



## Consolidated Priority Matrix for Trade Facilitation in the HoA region

Policy area	Recommended policy measure	Objective	Specific actions needed for implementing the recommended policy measure	Timeline <i>Short term: &lt; 12 months</i> <i>Medium term: &lt; 3 years</i>
<b>Trade policy harmonization</b>	Strengthen collaboration mechanisms for identification and resolution of NTBs in the Region through a coordination of the activities of National Trade Facilitation Committees (NTFCs) and of Non-Tariff Barriers (NTBs) National Monitoring Committees (NMCs) of each HoA country.	Establishment of strong collaboration links for the joint identification and resolution of NTBs in the HoA, which are among the main factors hampering the smooth movement of goods in the region. Coordination of HoA NTFCs/NMCs or discussions between members of the HoA Regional Trade Facilitation Committee can be conducted both through periodical physical meetings and videoconferencing platforms.	<ul style="list-style-type: none"> <li>• Establish a <b>permanent and regular coordination forum of HoA NTFCs/NMCs</b> or, alternatively, a <b>HoA Regional Trade Facilitation Committee</b> made up of representatives of NTFCs of each HoA country open to the participation of focal points of NMCs of HoA countries.</li> <li>• Develop action plan/road map to eliminate potential NTBs identified in HoA countries.</li> <li>• Development of a regional strategy for eliminating NTBs/NTMs aimed at:               <ul style="list-style-type: none"> <li>a) improving the current mechanisms for dialogue between public authorities and the private sector with the purpose of reinforcing the current procedures and mechanisms for NTBs identification and reporting.</li> <li>b) adopting online tools/mechanisms for monitoring, reporting and elimination of NTBs and maintain an updated NTB reporting file (online) that records NTBs when identified by the private sector with the status of resolution of such NTBs.</li> <li>c) Organise sensitization activities for the public and private sector to promote</li> </ul> </li> </ul>	Short term

			the use of existing communication channels (both online and in-person) for NTB reporting.	
	<ul style="list-style-type: none"> <li>• Adopt joint Time Release Studies (TRSs) by Customs of adjoining HoA countries (or at regional level). TRS could be conducted both at border posts and/or at corridor level.</li> <li>• Develop a regional action plan for implementation of recommendations formulated in the joint Time Release Studies.</li> </ul>	Such studies are key for assessing performances of Customs and other border agencies at HoA borders, identifying bottlenecks, costs and delays in border procedures that can be addressed through regulatory and procedural changes.	<ul style="list-style-type: none"> <li>• Start consultations between revenue/customs authorities in HoA countries.</li> <li>• Develop ToRs for adoption of joint TRSs that cover all the relevant border agencies.</li> <li>• Establish links with the main private sector organizations at both regional and national level to be involved in the elaboration and validation of the joint TRSs.</li> </ul>	Short term
			<ul style="list-style-type: none"> <li>• Publish TRS times and monitor performance over an annual basis.</li> </ul>	Medium term
<b>Facilitate small-scale trade and formalization by reducing harassment and costs at the border</b>	<ul style="list-style-type: none"> <li>• Implement the COMESA Simplified Trade Regimes (STR) or STR equivalents at HoA borders, and other regulations on minimum standards for the treatment of small-scale cross-border traders (Traders Charter of Rights and Obligations).</li> <li>• Introduce cooperation practices between the HoA countries to facilitate legitimate trade, while ensuring that appropriate standards of customs control are implemented at borders.</li> </ul>	Informal small-scale cross-border trade (ICBT) is prevalent at HoA borders and represents an important sector of the economies of the HoA nations. Supporting small-scale trade and promoting formalization by simplifying customs and border procedures, and increasing their understanding, will contribute to improve livelihoods of traders and their families, as well as to increase both revenue collection and compliance with regulations (for example, those designed to limit the spread of pests and animal disease). As women traders are particularly	<ul style="list-style-type: none"> <li>• Map goods that are most traded informally at the main border points in the HoA region.</li> <li>• Assess formalities and tariffs/taxes to be paid at the border in relation to the trade of such goods, in view of simplification and harmonization of regulations and standards for small-scale traders.</li> <li>• Adopt Bilateral Agreements/Protocols-establishing lists of common goods covered by the simplification measures.</li> <li>• Promote the establishment of traders' associations (where not existing) and launch sensitization programs to increase awareness of trade procedures and traders' rights.</li> <li>• Establish Trade Information Desks at HoA borders and Integrate design of trade information desks for SMEs.</li> <li>• Integrate design of trade information desks for SMEs and other specific features for women traders in OSBP feasibility studies.</li> </ul>	Short term

