

Impact of COVID-19 on Transport and Logistics Sector in East Africa

FEAFFA and Shippers Council of East Africa

AERC Working Paper - COVID-19_015

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Impact of COVID-19 on Transport and Logistics Sector in East Africa

by

FEAFFA and Shippers Council of East Africa

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List of abbreviations and acronyms

AERC	Africa Economic Research Consortium
ATNC	Africa Taskforce for Novel Coronavirus
AU	African Union
CFSs	Container Freight Stations
COVID-19	Coronavirus Disease 2019
CTKs	Cargo Tonne-Kilometres
EABC	East African Business Council
EAC	East Africa Community
EACCMA	East Africa Community Customs Management Act
ECOWAS	Economic Community of West African States
EU	European Union
FEAFFA	Federation of East African Freight Forwarders Associations
FGDs	Focused Group Discussions
GDP	Gross Domestic Product
IATA	International Air Travel Association
ICD	Inland Container Depot
ICDN	Inland Container Depot, Nairobi
IFC	International Finance Corporation
IMF	International Monetary Fund
ISL	Institute of Shipping Economics and Logistics
KENTRADE	Kenya Trade Network Agency
KEPHIS	Kenya Plant Health Inspectorate Service
KPA	Kenya Ports Authority
KRA	Kenya Revenue Authority
KTA	Kenya Transport Association
MOH	Ministry of Health
OSBP	One-Stop Border Post
RECTDS	Regional Electronic Cargo Driver Tracking System
SADC	Southern African Development Community
SCEA	Shippers Council of Eastern Africa
SMEs	Small and Medium-sized Enterprises
SOPs	Standard Operating Procedures
TEUs	Twenty-foot Equivalent Units
TMEA	TradeMark East Africa
TTTFP	Tripartite Transport and Transit Facilitation Programme
WHO	World Health Organization

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Executive summary

The outbreak of the COVID-19 pandemic presented EAC Partner States with monumental challenges that affected different sectors of their economy. As a response, the Partner States instituted measures to mitigate the spread of the virus while, at the same time, ensuring that such measures did not adversely affect the economic wellbeing of their citizens. Specific measures were instituted addressing the transport and logistics sector in the region. These measures, however, affected the operations of the sector.

This report presents findings of the study that sought to investigate the impact of the COVID-19 on the transport and logistics sector in East Africa. The study addressed five specific objectives:

1. To provide an inventory of the key containment measures instituted by the EAC Partner States to curb the spread of COVID-19 in the transport and logistics sector.
2. To identify and enumerate operational challenges faced by transport and logistics industry stakeholders at the height of the pandemic in the EAC region.
3. To estimate the increase in time, cost, and additional complexities encountered in clearing and forwarding cargo during the pandemic in the region.
4. To establish gaps in the interventions by the EAC Partner States in ensuring the continued flow of cargo across borders during the COVID-19 pandemic.
5. To propose operational and policy measures that could be instituted to make COVID-19 and future pandemic responses.

To address the objectives of this study, a descriptive research design was adopted. The study focused on a population that comprised of various stakeholders in the transport and logistics sector, including shippers, transporters, and clearing and forwarding agents. In terms of the geographical scope, the study focused on key players within the transport and logistics sector operating and using the Northern and Central Corridors for movement of cargo and trade facilitation.

The study covers the period between March 2020 and March 2021. Both probability and non-probability techniques were used. Stratified random sampling technique was used to identify respondents for an online survey while judgemental sampling was used in identifying the sector experts for interviews and focus group discussions.

Primary and secondary data was gathered and analysed in this study. The study was carried out through desk study, online questionnaires, field visits, and Focused Group Discussions (FGDs). For quantitative data, descriptive statistics (frequencies and means) was used while for qualitative data, thematic analysis was adopted. The quantitative data used MS Excel to aid in the analysis. The data was presented by use of tables and figures.

The study found that several key containment measures were adopted by the EAC Partner States.

These included: mandatory COVID-19 testing for cargo truck crew; restriction on the number of crew; online submission of cargo-related documents; use of rail transport as an alternative; quarantine of crew; fumigation of the port area, truck cabins and containers; adoption of non-intrusive cargo verification; sensitization and awareness creation; suspension of the issuance of new port passes; relay driving (switching of drivers at the border) escorting cargo; transshipment at borders; isolation of agents and customs officers; designated stopovers for trucks; additional police check points; and regional electronic cargo driver tracking.

Additionally, the study established that the transport and logistics sector encountered numerous challenges, including increase in border crossing times; increased congestion at the border points; increased road freight rates; increased operational costs for transporters; among others.

In terms of border crossing times, it was observed that the time increased from less than 24 hours in the first quarter of 2020 (pre-pandemic), to over five and six days at the Busia and Malaba borders, respectively. In relation to costs, road freight rates increased in the Northern Corridor (Mombasa to Kampala) from US\$2,200 to US\$2,500 for a 20/40-foot container whereas rates to Kigali from Mombasa increased from US\$3,400 to US\$3,800. Due to the delays along the Northern Corridor, and especially at the ports of loading and the exit borders, transporters suffered an estimated 48% increase in transport costs. The Central Corridor experienced mixed results regarding the rates. There was a notable decrease in the road transport rate from Dar es Salaam Port to Kigali (Rwanda) from US\$3,000 in January to US\$2,700 in September, largely attributed to the directive by Rwandan Government to have the Inland Container Depot moved from the capital centre to the Rusumo border. The Dar es Salaam Port to Goma (DRC) route, however, experienced an increase—from US\$4,150 in May 2020 to US\$4,400 in September 2020. The number of Twenty-foot Equivalent Units (TEUs) paying penalty for delay after customs release increased to an all-time high of over 300 TEUs in April and May 2020 at the Inland Container Depot, Nairobi (ICDN).

The study also established gaps in the interventions by the EAC Partner States in ensuring the continued flow of cargo across borders during the COVID-19 pandemic. There was a lack of a co-ordinated regional approach to COVID-19 measures. Each Partner State instituted their varied interests and interventions, which resulted in delays and congestions at the borders. This was manifested in the disputes noted on the testing, validity, and authentication of the issued COVID-19 certificates. Limited level of professionalism among logistics players slowed the attempt to automate

operations by trade facilitation agencies. The region was generally unprepared for the pandemic or similar emergencies as noted, for example, in the institution of unilateral measures and poor interagency co-ordination at the national and regional levels.

The study concluded that, despite its negative impacts, the pandemic also unearthed opportunities for innovation and improvement. For example, the implementation of non-intrusive measures in the verification process and the online submission of documents reduced the cargo dwell time from seven days to an average of five days at the ICDN. This presented an opportunity for automation and digitalization of customs and trade facilitation systems.

The transport sector emerged as an integral player in the economic development of the region. Rail transport was identified as having the greatest potential to supplement road transport and act as a containment measure since, compared to trucks, rail transport has significantly minimal to no contact with the public community in which the railroad crosses.

The completion of end-to-end rail networks between Mombasa – Malaba – Kampala, Mombasa – Nakuru – Kisumu and Lake Victoria hold a great premise in reducing, not only the border challenges, but also truck numbers along the Northern Corridor. Similarly, health was identified as important in cross-border trade just as other trade facilitation measures such as efficient transport systems. Stakeholders observed the absence of or existence of weak health facilities along the Northern and Central Corridors, calling for improvement and establishment of functioning health systems in the corridors.

Regarding policy recommendations, the study demonstrates an urgent need for policy action from the EAC Partner States in various areas to mitigate COVID-19 and future pandemics. These include enhancing digitalization and adoption of ICT in regional transport and logistics (and overall trade), harmonization of regional responses to pandemics and similar crises, development of a regional framework to respond to pandemics, infrastructure development through the expansion of roads at the One-Stop Border Post (OSBPs), enhancing partnership and co-operation amongst regional health agencies and health service providers, expand inter-connectedness of the different modes of transport (railway and roads) which strongly depend on the efficiency of each other, establishment of a regional stimulus fund to respond to support the recovery of the sector and a financial reservoir to respond to future crises, and supporting national and regional efforts to ensure a fully professional logistics industry.

1. Introduction

Background of the study

The beginning of the year 2020 witnessed an unprecedented global health crisis caused by the Coronavirus Disease 2019 (COVID-19). Outbreaks of the respiratory illness were first reported in Wuhan City, Hubei Province of China (WHO, 2020a). The outbreaks would soon escalate into a health crisis never imagined; unprecedented in terms of contagiousness, fatalities, and global geographical spread affecting all countries leading to a global pandemic. This has resulted in the loss of lives and a multitude of socioeconomic consequences with little or no signs of it being abated; what started as a health crisis in one country quickly degenerated into a disaster impacting social and economic aspects of nations.

The COVID-19 has affected all countries across the world since its declaration as a global pandemic by the World Health Organization (WHO) in March 2020 (WHO, 2020a). At the outset, the pandemic disrupted manufacturing in China—where COVID-19 was first identified—causing a ripple effect throughout the global supply chains and resulted in a backlog of containers at ports and travel restrictions that resulted in a shortage of components from China. The shortage of major components usually sourced from China negatively affected manufacturing operations overseas, including in the automotive, electronics, pharmaceuticals, medical equipment, supplies, as well as consumer goods sectors (IFC, 2020). The COVID-19 pandemic has created shocks to trade flows due to transport and logistics disruptions. Currently, China occupies 60% of world supply and demand, figure 65% of world manufacturing, and 41% of world manufacturing exports (Baldwin & di Mauro, 2020).

Governments across the world followed WHO recommendations and instituted measures such as lockdowns and border closures that restricted the movement of goods and persons. Additional protocols, such as social distancing at warehouses, introduced to ensure the safety of workers, contributed to bottlenecks for freight (World Bank, 2020). Disruptions caused by the pandemic have been felt in other sectors such as travel and tourism, hospitality, and entertainment, with countries that rely on these sectors for their growth most affected.

The exceptional nature of the COVID-19 pandemic resulted in drastic changes with substantial uncertainty about its impact on people's lives and livelihoods. Though

epidemiological research has resulted in the development of therapeutics and vaccines, the situation remains uncertain, especially as new variants emerge. Many countries now face multiple crises—a health crisis, a financial crisis, and a collapse in commodity prices—which interact in complex ways. Policy makers are providing unprecedented support to individuals, firms, and financial markets. While this is crucial for a strong recovery, there is considerable uncertainty about the post-pandemic landscape (Gopinath, 2020).

Transport and logistics remain an integral part of the supply value chain at the regional and international levels. Any disruption to the transport and logistics sector causes adverse effects on trade, socioeconomic development, and overall sustainability. There is a symbiotic relationship between supply chain performance and revenue, demonstrating the sector's contribution to a country's economic development. In 2020, the World Bank noted operational constraints in both small and top players in the supply chain sector, leading to delivery delays, congestion, and higher freight rates. Due to the insufficiency of a recovery plan, most small players in the transport and logistics sector have been severely hit, leading to the closure of operations. In contrast, top players have resorted to invoking the 'Force Majeure'—clause that allows contracts to be declared null and void due to acts of God or other unexpected circumstances—on all their contracts due to COVID-19 (IFC, 2020).

The financial implications of COVID-19 on trade and supply chains are significant. According to the Institute of Shipping Economics and Logistics (ISL), container throughput index, a measure of the number of people and goods that pass-through shipping ports daily, declined from 113.3 in January 2020 to 107.7 in May 2020—a decline of 9.5%. In addition, the International Air Travel Association (IATA) stated that industry-wide air cargo tonne-kilometres (CTKs) fell by 15.3% year-on-year in the three months to April 2020. Explaining further, cargo volumes plunged but lack of capacity boosted loads and yields. This implies that sea and air cargo transport has been adversely affected by COVID-19. According to the World Bank (2020), due to COVID-19, in 2020 globally, there was an increasing decline in the number of port calls, particularly from container ships. The decline was as a result of by blank sailings, scheduled container services that either did not run at all or did not call at particular ports on a scheduled route, due to insufficient traffic.

COVID-19 Africa response

As of mid-April 2020, COVID-19 had firmly set foot in Africa affecting all countries with over 3 million people confirmed to have been infected in the continent. There have been over 117,000 confirmed COVID deaths in the continent (WHO, 2021). At the onset of the pandemic in February 2020, the African Union (AU) reacted fast to the unfolding pandemic by establishing an Africa Taskforce for Novel Coronavirus (AFTCOR) to oversee preparedness and response towards the virus, ahead of any cases being

registered on the continent. The AU eventually adopted a comprehensive three-track approach in dealing with the pandemic focusing on:

- i. Surveillance, emergency preparedness, and response.
- ii. Continental assistance and joint funding for Member States; and
- iii. Collective appeal to the international community.

Efforts by the AU and recommendations of the WHO were quickly replicated across Regional Economic Blocks in the continent. ECOWAS, SADC and EAC undertook measures to augment the WHO and AU recommendations by developing regional responses to the pandemic.

ECOWAS set up a committee of experts for transport, logistics, free movement, and trade in the fight against the pandemic, to firm up guidelines for the harmonization and facilitation of cross-border trade and transportation in the region. The experts provided sectorial technical advice to the statutory decision-making bodies of ECOWAS to ensure uniform and coordinated improvement of the transport and logistics sectors whilst enhancing the growth of intra-regional trade, free movement, and economic growth in the region (ECOWAS, 2020).

SADC outlined responses to the pandemic's impacts on trade and transport facilitation in Eastern and Southern Africa region under the EU funded Tripartite Transport and Transit Facilitation Programme (TTTFP, 2020).

