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Committee, Hon.
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REPUBLIC OF KENYA

THIRTEENTH PARLIAMENT- SECOND SESSION


THE NATIONAL ASSEMBLY

COMMITTEE ON REGIONAL INTEGRATION

REPORT ON THE INSPECTION OF VARIOUS ONE STOP BORDER POSTS IN
NORTHERN CORRIDOR IN EAC REGION

JULY 2023

The Directorate of Audit, Appropriations
& other Select Committees
The National Assembly
Parliament Buildings
NAIROBI.

 THE NATIONAL ASSEMBLY PARLIAMENT BUILDINGS NAIROBI	
DATE: 05 JUL 2023	DAY: Wednesday
TABLED BY:	Hon. Wanjiku Muhia (Chairperson, Regional Integration Committee)
CLERK-AT-THE-TABLE:	Mbcb

CHAIRPERSON'S FOREWORD	4
1.0 PREFACE	6
<i>1.1 Establishment and Mandate of the Committee</i>	<i>6</i>
<i>1.2 Committee Membership.....</i>	<i>7</i>
<i>The Committee comprises of the following twenty-one Members -</i>	<i>7</i>
<i>1.3 Committee Secretariat.....</i>	<i>8</i>
2.0 CONSIDERATION OF THE REPORT ON THE INSPECTION OF VARIOUS ONE STOP BORDER POSTS IN THE NORTHERN CORRIDOR IN EAC	9
<i>2.1 Introduction</i>	<i>9</i>
<i>2.2 Objectives of the Study Visit</i>	<i>9</i>
<i>2.3 Expected Outcomes</i>	<i>10</i>
<i>2.4 About One Stop Border Post.....</i>	<i>10</i>
<i>2.5 Kenya Port Authority.....</i>	<i>10</i>
<i>2.6 The Mariakani Weigh Bridge</i>	<i>11</i>
<i>2.7 Taveta/ Hollili One Stop Boarder Post</i>	<i>12</i>
<i>2.8 Busia One Stop Border Post.....</i>	<i>14</i>
<i>2.9 The Busia Jumuiya Market</i>	<i>15</i>
<i>2.10 Malaba One Stop Border Post.....</i>	<i>15</i>
<i>2.11 The Lake Victoria Basin Commission</i>	<i>17</i>
<i>Specific LVBC Achievements.....</i>	<i>18</i>
<i>Challenges facing LVBC</i>	<i>18</i>
<i>2.12 The Isebania/Serari Border Post</i>	<i>19</i>
3.0 GENERAL COMMITTEE OBSERVATIONS/FINDINGS	22
4.0 COMMITTEE RECOMMENDATIONS.....	25
ANNEXURES	26

ABBREVIATIONS/ACRONYMS

CMP	Common Market Protocol
DCI	Directorate of Criminal Investigation
DIS	Department of Immigration Services
EAC	East African Community
HCDA	Horticultural Crop Development Authority
HSWIM	High-Speed Weigh in Motion
KEBS	Kenya Bureau of Standards
KENHA	Kenya National Highways Authority
KEPHIS	Kenya Plant Health Inspectorate Services
KFS	Kenya Forest Service
KPA	Kenya Ports Authority
KRA	Kenya Revenue Authority
KWS	Kenya Wildlife Service
LVBC	Lake Victoria Basin Commission
LPG	Liquefied Petroleum Gas
NIS	National Intelligence Service
NTB	Non - tariff barriers
OSBP	One Stop Border Post
SAGA's	Semi- Autonomous Government Authorities
SCT	Single Customs Territory
SO	Standing Order

CHAIRPERSON'S FOREWORD

The East African Community (EAC) is a regional intergovernmental organization of seven (7) Partner States. The EAC is made up of the Republic of Kenya, United Republic of Tanzania, Republic of Uganda, Rwanda, Republic of Burundi, South Sudan, and the Democratic Republic of the Congo, with its headquarters being in Arusha, Tanzania.

EAC is considered the most successful regional economic community in Africa and also towards continental integration. In a bid to implement the four pillars of the EAC Integration, the Assembly and other Organs and Institutions of the Community have over the years initiated a number of legal and policy reforms which have led to among others the establishment of the Single Customs Territory, free movement of labour, free movement of persons, free movement of capital, free movement of goods and services, rights of residence and right of establishment.

This report contains presentations, observations and recommendations of the inspection visits to several One Stop Border Posts within the East African Community along the Northern and Southern Corridors undertaken on 27th to 31st March, 2023. The visit also covered key EAC institutions with mandate of integration such as Kenya Ports Authority in Mombasa County; Lake Victoria Basin Authority in Kisumu County; various overloading control centers (Mariakani weighbridges).

The objectives were as follows -

1. To appreciate the operations by the various government agencies that provide services along the Northern Corridor to enhance trade facilitation;
2. To establish the efficiency of movement of persons and goods in the East African region;
3. To establish the ability and capability of technology installed in the weighbridges along the Northern Corridor;
4. To enhance reduction of the cost of doing business in the region;
5. To establish the extent of movement of persons and services within the community and adjoining countries; and
6. To get feedback and recommendations from the Government officials along the borders on areas of policy support and advocacy.
7. To ensure that cargo trucks are weighed accurately and that the weight data is transmitted and analysed in real-time to promote efficient and effective enforcement of weight limits.
8. To ensure sustainability of the road infrastructure
9. The role Overloading Control Centres (Weighbridges) play in promoting regional integration and trade between Kenya and the neighbouring countries, particularly in the East African Community.

The Committee had visited several institutions namely; Kenya Ports Authority and One Stop Border Posts to assess the operation of cargo clearance along the Northern and Southern Corridors. The Committee was keen to understand operations of the Overloading Control Centres (Weighbridges) on major trunk roads that are clustered for ease of management, which are; Athi River/Juja/Isinya, Mariakani/Mtwapa/Dongo Kundu, Gilgil/Mai maihu, Busia/Rongo and Webuye

The weighbridges are installed with multi-deck weighing scales and High-Speed Weigh in Motion (HSWIM) to filter trucks and determine while in motion whether a vehicle need to go into weigh station for weight confirmation or otherwise. In addition, there are road networks adjacent to these clusters which are monitored for overloading through regular mobile weighbridge patrols attached to the static stations. The network under monitoring is about 8,336 kilometres.

However, the Committee observed the need to address the low monitoring of network which required capacity enhancement; low fines imposed by courts which deterrent enough to discourage overloading; low funding to roll out more virtual station for enhance network monitoring. One of the key findings is

that various government agencies play different role at the border. Key among which being ensuring border security/protection (Police), facilitation of trade (KRA), screening an vaccination of passengers (Port Health), monitoring the illegal entry of the unapproved goods (KEBs), travelers data capture and control of illegal movement of persons as well as customer care (Department of Immigration Services DIS). it is worth noting that OSBP positively improved services and contributed to reduce clearance time specified operations &brought about joint process among agencies.

Institutional challenges were also established, key among them includes; low staffing, inadequate resources, poor infrastructure and lack of some key facilities, for example cargo scanners at the borders share by the custom officers.

In considering this report, the committee had briefings from the Kenya Ports Authority (KPA) management led by the Managing Director, Capt. William K. Ruto, who highlighted several issues relating to the operation and management of the Port of Mombasa.

Additionally, the committee had engagement with the Ministry of East African Community and Regional development where various concerns were raised on the integration process and the inspection visit to the One Stop Boarder Points.

I wish to most sincerely thank the Speaker and the Office of the Clerk of the National Assembly for the invaluable support accorded to the Committee in the discharge of its mandate.

On behalf of the Members of the Select Committee on Regional Integration and pursuant to Standing Order 212 it is my pleasure and duty to present to the House, the Committee's **Report on the inspection of the various One Stop Border Posts in the Northern Corridor in the EAC Region**

1.0 PREFACE

1.1 Establishment and Mandate of the Committee

1. The Committee on Regional Integration is a select Committee of the House established under Standing Order 212 of the National Assembly's Standing Orders which sets out the mandate of the Committee. The Committee was constituted in October 2023 following adoption of a motion on membership of committees by the House and is comprised of twenty-one (21) members who will serve for the life of the 13th Parliament.
2. The Committee is also mandated to –
 - (a) examine the records of all the relevant debates and resolutions of the meetings of the East African Legislative Assembly;
 - (b) examine the Bills introduced in the East African Legislative Assembly and Acts of the East African Community;
 - (c) examine the records of all the relevant debates and resolutions of the meetings of the Pan African Parliament, the African, Caribbean and Pacific European Union Joint Parliamentary Assembly and other regional integration bodies; and
 - (d) inquire into and examine any other matter relating to regional integration generally requiring action by the House.

1.2 Committee Membership

The Committee comprises of the following twenty-one Members -

Hon. Wanjiku Muhia, MP – Chairperson
Kipipiri Constituency
United Democratic Party

Hon. Farah Salah Yakub, MP- Vice- Chairperson
FAFI Constituency
United Democratic Party

Hon. David Ochieng Ouma, MP
Ugenya Constituency
Movement for Democracy and Growth

Hon. Geoffrey Makokha Odanga, MP
Matayos Constituency
Orange Democratic Party

Hon. Joseph Gachoki Gitari, MP
Kirinyaga Central Constituency
United Democratic Party

Hon. Didmus Wekesa Barasa Mutua, MP
Kimilili Constituency
United Democratic Party

Hon. Danson Mwashako Mwakuwona, MP
Wundanyi Constituency
Wiper Democratic Movement -

Hon. Andrew Adipo Okuome, MP
Karachuonyo Constituency
Orange Democratic Party

Hon. Christopher Aseka Wangaya, MP
Khwisero Constituency
Orange Democratic Party

Hon. Naomi Jillo Waqo, MP
Marsabit (CWR)
United Democratic Party

Hon. Zaheer Jhanda, MP
Nyaribari Chache Constituency
United Democratic Party

Hon. Rael Chepkemai Kasiwai, MP
West Pokot (CWR)
Kenya Union Party

Hon. Elizabeth Karambu Kailemia, MP
Meru (CWR)
United Democratic Party

Hon. Beatrice Chepn'eno Kemei, MP
Kericho (CWR)
United Democratic Party

Hon. Fatuma Hamisi Masito, MP
Kwale (CWR)
Orange Democratic Party

Hon. Irene Njoki Mrembo, MP
Bahati Constituency
Jubilee Party

Hon. Japheth Nyakundi Mokaya, MP
Kitutu Chache North Constituency
United Democratic Party

Hon. Peter Ochieng Orero, MP
Kibra Constituency
Orange Democratic Party

Hon. Julius Kipletting Rutto, MP
Kesses Constituency
United Democratic Party

Hon. Peter Kalerwa Salasya, MP
Mumias East Constituency
Democratic Alliance Party

Hon. Richard Kipkemai Yegon, MP
Bomet East Constituency
United Democratic Party

1.3 Committee Secretariat

3. The secretariat facilitating the Committee comprises –

Mr. Mohamed Jimale
Clerk Assistant I (Team Leader)

Ms. Purity Macharia
Clerk Assistant III

Mr. Bernard Toroitich
Clerk Assistant III

Mr. Dominic Kyalo
Legal Counsel II

Ms. Damacrine Kwamboka
Research Assistant II

Ms. Edith Chepngeno
Media Relations Officer II

Mr. Samuel Nyambei
Serjeant at Arms

Mr. Rahab Chepkilim
Audio Officer

Ms. Faith Oira
Protocol officer

2.0 CONSIDERATION OF THE REPORT ON THE INSPECTION OF VARIOUS ONE STOP BORDER POSTS IN THE NORTHERN CORRIDOR IN EAC

2.1 Introduction

1. The Committee on Regional Integration in a meeting held on 9th March resolved to undertake inspection visits of projects funded by the EAC and the One Stop Border Posts.
2. The Committee further resolved that the visits be undertaken by two sub committees each comprising of seven (7) members. The two sub committees comprised of the following Members –

Team 1

Hon. Farah Salah Yakub, MP- Vice- Chairperson
Hon. Geoffrey Makokha Odanga, MP
Hon. Andrew Adipo Okuome, MP
Hon. Christopher Aseka Wangaya, MP
Hon. Peter Kalerwa Salasya, MP

Team 2

Hon. David Ochieng Ouma, MP
Hon. Elizabeth Karambu Kailemia, MP
Hon. Joseph Gachoki Gitari, MP
Hon. Fatuma Hamisi Masito, MP
Hon. Danson Mwashako Mwakuwona, MP
Hon. Julius Kipletting Rutto, MP
Hon. Rael Chepkemai Kasiwai, MP

3. Each of the sub committees conducted their visits as scheduled and the first group inspected project in Kisumu, Busia and Migori counties while the second inspected Mombasa, Taita Taveta counties on 27th to 31st March, 2023.
4. Each delegation visited various One Stop Boarder Posts and weighbridges along the Northern corridor to understand their operation and maintenance. This was also to help the committee make an informed decision during deliberation of matters relating to the East Africa Community and the progress made on integration process.

2.2 Objectives of the Study Visit

5. The purpose of the visit was to familiarize and interact with the government agencies and authorities that operate the weighbridge centres along the Northern corridor that transit goods to the Partner states of the East African Community.
6. The specific objectives include-
 - a) To establish the efficiency of movement of persons and goods in the East African region;
 - b) To establish the ability and capability of technology installed in the weighbridges along the Northern corridor;
 - c) To establish the extent of movement of persons and services within the community and adjoining countries;

- d) To get feedback and recommendations from the Government officials along the borders on areas of policy support and advocacy.
- e) To ensure that cargo trucks are weighed accurately and that the weight data is transmitted and analysed in real-time to promote efficient and effective enforcement of weight limits.
- f) To ensure sustainability of the road infrastructure, and;
- g) The role Overloading Control Centres (Weighbridges) play in promoting regional integration and trade between Kenya and the neighbouring countries, particularly in the East African Community.

2.3 Expected Outcomes

7. The following were the expected outcomes of the delegations engagement with EAC organs and institutions:
 - a) Adoption of the necessary policy/legislative recommendations to address challenges specifically on funding mechanisms and ratification of stalled protocols.
 - b) A greater understanding of the achievements, challenges and opportunities of the integration process;
 - c) Enhanced mutual relationships networking between Partner National Assemblies and the Semi-autonomous Institutions/Organs of the East African Community;
 - d) Increase/align budget allocation to upgrade and modernize the facilities and infrastructure at the weighbridges and to keep pace with the evolving needs of the transport sector and ensure the safety and efficiency of cargo transport along the Northern corridor.
 - e) Promotion of regional integration towards sustainable development in the East African region.

2.4 About One Stop Border Post

8. A One Stop Border Post OSBP (OSBP) is border crossing point jointly managed by adjoining Partner States where multiple border agencies co-operate and collaborate with each other, and effectively coordinate their activities to maximize their operational efficiency. OSBP arrangement brings together, under one roof, all the Government agencies performing border crossing control procedures, doing away with need for motorized traffic and persons to undergo clearance twice at both sides of the border.
9. As a trade facilitation tool applied at the borders, the OSBP concept promotes a coordinated and integrated approach to facilitating trade, the movement of people, and improving security. The concept eliminates the need for travellers and goods to stop twice to undertake border crossing formalities. The OSBP concept calls for the application of joint controls to minimize routine activities and duplication¹.

2.5 Kenya Port Authority

10. The Kenya Port Authority in Mombasa serve as the gateway to the East and Central Africa to enhance integration and trade. The Port has a capacity to handle 45 million metric tonnes of cargo, however, the Port currently operate at 33 million tonnes. There's a plan by the

¹ <https://www.eac.int/press-releases/142-customs/1276-eac-operationalizes-13-one-stop-border-posts>

government to increase transit goods to the neighboring countries, especially to DRC Congo and Uganda for them to realize their full potential.

11. Some of the key challenges that require to be addressed; ⁻²

(i) **Non - tariff barriers** - the Northern corridor is the major route to the neighboring countries and it has six (6) weighbridges which make trucks delay in delivering cargo to their destinations in time. Several police road blocks totalling to 27 along the northern corridor also contributed to the delay of goods transiting. The weighbridges ought to be removed and be left only with one at the point of entry and another one at the point of exit. Removal of all police road blocks along the road network need to be uninstalled.

(ii) **Uncoordinated or overlapping multi-agency roles at the Port of Mombasa** - This has created bureaucracies which has reduced Port efficiency during cargo clearance. Initially, 27 agencies were operating inside the port. However, 23 were removed that operate outside the vicinity of the Port.

(iii) **Counterfeit goods** - Cargos that are on transit are not tampered with, because some commodities are to be counterfeit as per the laws of Kenya are sometimes not considered to be counterfeit in the neighboring countries.

(iv) **Security along the corridors** - enhancement of security along the corridors is paramount to tap markets especially the Ethiopia market to transit goods at the Ports of Mombasa and Lamu to create more employment opportunities to the Kenyan population.

(v) **Bunkering at the Mombasa port** - the introduction of VAT has made vessels not to fuel at the port hence reduced business.

2.6 The Mariakani Weigh Bridge

12. The Mariakani weighbridge facility is located in Mariakini, Mombasa County. KeNHA has put in place management of all overloading Control Centres (Weighbridges) on major trunk roads under management Contracts in groups known as clusters. The facility falls under the Mariakani/Mtwapa/Dongo kundu cluster. In total there are 5 clusters.
13. The weighbridges are installed with multi-deck weighing scales and High-Speed Weigh in Motion to filter trucks and determine while in motion whether a vehicle needs to go into the weigh station for weight confirmation or otherwise.
14. Virtual weigh station that are weigh in motion system that provide vehicle records for collecting in real time over a computer network connection or workstation computer which, provide a way to obtrusively monitor streets and that there is no need to physically man these stations. He further noted that there are 23 operational virtual weigh stations in the country.
15. KeNHA is responsible for axle load monitoring and compliance which is anchored on the East Africa Community Act that provide a tolerance of 5% axle movement. The authority with the support of the Axle Load Enforcement and Highway Unit of the Kenya Police is able to enforce compliance with the axle load limit on the roads.
16. However, the authority penalized some truck owners who tried to be within the 5% tolerance, It is however, noted that, the road terrain is to be blamed for the cargo movement. The roads designs are constructed to hold a maximum limit that need to be adhered to by the transporters. The road damage reduced leading to low budgetary allocation for maintenance.

² Submissions by the management of the Kenya Ports Authority.

17. Sensitizing transporters who were encouraged to form saccoes under the initiative of self-regulation to encourage compliance with the axle load limit. Judicial officers and ODPP were also sensitized to support the fight in the enforcement of Axle Load Limit.
18. To undertake efficient monitoring at the weighbridges, the following challenges need to be addressed, which include:
 - a) Low monitoring of network which require capacity enhancement;
 - b) Low fine imposed by some courts which are not deterrent enough to discourage overloading and;
 - c) Low funding to roll out more virtual stations for enhanced network monitoring.

2.7 Taveta/ Hollili One Stop Boarder Post

19. The Taveta/ Hollili One Stop Boarder Post in Taita Taveta county was commissioned on the 27th February, 2016 by Phyllis Kandie, EGH Cabinet Secretary, Ministry of Labour and East African Community. There are 13 Government Agencies operating at the Taveta OSBP which include; KRA, KEPHIS, KEBS, Port Health, Department of Mining, KFS, KWS, National Police, DCI, NIS, Immigration, Veterinary and HCDA³.
20. The establishment of one-stop border posts (OSBPs) is one of the modern approaches for improving border operations. As a trade facilitation tool, the OSBP concept promotes a coordinated and an integrated approach to facilitating trade, the movement of people, and improving security. The concept eliminates the need for travelers and goods to stop twice to undertake border crossing formalities.
21. The main reason for establishing OSBPs along transport corridors was to expedite the movement of goods and people as well as to reduce transport costs across national boundaries. He further highlighted some of the main benefits of the Taveta/ Hollili One Stop Boarder Post OSBP as;
 - (i) Reduced time spent at borders by travelers
 - (ii) Predictable, transparent, simplified and harmonized procedures.
 - (iii) Better resource utilization through improved cross-border cooperation and sharing of intelligence, operational data, and resources using CBM and IBM concepts.
 - (iv) Provision of a platform for introducing other border management reforms
 - (v) Improved traffic flow.
 - (vi) Improved border infrastructure especially where modifications are to be undertaken.
 - (vii) Improved collection of trade taxes associated with efficiency gains
 - (viii) Efficient borders that facilitate international trade, investment, and economic growth as well as promotion of economic competitiveness.
 - (ix) Better utilization of government resources by border agencies.
22. OSBP concept reduces clearance time for passenger cars and buses basically by half. For instance, at a traditional two-stop border, buses would stop at one side for passenger to undertake exit formalities which may take roughly one hour, after which the bus is driven to

³ Submissions by the management of the various Agencies based at the Taveta/Holili One Stop Border Point.

the other side of the border where the process is repeated. However, in an OSBP, passengers undertake both entry and exit procedures under one roof and their luggage and cargo are offloaded only once and inspection done jointly as required. Further, he noted that border crossing procedures for cargo in a traditional two-stop border post can take as long as 3–5 days. Export and import procedures are conducted jointly by a multi-agency team consisting of all interested agencies from both countries. Which he noted that it ensures uniformity and reduced clearance time.

23. Mr John Kiilu, manager of the Taveta/ Hollili One Stop Boarder Post pointed out that most Common Imports from Tanzania to Kenya are: LPG gas, Rough sawn timber, farm produce (dry maize, beans, rice, onions, cabbages, groundnuts, ginger, honey, oranges. Raw materials imported from Tanzania to Kenya include bauxite and cement bags. As he also pointed out that the most Common Exports from Kenya to Tanzania include finished product such as; Steel wool, slippers, bubble gums and sweets, coconut oil, enamels and sufurias, farm produce for example bananas and coconut etc.
24. He further provided the delegation with the below data on variuos categories of both import and export as below-

2019-2020

Total imports (15,489 trucks) – Valued at – Ksh.1B

Total exports (2,972 trucks) – Valued at Ksh.191M

2020-2021

Total imports (11,093 trucks) – Valued at – Ksh.1.1B

Total exports (1,918 trucks) – Valued at Ksh.90M

2021-2022

Total imports (27,119 trucks) – Valued at – Ksh.1.8B

Total exports (3,918 trucks) – Valued at Ksh.150M

Passenger Movement in the year 2019 -2020:

Arrivals – 40,602, Departures - 43,790

Passenger Movement in the year 2020 – 2021 :(low Number of travelers due to Covid-19)

Arrivals – 17,226, Departures – 15,348

25. Features of Single Custom Territory include:

- a) Goods are cleared at the first point of entry;
- b) One Customs declaration is made at the destination country;
- c) Taxes are paid at the point of destination when goods are still at the first point of entry;
- d) Goods are moved under a single regional bond from the port of entry to destination;
- e) Goods are monitored by electronic cargo tracking system;
- f) Interconnected Customs systems;
- g) Minimized internal controls / checks;

26. Benefits of Single Custom Territory

- (i) Increased turn around trips for transporters.
- (ii) Reduced clearance time on average;

- (iii) Reduced cost of doing business.
- (iv) Reduced administrative costs and regulatory requirements;
- (v) Reduced risks associated with non-compliance on the transit of goods;
- (vi) Enhanced trade in locally produced goods.
- (vii) Minimizes smuggling at a regional level;
- (viii) Efficient revenue management;
- (ix) Enhanced application of Information Technology and data collection
- (x) Synergy through shared resources and utilization of economies of scale;
- (xi) Use of one regional transit bond from 4-6 national transit bonds

27. Challenges of the Taveta/ Hollili One Stop Border Post is facing

Budget allocation - No allocation of budget from the national government to run the OSBP facility and that the huge cost of running the OSBP are borne by KRA alone. This leads to strain to KRA resources in attempt to meet the costs of running the OSBP despite the fact that the facility serves 13 Government agencies separate and with different mandate from KRA.

The delegation finally, toured the different part of the facility where members had the opportunity to see how the operation are carried out in the boarder both the Kenyan side and Tanzania side,

2.8 Busia One Stop Border Post

28. The Committee on Regional Integration conducted a familiarization visit to the Western Kenya region targeting Kisumu, Busia, and Migori Counties. Additionally, the activity was also intended to provide opportunities for inspection visits at the Busia One Stop Border Post, Jumuiya Market, the Malaba One Stop Border Post, and Isebania One Stop Border Post.
29. The delegation was also particularly keen to identify the impacts if any, of the facilities and other EAC institutions on the local economy and the regional integration process in general. During the visit, the team was received by the County Commissioner, Busia County and the outgoing commissioner of Kisumu County including senior state officials and other stakeholders.
30. The Busia OSBP was among the first facilities to be developed and commissioned by the Presidents of Uganda and the Republic of Kenya on the 24th of February, 2018. The OSBP is aimed at facilitating trade activities between the two states and reducing the amount of time taken to transport goods to and from Mombasa port, Kampala, and Kigali. The construction has led to significant increase in cross border movement of goods and people. It, however, faces the following challenges:
 - i. Loss of business for local communities because of the shorter time it takes trucks and buses to be cleared at the OSBP.
 - ii. Un-harmonized laws and regulation on the immigration and custom legal frameworks within Kenya and Uganda.
 - iii. Limited of awareness about the operations among local clearing agents and communities around the OSBP.
 - iv. Porous border allowing easy penetration by illegal routes traders.

