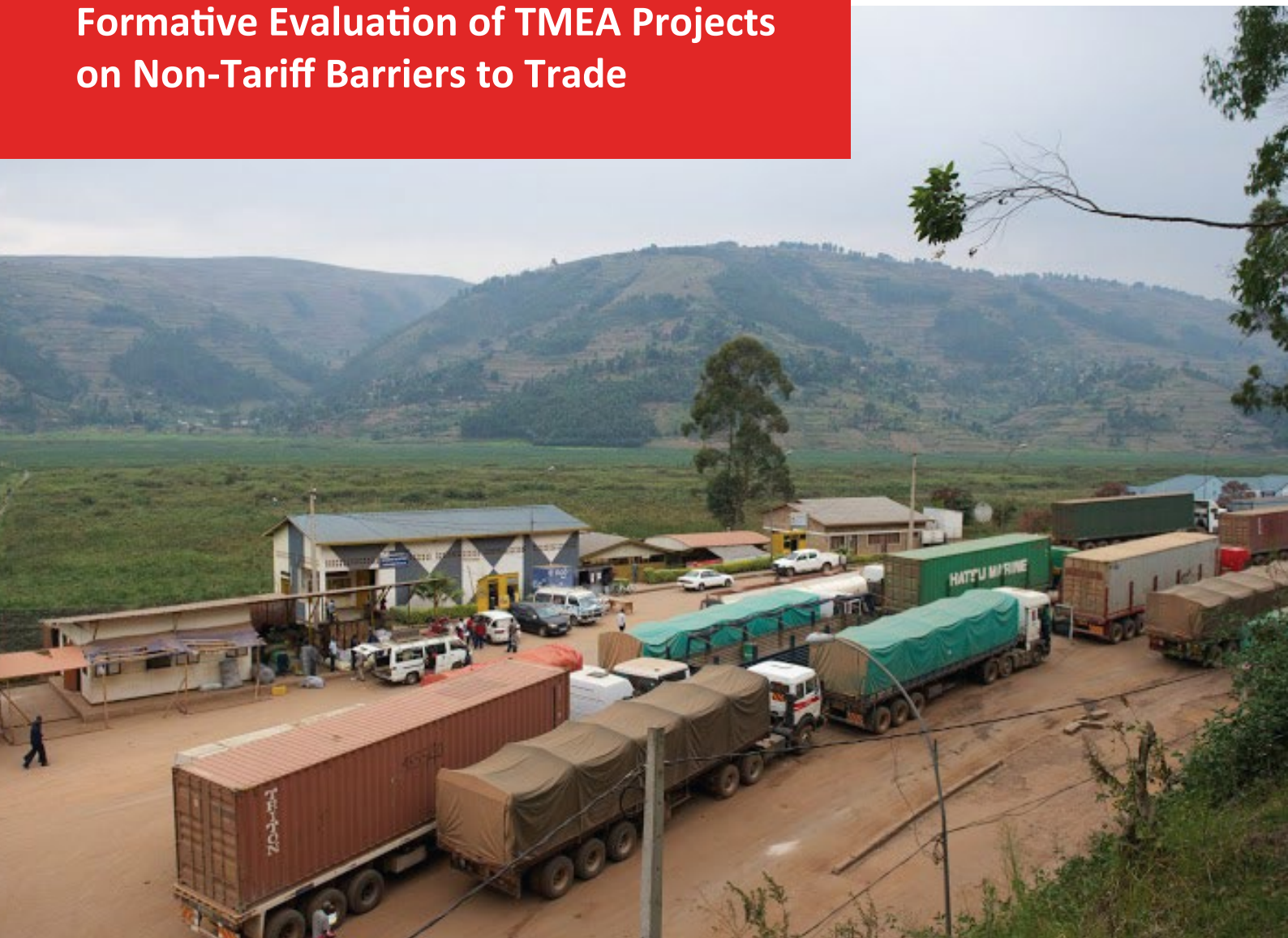
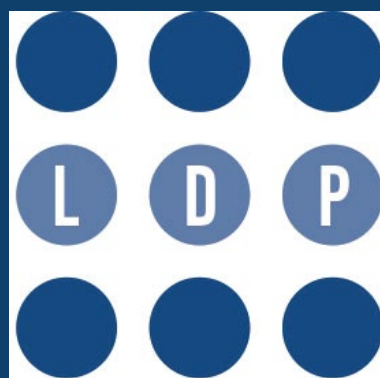


Formative Evaluation of TMEA Projects on Non-Tariff Barriers to Trade



EVALUATION REPORT

The Law & Development Partnership



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ABBREVIATIONS AND ACRONYMS

AVE	Ad-Valorem Equivalent
CET	Common External Tariff
CoO	Certificates of Origin
COMESA	Common Market for Eastern and Southern Africa
DFID	UK Department for International Development
EAC	East African Community
EALA	East African Community Legislative Assembly
FGD	Focus Group Discussion
FRA	Fiduciary Risk Assessment
KAM	Kenya Association of Manufacturers
LDP	The Law & Development Partnership Limited
LPI	Logistics Performance Index
M&E	Monitoring and Evaluation
MDA	Ministries, Departments and Agencies
MEAC	Ministry of East African Community, Kenya
MEACA	Ministry of East African Community, Uganda
MINEAC	Ministry of East African Community, Rwanda
MINICOM	Ministry of Industry and Trade, Rwanda
MIS	Management Information System
MIT	Ministry of Industry and Trade, Tanzania
MOU	Memorandum of Understanding
MSC	Most Significant Change
MTR	Mid-Term Review
NMC	National Monitoring Committee
NTB	Non-Tariff Barrier
OECD	Organisation for Economic Co-operation and Development
OTRI	Overall Trade Restrictiveness Index
PSO	Private Sector Organisation
RoO	Rules of Origin
SADC	Southern African Development Community
SCT	Single Customs Territory
SMS	Short Messaging System
SPS	Sanitary and Phyto-Sanitary
TBT	Technical Barriers to Trade
TCCIA	Tanzania Chamber of Commerce, Industry and Agriculture
TMEA	TradeMark East Africa
TRAINS	Trade Analysis and Information System
UNCTAD	UN Conference on Trade and Development
VFM	Value For Money
WITS	World Integrated Trade Solution
WTO	World Trade Organization

EXECUTIVE SUMMARY

1. TradeMark East Africa has been supporting the elimination of Non-Tariff Barriers (NTBs) to trade in the East African Community (EAC). NTBs arise when rules or regulations (non-tariff measures) are poorly designed and/or poorly implemented. NTBs can be intentional, for example, protectionist measures, or unintentional, for example well-intended but poorly applied food safety regulations. NTBs present a serious challenge to trade with an EAC wide cost estimate of NTBs (2010) being approximately US\$490 million¹.
2. This formative evaluation gauges progress of TMEA's NTB projects (5 projects at the country level and 1 project at the regional level) in reducing the time taken and costs involved in trading along the key corridors in East Africa. It follows the 5 OECD-DAC evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability and highlights key successes, failures, challenges and lessons learnt since the launch of TMEA's NTB projects in 2011. This report aims to help inform the design of Phase 2 of TMEA interventions.
3. The evaluation comprised a detailed desk review of quantitative and qualitative data (see Annex A for documents reviewed) and conducting semi-structured interviews and Focus Group Discussions (FGDs) across all 5 EAC countries². The table on the next page summarizes the findings of the formative evaluation overall, as well as for each NTB project. Confidence levels are 'high' for the criteria of relevance and sustainability, and 'medium' for the criteria of effectiveness, efficiency and impact, based on the available evidence for each criteria. Overall, the NTB projects are well aligned with EAC and most national priorities; a significant number of NTBs have been identified and removed, though of varying importance; and a number have been reinstated illustrating the importance of adopting a more politically informed approach. There have been reductions in both time taken and costs involved in trading, though gains cannot be attributed to the NTB projects and there have been challenges with the NTB projects reaching a large number of beneficiaries. The NMCs have largely been well integrated into existing institutional structures though rely heavily upon TMEA support and so sustainability remains a key challenge. Overall the projects would benefit from adopting more of a strategic focus on the most problematic NTBs and facilitating locally led change processes for their permanent removal.
4. Detailed recommendations are set out in Chapter 4 and a summary of key recommendations and relevant action points is provided at the end of this executive summary. These include, inter alia, accelerating and augmenting awareness raising activities to reach more beneficiaries; supporting studies to build the evidence base for NTB specific costs and benefits and assessing the impact on gender; strengthening the ability and willingness of stakeholders to strategically Prioritize removal of certain NTBs; linking regional and national online reporting systems; and promoting lesson sharing across the region.



¹ Calculation based on Kee et al (2009) – the World Bank makes available estimates of country-level Overall Trade Restrictiveness Index (OTRI) inclusive and exclusive of NTBs for all EAC member states. Taking the difference between the two as the Ad-Valorem Equivalent (AVE) of NTBs gives an import-import weighted NTB AVE of approximately 2% for the EAC in 2010. Applying this parameter to

Summary of Project Evaluation Findings

Project	Score (1 = low 5 = High)	Confidence Level	Evaluation Summary
Criteria 1. Relevance			
Overall	4	High	The NTB projects are well aligned with EAC priorities and policies (Treaty, Protocols, EAC Time Bound Programme on Elimination of Identified NTBs, EAC NTB Act). With the exception of the Kenya NTB project, the NTB projects are broadly aligned with national priorities in Rwanda, Uganda, Tanzania and Burundi where there are national strategies in place for eliminating NTBs. They are also in line with TMEA priorities, given the significant focus in the EAC on trade related economic growth. All of the NTB projects have had some challenges in reaching their beneficiaries, e.g. truck drivers and cross-border traders, including women traders, who face NTBs on a daily basis.
REgional	5	High	Support directly aligned to enable partner states to hold each other accountable for eliminating NTBs (via the NTB Act).
Kenya	2	High	Support to the NMC is implicitly combined within output 3 (trade facilitation) of the broader Kenya Project 0930, with no disaggregated activities.
Uganda	4	High	A national strategy in place and aligned with EAC priorities.
Tanzania	4	High	A draft national strategy prepared, but not yet adopted and aligned with EAC priorities.
Tanzania	4	High	A draft national strategy prepared, but not yet adopted and aligned with EAC priorities.
Rwanda	5	High	An extensive national strategy in place and aligned with EAC priorities.
Burundi	3	High	A national strategy in place and aligned with EAC priorities, though election violence not identified as a risk nor mitigation measures in place.
Criteria 2. Effectiveness			
Overall	4	Medium	There has been significant progress in the number of NTBs that have been identified (112) and resolved (87) through the EAC Time Bound Programme on Elimination of Identified NTBs supported by TMEA – in a large part due to work undertaken by the NMCs and EAC Secretariat since the onset of TMEA support from 2011. More strategic and political economy analysis is needed on the NTBs that have been removed, versus those that haven't, though many relate to customs and arbitrary processes, and reductions in weighbridges and police road blocks appear significant. NMCs have been effective in meeting regularly and the use of bilateral channels (as opposed to just the EAC forum) has shown some results and been reported positively in interviews. Online reporting has begun at three national levels and at the regional level though with limited interconnectivity. Outreach activities are struggling to reach a broad number of intended beneficiaries, in particular informal traders, with use of the online reporting and numbers of participants in outreach activities relatively low.



regional imports in 2010, puts the EAC-wide cost of NTBs at approximately US\$490 million. See paragraph 2.30 for further details.

2 For Burundi, the interviews and FFGD were undertaken remotely via VC/phone.

Summary of Project Evaluation Findings

Project	Score (1 = low 5 = High)	Confidence Level	Evaluation Summary
REgional	4	Medium	The EAC Time Bound Programme on Elimination of Identified NTBs has helped resolve 87 NTBs to-date – up from 19 resolved in 2010 at the outset of TMEA support. More analysis needed on the strategic importance of identified and resolved NTBs.
Kenya	3	Medium	On the Northern Corridor there has been a successful reduction from 6 to 4 weighbridges. The number of police road blocks has also reduced.
Uganda	4	Medium	The number of weighbridges in Uganda have been reduced to 4 and the number of police road blocks have been largely reduced, though also at times reinstated. Uganda introduced the electronic NTB Reporting System in July 2014, with 64 NTBs reported out of which 54 have been resolved and 10 remained
Tanzania	5	Medium	Since 2010, weighbridges have been reduced from 15 to 8, with a target of 3, subject to on-going infrastructure investments. Road blocks have been reduced from 58 to 8, now all connected with weighbridges. Tanzania has an award winning electronic NTB reporting system operational since 2014, with 181 NTB entries by mid 2015. It is unique in that it has been spearheaded by TCCIA as a private sector association.
Rwanda	4	Medium	The Rwanda NMC has demonstrated strong consistent attendance and a MoU with Uganda has yielded some positive results in contributing to reduced NTBs. A road transit survey and road freight competitiveness study have been undertaken on the central and northern corridors ³ which are critical to building an evidence base. Rwanda also has a NTB reporting system, but according to interviews only 12 registered NTBs by mid 2015.
Burundi	2	Medium	The Burundi NMC has been meeting regularly, a strategy is in place and Burundi imposes the least NTBs on other states. However, the Burundi project is on hold, and although a ToR exists for designing a SMS reporting system it is not yet in place.
Criteria 3. Efficiency			
Overall	3.5	Medium	The US\$7.9 million total direct cost of the NTB projects is relatively modest given their stated objectives. Disbursement is lower than anticipated (averaging 62% in November 2015), possibly due to the relatively narrow focus on NMCs and the EAC Secretariat as the main vehicles for removing NTBs, combined with some procurement delays. Expenditures based on 2014/15 data show services and consultants taking up 69% of the budget followed by travel at 24%. There is some evidence of cost effective approaches being adopted e.g. use of TMEA competitive procurement processes. According to monitoring plans, Uganda has set and achieved the most activities. Subject to simplified assumptions, the benefits from the projects could be in the range of US\$35-45 million compared to project disburse-

³ Review of Rwanda's national strategy for elimination of NTBs, ACE International, 2014

Summary of Project Evaluation Findings

Project	Score (1 = low 5 = High)	Confidence Level	Evaluation Summary
			ments to-date of US\$4.8 million, though this is illustrative only and robust figures would require a comprehensive cost-benefit analysis to be designed and carried out.
Regional	4	Medium	The regional project has the highest disbursement rate (currently 75%) with 99% of expenditures spent on services, consultants and travel.
Kenya	2	Medium	The Kenya project (which only covers support to NMCs under one of its outputs) has the lowest disbursement rate (currently 41%).
Uganda	4	Medium	Most activity level targets in the monitoring plan have been met or exceeded. However, there have been some procurement delays with it taking considerable time to acquire the USSD code.
Tanzania	3	Medium	While activities have been largely completed as planned, the monitoring plan does not appear to be updated. Some confusion has been caused by the NTB project budget split into two components.
Rwanda	4	Medium	The monitoring plan needs to be updated and according to interviews there was considerable delay in extending the NMC coordinator role.
Burundi	4	Medium	Although more modest in ambition, the monitoring plan shows most activity level targets as being achieved.
Criteria 4. Impact			
Overall	3.5	Medium	There have been reductions in both the time taken, and costs involved, in trading across borders in the EAC in recent years. While the removal of NTBs will likely have played a role in some of these improvements (see benefits estimated in the Efficiency section), the gains cannot be attributable to the NTB projects. The trade capacity of Partner States is also significantly inhibited by more structural, supply side, constraints.
Regional	3.5	Medium	The time taken to import and export from each EAC country has, on average, gone down from 36 to 31 days (to import) and from 33 to 26 days (to export) ⁴ .
Kenya	3.5	Medium	See below the gains from reductions in time taken and costs involved to transport along the Northern Corridor to Uganda and Rwanda.
Uganda	3.5	Medium	The time taken to export from Uganda has successfully reduced from nearly 35 days in 2010 to under 30 days in 2015.
Tanzania	3.5	Medium	Inland transportation times from Dar es Salaam to Kigali have dropped considerably, now to 3.5 days ⁵ .

Summary of Project Evaluation Findings

Project	Score (1 = low 5 = High)	Confidence Level	Evaluation Summary
Rwanda	3.5	Medium	There has also been a reduction in the costs involved in trade. The cost for transporting a standard (40 foot) container from Mombasa to Kigali is now only US\$4,800 down from US\$6,500 in 2011 ⁶ , which is estimated to have generated a saving (at constant volumes) of approximately US\$7 million on the Mombasa-Kigali route alone.
Burundi	3.5	Medium	Although the time to import to Burundi is the highest in the EAC, it has reduced the most from 60 days in 2010 to 43 days in 2014 ⁷ .
Criteria 5. Sustainability			
Overall	3	High	The projects would benefit from focusing more on specific NTB problems and facilitating locally led change processes rather than primarily focusing upon institutional capacity building of NMCs. NMCs have largely been well integrated into government ministries and the TMEA funded NMC coordinators (in place in all countries but Kenya) have enhanced capacity of the NMCs (including their contributions in the EAC forum), which, according to interviews, would continue without TMEA support but on an ad hoc and much less effective way. The NTB online and SMS reporting systems are relatively new and have not yet demonstrated sufficient demand for the services requiring additional awareness raising at significant cost, though crucial in order to demonstrate value add to the private sector.
Regional	3.5	High	The EAC Secretariat would, according to interviews, likely continue with or without TMEA support. It would benefit from focusing more acutely on the removal of the most pressing NTBs. The EAC and Tripartite (COMESA-SADC-EAC) websites are established though both require development and linkages, particularly to the national level to be more effective in the long run.
Kenya	2.5	High	In Kenya, the chairmanship of the NMC is situated within the Ministry of East African Affairs, Commerce and Tourism though this has at times been a challenge given that broader trade facilitation issues sit under the Ministry of Foreign Affairs and International Trade. This, along with a lack of a NMC coordinator at present, pose challenges for the sustainability of the NMC's functions.
Uganda	3.5	High	Uganda is the only country to have secured a budget line for the NMC in the 2015/16 government budget (approximately US\$35,000). While the amount is small, it might be augmented in the future.

Summary of Project Evaluation Findings

Project	Score (1 = low 5 = High)	Confidence Level	Evaluation Summary
Tanzania	3.5	High	The NTB reporting system and CoO project is run by TCCIA which is exclusively reliant on support from TMEA funded technical assistance.
Rwanda	3.5	High	There has been a significant increase in PSO representation in NMC meetings since TMEA began its support, strengthening the interest and commitment to the functions of the NMC.
Burundi	2.5	High	The NMC is utilizes existing government structures by being situated within the second vice presidency though is currently not meeting due to the TMEA programme being on hold.

Summary of Key Project Recommendations and Action Points

Recommendation 1: Accelerate and augment awareness raising activities. More primary beneficiaries need to be informed and reached, through utilizing far reaching communications channels.	<ul style="list-style-type: none"> • TMEA • EAC Secretariat & NMCs
Recommendation 2: Strategically prioritise removal of certain NTBs. Political economy determinants of NTBs need to be better understood. Both within and outside of NMCs, adopt a politically informed, problem focused approach to prioritizing the removal of NTBs.	<ul style="list-style-type: none"> • TMEA • Collective action (CSOs etc.) • EAC Secretariat & NMCs
Recommendation 3: Support studies to build the evidence base of NTBs. More evidence is needed on the costs of certain NTBs, as well as gender disaggregated data. This will enable more rigorous impact analysis to be undertaken and gender to be more appropriately integrated within projects.	<ul style="list-style-type: none"> • TMEA
Recommendation 4: Link regional and national level online reporting systems. Continue to support real-time monitoring of NTBs, improving complaints anonymity and strengthening feedback loops. Incorporating guidance on how to report NTBs in documents already utilised by beneficiaries.	<ul style="list-style-type: none"> • TMEA • EAC Secretariat & NMCs
Recommendation 5: Promote lesson sharing. Swap lessons learnt between countries on what works and doesn't work. Replicate where possible and explore collaboration with other on-going initiatives.	<ul style="list-style-type: none"> • TMEA • EAC Secretariat & NMCs

1. Introduction

Context

- 1.1 The Law & Development Partnership Limited (LDP) has been contracted by TradeMark East Africa (TMEA) to conduct a Formative Evaluation of TMEA projects on Non-Tariff Barriers (NTBs) to Trade comprising the following 6 projects (approximately 2011-2016):
- Project 0126: Elimination of NTBs (regional)
 - Project 0930: Kenya trade facilitation, including NTBs and NMCs
 - Project 1045: Uganda National Response Strategy for Elimination of NTBs
 - Project 1118: Tanzania NTB National Monitoring Committee
 - Project 1213: Rwanda NTB National Monitoring Committee
 - Project 1319: Burundi NTB National Monitoring Committee
- 1.2 These 6 projects have provided country and regional assistance to tackle NTBs in East Africa primarily through, at the country level, strengthening National Monitoring Committees (NMCs) to help identify and resolve NTBs, developing online reporting systems (Tanzania, Rwanda and Uganda) and awareness raising. At the regional level, the focus has also been on developing an online reporting system⁸, supporting the EAC Secretariat, EAC sensitization activities and assisting preparation of an EAC NTB Act to establish a legal dispute resolution and enforcement mechanism for resolving NTBs in the EAC.
- 1.3 The formative evaluation uses the 5 OECD-DAC evaluation criteria of relevance, effectiveness, efficiency, impact and sustainability to assess the NTB projects, with a view to gauge progress towards reducing the time taken and costs involved in trading along the key corridors in East Africa, as well as to inform the design of Phase 2 of TMEA interventions on NTBs. The evaluation does so by highlighting key successes, failures, challenges and lessons that have emerged since the launch of TMEA in 2011, including by providing case studies and stories of change (5 in total⁹). The intended audience is the TMEA NTB and Results teams, the Evaluation Committee and the Council.