EAC COVID-19 response measures

In the EAC, Rwanda was the first to respond, followed almost immediately by Kenya and later by Uganda. The three EAC countries responded swiftly by restricting cross-border movement, limiting flight travel, advocating for social distancing, encouraging washing and sanitization of hands, imposing localized lockdowns, banning local gatherings, and closing of schools. The EAC transport and logistics sector, despite being an integral part of the business value chain in the region, was not spared the wrath of the COVID-19 pandemic, measures by the various countries to contain the virus led to severe supply chain disruptions never witnessed before. This, in turn, affected trade facilitation and overall trade performance of business in the region.

In the second quarter of 2020, when the number of COVID-19 cases among cargo transporters and logisticians increased within the EAC region, Partner States introduced a myriad of additional measures to contain the spread of the virus by the sector. The EAC published Administrative Guidelines to facilitate the movement of goods and services during the pandemic within the region (EAC, 2020). The measures ranged from mandatory testing of truck crew, adoption of online submission of cargo documents, use of rail transport as an alternative, adoption of non-intrusive cargo verification, relay driving, isolation of customs agents and customs officers at border

points, among others. The measures were later supplemented with introduction of the Regional Electronic Cargo Driver Tracking System (RECTDS). RECTDS helped to eliminate multiple testing of truck drivers as they moved cargo within the EAC. These measures were deployed alongside initiatives by the private sector such as regional logistics sector Standard Operating Procedures (SOPs) developed by the Federation of East African Freight Forwarders Associations (FEAFFA) in partnership with TradeMark East Africa (TMEA).

The measures instituted to control the spread of the pandemic in the EAC region have impacted the efficiency of systems and institutions that provide services to the transport and logistics sector. For example, limitations in access to and use of technology, by public and private stakeholders in the transportation and logistics sector, disrupted operations of most border posts when states directed that organizations implement work-from-home measures. The result was increased delays at the ports, inland container depots (ICD), and One-Stop Border Posts (OSBPs). Furthermore, it also impacted the evacuation of containers and empties, which coupled with higher truck turnaround time, consequently raised the base cost for transporters and shippers.

The East African transport and logistics industry has witnessed a drastic shift in its mechanisms of collecting and sharing vital information following the associated impacts of the pandemic.

Before the pandemic, the mechanisms for collecting, recording, and sharing information in the region were inefficient. There was no platform for sharing driver and vehicle and movement information, and most importantly, there was a lack of harmonized policies, laws, and standards regulating cross-border road transport. The deployment of the regional cargo driver tracking system that relays driver, vehicle, and trip information, and the introduction of the requirements to share driver COVID-19 test results daily and to monitor the wellness status of truck drivers and truck movements has revolutionized information sharing in the industry.

Undeniably, transport and logistics operators in the region were unprepared for COVID-19 or any pandemic, which raises pertinent questions. These include: (i) whether there are policies in place to mitigate disasters like COVID-19, or (ii) what can we learn from the COVID-19 pandemic in mitigating the challenges being faced in the transport and logistics sector in the future?

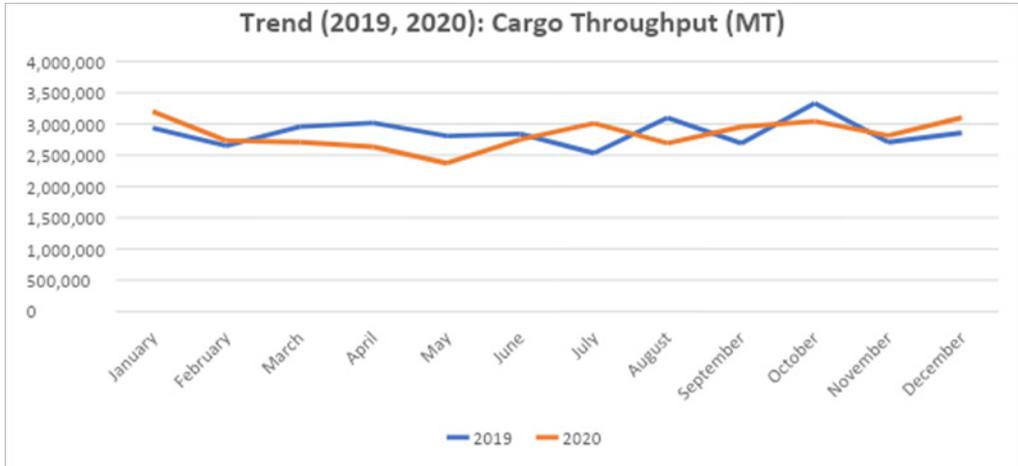
Performance of the transport and logistics sector in EAC before and after COVID-19

This section provides a brief comparison of the general sector performance and the impact the pandemic has had on the transport and logistics sector by assessing cargo throughput, container traffic and costs and rates along the Northern and Central Corridors before and after the COVID-19 pandemic.

Cargo throughput

In terms of cargo throughput, as shown by the chart in Figure 1, the study revealed that the Port of Mombasa, which serves the Northern Corridor, witnessed a major decrease in the total number of cargo handled at the port, from a projection of 35.9 million tons in total throughput and 1.49 million Twenty-foot Equivalent Unit (TEUs) in container traffic to 34 million tons total throughput and 1.358 million TEUs.

Figure 1: 2019/2020 cargo throughput performance comparative analysis

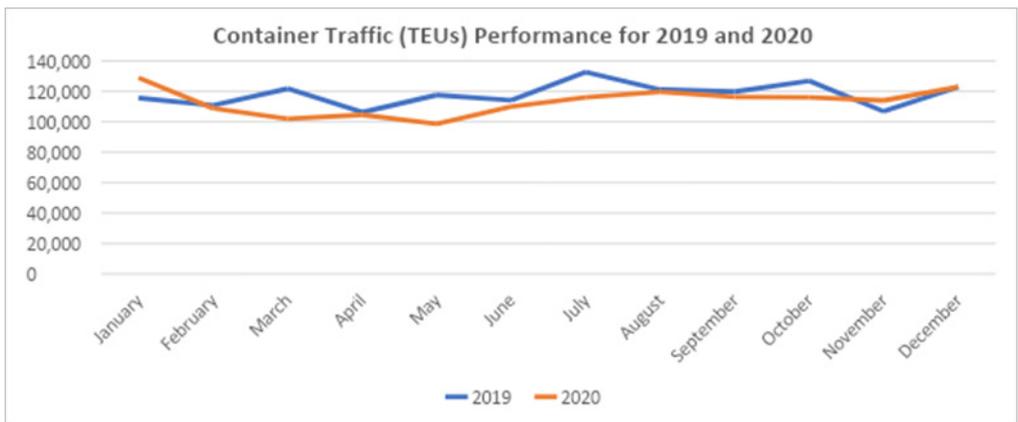


Source: Port of Mombasa and Northern Corridor Community Charter reports.

Container traffic

Further, as shown by the chart in Figure 2, the Port of Mombasa also registered a 4% reduction in container traffic in 2020.

Figure 2: Container traffic (TEUs) performance for the year 2019 and 2020



Source: Port of Mombasa and Northern Corridor Community Charter reports.

Transport costs and rates

The COVID-19 crisis disrupted transport and logistics operations, leading to higher operational costs, delays, and in some cases, cancellations of orders. For example, truck turnaround from Mombasa to Kampala reduced from four trips to two trips per month (SCEA, 2020) Transporters were forced to adjust rates upwards, at the same time, truck owners absorbed about 48% of costs, attributed to border crossing delays to service existing transport contracts. The cost of transport from Mombasa to Kampala increased from US\$2,100 to US\$2,500 during the 2nd and 3rd quarters of 2020 as presented in Table 1.

Table 1: Northern Corridor transport cost and rates during COVID-19 pandemic

Route	Pre-COVID Rates (US\$)	March - June 2020 Rates (US\$)	Pre-COVID Average Transit Time (In Days)	March - June 2020 Average Transit Time (In Days)	Extra Costs @ US\$200 Per Day (US\$)
Mombasa - Kampala	2,100	2,500	2-4	7-9	1,000
Mombasa - Kigali	3,400	3,800	7-8	14-16	1,400
Mombasa - South Sudan	3,600	4,500	9-10	21- 26	2,800
Mombasa - Bujumbura	4900	5900	9 – 10	19-20	2,000
Mombasa – DRC	5,000	6,000	20-21	30-45	3,400
Nairobi – Zambia	6,000	7,000	10-12	30-32	4,000

Source: SCEA ANALYSIS 2020 (In Consultation with KTA).

The number of containers cleared within the 4-day free period declined drastically at the Inland Container Depot, Nairobi (ICDN). Subsequently, about 60% of cargo cleared through the ICDN incurred storage charges amounting to an average of Ksh 9 million to Ksh 11 million weekly (SCEA, 2020).

The trend at the Port of Dar es Salaam is slightly different. The port throughput was 11,596,225 tons in 2020 for the period between January and September, higher by 4,939 tons margin compared to 2019 for the period under review. The trend remained similar for the cost of transport in the Central Corridor, which is served by the Port of Dar es Salaam. There was a slight reduction in rates—the average cost from Dar es Salaam Port to Kigali reduced to US\$2,800 in 2020 from US\$2,867 in 2019, Dar to Bujumbura reduced from US\$3,067 to US\$2,978, while the cost from Dar es Salaam to Bukavu went down from US\$4,900 to US\$4,856.

Table 2: Central Corridor transport costs and rates pre-COVID and during COVID (in US\$)

Route	Dar-Kigali		Dar-Bujumbura		Dar-Kampala		Dar-Bukavu		Dar-Goma	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Jan	3,000	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Feb	2,900	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Mar	2,900	2,900	3,000	2,800	3,200	3,200	4,800	4,800	4,200	4,300
Apr	2,800	2,800	3,000	2,900	3,300	3,500	4,800	4,600	4,100	4,100
May	2,800	2,800	3,000	2,800	3,200	3,500	4,800	4,600	4,100	4,000
Jun	2,800	2,800	3,000	3,100	3,300	3,400	4,900	4,900	4,150	4,400
Jul	2,800	2,700	3,000	3,000	3,300	3,400	5,100	4,900	4,150	4,300
Aug	2,900	2,700	3,000	3,000	3,300	3,300	5,000	5,000	4,200	4,400
Sep	2,900	2,700	3,200	3,000	3,300	3,300	4,900	5,100	4,200	4,400
Avg	2,867	2,800	3,067	2,978	3,256	3,333	4,900	4,856	4,189	4,278

Source: Central Corridor, Dar es Salaam Port, 2020.

There have also been some positive changes occasioned by the prevailing pandemic situation; the transport and logistics industry has witnessed a drastic shift in its mechanisms of collecting and sharing vital information following the increased cost of doing business and extended travel times due to increased delays at border posts and checkpoints while drivers undergo COVID-19 screening, testing and mandatory quarantine, and consequently, delays in delivering essential goods and services among other products.

Before the pandemic, there were ineffective information recording and sharing mechanisms. Additionally, there was no platform to share driver, vehicle, and movement information and most importantly, there was a lack of harmonized policies, laws, and standards for cross-border road transport. Currently, the deployment of the regional cargo tracking system that relays driver, vehicle and trip information, and the introduction of the requirements to share drivers' COVID-19 test results daily and to monitor the wellness status of truck drivers and truck movements has revolutionized information sharing in the industry (TTTFP, 2020).

This report analyses the specific impact of the COVID-19 pandemic on the transport and logistics industry of the EAC region. The report also provides an opportunity to, not only raise awareness to the economic impacts of the pandemic at a regional level, but also analyse the mitigating measures adopted by the various EAC governments and their overall impact on the transport and logistics sector during this pandemic period.

Purpose of the study

The purpose of this study was to determine the impact of COVID-19 on the transport and logistics sector in the East Africa region and recommend policy measures for containing pandemics without disrupting transport and supply chain logistics in the region.

Specific objectives

The specific objectives were:

1. To provide an inventory of the key containment measures instituted by the EAC Partner States to curb the spread of COVID-19 in the transport and logistics sector.
2. To identify and enumerate operational challenges faced by transport and logistics industry stakeholders at the height of the pandemic in the EAC region.
3. To estimate the increase in time, cost, and additional complexities encountered in clearing and forwarding cargo during the pandemic in the region.
4. To establish gaps in the interventions by the EAC Partner States in ensuring the continued flow of cargo across borders during the COVID-19 pandemic.
5. To propose operational and policy measures that could be instituted to make COVID-19 and future pandemic responses more effective.

Scope of the study

The study is limited to the EAC, which is served majorly by two corridors: The Central and the Northern Corridors. The Northern Corridor originates at the Port of Mombasa in Kenya and boasts of a road network covering approximately 12,707km distributed as follows: 1,323.6km in Kenya, 2,072km in Uganda, 1,039.4km in Rwanda, 567km in Burundi, 4,162km in DRC, and 3,543km in South Sudan. On the other hand, the Central Corridor originates from Dar es Salaam Port through the United Republic of Tanzania to Burundi and Rwanda at Rusumo border post and Uganda at Mutukula border post. The corridor continues to Goma and Bukavu in DRC through Rwanda. These two corridors facilitate trade for the Eastern and Central African regions, making their performance efficiency vital to the transport and logistics sector.

The study narrowed down to key border crossings and strategic regional entry points such as Rusumo, the busiest border crossing on the Central Corridor within East Africa; Malaba and Busia borders, the main transit entry points on the Northern Corridor; and Namanga border point between Tanzania and Kenya, which experienced operational challenges at the peak of COVID-19 crisis.

The study also incorporated Naivasha Inland Container Depot, seen as a relief facility to challenges that were encountered using road transport and its unique position of being accessible through the Standard Gauge Railway (SGR) and Meter Gauge Railway (MGR). The study was further extended to cover Inland Container Depot, Nairobi.

