

TRADEMARK EAST AFRICA

PRESENTED BY
TORERO MUGENYI EUGENE

Regional consultation on LDC5 for LDCs
in Africa and Haiti

18 January 2023





WHO WE ARE

Aid-for-trade not-for-profit organisation.
Founded in 2010.



MISSION

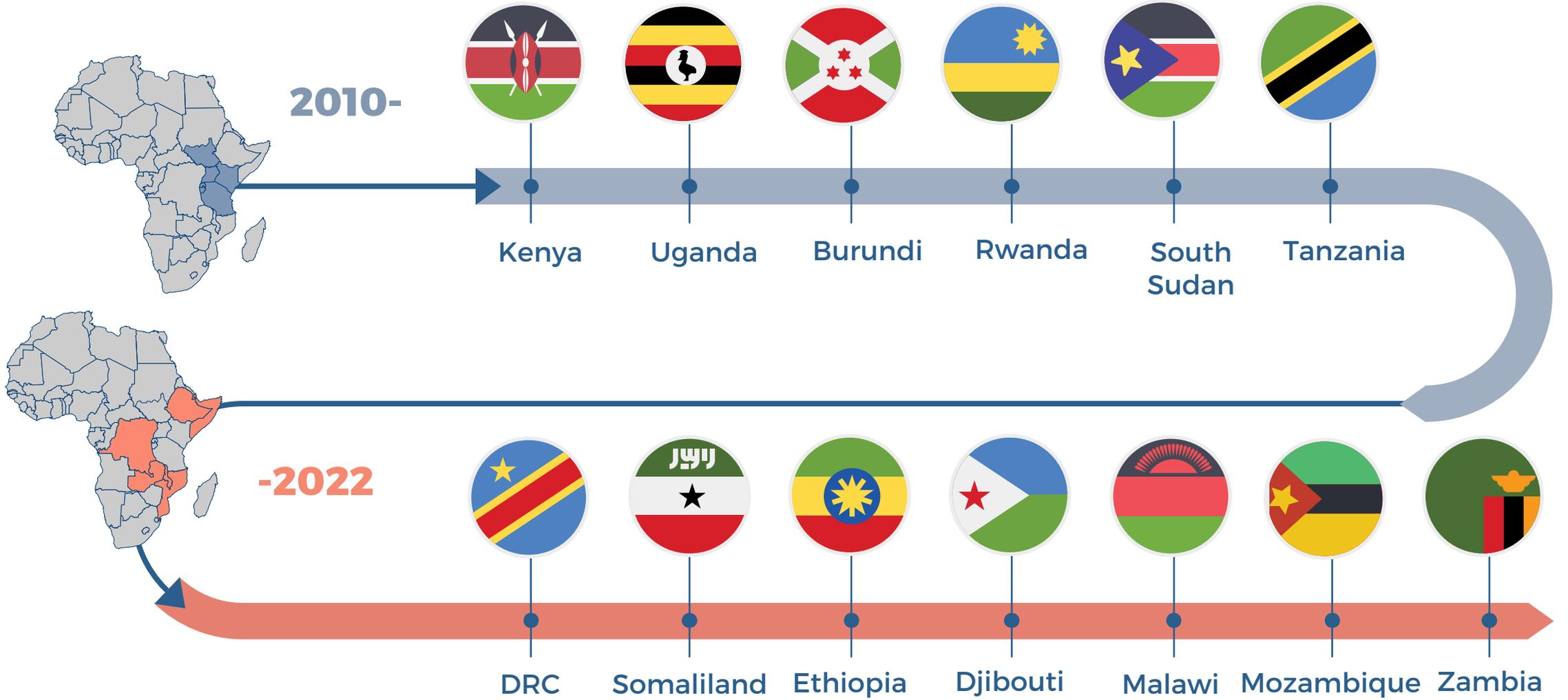
To increase sustainable and
inclusive intra-African trade and exports
to the rest of the world.



VISION

Africa pioneering in sustainable
and inclusive growth as a pathway to
prosperity.