2.9 The Busia Jumuiya Market

31. To mitigate the losses to local businessmen arising from the efficiency of the OSBP, the EAC partner states mooted the concept of a common open-air market aptly named the *JUMUIYA* COMMUNITY market. It was agreed that the Jumuiya market be constructed at Busia, in the Kenyan side of the Border, with provision for unhindered access for all interested traders from the EAC region. To ensure fairness in the allocation of trading points, it was further agreed that Kenya, being the host Country would provide the land while the infrastructural development would be financed through a grant by a donor known as Trade Mark East Africa.
32. Once complete, the trading lots (stalls) will be fairly distributed for the benefit of all traders in the region. It is already agreed that Kenyan trades will be allocated 70% of the slots while the remaining 30% will be distribute to traders from across the EAC region. The Kenyan shared will also be fairly distributed with a lion's share (70%) being reserved for Busia residents.
33. The model market site has already been demarcated on land measuring 20 Acres, excised from an 80-land bank located along the Kenya Uganda Border line at Busia. The architectural design for the model market has already been prepared by the Kenyan Ministry of Public Works experts and presented to stakeholders for adoption. There is however a dispute involving the financing agency, the Kenya National Highways Authority and the County government of Busia regarding an earlier commitment by Trade Mark East Africa to construct a bus park for Busia County. The dispute needs to be addressed amicably to enable the remaining phases of the project including siting, construction, and allocation of trading facilities to be implemented.

2.10 Malaba One Stop Border Post

34. Malaba OSBP is an important strategic border between Kenya and Uganda sitting at Busia County. Informed by this realization, the establishment of the OSBP was underpinned on the need to both improve overall transit time for goods and people travelling through the border, and support the East African Community's goal to integrate the region and improve overall trade flows. Malaba OSBP became operational in February 2015⁴.
35. The objectives of the establishment of the Malaba OSBPs are as follows;
 1. Enhance trade facilitation;
 2. Promote efficient movement of persons and goods
 3. Reduce the cost of doing business in the region
 4. Enhanced cross border facilitation
 5. Stimulating regional integration
 6. Border Security Improvement
 7. Coordination of functions

⁴ Maurice Okinyi Otero- One Stop Border Posts, a research submitted for fulfilment of master's degree at UON. 2020

36. It has enabled attainment of the following benefits:⁵

- i. The volume of traffic cleared has increased tremendously with the average time taken to clear a long-haul truck reducing to an average 5-10 minutes. The facility clears about 1600 vehicles per day and approximately, 70% of the truck traffic from the port of Mombasa destined for Uganda.
- ii. There is better co-ordination and co-operation between government agencies and the traders. The coordinated border management and the multi-agency team approach through joint border activities like joint patrols, Rapid response initiatives, joint roadblocks, joint inspections, and joint risk profiling and targeting, has assisted in improving border security by reducing smuggling, illegal immigration, illegal narcotics trades among other illicit activities.
- iii. Better risk management and enhanced security through Joint operations.
- iv. Increased integrity and transparency among all government agencies including the Kenya Revenue authority, the immigration office and public health among others.
- v. Increased government revenue, As a result of the establishment of the OSBP, the station has witnessed a revenue growth of over **358%** in 6 years. For instance, in 2022-2023 Financial Year, the station has collected **Ksh 3,272,009,525** from July to date, a performance of **90%** against the moving target. **The projections for the 2021-2022 Financial Year stands at Ksh. 4.2B.**
- vi. Improvement in infrastructure and information sharing
- vii. Improved relationships between the border officials of the two Countries.

Improvements done at the Malaba One Stop Border Post

- Installation of a drive through cargo scanner – ease trade facilitation due to non-intrusive inspection, reduce concealments e.t.c
- Installation of Baggage Scanner – enhanced passenger clearance.
- Online clearance by PGAs through the Single Window System.
- More personnel by the PGAs meaning all government agencies are able to operate 24 hours.
- Installation Floodlights.
- Power backup UPS and generator.
- Water purification system

Ongoing projects

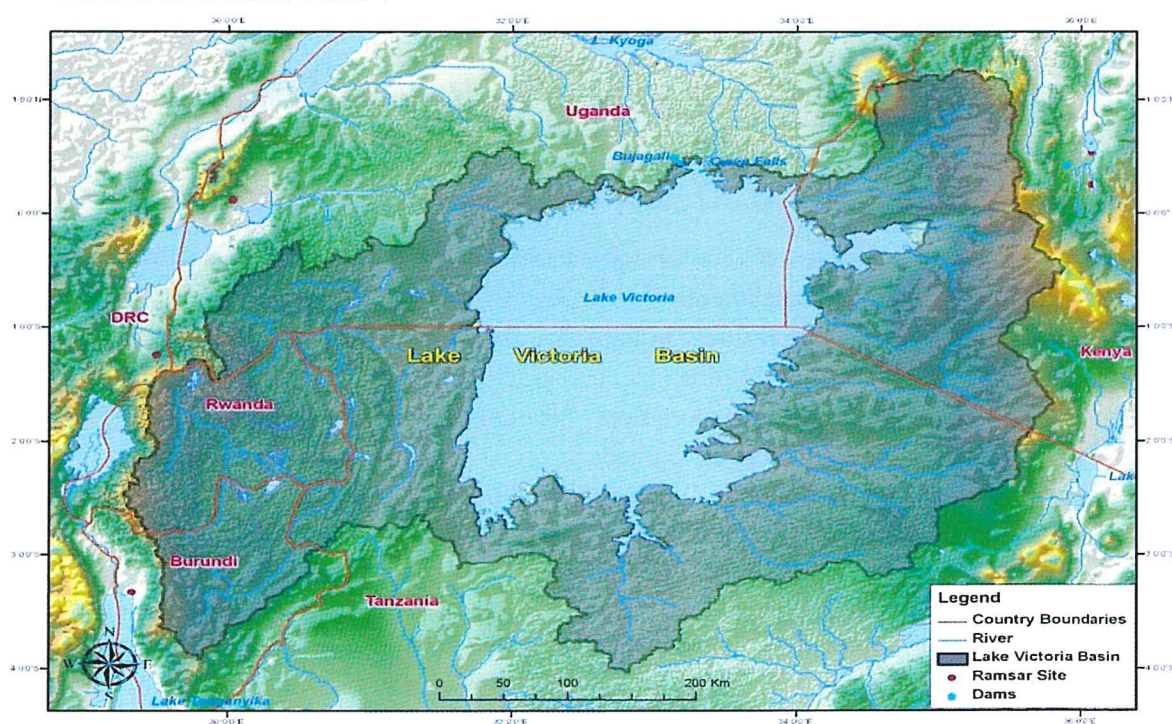
- a. Installation of the smart gates.
- b. Conversion of the OSBP Canteen into a Service Delivery Centre housing all frontline government agency under one roof.
- c. Construction of Kenya Railways Transit Shed able to handle over 300 TEUs per week. This will mean increased traffic through Malaba OSBP for both exports and imports.
- d. Water project.

⁵ Submission by the multi-agency authorities at the Malaba OSBP.

37. The Committee noted that the existing pricing differences for basic commodities such as sugar, fuel and food items seems to, in the short run, be driving business to the Ugandan side of the border at the expense of Kenyan traders
- The lack of parking facilities on the Kenyan side of the border forces trucks and buses to park along the road and thereby expose members of the public to accidents.
 - The loss of business opportunities occasioned by buyers patronizing Ugandan business outlets more than the Kenyan businesses might in the near future, lead to a slowdown of development activities and facilities on the Kenyan side of the border.

2.11 The Lake Victoria Basin Commission

38. The Lake Victoria Basin covers an area of 180,950 Sq. Km, out of which the United Republic of Tanzania occupies 51%, Republic of Uganda 43% and the Republic of Kenya 6%.
39. During the visit on the 29th of March 2023, the delegation was informed that the Lake Victoria Basin Commission (LVBC) is a specialized Institution of EAC established by the Protocol for the Sustainable Development of the Lake Victoria Basin, pursuant to Art.114 2 (b) (vi) of the Treaty for the establishment of the East African Community. The Commission is mandated to coordinate the sustainable development and management of the Lake Victoria Basin in the Partner States⁶.



40. The EAC designated Lake Victoria Basin as an area of high economic interest and a regional economic growth zone to be developed jointly by the Partner States. The cooperation is anticipated under Article 3 of the LVBC Protocol (2013) which enumerates 14 areas of cooperation such as:
- Water resources management

⁶ Submissions by the management of the Lake Victoria Basin Commission during the inspection visit by the committee.

- a. Management of fisheries resources under the convention establishing LVFO;
 - b. Sustainable agriculture and land use including irrigation.
- II. Sustainable management of forestry resources
- III. Development and management of wetlands
 - a. Trade, commerce and industrial development under the common market protocol (CMP);
 - b. Infrastructure and energy development also under the CMP;
- IV. Navigation safety and maritime security under CMP;
- V. Improvement of public health;
- VI. Research, capacity building and information exchange;
- VII. Environmental protection and management;
 - a. Public participation in planning and decision making (governance)
 - b. Gender mainstreaming
 - c. Wildlife conservation and sustainable tourism development activities

Specific LVBC Achievements

41. The Commission has made commendable progress in the following areas:

- i. Under the provision of water programme, the Commission has developed Infrastructure in all 5 States,
- ii. To assist in boosting fisheries, the Commission supports aquaculture through cage farming technologies;
- iii. To boost forest resources conservation in the basin, the Commission facilitated watershed planting in critical catchments;
- iv. To improve navigation safety in the Lake, the Commission supported the installation of Aids to Navigation at 37 sites;
- v. To streamline lake transportation, the Lake Victoria Transport Act (2007) and Regulations (2010) were developed;
- vi. Regional effluents standards were approved by Council ;
- vii. Operationalization of Sustainable Land Management Strategy.

Challenges facing LVBC

42. Disparities in immunities and privileges. While the Headquarter Agreement signed between the Government of Kenya and East African Community provides for the privileges and immunities for the staff working for the Lake Victoria Basin Commission discrimination has not been addressed;
- a. Lack of Sustainable Financing Mechanisms for projects;
 - b. Slow process towards enactment of the pending Lake Victoria Basin Commission Bill (2019) to provide legal status/operations/resource mobilization;
 - c. Overlapping mandates with EAC Secretariat. A number of provisions under the scope of cooperation are supposed to implemented jointly with the EAC Secretariat;
 - d. Lack of clear link between projects and programs implemented by the Lake Victoria Basin to the four pillars of regional integration, that is, custom Union, Common Market Protocol, Political Federation and Monetary Union ;

- e. Implementation of regional policies/laws /regulations and standards is very low. This includes Lake Victoria Transport Act (2007), Regional Effluent Standards (2017), Water Release and Abstraction Policy (2015).
- f. Understaffing is also a challenge that needs to be urgently addressed

2.12 The Isebania/Serari Border Post

43. The Isebania Border Post is an international border and a gazetted entry/exit point along the Kenya and Tanzania. It is situated in Migori County, 20 kilometers by road south of the County headquarters, in Migori town. There are various government agencies deployed at the border post process for clearance cargo and travelers crossing the border. Each agency performs its mandate guided by their respective legislation. The roles and functions of various government departments are as indicated below:
 - a) Customs & Border Control Department collects and accounts for revenue for the other agencies and the exchequer, facilitates legitimate trade, protects of the society from illegal entry and exit of prohibited goods;
 - b) Department of Immigration controls and regulates entry and exit of all persons and removal of prohibited immigrants. The department also controls and regulates residency through issuance and renewal of entry/ work permits and other passes; issuance of entry visas; the granting of Kenya Citizenship to qualifying foreigners and the registration of all non-citizens resident in Kenya;
 - c) Port Health Officers ensures all processes leading to certification of goods at points of entry such as inspection, verification, sampling and laboratory analysis are completed.
 - d) Kenya Plant Health Inspectorate Services protects plants from pests, weeds and invasive species;
 - e) State departments of livestock and fisheries under Ministry of Agriculture enforces rules and regulations governing the border clearance of livestock and fish as well as their products;
 - f) Kenya Wildlife Services undertakes and conduct enforcement activities such as anti-poaching operations, wildlife protection, intelligence gathering, investigations and other enforcement activities;
 - g) Kenya Forest Services officers enforces the provisions of the Forest Act and any forestry and land use rules and regulations made pursuant to any other written law; and
 - h) National Police Service (NPS) is mandated to ensure security along the border and ensure no persons, weapons or products enter the country that would compromise the country's security.
44. Isebania border is supported by other satellite stations which are situated along the Kenya-Tanzania borders namely; Uhuru Bay, Kogaja/Topanga and Borega/Nyamira. However not all agencies have been deployed to these entry points; Customs & Border Control and NPS is present in all the satellite stations with Department of immigration having officers at Uhuru Bay station. The next gazetted entry-exit point along the Kenya and Tanzania border is Namangan. The distance between Isebania and Namangan is approximately 297 km along the border. The distance is 558 km by road through Nairobi.
45. Several studies carried reveal that the traditional border clearance process of stopping on either side of the border for relevant border agencies control have resulted in inefficiencies and delays at the border. The following are some of the typical features:
 - a) Two-stop checks for cargo and passenger's clearance;

- b) Each agency with own verification process independent of each other;
 - c) Each agency operating in diverse locations from each other;
 - d) Information sharing marred with bureaucratic procedures;
 - e) Stand-alone cargo and passenger processing systems;
 - f) The agencies unwilling to share information in border management.
46. The resulting effects of the Old Border Management System included:
- a) Delays in cargo and passenger clearance due to the two-stops in Kenya & again in Tanzania; parallel verification of cargo by various border agencies, slow pace of information sharing;
 - b) High operation costs for the traders and transporters resulting in high production costs;
 - c) Movements from one office to another looking for service; and
 - d) Complex and numerous procedures of cargo clearance. Logging into various agencies systems to process consignments.
47. This was the driving force for the establishment of the One-Stop Border Post (OSBP) concept. Travelers and cargo exiting the country only stop once in the destination country where all the border agencies of the two adjacent countries operate side-by-side to perform exit controls for the exiting country and then entry controls for the destination country. The biggest benefit of OSBP is the reduced clearance time and improved efficiency in border clearance.
48. The Committee learnt that the construction of Isebania OSBP facility commenced in July 2012. The project was financed by World Bank. Vaghiyani Enterprise Limited is the main contractor while the client is Kenya National Highway Authority (KeNHA).
49. **Effects of the Isebania OSBP on local community.** It was reported that the operation of additional border agencies at the border post, the additional levies and fees being collected have resulted in:
- i. Losses as profit margins especially for small and medium size local traders. This has resulted in most of the traders avoiding crossing the border at designated gazetted entry/exit point and increased use of illegal crossing points. Enforcement activities by border agencies in Kenya and Tanzania have resulted in increased seizures of the motorcycles used to ferry cargo and passengers across the border through the *panya-routes*; and
 - ii. Reduced job opportunities because job opportunities get awarded to persons who are not from the local community. It was observed that the companies awarded the contracts to offer cleaning and security services are based out of the county and have mainly engaged persons who are not from the local community. The contract for restaurant services has not been awarded and consideration should be given to the local community.
50. **Proposed Isebania OSBP Projects.** The Agencies at Isebania One Stop Border Post presented the following proposals for consideration to the Committee:
- i. Design modifications of the allocated OSBP areas to meet the required international standards;
 - ii. Immigration Department; Holding cells to be modified to accommodate areas for holding minors and pregnant women awaiting processing or repatriation;

- iii. Port Health Services – the Quarantine & Holding rooms to be modified to have amenities for use by quarantined travelers;
- iv. Port Health Services – the medical facility to be fully equipped with medical laboratory;
- v. Fisheries, Veterinary, KEPIS & KEGS – to be equipped with product testing laboratories/kits;
- vi. State Department of Livestock (Veterinary) – to be equipped with examination crushes and animal holding grounds;
- vii. Additional Office furniture, Computers & Accessories (Printers & Scanners) – the facility requires additional equipment for the staff;
- viii. Proposal for the Housing Project for all border agency staff;
- ix. Perimeter wall around the control zone for Isebania/Sirare OSBP;
- x. Training of the OSBP users and the local community.

3.0 GENERAL COMMITTEE OBSERVATIONS/FINDINGS

51. The Committee made the following general observations, that –

- 1) Various government agencies play different role at the border, key among which being ensuring border security/protection (Police), facilitation of trade (KRA), screening and vaccination of passengers (Port Health), monitoring the illegal entry of the unapproved goods (KEBs), travelers' data capture and control of illegal movement of persons as well as customer care (Department of Immigration Services (DIS). It is worth noting that OSBP positively improved services and contributed to reduce clearance time specified operations and brought about joint process among agencies.
- 2) Free movement of goods and services – cross border mobility in EAC is mostly affected by legal frameworks and border procedures that are not harmonised affecting the free movements of goods and services.
- 3) There are currently six (6) weigh bridges along the Norther corridor with plans by the Ministry and Kenya Ports Authority to reduce the existing weigh bridges to two (2), i.e. The point of entry and the point of exit.
- 4) The Committee noted that most of the commodities that Kenyan exports to Tanzania across the Taveta Border are finished goods which are already taxed in Kenya. However, such goods taxed in Kenya are subjected to further taxes by the Tanzanian Authorities mainly due to lack of Single Taxation Regime. This mostly affects the women traders and other small SMEs.
- 5) The EAC transport corridors are the Central corridor covering Port of Dar es Salaam and exits Tanzania at Kabanga/Kobero, Rusumo and Mutukula points of entry/exit and the Northern Corridor covering the port of Mombasa and exits Kenya at Busia, Malaba and Lwakhakha points of entry /exit. The New corridor starts at Port of Mombasa-Taveta/Holili-Arusha-Nyakanazi and exits Tanzania through Rusumo and Kabanga/Kobero points of entry and exit and it is considered to be the shortest route to Rwanda, Burundi and DRC (South Kivu). However, 11 km stretch of this New corridor is not geo-fenced posing various challenges and risk to transporters and revenue authorities.
- 6) There are currently over 27 police road blocks along the Northern corridor despite the directive to have all road blocks removed. This was noted as among the various non-tariff barriers that continue to negatively affect trade at the Mombasa port.
- 7) Limited awareness of the EAC programs and policies among trader's agencies and the general public;
- 8) The Committee made the following specific observations on the Kenyan Malaba side of the border -
 - (a) Incomplete road civil works on the Kenyan Malaba side of the border, implying a delay of the full utilization of the facility. The 1Km outbound loop road that is supposed to control traffic to Uganda was left incomplete and thus cannot be utilized. This leads to congestion and hamper clearance time since outbound trucks are forced to use one lane with inbound trucks as well as trucks entering and leaving the yard and trucks exiting the scanner.
 - (b) Pending infrastructural facility works such as the drainage, installation of scanners and weighbridge and the water borehole equipment.

- (c) Unreliable power supply at the Malaba OSBP facility which makes the entire facility poorly lit and ineffective at night especially at night.
- (d) Lack of institutional housing for KRA staffers, which forces them to live in rental housing provided by the general housing market. This exposes the officers to manipulation and possible influence as they perform their duties.
- (e) The Malaba OSBP facility has not been fully handed over to the Management of Kenya revenue Authority, which makes it difficult to modernize some facilities such as the water borehole and lighting system.
- (f) The Malaba OSBP has a leakage problem that affects operation during rainy seasons. There is a danger of water damaging key ICT infrastructure at the Immigration office and KRA server rooms.
- (g) Persistent lack of water due to inadequate supply from the borehole and lack of innovation despite river malakisi being only 60 meters away.
- (h) The existing public ablution block is too far from passengers entering the facility hence the need to construct a new ablution block closer to the main building for effective and efficient service delivery.
- (i) The parking yard at the OSBPs are very small and can accommodate only 100 trucks compared to Uganda which can accommodate 2,000 trucks. The verification yard is also very small and can handle only 4 trucks affecting outbound traffic and contributes to concessions.
- (j) Inadequate office space where several government agencies are sharing the available space. This affects client data privacy and slow processes.
- (k) Several government agencies are sharing limited spaces within in particular Malaba OSBP. This may compromise privacy of client data and contribute to slow processes; and
- (l) On staff shortage, the Malaba OSBP and the Lake Victoria Basin Commission remain understaffed comprise service delivery.

9) Specific observations on the Isebania OSBP -

- (i) Status of Completion of the Isebania OSBP-** the One Stop Border Post facility was occupied and operationalized by border agencies in August 2015 but is yet to be commissioned. The facility is 95 % complete, although the Contractor undertook to complete the remaining civil, mechanical, and plumbing works. On the Tanzanian side of the Border, the Border Post facility is complete despite the building being declared condemned.
- (ii) Quality of Service Delivery** - the following were reported as some of the gains which are already accruing from occupation and operations under the facility:
 - a) Standard Operating Procedure has been developed to guide cargo and passenger process flow. These procedures have harmonized the individual partner states border processes into one seamless flow applicable on both sides of the border for improved efficiency in serving the travellers and traders;
 - b) Joint verification is being carried out by border agencies and between Kenya & Tanzania border agencies as well as amongst the Kenya Border Agencies. This has reduced the number of interventions being carried out by each border agency individually. Once a container is opened or a passenger vehicle is

stopped all relevant agencies will process the container/vehicle at the same time and released without further stops within the control zone;

- c) There are joint border meetings & consultations among border agencies and between Kenya and Tanzania. These meetings are platforms for brainstorming and resolving of identified border issues at the border post level or escalating of matters to regional headquarters for resolution at regional level. Border Management Committee meetings also identifies and recommends for action or intervention any matter that requires multi-agency approach and approval by the heads of the border agencies;
- d) Information is being shared between border agencies within Kenya and with Tanzania. The agencies are therefore able to risk profile and deploy the resources in an efficient matter while carrying out their enforcement measures;
- e) Border agencies have embraced transformation in internal processes with various agencies developing and deploying systems to improve efficiency and increase revenue collection and accountability amongst the officers;
- f) Kenya Trade Network Agency (KENTRADE) is developing an Information Trade Portal to inform importers/exporters on the procedures and requirements. In addition, the agency has provided wi-fi connectivity for all agencies at the border for efficient delivery of services.
- g) Improved revenue collection over the period by Customs & Border Control department of KRA. Revenue growth of 60% was experienced after the border agencies occupied the OSBP premises. Increased traffic of cargo being processed by Customs & Border Control department and other border agencies by 5% over the period following the occupation of the facility. Growth in SCT consignments to Tanzania following the full roll-out of the programme. This was attributed to increased efficiency in border clearance, use of systems to collect and account for revenue and simplified border clearance processes. Collection by Immigration department at the border has declined as the processes have been automated and revenue is currently being accounted for under the e-citizen platform.
- h) Time taken to process cargo by various border agencies has drastically reduced from several days to a few minutes where all documentations have been properly lodged. There is reduced time to clear cargo and process passengers, and
- i) Over the same period there has been an increase in seizures of prohibited/restricted goods such as ivory, cannabis sativa, spirits and explosives.

4.0 COMMITTEE RECOMMENDATIONS


52. The Committee recommends the following -

- 1) **Budget allocation** – The National Treasury and Economic Planning should release funds to the State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development to run the OSBP facilities across the border line of Kenya.
- 2) Funding should be enhanced to address institutional challenges such as low staffing, inadequate resources, poor infrastructure and lack of some key facilities including cargo scanners at the borders shared by the custom officers.
- 3) **Police Road blocks** - within six months, the Ministry of Interior and National Administration in conjunction with Kenya Revenue Authority should enforce earlier directives on police road blocks along the Northern Corridor and submit a report on the same to the National Assembly within six months.
- 4) **Harmonise legal frameworks and border procedures** - The Council of Ministers should come up with measures to harmonise legal frameworks and border procedures to enhance free movement of goods and services, i.e tax laws, immigration laws etc. This need to come along with the implementation of OSBP.
- 5) **Geo-fencing of the 11 km stretch of the New corridor** - The Council of Ministers should within the FY 2023/2024 fast track Geo-fencing of the 11 km stretch of the New corridor (exits Tanzania through Rusumo and Kabanga/Kobero points of entry and exit) to enhance utilizing and eliminate risk to transporters and revenue authorities.
- 6) **Awareness campaign and program in EAC Partner states** - EAC Secretariat should design and implement a continuous and awareness campaign and dissemination program on the use and operation on all OSBP within the Partner states. The program should target it various users including transporter and other traders.
- 7) **Staffing** - The State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development should within six month in the next FY 2023/2024 undertake review of the current staff structure and impost with a view to ensure that Malaba OSBP and the Lake Victoria Basin Commission are adequately staffed.
- 8) **Infrastructure** – to reduce congestion along the border posts, the State Department of Infrastructure, Ministry of Roads and Transport should construct adequate parking yard at the OSBPs more specifically the Busia and Malaba One Stop Border Posts.