Limitations of the study

The study was conducted at the peak of the pandemic, during which COVID-19 containment measures were in place. The restrictions of movement limited accessibility to a wide range of applicants. Stakeholders in some countries could not be reached due to travel restrictions and other lockdown measures, for example, Rwanda. To minimize physical contact and to maximize on the limited time, mobilization was conducted through private sector associations to fill in online questionnaires.

Some participants, especially from the private sector, were sceptical that the study findings would be implemented or bring any changes and were adamant to participate. To overcome scepticism by the private sector, stakeholders were assured that it is in the best interest of FEAFFA and Shippers Council to see that the challenges and adverse effects of COVID-19 are addressed thus ensuring continuity in the movement of goods across East Africa. Participants were also reminded that it is in their best interest to participate in providing feedback that will be crucial in designing effective regional responses to crises such as COVID-19 and ensure operational continuity. The study also faced time limitations, as there was limited time to engage more participants and appreciate existing challenges or their concerns.

2. Methodology and approach

This chapter presents the methodology that was used in the study. It describes the population of interest, the sampling design, data collection procedures, and finally the data analysis technique that was adopted.

Research approach

A participatory approach was used that involved all the key players in the transport and logistics sector. This was to ensure a complete and concise information gathering from the different sector players. On the other hand, triangulation in data collection and analysis was adopted. This was to guard the authenticity, validity, and reliability of the data collection process.

Population of the study

The population of the study comprised of different sector stakeholders; it was derived from the membership of different sector players. Specifically, the clearing and forwarding associations in the region, the transporters associations and the shippers' councils provided the population elements from their membership. To qualify as a respondent, the clearing and forwarding agents, transporters, and cargo owners were required to be actively involved in the international trade involving the movement of cargo along the Northern and Central Corridors.

As such, not all members of these associations were used as some were either inactive because of COVID-19 and had scaled down their operations and were therefore semi-dormant or had altogether changed their business models.

Sampling design

Based on the nature of the population, both probability and non-probability sampling techniques were adopted. For transporters, clearing and forwarding agents and cargo owners, a stratified random sampling was used. Stratification was based on the sector and random sampling within the sector. This was adopted to ensure a representation

of all the key sectors affected by COVID-19 within the transport and logistics sector. For other sectors key informants and non-probability sampling methods were used. This was based on the fact that, for some specific information, sector experts were better appraised to respond to some of the objectives other than the general respondent's groups. As such, to ensure expert views were collected, purposeful sampling technique was adopted. The respondents were purposely selected as they had specific information that was required for the study. The key informants selected for interviewing were again distributed in the different sector of interest including clearing, transportation, and cargo owners. Regarding Focused Group Discussions (FGD), participants were recruited based on their involvement either in transport, clearing and forwarding sectors.

For the survey, a sample size of 160 respondents from the region was used. The chosen sample size was determined as ideal to represent the three sector player groups adequately in the region. Due to the nature of the sector, more representation was derived from the clearing and forwarding agents (58.7%) as they interacted more with different facets of the logistics chain from the source of the cargo to destination. The clearing and forwarding agents also, in some instances, managed transport services and represented the cargo owners in the process. Table 3 indicates the sample size for each category of respondents.

Table 3: Sample size distribution

Sector	Sample Size	Per cent
Transporters	36	22.5
Clearing and Forwarding Agents	94	58.7
Cargo Owners	30	18.8
Total	160	100

For qualitative research, the study selected about 15 key informants to interview. These were experts representing different aspects of the sector. As a qualification condition, the key informants were expected to have wide knowledge and expertise on transport and logistic in the region, with an emphasis on both the northern and central corridors. Major transport operators who had a wide knowledge of operating in the region were interviewed including officials of the transport associations.

For the clearing and forwarding, agents who were involved in cross-border businesses and who had detailed knowledge of operations as well as involvement in ensuring that there was a co-ordinated effort in the region towards the movement of cargo were interviewed. Again, major cargo owners in the region who depended on the ports of Mombasa and Dar es Salaam were interviewed.

To ensure a governmental view, three interviews were also held with representatives of government agencies. Table 4 indicates key informant interview distribution.

Table 4: Key informant interview distribution

Sector	Number
Transport	4
Clearing and Forwarding Agents	5
Cargo Owners	3
Government Agencies	3
Total	15

In addition to the key informant interviews, FGDs were held across different ports and posts in the transport and logistics industry, representing seaports, inland ports and border posts. The border posts included Malaba, Busia and Namanga. The Naivasha and Nairobi Inland Container Depots (ICD) were also used in the FGD. For sea ports, an FGD was conducted in Mombasa. A total of 16 FGDs were conducted with each FGD having an average of 15 participants. The FGDs had mixed participants representing different sector players including clearing agents, revenue/customs representatives (Kenya, Uganda, Tanzania), transporters, logistics companies, trade facilitation agencies, various government agents represented at the ports and border posts, as well as representatives of cargo owners.

At the border points, two FGDs were conducted, one from each side of the border. While it was desirable to conduct the FGDs and interviews on all border points in the Northern and Central Corridors, restriction/cessation of movements in the region as a result of COVID-19 made it difficult to access some of the data and information gathering points. However, during the recruitment of FGD and key informants, there was a deliberate attempt to select individuals who had operations in both the corridors and thus a clear understanding of what was happening. Table 5 indicates the distribution of the FGDs.

Table 5: Focus Group Discussions (FGDs)

Border Point	Number of FGDs
Malaba	3
Busia	3
Mombasa	3
ICD Naivasha	2
Namanga	3
ICD Nairobi	2
Total	16

Data collection

Both primary and secondary data was collected for this study. Questionnaires and interview guides were used to collect primary data. For secondary data, information gathering checklist was developed to aid the process.

The subsections below detail the research procedures used in data collection based on the phases adopted. The study was conducted between March 2020 and March 2021 in three phases.

Phase I – Desk research

This phase involved a collection and analysis of secondary data. The review captured existing regulatory and policy documents and data including, but not limited to, Mombasa Community Port Charter and the Northern Corridor Transport Observatory reports. For the purpose of the study, secondary data was collected to address several specific objectives based on several reports, key being as indicated below:

- FEAFFA Regional COVID-19 Standard Operating Procedures (SOPs).
- FEAFFA and SCEA reports on COVID-19 in the sector.
- COVID-19 Guidelines issued by the WHO and the respective Ministry of Health in the EAC region.
- The East Africa Community Administrative Guidelines to Facilitate Movement of Goods and Service During the COVID-19 Pandemic.
- EAC COVID-19 Response Plan.
- COVID-19 Guidelines issued by the Ministry of Health of the respective countries in East Africa, including Burundi, Kenya, Rwanda, Uganda, and Tanzania.
- Transport sector specific COVID-19 Guidelines issued by the Ministry of Transport in the respective countries in East Africa.
- EABC Report: Impact of COVID-19 on EAC Transport and Logistics Sector.

Phase II - Online survey

An online survey was conducted using questionnaires to gather primary data from logistics sector players comprising of the cargo owners, clearing, and forwarding agents, and transporters across the EAC region.

The online questionnaires developed had both open and close ended questions. The questionnaires also had Likert scale questions with a scale of 1 to 5. The questionnaires were disseminated through platforms for data collection. Respondents were mobilized through the FEAFFA National Associations, transporters associations,

Shippers Council of Eastern Africa, and Kenya Association of Manufacturers, amongst other associations.

Phase III - Field study

Primary data from questionnaires was complemented with key stakeholder engagements in the form of key informant interviews and FGDs.

These targeted transporters, freight forwarders, customs agents, warehouse operators, Container Freight Stations (CFSs), shippers, ports, Inland Container Depots, standard bureaus, custom administrations, and other trade facilitation agencies in the EAC region. Information from these engagements provided a qualitative aspect to the study and corroborated information gathered through the questionnaire. An interview guide was used to aid in the data collection exercise.

To achieve the objectives of the study, FGD approach was employed concurrently with other methods as outlined within the methodology. This is a qualitative research method and data collection technique in which a selected group of people discuss a given topic in-depth, facilitated by a professional external moderator. This method serves to solicit participant attitudes and perceptions, knowledge, experience, and practices shared during interaction with other members. FGD helps identify and clarify shared knowledge among different groups.

Under FGD, to investigate the impact of COVID-19 in the transport and logistics sector in East Africa, participants were drawn from the following stakeholders: border points (Malaba, Busia, Namanga), revenue authorities (Kenya Revenue Authority, Tanzania Revenue Authority, Ugandan Revenue Authority, Rwanda Revenue Authority), and government agencies such as KENTRADE, KEPHIS, immigration officers, and port health and standard bureaus. Associations such as transporters, freight forwarders and manufacturers were also involved in the study.

Data analysis

Once data was collected, it went through a data preparation process, including editing, coding, transcribing, and cleaning. Data was analysed using descriptive statistics such as frequencies and percentages. The data was analysed using Microsoft Excel tool. Data was presented by use of tables and figures.

3. Results of the study

This section presents the findings of the study on the impact of COVID-19 on the transport and logistics sector in East Africa. The findings are aligned to the assignment objectives, with a focus on the three main phases of the research that were employed during data collection. First, results from desk research are presented, followed by results of online surveys while focus group discussions are presented last.

Findings from desk research

The desk research analysed accessible secondary data, including existing regulatory and policy documents to determine the containment measures adopted by governments to control COVID-19 (Objective 1).

Key COVID-19 containment measures instituted in the EAC – Specific objective 1

As indicated before, to address Specific Objective 1 on containment measures instituted in the region, a document review was undertaken. The review identified various measures, largely guided, and aligned to global best practices, as dictated by the World Health Organization (WHO).

The WHO issued guidelines for containing COVID-19 (WHO, 2020a; WHO, 2020b; WHO, 2020c) which all countries, including the EAC Partner States, domesticated.

The guidelines mainly emphasized frequent washing of hands with an alcohol-based hand sanitizer or soap and water, maintaining social distance, avoiding touching eyes, nose, ears, and mouth, and practicing respiratory hygiene. Considering the need to facilitate the free movement of goods and services in the region, the EAC developed Administrative Guidelines aimed at complementing the national measures and ensuring the smooth and uninterrupted movement of goods and services while mitigating the negative impact of COVID-19 (EAC, 2020). When the number of COVID cases among cargo transporters and logisticians increased in the second quarter of 2020, Partner States introduced additional measures to control the spread of the virus in the transport and logistics sector (MOH Burundi, 2021; MOH Kenya, 2021;

MOH Uganda, 2021; MOH Tanzania, 2021; MOH Rwanda, 2021). Discussed below are the containment measures by the EAC Partner States.

- a) **Mandatory COVID-19 testing for cargo truck crew:** To facilitate the movement of cargo by trucks, governments required all drivers to have valid COVID-19-free certificates. The test certificates were valid for 14 days. Testing facilities had to be set up such that drivers test at the points of loading and hold negative COVID-19 certificates as a prerequisite to enter another country.
- b) **Restriction on the number of crew:** To encourage social distancing among crew members, the number of crew per truck was restricted to not more than two (and in some countries three) including the driver.
- c) **Enhanced online submission of cargo-related documents to government agencies:** This was set up to minimize unnecessary human interaction. Most cargo clearance processes became automated, and communication was channelled via emails.
- d) **Use of Railway as an alternative to road:** On the Northern Corridor, the use of railway up to Naivasha ICD in Kenya as an alternative to road transport for transit cargo destined to Uganda, Rwanda, South Sudan, and DRC was adopted. This reduced the distance within which truck drivers interacted with communities along the corridor.
- e) **Increased non-intrusive verification of cargo by government agencies:** At the ICD in Nairobi, the number of people involved in physical verification was reduced to two people for a 20ft container and three people for a 40ft container. Private sector was also encouraged to do the same.
- f) **Suspension of issuance of new port passes:** This was implemented to limit the number of people accessing the port.
- g) **Relay driving – switching drivers at borders:** This was deployed at some borders such as Busia, Namanga, and Rusumo. It involved drivers exchanging trucks at the borders so that truck drivers who have not tested for COVID-19 do not cross into another country.
- h) **Transshipment at borders:** Involved trucks offloading cargo at a dry port established at the border to minimize crossing of borders by untested drivers from a Partner State. Cargo would be picked by local trucks to the destination.
- i) **Escorting cargo in convoys:** Deployed at Rusumo to ensure truck drivers do not deviate from the designated routes and, therefore, interact with communities along the corridors. These meant trucks were made to wait and build enough before the convoy sets off. The trucks had designated areas for stopovers along the transit routes to avoid the crew mixing with the public.
- j) **Checkpoints:** Additional police check points to monitor adherence to the SOPs by truck drivers.

- k) **Isolation of agents and customs officers from the community:** This involved isolation of private and public sector officials at borders to minimize their interaction with people in their homes and the communities as they facilitate movement of cargo through borders.
- l) **Quarantine and isolation:** Authorities quarantined and isolated truck drivers who were contacts of positive cases. Quarantine and isolation were also deployed for all crew before the release of the COVID-19 test results and/or at borders where there were no arrangements for relay drivers or transshipment.
- m) **Enhanced cleaning:** Routine fumigation of the port area, truck cabins, and containers.
- n) **Deployment of the Regional Electronic Cargo and Truck Driver Tracking System:** To track driver and cargo movements.

In analysing the containment measures, it was found out that not all countries had the same measures in the region. Kenya, Uganda, and Rwanda had developed and implemented most of the identified containment measures and had aligned to the EAC Administrative Procedures on the easing of movement of goods and people in the region.

On the other hand, Burundi, Tanzania, and South Sudan had instituted fewer measures compared to the other countries as indicated in Table 6.