FUNDING (Cumulative)

Out of initial budget of less than **US\$42 million** in 2010, a cumulative budget of approximately **US\$1.2 billion** by April 2022.



DONORS

Development agencies of:

Belgium, Canada, Denmark, Finland, France, Ireland, Netherlands, Norway, Sweden, United Kingdom, United States of America

Unions, Foundations, DFI's

European Union, Bill and Melinda Gates Foundation

TradeMark East Africa experience in supporting LDCs with regional integration efforts

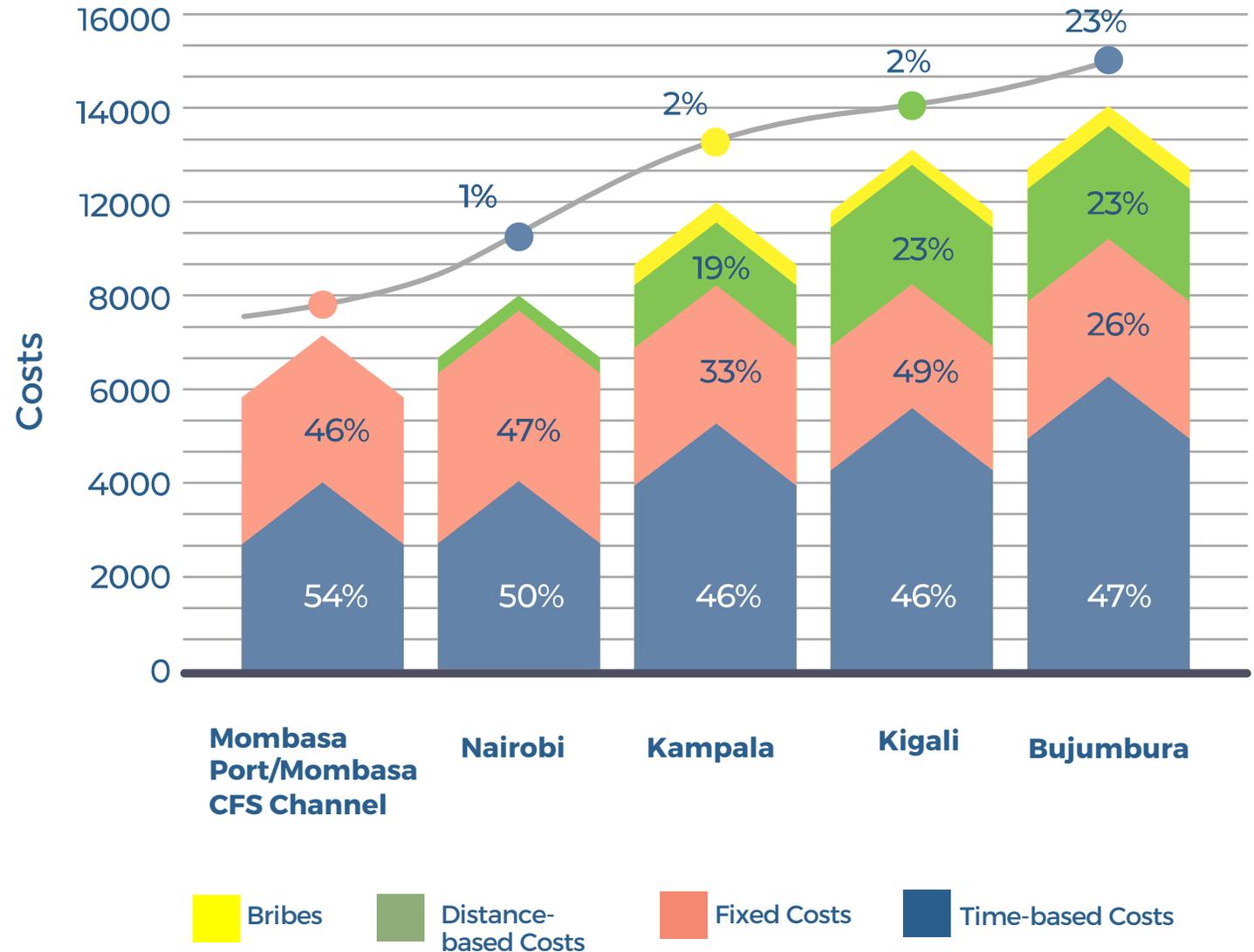
Informed by the need to address challenges constraining the EAC region to trade more with herself

