



# Regional Cross border Trade Stakeholder Dialogue

Maputo, Mozambique 23rd -24th April 2013



Report

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## Acronyms

ASCCI	Association of SADC Chambers of Commerce and Industry
COMESA	Common Market for Eastern and Southern Africa
COMESA STR	COMESA Simplified Trade Regime
EAC	East African Community
ECOWAS	Economic Community of West African States
FOCCISA	Fellowship of Christian Councils in Southern Africa
ICBT	Informal Cross Border Trade
ICBTA	Informal Cross Border Trade Associations
ICBTs	Informal Cross Border Traders
IMF	International Monetary Fund
MOU	Memorandum of Understanding
NGOs	Non-Governmental Organisations
REC	Regional Economic Communities
SACBTA	Southern Africa Cross Border Traders' Association
SACU	Southern Africa Customs Union
SADC	Southern African Development Community
SADC FTA	Southern African Development Community Free Trade Area
SADC-CNGO	Southern Africa Development Community Council of Non-Governmental Organizations
SAPs	Structural Adjustment Programmes
	Southern Africa Trust
SATUCC	Southern African Trade Union Co-ordination Council
SEATINI	Southern and Eastern Africa Trade Information and Negotiations Institute
SMEs	Small and Medium Enterprises
SPS	Sanitary and phytosanitary
TFTA	Tripartite Free Trade Area
TIDOs	Trade Information Desk Officers
TORs	Terms of Reference
TTF	Tripartite Task Force
TTNF	Tripartite Trade Negotiation Forum
UK	United Kingdom
VAT	Value-Added Tax
WB	World Bank
ZCBTA	Zimbabwe Cross Border Traders Association

## Executive Summary

The Southern Africa Trust in collaboration with Oxfam and Southern Africa Cross Border Traders' Association (SABCTA), held a two day regional cross border trade policy stakeholders dialogue on the Tripartite Free Trade Area (TFTA). The dialogue focused on the following critical issues:

- I. The TFTA and its negotiation processes,
- II. The Southern African Development Community Free Trade Area (SADC FTA)
- III. The Common Market for Eastern and Southern Africa (COMESA), and
- IV. The East African Community (EAC) trade related initiatives.

Further, the dialogue also examined the opportunities and challenges for Informal Cross Border Trade (ICBT) in the SADC Free Trade Area (SADC FTA), the COMESA Simplified Trade Regime (COMESA STR) and the East African Community (EAC). It provided a platform for increased networking, co-ordination and collaboration among Informal Cross Border Traders



(ICBTs) and other informal economy players and stakeholders in order to influence the processes, negotiations and implementation issues related to the TFTA. (Annexure 1 is the agenda of the meeting)

The dialogue was held in Maputo, Mozambique and was attended by fifty participants drawn from eight Southern African Development Community (SADC) Member States

including: Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Zambia and Zimbabwe. From the regional ICBT Association membership, the dialogue was hosted by its deputy Chair, the Mozambique Informal Cross Border Traders Association, Mukhero. (Annexure 2 is the list of participants)

Discussions of the various topics were led by research papers presented by trade specialists and officials drawn from within the region. The meeting recognised that the envisaged TFTA presents a unique opportunity to open up a much larger space than hitherto, for intra-regional trade within the concerned African sub regions and for informal cross border traders to participate in. However, it was noted that there were challenges with regards to implementation of the agreed goals in intraregional trade. These are:

- How the informal cross border traders' issues and concerns will be taken on board and effectively addressed within the framework of the negotiations for the establishment of the TFTA, and
- How the cross border traders will participate in the TFTA negotiation processes.

The research papers addressed these issues and made recommendations to enable the ICBTs to engage in the negotiation processes and increase their participation in the envisaged larger market for trade.

Following discussions and exchange of ideas and experiences, the participants agreed on a number of recommendations on the way forward. The participants produced a position statement which was presented to the press summarizing the main resolutions of the meeting, which are as follows:

### **On Capacity Building, Networking, Collaboration and Co-ordination**

- Enhance the role of the Southern Africa Cross-Border Trade Association (SACBTA) and other organizations in dynamically linking like-minded ICBT organizations to speak with one voice in regional platforms and act as a one-stop clearing house for information.
- Use of popular messaging platforms that are people friendly in terms of language and access.
- Target women and youth constituencies in engagement platforms, policy proposals and implementation.
- Consolidate and expand ICBT presence in all COMESA and SADC Member States.
- Enhance ICBT Associations' knowledge base and expertise on customs procedures and documentation, Tariff classification, Rules of Origin, STR, Technical Barriers To Trade- like the Sanitary and phytosanitary (SPS) measures, Security and Cross-cutting issues through collaboration with expert Non-Governmental Organisations (NGOs) such as the Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI), apex bodies like the Southern Africa Development Community Council of Non-Governmental Organizations (SADC-CNGO), Fellowship of Christian Councils in Southern Africa (FOCCISA), Southern African Trade Union Co-ordination Council (SATUCC) and the Association of SADC Chambers of Commerce and Industry (ASCCI).
- Undertake activities that will promote awareness-raising on the state of the TFTA negotiations and the proposed roadmap; and
- Promote exchange visits to improve information dissemination, sharing of experiences and use of evidence based advocacy.

### **On the Simplified Trade Regime**

- Advocate and participate in the regular review of common lists of goods covered by the COMESA STR.
- Submit proposals designed to eliminate double taxation.
- Engage SADC national committees with a view to widening the adoption of the STR in the region.
- Develop a charter with the member governments outlining the ICBTs rights and obligations.
- Roll out awareness-raising activities on the benefits of STR in countries where there are no institutionalized ICBT structures; and
- Campaign for the inclusion of STR in the TFTA negotiations.



## **On the TFTA Negotiations**

- Mobilize and advocate on the protocol of Free Movement of Persons in SADC to be ratified by all SADC member states and included in the TFTA negotiations.
- Utilize all existing entry points into negotiations at the national and regional levels.
- Develop proposals for predictable taxation systems.
- Make submissions in national public policy formulation fora like the pre-budget consultative platforms.
- Implement a communication strategy that will make ICBTs visible and vibrant.
- Harmonize interventions so as to overcome discord arising from multiple memberships in RECs and different implementation deadlines on matters related to trade; and
- Undertake activities that will promote awareness-raising on the state of the TFTA and the proposed roadmap.

The participants concluded that the dialogue had provided a useful platform to bring together the ICBTs, other informal economy players, stakeholders, government and Regional Economic Community (REC) officials to discuss the negotiations processes and other implementation issues related to the TFTA. It was agreed that opportunities for trade policy discussions of this nature ought to be facilitated and supported. A dialogue to discuss issues of concern to the most predominant group of traders, the women informal cross border traders was proposed.

Details of the dialogue sessions and their outcomes and recommendations are included in the following main sections of the report.

# 1. Introduction

The Southern Africa Trust in collaboration with Oxfam and Southern Africa Cross Border Traders' Association (SABCTA), held a two day regional trade policy stakeholders dialogue on the Tripartite Free Trade Area (TFTA). The dialogue was co-hosted by the Southern Africa Trust, Oxfam Southern Africa, and Mozambique's Informal Cross Border Traders Association, Mukhero. It followed the conclusion of the Annual General Meeting (AGM) of the SACBTA, which was also held at Tivoli hotel in Maputo on 23<sup>rd</sup> and 24<sup>th</sup> of April, 2013.