Table 6: Summary of containment measures deployed by each of the EAC Partner States

	Containment Measure	Country					
		Burundi	Kenya	Rwanda	South Sudan	Tanzania	Uganda
1	Mandatory COVID-19 testing for cargo truck crew	X	X	X	X		X
2	Restriction on the number of crew		X	X			X
3	Online submission of cargo-related documents	X	X	X	x	X	X
4	Use of rail transport as an alternative		X				
5	Quarantine of crew		X	X			X
6	Fumigation of the port area, truck cabins, and containers		X	X		X	X
7	Adoption of non-intrusive cargo verification		X	X		X	X
8	Sensitization and awareness creation	X	X	X	x		X
9	Suspension of the issuance of new port passes		X				

continued next page

Table 6 Continued

	Containment Measure	Country					
		Burundi	Kenya	Rwanda	South Sudan	Tanzania	Uganda
10	Relay driving (switching of drivers at the border)		X	X			X
11	Escorting cargo			X			
12	Transshipment at borders			X			
13	Isolation of agents and customs officers			X			
14	Designated stopovers for trucks		X			X	X
15	Additional police check points	X	X	X	x	x	X
16	Regional electronic cargo and driver tracking	X	X	X	x	x	X
	No. of Measures Identified and Instituted	5	13	13	5	6	11
	Percentage of Identified Measures	31	81	81	31	36	69

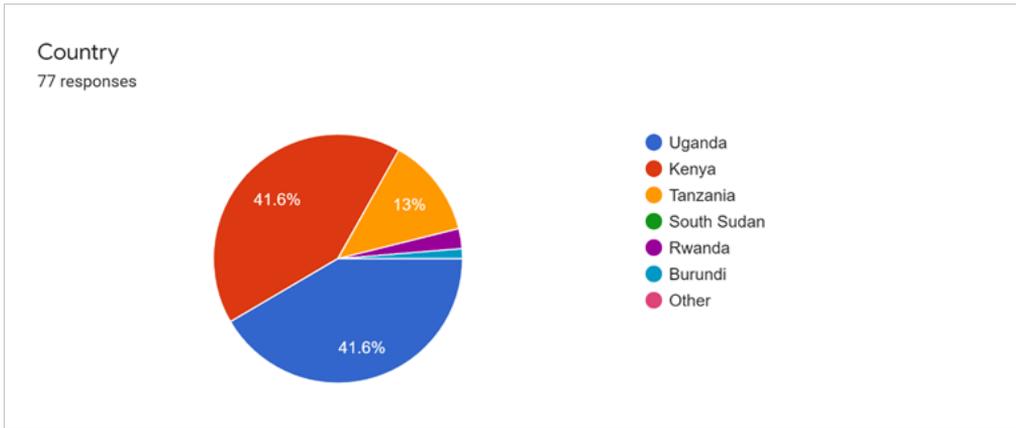
Findings of online questionnaires

Online questionnaires response rate

A total of 160 questionnaires were disseminated targeting cargo owners, transporters, and clearing agents in the East African region. In total 77 responses were received, with most respondents from Kenya (41.6%) and Uganda (41.6%), as shown in Figure 3. There was no response from South Sudan. Despite concerted efforts and follow ups, the targeted respondents from South Sudan failed to participate. The probable reason for the non-participation could be attributed to technological issues as the survey was administered online.

On the other hand, a lack of perceived benefits in participation in the study could have contributed to the non-response. There is also a nascent challenge in transport and logistics sector player's co-ordination through associations in South Sudan and thus limiting the role of such associations in prevailing among their members to participate in the study. The lack of participation by South Sudan does not in any way threaten the regional coverage and perspective of the study as most of the transport, clearing and forwarding services are provided by players in Kenya and Uganda who were sufficiently covered in the study. The response is therefore largely considered to be representative as it provided a sufficient coverage of both the Northern and Central Corridors.

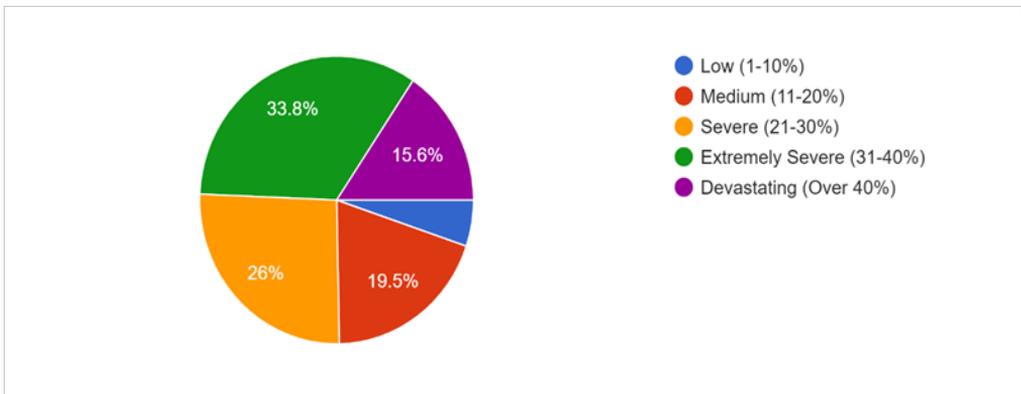
Figure 3: Distribution of online engagements from the EAC Partner States



Overall impact of COVID-19 on transport and logistics stakeholders

More than 75% of the transport and logistics businesses in East Africa were significantly affected by the pandemic, with 16% of the respondents reporting the impact to be devastating and 34% experiencing extremely severe impact. This information is presented in Figure 4.

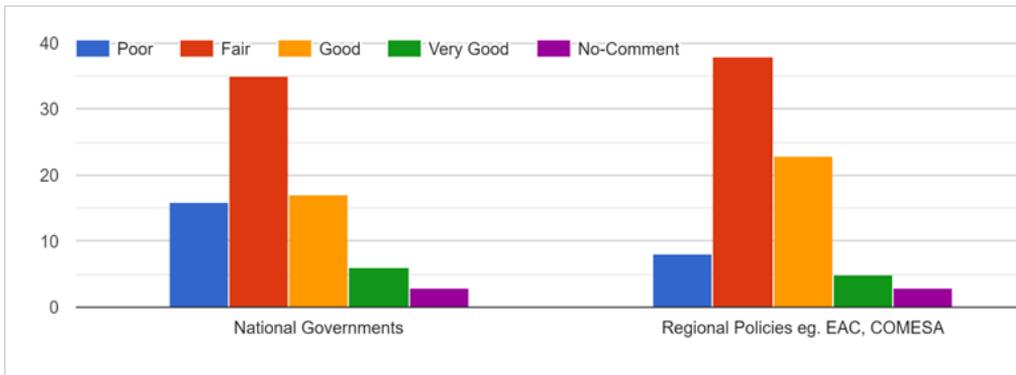
Figure 4: COVID-19 impact on businesses in the EAC region



Effectiveness of the regional COVID-19 policies

The transport and logistics industry believed that the existing national and regional policies were not effective in addressing the pandemic. Respondents rated national government policies fair at 35% compared to regional policies at 38%. This information is presented in Figure 5.

Figure 5: Existing policy's effectiveness in addressing the pandemic

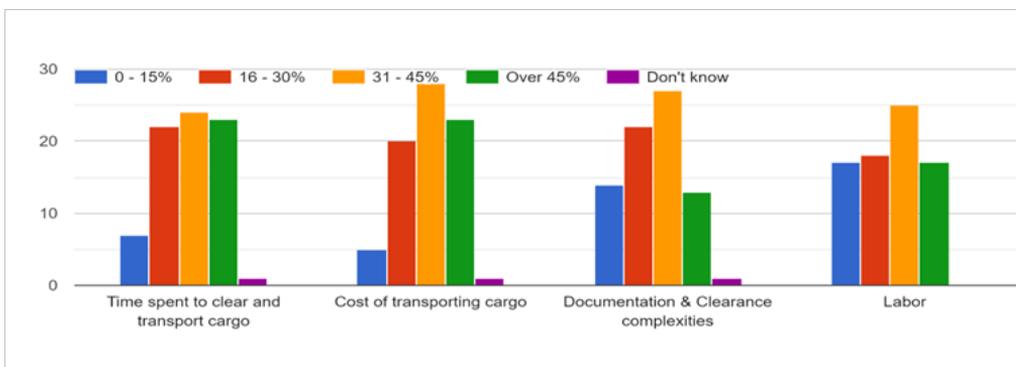


Effects of COVID-19 containment measures

COVID-19 containment measures had increased the time, cost, documentation, and labour costs. About 62% of transport and logistics players estimated that clearance time had increased by more than 30%. More than 67% also estimated that the cost of transport had increased by more than 30%.

Majority of the players also indicated that there was marked increase in documentation and clearance complexities because of COVID-19. There was also some noted increase in labour costs as a result of the pandemic. Figure 6 details these findings.

Figure 6: Effect of COVID-19 containment measures in the EAC region

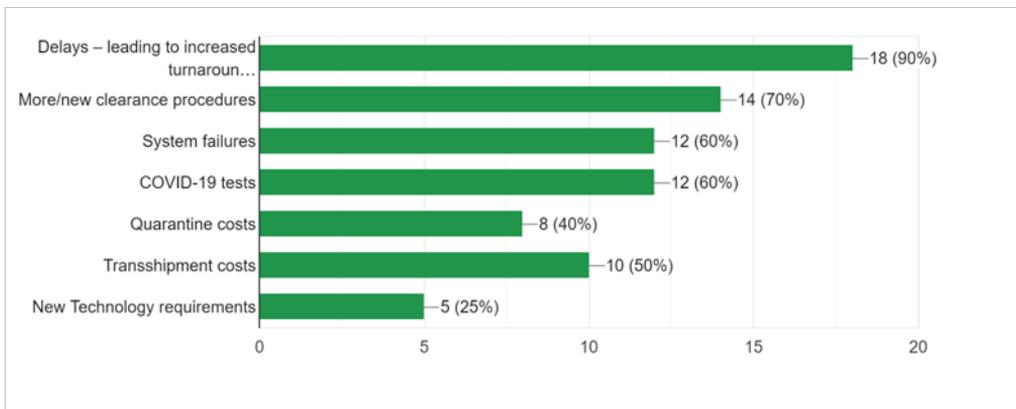


Additionally, it was found that the containment measures spread operational difficulties across the transport sector, resulting in a significant impact in dispensing of duties, service delivery, and the expected outcomes.

Operational challenges faced due to COVID-19

In terms of challenges because of COVID-19 in the region, several operational challenges were identified. According to 90% of the players, the sector experienced delays leading to increasing turnaround time. About 70% of the respondents identified the second most operational challenge as the emergence of more and new clearance procedures. Systems failure issues were identified by about 60% of the respondents as contributing to the operational challenges. Similarly, another 60% identified COVID-19 test-related issues as a major contributor to the operational challenges. Other factors identified as contributing to operational challenges are provided in Figure 7.

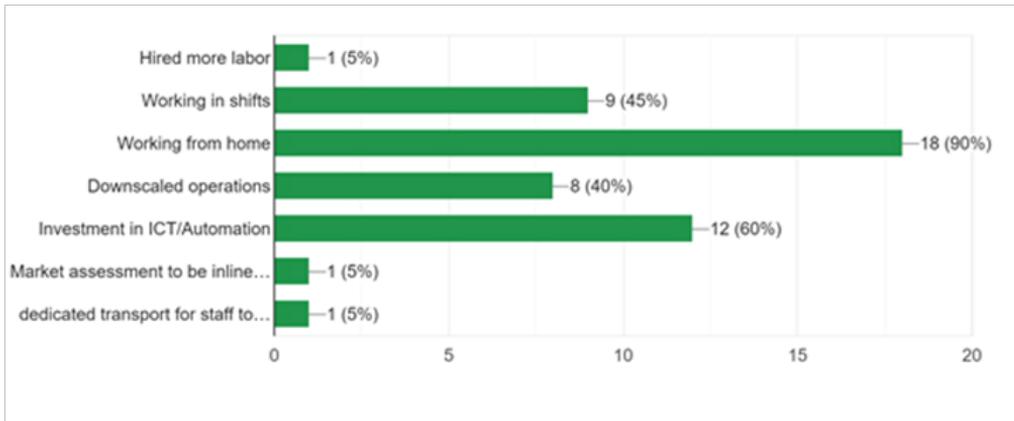
Figure 7: Main operational challenges faced during COVID-19 in the EAC region



Business response to challenges faced due to COVID-19

Nearly all transport and logistics businesses (98.7%) made changes to their operations to mitigate the impact of the pandemic. About 45% started working in shifts, 90% started working from home, 40% had downscaled operations, whilst 60% increased investment in technology (Figure 8).

