

## **Report for the Sensitization workshop on the Common Market protocol (CMP) for Kampala business women; which took place at Eureka Place Hotel, Ntinda Stretcher, on 27<sup>th</sup> May 2014.**

The workshop was opened with a word of prayer, anthems and self-introductions.

### **Types of Businesses of women present in the workshop.**

1. Meat
2. Maize milling
3. School
4. Selling electronics
5. Poultry rearing
6. Textiles / Gomesis
7. Fruit vending (All types – oranges, mangoes, carrots etc)
8. Vegetable gardening (Garlic)
9. Importing old and clothes from Juba, Tanzania, Kenya and China,
10. Selling Bridals – imported from china,
11. Juice producing,
12. Stationery and assorted office items.

### **Participants' Expectations**

- To understand the term “Protocol”
- How manage, expand and improve business,
- How to expand to EAC regional market levels and beyond,
- To learn about taxes which are becoming too much,
- To share and learn from others how to handle revenue collectors,
- To learn – get new business ideas,
- How can Banks assist the women without confiscating their properties,
- Improving on quality to compete on market,
- Selling grains – rice etc,
- Art and design skills development,

### **Challenges**

- Excess taxes for importers and locally as well,

### **Workshop Objectives**

- To enhance participants' understanding of the EAC integration and its accrued benefits to women traders,
- To explain the concepts of the Common Market Protocol

### **Presentation from Rhona Sserwadda – Commissioner MEACA**

The first question was whether women knew where MEACA or even the EAC offices are located, emphasized issue of time keeping and requested them to learn Swahili.

MEACA trains Swahili at MTAC and the training is free. It is a three months training. AWEAPON was advised to follow up on this training so that women can learn swahili.

Informed that her department promotes economic empowerment, establishment of markets and market information.

### **Presentation by Rhona**

The Genesis of the EAC – asked participants if they knew the genesis of cooperation. Gave example that integration began with Adam and eve by god to strengthen. Families, and countries integrate for strength. In EAC integration began in 1997 with the railway. African economic integration is promoted by AU to promote economic and social development.

Some of the current Regional Economic Co operations (RECs) in Africa – SADC, ECOWAS, COMESA, EAC. Other RECs include EU etc.

### **Background to the EAC Integration**

In 1905 a currency board was established between Uganda and Kenya. In 1917 a customs board was formed, TZ joined in 1927. (Refer to Presentation).

When EAC broke down in 1984, Kenya took all planes, TZ took all ships.

**Revival of the EAC** – In 1993 – Museveni, Nyerere and Moi restarted the EAC idea.

1997 – Permanent Tripartite commission was established currently the EAC offices in Arusha.

1999 – EAC Treaty was signed but not implemented until 2000. Current members- Kenya, Uganda, Tanzania, Rwanda, Burundi ( South Sudan and Somalia applied- still under consideration).

### **Benefits of EAC Integration**

- Expanded Common Market,
- For the EAC not to break up – decided to involve CS and PS and consult.

Brief analysis of the 4 stages

1. **Customs Union – established in 2005**, but became operation in 2010. Objectives was to decide on a common tariff / taxes at the boarder posts– but since all countries are not same a common external tariff is not yet implemented (Currently it is 18%) but not fully operation).

#### **Customs Union established**

- a. Rules of Origin prohibit traders to pay taxes on good manufactured in a local country.

- b. Non Tariff Barriers – e.g. weigh bridges were standardized but police and other officers still terrorize traders (Evidences are needed to curb these tendencies), - there is therefore there is need to work with police and URA Officers.

One participant queried that tax and revenue officers still harass traders even between the boarder and Kampala. Women were advised to report such incidences.

One stop border posts (Goods should be checked only once), one window system and regional integration centers have been opened at Busia and other boarder centers to receive reports, for cargo tracking systems and reduced time of clearance.

She requested women to learn about these one stop border posts and use them.

## 2. Business has increased- reduction of time, bond(??)

### The common market

- Explains customs procedures
- Explains standards of goods (e.g. Sanitary and phyto sanitary (SPS) for agric. And fish Products), Promotes / emphasizes quality

### The CMP Promotes

1. **Free movement of goods** (Has a committee – led by Ministry of Trade), it promotes quality, efficiency, and completion Ref. Annex 5 of treaty.
2. **Free movement of persons and labor** (Some countries e.g. Rwanda Uganda and Kenya have removed work permit fees. For employment a mutual recognition agreement is in place which promotes acceptance of academia and professionals to be employed equally.
3. **Free movement of Capital** – e.g. if one wants to establish businesses in other countries e.g. funeral services already opened in Rwanda (but must satisfy conditions and rules in that particular country). (Ref. Annex 6), the advantage is that it promotes bilateral investments, - taxation is still an issue and interest rates are still too high.

### Tips for engagement

- Start engaging in the right thinking,
- Establish a presence – no firm is small enough to do so,

The 3 products identified by Kampala Business women include: Mukene (Silver fish), clothes and produce (Maize, beans, Rice and Bananas).

The facilitator advised that the most selling items in East Africa include Produce: Maize peas, soya, Sim sim, bananas, Irish, clothes and rice. She promised to link them through AWEAPON to other organizations such as East African Business council (EABC), and to link them to trade fairs e.g. the upcoming cultural festival to take place in Kenya.

Some participants invited Ms. Sserwadda to go and address other women about the EAC in their areas.

She invited them to the dialogue framework due to take place. Here there is free exchange of ideas with EAC leaders, civil society and private sector.

Participants called for more sensitization of people about this common market protocol and its guidelines especially about the non – tariff barriers.

#### **Q.**

1. What documents are currently needed to cross boarder?

2. What products are best to trade in?

3. What quantities?

#### **R.**

- Quantities – we need to work together to get quantity,
- Min. of Trade and Export promotion board can provide information on the products

**Documents needed to cross:** Driving license, Voters ID, Uganda passport, students ID, EA passport.

#### **Presentation from Finance trust Bank – by Edirisa Dungu and Claire Mugabi.**

This Bank started in 1994 – by retired women bankers, and has grown through stages and now is a fully fledged Bank. It has products which directly target women’s advancement.

Why women? Biggest percentage of business people now are women. Women have multiple roles in the family and in the community. Helping women means helping the children and their husbands and extended families.

#### **Some women specific products include:**

1. **Mama safe account – This** could be personal or group savings account. It can be used to get a loan. As a group (5 – 10 people), bank doesn’t ask for security. Lends between 500,000 /= 3,000,000/= to each individual on group guarantee. Advantage of this group lending is that member’s guarantee each other and group members know those who are more trust worthy than the others. Lending in a group is through staggered lending. Each member must be saving 5000/= per week. As time goes on the businesses grow and individuals can borrow bigger. Opening requirements 5,000/= ID letter from LC. This account has health security – medical insurance of 390,000/= per year, and you are treated for a whole year. In case you want to add more people, each is paid for 390,000/=. This personal insurance money is non refundable. This insurance caters for you up to 10,000,000/=. It caters for people who are below 60 years. Lending interest rate 2.5% per month e.g. for 100,000/= you pay 2,500/= for 1,000,000/= you pay 25,000/=per month.

2.

**Formation of the AWEPON Kampala Business women Coalition.**

30 members agreed to become members of AWEPON as a coalition. The following were elected as the leaders:

**Chairperson:** Nakiwala Roslen – 0703722628 /0774711336

**Vice Chair:** Sarah Nakato: 0701 677101

**Secretary:** Esther Kabengano - 0772365744