It is generally acknowledged that Informal Cross Border Trade (ICBT) has grown and has the potential to contribute significantly to economic and sustainable growth and development in southern Africa. Consequently, both SADC and COMESA have recognized the role that ICBTs play in promoting national economic growth. Across the African continent, it is estimated that ICBT contributes about 43% of the official gross domestic product. However, this sector also faces considerable challenges since it mostly operates outside the formal economy, hence the need for inclusive and robust debates and participation of ICBTs in national and regional policy development for trade.

The dialogue particularly focused on critical issues related to the negotiation processes of the TFTA; the SADC-FTA, COMESA and the EAC. The dialogue also examined the opportunities and challenges of informal cross border trade in the SADC FTA, the COMESA STR and the EAC. It provided a platform for increased networking, co-ordination and collaboration among ICBTs, informal economy players and other stakeholders in order to influence the processes, negotiations and implementation issues related to the TFTA.

The broad objectives of the workshop were to:

- (i) Develop a strategy for mobilisation, collaboration and co-ordination of ICBTs policy advocacy interventions in Southern Africa.
- (ii) Build knowledge of informal cross border trade around the status and potential implications of the TFTA on ICBTs; and
- (iii) Build a critical mass of activists and increase lobbying and advocacy at national level.

The expected outcomes were:

- (i) Increased knowledge to strengthen regional and national policy advocacy interventions around the TFTA issues and agenda.
- (ii) Increased regional and national co-ordination of ICBT Associations (ICBTA) and their partners on policy advocacy activities; etc., and
- (iii) Increased synergy among the ICBT stakeholders.

The institutions that helped to organise and sponsor the dialogue have backgrounds of working with the poor and marginalised groups in society. They are briefly presented below:

## Overview of ICBT in Africa

The history of ICBT is a shared one in southern Africa. Before the partition of the African continent in Berlin in 1884, there were no formal borders and the different communities traded freely. Formal borders were introduced by colonialism. Following independence, most states in the eastern and southern Africa regions including Mozambique, chose a socialist approach to development, which espoused a government dominated and centralised planning approach to the economy. In this approach, the private sectors together with the ICBTs were severely restricted. However, over time, this strategy failed and liberalisation of the economies through structural adjustment programmes (SAPs) was introduced with support from the International Monetary Fund (IMF) and the World Bank (WB). In the process of economic adjustment, many workers in Mozambique, much like in the other countries in the region, lost their jobs, including civil servants. In the new free market economies, the informal trade sector became the life-line for many of those who had lost their jobs, with women constituting the majority of the traders.



ICBT is now a recognised activity in southern Africa. The next logical step should be the involvement and effective participation of the traders in the formulation of policies for this subsector by the governments.



Inroga, opened the meeting and urged the participants to exchange experiences in cross border trade and to further look for opportunities for expansion of the member associations. The government called upon the ICBTAs to be more organized and to ensure that more SADC and COMESA Member States' ICBTAs were involved in the dialogue in future.

The government of Mozambique represented by the Minister of Trade and Industry, Honourable Armando

Further, he pointed out that COMESA and its Member States had shown their commitment to facilitating the ICBTs by introducing the Simplified Trade Regime and in relation to SADC, the introduction and ratification of SADC's own Trade Protocol. Through these major initiatives, ICBT need no longer be called "informal" as it has been officially recognised and facilitated by the respective RECs and their Member States. The



private sector, to which all the ICBTs belong, is acknowledged as an important player and stakeholder in the development of southern Africa and for this purpose, there is in most SADC countries, a simplification of the procedures for setting-up and facilitating business as well as improving the infrastructure and entry and exit systems and facilities at the borders.

The policy dialogue was conducted in five related sessions. The first three sessions were based on presentations by regional trade experts, followed by panel discussions and exchanges with the participants. The fourth was the participant group discussion session with a concluding report-back segment in plenary where the recommendations and the proposed way forward on the different issues were presented. The fifth session was given to two national ICBTAs (from Zimbabwe and Zambia) to present summary status reports on their activities. The following sections give a summary of the different presentations and the analysis and discussions that took place during each session.

## 2. Session 1: The Opportunities and challenges of informal cross border trade under the COMESA Simplified Trade Regime (STR).

The presentation on the COMESA STR commenced with a definition of what COMESA views as ICBT. The paper also acknowledged the growing role and importance of ICBT within the COMESA Member States and pointed out that ICBT should not be viewed as an illegal and illicit activity but the trading of fairly small quantities of goods purchased



by a trader from one country to be sold in another country for a profit. ICBT is playing a significant role in the COMESA Member States as it has been found to be one of the main sources of job creation estimated between 20-75% of total employment in most African countries. The ICBT contribution to the African economies is estimated at about 40%,

thereby greatly assisting to reduce poverty and ensuring food security at the household level. It is estimated that 70% of informal cross border traders are women. It is in recognition of the significance of the ICBT and the considerable challenges that the informal traders face in conducting their business that the COMESA Heads of States directed the Secretariat to find effective ways in which this sub sector could be assisted and facilitated. Three major initiatives have been introduced for this purpose under COMESA. These initiatives are discussed below:

### **The Simplified Trade Regime (STR)**

This is a unique effort by COMESA directed at simplifying the procedures at the borders by use of a simplified declaration form which has removed the rules of origin for purposes of customs duty as well as the use of a mutually (bilaterally) agreed common list of products for duty exemption between two member countries that share borders. The COMESA STR was first implemented as a pilot project across 10 Member States. Following its successful pilot, it is now operational in 7 out of the 10 pilot Member States and to date, COMESA is continuing to campaign for adoption of the STR by the remaining Member States.

### **Trade Information Desk Officers**

The second initiative is the introduction of Trade Information Desk Officers (TIDOs). These officers are specifically deployed to help ICBTs in filling in forms and making their declarations at the borders. This initiative is funded under the Cross Border Trade (CBT) REFORM project. These TIDOs also capture and report vital trade and other relevant data and information, including the challenges and treatment of ICBTs at borders, to the

COMESA Secretariat and the CBT Focal Points. TIDOS are equipped with computers, copiers, e-mailing facilities, etc. for their work.

## **Assistance to form National and Regional Associations**

The third and last initiative is COMESA's continuing encouragement and assistance to the ICBTs to form national and regional traders' associations (ICBTAs) or other related institutions. Under this initiative, it is hoped that the traders will be properly organised to effectively participate in and inform the development of trade policy within and among the Member States. So far, 8 ICBTAs have been established in the COMESA Member States. Further, the CBTAs have been enabled to sit in National Trade Working groups in which they advocate for policy and other interests for their own benefit. Within this framework, some ICBTAs have achieved significant policy and other concessions. For example, all participating countries have agreed to raise the STR duty exemption threshold from \$500 to \$1000, and for others, even up to \$2000; there is mutual recognition of the traders using a border pass where passports are lacking; in Zambia, the visa for small businesses has been extended to 6 months at a time and the application fee has been reduced by 90% from \$10 to \$1, while Zimbabwe, Kenya, Uganda and Rwanda charge no fees at all for STR processing. This third pillar is also the main basis for establishment of the Cross Border Trade Desk Coordinator at the COMESA Secretariat, and the TIDOS at the borders.