Overview of Approach and Methodology

- 1.4 The assignment involved three phases. During Phase 1 (the inception phase), which took place in August 2015, it was agreed for a theory-based approach to be adopted, as that has become largely the mainstream of evaluative practice, which would focus on clear recommendations for Phase 2 of TMEA's strategy. An initial desk review was undertaken of core programme documents to identify key issues to explore further and assessment tools were created comprising a questionnaire for semi structured interviews, a Focus Group Discussion (FGD) framework, a case studies template and a Most Significant Change (MSC) framework to guide collecting stories of change¹⁰. Logistical arrangements were undertaken to arrange meetings with broad stakeholders in each of the 5 countries (remotely for Burundi due to security limitations) and a detailed inception report reviewed, and subsequently approved, by TMEA on 4 September 2015.



⁸ EAC Trade (www.trade.eac.int) and Tripartite COMESA-SADC-EAC (www.tradebarriers.org)

⁹ 3 case studies set out in Annex F and 2 stories of change included within the report.

¹⁰ During the assignment efforts were made to feed back to story-tellers, though it was necessarily limited by the tight timeline of the evaluation.

- 1.5 Phase 2 (the data collection phase) involved a detailed desk review of (quantitative and qualitative) secondary data (see Annex A for documents reviewed). Interviews and FGDs gathered qualitative data from a range of key stakeholders across the EAC countries¹¹ (see Annex B for stakeholders consulted)¹². The evaluation team sought out case studies to illustrate effects from the projects and applied the MSC methodology to identify potential outliers i.e. extreme positive and negative change (see case studies in Annex F and two stories of change set out within the report). The evaluation team was able to directly observe the 18th EAC Forum on NTBs in Arusha (22-24 September 2015), including traveling by road from Nairobi to Arusha, interviewing truck drivers and experiencing the border crossing at Namanga.
- 1.6 The quantitative and qualitative data was analysed, and data sources triangulated where possible, within the limits of the readily available level and quality of data which was acknowledged by the evaluators and TMEA up front. It was agreed that the emphasis of the evaluation would be to explore the projects' contribution to the outcomes sought though that the time taken and cost incurred to clear and transit goods could not be isolated from numerous other factors and influences, including many other initiatives funded by TMEA.
- 1.7 Phase 3 (the report writing) consisted of producing this evaluation report which follows the length and structure required by TMEA. Rather than providing separate country reports, the kick-off meeting agreed that there was greater value in cross-country comparison and analysis, with key country-level information woven into the overall report.

Overview of NTBs

- 1.8 NTBs arise when rules or regulations (non-tariff measures) are poorly designed (unduly restrictive) and/or poorly implemented (overly burdensome)¹³. NTBs can be intentional, for example, protectionist measures, or unintentional, for example well-intended but poorly applied food safety regulations. Quite often the problem relates to the interpretation and implementation of existing rules or regulations.
- 1.9 There are a number of different types of NTBs and although there are different ways to categorize them¹⁴, on the next page is the WTO categorization, which the EAC now adopts¹⁵:



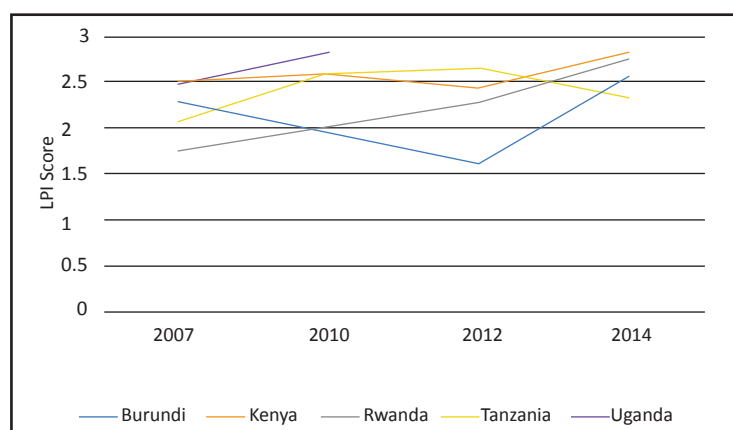
¹¹ Kenya, Tanzania, Uganda and Rwanda. For Burundi, the interviews and FGD were undertaken remotely via VC/phone.

¹² As agreed with TMEA, comments from the FGDs and interviews will be kept by the team in confidence and instead summaries of feedback used to inform in this report.

Table 1: NTB Categorisation

Categories of NTBs
1. Government participation & restrictive practices e.g. export subsidies, monopolies
2. Customs and administrative entry procedures e.g. arbitrary customs classifications, misinterpretation of Rules of Origin
3. Technical barriers to trade (TBT) e.g. restrictive technical regulations, inadequate or unreasonable testing and certification arrangements
4. Sanitary & phyto-sanitary (SPS) measures e.g. conformity assessments, SPS formalities
5. Specific limitations e.g. quantitative restrictions, export taxes, quotas
6. Charges on imports e.g. prior import deposits and subsidies, administrative fees, duties
7. Other e.g. arbitrariness, discriminations, costly or unclear procedures

1.10 NTBs present a serious challenge to EAC trade resulting particularly in high transport costs in the region. This is in part illustrated by Figure 1 below which shows relatively high Logistics Performance Index (LPI) scores for the EAC countries. The LPI overall score reflects perceptions of a country's logistics based on, inter alia, efficiency of customs clearance processes, quality of trade and transport related infrastructure, and ability to track and trace consignments. The higher the score the better the performance. As at 2014, Germany was ranked number 1 in the world with a LPI score of 4.12 and Somalia least (160th) in the world with a LPI score of 1.77. The EAC countries were ranked between 75th (Kenya) and 139th (Tanzania) in the world illustrating that improvements are needed but that in recent years there have been gains for Burundi, Rwanda and Kenya. However, Tanzania is deteriorating and there is insufficient data for Uganda.

Figure 1: Perceptions of EAC Country's Trade Logistics

Source: World Bank Logistics Performance Index (LPI)

Approaches to removal of NTBs – Contrasting EAC and EU

All regional economic blocks grapple with the removal of NTBs. However, the form, composition and governing arrangements of regional economic blocks can significantly vary and needs to be taken into account. By way of example, the EAC and European Union (EU) adopt very different approaches to regional integration and the removal of NTBs. At the EAC level, the onus is on partner states to harmonise policies and regulations within the framework of the Treaty for the Establishment of the EAC. Whereas at the EU level, member states have agreed to confer on the EU exclusive competence in a number of specific areas where only the EU may legislative and adopt legally binding acts. For the EU, these areas include, amongst others, the customs union, the functioning of the internal market, the monetary policy for the member states (whose currency is the euro), and the common commercial policy¹⁶. Such an approach has allowed for national legislation in the areas of EU exclusive competence to be automatically abolished and replaced by EU legally binding acts, resulting in no need for the 28 EU member states to go through an effort-intensive process of harmonising national legislation, which often contributes to the rising of NTBs. At the intra-EU level, Directive 98/34/CE and subsequent amendments govern the process according to which all member states must notify the European Commission about any proposals to change technical regulations relating to manufactured and agricultural products, including fish products. After notifying the Commission, the country must wait for three months before applying its new rules, allowing other countries to comment on whether they believe the new regulations will constitute a TBT. At the extra-EU level, the EU has subscribed to a number of WTO agreements, including the TBT Agreement which is seen as an important tool with which the EU can tackle NTBs and address requirements of third countries which might pose significant problems to European economic operators. Depending upon the country and on the type of barrier, the EU has a variety of means at its disposal for tackling NTBs and improving market access for EU exporters. These include, but are not limited to, integrating a specific chapter on TBT in all Free Trade Agreements that the EU is pursuing, negotiating Agreements on Conformity Assessment and Acceptance of Industrial Products with eligible countries in the European Neighbourhood, and ensuring efficient implementation of the EU's Mutual Recognition Agreements¹⁷. Overall, the EU's approach has been specifically designed for EU countries, and would not be directly applicable to the EAC states, though the benefits of carrying out comparative international studies (on a range of other economic blocks) would help EAC members further consider what is and isn't 'best fit' for the EAC and adapt accordingly.



Tripartite negotiations. The definition is perceived as too narrow and has resulted in a number of NTBs not being included within the EAC Time Bound Programme on Elimination of Identified NTBs.

¹⁶ Treaty on the Functioning of the European Union (consolidated version of 2012).

¹⁷ http://trade.ec.europa.eu/doclib/docs/2013/april/tradoc_150987.pdf

2. Evaluation – Relevance, Effectiveness and Efficiency

Evaluation Criteria 1. Relevance

The extent to which the aid activity is suited to the priorities and policies of the target group, recipient and donor. (OECD Relevance Evaluation Criteria)

- 2.1 Overview: The overall evaluation finding is that the NTB projects are well aligned with stated EAC government priorities and policies, and, with the exception of the Kenya NTB project, broadly aligned with national priorities and policies in Rwanda, Uganda, Tanzania and Burundi¹⁸ where there are national strategies in place for eliminating NTBs. The NTB projects are also broadly aligned with TMEA priorities though have had some challenges in reaching a large number of beneficiaries, e.g. truck drivers and cross-border traders, including women traders.
- 2.2 EAC priorities and policies: Partner States are committed to policies that reduce NTBs and trade costs, based on Article 13 of the Customs Union Protocol. Article 13(2) of the Protocol also commits Partner States to establish a mechanism for monitoring the implementation of their commitment to remove NTBs¹⁹. The Partner States established an EAC Time Bound Programme on Elimination of Identified NTBs, which the regional NTB project has directly supported development of along with development of an EAC NTB Act, which was passed by the East African Legislative Assembly (EALA) in February 2015²⁰ providing legal grounds for resolution of NTBs. The NTB Act (see Case Study 1 in Annex F) is an unprecedented step for holding Partner States to account and is currently awaiting ratification by all Partner States. Once in force it is envisaged that companies can sue for damages incurred, by way of illustration, according to an interview in Tanzania, the National Bureau of Standards recently stopped a consignment of sulphuric acid destined as inputs into a production process for pre-shipment inspection. Due to an unnecessary inspection, the company incurred up to US\$2,000 in costs, though there were no repercussions for the National Bureau of Standards, only “sorry, we didn’t know”. Once the NTB Act is in place the National Bureau of Standards could be sued for damages by the company undergoing the unnecessary inspection.
- 2.3 National level priorities and policies: There are a number of development strategies (for example, the Kenya Private Sector Development Strategy, Rwanda Economic Development and Poverty Reduction Strategy II, Uganda National Development Plan II, Tanzania Big Results Now initiative and the Burundi Growth and Poverty Reduction Framework, amongst others) that rely upon reducing the time taken and costs incurred for trade. More specifically, there are national strategies (or draft strategies) for reducing NTBs in Rwanda, Tanzania and Burundi that the TMEA projects have supported the development of, and the National Response Strategy on Elimination of NTBs was retained as a priority programme in the National Development Plan II of Uganda. TMEA’s NTB project outcomes, outputs and activities (see Annex C and D) align well in supporting these national priorities which largely focus on online reporting systems, NMC meetings, communication activities and dispute settlement (see Table 2 below). There are also synergies with TMEA’s other programmes on One Stop Border Posts (OSBPs) and single windows in particular. However, it is the evaluators’ view that revising these strategies would make sense given the new NTB Act and in light of some confusion in NMCs in applying the WTO categorization according to interviews. At the same time, a greater focus could be given to the most intransigent NTBs which tend to relate to significant legislative reforms that require political will or deeply vested interests of the local political economy, according to interviews.

¹⁸ The Burundi strategy for elimination of NTBs is only in French – an English version was requested but not available. The strategy was explained during interviews and the evaluation team provided with English versions of the strategic plan 2013-15, project sheet and monitoring plan. The NTB Strategy in Tanzania remains a draft and has not yet been approved.

Table 2: Summary of Current Priorities within National Strategies for Elimination of NTBs

Country	Summary of National Strategy for Elimination of NTB Priorities
Burundi	Enhance the identification, reporting and management of NTBs, by setting up an integrated platform for reporting NTBs, applying a standard international system to facilitate the classification of NTBs, and providing training to support the use of the Tripartite online NTB-reporting system. Strengthen the elimination of NTBs, by making NMC meetings (including at the EAC level) more effective, facilitating bilateral meetings, developing a mechanism to prioritise NTBs, and supporting the establishment of an enforcement mechanism for the elimination of NTBs. Strengthen communication capacities.
Rwanda	Monitor NTBs effectively, by developing a strategic plan and M&E system for the implementation of the National Strategy for the Elimination of NTBs, re-structuring the NMC and strengthening its legal mandate in identifying removing and monitoring NTBs. Increase the capacity of NMC to advocate for the elimination of NTBs at the national and regional level, by strengthening the national and Tripartite online NTB-reporting systems, developing a mechanism to prioritise NTBs, initiating the development of a regulatory impact analysis, and developing a detail action plan. Establishing a bilateral dispute resolution mechanism and strengthening the regional NTB dispute settlement system.
Tanzania	Improve customs procedures, by ratifying and implementing the WTO Trade Facilitation Agreement, participating in the development of a single electronic window for Dar es Salaam and other ports users communities, establishing a National Trade Facilitation Committee, aligning charges and fees for non-commercial services delivered at the ports, and enhancing port capacity. Enhance efficiency of all official border posts, by establishing OSBPs, harnessing ICT among all border agencies, building institutional capacity including through establishing and training members of a joint business council, disseminating information on border posts requirements and procedures. Undertaking national level legislation for the expeditious implementation of the EAC NTBs Act.
Uganda	Establish an information exchange facility. Develop and implement a communication and advocacy strategy for the elimination of NTBs. Ensure institutional coordination for the effective removal of NTBs and re-align national laws and regulations.

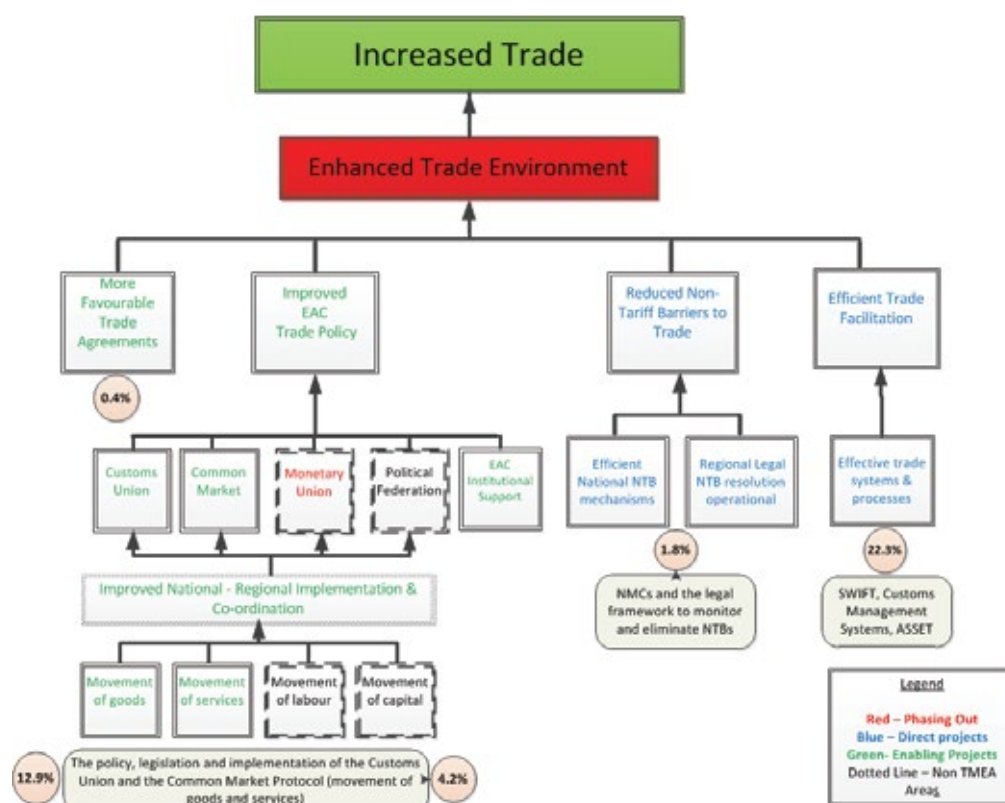
2.4 Beneficiary priorities: Although the projects have been designed with beneficiaries in mind, as the projects are relatively small, they have had the following challenges in reaching their main beneficiaries. While increasing, the usage of the NTB online reporting is still perceived to be too low in Uganda, Tanzania and Rwanda and efforts are being made to increase awareness and attract more reporting, according to interviews. Uganda has had a particularly effective outreach campaign, which is still in the process of being expanded (see clauses 2.22-2.24 for details). In Tanzania, as more than 95% of consignments are transported by trucks, truck drivers are considered key beneficiaries of the project²¹ though more needs to be done to reach

Interview with a Truck Driver: In Arusha, the evaluation team met with Paul Albin Moshya, a truck driver trading furniture and covering the route Shinyanga – Arusha in Northern Tanzania and at times travelling through Zambia. Paul identified long working hours as his number one problem, however, Paul did point out an overwhelming quantity of paperwork and numerous inspections taking place in Zambia (in contrast to his experience in the EAC) as factors delaying his journeys. To be able to communicate with Paul who only spoke Swahili, the team had to ask another Tanzanian to translate from English. Paul had never heard of the term “non-tariff barriers to trade” before, and although interested in helping to reduce the number of inspections he did not own a mobile phone (nor have easy access to a computer). In this context, it is clear to see how difficult it is for traders to understand, identify and report NTBs. Of the three national online NTB-reporting systems (Rwanda, Uganda and Tanzania), only the one in Rwanda offers the opportunity to report a complaint in French or Kinyarwanda. The Tripartite online NTB-reporting system (<http://tradebarriers.org/>) provides manuals in three languages (English, French and Portuguese), but not East African languages. From the field work the team conducted, it appeared that significantly more sensitisation campaigns are needed to be able to better address beneficiary priorities.

2.5 Donor priorities and policies: The NTB projects contribute to TMEA’s strategic objective 2 “Enhancing the Trade Environment” (see Figure 2 on the next page) which also focuses upon (i) trade agreements, (ii) trade policy, and (iii) trade facilitation. Much of the work under these other areas relates to NTBs, for example, under trade policy supporting the EAC Secretariat and implementation of the Customs Union are inherently related to the NTB agenda – with the regional project directly supporting the EAC Secretariat and focusing on any barriers restricting goods, labour and capital from moving within the Common Market. In Rwanda, the NTB project is complimented by broader TMEA programming on PSO advocacy which enables the support to the NMC to gain from synergies and not be siloed as a stand-alone project.



21 There have been tensions in Tanzania between (bus and truck) drivers and companies. There is a Drivers’ Association and two associations of truck owners, one being Tanzania Truck Owners’ Association (TATOA) representing smaller companies.

