Corruption, Gender and Small-Scale Cross-Border Trade in East Africa

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Photo courtesy: Sauti East Africa

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Gap

- ❖ Anti-corruption interventions and border service improvement programs tend to **focus on the predominantly male large-scale vs. women dominated small-scale trade**
- ❖ How **gender dynamics** work at borders needs to be factored into policies *(most small-scale cross-border traders women; customs/police are men)*
- ❖ **Data are patchy**, small N surveys, continuous
- ❖

Development Policy **Review** ⊙DI

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Corruption, gender and small-scale cross-border trade in East Africa: A review

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Questions

1. How can we leverage mobile phones to acquire better data and hence insights from traders on experiences with corruption of small-scale traders crossing East African borders?

2. What new insights can we glean from observing the impacts of Covid border restrictions?

3. How might reporting using mobile phones work as an anti-corruption tool?

4. In which ways can we use this research to improve support for small-scale cross-border traders and advocate for improvements in border

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Methods: Iterative Phone Surveys

218 traders from Busia, Malaba (Kenya-Uganda) and Taveta (Kenya-Tanzania) with Kenyan phones (mostly Kenyan), 80% women, 20% men

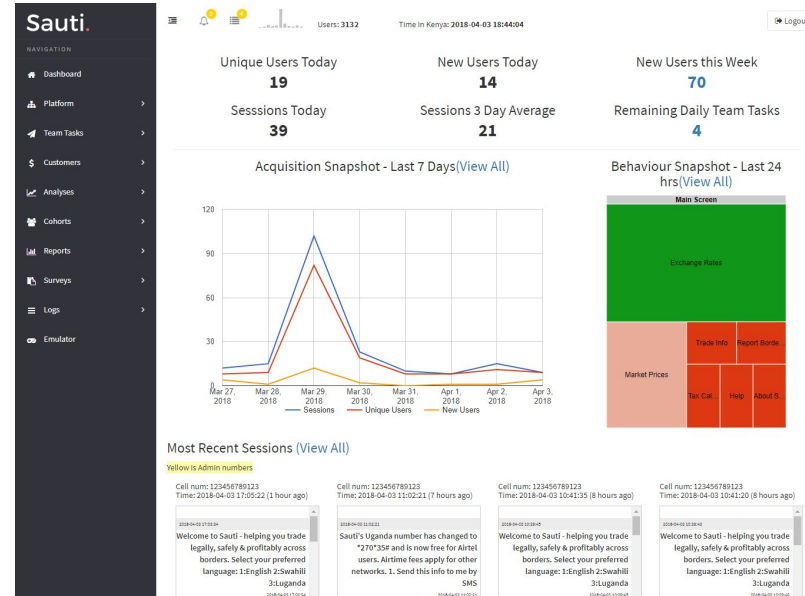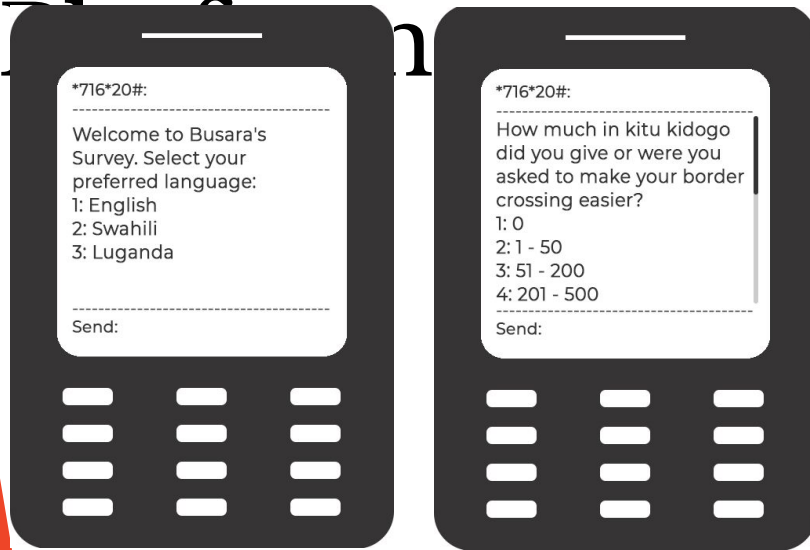Recruited pre-Covid February-March 18th 2020;

