26th August, 2020

Dear EAGC Members and Stakeholders,

UPDATE ON THE COVID-19 PANDEMIC FOR THE GRAIN SECTOR IN EASTERN AFRICA – WEEK 21

Greetings from the Secretariat.

This Communique is a resumption of our regular updates to EAGC Members and Stakeholders on developments in the grain sector in Eastern Africa in the face of the Novel Coronavirus (COVID-19). Previous editions of this Communique are accessible here.

The number of COVID-19 confirmed cases in EAGC mandate countries has so far risen to 110,222. Despite the increase in cases, many countries are relaxing their containment measures due to the rising economic pressure after months of restrictions.

Eastern African governments, particularly those of the EAC Partner States in their 2020/2021 National Budgets proposed stimulus packages and social safety net programs as well as established economic recovery plans to provide relief from the economic hardships. Cross border trade is still a rising concern in the region as efforts to minimize cross border transmissions have halted movement of cargo trucks across the borders disrupting supply chains and the flow of essential commodities.

Figure 1: Monthly progression of COVID-19 Cases in Eastern Africa. Source: WHO database as of 25th Aug 2020

![Confirmed COVID-19 Cases in EAGC Mandate Countries](source: WHO database as of 25th Aug 2020)
A. Recent Measures taken by Governments in Eastern Africa

Regional COVID-19 response

The EAC has embarked on the launch of the EAC Regional Electronic Cargo and Driver Tracking System (RECDTS) in collaboration with the EAC Partner States National Focal Points on COVID-19 and TradeMark East Africa (TMEA).

The tracking system was launched at the border points of Rusumo (Tanzania/Rwanda) on 12th August; Mutukula (Uganda/Tanzania) on 14th August, and set for launch at Malaba (Kenya/Uganda) on 21st August, at Namanga (Tanzania/Kenya) on 28th August and Kabanga/Kobero border (Tanzania/Burundi) on 31st August 2020. All selected borders will be equipped with the necessary terminals to allow easy movement of the truck drivers.

Users of the tracking system are to share their COVID-19 test results on the platform for easy information exchange along the Central and Northern corridors. The system which is directly linked to the national Laboratory repository for all COVID-19 results for each Partner State, will subsequently pass on the results using already existing systems used by the national revenue and health authorities in the region. Only the negative results are automatically linked to the application and information is shared across all transport corridors through a secure mechanism.

The tracking system is expected to be the key to the region’s response to the COVID-19 pandemic by helping in sharing of EAC COVID-19 Test certificate for cross border truck drivers/crews electronically on the platform.

Rwanda

The following pandemic control measures remain in place in the country:

- Public and private businesses will continue not exceeding 50% of existing staff while other employees continue working from home on a rotational basis
- Tourism will continue
- Passengers arriving at Kigali International Airport must present a negative COVID-19 PCR test taken within 120 hours prior to departure and should comply with health guidelines.
- Land borders will remain closed, except for goods and cargo as well as returning Rwandan citizens and legal residents. Returnees will be subjected to mandatory quarantine at their own cost
- Movement of goods and people within Rusizi shall continue but movements between Rusizi and other districts remain prohibited
- Motorcycles are allowed to carry passengers except in areas under lockdown
Kenya

Following an initial relaxation of containment measures, a spike in cases led to reintroduction of some previous measures. Containment measures currently in place include the following:

- The countrywide night-time curfew between 21.00hrs to 04.00hrs remains in place.
- A ban on sale of alcohol in eateries and restaurants across the country effective 27th July, for the next 30 days. Bars shall remain closed until further notice. Restaurants are now required to close by 7pm.
- The National government will strictly enforce Ministry of Health protocols on public gatherings, and particularly funerals.
- The Ministry of Health will develop a protocol to temporarily retain retired anesthetists and ICU staff to support the medical staff assigned to dealing with serious COVID-19 cases in the Counties.
- Any Government Institutions including all sporting facilities, stadia and educational institutions and other Government facilities, shall be availed to the Ministry of Health for Isolation and Quarantine purposes upon designation by the Cabinet Secretary for Health as a public health facility.
- Resumption of both domestic and international passenger services following the easing of movement restrictions as directed by the government. Domestic flights resumed on 15th July and international flights resumed on 1st August for travellers from 11 countries only.
- The government has merged the operations of the Kenya Ports Authority (KPA), Kenya Railways Corporation (KRC) and the Kenya Pipeline Corporation (KPC), to guide the central management of public port, railway and pipeline services under the Kenya Transport and Logistics Network (KTLN) under the coordination of the Industrial and Commercial Development Corporation (ICDC). The three agencies have been moved to the National Treasury as their oversight ministry. The merger will ease logistics by lowering the cost of doing business in the country.
- Places of worship are set to accommodate more members and hold meetings for a longer while according to revised guidelines by the Inter-Faith Council on the National Response to the coronavirus pandemic. The Council is set to roll out the first phase of opening of places of worship on August 18, 2020. The numbers of congregants will now be determined by social distancing (1.5 metres) and size of space available in the places of worship, where previously, a maximum of only100 worshipers were to be allowed. The time limit has been extended to 90 minutes from one hour and the age limit of persons allowed in services revised to over 6 to 65 years from the initial 13 to 58.
Tanzania