- Persistent NTBs – complex and limited understanding of rules of origin; non harmonized standards; manual and untransparent trade systems; limited institutional capacity; limited cross border cooperation.
- Poor trade infrastructure at different trade nodes – ports, borders and connecting roads.
- Weak private sector capacity to effectively engage with respective governments at regional and national level

Illustration of Challenges constraining trade in EAC:

Minimal progress in resolving barriers to trade by East African countries. Subsequently; high cost of doing business, reduced demand for goods, slow economic growth.

Cost of an average Bujumbura bound container



Source: Corridor Diagnostic Study

RESPONSE TO THE CHALLENGE

TMEA's interventions are organised around two broad themes:

Reducing Barriers to Trade



Improved capacity and efficiency of Transport Infrastructure (Roads, Ports, OSBPs).



Improved and harmonised Standards and SPS; and reduced NTBs.



Effective trade systems and procedures (i.e. ICT4T).



Improved trade regulatory environment.

Improved Business Competitiveness



Improve Export Capability



Women in Trade, Climate Change and Social Safeguards.



Advocacy and Public-Private Dialogue.

Results as of June 2017

25% increase in intra-regional exports compared with total exports from EA.



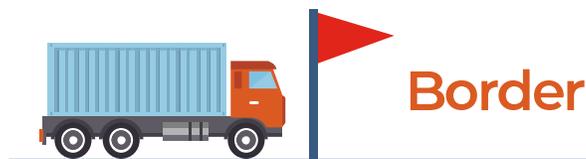
10% increase in the total value of exports from the EAC region.



16.5% reduction of time to import or export a container from Mombasa/Dar to Burundi/Rwanda.



70% reduced time (in at least one direction) to cross selected One Stop Border Post.

