SOCIO-ECONOMIC DEVELOPMENT AND BENEFIT SHARING PROJECT [SDBS]

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Gender and Youth Dimensions in Cross-Border Trade and Investment in the Nile Basin Countries

UGANDA

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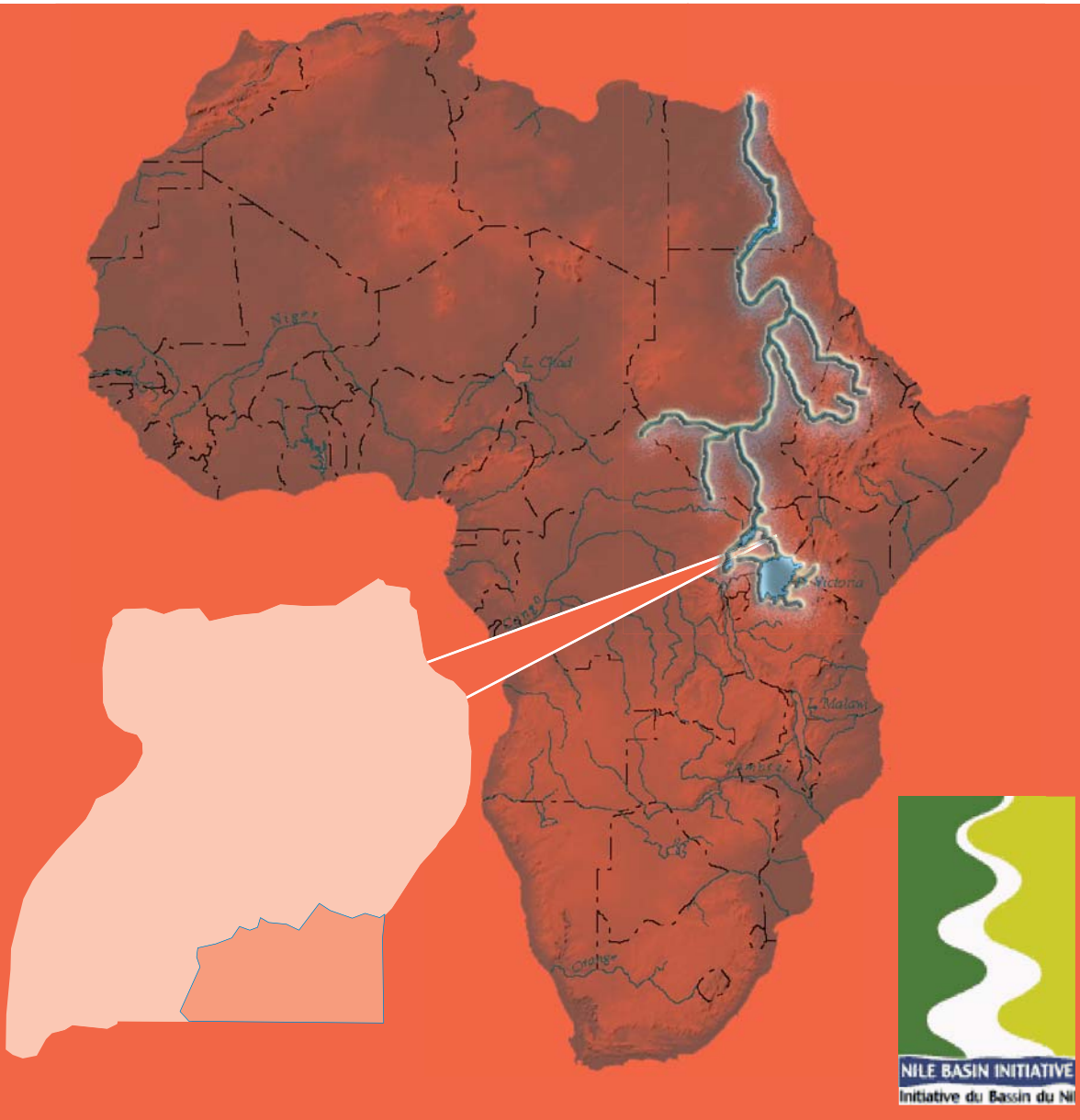

NILE BASIN INITIATIVE
Initiative du Bassin du Nil

PMU, SOCIO-ECONOMIC DEVELOPMENT & BENEFIT SHARING PROJECT
NILE BASIN INITIATIVE

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Gender and Youth Dimensions in Cross-border Trade and Investment in the Nile Basin countries

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Contents

List of tables

List of figures

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Executive summary

This report is on gender and youth dimensions in cross-border trade and investment in the Nile Basin countries. The purpose is to enhance the creation of benefits from cross-border trade through value addition across the trade chain and enhance benefit sharing through investment in livelihoods and through mainstreaming men, women and youth across the chain. The report is therefore in three main parts. The first part explores at what stage of the cross-border trade men, women and youth are involved and why. The second part proposes an investment strategy to mainstream men, women and youth in cross-border trade. And finally, three presents an investment strategy to improve livelihoods of people in the Lakes Edward, Albert and George basins.

The ultimate outcomes are several. The first is to improve food security. Food commodities move from surplus to deficient Nile Basin Countries ensuring that the peoples in deficient countries have sufficient food to eat. Farmers in the surplus countries are encouraged to produce more as the market is ensured. The second outcome is to understand cross-border trade and contribute towards socioeconomic development and benefit-sharing. The third outcome was increased value across the trade chain. And finally, increase the sensitivity of trans-boundary investments. Each of the parts in the report is summarized.

Part A and B

Gender participation in cross-border trade

The cross-border trade value chain was defined as consisting of four players: farmers, traders, exporters and importers. For each player, there were variations in participation for men, and women– the youth were almost non-existent. For the ***farmers***, men are less involved at the farm level in food commodities produced mainly for home consumption and more involved in food commodities produced

for commercial purposes and other non-agricultural commodities. Women are more involved in the production for home consumption to safe-guard the family against hunger. Men dominate fishing because the task is physically straining and requires fishers to be away from home for long periods of time. For the ***traders***, men are more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are finance; domestic duties, as the trade involves traveling long distances away from the family; power relations in the family and therefore, they are not allowed by their husbands, and inadequate skills. For the ***exporters***, men are more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are inadequate experience and skills; domestic duties as it involves traveling long distances away from the family; power relations in the family and therefore they are not allowed by their husbands and inadequate finances. And finally, for the ***importers*** women catch up with men and in some cases there are more women than men, and the youth are absent. The general picture is that at the import stage, women are many but are involved in small quantities. Although regarding both men and women, the commodities are for onward selling, the distinction is that many women do this to ensure that their families are food secure; women also sell mainly to women vendors in their countries while men mainly sell to factories which package, process or re-export the commodities.

Non-gender specific challenges in cross-border trade

Much as the study is aimed at exploring gender differentials in cross-border trade chain participation, it also explored other challenges. These challenges were absence of value addition and inadequate infrastructure across the entire value chain; unpredictable cross-border trade policies and market institutions at border points.

Uganda, Kenya, Tanzania, Rwanda and Sudan have policies or frameworks and programme responses to address these challenges. These are benchmarks to mainstream men, women and youth in cross-border trade; add value at all stages of the chain; strengthen institutions and infrastructure across the chain; and improve border policies and practices. Their implementation is what is urgently needed.

Proposals for action

What can Nile Basin Countries do to address the challenges of mainstreaming men, women and youth participation in cross-border trade; adding value at all stages of the cross-border trade chain; strengthening market institutions and infrastructure; and improving border policies and practices? This study found out that policies and programs to address these challenges are in place; it is their effective implementation that is required. Any lessons learnt can then be fed back into the implementation as a way to enhance their effectiveness. Therefore, under each challenge and based on the study findings, we make proposals for action. We propose an integrated investment strategy to ***mainstream men, women and youth*** participation in cross-border trade in the Nile Basin Countries that has three components. These are: the Basin Appropriate Technology (BAT) component will mainstream men at farms through investing in appropriate technology that combines farming and post-harvest handling techniques. Granaries for the Nile Basin (GNB) will mainstream women in commercial food production at the farm, trade, export and import stages of the cross-border chain. It is envisaged to be composed of training in skills relevant to each stage and low cost credit to allow women implement the acquired skills and gain more experience that is vital for participation. The Basin Agricultural Commodity Exchange (BACE) will mainstream the youth at all stages of the cross-border chain. The main element will be information – collecting and disseminating information on standards, quantity, quality, grades, prices through an appropriate technology.

