



REPORT ON TRADING ACROSS BORDERS

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LIST OF ABBREVIATIONS

| | |
|---------|--|
| AI | Association of Industries |
| CTI | Confederation of Tanzanian Industry |
| COVID19 | Corona Virus 2019 |
| DB | Doing Business |
| EAC | East African Community |
| EDI | Electronic Data Interchange |
| ETI | Enabling Trade Index |
| EODB | Ease of Doing Business |
| GVCs | Global Value Chains |
| HS | Harmonized System |
| ISORA | International Survey on Revenue Administration |
| IEG | Independent Evaluation Group |
| ITC | International Trade Center |
| LDCs | Least Developing Countries |
| LPI | Logistics Performance Index |
| MOU | Memorandum of Understanding |
| OECD | Organization for Economic Co-operation and Development |
| RA-FIT | Revenue Administration Fiscal Information Tool |
| SSA | Sub Saharan Africa |
| TAFFA | Tanzania Freight Forwarders Association |
| TASAC | Tanzania Shipping Agencies Corporation |
| TCCIA | Tanzania Chamber of Commerce, Industry and Agriculture |
| TPA | Tanzania Port Authority |
| TPSF | Tanzania Private Sector Foundation |
| TRA | Tanzania Revenue Authority |
| ANTRADE | Tanzania Trade Development Authority |
| TFIs | Trade Facilitation Indicators |
| USA | United State of America |

| | |
|-----|--------------------------|
| USD | United States Dollar |
| VAT | Value Added Tax |
| WB | World Bank |
| WTO | World Trade Organization |

EXECUTIVE SUMMARY

Liberty Sparks is an educational and research, free market-based think tank with a mission to improve and promote individual understanding of economic, social, and political liberty. The think tank holds a core project called UJIRANI MWEMA that focuses on researching and recommending policy reforms on “trading across borders”. It is a single-year project that is being implemented in Tanzania, funded by the ATLAS NETWORK, a US based NGO, aiming at improving the ease of doing business in Tanzania. It is in this context, that Liberty Sparks looked for an Informed Policy Analyst and Consultant to carry out a consultancy service on the review of the World Bank Report to identify gaps and recommend the policy reforms for trading across borders and improving business in Tanzania.

For the accomplishment of the consultancy work, the researcher was given four terms of reference. The first was to review a World Bank paper on "Ease of Doing Business in Tanzania 2020” by identifying gaps. The second was to review other local and international papers on the same subject in accordance to identify gaps. Thirdly, to recommend the trading across border policy reforms to be incorporated into policy formulation processes in Tanzania. Lastly, to produce a high-level policy paper to be presented to policymakers. To achieve the study objectives, the consultant used a combination of quantitative and qualitative approaches supported by desktop research. The desktop research was supported by both World Bank report (WB) 2019 and International Trade Center (ITC) Tools (i.e. Trade Map and Market Access) of 2021. In particular, the study reviewed the recent World Bank Report particularly on the issue of ease of doing business. In addition, different reports on cross-border trade were examined. The study analyzed both primary and secondary data using different analytical tools and stakeholders' analysis instruments, and came up with the following recommendations for improving the ease of doing business in trade across borders.

- Streamline and simplify all export and import procedures at the ports to reflect the automated and online processes to reduce time and cost for Border Compliance, Documentary Compliance, and Port Handling services.

- Provide technical assistance to General Register Authority-Customs to conduct and institute Cargo Time Release Studies to identify and quantify bottlenecks for Border and Documentary compliance as well as port handling services for both import and export in Tanzania.
- Organize training and orientation program on simplified and streamlined procedures and processes for TRA Customs Staff, Port Handling Staff, and Other Government agencies Staff at the Ports.
- Training and sensitization Programs for members of Tanzania Shippers Authority (TASAC), Freight Forwarders, Clearing Agents, and other Associations (TATOA, TAFFA, TCI, TPSF, TCCIA etc.) on the simplified and streamlined port procedures. The training and sensitization messages should include the provision of the detailed commercial descriptions of goods, including Harmonized System (HS) classification code by which duty/tax rates are determined and the advantage of starting the pre-shipment processes earlier to reduce time and cost.
- Organize periodic communications and public education programs for trade facilitation and reforms at the ports.
- There is a need for a process flow audit to reveal the time associated with each of the steps/procedures within the port processing system to enable targeted reforms.
- There is a need to track and document the turn-around time on a quarterly basis to inform decisions in regard to eliminating redundancies or delays at the port for import and export. This should be an integral part of the M&E regime at the port for TRA, MITI, MLF, GEPG and TESWS.
- A monitoring and data gathering system should be instituted and integrated into the Port and borders Management regime to primarily recording traffic, and time associated with the various transactions executed by different Agencies at the port and borders.
- Existing bilateral agreements should be made public for business sector to take advantage of opportunities.
- Improve efficiency by building capacity and sensitizing key actors in the import-export ecosystem. This should include but not be limited to key institutions such as the

Association of Industries (AI), Freight Forwarders, Trader/Exporter Associations, i.e. TPSF, TATOA, TAFFA etc.

- Tanzania Bureau of Standards to reduce the fees and other complications. Also, TBS should not be involved if the product in question already has a SADC standards certification.
- Initiatives to improve the import regime should be extended to the export procedures.

1.0 INTRODUCTION

1.1 Scope of the Assignment

Trading across border, in general, refers to the flow of goods and services across the international borders between jurisdictions. It is a normal legal trade that flows through standard export/import frameworks of nations. Specifically, cross-border trade refers to the concentration of trade in areas where crossing country borders is relatively easier and where products are significantly cheaper in one place than another, often because of significant variations in taxation levels on goods and services and factor costs. Sometimes cross-border trade is defined as the transactions in goods and services between residents of a country and non-residents. Services include transport, travel, communications services, insurance, and credit services, computer and information services, and others. In most cases, cross-border trade is dominated by informal trade whereby trading between neighboring countries and is conducted by vulnerable, small, unregistered traders. Typically, it is proximity trade involving the move of produce between markets close to national borders.

Because it is trading, a country involved has to be competitive and thus it is crucial to understand what makes an economy internationally competitive. The World Economic Forum (2016) defines competitiveness as the institutions, policies, and factors that determine a country's level of productivity which is supposed to impact the well-being of its people. Competitiveness can be evaluated by comparing how different countries handle identical processes or putting in place critical measures for companies to start operating or to grow, the objective being to know what countries do best and how efficient they are in comparison with one another. In the trading environment, the doing business index, promoted by the World Bank, is considered a reference on such matters by policymakers and investors from around the world.

The Doing Business project, which has wide international credibility and serves as a marker for governments to attract foreign investment and business opportunities, gauges 190 countries on 10 topics, each consisting of several indicators. Under the “trading across borders” category, the indicator registers, among others, the time and costs associated with the logistics processes for

exporting and importing goods. The data on trading across borders is gathered by way of a questionnaire administered by trade service providers.

In the 2019 edition of the index, Tanzania ranked 141 among the 190 surveyed economies. Despite efforts to modernize its foreign trade, the country has not managed to improve its ranking over the last few years. The country is still ranked low and marks the slower improvement in ease of doing business compared to other countries. Without misinterpreting, the country has given more priority to the private sector agenda through various organizations and has undergone several policy reforms. Still, there is a need to undergo further policy reviews due to complexities in various aspects when it comes to doing business in Tanzania in which trading across borders, paying taxes, starting a business, dealing with permits, and registering properties are the topmost difficult matters to deal with in Tanzania. Was the world moving faster than Tanzania or was the information used by Tanzania "noisy"? The Liberty Sparks seeks an answer. That's why Liberty Sparks has reviewed recent World Bank report on ease of trading across borders in Tanzania so that more policy recommendations can be drawn to ease out the business environment in the country by identifying gaps and drawing suggestions to the policymakers. To be more specific, the study sought to accomplish the following assignments:

- i. To review a World Bank paper on "Ease of Doing Business in Tanzania 2020" by identifying gaps.
- ii. To review other local and international articles on the same subject in accordance to identify gaps.
- iii. To recommend the trading across border policy reforms to be incorporated in policy formulation processes in Tanzania.
- iv. To produce a high-level policy paper to be presented to policymakers.