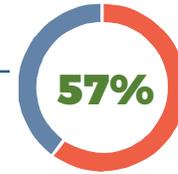
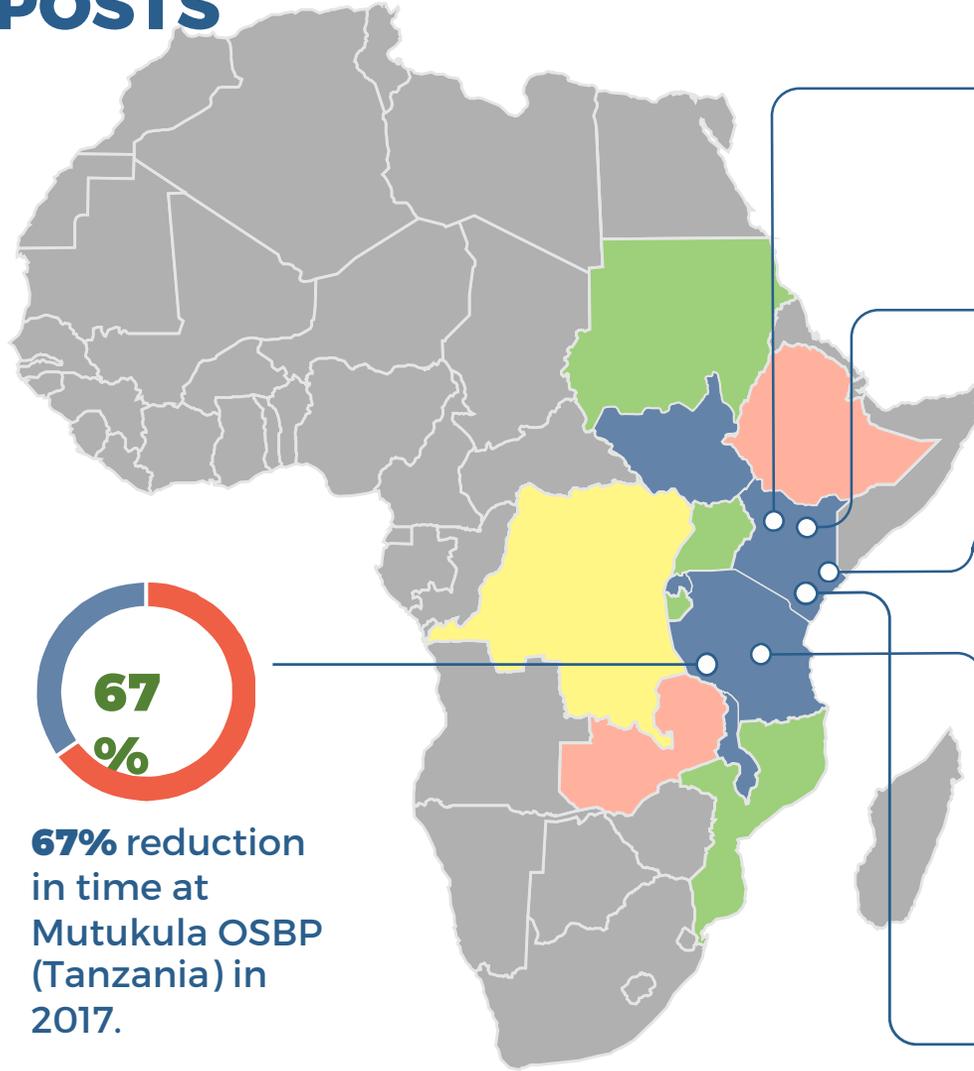


Source: Independent Evaluation Study

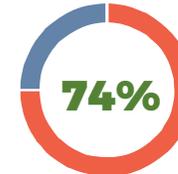
SPECIFIC TO ONE STOP BORDER POSTS

Results:

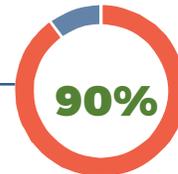
- Construction and functioning of **15 OSBPs** over a period of 12 years.
- Ongoing support for construction and operationalisation of **10 new OSBP's** in DRC, Rwanda, Uganda, Malawi, Zambia
- **70%** Average time reduction to cross select borders



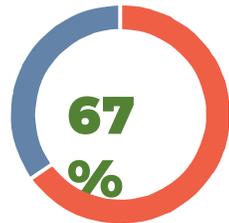
57% reduction in time at Busia OSBP (Uganda) in 2017.



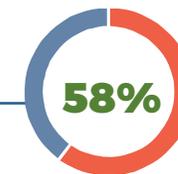
74% reduction in time at Busia OSBP (Kenya) in 2017.



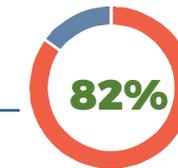
90% reduction in time at Mutukula OSBP (Uganda) in 2017.



67% reduction in time at Mutukula OSBP (Tanzania) in 2017.



58% reduction in border clearance time at Kabanga (Tanzania) in 2016.



82% reduction in time at Taveta OSBP (Kenya) in 2015.



AfCFTA –
Supporting
implementation.

**Green Corridor
Approach
(\$210m)**



Support
industrialisation and
high value exports to
**create jobs and
move regions to
middle income
status. (TLCs)**



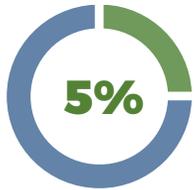
**Digital Trade
Corridors and
networks of trust**



Reduce high logistics
costs for **humanitarian
assistance** to mitigate
effects of natural and
human made disasters.



