Facilitating cross-border trade through a coordinated African response to COVID-19
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COVID-19 border restrictions & regulations

• **Closures**: 38 and 17 of Africa’s 54 countries announced land and maritime border closures respectively.

• **Target**: under a set of strict regulations, these closures target reducing movement of people while allowing exemptions for movement of essential supplies.

• **Regulations**: mandatory testing, sanitizing trucks, limiting the numbers of crew members on trucks, and designating transit resting areas etc.

• **Balancing act**: minimize COVID-19 spread while maintaining cross-border trade and economic activity.

• **UNCTAD data**: intra-African exports declined by 17 percent in April 2020, but were more resilient to the twin COVID-19 and commodity price shock than Africa’s exports to the ROW → highlights importance of developing competitive and diversified intra-African value chains.

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**Africa’s exports, monthly (year-on-year % changes, 2020 vs 2019)**

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
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</thead>
<tbody>
<tr>
<td><strong>Total African Exports</strong></td>
<td>9.72</td>
<td>-5.06</td>
<td>-15.56</td>
<td>-31.80</td>
</tr>
<tr>
<td><strong>Intra-African Exports</strong></td>
<td>23.05</td>
<td>6.55</td>
<td>-0.88</td>
<td>-17.43</td>
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<tr>
<td><strong>Africa’s Exports to ROW</strong></td>
<td>7.39</td>
<td>-7.29</td>
<td>-18.28</td>
<td>-34.59</td>
</tr>
</tbody>
</table>

**Africa’s imports, monthly (year-on-year % changes, 2020 vs 2019)**

<table>
<thead>
<tr>
<th></th>
<th>Jan</th>
<th>Feb</th>
<th>Mar</th>
<th>Apr</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total African Imports</strong></td>
<td>-1.78</td>
<td>0.33</td>
<td>-7.50</td>
<td>-24.57</td>
</tr>
<tr>
<td><strong>Africa’s Imports from ROW</strong></td>
<td>-5.03</td>
<td>-0.72</td>
<td>-8.47</td>
<td>-25.62</td>
</tr>
</tbody>
</table>

*Source: Data from UNCTAD - based on national statistics from 2019 and 2020. Statistics for April 2020 are preliminary.*
COVID-19 cross-border trade challenges

Cross-border trade disruptions: present challenges for Africa’s fight against COVID-19, and risk reversing progress towards the SDGs and AU Agenda 2063

Key challenges
➢ Inadequate or delayed access to emergency COVID-19 supplies
➢ Increased food insecurity
➢ Escalation of prices along key corridors including cities
➢ Loss of income for informal small-scale cross border traders
➢ Increased financial stress
➢ Reversal in gains in women’s economic empowerment
➢ Slowdown in the development of cross-border value chains

Response: REC introduced coordinating responses to facilitate “safe” and timely cross-border trade

Maize prices in East Africa, growth rate (% changes, 2020 vs. 2019)

Sources: Eastern Africa Grain Council (EAGC)

Trucks at the Malabar border in Uganda, 27 May 2020
**Comparison of REC COVID-19 trade facilitation guidelines**

**SADC**: first to be adopted on 6 April 2020  
**EAC**: signed and published by EAC Regional Coordination Committee on COVID-19 Response on 24 April 2020, but not officially adopted by Member States  
**COMESA**: adopted on 14 May 2020  
**ECOWAS**: draft guidelines adopted by Ministerial Coordinating Committee on 17 June 2020, but not yet presented for adoption by Heads of State (not in force)