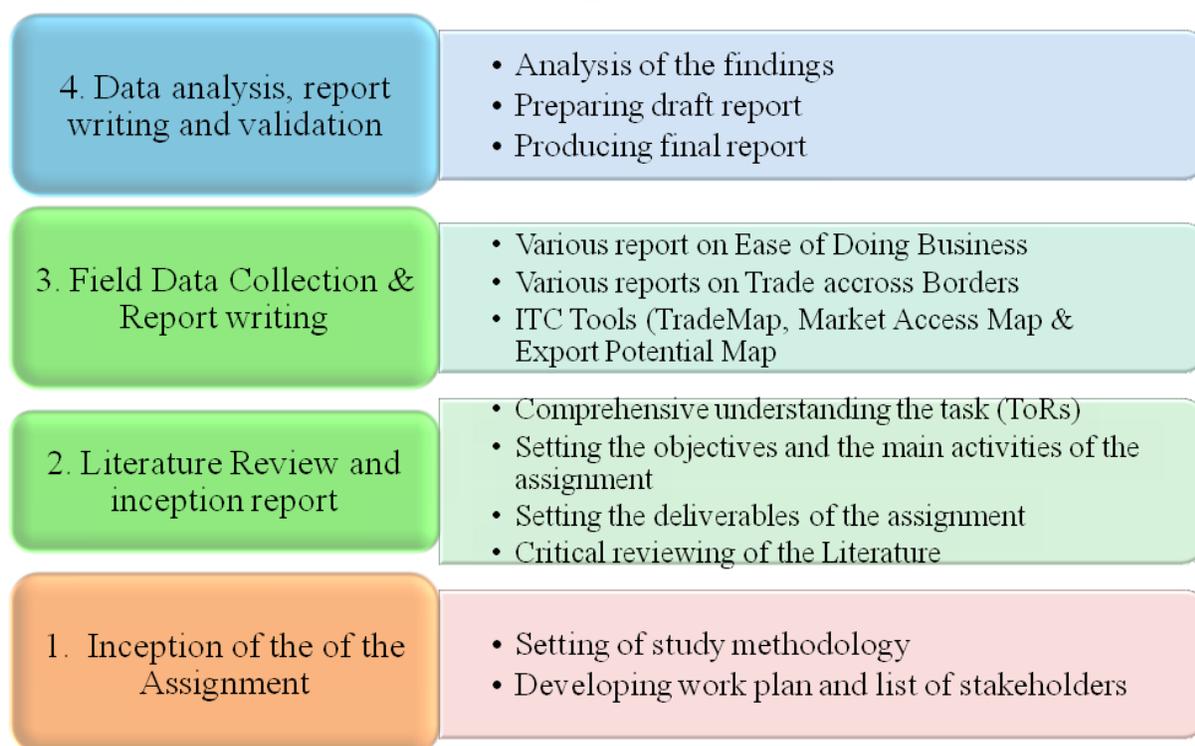
1.2 Approach and Methodology

To achieve the study objectives, the consultant used a combination of quantitative and qualitative approaches, the approach was supported by desktop research. The desktop research was also supported by International Trade Center (ITC) Tools (i.e. Trade Map and Market Access). In particular, the study reviewed the recent World Bank Report particularly on the issue of ease of

doing business. However, different reports on cross-border trade were examined. Doing business of 2015 (dealing with getting credit and protecting minority investors broadened their existing measures while resolving insolvency introduced new measures of quality) doing business of 2016 (dealing with construction permits, getting electricity, registering property, and enforcing contracts also introduced new measures of quality, and trading across borders introduced a new case scenario to increase the economic relevance), and doing business of 2017 (dealing with paying taxes introduced new measures of post-filing processes), at least to see the relevance of the elements that support the start and ease of doing business in Tanzania. The analysis employed the desktop research and participatory approach through Liberty Sparks' project team and other relevant business stakeholders into understanding the nature and challenges that face the business sector. The study therefore utilized secondary data and information using the desk research approach by reviewing the current and past studies and reports on trading across borders, their findings, and recommendations only to consolidate the process of starting and easing the business environment in Tanzania. The data and information collected, both quantitative and qualitative, were analyzed using different analytical tools and stakeholders' analysis instruments. The study employed the following tools and methodological approaches: Conducting a desk study through reviewing the current and past studies and reports on cross-border trading, their findings, and recommendations, as well as other relevant secondary data sources and reports to facilitate trade.

- Data collection from different reports and other relevant stakeholders. The purpose is to collect data, information, views, and opinions on cross-border trade.
- Conducting stakeholders' meetings and presenting the draft study report using PowerPoint presentation, to solicit inputs, views, and suggestions from key stakeholders to have a full understanding of the issues and improvements needed to validate the findings of the study and chart a way forward.
- Analyzing the information and preparing a validated study report and policy position paper with proposals for cross-border trade to be submitted to the Director of Research and Education at Liberty Sparks, Dar es Salaam.

Figure 1: Approaches and the Methodology Used



1.2.1 Inception of the Assignment

After signing the contract, the consultant met with the client and had debriefing meetings with Liberty Sparks' team to fully agree on the modality of undertaking the project. The consultant gathered ideas on how best to undertake the assignment and clarified the planned approach. Also, the consultant presented their understanding of the assignment, a schedule for various activities and strategies that would be used to achieve the desired milestones. The meeting deliberated on several issues including the scope of work, deliverables, and the role of each part and participant. The meeting was also used to clarify the meaning of the ease of doing business together with trading across borders and agree on appropriate ways of accomplishing the assignment.

1.3 Organisation of the Report

The rest of the report proceeded with the review of the World Bank (WB) report (ease of doing business) presented in section two. Trading across borders is presented in section three. Thus, different parts including components and indicators for trading across borders complete the section. Section four presents about trading across borders in Tanzania. From this section, we

have learned different issues from both the best and worst cases of regulatory performance. The report ended up with the presentation on the trade environment in Tanzania, the presentation is assisted by ITC tools.

2.0 REVIEW OF WORLD BANK REPORT (EASE OF DOING BUSINESS)

2.1 The Origin of Doing Business

The Doing Business (DB) report is originated in a paper titled ‘The Regulation of Entry’ in 2002 published in the Quarterly Journal of Economics, authored by Simeon Djankov, Rafael La Porta, Florencio Lopez-de-Silanes, and Andrei Shleifer. The paper presented data on the regulation of entry of start-up firms in 85 countries covering the number of procedures, official time, and official cost that a start-up must bear before it could operate legally. The main findings of the paper were that:

- Countries with heavier regulation of entry have higher corruption and larger unofficial economies, but no better quality of public or private goods.
- Countries with more democratic and limited governments have lighter regulations of entry.

The paper became widely known because it provided quantitative evidence that entry regulation benefit politicians and bureaucrats without adding value to the private sector or granting any additional protection (Djankov *et al.*, 2002).

The DB Report is an annually published report by the World Bank Group every year since 2003 to date aimed to measure the costs to firms of business regulations in 190 countries. The DB is claimed to have motivated the design of several regulatory reforms in developing countries. The study presented a detailed analysis of costs, requirements, and procedures a specific type of private firm is subject in all countries, and then, creates rankings for every country (World Bank, 2010). Over 18 years of EDB report (from 2003 to 2020), the reports recorded nearly 5,000 regulatory reforms implemented by 190 economies.

To evaluate the capacity of a country to process international trade operations efficiently, DB records the time and cost associated with the logistical process of exporting and importing goods. It also measures the time and cost (excluding tariffs) associated with three sets of procedures; documentary compliance, border compliance, and domestic transport within the overall process of importing or exporting a shipment of goods (DB, 2017). The DB is widely known and used by academics, policymakers, politicians, development experts, journalists, and the business community to highlight red tape and promote reforms (IEG, 2011), by instigating that:

- Lower barriers to start-up are associated with a smaller informal sector.
- Lower costs of entry encourage entrepreneurship, enhance firm productivity, and reduce corruption.
- Simple start-up translates into greater employment opportunities.

