

A Simplified Guide for Micro and Small-Scale Women Cross Border Traders and Service Providers within the East African Community (EAC)



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EAC rules and regulations on short-term/temporary supply or provision of services, movement of persons/people and workers

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## **Foreword**

The East African Community (EAC) continues to consolidate key regional integration achievements particularly the implementation of the EAC Single Customs Territory, and the application of the revised EAC Rules of Origin, 2015. The operationalization of the revised EAC Rules of Origin, 2015 has eased doing business in the region. The removal of several tariff and non-tariff trade barriers has promoted the movement of goods and services across borders and tremendously spurred intra-EAC Trade. Available statistics show that trade within the EAC increased from US\$4.5 billion in 2011 to US\$5.1 billion in 2015.

Articles 121 and 122 of the Treaty Establishing the East African Community recognizes the role of Women in Socio-Economic Development and in Business. Based on this Treaty provision, EAC Partner States are therefore committed to promote gender equality and women's empowerment through linking women to national and regional markets and improving their access to relevant and customized information on EAC and/or national market opportunities.

One of the non-tariff barriers impeding trade across the region is the lack of information. Traders struggle to find information regarding the goods and services allowed for trade in each Partner State, the standards and authorization certifications required, the taxes and tariffs expected in each Partner State, the import and export laws of each Partner State, the trade processes and controls, the rules of origin and the customs procedures among other details that are important for successful trade within the region. Information is also lacking on where a trader should go to find help or lodge a complaint regarding cross border trade offences or inconsistencies.

This lack of information has left big loop holes for corruption and the shortchanging of traders as they endeavor to move their goods from one Partner State to another. As a result, traders incur great financial losses incurred, and in several instances, forcing them out of business. The lack of clear and accessible information is more acute among

women entrepreneurs as communication channels and means have not necessarily been developed along their needs.

Against this background the EAC, in partnership with the ILO, have developed a comprehensive information pack (Simplified Guide/Tool) containing up-to-date and relevant information on the existing policies, procedures, requirements, rules of origin, taxes, tariffs, exemptions and facilities available to cross border traders such that they can ably trade within the region.

This guide provides information on key EAC trade rules, regulations and procedures, related to trade within the EAC (intra-EAC trade) in a simplified and user-friendly manner. The main users of this will mainly be micro and small scale women cross border traders and service suppliers as well as associations and networks of women entrepreneurs, service suppliers and cross border traders but also secondary users such as cross border traders, the private sector in general, young entrepreneurs, investors, Business Membership Organizations (BMOs), Non-Governmental Organizations (NGOs), development partners as well as relevant government institutions.

I take this opportunity to thank the Directorates of Social Sectors, Customs and Trade, the gender and trade experts from Partner States, development Partners particularly the International Labour Organisation and GIZ for the technical and financial support provided in the development and production of this Info pack.

Amb. Liberat Mfumukeko Secretary General East African Community

# Acknowledgements

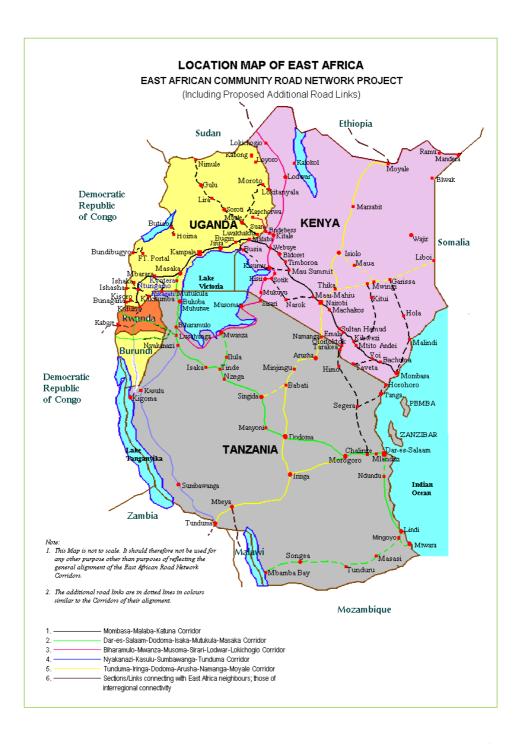
The East African Secretariat wishes to take this opportunity to sincerely thank the International Labour Organisation (ILO) and the GIZ - Support to the African Union Border Programme for the support provided in the development of the Simplified Guide and Information Pack on EAC Trade Rules and Regulations for Women Cross Border Traders.