**Challenge**: Inconsistent implementation at national level and lack of harmonization across RECs

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<thead>
<tr>
<th></th>
<th>COMESA</th>
<th>EAC</th>
<th>ECOWAS</th>
<th>SADC</th>
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<tbody>
<tr>
<td>Trade facilitation of essential supplies</td>
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<tr>
<td>Cross-border freight transport operations</td>
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<tr>
<td>Air transport</td>
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<td></td>
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<tr>
<td>Handling of cargo at seaports</td>
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<td>X</td>
<td></td>
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<tr>
<td>Transit deliveries</td>
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<td>X</td>
<td></td>
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<tr>
<td>Trade in services</td>
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<td>X</td>
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<tr>
<td>Payments and communications</td>
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<tr>
<td>Inspection and quality control</td>
<td>X</td>
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<td></td>
<td>X</td>
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<tr>
<td>Advocacy, capacity building and information sharing</td>
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<td></td>
<td>X</td>
<td></td>
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<tr>
<td>Gender considerations</td>
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<tr>
<td>Monitoring and evaluation</td>
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[www.uneca.org](http://www.uneca.org)
# Best practice COVID-19 border responses across RECs

<table>
<thead>
<tr>
<th><strong>Health screening</strong></th>
<th><strong>Testing and certification</strong></th>
<th><strong>Hygiene and PPE</strong></th>
<th><strong>Crew size</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Conduct mandatory thorough health screening of all incoming/outgoing drivers and crew</td>
<td>Deploy mobile laboratories and test kits to all border posts</td>
<td>Provide hygiene facilities at all border posts</td>
<td>Introduce regulation so that vehicles can only travel with one driver and an appropriate number of crew members in line with social distancing directives (e.g. 2-3)</td>
</tr>
<tr>
<td>Coordinate in carrying out health screens when there is a functioning OSBP</td>
<td>Immediately isolate persons that test positive on testing at borders</td>
<td>Supply PPE for frontline personnel, border authorities and small-scale cross-border traders</td>
<td></td>
</tr>
<tr>
<td>Ensure all border points are reinforced with requisite personnel to carry out health screening and COVID-19 testing</td>
<td>Expedite clearance of persons with a valid negative certificate</td>
<td>Enforce mandatory requirement for drivers and crew to wear masks and apply sanitary products</td>
<td></td>
</tr>
<tr>
<td>Develop regional test certificate valid for 14 days: allows owner to travel within region without being re-tested unless they display COVID-19 symptoms at health screening points</td>
<td></td>
<td>Provide facilities to disinfect cargo and trucks</td>
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</tbody>
</table>

*Image source: Ideas to Action*
### Best practice COVID-19 border responses across RECs

<table>
<thead>
<tr>
<th>Border management</th>
<th>Information sharing</th>
<th>Digital solutions</th>
<th>Operational mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Apply risk management on essential supplies only if high-risk</td>
<td>▪ Publish national and regional border measures taken to fight COVID-19</td>
<td>▪ Use electronic cargo tracking systems to monitor movement of drivers and facilitate contact tracing</td>
<td>▪ Carry out capacity building of border staff on COVID-19 border regulations</td>
</tr>
<tr>
<td>▪ Pre-clear goods and coordinate inspections / single window processing</td>
<td>▪ Provide information materials on measures for distribution at customs offices and border crossings</td>
<td>▪ Automate trade and transport facilitation processes (including applications and e-signatures)</td>
<td>▪ Establish a body to coordinate implementation of border regulations and resolve operational issues</td>
</tr>
<tr>
<td>▪ Designate priority lanes for essential goods or truck drivers with valid negative COVID-19 certificate</td>
<td>▪ Publish route maps which trucks should follow (including location of check points, quarantine centers, and designated parking facilities)</td>
<td>▪ Encourage electronic payments platforms such as mobile money, including through reducing fees</td>
<td>▪ Mobilize resources to assist Member States to implement COVID-19 guidelines</td>
</tr>
<tr>
<td>▪ Designate safe parking facilities for road transport vehicles in transit</td>
<td></td>
<td>▪ Publish revised guidelines as may be required</td>
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</table>
COVID-19: opportunity to overcome cross-border trade challenges

Cross-border trade challenges are not new to Africa
- Trade and customs facilitation present longstanding obstacles to boosting intra-African trade
- **AUDA-NEPAD**: Customs transaction in Africa involves 20–30 different parties, 40 documents, 200 data elements, and re-keying of 60–70 percent of all data at least once. Cumbersome procedures entailed in customs processing can cost a consignment about US$185 for each day of delay.
- **AFREXIMBANK**: The average cost of freight as a percentage of total value of imports is around 11.4 percent for Africa compared to 6.8 percent for developed countries.

