

Adopted on 20th April 2012



**3RD MEETING OF THE TRIPARTITE NTBS FOCAL POINTS/NATIONAL
MONITORING COMMITTEES**

19th to 20th APRIL 2012; Dar-es-Salaam, TANZANIA

Report

**Report of the 3rd Meeting of the Tripartite NTBS Focal Points/National
Monitoring Committees: 19th – 20th April 2012**

1. OPENING AND WELCOME

- 1.1. Mr. Tasara Muzorori, Senior Trade Officer in the COMESA Secretariat made welcoming remarks on behalf of the Chair of the Tripartite Task Force. In his opening remarks, Mr. Muzorori thanked the Government of the United Republic of Tanzania for hosting the meeting and for the hospitality extended to all the delegates since their arrival in the coastal town of Dar es Salaam. He pointed out that while regional integration is intended to facilitate trade among the members of the integration group, non- tariff barriers work to frustrate trade.
- 1.2. As the national focal points/ national monitoring committees were meeting for the third time, the expectation was that the scourge of non-tariff barriers would be addressed through consultation and discussion. He thanked the Guest of Honour for finding time to come and officially open the meeting. He also thanked TradeMark Southern Africa for availing resources that enabled the meeting to take place. In conclusion, he expressed the hope that the meeting will have fruitful deliberations.
- 1.3. The meeting was opened by Dr. Abdullah H. Makame, Assistant Director for Productive Sectors, in the Ministry of East African Cooperation on behalf of the host country, Tanzania. Dr. Makame welcomed all delegates to Tanzania. In his remarks, Dr. Makame noted that trade amongst African countries was low compared to extra-continental trade and emphasised important roles that can be played by Regional Economic Communities (RECs) in facilitating trade within the continent. He also noted that Africa's exports are not processed
- 1.4. Dr. Makame emphasised that NTBs impede trade amongst Member/Partner States and in that regards underscored the importance of addressing and resolving them. Finally he wished the meeting fruitful deliberations and encouraged participants to explore Dar es Salam are exiting features.
- 1.5. The meeting was attended by officers and private sector representatives from the following Member/Partner States; Botswana, Burundi, Comoros, D.R. Congo, Djibouti, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Namibia, Rwanda, Seychelles, South Africa, Swaziland, Tanzania, Uganda, Zambia, and Zimbabwe. The list of participants is attached as Annex I.

- 1.6. The Bureau was constituted by Chairs of the three Regional Economic Communities (REC)s as follows:

Chair: Malawi
Vice Chair: Kenya
Rapporteur: Mozambique

2. ADOPTION OF THE AGENDA

The meeting adopted the agenda as outlined below:

1. Improvements and status of implementation of the Online reporting system by member states (REC Secretariats)
 - a) Focal points report back on the NMC training and utilisation of online system for processing reported complaints
 - b) Country reports on operations of the National monitoring Committees including progress on capacity building programmes (NMC Chairs). Consideration of prototype programme for the operations of National Monitoring Committee (Lessons from Rwanda)
 - c) Capacity Building for NMCs
 - d) Report back on Re- Categorisation of NTBs in the Online System
 - e) Categorisation of Transport Related NTBs
 - f) Orientation for NMC on new features to the online system
 - g) Presentation of the SMS/Text Messaging reporting system
 - h) Review of performance of National Monitoring Committees established in 2010/11.
2. Consideration of programme for handover-take-over of the online reporting and eliminating mechanism by REC Secretariats.
3. Presentation of the Tripartite NTBs Annex to the Meeting In Preparation for the Tripartite FTA Negotiations
4. Report writing
5. Adoption of the report

3. IMPROVEMENTS AND STATUS OF IMPLEMENTATION OF THE ONLINE REPORTING SYSTEM BY MEMBER STATES (REC SECRETARIATS)

3.1. Performance of the Online reporting and monitoring mechanism

- 3.1.1. The meeting noted the increase on the resolved NTBs from 60% in March 2011 to 73.1% in same period in 2012. Unresolved NTBs accounted for 26.1 %; and non-actionable NTBs 0.8%. Customs related NTBs remained the most prevalent accounting for 31.9% of total NTBs in the system. The meeting also noted that the online NTBs reporting and monitoring mechanism was rated 'Best Practice' by the 2011 DFID review assessment on progress towards implementation of the Tripartite NTBs elimination programme.