## **Successes**

After three years of STR operations, a survey has shown that 56% of the ICBTs agree that they have used the regime for their cross border business activities, the majority of who are women traders. The key advantages of the STR were identified. These are listed below

- The STR is convenient as it reduces time spent by the traders at the borders from an average of two hours to about twenty minutes
- It legalizes cross border business activities;
- ICBTs pay less taxes and it guarantees their security;
- Traders participate (through their associations) in COMESA meetings that discuss and deal with their issues;
- Member States also benefit as vital trade statistics are captured through the TIDOS reporting system; and
- Traders also report incidences of corruption and harassment to the TIDOS, thereby reducing these scourges at the borders;

## **Challenges**

However, there are also continuing challenges:

- The remaining percentage of the traders surveyed reported that they did not use the borders but bush paths for their business activities.
- ICBTAs need to be better organized especially with regard to improving infrastructure which is perceived as being generally poor
- ICBTs need to ensure sustainability of their associations

- There are obvious general capacity building needs within the associations.

## **The Way Forward**

During the panel discussions following the presentation, a number of issues were raised. It was noted that while the COMESA STR has worked well, there are areas where it could have been done better. Some of these areas include:

- Inadequate sensitisation of traders on the STR;
- COMESA assistance to the ICBTAs often has had conditions attached and in some instances, it is not needs based.
- The STR is for everyone crossing the borders. It is not reserved for the ICBTAs only. This practice tends to lower the incentive in the eyes of the ICBTAs since everyone benefits;
- The STR needs to be expanded to the whole African continent and must include the SADC and SACU countries. However, in southern Africa there is little dialogue among the RECs, e.g. between COMESA, SADC and SACU to facilitate a way forward.
- ICBTAs need to be challenged to plan for the sustainability of their operations including the issue of maintaining the TIDOs after the current external assistance ceases.

## **Other Key Issues raised by participants**

From the floor, a number of points were raised. The key issues mentioned were:

- The STR is currently at bilateral level, should the common list not be elevated to be applicable across all the already participating 7 countries involved?
- Some tariffs charged at borders are not at the official rates. This is compounded by governments that give revenue targets to their Revenue Authorities to achieve, thereby encouraging officers to charge traders even for items that they are not supposed to. Does this not run counter to the spirit of the STR?
- Double taxation should also be acknowledged as a challenge. Countries ought deduct the charges such as VAT paid to the source country (where this is not refunded) when a trader returns to their own country?

The presenter and other panel members responded to some of the issues raised. It was emphasised, for example, that ICBTs ought to recognise that sometimes, there are conflicts of interests between different groups in society and this applies even at the borders. For example, security and other agencies do not know what STR is all about. They may pursue their own particular roles and objectives to the detriment of other interests including cross border trade issues. Taxation issues need advocacy at the point of tax policy consultations nationally and also a better understanding of what is involved in the classification of goods and the application of different fees at the borders. Effective lobbying of the governments is therefore important on the part of the traders and their associations.

Also, the objectives of governments are sometimes incongruent with those of the traders. Governments are then faced with the dilemma of choosing what is of the greatest good

to the largest number of their citizens. So, some issues such as the STR cannot be provided exclusively to one group. Focus should be more on those issues on which there is convergence and there are shared interests across many groups in society in order for progress to be made.

On application of the STR, it was pointed out that currently this is a COMESA initiative which works on a bilateral basis for the benefit of the adjacent Member States involved. However, it is conceivable that this could eventually cover the whole African continent. For example, ECOWAS has already shown interest to learn from COMESA and consider whether they could adopt it for their own West African Member States. Further, ownership of the STR may certainly need increasing the participation of the traders before the design of such programmes and also, sensitisation among the traders by their own associations is needed in a customised and accountable manner. As an example of the multiplicity of stakeholders in trade, the COMESA programmes for trade go beyond ICBTs. The REC has other wings that focus on small and medium scale entrepreneurs, different business sector clusters, etc.

### 3. Session 2: The Status, process and policy framework of the Tripartite Free Trade Area.



The constitutive Treaties of the SADC, EAC and COMESA all emphasize the need for regional integration, economic growth and development and increased trade within their regions. In this regard, the EAC seems to have made the most progress as it has adhered to most of its deadlines with the use of a much firmer and coherent institutional architecture, framework and practices for regional integration, co-ordination and their management. The TFTA is a

proposed trade alliance between these three RECs.

It was agreed in June 2011 at the second joint SADC-EAC-COMESA Tripartite Summit held in Johannesburg, South Africa. When successfully established, the TFTA will be Africa's largest Free Trade Area (FTA) comprising 26 countries, spanning from Cape Town to Cairo and with an estimated market potential of over US\$ 1 trillion. The countries involved agreed to reduce barriers to trade, integrate their rules of trade and jointly improve their transport and other infrastructure in order to stimulate their industries and thereby achieve meaningful industrialisation. The objectives of the TFTA are six and are to:

- i. Establish the TFTA (in order) to promote deeper trade integration;
- ii. Jointly work on infrastructure, financing and implementation;
- iii. Jointly work to develop agriculture and food security;
- iv. Ease the movement of business persons, labour and services across the region;
- v. Harmonise the legal and institutional frameworks; and
- vi. Have common positions and strategies for multilateral and international trade negotiations.

In order to fully implement the TFTA, the twenty six countries will engage in negotiations among themselves on all issues that are involved. The main items for negotiations that are included in the Agenda are:

- Trade Liberalisation (i.e. reducing customs duties);
- Rules of Origin (i.e. how to define a product made in the TFTA region)
- Dispute Resolution (i.e. agreement on a tribunal or legal system to ensure that agreements are adhered to);
- Customs procedures and simplification of documentation and Transit documents and Non-Tariff barriers (i.e. such as unofficial taxes, quotas)
- Trade Remedies (i.e. how to stop unfair trade practices);
- Technical barriers to Trade (i.e. such as standards);

- Sanitary and Phyto-Sanitary Measures (i.e. the rules on plants and animal matter crossing borders); and
- The Movement of Business Persons is to be fast tracked and dealt with separately.

The negotiations on the above issues have been divided into three main phases and cover the period from January 2011, to January 2016 as follows:

Thematic Area	Activity	Output	Timeframe
<b>Launch MOU</b>	Get agreement	Signed Memorandum of Understanding	By Jan, 2011
<b>Policy Organs meet to launch the TFTA</b>	Meetings of the Tripartite Ministerial Committee, Council and Summit	Approve principles, processes and institutional structures Approve roadmap with negotiation timeframes Signed launch of FTA negotiations and Declarations Comprehensive publicity campaign initiated	May-June, 2011  On-going
<b>Post-launch Negotiations</b>	Pre-negotiations	Exchange information on national tariffs and trade data and measures	6 – 12 months
	Preparations	Adopt the TORs and rules of procedure	
	Preparatory phase	Adopt schedule of negotiations Establish monitoring and evaluation mechanism Prepare national negotiating positions for the core FTA items	
<b>Phase 1 Negotiations</b>	Start and finish Phase 1 negotiations	Reach agreement on trade in goods	24-36 months
<b>Negotiations – Business persons</b>	Start and finish negotiations	Reach agreement on movement of business persons	24-36 months
<b>Review Phase 1</b>	Review of progress	Revised Roadmap	On-going
<b>Phase 2 Negotiations</b>	Start of negotiations	Start negotiations of Built-in Agenda	After Phase 1
<b>Phase 3 Finalisation</b>	Tripartite Summit	Approve FTA Agreement on goods Summit, signed by the Member States	At end of Phase 2.