4 monthly surveys

Border Reporting on Sauti's USSD Platform

*716*20#:

Welcome to Busara's Survey. Select your preferred language:
1: English
2: Swahili
3: Luganda

Send:

*716*20#:

How much in kitu kidogo did you give or were you asked to make your border crossing easier?
1: 0
2: 1 - 50
3: 51 - 200
4: 201 - 500
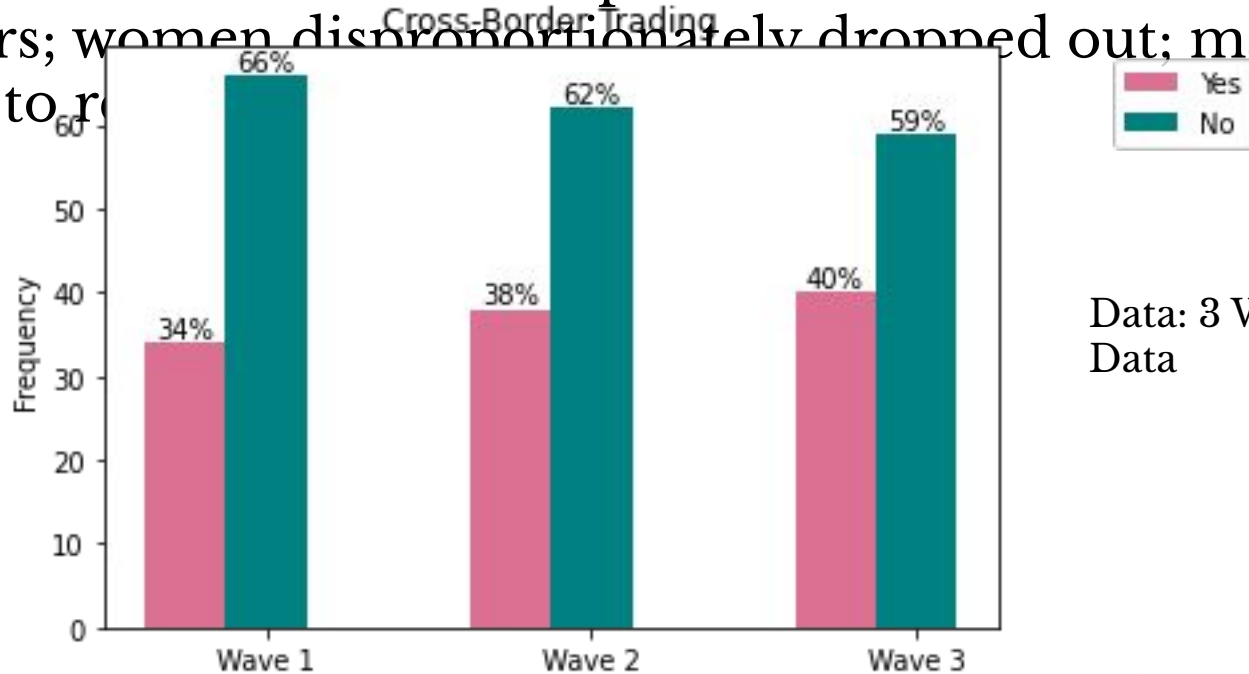--------------------------------
Send:

Exit Interviews of all participants: use, experience, potential usefulness, advice… a significant group found this easy to use and reported