Figure 2: Strategic Objective 2 TMEA's Enhanced Trade Environment Theory of Change**Source: The Propositions Underpinning TMEA's Strategy 2014**

2.6 As NTBs can significantly distort regional markets and ultimately domestic production, addressing NTBs is also relevant to TMEA's other strategic objectives: strategic objective 1 "Increasing Physical Access to Markets" and strategic objective 3 "Improving Business Competitiveness". The remit of the formative evaluation is to not evaluate the TMEA portfolio in depth, but a recommendation for Phase 2 is to seek to ensure an integrated and politically informed approach to eliminating NTBs across TMEA's portfolio.

2.7 TMEA, as with donors that support it (such as DFID), have policy objectives to support gender equality. At present there are no explicit gender related components within the NTB projects, nor M&E systems established to track gender related impact under the NTB projects, though some of the projects do attempt to disaggregate data by gender, when relevant and feasible (e.g. training participation in Tanzania). More explicit attention to integrating gender mainstreaming into the strategy and design of NTB projects, the definition of particular activities targeting women (e.g. women cross-border traders), as well as more systematic disaggregation and analysis of gender data through M&E efforts are recommended for Phase 2.

2.8 NTB Project Coherence²²: Four of the six NTB projects share the same objective being "relevant organisations reduce NTBs and new NTBs are not imposed", and the remaining two (Kenya and Rwanda) share objectives to reduce transport and related costs (see Annex C). Four of the six NTB projects focus upon strengthening the NMCs as the mechanism with which NTBs will be reduced. There is a significant, implicit assumption within the intervention logic that supporting NMCs is the best answer to reducing NTBs, stemming from the original Customs Union Protocol

obligation. NMCs have had successes in terms of effectiveness and impact (see sections below) but there have also been limitations, such as when faced with politically intractable NTBs and no enforcement mechanism, as well as significant concerns about the sustainability of NMCs that have relied almost exclusively upon TMEA funding. As a recommendation, integration with other complementary initiatives, such as the Northern Corridor Integration Projects or even the Enhanced Integrated Framework could increase efficiency and help build coalitions for change where perceived effective in the local political economy.

- 2.9 The regional project intended outcome and outputs have focused upon supporting the NMC structures, development of the NTB Act and outreach. Implicit assumptions include actually reaching those most affected by NTBs, such as truck drivers and informal cross-border traders (e.g. awareness of reporting system, willingness to report using own phone number, appropriateness of SMS technology); that NMCs are effective mechanisms for eliminating NTBs; and that the NTB Act will be passed and implemented. According to interviews, even with an enforcement mechanism, sufficient political commitment will be crucial for resolving currently intractable NTBs and accordingly the evaluators recommend political economy analysis be explicitly integrated into any Phase 2 NTB support.
- 2.10 At the country level, the Burundi project's intended outcome and outputs focused on establishing a functioning NMC (funding a NMC coordinator), putting a NMC strategy in place and implementing the strategy's action plan. A key assumption is that there would be sufficient security within Burundi to continue operations, although unfortunately with election violence this year that assumption has not held. It was also not identified as a potential risk within the Project Risk Plan, so no mitigation measures were in place. In Kenya, there is a significant conceptual challenge as support to reduce NTBs, through supporting the NMC, has been implicitly combined within Output 3 (trade facilitation) of the broader Kenya Project 0930 'support to Ministry of Trade for implementation of Kenya's new National Trade Policy and PSDS Goal 3'. There is no clear outcome or output focused upon reducing NTBs nor disaggregated financial data (see challenges in effectiveness section below).
- 2.11 In Uganda, the results chain was reworked with some outputs dropped (e.g. advocacy forum and act formalising the NMC).²³ The adjustments have been included in the monitoring and work plan in the TMEA Management Information System (MIS), facilitating real-time access to this data. There has been great emphasis upon awareness raising (to increase the number of reports of NTBs). A contract for a communications firm to design and disseminate key messages has been finalised, with production under way and activities due to take place shortly.²⁴ In Rwanda, an extensive list of intended outputs were set out including procuring the NMC coordinator, strategic planning, developing the NMC, producing research papers, establishing a M&E system and advocacy channels (see Annex C). The strategic priorities set out in the Rwanda strategy for eliminating NTBs included a thorough stakeholder and SWOT analysis and focused centrally around the role of the NMC as the central mechanism for removing NTBs (see table 1 above). And finally, in Tanzania, the focus has clearly been on the development of the national monitoring system and its two key components: the NMC and the NTB Reporting System, implemented by Ministry of Industry and Trade (MIT) and Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) respectively. The project has been flexible, for example, the Certificates of Origin (CoO) was not designed into the TCCIA component but was a response to a felt need to facilitate a process that was taking up to five days of time. This has now been moved online and can be accomplished within an hour.



²³ TMEA (2015) Mid-Term Review of Ugandan National Response Strategy for Elimination of NTBs Project

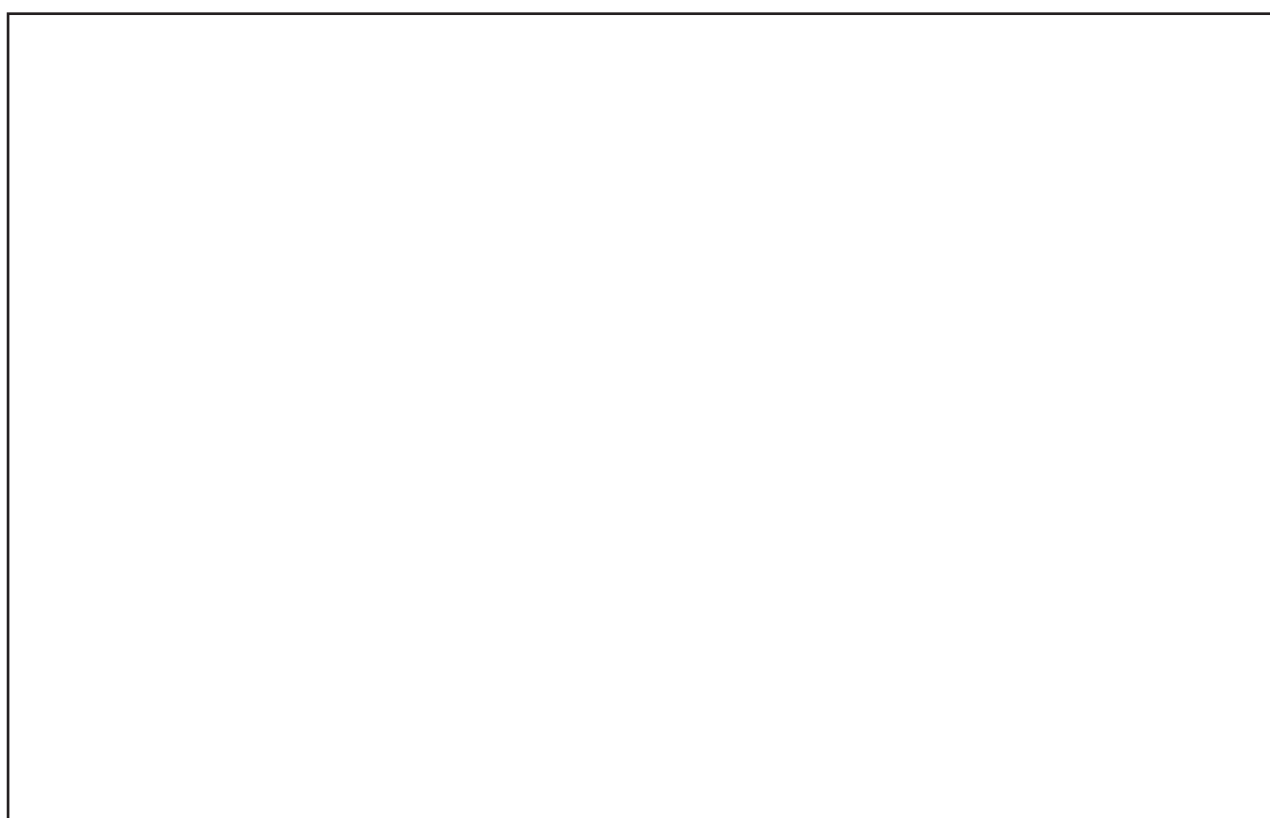
²⁴ Ipsos Synovate will gather baseline information and analyse the effectiveness of the awareness raising campaign.

Evaluation Summary (overall evaluation score: 4)	<p>The NTB projects are well aligned with stated EAC government priorities and policies (Treaty, Protocols, EAC Time Bound Programme on Elimination of Identified NTBs, EAC NTB Act). With the exception of the Kenya NTB project, the NTB projects are broadly aligned with national priorities in Rwanda, Uganda, Tanzania and Burundi where there are national strategies in place for eliminating NTBs. They are also in line with TMEA priorities, given the significant focus in the EAC on trade related economic growth. All of the NTB projects have had some challenges in reaching a large number of beneficiaries, e.g. truck drivers and cross-border traders, including women traders, who face NTBs on a daily basis. As NTBs are often inherently connected to the political economy there is particular importance for adopting a politically informed approach including emphasis on effective enforcement mechanisms as well as an integrated approach with complementary initiatives.</p>
Recommendations	<ul style="list-style-type: none"> • Undertaking thorough political economy analysis as a part of the design of any potential Phase 2 NTB support, focusing on advocacy and influencing channels. • Reviewing the national strategies for eliminating NTBs in light of the new NTB Act and developing practical guidance on eliminating NTBs (such as how to interpret and apply WTO classifications). • While continuing to support the NMCs and EAC secretariat, exploring opportunities to integrate TMEA's NTB support across TMEA programming and with other initiatives (such as the Northern Corridor Integration Project). • In order to reach more beneficiaries, accelerating and augmenting awareness raising and communication activities, in culturally appropriate ways. Provide feedback on the NTBs that have been resolved/that remain intransigent, through broad dissemination of particular individual stories of change, to incentivise further reporting of NTBs. • More explicit attention needs to be given to integrating gender into the strategy and design of NTB projects, the definition of particular activities targeting women (e.g. women cross-border traders), as well as more systematic disaggregation and analysis of gender data through M&E efforts. • Ensuring project monitoring plans, in particular indicators and targets, are robust with actuals kept up to date.

Evaluation Criteria 2. Effectiveness

- 2.12 Overview: The overall evaluation finding is that the projects have been effective at identifying and resolving the number of NTBs though more analysis is needed on the strategic importance and political economy of intractable NTBs as well as for outreach activities to reach a broader number of intended beneficiaries. NMCs have been established and are functional in all countries, with particular appreciation among interviewees for the constructive efforts between the public and private sector to resolve NTBs including through bilateral channels. Three of the countries have operational online NTB reporting systems (Rwanda, Tanzania and Uganda), with the largest number of NTBs being recorded in Tanzania.
- 2.13 Increase in identifying and resolving NTBs: As set out in the EAC Time Bound Programme on Elimination of Identified NTBs there has been significant progress in identifying NTBs with approximately 47 identified in 2010²⁵ (at the onset of the TMEA programmes) and 112 identified by 2015 (cumulative, nearing the end of Phase 1 of TMEA programmes). Out of the 112 identified NTBs, 87 have been resolved to-date (see Figure 3 on the next page). Removal of NTBs is the explicit (or implicit²⁶) objective of the NTB projects and which have achieved this through a combination of work by the EAC Secretariat and NMCs; as well as bilateral negotiations.

Figure 3: Overview of Progress in Eliminating NTBs



Source: Analysis based on EAC Time Bound Programme on Elimination of Identified NTBs



²⁵ Note: there are some discrepancies within the EAC Time Bound Programme on Elimination of NTBs data.

²⁶ In the case of Kenya, the PAR acknowledges supporting the NMC to remove NTBs through output 3 and through working closely with the regional programme.

2.14 An initial assessment of the latest version of the EAC Time Bound Programme on Elimination of Identified NTBs (see Annex G for a list of currently resolved, unresolved and new NTBs – categorized by indicative WTO NTB classification) reveals the following indicative trends:

Resolved and Unresolved NTBs – Approximately two-thirds of all identified NTBs could be classified as either WTO Classification Codes 2 (customs and entry procedures) or 7 (other – arbitrary, discriminatory processes). This suggests that significant challenges for trade take place at border crossings.

Resolved NTBs – the sources of most of the (now resolved) NTBs have been Tanzania and Kenya) which likely reflects a concentration of NTBs along the central and northern corridors as well as a receptiveness to address NTBs identified. In many interviews, the resolution of NTBs relating to police road blocks and weighbridges were viewed as the most significant. This is illustrated by a change in the number of road blocks and weighbridges in Tanzania as follows:

Table 3: Comparison of Road Blocks and Weighbridges 2010-2015

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Source: Tanzania PSO consultations (verified through data triangulation by the evaluator)

Work is in progress in Tanzania to install modern weighbridges supported by weigh-in-motion mechanism at Vigwaza, Manyoni and Nyakahura, which would further reduce the number of weighbridges along the corridor to 327. Corruption nevertheless remains a major concern according to interviews. An under-cover surveillance mission observed that at Mikese weighbridge, traffic police have been collecting a toll of between 1,000 to 5,000 Tanzania shillings per truck, for which they do not issue official receipts. Similarly, no exchequer receipts are issued for fines collected by traffic police for minor offences²⁸. On the Northern Corridor there are currently 8 weighbridges of which 4 are located in Uganda (Mbarara, Lukaya, Magamaga and Busitema) and 4 in Kenya (Webuye, Gilgil, Mlolongo/Athi River and Mariakani)²⁹. This follows a successful reduction from 6 to 4 in Kenya (removing weighbridges at Eldoret and Maimaihu). In both Kenya and Uganda, the number of police road blocks has been largely reduced, and at times eliminated, but they have also been reinstated (formally and informally) (see Story of Change 1 below). According to interviews, a more gradual reduction in Tanzania was key to successful reduction of police road blocks which have been reinstated less over time which implies a lesson for donors in not rushing through externally driven solutions.

27 The first is ready and the other two will be completed with the One Stop Inspection Centers. MIT (2015) Annual Report on the Implementation of the NTB Project (2014/15), 4; NMC (2015) Quarterly Meeting Minutes. August, 3
28 MIT (2015) Annual Report on the Implementation of the NTB Project (2014/15), 5
29 Review of Rwanda’s national strategy for elimination of NTBs, ACE International, 2014

Story of Change 1 – Police Road Blocks³⁰: Police road blocks have been a major challenge along the Northern Corridor, often used for extortion. Thanks to pressure from the Uganda NMC, all permanent police road blocks were eliminated in Uganda, though subsequently, they have been reinstated due to security reasons (e.g. threat of terrorism). However, police officers now know how the NTB reporting system works. As police wear their names on their uniform, complainants can provide their personal details with any other evidence. Every Area Commander of the police naturally wants a road block for security reasons and with high police turnover, continued efforts are needed to remind the management and field forces of the EAC commitment to eliminate road blocks.

Unresolved NTBs – the countries that reported the most NTBs in the EAC Time Bound Programme on Elimination of Identified NTBs which remain unresolved are Rwanda and Kenya. The source of most of the unresolved NTBs is Tanzania. Some of the unresolved NTBs relate to existing laws that require legal reforms and so require protracted change processes. However, there is growing discontentment with Tanzania regarding its Food and Drugs Authority which requires EAC companies exporting to Tanzania to register with them first (for retesting and re-labelling of products) and the country still charging a US\$200 transit fee on containers (with chemical products). A minority of unresolved NTBs have remained unresolved for a long period of time; some connected to deeply vested interests.

New NTBs – in the last quarterly meeting of the EAC Secretariat (September 2015) 11 new NTBs were introduced³¹, mostly relating to customs and entry procedures, in particular a failure to apply preferential treatment under RoO (WTO category 2), as well as more generic delays and discrimination (WTO category 7). According to the Tanzania MIT Annual Progress Report (2014/15), new NTBs keep on surfacing as Partner States formulate and implement new laws and regulations that aim to achieve legitimate public policy objectives. As mentioned, there is an urgent need to discourage Partner States from introducing new NTBs – through compliance mechanisms in the NTB Act. And finally, a number of NTBs have been resolved, and then re-identified as still existing and so need to be resolved again. For example, Tanzania's charge of US\$250 for business visas from EAC citizens was removed, subsequently re-imposed and then removed again. This too could be addressed through a stringent enforcement mechanism.

- 2.15 Strategic Analysis of NTBs and the role of NMCs: An implicit assumption is that the NTBs which are being removed are material and, that the NTBs which are not removed and those that are added are not undermining the progress being made. In the EAC 18th Forum on NTBs in Arusha the evaluation team did not find many references to national NTB elimination strategies nor sufficient evidence based analysis for prioritizing removal of certain NTBs. As the NTB reporting system is still relatively new, so far there has been little analysis and strategic thinking around the NTB data generated. A few studies have been conducted in Uganda that included aspects of NTB removal, including one on hidden costs, another on weighbridges and one on trade with South Sudan. In Tanzania, an impact assessment of road blocks and weighbridges is currently underway³². In Rwanda, a road transit survey and road freight competitiveness study have been undertaken on the central and northern corridors³³ and as of mid-2015 four position papers have been drafted³⁴. The capacity of NMCs to design, implement and oversee these studies is a concern, according to some interviews. There is scope to strengthen NMC and focal point capacity on how to aggregate and analyse information on NTBs and research policies/action to take.³⁵ Ideally the NMC should have a strategic overview on which NTBs to prioritise on a rolling basis. Studies should help build the evidence base and provide information on the costs and benefits of tackling specific NTBs. This should include also an



³⁰ Story of change utilizing Uganda FGD

³¹ This excludes NTBs introduced and resolved immediately in the meeting (see Annex G)

understanding of the political economy underlying the most intransigent NTBs, an analysis of the key players, identification of potential champions and spoilers of change and the best avenues of influence with a view to advocating for NTB removal through the most effective means and mechanisms. This would enable the NMC to play a more strategic and pre-emptive role on NTB policy and prioritisation³⁶.

2.16 Prior to TMEA support NMCs were not meeting regularly within the EAC countries. According to interviews, attendance at NMCs is now good – with Rwanda demonstrating strong, consistent, attendance, though other countries, including Burundi, have had good levels of attendance. The NMCs meet at least quarterly (now with the exception of Burundi due to the programme being on hold) and attendance is stronger and more consistent than before TMEA support started. In Rwanda, Uganda and Tanzania a collegial atmosphere has now been generated within the NMC and the public and private sector meet and discuss issues. In Uganda, the value of the NMC forum and process was perceived to be even higher than the resolution of individual NTBs, during the FGD. Discussions have generally been described as “free, open and frank” by interviewees across the region. According to an interviewee in Uganda, “there is no more need for official letters, as NMC members know each other, issues can be resolved with a phone call”.

2.17 A challenge with all NMCs is the ability to enforce policymakers to take on board NMC recommendations, according to interviewees. Until the new EAC NTB Act is ratified, the enforcement mechanism relies on peer pressure. According to interviews, there are also concerns about the sustainability of funding for NMCs, and political commitment to resolve all NTBs. In Kenya, although the NMC has 11 Government ministries represented, there is only 1 consistent PSO representative (from the Kenya Association of Manufacturers (KAM)) who comes with a list of ‘complaints’ for the others to take note of. According to interviews, there is little interest from the Government representatives of bringing their own ‘complaints’ to the meeting. The FGD in Uganda also noted that few, if any, members were sharing the EAC Time Bound Programme on Elimination of Identified NTBs with their constituency after regional meetings. This reflects a general tendency to become overwhelmed with daily tasks and to forget to provide feedback. However, this feedback is a critical component in awareness raising and creating incentives to report NTBs through demonstration of success stories. The online NTB reporting systems already include a follow-up function for individual cases, but broader analysis of NTBs that are/are not resolved and dissemination would be required.