3.1.2. During the discussion, a concern was raised that the increase in the number of focal points, was likely to result in none of the focal point attending to reported NTBs which could lead to the slow progress in resolution of NTBs.

3.2. Implementation Status of the Recommendations from COMESA-EAC-SADC NTBs Focal Points Orientation & Training workshop- 10-11 March 2011

3.2.1. The meeting noted status of implementation of recommendations from its workshop held in March 2011 contained in document **TRPT/NTB/4/2012/2**. Member/Partner States which had not yet established NMCs and or those which had not yet provided links to the NTBs Mechanism website in their respective website to submit updates.

3.2.2. The following Member/Partner States reported to have established NMCs since the last meeting; Burundi, Comoros, DRC (as of 11th August 2011), Madagascar, and Ethiopia. Only Djibouti and Seychelles reported that they did not yet have NMCs. The Member/Partner States emphasised the need to train the recently established NMCs. Djibouti also requested that a letter be written providing guidance on the mandate of focal points, functions of the NMCs in order to facilitate implementation of the mechanism. The meeting noted that both Member/Partner States and REC Secretariats are responsible for capacity building and that trainings coordinated by the REC Secretariats are demand driven.

3.2.3. With regard to web-links, Mauritius reported that the Mauritius Chamber of Commerce and Industry has established a link. Swaziland reported that a link with the Swaziland Revenue Authority will soon be created. Tanzania also reported that the Tanzania Chamber of Commerce, Industry and Agriculture, and the Private Sector Foundation and the Tanzania Revenue Authority have created web-links.

3.2.4. The meeting urged

- (a) those Member/Partner States that had not yet done so, to establish NMCs and or to create links for the NTBs website in their respective websites and those of their trade support institutions; and
- (b) COMESA and EAC to create a link for the NTBs website in their respective websites.

3.3. Consideration of Outstanding NTBs in the Online System

3.3.1. The meeting considered status of 101 pending and unresolved NTBs in the online system contained in document **TRPT/NTB/04/2012/3** - COMESA-EAC-SADC Elimination Matrix as at 31 March 2012 and noted that NTBs have been sitting in the system for periods ranging from 5 days to 1333 days unresolved. The meeting provided a platform and opportunity for bilateral

consultations to discuss outstanding NTBs. Consequently, the bilateral consultations took place among various Member/Partner States whose outcomes have been factored in Annex II appended to this report. 23 NTBs were resolved by Burundi, Malawi, Namibia, South Africa, Tanzania, Zambia and Zimbabwe. Two of the resolved NTBs were transferred to the section comprising those resolved NTBs of a policy and regulatory nature that require further consideration by tripartite partner/member states.

3.4. Report on the Resolved NTBs of Policy and Regulatory Nature in the Online system

3.4.1. The meeting noted the status report and analysis of resolved NTBs of a policy and regulatory nature which remain in force in Member states tabulated in document **TRPT/NTB/04/2012/4**. The meeting recalled that, during deliberations in previous focal points meetings, concern was raised that some of the reported NTBs in the online system required further consideration in order to fully address the concerns of the complainant as these constituted existing policies and regulations obtaining in Member/Partner States. A report on these NTBs that may require review by Member States to ensure effective resolution of the same has been compiled for consideration. There are currently 74 (25.8%) of total resolved complaints , comprising inadequate infrastructure at ports and borders posts; regional transit regulations; issuance of SPS permits; SPS requirements; high carbon tax; improvements on asycuda operating hours; transit escort fees; import permits; import licensing; export controls; export subsidies; state trading; and transit documentation.