Finding: Covid (Restrictions) a Big Shock

Covid had an enormous impact on small-scale cross-border traders; women disproportionately dropped out; majority hope to re
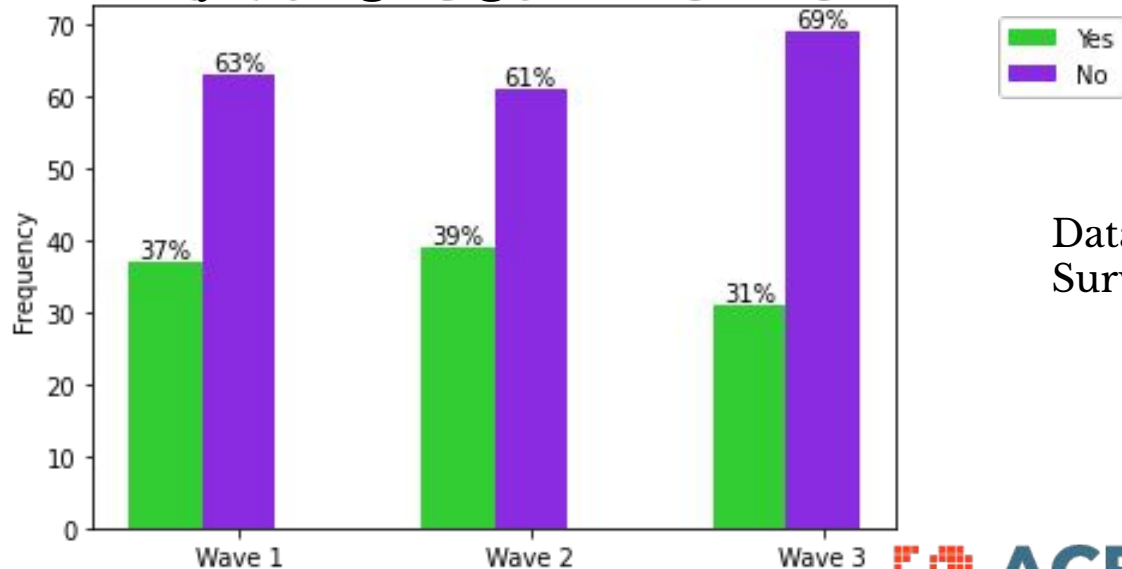

Data: 3 Waves of Survey Data

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Finding: Corrupt Actors Adapt

A majority of traders reported corruption & harassment worsened with Covid; large percentages reporting paying "Kitu Kidogo" but not being asked for Covid documents (suggests mostly using ungazetted routes)

Cross-border Traders: Did you pay kitu kidogo anytime during crossing the border this month?
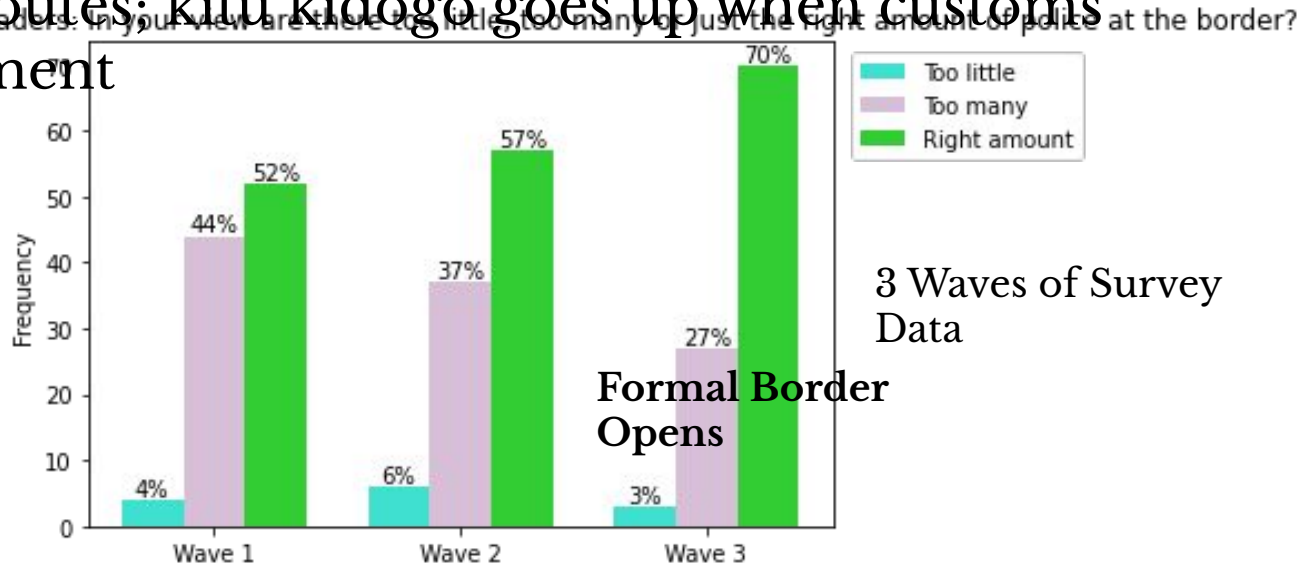

