Systematic Challenges That Women Traders Face: How Can STRs And OSBP Assist?

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Facts and Figures

- Women’s trading activities contribute to poverty reduction, employment and wealth creation in Africa. *Study on 2000 women informal cross border traders in Cameroon, Liberia, Mali, Swaziland, Tanzania, Zimbabwe.* (UN Women)

- In Sub-Saharan Africa, informal cross border trade features prominently among women’s individual strategies for self employment, poverty reduction and wealth creation.
  - An ILO study showed that trade is the most important source of employment among self-employed women of Sub-Saharan Africa providing 60% of non-agricultural self-employment.
  - In West and Central Africa, women informal cross border traders “employ 1.2 people in their home businesses; support on average 3.2 children as well as 3.1 dependents who were not children or spouses.” (Oculi n.d.: 8).

- Women informal cross border traders address vital issues of livelihoods such as food and income security.

- Women’s cross border trading activities have cushioned the effects of the financial crisis and the food crisis on African countries.
  - A ‘Rapid Impact Assessment of the Global Economic Crisis on Uganda’ conducted by ILO show a dramatic increase in informal exports from Uganda to neighboring countries (DRC, Kenya and Sudan) while official exports declined from US$ 854 million to US$ 714 million, informal exports of industrial products rose from US$ 475 million to US$ 963 million during the same period and that agricultural exports including beans, maize, sugar, and other grains also expanded across the board.
challenges encountered by women cross border traders

Common challenges faced by women traders

• Access to trade finance: many women traders lack capital to buy the goods they trade in and also lack finance to pay for the transport and other services they require to complete a trade transaction.

• Access to trade information

• Safety: women traders operate in locations and circumstances where their personal safety is put at risk, especially where they use informal border crossing points.

• Inadequate infrastructure networks and border infrastructure (such as proper warehousing facilities, toilets, inspection rooms and accommodation facilities) heavily impact women cross-border traders
Trade Facilitation Measures for the AfCFTA

Simplified Trade Regime (STR) Trade facilitation measures for the AfCFTA for Women.

• Under this trade facilitation measure, traders carrying goods included in a pre-negotiated common list and worth up to an agreed threshold value can clear goods using a simplified customs document. Goods on common list attract reduced duties or are duty free.

One-stop border posts (OSBP)

• OSBP concept promotes a coordinated and integrated approach to facilitating trade, the movement of people and improving security. WTO TFA Article 8 on Border Agency Cooperation provides for establishment of OSBP concept. The OSBP concept reduces the clearance time for transporters and travelers, and shortens the clearance process at border crossing points.

The concept and development of OSBPs has expanded rapidly. More than 80 OSBPs/joint on the continent are now at the planning or implementation stage (OSBP Source Book, 2016).
How a Continental STR can facilitate trade for cross border women traders

• A continental STR should be recognized and developed as a critical and instrumental pillar to improve the daily trading realities for women traders

• It should build and improve on the already existing STRs within the RECs

• Efficiency, which is achieved by streamlining customs clearance procedures for traders and goods who are eligible for STR may also lead to reduction of congestion at the border posts.

• It should resolve some of the regional STR challenges. For example, rules will need to be harmonized across all Member Countries and STR implementation must be uniformly applied.

• The list of products featured in the common list must be gender-responsive and include commodities that have the potential to boost intraregional export of women-led businesses and those already commonly traded by women cross-border traders.

• The common lists of agreed goods for duty-free trade should be more extensive than those in the STRs of the Regional Economic Communities to include more high value manufactured agro-industrial and other value added goods to benefit women traders.
How a Continental STR can facilitate trade for cross border women traders

• STRs can increase transparency and efficiency in the customs clearance process.
• Sensitisation of women informal cross border traders about the STR, in order to make them aware of their privileges under the STR agreements.
• Establishment of trade information desks (TIDOs) at border posts to provide trade related information making trade information more accessible to women traders.
• Capacity development training for Trade Information Officers who operate the Trade Information Desks established at each border post under the STR. Capacity building should also include gender sensitisation training for both women traders and border officials, to mitigate against gender based abuse;
How the establishment of OSBP can assist women cross border traders

• Streamlined procedures- Under OSBP concept, travelers, goods, and vehicles stop only once to undertake exit and entry formalities.
• Expediting customs and other border clearance procedures may also address other challenges which women cross border trader’s experiences.
• Enhanced Security- Most OSBP operate 24 hours and this takes away the need for women traders to look for overnight accommodation reducing the risk of harassment
• Improved access to information through the establishment of women desks at the OSBP to facilitate both formal and informal cross-border trade.
• Increased access to finance- as a result of improved efficiency and reduced risks.
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