2.18 Bilateral channels: Use of bilateral channels by NMCs have been used for the resolution of NTBs. According to interviews, Burundi has engaged in a number of informal bilateral negotiations. Rwanda and Tanzania have engaged in bilateral discussions³⁷ though according to interviews Tanzania has not been as engaged as other Partner States in establishing bilateral routes to resolving NTBs³⁸. In 2012, Rwanda and Uganda³⁹ entered into a MOU (between MINICOM of Rwanda and MTIC of Uganda) for eliminating NTBs and as at the date of the latest status report from the Rwanda-Uganda joint technical committee (complimented by further data collection) illustrates some successes at resolving NTBs (see Table 4):



³² MIT (2015) Annual Report on the Implementation of the NTB Project (2014/15), 9

³³ Review of Rwanda’s national strategy for elimination of NTBs, ACE International, 2014

³⁴ TMEA Rwanda monitoring plan 2015

³⁵ TMEA (2015) Mid-Term Review of Ugandan National Response Strategy for Elimination of NTBs Project, 22

³⁶ TMEA (2015) Mid-Term Review of Ugandan National Response Strategy for Elimination of NTBs Project, 21

Table 4: NTB Outcome/Status update from bilateral Rwanda-Uganda MoU

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2.19 Online NTB reporting at the regional level: TMEA has been working to strengthen NTB reporting through the EAC Time Bound Programme on Elimination of Identified NTBs, which is updated in person during the quarterly meetings of the EAC Forum on NTBs, through inputs from the NMCs. There is an EAC website with two forms that can be used to report NTBs: one for commercial drivers and clearing and forwarding agents and one for NMCs⁴³. There is also a Tripartite COMESA-SADC-EAC website⁴⁴ where NTBs can be reported. However, significant outreach activities would be required to ensure sufficient uptake of the system by beneficiaries and given the combination of 3 regional blocks (COMESA, SADC and EAC) in one website and interviewees expressed concerns that it may be perceived as too complicated to use and understand i.e. particularly for cross-border informal traders with relatively low levels of education. However, linking the regional platform with those at the national level would streamline reporting and enable real-time monitoring of NTBs on an ongoing basis, rather than the current model which heavily relies upon in-person updates at the regional EAC meetings (see more below).

37 TMEA Rwanda monitoring plan 2015

38 Though according to MIT (2015) Annual Report on the Implementation of the NTB Project (2014/15), 7, bilateral meetings were planned with Kenya, though funds redirected for analysis on RoO which has become a major NTB.

39 Uganda has also been negotiating outside the EAC with the Democratic Republic of Congo

40 East African Business Week (2015) Rwanda-Uganda border post ready.

<http://www.busiweek.com/index1.php?Ctp=2&pl=3674&pLv=3&srl=58&spl=24>

41 The New Times (2014) New 21-million litre depot raises fuel reserve capacity

<http://www.newtimes.co.rw/section/article/2014-12-03/183655/>

42 www.ft.com (2015) Businesses relocate to Rwanda's new Special Economic Zone.

<http://www.ft.com/cms/s/0/4fd23ff8-ded6-11e4-b9ec-00144feab7de.html#axzz3pystWGON>

- 2.20 Online NTB reporting at the national level: There are three electronic NTB reporting systems in place, in Rwanda⁴⁵, Tanzania⁴⁶, and Uganda⁴⁷. Tanzania has an award winning electronic NTB reporting system. It was designed and implemented by TCCIA and has been operational since 2014. It is unique in that it has been spearheaded by TCCIA as a private sector association and was designed and operated completely internally, by existing staff. The electronic NTB reporting system enables the private sector to report, monitor and use information as evidence to advocate for the removal of NTBs and allows the public sector to analyse and understand the extent and scope of NTBs encountered. Complainants access the system mainly via SMS by dialling 15539 and can get a status update on their case also via sms⁴⁸. It provides a “real-time”, efficient and cost effective means of reporting and monitoring NTBs, allowing traders to track progress on a reported case. There were 181 NTB entries in 2014/15. Out of the thousands of SMS, many reported issues are not NTBs and it is up to the TCCIA coordinator to clarify and coordinate the resolution of the complaint. TCCIA has benefited from its established network of regional offices and coordination by 70 staff members in the implementation of the system.
- 2.21 Uganda launched its electronic and mobile NTB Reporting System in July 2014 based on both emails and use of a USSD code *201# available on all mobile telecommunication networks. Based on the latest available extract from the system dating May 2015, there have been 64 NTBs reported out of which 54 have been resolved and 10 remained un-resolved. The Ugandan system is unique in the control provided by simultaneous reporting of complaints to the MTIC, responsible ministry and private sector representative. The majority of complaints related to the failure of the ASCUYDA World System. The Uganda MTR highlighted key challenges including the relatively high cost and unpredictability of telecommunications associated with using the system (especially for small businesses), fear of victimisation if reporting problems; limited confidence in the system and language barriers (as the system is only available in English). Interviewees insisted that the costs per sms complaint born by the complainant were low and proportional considering the potential cost reducing benefits of less NTBs.
- 2.22 One perhaps overlooked means of increasing awareness and use of the NTB reporting system is actually providing feedback on lodged complaints. While the technology should allow for reporting on progress and the resolution of complaints, as the telephone number of the complainant is known, for the moment, only acknowledgement of receipt and final resolution of a complaint can be shared according to interviews in Uganda. In Tanzania, a complainant can request for an update on an individual case via sms at any given moment in time.
- 2.23 Awareness Raising and Sensitisation: All countries are struggling to reach and obtain complaints from beneficiaries and have highlighted awareness raising as a major challenge. Uganda has given particular attention to the sensitisation and training of various stakeholders on NTBs by conducting a baseline assessment and careful targeting of messages and related communication products; though procurement delays have resulted in the extension of the project to complete these activities. The contract for a communications firm to design and disseminate key messages has been finalized, with activities due to take place shortly, according to interviews. According to the MTR, only one sensitisation workshop had been carried out for 200 participants, with concerns about reaching particularly the surroundings of all 35 customs stations.⁴⁹ Subsequently, over 400 stakeholders have been exposed to awareness raising and training, ranging from traders at border crossings, to officials at the Uganda Revenue Authority.⁵⁰ According to the comments to the initial draft evaluation report, as many as 775 people have been reached, mainly border officials, traffic police and apex lorry drivers associations, but this figure could not be verified in the documentation provided. In Tanzania, at least

43 www.trade.eac.int

44 www.tradebarriers.org

45 www.minicom.gov.rw

46 www.196.43.80.189/NTBSMS/Security/SignIn.aspx

47 www.ntbtool.mtic.go.ug

48 The system can also be accessed online, once a registered user.



245 freight forwarders, transporters and traders have been exposed to NTB awareness raising, with on average about 35% of participants at events being women. Private sector highlighted that the NTB Reporting System was new and not well publicized yet. In Rwanda, the monitoring plan 2015 acknowledges there being no NTB M&E framework in place and, similar to the situation in Burundi, it does not capture data on numbers targeted under awareness raising / sensitization (only attendees in training sessions). The scepticism over the reporting system and limited exposure to SMS for purposes other than NTB reporting recorded in the Ugandan baseline can undermine outreach efforts across the region. The baseline also demonstrated that the most used, preferred and trusted channels of communication are business associations, clearing agents and notice boards.

Evaluation Summary
(overall evaluation
score: 3.5)

There has been significant progress in the number of NTBs that have been identified (112) and resolved (87) through the EAC Time Bound Programme on Elimination of Identified NTBs supported by TMEA – in a large part due to work undertaken by the NMCs and EAC Secretariat since the onset of TMEA support from 2011.

More strategic and political economy analysis is needed on the NTBs that remain, identifying underlying reasons for their intransigence. Overall, reductions in weighbridges and police road blocks appear significant but ensuring there is local commitment is key. NMCs have been effective in meeting regularly and the use of bilateral channels (as opposed to just the EAC forum) has shown some results and been reported positively in interviews.

Online reporting has begun at three national levels and at the regional level though with limited interconnectivity. Outreach activities are struggling to reach a broad number of intended beneficiaries, in particular informal traders, with use of the online reporting and numbers of participants in outreach activities relatively low.

Evaluation Summary
(overall evaluation
score: 3.5)

- Strengthen the NMCs ability to analyse information on NTBs, adopting a strategic overview of which NTBs to prioritise on a rolling basis. Support studies to build the evidence base and provide information on the costs and benefits of tackling specific NTBs, including a more profound understanding of the political economy determinants of some NTBs.
- Encourage Partner States to open up new bilateral negotiations and explore alternative influence channels (e.g. Northern Corridor institutions).
- Share lessons learned between the three national level online reporting systems such as the simultaneous posting of complaints to targeted MDAs, improving complainants anonymity (e.g. by engaging associations) and strengthening feedback to complainants.

- Link the regional and national level online systems to streamline reporting and enable real-time monitoring of NTBs on an ongoing basis. Explore potential inter-linkage with other data gathering systems (e.g. customs, weighbridges).
- Enhance awareness-raising activities emphasizing the value of reporting NTBs, as well as of the NTB Act including supporting its implementation. Work through associations and other trusted representative bodies of truckers, traders and other stakeholders, especially women's organisations to lodge complaints, but also to train the trainers on NTBs and online and SMS reporting systems.
- Utilise existing training events to introduce NTB modules. Incorporate guidance on how to report NTBs via the new SMS NTB reporting systems in documents already utilised by beneficiaries.

Evaluation Criteria 3. Efficiency

Efficiency measures the outputs in relation to the inputs. It is an economic term which signifies that the aid uses the least costly resources possible in order to achieve the desired results. (OECD Efficiency Evaluation Criteria)

2.24 Overview: The US\$7.9 million cost of the NTB projects is relatively modest given their stated objectives. Disbursements have been lower than expected and expenditures have been largely allocated to services and consultants, and travel. Rudimentary estimates of total project benefits compared to project costs are promising and suggest value for money, though a comprehensive cost-benefit analysis is needed.

2.25 Costs: The NTB project budgets are set out below:

Project	Budget through 2016 (us\$)	Spend as at November 2015 (us\$)	Spend as at November 2015 (us\$)
Regional	1,308,000	977,000	75%
Kenya	1,027,000	495,000	48%
Uganda	1,500,000	883,000	59%
Tanzania	2,373,000	1,161,000	49%
Rwanda	1,363,000	1,025,000	75%
Burundi	322,000	322,000	100%
Total	7,893,000	4,863,000	62%

Source: TMEA Project Budget Sheet⁵¹

Evaluation Criteria 2. Effectiveness

2.26 A total budget of approximately US\$7.89 million, with only US\$4.8 million disbursed as at November 2015, is relatively modest for the objectives set out in the NTB projects and comprises less than 2% of TMEA's total budget (see Figure 2). The disbursement rates for Kenya (48%), Uganda (59%) and Tanzania (49%) are lower than would be expected with less than 2 years left to run. Disbursement rates are higher for Rwanda and at the regional level (both 75%). All funds for Burundi have been spent which simply reflects the fact that the project has now ended (due to security concerns) and the budget since revised accordingly. This illustrates how budgets have been reviewed during the course of the projects and were not fixed at the amounts specified in the original monitoring plans (see Annex E for an annual breakdown of budget expenditures).

2.27 Expenditures: There are detailed budget expenditures available for 2012/13, 2013/14 and 2014/15, as well as ongoing for 2015/16. There are similar trends across the years, and for the most recent complete year (2014/15) the largest expenditures relate to services, consultants and travel which in part reflects the hiring of NMC coordinators and travel to the EAC forum. 83% of the Regional project's expenditures in 2014/15 were on services and consultants and travel alone. The NTB projects are subject to TMEA's procurement policies and competitive tendering processes through which costs are minimised. The per diem rate TMEA paid to attendees at a recent EAC forum was US\$75 per day for the first day and US\$55 per day for subsequent days, which is within market standards and in accordance with TMEA per diem policy.

Figure 4: Budget Expenditures 2014/15



Source: TMEA project budget data

2.28 Activities: Based upon the monitoring plans provided to the evaluation team as well as updates received through consultations⁵², Table 6 below summarizes the number of activities in each NTB project and whether the target for each of the activities was or was not achieved (see Annex D for details). It is recognized though that not all activities are equally ambitious in nature. According to this data, the Uganda project set the largest number of activities (16) and completed 87.5% of them. The Burundi project set the least number of activities (5) and completed 80% of them.


Table 6: Status of Project Activities


	Total no. of activities	No. of Activities Achieved	No. of Activities Status unknown	No. of Activities not achieved
Regional	8	0	3	5
Kenya	12	4	4	4
Uganda	16	14	2	0
Tanzania	7	0	7	0
Rwanda	15	8	2	5
Burundi	5	4	0	1

Source: NTB Project Monitoring Plans

2.29 However, it is clear that even these recent monitoring plans need substantial updating as, for example, according to the monitoring plans the Regional and Tanzania projects set 8 and 7 activities respectively and achieved none of them, though the team is aware of successful activities in both programmes. Furthermore, in the case of Rwanda, feedback received during the evaluation suggests that one third of the activities set out in the latest monitoring plan (5 out of the 15 activities) need significant updating. In particular, discrepancies include 4 bilateral meetings being organized (rather than 2); 3 joint border committees being established (rather than 2); and 6 training sessions of NMC members taking place (rather than 4). These illustrate the importance, and challenges, in sufficiently validating and triangulating data and the need for projects to sufficiently prioritize updating records.

2.30 Benefits: It is difficult to provide a direct estimation of the benefits of the projects due to the inherent difficulty in measuring both the pervasiveness of the removed NTBs (ie. how many products they affected) and the extent of the remaining NTBs' stock. An educated guess however can be elaborated in two steps: first, by estimating the overall impact of NTBs in the region, second, by means of non-trivial assumptions, to get a sense of the potential projects' benefits. NTBs are a difficult subject to treat because of their heterogeneity and, in quantitative exercises tend to be treated as implicit tariffs. In a landmark paper, Kee et al (2009) estimates the Overall Trade Restrictiveness Index (OTRI) as a measure of the Ad-Valorem Equivalent of tariffs and NTBs using country and product level tariff and NTB data. As a benchmark, he estimates import-weighted Ad-Valorem Equivalent (AVE) of NTBs be approximately 10%, at a global level. This figure is clearly poorly applicable to the EAC, because of the extremely high degree of regulation in developed markets. Based on Kee et al (2009) the World Bank makes available estimates of country-level OTRI inclusive and exclusive of NTBs⁵⁴ for all EAC member states. Taking the difference between the two as the AVE of NTBs gives an import-import weighted NTB AVE of approximately 2% for the EAC in

 52 A combination of sources which is subject to the data limitations identified in this (and the inception) report.

 53 As explained previously, many of the activities in the Kenya programme relate to broad trade facilitation rather than being NTB focused in nature.

2010. Applying this parameter to regional imports, in 2010, puts the EAC-wide cost of NTBs at approximately US\$490 million.

- 2.31 The burden of this admittedly rough estimate is shared between the importers and the consumers depending on the competitive structure of the national markets. In a recent paper Cadot et al (2012) estimates that the presence of NTBs in Sub-Saharan Africa add about 13% to consumer prices, which compared to the 5% average Sub-Saharan Africa real income growth in 2014, is sufficient to offset about 2.5 years of compounded real income growth. Analysis of the Kenya household survey data reveals in addition that the impact is regressive, hitting poorer households disproportionately more.
- 2.32 The key issue in assessing benefits from the projects lies in the heterogeneity in NTBs and in the definition of their stock. For this, two non-directly-comparable measures exist. On one hand, TMEA records show 87 out of 112 NTBs resolved at the regional level. This measure however omits the pervasiveness and the severity of remaining NTBs. It is difficult in other words to say what the benefits are of the 87 NTBs removed as the share of trade they affect is difficult to quantify in itself. On the other hand, the WITS database provides details of product-level normative NTBs for individual EAC member states, showing a total of 1,052 NTBs in the region. There are clear differences across the two measures. The WITS database, for example, only captures normative NTBs, excluding for example unauthorized checkpoints, which can affect a large portion of trade. The TMEA records on the other hand capture NTBs of that type, but lack detail on the products affected.

Illustration of Benefits: Making an extreme simplification and assuming that TMEA's removed NTBs affect only one product would make the two sources of data comparable at the lower bound. This admittedly bold simplification implies a reduction in the stock of NTBs by approximately 8%. Assuming further a linear relationship between the stock of NTBs and their aggregate cost, this implies a benefit from the projects in the range of US\$35-45 million at constant trade volumes.

- 2.33 It should be clear from the extremely bold assumptions above that this is far from a precise estimate and illustrative only. It is also important to stress that this back of the envelope calculation does not attempt to distinguish how much of the roughly estimated benefits are directly attributable to the projects themselves. If, for example, weighbridges were removed as a results of factors unrelated to the projects, the calculations would have to be adjusted downwards. A thorough impact evaluation of the projects, which remains out of the scope of this evaluation, would require detailed records on the products affected by the removed NTBs and careful analysis of product level trade flows.

Story of Change 2 – Harmonization of road tolls: The Rwanda NTB project supported development of diagnostic studies including the “Rwanda Road Freight Industry Competitiveness Study 2014” which was commissioned by the Ministry of Trade and Industry. A key finding was that high road tolls in neighbouring countries, especially Tanzania, were causing the Rwandan trucking industry to see a decline in its share of the road freight market⁵⁵. For example, a Rwandan truck entering Tanzania was charged US\$500 while a Tanzanian truck entering Rwanda was charged only US\$152. These findings were used by policy makers and, after attempts to reach an agreement with the Government of Tanzania, the Government of Rwanda increased its road toll on Tanzanian trucks entering into Rwanda with effect from 9 September 2013⁵⁶. This process then resulted in both countries reducing and harmonizing road tolls at US\$125 saving an estimated US\$800,000 for Rwandan transporters⁵⁷. When comparing the costs and benefits of the Rwanda NTB project, this one activity alone saved an equivalent of 44% of the total budget of the Rwanda 5-year NTB project and is a saving that may continue into the future. A recommendation to TMEA for phase 2 is to conduct comprehensive costing studies, for example, on the unit costs of time savings from the reduction in police road blocks and weighbridges, and on price effects from removing specific NTBs.

2.34 Financial Management: In Tanzania, the clarity of the available budget for the NTB project was complicated by the shift from a single budget to two separate budget lines for the two components managed by MIT and TCCIA respectively. The budget split was made on the basis of budget proportion in the original proposals by the two partners, resulting in a 60:40 split, according to interview data. This appears to have resulted in a perception among some partners that the budget was not transparent. However, financial reports were shared with partners by TMEA based upon request, according to TMEA staff.

Insights from Uganda and Tanzania FGD and Interviews: In both countries, interviewees and FGD participants raised concerns about the proportion of funds spent on hosting meetings versus compensating participants for travel (suggesting that spending on travel was inadequate). It was generally felt that spending on meeting venue and hotel accommodation was disproportionately high, presumably meaning participants would be satisfied with more modest venues and accommodation, in return for adjusted compensation for travel costs in line with actual expenditure.

2.35 Procurement: The NTB projects are subject to TMEA’s procurement policies and competitive tendering processes through which costs are minimised. In Uganda, Tanzania and Rwanda, the NTB projects’ procurement processes experienced some delays. A number of interviewees have suggested this may be due to the centralisation of procurement at TMEA headquarters, though the impact on projects implemented mainly through service contracts is not as significant as larger infrastructure interventions. In Rwanda, although there was demand for the NMC coordinator to continue in place, according to interviews there was a considerable gap before funding was in place for the NMC coordinator to continue. In Uganda, it took considerable time to acquire the Uganda Communication Commission USSD code as it had not been budgeted for and subsequent problems arose when finalising procurement and payment. Implementation of the full communications

campaign was also delayed due in part to delays in the procurement process. While some minor procurement delays may have also been experienced in Tanzania, according to interviewees, the responsiveness of the TMEA Country Office significantly improved with the increase of staff to 13 members. Similar to the Tanzania Ministry for East African Cooperation, MIT hopes to eventually qualify for direct financing. While MIT failed an earlier fiduciary risk assessment (FRA), according to interviews, significant progress has since been made in addressing concerns raised and MIT hopes that it can pass a future FRA, facilitating procurement, but also providing potential sustainability benefits by attracting funding from other donors. Another FRA could foster confidence in contractual and financial management at MIT more broadly; potentially attracting funding from other donors. In Kenya, although funds were available and the NMC had developed a workplan highlighting activities that TMEA could support with, the parties did not proceed to draw down funds and put the workplan into action. Further investigation is needed though, according to interviews, the absence of a NMC coordinator (unlike in the other countries) is likely to be a significant part of the reason for this.

