



APRIL 17, 2024

PROGRESS REPORT

Implementation of the Horn of Africa Initiative Trade Facilitation Roadmap 2022-2025

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PROGRESS REPORT

Implementation of the Horn of Africa Initiative Trade Facilitation Roadmap 2022-2025



INTRODUCTION & PROGRESS REPORT

Implementation of the HOA Trade Facilitation Roadmap (2022-2025)



WORKSHOPS AND BACKGROUND PAPERS

Completed by the World Bank on trade facilitation



MAPPING OF ACTIVITIES

Implemented in Trade Facilitation by Development Partners (DPs)



IMPLEMENTATION OVERVIEW

HoAI Regional Trade Facilitation Roadmap

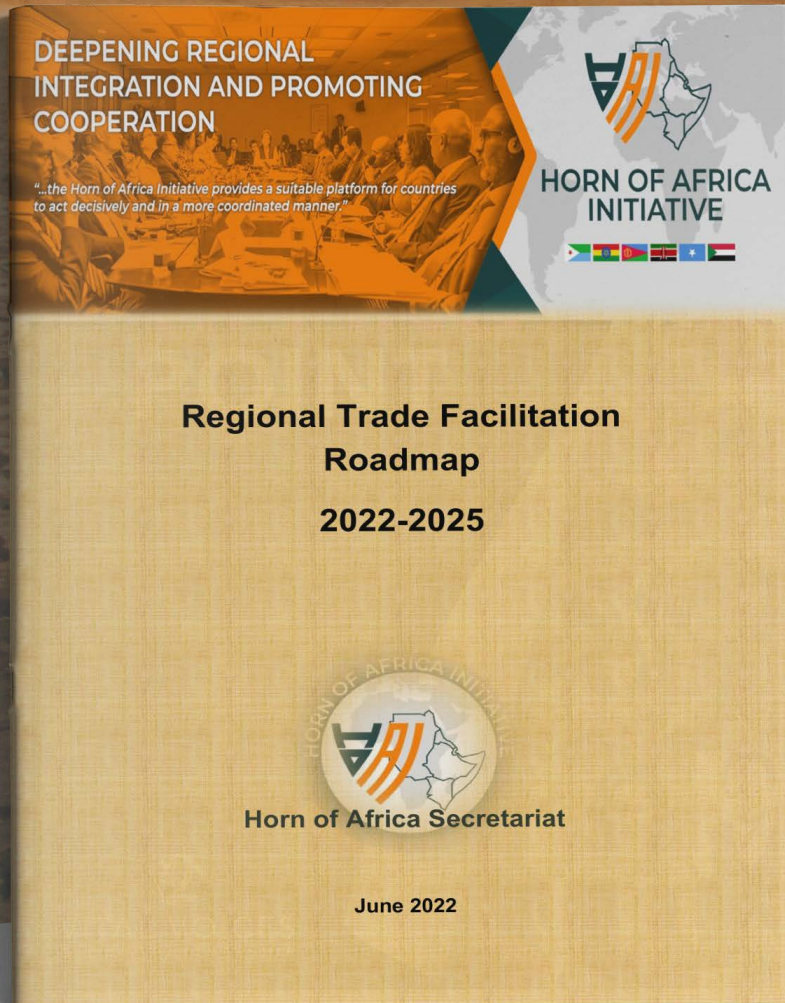


CHALLENGES AND NEXT STEPS



INTRODUCTION & PROGRESS REPORT

Implementation of the HOA Trade Facilitation Roadmap (2024-2025)



TRADE FACILITATION ROADMAP 2022-2025

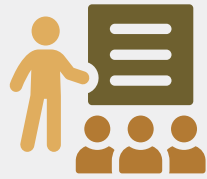
1. Identifies measures for improved trade and transport links.
2. Aligns with Regional Communities and the African Continental Free Trade Area (AfCFTA).
3. Endorsed in April 2022 for enhanced regional integration.

STRATEGIC GOALS

1. Address non-tariff barriers, harmonize regulations, and adopt ICT for trade.
2. Focus on collaboration, efficiency, and digitalization to reduce trade costs.

GOVERNANCE AND PROGRESS TRACKING

1. Three-layered structure led by HoAI Ministers of Finance.
2. Key performance indicators and resource mobilization for implementation.



WORKSHOPS AND BACKGROUND PAPERS

Completed by the World Bank on trade facilitation



TRADE FACILITATION WORKSHOP

Oct-Nov 2022

- Conducted in Nairobi and Addis Ababa with officials from Kenya, South Sudan, Ethiopia, Djibouti, and Somalia.
- Aimed at identifying new needs and re-prioritizing roadmap goals.
- Discussions on trade, logistics, digital connectivity, and non-tariff barriers.
- Highlighted progress and varying challenges among countries.



