



**EAST AFRICAN COMMUNITY  
EAST AFRICAN LEGISLATIVE ASSEMBLY**

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**REPORT OF THE COMMITTEE ON  
COMMUNICATION, TRADE AND INVESTMENTS FOR THE ON-  
SPOT ASSESSMENT ON THE EAC ONE STOP BORDER POSTS  
(OSBPs) IN EAC PARTNER STATES**

**(8<sup>TH</sup> - 11<sup>TH</sup> APRIL 2015 AND 30<sup>TH</sup> SEPT - 3<sup>RD</sup> OCT 2015: EAC PARTNER STATES)**

**Clerk's Chambers  
3<sup>rd</sup> Floor, EALA Wing  
EAC Headquarters' Building  
Arusha, TANZANIA**

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## **1.0 BACKGROUND**

EAC recognizes that regional infrastructure interventions are key to attracting investment into the region, improving competitiveness, and promoting trade. The EAC adopted the use of One Stop Border Posts (OSBPs) to facilitate trade and movement of people in the Community, and consequently EALA passed the EAC OSBP Bill to legalise the concept.

The objective of One-stop Border Post is to facilitate movement of people and trade by reducing the number of stops involved in a cross-border trade transaction by combining the activities of both countries' border control agencies at a single location with simplified procedures and joint processing and inspections where feasible. It is also designed to reduce the time taken to clear passengers and goods at the border.

OSBP minimizes delays at cross border points on major transport corridors in the region, often as a result of poor facilities, manual processes, lengthy and un-integrated procedures and poor traffic flow.

It entails combining two stops into one and consolidating functions in a single public facility for exiting one country and entering another. The effect is reduced travel time for passengers and freight vehicles.

One-Stop Border Posts lessen delays and facilitate inter-regional and international transport and road transit. When exiting one country and entering another, OSBPs combine two stops into one, enabling border agencies to perform joint security controls, reducing travel time and delays for both passenger and freight vehicles.

Chapter 9 of the Treaty stipulates functions of the EALA and its core functions include legislation, oversight of EAC Programmes and activities and representation among others.

To exercise its oversight role as mandated in Article 49 of the Treaty for the establishment of the East African Community, The EALA Committee on Communications, Trade and Investment therefore found it imperative to undertake an on-spot assessment of the selected OSBPs of EAC Partner States to check on their construction and implementation in the region.

## **2.0 OBJECTIVES OF THE ON-SPOT ASSESSMENT**

The overall objective of the on-spot assessment was to assess the progress of the construction and implementation of the One Stop Border Posts Project in East Africa but specifically:

- (a) To find out on the status of the operations and implementation of OSBP project and its effect on the movement of people and EAC business environment;
- (b) To interact with stakeholders and identify the opportunities and challenges affecting the implementation of effective OSBPs; and
- (c) Come up with relevant recommendations.

## **3.0 METHODOLOGY**

The Members of the Committee on Communications, Trade and Investment carried out a tour on the selected OSBP in two phases. The first phase covered OSBPs of Mutukula (Uganda/Tanzania), Mirama Hill/Kagitumba (Uganda/Rwanda) and Rusumo (Rwanda/Tanzania) from 8<sup>th</sup> to 11<sup>th</sup> April, 2015. While the second phase covered Lungalunga/Horohoro (Kenya/Tanzania), Taveta/Holili (Kenya/Tanzania) and Namanga (Tanzania/Kenya) from 30<sup>th</sup> September to 3<sup>rd</sup> October, 2015 to assess the services and infrastructure in place, and also held meetings with various stakeholders from the government and private sector to discuss issues of OSBP with regard to Trade Facilitation in the Community.

The stakeholders that participated in the on-spot assessments included Revenue Authorities, Immigration, Bureau of Standards, Police, Clearing and Forwarding

agents, Traders, Transporters, Local Authorities, Development Partners and EAC Secretariat among others at the respective border posts. The Committee Members held meetings at specific OSBPs with respective stakeholders. From these visits and meetings, the committee took stock of the observations and recommendations to report back to EALA.