Evaluation Summary (overall evaluation score: 4)

The US\$7.89 million total direct cost of the NTB projects is relatively modest given their stated objectives. Disbursement is lower than anticipated (currently averaging 62%), possibly due to the relatively narrow focus on NMCs and the EAC Secretariat as the main vehicles for removing NTBs, combined with some procurement delays.

Expenditures based only on 2014/15 data show services and consultants taking up 69% of the budget followed by travel at 24%. There is some evidence of cost effective approaches being adopted e.g. use of TMEA competitive procurement processes. According to monitoring plans, none of the projects have met all their targets, with Uganda setting and completing the most activities.

An estimate of the EAC-wide cost of NTBs is approximately US\$490 million⁵⁸. Subject to stated assumptions with respect to the estimate of the overall impact of NTBs on the EAC (using import weighted Ad-Valorem Equivalents of NTBs and known regional imports as at 2010), simplifications of the size and characteristics of the stock of NTBs (using both the Time Bound Programme and WITS database) and assuming a simplified linear relationship between the stock of NTBs and their aggregate cost, a total programme benefit could be in the range of US\$35-45 million at constant trade volumes. However, this is an extreme simplification and it is not possible to accurately estimate benefits without undertaking a detailed impact evaluation which is beyond the scope of these works.

Recommendations

- Ensure disaggregated financial data for NTB projects is readily available to enable more rigorous analysis and assessment of costs.
- Conduct costing studies, for example, on the unit costs of time savings from the reduction in police road blocks and weighbridges.
- Continue improving financial management and procurement efficiency, with consideration of further decentralisation of procurement during a potential Phase 2.



⁵⁸ Calculation based on Kee et al (2009) – the World Bank makes available estimates of country-level Overall Trade Restrictiveness Index (OTRI) inclusive and exclusive of NTBs for all EAC member states. Taking the difference between the two as the Ad-Valorem Equivalent (AVE) of NTBs gives an import-weighted NTB AVE of approximately 2% for the EAC in 2010. Applying this parameter to regional imports, in 2010, puts the EAC-wide cost of NTBs at approximately US\$490 million. See paragraph 2.30 for further details.

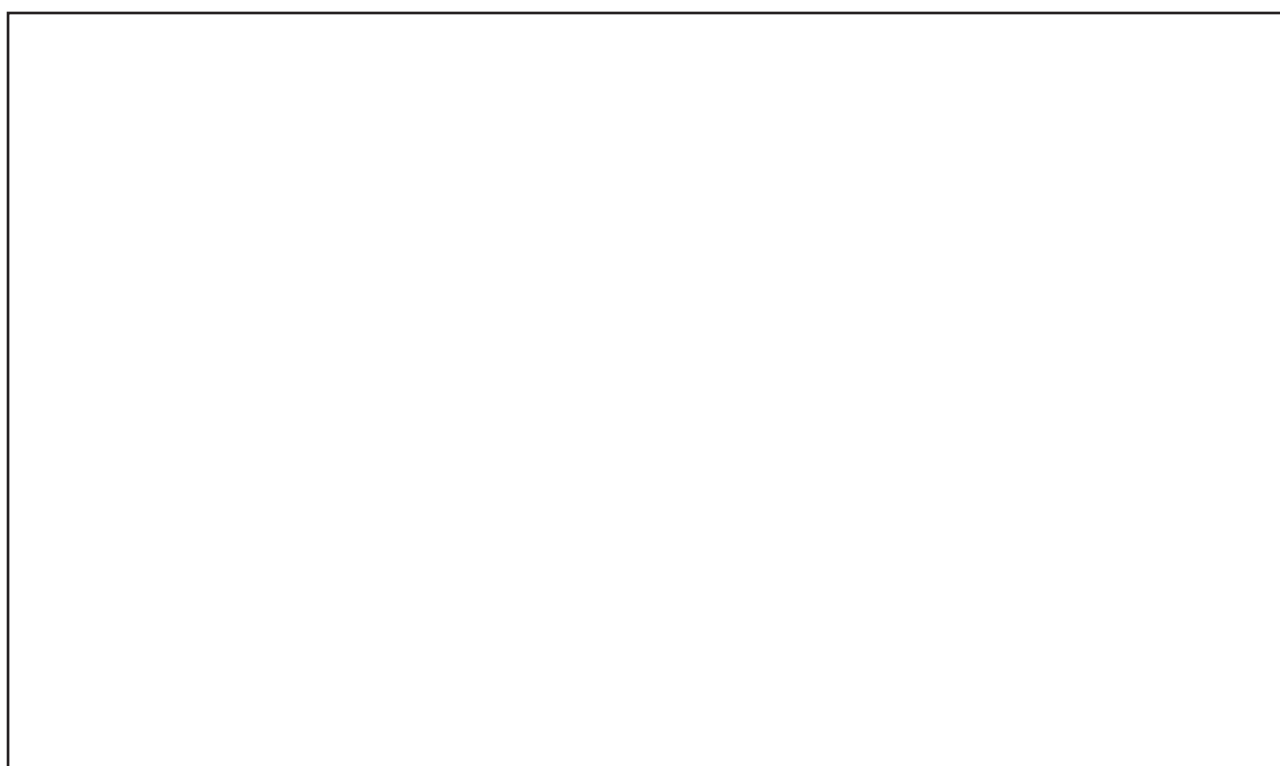
3. Evaluation – Impact and Sustainability

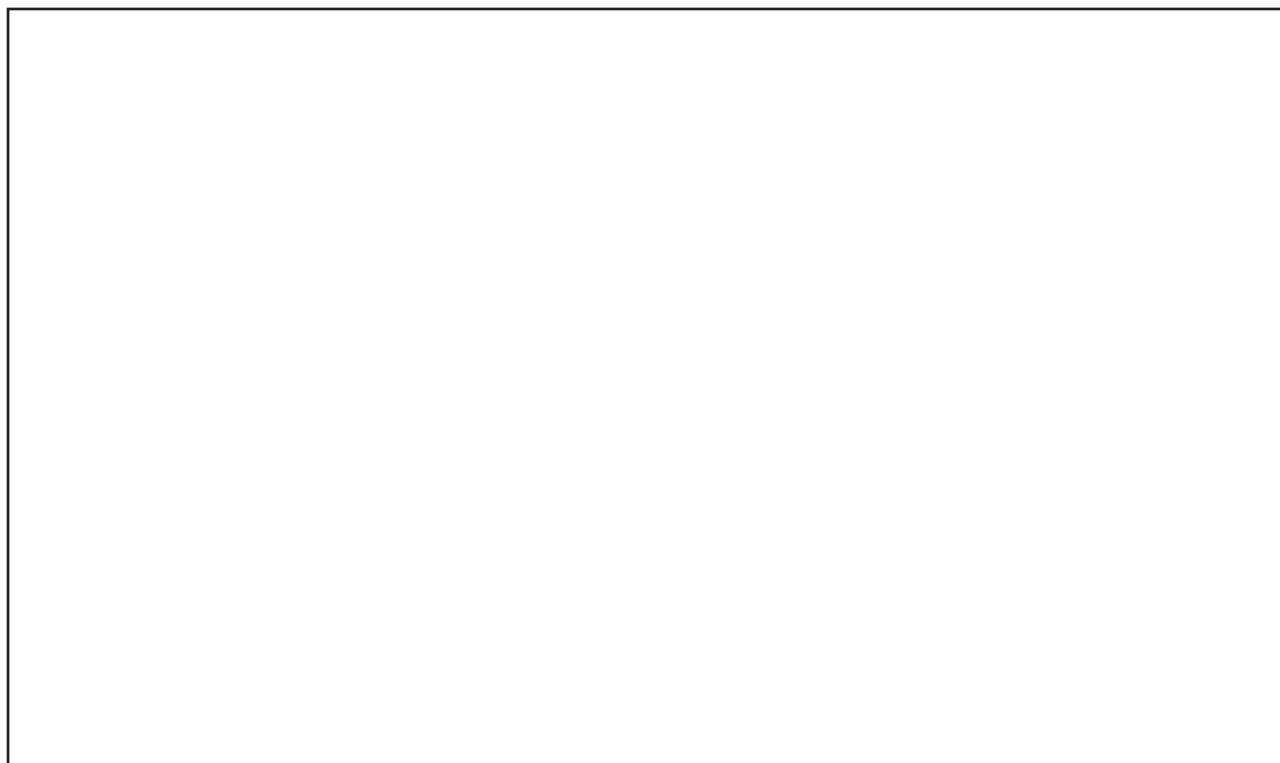
Evaluation Criteria 4. Impact

The positive and negative changes produced by a development intervention, directly or indirectly, intended or unintended. This involves the main impacts and effects resulting from the activity on the local social, economic, environmental and other development indicators. (OECD Impact Evaluation Criteria)

- 3.1 Overview: The overall evaluation finding is that the NTB projects have contributed towards trends in reducing the time taken and cost to trade in the region, though as recognised in the inception phase, determining a causal link is beyond the scope of a formative evaluation. The sections below summarise some of the achievements made in time taken and cost involved in trade (see also benefits estimated in the Efficiency section).
- 3.2 Reducing the time taken to trade: It is possible to identify reductions in time taken to trade across borders. The World Bank World Development Indicators show changes in time taken to import and export from each EAC Partner State (see Figures 5 and 6 below)⁵⁹. The time taken to import and export has, on average, gone down from 36 to 31 days (to import) and from 33 to 26 days (to export)⁶⁰. In addition, inland transportation times from Mombasa to Kigali and Dar es Salaam to Kigali have also dropped considerably, now to 5 and 3.5 days respectively⁶¹.

Figures 5 and 6: Time taken to import and export





Source: World Bank World Development Indicators 2010-15

3.3 Reducing the cost of trade: There have been reductions in the cost to trade in recent years. For example, the cost for transporting a standard 40 foot container from Mombasa to Kigali is now approximately US\$4,800⁶² down from US\$6,500 in 2011 (see table below). Based on statistics from the Kenya port authority, this cost reduction, generated a saving (at constant volumes) of approximately US\$7 million on the Mombasa-Kigali route alone.

Table 7: Costs for imports from Mombasa to Kigali in 2012 and 2014

Year	Mombasa Port Charges				Transporting Mombasa to Kigali
	Domestic US\$		Transit US\$		Cost US\$
	20ft	40ft	20ft	40ft	
2011	90	135	72	110	6,500
2014	105+70	105+70	85+70	85+105	4,800

Source: The Institute of Trade Development (2012) and the Shippers Council of Eastern Africa (2014)

- 3.4 As shown in the effectiveness section, the NTB projects have successfully reduced the number of identified NTBs in the EAC. Although more analysis is needed on the strategic importance of those NTBs, the reduction in police road blocks and weighbridges is perceived to be a significant contribution to reducing the time taken and costs involved in trade. To provide a sense for the impact, consider the case of Tanzania, where interviews suggest that cargo transiting through checkpoints and weighbridges is frequently charged informal fees of 1000-5000 Tanzania shillings. Assuming that 70% of the checkpoints are active during the year, and that approximately half of the transporters are charged, a reduction in the number of checkpoints from 58 to 8 (inclusive of weighbridges, see Table 4), implies a saving on illicit fees of approximately US\$0.5 million on the Dar es Salaam to Kigali and Bujumbura cargo at constant trade volumes.
- 3.5 While the removal of NTBs will have played a role in some of these improvements, they cannot be solely attributable to the NTB projects. The trade capacity of Partner States is also significantly inhibited by a variety of more structural, supply side, constraints as illustrated by Table 8 below which shows significant annual variation in total (both intra- and extra- regional) trade:

Table 8: Intra and extra regional trade in US\$ Billion

	Intra - EAC			Extra - EAC		
	Export	Import	Total Trade	Export	Import	Total Trade
2010	2.34	1.61	3.95	8.86	24.97	33.83
2011	1.02	1.78	2.80	6.47	17.67	24.14
2012	1.54	2.01	3.55	7.11	18.58	25.70
2013	2.82	2.00	4.82	10.35	35.45	45.80
2014	0.98	1.37	2.34	5.52	13.95	19.47

Source: Comtrade

- 3.6 There is potential for greater impact if the online NTB and SMS reporting systems are used by an increasing number of traders. However, besides the information exchange at the EAC NTB forum and growing bilateral coordination efforts, the online systems are not yet technically interlinked; despite the harmonisation of roaming charges. Despite the fact that the Ugandan NTB monitoring system replicated many of the functions of the system in Tanzania, there hasn't yet been much exchange between the staff responsible for the respective systems, according to interviews in both countries. Interconnectivity with other data management systems, such as customs and weighbridges could be considered, though more experience is required with the operation of the current NTB reporting system to draw that conclusion. The NTB projects have already had some positive spin-offs. For example, the NTB online and SMS reporting system in Tanzania was designed in parallel with the electronic Certificates of Origin (CoO) system. So far, 300 CoO have been issued via the system by TCCIA. The electronic CoO has reduced the application time from 5 days to one hour, according to interviews.
- 3.7 Gender considerations: Assessing impact on gender is inhibited by the absence of explicit gender related components within the NTB projects, nor M&E systems established to track gender related impact under the NTB projects. There is evidence of some of the projects attempting to disaggregate data by gender, when relevant and feasible e.g. training participation in Tanzania.

Evaluation Summary (overall evaluation score: 3.5)	<p>There have been reductions in the time taken to trade across borders in the EAC in recent years. Notably, the time taken to import and export from each EAC country has, on average, gone down from 36 to 31 days (to import) and from 33 to 26 days (to export).</p> <p>There has been reduction in the costs to trade. The cost for transporting a standard (40 foot) container from Mombasa to Kigali is now only US\$4,800 down from US\$6,500 in 2011, which is estimated to have generated a saving (at constant volumes) of approximately US\$7 million on the Mombasa-Kigali route alone.</p> <p>While the removal of NTBs will have played a role in some of these improvements (see benefits estimated in the Efficiency section), the gains cannot be solely attributable to the NTB projects. The trade capacity of Partner States is also significantly inhibited by more structural, supply side constraints. There is potential for greater impact if the NTB online and SMS reporting systems are used by more traders.</p>
Recommendations	<ul style="list-style-type: none"> • Further impact studies on specific NTBs and explicitly taking into account impact on gender, should be undertaken to build the evidence base to enable more rigorous analysis to take place. • Efforts should also be made to promote interlinkage, copying and replication of lessons-learned across the region, especially relating to the NTB Reporting Systems.

Evaluation Criteria 5. Sustainability

Sustainability is concerned with measuring whether the benefits of an activity are likely to continue after donor funding has been withdrawn. Projects need to be environmentally as well as financially sustainable. (OECD Sustainability Evaluation Criteria)

3.8 Overview: The overall evaluation finding is that the NMCs have largely been well integrated into government ministries though the projects would benefit from focusing support more specifically around priority NTB problems, rather than on NMC structures themselves. TMEA is the only donor financially supporting NMCs and without TMEA the NMCs would meet less often and be less effective, including with respect to their contributions to the EAC forum. The NTB online and SMS reporting systems are relatively new and so have not yet demonstrated sufficient demand for the services and additional awareness raising will be costly to carry out.

3.9 Embedded structures: In Burundi, the NMC is located within the second vice presidency and in Rwanda, Tanzania and Uganda in the respective ministries of trade and industry. In Kenya, the chairmanship of the NMC rests with the Ministry of East African Affairs, Commerce and Tourism though this has at times been a challenge given that broader trade facilitation issues sit under the Ministry of Foreign Affairs and International Trade. With Phase 1 of the NTB projects drawing to a close, sustainability is the main overall concern and highlighted by the evaluation team. Through the work of the NMC coordinators, secretarial functions of the five NMCs are relatively well integrated into

respective ministry structures (with the exception of Kenya), some with attached ministry staff, however, NMC are still largely perceived as “projects” and additional tasks beyond daily work. In Kenya, according to interviews, there is an increasing need for a full time NMC co-ordinator to be appointed, similar to the other EAC countries, as that would have helped with the focus of the project and in drawing down on more of TMEA’s support (see low project disbursement in efficiency section).

3.10 A sustainability related challenge of the NTB projects relates to the fact that NTB monitoring requires constant administration by nature; as demonstrated by the mutation and return of some of the resolved NTBs (e.g. police road blocks). Also, as NTBs often take place along corridors and at borders, support is required for travelling and inspection/monitoring processes. Participation in regional meetings is also relatively costly.

3.11 According to interviews there have been mixed experiences with NMCs. In Rwanda, there has been a 53% increase in PSO representation in NMC meetings since TMEA began its support⁶³. In Uganda, in addition to the TMEA funded positions, there is now a Communications and ICT officer assigned to the programme. In Tanzania, the technical assistance has been more successful at fostering a team in the relevant unit that could potentially carry-on the functions of the NMC Secretariat. In Kenya, supporting the NMC has not been a significant component in TMEA’s support and the government members of the NMC largely see it as a forum for receiving complaints (i.e. KAM comes with a list!). This highlights a challenge experienced by a number of NMCs in that they are often perceived by government to be an additional activity, over and beyond the normal duties required by officials in the ministry. While the NMC coordination and NTBs are considered a core responsibility, staff still have their other standard duties. Furthermore, in the case of Kenya, other private sector associations such as KEPSA and KNCCI are not directly involved with the NMC. It is also unclear whether KAM is effectively representing the private sector or more narrowly focusing on the interests of manufacturers.

3.12 Problem focus: Given the evidence above, simply ‘more of the same’ will risk a continued focus on institutional support which might not sufficiently take into account the political economy dynamics around key, seemingly intractable, NTBs which, if not addressed, would continue to hamper the time taken and costs involved to trade. There is emerging evidence from the ‘doing development differently’ collection of ideas that problem driven approaches can be effective at bringing about sustainable change⁶⁴. This would require TMEA projects to facilitate locally led processes where coalitions of reformers within institutions are empowered⁶⁵ and/or broader societal processes are facilitated by external actors, with actors such as civil society having a key role⁶⁶. To enhance the prospects for sustainable change, it is recommended that TMEA focus its support to removing NTBs more explicitly around priority NTB problems, rather than on NMC structures themselves. An illustration of what this might look like in a follow-on project is described below.

Along the Northern Corridor there have been significant reductions in the number of weighbridges in recent years, however, reductions in the number of police road blocks have had mixed results with frequent reinstatements as well. Adopting a problem driven approach could be first to deconstruct the problem i.e. is the root problem legitimate security concerns, or is it a lack of proper guidance or rules for police officers to follow or is it improper use of police road blocks to, for example, exercise power and allow for corruption? To help determine this and enhance local ownership of the process, a PDIA process would utilize TMEA’s convening power to bring willing stakeholders together such as the police, Northern Corridor Transit and Transport Authority, private sector and, importantly, local stakeholders. It would have regard to interests and incentives at play and identify champions/coalitions for reform. With a clear focus on the



⁶³ Review of Rwanda’s National Strategy for Elimination of NTBs, ACE International, 2014

⁶⁴ See for example: thinking and working politically (Faustino, J. and Booth, D., Development entrepreneurship, 2014); systems approaches (Laric, M., Systems change in the business enabling environment, 2012) and good enough governance (Grindle, M., Good Enough Governance Revisited,

specific problem (and associated costs from it), rather than focusing on capacity building ‘best practice’ institutions – the process would aim to equip local stakeholders to lead a process whereby they can monitor the removal (and any reinstatement) of identified NTBs. Existing TMEA outreach activities could be re-focused to promote SMS reporting around these targeted NTBs (e.g. truck drivers on that route alone) in contrast to a broad brush approach. Government and partners would need to work together to take reinstatements of road blocks seriously, for example, disciplinary action for breach by officers, as well as designing donor support to be results based where possible.