The proposed integrated investment strategy to mainstream the participation of men, women and youth in cross-border trade in the Nile Basin Countries will also ***add value***. In addition, however, we propose some actions to streamline the legality of trading in Nile perch bi-products; and implement programs to advance the cooperation of farmers, traders, exporters and importers with each other and across the chain.

We propose that the Nile Basin countries consider cross-boundary investments in the upgrading of ***landing sites***; ***of feeder roads*** that are considered to have

benefits that are more trans-boundary; and upgrade border market institutions and infrastructure.

We propose a dialogue on the intended consequences of unilateral trade policy changes and sensitization of customs and immigration officers, and border security personnel on the importance and benefits of unimpeded cross-border trade; and the citizens on their rights and mechanisms for redress to improve ***border policies and practices***.

Third and finally, the Lakes Edward and Albert Fisheries Pilot Project (LEAF) between Uganda and the Democratic Republic of Congo was meant to develop investment projects to enhance equitable utilization and benefit sharing of the Nile resources. Economic Policy Research Center reviewed the investment projects and chose to focus on and refine one on improving livelihoods; the investment strategy is presented in part C.

Part C

Under NELSAP, a pilot project – Lakes Edward and Albert Fisheries (LEAF) – was designed to generate replicable experiences in the management of fisheries resources in a trans-boundary context and, based on the findings, design investment programs to reduce poverty and foster sustainable social and economic development through equitable utilization and benefit-sharing from the common Nile Basin water resources. LEAF identified ten investment projects to address the challenges in the Lakes Edward, Albert and George. We chose to focus on improving livelihoods of the peoples in the lake basin and refine the investment strategy. The main motivating factor is that improved livelihood will pull the peoples out of poverty, allow equitable utilization and share the benefits of the common Nile Basin waters. The investment is designed to be implemented over a five-year period.

Social and economic studies conducted during the pilot project revealed that fishers experience low fish catches for most of the year yet incur significant post-fish harvest losses. They fetch low prices since most of the fish is sold to

local traders and directly to consumers within communities at the lake shores. Fish marketing outside the fishing communities are minimal due in part to poor fish catch and to poor feeder roads to the shores. Other than fish, factors like poor education, disease and food availability fluctuation make livelihoods of the people in the lakes basin a little difficult.

To address the livelihoods of peoples in the lake basin, the investment strategy aims to improve the earnings of fishing communities through alternative income sources, enhance food security, increase the educational achievements, and improve access to health services.

The investment strategy has 5 components with 3 primary components and 2 supporting components. The primary components must be carried out to ensure the success of the investment strategy, and the support components ensure that the primary components yield the expected outcomes. The primary components will be undertaken in sequence. The first component will be to sensitize fishers and fishing communities to improve fisheries practice and take advantage of alternative income sources. After sensitization, the second component will strengthen capacities and develop the relevant infrastructure in fisheries practice and in self-identified alternative non-fish enterprises for the fishers and the community. The third component will involve actualizing the skills gained through provision of low-cost credit.

Part A
Gender Mainstreaming in Cross-border Trade in Nile basin countries

1

Introduction

1.1 Background

Cross-border Trade in the Nile Basin Countries is now recognized as a driver for economic growth and improvement of livelihoods. The role of cross-border trade in promoting investments, creating employment, alleviating poverty, and achieving the shared socio-economic benefits is among the most promising paths of cooperative development in the Nile Basin that could potentially transform this region. Its benefits spread beyond the individual to the enterprise, the nation and the region. Peoples and countries in the Nile Basin would benefit from wider revenue base for those engaged in exports, and increased incomes for households that participate in cross-border trade and food security as food moves from countries with surplus to countries with deficit.

The benefits of cross-border trade, however, are difficult to maximize without mainstreaming gender not only at the point of export but at all stages of the value chain – at the farm, trade, export and import stages. It should be noted that to mainstream men, women and the youth is not to just bring them into the existing process, but to transform them or the chain to better reflect their needs and concerns. This study on gender mainstreaming in cross-border trade is designed to inform efforts to mainstream gender in cross-border trade and has two main objectives: (a) to understand any gender differentials in cross-border trade and (b) to identify mechanisms to mainstream gender in cross-border trade with a focus on the Nile Basin countries.

1.2 Methods

The analytical approach used considers four issues vital to understanding any gender differentials in cross-border trade and therefore mainstream gender. These are: the extent to which there is value addition along the cross-border value chain, the participation of women, the participation of men and the

participation of youth along the chain. This approach guided the research to collect primary and secondary data. Data was collected from a random sample of 160 farmers and fishers, 96 traders, 43 exporters, and 22 importers for Uganda, Kenya, Rwanda, Democratic Republic of Congo, Tanzania and Sudan. The guiding question to understand gender participation was "*in your opinion, between men and women, which group dominates … [farming in beans, trade in beans etc] in this community*?" Such a question was felt the most appropriate given that the resources could not allow a representative survey of the actors along the chain involved in all the commodities covered. Secondary data, policy documents and investment plans were collected from the Internet, sub-regional organizations such as COMESA, IGAD and EAC, embassies of the countries concerned and relevant ministries in Uganda.

1.3 Main findings

There are three main issues with reference findings related to gender participation in cross-border trade, other non-gender specific challenges and policies, frameworks and programs to respond to the challenges.

1. **Gender participation in cross-border trade:** the cross-border trade value chain was defined to consist of four players: farmers, traders, exporters and importers. For each player, there were variation in participation for men and women – the youth were almost non existent. For the ***farmers***, men are less involved at the farm level in food commodities produced mainly for home consumption and more involved in food commodities produced for commercial purposes and other non-agricultural commodities. Women are more involved in the production for home consumption to safe-guard the family against hunger. Men dominate fishing because the task is physically straining and requires fishers to be away from home for long periods of time. For the ***traders***, men are more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are finance; domestic duties as the trade involves traveling long distances away from the family; power relations in the family and therefore they are not allowed by their husbands, and inadequate skills. For the ***exporters***, men are

more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are inadequate experience and skills, domestic duties as it involves traveling long distances away from the family, power relations in the family and therefore they are not allowed by their husbands and inadequate finances. And finally, for the ***importers,*** women catch up with men and in some cases there are more women than men, and the youth are absent. The general picture is that at the import stage, women are many but are involved in small quantities. Although regarding both men and women, the commodities are for onward selling, the distinction is that many women do this to ensure that their families are food secure, women also sell mainly to women vendors in their countries while men mainly sell to factories which package, process or re-export the commodities.

2. **Non-gender specific challenges in cross-border trade:** Much as the study aimed at exploring gender differentials in cross-border trade chain participation, it also explored other challenges. These challenges were absence of value addition and inadequate infrastructure across the entire value chain; unpredictable cross-border trade policies and market institutions at border points.
3. Uganda, Kenya, Tanzania, Rwanda and Sudan have **policies or frameworks and programme responses to address these challenges.** These are benchmarks to mainstream men, women and youth in cross-border trade; add value at all stages of the chain; strengthen institutions and infrastructure across the chain; and improve border policies and practices. Their implementation is what is urgently needed.

1.4 Proposals for action

What can Nile Basin Countries do to address the challenges of mainstreaming men, women and youth participation in cross-border trade; adding value at all stages of the cross-border trade chain; strengthening market institutions and infrastructure; and improving border policies and practices? This study found out that policies and programs to address these challenges are in place, it is their effective implementation that is required. Any lessons learnt can then be feed back

into the implementation as a way to enhance their effectiveness. Therefore, under each challenge and based on the study findings, we make proposals for action.

