

“Supporting Women in Cross Border Trade in Burundi.”

With Funding from the Kingdom of Belgium

2nd Year

PROGRESS REPORT

Oct 2020- to date



November 2021

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TMEA Program Overview

TMEA Burundi program started in 2010. During Strategy 1 (2010-2017), TMEA funded a total of 33 projects in Burundi valued at \$54.5 million. Funds were raised bilaterally mainly through FCDO (then DFID) as well as a regional basket funds from other institutional donors.

In the current Strategy 2 (2017-2023), TMEA's Burundi Country Programme currently relies on three major donors: *One Bilateral: Belgium* committing \$1.7million specifically earmarked to the Burundi Women in Trade Program & *Two Regional: Netherlands* committing \$US 4.2million geared towards support of private sector and ICT for Trade (mainly with OBR-revenue authority) & the **UK/ARD** committing in Burundi \$0.2 million which has contributed to the soon ending Safe Trade Program. (Safe Trade is a TMEA C19 Response Program that helped in the supply of PPE- Personal Protective Equipment at three borders).

In Burundi TMEA is credited for having built the busiest one-stop border post "Kobero-Kabanga" representing 85% of the entire cargo traffic, for having created (and still supporting) the Burundi Revenue Authority (OBR) in its Digitalisation for better governance and for remaining the most active partner of Burundi Private Sector Federation (CFCIB) and its affiliated chambers (mainly freightforwarders, transporters, manufacturers, and women traders' associations).

The Financial Year that has just ended was a very demanding one for TMEA, with two challenges causing difficulty in planning, monitoring and delivery of projects and outputs i.e. the continuing COVID-19 crisis and funding uncertainty. Funding cuts from the UK's FCDO – (major TMEA funder) prompted the need for TMEA management to review and defer or cut over 90 projects from the portfolio of which the Trade & Logistics Clusters Interventions across the organisation were part of, including the \$489k TLC Project that was meant to focus on the Burundi palm oil value chain as per feasibility studies conducted in 2020.

Lastly, subsequent to the 35th National Oversight Committee Meeting held on 17th March 2021, a new NOC Chair for the Burundi program (Mr Louis Kamwenubusa, Current PS at the Ministry of EAC Affairs) was formally designated as per the NOC constitution. He was approved in the session attended by both the Government and key donor representatives including Belgium.

Background of the Belgium support to TradeMark East Africa Burundi

In 2017/18, DFID entered into a third-party agreement enabling the Kingdom of Belgium to contribute to the TradeMark East Africa Burundi Programme. The Belgium Contribution was specifically earmarked to Component 2 of the TMEA Burundi- Project Appraisal Report "*Leveraging on Greater Imbo Region to enhance Burundi Exports*" which was titled: "**Supporting Women in Cross Border Trade in Burundi.**"

DFID then made available to TMEA, a sum of €1,500,000 as a contribution on behalf of the Kingdom of Belgium, laid out in tranches as follows:

DFID Financial Year (as planned in the initial MoU)	Tranche	Disbursement Status
1 April 2018- 31 March 2019	€500,000	Already disbursed
1 April 2019- 31 March 2020	€500,000	Disbursed by BEL with a delay- on 23 rd December 2020
1 April 2020- 31 March 2021	€500,000	Currently being requested. Formal demand to BEL to be sent by 30 th Nov 2021-

In this ended/second year, precisely on 23rd December 2020, Brussels released the second tranche of funds (500k Euros) on the €1.5million earmarked for the Women in Trade Program. In the same period

(Dec 2020) and due to the large/unfortunate implementation delays encountered by TMEA at the very start of the project in 2018, Brussels provided a green light to TMEA Burundi to proceed to a no cost extension of the MoU on the Women in Trade Program (until 1st April 2022) to allow implementation to subsequently catchup.

Progress Report -Oct 2020 to date

Based on the available committed envelope, the overall budget absorption capacity of local implementing partners, and for purposes of staying in line with TMEA Regional initiatives, Burundi Women in Trade program was categorised into two (2) complementary components:

- a) **Facilitating Information sharing** for women cross border traders:
- b) **Improving the Business environment** for women cross border traders-

Component 1: Women in Cross Border trade- Promoting Information Sharing

With a total grant value of \$665,668, this first component is to be implemented for a period of two (2) years Oct 2019- to Oct 2021 and activities take place at four borders as highlighted in the overall PAR: Ruhwa (Cibitoke province), Gatumba (Bujumbura province), the port of Rumonge (Rumonge province) and the Mugina border (Makamba province).