- 3.13 Government/other contributions: In Uganda, a budget line was included in the 2015/16 government budget for the monitoring of NTBs totalling approximately US\$35,000. While the amount is small, insufficient to cover the costs involved in national and regional meetings, as well as operating the NTB reporting system, interviews suggested that this amount could be augmented in the future, once TMEA support is over. None of the other countries have secured government budget for sustaining NTB related activities in the future. Burundi sought further funding of activities outside those identified in the programme but no other funders, including government, were found. According to interviews, the NMC and NTB online and SMS reporting systems would continue to function without TMEA support, though meetings will quickly become more ad hoc.
- 3.14 The NTB reporting systems are still very young and not sufficiently institutionalised for one to assume continued functionality without TMEA support. In Uganda, the MTIC operates the system, with support from the TMEA funded technical assistance. In Tanzania, the NTB reporting system and CoO project is run exclusively by support from TMEA funded technical assistance (coordinator and IT) by TCCIA. 15-20% of TCCIA income comes currently from membership fees; the rest from projects. NTB Reporting Systems are very dependent upon awareness raising, which is resource intensive. Outreach in Tanzania relies upon the network of TCCIA regional offices, though capacity is low. Success is also very dependent upon the individual commitment and dedication of the NMC coordinators, with turnover prospects being extremely high, once TMEA funding ends.
- 3.15 Infrastructure: A more immediate concern in Tanzania is infrastructure, especially access to power at TCCIA. Apparently the backup generator is not sufficient to cater to keeping the system on-line, due to protracted power failures. While it is too early to give serious consideration to the NTB reporting system becoming self-sustained, the communications providers do charge a fee opening up this potential funding avenue in the future, once the added value is clear to private sector. In Uganda, at an average cost of 140-200 Uganda Shillings, the cost of using the NTB reporting system is not high relative to the cost of delays resulting from NTBs.

<p>Evaluation Summary (overall evaluation score: 3)</p>	<p>The projects would benefit from more of a problem focused approach around specific NTBs and facilitating locally led change processes, rather than primarily focusing upon institutional capacity building of NMCs. With the exception of the Kenya NTB project, NMCs have largely been well integrated into government ministries and the TMEA funded NMC coordinators (in place in all countries but Kenya) have enhanced capacity of the NMCs (and contributions to the EAC forum), which, according to interviews, would continue without TMEA support but on an ad hoc and much less effective way.</p> <p>The NTB online and SMS reporting systems are relatively new have not yet demonstrated sufficient demand for the services requiring additional awareness raising at significant cost, though crucial in order to demonstrate value add to the private sector.</p>
<p>Recommendations</p>	<ul style="list-style-type: none"> • Adopt more of a problem focused approach around specific NTBs, facilitating locally led processes with coalitions of reformers, which can include supporting NMCs but not primarily focusing upon institutional capacity building of NMCs. • Continue to support the embedding of NMC and NTB reporting structures, functions, systems and responsibilities within MDAs and demonstrating the value add through outreach, as well as lesson learning. • Engage Ministries at project inception and during implementation to try secure government budget for the NTB projects to strengthen sustainability. • Support the EAC Secretariat while exploring synergies and collaboration with other, on-going initiatives, such as other work funded by TMEA or other donors (e.g. the enhanced integrated framework). • Support MIT in preparations for repeating a fiduciary risk assessment, also with a view to attracting funding from other donors.

4. Recommendations for TMEA

Evaluation Criteria	Recommendation
<p>Evaluation Summary (overall evaluation score: 3)</p>	<ul style="list-style-type: none"> • Undertaking thorough political economy analysis as a part of the design of any potential Phase 2 NTB support, focusing on advocacy and influencing channels. • Reviewing the national strategies for eliminating NTBs in light of the new NTB Act and developing practical guidance on eliminating NTBs (such as how to interpret and apply WTO classifications). • While continuing to support the NMCs and EAC secretariat, exploring opportunities to integrate TMEA's NTB support across TMEA programming and with other initiatives (such as the Northern Corridor Integration Project). • In order to reach more beneficiaries, accelerating and augmenting awareness raising and communication activities, in culturally appropriate ways. Provide feedback on the NTBs that have been resolved/that remain intransigent, through broad dissemination of particular individual stories of change, to incentivise further reporting of NTBs. • More explicit attention needs to be given to integrating gender into the strategy and design of NTB projects, the definition of particular activities targeting women (e.g. women cross-border traders), as well as more systematic disaggregation and analysis of gender data through M&E efforts. • Ensuring project monitoring plans, in particular indicators and targets, are robust with actuals kept up to date.
<p>Effectiveness</p>	<ul style="list-style-type: none"> • Strengthen the NMCs' ability to analyse information on NTBs, adopting a strategic overview of which NTBs to prioritise on a rolling basis. Support studies to build the evidence base and provide information on the costs and benefits of tackling specific NTBs, including a more profound understanding of the political economy determinants of some NTBs. • Encourage Partner States to open up new bilateral negotiations and explore alternative influence channels (e.g. Northern Corridor institutions). • Share lessons learned between the three national level online reporting systems such as the simultaneous posting of complaints to targeted MDAs, improving complainants anonymity (e.g. by engaging associations) and strengthening feedback to complainants. • Link the regional and national level online systems to streamline reporting and enable real-time monitoring of NTBs on an ongoing basis. Explore potential inter-linkage with other data gathering systems (e.g. customs, weighbridges).

Evaluation Criteria	Recommendation
	<ul style="list-style-type: none"> Enhance awareness-raising activities emphasizing the value of reporting NTBs, as well as of the NTBs Act including supporting its implementation. Work through associations and other trusted representative bodies of truckers, traders and other stakeholders, especially women's organisations to lodge complaints, but also to train the trainers on NTBs and NTB online and SMS reporting systems Utilise existing training events to introduce NTB modules. Incorporate guidance on how to report NTBs via the new SMS NTB Reporting Systems in documents already utilised by beneficiaries.
Efficiency	<ul style="list-style-type: none"> Ensure disaggregated financial data for NTB projects is readily available to enable more rigorous analysis and assessment of costs. Conduct costing studies, for example, on the unit costs of time savings from the reduction in police road blocks and weighbridges. Continue improving financial management and procurement efficiency, with consideration of further decentralisation of procurement during a potential Phase 2.
Impact	<ul style="list-style-type: none"> Further impact studies on specific NTBs and explicitly taking into account impact on gender, should be undertaken to build the evidence base to enable more rigorous impact analysis to take place. Efforts should also be made to promote interlinkage, copying and replication of lessons-learned across the region, especially relating to the NTB Reporting Systems.
Sustainability	<ul style="list-style-type: none"> Adopt more of a problem focused approach around specific NTBs, facilitating locally led processes with coalitions of reformers, which can include supporting NMCs but not primarily focusing upon institutional capacity building of NMCs. Continue to support the embedding of NMC and NTB Reporting structures, functions, systems and responsibilities within MDAs and demonstrating the value add through outreach as well as lessons learning. Engage Ministries at project inception and during implementation to try secure government budget for the NTB projects to strengthen sustainability. Support the EAC Secretariat while exploring synergies and collaboration with other, on-going initiatives, such as other work funded by TMEA or other donors (e.g. the enhanced integrated framework). Support MIT in preparations for repeating a fiduciary risk assessment, also with a view to attracting funding from other donors.

Annex A: Bibliography

Institution	Title	Year
	TMEA Project 0126: Elimination of NTBs	
EAC Secretariat	18th EAC Regional Forum on NTBs – Report of the Meeting	2015
EAC Secretariat	17th EAC Regional Forum on NTBs – Report of the Meeting	2015
EAC Secretariat	Status of elimination of NTBs in EAC as of September 2015	2015
TMEA	Elimination of NTBs Project Monitoring Plan	2015
TMEA	Elimination of NTBs Project Progress	2015
TMEA	Elimination of NTBs Project Workplan	2015
TMEA	Elimination of NTBs annual project performance report	2015
TBC	10th Northern corridor integration projects summit	2015
TBC	9th Northern corridor integration projects summit – Joint communique	2015
TBC	8th Northern corridor integration projects summit – Joint communique	2014
EAC Secretariat	6th northern corridor integration projects	2014
EAC Secretariat	16th EAC regional forum on non-tariff barriers - Report of the meeting	2014
EAC Secretariat	15th EAC Regional forum on NTBs, report of the meeting	2014
EAC Secretariat	Status of Elimination of NTBs in EAC Region.	2014
EAC Secretariat	Verification of metal (iron and steel) products manufactured in Kenya, Uganda and Tanzania under EAC rules of origin	2014
EAC Secretariat	The East African Community Elimination of NTB Act.	2014
TMEA	NTBs Impact Study in the East Africa Community.	2012
TMEA	Development of a legally binding mechanism on elimination of non-tariff barriers in the East Africa Community	2012
TMEA	EAC load control bill	2012
Author unclear	Report of the COMESA, EAC and SADC Tripartite NTB focal points online system orientation and training workshop, 10 - 11 March	2011
TMEA	PAR 8 - Eliminating Non-Tariff Barriers to Trade	2011
TMEA	Project sheet 0126	2011
EAC Secretariat	5th EAC Regional Forum on NTBs – Report of the Meeting	2011
EAC Secretariat	EAC Time-bound Programme for Elimination of NTBs	2010
EAC Secretariat	4th EAC Regional Forum on Non-Tariff Barriers (NTBs)	2010
Author unclear	Report of the bilateral meeting between the Republic of Uganda and the	
	Republic of Uganda	TBC
Author unclear	List of NTBs removed to date	TBC
	TMEA Project 0930: Kenya - Trade Facilitation, Including NTBs and NMCs	
TMEA	Kenya NTBs Monitoring Plan	2015
ACE International	Proposal for establishment of a Kenya Trade Facilitation Central	
	Coordinating Mechanism	2013
TMEA	PAR: Support to Ministry of Trade for implementation of Kenya's new National Trade Policy and PSDS Goal 3	2011
	TMEA Project 1213: Rwanda NTB National Monitoring Committee	
TMEA	Rwanda National Monitoring Committee Project Workplan	2015
TMEA	Case study of the Rwanda freight sector	2015
TMEA	Rwanda National Monitoring Committee established Project Monitoring Plan	2015
ACE International	Review of Rwanda's national strategy for elimination o NTBs	2014

Author unclear	First draft report on Rwanda road transit time, cost and distance survey along the northern and central corridors	2014
TMEA	Rwanda National Monitoring Committee Project Progress: Oct – Dec	2014
TMEA	Project risk table	2014
Author unclear	Brief for a discussion on the elimination of NTBs in EAC: Progress, issues and perspectives	2013
MINICOM	Report on the field mission at Akanyeru and Nemba border posts in preparation for Rwanda - Burundi bilateral meeting	2013
TMEA	East Africa rising: Experiential survey on NTBs along the northern corridor (Kigali – Mombasa)	2013
Rwanda NMC	Report of the NMC on NTBs training session on MINEAC SMS feedback system and on the Rwanda online NTBs reporting system	2013
Rwanda NMC	Report of the NMC on NTBs training session on nature and classification of NTBs and their impact on trade competitiveness	2013
Rwanda NMC	Rwanda NMC report on removed NTBs	2013
TMEA	Rwanda's road freight industry competitiveness study	2013
MINICOM	Report of the 2nd Uganda Rwanda Joint technical committee on elimination of NTBs and promotion of cross-border trade	2013
MINICOM	MoU between MINICOM of Rwanda and the Uganda Ministry of Trade, Industry and Cooperatives on Elimination of NTBs	2012
TMEA	EAC Draft on legalizing the elimination of NTBs in offing	2012
MINICOM	Issue paper on current NTBs encountered by Rwanda along the central corridor	2012
Radio10	Letter of invitation to Capital Talk, discussing "Rwanda strategy on elimination of NTBs"	2012
TMEA	Brief to honourable Kanimba Francois, Minister of Trade and Industry	2012
Radio10	Capital Talk January - March 2013 schedule for Ministry of Trade and Industry	2012
TMEA	Capital Talk: The effectiveness of bilateral mechanisms in eliminating NTBs	2012
MINICOM	NTBs continue to undermine the free movement of goods	2012
Rwanda NMC	Report of the NMC members on advocacy strategies and approaches, Moriah Hill Resort Hotel 8- 9 November 2012.	2012
Rwanda NMC	Report of the NMC on NTBs training workshop on EAC customs union and common market protocols.	2012
Author unclear	Review of NTBs in Rwanda (in kinyarwanda): Kubaza bitera kumenya.	2012
Author unclear	Review of NTBs in Rwanda: UBUCURUZI BWAMBUKIRANYA IMIPAKA (CROSS BORDER TRADE) N'INZITIZI Z'UBUCURUZI Z'IDASHINGIYE KU MAHORO (NTBs): KUBAZA BITERA KUMENYA.	2012
Author unclear	Rwanda and Tanzania hold a bilateral meeting to enhance Trade and Investment relations	2012
Author unclear	Rwanda grains and cereals corporation well-timed to address farmer market access concerns	2012
MINICOM Rwanda NMC	Annex 1 National Strategy for eliminating non-tariff barriers. Rwanda NMC report on the field mission to identify NTBs located in	2011
	Uganda and Rwanda.	2011
TMEA	Report on the online system training on NTBs reporting and monitoring	2011
TMEA / MINICOM	National Strategy for Elimination of NTBs	2011
Rwanda NMC	NMC position paper: border-crossing related issues	2011

TMEA	Annex 1 - NMC Budget and implementation plan 2011 – 2013	2011
TMEA	Article in IGIHE.com (in Kinyarwanda)	TBC
TMEA	Cross border committees: institutionalising dialogue at borders to boost cross-border trade.	TBC
Author not specified	MINICOM – ITC Consultative meeting to discuss the draft survey report on non-tariff measures that affect Rwanda	TBC
TMEA	New move to boost Rwanda's road freight industry	TBC
TMEA	Project Sheet 1213 Rwanda Monitoring Committee	TBC
TMEA	TMEA Project 1319: Burundi NTB National Monitoring Committee Burundi National Monitoring Committee Project Workplan	2015
TMEA	Burundi NTB National Monitoring Committee Project Monitoring Plan	2015
TMEA	Burundi NTB National Monitoring Committee Project Progress	2015
Ministère du commerce, de l'industrie des postes et de tourisme	Burundi letter for postponement	2014
TMEA	Burundi National Monitoring Committee Project Progress: Oct – Dec	2014
TMEA	Burundi Strategy for the Elimination of NTBs (French only) ⁶⁷	2013
TMEA	Project Sheet 1319 Burundi	TBC
TMEA Project 1118: Tanzania NTM National Monitoring Committee – MIT		
Tanzania Planning Commission	The Tanzania Planning Commission 2025	2015
Tanzania Ministry of Industry and Trade	National non-tariff barriers elimination strategy	2015
NMC	Quarterly meeting minutes	2015
TMEA	Financial data for 1118 NTB National Monitoring Committee – MIT	2015
TMEA	NTB National Monitoring Committee Project Monitoring Plan	2015
TMEA	Tanzania NTB National Monitoring Committee Project Progress	2015
TMEA	NTB National Monitoring Committee Project Workplan	2015
TMEA	NTB National Monitoring Committee Project Progress: Oct – Dec	2014
TMEA	Project Sheet 1118 Tanzania Monitoring Committee	TBC
Author unclear	Tanzania: a brake on integration	TBC
TMEA Project 1045: Uganda NTB National Monitoring Committee		
TMEA	Mid-Term Review of Uganda Response Strategy for Elimination of NTBs	2015
TCCIA	Power point presentation on the NTB Reporting System	2015
TMEA	Uganda National Monitoring Committee Project Workplan - TMIS	2015
TMEA	Monitoring Plan_1045 Uganda NTB National Monitoring Committee – TMIS	2015
TMEA	Work plan: 1045 Uganda NTB National Monitoring Committee	2015
TMEA	Uganda NTB National Monitoring Committee Project Monitoring Plan	2015
TMEA	Uganda NTB National Monitoring Committee Project Progress	2015
TMEA	Progress report and analysis of the NTB Reporting System – inception	2015
Republic of Uganda	Second National Development Plan (NDPII) 2015/16 – 2019/20	2015
Uganda MTIC	Report of the quarterly meeting of the national monitoring committee of elimination of NTBs	2015
Uganda MTIC	Bilateral meeting on NTBs and other trade related matters with the Republic of Kenya	2014

TMEA	Report of the NMC fact finding mission and verification of hidden costs along the northern corridor	2014
Uganda MTIC	Study of the Mutukula OSPB	2014
Uganda MTIC	Report of the quarterly meeting of the national monitoring committee of elimination of non-tariff barriers – November 2014	2014
EAC	Brief for the Hon MTIC for the 6th summit of the northern corridor integration projects in Kigali	2014
Uganda MTIC	Paper prepared for the negotiation with the republic of Kenya on Uganda sugar exports to Kenya	2014
Uganda MTIC	National response strategy for elimination of NTBs Project: Report of commissioning the NTB Reporting System	2014
TMEA	Uganda National Monitoring Committee Project Progress: Oct-Dec	2014
Uganda MTIC	Bilateral meeting on NTBs and other trade related matters with the republic of Kenya at the Ministry of trade, industry and cooperatives	2014
Uganda MTIC	Meeting between the republic of Kenya, Rwanda and Uganda to discuss the export of sugar within the three countries	2014
Uganda MTIC	Report of Malaba stakeholder's training workshop on NTBs and NTB reporting system	2014
Uganda MTIC	Report on baseline survey occurrence of NTBs and awareness and use of the NTB reporting system	2014
Uganda MTIC	Report on sensitization workshop for members of Uganda Shippers Council on NTBs and NTB reporting system	2014
Uganda MTIC	NTB Reporting system communications materials	2014
Uganda MTIC	Report of commissioning of the NTB reporting system	2014
Uganda MTIC	Standard letter of agreement between Ministry of trade, industry and cooperatives and Uganda Police Force.	2014
Uganda MTIC	Communication Strategy Baseline Survey Report	2014
Uganda MTIC	NRSE – NTB Work Plan – 5th version	2014
Uganda MTIC	Report for the NRSE – NTB Project Planning Retreat, Entebbe	2014
Uganda MTIC	Report for the Project Management Unit Meeting held on 5th August 2014 at MTIC- Office of the Commissioner External Trade	2014
Uganda MTIC	MoU between MTIC and Uganda Clearing industry and forwarding association NTB reporting system / Information exchange facility	TBC
Uganda MTIC	MoU between MTIC and Uganda National Bureau of Standards on the NTB Information exchange facility	TBC
Uganda MTIC	MoU between MTIC and Uganda National Roads Authority on the NTB Information exchange facility.	TBC
Uganda MTIC	MoU between MTIC and Uganda Revenue Authority	TBC
TMEA	Project Sheet 1045 Uganda Monitoring Committee.	TBC
	TMEA General	
SAANA Consulting	Formative Evaluation of the Single Window for the Rwanda Revenue Authority Project	2015
TMEA	Theory of change as set out in 'The Propositions Underpinning TMEA's strategy 2014'	2014
TMEA	Results Framework	2014
TMEA	Monitoring, Evaluation and Learning approach	TBC
	NTBs General	
OECD	Principles for Evaluation of Development Assistance	2015

UNCTAD	A preliminary analysis on newly collected data on non-tariff measures. Policy issues in international trade and commodities study	2013
Nganga, Tabitha Kiriti for WTO	Barriers to Trade: The case of Kenya	2013
UNCTAD	Non-Tariff Measures to Trade: Economic and Policy Issues for Developing Countries	2013
EAC	Status of elimination of NTBs in the EAC	2012
EAC	An evaluation of the implementation of the EAC Customs Union	2009
World Bank	Overall Trade Restrictiveness Indices and Import Demand Elasticities	2012
Ihiga, Simon Ngatia	East African Community & East African Business Council (EABC) monitoring mechanism for elimination of NTBs in EAC.	2009
EAC	Report of the EAC High level forum on customs reform and implementation of a fully fledged customs union	2009
OECD	Measurement of NTBs, Economics Department Working Papers no 179	1997
WTO	Understanding the WTO: The agreements - Non-tariff barriers	N/A
World Bank	Kenya Economic Update: EAC Integration	2012
EAC	EAC General The East African Community Customs Union (Rules of Origin) Rules, 2015	2015
EAC	Treaty for the Establishment of the East African Community (As amended in 14th December, 2006 and 20th August, 2007)	2007
EAC	Protocol on the Establishment of the East African Customs Union	1999
Kenya Ministry of the EAC	Protocol on the Establishment of the East African Community Common Market	TBC
Kenya Ministry of the EAC	Annex 1: The East African Community Common Market (Free Movement of Persons) Regulations	TBC