		<p>vulnerable to harassment and exploitation, the adoption of simplified trade regimes at HoA borders can be very beneficial to them, especially if supported by the adoption of Charters for Cross-Border Traders to protect the basic rights of traders by border officials, introducing effective mechanisms for reporting of abuses.</p>	<ul style="list-style-type: none"> <li>• Provide capacity building/knowledge transfer for informal traders on cross-border simplifications available to small-scale traders under the STR/STR equivalents.</li> <li>• Develop MoU between Customs and other border agencies of HoA countries for mutual assistance aimed at ensuring that appropriate standards of customs control are adopted at HoA borders.</li> </ul>	
<p><b>Harmonization of key transport-related policies, laws, regulations and standards across HoAI borders</b></p>	<ul style="list-style-type: none"> <li>• Adopt a Regional Agreement or a series of Bilateral Agreements allowing truckers registered in a HoAI country to enter in other HoA nations on the basis of a permit issued in the country of origin of the shipment recognized by the state of delivery of cargo.</li> <li>• Develop a strategy for interconnecting national Electronic Cargo Tracking Systems (ECTSs) or, alternatively, a regional ECTS for monitoring the movement of goods along the main trade corridors in the HoAI countries from origin to destination of shipments.</li> <li>• Operationalization of Rapid Response Units to</li> </ul>	<ul style="list-style-type: none"> <li>• The coordination between transport-related policies of HoA countries aims at reducing cost and delays for moving goods across HoA borders by facilitating the movement of trucks and commercial vehicles registered in one HoA nation to other countries in the region.</li> <li>• All these solutions are aimed at addressing problems of safety of roads in the region through better visibility and security of cargo and monitoring of the usability of priority trade corridors in the region.</li> </ul>	<ul style="list-style-type: none"> <li>• Initiate a sub-committee dialogue at HoA level between transport authorities and other government agencies involved in implementation of transport and road security regulations and standards.</li> <li>• Develop an action plan/strategy for implementation.</li> <li>• Identify other opportunities for simplification of transport-related policies, laws, regulations and standards across HoAI borders.</li> <li>• Develop a roadmap for identifying the HoA corridors where ECTS interfacing or RECTS establishment can be piloted and implemented (this should include strategies to improve truck load factors and enhance transport efficiency, particularly for outbound trips to the ports, with the analysis of the possibility to establish corridor-level authorities/observatories for data collection and monitoring and identification of bottlenecks).</li> </ul>	<p>Medium term</p>

	<p>quickly intervene where irregularities are detected (e.g. prolonged stops of trucks in non-authorized locations along corridors).</p> <ul style="list-style-type: none"> <li>• Development of an IT-based regional Road Management Information System (RMIS) for monitoring the usability of priority trade corridors in the region (e.g., monitoring congestion/road accidents and any other disruptive event impacting on circulation of vehicles, with alert mechanisms allowing roads and traffic authorities to rapidly intervene in case of such events, and alerts to road users on traffic and on the status of roads).</li> </ul>			
<p><b>Inter-agency coordination</b></p>	<ul style="list-style-type: none"> <li>• Development of a regional coordination forum for sustained dialogue between the highest authorities of all the Ministries/Government Agencies involved in cross-border trade in HoA countries.</li> <li>• Institutionalization of Joint Border Committees at HoA border posts for joint discussion and</li> </ul>	<p>These measures aim at increasing collaboration between border agencies of HoA countries with a view of enhancing border efficiency and inter-agency coordination in border management in the region. Joint Border Committees are a good practice at One Stop Border Posts (OSBPs). Their establishment also within ordinary border posts can increase and promote approximation of</p>	<ul style="list-style-type: none"> <li>• Establishment in each HoA country of a structure at national level responsible for high level strategic direction for effective border management among border agencies (to date, this structure is operational only in Kenya, where a Border Controls and Operations Co-ordination Committee/BCOCC is established since 2011).</li> <li>• Adoption of Bilateral agreements/Protocols, and ToRs for establishment of Joint Border Committees.</li> </ul>	<p>Short term</p>