We propose an integrated investment strategy to ***mainstream men, women and youth*** participation in cross-border trade in the Nile Basin Countries that has three components. These are: the Basin Appropriate Technology (BAT) component will mainstream men on the farm through investing in appropriate technology that combines farming and post-harvest handling techniques. Granaries for the Nile Basin (GNB) will mainstream women in commercial food production at the farm, trade, export and import stages of the cross-border chain. It is envisaged to be composed of training in skills relevant to each stage and low-cost credit to allow women implement the acquired skills and gain more experience that is vital for participation. The Basin Agricultural Commodity Exchange (BACE) will mainstream the youth at all stages of the cross-border chain. The main element will be information – collecting and disseminating information on standards, quantity, quality, grades, prices through an appropriate technology.

The proposed integrated investment strategy to mainstream the participation of men, women and youth in cross-border trade in the Nile Basin Countries will also ***add value***. In addition, however, we propose some actions to streamline the legality of trading in Nile perch bi-products; and implement programs to advance the cooperation of farmers, traders, exporters and importers with each other and across the chain.

We propose that the Nile Basin countries consider cross-boundary investments in the upgrading of ***landing sites***; ***of feeder roads*** that are considered to have benefits that are more trans-boundary; and upgrade border market institutions and infrastructure.

We propose a dialogue on the intended consequences of unilateral trade policy changes and sensitization of customs and immigration officers, and border security personnel on the importance and benefits of unimpeded cross-border trade; and the citizens on their rights and mechanisms for redress to improve ***border policies and practices***.

2

Background

2.1 Gender and cross-border trade

Cross-border Trade in the Nile Basin Countries is now recognized as a driver for economic growth and improvement of livelihoods. The role of cross-border trade in promoting investments, creating employment, alleviating poverty, and achieving the shared socio-economic benefits is one of the most promising paths of cooperative development in the Nile Basin that could potentially transform this region. Its benefits spread beyond the individual to the enterprise, the nation and the region. Peoples and countries in the Nile Basin would benefit from wider revenue base for those engaged in exports, increased incomes for households that participate in cross-border trade and food security as food moves from countries with surplus to countries with deficit. Of particular benefit to Nile Basin countries is the expected improved food security resulting from cross-border trade. John Nash and Donald Mitchell suggest that trade may be one of the best ways to put food on the tables of the poor (Nash & Mitchell, 2005).

Cross-border trade enhances food security in at least two ways: first, increase in food production in the surplus country and low prices in both the surplus and deficient countries; second, increases in household incomes. Farmers in surplus countries must produce more to meet the demand from deficient countries, which results in affordable prices. Even in surplus countries, those who do not own farmland have to pay higher prices as consumers. The incomes resulting from trade are used to purchase agricultural inputs to increase production. The high demand is a motivation to diversify into high value food crops. Increases in household incomes guard against chronic food insecurity by increasing the purchasing power of the poor. Cross-border trade provides opportunities for households to earn sufficient income so they can meet their consumption needs, regardless of whether they do so through food produced at home or abroad.

The benefits of cross-border trade however are difficult to maximize without gender mainstreaming (FAO, 2003). 'Gender' is often referred to as 'the socially constructed roles and behaviors of, and relations between, men and women, as opposed to 'sex', which refers to biological differences. Although the youth are often omitted as a category because they are either men or women, they are a key component that must be mainstreamed. Cross-border trade is a process and not discrete unrelated activities from farmers to traders to exporters and importers. It is a chain in which value is added at each stage and the success at one stage is directly or indirectly related to another stage. The metaphor of the "chain" emphasizes the fact that commodities are produced by a sequence of interlinked actors and activities (KIT & IIRR, 2008). When women or men or youth are involved at some stages and not others with differential value addition due to entry barriers, the chain loses their contribution and the associated benefits. For example, if women are more involved at the farm level that is associated with low value addition, the benefits from trade in terms of income will be lost. The lost income means fewer opportunities to purchase agricultural inputs that would increase production and therefore increase the volumes of agricultural commodities through the cross-border trade chain. The consequence is that both the surplus and deficient countries will not maximize the benefits resulting from cross-border trade.

Mainstreaming men, women and the youth would not just be integrating them into the existing process of cross-border trade, but it would also consist of transforming its chain to better reflect men, women and youth needs and concerns. It involves understanding differences, relationships, preferences and interaction; and incorporating them into the chain of cross-border trade. If, for instance, youth preferences are not be rooted at the farm nor are their concerns food security, probably their preference is to discover. With the spread of information technology, the youth could be mainstreamed through provision of information on markets, commodities and inputs to farmers, traders, exporters and importers.

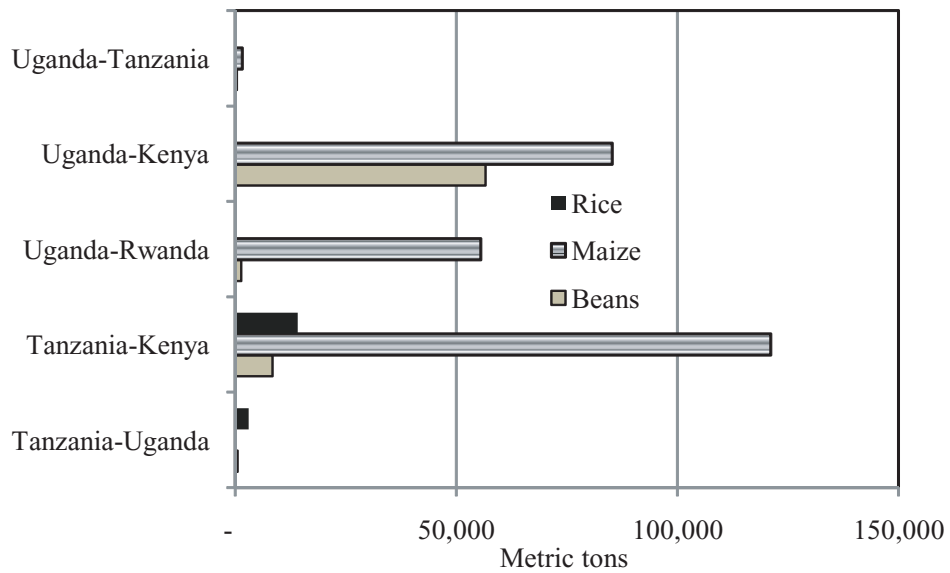
The study on gender mainstreaming in cross-border trade was designed to inform efforts to mainstream gender in cross-border trade. It has two main

objectives: (a) to understand any gender differentials in cross-border trade within the Nile Basin Countries; and (b) to identify mechanisms to mainstream gender in cross-border trade in Nile Basin countries. This part of the report attempts to answer and address the two objectives.

2.2. Agricultural trade within the Nile Basin countries

Overall, agricultural trade within the Nile Basin (intra-trade) is relatively little compared to trade with the rest of the world. However, there is a subset of countries where intra-trade in agricultural commodities is significant. These include Kenya, Rwanda, Tanzania and Uganda. This is presented in a series of charts below showing cross-border trade in beans, maize and rice. Uganda and Tanzania seem to be the major exporters, while Kenya is the main importer (see Figure 2.1). The high-volume commodity traded is maize being sourced from Uganda and Tanzania destined for Kenya and Rwanda. Beans are traded in small quantities from Uganda to Kenya, and some to Rwanda. However, the source of rice seems to be exclusively Tanzania.