3.5. Capacity Building for National Monitoring Committees

3.5.1. Focal Points/Members of National Monitoring Committees (NMCs) recalled that during their last meeting of 10th – 11th March 2011 held in Nairobi, Kenya, a presentation was made on the Tripartite Online NTBs Reporting and Monitoring Mechanism which provided an overview of the Mechanism. The meeting was informed that the mechanism also provides for active stakeholder involvement in eliminating NTBs and enhances cooperation among the Tripartite Member States, government and private sector partners. The meeting was also informed of the necessary supporting institutional framework that would enable effective implementation of the Mechanism. These include the NTBs Monitoring Units in the COMESA, EAC and SADC Secretariats, NMCs, and National NTBs and Private Sector Focal Points in Member / Partner States.

3.5.2. In appreciating the key role played by the private sector in eliminating and reporting NTBs, it was agreed that they are important stakeholders and as such they should be given access into the system.

3.5.3. It was also agreed that the Secretariats should implement a sustainable capacity building programme for all the Member States for the smooth implementation of the NTBs elimination mechanism.

- 3.5.4. The meeting noted that for each Member/Partner States five Focal Points are allowed access to the system. At least one of the five is a private sector representative. To date all Member/Partner States have provided details for additional Focal Points who have been given access to the system as follows: Nine Member/Partner States (Botswana, Kenya, Lesotho, Malawi, Mauritius, Rwanda, Seychelles Tanzania and Zimbabwe) have appointed the required 5 focal points; five Member/Partner States (Comoros, Madagascar, Mozambique, South Africa and Swaziland) have appointed 4 focal points each; five Member/Partner States (Burundi, DRC, Namibia, Uganda and Zambia) have appointed 3 each; three, (Egypt, Ethiopia, and Sudan) appointed two each and lastly Eritrea has one focal point. Angola has not yet submitted the names of its focal points.
- 3.5.5. The meeting also noted that to date, 17 Member/Partner States had reported to have established NMCs or to have mandated already existing structures to carry out responsibilities of NMCs. The following seven Member/Partner States are yet to submit the composition of the NMCs; Angola; DRC; Egypt; Eritrea; Ethiopia; Madagascar and Sudan. Following this development and as part of implementation of the decision of the last meeting regarding capacity building, the REC Secretariat and TMSA have facilitated 20 training and sensitisation workshops and consultative *fora* in 12 Member/Partner States namely; Angola, Botswana, Burundi; Comoros; Kenya; Lesotho, Malawi; Mozambique; Rwanda; Swaziland; Uganda; and Zimbabwe.
- 3.5.6. The remaining 12 Member/Partner States were requested to present their reports on capacity building activities and or trainings undertaken. No reports were submitted.
- 3.5.7. The meeting noted that traders in many Member/Partner States have received sensitisation on the use of the mechanism and are able to submit reports; however, there is still a need to develop the capacity of national and regional NTBs structures to effectively eliminate NTBs.
- 3.5.8. The importance of sensitising training stakeholder institutions such as associations and private sector participants was emphasised.
- 3.5.9. The meeting encouraged those Member/Partner States that had not yet done so, to submit names for additional Focal Points and composition/structures of their respective NMCs.
- 3.5.10. The meeting requested Member/Partner States to prepare capacity building programmes for NTBs structures including national NTBs implementation strategies for the effective implementation of the NTB elimination programme. Such trainings should include sensitisation of stakeholder institutions such as associations and private sector participants

3.6. Orientation on New Features to the Online System

- 3.6.1. The meeting recalled that it has been agreed that improvement of the NTBs

eliminating mechanism should be a continuous process in order to ensure its user-friendliness and effectiveness.

3.6.2. The meeting noted the progress report on improvements to the online system and those following new features that were developed during 2011/2012.