TRADE FACILITATION WORKSHOP

Nov 2023

- Held in Nairobi, Djibouti, and Addis Ababa to bolster trade facilitation
- Focus on enhancing trade facilitation and discussing draft studies on NTBs and institutional frameworks
- Consensus on the need for a permanent consultation forum for NTB mitigation.



BACKGROUND PAPER:

Non-Tariff Barriers (NTBs) Monitoring Systems in Africa

- Analyzes NTB reporting and resolution platforms in Africa
- Recommends promoting utilization of existing platforms and establishing National Monitoring Committees (NMCs).
- Suggests specific actions for HoAI countries to address NTBs.





WORKSHOPS AND BACKGROUND PAPERS

Completed by the World Bank on trade facilitation



BACKGROUND PAPER:

Analysis of the Institutional Structure/ Coordination Mechanism for Trade and Investment Policies

- Examines trade and investment policy coordination in HoAI countries.
- Highlights the need for greater coordination among government agencies and the private sector.
- Discusses the role of National Trade Facilitation Committees (NTFCs) and recommends further analytical work and the establishment of a Regional Trade and Transport Facilitation Committee (RTTFC).



BACKGROUND PAPER:

Pilot Survey for Collection of Data on the Horn of Africa Small Scale Cross Border Trade

- Covers Ethiopia/South Sudan border trade.
- Finds SSCBTs are mainly young men, with significant informal trading.
- Recommends interventions for reducing transaction costs, improving infrastructure, and promoting formalization and gender equality.



BACKGROUND PAPER:

Digital Gaps Assessment

- Provides an analysis of trade-related ICT in HoAI countries.
- Reviews each country's digital systems and identifies gaps.
- Recommends establishing Trade Information Portals and supporting data-sharing for Customs and Single Window interoperability.
- Highlights urgent actions for digital interventions to improve trade efficiency.



MAPPING OF ACTIVITIES

Implemented in trade facilitation by Development Partners (DPs)



Development Partners and their Key Projects & Activities



AFDB

Moyale One Stop Border Post; Galile OSBP Design; EAC Trade Portal



BMZ

Support to AfCFTA; Cross-border trade facilitation



EU

Global Public Goods: Providing Trade And Market Intelligence For Informed Trade Decisions; TEI – Technical Assistance Facility to the AfCFTA; Trade and transport facilitation along 12 Strategic corridors in SSA; Trade in Services in SSA; Africa Trade Competitiveness and Market Access Djibouti Corridor Development; COMESA Trade Facilitation; Free Movement & Labour Mobility (IGAD); Horn of Africa Initiative Support



Foreign, Commonwealth & Development Office

FCDO

Berbera Corridor Infrastructure; Support to AfCFTA (Negotiations & Implementation)



WORLD BANK GROUP

WB

Trade Capacity Building (Somalia); Regional Economic Corridors; Transport Sector Development (South Sudan); Horn of Africa Infrastructure; National Trade Strategy (Somalia); Kenya Trade Integration; DRIVE; Agenda 2063 Support (AU and AfCFTA Secretariat)



IMPLEMENTATION OVERVIEW

HoAI Regional Trade Facilitation Roadmap

GOALS 1-4



DJIBOUTI



ETHIOPIA



KENYA



SOMALIA



SOUTH SUDAN

GOAL 1

Strengthen collaboration mechanisms for NTBs

NTFC established, no NTB Monitoring Committee	National Committee on Monitoring of NTB merged with NTFC in 2022	NTFC and NTB Monitoring Committee in place since 2016	NTFC established in 2020, no NTB Monitoring Committee	NTFC designated, awaiting formal establishment; NTB Monitoring Committee since 2019
Regional TRS by COMESA in 2016/17, no recent TRS	/	No TRS since 2018 due to financial constraints	/	/
Bilateral agreement with Ethiopia, not operational	Negotiations with Kenya for STR at Moyale	Study conducted for STR at Tog-Wajaale and Dollow, not implemented	Discussions with Uganda for STR at Nimule-Elegu, not implemented	/
Agreement with Ethiopia for cross-border entry without permits	/	/	/	/