Figure 2.1. Agricultural trade in selected commodities between Uganda, Kenya, Rwanda and Tanzania



Source: *Regional Agricultural Trade Intelligence Network (RATIN), June 2008*

3

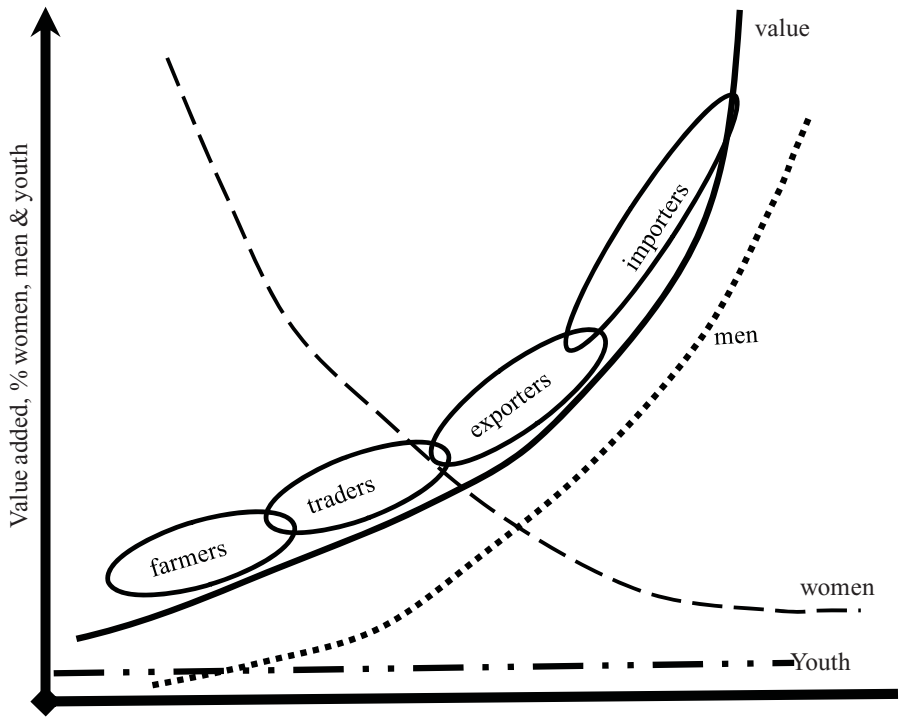
Methods

3.1 Analytical approach

The analytical approach addresses four key issues: value addition along the cross-border value chain, the participation of women, the participation of men and the participation of youth in cross-border trade (see Figure 3.1). In Figure 3.1, the x-axis represents time from the first stage of cross-border trade (at the farm) to the import stage (in importing country). The y-axis represents value addition, the percent of women, men and youth involved in cross-border trade. The curves in the Figure are labelled – value, men, women and youth representing value addition along the cross-border chain, and participation of men, women and youth along the chain. These are described and explained in turn.

The curve labeled "**value**" shows that value addition is lowest at the farmer level; more value is added as agricultural commodities are traded; andmore value at export and more value at import. The additional value is not constant at each stage and is hypothesized to be highest at the point of import in a deficient country. The curve labeled "**women**" shows that at the farm level where value addition is lowest more women participate and few women participate at the import stage where value addition is highest. The curve labeled "**men**" shows that at the farm level where value addition is lowest fewer men participate and more men participate at the import stage where value addition is highest. Finally, the curve labeled "**youth**" shows that the participation of youth is very small or non-existent.

Figure 3.1 Analytical approach for examining gender mainstreaming in cross-border trade



To mainstream participation of either the youth, women or men, does not mean just integrating them into the existing process of cross-border trade, but it would also consist of transforming its chain to better reflect men, women and youth needs and concerns. For example, if it is found out that the women have entry barriers to engage in trade such as long distances away from their families or power relations in the home, dragging them to become traders may not be useful. Rather, a useful approach would be to add more value to production at the same time addressing the distances, for example, through mobile telephones technology or ensuring access to relevant market information. Similarly mainstreaming the youth may not involve actual farming or trading or exporting or importing but the youth could undertake a support activity such as generating and sharing of market information to all the actors in the chain. This would take into account youth preferences.

3.2 Data and survey

3.2.1 Primary data

The scope to collect data to examine gender participation and identify strategies to mainstream gender were Uganda, Rwanda, Democratic Republic of Congo, Sudan, Kenya and Tanzania. The data was to be collected on specific commodities, these are; maize, beans, simsim (sesame), sorghum and fish. Subsequently however, data was collected from a random sample of farmers, traders and exporters based in Uganda (for all commodities), and importers based in Kenya (beans and maize) and Democratic Republic of Congo (fish). The reverse chain, that is, bean farmers, traders and exporters based in Rwanda exporting to Uganda; and rice farmers, traders and exporters based in Tanzania exporting to Uganda were not completed due to the embargo on exportation of agriculture commodities in Rwanda and Tanzania. There were two men exporters of sorghum in Uganda contracted by the government of Sudan and the quantities were small due to being off season. Sim sim exporters in most cases took on the role of importers traveling to Sudan to sell their commodities in retail before they could return. In these cases the chains were not completed.

The guiding question to understand gender participation was "*in your opinion, between men and women, which group dominates … [farming in beans, trade in beans etc] in this community*?" Such an approach was felt the most appropriate given that the resources could not allow a representative survey of the actors along the chain and for the different commodities. In many other cases, for example, with sorghum to Sudan, only two exporters who were also importers, since the population size was small along a specific route.

In total 160 farmers and fishers, 96 traders, 43 exporters, and 22 importers were interviewed. Additional information was collected through observation and interviews with key informants such as business leaders involved in cross-border trade but not necessarily any of the four actors – farmers, traders, exporters and importers. The main commodities and the countries involved

were maize (Uganda exports to Kenya at Busia), beans (Uganda exports to Rwanda at Katuna and Rwandas exports to Uganda at Katuna and Kenya at Busia), sim sim and sorghum (Uganda exports to Sudan at Bibia), rice (Tanzania exports to Uganda at Mutukula) and fish (Uganda exports to Democratic Republic of Congo at Mpondwe). The data collection was undertaken between July and September 2008.

The main criterion used to select a survey area was that it be a significant producer of a target commodity. On this basis, the districts of Iganga and Masindi were selected for maize; Isingiro, Mbarara and Ntungamo for beans; Gulu for sorghum; Amuru and Pader for sesame. Landing sites chosen were Bukakata, Gaba, Kasenyi, Masese, Munyonyo, and Namirembe, all along the shores of Lake Victoria, were selected for fish. In addition, an area at Busega near Kampala where parts of Nile perch (Mpuuta) are informally processed for export to DRC was visited and exporters interviewed. Four large-scale fish processing factories located in Jinja, Entebbe and Kampala, which mainly export processed fish to Europe and Japan, were also visited and their managers interviewed. The border posts were also selected whenever they were considered major transit routes for commodities.

3.2.2 Secondary data

Secondary data, policy documents and investment plans were assembled and reviewed. Sources included the Internet, sub-regional organizations such as COMESA, IGAD and EAC, embassies of the countries concerned and relevant ministries in Uganda.

3.2.3 Data analysis

Data analysis was mainly bivariate using STATA statistical programme.

4

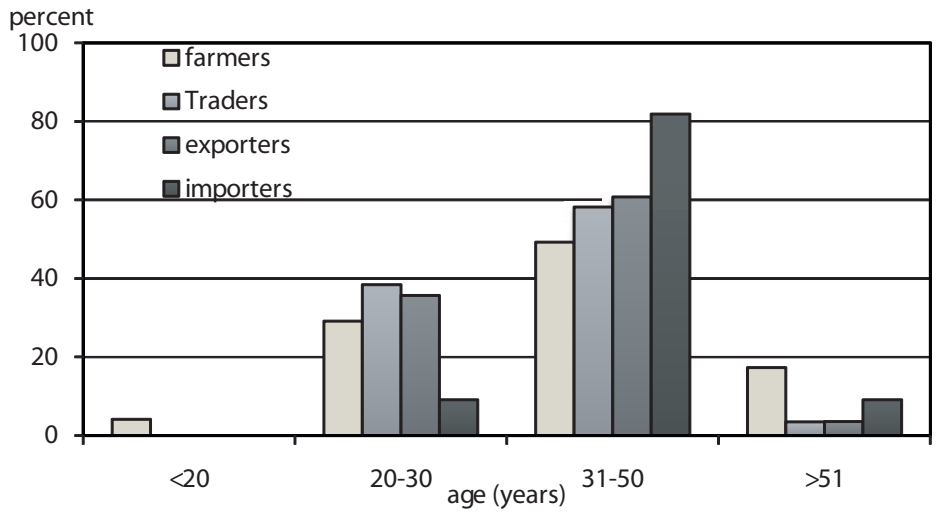
Findings

4.1 Survey respondents

Figure 4.1 and 4.2 show the distribution of farmers, traders, exporters and importers interviewed. Fishers interviewed were all men and therefore are not shown graphically. In total 145 farmers (excluding 15 fishers), 96 traders, 43 exporters, and 22 importers were interviewed. We interviewed more female farmers, more male traders, more male exporters, and more male importers. No youth below the age of 20 years were interviewed for traders, exporters or importers. Only a few of the farmers were youth below the age of 20 years.