*Source: Oxfam booklet: The Tripartite Free Trade Area, A briefing summary for small businesses and informal traders – March 2013.*

The TFTA structures for negotiations between the Member States span six levels listed in descending order, as follows:

- i. The Tripartite Summit, made up of the Heads of State or Government
- ii. The Tripartite Council of Ministers
- iii. The Tripartite Sectoral Ministerial Committees
- iv. The Tripartite Committee of Senior Officials
- v. The Tripartite Trade Negotiation Forum (TTNF), and
- vi. The Tripartite Task Force (TTF), made up of the Heads of Secretariats of the three RECs who co-ordinate and provide technical and administrative support to the negotiations.

Currently, the need for the involvement and participation of ICBTs and their ICBTAs in the TFTA negotiations is not universally recognised or practiced among the Member States.

However, given the TFTA negotiations structures as set out above, it is clear that the ICBTs and their ICBTAs have opportunities at two levels at which they can engage and participate in the TFTA negotiations. These levels are, namely:

- (i) The National level: through their national ICBTAs participating in the various national fora and mechanisms such as working groups, for debate and discussions etc., to set out and agree the national positions on the various FTA issues together with the relevant line ministries and other stakeholders concerned;
- (ii) The Regional level: This could be done using their regional ICBTAs to lobby the RECs.

The onus lies with the ICBTAs not to sit back but to fully take advantage of their presence and recognition under the COMESA STR to take the initiative and effectively engage the national authorities and the RECs. It must be emphasized that the most critical entry point to the negotiations is through the national structures.

During the panel discussions, it was noted that the TFTA negotiations processes are at preparatory stages in many of the Member States and that ICBTs are currently not actively engaged. However and following this sensitisation, it will now be possible for the ICBTAs to mobilise, engage the process and meaningfully participate in the negotiations, starting at the national level.

In conclusion, it was emphasised that the move towards free trade and regional integration in eastern and southern Africa has so far, been slow. It is estimated that overall, the negotiations process is one year behind schedule. This delay gives the ICBTs and their various ICBTAs the opportunity to identify their interests and to mobilise and participate in the process. Only by working as collectives can the informal traders ensure that their voices are heard and their interests are included in the TFTA negotiations.



## 4. Session 3: A Summary of the Oxfam Supported Research Study Findings

Oxfam supported the Association of SADC Chambers of Commerce and Industry (ASCCI) to undertake a research study using a country consultative approach on the theme: "Creating a platform for Small Businesses and Traders in the SADC region to participate effectively in the Tripartite FTA negotiations". The study was undertaken across five SADC Member States including Botswana, South Africa, Swaziland, Zambia and Zimbabwe. The main objectives of the study were to:

- Enhance full understanding of the salient tenets of the Tripartite FTA which are not known and understood by the stakeholders and the milestones covered to date.
- Take stock of the tripartite progress and highlight challenges;
- Discuss the Tripartite vision;
- Propose guidance on the way forward for SMEs and informal traders in the negotiations;
- Come up with a framework of regional SME and Informal Traders continued cooperation in the SADC region and
- Provide a platform for members to network and discuss constructively.

The main activities under the project included:



(Botswana, South Africa, Swaziland, Zambia and Zimbabwe) to ensure that they participate in the TFTA stakeholder consultations.

- Conducting TFTA consultative workshops in the five selected countries (14th February to 26th March, 2012)
  - Consolidate and disseminate the workshop information to the rest of the ASCCI members.
- Mobilising members from the selected group of five countries
  - Use such information for lobbying and advocacy at country and SADC level for the inclusion/recognition of the Small Businesses and Cross Border Traders in the TFTA negotiations.

The national ICBTAs viewpoints and main issues of concern distilled from the country consultative workshops held in each of the five SADC countries are as follows:

## **Botswana**

- The benefits of SACU are hard to see, especially given that citizens of the SACU Member States can buy items from duty free shops outside the region, but cannot buy similar items from duty free shops in the SACU countries.
- The Trade Protocol was supposed to be implemented in 2008, but SADC citizens still pay taxes at the ports of entry.
- Airline charges are a barrier to transportation of goods;
- Bilateral arrangements between member countries and regional economic communities (RECs) do not seem to work; and
- Structures have to be created to address imbalances that exist within the Member countries.

## **South Africa**

- There is need to establish a one-stop-border post at Mesina;
- There is need to establish decent storage areas at Border Posts and Road Ports;
- Health facilities need to be provided at border posts;
- Opening hours at border posts need to be extended;
- There is need for the formation of an apex National Body to cater for the needs of the small traders who should send their own mandated delegates to the negotiations; and
- This could be achieved through congresses of the leaders of the informal sectors, at both provincial and national level.

## **Swaziland**

- TFTA negotiations should come up with provisions that will protect the interests of land-locked countries (those countries without access to the sea). Compensation was suggested as something that could be part of the provisions;
- Transport levies on the Maputo corridor should be removed;
- There should be concerted efforts to eliminate all non-tariff barriers in the TFTA;
- A standard currency that would assist in eliminating some barriers to trade in the TFTA was also suggested.
- It was suggested that there is need for a permanent structure for the business community with which government would be obliged to consult before implementing any policy while another group suggested that stakeholders could be invited through the Federation of Swaziland Employers and Chamber of Commerce, to ensure that each institution gets direct invitations through their contact persons.

## **Zambia**

- There is need for continued engagement between the public and private sectors;
- There is need for harmonisation of key policies in the TFTA region e.g. agriculture policies (SPS), health related policies, immigration policies, etc.;

- Improved coordination of border agencies is needed for effective border management with streamlined clearing and payment systems so as to reduce the cost of doing business;
- There is need to safeguard measures for the protection of infant industries, especially in the manufacturing sector;
- There is need to build competitiveness of SMEs and ICBTs through standards and quality such as improved labeling and packaging; and
- There is need for a Regional Fund under such as the PTA Bank and other Regional Financial Institutions to support SMEs and Cross-Border Traders.

## **Zimbabwe**

- There is need to curb the prerogative powers of customs officials;
- Engagement of the local development partners to have representatives of the SMEs/informal traders at the negotiations is important;
- The apex Small Scale Traders body should be part of the Industry and Trade Economic Relations Committee;
- There should be a trader identification system at regional level to facilitate regional recognition of the traders;
- Extend the STR list of legible products and value threshold; and
- Cross border associations need to have an umbrella association for small and informal organizations/businesses and to work with the relevant ministry to take up the cause.

The country workshops also identified cross-cutting issues that need to be taken up for discussion within the TFTA negotiations. These include:

- The Simplified Trade Regime (STR) to be included in the TFTA negotiations;
- Facilitation of the free movement of traders;
- The need to set up "Information Centres" at all border posts;
- The need to introduce the "One Stop Border Post" concept at all border posts;
- Better treatment of traders at all border posts;
- Better facilities for traders at all border posts;
- Standardised customs procedures for all TFTA countries; and
- TFTA documentation should be available in all the official tripartite languages (English, French, Portuguese and Arabic).

Following the national consultations and workshops, the study proposed the following cross-cutting Plan of Action to influence the TFTA negotiations:

- Need to set up an APEX body for traders and SMEs at the TFTA level;
- There should be a strong representation of the SMEs/Traders at the TFTA negotiating table;
- Robust training and awareness campaigns are needed in every country in respect of the TFTA processes; and

- SMEs/Traders need to lobby governments and other development partners to fund the training and awareness campaigns.