	<p>resolution of cross-border issues.</p> <ul style="list-style-type: none"> <li>• Development of joint training of border officials seconded at HoA borders for reinforcement of skills and competences, and adoption of programs for exchange of border officials at selected borders.</li> </ul>	<p>collaborative working practices between customs officials, immigration and officials of other border agencies, as well as security services, increasing efficiency and avoiding redundancy/duplications in control and inspection activities at HoA borders.</p>		<p>Medium term</p>
	<ul style="list-style-type: none"> <li>• Develop agreements on data sharing and ICT integration between Customs, Immigration and other border agencies of HoAI countries and strengthen data and documentation (certificates and permits) exchange between border agencies in HoAI countries.</li> <li>• Identify appropriate digital/ICT tools as well as equipment needed to implement procedure and formality simplifications nationally and at borders. This would include, for example: OSBPs to be fitted with Smart Gates with Optical Character Recognition systems (OCR) to capture vehicle plates for identification and registration.</li> </ul>	<p>The integration of the Revenue/Customs IT Systems and between automation systems adopted by border agencies can allow seamless exchange of customs, trade and transport documents, data and information among the HoA countries, thus accelerating formalities at HoA borders. Where Single Window (SW) systems have been developed, the interconnection between such systems or linking national SWs in a regional system would enable trade and customs documents transmitted by traders to the exit country border authorities to be used as entry documentation in the importing or transit country, avoiding any duplication in the transmission of such information.</p>	<ul style="list-style-type: none"> <li>• Map national automation systems in place in each HoA country and identify gaps that prevent interoperability and data and information sharing.</li> <li>• Develop a roadmap for integration of the Customs/Revenue IT Management Systems and those of other border agencies in the HoA countries for electronic sharing of such data and information.</li> </ul>	<p>Short term</p>
			<ul style="list-style-type: none"> <li>• Develop a Regional trade automation and data sharing roadmap/legal framework that includes the analysis of the possibility of interfacing Single Windows and/or automation systems adopted by border agencies in HoAI countries in order to allow mutual exchange of data and information through a common format.</li> <li>• Map current trade infrastructure gaps at HoA border crossing points, with a focus on OSBPs.</li> <li>• Conduct feasibility studies for the establishment of OSBPs across the major trade corridors in the HoA, and develop a regional OSBP strategy identifying gaps in policies and procedures to ensure effective implementation of OSBPs.</li> </ul>	<p>Medium term</p>

			<ul style="list-style-type: none"> <li>• Launch of feasibility studies for OSBP establishment at HoA borders.</li> </ul>	
<b>Facilitation of trusted traders</b>	Development of dedicated fast-track lanes at HoA borders for operators that have been recognized by Customs in HoA countries as reliable in the context of their customs-related operations.	Extending the facilitations granted by national AEO programmes to the territory of other HoA states.	<ul style="list-style-type: none"> <li>• Introduce Authorized Economic Operators (AEOs) programmes in those countries that have not yet adopted them.</li> <li>• Compare AEO programmes adopted by HoA States to verify that they set out equivalent requirements and levels of facilitations.</li> <li>• Conclude Mutual Recognition Agreements (MRA) between HoA countries having already adopted AEO programs (namely: Kenya, Ethiopia, Djibouti).</li> <li>• Develop a roadmap for implementation of the COMESA AEO (regional) scheme.</li> </ul>	Medium term
<b>Facilitation of payment of customs duties, border agencies fees, and other levies at HoA cross-border posts</b>	Creation of a regional framework for use of digital payments over cash for payment of customs duties, border agencies fees, and other levies at HoA cross-border posts.	Transporters in the HoA countries have huge difficulties in converting currency at borders for paying duties or other fees in the importing country. This problem is exacerbated by the limited availability of banking services at these locations, which obliges transporters and traders to travel with large amounts of cash.	<ul style="list-style-type: none"> <li>• Adopt agreements with main Telcom operators in the HoA region to allow the use of digital payments platforms/mobile money systems for payment of border agencies fees, customs duties and other charges for import, export, or transit at cross-border points.</li> <li>• Develop sensitization campaigns for traders and other stakeholders on use of digital payments/mobile money solutions for payment of border taxes and fees.</li> </ul>	



**Annex**  
**Action priority matrix with impact and level of effort/difficulty assessment**

— *Level of Effort* —

Low

High

— *Impact* —

High

- Regional forum for dialogue and joint border committees
- Facilitation of trusted traders
- Facilitation of payments
- Implement regional truck permit agreement and its enforcement
- Implement STRs, minimum standards and trader desks

- NTB Collaboration and monitoring
- Develop and implement data sharing agreements and tools
- Interconnecting SW systems of HoA countries

Low

- Conducting joint TRS', publishing and monitoring
- Implement regionally linked electronic cargo tracking systems

- Implement IT based road information management systems