2.2 Overview of Doing Business Report 2020

The Doing Business Report of 2020 is the 17th in a series of annual studies investigating the regulations that enhance business activity and those that constrain it. Doing Business presents quantitative indicators on business regulations and the protection of property rights that can be compared across 190 economies. The study helps to show that developing economies are catching up with developed economies in the ease of doing business. However, there is a large gap between the two economies. For example, it takes almost 50 percent of the per-capita income in a low-income for an entrepreneur to start a company as compared to 4.2 percent for an entrepreneur in high-income countries to do the same. It also takes nearly six times longer on average to start a business in the economies ranked at the bottom compared to that in the top. However, with the help of DB indicators, there's a room for developing economies to catch up with developed countries. The DB 2020 and its coverage are structured in 8 chapters as indicated in Table 1.

Table 1: Chapter Summary of Doing Business 2020

| | |
|-----------------|--|
| Overview | Tackling burdensome regulation |
| Chapter 1 | About doing business |
| Chapter 2 | The effects of business regulations |
| Chapter 3 | Removing obstacles to entrepreneurship |
| Chapter 4 | Employing workers |
| Chapter 5 | Contracting with the government |
| Chapter 6 | Ease of doing business scores and ease of doing business ranking |
| Chapter 7 | Summaries of doing reform in 2018/2019 |
| Chapter 8 | References |

Source: World Bank, 2020

Doing Business is a valuable tool that governments can use to design sound regulatory policies. For example, for policymakers, it stimulates policy debate, both by exposing potential challenges and by identifying good practices and lessons learned from different countries. Important to note that DB should not be seen as an investment guide, but rather a measurement of ease of doing business. It is an avenue to provide important factors for potential investors such as the overall quality of an economy's business environment and its national competitiveness, macroeconomic stability, development of the financial system, market size, rule of law, and the quality of the labor force. With this, the ease of doing business remains to be an important catalyst to the structural reforms that encourage broad-based growth engineered by the World Bank Group.

With different DB indicators, performance in some areas, for example, the area of legal rights, remains weakest among low and middle-income economies. However, DB recognizes the important work countries have done to improve their regulatory environments. It should be noted that, among the 10 economies that advanced the most, efforts were focused on the areas of starting a business, dealing with construction permits, and trading across borders. It is within this background, that Liberty Sparks seeks an answer to trading across borders so that more policy recommendations can be drawn to ease out the business environment in Tanzania by identifying gaps and drawing suggestions to the policymakers.

2.2.1 Measures of Doing Business

Doing Business captures important dimensions of the regulatory environment affecting domestic firms. It provides quantitative indicators on regulation for different aspects as indicated in Table 2. However, employing workers and contracting with the government indicator sets are not included in the 2020 year's ranking on the ease of doing business (World Bank, 2020).

Table 2: Twelve Measures of Business Regulation

| s/n | Indicators set | What measures |
|-----|-----------------------------------|---|
| 1 | Starting a business | Procedures, time, cost, and minimum capital to open a new business |
| 2 | Dealing with construction permits | Procedures, time, and cost to complete all formalities to build a warehouse and the quality control and safety mechanisms in the construction permitting system |
| 3 | Getting electricity | Procedures, time, and cost to get connected to the electrical grid; the reliability of the electricity supply; and the transparency of tariffs |
| 4 | Registering property | Procedures, time, and cost to transfer a property and the quality of the land administration system for men and women |
| 5 | Getting credit | Movable collateral laws and credit information systems |
| 6 | Protecting minority investors | Minority shareholders' rights in related-party transactions and corporate governance |
| 7 | Paying taxes | Payments, time, and total tax and contribution rate for a firm to comply with all tax regulations as well as post-filing processes |
| 8 | Trading across borders | Time and cost to export the product of comparative advantage and to import auto parts |
| 9 | Enforcing contracts | Time and cost to resolve a commercial dispute and the quality of judicial processes for men and women |
| 10 | Resolving insolvency | Time, cost, outcome, and recovery rate for commercial insolvency and the strength of the legal framework for insolvency |
| 11 | Employing workers | Flexibility in employment regulation |
| 12 | Contracting with the government | Procedures and time to participate in and win a works contract through public procurement and the public procurement regulatory framework |

Source: World Bank, 2020

2.3 Doing Business in Tanzania

The majority of East African economies are yet to make significant reforms to create an easier environment for doing business (DB, 2020). Only Rwanda and Kenya made outstanding improvements in the ease of doing business in the region in both 2019 and 2020, moving OECD high-income countries (DB, 2020). In 2020, Rwanda remained the easiest place to conduct business ranking number 38 (with EODB 76.5) though it experienced a drop from the position of 29 in the previous year of 2019. The two countries, which rank second and third after Rwanda in EAC were Kenya (ranked 56) and Uganda ranked 116) respectively. Ease of paying and filing taxes by establishing online platforms and dealing with construction permits by eliminating license fees in the case of Kenya and introducing risk-based inspections in Rwanda, remain to be reasons that make these two countries ahead in the EAC region. Tanzania improved and ranked number 141 in 2020 compared to the position of 144 in the year 2019. However, for two consecutive years, South Sudan is lagging behind with the same rank of 185, see Table 3.

Table 3: EAC Position in Doing Business Report

| Countries | 2019 | | 2020 | |
|------------------|------|-------|------|------|
| | Rank | EODB | Rank | EODB |
| Burundi | 168 | 47.41 | 166 | 46.8 |
| Kenya | 61 | 70.31 | 56 | 73.2 |
| Rwanda | 29 | 77.88 | 38 | 76.5 |
| South Sudan | 185 | 35.34 | 185 | 34.6 |
| Tanzania | 144 | 53.63 | 141 | 54.5 |
| Uganda | 127 | 57.06 | 116 | 60 |
| OECD high income | | 78.2 | | 78.4 |

Source: DB, 2020 & DB 2019

2.3.1 Measures of Business Regulation in Tanzania

Doing Business captures several important dimensions of the regulatory environment as it applies to local firms. It provides quantitative indicators on business regulations at the regional and the sub-national levels. The summary of DB indicators for Tanzania is presented in Table 4

covering 10 indicators. In 10 indicators, three are of starting a business, registering property, and trading across borders have been selected just to see their implications or rather observe their ranking.

Table 4: Measures of Business Regulation in Tanzania

| s/n | Indicators set | Ranks |
|------------|-----------------------------------|--------------|
| 1 | Starting a business | 162 |
| 2 | Dealing with construction permits | 149 |
| 3 | Getting electricity | 85 |
| 4 | Registering property | 146 |
| 5 | Getting credit | 67 |
| 6 | Protecting minority investors | 105 |
| 7 | Paying taxes | 165 |
| 8 | Trading across borders | 182 |
| 9 | Enforcing contracts | 71 |
| 10 | Resolving insolvency | 116 |

Source: DB, 2020

2.3.1.1 Starting a business

Starting a business measures the number of procedures, time, cost, and paid-in minimum capital requirements for a small-to-medium-sized limited liability company to start up and formally operate in each economy's largest business center. In Tanzania, the commercial center is Dar es Salaam. The ease of starting a business is determined by sorting their scores for starting a business. These scores are the simple average of the scores for each of the component indicators. See the comparison of the indicators in Tanzania as compared to other regions.