Figure 4.1: Male and female composition of respondents

Figure 4.2: Age composition of respondents



Irrespective of whether they were farmers, traders, exporters or importers, about half or more than half were middle-aged (31-50 years old). Primary and high school dropouts are concentrated in the under-20 age group, while high school and new university graduates are concentrated in the 20-30 age group. These two groups are the most affected by unemployment in most Nile Basin countries.

4.2 Gender participation in cross-border trade

The main findings on gender participation in cross-border trade are presented in Figure 4.3a-d. Overall, women dominate agriculture production while men dominate trade, export and import stages of the cross-border trade chain (see Figure 4.3a). Women dominate crop production but as commodities move along the chain from farmers to traders to exporters, men get more involved and women less involved. However, at the import stage, women again get more involved but are still fewer than men. The main reason given for men's less involvement at the farm is that they are engaged in non-farm work or in other farming activities such as tending banana plantation (which is considered a cash enterprise).

There are noticeable differences across specific agricultural commodities. Comparing maize (Figure 4.3b) and beans (Figure 4.3c), men are mostly involved in maize production at the farm level and they are almost absent in bean production. The main reason as reported is because maize is considered a cash crop and beans is considered to be for-home consumption. In fact, engagement in subsistence crops was cited as a major reason for women's less involvement in maize production. At the trade and export stages, men dominate for both crops.

Fish provides a different pattern. The fishers are all men, women get more involved at the trade stage, almost dominating, and they dominate as importers. The pattern for fisher, trader and exporter reflects experiences mainly in Uganda and the importer reflects the experiences mainly in Democratic Republic of Congo as fish moves from Uganda to Democratic Republic of Congo.

Figure 4.3a: Involvement of men & women in cross-border trade for agriculture commodities

Figure 4.3b: Involvement of men & women in cross-border trade - Maize

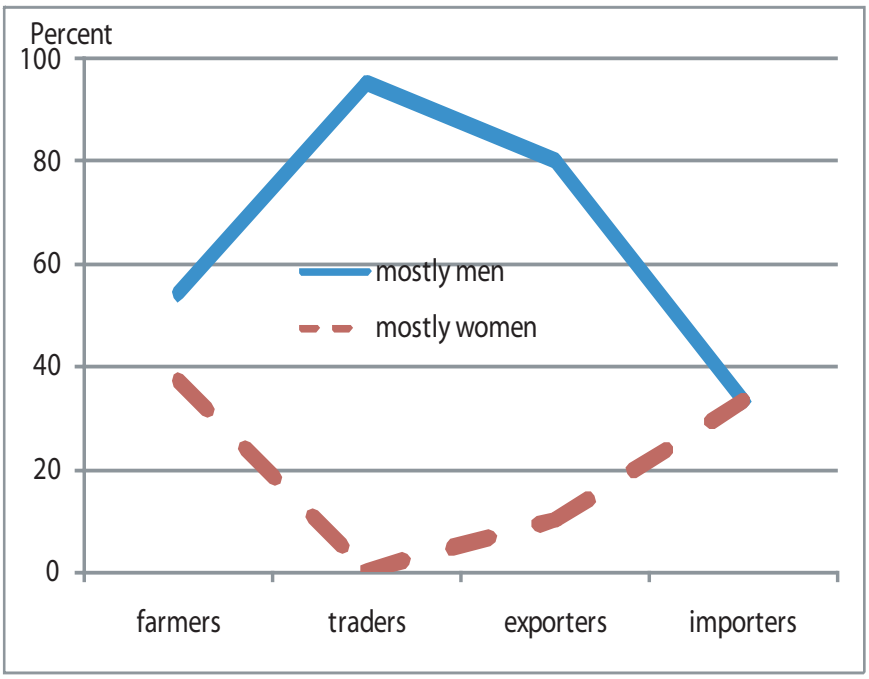
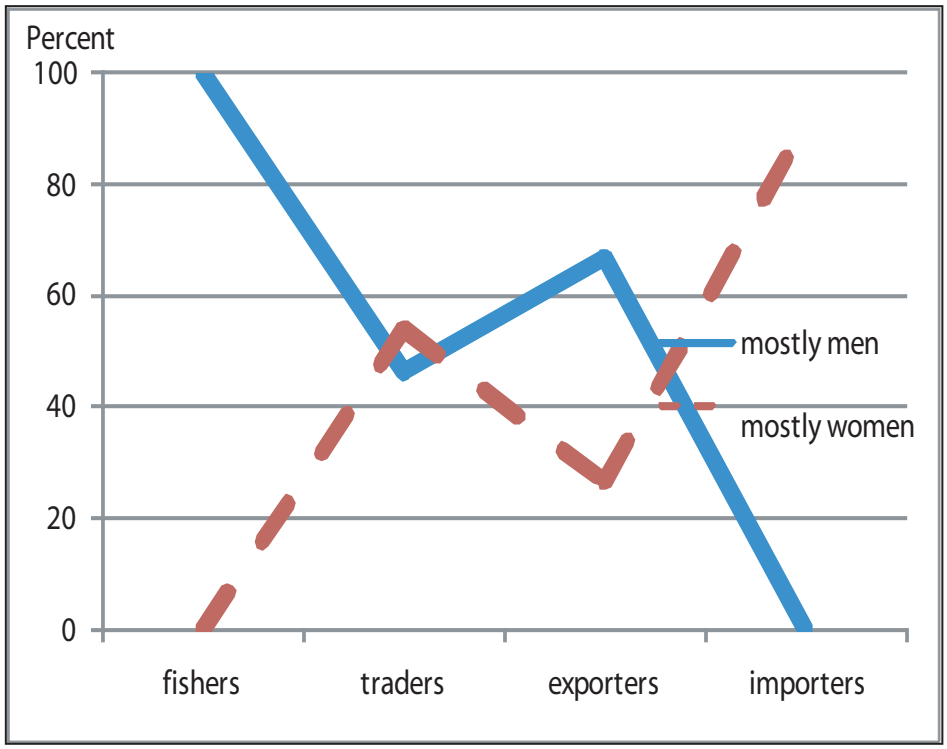


Figure 4.3c: Involvement of men & women in cross-border trade - Beans

Figure 4.3d: Involvement of men & women in cross-border trade - Fish



4.3 Reasons for differential gender participation

4.3.1 Agriculture commodities (beans and maize)

Farmer stage

In general, women are more involved at the farm stage of the chain. The reasons are shown in table 4.1, which is a summary of responses for low involvement of men and high involvement of women. The first two reasons relate to the ***value addition*** at the farm level, that is, the expected returns at this point are small compared to the alternatives. First, men are involved in commercial or cash crop agriculture such as cotton, matoke, maize, cassava and less in beans that is predominantly meant for household food consumption, that is, 42.53 percent of the responses. Second, men involved in off-farm activities, mainly in neighbouring trading centers and small towns where they expect the returns to be higher.

Table 4.1: Reasons for lower involvement of men or higher involvement of women at the level of agricultural production

Reason for lower involvement of men or higher involvement of women	*Number of occurrence*	*Percent*
Household food security is a responsibility of women and they get involved not for commercial purposes but for ensuring the household has enough food.	5	5.75
A combination of women emancipation that has allowed women to assume a central role in the household and men failing to take up their responsibilities in the home	4	4.60
Men are involved in commercial or cash crop agriculture such as cotton, matoke, maize, cassava etc.	37	42.53
Men involved in off-farm activities	34	39.08
Women have no skills or experience to get involved in other stages of the value chain, and therefore are confined to the farm	7	8.05
Total	87	100

The third reason is related to lack of ***skills and experience***. About 8 percent of the responses relate to that fact that women have no skills or experience to get involved in other stages of the value chain, and therefore are confined to the farm. The skills and experience problem, however, hides an important issue of power relations within the household that does not allow women to get involved at other stages of the value chain. The report explores these power relations further in the discussion at the subsequent stages.