- (a) **Improved data presentation** enabling focal points and the public to have easy access to more user-friendly graphs and summaries. An advanced System data generation has been developed and focal points can access details quantifying NTB in the system, age analysis of the complaints as well as time taken to resolving specific complaints. This new improvement enables users to better obtain information necessary for decision making, policy briefs, analysis etc. It also enables focal points to see at glance information on progress toward elimination of reported complaints.
- (b) **Enhanced Communication.** A weekly digest has been introduced and has been running since third week of March 2012. The first trial issue was dispatched to focal points on 15 March 2012. The weekly digest is a customised dossier of all outstanding NTBs by number, age including latest comments on each complaint, compiled by the system and sent to individual focal points for their attention and action.
- (c) **Additional Focal Points:** Following recommendations from the NTBs focal points meeting in March 2011 in Nairobi, that Member States appoint at most five focal points to expedite processing of reported complaints, the appointed focal points have been accorded passwords access into the system. Communication is now between system and 5 focal points in each country at any given time.
- (d) **Re-classification of Complaints in the System.** Following the second meeting of Focal Points, all complaints in the system have been re-classified in accordance to the WTO categorisation system. The new categorisation is contained in **Appendix 1**.

3.6.3. Focal points recalled that the 2nd NTBs meeting held in Nairobi recommended that the online system should remain open for further improvements to address needs of Member states. Following recommendations from the capacity building NTBs online system training and orientation organised in Member States, a new category 8 to take care of the transported related NTB is being proposed. The meeting noted that SADC Trade Facilitation Committee at their 9th meeting held on 27 July 2011, noted a recommendation from the stakeholder NTBs consultative meetings to include a new category to accommodate NTBs related to the transport sector.

- 3.6.4. The meeting noted the proposed new category 8 for the transport related NTBs outlined below:

Category 8: Transport, Clearing and Forwarding

- 8.1 Government Policy and regulations
- 8.2 Administrative (Border Operating Hours, delays at border posts, etc.)
- 8.3 Immigration requirements (Visa, travel permit)
- 8.4 Transport related corruption
- 8.5 Infrastructure (Air, Port, Rail, Road, Border Posts,)
- 8.6 Vehicle standards

- 3.6.5. The meeting noted the improvements made to the mechanism as outlined above as well as the proposed new category :

- (a) The improved data presentation;
- (b) The weekly digest;
- (c) The additional Focal Points; and
- (d) The new classification of Complaints in the System.
- (e) The new category for transport related NTBs

3.7. Presentation of the Short Messaging System/Text Messaging Reporting System

- 3.7.1. The meeting noted that use of a short messaging system (SMS) or text messaging as it is commonly known is introduced as an alternative facility to enable stakeholders to report NTBs encountered in situations where they do not have access to other reporting tools, telephone, fax, or internet. It is envisaged that the SMS facility is mostly going to benefit small scale traders and the transport sector, specifically, drivers who ply the long regional routes and are confronted with situations that are barriers to smooth movement of goods and traffic.
- 3.7.2. Users will be able to send SMS / text messages to a central line in a designated coordinating country. This facility will be managed by a system administrator who may be an independent administrator, appointed RECs etc. The central line will be linked to the online NTB reporting system. The SMS System Administrator will process and verify all SMS complaints in liaison with Focal Points. Genuine complaints will be posted into the online system and forwarded to Focal Points for follow up and action.



3.7.3. The SMS system is part of the on going improvements to the online reporting and monitoring mechanism. As a measure to ensure its effectiveness, supporting literature with communication numbers will be developed for distribution to National Road Transport Associations for dissemination to their members. The meeting is invited to note that a sticker containing contact numbers (central line and Focal Point) will be developed.

3.7.4. The meeting considered the draft information sticker as a supporting document for the SMS/ Text messaging system.

3.7.5. The meeting appreciated the proposed SMS system and stated that it would one of the means for reporting NTBs.

3.7.6. The meeting took note of a similar internal system implemented by Tanzania Chamber of Commerce, Industry and Agriculture whereby a short code that utilises a USSD is used. It was also noted that while the short code system may not be feasible for use at regional level, a possibility of engaging one or more mobile_service providers be considered as an option

3.7.7. The meeting agreed that all suggestions on the operations and management and technical improvements to the system made be taken into account in order to enhance its efficiency.