Data: 3 Waves of Survey Data

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Finding: Corrupt Actors Adapt

Police are the most feared actor; with evidence of opportunistic extraction on non-gazetted routes; kitu kidogo goes up when customs restricts movement

Taita Tageta Cross Border Traders: In your view are there too little, too many or just the right amount of police at the border?

3 Waves of Survey Data

Formal Border Opens

"One Ugandan police officer once shot dead my broker while
crossing with goods via the alternative route 'panya

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Finding: Gender Dynamics Shift

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 as women traders relied on...

We asked traders their perception... most men and around half of women agreed that men paid more and faced more harassment at this time...

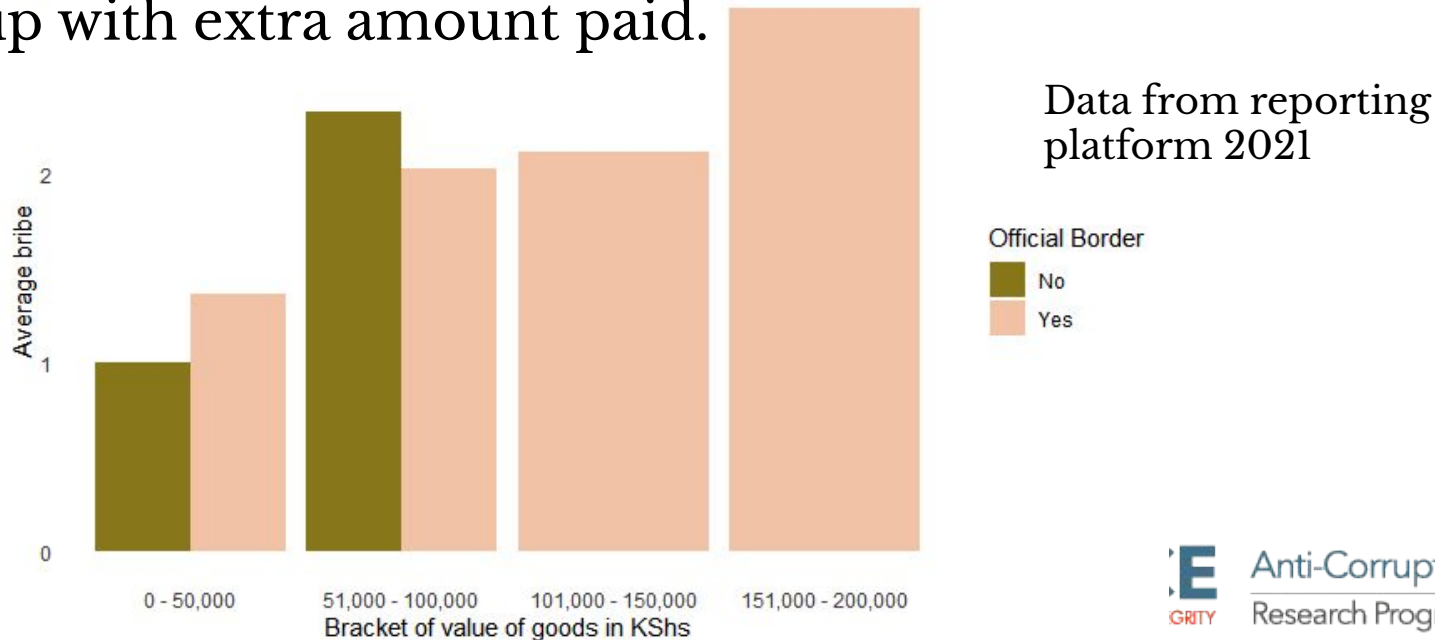*"I encountered bad cops who demanded exorbitant bribes."*