Signed.....

Date..... 15/6/2023

THE HON. WANJIKU MUHIA, M.P.
(CHAIRPERSON)

 THE NATIONAL ASSEMBLY PARLIAMENT BUILDING	
DATE: 05 JUL 2023	
DAY: Wednesday	
TABLED BY:	Hon. Wanjiku Muhia (Chairperson, Regional Integration Committee)
CLERK-AT-THE-TABLE:	Mudo

ANNEXURES

- 1. Adoption List**
- 2. Committee Minutes**
- 3. Presentations**


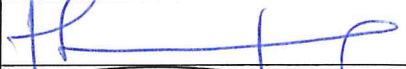

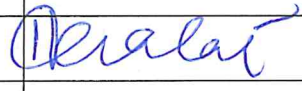

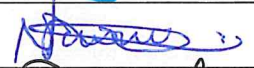



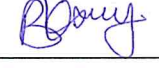





COMMITTEE REGIONAL INTEGRATION

ADOPTION LIST

Adoption of the Report on the Consideration of Report on the inspection of various One Stop Border Posts on the Northern Corridor

We, the undersigned, hereby affix our signatures to this Report to affirm our approval:

DATE: 15th JUNE, 2023

	HON. MEMBER	SIGNATURE
1.	Hon. Wanjiku Muhia,, MP (Chairperson)	
2.	Hon. Farah Salah Yakub, MP (Vice Chairperson)	
3.	Hon. David Ochieng Ouma, MP <i>Ochieng</i>	
4.	Hon. Geoffrey Makokha Odanga, MP <i>Ouma</i>	
5.	Hon. Joseph Gachoki Gitari, MP	
6.	Hon. Didmus Wekesa Barasa Mutua, MP	
7.	Hon. Danson Mwashako Mwakuwona, MP	
8.	Hon. Andrew Adipo Okuome, MP	
9.	Hon. Christopher Aseka Wangaya, MP	
10.	Hon. Naomi Jillo Waqo, MP	
11.	Hon. Zaheer Jhanda, MP	
12.	Hon. Rael Chepkemai Kasiwai, MP	
13.	Hon. Elizabeth Karambu Kailemia, MP	
14.	Hon. Beatrice Chepngeno Kemei, MP	
15.	Hon. Fatuma Hamisi Masito, MP	
16.	Hon. Irene Njoki Mrembo , MP	
17.	Hon. Japheth Nyakundi Mokaya, MP	
18.	Hon. Peter Ochieng Orero, MP	
19.	Hon. Julius Kipletting Rutto, MP	
20.	Hon. Peter Kalerwa Salasya , MP	
21.	Hon. Richard Kipkemai Yegon , MP	

MINUTES OF THE 23RD SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON TUESDAY 15TH JUNE, 2023 IN THE BOARD ROOM ON 2ND FLOOR CONTINENTAL HOUSE, PARLIAMENT BUILDING AT 11:00 AM.

PRESENT

- | | | |
|--|---|-------------------------|
| 1. Hon. Wanjiku Muhia, MP | - | Chairperson |
| 2. Hon. Farah Salah Yakub, MP | - | Vice Chairperson |
| 3. Hon. Naomi Jillo Waqo, CBS, MP | | |
| 4. Hon. Joseph Gachoki Gitari, MP | | |
| 5. Hon. Beatrice Chepngeno Kemei, MP | | |
| 6. Hon. Christopher Aseka Wangaya, MP | | |
| 7. Hon. Danson Mwashako Mwakuwona, MP | | |
| 8. Hon. Elizabeth Karambu Kailemia, MP | | |
| 9. Hon. Irene Njoki Mrembo, MP | | |
| 10. Hon. Peter Ochieng Orero, MP | | |
| 11. Hon. Rael Chepkemai Kasiwai, MP | | |
| 12. Hon. Richard Kipkemai Yegon, MP | | |

APOLOGIES

1. Hon. Andrew Adipo Okuome, MP
2. Hon. David Ochieng Ouma, MP
3. Hon. Didmus Wekesa Barasa Mutua, MP
4. Hon. Fatuma Hamisi Masito, MP
5. Hon. Geoffrey Makokha Odanga, MP
6. Hon. Julius Kipletting Rutto, MP
7. Hon. Peter Kalerwa Salasya, MP
8. Hon. Zaheer Jhanda, MP
9. Hon. Japheth Nyakundi Mokaya, MP

IN ATTENDANCE

National Assembly Committee Secretariat

- | | | |
|---------------------------|---|----------------------------|
| 1. Mr. Mohamed Jimale | - | Clerk Assistant I |
| 2. Ms. Purity Macharia | - | Clerk Assistant III |
| 3. Mr. Dominic Mwendwa | - | Legal Counsel II |
| 4. Ms. Damacrine Kwamboka | - | Research Officer III |
| 5. Ms. Edith Chepng'eno | - | Media Relation officer III |

MIN. NA/ DAA&OSC/ RIC/2023/094 PRELIMINARIES

The Chairperson called the meeting to order at 10:15 am with a prayer by Hon Joseph Gachoki Gitari, MP.

MIN. NA/ DAA&OSC/ RIC/2023/095 ADOPTION OF THE AGENDA

The agenda was unanimously adopted with amendments having been proposed by Hon. Christopher Aseka Wangaya, MP and seconded by Hon. Elizabeth Karambu Kailemia. MP.

MIN. NA/ DAA&OSC/ RIC/2023/096 CONFIRMATIONS OF THE PREVIOUS MINUTES OF THE 22ND SITTING

Minutes of the 22nd sitting held on Thursday 15th June, 2023 were confirmed as true reflection of the proceedings as having been proposed by Hon. Naomi Jillo Waqo, MP and seconded by Hon. Richard Yegon, MP.

MIN.NA/ DAA&OSC/ RIC/2023/ 097 MATTERS ARISING

Under MIN.NA/ DAA&OSC/ RIC/2023/092; plenary discussion, on matters less financial dependency on donor funds, the committee noted that this the Community needs to have a more sustainable, equitable and an accountable manner of financing and it ought to mirror the policy by the EU on matters of yearly contributions by each Partner States.

**MIN.NA/ DAA&OSC/ RIC/2023/098 CONSIDERATION AND ADOPTION OF THE
REPORT ON THE INSPECTION OF VARIOUS
ONE STOP BORDER POSTS IN NORTHERN
CORRIDOR IN EAC REGION**

The Committee was taken through the Report on the Inspection of the various One Stop Border Points in the Northern Corridor in EAC Region and made the following Recommendations that –

- 1) **Budget allocation** – The National Treasury and Economic Planning should release funds to the State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development to run the OSBP facilities across the border line of Kenya.
- 2) Funding should be enhanced to address institutional challenges such as low staffing, inadequate resources, poor infrastructure and lack of some key facilities including cargo scanners at the borders shared by the custom officers.
- 3) **Police Road blocks** - within six months, the Ministry of Interior and National Administration in conjunction with Kenya Revenue Authority should enforce earlier directives on police road blocks along the Northern Corridor and submit a report on the same to the National Assembly within six months.
- 4) **Harmonise legal frameworks and border procedures** - The Council of Ministers should come up with measures to harmonise legal frameworks and border procedures to enhance free movement of goods and services, i.e tax laws, immigration laws etc. This need to come along with the implementation of OSBP.
- 5) **Geo-fencing of the 11 km stretch of the New corridor** - The Council of Ministers should within the FY 2023/2024 fast track Geo-fencing of the 11 km stretch of the New corridor (exits Tanzania through Rusumo and Kabanga/Kobero points of entry and exit) to enhance utilizing and eliminate risk to transporters and revenue authorities.
- 6) **Awareness campaign and program in EAC Partner states** - EAC Secretariat should design and implement a continuous and awareness campaign and dissemination program on the use and operation on all OSBP within the Partner states. The program should target it various users including transporter and other traders.
- 7) **Staffing** - The State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development should within six month in the next FY 2023/2024 undertake review of the current staff structure and impost with a view to ensure that Malaba OSBP and the Lake Victoria Basin Commission are adequately staffed.

MINUTES OF THE 21ST SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON 8TH JUNE, 2023 IN COMMITTEE ROOM 9 BOARD ROOM, MAIN PARLIAMENT BULDING AT 11:00 AM.

PRESENT

- | | | |
|---------------------------------------|---|------------------|
| 1. Hon. Farah Salah Yakub, MP | - | Vice Chairperson |
| 2. Hon. Naomi Jillo Waqo, MP | | |
| 3. Hon. Geoffrey Makokha Odanga, MP | | |
| 4. Hon. Joseph Gachoki Gitari, MP | | |
| 5. Hon. Beatrice Chepngeno Kemei, MP | | |
| 6. Hon. Richard Kipkemoi Yegon, MP | | |
| 7. Hon. Danson Mwashako Mwakuwona, MP | | |

APOLOGIES

- | | | |
|---|---|-------------|
| 1. Hon. Wanjiku Muhia, MP | - | Chairperson |
| 2. Hon. David Ochieng Ouma, MP | | |
| 3. Hon. Peter Ochieng Orero, MP | | |
| 4. Hon. Andrew Adipo Okuome, MP | | |
| 5. Hon. Fatuma Hamisi Masito, MP | | |
| 6. Hon. Julius Kipletting Rutto, MP | | |
| 7. Hon. Rael Chepkemoi Kasiwai, MP | | |
| 8. Hon. Christopher Aseka Wangaya, MP | | |
| 9. Hon. Zaheer Jhanda, MP | | |
| 10. Hon. Elizabeth Karambu Kailemia, MP | | |
| 11. Hon. Peter Kalerwa Salasya, MP | | |
| 12. Hon. Didmus Wekesa Barasa Mutua, MP | | |
| 13. Hon. Japheth Nyakundi Mokaya, MP | | |
| 14. Hon. Irene Njoki Mrembo, MP | | |

IN ATTENDANCE

National Assembly Committee Secretariat

- | | | |
|---------------------------|---|-------------------------------|
| 1. Mr. Mohamed Jimale | - | Clerk Assistant I |
| 2. Ms. Purity Macharia | - | Clerk Assistant III |
| 3. Ms. Damacrine Kwamboka | - | Research Officer III |
| 4. Ms. Edith Chepng'eno | - | Media Relation officer III |
| 5. Ms. Rahab Chepkilim | - | Audio Officer |
| 6. Ms. Faith Oira | - | Public Communications Officer |

MIN. NA/ DAA&OSC/ RIC/2023/082 PRELIMINARIES

The Chairperson called the meeting to order at 10:15 am with a prayer by Hon. Danson Mwashako Mwakuwona, MP.

The Committee unanimously adopted the Agenda with amendment having been proposed by Hon. Joseph Gachoki Gitari, MP and seconded by Hon. Danson Mwashako Mwakuwona, MP.

AGENDA

1. Prayer & Preliminaries;
2. Adoption of the Agenda;
3. Confirmation of the Previous Minutes, 15th – 20th Sittings;
4. Matters Arising;
5. **Consideration and adoption of the Report on the inspection of the various One Stop Border Posts in the EAC Region (Northern and Southern Corridors in Kenya).**
6. Any other Business;
7. Adjournment.

Minutes of the 15th Siting held on Thursday 4th May, 2023 were confirmed as true reflection of the proceedings as having been proposed by Hon. Danson Mwashako MP and seconded by Hon. Joseph Gachoki Gitari, MP.

Minutes of the 16th Siting held on Monday 15th May, 2023 (morning session) were confirmed as true reflection of the proceedings as having been proposed by Hon. Joseph Gitari MP and seconded by Hon. Naomi Jillo Waqo, MP.

Minutes of the 17th Siting held on Monday 15th May, 2023 (Afternoon session) were confirmed as true reflection of the proceedings as having been proposed by Hon. Geoffrey Makokha Odanga, MP and seconded by Hon. Danson Mwashako.MP.

Minutes of the 18th Siting held on Tuesday 16th May, 2023 (morning session) were confirmed as true reflection of the proceedings as having been proposed by Hon. Beatrice Kemei, MP and seconded by Hon. Joseph Gitari, MP.

Minutes of the 19th Siting held on Tuesday 16th May, 2023 (Afternoon session) were confirmed as true reflection of the proceedings as having been proposed by Hon. Geoffrey Makokha Odanga, MP and seconded by Hon. Naomi Jillo Waqo,MP.

Minutes of the 20th Siting held on Tuesday 16th May, 2023 (Afternoon session) were confirmed as true reflection of the proceedings as having been proposed by Hon. Danson Mwashako, MP and seconded by Hon. Beatrice Kemei,MP.

No matters arose.

BORDER POSTS IN NORTHERN CORRIDOR IN EAC REGION

The Chair requested the Clerk to take through the Members an overview and perspective on the draft report on the Consideration of the Report on the inspection of the various One Stop Border Posts in the EAC Region (Northern and Southern Corridors in Kenya).

He highlighted the objectives of the inspection visit and the expected outcomes. He stated that the Committee had visited several institution namely; Kenya Port Authority and One Stop Boarder Posts to assess the operation of cargo clearance along the Northern and Southern Corridors. The Committee was also keen to understand operations of the Overloading Control Centres (Weighbridges) on major trunk roads that are clustered for ease of management, which are; Athi River/Juja/Isinya, Mariakani/Mtwapa/Dongo Kundu, Gilgil/Mai maihu, Busia/Rongo and Webuye. The aim was to inspect the improvements done, ongoing projects and the challenges faced by these institutions.

The Committee made the following observations, that –

- a) there are 6 weigh bridges along the Northern corridor, which the MD of the Kenya Port authority has initiated talks with the Cabinet Secretary for Transport to have the reduced to two (2), at the point of entry and the point of exit.
- b) The Committee noted that most of the commodities that Kenyan exports to Tanzania across the Taveta Border are finished goods which are already taxed in Kenya and still traders who are mainly women are required to pay for taxes again before their goods are cleared at the boarder due to lack of Single Taxation Regime in East Africa Community.
- c) Members noted that the Central corridor is between 200km -300km shorter than the Northern Corridor, however transporters still prefer to use the route despite being longer as a result of an 11km stretch that is not Geo- fenced on the Tanzanian side.
- d) The committee noted that there are over 27 police road blocks along the Northern corridor despite the directive to have all road blocks removed from our roads. The committee noted that the road block are among the several non - tariff barriers that are reducing trade at the Mombasa port.
- e) Incomplete road civil works on the Kenyan Malaba side of the border, implying a delay of the full utilization of the facility. The 1Km outbound loop road that is supposed to control traffic to Uganda was left incomplete and thus cannot be utilized. This leads to congestion and reduced clearance time because outbound trucks are forced to use one lane with inbound trucks, trucks entering and leaving the yard and trucks exiting the scanner.
- f) There are pending infrastructural facility works such as the drainage, installation of scanners and weighbridge and the water borehole equipment.
- g) The Malaba OSBP facility has not been fully handed over to the Kenya revenue Authority Management, which makes it difficult to modernize some facilities such as the water borehole and lighting system.
- h) Persistent lack of water due to inadequate supply from the borehole and lack of innovation despite river malakisi being only 60 meters away;
- i) Limited awareness of the EAC programs and policies among trader's agencies and the general public;
- j) Un-harmonised Customs Systems between URA, TRA, and KRA.
- k) Loss of income to local community as a result of reduced procedures.
- l) Non-Tariff Barriers affecting revenue collection at the border and along the corridor.

- m) The parking yard at the OSBPs are very small and can accommodate only 100 trucks compared to Uganda which can accommodate 2,000 trucks. This leads to congestion. Also, the verification yard is also very small and can handle only 4 trucks. This also affects outbound traffic.
- n) Inadequate office space. Several government agencies are sharing space. This leads to lack of client data privacy and slow processes.
- o) Staff shortage. The OSBP and the Lake Victoria Basin Commission are extremely understaffed.

Committee recommendation/findings in the draft Report

- 1) One of the key findings is that various government agencies play different role at the border. Key among which being ensuring border security/protection (Police), facilitation of trade (KRA), screening and vaccination of passengers (Port Health), monitoring the illegal entry of the unapproved goods (KEBs), travelers data capture and control of illegal movement of persons as well as customer care (Department of Immigration Services DIS). It is worth noting that OSBP positively improved services and contributed to reduce clearance time specified operations & brought about joint process among agencies.
- 2) Institutional challenges were also established, key among them includes; low staffing, inadequate resources, poor infrastructure and lack of some key facilities, for example cargo scanners at the borders share by the custom officers.

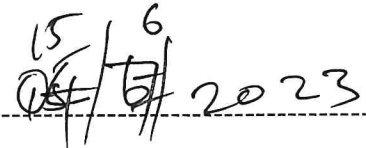
Way Forward

The Chair stated the committee recommendation/findings need to be broadened and that the secretariat ought to have shared the draft report in advance for Members to have grasp of the content of the report before adopting it. Therefore the Committee deferred Adoption of the Report to the next sitting.

MIN. NA/ DAA&OSC/ RIC /2023/087 ADJOURNMENT

The meeting was adjourned 12:50 p.m. Next meeting will be held on Tuesday June 13th, 2023 at a venue to be communicated.

Signed

Date  2023

HON. WANJIKU MUHIA, MP – CHAIRPERSON

MINUTES OF THE 23RD SITTING OF THE SELECT COMMITTEE ON REGIONAL INTEGRATION HELD ON TUESDAY 15TH JUNE, 2023 IN THE BOARD ROOM ON 2ND FLOOR CONTINENTAL HOUSE, PARLIAMENT BUILDING AT 11:00 AM.

PRESENT

- | | | |
|--|---|------------------|
| 1. Hon. Wanjiku Muhia, MP | - | Chairperson |
| 2. Hon. Farah Salah Yakub, MP | - | Vice Chairperson |
| 3. Hon. Naomi Jillo Waqo, CBS, MP | | |
| 4. Hon. Joseph Gachoki Gitari, MP | | |
| 5. Hon. Beatrice Chepngeno Kemei, MP | | |
| 6. Hon. Christopher Aseka Wangaya, MP | | |
| 7. Hon. Danson Mwashako Mwakuwona, MP | | |
| 8. Hon. Elizabeth Karambu Kailemia, MP | | |
| 9. Hon. Irene Njoki Mrembo, MP | | |
| 10. Hon. Peter Ochieng Orero, MP | | |
| 11. Hon. Rael Chepkemai Kasiwai, MP | | |
| 12. Hon. Richard Kipkemai Yegon, MP | | |

APOLOGIES

1. Hon. Andrew Adipo Okuome, MP
2. Hon. David Ochieng Ouma, MP
3. Hon. Didmus Wekesa Barasa Mutua, MP
4. Hon. Fatuma Hamisi Masito, MP
5. Hon. Geoffrey Makokha Odanga, MP
6. Hon. Julius Kipletting Rutto, MP
7. Hon. Peter Kalerwa Salasya, MP
8. Hon. Zaheer Jhanda, MP
9. Hon. Japheth Nyakundi Mokaya, MP

IN ATTENDANCE

National Assembly Committee Secretariat

- | | | |
|---------------------------|---|----------------------------|
| 1. Mr. Mohamed Jimale | - | Clerk Assistant I |
| 2. Ms. Purity Macharia | - | Clerk Assistant III |
| 3. Mr. Dominic Mwendwa | - | Legal Counsel II |
| 4. Ms. Damacrine Kwamboka | - | Research Officer III |
| 5. Ms. Edith Chepng'eno | - | Media Relation officer III |

MIN. NA/ DAA&OSC/ RIC/2023/094 PRELIMINARIES

The Chairperson called the meeting to order at 10:15 am with a prayer by Hon Joseph Gachoki Gitari, MP.

MIN. NA/ DAA&OSC/ RIC/2023/095 ADOPTION OF THE AGENDA

The agenda was unanimously adopted with amendments having been proposed by Hon. Christopher Aseka Wangaya, MP and seconded by Hon. Elizabeth Karambu Kailemia, MP.

MIN. NA/ DAA&OSC/ RIC/2023/096 CONFIRMATIONS OF THE PREVIOUS MINUTES OF THE 22ND SITTING

Minutes of the 22nd sitting held on Thursday 15th June, 2023 were confirmed as true reflection of the proceedings as having been proposed by Hon. Naomi Jillo Waqo, MP and seconded by Hon. Richard Yegon, MP.

MIN.NA/ DAA&OSC/ RIC/2023/ 097 MATTERS ARISING

Under MIN.NA/ DAA&OSC/ RIC/2023/092; plenary discussion, on matters less financial dependency on donor funds, the committee noted that this the Community needs to have a more sustainable, equitable and an accountable manner of financing and it ought to mirror the policy by the EU on matters of yearly contributions by each Partner States.

**MIN.NA/ DAA&OSC/ RIC/2023/098 CONSIDERATION AND ADOPTION OF THE
REPORT ON THE INSPECTION OF VARIOUS
ONE STOP BORDER POSTS IN NORTHERN
CORRIDOR IN EAC REGION**

The Committee was taken through the Report on the Inspection of the various One Stop Border Points in the Northern Corridor in EAC Region and made the following Recommendations that –

- 1) **Budget allocation** – The National Treasury and Economic Planning should release funds to the State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development to run the OSBP facilities across the border line of Kenya.
- 2) Funding should be enhanced to address institutional challenges such as low staffing, inadequate resources, poor infrastructure and lack of some key facilities including cargo scanners at the borders shared by the custom officers.
- 3) **Police Road blocks** - within six months, the Ministry of Interior and National Administration in conjunction with Kenya Revenue Authority should enforce earlier directives on police road blocks along the Northern Corridor and submit a report on the same to the National Assembly within six months.
- 4) **Harmonise legal frameworks and border procedures** - The Council of Ministers should come up with measures to harmonise legal frameworks and border procedures to enhance free movement of goods and services, i.e tax laws, immigration laws etc. This need to come along with the implementation of OSBP.
- 5) **Geo-fencing of the 11 km stretch of the New corridor** - The Council of Ministers should within the FY 2023/2024 fast track Geo-fencing of the 11 km stretch of the New corridor (exits Tanzania through Rusumo and Kabanga/Kobero points of entry and exit) to enhance utilizing and eliminate risk to transporters and revenue authorities.
- 6) **Awareness campaign and program in EAC Partner states** - EAC Secretariat should design and implement a continuous and awareness campaign and dissemination program on the use and operation on all OSBP within the Partner states. The program should target it various users including transporter and other traders.
- 7) **Staffing** - The State Department of East African Community Affairs of the Ministry of East African Community, ASAL's and Regional Development should within six month in the next FY 2023/2024 undertake review of the current staff structure and impost with a view to ensure that Malaba OSBP and the Lake Victoria Basin Commission are adequately staffed.

TAVETA OSBP

NATIONAL ASSEMBLY SELECT
COMMITTEE ON REGIONAL
INTEGRATION VISIT

29TH MARCH 2023

PUBLIC

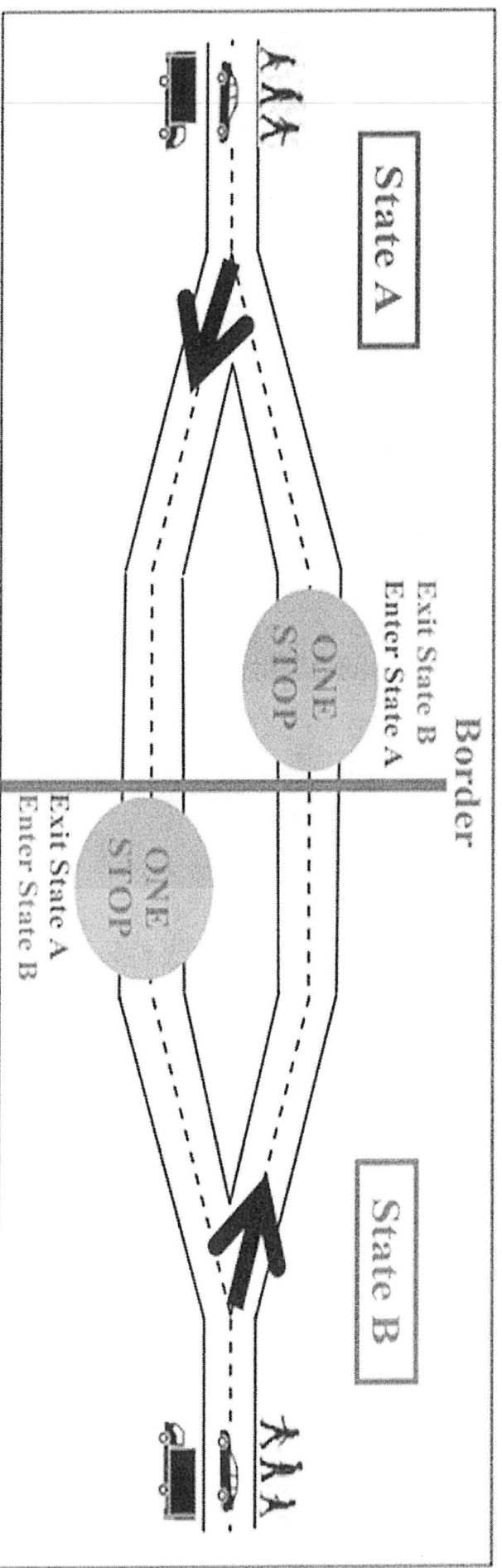
Tulipe Ushuru, Tujitegemee!