3.7.8. It was also agreed that the mechanism be implemented as soon as the improvements have been effected.

3.8. Review of Performance of National Monitoring Committees Established in 2010/11.

3.8.1. The meeting noted that the EAC are implementing an advanced NTBs elimination programme with fully fledged active structures at national and regional levels. Progress in the implementation of National Monitoring Committee (NMCs) work programmes in the EAC is a good case study from which the Tripartite RECs can learn and build from. With assistance and support from cooperating partners and own budgets, EAC Partner States are developing National strategies for elimination of NTBs. The national strategies are implemented by the NMCs.

3.8.2. The national NTBs elimination strategies in EAC Partner States are aimed at strengthening the operations of the NMCs on NTBs and increased participation of private sector players in identifying, reporting, monitoring and coordinating the elimination of NTBs. Focal Points recalled that, at their meeting in March 2011, it was agreed that Member States establish NMCs where they did not exist and put in place capacity building programmes to facilitate their work. Rwanda has successfully put in place their national strategy for elimination of NTBs. The meeting received a presentation from Rwanda on the operations of the NMC and development of national strategy on the implementation of NTBs elimination programme.

3.8.3. The meeting

(a) encouraged Member/Partner States to develop national strategies for the elimination of NTBs to facilitate resource mobilisation for implementation of the same; and

(b) agreed that the newly established NMCs would need support towards implementation of their work programmes by the REC Secretariats.

4. CONSIDERATION OF TRANSITIONAL ARRANGEMENTS FOR THE ONLINE REPORTING AND ELIMINATING MECHANISM BY REC SECRETARIATS.

4.1.1. It was recalled that the March 2011 meeting of Focal Points noted that the system administrator is a representative from TMSA and that the project funding from TMSA may end at a point in time and therefore it was recommended that a transition mechanism should be put in place by the RECs in the near future to manage and administer the online system.

4.1.2. The meeting noted that the Secretariats are working on a proposal for a Transitional Mechanism. This will be considered by the Secretariats and TMSA and finalised during the course of the year. The arrangement will take into account the following:

(a) That the online NTBs Reporting Mechanism is not yet fully functional.

The reporting aspect is functioning and is continually being improved. However, the elimination and monitoring aspects are comparatively behind and as such it is necessary to develop capacity both at national and regional levels; and

- (b) All the Secretariats have established or used already existing Units to also work on NTBs elimination; however, there are limitations with respect to human resources, which may take some time to resolve.

4.1.3. The meeting also noted that when designing the transition arrangement, the following will be taken into account:

- (a) Financial and human resources needed for sustainability of the mechanism,
- (b) Capacity at the REC Secretariats, and
- (c) Hosting of the mechanism.

4.1.4. The meeting agreed that the transition arrangement would be such that TMSA continues to manage the system throughout the teething stage and the Secretariats to develop the necessary capacity.

5. PRESENTATION OF THE TRIPARTITE NTBs ANNEX TO THE MEETING IN PREPARATION FOR THE TRIPARTITE FTA NEGOTIATIONS

5.1.1. The meeting recalled that during the March 2011 meeting, a concern was raised regarding the legal bearing enforcing the implementation and use of the mechanism for the elimination of NTBs. It was however pointed out that the Tripartite Member States were already utilizing the system and taking cognizance of the negative effects of NTBs, Member States may wish to fast-track the implementation of the Mechanism. The meeting observed that should Member States agree to fast-track implementation of the NTBs Mechanism, it will necessitate putting in place modalities to operationalize the Mechanism including resource mobilization.

5.1.2. The meeting noted that the Tripartite FTA negotiations were launched in June 2011 and that the Tripartite Trade Negotiating Forum (TTNF) has since met twice to prepare for the negotiations. During its next meeting planned for May 2012, TTNF will establish appropriate structures responsible for negotiations of the NTBs Annex.

5.1.3. The meeting noted the supportive role NTBs focal points play in the negotiations.

6. ANY OTHER BUSINESS

There were no issues submitted under this agenda item.