



IMPROVING SMALL-SCALE CROSS-BORDER TRADER EXPERIENCES: POLICY BRIEF

DECEMBER 21, 2021

RATIONALE/BACKGROUND

As part of the Global Integrity: Anti-Corruption Evidence Programme, our team conducted four mobile phone surveys of over 1600 Kenya- based small-scale cross border traders in Busia, Malaba and Taveta. Surveys started in December 2020 and ended in June 2021. We asked questions on the impact of COVID and COVID restrictions on their businesses, the kinds of payments including irregular payments they are asked for, levels of comfort and also their thoughts on current policy initiatives including the One Stop Border Post, Trade Information Desks and cross-border market development. We discussed and validated some of the results from the surveys in a meeting with traders in Busia on 15, November 2021. Traders overwhelmingly asked for results from our research to be shared with government agencies and civil society organisations. With this in mind, this policy brief highlights high-level findings and concrete policy action points.

FINDINGS

With COVID, large number of small-scale cross border traders were adversely impacted and diverted their trading to local markets. Women traders, typically having less capital than men, were more likely than men to stop engaging in cross border trading. Almost all traders said they would return to cross-border trading as conditions get better. The most helpful way to support these traders- according to them- is by providing access to capital.

1. POLICY ACTION

Provide COVID mitigation support for small-scale cross-border traders with a focus on women traders who have been hit the worst.

At most borders, COVID documents were not necessary. Traders are generally supportive of how the government implemented COVID measures and felt they were fair. However, most felt corruption has increased creating further hardship and the complaint mechanisms currently do not work well.

2. POLICY ACTION

Work to improve corruption surveillance and reporting. Complaints mechanisms should be widely explained and made easy to use in an anonymous way. Rather than focus on individual cases alone, oversight authorities should look at the volume and seriousness of reports from large numbers of traders that should trigger intervention. Borders should be rated by the people who cross them in terms of service quality. We found that direct mobile phone reporting of border conditions using a platform like Sauti platform. Further, enabling traders to grade border service may be a good idea to try.

Men report higher than average “kitu kidogo” to cross the border compared to women. Men also report higher levels of harassment and higher transport costs on average. Young men using boda-bodas are at particular risk especially during times of COVID restrictions. They continue to support small-scale cross-border trade but their work puts them at particular risk of extraction, serious harassment and human rights violations.

3. POLICY ACTION

Explore better organization and support for transporters and also how formal borders can be made more hospitable to them. Busia border, for example, should allow boda-boda transporters to cross easily or formalization of the ungazetted routes should be explored.

Police are overwhelmingly mentioned as the most commonly encountered official and the most common recipients of bribes/kitu kidogo. People both fear the police and sometimes find them useful. Most people said there are the right number of police but a large fraction felt that there are too many at the border.

4. POLICY ACTION

More work should be done on police reform at the border. Given the large numbers of women small-scale traders, gender sensitization and gender parity in the police would be important. Young men are also particular targets of the police, and more work needs to be done to foster a better relationship between police and these critical transport workers.

Trade Information desks are not used by most traders but those who use them like them. The Trade Information Desk at Busia needs proper funding and gender-sensitive staffing. Information transparency especially around which goods are on the restricted list at any one time needs improvement.

5. POLICY ACTION

Trade Information Desks should be properly funded with trained staff who are also sensitive to the gender and age dynamics around small-scale cross-border trade. These desks should have clear lines of responsibility and coordinate properly with other agencies. The Busia-Uganda desk was singled out as working well. Finally, information transparency needs improvement-traders wanted more screens at the border with key information and phone updates on such things as restricted goods and border procedure changes. Useful trader feedback can be gathered by direct and frequent phone interviews and border experience platforms such as the one developed with Sauti East Africa.

CONCLUSIONS

Small-scale cross-border traders play an important role in border economies and pan-African and regional integration. Ensuring that the work of small-scale cross-border traders is facilitated and border crossing is a comfortable, corruption free and efficient experience is thus an important goal. We hope that some of the recommendations that have emerged from significant engagement with large numbers of traders and careful analysis of reported data are useful and will be implemented.

FURTHER INFORMATION

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For more information on this project, go to: <https://ace.globalintegrity.org/projects/trading/>