TAVETA OSBP

- Taveta OSBP was commissioned on the 27th February, 2016 by Hon. Phyllis Kandie, EGH Cabinet Secretary, Ministry of Labour and East African Community, Kenya.
- There are currently 13 Government Agencies operating at the Taveta OSBP as listed below:
 - KRA, KEPHIS, KEBS, Port Health, Department of Mining, KFS, KWS, National Police, DCI, NIS, Immigration, Veterinary and HCDA

TAVETA OSBP

- Taveta/Holili was the first OSBP to be operationalized among 15 other OSBPs in East Africa and South Sudan through Trademark East Africa's funding.
- It adopts the juxtaposed OSBP Model.



THE OSBP CONCEPT

- The establishment of one-stop border posts (OSBPs) is one of the modern approaches for improving border operations.
- As a trade facilitation tool, the OSBP concept promotes a coordinated and an integrated approach to facilitating trade, the movement of people, and improving security. The concept eliminates the need for travelers and goods to stop twice to undertake border crossing formalities

The OSBP Concept...

- The OSBP concept calls for the application of joint controls to minimize routine activities and duplications. As a result, there is reduction of the journey time for transporters and travelers as well as shortened clearance time at border crossing points.

Four pillars of OSBP

- Legal and Institutional Framework.
- Simplification and Harmonization of Procedures.
- ICT and Data Exchange
- Hardware Infrastructure

The Rationale and Benefits of OSBPs

- The main reason for establishing OSBPs along transport corridors was to expedite the movement of goods and people as well as to reduce transport costs across national boundaries. Some of the main benefits of the OSBP include:
 - Reduced time spent at borders by travelers
 - Predictable, transparent, simplified and harmonized procedures
 - Better resource utilization through improved cross-border cooperation and sharing of intelligence, operational data, and resources using CBM and IBM concepts

Benefits of OSBPs Cont.

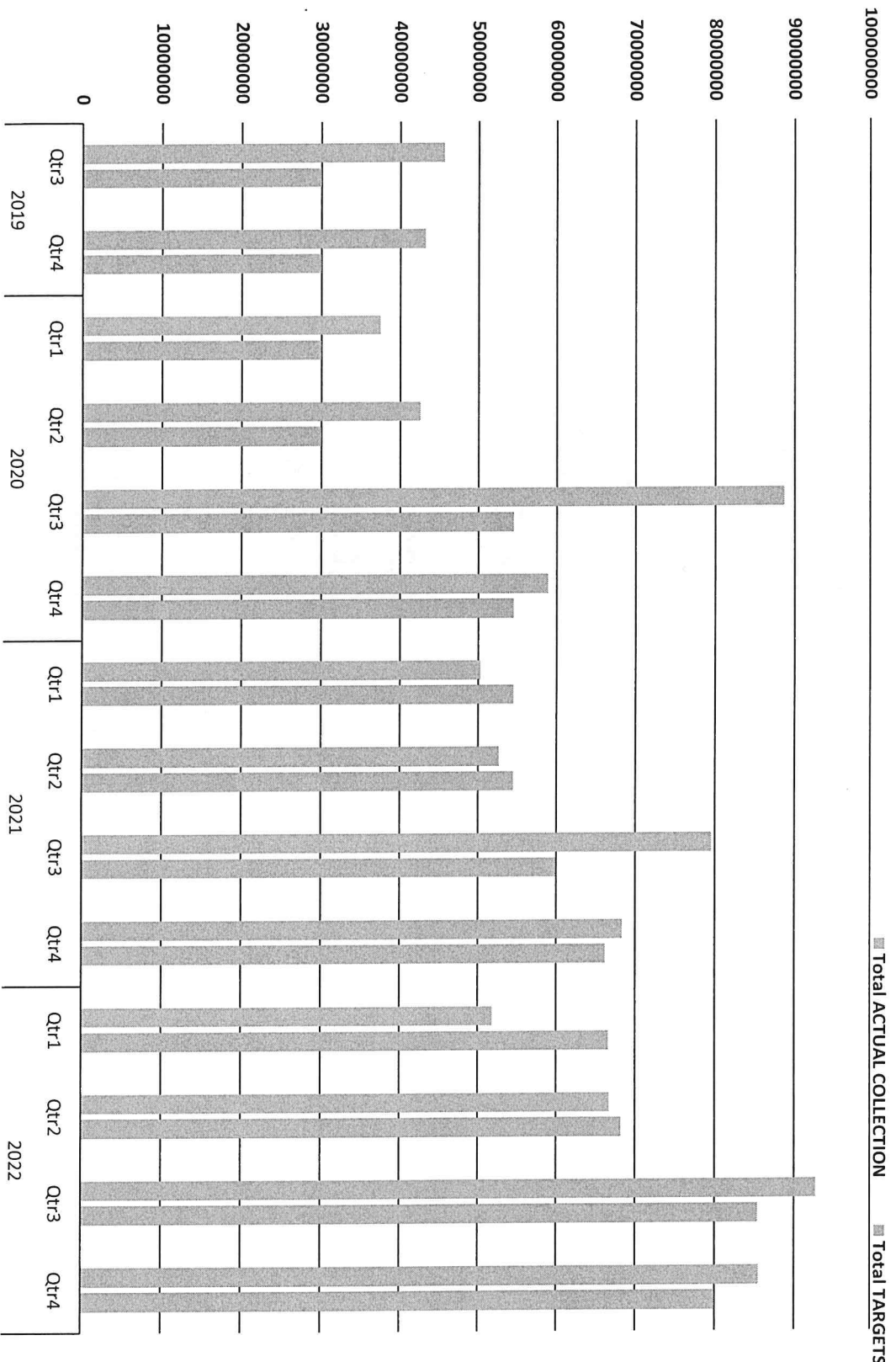
- Provision of a platform for introducing other border management reforms
- Improved traffic flow
- Improved border infrastructure especially where modifications are to be undertaken
- Improved collection of trade taxes associated with efficiency gains
- Efficient borders that facilitate international trade, investment, and economic growth as well as promotion of economic competitiveness
- Better utilization of government resources by border agencies

Impact on Passenger Clearance

- OSBP concept reduces clearance time for passenger cars and buses basically by half. For instance, at a traditional two-stop border, buses would stop at one side for passenger to undertake exit formalities which may take roughly one hour, after which the bus is driven to the other side of the border where the process is repeated. However, in an OSBP, passengers undertake both entry and exit procedures under one roof and their luggage and cargo are offloaded only once and inspection done jointly as required.

Impact on Cargo Clearance

- Border crossing procedures for cargo in a traditional two-stop border post can take as long as 3–5 days.
- For Taveta OSBP, we have SLA of 24hrs. Export and import procedures are conducted jointly by a multiagency team consisting of all interested agencies from both countries. This ensures uniformity and reduced clearance time.



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Tulipe Ushuru, Tuli/kegemeet

Row Labels	Total ACTUAL COLLECTION	Total TARGETS
2019		
Qtr3	45,595,154	30,000,000
Qtr4	43,229,632	30,000,000
2020		
Qtr1	37,469,155	30,000,000
Qtr2	42,558,871	30,000,000
Qtr3	88,687,208	54,499,998
Qtr4	58,848,231	54,499,998
2021		
Qtr1	50,295,782	54,499,998
Qtr2	52,664,257	54,499,998
Qtr3	79,548,243	59,856,577
Qtr4	68,349,609	66,202,512
2022		
Qtr1	51,841,713	66,622,895
Qtr2	66,708,541	68,219,196
Qtr3	92,730,079	85,413,786
Qtr4	85,495,866	79,967,371
Grand Total	864,022,341	764,282,329

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Cross Border Trade

Common Imports from Tanzania to Kenya:

- ❖ LPG gas, Rough sawn timber, farm produce (dry maize, beans, rice, onions, cabbages, groundnuts, ginger, honey, oranges. Raw materials imported from Tanzania to Kenya include bauxite and cement bags.

Common Exports from Kenya to Tanzania:

- ❖ Steel wool, slippers, bubble gums and sweets, coconut oil, enamels and sufurias, farm produce for example bananas and coconut etc.

2019-2020

- Total imports (15,489 trucks) – Valued at – Ksh.1B
- Total exports (2,972 trucks) – Valued at Ksh.191M

2020-2021

- Total imports (11,093 trucks) – Valued at – Ksh.1.1B
- Total exports (1,918 trucks) – Valued at Ksh.90M

2021-2022

- Total imports (27,119 trucks) – Valued at – Ksh.1.8B
- Total exports (3,918 trucks) – Valued at Ksh.150M

Passenger Movement in the year 2019 -2020 :

- ❖ Arrivals – 40,602
- ❖ Departures - 43,790

Passenger Movement in the year 2020 - 2021:(low Number of travelers due to Covid-19)

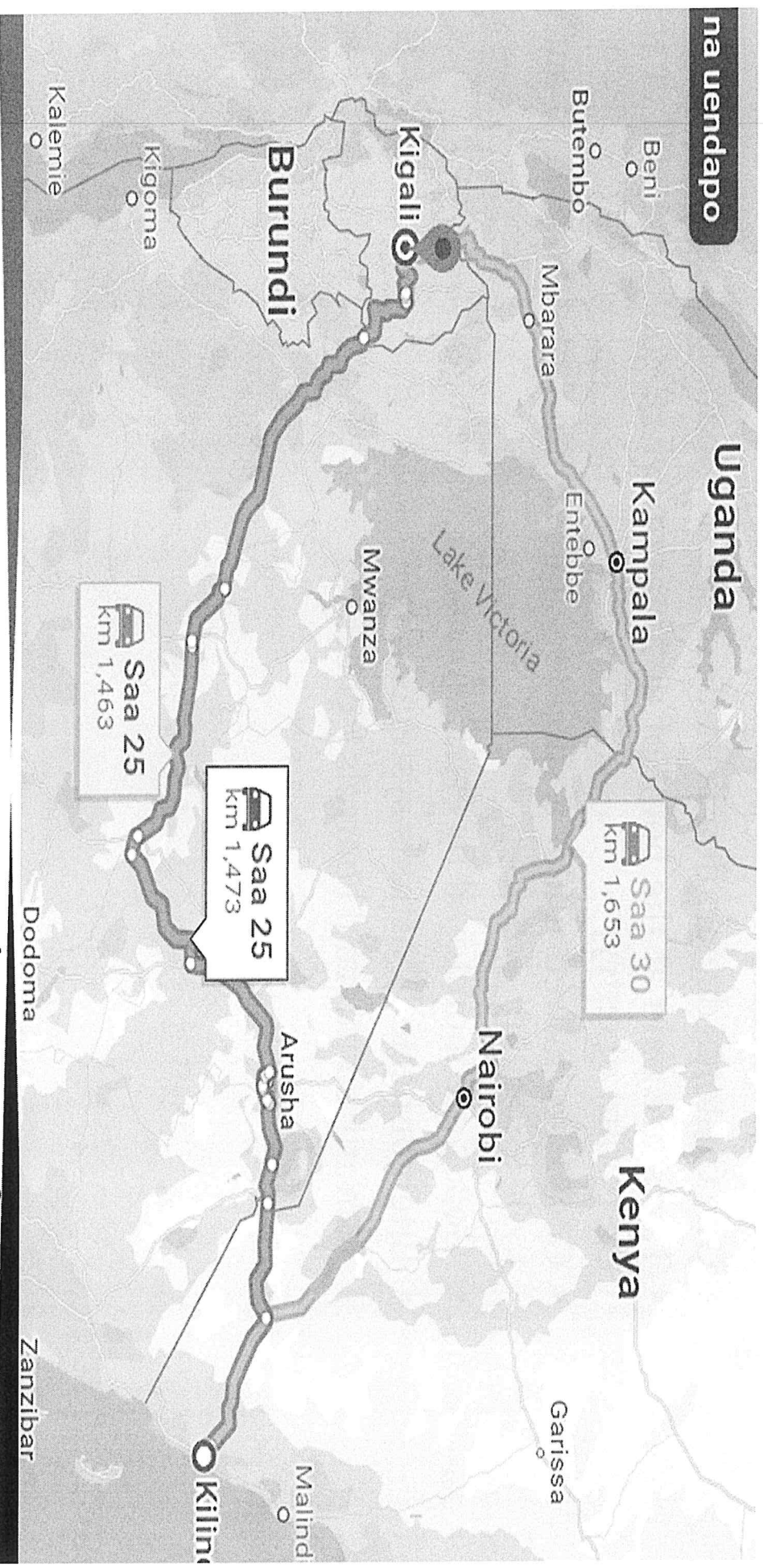
- ❖ Arrivals – 17,226
- ❖ Departures – 15,348

Enforcement Initiatives

- Undeclared Empty Gun magazines intercepted at the point of entry following 100% Multi-Agency verification
 - Case was taken up and investigated by Investigation and Enforcement (I&E) Department
- Detonators intercepted during land patrols
 - Case taken up by I&E & Anti-Terrorism Police Unit. Offenders prosecuted in Taveta Law Courts
- 46,200 liters of Ethanol intercepted along the porous borders within the last 4 years.

Transit Route

- Taveta OSBP is considered the shortest route to great lakes countries compared to the Northern corridor by approx. 200km to 300km.



na uendapo

Uganda

Kenya

PUBLIC

Tulipe Ushuru, Tujitegemei

Image source: Google maps

2. Single Customs Territory (SCT)

- Features of SCT Include:
 - Goods are cleared at the first point of entry;
 - One Customs declaration is made at the destination country;
 - Taxes are paid at the point of destination when goods are still at the first point of entry;
 - Goods are moved under a single regional bond from the port of entry to destination;
 - Goods are monitored by electronic cargo tracking system;
 - Interconnected Customs systems;
 - Minimized internal controls / checks;

Benefits of SCT include;

- ☐ Increased turn around trips for transporters.
- ☐ Reduced clearance time on average;
- ☐ Reduced cost of doing business.
- ☐ Reduced administrative costs and regulatory requirements;
- ☐ Reduced risks associated with non-compliance on the transit of goods;
- ☐ Enhanced trade in locally produced goods.
- ☐ Minimizes smuggling at a regional level;
- ☐ Efficient revenue management;
- ☐ Enhanced application of Information Technology and data collection
- ☐ Synergy through shared resources and utilization of economies of scale;
- ☐ Use of one regional transit bond from 4-6 national transit bonds

5. Single Window

- *This is a facility that allows parties involved in trade to lodge standardized information and documents with a single entry point to fulfill all import, export, and transit-related regulatory requirements.*
- Single Window Impact:-
 - Immediate substantial decrease in clearance time
 - Immediate substantial increase in Government revenue
 - Clear identification of roles and responsibilities in the clearance process
 - Accurate, consistent and real-time statistics
 - Recognized as best practice by WCO and World Bank

Trading Across Border

- Trading across borders aims at reducing the time taken to clear goods and the cost of movement of goods and services across borders.
- Kenya Revenue Authority (KRA) in collaboration with other Partner Government Agencies have put in place various mechanisms and frameworks to ensure a seamless, easy and cost effective transnational trade aimed at creating *a business enabling environment*

Simplified Trade Regime

- Under the EAC Customs Union, the Simplified Trade Regime (STR) is a special provision aimed specifically at small traders who regularly transact in low value consignments. An approved simplified certificate of origin (SCOO) exempts consignments of goods that:
 - a) originate in the EAC and
 - b) are valued at under US\$ 2,000 from payment of import duty in the EAC destination country.
- Most traders lack sufficient knowledge about the rights, the obligatory customs procedures and documentation. Due to this, many traders will choose to smuggle goods through un-gazetted routes.

The Simplified Certificate of Origin

- The Simplified Certificate of Origin (SCOO) is much shorter and easier to complete than the long version of the COO.
- The SCOO is used for consignments equal to or less than USD 2,000 in value.
- EAC Originating products must be accompanied by the SCOO in order to qualify for exemption of *import duties, IDF and RDL* when imported into Kenya. Important to note is that SCOO doesn't exempt VAT and Excise.
- The SCOO is issued for each transaction and cannot be used more than once.
- Completed SCOOs are verified, endorsed and issued by the Customs office at the border in the exporting country.

CHALLENGE OF LACK OF BUDGET FROM NATIONAL GOVERNMENT TO RUN THE OSBP

- There is no budget allocation from the national government to run the OSBP facility. Consequently, the huge cost of running the OSBP are borne by KRA alone. This leads to strain to KRA resources in attempt to meet the costs of running the OSBP. This happened despite the fact that the facility serves 13 Government agencies separate and with different mandate from KRA.

END
Q/A

PUBLIC

Tulipe Ushuru, Tulitegemee!

FINDINGS AND RECOMMENDATIONS OF THE STUDY ON THE PERFORMANCE OF KENYA'S ONE-STOP BORDER POSTS (OSBPs): MALABA OSBP

SERVICE DELIVERY

2.1.5 Busia One-Stop Border Post

2.1.5.1 Findings and Analysis of Busia Border Control Officials

The study covered nine (9) Border Control Agencies' Staff, National Administrators and County Officials with majority having served in the station between one (1) and three (3) years. All respondents were of male gender.

2.1.5.1.1 Duties and Responsibilities

The officers submitted that they perform the following duties and responsibilities: Security management of the OSBP; traffic control; inspections and verifications; enforcement of regulations; certification; coordination; disaster management; overseeing implementation of National Government projects; and property and facility management. However, the issue of coordination of border operations under the whole Government approach was not mentioned. The whole Government approach is a policy that engenders prudence in utilisation of human and financial resources was not emphasised. The Busia BMC should ensure that the whole Government approach policy is adopted and domesticated.

2.1.5.1.2 Functions of the OSBP

The respondents shared their views with respect to what they regard as functions of Busia OSBP. They asserted that the OSBP performs the following functions: facilitation of goods, vehicles and persons; trade facilitation; enhancement of inter-county interactions; prevention of illicit financial flow; revenue collection and mobilisation; and security management. The outlined functions as submitted by respondents and the linkage between the performance of the OSBP and those functions confirm the fact that the respondents were aware of the role of these facilities in border governance and trade facilitation.

2.1.5.1.3 Service Delivery Rating

The border control staff and National Administration officials rated performance of Isibania PoE in regard to services offered to clients. In this regard, 62.5% submitted that travellers who are categorised as VIPs receive excellent services at Isibania. Another 47.5% had a different opinion, they argued that a VIP traveller receive good services. On the other hand 33% of the respondents submitted that ordinary travellers receive excellent services while others who were the majority (67%) asserting that they receive either good or average services. This feedback demonstrates the fact that neither VIP nor ordinary travellers are adequately accorded necessary courtesies at Busia. VIP travellers are revered globally and are treated with utmost respect hence accorded expeditious services at any PoE. The feedback in regard to ordinary travellers should be taken seriously and addressed in order for this cohort to have a positive perception of services rendered at Busia. To this end, the Busia management should re-examine and restructure processes to ensure that this cohort is recognised, respected and served with utmost care. Dedicated tellers to serve VIPs should

be set up for the purpose. The same courtesies should be extended to ordinary travellers who form the bulk of users of the facility. They should be accorded ubiquitous assistance once they arrive at the border. Similarly, only 33% of the respondents were of the view that truck drivers receive excellent services. This implies that truck drivers are not treated fairly. There is need to expeditiously investigate and address their concerns. Drivers offer essential services hence should be served with utmost care and speed. Further only 33% of the respondents reported that service providers receive excellent services at the facility. This feedback is not encouraging at all. The Busia BMC may wish to review processes and procedures and take appropriate action to redeem the situation. A similar perception level (33%) was reported with respect to cross border traders. Only 33% felt they receive excellent services. Others were of the view that they receive either good or average services. On the other hand 44% of the respondents were of the opinion that persons with disabilities receive excellent services. Busia BMC should strive to address challenges that impede efficacious delivery of services to these stakeholders. Conducive environment should be created to enable these stakeholders enjoy their freedoms as guaranteed in the Constitution. With respect to members of the local community, only 44% of the respondents felt they receive excellent services. The majority (56%) were of divergent opinion asserting that they either receive good or average services. As earlier reiterated, members of the local community are significant stakeholders in border operations and their concerns, views and needs must be promoted and protected. Therefore, the Management of Busia OSBP should mainstream concerns and needs of cross border traders.

2.1.5.1.4 Measurement of Time Taken to Serve a Customer/Entity

Respondents rated time spent by an individual client to receive services at various service points within OSBP Control Zone. To this end, 65% of the respondents submitted that a VIP traveller spends between 1 and 5 minutes at Port Health. While on the other hand 35% felt a VIP traveller spends between 6 and 10 minutes. 75% were of the view that a VIP traveller spends between 1 and 5 minutes at Immigration and another 75% argued that a VIP traveller spends between 1 and 5 minutes at Customs desk. Whereas the performance of Busia OSBP is good, however, best international practice demands that VIPs be treated with decorum and provided with efficient services in a timely manner. The rating of time spent by an ordinary traveller, 50% of the respondents asserted that an individual member of this cohort spends between 1 and 5 minutes at Port Health desk, while another 50% were of the opinion that an individual traveller spends between 6 and 20 minutes. At Immigration desk the rating for excellent services was 50% while another 50% were of the view that an ordinary traveller spends between 6 and 20 minutes. At Customs desk, 33% of the respondents submitted that an ordinary traveller spends between 1 and 5 minutes while 67% were of the view that an ordinary traveller spends between 6 and 20 minutes. In regard to an individual truck driver, 43% of the respondents observed that s/he spends between 1 and 5 minutes at Port Health desk, while 57% felt an individual truck driver spends between 6 to 20 minutes. At Immigration desk 50% of the respondents were of the opinion that a truck driver spends between 1 and 5 minutes. On the other hand another 50% were of the view that s/he spends between 11 and 20 minutes. This assertion was not supported by observation findings which

affirmed that average time spent by a truck driver at Immigration was 3 minutes. The respondents were divided in regard to the rating of time spent by an individual clearing agent at Customs desk. 38% submitted that a clearing agent spends between 1 and 5 minutes while another 38% observed that s/he spends between 6 minutes and 10 minutes. Further, 24% of the respondents reported that an individual cross border trader spends between 11 and 20 minutes. At Port Health desk, 50% of the respondents asserted a cross border trader spends between 1 and 5 minutes. Another 50% submitted that a cross border trader spends between 6 and 10 minutes. On the other hand 60% of the respondents reported that a cross border trader spends between 1 and 5 minutes at Immigration desk, while 40% were of the view that such a cross border trader spends between 6 and 10 minutes.

In regard to time spent by a cross border trader at Customs desk, 67% of the respondents felt that s/he spends between 1 and 5 minutes. While 33% were of the opinion that s/he spends between 11 and 40 minutes. Similar results were recorded at KEPHIS desk with 75% affirming that a cross border trader spends between 6 and 10 minutes while the rest were of divergent opinion. At Veterinary desk 50% of the respondents were of the view that time to serve a cross border trader was between 1 and 5 minutes. Another 50% felt that a cross border spends between 6 and 10 minutes. With respect to KEBS desk it was reported by 62.5% of the respondents that a cross border trader spends between 6 and 10 minutes. 67% of the respondents submitted that a cross border trader at National Biosafety Authority desk spends between 1 and 5 minutes. In regard to AFA 43% of submitted that a cross border trader spends between 1 and 5 minutes at its desk. Another 57% were of the view that a cross border trader spends between 6 and 10 minutes. With respect to Anti-Counterfeit, 57% were of the opinion that a cross border spends between 1 and 5 minutes while 43% were of the view that a cross border trader spends between 6 and 20 minutes. However, a good performance was recorded in regard to persons with disabilities. At the three desks of Port Health, Immigration and Customs, a person with disabilities spends between 1 and 5 minutes each. This was reported by 100% of the respondents.

The study established that 57% of the respondents asserted that a member of the local community spends between 1 and 5 minutes at Port Health and Immigration desks. Another 47% did not agree, they asserted that such a member of the local community spends more time at those desks. With respect to Customs desk, 56% submitted that a member of the local community spends between 1 and 5 minutes. On the other hand 44% felt that a member of the local community spends between 6 and 10 minutes at Customs desk. This performance is not encouraging given the importance of this cohort of stakeholders. In the interest of reaffirming the importance of the local community in border operations, BMC at Busia should be innovative and put in place a framework that expedite their clearance. This is in the best interest of the OSBP. It may be noted that the performance of the Busia OSBP depends to a large extent on the active support of this community.

In regard to verification and release of transit cargo, respondents gave divergent opinions ranging from between 1 and 5 minutes to above 3 hours. Verification of cargo destined for the Kenyan market also had divergent opinions from respondents. They asserted that it ranges from between 6 and 10 minutes to above 3 hours depending on the type of cargo in transit. On the other hand,

majority of the respondents submitted that processing and release of a vehicle on temporary importation or exportation takes between 6 and 20 minutes, with others arguing that it takes up to 3 hours.