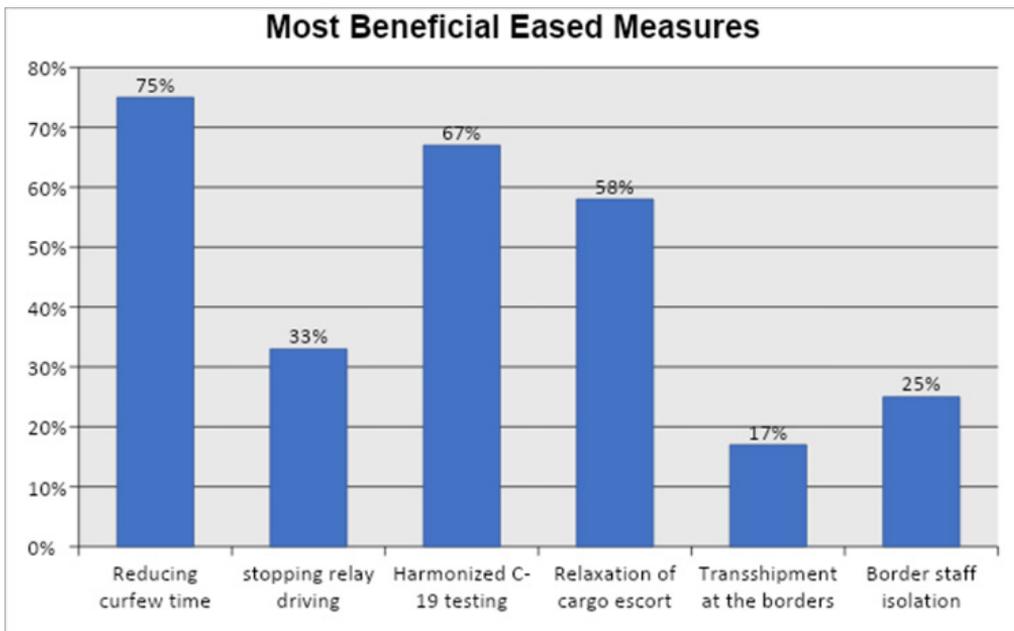
Figure 8: Major changes adopted by businesses to mitigate COVID-19 impact



Beneficial measures to be adopted

Reducing curfew time was considered the most beneficial of the eased containment measures, rated at 75%, followed by harmonized COVID-19 testing (67%) and relaxation of cargo escort (58%), as shown in Figure 9.

Figure 9: Most beneficial eased measures



Findings from Focused Group Discussions (FGDs)

The Focused Group Discussions, together with the online surveys, sought to determine and enumerate the operational challenges on the transport and logistics sector in the EAC because of the containment measures to curb the spread of the COVID-19 pandemic. The results indicate that some of the EAC Partner States, including Kenya, Uganda, and Rwanda, instituted unique and varied measures in line with the WHO guidelines to mitigate the spread of the pandemic, which had a ripple effect on the operations of transport and logistics.

The main players in the transport and logistics sector include but are not limited to customs agents who declare shipments on behalf of the importers or exporters, customs administrations under the revenue authorities who audit the customs agents' declarations and facilitate the processing of documents, importers from whom all originating documents are obtained from by the customs agents, and other government agencies for standardization and enforcement of trade facilitation across the region. Given the above, the containment measures resulted in operational challenges that generally increased the turnaround time, cargo dwell time, and increased cost of transport. The main operational challenges include but are not limited to the following:

National curfews

Most Partner States adopted curfews restricting the movement of goods and services. This directly meant that the gains that had been made on 24-hour service provision at the ports and the borders were reduced. Participants noted that productive man-hours were limited thus increasing the time taken to move cargo and at the same time handling and the clearance points. For example, in Kenya, whereas the ports were presumed to work 24 hours, the banks closed at 3pm, the shipping lines stopped operations in the afternoons and customs agents vacated the port areas latest at 4pm to comply with government curfew mandates. At the border of Namanga, while Kenya followed WHO recommendations to control COVID-19, Tanzania did not. This affected border crossing between the two countries.

Partial and total lock down

Some Partner States instituted partial lockdowns¹ and/or total lockdowns² creating a challenge in moving from one part of the country to the other and/or one country to the other without special clearance from the authorities. This created a challenge for, among other things, supervision and delivery of services which reduced efficiency and the turnaround time. Participants noted that before the pandemic, trucks from Mombasa to Kampala would make four round trips per month, but this reduced to an average of 1-2 round trips in the same period during the second quarter of 2020.

Some truck drivers were also afraid of harassment by law enforcement officers who were not able to differentiate between essential service providers and other general service providers. This impacted the discharge of their duties, alongside the enhanced protocols in the transport and logistics sector.

Testing and certificates of conformity of COVID-19 status

Truck drivers were categorized as high risk in the spread of the COVID-19 pandemic across the region even though their services remained vital. Many were thus stigmatized and treated with disdain and opted to withdraw their services for fear of their lives while others insisted on higher allowances to mitigate risks posed to their work.

Mandatory testing became a new complexity that took more time and later had an impact on the turnaround time, both in the handling facilities and general time taken along the corridors. The turnaround time for the testing results was not guaranteed, making it difficult to project delivery times and planning for service providers along the corridors.

Similarly, demand for testing based on the available kits created congestion both for shipments at the ports and at the borders, resulting in long queues as witnessed in some border points such as Malaba and Busia.

The introduction of a testing fee of US\$65 by the Government of Uganda to meet the cost of the test resulted in some truck drivers opting to be tested in Kenya which initially provided the same services for free. The testing fee has since been reduced to US\$50. The absence of harmonized regional testing procedures and recognition of the test results in the second quarter of 2020 led to retesting which increased delays and incurred additional costs for a truck. The introduction of the Regional Electronic Cargo and Driver Tracking System (RECDTS) has since alleviated the challenge of not recognizing COVID-19 certificates by the EAC Partner States.

Online submission of documents

Provision for online submission of documents existed amongst trade facilitation agencies, such as the revenue authorities in Rwanda, Uganda, and Kenya. Enhanced utilization of ICT facilities was made possible by making it mandatory for clearing agents to submit customs-related documents online as opposed to physical submission. Although this was welcome by the industry, lack of resources, both human capacity (skills) and equipment by some clearing agents, and delays in approval of documents on the part of some customs officials posed a major challenge.

Another notable challenge was the system down times occasioned by the increased number of users and documents uploaded, which resulted in low-efficiency levels, consequently, processing and approval delays. Lack of well-defined timelines for action on either side of the system compromised the user expectations for best

outcomes. Some Partner States had online supervisory tools that ensured action timelines, failure to which the task was escalated to the next supervisor.

The online submission of documents exposed a need for an integrated portal for all other government agencies since some are not digitalized and/or integrated. This made it difficult to attend to some tasks, consequently, needing physical intervention.

Working from home

Considering that older people or those with underlying conditions were more vulnerable to COVID-19, most Partner States directed that the two categories be exempted from physically discharging their duty. This meant that some would work from home and/or take total leave from work. This reduced the mandatory workforce at the handling facilities for tasks that cannot be done from home. For example, the operation of some handling equipment such as top loaders, terminal tractors, and crane handling among many more. The result was that specific expected tasks remained unattended, thus creating a void that reduced the efficiency and/or slowed delivery of such services and approvals. This impacted on time of delivery and cost due to prolonged cargo dwell time at the handling facilities.

Introduction of port health as a lead agency

Before the COVID-19, port health services were more pronounced at airports. Their role became more critical at the importing ports and cross borders after clearance by port health became mandatory before the commencement of any process of cargo clearance by other government agencies. This created a challenge in changing the traditional process where truck drivers crossed straight into the territories of the importing countries for shipment verifications by joint customs administrations and customs agents and/or release for onward trucking.

The absence of harmonized testing procedures and mechanisms for validating the certificates amongst the Partner States led to delays and frustrations amongst the truck drivers and the condemnation of port health workers. Furthermore, frustration arising from the long wait for tests resulted in truck drivers having to bribe, to influence both the test turnaround time and securing favourable results. Port health service providers have since then been accepted and become an integral part of customs and border crossing procedures; however, their key challenge is that they work independently of each other and sometimes have limited testing reagents.

The Rwandan case

The Government of Rwanda, whilst appreciating the importance of transport and logistics and the imminent danger of COVID-19 to the community, decided to move activities in the transport and logistics sector to the border. This was to

contain the then notion of drivers being the highest risk carriers of the virus across the region by allowing for offloading at the border points. Clearing agents were moved to a specific area where they were to render services without going back to their families for control services. In effect, the new complexities compromised the delivery agreements and contracts that were already in place and exposed parties to the risk of loss.

As truck drivers were not allowed into the country (Rwanda), they had little trust in the third-party operators. Traders were also forced to accept available service providers who were not their preferred choices. There was also the danger of mishandling the shipment since some require expert handling in the warehouses and beyond. Additionally, shipments had to adjust the anticipated delivery timelines since cargo was offloaded at the border points and cleared before re-distribution to intended importers. The double handling of shipments added to their initial cost of the shipments since the anticipated handling and transport envisaged a one-off charge.

Alternative forced transport

To limit driver interaction along the Northern Corridor from Mombasa, it was directed that all transit shipments be railed ex-hook to the dry port in Naivasha for further clearance and loading on trucks, and thereafter, onward transport to the desired destination in the importing countries. The business community from the importing countries resisted this directive, citing added costs. On the other hand, customs agents had the challenge of establishing mini offices and acquiring requisite staff for these off-site offices.

In the end, the logistics of sending empty containers to appointed shipping line depots diluted the intention since all empty containers had to be returned to Mombasa by road.

Switching drivers to move cargo

Due to delayed COVID-19 test results, and in cases where the truck driver tested positive while trucks were on transit, and expiry of the validity of certificates, some transporters willingly made local arrangements to switch drivers—mostly at Busia and Malaba border. This was experienced especially before the Regional Electronic Cargo and Driver Tracking System (RECDTS). Rwanda, for example, and especially at the Rusumo border, adopted relay driving, where their local drivers took over from the drivers coming with trucks from the port of loading as a measure to deter the spread of COVID-19. This posed a major concern and challenge to cargo owners since the truck and cargo were handed over to unknown persons with no guarantee of safety.

During the first quarter of 2021, some of the key challenges that were faced at the onset of the COVID-19 pandemic have been addressed. For example, the establishment of testing centres, better co-ordination of testing and release of results, adoption, and a better understanding of health protocols. Some key border points such as Busia have increased the number of port health officers from the initial four in the second quarter of 2020 to the current seven. There is also less stigmatization of truck drivers, thanks to the sensitizations that have ensured mutual understanding on COVID-19. Of concern, however, is the perennial shortage of test kits which has led to the temporary closure of some of the test centres.

Impact of COVID-19 on transport and logistics - time and cost implications

The East African Community is currently served by two major ports—Mombasa and Dar es Salaam. The disruptions caused to the transport and logistics sector in the EAC affected trade facilitation and overall trade performance in the region.

Performance

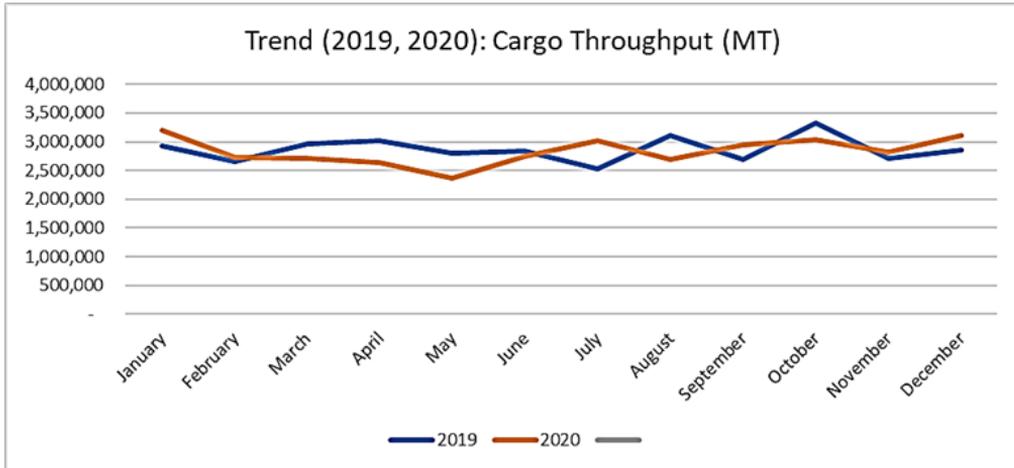
Port throughput

Mombasa Port

Port throughput, which is defined as the total volume of cargo discharged and loaded at the port, includes break-bulk, liquid bulk, dry bulk, containerized cargo, transit cargo, and transshipment.

In 2020, the Port of Mombasa in Kenya, which serves the Northern Corridor, recorded a reduction in throughput from a projection of 35.9 million tons in total throughput and 1.49 million Twenty-foot Equivalent Units (TEUs) in container traffic to 34 million tons and 1.358 million TEUs (Figure 10). Furthermore, the Port of Mombasa registered a 4% reduction in container traffic in 2020 (Figure 2) (KPA, 2020). The effects were most felt in March to June 2020, due to disruption in the logistic supply chain caused by lockdowns, withdraw of labour, restrictions of vessel movements, new and revised cargo clearing process, and other measures adopted to protect against the pandemic.

Figure 10: Port of Mombasa cargo throughput performance, 2019 and 2020



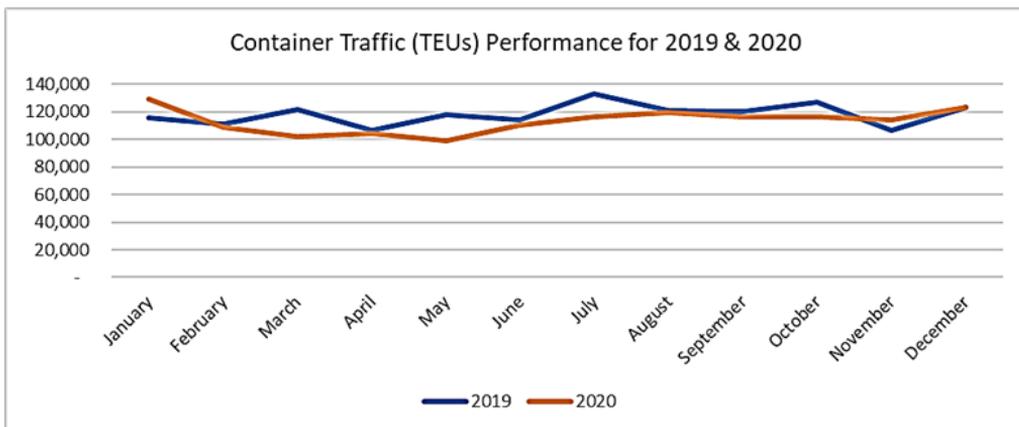
Source: Author’s calculations based on Port of Mombasa and Northern Corridor Community Charter reports.

