

Bank of Tanzania governor Benno Ndulu (left) addresses journalists on security marks of banknotes in Dar es Salaam. With him is banking director Emmanuel Boaz. PHOTO | FILE



# TCCIA: Cutting cost of doing business healthy

**TRADE.** That is exactly what the Tanzania Chamber of Commerce, Industry and Agriculture has been advocating for, for many years culminating in the introduction of a project aimed at tackling non-tariff barriers in 2012

By Alawi Masare  
BusinessWeek Reporter

**Dar es Salaam.** Increased export of goods and services made in Tanzania is what the economy needs to move to the next level in the wake of the weakening shilling.

That is exactly what the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) has been advocating for, for many years culminating in the introduction of a project to tackle Non-Tariff Barriers (NTBs) in 2012.

The project has been advocating for removal of NTBs that have been impeding transit trade and exportation of products originating from Tanzania to the East African Community Region and the Southern African Development Community (SADC) since 2012.

The project aims at enhancing the mechanism through which the NTBs are identified, reported, monitored with an ultimate goal of elimination in order to create a conducive environment for the smooth flow of trade within Tanzania and in the East African region as a whole. As Tanzania's Private Sector focal point for (NTBs), TCCIA through the financial support of Trade Mark East Africa (TMEA) amounting to \$1.2 million have received technical support, supply of important equipment including computers, servers, scanners and facilitation of various project related trainings, seminars, meetings and promotional campaigns.

Through this project, TCCIA has managed to develop two systems that have been helpful in creating a conducive

business environment by lowering the cost of doing business in Tanzania and in the EAC region as a whole. The first system; NTBs, SMS and Online Reporting and Monitoring System is an IT based tool that enables exporters and importers to report NTBs encountered along the trade corridors, at borders or at government institutions' offices.

Mercelina Kalugira, a regional executive officer for TCCIA in Shinyanga Region, has been monitoring cases to do with NTBs amongst traders in Shinyanga. Her role involves building capacity to bridge the knowledge gap in the use of NTBs, SMS and Online Reporting and Monitoring System.

"We have received a lot of cases to do with NTBs in one stop border posts areas like Kabanga, Mtukula, whereby the majority of local exporters from Shinyanga face hurdles as a result of lack of knowledge. I have travelled on the trade route with them to see their experiences for instance, some traders are not aware that packages that are not more than 200 dollars do not require a Comprehensive Certificate of Origin and instead they use Simplified Certificates of Origin which are available free of charge at TRA offices located at every border. Some traders unknowingly have been asked to pay for the comprehensive certificates, says Marcelina.

Since its establishment in 2012 the system has captured 85 NTBs and 54 per cent of them have been eliminated and the remainder are at different levels of resolution. To report an NTB through

the system, system users/exporters write NTBs then leave a space and state the barrier they face and the message sent to 15539.

The most common institutions in the imposition of NTBs in Tanzania include Tanzania Revenue Authority (TRA), Tanroads, Tanzania Port Authority (TPA), Tanzania Foods and Drugs Authority (TFDA), Tanzania Bureau of Standards (TBS), Immigration Department, Tanzania Police Force Department, among others. Through the establishment of the National Monitoring Committee (NMC) composed of about 38 different public and private sector organisations a notable achievement in dealing with NTBs has since been realised. The committee is a live example of how Private Public Partnership (PPP) can revolutionise the trade sector.

Electronic Certificate of Origin is the second system of its kind in the East African Community (EAC) region developed by the Tanzania Chamber of Commerce, Industry and Agriculture (TCCIA) under the support of TradeMark East Africa (TMEA). This system enables exporters to apply for Certificates of Origin electronically and get them approved on line by the competent authority. This system cuts down the transporter's cost of processing the document by 50 per cent. Since it started its operation in July 2014 it has facilitated issuance of about 300 certificates. More than 300 exporters are trained throughout the country on the usage of the system.

Rogert Mwashwa works for Twiga Cement as a logistics superintendent. Twiga Cement exports cement to countries such as Malawi, Burundi and Rwanda. Mwashwa has been using the electronic certificate of origin since it was initiated by TCCIA.

"The electronic certificate of origin system is less time consuming compared to the manual system that we had previously as less time is spent to input data electronically. A process that took more than three days previously now takes only a few minutes. The electronic system has also reduced bureaucracy that was evident in the manual system. It also helps in that there is a back up of all the information electronically on a database unlike in the manual system," says Mwashwa.

Electronic Certificate of Origin is accessible online via [www.tccia/eco](http://www.tccia/eco). Exporters can login to register their companies' details and there after use the same to apply for the certificate of Origin Electronically. Non-Tariff Barri-

ers (NTBs) pose a real challenge to the trade outlook of the region as their existence still severely bar the trade growth. Despite the ongoing efforts to fight NTBs through introduction of electronic systems and dialogues at the national level i.e National Monitoring Committees (NMC) and the regional initiatives i.e NTBs Regional Forums, the barriers still exist.

The key role of the Private Sector led by TCCIA is to develop and implement a vibrant advocacy strategy to ensure government's accountability in its role as regards the issue of trade and the business environment as a whole. According to the director of industrial development at TCCIA Mr Adam Zuku, the government is evidently recognising the contribution of the private sector in the business environment in Tanzania. In 2014, the government prioritized reforms to improve the business environment and ease of doing business in the country through the Big Results Now (BRN) initiative in order to facilitate better trading environment across borders.

TCCIA has so far conducted a number of advocacy campaigns which includes lobbying the government to develop and implement policies that are friendly to the business community. Good progress has thus far been made for instance, the reduction of Police Road Blocks along the central corridor from 58 in 2012 to 6 in 2015. Other developments include the construction of One Stop Border Posts at several borders including Holili/Taveta, Mutukula and Kabanga/Kobero which are supported by TradeMark East Africa (TMEA). Other OSBPs include Namananga, Sirari, Horohoro and Rusumo which are supported by other development partners. OSBPs are expected to reduce the time of clearance at the borders.

Other initiatives realised include the introduction of Electronic Cargo Tracking system by Tanzania Revenue Authority (TRA) in the Central Corridor. The system has eliminated the need for the Customs inspections along the corridor that were increasing the time taken to transport goods through the corridor.

\*TCCIA wants implementation of the East African Common Market Protocol to benefit agricultural, manufacturing and tourism sectors, among others.

\*Agriculture and tourism are sleeping giants that need to be tapped in accordance with the implementation of the East African Common Market Protocol and regional trade to create a myriad of opportunities for young people and the business community in Tanzania.

Tanzania is growing a range of high quality products that have great demand in the EAC - oranges, onions, beans, maize and several other crops.