2.1.5.1.5 Challenges Impacting Performance of Busia PoE

Busia OSBP experiences challenges that affect its performance. Stakeholders affirmed the need to address the challenges in order to explore fully the potential of this strategic PoE. The main challenges that were cited are: poor infrastructure; unreliable internet connectivity ; power outages; faulty scanner; congested Control Zone leading to inadequate parking space for trucks; porous border; lack of functional CCTVs ; dilapidated approach road; and lack of office space. The respondents were of the view that these challenges should be expeditiously addressed.

Pursuant to this, stakeholders made several recommendations geared toward addressing the challenges. Their proposals were capacity building and training of border regulatory agencies and service providers on STR and OSBP operations principles; provision of better internet connectivity; provision of additional office space; strengthen secondary screening of travellers; expand the Control Zone to create enough space for parking; repair and maintain cargo scanner; redesign the OSBP to be in line with new demands; and install new CCTVs; and enhancement of multi-agency cooperation as per the Government policy for optimal utilisation of resources.

2.1.5.2 Findings and Analysis of Busia Clearing and Forwarding Agents

The study covered five (5) clearing agents. Four (4) were of male gender and one (1) of female gender. Two (2) of them had been at Busia for less than six months and the other three (3) had operated at Busia for over three (3) years.

2.1.5.2.1 Service Delivery Rating

The clearing agents rated the performance of Busia OSBP in regard to services they receive from the border control agencies. In this regard, 40% submitted that the services they receive are good and 60% were of the opinion that they receive average services. This rating is a useful feedback that should be used by Busia BMC to evaluate its processes and procedures and put in place mechanisms to deliver quality and efficient services to clearing agents. The BMC should strive to raise satisfaction level of these stakeholders.

2.1.5.2.2 Measurement of Time Taken to Serve an Individual Clearing Agent

The respondents rated time spent by an individual clearing agent to receive services at various service points. This section specifically sought to assess the average time clearing agents spend while receiving services at the Customs desk. It was established that 80% of the respondents submitted that at Busia, an individual clearing agent spends over 3 hours at Customs desk. This feedback is not in consonance with the objectives of establishing OSBPs and does not agree with observations from the study team which recorded average time for a client to receive services at Customs desk being 8 minutes. However, submission from clearing agents demonstrates the need for Busia BMC to re-evaluate the channels it uses to render services to these stakeholders with a

view re-engineer them. Clearing agents' satisfaction level should be improved. BMC should endear itself to these stakeholders by working with them to try and change their perception.

2.1.5.2.3 Challenges Impacting Performance of Busia OSBP from Clearing Agents Perspective

According to clearing agents' assertion Busia OSBP experiences some challenges that affect its performance. The main challenges include frequent system downtime; delays caused by cargo scanner; inadequate space; inadequate staffing level among border control agencies (KRA, Veterinary, and KEBS among others); and delays in clearance of cargo. Pursuant to these challenges, respondents proposed the following solutions: KRA to consider and address frequent system downtime; KRA to work with other agencies to expand the control zone in order to accommodate large volume of trucks; approach road to OSBP should be rehabilitated; and additional staff should be posted to Busia OSBP to improve clearance efficiency.

2.1.5.3 Findings and Analysis of Busia Cross border Traders

The study covered eleven (11) cross border traders. Five (5) were of male gender and six (6) were of females. All cross border traders had operated at Busia for over three (3) years.

2.1.5.3.1 Service Delivery Rating

The cross border traders rated performance of Busia One-Stop Border Post in regard to services they receive from the border control agencies. In this regard, 63% of them submitted that the services are good and not excellent. On the other hand 27% were of the opinion that the services they receive are excellent. The onus is upon Busia BMC to review frameworks through which border control agencies render services to cross border traders. There is need to adopt the whole Government approach policy fully to optimally serve cross border traders.

2.1.5.3.2 Measurement of Time Taken to Serve an Individual Cross Border Trader

The respondents rated time spent by an individual cross border trader to receive services at various service points. This section sought to assess average time cross border traders spend while receiving services at various service points. It was established that 91% of the respondents submitted that at Busia OSBP, an individual cross border trader spends between 1 and 5 minutes at Port Health desk. Only 9% felt s/he spends between 6 and 10 minutes. On the other hand 73% were of the opinion that a cross border traders spends between 1 and 5 minutes at Customs, while 27% were of the view that s/he spends between 6 and 10 minutes. They did not rate time spent at other service points. Whereas this feedback is good, however, it does not meet the expectations of establishing One-Stop Border Posts. In an OSBP environment, timeliness is the main guiding principle and border control agencies should ensure that it is adhered to. Procrastination or any activities that are deemed to be time wasters are not tolerated. The Busia BMC should use this feedback to interrogate service delivery systems with a view recalibrate them.

2.1.5.3.3 Challenges Impacting on Performance of Busia OSBP

According to cross border traders Busia OSBP experiences challenges that have direct impact on its performance. In this regard, cross border traders enumerated the following challenges: lack of

customer care desk; system down time; electronic seals not available at the OSBP; Lack of a forex bureau within the Control Zone leading to illegal money changers to con travellers (however, observation by the Study team established that there was a forex bureau in the main terminal); lack of trade information desk ; non-availability of a changing room for mothers with babies; non-restriction of idlers and busybodies to access the OSBP Control Zone; information gap among border control agencies staff and other stakeholders.

Cross border traders proposed recommendations to address the challenges. Their proposals were that a customer care desk be set up to assist clients; KRA to ensure electronic seals are available at all times; Busia BMC to consider and provide a changing room for mothers with babies; Busia BMC should ensure idlers and busy bodies do not gain access to the facility; capacity building of border control agencies staff and other stakeholders; and need to erect outdoor signage to display services offered including rates and charges thereof.

2.1.5.4. Findings and Analysis of Data from Travellers Using Busia OSBP

The study covered six (6) travellers, three (3) of whom were of male gender and another three (3) were females. Two (2) of the travellers had used the OSBP for a period of less than six (6) months and the other four (4) travellers used the facility for over three (3) years. In regard to the purpose of travel, one (1) submitted that he travels to undertake business assignments; the other was for leisure and the other four (4) to visit friends and relatives. Similarly another specified that she travels to attend religious ceremonies.

2.1.5.4.1 Service Delivery Rating

The travellers rated the performance of the Busia OSBP in regard to services they receive from the border control agencies. In this regard, majority (83%) rated the services they receive as being average while another 27% rated them as excellent. Feedback from travellers demonstrates the need for the Busia BMC to recalibrate its processes and procedures to offer what these stakeholders can perceive as quality services. The BMC may wish to analyse any challenges that affect the quality of services offered at Busia and mitigate any intervening factors that may be responsible for this kind of feedback.

2.1.5.4.2 Measurement of Time Taken to Serve an Individual Traveller

The respondents rated time spend by an individual traveller to receive services at various service points. This section sought to assess average time travellers spend while receiving services at service points. To this end, 50% of the respondents submitted that at Busia OSBP, an individual ordinary traveller spends between 1 and 5 minutes at Port Health desk, while another 50% were of the view that s/he spends between 6 and 10. At Immigration desk opinion was divided with 50% of travellers asserting that an individual traveller spends between 1 and 5 minutes. Others (50%) submitted that an individual traveller spends between 21 and 40 minutes. Observation from the study team calculated average time that a traveller spends at Immigration desk as being 2 minutes. Therefore, travellers who talked of 6 minutes and above might have been referring to cases that

arrive at the border without having requisite travel documents. In regard to Customs desk travellers did not provide any feedback.

2.1.5.4.3 Challenges Facing Busia OSBP from Travellers' Perspective

Busia OSBP experiences challenges that affect its performance. Travellers using the facility highlighted three issues: extortion by money changers; exorbitant charges for acquiring temporary travel documents; and information gap on immigration issues.

Pursuant to this, stakeholders proposed several recommendations to address the challenges. Their proposals were that the Government should regulate money changers and ensure they do not exploit travellers; need to charge reasonable fee for temporary travel documents; and Immigration officials of the two Partner States to sensitise travellers and other stakeholders on immigration requirements.

2.1.5.5 Findings and Analysis of Data from Truck Drivers

The study covered seven (7) truck drivers from various Partner States (Kenya, Uganda, Tanzania, Rwanda and the Democratic Republic of Congo). They were of male gender. In regard to the duration they had used the border, 100% submitted that they had used it for over three (3) years.

2.1.5.5.1 Service Delivery Rating

Truck drivers rated the performance of the OSBP in regard to services they receive from the border control agencies. In this regard, 57% rated the services they receive as average while 28% rated them as good. The poor rating of the services truck drivers receive at the OSBP could be due to time taken to verify and release cargo and lack of a dedicated place with amenities for their use as they await processing of their consignments. Pursuant to this feedback, Busia BMC may wish to provide a resting place for truck crews while expediting processing and verification of cargo using ICT and other applications. Indeed there is room for improvement to ensure that these stakeholders who play a critical role in the transport logistics are offered quality services that meet their expectations.

2.1.5.5.2 Measurement of Time Taken to Serve an Individual Truck Driver

The respondents rated time spent by an individual truck driver to receive services at various service points. This section sought to assess average time truck drivers spend while receiving services at various points. It was established that 43% of the respondents submitted that at Busia OSBP, a truck driver at Port Health desk spends between 3 hours and above. 28% were of the view that a truck drivers spends between 6 and 10 minutes at Port Health desk. Only 14% submitted that a truck driver spends between 1 and 5 minutes. At Immigration desk 71% submitted an individual driver spends between 6 and 10 minutes. This feedback agrees with 57% and 50% respectively of what border control agencies' respondents submitted. The common thread that runs through submissions from truck drivers is that this cohort is not treated with the sensitivity that is required. Busia BMC ought to investigate and take appropriate action to ensure that truck drivers are recognised, respected and served with dignity in a timely manner.

2.1.5.5.3 Challenges Impacting Performance of Busia OSBP

According to truck drivers' assertion, Busia OSBP experiences some challenges that affect its performance. They cited the following challenges: system downtime; information gap on customs issues; untidy washroom; inadequate staffing level among some agencies leading to delays; frequent breakdown of cargo scanner; lack of catering services; inadequate space for parking trucks for verification; inadequate and dilapidated signage; and lack of a lounge for truck drivers and other clients.

Pursuant to these, stakeholders proposed several recommendations to address the challenges. Their proposals were that KRA to ensure that it upgrades the iCMS system and that it operates unimpeded; Busia BMC to ensure a tidy washroom is made available for use by truck drivers; capacity building on Customs issues; provision of additional staff to agencies experiencing shortage; regular servicing of the scanner; introduction of information desk; provision of a furnished waiting room for truck drivers and other stakeholders; and the need to equip the clinic with drugs.

2.1.5.6 Observations and Recommendations

2.1.5.6.1 Observations

Busia OSBP is one of the most important PoE in Kenya and a gateway to Uganda, Rwanda, Burundi, South Sudan and Democratic Republic of Congo. It was inaugurated at the Heads of State level on 27th February, 2018. The study established that it is functional and offers good services to clients ranging from transporters, traders, local community, service providers and travellers among others. However, feedback from stakeholders affirmed that the framework of service delivery at Busia does not meet the expectations of some clients. Whereas a section of stakeholders were satisfied with the quality of services rendered at Busia OSBP, however, it was reiterated that there were delays at various service points. Travellers and truck drivers complained of poor infrastructures including the approach road and limited parking space within the Control Zone.

The Busia OSBP did not have a resting place for travellers, truck drivers and other users. Similarly, there was no dedicated changing room for mothers with babies. In general signage was inadequate and dilapidated. Additionally, Kiswahili language signage detailing services offered at Busia and commensurate charges were not displayed. Further the Study team observed there was no a customer care desk to handle mundane issues including enquiries. It was further observed that the Control Zone is small in size leading to long queues on the Ugandan side of the border. The team further observed that there was no framework in place to deny entry into the Control Zone persons who did not have any business to transact. Conversely, entry was not restricted. Busia OSBP did not have an incinerator for safe disposal of dangerous waste and it was reported that the cargo scanner is unreliable as it frequently malfunctions. The team further observed that the approach road to the OSBP is dilapidated and narrow. The issue of staff shortage was reported by some border control agencies. Further, the issue of coordination of border operations under the whole Government approach was not mentioned by the respondents.

2.1.5.6.2 Recommendations

In order to enhance quality service delivery at Busia, the study team makes the following recommendations:

- i. BMC should ensure that services offered to clients at Busia should be attuned to their expectations. The services should be exquisite, efficacious and timely. In this regard, all clients using the facility should be treated with dignity and there should be no differentiation with respect to dispensation of services.
- ii. BMC should ensure that VIP travellers should be accorded necessary courtesies. VIP travellers are revered globally and are treated with utmost respect hence accorded expeditious services at any PoE. The feedback in regard to ordinary travellers should be taken seriously and addressed in order for this cohort to have a positive perception of services rendered at Busia. The Busia BMC should re-examine, restructure and repurpose clearance processes to ensure that this cohort is recognised, respected and served with utmost care. Dedicated tellers to serve VIPs should be set up for the purpose.
- iii. Treatment of truck crews should be reviewed and measures should be taken to facilitate their clearance in a timely manner. There is need to expeditiously investigate and address their concerns with a view to raise their satisfaction level. Drivers offer essential services hence should be served with utmost care and speed.
- iv. Busia BMC should strive to address challenges that impede efficacious delivery of services to cross border traders and clearing agents. A conducive environment should be created to enable these stakeholders enjoy their freedoms as guaranteed in the Constitution.
- v. BMC at Busia should be innovative and put in place a framework that expedite clearance of members of the local community since they are the most important stakeholders. This is in the best interest of the OSBP. It may be noted that the performance of the Busia OSBP depends to a large extent on the active support and acquiescence of this community.
- vi. Busia BMC should develop, adopt and be guided by a service charter committing to provide services within stipulated timelines. This will engender efficiency and professionalism.
- vii. The management of the Busia Kenyan side of the OSBP may wish to take concrete steps to address underlying issues that make cross border traders to perceive services they receive as average. It must be reiterated that cross border traders are part of the MSMEs ecosystem and should be supported in every sense to succeed.

- viii. The Busia BMC may wish to provide a furnished resting place with adequate amenities for use by truck crews and other clients while expediting processing and verification of cargo using ICT and other applications.
- ix. Border Control Agencies that have inadequate staffing levels should be provided with additional staff in order to facilitate border clearance in good time. Seamless operations at PoEs depend to a large extent on adequate staffing levels.
- x. KRA to consider and address frequent system downtime in order to ensure predictability and business continuity.
- xi. KRA to work with other agencies to expand the Control Zone in order to accommodate large volume trucks.
- xii. KeNHA should consider and rehabilitate the approach road to the OSBP and dual it to seamlessly accommodate large volume of traffic heading to Uganda and other EAC Partner States.
- xiii. MEACA&RD with support from Development Partners and Border Control Agencies to undertake capacity building and training on OSBP operations procedures, principles and legal framework and STR. This is part of the skilling programme aimed at building a critical mass of staff able to perform controls in an OSBP environment and seamlessly facilitate trade. The programme should also target service providers and cross border traders.
- xiv. Busia BMC to consider and provide a furnished lounge for travellers and other users to be used while awaiting services. Similarly, a changing room for travelling mothers with babies should be provided. This is part of gender mainstreaming.
- xv. The Busia BMC to consider and create dedicated queues for the elderly, the sick and the infirm to be served ahead of others.
- xvi. The need to use ICT enabled platforms to expedite delivery of services should be embraced going forward. This will enhance the integrity of the OSBP
- xvii. A customer care desk should be established within the main terminal of the OSBP to provide information to stakeholders. The desks should be manned by officers with skills in customer care.

- xviii. Installation, refurbishing and densification of directional and informational signage at Busia OSBP should be prioritised including those that display services offered at the OSBP.

MANAGEMENT OF SECURITY

3.1.5 Busia One-Stop Border Post

3.1.5.1 Findings and Analysis of Data from Border Control Agencies' officials

The study covered nine (9) Border Control Agencies' Staff, National Administrators and County Officials with majority having served in the station between one (1) and three (3) years. All respondents were of male gender.

3.1.5.1.1 Safety and Security of Travellers at Busia PoE

The respondents provided their opinions on safety and security of travellers who pass through Busia OSBP. They submitted that the facility had sufficient security agents to secure travellers from harm including their baggage. Additionally, there were lockable offices; the facility was in the process of installing CCTV cameras to enhance security alertness; there was presence of private security outsourced by KRA; and installation of walk-through scanner on the pedestrian walkway. The respondents were of the opinion that these measures were sufficient to assure travellers of their safety and security.

3.1.5.1.2 Safety and Security of Cargo

In regard to safety and security of cargo, the respondents were of the view that this is assured through the following measures: installed walkthrough and drive through scanners; joint verification of cargo; and installation of smart gates which was ongoing. Deployment of technology to enhance security at Busia OSBP is an intelligent strategy which should be applied at all OSBPs.

3.1.5.1.3 Safety and Security of Staff and Service Providers

The respondents submitted that safety and security of staff and service providers are sacrosanct. In this regard, they affirmed that the facility assures safety and security of staff and service providers through 24hour security surveillance; installed security lights; and installed walk-through scanner.

3.1.5.1.4 Reported Cases of Loss of Travellers Baggage or Harassment within the Control Zone or its Surroundings

The respondents reported submitted their views and confirmed that there was loss of money by a traveller to an impersonator within the Control Zone. Similarly, there was loss of cargo and harassment travellers by a staff member.

3.1.5.1.5 Cases of Fraud Committed within the Control Zone or its Surroundings

Respondents affirmed that a case of fraud was committed by conmen who posed as a licensed service provider to extort money from an unsuspecting traveller.

3.1.5.1.6 Steps Taken to Address Them

The respondents posited that the reported cases of fraud were addressed through reporting them to police who took swift action by undertaking investigation and the impersonator was apprehended money recovered

3.1.5.1.7 Recommendations on Management of Security

The respondents made several recommendations which they believe are essential in strengthening management of security at Busia OSBP. The recommendations were as follows: border control staff should wear uniforms; badges or insignia for ease of identification; CCTV cameras should be installed to enhance security alertness; improve on access of the control system; and movement within the Control Zone should be restricted.

3.1.5.2 Findings and Analysis of Data from Busia Clearing Agents

The study covered five (5) clearing agents. Four (4) were of male gender and one (1) of female gender. Two (2) of them had been at Busia for less than six months and the other three (3) had operated at Busia for over three (3) years.

3.1.5.2.1 Safety and Security of Travellers at Busia OSBP

The respondents submitted their views regarding safety and security of travellers using Busia OSBP. Respondents were of the view that security arrangement at Busia was good.

3.1.5.2.2 Safety and Security of Cargo

The respondents submitted their views regarding safety and security of cargo at Busia OSBP. They asserted that security arrangements for cargo were good.

3.1.5.2.3 Safety and Security of Staff and Service Providers

In regard to safety and security of staff and service providers at Busia OSBP, respondents were unanimous that it was good and that staff members interacted with them without appearing to under threats.

3.1.5.2.4 Reported Cases of Loss of Travellers Baggage or Harassment within the Control Zone or its Surroundings

Respondents were not aware of reports of any loss of travellers baggage but concurred that there were cases of harassment. They asserted that they are accustomed to enduring harassment by Uganda Revenue Authority officials. Similarly, they reported that there was an incident in which Kenyan and Ugandan police harassed them and even attempted to remove a seal from a transit truck.

3.1.5.2.5 Cases of Fraud Committed within the Control Zone or its Surroundings

Respondents blamed some clearing agents and Customs officials for perpetrating fraud. They asserted that clearing agents themselves usually give money to KRA officials especially when they know their documents have issues to fasten the process.

3.1.5.2.6 Steps Taken to Address Them

No comments were received from respondents.

3.1.5.2.7 Recommendations on Management of Security

To improve management of security at Busia, the respondents recommended the following; need to reshuffle security officers; need for sensitisation of security agencies deployed at Busia OSBP; and increase surveillance of the OSBP;

3.1.5.3 Findings and Analysis of Data from Busia Cross Border Traders

The study covered eleven (11) cross border traders. Five (5) were of male gender and six (6) were of females. All cross border traders had operated at Busia for over three (3) years.

3.1.5.3.1 Safety and Security of Cross Border Traders at Busia OSBP

The respondents asserted that safety and security of travellers passing through Busia OSBP was good and had no further comments to make.

3.1.5.3.2 Safety and Security of Cargo

In regard to safety and security of cargo, cross border traders submitted that it was good. They did not make any further comments or observations.

3.1.5.3.3 Safety and Security of Staff and Service Providers

With respect to safety and security of staff and service providers, respondents were unanimous in their response. They affirmed that safety of staff and service providers was good.

3.1.5.3.4 Reported Cases of Loss of Travellers Baggage or Harassment within the Control Zone or its Surroundings

Cross border traders who frequently use Busia OSBP, reported that there cases of loss of goods belonging to them. However, they were categorical that this happens to those who use ungazetted routes. Similarly, they reported cases of harassment by Ugandan security agencies.

3.1.5.3.5 Cases of Fraud Committed within the Control Zone or its Surroundings

The cross border traders were unanimous in their submission. They argued that unlicensed persons acting as money changers were extorting unsuspecting travellers by giving their clients fake currencies.

3.1.5.3.6 Steps Taken to Address Them

No comments were received from the respondents under this section.

3.1.5.3.7 Recommendations on Management of Security

Cross border traders proposed the following recommendations that they hoped would improve management of security at Busia OSBP: capacity building and sensitisation of traders and border control agencies on security alertness; need to harmonise health requirements and policies; and need for regular ministerial and principal secretaries' visits to Busia PoE.

3.1.5.4 Findings and Analysis of Data from Travellers Using Busia OSBP

The study covered eleven (11) cross border traders. Five (5) were of male gender and six (6) were of females. All cross border traders had operated at Busia for over three (3) years.

3.1.5.4.1 Safety and Security of Travellers at Busia OSBP

The respondents submitted that safety and security of travellers at Busia OSBP was good. They did not provide any further comments or opinions.

3.1.5.4.2 Safety and Security of Cargo

In regard to safety and security of cargo, the respondents were of the view that it was good. They did not provide any further comments or opinions.

3.1.5.4.3 Safety and Security of Staff and Service Providers

With respect to the safety and security of staff and service providers, the respondents were of the view that it was generally good.

3.1.5.4.4 Reported Cases of Loss of Travellers Baggage or Harassment within the Control Zone or its Surroundings

The respondents were not aware of any reported cases of loss of baggage or harassment at Busia OSBP.

3.1.5.4.5 Cases of Fraud Committed within the Control Zone or its Surroundings

The respondents appeared not to be aware of any fraudulent activities committed within the Control Zone or its surroundings.

3.1.5.6.7 Recommendations on Management of Security

The respondents did not provide any recommendations.

3.1.5.6 Findings and Analysis of Data from Truck Drivers from Busia OSBP

The study covered seven (7) truck drivers from various Partner States (Kenya, Uganda, Tanzania, Rwanda and the Democratic Republic of Congo). They were of male gender. In regard to the duration

3.1.5.6.1 Safety and Security of Truck Drivers at Busia OSBP

The respondents were of the view that safety and security of travellers at Busia OSBP was good. They did not provide any further comments.

3.1.5.6.2 Safety and Security of Cargo

In regard to safety and security of cargo, the respondents were of the opinion that it was good without offering any explanation.

3.1.5.6.3 Safety and Security of Staff and Service Providers

In regard to safety and security of staff and service providers, the respondents observed that it was excellent and that staff members were not working under any threats.

3.1.5.6.4 Reported Cases of Loss of Travellers Baggage or Harassment within the Control Zone or its Surroundings

Majority of the respondents were not aware of any reported cases of loss of baggage or harassment at Busia OSBP. However, a case of loss of car battery was reported.

3.1.5.6.5 Cases of Fraud Committed within the Control Zone or its Surroundings

The respondents were unanimous in their response in regard to unlicensed persons who conduct money changing business at Busia. They were also assertive in reporting what can be regarded as an integrity issue. They alleged that truck drivers are used bribing some officers to facilitate clearance of their trucks.

3.1.5.6.7 Recommendations on Management of Security

The respondents submitted that CCTV cameras should be installed in the Control Zone to enhance surveillance.