China was seen as the epicentre of the COVID-19. Being among the top trading partners, contributing 29.2% of the full import containers or 9.9% of the total cargo throughput handled at the port (2019 Port Statistics), the impact of the pandemic on China was immediately felt in the port’s traffic and revenue. The big container liners from China such as Evergreen and COSCO line and several bulk carriers cancelled their normal calls in the first quarter.

Container traffic (TEUs) Trend: 2019, 2020

Container traffic is defined as the total volume of container cargo discharged (imports) and loaded (exports) at the port. It includes transshipment at the port.

Figure 11: Container traffic (TEUs) performance, 2019 and 2020



Source: Author’s calculations based on Port of Mombasa and Northern Corridor Community Charter reports.

The number of containers cleared within the 4-day free period declined drastically at the Inland Container Depot (ICDN) in Nairobi. Subsequently, about 60% of cargo cleared through the ICDN incurred storage charges amounting to an average of Ksh 9 million to Ksh 11 million weekly (SCEA, 2020). The depressing performance of container traffic due to the COVID-19 pandemic was heavily registered as containers handled in 2020 were below traffic handled in 2019 throughout the period between February to October. The total number of TEUs passing through the Port of Mombasa in 2020 reduced by 4% compared to the previous year. The decline was most felt in March to June 2020, due to disruption in the logistic supply chain caused by lockdowns, withdrawal of labour, restrictions of vessels movements, new and revised cargo clearing process, and other measures adopted to protect against the Coronavirus pandemic.

Market share (imports by country)

Comparing 2020 with 2019, domestic traffic reduced from 70% to 66%, while transit cargo grew significantly from 31% to 34%. Uganda bound cargo declined from 82% recorded in 2019 to 76%, while cargo destined to Tanzania declined from 3% to 2.5%. An increase in cargo destined to South Sudan from 8% in 2019 to 10.4% in 2020, DRC Congo from 5% to 7.2% as well as cargo to Rwanda from 2% to 4.2% were registered.

Table 7: Port of Mombasa import by country

Economy	2016	2017	2018	2019	2020	Proportion
Total Traffic	26,776	29,398	29,601	31,836	34,115	
Kenya	19,027	20,761	19,996	21,888	21833.6	
% of total traffic	71%	71%	68%	70%	66%	70%
Others	7749	8637	9605	9948	12281.4	
	29%	29%	32%	31%	34%	30%
Of which:						
Uganda	82%	82%	82%	82%	75.7%	82%
South Sudan	8%	8%	8%	8%	10.4%	8%
DRC Congo	5%	4%	5%	5%	7.2%	5%
Tanzania	2%	3%	26%	3%	2.5%	8%
Rwanda	3%	2%	2%	2%	4.2%	2%
Burundi	0.50%	0.30%	0.20%	0.02%	0.01%	0.20%
Others (Including Somalia)	0.20%	0.20%	0.10%	0.10%	0.04%	0.10%

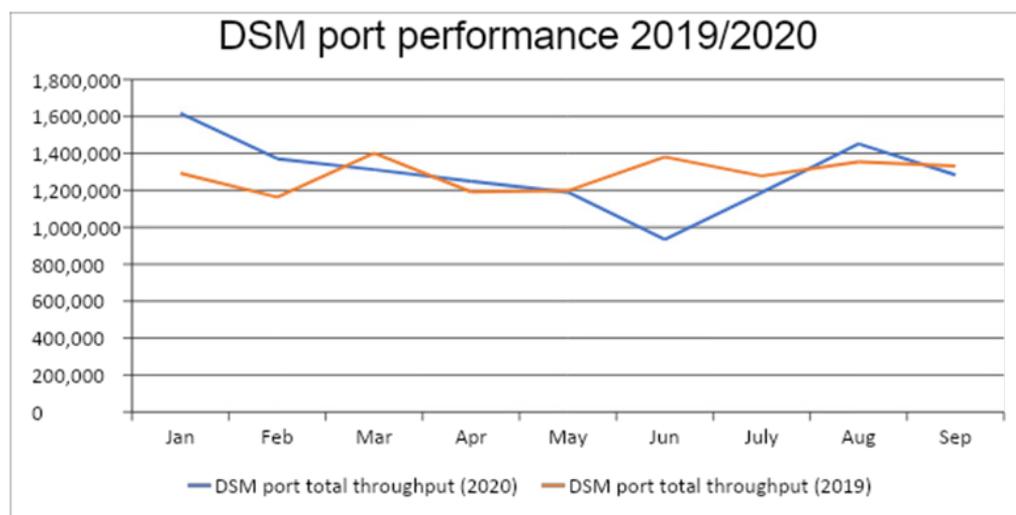
Source: Port of Mombasa and Northern Corridor Community Charter.

Dar es Salaam Port

Port throughput

The situation at the Port of Dar es Salaam in Tanzania was slightly different. The port throughput was 11,596,225 tons in 2020 for the period between January and September, higher by 4,939 tons margin compared to 2019 for the period under review. The throughput depressed from March to July but by smaller margins, almost performing to the levels achieved in 2019, contributing to a slight improvement in throughput during the year.

Figure 12: Dar es Salaam Port total throughput, 2019 and 2020



Source: Central Corridor, Dar es Salaam Port, 2020.

The trend remained similar for the cost of transport in the Central Corridor, which is served by the Port of Dar es Salaam. There was a slight reduction in rates—the average cost from Dar es Salaam Port to Kigali reduced to US\$2,800 in 2020 from US\$2,867 in 2019, Dar es Salaam to Bujumbura reduced from US\$3,067 to US\$2,978, while the cost from Dar es Salaam to Bukavu went down from US\$4,900 to US\$4,856 (Table 8).

Table 8: Central Corridor transport costs and rates pre-COVID and during COVID, 2019 and 2020 (in US\$)

Route	Dar-Kigali		Dar-Bujumbura		Dar- Kampala		Dar-Bukavu		Dar-Goma	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Jan	3,000	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Feb	2,900	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Mar	2,900	2,900	3,000	2,800	3,200	3,200	4,800	4,800	4,200	4,300
Apr	2,800	2,800	3,000	2,900	\$3,300	3,500	4,800	4,600	4,100	4,100
May	2,800	2,800	3,000	2,800	\$3,200	3,500	4,800	4,600	4,100	4,000
Jun	2,800	2,800	3,000	3,100	\$3,300	3,400	4,900	4,900	4,150	4,400
Jul	2,800	2,700	3,000	3,000	\$3,300	3,400	5,100	4,900	4,150	4,300
Aug	2,900	2,700	3,000	3,000	3,300	3,300	5,000	5,000	4,200	4,400
Sep	2,900	2,700	3,200	3,000	3,300	3,300	4,900	5,100	4,200	4,400
Avg	2,867	2,800	3,067	2,978	3,256	3,333	4,900	4,856	4,189	4,278

Source: Central Corridor, Dar es Salaam Port, 2020.

Imports by country

Of the total imports, 63% was local cargo for the period between January and September 2020, which is a reduction of 4% from the 67% recorded in 2019 during the same period. Transit cargo accounted for 37% in 2020, an increase from 33% in 2019, of which 25% was destined for DRC Congo, 8.57% for Burundi, 25.31% for Rwanda, 2.97% for Uganda, and 37.18% for the rest of the countries. Comparing 2020 to 2019, during the same period, there was a decline in cargo destined to DRC Congo by 0.6%, Rwanda by 0.1%, and a decline of 9.6% for cargo destined to the rest of the countries. Cargo destined to Burundi improved by 1.6% followed by cargo to Uganda with a 0.4% increase.

Table 9: Dar es Salaam Port import by country

COUNTRY (Import by Country)	DISCHARGED/IMPORTS					
	Jan – Sep 2020	% of total imports (local & transit)	Jan – Sep 2019	% of total imports (local & transit)	Variance	% change
Local	6,257,497	67%	5,951,179	63%	306,318	3.3%
DRC Congo	873,532		894,106		-20,574	-0.6%
Burundi	350,873		295,005		55,868	1.6%
Rwanda	863,533		870,927		-7,394	-0.1%
Uganda	116,422		102,192		14,230	0.4%
Others	947,860		1,278,501		-330,641	-9.6%
Total transit	3,152,220	33%	3,440,731	37%	-288,511	-3.1%
Total discharged	9,409,717		9,391,910		17,807	0.2%

Source: Central Corridor, Dar es Salaam Port, 2020.

Costs and rates

Northern Corridor transport (Port of Mombasa)

Disruptions caused by the COVID-19 in transport and logistics operations also resulted in higher operational costs, delays, and in some cases, cancellations of orders. For example, truck turnaround from Mombasa to Kampala reduced from four trips to two trips per month. Though transporters adjusted their rates upwards, it was truck owners who absorbed about 48% of the costs which were attributed to border crossing delays as they had to service existing transport contracts.

There was a general increase in truck turnaround time for Mombasa-Kampala from 2-4 days to an average of 7-9 days. During the second and third quarter of 2020, this resulted in an increase in transport rates from US\$2,100 to US\$2,500 and a varied extra driver and or delay cost of US\$100 to US\$200 per day (Table 10).

Table 10: Northern Corridor transport costs and rates during COVID-19

Transport Route	Pre-COVID Rates (US\$)	March - June 2020 Rates (US\$)	Pre-COVID Average Transit Time (In Days)	March - June Average Transit Time (In Days)	Extra Costs @ US\$200 Per Day (US\$)
Mombasa – Kampala	2,100	2,500	2-4	7-9	1,000
Mombasa - Kigali	3,400	3,800	7-8	14-16	1,400
Mombasa - South Sudan	3,600	4,500	9-10	21- 26	2,800
Mombasa - Bujumbura	4900	5900	9 – 10	19-20	2,000
Mombasa – DRC Congo	5,000	6,000	20-21	30-45	3,400
Nairobi – Zambia	6,000	7,000	10-12	30-32	4,000

Source: Study Findings

Central Corridor transport cost and rates 2019/2020 (Dar es Salaam Port)

The cost of transport in Tanzania remained nearly the same, comparing 2020 to 2019, which shows slight differences of both increase and decrease depending on the destination of the cargo. The trend remained similar for the cost of transport in the Central Corridor, which is served by the Port of Dar es Salaam. There was a slight reduction in rates—the average cost from Dar es Salaam Port to Kigali reduced to US\$2,800 in 2020 from US\$2,867 in 2019, Dar es Salaam to Bujumbura reduced from US\$3,067 to US\$2,978, while the cost from Dar es Salaam to Bukavu went down from US\$4,900 to US\$4,856 (Table 11). Recording an increase was the transport cost from Dar es Salaam to Kampala from US\$3,256 to US\$3,333 and the transport cost from Dar es Salaam to Goma from US\$4,189 to US\$4,278.

Table 11: Central Corridor transport costs and rates pre-COVID and during COVID, 2019 and 2020 (US\$)

Route	Dar-Kigali		Dar-Bujumbura		Dar- Kampala		Dar-Bukavu		Dar-Goma	
	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
Jan	3,000	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Feb	2,900	2,900	3,200	3,100	3,200	3,200	4,900	4,900	4,300	4,300
Mar	2,900	2,900	3,000	2,800	3,200	3,200	4,800	4,800	4,200	4,300
Apr	2,800	2,800	3,000	2,900	3,300	3,500	4,800	4,600	4,100	4,100
May	2,800	2,800	3,000	2,800	3,200	3,500	4,800	4,600	4,100	4,000
Jun	2,800	2,800	3,000	3,100	3,300	3,400	4,900	4,900	4,150	4,400
Jul	2,800	2,700	3,000	3,000	3,300	3,400	5,100	4,900	4,150	4,300
Aug	2,900	2,700	3,000	3,000	3,300	3,300	5,000	5,000	4,200	4,400
Sep	2,900	2,700	3,200	3,000	3,300	3,300	4,900	5,100	4,200	4,400
Avg	2,867	2,800	3,067	2,978	3,256	3,333	4,900	4,856	4,189	4,278

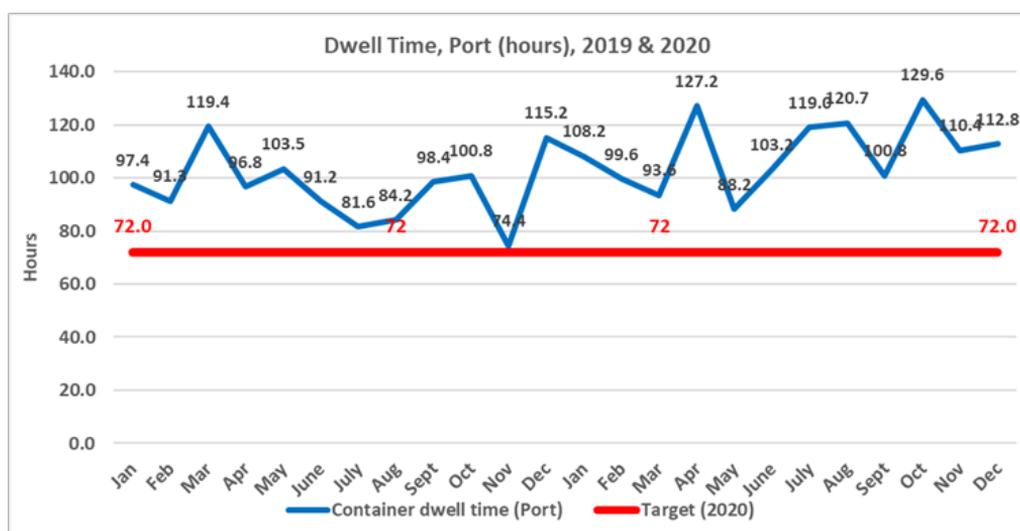
Source: Central Corridor, Dar es Salaam Port, 2020.

