients”.

As regard to kickbacks to Police officer Mary asserted that “we have reached a stage of considering kickbacks as part of our operation expenses.

#### *BOX 18: Verbatim Quote from Mary:*

*“We always pay Kenya patrol Police Officer KSHs 50.00 or TZS 1,000.00 for them to allow us continue with our journey to where we keep our goods. The amount is almost considered as statutory fee. We always give the amount to Motor bike riders on top of transport charges to facilitate smooth movement of our goods from the border”*.

Considering that custom tariffs are already high, regular kickbacks are adding pains to the businesses and traders are forced to live with the ailment.

#### **Her opinion on access to financial services**

Mary said that she is not aware of the processes and prerequisites of accessing financial facilities for growing her business. She always goes back to fetching and selling water whenever she has financial needs that her business cannot provide.

#### **Mary’s opinion on the strategies to facilitate women to engage in formal cross border trade**

Mary pleaded the government of Kenya to look into the ways of freeing cross border traders from regular demands of kickbacks from the Police Officers.

When asked whether construction of a market place will ease the working environment challenges they are facing, Mary said that “I don’t think if any of the small-scale fruits/vegetable vendors will obtain a stall in that market. I remember we were promised stalls when the other market was been constructed but none of the vendors was given one”.

## 2. The Tale of Kenya and Tanzania Women Cross Border Traders

### 2.2.6. Jump into an opportunity when it presents itself



Name: Ms. Singarika Muhere

Type of business: Book seller (Bookshop)

Location: Nyamaraga, Kuria West, Migori County, Kenya

Year started: 1998

Ms. Singarika has been into book selling and stationery business since 1998. She sources most of the books and stationeries from Nairobi but occasionally buys stuff from Tanzania. She attends customers from both Kenya and Tanzania.

#### The genesis of book selling business

Ms. Singarika noticed that people (especially parents and guardians with school children) used to travel long distances to buy scholastic materials for their children as there was no single bookshop in the area. She considered this situation an opportunity to start a business so she went to the bank and obtained a startup capital in the form of a bank loan. The loan was serviced from the bookshop proceeds.

#### Challenges encountered

Ms. Singarika mentioned high tariffs charged on items bought from Tanzania as one of her biggest business challenges. This forces traders to sometimes hire people to sneak their goods through unofficial routes famously known as 'panya routes'.

The second challenge faced by Ms. Singarika is a huge price difference of the same items between Tanzania and Kenya.

She also mentioned incidents of corruption especially when one tries to recover seized goods by Customs Authorities.

She further said that the business environment is getting tougher for one to remain in business. "Sometimes we are forced to use money from other sources (such as farm activities) to finance the business".

*Box 19: Verbatim quote from Singarika:*

*"You might find a book sold at KSHs 250.00 is sold on the other side of the border at TZS 2,500.00 which is equivalent of KSHs 100.00 which makes it difficult for me to trade with Tanzanians. I don't know where they source their items to be able to sell them at such a low price".*

## 2.The Tale of Kenya and Tanzania Women Cross Border Traders

### Singarika’s opinion on the strategies to facilitate women to engage in formal cross border trade

Singarika is of the opinion that many women fail to engage in cross border trade due to a lack of capital and entrepreneur skills. She said that the government will do women a great favor if they will avail affordable financial facilities to women. Currently banks are charging high interest rates and collateral required by the banks is to a greater extent out of women reach unless they decide to involve their families. **When one window closes the other one opens**



Name: Ms. Christina John

Type of business: Selling Beer/Alcohol

Location: Nyamaraga, Kuria West, Migori County, Kenya

Ms. Christina John owns the beer/alcohol store in Nyamaraga. She started as a grain (maize) trader mainly using “panya routes ” but had to stop trading maize due to difficult faced.

“I had to switch the business from maize to beer/alcohol store in order to realize my dreams. Maize business was costing me a lot of money and effort”.

Ms. Christina says that she sales Kenyan-produced beers/alcohol. Her efforts to secure a permit to import beer/alcohol from Tanzania could not pay dividends.

#### Challenges encountered

Ms. Singarika mentioned multiple levies charged by the Kenya government (apart from tax) as the biggest challenge she faces in running her business.