A total of 400 women traders were identified as the direct/immediate project beneficiaries with an ambition to reach 2,000 women traders as indirect beneficiaries.

This project component was officially launched in Gatumba on 10th December 2019, in the presence of HE Alain Van Gucht- Belgian Ambassador to Burundi. However, due to Burundi government delays in formally registering the selected local implementing partners (Partner Africa), activities on the ground effectively started in February 2020.



1. Their Excellencies Alain Van Gucht- BEL AMB to Burundi & Former Min Trade during official launch of Menyesha Nter Imbere in Dec 2019

2. View of the participants during one of the Training sessions towards Women Cross Border Traders in Gatumba

As mentioned in the last report, the expected results of the project by October 2021 were as follows:

- ✓ Establishment of Trade Information Desks/Offices (TIDs) at the borders of Makamba and Rumonge and strengthen those existing at the borders of Gatumba and Ruhwa.
- ✓ Validation of the (first) national strategy on cross-border trade and its action plan
- ✓ Increase of the level of knowledge of women traders on cross-border trade processes

- ✓ Easy access to information/ intelligence on cross-border markets, especially across neighbouring markets at the Burundi-DRC border (Uvira, Bukavu)
- ✓ Implementation of an ICT solution for women traders to access information

Key Results achieved

- **ESTABLISHMENT OF TRADE INFORMATION DESK OFFICES AT THE FOUR (4) BORDER POSTS :** To ensure the women cross-border traders are well informed about their rights and duties, Trade Information Desks Offices (TIDOs) were not only established at the four border posts (Rumonge, Gatumba, Mugina & Ruhwa) but this current year, TIDs were also equipped (working and reception space) and formally launched in the presence of Belgium Head of Cooperation David Jordens.
- Additionally, one officer was recruited to work at each TID for women traders for them to not only provide the needed trade information but to also play advisory and arbitration roles for the benefit of the women cross border traders.



4. Mr David Jordens- Head of BEL Cooperation in Burundi officially launches the Rumonge Trade Information Desk



4. Signage showing availability of a TID in Rumonge- thanks to the BEL grant

These Trade Information Desks Offices are all operational. A fully equipped container, powered by solar system is now operational at Rumonge border post. Project beneficiaries at the target borders have been consulting TID officers mostly for Trade and C19 related information at any time. It is estimated that each TID receives an average of five (5) beneficiaries a day, making it more than a hundred (100) a month. The numbers are expected to rapidly increase once all borders fully reopen

- **FINALISATION OF THE NATIONAL CBT STRATEGY:** Consultations on the national cross-border strategy were this year completed, including technical meetings with key stakeholders in Gitega and Gatumba. The CBT strategy has now been finalized and validated by the Minister of Trade, Tourism, Transport, and Industry on June 4th, 2021.



5. Validation of the National Cross Border Trade Strategy

Partner Africa (implementing partner) signed an MOU with Burundi Ministry of Trade to foster the collaboration between the two parties and a national commission was established to mainly work on the ultimate validation by Government of the national Cross border trade strategy in line with the COMESA Simplified Trade Regime for Burundi.

It is also in this ended year, that dissemination of Burundi's national cross border trade strategy took place under a new ownership and appropriation by the Ministry of Trade

- **INCREASE OF THE LEVEL OF KNOWLEDGE OF WOMEN TRADERS ON CROSS-BORDER TRADE PROCESSES:** The project managed to reach 2,693 women traders that were trained on association and cooperative management in the case of Cross border trade. These trainees are aggregated as follows: 626 in Cibitoke, 355 in Rumonge, 423 in Makamba and 1,289 in Bujumbura.

In addition, 81 women cross border traders' associations were created in the four provinces, among which 65 are yet to be officially registered. The women traders supported under this project currently continue to provide micro-loans among themselves in these newly formed cooperatives, which will lead to sustainability of the project achievements even after its end. Monthly contributions by women in different associations supported by the project rang between BIF 2,000 and BIF 10,000.

- **EASY ACCESS TO INFORMATION/ INTELLIGENCE ON CROSS-BORDER MARKETS, ESPECIALLY ACROSS NEIGHBOURING MARKETS AT THE BURUNDI-DRC BORDER:** This ended year, implementing partners have continued to strongly campaign for a simplified trade regime (STR) and advocate for women traders to ensure a fairer trade for all in the region. The Simplified Trade Regime (STR) was also harmonized this quarter and is expected to be signed off in December 2021. Key innovation being the eligibility for STR being reduced to a capital of USD 500 rather than the initial USD 2,000.