## **4.0 FINDINGS AND OBSERVATIONS**

### **4.1 PECIFIC FINDINGS AND OBSERVATIONS**

#### **4.1.2 Mutukula (Tanzania Side)**

Members of the Committee conducted a guided tour on the infrastructure and facilities of the OSBP Tanzania side and the following observations were made:

1. Members were informed that the construction of the OSBP started on 13<sup>th</sup> July, 2012 and it was expected to be complete by 2014 at a cost of USD 4.4 millions. However, the completion deadline could not be met due to various reasons including the following among others:
  - (a) Late handover of the site;
  - (b) Floods as a result of continuous rains;
  - (c) Power outages and shortages;
  - (d) Delays in the demolition of existing buildings that were still occupied; and
  - (e) Continuous changes in scope to accommodate further improvements of the site.
2. Despite the challenges mentioned above, the construction was 90% complete only remaining with the completion of the parking yard and installation of computers. Therefore, it was mentioned that full operationalization of the OSPBP was expected in June 2015.
3. Many stakeholders including some of the Customs officers portrayed limited knowledge on the operations of the OSBP.

#### **4.1.3 Mutukula (Uganda Side)**

1. The OSBP Project started in 2012 at a cost of USD 5million and the completion was expected in 2014 however the site was handed over to the contractor in 2013.
2. The work progress was 85% indicating that the expected completion deadline could not be met due to the following challenges:
  - (a) Delay in handing over site to the contractor;
  - (b) Re-designing challenges;
  - (c) Interruptions as a result of terrain of the area and continuous rains;
  - (d) Delays in the release of funds by the Ministry of Finance; and
  - (e) Delays in relocating the Police Station offices, which are occupying the site of the parking yard.
3. Despite the above challenges, it was mentioned that the remaining unfinished part of the project was expected to be complete by 31<sup>st</sup> May, 2015.
4. Differences in structural designs and on the two sides of the OSBPs were observed.
5. Members observed a disagreement on the direction and location of the water channel between Uganda and Tanzania. However Members advised that it could be negotiated and resolved amicably during a border management meeting between both countries.
6. It also observed with concern at Mutukula that the type of tiles that were used for flooring are too glossy and slippery and prone to accidents.

#### **4.1.4 Mirama Hills**

1. The project is called Proposed Kagitumba/Mirama Hills One Stop Border Post Facilities at Mirama Hills. This project was financed by Trademark East Africa at a cost of USD 7.8million.
2. The site was handed over to the contractor on 14<sup>th</sup> June, 2013 and the

construction works started on 3<sup>rd</sup> July, 2013.

3. It was said that the work was 94% complete and further mentioned that notable progress on site has been registered on road works where rigid pavement wearing course casting has been done and general landscaping.
4. Buildings have substantially been completed with final finishing works in progress including final coat painting, electrical and plumbing works.
5. Electromechanical installations were also progressed in the wastewater treatment plant; fencing was well advanced around the site.
6. It was mentioned that the outstanding critical areas included:
  - (a) Road works such as road markings and signage around the site;
  - (b) The verification ware house which left with internal finishing including electrical and plumbing works, cold room installations, Kitchen hood and extractor fans;
  - (c) Power supply, main switch board panel fabrication, generator and fuel storage tank supply. All these items are on a critical path and they require to be fast tracked.
7. It was observed that the road connecting Mirama Hills border to Kampala Highway is in a very poor condition.