The study also identified the way forward, which focuses mainly on the need for development of Communication and Lobbying Strategies as follows:

### **Communication strategy**

- (i) A consolidated summary of the results of the country workshops has been produced and will be widely circulated to all SADC members through their respective ASCCI members.
- (ii) The informational summary on the TFTA is being translated into the vernacular languages of the participating countries.
- (iii) However, there is also need to translate this in the rest of the SADC member countries.
- (iv) The ASCCI web-site is being updated with the results of the consultative workshops.
- (v) A media communication strategy is being recommended for adoption by all the ASCCI and CBTA members.

### **Action points**

- (i) Country Coordinators are following up the workshop recommendations between the various participating SMEs and the governments.
- (ii) The ASCCI President, Regional Project Coordinator and CBTA Coordinator have made arrangements to undertake a lobbying Mission to the SADC Secretariat to discuss inclusion in the TFTA.
- (iii) Provision has also been made for possible representation and participation at the next TFTA Negotiating Working Group.

Following the presentation, several comments were made by the participants. These comments are outlined below;

- (i) It was noted that ICBTs were traders and not SMEs and thus needed a platform that identified and acknowledged their own unique needs. The current platform (ASCCI) was perceived as being not representative enough for the traders.
- (ii) There should be measures to ensure that ICBTAs are not used to obtain funding from donors. Also, in all the SADC countries, the roles that ICBTs play in support of the formal sector industries and their economies in general needed to be acknowledged. For example ICBTs provide vital spares and other inputs into the mining and brewing industries in Zambia, and Zimbabwe's economy has depended a lot on the ICBTs for some time now and up to date; formal recognition and registration of the ICBTs is needed in Botswana in order to help the national associations. Generally therefore, ICBTs should be seen and treated as being complementary to, rather than competitors against the formal business sector.

Further, some governments are somewhat secretive. They needed to open up and involve the cross border traders, especially in the formulation of trade policy such as the TFTA. COMESA should help the ICBTs to enter the regional REC level since at the national level some governments do not seem to recognise the ICBTs. But ICBTAs can also do more on their own, in terms of lobbying their governments on policy matters.

The national level is the most important level for lobbying purposes by the ICBTs. The main lesson learnt is that the onus is on every ICBTA to consult and lobby their government. They should also obtain information on what is happening and pass it on to their members. In order for this to happen, robust and better organisation is critical.

## 5. Session 4: Group Discussions and Recommendations

Following the three presentation sessions, the dialogue participants were divided into three groups to discuss selected relevant topics of the meeting and to make recommendations for the way forward on those issues. The groups and discussion themes were organised as follows:

**Group 1 discussed:** ICBTAs Capacity building, networking, collaboration and co-ordination, etc. including information dissemination.

**Group 2 discussed:** TFTA negotiations, configuration, roadmap, participation, trade facilitation and movement of business persons.

**Group 3 discussed:** The COMESA STR and how it can be taken forward.

### Recommendations

Following the break-a-way discussions, the groups presented the following recommendations to the plenary during their report back session:

**Group 1: ICBTAs Capacity building, networking, collaboration and co-ordination, etc. including information dissemination.**

#### a) Towards Collaboration, Cooperation, and Networking within ICBTA

- Mandate SACBTA to contact and build networking at the national and regional levels.
- Bring the apex organisations and experts closer to the SACBTA.
- Increase visibility through networks and contact points known already; and
- Promote exchange visits and vertical and horizontal learning of best practices.

#### b) Capacity Building

- Enhance ICBTA's knowledge base and expertise on:
  - Customs procedures and documentation.
  - Tariff calculation.
  - Rules of Origin, STR, TBTs-like SPS and Security.
  - Cross Cutting Issues.
- Enhance the use of TIDOs to support and protect ICBTAs by:
  - Use of online reporting.
  - Use of Trademark NTB SMS Reporting.



- Who should provide the capacity building?
  - Expert NGOs such as SEATINI; and
  - SACBTA, COMESA, ASCCI, SATUCC and EJA of FOCCISA.

**c) Taxation, VAT to benefit ICBTAs**

- Conduct proper policy study and make recommendations on what would be beneficial to ICBTAs.
- Participate in pre-budget sessions to lobby for tax rebates at country level; and
- TFTA negotiations to incorporate tax regimes for ICBTs.

**d) Information Dissemination**

- Strategy
  - SACBTA to act as a one stop clearing house for information within ICTBA.
  - National Associations to disseminate information at the national and local levels.
  - Develop a data base of contacts for ICBTAs; and
  - Materials to be developed in local languages as part of the information dissemination strategy.

**e) Formation of Regional Forum**

- Bound to meet challenges of REC overlaps and multiple memberships.
- Need for a baseline study to give the status quo of ICBTA issues at the country level.
- Gradually widen coverage of SACBTA to cover the TFTA region- EAC, SADC, COMESA and become continental.
- Consolidate National Associations where absent and strengthen existing ones.
- Utilize available calendar of activities and policy opportunities to enhance the Regional Forum.
- Allow organic formation and roll-out of the Regional Forum; and
- There is need to message and develop a campaign strategy for the Free Movement of People in SADC, to follow Zambia's example and to campaign for ratification of the Protocol for the Free Movement of Peoples in the SADC region.



## **Group 2: TFTA negotiations, configuration, roadmap, participation, trade facilitation and movement of business persons**

- Entry by the national ICBTAs to organise, collaborate and engage in the TFTA negotiations should be at national level through the Ministries responsible for trade.
- At the regional level, the SADC Secretariat must be engaged by the SACBTA but also via the member States.
- Link the movement of business persons to the movement of goods and ensure governments bring the former onto the negotiation table simultaneously with the free movement of goods.
- Abolish the need for visas for cross border traders in the SADC Member States.
- ICBTAs should sensitise the various SADC Member States where the COMESA STR is not operational.
- SACBTA should engage the SADC Secretariat and the SADC Council of Ministers on the need to adopt the COMESA STR across the whole SADC region.
- Use the STR as a mobilising tool for formation of ICBTAs in SADC countries where they are not yet established.
- ICBTAs should submit and discuss tax proposals with the authorities; and
- ICBTAs should be involved in developing and recommending the bilateral common lists of products for the STRs.

## **Group 3: COMESA STR and how it can be taken forward**

- Undertake a study and revisit taxation and double taxation issues so that traders can benefit more from the STR.
- Dialogue with governments to devise exclusive benefits as incentives to ICBTs who comply with the STR rules.
- ICBTs and their associations should engage their SADC focal points, SADC national committees and governments to adopt the STR where it is not yet operational; and
- The common lists of goods should be discussed and recommended by the ICBTs.



## 6. Session 5: Brief Presentations by ICBTAs

During the final session, two national ICBTAs were given an opportunity to make presentations on their current status and their main activities. These were the (i) Zimbabwe Cross Border Traders Association (ZCBTA) and the (ii) Zambia Southern Africa Cross Border Traders Association (SACBTA). Summaries of their presentations are as follows:

### (i) Zimbabwe: The Zimbabwe Cross Border Traders Association

The ZCBTA is a non-political organisation which was formed in 2000 and registered in 2001. The association is a representative body whose mandate is to promote and defend the interests of its members, the small scale traders. It advocates for conducive conditions for the small scale traders in Zimbabwe, locally, nationally, regionally and even abroad. The association sees its mission as being to enhance the capacity of small scale traders/producers to create their own wealth through development of viable linkages and advocating for an enabling environment for the traders at all levels, i.e. nationally, regionally and globally. Its vision is to help achieve higher standards of living and conducive trading conditions for its members.