6. Women Cross Border Traders from Rumonge visit their Trade Information Desk implanted near the border



7. Women traders coached by Kazoza showcase their products and skills

As part of this capacity building output, this ended year in March 2021, entrepreneurship and credit management training sessions to women traders were held in Gatumba and subsequently conducted at the 3 interventions areas of this project i.e. Rumonge, Mugina and Ruhwa. Beneficiaries developed skills on ways of investing their income in profitable cross border trade projects and how to handle loans they contract from financial institutions. This training in entrepreneurship and credit management saw participation of one of the Burundi micro-finance institutions and had an emphasis on credit management (introduction to practical tools in the context of cross border trade).

- **IMPLEMENTATION OF AN ICT SOLUTION FOR WOMEN TRADERS TO ACCESS INFORMATION**

This output is being delivered in collaboration with the regional women in trade project team. The model deployed is that the development of the software for this platform that covers both an online solution, smart phone and feature phone options are developed centrally and then customised to suit the respective country. In the case of Burundi, the platform will be hosted at CFCIB and the installation of the hardware is 100% complete.

Partner Africa's contribution will be in the content development and dissemination and popularisation of the solution working in collaboration with Sauti. Currently the USSD wireframes for the information platform have been developed and under review by the key stakeholders. Testing for the different modules of the user web interface, web administration & mobile application continued to ensure that bugs were reported and resolved.

TMEA is to set up a tripartite working arrangement between Partner Africa, Sauti and CFCIB for the oversight, operationalisation and sustainability of the information platform. The platform is expected to be operational by January 2022 and women traders onboarded and utilising the solution by April 2022.

Component 2: Women in Trade – Business Environment:

As mentioned in the previous report, this component was initially meant to be undertaken through a grant fund as well- as undertaken for the first component. However, the winning bidder (EASSI) went through a Delivery Capacity Assessment and its risk assessment was rated as High.

In order to be able to catchup on the delays, TMEA therefore opted in end 2019, to single source a mix of local implementing partners (Kazoza- a women-led incubator, ACTF- Association des Commerçants Transfrontaliers du Burundi, AFAB- Association des Femmes Entrepreneurs du Burundi, & Office Burundais des Recettes) that would, under basic Partner Support Agreements (PSA entails no direct grants but rather overall activity-based support coordinated by TMEA) be able to roll out each main output under this second component.

For purposes of avoiding duplication with the scope of the 3914 projects (focused on promoting information sharing), this second component dwells on two key areas:

- Promoting a more conducive business environment for women traders/ Advocacy for the rights of women (OBR, ACTF)
- Providing sensitization towards Boosting revenues from sales/exports of produce sold by women traders (Kazoza, ACTF, AFAB)

Key Results achieved

- **PROVIDING SENSITIZATION TOWARDS BOOSTING REVENUES FROM SALES/EXPORTS OF PRODUCE SOLD BY WOMEN TRADERS:** TMEA worked with Kaz'O'zah Association for the capacity building of women involved in the palm oil value chain. The training sessions are on Soap Making and Financial Literacy started in Oct/Nov 2020 and a team of 25 business supporters have ensured the effectiveness of the training by following up at the community level.
- In total, Kaz'O'zah worked with 400 Women from Rumonge (200), Bubanza (125) and Bujumbura (75).



7. Women traders exhibit their palm oil derivatives, thanks to the business coaching and market access opportunities offered in the framework of this project

As a result, 325 women earned revenues worth BIF 1,080,000 from supplying 1.2 tons of palm nuts as raw material. The women were then able to negotiate a price that is 18% above the market price and to seize a business opportunity (Palm Cream and Firewood Substitute business) in which they will invest 55% from their revenues.

In addition, 21 women involved in the palm oil value chain produced 7,637 soaps in just 7 days earning BIF 1,527,400. As a result of the acquired skills through the Financial Literacy training, the women were able to grow their saving and investment capital (up to BIF 687,330) making each one of them a small business owner.

Following what the women learned in Financial Literacy sessions on how to use their income: saving 10%, investing 45% and consuming 45%, in 1 month: > their saving capital grew from BIF 0 to BIF 152,740. > their investment capital grew from BIF 0 to BIF 687,330 making each one of them a small business owner. 325 women have earned revenues worth BIF 2,500,000 from supplying 2.4 tons of palm nuts as raw material. > They were able to negotiate a price that is 20% above the market price. > They are currently in the process of analysing a business opportunity in which they

will invest 55% of their income.