The Simplified Guide and Information Pack was developed by the EAC Secretariat with technical and financial support from the International Labour Organization - Women Entrepreneurship Development and Economic Empowerment Project (ILO WEDEE) to sensitize cross border traders on the opportunities provided for by the Customs Union and Common Market Protocols in addressing challenges faced by women in business especially in the EAC cross border trade.

We are especially grateful to go to all Gender and Trade experts from the EAC Partner States for all their efforts and contribution during the preparation of the Simplified Guide and the Information pack.

Last but not least we appreciate the efforts of Ms. Mary Makoffu, Director, Social Sectors, Mrs. Generose Minani, the Principal Gender Officer and Mr. Morris Tayebwa, Programme Assistant in the Gender Department who coordinated the participation, reviews and final inputs from the Partner States experts, Customs and Trade and EAC Statistics in the production of this report.

EAC Secretariat, December 2016



### **Acronyms**

BMOs Business Membership Organizations

CMP Common Market Protocol
DFR Department of Fisheries

DVS Department of Veterinary Services

EAC East African Community

FDI Foreign Direct Investment

GDP Gross Domestic Product

KEPHIS Kenya Plant Health Inspectorate Services

MAFC The Ministry of Agriculture, Food Security and

Cooperatives

MLDF Ministry of Livestock Development and Fisheries

NGOs Non-Governmental Organizations

RoO Rules of Origin (EAC)

SMEs Small and Medium Enterprises

SPS Sanitary and Phyto-sanitary measures
TAEC Tanzania Atomic Energy Commission
TFDA Tanzania Food and Drugs Authority

TPRI The Tropical Pesticide Research Institute

US\$ United States Dollar VAT Value Added Tax

#### Notations in the booklet



Indicates a QUESTION asked



Indicates an ANSWER to the question asked



Note: This brings to attention supplementary information to be taken into consideration



Text box: This gives further explanations of certain areas



Directs the user to another booklet

## EAC rules and regulations on short-term/ temporary supply or provision of services, movement of persons/people and workers

#### Introduction

This booklet presents information on the EAC rules and regulations relating to:

- 1. Short-term/temporary supply or provision of services
- 2. Movement of persons/people
- 3. Movement of workers

# Short-term/temporary supply or provision of services

The main rules and regulations relating to supply or provision of services are found in the EAC Common Market Protocol (CMP). The key rules are those relating to the free movement of persons providing/supplying a service for a short period of time (also known as short-term/temporary service suppliers). Examples of these suppliers include: independent consultants, food caterers, sales persons and ICT maintenance persons.

The CMP provides for free movement of temporary services suppliers under Article 16.6. It is important to note that temporary/ short-term services suppliers are different from workers in terms of the period of time and how frequent they supply the service.

The key features of temporary/short-term service suppliers are;

- The services to be provided are on short period of time or temporary basis.
- The short-term/temporary service supplier is paid in their home country and it is not necessary for the supplier to live in the country in which the services are provided.
- The short-term/temporary services supplier does not benefit from rights that workers have, such as social security benefits.