Time (cargo dwell time and port truck turnaround time)

Cargo dwell time at the Port of Mombasa

Dwell time is measured as the time that elapses between cargo being unloaded from a ship until it leaves the port gates. The pandemic worsened the dwell time especially during the first quarter of 2020 where the dwell time reached an average of six days in April from the initial three days in March. This was due to the reduced human resource because of staff working from home among adherence to other containment measures.

Figure 13: Port of Mombasa cargo dwell time during the pandemic

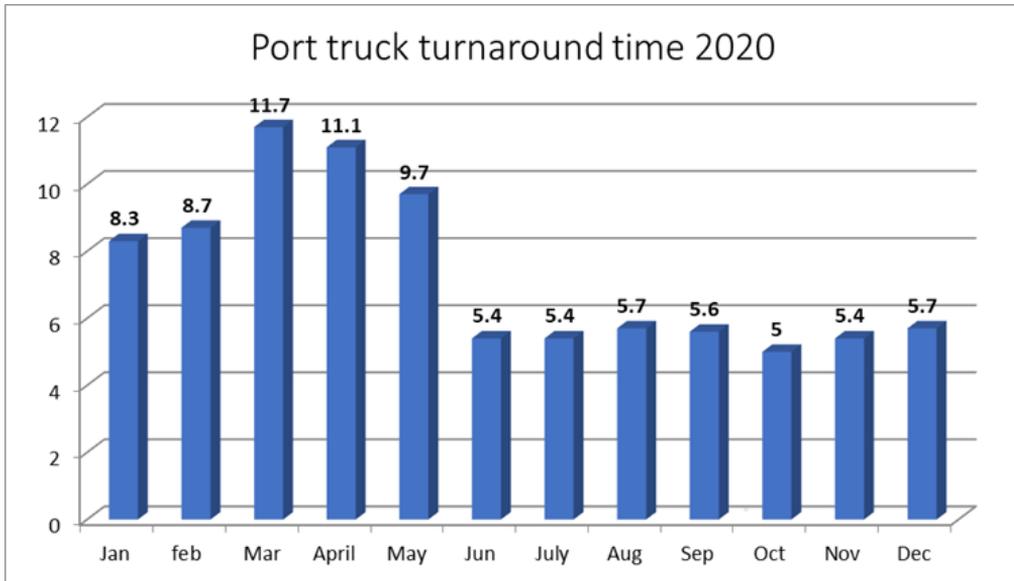


Source: Port of Mombasa and Northern Corridor Community Charter.

Port truck turnaround time at the Port of Mombasa

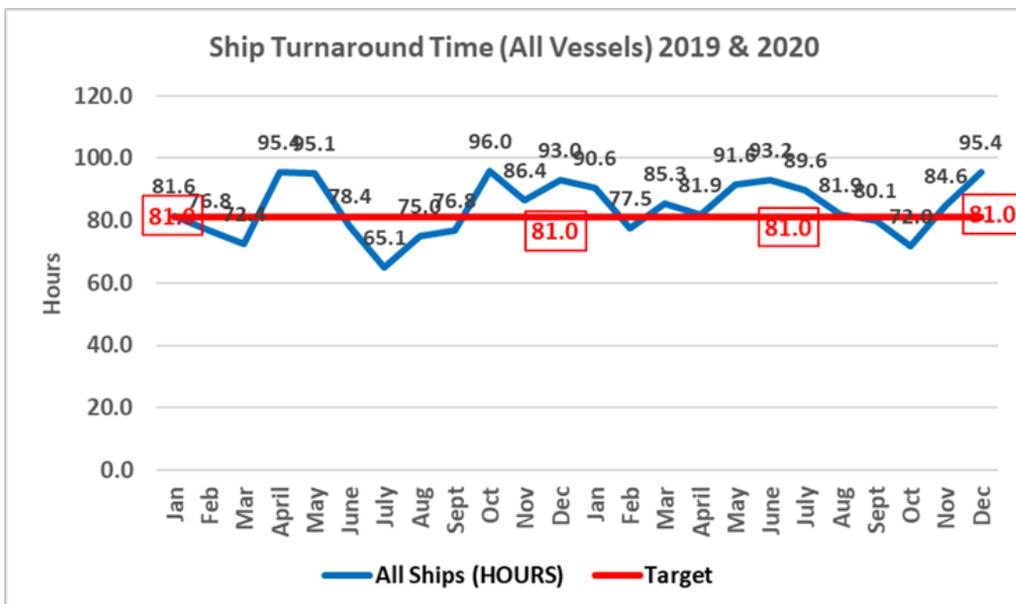
At the onset of the pandemic, during March and April, the truck turnaround time was at its highest. This may be attributed to the stringent containment measures such as night curfew, working from home, and social distancing.

Figure 14: Port of Mombasa truck turnaround time, 2020



Source: Port of Mombasa and Northern Corridor Community Charter.

Figure 15: Ship turnaround time, comparison pre-COVID and during COVID



Source: Port of Mombasa and Northern Corridor Community Charter.

Performance in 2020 was worsened by the stringent measures introduced to mitigate the spread of the Coronavirus to dock workers and the increased documentation process as vessels waited to be cleared. The government directives on curfew and advice to “stay and work at home” also disrupted the working system as workers had to observe dusk to dawn curfews, including support workers who played a critical role in the clearing of vessels, for example, finance and billing.

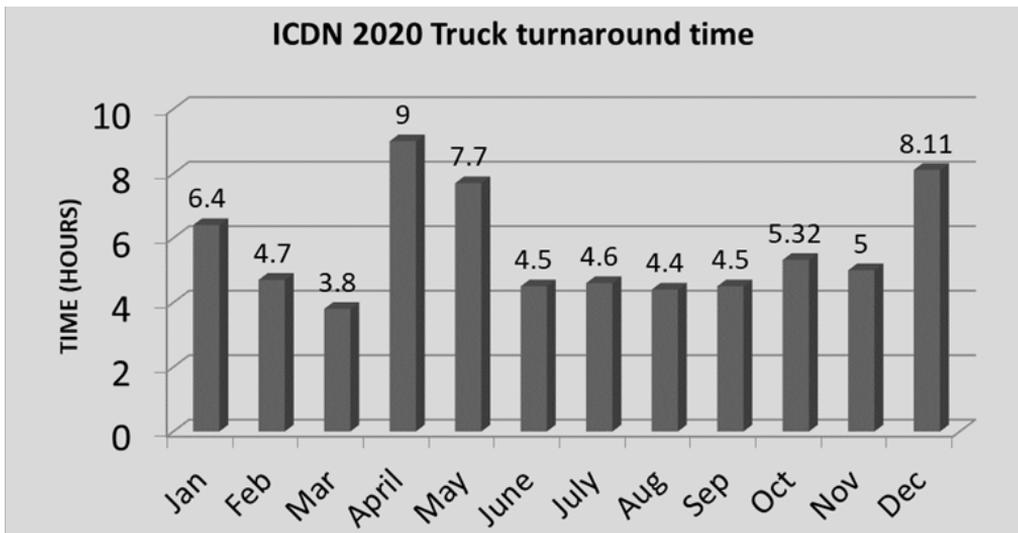
Inland container depots

The Nairobi Inland Container Depot is linked by rail to the Port of Mombasa and provides shippers with dry port facilities in Nairobi. The ICDN can accommodate a throughput of over 180,000 TEUs per annum, making it ideal for shippers of both exports and imports and empty containers.

Truck turnaround time

The truck turnaround time for ICDN went up during April and May, registering an average of nine hours and 7.7 hours attributed to stringent containment measures such as curfew, working from home, and social distancing.

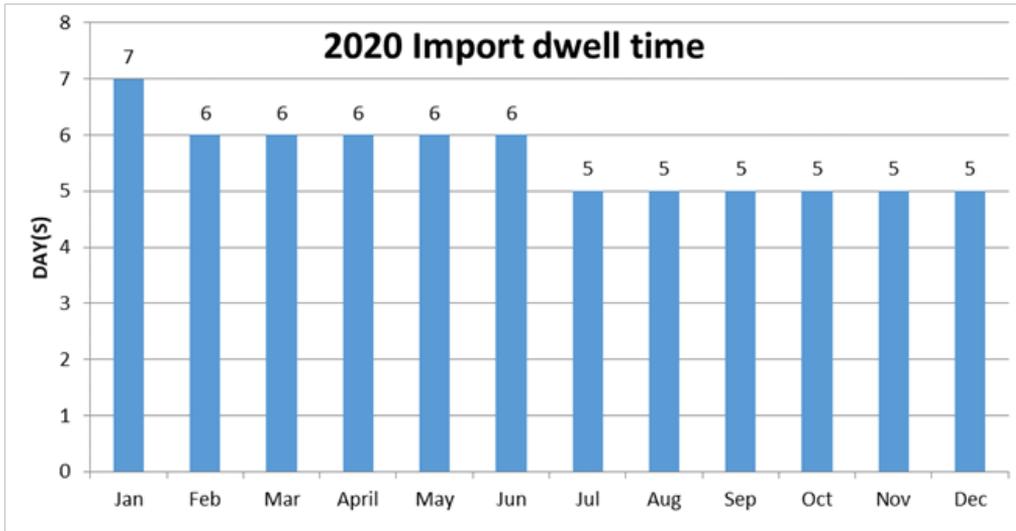
Figure 16: ICDN 2020 truck turnaround time



Source: ICDN weekly reports.

Dwell time is measured as the time that elapses from the time cargo enters a terminal facility to the time it is released. The graph in Figure 16 indicates a steady improvement in the cargo dwell time at ICDN during the COVID-19 period. This is attributed to lead government agencies reducing physical verification by about 50% and encouraging online submission of documents by email. That meant that most cargo was processed online without much physical inspection, resulting in a decrease in the number of containers verified hence more cargo cleared.

Figure 17: ICDN import dwell time performance during COVID-19

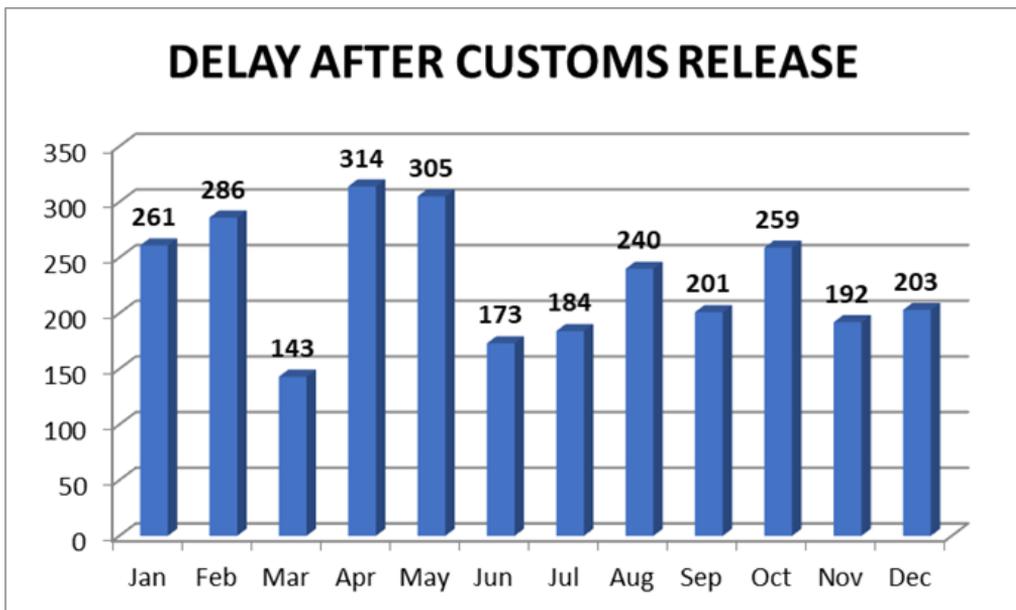


Source: ICDN weekly reports.

Containers paying penalties after customs release

At the peak of the pandemic in April and May, there was an increase in the number of containers penalized for delays after customs release due to the containment measures instituted.

Figure 18: Delay after customs release at ICDN

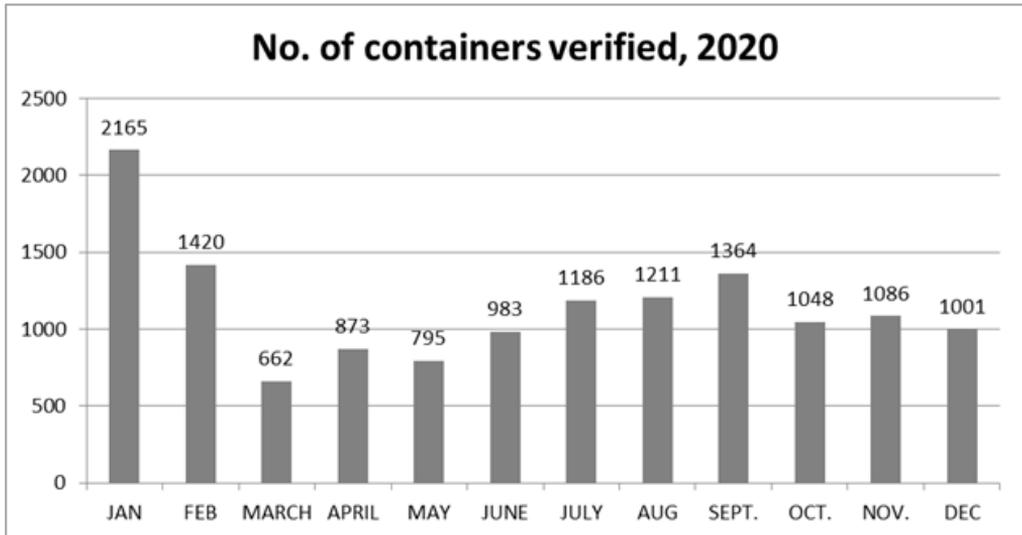


Source: ICDN weekly reports.