#### *Box 20: Verbatim quote from Singarika:*

*“There are almost four departments that are regularly collecting levies from my business. This makes business operation more costly and less profitable”.*

## **2.The Tale of Kenya and Tanzania Women Cross Border Traders**

She urges the government to consider standardizing and harmonizing levies and taxes to reduce the seemingly high operational costs to small scale traders.

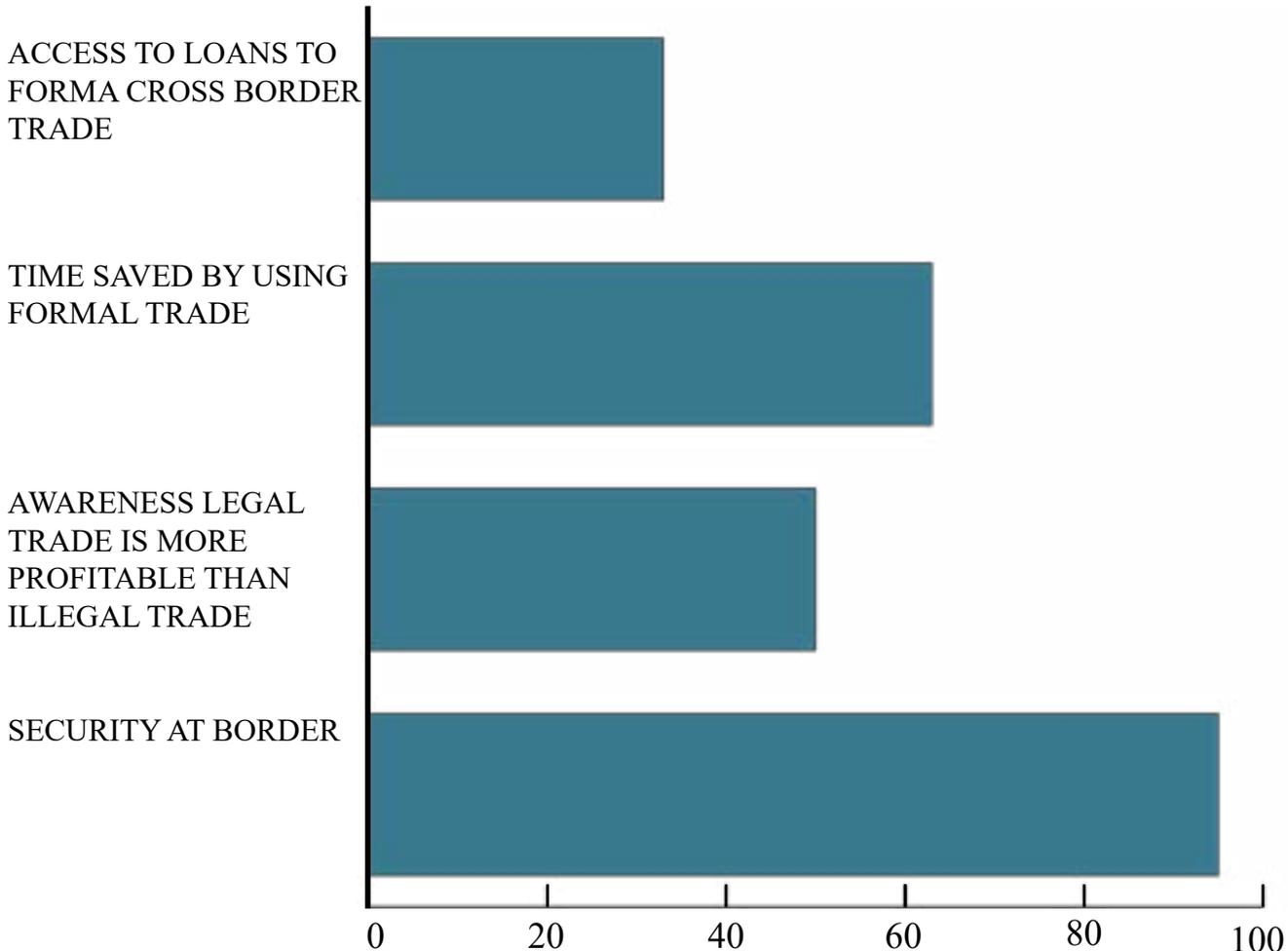
### 3. Challenges and enabling environment for formal cross border trade

#### 3.1. Enabling environment

The consulted women cross border traders mentioned a number of factors that to their opinion creates an enabling environment for cross border trades to thrive.