# Differences between short-term/temporary services suppliers and workers

Issue	Free movement of workers regulations	Freedom to provide services schedule
Basic right	Right of an individual to apply for and accept employment	Right of a service provider (business) to provide/ supply services on short-term basis
Basis of movement	Permanent	Temporary/short-term
Length of stay	Long-term	Short-term
Access to labour market	Yes	No
Right to remain	Yes	No, unless period reaches [five] years
Access to social security benefits (provided through for example National Social Security Funds)	Yes	No
Where person is paid	Country where worker moves to	Country where the service provider comes from
Spouse and dependants rights	Yes	No



# What are the specific rules relating to short-term/temporary service suppliers?

Despite the differences between temporary/short-term service suppliers and workers, there are currently no separate rules in the EAC. The EAC regulations on movement of workers also apply to movement of short-term/temporary service suppliers. The regulations on movement of workers are discussed on page 5.



# New dawn for short-term/temporary service suppliers!

After much deliberation and negotiations, EAC Partner States committed to develop a separate set of regulations for temporary/short-term services suppliers. Negotiations commenced in November 2014 and should lead to new and less restrictive regulations on movement of temporary/short-term service suppliers.

# Key EAC rules and regulations on movement of persons/people

Free movement of persons/people is provided for under Article 7 of the CMP.

A citizen of any EAC Partner State can enter and remain in another EAC Partner State without a visa only for reasons of visiting, seeking medical treatment, traveling to another country, undertaking studies or any other lawful reason for a period of upto 6 months with a possibility of renewal.

It is important to note, that a person entering an EAC Partner State for reason of employment or work is NOT covered under this provisions and therefore different requirements apply which are discussed in Page 5.



## Documents required for persons/people to move freely within the EAC

To travel/move freely within the EAC, a citizen of an EAC Partner State must have;

- A valid travel document, i.e. passport or temporary pass document. It is worth noting that Kenya, Uganda and Rwanda recognize national identity cards as valid travel documents. Tanzania is in the process of issuing its citizens with national identity cards.
- 2. Comply with immigration procedures e.g. filling in the required immigration forms, and getting the right medical vaccinations such as yellow fever vaccination. Tanzania for example requires that all persons entering Tanzania must be vaccinated against yellow fever.



No payment or fee is required for immigration forms or the six months stamp/pass.

# Key EAC rules and regulations on movement of workers

The CMP provides that citizens of EAC Partner States have the right to seek and take-up employment in another EAC Partner State. Workers also have the right to social security, rights for their dependents (i.e. spouse and children), the freedom of association and collective bargaining, as well as opportunity for dispute settlement.

The main regulation on movement of workers in the EAC is a valid work permit.



Documents required for application of a work permit in an EAC Partner State

The following documents are required;

- a) A valid passport;
- b) A contract of employment; and
- c) Any other document(s) that the authorities may require.

All work permit application must be made within 15 days of entering into another EAC Partner State, or within 15 days from the date of concluding the contract in the case where the worker is already in the other EAC Partner State. The worker and his/her dependents will also be given a pass to remain in the country for a period of 6 months pending the processing of the work permit.

In cases where employment does not go beyond 90 working days, workers can apply for a special pass which can be issued at the point of entry into another EAC Partner State. However, the worker will need to present a contract and a valid travel document before applying for a special pass.

# Authorities responsible for movement of workers in EAC Partner States

EAC Partner State	Authority (Ministry/ Department/Office)	Document(s) issued	
Burundi (a worker needs both a work permit and a	Ministry of Immigration (Direction Générale de la Police (Air), des Frontiers et des Etrangèrs)	Residence permit	
residence permit)	Ministry of Labour	Work permit/special pass	
Kenya	Immigrating Office (Ministry of Internal Affairs)	Work permit/special pass	
Rwanda	Rwanda Directorate General of immigration and Emigration	Work permit/special pass	
Tanzania	Principal Commissioner of Immigration	Residence permit	
(a worker needs both	Ministry of Labour	Work permit/special pass	
a work permit and a residence permit)	Zanzibar Head Office (for workers who want to work in Zanzibar).	Work permit/special pass	
Uganda	Ministry of Internal Affairs	Work permit/special pass	

Source: EAC Secretariat



Booklet 5: References on Country Specific Key Support Agencies, their Services and Contact Information



# Is one required to pay a fee in order to obtain a work permit?

The Republics of Kenya, Rwanda and Uganda have removed the Entry/Work/Residence Permit fees.