#### Main Areas of Focus

The main focus areas in the work of the association are:

- The Policy Pillar - to create an enabling environment, identify friends of CBTs and to collaborate with like-minded organisations.
- The Institutional Pillar- to improve implementation, computerise processes and simplify and communicate with the members.
- The Trader Pillar - operators /beneficiaries demand accountability, social security, capacity building and upholding the value for a "need driven" approach.

However, ZCBTA is not the only organisation representing cross border traders in the country. There are others including ZWITAD, WICBTN, CBTAZ, ZIVA, ZCSMES, ZICHEA and WABAS. They represent about 5-7% of the CBTs who number about 300,000 traders country wide. Of this total, ZCBTA has just over 7,000 traders organised into trade committees and chapters across the country (with both rural and urban representation). The percentage ratio of its membership is about 76:24, in favor of the women traders.

#### Constraints

The main challenges and constraints that the association has identified in its work in the country include:

- Lack of funding – (revolving funds- "right" capital).
- Lack of Infrastructure (high rentals; lack of markets).
- Multiplicity and conflicting voices/messages.
- Misconception, politicisation and high-jacking of the ICBTs cause and issues.

- Wrong impressions created by some stakeholders that do not reflect the situation on the ground such as rushed reports; irrelevant /misdirected interventions and programmes; and
- Analysis paralysis, where no action is taken to address identified challenges.

**(ii) Zambia: The Southern Africa Cross Border Traders Association**

The first Regional Cross Border Traders Association (CBTA) was created in Zambia in 1997. This was the forerunner in the creation of similar institutions, which are now in existence in the other COMESA and SADC countries, albeit at various stages of development. Currently, there are several cross border traders associations representing various traders in Zambia. These are:

- Copperbelt Cross Border Traders;
- Integrated Business Association with headquarters in Kitwe;
- Cross Border Traders Association (CBTA) with its head office in Lusaka;
- Southern Africa Cross Border Traders Association (SACBTA) with headquarters in Lusaka

Some associations were abusing the privileges accorded to them by the state. As a result, they were threatened with deregistration. However, SACBTA took the step to register itself under the Company’s Act. It is therefore registered as a company limited by guarantee and its certificate of incorporation was issued on 12th October, 2011.

**Some Notable Successes**

Since establishment, the ICTBAs in Zambia have achieved some notable successes in terms of impacting the government’s trade and other policies and practices that address the interests and concerns of the cross border traders. These include:

**a) Enhanced Trade Permits and Border Passes**

The Zambian government is now issuing a six months trade permit to cross border traders that come into the country. Also, traders and residents who live close to the borders are issued with border passes. Traders therefore use these border passes to conduct their cross border trade.

**b) STR Threshold**

Zambia operates the enhanced STR threshold of US\$1,000 on cross border trade transactions.

**Challenges**

Although the above concessions have been achieved, there are still challenges that the members face. These include the following:

Despite the earlier awareness campaigns conducted during the launch of the STR, there is still limited awareness of the STR among a large number of ICBTs. This is

especially the case with those traders who are not members of the various associations.

The use of the travelers rebate system by ICBTs has not necessarily encouraged many traders to use the STR. It is noted that the traders use this system to minimize the amount of tax they pay even though the rebate system is meant for goods that are for personal use.

The small cross border traders complain that the issuance of agriculture, health and trade permits is done far from the border and the fees charged are high relative to the value of the consignments, although permits are not asked for or required for very small consignments

The introduction of a common tripartite STR could greatly assist the small trader to benefit from the enlarged market. However, at this stage COMESA and EAC have separately launched their STRs and it appears SADC is also investigating the possibility of launching its own STR. In the interest of harmonization, it would make a lot of sense if the RECs could consider a single and common STR.

## **6.1. Recommendations**

In view of some of the challenges listed above, the following recommendations are made:

- (i) In order to further improve the facilitation of the ICBTs, the traders permit should be valid for one year and should be issued free of charge. (Currently the Zambian Government charges about \$200 for the enhanced cross border permit).
- (ii) The issuance of travel documents should be effectively decentralised within countries in order for them to be more accessible to the small trader.
- (iii) Sensitisation programmes should be tailor-made to address specific challenges and they should focus on the target audience affected by the STR, which includes traders, manufacturers and border authorities such as customs, immigration, health, agriculture inspectors and the police.
- (iv) Fees charged for ASYCUDA processing of STR documents by revenue authorities be removed. Revenue authorities should share information and reports from the ASYCUDA system on the STR with the TIDOs.
- (v) Part of the sensitisation of the CBTs should include encouraging the traders to register as taxpayers.
- (vi) COMESA should assist to design a VAT refund system for the region based on the South African experience.
- (vii) A single payment window be established at the borders for all permits.
- (viii) The two STR documents (customs declaration form and the certificate of origin) should be merged into a one page simple document, with instructions for completion at the back.
- (ix) All STR procedures at the borders should be standardised.

- (x) CBTAs should lobby the three RECs in the TFTA to adopt a common STR and SADC should consult the other two RECS on implementation of a single STR; and
- (xi) The agenda of the National Working Groups should include the concept of the STR in the context of the tripartite framework.

## **6.2. Closing Remarks**

At the end of the dialogue, a number of institutions represented at the meeting made some closing remarks. The remarks were as follows:

### **Southern Africa Trust**

The Trust representative observed that the meeting had achieved its objectives and the dialogue was in line with the main focus of the work of Trust, namely, regional policy issues. In this regard, the Trust is also keenly aware that there are a number of emerging regional issues, which are important for the Trust to pay some attention to and address. These include issues of industrialisation and competitiveness within the context of regional integration. Another issue that is closely related to the Maputo dialogue is the issue of the special concerns of women informal cross border traders, which often do not come out when women traders are brought together with the men in a dialogue like this one. Therefore, the Trust is looking towards addressing these issues in an exclusive dialogue for women traders only, sometime in the middle of this year. It considers that such a meeting could be very fruitful if it also involved the Ministries responsible for gender in the region.

Finally, the Trust thanked the host country, Mozambique and Mukhero, the host traders association for their hospitality in the co-operative spirit of SADC. He also thanked the government officials and their governments for participating in the dialogue. The language interpreters were commended for their dedication throughout the process. He urged the associations to take stock and evaluate what would have been achieved in one year's time (i.e. by April, 2014) following the Maputo dialogue.

### **Mukhero**

The Mukhero representative thanked all the organisations and participants who had attended the workshop. He reiterated that the TFTA would help in the establishment of the single largest trading zone in Africa. In this regard, he urged SADC to learn from the other RECs so as to enhance cooperation in southern Africa. He called on the trader associations (ICBTAs) to engage their governments as had been emphasised in the dialogue. All the issues of concern to the traders as discussed needed to be raised and addressed.

### **Oxfam**

The Oxfam representative thanked all the participants for their valuable contributions. He reiterated that Oxfam acts as an enzyme that facilitates and

stimulates the stakeholders on their issues of concern, but in the end, it is the stakeholders who must own and run with the issues involved. The values of stakeholder coalitions and cooperation had been ably demonstrated in the Maputo dialogue and he urged the traders and their associations to engage their governments on their return home. On its part, Oxfam is committed and would continue to assist and work in co-operation with other partners to sponsor and facilitate such meetings.

### **Southern Africa Cross Border Association**

The representative of the SACBTA thanked the two sponsoring partners, Trust and Oxfam for facilitating the Maputo dialogue. He called on all the national associations to present the Agenda and issues of the meeting to their governments, and also include street vendor issues in the discussions. He also requested the organisers to include within the meeting schedules, time for the traders to visit their fellow traders in the markets in the host country so that the opportunities for trade in the different countries can be seen and appreciated by the visiting traders.