Additionally, TMEA supported 31 Women involved in cross border trade (with low income) were to attend the annual "Made in Burundi" trade fair: from the collected revenue at the Made in Burundi, BIF 9,900,100 (~5,076 USD – rate:1950 BIF=1\$) was reported as the gains from the participation. The women traders are from COFAAB cooperative, which is a member of AFAB, one of the partners of TMEA in this project.



9. Exhibition of COFAAB women cooperative during the Made in Burundi Event



9. One of the COFAAB stands during Made in Burundi event

Finally, 97 women traders from AFAB and ACTF were trained under TMEA support in Gatumba, Rumonge and Mugina on import procedures for goods and services applicable to cross-border trade; procedures in force for the export of goods and services for cross-border trade and financial education in the service of small traders and the oral tests conducted after the sessions confirmed that 100% attained the pass mark.

- PROMOTING A MORE CONDUCTIVE BUSINESS ENVIRONMENT FOR WOMEN TRADERS/ ADVOCACY FOR THE RIGHTS OF WOMEN:** Under this Women in Trade Project component that focuses on Improving the Business Environment for Women cross border traders, TMEA focused this ended year on the Design, Provision, and Installation of Visual Infrastructure that can prevent women traders from being harassed and racketed by trade agents at the borders as reported in baseline surveys.

The support entailed the installation of 4 Billboards containing a toll-free number to call in case of abuse and a list of all the necessary information on customs clearance especially applicable to small-scale cross-border trade and contextualized for the Great Imbo Region. These billboards were installed at the Gatumba, Rumonge, Mugina, and Kobero border posts.



11. Head of the BEL Cooperation David Jordens & TMEA Burundi Country Representative Christian Nibasumba, officially unveil the Advocacy Billboard at Rumonge Port.



11. A sample of the women beneficiaries during one of the Monitoring visits.

As a result, the 4 Mini billboards are installed on the targeted stations at the 4 border points, and women in cross-border trade are informed about their customs obligations (customs clearance procedures) and made aware of the harmful effects of customs fraud and smuggling. By next year, we should be able to estimate the exact level of decrease in cases of women engaged in informal trade, customs fraud and smuggling and the decrease in cases of women traders reporting sexual harassment, violence and racketing at the targeted borders.



12: A billboard showing Trade information, customs clearance process and a toll-free number to call in case of harassment- is unveiled at the Rumonge Border

Still on the advocacy aspects, - in view of the potential of small-scale cross-border trade and the recurrent challenges faced by women traders, TradeMark East Africa in collaboration with the Office Burundais des Recettes, designed a vast media campaign in synergy with all local media and civil society, a public call which yielded results as it contributed to the resumption of Gatumba-Kavinvira border operations 2 weeks after.



13. The panel during one of "Synergie des Medias" focusing on issues faced by women cross border traders in Gatumba



15. One of the woman cross border traders voices her concerns over border closure early in 2021-

Additionally, the Women Entrepreneurs Association (AFAB) in collaboration with the Cross-border traders' associations (ACTF), under this component, organized an intensive three-week training course for their members located in Gatumba, Mugina and Rumonge. The objective of the training was to

improve the socio-economic life of women in cross-border trade, as well as a change in the relations between border officers and women practising small cross-border trade and hence improving the business climate. This was supported by key Government services based at the targeted borders.



14. A view of the participants during sensitization sessions towards border officials



17. A sample of the trainees during ACTF capacity building sessions on taxes and procedures applicable to cross border trade

At the end of the training sessions, the trainees recommended to OBR to officially display the rates of applicable taxes and to the Government to reduce the required 30-USD Covid testing fee which increases trade cost, to implement the STR at the Gatumba Border and to strengthen the capacity of the border agents (OBR, Migration). In return, they committed to work in synergies so that they increase their trade capacity. The participants of those sessions included 94 women from cross-border trade, 7 representatives of various trade facilitation agencies.

Challenges/Lessons learned

The Impact of climate change in the Greater Imbo Region where TMEA is operating (especially the recent rise of Lake Tanganyika waters heavily affected Women Traders based in Rumonge and Gatumba beneficiaries of this program-

As mitigation, we have sought to continue adhering to TMEA Safeguarding Protocols and staying in direct contact with key stakeholders for mitigation actions. Fundraising for a scale up of the intervention (ie: Green corridor approach around Rumonge Port) is also considered at this stage.