Tanzania has not introduced new containment measures in recent months. However, schools and higher learning institutions are being encouraged to follow professional advice on hygiene and physical distancing, including wearing masks, social distancing and being alert to Coronavirus symptoms.

While international travel resumed several weeks ago, direct flights between Tanzania and Kenya have been effectively suspended following the non-renewal of Kenya Airway’s license to ply the Nairobi to Dar es Salaam, Kilimanjaro and Zanzibar routes until further notice.

Malawi

- New guidelines to prevent and respond to COVID-19 were gazetted by the Government on 7 August.
- Ministry of Disaster Management Affairs and Public Events (MoDMAPE) is working on a successor National COVID-19 Response Plan, with support from the UN cluster coordination structure.

Uganda

The government has eased restrictions on sections of businesses such as retail shops located outside the arcades, malls, food markets, stand-alone shops and SACCOs on condition that SOPs must be observed.

The government announced proposed stimulus measures to provide liquidity to private firms as follows:

✓ Defer payment of Pay-As-You Earn (PAYE) tax by those sectors which are most affected until September 2020;
✓ Waiver of interest on tax arrears
✓ Expedite payment of outstanding VAT refunds
✓ Payment of domestic arrears for goods and services supplied to Government by the private sector
✓ Through the Bank of Uganda, the bank has put in place provisions to cushion businesses against credit costs, including extension of loan repayment periods, repayment freezes, and reduction in commercial banks reserve funds to inject liquidity.
✓ Boosting funding to Uganda Industrial Research Institute (UIRI) in FY 2020/21 to continue with innovation research and incubation of business start-ups.
✓ Provision of additional UGX 300 billion immediately to boost agricultural production and productivity for seedlings, fertilizers, irrigation, storage facilities and value addition with maize and oil seeds among the target crops
B. Updates on cross-border trade situation

Kenya/Tanzania borders

- Truck drivers crossing the borders are required to have COVID-19 test certificates proving they have tested negative for the virus.
- However, there are reports that Kenya has reinstated the 14-day mandatory quarantine for Tanzanian drivers crossing into Kenya. This has led to congestion of trucks at the borders, which in turn has exacerbated rent-seeking behaviours by border officials taking advantage of traders and keen to expedite border clearance.

Uganda/Rwanda border

The Rusumo border is still open to cargo movements but operating at minimal capacity. Delays have been reported at the borders owing to revised custom clearance procedures and the testing of truck drivers and their assistants for COVID-19.

Trucks transhipment which is effective at the border and the mandatory hiring of a second driver based in Rwanda is also contributing to the border delays and increasing transport costs.

However, Rwandan trucks are still allowed to cross into Tanzania without transfer of goods onto Tanzanian trucks.

Uganda/Kenya borders

Queues of up to 12km have been observed at Busia and Malaba borders due to health checks. This has further caused traffic at the Weighbridge side as trucks are released almost at the same time.

There are reports that some transporters are favored and trucks released in violation of first come first served basis. In some cases, border officials are accused of rent-seeking behaviors where they slow down cargo clearance to solicit bribes from truck drivers.
C. EAGC support to structured grain trade

EAGC also continues to facilitate trade in grains, farm inputs, equipment and services through the G-Soko and G-Hub systems as follows:

i. Continued monitoring and regular reporting to Members on developments regarding the COVID-19 pandemic to inform the business decisions.

ii. Logistical support for grain trade using pre-qualified service providers.

iii. Emergency working capital arrangements with partner financial institutions ease liquidity constraints affecting the grain suppliers as a result of COVID-19.

In the past one month, EAGC has facilitated over 600MT of maize trade from Uganda to Kenya and is currently supporting one of its Members to purchase 200MT of maize weekly. EAGC publishes a weekly *Trade Catalogue* which shows the various commodities available from trade in Eastern Africa.

EAGC reminds its Members and Stakeholders to make use of its trade facilitation services and bring to its attention any disruptions they experience in either domestic or cross-border trade through Secretariat contacts at the end of this Communique (Annex 1).

Thank you and God Bless you.

Gerald Makau Masila,  
EXECUTIVE DIRECTOR,  
EASTERN AFRICA GRAIN COUNCIL
Annex 1: EAGC Contact Addresses for you to reach us for assistance.

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