Table 5: Indicators for Starting Business in Tanzania as compared to other Economies

| Indicator | Tanzania | SSA | OECD | Best Regulatory Performance |
|---|-----------------|------------|-------------|------------------------------------|
| Procedure – Men (number) | 10 | 7.4 | 4.9 | 1 (2 Economies) |
| Time – Men (days) | 29.5 | 21.5 | 9.2 | 0.5 (New Zealand) |
| Cost – Men (% of income per capita) | 40.6 | 36.3 | 3.0 | 0.0 (2 Economies) |
| Procedure – Women (number) | 10 | 7.4 | 4.9 | 1 (2 Economies) |
| Time – Women (days) | 29.5 | 21.5 | 9.2 | 0.5 (New Zealand) |
| Cost – Women (% of income per capita) | 40.6 | 36.3 | 3.0 | 0.0 (2 Economies) |
| Paid-in min. capital (% of income per capita) | 0.0 | 9.3 | 7.6 | 0.0 (120 Economies) |

Source: DB, 2020

2.3.1.2 Registering property

Registering Property examines the steps, time, and cost involved in registering property, assuming a standardized case of an entrepreneur who wants to purchase land and a building that is already registered and free of a title dispute. In addition, it measures the quality of the land administration system in an economy. The quality of land administration index has five dimensions: reliability of infrastructure, transparency of information, geographic coverage, land dispute resolution, and equal access to property rights. Table 6 shows the indicators responsible for registering property in Tanzania

Table 6: Indicators for Registering Property in Tanzania

| Indicator | Tanzania | SSA | OECD | Best Regulatory Performance |
|---|-----------------|------------|-------------|------------------------------------|
| Procedures (number) | 8 | 6.1 | 4.7 | 1 (5 Economies) |
| Time (days) | 67 | 51.6 | 23.6 | 1 (2 Economies) |
| Cost (% of property value) | 5.2 | 7.3 | 4.2 | 0 (Saudi Arabia) |
| Quality of the land administration index (0-30) | 7.5 | 9.0 | 23.2 | None in 2018/19 |

Source: DB, 2020

2.4 Importance of Doing Business

Aspiring entrepreneurs encounter barriers to entry while attempting to access the formal economy. Where the rules are excessively burdensome, resource-constrained entrepreneurs might not have the opportunity to turn their ideas into a business within a level playing field. Registered companies benefit from the legal and financial services provided by courts and commercial banks, services not available to unregistered businesses. Their employees take advantage of social security protections. A growing body of empirical research explores the links between business entry regulation and social and economic outcomes. Evidence suggests that regulatory reforms making it easier to start a formal business are associated with increases in the number of newly registered firms and with higher levels of employment and productivity (Klapper, 2011).

The ease of doing business plays a great role in an economy's development when it comes to international trade. While tariffs are still among the policy instruments most widely-used to promote or restrict trade, their relative importance has declined (Hoekman, 2011). Other factors, like trade-related transaction costs, have taken precedence. Logistics and freight expenses, customs administrative fees, and border costs have become more important for small traders. While access to international markets is important for all economies, developing economies are uniquely impacted by trade policy. Because they are skewed toward labor-intensive activities, their growth depends on their ability to import capital-intensive products (Krueger & Anne, 1998). Nevertheless, international trade can benefit developed and developing economies similarly, trade policy is inseparable from development policy.

2.5 Limitations of Doing Business Reports

Some authors have questioned the reliability and objectivity of its measurements while others doubt the relevance of the issues it addresses or fears it may overly dominate countries' reform agendas at the expense of more crucial development objectives. These are several limitations present in the DB studies and have to be kept in mind when using DB reports:

- The indicators and measures were referred to as the costs, requirements, and fees of doing business in the country's largest commercial center; thus, conditions elsewhere within the country may have differed.
- To achieve cross-country standardization, respondents gave estimates for a limited liability company of a specific size. Costs for other forms and scales of businesses may have differed.
- The cost estimates coming from individuals were identified as expert responses. Sometimes the estimates given by such individuals may differ from other experts and public officials.
- The estimates assumed that the business knows what is required and does not otherwise.

Some caveats regarding the rankings and main information presented have to be considered by every user of the report. Thus:

- DB did not measure all aspects of the business environment that matter to firms or investors, such as the macroeconomic conditions, or the level of employment, corruption, stability, or poverty, in every country.
- DB did not consider the strengths and weaknesses of neither the global financial system nor the financial system of every country. It also doesn't consider the state of the finances of the government of every country.
- DB does not cover all the regulations or all the regulatory requirements. Other types of regulations such as financial market, environment, or intellectual property regulations that are relevant to the private sector are not considered.

It should be noted that the EDB report was not intended as a complete assessment of competitiveness or the business environment of a country and should rather be considered as a proxy of the regulatory framework faced by the private sector in the country.

3.0 TRADING ACROSS BORDERS

Trading across borders is one of the areas covered by the World Bank Group's Ease of Doing Business Report. It provides an independent measurement of border regulations affecting business operations. The indicators produced by trading across borders initiate some functions and are used as a benchmarking tool to measure the performance of border services across economies. It should be noted that cross-border trade covers the trade facilitation efforts in each economy (Okazaki, 2018). Economies with the most efficient trading environments share common features. In most cases, they allow traders to exchange information with customs and other control agencies electronically¹. To some extent, seaports and land borders are the two types of borders that allow the movement of goods across countries. Always, the handling of the shipment can change substantially depending on the type of border, efficiency, and cost-effectiveness. Observing the export border type by considering the time to export (border compliance - hours) in EAC, at least Kenya takes only 16 hours for border compliance. The situation is shockingly in South Sudan as it takes 146 hours. On average, the EAC region experienced far more time (72.6 hours) for border compliance compared to 12.7 hours in OECD countries. Again, while it takes an average of 149.2 hours in EAC for border compliance on the importation, OECD countries take only 8.5 hours. The description of other indicators is depicted in Table 7.

¹ Many economies in Sub-Saharan Africa and Eastern Europe and Central Asia have electronic systems but still require traders to submit hard copies of documents. Additionally, for small and low-income economies, the infrastructure and training costs of implementing such systems can be onerous and meaningful impacts for local traders may take time to materialize in practice. Examples of low-income economies that successfully implemented electronic data interchange systems include Burundi, Haiti, Sierra Leone, and Tajikistan.

Table 7: EAC Performing Economies by Border Type

| | Burundi | Kenya | Rwanda | S/Sudan | Tanzania | Uganda | OECD |
|--|----------------|--------------|---------------|----------------|-----------------|---------------|-------------|
| Trading across borders | 47.3 | 67.4 | 75.0 | 26.2 | 20.2 | 66.7 | 94.3 |
| Export border type | land | land | land | land | port | land | |
| Time to export: Border compliance (hours) | 59 | 16 | 83 | 146 | 96 | 59 | 12.7 |
| Cost to export: Border compliance (USD) | 109 | 143 | 183 | 763 | 1175 | 209 | 136.8 |
| Time to export: Documentary compliance (hours) | 120 | 19 | 30 | 192 | 96 | 24 | 2.3 |
| Cost to export: Documentary compliance (USD) | 150 | 191 | 110 | 194 | 275 | 102 | 33.4 |
| Import border type | land | port | land | land | port | land | |
| Time to import: Border compliance (hours) | 154 | 194 | 74 | 179 | 402 | 145 | 8.5 |
| Cost to import: Border compliance (USD) | 444 | 833 | 282 | 781 | 1350 | 447 | 98.1 |
| Time to import: Documentary compliance (hours) | 180 | 60 | 48 | 360 | 240 | 96 | 3.4 |
| Cost to import: Documentary compliance (USD) | 1025 | 115 | 121 | 350 | 375 | 296 | 23.5 |
| Trading across Borders rank | 169 | 117 | 88 | 180 | 182 | 121 | 26 |

Source: DB, 2020

3.1 Components of Trading across Border

Cross border trade measures the time and cost (see Table 8) associated with two different sets of procedures and formalities; border compliance and documentary compliance for importing or exporting a shipment of goods (Table 7). However, trading across borders consists of different indicators:

- **Import/Export:** A shipment travels from a warehouse in the commercial center of the exporting economy to a warehouse in the commercial center of the importing economy².
- **Documentary compliance:** This captures the time and cost (for obtaining, preparing, processing, presenting, and submitting documents) associated with compliance with the documentary requirements of all government agencies of the origin economy, the destination economy, and any transit economies.
- **Border compliance:** This captures the time and cost associated with compliance, the economy's customs regulations and regulations relating to other inspections that are mandatory (within the economy, not its trading partner) for the shipment to cross the economy's border (either to be imported or exported), as well as the time and cost for handling that takes place at its most widely used port or border.