Finally, the ICBTAs held a press conference during which they presented a position statement which captured the key outcomes of the workshop. The position statement is at Annex 3 to this report.

## 7. Annexes

### 7.1. Annex 1: Regional Cross Border Trade Stakeholders Dialogue - Annotated Agenda

Southern Africa Cross Border Trade Association (SABCTA) with support from Oxfam and Southern Africa Trust is organizing a two day stakeholder dialogue to provide a platform for ICBTs to engage on critical issues related to the Tripartite Free Trade Agreement (TFTA), the SADC-Free Trade Area, COMESA and the simplified trade regime. The dialogue will also aim to increase networking, coordination and collaboration among cross border traders in order to influence the policy agenda in the tripartite free trade area and to ensure that it will promote and enhance ICBTs economic activities in southern Africa.

#### Day 1: 24th April

08:00-08:30	Registration Participants register	Southern Africa Trust
08:30-08:50	Introductions Participants introduce themselves and the Facilitator assesses the expectations of the participants.	Facilitator
08:50-09:30	Welcome Remarks The key note remarks will set the tone for the meeting. The Guest of Honour, the Minister of Trade and Industry Armando Inrogawill officially open the dialogue. Soon after the Minister's speech, the participants will pose for photographs.	Augustine Mandigora, Oxfam;  ThembinkosiMhlongo Southern Africa Trust;  SudecarNovela, Mukhero and SACBTA;  Armando Inroga Minister of Trade and Industry (Mozambique)
09:30-09:35	The Facilitator will present of the objectives of the dialogue and methodology to be followed in each of the sessions.	Facilitator
09:35-10:30	Panel Session The opportunities and challenges of informal cross border trade in the SADC Free Trade Area, COMESA STR and EAC  The session will provide knowledge and information to participants on the measures in SADC, EAC and COMESA that support cross border traders and will provide an opportunity for engagement on how to take advantage of the opportunities as well as addressing some of the challenges facing traders. Key messages and policy proposals will be identified from this session and will become the subject of discussion in the World Cafe group session in the afternoon. The session will be set up in a fish bowl style, providing an opportunity for participants to engage effectively and debate with presenters during the session.	LiseboMositsi SADC;  Mwangolombe Alexander Ally EAC;  John Chirwa COMESA  Discussants: Augustine Tawanda SACBTA;  Fred Mpeusa Malawi Revenue Authority;  Simon Vilakazi EJN
10:30	Tea Break	
10:50-13:00	Panel Session Presentations and Discussions: TFTA	Daniel Chiwandamira

	<p>Presentations and discussions at the status, process and policy framework of the Tripartite Free Trade Area, including looking at the experiences on national consultations in the TFTA process</p> <p>Key issues to be discussed include; Current Status of the TFTA, Best Practices, Lessons Learnt, Possible opportunities for ICBTs and possible avenues of engagement.</p> <p>A summary of the TFTA research study conducted by Oxfam will be presented during this session.</p> <p>This discussion and the presentation will aim to achieve the following</p> <p>Raise awareness among participants on the status of the TFTA and the proposed roadmap.</p> <p>Reach some agreement on how the ICBTs can engage in the negotiations (National versus regional entry points)</p> <p>Identify key recommendations on how the voices of cross border traders can effectively be co-opted in the TFTA policy framework</p>	<p>Andrew Matiza ZNCC;</p> <p>Discussants: Fudzai Pamacheche Trademark Southern Africa; Innocent Chikuni Zimbabwe Revenue Authority; Mwila Daka MCTI Zambia; Francis Ng'ambi SACBTA Coordinator</p>
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13.00 Lunch Break

14:00-1630	<p>World Cafe Group Sessions</p> <p>Recommendations will be developed and agreed to, on what each of the stakeholders (RECs, Governments, ICBTs, donors, research organisations, media etc) should do to promote cross border trade.</p> <p>The objective of the session will be to discuss and elaborate key points raised during the presentations of study reports.</p> <p>Drafting of Position Statement</p> <p>A team of experts will draft the position statement during the evening. The paper must have clear, actionable items with well-defined responsibilities and deadlines.</p>	<p>Drafting Team</p> <p>Thomas Deve</p> <p>SEATINI;</p> <p>Andrew Matiza</p> <p>ZNCC;</p> <p>Francis Ng'ambi</p> <p>SACBTA;</p> <p>Female</p> <p>Representative</p> <p>ICBTs</p>
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16.30

End of Day One

### Day Two- 25th April 2013

09.00-09.15	<p>Check in</p> <p>Participants reflect on the proceedings of the previous day.</p>	Facilitator
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09.15-10.50	<p>Panel Sessions</p> <p>Presentations: ICBTs</p> <p>Cross Border Traders National Associations to present their policy advocacy activities. (Summary to be submitted before the presentation).</p> <p>Presentations will highlight pertinent issues with regards to cross border trading and will identify key issues for national associations in the SADC FTA, COMESA STR and TFTA.</p> <p>Highlights for new opportunities and challenges for coordination and collaboration in policy advocacy at national and regional level.</p>	<p>Facilitator</p> <p>ICBTs</p>
10:50 Tea Break		
1:20-1300	<p>Presentation of Draft Position Statement</p> <p>The draft Position Statement will be presented and discussed in plenary. The drafting team will then make changes after the discussion.</p> <p>Including the incorporation of issues raised by National Associations into the position statement</p>	<p>Drafting Team</p> <p>Thomas Deve - SEATINI;</p> <p>Andrew Matiza - ZNCC;</p> <p>Francis Ng'ambi - SACBTA;</p> <p>Female Representative of ICBTs</p>
13.00 Lunch		
14.30-16.30	<p>Adoption of the Position Statement and Press Conference</p> <p>The final Position Statement will be presented for adoption by the meeting in plenary.</p>	<p>Facilitator</p> <p>Participants</p>
16:00-16:30	<p>Closing Remarks</p> <p>Representatives of the Trust, OXFAM and SACBTA will give their closing remarks. A post workshop evaluation exercise will be conducted prior to the closure of the workshop.</p>	<p>Southern Africa Trust, OXFAM and SACBTA</p>

## 7.2 Annex 2 profile of organisation

### Oxfam

The United Kingdom (UK) based charitable organisation has a long history of humanitarian work, which it carries out all over the world. In this process, the organization has also realised that purely humanitarian work is often reactive rather than proactive. It has therefore changed the approach to its work, to one that emphasises assisting people who face development challenges to help and develop themselves. Under this new paradigm, it encourages the poor to organise themselves and articulate their issues and concerns in order that their voices may be heard by the authorities, and



also collaborates with like-minded organisations such as the Trust, to provide assistance wherever possible.

## **Southern Africa Trust**

The Southern Africa Trust has an established track record in supporting the ICBTs in southern Africa. The organization supports the following activities among ICBTs:

- (i) Encourages the mobilization and formation of traders' associations
- (ii) Sharing of knowledge and expertise among the ICBTs,
  - Within the associations;
  - Between the member associations and their leaders; and
  - With Government, REC officials and Trade specialists and experts.

The presence and participation of all these varied stakeholders in the Maputo dialogue was a practical example of this approach.