#### Resident and Work Permit fees in United Republic of Tanzania

The United Republic of Tanzania charges a resident permit fee of USD 1500. The residence permits can be applied for while within the country and are granted for a period of two years.

The work permit fees as prescribed in the Non-Citizens (Employment Regulations) Act No 1 of 2015" are as follows:

Class	Item	Fee USD
А	Investors and self employed	1000
В	Non-citizens in Possession of professions	500
С	Non-citizens in possession of other professions	1000
D	Non-citizens employed or engaged in approved religion and charitable organization	500
Е	Refugees	Not Charged

The Work permit inspection fee is USD 50

#### Resident and Work Permit fees in United Republic of Burundi

Burundi has removed residence permit fees for citizens of other EAC Partner States have been removed. Work permit fees are charged at a rate of 3% of the total annual earnings through the Ministry of Labour.

However, Work Permit fees are to be removed after the new Labour Code is revised



Those seeking to work in Zanzibar (for the same company and in the same position) and already have a work permit from Mainland Tanzania, should go the immigration office in mainland Tanzania and obtain a letter allowing them to work in Zanzibar.



What is the procedure to be followed when a worker stops working?



When a worker stops working, he/she is required to inform authorities in writing within 15 days.

If he/she wishes to change employment, the worker is also required to inform authorities in writing within 15 days after the employment comes to an end and must apply for a new work permit.



# What happens if a work permit application is rejected?

In the event that a work permit application has been rejected by the authorities, the worker should be informed by the authorities in writing specifying the grounds for the reject. Further, when a work permit is denied, the authority should give reasonable time for the worker (applicant) and his/her dependents to leave the country.





#### Can a work permit be cancelled?

Yes. A work permit can be canceled if a worker/employee is removed (dismissed) from employment for which the permit was issued or if the permit was acquired in an illegal way.

Where the work permit has been canceled, the worker should either leave the country or regularize his or her status within 30 days. If the worker does not comply with the 30day deadline, the host country may return him/her to his country.

The following table on page 10 summarizes the requirements and procedures for obtaining work permits in the five EAC Partner States

## Requirements/conditions for issuing work permits in the EAC

General requirements across all EAC Partner States					
Condition	Kenya	Uganda	Tanzania	Rwanda	Burundi
Completion of application forms	Applicable	Applicable	Applicable	Applicable	Applicable
Attachment of Passport Size Photographs	Applicable (2 photos)	Applicable (2 photos)	Applicable (6 photos)	Applicable (1 photo)	Applicable (2 photos)
Copy of the National Passport	Applicable	Applicable	Applicable	Applicable	Applicable
Attachment of introduction letter or curriculum vitae	Applicable	Applicable	Applicable	Applicable	Applicable
Attachment of copies of academic certificates (preferable certified copies)	Applicable	Applicable	Applicable	Applicable	Applicable
Attachment of evidence of payment of processing fees	Applicable	N/a	N/a	N/a	N/a
Employment contract	Applicable	Applicable	Applicable	Applicable	Applicable
Security bonds	N/a	Applicable	Applicable	N/a	N/a
Recommendation letter for employer	N/a	N/a	N/a	Applicable	N/a
Letter of good conduct	N/a	Applicable	N/a	Applicable in the form of Police clearance (original) from the country where you have lived for the last 6 months	N/a

Source: Authorities responsible for Movement of Workers in the five EAC Partner States

Contents developed with the support from:



International Labour Organization





Published by





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The "Women's Entrepreneurship Development and Economic Empowerment" Project

Support to the African Union Border Programme

Design & Layout: Catherine Njeri • Illustrations: Michael Barasa / Catherine Njeri

ISBN 978-9987-712-69-4