Finally, at the household ***food security*** is a responsibility of women and they get involved not for commercial purposes but for ensuring the household has enough food.

Trader stage

The traders considered in this report are local traders or wholesalers who buy commodities from farmers directly or using agents, and then bulk the commodities ready to feed into the next part of the cross-border trade chain,

that is, to exporters. The local traders sometimes act as exporters and importers at the same time. For example, women at the border with Uganda and Sudan who sell simsim act as local traders in which case they bulk the commodity, transport it themselves to markets in Sudan, sell the commodities as retailers until it is finished and return to Uganda for the next instalments.

In other cases, exporters and importers transact business by phone (say between Busia and Nairobi) and leave the physical handling, quality assessment and transportation to agents at the border. Nevertheless, the gender dimension can easily be discerned and analyzed.

Out of 47 reasons cited for low involvement of women, 32 were due to lack of ***finance***, 10 due to lack of time and conflict with ***domestic duties***, 3 were due to the fact that ***husbands would not allow***, 2 were due to lack of ***skills*** related with local trade such as negotiating or riding bicycles.

Exporter stage

Exporters are those who buy the commodity directly from local traders or indirectly using paid agents, and transport the produce to the exit border town. Similar to the local traders, exporters sometimes also act as importers. For example, traders from Rwanda go inside Uganda to look for beans, buy them from the local traders, export them to Rwanda and still act as importers. A similar experience is with rice where Ugandan traders go inland into Tanzania, buy rice, mill it, package it and go with it to Uganda – sometimes re-export it to Congo or Sudan.

Out of 23 reasons cited for low involvement of women, 8 were due to lack of ***experience and skills*** related to export trade, 5 due to lack of time and conflict with ***domestic duties***, 5 were due to the fact that ***husbands would not allow***, 4 were that women lack ***finance***, and 1 that women prefer small-scale endeavors.

Discussions with key informants also revealed two important barriers to entry for women: the vagaries of trade especially in the process of bulking and transport; and the process through which most exporters actually become exporters. First, bulking involves traveling long distances to districts to collect

the commodities. In some cases, if not most, the road infrastructure is poor, they have to sleep on the road and stay away from home for long periods of time. It is only the Uganda-Sudan border that seemed to have many women exporters (although not in the commodities for this study) and therefore not explored. The second barrier is that exporters are socialized into export trade. Most of them start as scouts helping agents and exporters identify commodities and work their way to start the export trade. Being a scout is pretty uncertain and in the markets which we visited all of them were men.

Importer stage

Importers are those who buy the commodity at the border and transport it to the importing country. The general picture is that at the import stage, women are many but are involved in small quantities. Some men consider them not profitable. Although in both men and women, the commodities are for onward selling, the distinction is that many women do it to ensure that their families are food secure and they also in turn mainly sell to women vendors in their countries. Men mainly sell to factories which package, process or re-export the commodities. In Kenya it is a division of labor for women to involve themselves in produce business taking small quantities and men are more involved in other non-produce activities.

The study found two types of importers; those who import through import agents, and those who come to buy or the "traveling" importers. The import agents live at or near the border post. In many cases, especially when it is the factories or companies importing, the import agents are given authority to conduct the business on their behalf. An importing agent may have 5-10 customers in the importing country. They communicate on phone and once they have agreed, the import agent works with the transport agents to send the produce to the importing country.

In the case of actual importers, or traveling importers, these are mainly importers of low tonnage, less than 10 tonnes per month. They come from the importing country in the morning with one of the buses, work with an import agent, identify the commodities and leave with the evening bus. In a

way they incur extra costs of transportation but would like to make sure that the standards in terms of quality, weight, and grade are as specified.

Many of the importers, especially from Kenya, use the telephone to transact their businesses through brokers that they have established trust in over time. Whether they are the traveling importers or those who operate through the telephone without traveling, the phone is an essential tool for them.

4.3.1 Rice

The case of rice, unlike beans and maize, demonstrates the challenges of cross-border trade as a strategy for ensuring food security. It also demonstrates that women are involved later in chains of cross-border trade but not as traders or exporters but as part of the value addition process. The cross-border trade value chain process is as follows: farmers (paddy rice) to local traders (paddy rice) to processing factory (processed rice) to exporters (processed rice) and importers (processed rice). Notice that processing of rice is done between the trader and exporter that is absent in maize and beans. The trade chain is dominated by men, except at the point of processing. The involvement of the youth is reported to be at the level of protecting family rice fields from bird attack.

Tanzania is the main producer and exporter of rice among the countries considered, with exports going particularly to Kenya and Uganda (Figure 2.1). The study relied on informant interviews, as exporters and importers were uneasy accepting interviews because of the embargo on food exports from Tanzania and so for fear of being considered to have broken the rules. The official embargo on export of basic foodstuffs, including rice started in June 2008 due in part to the global food prices. The embargo took immediate effect and affected several importers who had crossed over to Tanzania. It was later resolved through high-level bilateral communication. The key informants were based both in Uganda and Tanzania through the Mutukula border post.

Rice farmers

Rice is grown in north and north-western Tanzania, which is the main source of rice for Uganda and is mainly carried out by men. The farming is on

commercial basis using ox-ploughs and tractors. Farmers sell their paddy rice to local traders, who are also predominantly men, who in turn sell it to milling companies.

Rice milling

At the milling plants, except for the physically demanding tasks of weighing, loading and unloading, most other tasks (e.g. feeding paddy into machines, checking husks for remaining grain, filling bags, etc) are carried out by women. The main reason is that these tasks are time-consuming and require a great deal of patience.

Rice exporters and importers

Exporters obtain their supplies from milling companies and export to Uganda. In addition importers from Uganda travel into Tanzania and purchase rice directly from those milling companies, mostly using local trucks for transport to the border. This export and import trade is dominated by men, and a few women are mainly involved in small-scale trading.

4.3.1 Fish

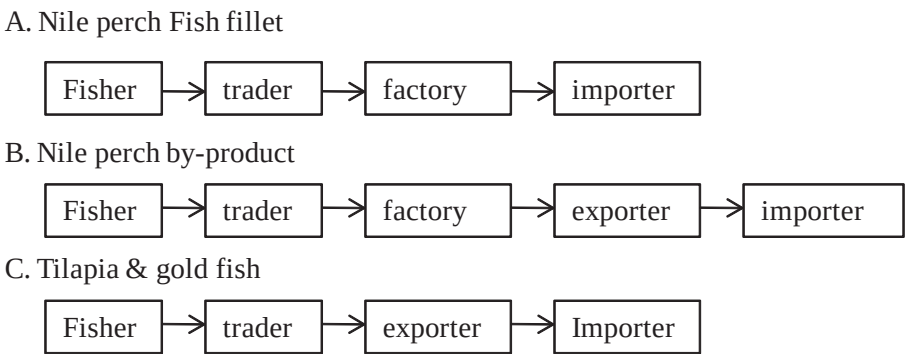
Like rice, fish also has a different cross-border value chain. We can identify three cross-border trade value chains for fish (see Figure 4.4). The first two chains relate to Nile Perch and the third relates to tilapia and silver fish. The first chain is destined mainly to Europe. Fishers catch the fish, sell it to traders some of whom are independent traders and others as factory agents, and factories skin the fish to get fish fillet. The fish fillet is then exported directly to Europe. It was reported and confirmed by government officials at landing sites that non-factory exporters were not allowed to purchase Nile perch fish much as it is on demand within the Nile Basin. The ground for this monopoly to factories was that factories are major contributors of foreign exchange and tax revenue and had invested heavily in the development of standards and landing sites.

The second chain is similar to the first except for the destination market. After skinning the fish to get fillet, the by-products in form of bones (with some

fresh) and heads are then sold to exporters. The exporters salt the by-products and load them on to trucks for export mainly to Democratic Republic of Congo. This occurs around Lake Victoria in Uganda and Tanzania. However, the status of this commodity (fish by-product) is considered illegal.