The most frequently mentioned enabling environment are presented in Figure 4 hereunder.

Figure 4: Woman traders opinion on trade facilitative factors (percent)



Source: BED – EAC common market protocol perception study

Most women in cross border trade consulted (95%) said that security provided by authorities of the two governments is satisfactory. This situation (enhanced security) guarantees to trade between the two counties.

### 3. Challenges and enabling environment for formal cross border trade

On the other hand, 63% of the consulted women in cross border trade said that using formal routes and compliance to customs requirements saves traders from wasting time at border posts.

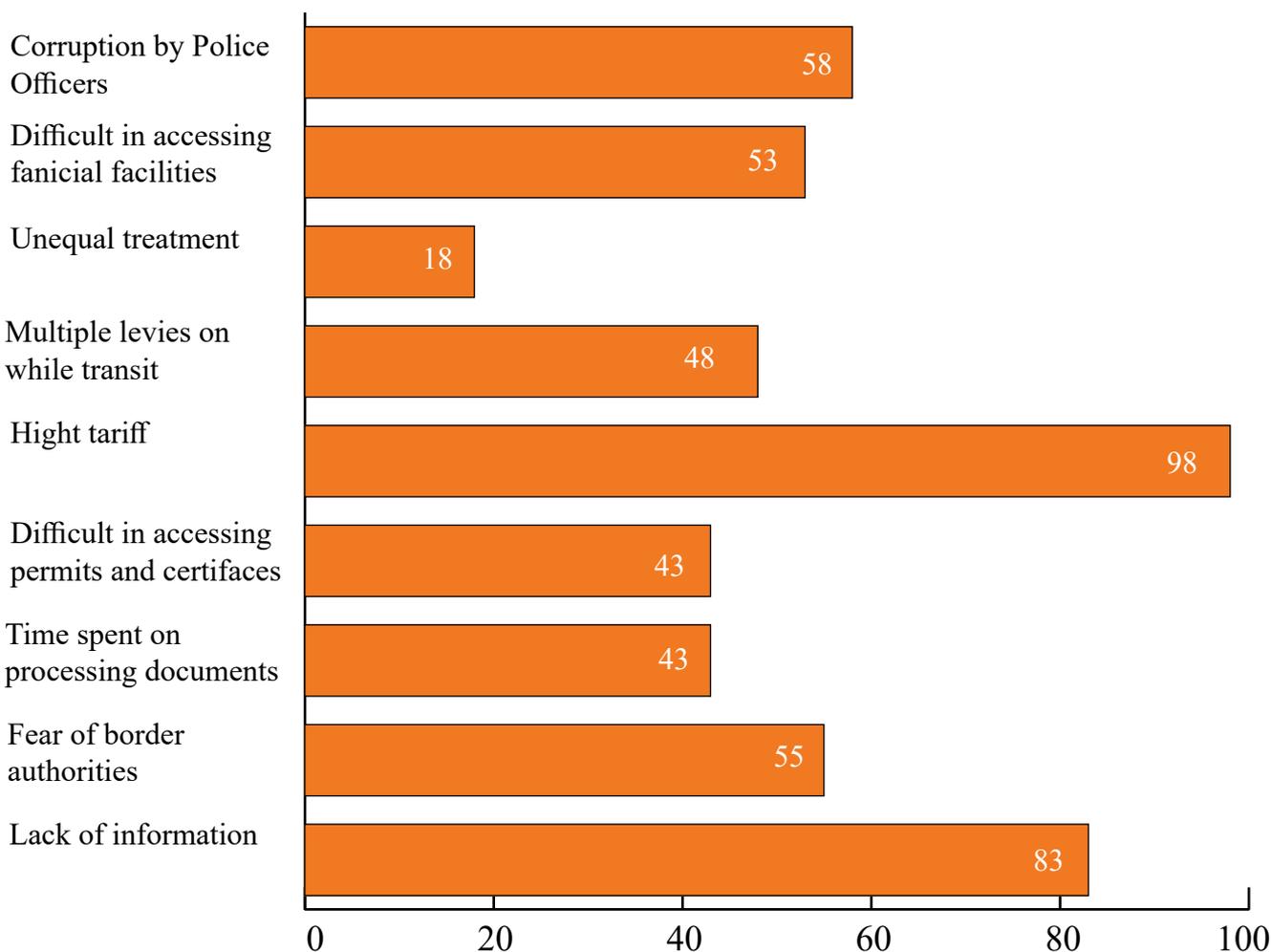
Consulted women in cross border trade shared a splited opinion on comparison of profitability between legal and illegal trade. 50% of the consulted women were aware that legal trading is more profitable and risk free. The other 50% said that tariffs charged greatly minimizes profit to their businesses

They however acknowledged the fact that operating illegally is risky.