#### **4.1.5 Kagitumba**

1. The project is called Construction of Two Bridges at the Rwanda/Uganda border at Kagitumba/Mirama Hills. The contract was signed on 30<sup>th</sup> September, 2014 and the site handover and construction commencement on 15<sup>th</sup> October, 2014 at a cost of USD 8.2millions.
2. The construction was 95% complete and the overall project completion was expected to be 20<sup>th</sup> May, 2015 including the construction of border management accommodation.
3. The construction works for both bridges on River Muvumba have progressed and are 50% complete.
4. High Voltage Power Supply pole installations by EWSA had commenced on

- site; the works including transformer and its metering unit were to be completed by 10<sup>th</sup> April, 2015. It was also the same date that the contractor was required to have finished installations for the Underground Power Distribution, Main Switch panel and the generator.
5. Water Supply line from the reservoir in Matimba had been completed to the Underground water storage tank as well as plumbing works and level controls installations.
  6. Generally all building works were almost complete while Landscaping and Recycled water irrigation systems were in progress on site.
  7. Extra works that have been discussed on site included Sheds for the local traders but this was to be done in another phase of the works.
  8. Structured Cabling, Clean Power and relocation of fibre optic cable from the existing Customs and Immigration offices to the new server room were the critical outstanding items on site.
  9. Rwanda Revenue Authority was required to constitute a team to be trained on various operation aspects of the installations and as a requirement for maintenance purposes.

#### **4.1.6 Rusumo**

1. The project is called the construction of the new Rusumo Bridge and One Stop Border Post facilities between the Republic of Rwanda and the United Republic of Tanzania. The cost of this project is Japanese Yen 3.2billion funded by Japan International Cooperation Agency (JICA).
2. The contract for execution of the construction works was signed and commenced in May 2012 with expected completion in December 2014.
3. The scope of works on this project comprised the following:
  - (a) Rusumo bridge;
  - (b) New Road between border facilities approximately 2kms;
  - (c) OSBP Facilities such as site area, administration building, verification storage, control shed, and guard house; and

- (d) Equipment such as computers, Emergency Generator, Forklift and the Internal Telephone System.
4. On the Tanzanian side, the construction work is complete. However, the following items are still pending:
- (a) Connection of water supply to OSBP facilities. The contractor is on site and water connections are in final stages waiting for funding;
  - (b) Connection of Electricity to OSBP Facilities. It was said that during the stakeholder meeting at the Ministry of Works Tanzania, it was agreed that TANESCO had to start processing for electricity connection from Rwanda and the request had already been made on 18<sup>th</sup> March, 2015;
  - (c) Procurement of furniture for OSBP facilities. It was mentioned that specifications and cost estimates for the required furniture had been prepared waiting for funds and further procurements procedures; and
  - (d) The Staff quarters are under construction.
5. On Rwandan side, it was observed that all OSBP facilities were complete and ready with water and electricity connections except for staff quarters that were not part of the project. However, the request was already made. Apparently each institution represented at the OSBP caters for the accommodation of its staff.
6. It was further mentioned that both sides of Rusumo border operate on 16-hour basis however, once the OSBP is operational, the borders will operate on a 24-hour basis.

#### **4.1.7 LUNGALUNGA/HOROHORO**

At Horohoro, which is on the Tanzanian side, the OSBP project started in July 2012 under the funding from the World Bank. The type of the OSBP is juxtaposed. The structures are now complete however it is not yet in operational due to some remaining installations such as washrooms for staff and passengers, ICT Infrastructure although Fibre network cable was laid. The major components of



the project included the Building, Parking lot, construction of roads; the customs ware house and the examination shed.

Exclusive room reserved for use by the adjoining state was observed. However, no provisions in the structure for quarantine services for example reserved rooms for sick people, no provisions for People with Disabilities such as pathways for wheel chairs and lifts, no incinerators and holding grounds. The biggest challenge faced is lack of water supply at Horohoro.

At Lungalunga, which is on the Kenyan side, the OSBP project started in 2012 and was supposed to be completed by 2014 through the funding of World Bank. However due to some operational challenges between the World Bank and the Government of Kenya, the project could not be completed as planned.