The third chain is different. Fishers catch the tilapia and silver fish, sell it to traders who are independent and not factory agents; traders sell the fish to exporters, and exporters sell the fish to importers. In most cases, however, the exporters double as importers who come directly from Rwanda and Democratic Republic of Congo with their own trucks and load the fish to the importing countries. Where drying of fish is involved, the fishers or their agents mainly do the drying as it is done on the shores. Where fishing villages exist such as Lake Albert, women are also engaged in drying fish.

Figure 4.4: Cross-border value chain for fish



Fishers

Fishers fall into two categories: small-scale fishers who use canoes for fishing and large-scale fishers who own larger boats with engines and employ crews to do the fishing. As soon as fishers bring in their catch, they sell it immediately to local traders or factory agents and return to the lake. In other cases, they hand over their catch to their wives to sell and return to the water. In yet other cases, it is the local traders who go to the islands where business is transacted. Most of these activities are carried out in the early morning hours or near nightfall. The main reason for non-involvement of women was reported

to be the fact that fishing requires physical strength. The other two reasons were that it is hazardous for women and women, don't have time due to their domestic duties.

Fish traders

A distinction is made between independent fish traders who own their own refrigerated trucks, buy fish and sell it to the one (factories, exporters and supermarkets) who offers the best price, and factory agents who use company trucks and purchase fish with cash provided by those companies. Factory agents feed into the factories and independent traders feed into the exporters. Since the focus is on cross-border trade in the Nile Basin countries, the independent traders connect the chain of export of fish, and therefore are a focus of the analysis.

Women and men reported to be involved almost at equal levels but had differing reasons why each of the genders was less or more involved. The three key reasons why women were less involved were due to lack of finances, physical strength and long distances. On the other hand, those who reported that men are less involved suggest that the reasons are the following: men are involved in fishing and therefore trade in fish is done by women as a form of division of labor – in most cases by the spouses of the fishers; men are involved in other business other than trade in fish; and finally the emphasis of gender equity has encourage women to get involved.

Exporters

Fish exporters were mostly men. Their mode of operation is either to send fish consignments to appointed commission agents at the border who handle the selling to importers, or to travel directly themselves into importing countries to sell their merchandize. The reasons why women are less involved in export of fish, they indicated was due to long distances needed to travel and lack of finance.

Fish importers

Fish importers may be divided into two categories, namely those who wait at the border for exporters or their agents to bring their merchandize and those who travel to landing sites in Uganda and purchase fish from local traders and fishers. The latter could be called exporter-importer and a number of them own refrigerated trucks. The reasons why the importers of fish are predominantly women were: first, ***unprofitability of fish imports*** especially because the fish catch is dwindling quite fast within Lake Victoria yet the demand is going up; second, the fact that fish importing is considered a woman's trade because she is the one who knows what to cook; and finally, because border crossings at the Uganda-DRC border are not as efficient as that of Busia, women are able to work their way through much more easily than men.

4.4 Non-gender specific challenges in cross-border trade

Much as the study aimed at exploring gender differentials in cross-border trade chain participation, it also explores challenges that are not necessarily gender specific. It is arguable that some of the challenges identified as non-gender specific could affect men or women more but their nature is not a gender one. These challenges can be grouped into three main categories: those that affect the whole chain such as absence of value addition and infrastructure; those that affect the source of commodities at the farm for agricultural commodities and at landing sites for fish; and those that affect the commodities as they cross the border to the importing country.

4.4.1 Value chain challenges

Absence of value addition

With the exception of rice, traded crops go through the trade chain virtually without value addition. Strictly, fish salting and drying cannot be regarded as adding value; they are merely for preserving the commodity. Some Kenyan bean importers sort, grade and repackage the commodity in Nairobi for re-export to countries outside the Nile Basin. An improvement of value addition

from the farmer or fisher to the trader to the exporter and importer would benefit the whole chain. It would also mainstream men at the farm level.

Poor physical infrastructure

The state of feeder roads to and from landing sites for fish is quite poor. For instance, a distance of about 30 kilometers to one of the landing sites (Kasensero) takes roughly two hours to cover by pickup double cabin. The situation is similar for other landing sites. The feeder roads to most farming communities are much improved, at least compared to the roads to and from the landing sites. Although it makes sense to consider these feeder roads as country specific investments, it would make more sense if they are considered Nile Basin and therefore trans-boundary roads since the benefits go beyond the country in which these roads are.

4.4.2 Farmer or fisher level challenges

At the farm level three challenges emerged: low farm gate prices, increasing levels of landlessness especially in the western part of Uganda, and poor farming methods that, for example, lead to soil erosion. ***Farm prices*** increased with the increase in global food prices. However, farmers still complained of low farm prices due to what they consider as information asymmetry; they don't know where the prices are better and even if they were aware, they are not organized enough to take advantage of the prices. Secondly, many households in western Uganda are faced with increasing landlessness. This was reported in western Uganda. Family plots are almost completely taken up by banana plantations leaving no land for annual crops such as maize, beans, sweet potatoes, vegetables, etc. Other than being a threat to household food and nutrition security, it is a threat to cross-border trade as little surplus will be available for export. Third, poor farming methods were considered to be responsible for soil erosion and low yields.

At the landing sites for fish, the two challenges reported were overfishing and poor facilities. First, there are fears that the long-term sustainability of the fishing industry is under serious threat due to over-fishing and inadequate

enforcement of fishing laws and regulations on Lake Victoria and elsewhere. Fishing has become very dangerous and rather chaotic due to uncontrolled numbers of fishers spurred by rising fish prices which reflect high demand coupled with declining fish catches. Use of illegal fishing gear and methods, fishing in breeding sites and limited capacity to enforce fishing laws and regulations were some of the challenges mentioned. Second, facilities at fish-landing sites are not conducive to trade in such an infection-prone commodity as fish. Even though great effort goes into fish inspection and certification before loading, general sanitary facilities are poor, loading structures are inadequate and fish drying (especially for *mukene*) is done on bare sand.

4.4.3 Export and import challenges

Unpredictable cross-border trade policies

Abrupt, unilateral suspension of trade in food commodities by countries belonging to a common market such as the East African Community (and future Nile Basin Organization) is a major impediment to maximize and share benefits of cross-border trade. Embargos on food may cause harm to importing countries within the Nile Basin and create inefficiencies within the exporting countries.

Markets institutions and infrastructure at border posts

Of all border posts visited, Busia on the Uganda-Kenya border is the only one developed in terms of physical infrastructure, relations between the exporters and importers, relations between the immigration officials and the traders, security arrangements and free movement of peoples. Customs and immigration officers and police at borders were considered to be ill-disposed towards cross-border traders. At Mpondwe, for example, the research team was informed that male Congolese importers are particularly harassed and, as a consequence, they tend to leave the business to women who reportedly are treated better. A similar story was told at Bibia (Uganda-Sudan) where it was reported that Ugandan male exporters are mistreated and therefore leave the trade to women who can maneuver through the authorities. The exporters and importers expressed the sense that the atmosphere at crossing points

is characterized by suspicion, a feeling of personal insecurity and a sense of hostility on either side of the borders. This is not conducive to smooth and efficient cross-border trade and needs to be officially remedied.

4.5 Policy and programme responses to the challenges

The challenges identified in the study are largely along 4 areas: mainstreaming participation of men, women and youth; value addition; institutions and infrastructure; and border policies and practices in cross-border trade. Some cut across the entire cross-border trade value chain while others are specific to stages of the chain.

4.5.1 Mainstreaming of men, women and youth

Most Nile Basin countries have formulated and endeavored to implement gender and youth policies. All the Nile Basin countries considered, except the Democratic Republic of Congo, either have policies or frameworks upon which mainstreaming of men, women and youth can hinge.