GOAL 2

Adopt Regional/Bilateral Agreement for truckers

GOAL 3

Implement COMESA STR or equivalents at HoA borders

GOAL 4

Adopt joint TRSs at border posts/corridor level



IMPLEMENTATION OVERVIEW

HoAI Regional Trade Facilitation Roadmap

GOALS 5-8



DJIBOUTI



ETHIOPIA



KENYA



SOMALIA



SOUTH SUDAN

GOAL 5

Interconnect national ECTSs or regional ECTS

	DJIBOUTI	ETHIOPIA	KENYA	SOMALIA	SOUTH SUDAN
GOAL 5 Interconnect national ECTSs or regional ECTS	No ECTS	Planned national ECTS, not yet developed	Implements RECTS along Northern Corridor	No ECTS	Agreement for extension of URA's ECTS, plans for RECTS integration
GOAL 6 Develop IT-based RRMIS for trade corridors	No RRMIS	RRMIS available	RRMIS available	No RRMIS	No RRMIS
GOAL 7 Develop a regional coordination forum and JBCs	/	JBC operational at Moyale with Kenya	Several JBCs operational, including with Ethiopia	/	JBC active at Nimule-Elegu OSBP with Uganda
GOAL 8 Agreements on data sharing and ICT integration	/	/	MoU with South Sudan, not operational	/	MoU with Kenya, not operational



IMPLEMENTATION OVERVIEW

HoAI Regional Trade Facilitation Roadmap

GOALS 9-10



DJIBOUTI



ETHIOPIA



KENYA



SOMALIA



SOUTH SUDAN

GOAL 9

Develop fast-track lanes for AEOs

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/

/

/

/

GOAL 10

Framework for digital payments over cash

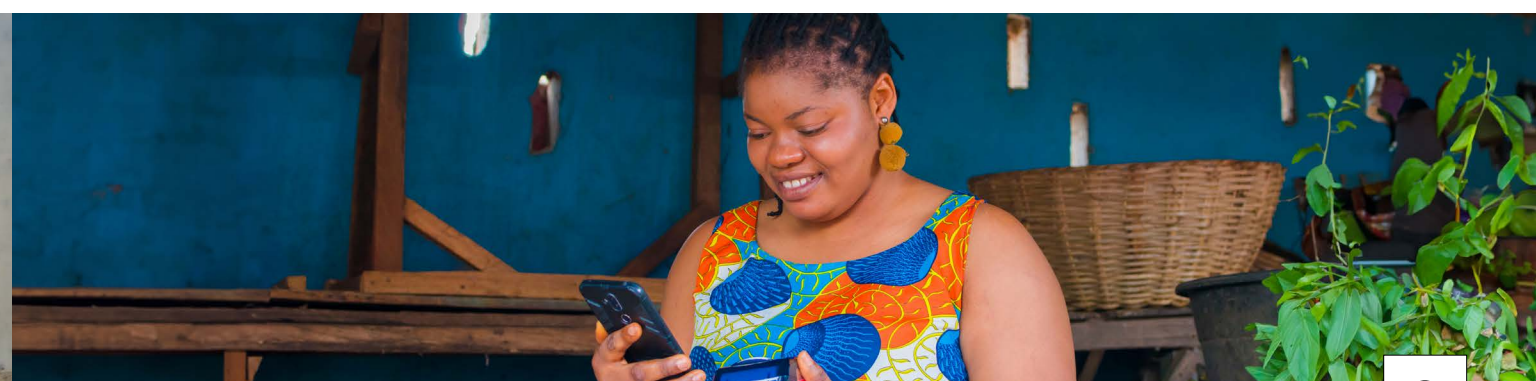
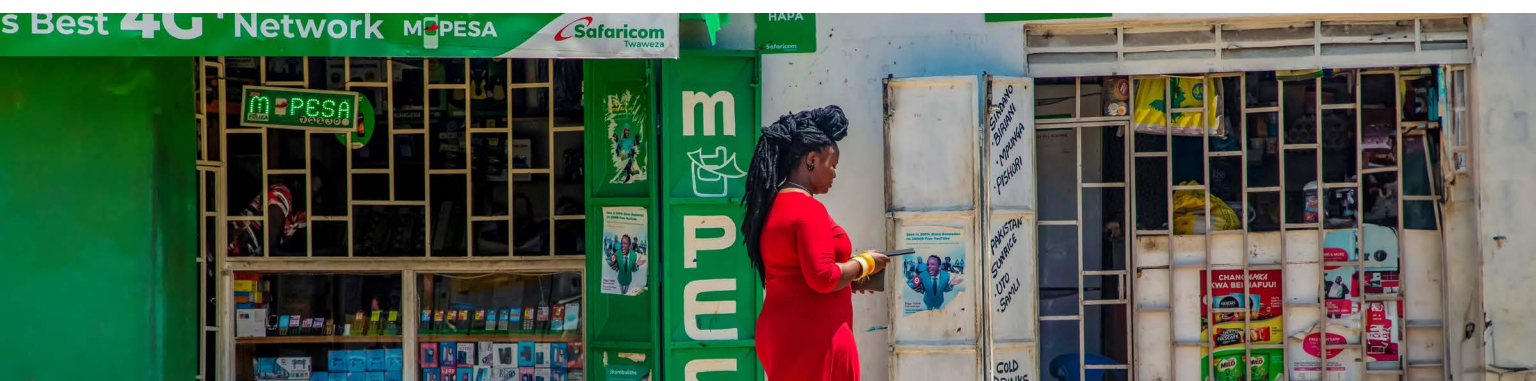
Mobile money for customs/fees