3.1.5.6.8 Observations in Regard to Management of Security at Busia OSBP

The general management of security at Busia OSBP was good. The walkway to Uganda along the outbound road was installed with a walk-through scanner to enhance security surveillance. The exit gate into Kenya was manned by police and private security guards outsourced by the Kenya Revenue Authority. There was good cross border working relations among border control agencies and meetings were held regularly. The security of travellers, staff and service providers was adequate although cases of loss of items were reported. Additionally, cases of alleged harassment by Ugandan security agencies were reported. The outbound road to Uganda was not secured to ensure that traffic using it must enter the Ugandan side of the OSBP. It was further observed that the pedestrian walkway to the Uganda side was not secured making it possible for persons with ill intentions to roam around unimpeded. It was also observed that Busia OSBP did not have a CCTV system that should be used to monitor security within and around the Control Zone. The Study team further confirmed that Busia OSBP neither had an emergency response plan nor a fire engine. This is an omission that should be urgently addressed. The location of Busia OSBP makes it imperative to have an elaborate plan to respond to emergencies as and when they occur. Cases of fraud committed within the Control Zone and its surroundings were reported. Specifically, several cases were reported regarding extortion of travellers by persons referred to as money changers who ideally are not licensed to operate as such. Similarly, cases of insurance agents selling fake covers to unsuspecting clients were reported. In general management of security should be

absolute and compelling. It has to be reiterated that security is a shared responsibility and stakeholders should manage the border through multi-agency framework.

3.1.5.6.9 Recommendations

In order to enhance and promote management of security at Busia OSBP, the study team makes the following recommendations:

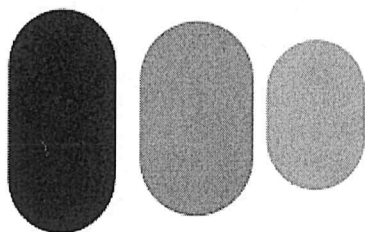
- i. The Kenya Revenue Authority in liaison with other stakeholder should consider and secure the outbound to Uganda by constructing a perimeter fence or wall in order to ensure that outbound traffic terminate on the Ugandan side.
- ii. Busia JBOC should develop a framework of joint action in order to address complaints involving harassment of stakeholders by security agencies. This is urgent and necessary.
- iii. The Government in collaboration with Busia County may wish to consider, procure and deploy a fire engine at Busia OSBP as part of the emergency response strategy. Busia OSBP handles oil tankers, thus making it necessary for implementation of an emergency response plan.
- iv. Busia JBOC should take appropriate measures designed to restrict entry into the Control Zone by ensuring that only persons who have official business are permitted to access and move freely within the Control Zone. A policy should be adopted that requires all persons seeking entry into the Control Zone to identify themselves by badges, uniform or insignia.
- v. KRA should consider and fast track installation and operationalisation of CCTV cameras to secure the facility and enhance security alertness.
- vi. Busia BMC in collaboration with security agencies should investigate and take appropriate action against persons perpetrating fraud including money changers who extort money from clients and insurance agents who issue fake covers.



**KENYA REVENUE
AUTHORITY**



**Kenya National
Highways Authority**



REPORT OF THE TECHNICAL WORKING GROUP ON THE DECONGESTION OF MALABA ONE STOP BORDER POST

PRESENTED TO:
NATIONAL TREASURY

28 JUNE 2022

Introduction

The Technical Working Group was set up following a meeting held on 6th April 2022 between the National Treasury, Kenya Revenue Authority (KRA), Kenya Railway Corporation (KRC), Kenya Ports Authority (KPA), Kenya National Highways Authority (KeNHA) and the Presidential Delivery Unit (PDU) to work under the following Terms of Reference;

1. To review plans relating to various projects being undertaken at Malaba OSBP by KRA, KRC, KPA and KeNHA;
2. Prepare a master plan on how to decongest Malaba and Busia OSBPs. The master plan to include immediate, short term, medium term and long term plans;

To present the master plan in a follow up meeting and submit a report to the National Treasury.

The Technical Working Group convened two meetings with the last meeting held on the 20th June 2022. One of the action points from this meeting was for the Technical Working Group to visit Malaba OSBP from Tuesday 28th to Wednesday 29th June 2022 in order to finalise preparation of the report for presentation in a follow up meeting as directed by the Principals of the agencies represented in the TWG.

This report is an outcome of the TWG deliberations in meetings held on 20th June 2022 in Times Tower, Nairobi and 28th & 29th June 2022 at Malaba OSBP Board room. The meeting at Malaba was attended by members of the Border Management Committee (BMC).

1.2 Background on Malaba OSBP

A One Stop Border Post OSBP (OSBP) is border crossing point jointly managed by adjoining Partner States where multiple border agencies co-operate and collaborate with each other, and effectively coordinate their activities to maximize their operational efficiency.

OSBP arrangement brings together under one roof, all the Government agencies performing border crossing control procedures, doing away with the need for motorized traffic and persons to undergo clearance twice at both sides of the border. The OSBP arrangement expedites movement, release and clearance of goods and persons across borders by streamlining border procedures, automation of the border processes and simplification of trade documents.

Malaba OSBP is an important strategic border between Kenya and Uganda sitting at Busia County. Informed by this realization, the establishment of the OSBP was underpinned on the need to improve overall transit time for goods and people travelling through the border, and support the East African Community's goal to integrate the region and improve overall trade flows. Malaba OSBP became operational in February 2015.

The objectives of the establishment of the Malaba OSBPs are as follows;

1. Enhance trade facilitation;
2. Promote efficient movement of people and goods;
3. Reduce the cost of doing business in the region;
4. Ease and speed-up movement of people and services within the community and adjoining countries.

These benefits can only be enjoyed when this OSBP is fully utilized and properly organized from the design stage.

1.2.1. Import and Export trade at Malaba OSBP

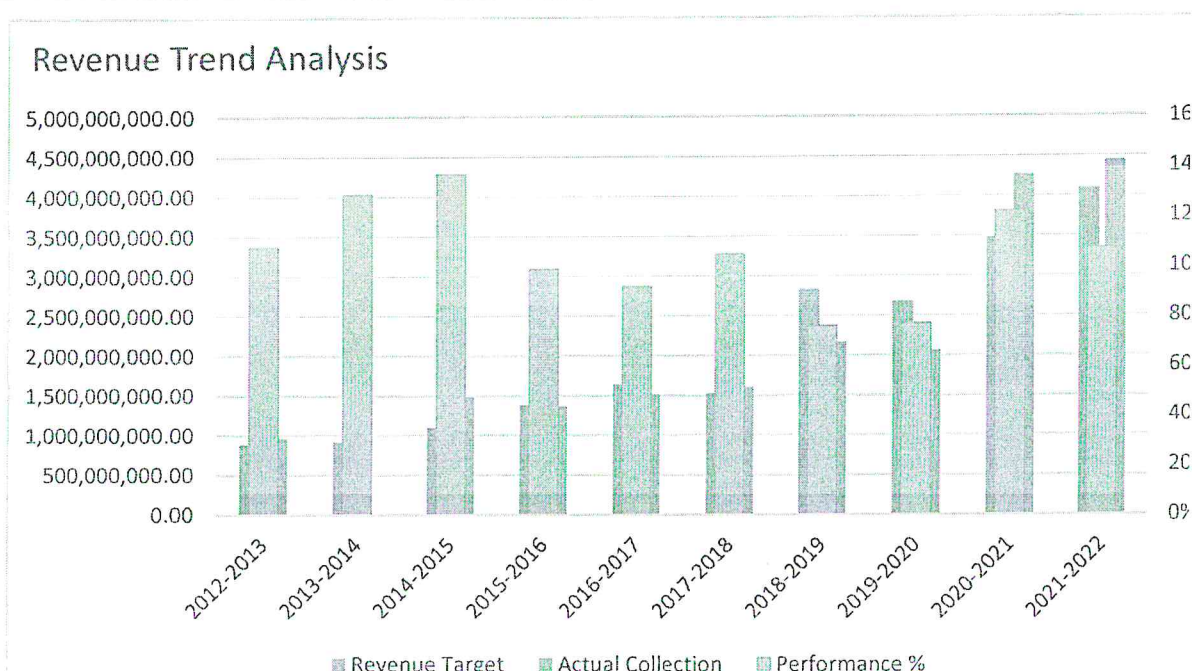
The station has over the years supported bilateral trade between Kenya and East African region. For instance, in 2020, Uganda exported goods worth **USD 401 Million** to Kenya while Kenya exported to Uganda goods worth **USD 940 Million**. Below are some of the products traded between the two countries.

Exports to Uganda	Imports from Uganda	Transit
<ul style="list-style-type: none"> ▪ Plastic Products ▪ Lubricants ▪ Salt ▪ Cement (clinker) ▪ Fertilizers ▪ Iron/steel products ▪ Iron sheets ▪ Confectionery ▪ Tiles 	<ul style="list-style-type: none"> ▪ Sugar (brown) ▪ Ethanol ▪ Grains (Maize) ▪ Milk ▪ Cooking Oil – Palm Stearin ▪ Tobacco ▪ Wheat & Maize Brans ▪ Fish ▪ Food stuff (cabbages, tomatoes, matooke, water melon, lemons, pineapples, etc) ▪ Motor cycle tyres ▪ Ply wood ▪ Tiles ▪ Pine timber 	<ul style="list-style-type: none"> ▪ Fuel products ▪ Motor vehicles ▪ Electronics ▪ Steel coils ▪ Bitumen ▪ Wheat ▪ Machinery ▪ Alcohol ▪ Garments ▪ Plastics, raw, unfinished products

Considering that Democratic Republic of Congo (DRC) has now joined the EAC and the expansion of the economy in South Sudan, it is expected that trade volumes will continue to increase in the region and Malaba will remain the key border crossing for products originating from these countries.

1.2.2 Revenue Trend Analysis

<i>Year</i>	<i>Revenue Target</i>	<i>Actual Collection</i>	<i>Performance %</i>
2012-2013	888,304,280.12	962,073,586.00	108%
2013-2014	919,478,807.80	1,90,417,837.00	129%
2014-2015	1,093,867,517.28	1,485,508,679.00	137%
2015-2016	1,382,325,990	1,364,767,227	99%
2016-2017	1,648,221,504	1,515,446,935	92%
2017-2018	1,526,940,000	1,606,348,127	105%
2018-2019	2,839,396,529	2,168,572,424	76%
2019-2020	2,683,036,273	2,067,263,261	77%
2020-2021	3,474,086,557	4,271,602,750	122%
2021-2022	4,091,739,419	4,438,308,159	107.08%



In 2020-2021 Financial Year, the station collected **Ksh. 4,271,602,750** and the projections for the 2021-2022 Financial Year stands at **Ksh. 4.48B**. As a result of the establishment of the OSBP, the station has witnessed a revenue growth of **358%** within a decade.

1.2.3 Traffic throughput analysis

Since the establishment of the OSBP and enhancement of business processes following the implementation of the Single Customs Territory (SCT), the OSBP has registered tremendous increase in traffic flow as highlighted here below:

S/No.	Year	Average trucks processed per day
1.	2015	680
2.	2016	780
3.	2017	890
4.	2018	1,100
5.	2019	1,300
6.	2020	1,000 (COVID-19 pandemic affected movement at the border)
7.	2021	2,000

Traffic movement analysis for January to December 2021

Outbound Traffic			Inbound Traffic		
S/No.	Description	Total	S/No.	Description	Total
1.	M/Vehicle Units	44,166	1.	M/Vehicle Units	2,283
2.	Tankers	47,114	2.	Tankers	61
3.	Open Trucks	139,988	3.	Open Trucks	2,168
4.	Box body trucks	21,194	4.	Box body trucks	4,210
5.	20ft Containers	54,596	5.	20ft Containers	27,438
6.	40ft Containers	61,786	6.	40ft Containers	14,749
7.	Empty Containers	5,104	7.	Empty Containers	252,167
Total Outbound traffic		373,948	Total Inbound traffic		303,076

On average, the traffic processed at Malaba OSBP per day is 2,000 trucks and the data shows that between January to December 2021, the station processed 677,024 trucks. This

is a high number of traffic and it is projected to continue growing at the rate of 15 per cent per year.

2.0 Key challenges affecting Malaba OSBP

2.1. Inadequate infrastructure

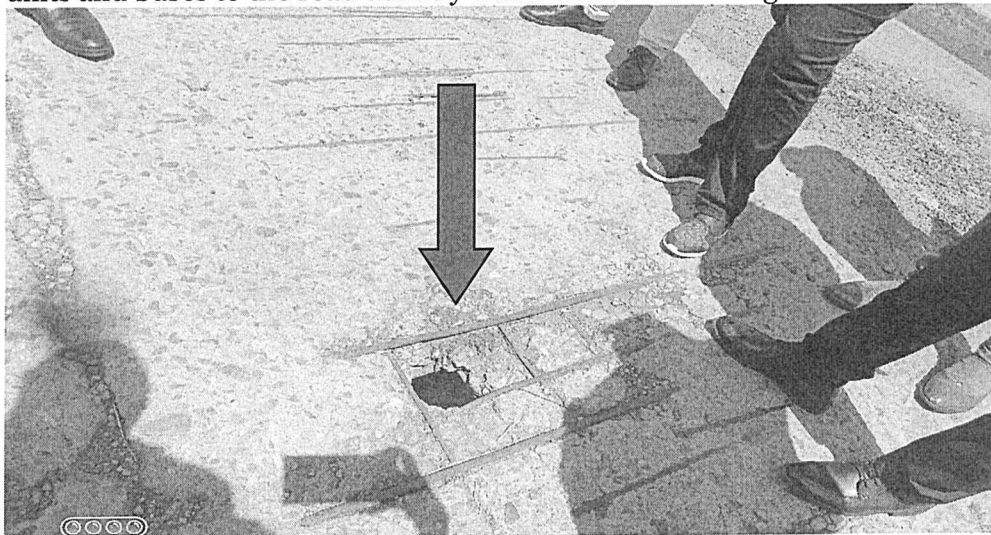
This poses a significant challenge in clearance of inbound and outbound cargo as it contributes to frequent congestions and ineffective traffic flow. Currently, the OSBP is operating on a 4.225ha piece of land which is inadequate to handle increased volume of traffic. Additionally, the exit and entry roads are poorly designed while others have remained incomplete. The yard has remained incomplete and some areas are muddy and dusty. The effect of congestion within the yard is the stretching of the traffic jam outside and beyond the OSBP.

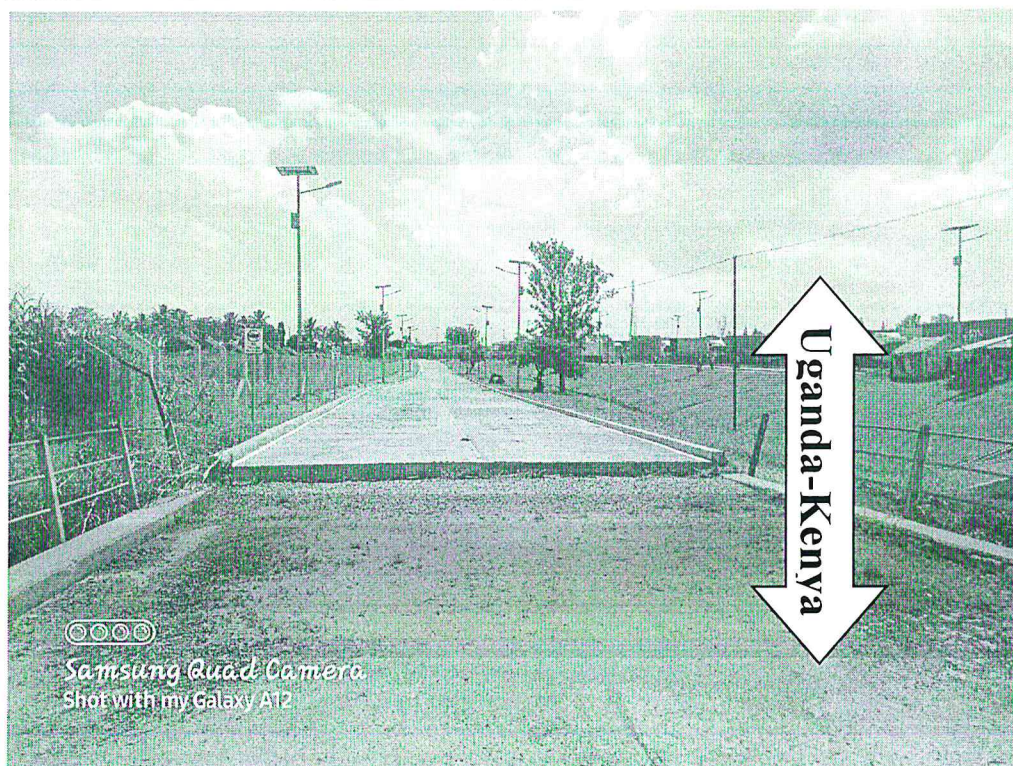


Current state of the incomplete out-bound road

2.2. Old bridge

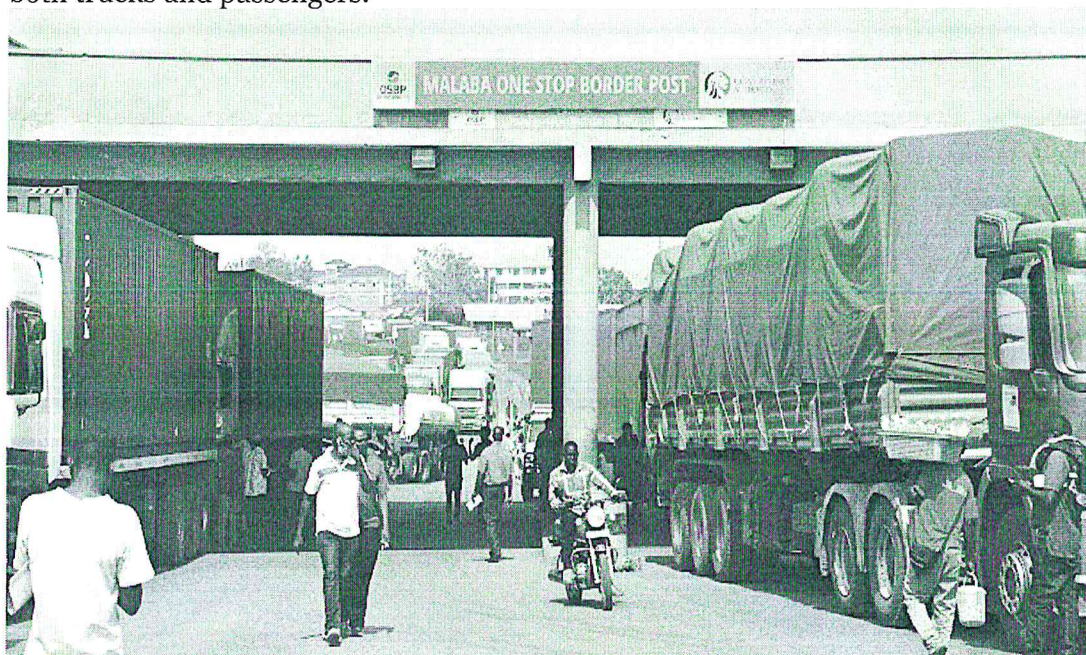
The old bridge has cracks and holes therefore impassable resulting to diversion of small units and buses to the road used by trucks hence more congestion.

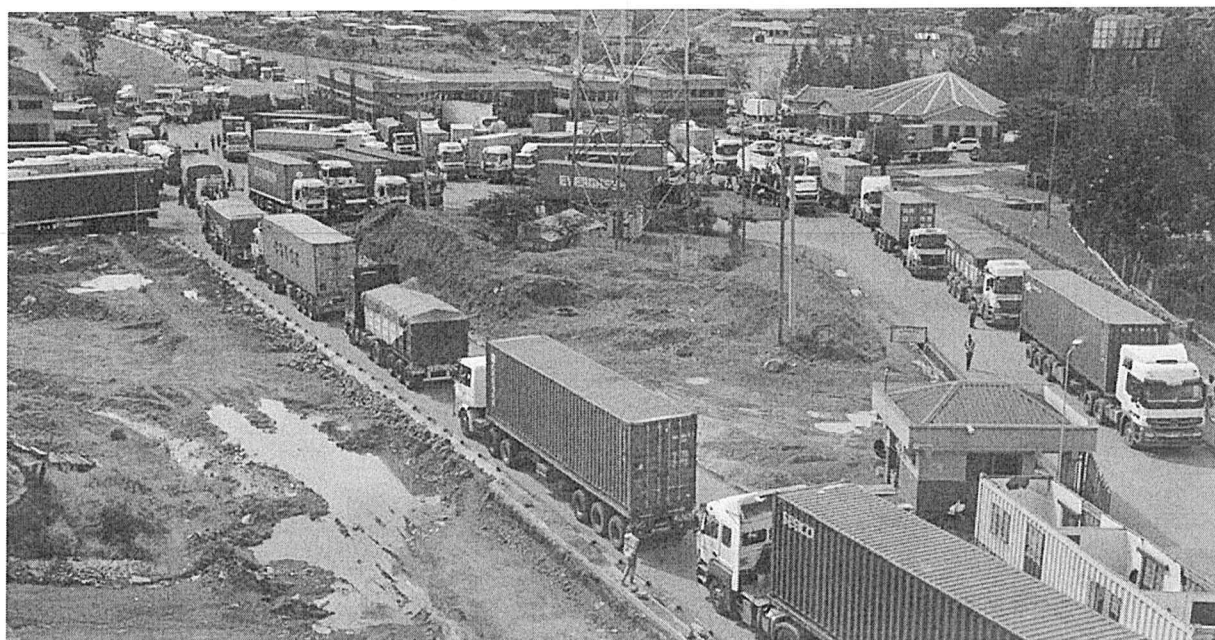




2.3. Inadequate space for trucks and passengers

The traffic volumes are very high as highlighted in the summary above. The station is currently processing an average of 2,000 trucks and 800 passengers within 24 hours. This translates to between 19 and 21 km of traffic being cleared on a daily basis. The current infrastructure is therefore over-stretched as it was designed to handle a much less traffic for both trucks and passengers.





2.4. Poorly designed OSBP infrastructure

The current set up of the OSBP is not aligned with the OSBP framework, which provides for specific design model that allows faster and coordinated processing of passengers and cargo. For instance, the structures at Malaba are built without provision of proper parking space that would allow passengers to first go through Port Health screening and Immigration processing before being allowed to enter Kenya. This is a serious design flaw which contributes to delay in service delivery as well as exposing the country to possibility of irregular entry of persons into the country. The current design is a security threat to this country. Additionally, the existing structures are currently deteriorated.

2.4.1. The design does not allow the sitting in of all agencies together

Various Government agencies have separate offices forcing customers to walk from one office to another to obtain services. This takes time and contributes to the congestion at the border. There is need therefore to house and offer all Government services under one roof.

2.5. Uncoordinated projects between various agencies (KRC, KeNHA, KPA, KRA)

Various Government agencies are undertaking individual projects at the border. The respective projects are not aligned to alleviating the congestion problem at the border. These projects include the following: -

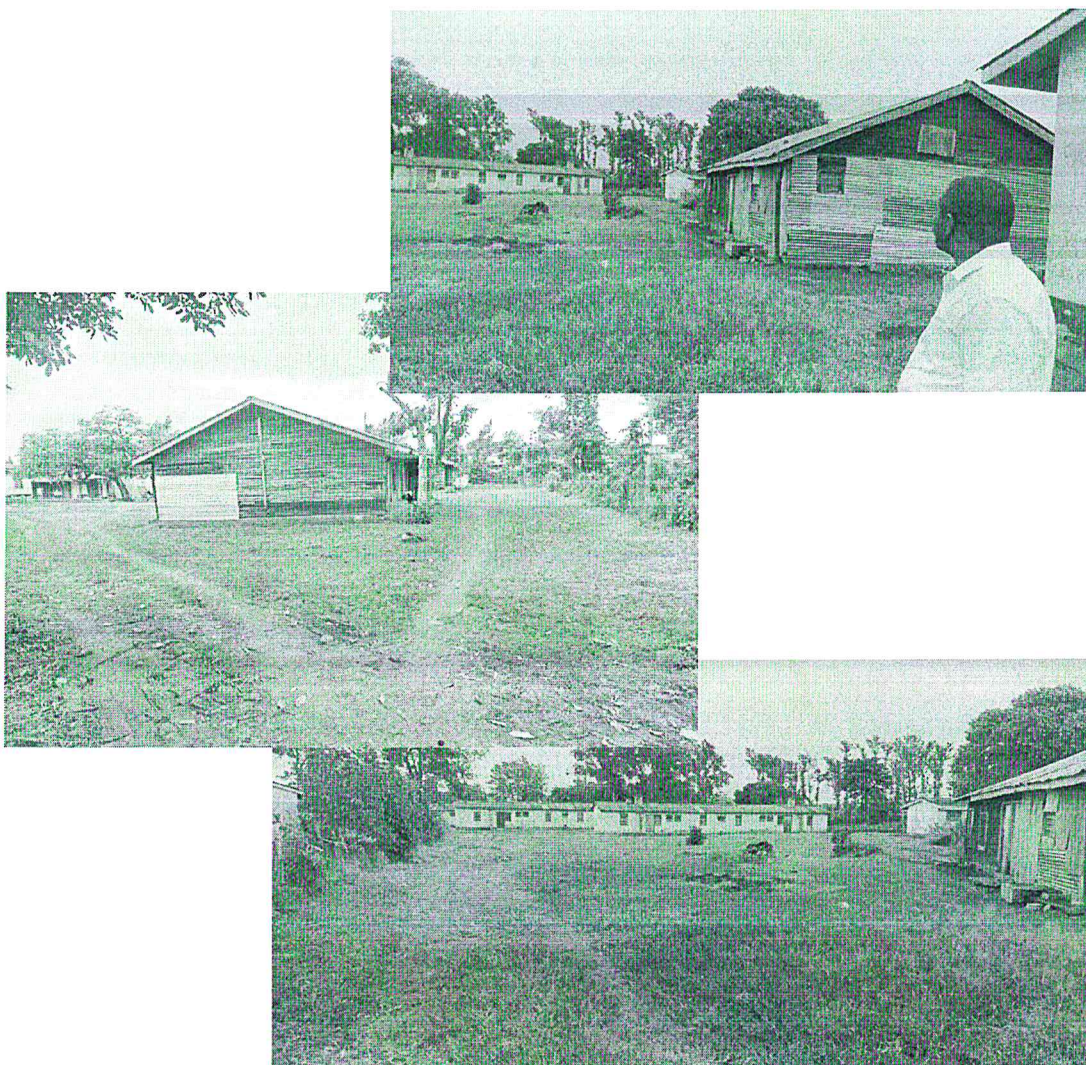
S/No.	Agency	Project	Impact
1	KRC	Developing a Transit shed with a link road from KRC to Busia Road	Enhance conveyance of cargo to the EAC region. It will however increase traffic congestion.
2	KPA	Development of a Marshalling Yard	It will create a holding space for trucks. However, it will not assist in the decongestion of the border as it is 9KM away from the OSBP. The goods are under customs control and will require manning by customs officers.
3	KeNHA	Construction of the Outbound lane	It will assist in decongestion of the OSBP.