Annex B: Stakeholders Consulted

First name	Surname	Organisation	Position
Regional and Results			
Alex	Rusita	TMEA	Results Director
Jose	Maciel	TMEA	Director NTBs and Standards
Elizabeth	Nderitu	TMEA	Programme Manager, Trade Facilitation (Non -transport)
Elizabeth	Mwangi	TMEA	Knowledge and Results Manager, PSO/CSO
Emma	Onsongo	TMEA	Knowledge and Results Officer
Kenya			
Joshua	Mutunga	TMEA Kenya	Programme Manager
Maria C	Limo	Kenya Association of Manufacturers	Executive Officer - Policy research and advocacy
Wakhungu	Juma	State Department of East African Affairs	/
James W	Musaw	Kenya Investment Authority	Research Policy and Planning
Bon	Wambue	Kenya Revenue Authority	Exports Manager
Joel	Iluve	Ministry of Land, Housing and Urban Development	Economist
Uganda			
Allen	Sophia Aasiimwe	TMEA	Country Director
Moses	Sabiiti	TMEA	Programme Manager
Sandra	Kirenga	TMEA	/
Ssali	Godfrey	Uganda Manufacturer's Association	Policy Analyst and Advocacy Officer
Angela O. Achieng	Barungi	Ministry of trade, industry and cooperatives	Project Coordinator
Kassim	Omar	NMC	Co-chair
Byro	Kinene	Lorry Drivers Association	/
Emmanuel	Alwine	Ministry of Trade	Senior Commercial Officer/ NTB Focal Point Officer
Mary	Amumpaire	Ministry of Trade	/
Sarah	Kibwika	Police	/
Stephen	Kasiima	Traffic Police	Head of Traffic Police
Tanzania			
Vonesai	Hove	EAC Secretariat	Tripartite NTBs System Administrator
Elibariki	Shammy	Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA)/ TMEA	NTBs Advisor
Josaphat	Kweka	TMEA	Country Director
Ramadhani	Msoma	TMEA	Programme Manager
Susan	Msaki	TMEA	Programme Officer
Zavery	Mdemu	MIT	TA NTBs Coordinator
Aneth	Simwela	MIT	Trade Officer, NMC Coordinator

First name	Surname	Organisation	Position
Daniel	Machemba	Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA)	Executive Director
Mwenze	Kabinda	TCCIA	IT Specialist
Stephen	Ngatunga	Tanzania Freight Forwarders Association (TAFFA)	President
Rwanda			
Happy	Mukama	RR Associates	Partner
Olivier	Rukundo Gasongero	Rwanda Standards Board	Head of imports inspection section
Maria C	Limo	Kenya Association of Manufacturers	Executive Officer - Policy research and advocacy
Grace	Muhorakeye	Coffee Exporters and Processors Association of Rwanda (CEPAR)	Executive Secretary
Hannington	Namara	TMEA Rwanda	Country Director
John Bosco	Kalisa	TMEA Rwanda	Senior Programme Manager
Anataria	Karimba	TMEA Rwanda	Programme Manager
Safari	Vincent	Ministry of Trade and Industry	NMC Coordinator
Burundi			
Aime	Nzoyihera	TMEA Burundi	Acting Country Director
Fidela	Sindihebura	Second vice presidency of the Republic of Burundi	Principal Adviser for Economic Affairs
Floribert	Nzoyihera	ABADT	Executive secretary
Patrice	Bazerukiye	Brarudi	NMC member
Jimmy	Manirakiza	Savonor/ Liquids	/
Jacqueline	Ndayizeye	Women's Association - AFAB	Vice Chairman
Anaclet	Birushabagabo	MINICOM	NMC Member
Benjamin	Muyakana	NMC on NTBs	National Coordinator

Annex C: NTB Project Outcomes and Outputs

The table below assesses the achievement of each project outcome and output. The outcomes and outputs have been taken from the projects' monitoring plans and assessed through the course of the field work (consultations and FGDs). The table has not been disaggregated to the indicator, target and actual levels due to gaps within and lack of updating of the monitoring plans which has been raised within the report and has contributed to the 'medium' confidence level ratings. Key overall findings have been set out within the Relevance section of the report.

Outcome/Output	Description	Assessment	Confidence Level
Project 0126: Regional			
Outcome 1	Relevant organisations remove NTBs and new NTBs are not imposed	Partially	Medium
Output 1	Regional online and SMS NTB Reporting and monitoring systems established and operational	Partially	Medium
Output 2	Review & revise regional & national NMC structures (e.g., sanctions, by-laws, organizational structure, membership)	Archieved	Medium
Output 3	Design and implement training for NMC members	Archieved	Medium
Output 4	Hold private sector outreach workshops/meetings	Partially	Medium
Project 1045: Uganda			
Outcome 1	Relevant organisations remove NTBs and new NTBs are not imposed	Partially	Medium
Outcome 2	NMC Secretariat strengthened	Archieved	Medium
Outcome 3	Increased number of stakeholders knowledgeable about NTBs	Archieved	Medium
Outcome 4	Increased number of coordinated actions on the elimination of NTBs	Archieved	Medium
Outcome 5	Action plans implemented in relation to elimination of particular NTBs	Partially	Medium
Output 1	Advocacy fora on NTB elimination established	Archieved	Medium
Output 2	Communications Strategy for NTBs implemented	Partially	Medium
Output 3	Uganda Positions in Bilateral and Regional NTB Mechanisms Submitted	Archieved	Medium
Output 4	Policy and position papers on NTBs developed	Partially	Medium
Output 5	Information Exchange Facility (IEF) linked to user institutions	Archieved	Medium
Output 6	Response Strategic plan and M&E system for NTB elimination revised	Archieved	Medium
Output 7	Capacity building of stakeholders undertaken	Archieved	Medium
Output 8	NMC restructured and legal framework developed	Archieved	Medium
Project 1118: Tanzania NTB NMC			
Outcome 1	Relevant organisations remove NTBs and new NTBs are not imposed	Partially	Medium
Output 1	TCCIA's programme on advocacy and monitoring of NTBs designed and delivered	Archieved	Medium
Output 2	Capacity building for NTB National Monitoring Committee implemented by June 2013	Partially	Medium
Output 3	Awareness, training, stakeholder consultation and study tours on NTB removal conducted	Partially	Medium

Outcome/Output	Description	Assessment	Confidence Level
Project 1319: Burundi NTB NMC			
Outcome 1	Relevant organisations remove NTBs and new NTBs are not imposed	Partially	Medium
Output 1	Burundi NMC National Coordinator recruited	Archieved	Medium
Output 2	Burundi NMC National Strategy, Action Plan and Monitoring Plan developed and validated	Archieved	Medium
Output 3	Burundi NMC for NTBs Action Plan implemented	Partially	Medium
Output 4	Burundi NMC operational	Archieved	Medium
Project 1213: Rwanda NTB NMC			
Outcome 1	Reduced non-tariff measure costs	Partially	Medium
Outcome 2	Relevant organisations remove NTBs and new NTBs are not imposed	Partially	Medium
Output 1	Procurement process for NMC Coordinator recruitment (phase 1b) completed	Archieved	Medium
Output 2	Strategic planning for NTB elimination developed	Archieved	Medium
Output 3	New NMC organisation designed and adopted	Archieved	Medium
Output 4	Research papers on priority NTBs produced	Archieved	Medium
Output 5	Bilateral dispute resolution mechanism established	Archieved	Medium
Output 6	M&E system for NTB elimination developed	Archieved	Medium
Output 7	NMC legal framework developed	Archieved	Medium
Output 8	National and regional NTB information systems established and operational	Archieved	Medium
Output 9	Active advocacy channels on NTBs established	Archieved	Medium
Output 10	Capacity building of NMC members designed and implemented	Archieved	Medium
Output 11	Regional dispute settlement system for NTB removal established	Partially	Medium
Output 12	Regulatory Impact Analysis (RIA) conducted	Partially	
Project 0930: Kenya Trade facilitation, including NTBs and NMCs⁶⁸			
Outcome 1	Partner states substantially increase the implementation of a comprehensive framework for regional integration	N/A	Medium
Outcome 2	Ministry of Trade improves the promotion and/or facilitation of trade	N/A	Medium
Outcome 3	MOT improves its organisational (e.g. financial management, monitoring and evaluation) management	N/A	Medium
Outcome 4	MOT staff improve their knowledge and skills in designing, implementing trade policy and trade facilitation reforms	N/A	Medium
Output 1	New National Trade Policy implemented	N/A	Medium
Output 2	Trade negotiations completed	N/A	Medium
Output 3	Trade facilitation strategy implemented	Partially	Medium

⁶⁸ Support to the elimination of NTBs falls under output 3 only.

Annex D: NTB Project Activities – Target and Actuals

Data taken from NTB project monitoring plans and triangulated through stakeholder consultations where possible (see Annex C and paragraph 2.29 in the report for limitations). Shading has been added: green (achieved); grey (unknown); and red (not achieved)).

Project title	Planned Activity	Target	Actuals	Confidence level
0126 Regional – Elimination of NTBs	Addressing recurrent NTBs: Harmonisation of road tolls and Tanzania tobacco content requirement	2	0	Medium
	Resolve NTBs	20	0	Medium
	Reduce number of new reported NTBs	14	0	Medium
	Establish and operationalise regional online and SMS NTB reporting systems	0	-	Low
	Review & revise regional & national NMC structures (e.g., sanctions, by-laws, organizational structure, membership) – Meetings held	Quarterly	No complete data – 3 were held in 2014	Medium
	Review & revise regional & national NMC structures (e.g., sanctions, by-laws, organizational structure, membership) – Research and position papers	-	-	Low
	Conduct training for NMC members	0	No Complete Data	Medium
	Hold private sector outreach workshops/ meetings	-	-	Low
0930 Kenya - Trade facilitation, including NTBs and NMCs	Relevant agencies remove NTBs from the EAC matrix by Dec 2016	15	0	Medium
	Prepare position papers and policy briefs for principals at the Ministry	-	0	Low
	Position taken on trade negotiations	-	-	Low
	Sensitise stakeholders on trade negotiations	-	-	Low
	Central Coordinating Mechanism on NTBs established	1	1	Medium
	Review operating mechanisms	1	1	Medium
	NMC members inducted	2	0	Medium
	Support 10 th WTO conference	1	-	Low
	Draft trade bills	2	2	Medium
	Operationalise Trade Policy Reference Centre	1	1	Medium
	Prepare action plan for Kenya	1	0	Medium
	Build M&E capacity for staff	5	0	Medium

Project title	Planned Activity	Target	Actuals	Confidence level
1045 Uganda – NTB National Monitoring Committee	NTBs removed by relevant organisations	14	20 (40 were eliminated since 2008)	Medium
	Implementing a communications strategy	1	1	Medium
	Conduct baseline survey on attitudes and practices in relation to NTBs	1	1	Medium
	Increased stakeholder awareness of NTBs	5	10	Medium
	Conduct stakeholder workshops	1	5	Medium
	Conduct media training workshops	1	1	Medium
	Communications materials developed and disseminated	1	-	Low
	MoUs on NTBs signed	3	52	Medium
	Policy and position papers developed	6	9	
	Information Exchange Facility set up	1	1	Medium
	Papers developed in selected areas for negotiation	6	9	Medium
	Response strategy and M&E system revised	1	1	Medium
	Training of stakeholders on reporting mechanisms	13	125	Medium
	Stakeholder knowledge of NTB: access to relevant information, NMC meeting reports completed, communications campaign established.	7	10	Medium
	Collective interagency actions taken on NTBs	3	8	Medium
	Develop draft bill on establishment of NMC Institutional Framework	1	0	Low
1118 – Tanzania NTB National Monitoring Committee	Action plans implemented for elimination of NTBs	80%	-	Low
	TCCIA's programme on advocacy and monitoring of NTBs designed and delivered – TCCIA staff knowledge increased	75%	-	Low
	NTB database populated	Over 576 entries	-	Low
	Facilitate changed behaviour as a result of TCCIA provision of information	75%	-	Low
	Capacity building for NTB NMC – TCCIA run meetings on NTBs	8	-	Low
	Awareness, training, stakeholder consultation and study tours on NTB removal conducted - MIT	Over 16	-	Low

Project title	Planned Activity	Target	Actuals	Confidence level
	Awareness, training, consultation and study tours on NTB removal conducted – media share information	Over 300 mentions		Low
1213 - Rwanda NTB National Monitoring Committee	NTBs at a bilateral level eliminated	50%	60%	Medium
	Domestic NTBs removed	75%	87.5%	Medium
	National Strategy for elimination of NTBs developed and implemented	1	1	Medium
	Improve representation of the private sector	60%	60%	Medium
	NMC secretariat established and operational	1	1	Medium
	Policy and position papers developed	3	4	Medium
	Facilitate bilateral meetings	4	2	Medium
	Facilitate establishment and operationalisation of joint border committees	4	2	Medium
	Establish M&E system for NTB elimination	1	1	Medium
	National and regional NTB information systems established and operational – No of complaints from the private sector	14	12	Medium
	Facilitate stakeholder engagement – meetings	15	11	Medium
	Facilitate NMC conferences on NTBs	1	0 ⁶⁹	Medium
	Training of NMC members	4	2	Medium
	NTBs resolved through regional dispute resolution mechanism	10% minimum	-	Low
	Conduct regulatory impact analysis	-	-	Low
1319 - Burundi NTB National Monitoring Committee	NTBs removed by relevant organisations	100%	94%	Medium
	Burundi NMC recruitment and NMC representation active	✓	✓	Medium
	Strategic plans made available to stakeholders	1	1	Medium
	Facilitate implementation of NTB Action Plan	1	1	Medium
	Facilitate quarterly NMC meetings	4	4	Medium

Annex E: NTB Project Budget Expenditure

Budget Item	US\$ '000				
	2011/12	2012/13	2013/14	2014/15	Sub-total
			Regional		
Services and consultants	26	273	48	157	504
Materials and supplies					
General expenses		4		46	50
Travel		142	209	72	423
Sub-total	26	419	257	275	977
			Kenya		
Services and consultants			346	108	454
Materials and supplies					
General expenses			1	0	1
Travel			5	34	39
Sub-total			352	143	495
			Uganda		
Services and consultants		104	138	321	563
Materials and supplies		39	43	24	106
General expenses		12	5	29	46
Travel		53	76	40	169
Sub-total		208	262	413	883
			Tanzania		
Services and consultants		105	150	393	648
Materials and supplies		114		7	121
General expenses		9	36	1	46
Travel		13	86	247	346
Sub-total		241	272	648	1,161
			Rwanda		
Services and consultants	110	310	390	150	960
Materials and supplies		0		0	0
General expenses		4	12	12	29
Travel		12	12	7	36
Sub-total	110	326	414	169	1,025
			Burundi		
Services and consultants	87	79	57	57	279
Materials and supplies		0			0
General expenses		11		5	16
Travel		11	8	8	27
Sub-total	87	101	65	69	322
TOTAL	223	1,295	1,627	1,717	4,863

Annex F: Case Studies

Case Study 1: The EAC Elimination of NTB Act – A review of landmark legislation

The NTB Act aims to give effect to the second clause under Article 13 of the Customs Union, by establishing a legal mechanism for identifying and monitoring the removal of NTBs. The NTB Act provides as follows:

Part I (preliminary provisions) – defines the objective as enhancing and facilitating trade in goods within the EAC through the removal of conditions which affect and distort trade, the creation of an environment which is conducive to trade and effective movement of goods, and the removal of the restrictions which make imports and exports difficult or costly. Part I also adopts the WTO's categorisation of NTBs as the one applying to EAC Partner States.

Part II (prohibition of activities that create NTBs) – requires Partner States to review their trade practices, customs procedures and other measures in place to remove existing NTBs.

Part III (National Monitoring Committees and National Focal Points) – determines the establishment by each Partner State of a NMC, consisting of representatives of the Government and the private sector, to support the elimination of NTBs. Part III also determines the establishment by each Partner State of a National Focal Point, consisting of a Ministry, to act as secretariat of the NMC.

Part IV (procedure for Elimination of NTBs) – identifies three mechanisms to eliminate NTBs: mutual agreement of Partner States; implementation of the EAC Time Bound Programme for Elimination of NTBs; and regulations, directives or recommendations of the Council of Ministers. There is a dispute resolution process which refers the matter to the Secretary General and then Council of Ministers, rather than the EAC Court of Justice.

Part V (general provisions) – allows Partner States to take temporary provisions in the interest of defence and security, public safety or public health, which would otherwise amount to NTBs, provided that other Partner States are notified of the temporary measure. Finally, Part V states that the EAC Elimination of NTBs Act takes precedence over laws of Partner States.

According to interviews, the NTB Act, whose development was supported by TMEA, is generally well regarded by NMC representatives as it is believed it will help support the elimination of NTBs. A great value of the NTB Act is the possibility for the Council of Ministers to recommend to the Summit the imposition of sanctions against a Partner State, which fails to comply with any directive, decision or recommendations of the Council. However, the NTB Act has also given rise to some concerns. Some interviewees expressed the desire for the EAC Court of Justice to have jurisdiction over trade disputes as it is viewed as the overarching and politically-independent organ for ensuring compliance with the Treaty and Protocols. Another broad and shared concern linked to the implementation of the NTB Act relates to insufficient sensitisation at the grass-root level, so among small-scale traders in particular who tend to be most affected by NTBs, in relation to what NTBs are and how it is possible to report them, and request and support their elimination. Notwithstanding these concerns, the NTB Act remains a landmark milestone in the work in support of the progressive elimination of NTBs within the EAC, though it will require collective and political support as it is put into action.

Case Study 2: Rules of Origin – Challenges in resolving NTBs

The purpose of the EAC Rules of Origin is to implement the provisions of Article 14 of the Customs Union Protocol – setting out criteria for distinguishing between goods produced within the EAC and, therefore, eligible for EAC preferential treatment against those produced outside the EAC customs territory that attract duties specified in the CET (EAC, 2006)⁷⁰. The EAC Customs Union RoO Rules 2015 are intended to spur intra-EAC trade by being more flexible for the private sector to comply with. However, at present, many NTBs relate to the interpretation of RoO, and challenges have arisen such as the following:

Motor Vehicles: Kenya is the largest motor vehicle assembler and importer in the EAC. It imports car parts from outside the EAC and then assembles cars in Kenya, creating jobs and reducing costs. Through such process, cars satisfy the ‘value addition’ criterion for the RoO test and are considered as originating from Kenya. However, there have been instances where Kenya has been unable to export cars assembled on its territory to EAC markets under the preferential treatment principles. An illustrative example, filed on the Tripartite online NTB-reporting system in September 2015, is the one of General Motors. General Motors were charged a duty when exporting four vehicles to Tanzania at the Namanga border post, notwithstanding presenting copies of the EAC Certificate of Origin (CoO), the commercial invoice, the import duty assessment document and the import duty payment note. This NTB has recently been considered resolved, yet there are many instances where RoO issues are reported requiring Partner States to go through the EAC Time Bound Programme on Elimination of Identified NTBs mechanism, rather than resolving bilaterally and sometimes with the NTB reoccurring again in the future.

Rice: Over the past ten years, the demand for rice in East Africa has grown rapidly while productivity and production growth have lagged behind thus leading to sizable and growing imports. Over the years, trading of rice produced in, and exported to, Partner States has faced restrictions and impositions of duties due to lack of recognition of RoO, adding to the cost of doing business and resulting in loss of market for farmers and traders. An example is the case of Tanzania, as not long ago Tanzanian rice was restricted entry into neighbouring EAC markets, based on a claim that the rice was not originating from Tanzania. The EAC conducted an investigation and concluded that the rice did originate from Tanzania and could be exempted from the CET. However, during a surveillance mission in Kahama, the research team witnessed people mixing imported rice from Thailand with local rice! The workers confessed to what they were doing. Flooding the regional market with foreign rice causes price distortion, affects local production and can be subject to criminal sanctions i.e. in Rwanda a trader was recently jailed for two years for importing rice without a CoO. This illustrates the importance of both appropriately designing non-tariff measures but critically the challenges in appropriately implementing them.