Table 8: Components of Trading across Borders

| Components | Descriptions |
|----------------|--|
| Time to export | Time for documentary compliance and border compliance when exporting the product of comparative advantages |
| Cost to export | Cost for documentary compliance and border compliance when exporting the product of comparative advantages |
| Time to import | Time for documentary compliance and border compliance when importing products |
| Cost to import | Cost for documentary compliance and border compliance when importing products |

Source: DB 2016 & Okazaki, 2018

3.2 Other Indicators for Trading across Borders

While trading across borders indicators have been considered as tools to measure the outcomes of the government's trade facilitation efforts in each economy, other indices have been developed

²To identify the trading partner and export product for each economy, Doing Business refers to international databases such as the United Nations Commodity Trade Statistics Database (UN Comtrade). For the missing data, DB consults ancillary government sources (various ministries and departments) and World Bank Group country offices. The missing data can also be fetched from the ITC using the mirror data.

by international organizations and other entities to measure policy inputs or outcomes or a mixture of both in the area of trade facilitation:

3.2.1 Logistics Performance Index (LPI)

This is a benchmarking tool focused on trade logistics, covers 160 countries, and purports to show the logistical "friendliness" of each of them from commercial operators' perspectives.

3.2.2 Trade Facilitation Indicators (TFIs)

The Organization for Economic Cooperation and Development (OECD) has developed Trade Facilitation Indicators (TFIs) which cover the full spectrum of Customs' and other border procedures that are addressed by the World Trade Organization (WTO)'s Agreement on Trade Facilitation. One of the objectives of the TFIs is to inform countries of 'the state of implementation of various policy areas and measures' included in the TFA, thereby allowing them 'to monitor their progress since 2012 and to make comparisons with other countries or groups of countries of interest'.

3.2.3 Enabling Trade Index (ETI)

The 2016 edition of the World Economic Forum's Enabling Trade Index (ETI) covers 136 economies collectively accounting for more than 98 percent of global trade. The index assesses the extent to which economies have in place institutions, policies, infrastructures, and services facilitating the free flow of goods across the borders and to their destination.

3.2.4 Revenue Administration Fiscal Information Tool (RA-FIT)

Among its various fiscal assessment tools, the International Monetary Fund (IMF) established the Revenue Administration Fiscal Information Tool (RA-FIT) initiative, which is currently known as the International Survey on Revenue Administration (ISORA), a survey project aiming to provide a convenient platform for gathering performance indicators for customs and tax administrations.

4.0 TRADE ENVIRONMENT IN TANZANIA

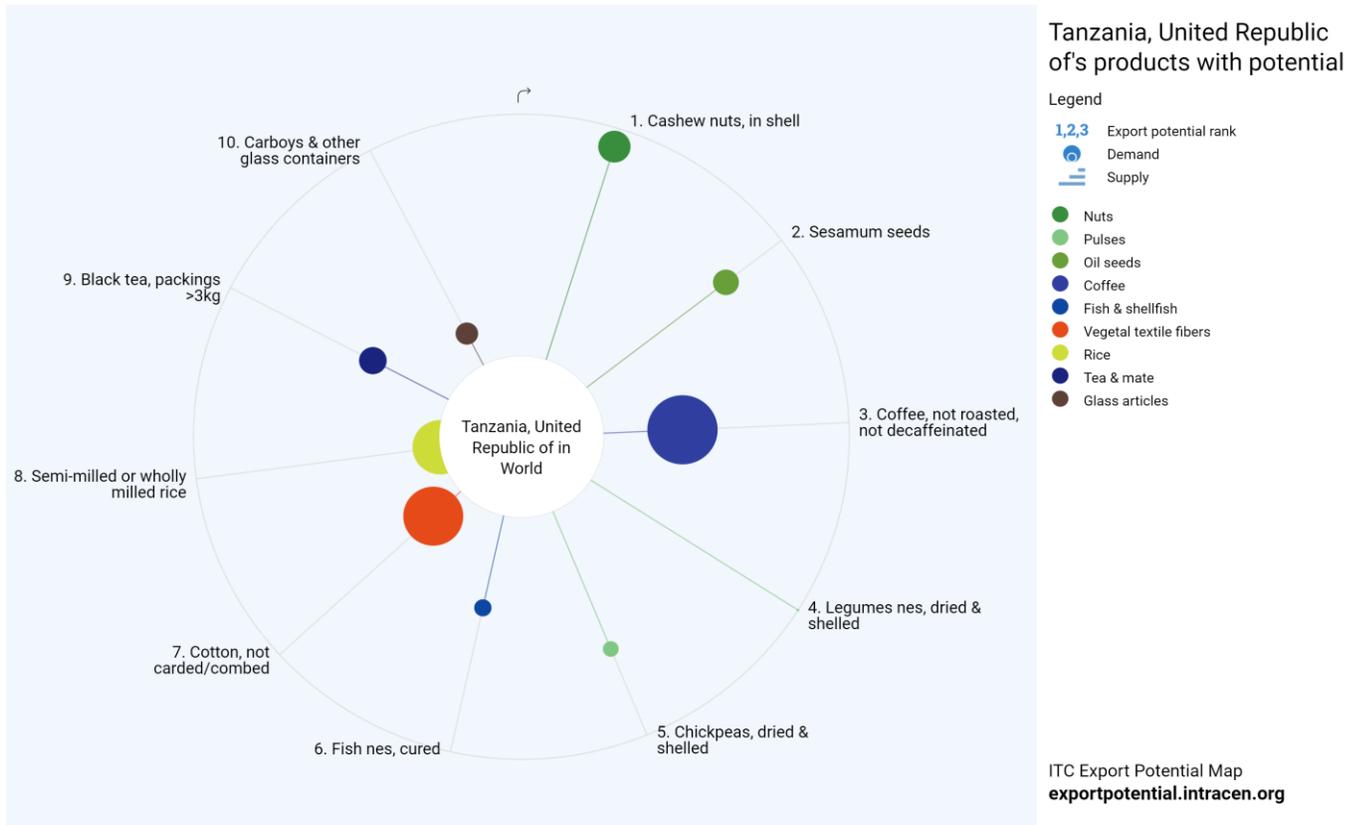
4.1 Current Situations

Tanzania achieved a lower-middle-income economy status in July 2020, reflecting two decades of sustained macroeconomic growth. The country's rich natural endowments and strategic geographic position fostered a diverse economy resilient to external shocks. Tanzania's economy fared better than many regional peers during the COVID-19 pandemic but still suffered significant losses due to a decline in tourism and related services. Through the promotion of the internal investment climate, the government of Tanzania welcomes foreign direct investment. However, over the past several years there was a marked deterioration in the business environment and investment climate. Tanzania ranked 141 out of 190 countries on the 2020 (WB, 2020), the lowest among its regional peers. According to the report, the biggest challenges lie in tax administration, opening and closing businesses, and trading across borders.

4.2 Main Export Destinations and Products

The products with the greatest export potential from Tanzania to the rest of the world are cashew nuts, in shell, sesamum seeds, and coffee, not roasted, not decaffeinated. Tanzania has the highest supply capacity in Legumes, dried & shelled. Beauty, make-up & skincare preparations are the product that faces the strongest demand potential in world. Other exports include agricultural products and materials, gemstones, and textiles. Countries that receive Tanzania's exports include Switzerland, India, South Africa, and China. Tanzania's primary imports consist of machinery, transport equipment, and petroleum and chemical products. The majority of the country's imported goods are received from India, South Africa, the United Arab Emirates, China, and Switzerland. The top 10 export potential where Tanzania has the leverage is analyzed in Figure 2.