Lastly, 33% of consulted women in cross border trade said that doing formal business and compliance to licensing and tax requirements makes it easier for traders to access loans from mainstream financial institutions which have relatively lower interest rates compared to the rates charged by money lenders.

#### 3.2. Challenges encountered by women in cross border trade

Figure 5: Woman traders opinion on the challenges they face in business (percent)



Source: BED – EAC common market protocol perception study

### **3. Challenges and enabling environment for formal cross border trade**

High tariffs charged by authorities were considered a challenge by 98% of consulted women in cross border trade followed by lack of information on tax/tariffs related issues and the provisions of EAC common market protocol (83%) including how its implementation is supposed to influence and impact their businesses.

Other challenges mentioned were: difficult in accessing financial facilities (loans) to service businesses (53%); fear of border authorities which leads to failure to inquire for relevant information and clarification of issues they are not comfortable with (55%); difficult in obtain permit and certificates of origin which hinders free movement of goods (43%); multiple levies charged to traders while on transit or at market places (48%); Long time spent on processing documents at the border (43%) and unequal treatment of traders visiting other member states (18).

Consulted women in cross border trade urged the government to lend a special eye on these challenges for improved CBT environment.

## 4. EAC common market protocols in the eyes of cross border trader

In a nutshell the EAC Common Market Protocol provides for the following pillars:

- (a) The free movement of goods;
- (b) The free movement of persons;
- (c) The free movement of labor;
- (d) The free movement of services; the free movement of capital; and
- (e) The right of residence.

The BED facilitated project is premised on two of the pillars above, which are the implementation of the free movements of person and goods especially by the women in cross border trade.

The consultation with women in cross border trade focused on obtaining traders perceptions on the EAC common market protocols especially on:

- Adopting common approaches towards the disadvantaged and marginalised groups, including women, children, the youth, the elderly and persons with disabilities aimed at employment creation, poverty alleviation and improving working conditions;
- Improving the competitiveness of the industrial sector so as to enhance the expansion of trade in industrial goods within the Community; and
- Rationalizing investments and the full use of established industries to promote efficiency in production, as well as harmonizing trade policies, investment incentives and product standards, with a view to promoting the Community as a single investment area.

### 4.1. Women traders perceptions of the EAC common market protocols

The study noted that the provisions of the protocol are not well known by most of the people despite the fact that the protocol has been in operational since 2010. Lack of understanding of the protocol provisions was manifested by consulted women in cross border trade who likened the EAC common market protocol to a common market place where traders from both countries will be allowed to freely sale their products.

### 4.2. Government officials preceptions of the CBT in light of the protocol

The study was able to consult 4 officials (1 TRA Officer - Sirari, 1 Agriculture Crops/goods Inspection Officer - Sirari, Secretary Tanzania Chamber of Commerce and Agriculture – Tarime and Chairperson of Chamber of Commerce - Kuria West Sub County), three and one from Tanzania and Kenya respectively. The study was not able to obtain an interview with KRA officials as responsible officers were attending a meeting in Migori County during the visit.

### Facilitation and enabling environment to Women in cross border trade

When asked what TRA do to facilitate women in cross border trade to operate smoothly while complying to set rule and regulation, the consulted officer said that the authority (TRA) tries to disseminate information on prerequisites of CBT (for both importers and exporters) through various plat-

## 4. EAC common market protocols in the eyes of cross border trader

Box 21:

*Verbatim quote: “TRA through its Mara region office hold meetings and workshops with traders aimed at providing tax payers education including provision of prerequisites for conducting cross border trade” (TRA Officer, Sirari)*

These meetings are convened by District Trade Officers and are open for all traders regardless of the size of business.

The Agriculture crops/goods Inspection Officer said that cross border traders transiting small quantities of fresh fruits and vegetables (less than a ton) from Tanzania to Kenya are not charged any fee when exiting the border at Tanzania’s side.