A number of challenges were observed at this border such as shortage of water supply and lack of scanner. It was also mentioned that certificates of origin are approved in Mombasa rather than at Lungalunga. There is an established Cross Border Traders Association at Lungalunga however it is non-existent at Horohoro.

#### **4.1.8 TAVETA/HOLILI**

The OSBP Project at Taveta started in 2012 under the funding of Trade Mark East Africa. The project components included the construction of Administration Block, Parking Area, and the Scanner although it is not yet fixed. Some of the challenges faced at Taveta include shortage of staff accommodation and shortage of water.

At Holili, which is the side of Tanzania, the OSBP Project started in July 2012 through the funding of Trade Mark East Africa and was completed February 2014 but handed over by the contractor in February 2015. Although there are still outstanding issues such as construction of the incinerator, dispensary and areas for animal holding and shortage of water, the OSBP is operational.

While at Holili, the issue of yellow fever certificates requirement on passengers came up, and it was mentioned that EAC held a regional meeting to this regard

and it was recommended that all Partner States should undertake yellow fever vaccination on their citizens as per the recommendation of World Health Organisation (WHO).

#### **4.1.9 NAMANGA**

On the Tanzanian side, the Project was funded through JAICA and completed by Dec 2014. However the contractor has not yet handed it over due to some outstanding issues. The outstanding issues include shortage of water and furniture. It was noted that the African Development Bank through EAC Secretariat would provide furniture. The facility is expected to be occupied by January 2016.

On the Kenyan side, the project commenced in January 2013 and the expected completion was January 2014 through the funding of African Development Bank (ADB). However, due to various factors the approved completion date was extended to May 2014. From then, the Engineer decided to levy liquidated damage on the Contractor for delay as per the terms of the Contract. The Contractor disputed the decision and refused to submit his next payment certificate with liquidated damage being deducted. This has paralysed the cash flow of the Contractor and currently activities on site are very minimal.

The scope of OSBP Works involves the following:

- (a) Construction of main building, warehouse, roads and parking facilities for immigration and customs services at the border;
- (b) Electrical, mechanical, plumbing, drainage and laboratory fittings;
- (c) Mechanical ventilation and air conditioning;
- (d) Installation of a generator set;
- (e) Roads and parking, footpaths, drainage and civil works in and around the main building facility;
- (f) A new alignment of road to Amboseli park with a length of 1 km off the main

- road and to gravel wearing course standard;
- (g) Box and pipe culverts; and
- (h) Road furniture.

### **Challenges at Namanga**

- (a) Lack of procedures for cross-border clearance/movement of the local communities;
- (b) Erratic power supply;
- (c) Inadequate clean water supply;
- (d) Lack of funds Joint Border Committee activities as contained in the work plan;
- (e) Lack of drive-through scanners for goods carrying vehicles;
- (f) Lack of specially constructed and enclosed area for parking and verification of vehicles laden with explosives;
- (g) Lack of power points for plugging refrigerated carriers of perishables and fresh produce;
- (h) Lack of sheltered walk ways to and from the OSBP main building for persons transiting through the OSBP;
- (i) The drainage was channelled through the community area which seemed dangerous;
- (j) Vendors/Hawkers at Namanga border complained of not being given common space to do their businesses;
- (k) Inadequate knowledge of benefits of trading within the EAC and information of existing trading opportunities;
- (l) Mushrooming of structures along the no man's land thereby compromising the security and Joint border surveillance operations;
- (m) Review of the Namanga Kenya/Tanzania OSBPs by Joint Border Committee with a view of establishing the critical resources that need to be made available for effective implementation of the OSBPs.
- (n) Establishment of business centre at the OSBP to assist those have difficulties

in various processes, provide a platform for exchange of information between private and public sector, co-ordinate joint training with the stakeholders, and provide adequate communication channels and seek community collaboration in our processes.