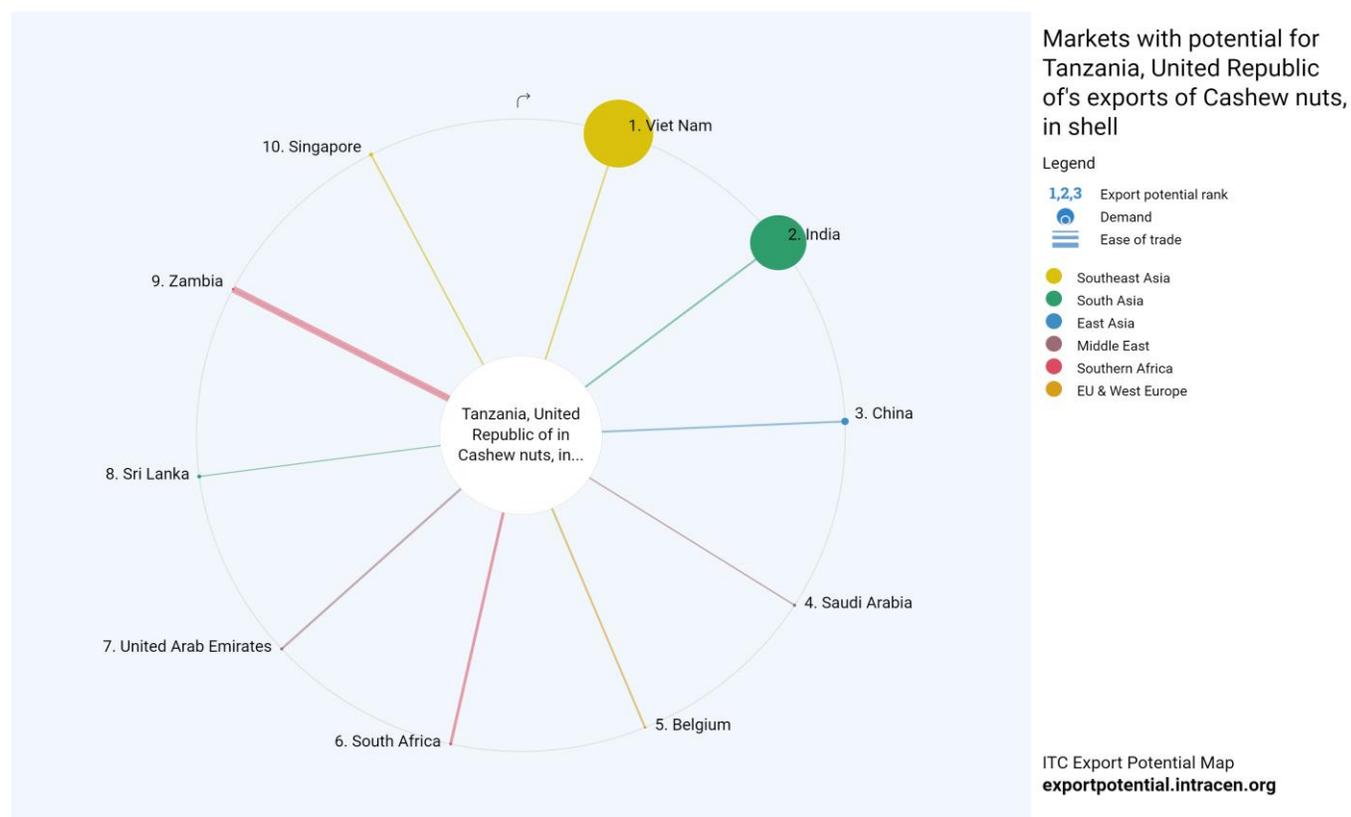
Figure 2: Products with Greatest Export Potential from Tanzania



Source: ITC Trade Potential Map (July 2022)

The markets with the greatest potential for Tanzania’s exports of Cashew nuts, in shell are Vietnam, India, and China to mention a few. Based on this analysis, Vietnam is the market with the largest demand potential for Cashew nuts, in shell. However, of the top 10 destinations, Tanzania has the closest export links with Zambia as reflected in Figure 3.

Figure 3: Markets with Greatest Potential for Tanzania



Source: ITC Trade Potential Map (July 2022)

4.3 Products Imported from and Exported to EAC by Tanzania

The internal EAC market has about 179 million consumers, giving huge market access to the most traded products. In 2020, cereals were the major export product from Tanzania to the EAC countries, while soap, organic surface-active agents, washing preparations, and lubricating preparations were the major import from the EAC. More than that, some of the products are imported to Tanzania as inputs for value additions, while others are being supplied to partner states as exports. Looking for the former, iron and steel are imported as inputs for the major constructions taking place in a country. For example, the major construction activities in Tanzania include; the SGR project (\$1.9 billion), the Expansion of the Dar es Salaam Port (\$421mil), Julius Nyerere Hydropower Station (\$2.9 billion), construction of flyovers in Dar es Salaam, and the like. Paper and paperboard, articles of paper pulp, or paperboard products are also imported as inputs used in construction projects. On the other hand, pharmaceutical

products, sugars and sugar confectionery, and others are being imported as finished products. Cereals, the main exports of Tanzania to EAC, are exported in partner states as both inputs for value additions as well as finished products for consumption. Other products are wood and articles of wood, wood charcoal, iron and steel, ceramic products, fertilizers also are being supplied to partner states as inputs for industries and the agricultural sector. Table 9 presents the top 10 products Tanzania exported to and imported from the EAC region in 2020.

Table 9: Top 10 Products Imported from and Exported to EAC by Tanzania in 2020

| S/N | Products exported by Tanzania to EAC | Products imported from EAC |
|-----|--|---|
| 1 | Cereals | Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial |
| 2 | Fertilizers | Iron and steel |
| 3 | Salt; Sulphur; earths and stone; plastering materials, lime and cement | Pharmaceutical products |
| 4 | Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad | Sugars and sugar confectionery |
| 5 | Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral | Plastics and articles thereof |
| 6 | Paper and paperboard; articles of paper pulp, of paper or paperboard | Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television |
| 7 | Ceramic products | Paper and paperboard; articles of paper pulp, of paper or paperboard |
| 8 | Iron and steel | Animal or vegetable fats and oils and their cleavage products; prepared edible fats. |
| 9 | Residues and waste from the food industries; prepared animal fodder | Essential oils and resinoids; perfumery, cosmetic or toilet preparations |
| 10 | Wood and articles of wood; wood charcoal | Miscellaneous articles of base metal |

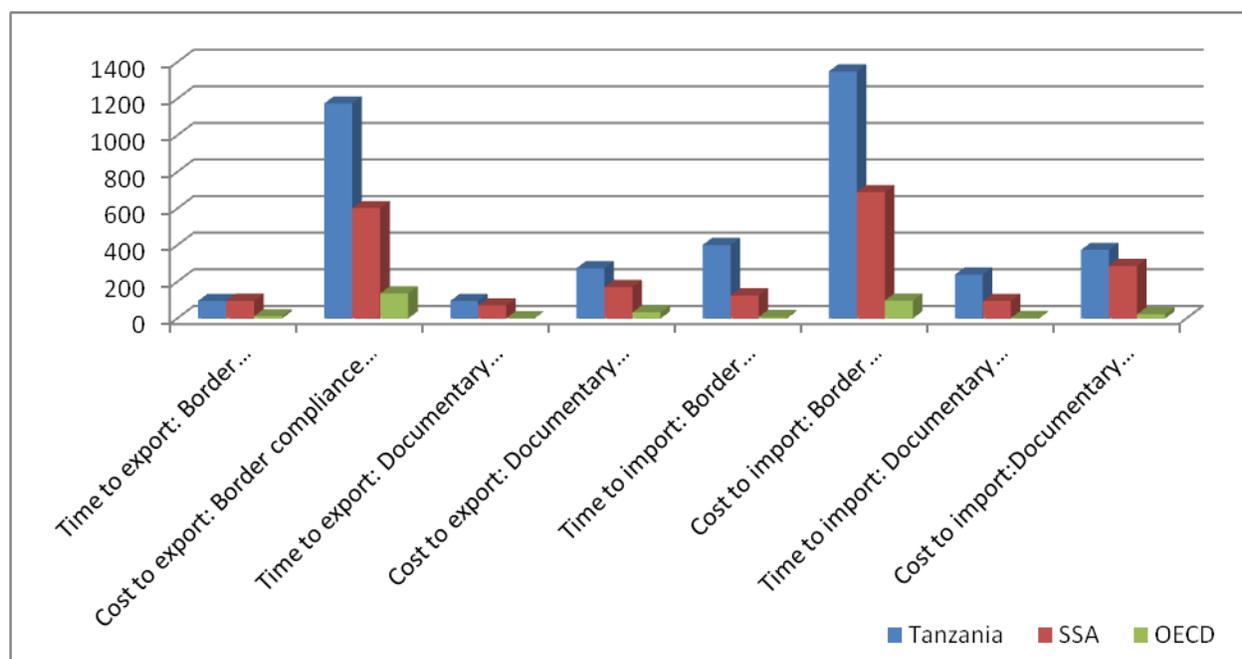
Source: ITC TradeMap (July 2022)

5.0 TRADING ACROSS BORDERS IN TANZANIA

5.1 Trading Across Borders

This measures the time and cost associated with the logistical process of exporting and importing goods. It measures the time and cost (excluding tariffs) associated with three sets of procedures; the documentary compliance, border compliance, and domestic transport within the overall process of exporting or importing a shipment of goods. However, these procedures measure different aspects. The indicator responsible for this measure for Tanzania is indicated in Figure 4.