Another facilitative environment for CBT is the benefits that certificates of origin brings to traders (i.e. waiving of customs duties). According to TRA officer, compliance with rules and regulations including obtaining certificates of origin helps Traders to clear their goods without paying tariffs at the border.

The TRA officer further said that women in cross border trade are encouraged to visit TRA offices to inquire for information regarding goods that needs to be accompanied with a certificate of origin and expected tax payable for different goods to avoid unnecessary inconveniences at the border.

The TRA Officer also noted that the EAC common market protocol has made it possible for goods produced within EAC to be exempted from paying custom tariffs when exported/imported from amongst member states. Chairperson of Chamber of Commerce - Kuria West Sub County) on the other hand said that, the Chamber understands that small scale cross border traders are faced with challenges of obtaining adequate capitals for improving their businesses.

Box 22:

*Verbatim quote: “We in the Chamber are trying to organize small scale women in cross border trade into groups (based on the line of trade) and guarantee them to access loans from the banks using groups as collateral” (Chairperson of Chamber of Commerce - Kuria West Sub County)*

The role of the Chamber thereafter is to ensure that group members are complying with the bank repayment schedule and that are members are fulfilling their obligations as per collateral agreement.

The Chamber also facilitates networking and linkages between Kenya and Tanzania based traders

### **CBT challenges from government and Chambers officials**

Government officials (TRA and Agricultural Crops/Goods Inspection Officers) mentioned smuggling as the leading challenge affecting CBT.

Box 23:

*Verbatim quote: “In many a times cross border traders opts to use unofficial routes to smuggle their goods from either side of the border in order to evade tax and they (Traders) are caught by Border Authorities they are subjected to penalties which are normally high due to lack of certificate of origin”*

## 4. EAC common market protocols in the eyes of cross border trader

### Things to consider to further enhance enabling environment from government and Chambers officials

Another challenge is that of Traders coming with incomplete documentation which makes them take longer to clear the goods and throw complaints of delays to border authorities.

Chairperson of Chamber of Commerce - Kuria West Sub County) on his said mentioned the following as challenges of CBT:

- i. **Corruption:** Cross border traders (including women in cross border trade) from both Kenya and Tanzania are forced by circumstances to pay kickbacks to officials to have their goods cleared the fact that leads to increased costs of trading;
- ii. **Goods clearing processes:** It takes long to clear goods at the border as traders are obliged to pass through various sections at the border to have goods cleared;
- iii. **Unfair trade environment:** Goods coming from different countries are subjected to aggressive examination on entry; and
- iv. **Poor protection of local farmers:** Recent trends have shown that communities in the Kenyan side of the border are consuming grain (maize and rice) from Tanzania as it is cheap compared to locally produced grain. This makes it difficult for Kenya base farmers produce to compete in the market with goods from Tanzania.

### Prerequisites for enhancing the implementation of the protocol

All consulted officials argued that there is a need for EAC stakeholders to invest in creating awareness on the EAC common market protocol as the majority of the people lack awareness of the provisions of the protocol and its implementation.

TRA and Agricultural Crops/goods Inspection Officers were also of the opinion that centralization of issuance of permits by the central government is adding to trading costs hence urged stakeholders to continue advocating for delegation of permit issuance to Zonal/Regional levels.

The Chamber official on the other hand was of the opinion that Traders trading between Kenya and Tanzania are required to have many licenses and permits which in a way makes trading expensive.

## 5. What needs to be done to further strengthen cross border trade

The presented experiences and perceptions of women in cross border trade in section 2 to section 4 suggests that there is still more to be done by EAC stakeholders to both make the provisions of the common market protocol known to the people as a means of providing incentive to people to make maximum use of the opportunities imbedded in the protocol and ensure effective implementation of the protocol.

Specifically, the study suggests EAC stakeholders to consider doing the following in order to create an enabling environment for CBT amongst women in cross border trade:

- i. Creation of awareness on formal cross-border trade;
- ii. Harmonisation of tariffs;
- iii. Increase women understanding of the EAC women financing mechanisms;
- iv. Improved service provision by border service providers by reducing bureaucracy;
- v. Mobilization of women into groups and networks for easy access to information on the common market protocol and CBT prerequisites in particular; and
- vi. Ease EAC tariff and provision of information to women regarding the revenues and customs requirement at the Sirari/Isebania border

This suggests that, there is a need for BED, the Government of Kenyan and Tanzanian, the EAC and other women cross-border facilitators to provide adequate information to women about the EAC trade policies, protocols, tariffs, regulations and processes.