It is therefore necessary to coordinate all Government projects with an aim of decongesting the border which the TWG is driving.

2.6. Staff houses

The staff at the border lack housing.

The department of Immigration, was the leading agency before the Security Act amendment where KRA became the lead border agency. Immigration then constructed houses for their staff which are currently dilapidated and poses a health hazard due to roofing with asbestos. The wood used to construct the houses is rotting and iron sheets have been used to repair some of the houses. There is also land wastage due to poor planning.



3.0. Justification for infrastructure investment at Malaba OSBP

Malaba OSBP sits along the Trans-African Highway which will in future connect the region to other parts of the African continent. Massive investments are being put towards development of this road, among other road networks across the continent. This road will play a significant role in transporting goods and persons under the African Continental Free Trade Area Agreement (AfCFTA). Additionally, the Democratic Republic of Congo (DRC) has just joined the East African Community (EAC) while the economy of South Sudan is growing at a significant rate. These developments mean that Malaba OSBP will remain a key border crossing attracting a high volume of cargo and people in the near future. Arising from these developments, there is an urgent need to increase investments in border infrastructure to effectively control as well as facilitate legitimate trade in the region

4.0. Recommendations to turn the OSBP into a modern and efficient border crossing.

The traffic gridlock currently experienced at Malaba OSBP poses serious security, economical, health and environmental challenges as over 80% of cargo destined to the neighboring countries pass through this border. The traffic jam further erodes the technological milestone achieved so far. This exposes the country to possible loss of business at the port of Mombasa as regional neighboring countries might avoid using the border and instead use the port of Dar-Es-Salaam. As part of solving the current and future challenges, the TWG meeting held on 20th June 2022 at the Commissioner's Boardroom in Times Tower and a follow-up meeting at Malaba OSBP proposed the following initiatives;

4.1 Short Term (To be delivered within 90 days)

4.1.1. Conversion of the OSBP Canteen into a Service Delivery Center

The meeting noted that the current arrangement of the OSBP where border agencies sit separately in different offices is a major challenge to Malaba stakeholders and has been cited by various stakeholders as contributing to inefficiencies that lead to delays in processing clearance of cargo and travelers leading to congestion inside and outside the OSBP.

In order to address this challenge, the meeting agreed to a proposal to partition the Canteen and convert it into a Service Delivery Center to allow frontline officers from all agencies to sit together under one roof for faster and efficient service delivery.

It was noted that establishing a Service Delivery Center at Malaba will;

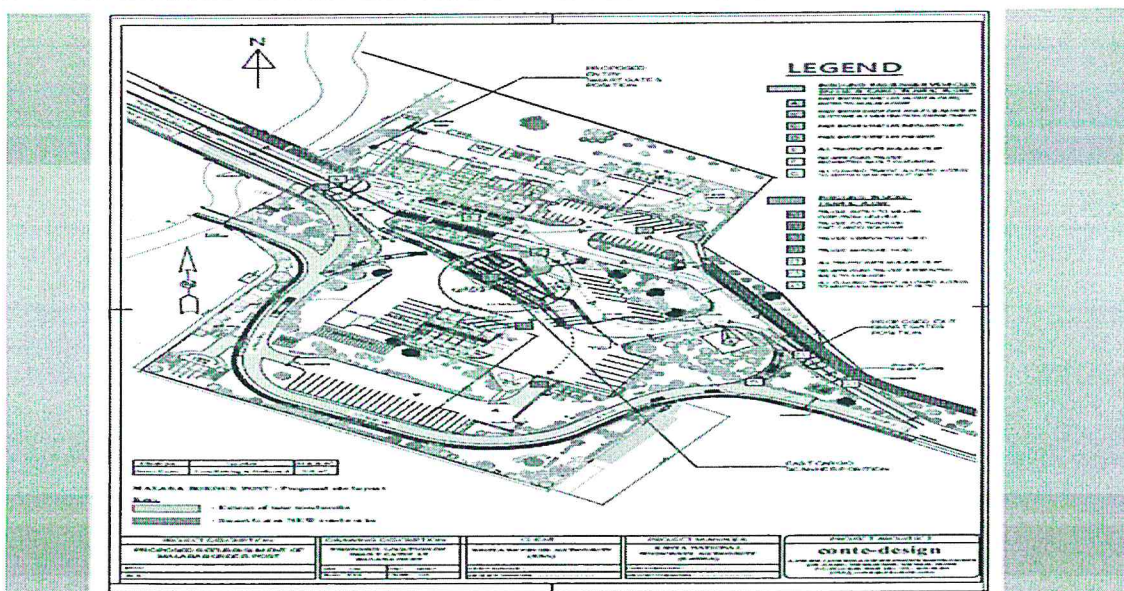
- Enhance supervision of staff and promote accountability as officers from all border agencies will sit together in one office set up allowing close monitoring of performance and activities;
- Enhance timely service delivery to stakeholders therefore promote efforts towards de-congesting the OSBP;
- Align Malaba operational process flow with the OSBP Framework;
- Improve the image of the Government of Kenya as there will be proper branding and signage to guide OSBP users;
- Promote *esprit de corps* among officers therefore enhancing sharing of information among agencies.

It was agreed that KRA will deliver this activity within 90 days.

4.1.2. Construction of the 610M dual-carriage way out bound loop road within the OSBP

KeNHA is constructing an outbound road and is halfway done with the remaining stretch estimated to cost approximately Kshs. 400 million. The budget for the project will be availed from the Fuel Development Levy. The road will be a dual carriage with a pedestrian walkway. KeNHA plans to commence works for the remaining phase in 90 days.

Below is the design presented by KeNHA.



Master Plan from KeNHA showing the outbound road in yellow.

It is projected that completion of the outbound loop road will decongest Malaba by about **35 per cent** as it will allow clear separation of outward traffic from the inward traffic which has been a contributing factor to congestion within the OSBP.

4.1.3. Construction of the link road connecting the OSBP with the KRC Transit Shed

Kenya Railway Corporation (KRC) is currently developing a Transit Shed that would be used to facilitate delivery of cargo to Malaba border by rail for transshipment into trucks. The capacity of the Shed is 384 containers which will be transshipped into trucks for delivery to Uganda and other countries.

During a presentation by KRC, members observed that there was need for a link road from the KRC Transit Shed into the dual carriageway outbound road. The construction of the link road will allow trucks to easily join the OSBP from the Transit Shed and KRC was advised to fast-track the construction of the link road. Members proposed the location of the link road and KeNHA advised to have the link from the transit shed join the main Malaba, A104 so as to avoid creating a traffic snarl up when joining the loop road.

4.2. Proposed projects under the Medium Term (15 months)

The TWG noted that the following projects required more time to implement and should therefore be considered under the medium term plan.

4.2.1 Construction of the new bridge to replace the old bridge to allow the outbound road to connect to the new

During a tour of the OSBP, members visited the old bridge and noted that it was obsolete and required replacement with a new bridge. Construction of the new bridge will provide an entry road into Uganda through the outbound road which will be used by private cars and passenger buses. The TWG noted that Uganda had done a new road up to the old bridge and KeNHA intends to construct a loop road to the old bridge. Their designs do not factor in the works for the bridge itself.

the bridge was identified as a critical infrastructure for the OSBP, KeNHA is expected to provide a budget for its construction. KeNHA was advised to urgently prepare a budget estimate for the same.

4.2.2. Confirmation and acquisition of all border land, titling and fencing

In order to address the traffic challenges at Malaba, the TWG had recommended the need for KRA to acquire land adjacent to the OSBP for construction of parking yard. The yard will hold inbound trucks awaiting Customs clearance and this is expected to enhance smooth flow of traffic at the border. During presentation by KRA, it was noted that the following parcels of land may have been vested by the GoK in 1990 for development of border infrastructure.

S/No.	Parcel Numbers
1.	North Teso/Kamuriai/596
2.	North Teso/Kamuriai/597
3.	North Teso/Kamuriai/598
4.	North Teso/Kamuriai/599
5.	North Teso/Kamuriai/600
6.	North Teso/Kamuriai/601
7.	North Teso/Kamuriai/602
8.	North Teso/Kamuriai/603
9.	North Teso/Kamuriai/604
10.	North Teso/Kamuriai/605
11.	North Teso/Kamuriai/606
12.	North Teso/Kamuriai/607
13.	North Teso/Kamuriai/608
14.	North Teso/Kamuriai/609
15.	North Teso/Kamuriai/610
16.	North Teso/Kamuriai/612
17.	North Teso/Kamuriai/613

Data from Ministry of Lands and Physical Planning, Department of

It was agreed that KRA commences the process of consolidating available land for immediate development of additional border infrastructure to address the current congestion challenge and the future needs of Malaba OSBP.

4.2.3. Development of the Master Plan.

The development of the Master Plan will provide for planning of phased development of the OSBP in order to address future needs. The Master Plan will incorporate all existing and proposed future infrastructure under the Long-Term Plan. The Master Plan is to be completed within 15 months. The TWG noted that there are two options for delivering the Master Plan as follows:

- Engaging TMEA to identify a consultant;
- Engaging the Ministry of Lands and Physical Planning to develop the Master Plan.

In order to develop a comprehensive Master Plan, it was proposed that preparation of the Master Plan should commence after the identification, surveying, consolidation and titling of the KRA land at the border.

4.3. Proposed projects under the Long-Term Plan (1-4 years)

Following a review of the current and future needs of the Malaba OSBP, the TWG proposed a phased implementation of the following key infrastructure projects in the long term. these are high priority projects and as such, the TWG proposes that they should be captured for

implementation under the Fourth Medium Term Plan of the GoK. This will attract funding and prioritization.

4.3.1 Provision of additional infrastructure to support the Outward bound Traffic

It is proposed to construct a dual carriage road from Kanduyi to Malaba town-ship, that is, two (2) lanes on either side of the road. The outbound road from Malaba police station, to widen into four (4) lanes as it approaches the OSBP. These lanes will be used as follows;

- Lane 1 – For small vehicles and buses
- Lanes 2 & 3 – For general cargo trucks
- Lane 4 – For dangerous cargo trucks

Trucks bound for Uganda from the railway yard will join the outbound road via the general cargo trucks lane direct from the railway shed without having to go back to the junction next to the police post. In order to provide space for the four (4) new proposed lanes, there will be need to demolish the following structures;

- Cargo scanner (To be moved to a more suitable location aligned with the new design)
- Verification yard building,
- Registry/Archive,
- Generator room,
- Sanitation block,
- Office buildings and
- All warehouses.

For seamless flow of traffic from the highway and the railway transit shed, there will be need to acquire **plot No. 613** which is currently privately owned and developed by its owners.

Infrastructure on the Uganda side is already well established to allow for four-lane border crossing. However, there will be need to engage the Government of Uganda on the expansion of the main highway after the border exit as well as relocation of the weighbridge from its current location which is very close to the border. The weighbridge is located three (3) kilometers from the border and has been contributing to the current snarl-ups as trucks queue to pass through the weighbridge. There is a general consensus within Ugandan border authorities on the need to relocate the weighbridge and fix it further away from the border.

4.3.2 Provision of additional infrastructure to support Inward bound Traffic

We propose to utilize the 13 acres of land behind/around the current canteen structure for parking space for trucks and verification yard for the inbound traffic. The idea is to construct a new bridge that will accommodate two (2) lanes. This bridge and road will feed to the new parking and Customs verification yard. The inbound traffic will then exit the bridge into a three (3) lane road on the Kenyan side with one lane being dedicated for express cargo and/or emergency services and the other two for general cargo trucks.

The 13 -acre piece of land will be sufficient to provide enough parking slots and a verification yard for the inbound traffic noting that another 8 acres would have been made available through demolition of the current office block to create space for buses and motor vehicle units.

It is proposed that the construction of the new bridge for the inward bound cargo traffic to be done in close consultation with the Government of Uganda as the Republic of Uganda will be required to also construct an access road of about 500 meters to connect to the new bridge. However, noting that bridge construction is usually capital intensive, the current

bridge can still be used by trucks but there will be need to construct an access road parallel to the river into the new parking yard.

if a new bridge is constructed, the current inbound bridge will be utilized for buses and small vehicles while the existing parking outside the canteen will be expanded by demolishing the existing office block to provide parking for buses and small vehicles.

The baggage scanner will be moved next to the current bridge for enhanced security controls as that will remain to be the pedestrian point of entry.

4.3.3 Construction of a New Office block

The current canteen structure shall be maintained as the first building of the OSBP as you approach from Uganda after it has been converted into a Service Center that will be used to clear all passengers, small vehicle occupants and pedestrians accessing Kenya. The site of the new office block should be situated further from the border line to allow provision of sufficient parking spaces and staff access road to the office facilities. Currently, Malaba does not have an access road for staff and other stakeholders and they use the trucks exit road for entrance into the OSBP which is a risk to their lives and property.

Additionally, the current office structure design does not support the OSBP framework of clearance of cargo and people and the structure itself has been contributing to the current traffic congestion within the OSBP. There was no proper stakeholder consultation during the construction of the OSBP and that led to the flaw in design of the structures.

4.3.4 Amenities required at the OSBP

To improve on the working environment within the OSBP the following amenities will need to be considered for construction;

- A health center
- A fire station
- A Police post
- A member's club
- A banking hall (Malaba is the only OSBP without banking hall)
- Incinerator
- A community social hall for conducting large workshops and sensitizations.

4.3.5. Construction of Staff Houses

There is a 3.8 ha plot of land currently housing the Department of Immigration staff houses that can be utilized for construction of staff houses at Malaba border. The piece of land is available for immediate use as it is registered under the Government of Kenya, meaning that KRA can take possession and commence construction work immediately. This land is big enough for staff housing and its proximity to the OSBP makes it ideal for staff housing.

Our proposal is as follows:

- Immediately construct a perimeter fence around this piece of land;
- Construct 15 apartment blocks, each 4 stories high with 16 units. This is sufficient to host 250 OSBP staff at any given time.
- Construct one 3-bedroomed bungalow to host the station managers' quarters.

4.3.6. Electricity concerns within the OSBP

The current electricity supply from KPLC is of great concern given the fact that it is not reliable. In view of this, we propose that three modes of electricity supply be provided during implementation of this proposal.

-
- That KPLC provide a dedicated power line specifically for the OSBP due to the nature and sensitivity of the operations at the OSBP.
 - Integrate green power into the new design.
 - Install a modern generator for emergency use.

4.3.7. Procurement and installation of automatic passport control systems

These booths will be installed to fit the height of the vehicle cabin, so that drivers will not leave their vehicles for passport control. Upon successful completion of passport control, the gate installed behind the control booth will automatically open allowing the vehicle to proceed to the next level of control.

Installation of this system is considered important as it will provide critical support to the Immigration Department in ensuring that people do not enter the country without proper immigration clearance. Currently, it is extremely difficult to control persons/travelers since the land border lacks sufficient control tools including barriers that would stop irregular travelers from accessing the country through Malaba border. This state of affairs has exposed the country to serious security threats.

4.3.8 Procurement and installation of automatic radiation detection systems

These systems are widely used at border crossings to prevent proliferation of radioactive material and nuclear weapon precursors to ensure the safety of people and environment. Considering that uranium is mined from the DRC, and Malaba is the gateway for DRC, there is need to urgently install radiation detection system as part of border control measures aimed at protecting our citizens against harmful radioactive materials. Currently, the country is seriously exposed to the risk of radioactive exposure from minerals/ ore materials originating from DRC.

4.3.9 Procurement and installation of automatic health check scanners (fever scanners)

This system is installed to detect passengers suffering from potentially dangerous infectious diseases such as Ebola, SARS, among others. We propose installation of this system to protect our citizens from possible contagious diseases.

4.3.10. Procurement and installation of a Railway scanner

As both countries move toward increased utilization of the railway transport, Kenya will need to install a scanner that can be able to scan export containers on rail. Usually, such consignments are scanned using a drive-through scanner.

4.3.11 Installation of electronic queue management system

This system is used by some border crossings and allows users to pick tickets and wait for their turn to enter the inspection zone. Instead of waiting along the queue causing congestion along the road, the drivers having received the queue ticket can move the truck to the special parking yard while the queue is moving.

4.3.12. Reduction of the number of agencies represented at Malaba

There is need to expand the scope of the Circular reference number OP/CAB 9/83A from the Head of Public Service dated 4th June 2019 to also include One Stop Border Posts in the provisions of the said circular. There are 19 agencies operating at Malaba border and each agency intervenes on the cargo clearance process. This causes delay in the clearance of goods at Malaba which can be done through the BCOC Framework.

4.3.13. Construction of the Baggage Hall

The TWG noted that currently Malaba OSBP does not have a Baggage Hall for processing of travelers. A Baggage Hall will provide for seamless operations relating to processing of travelers at the OSBP. The Baggage Hall will be fitted with the following;

- Three (3) Walk-through scanners;
- Two (2) CT Scanners for scanning passenger baggage.

To support the Baggage Hall operations, there will be need to factor in procurement of the ***three walk-through scanners and one CT baggage scanner***.

4.3.14. Procurement of one Bus Scanner

It is expected that Malaba OSBP will see an increase in the number of travelers accessing the regional market. For effective border control, the TWG has noted the need to procure and install a Bus Scanner for scanning of buses for faster border clearance.

4.3.15. Procurement and installation of two (2) Motor Vehicle Unit Scanners

Malaba currently does not have a scanner for motor vehicles and this has been identified as a security risk for the country. The TWG has proposed installation of two scanners for scanning all motor vehicles entering the country.

5.0 Conclusion

Noting that Malaba OSBP is a strategic border crossing point between Kenya and Uganda and, in view of the numerous congestion challenges experienced at this border, it is in the interest of the Government of Kenya to implement these recommendations as a matter of urgency.

6.0 Document sign off

Name:	Designation	Agency	Signature	Date
Mr. Chege Macharia	Deputy Commissioner	Kenya Revenue Authority		
Eng. Paul Omondi	Deputy Director	Kenya National Highways Authority		
Eng. Tobias Otieno	General Manager	Kenya Railway Corporation		
Eng. Byron Buyu		Presidents' Delivery Unit		
Mr. Kimani Kangéthe	Manager, Malaba OSBP	Kenya Revenue Authority		



JOINT PRESENTATION BY ALL MULTIAGENCIES AT ISEBANIA OSBP

29TH MARCH 2023

Challenges at Isebania OSBP

- **Exchange rate fluctuations-** The shilling has weakened recently against the Dollar and Exporters from our neighboring country have decried the loss of value of the Kenyan shilling and thus have opted for markets elsewhere e.g. Congo.
- **Migori county roadblock at Kenya entry gate-** This has led to an increase in the cost of doing business. According to transporters and traders whom we have engaged informally, the county collection is only done here at Isebania. The county collects CESS on all goods that enter through our border and collect parking fees on transit/export goods even when there are no stops/parking by trucks along the transit route.
- **Lack of Cargo Scanner.** One role of customs is to make sure that proper declaration of exports and imports is done. Due to a need to ease trade across our border 100% verification of all goods is not practical. Both customs administrations therefore need to have a joint platform of verification of goods (both exports, imports and transit) to ensure there are no illicit goods. The use of cargo scanners is expected to significantly reduce the time it takes to clear goods with customs by compliant traders and importers. This is good for the business community as it allows for faster clearance of goods thereby reducing the cost of doing business.
- **Porous borders-** Our area of coverage for land and lake patrols is vast i.e from End of Narok County to the start of Homa Bay County (Mbita). This is a stretch of about 200km, covered by only three satellite stations. The porous borders situation lead to increase in criminality particularly transnational crimes like smuggling of illegal goods, irregular movements of persons, money laundering, theft, kidnapping and terrorism. We therefore propose for gazettelement of more Customs and Immigration stations to man the very famous porous points.
- **Poor road networks accessibility-** Good roads play an important role in poverty alleviation in rural areas, enable transportation of people, material and goods, lead to diversification of agricultural activities and boost rural as well as overall economic growth of the country. Good roads around the county will spur economic growth ultimately leading to more revenue collections. Good roads enhance our response and deterrence of illegal trade and irregular migration.
- **Challenge of integration between TANCIS and iCMS (transmission).** There is a challenge of integration between TANCIS and ICMS for SCT goods to Tanzania from Kenya. The problem is so rampant whereby even after a release by TRA in TANCIS, the same is not transmitted to ICMS. This has led to delays at Kenyan territories because, for a truck with Tanzania bound cargo to be allowed to proceed a C2 has to generated by a KRA officer upon transmission. System challenges really affect our joint operation as authorities. Thus, we recommend a system upgrade/review to solve the integration issue.
- **Lack of harmonized fee for road toll-** Tanzania and Kenya charge differently. The rate charged by the two countries on foreign trucks per 100km is not the same and has led to a distortion of intra-regional trade. Harmonization of toll fee will greatly reduce the cost of doing business and spur intra-regional trade.



Benefits of Isebania OSBP

- **Trade facilitation:** Facilitating international trade by providing expedited clearance of goods and people through simplified and harmonized Customs procedures as envisaged under the Revised Kyoto Convention. The most traded goods within the border are agricultural products i.e. Maize, Rice, Fish Feeds, Fish Meal, Rice Bran, dried dagaa, live cattle, honey, and at times Coal, Silicon Manganese, energy drinks, soaps, fish twine, etc.
- **Protection of society and environment through enforcement of prohibitions and restrictions:** The station plays a big role by barring international trade in illegal substances and materials e.g. narcotic substances, Explosive Substances, arms and ammunitions, endangered animal species and forest products, counterfeit or sub-standard goods, stolen motor vehicles, smuggled goods, Illegal migration, terrorism
- **Revenue collection:** we collect revenues for Import & Export duty, IDF (Import Declaration Form) fees, Transit Road Toll, VAT, Excise Levy, Fines from different traded items
- **Border control Management:** The station Control of Exports & Imports, travellers, border patrols and surveillance and expand, improve coordinated border management
- **Compilation of trade statistics:** The station collects and collates trade data on all imports and exports that the government uses for planning purposes.
- **Employment opportunities-** Local are able to get employed within OSBP and outside for some of the companies established like Banks, hospitals, insurances , hotels etc
- **Bringing closer services to the locals:** With the installation of OSBP several services have been brought closer to the local, e.g. Banking, hospitals services, sports, catering services etc
- **Booming Businesses-** which such facilities several amenities have developed around the OSBP e.g. Hotels, rentals houses, hospitals, taxis services, entertainments joints. This has promoted fast growth of the town.