COVID-19 presents an opportunity to reinvigorate trade facilitation efforts
- The crisis has magnified Africa’s cross-border inefficiencies - increased the urgency to do better and find innovative solutions to facilitate safe and efficient cross-border trade.
- It will be important to maintain and upgrade these solutions post COVID-19, to lower trade costs, boost competitiveness, and support more resilient cross-border trade in the face of future shocks.

Existing trade facilitation tools can be made COVID-19 relevant
- Various tools and interventions have emerged to respond to Africa’s trade facilitation challenges.
- Many of these tools have been successfully piloted at specific borders or corridors, and can be easily tailored and extended to respond to COVID-19 border challenges.
- Examples: OSBPs, MoveAfrica Traffic Light System and regional transit guarantee schemes.
# Key action areas

## FAST TRACK IMPLEMENTATION OF COVID-19 GUIDELINES TO ACHIEVE RESULTS ON THE GROUND
- RECs can establish committees to coordinate the implementation of guidelines and facilitate the resolution of operational issues at borders during the COVID-19 pandemic
- Border authorities should be encouraged to develop and display simple visual step-by-step guides on COVID-19 border regulations for truck drivers and cross border traders
- Efforts should be made to gradually widen the scope of guidelines to facilitate all goods and services to move across borders to create business and help kick-start economic recoveries

## DEVELOP COMMON AU COVID-19 PROTOCOL ON TRADE AND TRANSPORT TO ENSURE COORDINATION
- This is important given the overlap in membership of RECs, and shared trade facilitation goals of the African Continental Free Trade Area
- The Protocol would not need to start from scratch and can build upon existing REC guidelines and the “best practice” COVID-19 border regulations and interventions outlined
- A common AU COVID-19 Test Certificate for truck drivers and crew members is required to facilitate a harmonized approach to certifying COVID-19 test results

## ENSURE COVID-19 DOES NOT UNDERMINE REGIONAL INTEGRATION AND AFCFTA
- Rapid and ambitious implementation of the AfCFTA will go a long way in hastening the COVID-19 economic recovery, while inoculating Africa against future adverse global shocks
- African counties can start to implement “ready-to-go” elements of the Agreement including the Non-Tariff Barrier mechanism and Annexes on Trade Facilitation and Customs Cooperation
- These annexes should be implemented in a manner that is cognizant of the risks of unregulated movements of pathogens and hazardous goods
# Key action areas

## Use existing trade facilitation tools to respond to COVID-19 border disruptions

- The AUDA-NEPAD Traffic Light System can be easily updated to include COVID-19 specific border challenges within the assessment
- Regularly published information on the “relative” ease of movement and clearance at border posts amid COVID-19, would help to inform logistical planning and routes taken by truck drivers, and incentivize corrective action
- Roll out COMESA RCTG bond scheme to other regions to reduce time and monetary transit costs

## Deploy digital solutions to combat the spread of COVID-19 along trade corridors

- Electronic Cargo Tracking Systems can help to significantly reduce the spread of COVID-19 and should be scaled and replicated across Africa
- Mobile banking and payment systems should be encouraged to facilitate a reduction in risky cash-based payments, and support scaling of cross border trade through mobile lending solutions
- The AfCFTA should be utilized to fast track digitalization of procedures and systems so that Africa’s exporters are less at risk of losing access to markets in future crises

## Reflect informal traders in Africa’s border management responses

- Governments should take steps to reopen informal cross border trade across official border crossings, which have in place necessary COVID-19 sanitary, testing and quarantine facilities
- Authorities not ready to partially reopen official border crossings to informal trade on foot can facilitate the aggregation, transport and clearance of small-scale traders’ goods, and extend social relief to informal traders through cross border trade associations
- Full implementation of Simplified Trade Regimes would help to incorporate informal traders into official trading systems, and strengthen their position in the face of future pandemics
THANK YOU!