The border authorities need to be trained on customer care and gender dimensions of cross-border trade.

There is also a need for government to civil societies to improve corruption incidents reporting mechanism in a manner that will protect whistle blowers and women in cross border trade.

## 6. Annexes

### 6.1. Annex 1: List of women consulted

No	Name	Location
1.	Ms. Esther John	Sirari, Tarime district of Mara region, Tanzania
2.	Ms. Stella Lucas	Sirari, Tarime district of Mara region, Tanzania
3.	Ms. Veronica John	Sirari, Tarime district of Mara region, Tanzania
4.	Ms. Elizabeth Njeri	Sirari, Tarime district of Mara region, Tanzania
5.	Ms. Theresia Mujuni	Sirari, Tarime district of Mara region, Tanzania
6.	Ms. Monica James	Sirari, Tarime district of Mara region, Tanzania
7.	Ms. Monica James	Sirari, Tarime district of Mara region, Tanzania
8.	Ms. Rebeca Elias	Sirari, Tarime district of Mara region, Tanzania
9.	Ms. Evelyn Joseph Mwita	Sirari, Tarime district of Mara region, Tanzania
10.	Ms. Esther Joseph Peter	Sirari, Tarime district of Mara region, Tanzania
11.	Ms. Dora Wangwe	Sirari, Tarime district of Mara region, Tanzania
12.	Ms. Neema Julius	Sirari, Tarime district of Mara region, Tanzania
13.	Ms. Tatu Wame	Sirari, Tarime district of Mara region, Tanzania
14.	Ms. Esther Joseph Peter	Sirari, Tarime district of Mara region, Tanzania
15.	Ms. Katarina Kichena	Sirari, Tarime district of Mara region, Tanzania
16.	Ms. Elizabeth Mirengo	Sirari, Tarime district of Mara region, Tanzania
17.	Ms. Dafroza John	Sirari, Tarime district of Mara region, Tanzania
18.	Ms. Esther Charles	Sirari, Tarime district of Mara region, Tanzania

## 6. Annexes

19.	Ms. Zabibu Daudi	Sirari, Tarime district of Mara region, Tanzania
20	Ms. Maria Sebaya	Sirari, Tarime district of Mara region, Tanzania
21	Ms. Joyce Ragita	Sirari, Tarime district of Mara region, Tanzania
22	Ms. Christina Marwa	Sirari, Tarime district of Mara region, Tanzania
23	Ms. Sophia Bhusuri	Sirari, Tarime district of Mara region, Tanzania
23	Ms. Mary Samwel	Sirari, Tarime district of Mara region, Tanzania
25	Ms. Flora Francis	Sirari, Tarime district of Mara region, Tanzania
26	Ms. Rehema Joshua	Sirari, Tarime district of Mara region, Tanzania
27	Ms. Margareth Merengo	Sirari, Tarime district of Mara region, Tanzania
28	Ms. Flora Moleka	Nyamaraga, Kuria west sub county in Migori County, Kenya
29	Ms. Evelyn Ghati	Nyamaraga, Kuria west sub county in Migori County, Kenya
30	Ms. Dorothy Bhoke Thomas	Nyamaraga, Kuria west sub county in Migori County, Kenya
31	Ms. Alice Basweti	Nyamaraga, Kuria west sub county in Migori County, Kenya
32	Ms. Mary Robhi	Nyamaraga, Kuria west sub county in Migori County, Kenya

## 6. Annexes

33	Ms. Singarika Muhere	Nyamaraga, Kuria west sub county in Migori County, Kenya
34	Ms. Christina John	Nyamaraga, Kuria west sub county in Migori County, Kenya
35	Ms. Penina Nyaisara	Nyamaraga, Kuria west sub county in Migori County, Kenya
36	Ms. Pascazia Yoranda	Nyamaraga, Kuria west sub county in Migori County, Kenya
37	Ms. Piles Kwambuka	Nyamaraga, Kuria west sub county in Migori County, Kenya
38	Ms. Mary Mussa	Nyamaraga, Kuria west sub county in Migori County, Kenya
39	Ms. Margareth Nyokabi	Nyamaraga, Kuria west sub county in Migori County, Kenya
40	Ms. Emili Weilumu	Nyamaraga, Kuria west sub county in Migori County, Kenya