Case Study 3: The SMS reporting system impacting informal traders, including women

Africa is at the centre of a mobile technology revolution which is already benefiting traditionally disadvantaged groups. According to interviews, SMS appears to be the most preferred means for informal traders to report NTBs. Although there exists online NTB reporting systems at the national level in Rwanda, Uganda and Tanzania utilizing SMS, as well as a Tripartite online system (<http://tradebarriers.org/>), these rely on sufficient awareness raising and ensuring they can be understood in appropriate local languages. TMEA supported advocacy efforts have increased the number of both formal and informal traders being aware of the existence of NMCs and phone numbers of NMC representatives. The following examples were recounted in interviews:

- On one occasion, a woman trader had been stopped at the Rwanda border asking her to pay a bond in order to take cultural goods to an exhibition in Rwanda. Having received a SMS text, the Tanzania NMC coordinator was able to call back the woman trader (saving her airtime) and reassure her that the money going into the bond was only a tax guarantee in case she were to sell any goods, and if she does not, the bond would be given back to her when crossing the border back to Tanzania. The following morning, the woman trader paid the bond and successfully crossed the border to attend the exhibition.
- On another occasion, a NMC member supported a Ugandan trader wishing to attend an East African trade fair in Tanzania to enter the country at the Mutukula border. The Tanzania Revenue Authority had stopped the Ugandan trader, who was carrying hair products, asking for the payment of a bond of US\$800. The trader was carrying a letter from the Uganda Revenue Authority saying that he was exempt from paying the bond. However, at the border the Tanzania Revenue Authority had not been notified of the letter. After receiving a SMS text from the trader, the NMC coordinator went in person to the Tanzania Revenue Authority and helped resolve the matter so that the Ugandan trader could successfully cross the Mutukula border and attend the trade fair.

In addition, there are also examples of NMCs using SMS text (direct, not via the system) to notify each other of issues to address. For example, a Kenya NMC member recently texted a Burundi NMC member to report a problem with a Kenyan company, Kaluworks, not being afforded preferential treatment at the Burundian border. The Burundi NMC coordinator provided help by writing a letter to the Customs Department of the Burundi Revenue Authority, which resulted in the Kenyan company being given the appropriate preferential treatment.

(For agreed modifications with TMEA see the final inception report)

1. Background

TradeMark East Africa (TMEA) programme aims to improve trade competitiveness in East Africa by reducing transport time/costs and improving the trade environment. It targets an increase in trade of 10% (above trend) by 2016, contributing to sustained economic growth and poverty reduction. TMEA was officially launched in February 2011 as a specialist not-for-profit agency to implement a programme to promote trade growth in East Africa. TMEA is currently funded by the UK, Belgium, Canada, Denmark, Finland, Netherlands, Sweden and USA. TMEA's secured budget to date totals about £330 million (\$540m). The programme is currently scheduled until December 2017 with the possibility of a new programming phase beyond that.

With the adoption of the EAC common external tariff and the fall of tariffs for intra-EAC traded products, NTBs have become a serious challenge to regional trade and integration in East Africa. They account for a significant proportion of the high transportation costs in the EAC, which are estimated to be 60-70% higher than in the U.S. or Europe, and 30% higher than in Southern Africa. These unwelcome barriers drive up business costs of importing and exporting goods, make business globally uncompetitive, and increase prices to consumers across the entire region. SPS related NTBs comprise of about 32% of all NTBs on the time-bound programme. Article 13 of the EAC Customs Union provides for immediate removal of all existing NTBs on importation of goods originating within the region, and thereafter not to impose any new NTBs after entry into force of the Customs Union (2005). NTBs originate from rules, regulations and laws that negatively affect international trade, except for tariffs.

The EAC Secretariat, national Ministries of Trade and the MEACs (Ministries for East African Community Affairs) and the private sector are supported by TMEA to transform the existing NTB reporting and elimination mechanism into an effective tool to eliminate NTBs. Eliminating NTBs is one of the highest priorities for the EAC Secretariat and member states, although this process has been unsuccessful to date. The regional and country-specific assistance supported in this programme includes a multi-disciplinary approach to revamp the existing NMC (National Monitoring Committees); reviewing the NTB complaint mechanism; establishing an effective dispute resolution mechanism common to COMESA and SADC; and implementing an online reporting mechanism for NTBs throughout the EAC.

The programme's expected impact is a reduction in transportation and related costs along the key corridors in East Africa associated with NTBs. It is expected that relevant organizations remove NTBs and do not reinstate them and that NTB National Monitoring Committees produce accurate and timely reports against work plans. The 14th EAC Regional Forum on NTBs held on 25th – 27th February, 2014 in Arusha reported that at that time, 24 NTBs were unresolved; Nine NTBs were reported as new and two NTBs were resolved in the 14th NTBs Forum; Sixty-two NTBs had resolved cumulatively. The meeting indicated that the country with the most NTBs imposed was Tanzania with 11, Kenya 10, Uganda 9 and Burundi and Rwanda 6 each.

TMEA's approach to eliminating NTBs involves working from the ground level with the main stakeholders, including business and civil society organizations that will monitor and oversee progress on eliminating NTBs at national and regional levels. TMEA also applies a multi-disciplinary approach at both regional and country level to address the issue of NTBs across the EAC which includes: revamping existing NMC (National Monitoring Committees); reviewing the NTB complaint mechanism; establishing an effective dispute resolution mechanism common to COMESA and SADC; and implementing an online reporting mechanism for NTBs throughout the EAC.

2. Purpose

TMEA aims to conduct a formative evaluation to measure the relevance, effectiveness, efficiency, impact and sustainability of the TMEA-supported NTBs interventions at the national and regional levels (further details are contained in the project sheets annexed). Specifically, the evaluation will seek to gauge progress towards the intended impact (a reduction in transportation and related costs associated with NTBs along the key corridors in East Africa).

The evaluation will also highlight the successes since the programme began in 2011, the challenges faced during implementation of the programme and the lessons learnt. The evaluation will also seek to establish whether the support TMEA is offering is sufficient and/or if there are better alternatives to ensure sustainable NTBs elimination strategies. The evaluation is also expected to make recommendations on how to improve effectiveness and efficiency in programme management and document lessons learnt.

3. Recipient

The primary audience for the evaluation is TradeMark East Africa (TMEA), the joint evaluation group, the relevant partners, the EAC, member states, their key stakeholders as well as development partners. The findings are also expected to be used by TMEA and the PIC to inform the on-going implementation of TMEA's strategy and in particular, those sub-strategies that concern reducing trade costs.

4. Evaluation scope and objectives

The formative evaluation will address the following 5 key questions:

i) Relevance:

The evaluation will answer the following questions:

Are the interventions well in tune with the trade policies and administrative systems of the partner country government and EAC policies and systems?

Are the interventions consistent with TMEA's policies and priorities? Is the intervention consistent and complementary with activities supported by other programmes in TMEA and/or by other donor organizations?

ii) Effectiveness:

The following key questions will be answered:

To what extent were the objectives achieved / are likely to be achieved?

If gender⁷³ mainstreaming targets were set at project inception, did the programme achieve the targets, if not what were the challenges?

iii) Efficiency

The evaluators will answer the following key question:

To what extent was the programme cost effective in use of resources in implementation of the interventions (achieved good Value for Money)?

iv) Impact

The evaluation will answer the following key questions:

What was the current and likely impact (intended and unintended, positive and negative) of the intervention? What is the current and likely impact of the intervention on reduced cost of doing business in East Africa, enhanced export competitiveness and increase in trade flows?

How has the intervention affected the well-being of different groups of stakeholders?

To what extent can identified changes be attributed to the intervention? What would have occurred without the intervention?

To what extent can identified changes be attributed to the intervention? What would have occurred without the intervention?



⁷³ Efforts to mainstream gender across TMEA have been relatively recent. For this reasons most of the projects did not have a policy to measure and monitor the different impact on men and women at project inception. The main purpose of including gender in the evaluation is to map out the existing gender practice, draw on the lessons learnt and assess

v) Sustainability

Sustainability is the continuation or longevity of benefits from a development intervention after the cessation of development assistance. The Evaluators will answer the following questions:

What benefits (both social and financial) of the programme are likely to be sustainable and would continue with or without TMEA (staffing and funding)?

vi) Lessons Learnt

What are the lessons learnt that are relevant beyond TMEA?

Further sub-questions to assist in the interpretation of the 5 key evaluation questions above are hereby attached as Annex 1.

5. Methodology

TMEA seeks the most robust evaluation design and methodological approach that is appropriate for the scope of the programme, resources, and audience. The consultant is expected to use scientific and technically sound methods of collection and analysis data. The mixed methods approach is preferred in this evaluation to appropriately assess the processes and impacts of interventions. The consultant will treat the evaluation questions as a hypothesis and use scientific methods to verify them. Methodology to be used should be tailored to the problem at hand and the resources available. Data collection methods used may include: analysis of desk Survey (Secondary data), informal and formal stakeholder interviews, focus groups, and data triangulation.

The consultants should aim to collect only information that will be of use and that will achieve high response rates. The consultant should consider opportunities to adjust data collection to optimise it across other TMEA evaluation work. The consultant must employ multiple mechanisms to ensure data quality and appropriate levels of validation. Bidders are required to justify the evaluation approach they intend to use. Desk Survey: The desk review will entail a detailed review of relevant project documents that will be availed by TMEA and the project partners. These will include the Project Appraisal Reports (PAR), project work plans, monitoring plans (including results chains), risk plans, quarterly and annual progress reports, TMEA Theory of Change/Strategy, EAC elimination of NTB Act, Rwanda National Strategy for NTBs elimination, EAC NTBs Legally binding mechanism report, NTB forum reports. The evaluators will also undertake a review of relevant literature including relevant policies and technical documents/publications relating to the assignment.

Interviews and focus group discussions: The evaluators will have the options of conducting structured and semi structured interviews as well as focus group discussions and Key informant interviews for information gathering. Due attention will be paid to language to ensure effective communication. Key informant interviews will be conducted TMEA Programme staff and Directors, project staff and partners from the National Monitoring Committees (NMC) in Kenya, Uganda, Tanzania, Rwanda and Burundi, EAC Secretariat. Please include traders, transporters, freight forwarders etc. (market players).

As noted in UNCAD's "Non-Tariff Measures to Trade: Economic and Policy Issues for Developing Countries (<http://goo.gl/jNkD7P>):

There are several different methodologies that can be applied in the quantification of the effect of NTMs on trade and welfare. The main objective in the quantification of NTMs will be to produce estimates of price effects and translate them into the ad valorem equivalent (also referred to as implicit tariffs or implicit rates of protection). These are often reported as the percentage change in the price of the good due to the presence of NTMs. This approach is particularly attractive as it would synthesize in one single, easily comparable metric the impact of an instrument with multiple dimensions which are often interrelated.



the challenges faced to inform the design of the TMEA gender policy and incorporate gender issues into the TMEA phase II programme.

Throughout the evaluation, lessons learnt should be identified and evidence/ content analysis should be captured in form of comprehensive case studies (minimum of at least 5 case studies).

Project Site visits and case studies: The project sites will be visited (border posts where most of the trade flows through and where equipment has been installed as well as the border points where communication has been undertaken) and the target beneficiaries will be interviewed to ascertain their perspective and experiences. When possible, photos, video clips and audio recordings of the interviews will be collected. Case studies showcasing positive impact should be developed where applicable.

Information from different sources, e.g. existing documentation and interviews, focus group discussions will be triangulated.

The evaluation team will also develop an assessment tool, outlining project management criteria and standards which will be presented to TMEA for feedback and discussed with the Joint Evaluation Group (JEG) for adoption. The purpose of the assessment tool is to develop a common understanding of the standards applied for the formative evaluation.

6. Expected Deliverables

The elimination of NTBs to trade formative evaluation consultancy team is expected to provide the TMEA with the following deliverables:

- A detailed inception report with a work plan and draft data collection tools one week after signing the contract. The detailed inception report should comprehensively demonstrate the technical approach (and data collection tools) that will be effectively and efficiently address the evaluation questions within the consultancy timeframe;

- A 1st draft evaluation report presented to TMEA and the Joint Evaluation Group for review and input;

- A 2nd draft evaluation report that will be presented to the Joint Evaluation Group, TMEA Senior Management and Leadership Teams and relevant country and regional programme staff and Directors for review and validation; and

- A final draft evaluation report that will be presented to the TMEA Programme Investment Committee (PIC) for adoption. The final report will be a written report (Ms Word) with an executive summary and a Power point presentation on key findings, conclusions and recommendations.

The evaluation report shall be written in English, be of no more than 20 pages (excluding annexes), use numbered paragraphs and should be structured into 3 sections; the first part will be devoted to the evaluation of the relevance, effectiveness and efficiency of the project; the second part will provide an analysis of impact, sustainability and the scaling up of the project approach; and the third part will focus on recommendations for future directions to be included into the Phase 2 of the project strategy/PAR. Annexes will provide detailed information collected during field visits (focus discussion reports, summaries of interview sheets, summaries of responses to questionnaires). During the interviews and trips, the Evaluators will take photos at project sites and record and take some photos during some of the interviews of the stakeholders which will be submitted along with the reports at the end of the evaluation. For these multimedia products, email and phone contacts will be provided.

7. Commencement date and period of execution

The formative evaluation will be executed within a period of 6 weeks from signing the contract. A detailed work plan with clear and measureable deliverables and timelines should be included in the technical proposal for this consultancy and the awarded consultant(s) will develop and finalise the proposed work plan and budget (as part of the inception report) within 1 week of starting the assignment.



Schedule of deliverables

Date	Deliverables
Contract signed	17 July 2015
Inception report	07 August 2015
First draft project evaluation report	09 September 2015
Second draft project evaluation report	22 September 2015
Final draft project evaluation report	02 October 2015

8. Budget for evaluation

The budget for this evaluation will not exceed USD 80, 000.00. Any bidder whose financial proposal exceeds USD 80,000.00, shall be disqualified.

9. Qualifications

To ensure the independence of the evaluation and the credibility of the findings, the evaluation will be conducted by a team of external consultants identified through a transparent selection process. The team will include members with an appropriate balance of expertise in evaluation methodologies, relevant technical expertise and practical experience. The team should include an experienced East African for local and regional context. The Evaluation team leader is expected to be an evaluation professional with substantial successful experience leading and managing evaluation assignments, particularly relating to trade facilitation in developing countries and have in-depth knowledge of the latest evaluation methodologies. The team leader should have at least 10 years' experience.

The team should have a member with strong experience in evaluation of the impact of NTBs to Trade as well as someone with good qualitative and quantitative skills. The team should have fluency in English, French and ideally have a Kinyarwanda and Swahili speaker.

The Evaluation team should combine the following expertise and experience:

- Experience of designing and undertaking evaluations of multi-component development programmes, using mixed methods approaches that meet recognised standards for credibility and rigor;

- Education qualification of at least a Master's Degree (Team Leader) and Bachelor's Degree (Team members) in Development Studies, Economics or relevant Social Sciences;

- Demonstrated experience of using evaluations as a tool for lesson-learning both during programme implementation and beyond;

- Strong stakeholders management skills and ability to work flexibly with donors, partner countries, private sector entities; demonstrated ability to manage and sensitive relationships tactfully and productively;

- Strong understanding of the strengths and limitations of different designs and how to interpret and present findings accurately to both researchers and non-researchers;

- Strong understanding and demonstrated experience of various quantitative and qualitative evaluation methodologies for demonstrating impact;

- In-depth knowledge and understanding of international and regional trade, barriers and issues affecting trade and on-going mechanisms to address the problems at the regional level;

- Understanding of the possible impact of NTBs to a range of other areas (e. g. business costs, revenues, poverty) on different segments of the population, and ability to generate data to analyse project/programme effects for these (e.g. women vs. men, low income vs. middle income, rural vs. urban, etc.);

- Understanding of social inclusion and gender issues in programming in East Africa;

- Strong communication skills - being strategic as well as able to communicate complex studies and findings in an accessible way for non-technical people; and

Selected company should have quality assurance processes in place.

10. Implementing Arrangements

The Evaluator will be responsible for all logistic arrangements required to conduct the evaluation work. TMEA will facilitate convening of meetings and site visits where necessary. All relevant expenses should be covered by the evaluation contract budget.

The evaluation consultant will report to TMEA Results Director, who will manage day to day contractual and organisational issues with the evaluation team, monitor implementation progress, and provide progress updates to the Joint Evaluation Group (JEG). The evaluation consultant will work closely with the TMEA enhanced trade environment regional and national teams, Strategic Objective Team Leader, and relevant partner staff.

Governance and quality assurance may be further strengthened by peer reviews. The role of the peer reviewers is to review the scientific and technical quality of the independent evaluation; to ensure that the design and implementation of the evaluation is robust and credible, and will stand up to external scrutiny. Peer reviewers inputs will be coordinated by the Results Director.

The evaluation report will be presented to the JEG and subsequently to the TMEA programme Investment Committee (PIC) for review, quality assurance, acceptance and final sign off.

Annexes to the Terms of Reference:

Annex 1: Indicative sub-questions for key questions in Section 4 (Evaluation scope and objectives); and

Annex 2: List of documents to be reviewed: Due to the size of the documents, this will be submitted on request through the procurement email address indicated on Clause 17 above.

Formative Evaluation of TMEA projects on NTBs to Trade

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Annex 1: Indicative sub-questions for key questions in Section 4 (Evaluation scope and objectives)
Effectiveness

1. Did the programme and related projects within it have systems in place for tracking the effectiveness of progress towards stated desired short and mid-term outcomes? Were these systems used to make decisions to change activities accordingly?

2. How well did the implementation approach respond to the changing demands of the situation?

3. What were the major factors influencing the achievement or non-achievement of the objectives?

Impact

1. What do beneficiaries (men and women) and other stakeholders affected by the intervention perceive to be the effects of the intervention on themselves? What real difference has the intervention made to the beneficiaries?

2. To what extent can changes that have occurred during the life span of the intervention or the period covered by the evaluation be identified and measured?

3. To what extent can identified changes be attributed to the intervention? What would have occurred without the intervention?

4. Have plausible alternative explanations for identified changes been considered and convincingly ruled out?

5. Have measures been taken and been successful in mitigating potential negative impacts on any sub-groups, in particular poor people in localized areas?

Relevance

1. Have the interventions been developed with the inclusion and participation of project partners?
2. Are the interventions technically adequate solutions to the trade facilitation problem at hand? Does it eliminate the main causes of the problem?
3. Do the proposed innovations have a potential for replication?
4. Are the activities and outputs of the programme consistent with the overall goal and the attainment of its objectives?
5. Are the activities and outputs of the programme consistent with the intended impacts and effects?
6. To what extent are the objectives still valid?

Sustainability

1. Are requirements of local ownership satisfied? Did partner country stakeholders participate in the planning and implementation of the interventions?
2. Do partners have the financial capacity to maintain the benefits from the interventions when TMEA support has been withdrawn?
3. Are the interventions consistent with partners' priorities and effective demand? Is it supported by local institutions and well integrated with local social and cultural conditions?
4. Is the technology/equipment utilized in the intervention appropriate to the economic and educational conditions in the partner country?
5. Do the projects have a clear and comprehensive exit strategy that was regularly monitored?
6. How can the programming approach for Standards Harmonization and conformity testing be improved?
7. What should be the essential components of a future exit strategy in order to sustain impact?
8. What were the major factors, which influenced the achievement or non-achievement of sustainability of the programme or project?
9. To what extent, were these issues known before the end of the project or programme and what was done to mitigate them?

Efficiency

1. Has the evaluated intervention been managed with reasonable regard for efficiency?
2. Were activities cost-efficient?
3. Were outputs and outcomes achieved on time?
4. In which activities/component does the project achieve higher VFM and what are the lessons learnt for driving greater VFM?
5. Could more of the same result have been produced with the same resources?
6. Could an altogether different type of intervention have solved the same trade facilitation problem but at a lower cost?
7. To what extent was risk management integrated in the programme? How often were risks identified, analysed and incorporated in programme design?
8. How efficient and effective were the management and administration systems and procedures including programme results framework and reporting?
9. What is the estimated equivalent money value of the benefits and costs to fund the project?
10. What is the cost savings which derive from standards harmonized today in intra EAC Trade?

Coherence

1. Was the programme governance model comprehensive, clear and appropriate for the effective management and delivery of the programme and related projects? To what extent did all actors pull in the same direction?
2. Is the complementarity and coordination between national and regional levels optimal throughout all programme components and activities? What is the effect of constraining factors?
3. What have been the strengths and weaknesses of the working model observed to date?
4. To what extent has the mix of interventions within TMEA or by different partners contributed to optimize the impact of the support?
5. To what extent were the projects linked to other projects within the TMEA Results framework?