## **7.3 Annex 3: Regional Cross Border Dialogue Participants**

	<b>Name</b>	<b>Organisation</b>
	<b>MEN</b>	
1	TadeoTaruvinga	SACBTA –Zambia
2	Simon Vilakazi	Economic Justice Network
3	John Chirwa	Cross Border Trade Desk REFORM-COMESA
4	Augustine Tawanda	SACBTA-Zimbabwe
5	Innocent Chikuni	Customs and Excise, Zimbabwe Revenue Authority
6	JaphetPhaskaniMsimuko	DPC ASSOCIATES
7	Andrew Chafwala	MUFIS
8	Andrew Matiza	Zimbabwe National Chamber of Commerce (ZNCC)
9	Augustine Mandigora	Oxfam
10	Thomas Deve	Seatini Zimbabwe
11	TheminkosiMhlongo	Southern Africa Trust
12	Weluzani L Mkambeni	CBTA – malawi
13	Richard MaimbolwaLitata	Copperbelt Cross border Traders and Integrated Business Association
14	BhevaHlophe	CIEAS
15	TsololoLebitsa	KhathangTemaBaitsokoli
16	Mr. Elliot Kabinda	Cross border traders association Zambia
17	MisheckRuvengo	SACBTA
18	Daniel Chiwandamira	Facilitator
19	Alexander Ally Mwangolombe	Eastern African Community (EAC)
20	FudzaiPamacheche	TradeMark Southern Africa
21	Francis Ng'ambi	SACBTA Coordinator

22	PriyalPilally	Oxfam
23	Fred Mpeusa	Malawi Revenue Authority
24	Abram MandlaMtshali	Gauteng Informal Development Alliance (GIDA)
25	Jacob Makambwe	SACBTAZ(Zambia)
26	Glenn Farred	SADC-CNGO
27	RangariraiMachemedze	SADC-CNGO
WOMEN		
	Name	Organisation
1	SabataMasalila	Botswana Traders Association
2	MwilaMukosaDaka	Ministry of Commerce Trade and Industry Zambia
3	Lisebo Theresa Mositsi	SADC
4	Emily Thondolo Banda	CBTA – Malawi
5	MalterMsesiVilakati	Swaziland SACBTA
6	Dithunya Sybil Kgosodialwa	Matshambo Cross Border Traders Association Botswana
7	NomasontoMagwaza	ESSET
8	LetsieLebohang	BFTU
9	ChristabelPhiri	Southern Africa Trust
10	Pat Horn	Streetnet
11	Rose Nkosi	Women Informal Traders Forum
12	Ms. Bertha Tembo	SACBTA Zambia
13	RudoMutasa	SACBTA
14	DudzileMpyana	Department of Trade and Industry
15	ElbyMuphutiwa	MUFIS (Malawi Union for the informal sector)
16	SebenzilePhilileNxumalo	Swaziland Cross Borders Traders Association
17	Nombuso S. Dlamini	Swaziland Cross Borders Traders Association
18	TazonaSitamulaho	Southern AfricaTrust
19	Jaime Mavila	Ministry of Trade and Industry Mozambique
20	Patricia Chisi	SACBTA Malawi
21	Maria AmabelaMachaieie	Mukhero Mozambique
22	Celeste MapasseSiquice	CONSADC Mozambique
23	Emily Thondolo Banda	CBTA – Malawi

## 7.2. Annex 3: Position Statement



### **Final Position Statement from the Maputo SADC Regional Cross border Trade Stakeholders Dialogue. Maputo, 25 April, 2013**

We the representatives of Informal Cross Border Trader's Associations (ICBTs) drawn from Botswana, Lesotho, Malawi, Mozambique, South Africa, Swaziland, Zambia and Zimbabwe met in Maputo for the Southern Africa Development Community (SADC) Regional Cross border Trade Stakeholder Dialogue from 24th - 25th April, 2013.

We engaged on critical issues related to the process of the Tripartite Free Trade Area (TFTA), the SADC-Free Trade Area, the Common Market of East and Southern Africa (COMESA) and East African Community (EAC) trade related initiatives.

The dialogue provided a platform for increased networking, coordination and collaboration among ICBTs, other informal economy players and stakeholders in order to influence the processes, negotiations and implementation issues related to the Tripartite Free Trade Area.

We reviewed what must be done in order to promote and enhance ICBTs involvement and participation in the negotiations of the proposed TFTA in general and for southern Africa in particular.

Concerned with the limited appreciation of the role that ICBTs play in the SADC economies as well as the non-participation of the ICBTs in the negotiation processes of the TFTA, and recognizing that the TFTA presents a unique opportunity for the ICBTs to address challenges like the limited uptake of Simplified Trading Regime (STR), freedom of movement for ICBTs, goods and services, Non-Tariff Barriers (NTBs), gender-based discrimination; marginalization of women, persons with disabilities and young people in decision making and the use of platforms that are exclusionary in terms of disallowing the use of local languages, we therefore commit to:

#### **On Capacity Building, Networking, Collaboration and Co-ordination**

- Enhance the role of Southern Africa Cross-Border Trade Association (SACBTA) and other organizations in dynamically linking like-minded ICBT organizations to speak with one voice in regional platforms and act as a one-stop clearing house for information.
- Use of popular messaging platforms that are people friendly in terms of language and access.

- Target women and youth constituencies in engagement platforms, policy proposals and implementation.
- Consolidate and expand ICBT presence in all COMESA and SADC Member States.
- Enhance ICBT Associations' knowledge base and expertise on customs procedures and documentation, Tariff classification, Rules of Origin, STR, Technical Barriers To Trade-like Sanitary and phytosanitary (SPS) measures, Security and Cross Cutting Issues through collaboration with expert Non-Governmental Organisations (NGOs) such as Southern and Eastern Africa Trade Information and Negotiations Institute (SEATINI), apex bodies like the Southern Africa Development Community Council of Non-Governmental Organizations (SADC-CNGO), Fellowship of Christian Councils in Southern Africa (FOCCISA), Southern African Trade Union Co-ordination Council (SATUCC) and the Association of SADC Chambers of Commerce and Industry (ASCCI).
- Undertake activities that will promote awareness-raising on the state of the TFTA and the proposed roadmap.
- Promote exchange visits to improve information dissemination, sharing of experiences and evidence based advocacy.

#### **On the Simplified Trade Regime**

- Advocate and participate in the regular review of common lists of goods covered by the COMESA STR.
- Submit proposals designed to eliminate double taxation.
- Engage SADC national committees with a view to widening the STR adoption in the region.
- Develop a charter with the member governments outlining the ICBTs rights and obligations.
- Roll out awareness-raising activities on the benefits of STR in countries where there are no institutionalized ICBT structures.
- Campaign for the inclusion of STR in the TFTA negotiations.

#### **TFTA Negotiations**

- Mobilize and advocate for the protocol of Free Movement of Persons in SADC to be ratified by all SADC member states and included in the TFTA negotiations.
- Utilize all existing entry points into negotiations at the national and regional levels.
- Develop proposals for predictable taxation systems.
- Make submissions in national public policy formulation processes like the pre-budget consultative platforms.
- Implement a communication strategy that will make ICBTs visible and vibrant.

- Harmonize interventions so as to overcome discord arising from multiple memberships in RECs and different implementation deadlines on matters related to trade.
- To undertake activities that will promote awareness-raising on the state of the TFTA and the proposed roadmap.

In conclusion, we will tirelessly work towards the establishment of an enabling environment for smooth cross border trade and guaranteed sustainable livelihoods and poverty eradication for our people.

**Nothing about us without us!**

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