Another challenge faced in this ended period is that the small-scale trade performed by TMEA-supported Women was somehow hampered by the prohibitive cost of Covid-19 PCR testing. A reduction of cost on Burundi side from \$30 to \$15 did not unfortunately solve all issues given that the requirement for a recurrent/daily test continues to have a negative impact on daily trade flows. Also, DRC PCR test is fixed at \$10 for all Burundian crossing to DRC with a validity of 14 days, remains a huge cost to small scale traders.

As mitigation, TMEA will focus in the next phase on Advocacy (media synergy to push GoB and GoDRC to review the C19 testing fees at the joint border for the sake of small-scale CBT).

In terms of lessons learned, Trade fairs have proven to offer tangible exposure and business opportunities to SMEs most specifically to women-led businesses with high potential for growth. The gains are not only monetary but also in terms of exchange of experience and ideas.



15: A delegation of Belgian MPs of the Francophonie Parliamentary Assembly engaged TMEA Burundi for insights on the Women in Trade Program-

Another aspect learned throughout this period, is that the coaching of the women artisans demonstrated the need to invest even more on the financial education and diversification of income generating activities. The traders' revenue is limited due to the fact they all do the same activities and therefore do not expand their businesses by considering new opportunities. As a result, TMEA shall focus on capacity building geared towards acquisition of bankable business plans and financial readiness for export.

The 400 women were all certified by end of June 2021, after confirmation from Kaz'o'zah management that they put in practice what they have learnt. Unfortunately, given their literacy level, the beneficiaries were not able to go through written tests, but a field visit in Rumonge (Minago) where the women normally conduct their activities gave the opportunity to TMEA to assess the knowledge they have acquired and collect impact stories on how their lives have changed thanks to this activity. 70% of the 400 trained women are applying best practices. Given nature of business and type of training, these "best practices" are indeed defined according to revenues generated as a result of knowledge accumulation from the sessions (Kazozo Business Impact Tool).

Upcoming activities/Expected results

Until April 2022, when the MoU on this grant will end, TMEA shall focus on ensuring the project beneficiaries are well equipped for a full appropriation once day to day implementation comes to an end.

This will mostly entail:

- Provide cold storage facilities (1 at each border Ruhwa, Mugina, Gatumba & Rumonge) that will ensure produce sold by the women traders are in good condition
- Select 100 women actively involved in cross border trade at each of the four borders, and preferably from the existing pool of beneficiaries that TMEA has been working with (ie: through members of AFAB, AFRABU, Partner Africa and ACTF)
- Design both a TNA- Training Needs Analysis and Financial Needs Analysis (Capital needs) of the Women beneficiaries (involved in Cross Border Trade at the four borders)
- Assist the women trader's cooperatives to fully comply with local legislation (ie: turning their informal businesses into legal/formal cooperatives registered at ANACOOOP)
- Through Training of Trainers, Assist the 400 women CBT/border to draft and acquire a bankable Business Plan geared towards Export Promotion of their produce (business plans with a special focus on horticulture: tropical fruits, palm oil or other groceries exported into DRC)

- Organise a Business Plan Competition across the 4 borders and select the top two performers with promising export potential at each border and link them with financiers/investors and in country donors
- With collaboration from the National Standards Bureau and the Investment promotion Agency, Organise substantial capacity Building sessions towards the women traders, on specific topics that will allow the WiCBT to become export ready and fully sustainable: ie: Training on Packaging and Design for Export produce, standards quality, Bookkeeping/ investor readiness & Capacity building on EAC Integration Protocols
- Towards the end of the program, and through a mentorship program, we shall link the top women traders with role models (women led SMEs and corporates selling or processing their produce)
- Focus on Advocacy (media synergy to push Government of Burundi and Government of DRC to review the C19 testing fees at the joint border for the sake of small-scale CBT) and proceed with distribution of booklets designed for women in cross-border trade.

Testimonies from Beneficiaries



16. Mrs Marie Goreth Ndayishimiye- Member of Kazoza and One of the grant beneficiaries-

The trainings we received through this support have changed our lives because as before, we were trading in the dark, mixing up all the monies we received, unable to know whether we had made a profit or loss on the investment after recording our capital and expenses.

The sessions helped us to improve our practices by learning to record expenses and capital. We now know clearly whether we have made losses or gains. The training has also enabled us to increase our capital where before we were even spending on our initial capital without being aware of it.

The challenges we often face are related to proper record keeping and profit computation. We humbly ask that TMEA considers extension of these sessions.