Figure 4: Indicators for Trading Across Borders in Tanzania



Source: DB, 2020

5.1.1 Documentary Compliance

Documentary compliance captures the time and cost associated with compliance with the documentary requirements of all government agencies in the country of origin, the destination economy, and any transit economies. Table 10 shows some applicable trade documents in the Tanzanian context. The aim is to measure the total burden of preparing a bundle of documents that enable the completion of the international trade for the product and partner countries, that is:

- Obtaining, preparing, and submitting documents during transport, clearance, inspections, and port or border handling in origin economy

- Obtaining, preparing, and submitting documents required by the destination economy and any transit economies
- Covers all documents required by law and in practice, including electronic submissions of information

Table 10: Trade Documents in Tanzania

| Export | Import |
|----------------------------|--|
| Bill of lading | Bill of lading |
| Certificate of origin | Certificate of origin |
| Commercial invoice | Commercial invoice |
| Customs Export Declaration | Packing list |
| Release Order | Certificate of Conformity |
| Export permit | Import Declaration (C41 Form) |
| Fumigation Certificate | Delivery order |
| Phytosanitary certificate | Authority Letter |
| Letter of Authorization | Taxpayer identification number certificate |
| Packing List | SOLAS certificate |
| SOLAS certificate | |
| Radiation Certificate | |

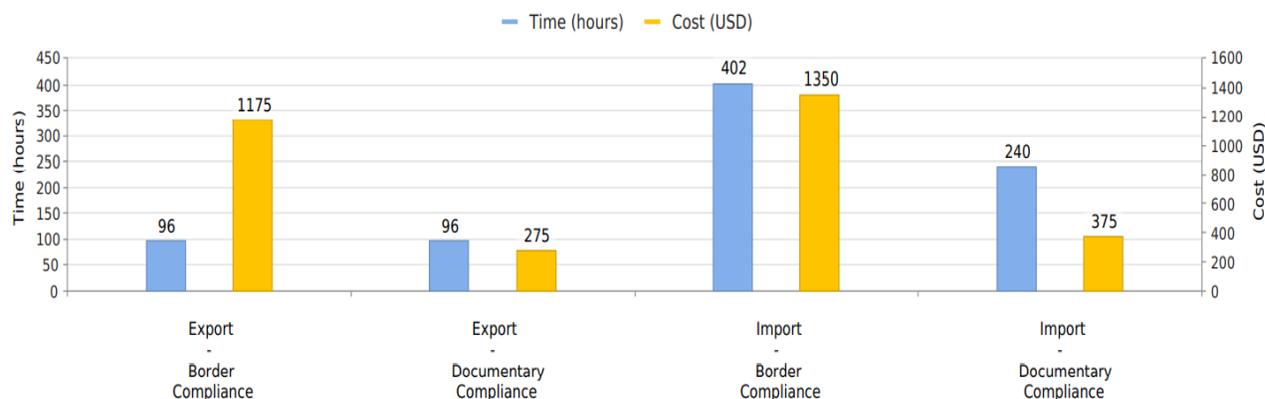
Source: DB in Tanzania, 2020

5.1.2 Border Compliance

Border compliance captures the time and cost associated with compliance with the economy's customs regulations and with regulations relating to other inspections that are mandatory for the shipment to cross the economy's border, as well as the time and cost for handling that takes place at its port or border. The time and cost for this segment include time and cost for customs clearance and inspection procedures conducted by other government agencies. In particular, these are the issues:

- Customs clearance and inspections,
- Inspections by other agencies (if applied to more than 20% of shipments),
- Handling and inspections that take place at the economy's port or border.

Figure 5: Trading Across Borders in Tanzania – Time and Cost



4.1.3 Domestic Transport

This among others includes; loading or unloading of the shipment at the warehouse or port/border, transport between the warehouse and port/border traffic delays, and road police checks while shipment is en route. Regarding Table 11, it takes one hour for border compliance on export for the best countries like Austria and Belgium, while taking 96 hours to do the same in Tanzania. However, for OECD countries, it takes an average of 12.7 hours for the same activity. Even for documentary compliance, it's more than 45 times the number of hours as compared to OECD countries. The same comparisons can be depicted in Table 11.

Table 11: Indicators of Economies with Best and Worst Regulatory Performance

| Topic | Trading across borders | Regulatory Performance | | | | | |
|----------------|------------------------------|------------------------|------|----------|-------|-------|-------|
| | | Best countries | Best | Tanzania | Worst | SSA | OECD |
| Time to export | Border compliance (hrs) | Austria, Belgium | 1 | 96 | 160 | 97.1 | 12.7 |
| | Documentary compliance (hrs) | Canada, Poland | 1 | 96 | 170 | 71.9 | 2.3 |
| Cost to export | Border compliance (\$) | France, Netherlands | 0 | 1175 | 1,060 | 603.1 | 136.8 |
| | Documentary compliance (\$) | Hungary, Norway | 0 | 275 | 400 | 172.5 | 33.4 |
| Time to import | Border compliance (hrs) | Estonia, France | 1 | 402 | 280 | 126.2 | 8.5 |
| | Documentary compliance (hrs) | S/Korea, Latvia | 1 | 240 | 240 | 96.1 | 3.4 |
| Cost to import | Border compliance (\$) | Belgium, Denmark | 0 | 1350 | 1,200 | 690.6 | 98.1 |
| | Documentary compliance (\$) | Iceland, Latvia, UK | 0 | 375 | 700 | 287.2 | 23.5 |

Source: DB database, 2020

5.2 Lesson from Economies with Best Regulatory Performance

- Good relations with partner countries, for example, South Korea's relationship with Japan and US. The industries targeted by the Korean Government include healthcare (medical devices, pharmaceuticals, and biotechnology), industrial chemicals, information technology (IT) components, semiconductor manufacturing, aerospace and defense, energy, environmental technology, transportation (including reviving the shipbuilding industry). The US companies have already begun to identify opportunities in these growing industries. Additionally, the US firms have started partnering with local Korean companies to expand market opportunities to third-country markets, including ASEAN, the Middle East, and other Indo-Pacific markets.
- Cherish and appreciate specialization, whether it is for products or human capital. Thus, the countries' economic performances are attributed largely to good fundamentals including; a high savings rate, strong human capital, sound institutions, and prudent fiscal and monetary management.
- Trade openness provided access to inexpensive imported intermediate goods, larger markets, and advanced technologies, thereby contributing to rapid productivity growth in the country's manufacturing industries.
- Performance-based incentives facilitated the continuous upgrading of countries' comparative advantage in global markets. For example, Korea uses this type of policy.
- Best performing countries work to improve the investment climate to raise the quantity and quality of investment, particularly of small- and medium-sized enterprises (SMEs) in the services industry.
- Efforts to ease product regulations and lower barriers to foreign investment would promote competition and technological innovation.
- The use of the Electronic Data Interchange (EDI) system for paperless import clearance allows importers to make an import declaration by computer without visiting the customs house.
- A big shift from products manufacturing to service production/provision, the area where Tanzania is yet to take advantage of it (protected area).

- Import declarations may be filed at the customs house before a vessel enters a port or before the goods are unloaded into bonded areas. In both cases, goods are released directly from the port without being stored in a bonded area, if the import declaration is accepted. Import declaration system that allows for the immediate release of goods upon acceptance of an import declaration filed without defect. Except for high-risk items related to public health and sanitation, national security, and the environment, which often require additional documentation and technical tests, goods imported by companies with no record of trade law violations are released upon the acceptance of the import declaration without customs inspection.
- The use of automated systems; in these countries, exporters can file an export notice to the customs house by computer-based shipping documents at the time of export clearance. All commodities can be freely exported unless they are included on the negative list.
- Integration in GVCs both in manufacturing and services products (e.g. in the digital economy). This technique assisted some countries like Korea to secure their positions as GVC powerhouses and a leading exporter to the world.