Verification

There was a notable reduction of about 50% in the number of containers physically verified during the pandemic at ICDN. Non-intrusive verification was adopted, complemented with online submission of documents, leading to expedited processing and release.

Figure 19: Verification performance, 2020



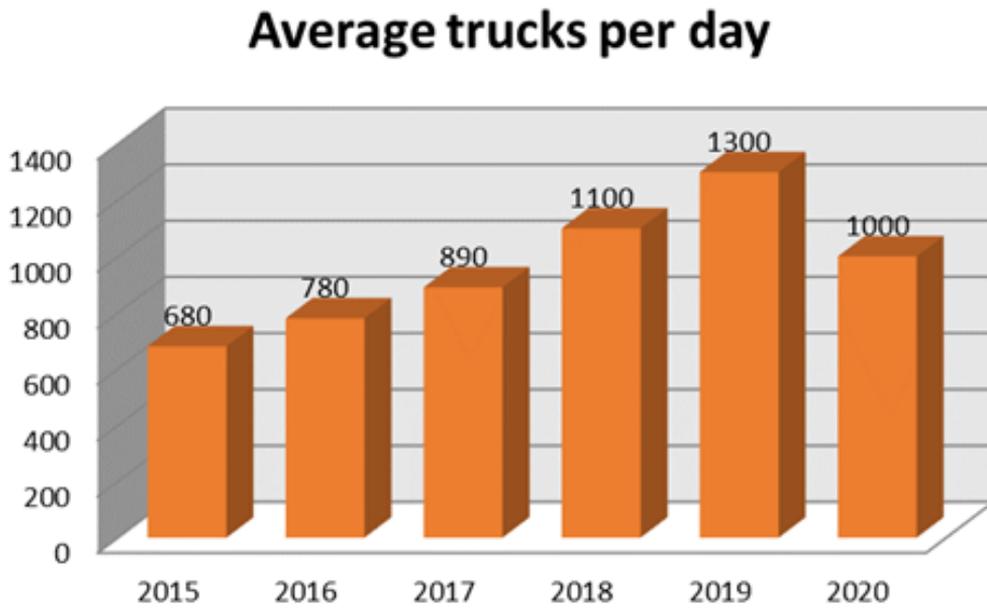
Source: ICDN weekly reports.

Border

Malaba border traffic

The border registered a tremendous increase in traffic outbound flow before the COVID-19 period, with an average of 680 trucks handled daily in 2015, 780 trucks daily average in 2016, 890 trucks in 2017, 1100 trucks in 2018, and 1300 trucks in 2019. The year 2020 recorded a decrease in the number of trucks passing through the border with an average of 1000 trucks per day, and in some months during the year recording as low as 500-600 trucks per day.

Figure 20: Average number of trucks handled at Malaba border per day



Source: Northern Corridor Observatory reports.

4. Discussion, conclusions, and recommendations

Discussion

The COVID-19 pandemic has had serious implications on the transport and logistics sector and the East African economy broadly. The study findings indicate that, while government interventions were important, the lack of a consultative and harmonized regional approach in the interventions made their impact minimal. Like the ECOWAS, it is prudent that the EAC institutes a Committee of Experts to advise and inform the EAC regional government on the present and future crises.

The impact of the pandemic on the region can be mitigated with adequate funding, capacity, and implementation of the agreed EAC Administrative Guidelines. The institution of the stimulus package by the Government of Kenya, for example, was well received. However, there is a need to have the EAC Partner States avail targeted stimulus in this sector given its importance to the economy. The study found that there is a need to establish a pandemic funding mechanism to ease the adverse impacts of COVID-19. Similarly, the region should develop a Standard Operating Procedure for the implementation of the agreed interventions such as Administrative Guidelines to ensure their success.

The resilience of the private sector ensured that the transport and logistics sector withstood the adverse effects of COVID-19, especially amongst SMEs. Little or minimum layoffs have been reported although some large transports and logistics companies withdrew their transit services at the height of the massive snarl-ups at the border. The implementation of the online submission of documents and deployment of non-intrusive verification is a clear testament to the ability of the private sector and government agencies to adapt to external shocks. The two initiatives should be sustained as they have had a profound impact on the reduction of cargo clearance time.

Capacity-building of associations to help respective members appreciate the need for aligning and implementing emerging issues during a pandemic is also paramount. Fully professionalizing the sector through enactment of the proposed national self-regulation laws is the ultimate step in positioning the sector to deal with such pandemics. Addressing the stigmatization amongst truck drivers reduced the hostility by the public towards them. Drivers are now more willing to undertake COVID-19 tests and accept the results. Going forward, as essential operators and service providers,

Member States should prioritize truck drivers and other logistics sector players in the ongoing vaccination campaigns.

Women in business, especially at the borders, were adversely affected by the pandemic due to a lack of specific recognition of their services and their existence. This made them targets of sexual abuse, harassment, and extortions to the extent many decided to close their business operations temporarily. Specific policies need to be developed and implemented to protect and support the return of this vulnerable group to business—during and after the pandemic.

There is need to review the East Africa Community Customs Management Act (EACCMA) to take cognizance of the current and ongoing automation initiatives within the space of transport and logistics in the region. There is also a need to explore the establishment of extra border crossing points to curb illegal crossing points as witnessed during the pandemic between Uganda and Kenya.

Gaps in the interventions of EAC Partner States

- **Lack of harmonised procedures:** There was a lack of harmonized Standard Operating Procedures (SOPs) at border points to facilitate easy border crossing, resulting in delays. Some infections among truck drivers were attributed to congestion at the border points and the Port of Mombasa.
- **Lack of implementation and enforcement mechanism of regional policies, guidelines, and directives by the EAC:** The EAC issued guidelines that were intended to trigger a harmonized approach to the pandemic. There was, however, no mechanism to enforce these guidelines when the other Partner States decided not to follow them.
- **Weak interagency and joint border co-ordination, co-operation, and management at some borders:** For example, nationally, between the entire border management agencies represented at the border, and internationally, between the border management agencies on each side of the border. This also includes lack of a platform to articulate their needs for better co-ordination of the border.
- **Limited levels of professionalism in the logistics sector to make a shift to automated operations seamless:** The sector could simply not be trusted to operate without oversight by the government agencies.
- **Gaps in the enforcement of the health protocols and guidelines:** Existing gaps were on the overall behaviour of the law enforcers who employed inhuman punitive measures to ensure compliance with health protocols. Some of the measures affected transport and logistics operators. There is a need for sensitization amongst the law enforcers and all citizens.
- **Health sector resource constraints:** For example, lack of capacity for testing all truck drivers in time by respective health facilities in Member States. For example, Miritini in Kenya could only test 100 truck drivers a day against a daily demand of 400 (FEAFFA, 2020).

- **Skewed recognition of logistics sector as essential workers:** For example, customs officers were recognized as essential workers, yet customs agents were not expressly mentioned. There was a lack of implementation of guidelines to facilitate the movement of essential services providers and access to the lockdown areas. The ongoing vaccination has still not recognized transport and logistics workers as frontline workers in most Partner States.
- **Poor co-ordination among the lower and national governments in the provision of basic amenities in running COVID-19 related facilities:** In some Partner States, water supply for hand washing and hand sanitizers in the designated public places was often a challenge. Both the public and private sectors were not able to provide adequate safety gear to their employees.
- **Technology limitations:** For example, lack of procedures and IT infrastructure to support working from home. This resulted in delayed approvals, and lack of adequate infrastructure to support online service provisions in ensuring the continued flow of cargo across borders. Some borders and container depots lacked basic facilities such as scanners.
- **Poor risk management, planning, and implementation strategies:** Regional operators—private and public—were caught unawares by the pandemic. The gaps in the design and implementation of interventions indicate lack of risk management strategies for crisis response.
- **Inadequate infrastructure along corridors and at key border crossings to manage congestion:** Most borders lacked sufficient space to deal with the new requirements of driver testing as well as enabling crew that are already tested or authorised economic operators to cross borders without delay. There were also no procedures or policies to override trucks' nominated border of exit in the event of congestion at the designated border point. This meant that trucks still had to proceed to the nominated border despite advance knowledge of the undesirable conditions at the border in question.
- Limited involvement of the private sector in the development of the protocols and guidelines.

Operational and policy recommendations for effective responses to COVID-19 and future pandemics

Several recommendations are derived from the findings of this study. The recommendations address both operational responses as well as policy responses. If implemented, they will help reduce the negative impact of COVID-19 and any future pandemic that might affect the sector. The recommendations are:

- **Develop IT infrastructure to enhance automation:** The establishment of online systems and platforms to ensure the exchange of information will help reduce inconsistencies and communication barriers inherent in the sector. Additionally,

foster upgrading systems from receiving online submissions to complete digitization.

- **Prioritize vaccination of transport and logistics sector players against Covid-19:** All EAC Partner States should consider prioritizing vaccinating especially cross-border truck drivers and quickly develop a regional framework for recognizing their vaccination certificates.
- **Develop regional border infrastructure:** Infrastructure development through expansion of roads at the OSBPs, especially Malaba and Busia, to ease congestion and to separate drivers requiring COVID-19 test from the rest for ease of clearance for border crossing. Roadside Stations would have eased the pressure caused by Covid-19.
- **Integrate border management:** Nationally, between the entire border management agencies represented at the borders, and internationally, between the border management agencies on each side of the borders. This includes the development of a shared platform to articulate their needs for better co-ordination of the border.
- **Support national and regional efforts to ensure a fully professional logistics industry:** This includes initiating capacity-building efforts and setting regional standards, structures, and mechanisms for adoption by industry players.
- **Develop a joint regional approach to COVID-19:** This is through harmonization of testing and vaccination processes and procedures, as well as joint financing of testing and COVID-19 test and vaccination certificate recognition and validation among the Partner States.
- **Enhance partnership and co-operation between health agencies and port health service providers at the OSBPs to work together:** This could be augmented by instituting a stronger health department at the sector secretariat to effectively co-ordinate health operations within the community.
- **Develop harmonised interventions:** Regional interventions such as free period extension for imports and containers need to be provided by the various government agencies at the ports.
- **Develop a regional stimulus-response plan:** The sector needs stimulus funds, subsidies, or capital endowments to ensure the repatriation of nationals, the supply of emergency and medical products, and in preparation to deal with any unpredicted crises.
- **Promote public-private partnerships:** Alliances with the private sector have proven beneficial in many contexts, including helping governments reach necessary investment levels and allowing companies to gain more market share. It will be important to nurture such alliances and to build and keep new links with the private sector.

- **Increase of human resource:** The sector was faced by large staff lay-offs especially in airlines and rail operations, affecting the productivity and efficiency in the discharge of duties. Increasing the number of officials at busy border points such as Busia and Malaba would go a long way in improving the crossing experience by reducing clearance time and overall enhancing regional trade.
- **Establish a national/regional disaster/pandemic framework:** Need to establish a regional disaster or pandemic framework, including setting up a regional fund to facilitate a regional response whenever such pandemics emerge. Similarly, there is need to develop inter-agency policies to take cognizance of emergencies and inter-government relations during a pandemic.
- **Integrate regional transport nodes:** The interconnection of railway and roads, which strongly depend on the efficiency of each other need to be expanded. The end-to-end rail line would facilitate the ease of rail freight from Mombasa to Kampala and reduce congestions at the borders. This should be followed by making rail freight rates competitive to ensure continued adoption of rail freight, especially after the court ruling on forced use of rail freight in Kenya.

Conclusion

The COVID-19 pandemic exposed the need for the EAC region to enhance regional co-operation and integration for a more concerted approach to managing disasters and crises that occur on a regional level, to reduce their economic and social impact. Uncertainty remains about when the COVID-19 pandemic will be fully contained. There is, therefore, need for vigilance and continuous preparedness.

Member States should follow recommended policy proposals to institute organs within existing frameworks to manage the impact of COVID-19. The region should also explore the facilitation of a regional stimulus and encourage continuous training for trade facilitation stakeholders. Considering the importance of the EAC trading bloc, the region must create a framework to centrally manage trade, transport, and logistics challenges as may occur from time to time.

On the positive side, the pandemic resulted in progressive innovations such as the adoption of a less intrusive physical verification process by revenue authorities and the online submission of documents. These non-intrusive verification measures should be sustained, as they provide an important baseline for the development of key infrastructure for ICT and digitalization. These should be expedited through legal reforms, processes, and systems development.

The management of the pandemic, including testing, necessitates the establishment of requisite framework and policy, and national and regional funds. The fact that Uganda charged for the tests as a cost recovering mechanism, while Kenya did not, further calls for co-ordinated and harmonized approach to addressing the contagion. Moreover, stigmatization of truck drivers remains one of the greatest challenges notwithstanding the important role that they undertake to keep the economies of the EAC moving. In the management of the pandemic, it is stressed that elements of stigmatization must be mitigated.

Notes

1. Partial lockdown is a measure taken by a government to restrict movement of people and goods into and out of specific regions of a country to contain the spread of a pandemic.
2. Total Lockdown is a measure taken by a government during an emergency to prevent people from leaving or entering a country to contain the spread of a pandemic.

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Mission

To strengthen local capacity for conducting independent, rigorous inquiry into the problems facing the management of economies in sub-Saharan Africa.

The mission rests on two basic premises: that development is more likely to occur where there is sustained sound management of the economy, and that such management is more likely to happen where there is an active, well-informed group of locally based professional economists to conduct policy-relevant research.

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