Proposed strategies/opportunities

- **Intensify Joint Patrols-** the main objective of patrols is to intercept unaccustomed and prohibited goods, which are usually brought in by smugglers through our porous borders. It ensure that there is regular migration of persons and commodities and prevents smuggling of human beings and illicit goods through detection and prevention. By intensifying joint patrols, Isebania Stations can increase its revenue by collecting taxes due on smuggled commodities or when goods intercepted are disposed by auction. Patrols also have an impact on compliance revenue as it serves as a deterrent measure.
- **Recommend adoption of drones in patrols-drones can be used for 24/7 surveillance-** Drones can serve to augment human guards by patrolling the worksites and capturing aerial footage of the assets, securing perimeters and preventing break-ins. Integrated with AI technologies they can offer real-time streaming of data 24 hours a day. With AI, drones become smarter and can automatically identify objects that post threats, alert security of the danger.
- **Recommendation of a Cargo Scanner for non-intrusive inspection-** The introduction of Cargo Scanners will Detect contraband in conveyances passing through customs, Strengthen customs function of protection of society from harmful and prohibited goods such as weapons which may not ordinarily be declared to customs,



Contribute towards increased revenue collection as ordinary goods can pass through customs unnoticed without any payment of tax, Limit to some extent the frequency of physical examinations by customs thereby facilitating legitimate trade and improving the doing business environment and Efficient utilisation of available resources in form of personnel

- *Marketing and Communication for brand awareness creation for Isebania OSBP*- Isebania OSBP is not a very popular border station despite being a major entry and exit to and from Northern Tanzania. Marketing and Communication will help position Isebania as a preferred exit and entry point which will eventually lead to more traffic hence more revenue collection at the station
- *Periodic Sensitization of the local residents on the need to use OSBP*- Use of OSBP will enhance collection of taxes and regular movement of persons. This generates public revenues that make it possible to finance investments in human capital, infrastructure, and the provision of services for citizens and businesses
- *Gazettement of more customs stations* Due to vastness of Isebania OSBP and its satellite stations, we recommend installation of customs and other agencies offices on all hotspots to deter and operate the porous borders.
- *Sharing of information through the Joint Border coordination committee* – it's a joint meeting between all the agencies of both countries(Kenya and Tanzania) which is held on quarterly basis to discuss on any emerging issues that affect the movement of goods, persons and services

Jointly developed by BMC members.



KENYA REVENUE
AUTHORITY

ISO 9001:2015 CERTIFIED

CONFIDENTIAL

MALABA ONE STOP BORDER POST

STATUS REPORT AS AT MARCH, 2023

PRESENTED TO:
PARLIAMENTARY COMMITTEE ON REGIONAL INTEGRATION

BY:
GIDEON CHEPKOLE,
AG. STATION MANAGER, MALABA OSBP

Tulipe Ushuru, Tujitegemee!



INTRODUCTION

A One Stop Border Post OSBP (OSBP) is border crossing point jointly managed by adjoining Partner States where multiple border agencies co-operate and collaborate with each other, and effectively coordinate their activities to maximize their operational efficiency. OSBP arrangement brings together, under one roof, all the Government agencies performing border crossing control procedures, doing away with need for motorized traffic and persons to undergo clearance twice at both sides of the border.

As a trade facilitation tool applied at borders, the OSBP concept promotes a coordinated and integrated approach to facilitating trade, the movement of people, and improving security. The concept eliminates the need for travellers and goods to stop twice to undertake border crossing formalities. The OSBP concept calls for the application of joint controls to minimize routine activities and duplications.

Malaba OSBP is an important strategic border between Kenya and Uganda sitting at Busia County. Informed by this realization, the establishment of the OSBP was underpinned on the need to both improve overall transit time for goods and people travelling through the border, and support the East African Community's goal to integrate the region and improve overall trade flows. Malaba OSBP became operational in February 2015.

The objectives of the establishment of the Malaba OSBPs are as follows;

1. Enhance trade facilitation;
2. Promote efficient movement of persons and goods;
3. Reduce the cost of doing business in the region;
4. Enhanced cross border facilitation;
5. Stimulating regional integration;
6. Border Security Improvement;
7. Coordination of functions

These benefits can only be enjoyed when this OSBP is fully utilized and properly organized from the design stage.

1.1. The Four Pillars of OSBPs

i. Legal and Institutional Framework- EAC OSBPs

- ✓ EAC OSBP Act, 2016, Bilateral Agreements, Extraterritorial Jurisdiction

ii. Simplification and Harmonization of Procedures

- ✓ Elimination of duplications, Clarification of functions

iii. Hard Infrastructure



- ✓ Such as roads, parking yard, warehouses, office spaces, fences, utilities and other buildings are designed to enhance efficiency in the flow of people and goods

iv. Soft Infrastructure/Technology (ICT and Data exchange)

- ✓ Streamlining of parallel processes and technologies enabling different government agencies from both adjoining states to effectively work together to undertake border controls e.g. EAC Central platform, KENTRADE

1.2. Before vs after OSBP

Before OSBP	After OSBP
Each Agency within the same country operated independently- Silos	Coordinated Border Management approach
Poor working environment	Improved working conditions for all Government Agencies working at the OSBP
The control zone was non existent	Improved border security due to Multi Agency Team approach
Sharing of information was so difficult with a lot of protocols to access it	Easy sharing of information among government agencies through BMCs and JBCs
No space for facilitation of small scale traders and cross border community	Facilitation of small scale cross border traders
Long clearance process, long traffic queues	Co-ordination among the agencies resulting in shorter clearance process
Uncoordinated clearance process creating opportunities for corruption	Improved trade compliance and revenue yield.
Single lane for both outbound and inbound traffic causing security and safety like high fire risk, accidents	Reduced danger and traffic snarl ups due to separation of inbound and outbound traffic.



1.3. Import and Export trade at Malaba OSBP

The station has over the years supported bilateral trade between Kenya and Uganda. In 2020, Uganda exported goods worth **USD 401 Million** to Kenya while Kenya exported to Uganda goods worth **USD 940 Million**. Here below are some of the products traded between the two countries.

Exports from Kenya to Uganda	Imports from Uganda to Kenya
<ul style="list-style-type: none">▪ Salt, sulphur, earth, stone, plaster, lime and cement▪ Animal, vegetable fats and oils, cleavage products▪ Iron and steel products▪ Machinery, nuclear reactors, boilers▪ Plastics▪ Pharmaceutical products▪ Soaps, lubricants, waxes, candles, modelling pastes▪ Sugars and sugar confectionery▪ Fertilizers▪ Beverages, spirits and vinegar▪ Petroleum and petroleum products▪ Cereals e.g. wheat▪ Electrical parts▪ Beverages, spirits and vinegar	<ul style="list-style-type: none">▪ Ethanol▪ Wood and articles of wood e.g. plywood, boards, pine timber etc▪ Coffee, tea, mate and spices▪ Dairy products, eggs, honey, edible products▪ Cereals e.g. Maize, beans etc▪ Residues, wastes of food industry, animal fodder▪ Sugars and sugar confectionery▪ Mineral fuels, oils, distillation products▪ Milling products, malt, starches, inlin, wheat gluten▪ Motor cycle spare parts▪ Live animals▪ Ceramic products▪ Fruits (water melon, lemons, pineapples, etc)

Considering that Democratic Republic of Congo (DRC) has now joined the EAC and the expansion of the economy in South Sudan, it is expected that trade volumes will continue to grow in the region and Malaba will remain the key border crossing for products originating from these countries.



2.0. OPPORTUNITIES

2.1. Mobilising government revenue

As a result of the establishment of the OSBP, the station has witnessed a revenue growth of over **358%** in 6 years.

<i>Year</i>	<i>Revenue Target</i>	<i>Actual Collection</i>	<i>Performance %</i>
2012-2013	888,304,280.12	962,073,586.00	108%
2013-2014	919,478,807.80	1,190,417,837.00	129%
2014-2015	1,093,867,517.28	1,485,508,679.00	137%
2015-2016	1,382,325,990	1,364,767,227	99%
2016-2017	1,648,221,504	1,515,446,935	92%
2017-2018	1,526,940,000	1,606,348,127	105%
2018-2019	2,839,396,529	2,168,572,424	76%
2019-2020	2,683,036,273	2,067,263,261	77%
2020-2021	3,474,086,557	4,271,602,750	122%
2021-2022	4,091,739,419	4,473,419,324	109%

In 2022-2023 Financial Year, the station has collected **Ksh 3,272,009,525** from July to date, a performance of **90%** against the moving target. **The projections for the 2021-2022 Financial Year stands at Ksh. 4.2B.**

2.2. Enhanced Trade facilitation

Malaba OSBP is the busiest inland entry port on the Northern Corridor. It handles over **80%** of cargo destined to Uganda, Rwanda, Burundi, DRC and South Sudan.

Traffic movement analysis from July, 2020 to June, 2022

Particulars	2020/2021	2021/22	Daily average 2020/21	Daily average 2021/22	% growth
Outbound traffic	373,948	401,043	1,025	1,099	7%
Inbound traffic	303,076	311,380	830	853	3%
Total	677,024	712,423	1,855	1,952	10%



On average, the traffic processed at Malaba OSBP per day is 1,952 trucks and data shows that between July, 2021 to June, 2022 the station processed 712,423 trucks. This is quite a high number of traffic and it is projected to continue growing at the rate of 10 per cent per year. This has been achieved through coordinated clearance among Kenyan government agencies, 24 hours' operation and coordination with Ugandan government agencies. This has gone a long way in reducing clearance time and saving on transport costs.

2.3. Border Security Improvement

The coordinated border management and the multi-agency team approach through joint border activities like joint patrols, Rapid response initiatives, joint roadblocks, joint inspections and joint risk profiling and targeting, has assisted in improving border security by reducing smuggling, illegal immigration, illegal narcotics trades among other illicit activities.

Notable recent interceptions:

- Feb 2023 – Bus with false compartment ferrying unaccustomed, prohibited and expired goods worth over Ksh. 2 million.
- May 2022 - Two trucks loaded with 305 drums each 250lts of uncustomed liquid suspected to be ethanol KBY806F/ZE0808 and KBS 075K/ZF5471 with a tax liability of over Ksh. 28M.
- July 2022 - Undeclared Currency worth Ksh. 1.6M.
- August 2022 - 10 bags of Lato powder milk intercepted at Koteko MAT roadblock.

2.4. Benefits to local community and women cross border traders

The improved processes such as faster clearance, better organisation, improved security, better facilities with simplified procedures at the one stop border post has greatly influenced and facilitated small scale cross-border trade and empowers more women to engage in trade, better living standards due to ease of access of goods and services across the border, increased income for the community and increased diversity.

2.5. Improvements done at the OSBP

- Installation of a drive through cargo scanner – ease trade facilitation due to non-intrusive inspection, reduce concealments e.t.c
- Installation of Baggage Scanner – enhanced passenger clearance.
- Online clearance by PGAs through the Single Window System.
- More personnel by the PGAs meaning all government agencies are able to operate 24 hours.
- Installation Floodlights.
- Power backup UPS and generator.
- Water purification system



2.6. Ongoing projects

- Installation of the smart gates.
- Conversion of the OSBP Canteen into a Service Delivery Centre housing all frontline government agencies under one roof.
- Construction of Kenya Railways Transit Shed able to handle over 300 TEUs per week. This will mean increased traffic through Malaba OSBP for both exports and imports.
- Water project.

3.0. KEY CHALLENGES AFFECTING MALABA OSBP

3.1. Outstanding infrastructural works at Malaba OSBP

3.1.1. Redesigning of the OSBP facility to Conform to OSBP Procedure Manual:

The internal spaces will need to be redesigned to ensure free, safe and efficient flow of passengers and vehicles through the border to suit border operations guided by OSBP procedures. For instance, the structures at Malaba are built without provision of proper parking space that would allow passengers to first go through Port Health screening and Immigration processing before being allowed to enter Kenya. This is a serious design flaw which contributes to delay in service delivery as well as exposing the country to possibility of irregular entry of persons into the country. The current design is a security threat to this country.

3.1.2. Fencing of the OSBP

The OSBP needs to be appropriately fenced to ensure the facility is well secured to support operations. The boundary wall is incomplete and several sections of the mounted steel sheets have rusted hence need to be replaced and proper finishing be done to improve on the security and look of the OSBP. This has led to increased theft cases and smuggling.

3.1.3. Leaking roof

The entire OSBP has a serious leakage problem that affects operation during rainy seasons. There is a danger of water damaging key ICT infrastructure at the Immigration office and KRA server rooms.

3.1.4. Incomplete Outbound loop road

The 1Km outbound loop road that is supposed to control traffic to Uganda was left incomplete and thus cannot be utilized. This leads to congestion and reduced clearance time because outbound trucks are forced to use one lane with inbound trucks, trucks entering and leaving the yard and trucks exiting the scanner.

3.1.5. Security Sentry Box and a Gate at entry Bridge

A security unit to be provided before entry at the bridge to accommodate officers for security measures and a barrier gate be incorporated in the redesign.



3.1.6. Lactorium/Crèche:

Lactorium/Crèche room for nursing mothers to be considered as it was not provided.

3.1.7. Public Ablution Block

The existing ablution block is too far from passengers entering the facility hence the need to construct a new ablution block closer to the main building for effective and efficient service delivery.

3.1.8. Port Health Quarantine Facility Relocation:

There's need for Port Health quarantine facility to be constructed on the ground floor away from the main offices to minimize chances of spread of contagious diseases eg Covid 19 during seclusion.

3.1.9. Lack of Water

The facility lacks clean water. Currently the OSBP rely on Malaba river water, which is not hygienically suitable for consumption and use. The borehole that was sunk for the OSBP does not yield sufficient water besides the inadequacy the borehole pump is faulty.

The Ministry and Port Health have on several occasions threatened to shut down the OSBP due to lack of water, which pose as a health risk to staff working at the OSBP.

In addition to lack of water, the Hydro report for the borehole was never submitted by the Contractor hence the need for afresh hydrological survey. It is recommended that the borehole depth be assessed and regular pumping system maintenance be undertaken for improved water supply.

3.1.10. Air Conditioning System

Air conditioning system is not functional; most fittings are not working apart from those installed at the Server Room. The air conditioning system should be repaired or an overhaul of the entire cooling system for the station should be done.

3.1.11. Fire Fighting System

Firefighting system is incomplete and the existing system was not tested due to unavailability of water. An overhaul of the entire system is recommended to include the restaurant fire suppression system and office smoke detector system once the water problem is addressed.

3.1.12. Staff Housing

Housing for staff is a major challenge. Immigration Services are the only government agency with staff houses.

3.1.13. Parking yard and verification yard

The parking yard at Malaba OSBP is very small and can accommodate only 100 trucks compared to Uganda which can accommodate 2,000 trucks. This leads to congestion. The verification yard is also very small and can handle only 4 trucks. This also affects outbound traffic.

3.1.14. Inadequate Office Space

Several government agencies are sharing space. This leads to lack of client data privacy and slow processes.



3.2. Electricity concerns within the OSBP

The current electricity supply from KPLC is of great concern given the fact that it is not reliable and we encounter about 5 extended power outages per day.

3.3. Increase in traffic volume

The traffic volumes are very high as highlighted in the summary above. The station is currently processing an average of 2,000 trucks in 24 hours. This translates to between 19 and 21 km of traffic being cleared on a daily basis. The current infrastructure is therefore over-stretched as it was designed to handle a much less traffic.

3.4. Staff shortage

The OSBP is extremely under staffed amongst all government agencies.

4.0. PROPOSALS TO TURN THE OSBP INTO A MODERN AND EFFICIENT BORDER CROSSING.

The traffic gridlock currently experienced at Malaba OSBP poses serious security, economical, health and environmental challenges as over 80% of cargo destined to the neighboring countries pass through this border. The traffic jam further erodes the technological milestone achieved so far and exposes the country to possible loss of business to the port of Mombasa as regional neighboring countries might avoid using the border and instead use the port of Dar-Es-Salaam. As part of solving the current and future challenges, we propose the following initiatives;

4.1. Conversion of the OSBP Canteen into a Service Delivery Center

The current arrangement of the OSBP where agencies sit separately in different unmarked offices is a major challenge to stakeholders as it has been difficult to identify and locate offices. In order to address this challenge, the Border Management Committee (BMC) proposed partitioning of the Canteen and convert it into a Service Center to allow frontline officers from all agencies to sit together under one roof for faster and efficient service delivery.

Establishing a Service Delivery Center at Malaba will go a long way in improving service delivery promoting efforts towards de-congesting the OSBP. Bill of Quantities have been prepared and are attached to this proposal for your review and support.

4.2. Provision of additional infrastructure to support the Outward bound Traffic

We propose the construction of a dual carriage road from Kanduyi to Malaba town-ship, that is, two (2) lanes on either side of the road. Once the road reaches Malaba police station, we



propose to have four (4) lanes for the outbound road as it approaches the OSBP, that is, 2 additional lanes. These lanes will be used as follows: -

- Lane 1 – For small vehicles and buses
- Lanes 2 & 3 – For general cargo trucks
- Lane 4 – For dangerous cargo trucks

Trucks bound for Uganda from the railway yard will join the outbound road via the general cargo trucks lane direct from the railway shed without having to go back to the junction next to the police post. In order to provide space for the four (4) new proposed lanes, there will be need to demolish the following structures;

- Cargo scanner (To be moved to a more suitable location aligned with the new design)
- Verification yard building,
- Registry/Archive,
- Generator room,
- Sanitation block,
- Office buildings and
- All warehouses.

For seamless flow of traffic from the highway and the railway transit shed, there will be need to acquire **plot No. 613** which is currently privately owned and developed by its owners.

Infrastructure on the Uganda side is already well established to allow for four-lane border crossing. However, there will be need to engage the Government of Uganda on the expansion of the main highway after the border exit as well as relocation of the weighbridge from its current location which is very close to the border. The weighbridge is located three (3) kilometers from the border and has been contributing to the current snarl-ups as trucks queue to pass through the weighbridge. There is a general consensus within Ugandan border authorities on the need to relocate the weighbridge and fix it further away from the border.

4.3. Provision of additional infrastructure to support Inward bound Traffic

We propose to utilize the 13 acres of land behind/around the current canteen structure for parking space for trucks and verification yard for the inbound traffic. The idea is to construct a new bridge that will accommodate two (2) lanes. This bridge and road will feed to the new parking and Customs verification yard. The inbound traffic will then exist the bridge into a three (3)-lane road on the Kenyan side with one lane being a dedicated lane for express cargo and/or emergency services and the other two for general cargo trucks.



The 13 -acre piece of land will be sufficient to provide enough parking slots and a verification yard for the inbound traffic noting that another 8 acres would have been made available through demolition of the current office block to create space for buses and motor vehicle units.

It is proposed that the construction of the new bridge for the inward bound cargo traffic to be done in close consultation with the government of Uganda as the Republic of Uganda will be required to also construct an access road of about 500 meters to connect to the new bridge. However, noting that bridge construction is usually capital intensive, the current bridge can still be used by trucks but there will be need to construct an access road parallel to the river into the new parking yard.

Should a new bridge be constructed, the current inbound bridge will be utilized for buses and small vehicles while the existing parking outside the canteen will be expanded by demolishing the existing office block to provide parking for buses and small vehicles.

The baggage scanner will be moved next to the current bridge for enhanced security controls as that will remain to be the pedestrian point of entry.

4.4. Construction of a New Office block

The current canteen structure shall be maintained as the first building of the OSBP as you approach from Uganda after it has been converted into a Service Center that will be used to clear all passengers, small vehicle occupants and pedestrians accessing Kenya. The site of the new office block should be situated further from the border line to allow provision of sufficient parking spaces and staff access road to the office facilities. Currently, Malaba does not have access road for staff and other stakeholders and they use the trucks exit road for entrance into the OSBP which is a risk to their lives and property.

Additionally, the current office structure design does not support the OSBP framework of clearance of cargo and people and the structure itself has been contributing to the current traffic congestion within the OSBP. There was no proper stakeholder consultation during the construction of the OSBP and that led to the flaw in design of the structures.

4.4.1. Amenities required at the OSBP

To improve on the working environment within the OSBP the following amenities will need to be considered for construction;

- A health center;
- A fire station;
- A Police post;
- A member's club;



- A banking hall (Malaba is the only OSBP without banking hall);
- A community social hall for conducting large workshops and sensitizations.

4.5. Construction of Staff Houses

There is a 3.8 ha plot of land currently housing the Department of Immigration staff houses that can be utilized for construction of staff houses at Malaba border. The plot of land is available for immediate use as it registered under the Government of Kenya, meaning that KRA can take possession and commence construction work immediately. This land is big enough for staff housing and its proximity to the OSBP makes it ideal for staff housing.

Our proposal is as follows:

- Immediately construct a perimeter fence around this plot of land;
- Construct 15 apartment blocks, each 4 storey high with 16 units. This is sufficient to host 250 OSBP staff at any given time.
- Construct one 3-bedroomed bungalow to host the station managers' quarters.

4.6. Electricity concerns within the OSBP

The current electricity supply from KPLC is of great concern given the fact that it is not reliable. In view of this, we propose that three modes of electricity supply be provided during implementation of this proposal.

- That KPLC provide a dedicated power line specifically for the OSBP due to the nature and sensitivity of the operations at the OSBP;
- Integrate green power into the new design;
- Install a modern generator for emergency use.

4.7. Installation of automatic passport control systems

These booths will be installed to fit the height of the vehicle cabin, so that drivers will not need to leave their vehicles for passport control. Upon successful completion of passport control, the gate installed behind the control booth will automatically open allowing the vehicle to proceed to the next level of control.

Installation of this system is considered important as it will provide critical support to the Immigration Department in ensuring that no persons enter the country without proper immigration clearance. Currently, it is extremely difficult to control persons/travelers since the land border lacks sufficient control tools including barriers that would stop irregular travelers from accessing the country through Malaba border. This state of affairs has exposed this country to serious security threats.



4.8. Installation of automatic radiation detection systems

These systems are widely used at border crossings to prevent proliferation of radioactive material and nuclear weapon precursors to ensure the safety of people and environment. Considering that uranium is mined from the DRC, and Malaba is the gateway for DRC, there is need to urgently install radiation detection system as part of border control measures aimed at protecting our citizens against harmful radioactive materials. Currently, the country is seriously exposed to the risk of radioactive exposure from minerals/ ore materials originating from DRC.

4.9. Installation of automatic health check scanners (fever scanners)

This system is installed to detect passengers suffering from potentially dangerous infectious diseases such as Ebola, SARS, among others. We propose installation of this system to protect our citizens from possible contagious diseases.

4.10. Installation of a Railway scanner

As both countries move toward increased utilization of the railway transport, Kenya will need to install a scanner that can be able to scan export containers on rail. Usually, such consignments are scanned using a drive-through scanner.

4.11. Installation of electronic queue management system

This system is used by some border crossings and allows users to pick tickets and wait for their turn to enter the inspection zone. Instead of waiting along the queue causing congestion along the road, the drivers having received the queue ticket can move the truck to the special parking yard while the queue is moving.

4.12. Reduction of the number of agencies represented at Malaba

There is need to expand the scope of the Circular reference number OP/CAB 9/83A from the Head of Public Service dated 4th June 2019 to also include One Stop Border Posts in the provisions of the said circular. There are 19 agencies operating at Malaba border and each agency intervene on the cargo clearance process. This causes delay in the clearance of goods at Malaba. This can be done through the BCOCC Framework.



4.13. Identification and consolidation of the available land for the OSBP

It is proposed that all land available for Malaba OSBP be identified, consolidated, titled and fenced. This will help secure the land for future developments. Planning of the land should be done through the Physical Planning department to allow for a well-planned phased development plans.

5.0. JUSTIFICATION FOR INFRASTRUCTURE INVESTMENT AT MALABA OSBP

Malaba OSBP sits along the Trans-African Highway which will in future connect the region to other parts of the African continent. Massive investments are being put towards development of this road, among other road networks across the continent. This road will play a significant role in transporting goods and persons under the African Continental Free Trade Area Agreement (AfCFTA). Additionally, the Democratic Republic of Congo (DRC) has just joined the East African Community (EAC) while the economy of South Sudan is growing at a significant rate. These developments mean that Malaba OSBP will remain a key border crossing attracting a high volume of cargo and persons in the near future. Arising from these developments, there is an urgent need to increase investments in border infrastructure to effectively control as well as facilitate legitimate trade in the region.

6.0. PROPOSED WORK PLAN

S/No.	Activity	Timeline	Responsible Officer
1.	Write a letter to the National Director of Physical Planning requesting him to avail to KRA Notices for taking possession and vesting of the land at Malaba border to the government in 1990. This will help KRA to start the process of consolidating government land at Malaba border.	Immediately	Budget submitted to DC – BCE.
2.	Engage development partners such as Trademark East Africa (TMEA) for support in construction of staff houses at Malaba.	Immediately	Deputy Commissioner- BCE. The land is already available and construction can commence any time.
3.	Engage development partners such as TMEA to provide funding for establishment of a Service Delivery Center.	Immediately	Tendering phase.
4.	Consolidate all the government land at Malaba border into one, process a title and have it fenced.	Three months (July 15, 2022)	Budget submitted to DC – BCE.



5.	Prepare a Master-Plan for the expansion of Malaba OSBP.	Three Months (July 15, 2022)	DC-BCE to engage National Director of Physical Planning for technical support in preparing the Master Plan. Officers from Physical Planning Department may be facilitated by KRA to carry out this assignment. Kenya Ports Authority (KPA) facilitated the officers per diems when they were preparing the Master-Plan for the Port of Lamu and KRA could borrow from KPA experience.
6.	Engage The National Treasury and development partners for funds to commence construction works on the new expanded and more organized OSBP.	From September 2022	DC-BCE.

7.0. CONCLUSION

Noting that Malaba OSBP is a strategic border crossing point between Kenya and Uganda and, in view of the numerous congestion challenges experienced at this border, it is in the interest of the government of Kenya to implement these recommendations as a matter of urgency.