5.3 Recommendations for Trade across Borders

5.3.1 Simplify Export and Import Procedures

Streamline and simplify all export and import procedures at the ports to reflect the automated and online processes to reduce time and cost for Border Compliance, Documentary Compliance, and Port Handling services.

5.3.2 Technical Assistance

Provide technical assistance to General Register Authority-Customs to conduct and institute Cargo Time Release Studies to identify and quantify bottlenecks for Border and Documentary compliance as well as port handling services for both import and export in Tanzania.

5.3.3 Training and Orientation

Organize training and orientation program on simplified and streamlined procedures and processes for TRA Customs Staff, Port Handling Staff, and Other Government agencies Staff at the Ports.

5.3.4 Training and Sensitization

Training and sensitization Programs for members of Tanzania Shippers Authority (TASAC), Freight Forwarders, Clearing Agents, and other Associations (TATOA, TAFFA, TCI, TPSF, TCCIA etc.) on the simplified and streamlined port procedures. The training and sensitization messages should include the provision of the detailed commercial descriptions of goods, including Harmonized System (HS) classification code by which duty/tax rates are determined and the advantage of starting the pre-shipment processes earlier to reduce time and cost.

5.3.5 Periodic Communications

Organize periodic communications and public education programs for trade facilitation and reforms at the ports.

5.3.6 Process Flow Audit

There is a need for a process flow audit to reveal the time associated with each of the steps/procedures within the port processing system to enable targeted reforms.

5.3.7 Track and Document the Turn-Around Time

There is a need to track and document the turn-around time on a quarterly basis to inform decisions in regard to eliminating redundancies or delays at the port for import and export. This should be an integral part of the M&E regime at the port for TRA, MITI, MLF, GEPG and TESWS.

5.3.8 Monitoring and Data Gathering

A monitoring and data gathering system should be instituted and integrated into the Port and borders Management regime to primarily recording traffic, and time associated with the various transactions executed by different Agencies at the port and borders.

5.3.9 Bilateral Agreement

Existing bilateral agreements should be made public for business sector to take advantage of opportunities.

5.3.10 Building Capacity and Sensitizing

Improve efficiency by building capacity and sensitizing key actors in the import-export ecosystem. This should include but not be limited to key institutions such as the Association of Industries (AI), Freight Forwarders, Trader/Exporter Associations, i.e. TPSF, TATOA, TAFFA etc.

5.3.11 Reduce the Fees and other Complications

There is a need for TBS to reduce the fees and other complications. Also, TBS should not be involved if the product in question already has a SADC standards certification.

5.3.12 Import Regime should be extended to the Export

Initiatives that focused on improving the import regime should be extended to the export procedures.

5.4 Recommendations in Matrix Form

Table 11 highlight some recommendation on trading across border indicators by portraying a typical issues, policy options together with responsible actors

Table 12: Details Recommendations in Matrix

| Issue | Cross Border Challenges | Recommendations Option | Actors |
|---|--|---|---|
| Current, everything is done manually, from one system to another. | The customer is receiving documents and uploading them to TANSIS (TRA) and other institutions' systems manually and the system is not communicating direct to the customer. The procedures might take 5 to 10 days | Streamline and simplify all export and import procedures at the ports to reflect the automated and online processes to reduce time and cost for Border Compliance, Documentary Compliance, and Port Handling services | TPA, TANTRADE, TRA, TANSIS, MIT, GePG, NEMC |
| System feedback | After receiving the receipt, the agent is currently required to download and control the number, then upload it to TBS and other systems for inspection. If the system failed then agent is required to go physically. | Provide technical assistance to General Register Authority- Customs to conduct and institute Cargo Time Release Studies to identify and quantify bottlenecks for Border and Documentary compliance as well as port handling services for both import and export in Tanzania | -MOFP, TRA, TBS |
| Creation of files. | Current agent is required to create a file to upload other documents to the system such as TRA, TPA | Organize training and orientation program on simplified and streamlined procedures and processes for TRA Customs Staff, Port Handling Staff, and Other Government agencies Staff at the Ports | - MOFP, TRA, TPA, TANTRADE, MIT |
| Miscommunication among actors. | Currently, there are major reforms that the Tanzanian Ports | Training and sensitization Programs for members of Tanzania Shippers | TASAC, TATO, TAFFA, CTI, TCCIA, TWCC, T |

| | | | |
|--------------------|--|--|---|
| | Authority has made (TPA), which both the private sector and government have no awareness on. Again there is miscommunication and the language used in most documents are not friendly. | Authority (TASAC), Freight Forwarders, Clearing Agents, and other Associations (TATO, TAFFA, CTI, TPSF, and TCCIA etc.) on the simplified and streamlined port. The Training and sensitization messages should include the provision of the detailed commercial descriptions of goods, including Harmonized System (HS) classification code by which duty/tax rates are determined and the advantage of starting the pre-shipment processes earlier to reduce time and cost. Also all documents should be available in both Swahili and English. | PA, TRA-Customs, TBS, TFDA, TAEC, TFRA and LATRA |
| Trainings | Currently, trainings are done general and not specific to sector. | Organize periodic communications and public education programs for trade facilitation and reforms at the ports. (Private sector association, Government, Training providers) | -MOFP, MIT, TRA, TPA TANSIS |
| Clearing Period | Currently, no clear reference reveals the exact duration of each step/procedure within the port processing system. This results in investors failing to predict the exact consignment clearing period. | There is a need for a process flow audit to reveal the time associated with each of the steps/procedures within the port processing system to enable targeted reforms. (TPA) | TPA, TANTRADE, MIT |
| Delay at the port. | Currently, there are delays at the port resulting in high demurrage costs incurred by the investors, thus making them not | There is a need to track and document the turn-around time on a quarterly basis to inform decisions in regard to eliminating | TRA, MITI, MLF, GEPG, TESWS, TANTRADE, TPA, CUSTOMS |

| | | | |
|--|--|---|-------------------------------|
| | competitive. | redundancies or delays at the port for import and export. This should be an integral part of the M&E regime at the port for TRA, MITI, MLF, and GEPG and TESWS. A monitoring and data gathering system should be instituted and integrated into the Port and borders Management regime to primarily recording traffic, and time associated with the various transactions executed by different Agencies at the port and borders | |
| Opportunities on International Market. | Currently, there is a lack of awareness by the investors in Tanzania on the knowledge and opportunities associated with international markets. | Improve efficiency by building capacity and sensitizing key actors in the import-export ecosystem. This should include but not limited to key institutions such as the Association of Industries (AI), Freight Forwarders, Trader/Exporter Associations, i.e TPSF, TATO, TAFFA etc | AI, FF, TATO, TAFFA, NBC, MIT |
| Standards Certification Cost | Current the cost depend on type of product and the cost varies from one item to another | There is a need for TBS to reduce the fees and other complications. Also, TBS should not be involved if the product in question already has a SADC standards certification. Initiatives that focused on improving the import regime should be extended to the export procedures. | MIT, MOFP, TBS |
| Duplications of VAT | Current there is duplication of VAT on each payment start from | VAT International transport service and other export-related services | TRA, MIT, MOFP |

| | | | |
|--|---|--|------------------------|
| | shipping line, TBS, TRA and others depend on the type of produce | should be zero-rated such as Transportation of export commodities, Stuffing into containers, Transportation of full containers, Wharfage and handling charges of export commodities, Bill of lading fees. ALL above charges are zero-rated in EAC Countries (MOU between non EAC states) | |
| Unfamiliarity of Bilateral Agreements. | Currently, these bilateral agreements are not familiar to the general public, most of these agreements are known by the few government experts who participated in the negotiation process. | Existing bilateral agreement should be made public for business sector to take advantage of opportunities. | MFA,MIT,TANTRADE, |
| Cumbersome Procedures existence. | Currently, there is huge effort in improving the importation while export procedures are still cumbersome | Initiatives that focused on improving the import regime should be extended to the export procedures | MIT,MOFP,TBS,TRA, TNBC |

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