Mobile money for customs/fees

Mobile money for customs/fees

Mobile money for customs/fees

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CHALLENGES AND NEXT STEPS

HOA TRADE FACILITATION ROADMAP 2022-2025

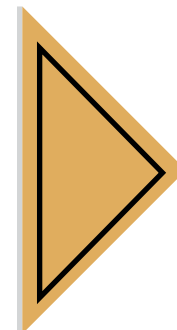


CHALLENGES

Slow progress in implementation



Insufficient resources allocated



NEXT STEPS

1 Allocating adequate resources

2 WB BOOST operation

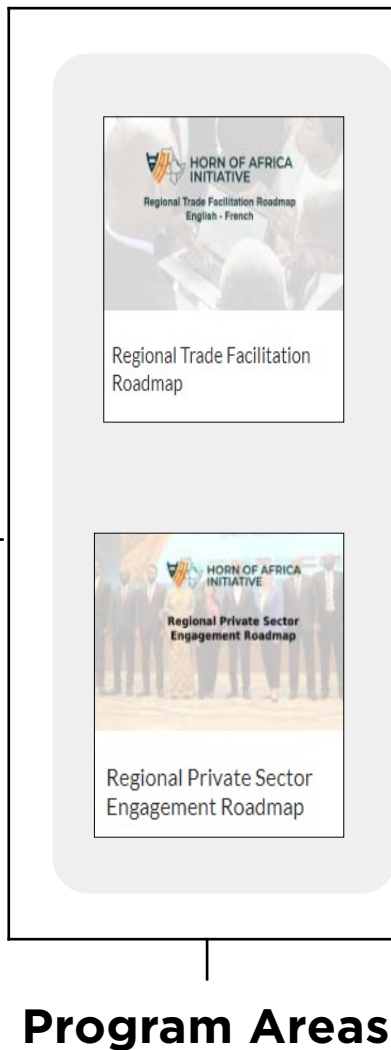
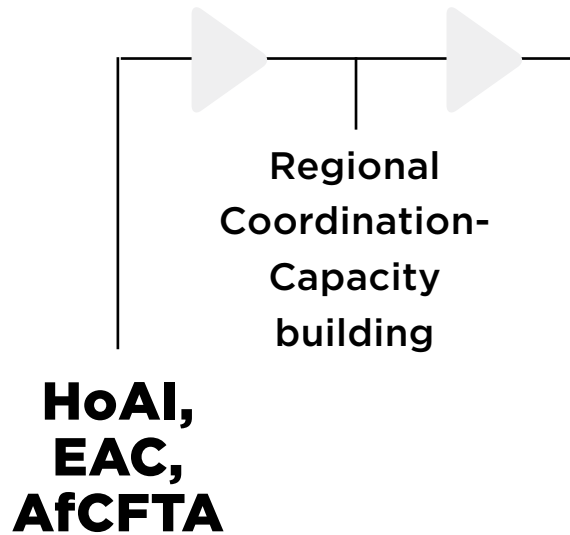
3 Collaboration with DPs (design, implementation and co-financing in BOOST)

BOOST

BUILDING OPPORTUNITIES FOR OPTIMIZED TRADE AND INVESTMENT FOR GROWTH IN EAST AFRICA

PROPOSED OBJECTIVE

To reduce trade costs, increase investment flows and financing for exports in East Africa.



More and better trade

AfCFTA priorities in trade in goods, trade in services, competition in the logistics sector, digital trade, trade facilitation and women and youth in trade

More and better investment

AfCFTA priorities in investment and competition. Investment climate

More and better financing for exports

Trade finance for SMEs, de-risk trade insurance, and cross border digital payments

Menu of Options

Increased trade at priority border points

Increased private sector investments in selected export sectors/firms

Increased number of firms using new or enhanced digital solutions and financial products to export/import

Outcomes

IMPACT

Reduced trade costs, increased investment flows and financing for exports in East Africa

THANK YOU | QUESTIONS AND ANSWERS



**HORN OF AFRICA
INITIATIVE**
20th Ministerial Meeting