## **4.2 GENERAL FINDINGS AND OBSERVATIONS**

### **4.2.1 Benefits**

It was observed the OSBP improves trade facilitation through the following:

- (a) Reduces the duplication of border processes hence reduced time spent at the borders;
- (b) Improves efficiency and effectiveness of border processes;
- (c) Improves the relationship between institutions operating at the border posts and citizen between two Partner States;
- (d) Increases the volumes of traded goods between Partner States;
- (e) Creates employment opportunities to local community at the borders;
- (f) Reduces congestion and disorganisation tendencies at the borders;
- (g) It was observed that currently, all OSBP operations are on a bilateral basis and guided by the OSBP Operational Procedures Manual between specific Partner States until such a time when the EAC OSBP law comes into effect;
- (h) It was observed that the Joint Border Coordinating Committees were established at the OSBPs to regularly meet and discuss the outstanding issues to provide recommendations;
- (i) Sensitization programs need to be up-scaled at the OSBPs to various stakeholders.
- (j) Joint border operations such as verification and examination of goods at most of the OSBPs.

### **4.2.2 Challenges**

The following challenges were identified in the implementation of the OSBPs:

- (a) Limited knowledge on some of the borders with regard to the operations of

- the OSBPs;
- (b) Limited infrastructure to provide social services and facilities at most of the borders such as schools, hospitals, banks among others;
  - (c) Stakeholders at all borders appreciated the benefits that would result from the OSBP Project;
  - (d) It was observed that accommodation facilities for staff are lacking or located in distant areas from the border posts;
  - (e) It was observed on all borders that there are no operating manuals and regulations to assist in the implementation of the OSBP;
  - (f) There was disparities in operating languages at the borders for example English versus Swahili;
  - (g) Water supply at most of the borders is a serious challenge.

## **5.0 RECOMMENDATIONS**

- (a) Training and sensitizations programs on OSBP operations and procedures to all stakeholders should be carried out on a continuous basis;
- (b) Infrastructure to provide social services and facilities such as schools, hospitals, banks, community markets and water among others should be developed at the border posts;
- (c) All remaining works at all OSBPs should be fast tracked to allow its implementation for further integration;
- (d) Partner States that have not assented to the EAC OSBP Act should do it as soon as possible to provide a legal framework for the implementation of the OSBP in East Africa;
- (e) The Committee should complete the visits to all other EAC OSBPs to assess their current status;
- (f) Teamwork at all border posts should be upheld for smooth implementation of the OSBP;
- (g) Scanners, metal detectors and strong rooms should be installed at all borders for security purposes;

- (h) Sustainable environmental management programs should be provided for at all OSBPs;
- (i) The development of manuals and regulations should be fast tracked to assist in implementation of the OSBPs;
- (j) User-friendly materials and facilities should be used at the OSBPs. For example, glossy and slippery tiles that may cause accidents to passengers should not be used at the OSBPs;
- (k) Partner States should uphold the principle of efficient and effective management of shared resources at borders;
- (l) The poor roads connecting OSBPs Highways should be fast tracked to facilitate the movement of people and goods;
- (m) It was recommended that the Joint Border Coordination Committees should regularly meet and provide solutions on the cross-border issues affecting the operations of the OSBPs;
- (n) The Committee urges Partner States to provide constant supply of clean and safe water together with descent sanitation systems;
- (o) The Committee urges partner States to issue the certificates of Rules of Origin at all the OSBPs
- (p) The Committee should visit other regional bocks that operate the OSBPs to learn the best practices.

## **6.0 CONCLUSION**

The One Stop Border Post project in East Africa bears more benefits than challenges with regard to cross-border operations as it promotes the ease of doing business and movement of people. The OSBP currently operates on a bilateral basis between respective Partner States. However, the OSBP operations need to be backed by a regional legal framework. Therefore the assent of EAC OSBP Bill by Heads of State that was passed by EALA needs to be finalised for the implementation of One Stop Border Post at a regional level.

**Members of the Committee on Communication, Trade and Investment**  
***Report on the EAC One Stop Border Posts***

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