Finding: Ungazetted Routes Offer Advantages

Traders on a route prefer the ungazetted border if they have lower value goods;
But they appear to be paying more "kitu kidogo" in at the formal border; amount paid goes with value of goods; trip discomfort goes up with extra amount paid.

Data from reporting platform 2021

Average bribe versus using official border

Official Border
- No
- Yes

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Some Overall Insights

❖ Covid restrictions were a "natural experiment" in severe restrictions for small-scale traders at customs. It created great, gendered hardship: More women dropped out; men (including transporters used by women) disproportionately faced harassment and elevated extraction-lesson in unintended consequences of policies that ignore "ungazetted routes" & how they interact with customs

❖ Money paid by traders when taking ungazetted routes is seen as unjust even as it facilitates passage (collusive)

Some Final Thoughts

❖ We can creatively leverage mobile phones to acquire better data from traders on experiences with corruption & how it works: More to explore on how to make that work (incentives) & move towards accountability

❖ Traders wanted more opportunities for transparent bottom up feedback mechanisms (they liked the idea of reporting via mobile phones on border service quality and sharing information on platforms and the public)

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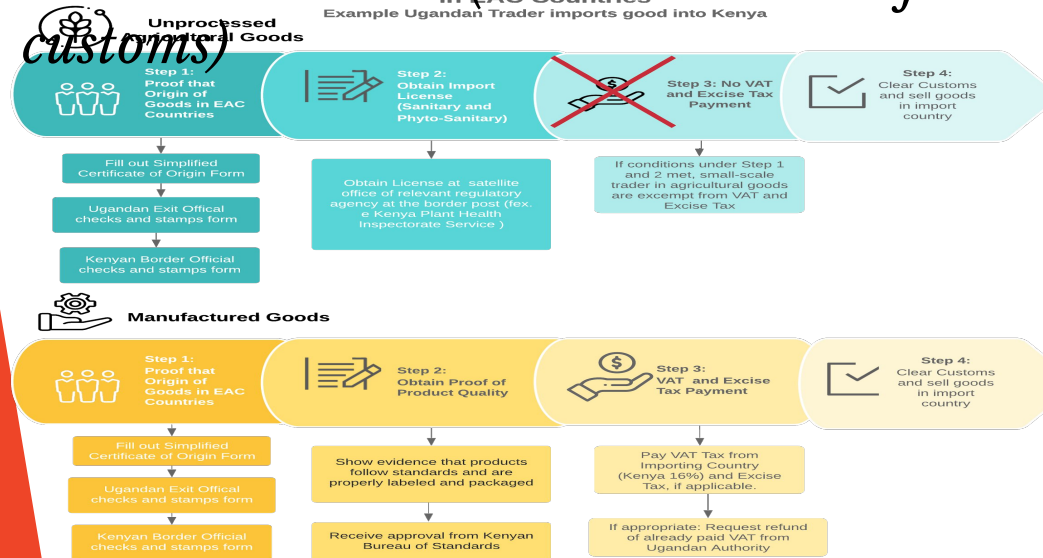Anti-Corruption Evidence
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Selected Policy Recommendations

❖ Strong evidence to making customs more friendly to small-scale traders in consultation with them, paying attention to gender and facilitating other modes of transportation besides trucks; this may help reduce extractive power of police

❖ Traders raised the desire for formalization of ungazetted routes since the lack of recognition facilitates extraction and harassment. How this would be done needs careful thought.

❖ Police reform must be explored at borders (not just customs). A large fraction of traders felt that there are too many police at the border

Customs vs Ungazetted Pathways...

How do traders choose and how do they interact?

Covid restrictions (severe barrier at formal customs)

Thank You!!!

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