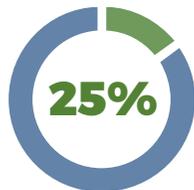
Outcome Indicators for Strategy 2: 2017-2023



5% reduction in
trade costs across
EATN



10% reduction
in average trip
in EATN



25% increase in
exports in targeted
sub-sectors



\$217m added
in exports

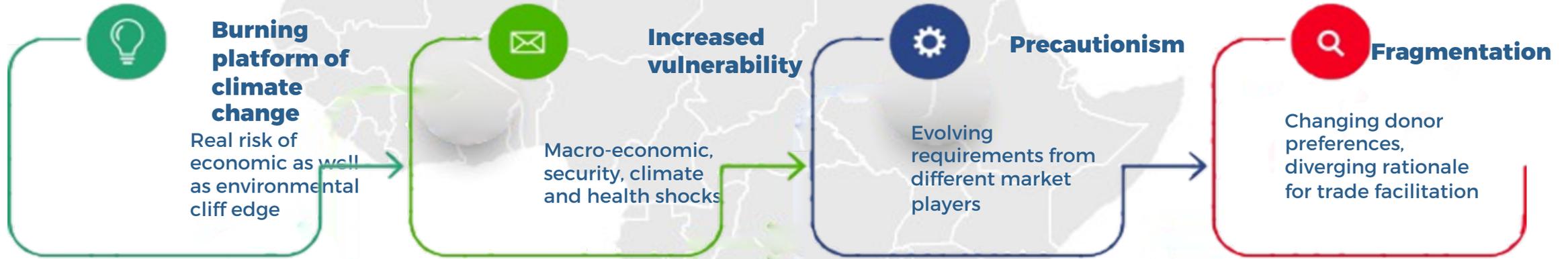


\$168m
leveraged



Future of TradeMark East Africa in support of trade capacity building in LDCs in Africa.

SHIFTING CONTEXT



NEW TOOLS



PROGRAMMING SHIFTS

We reaffirm TradeMark's core skills of reducing trade barriers and preparing firms to benefit from improvements, BUT we will evolve what we do:

1 >

GEOGRAPHY - The AfCFTA Driver

- From inter-country to inter-REC
- From EAC + Horn corridors to West and South

MODELS - Through Trade Catalyst Africa

- From grant to blended finance
- From hardware through digital to new technology - **blockchain, use of AI**

2

3 >

TRADE POLICY

- From import tariff to removal of NTBs & resolution of market access challenges
- From generalized to targeted channels and value chains

GREEN MARKET ACCESS

- From road and air to rail and sea
- From time & cost to sustainability

4

5 >

GROWTH STRATEGY

- From simple growth to inclusive growth
- From wealth to resilience and food security



Illustration of shifting contexts around Green market access requirements



This illustrated Lidl print ad cleverly conveys the retailer's promise to stop transporting fruit and vegetables by air in Sweden.

Stopped flying a million years ago

ONE BY ONE THEY STOPPED FLYING

Stopped flying three months ago



Lidl Sweden's print ad features illustrations of flightless birds / Lidl Sweden Taking the style of scientific drawings, the ad monochromatically depicts various birds in a penguin and an emu, which don't fly. The end picture shows a Kiwi fruit with the description 'stopped flying three months ago' - a double entendre as Kiwi birds are famously flightless. In recent years, Lidl Sweden has worked to reduce its use of air transport and claimed to be a local supply chain in the country to stop flying fruit, vegetables and other food items to its stores. This decision was made after analysing the sustainability consequences of air transport. The ad originally ran in Swedish morning paper Dagens Nyheter on July 6, 2022, and has since been trending on social media.

What does success look like?

INCREASED SUSTAINABLE AND INCLUSIVE INTRA- AFRICAN TRADE AND EXPORTS TO THE REST OF THE WORLD

This would happen if:

- Distance to frontier markets is significantly reduced, while supply chains anticipate and adapt to future cliff edges and shocks
- Transport corridors become more sustainable
- Trade facilitation reduces food insecurity, makes economies more inclusive, and bolsters peace, as well as drives economic growth



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Growing Prosperity Through Trade

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