The Uganda Government published the national gender policy in 1997 with the main objectives of: redressing imbalances arising from existing gender inequalities; ensuring participation of both men and women in all stages of the development process; and promoting equal access and control over economic resources and benefits. Implementation strategies included sensitization on gender issues at all levels of society, ensuring translation, dissemination, good understanding and implementation of the policy, and ensuring gender-responsive development planning at all levels. In the year 2000, the government formulated the National Youth Policy to provide guidance on implementation of youth empowerment programs in the country. Implementation strategy has been to target the youth in specific poverty-reduction programs such as the Poverty Eradication Action Plan (PEAP) and the Plan for the Modernization of Agriculture (PMA). Effective implementation of both the gender policy and youth policy has been, by the government's own admission, constrained by lack of sufficient financial resources.

Tanzania formulated its youth and development policy in 1996 and gender and development policy in 2000. Structures to implement the youth policy and programs have been established from the national level right down to the village level. The gender policy was driven by the realization that 60 percent of women in the country live in absolute poverty; women, in general, lack property rights and knowledge about existing economic opportunities such as credit facilities, depend on poor technology and lack skills on how to manage their work. The government in collaboration with NGOs and donor agencies has made serious efforts to advance credit to women at the village level. Programs to improve women's management capabilities and access to technology, as well as awareness campaigns, have also been designed and implemented. The government is also embarking on gender mainstreaming the planning and budgetary processes in all sectors. To make equitable access and control of means of production, the government revised the National Land Policy of 1995 and enacted the Land Law Act and Village Act in 1999. This has enabled women to own clan and family land with equal rights as men. In this area, the main constraint has been traditional norms and culture which are difficult to change. However, it is the financial constraint that is impeding implementation, monitoring and evaluation of income-enhancing programs and projects for women.

Many important gender-related changes have been made over the years in Kenya with legislation being passed which outlaws discrimination on the basis of sex. In law, women and men in Kenya have equal access to political participation, health and education services, employment and property ownership. The 1981 Law of Succession Act gave women and men equal rights to inherit, own and dispose of property. However, many inequalities remain partly because entrenched traditional and cultural norms perpetuate discrimination against women, and partly because many inequalities continue to be enshrined in national legislation (e.g. citizenship rights of Kenyan/foreigner mixed marriages and offspring, and women obtaining passports). In agriculture, studies have shown that whereas around 60 percent of women rely on this sector compared to 24 percent of men and that 75 percent of

agricultural labor is provided by women, they own a mere 1 percent of the land. A National Policy on Gender and Development is under preparation and includes a review of land and inheritance laws aimed at improving women's rights in this area.

The Kenya National Youth Policy identifies priority target groups as youth at risk, street youth, youth with disabilities, those infected with HIV/AIDS, those out of school and female youth. Leading problems confronting the youth are identified as unemployment and underemployment and increasing school and college dropout rates. The goal of the policy is to promote youth participation in the democratic processes, and community affairs and to ensure that youth programs involve them and are youth-centered. The policy is yet to be discussed by parliament as a youth bill.

In Rwanda, a Land Law was enacted in 2004, and in 2006 a Gender-based Violence Bill (GBV) and a National Youth Policy (NYP) were published. The Land law gives equal rights of ownership of land to both sexes. The Gender-based Violence Bill – on prevention, protection and punishment of any gender-based violence – was prepared by the Forum for Rwandan Women Parliamentarians (who constitute nearly 50 percent of all members of parliament, the highest representation of women in the world) following intensive and nation-wide consultations. The National Youth Policy is implemented through programs including career advice and guidance, pre-employment internships, vocational training, self-employment and micro-enterprise, and rural employment development. Also in 2006 a National Employment Policy was published which targets, , women and people with disabilities among others.

The Government of Southern Sudan adopted a gender policy for the region in June 2008. The policy document highlights gender issues relating to youth education, maternal health care for the girl-child, poverty and food security, access to land, gender-based violence and decision-making in public and family affairs. The goal is to reverse a history of discrimination against women in Southern Sudan particularly by cultural and customary norms of life. The

document calls for action against early marriage of young girls, promotion of access to education for the girl-child, and for establishing maternity health centers down to the local level of government in order to reduce deaths of women during childbirth. Although no formal youth policy has been formulated, there are programs and projects funded by donors targeting the youth, especially the demobilized youth soldiers following the signing of the Comprehensive Peace Agreement (CPA) in 2005. Also in need of assistance are refugees returning from neighboring countries and IDPs. It is estimated that more than 70 percent of the returnee population are below 30 years of age.

4.5.2 Trade policies and value addition

The focus of policies and value addition is on domestic and cross-border trade among Nile Basin countries and not general international trade. The National Trade Policy of Uganda, sub-titled "Trading out of Poverty into Wealth and Prosperity" was published in August 2007. The guiding principles relevant to the issues identified in the study include, *inter alia*: developing domestic and regional trade; creating opportunities for equal participation in trade, giving priority to the socially and economically disadvantaged groups; and the pursuit of bilateral and regional initiatives. Some of the implementation strategies include boosting capacities of the socially and economically disadvantaged sections to trade, and securing and maintaining improved market access. The government is also committed to: i) encouraging and fostering development and strengthening of cooperatives and farmer groups, ii) implementing appropriate strategies to promote value addition; and iii) encouraging empowerment of disadvantaged groups particularly women, youths and people with disabilities to participate more in trade. If determinedly implemented, Uganda's trade policy will respond to several constraints identified in a cross boundary manner such as market institutions and infrastructure at border points, road infrastructure and value addition across the cross-border value chain.

Published in February 2003, Tanzania's Trade Policy is underpinned by the broad goal, as indicated by the sub-title of the document: "for a competitive

economy and export-led growth". One of its main strategies is the stimulation and encouragement of value-adding activities on current exports particularly in agriculture. The ultimate target is "to enhance income generation and the people's earning power at the grassroots as the key to poverty reduction in fulfillment of the fundamental human right of equal opportunity for all citizens as enshrined in the constitution of the United Republic of Tanzania". It also emphasizes Tanzania's commitment to regional trading arrangements (EAC and SADC). While it does not spell out specific details of how women and youth will be involved, the policy is a guide to responding to some of the issues raised such as value addition and the cross-border movement of goods and people. However, a recent embargo on exports of basic foodstuffs to neighboring countries does not confirm to the split of Tanzania's trade policy nor the protocols of the East African community among whose members are also members of the Nile Basin countries.

Unlike Uganda and Tanzania, Kenya has not formulated a formal national trade policy. The Ministry of Trade and Industry has the overall responsibility for trade policy formulation, while a number of other ministries are responsible for formulating specific trade-related policies. However, the Office of the President has the dominant role and ministers and other government institutions have limited decision-making autonomy. It is not possible to evaluate Kenya's trade policies vis-à-vis the issues raised in the study, particularly women and youth empowerment and value addition. However, Kenya's commitments under the East African Community (EAC), Common Market for Eastern and Southern Africa (COMESA) and Inter-Governmental Authority on Development (IGAD) influence its regional trade policies.

The main objective of Rwanda's agricultural policy is food security. In this regard, Law No. 15 of 28 January 2001 on the Organization of Domestic Trade establishes measures for the stockpiling of strategic food commodities. Furthermore, five crops, namely, beans, maize, potatoes, rice and soya have been declared priority crops. The unilateral embargo on export of foodstuffs may be viewed in the above context. The agricultural policy creates incentives

for inbound commodities such as rice from Tanzania, and beans and maize from Uganda but not the other way round.

4.5.3 Market institutions and infrastructure

Market institutions and infrastructure are viewed as a wider undertaking covering roads, railways and telecommunications across the cross-border trade chain; fish landing sites; border markets and fisheries.

Roads, railways and telecommunications

Major programs to construct, rehabilitate and maintain main highways and railways and to promote telecommunication systems are underway in various Nile Basin countries domestically and across-borders. The Northern Corridor (trunk road) linking Rwanda, Burundi and eastern DRC to Mombasa port on the Indian Ocean through Kenya and Uganda is currently undergoing rehabilitation. Rift Valley Railways (RVR) plans to invest US$10 million per year over the next 5 years to revamp the Kenya-Uganda Railways from Mombasa. Discussions are also under way between Uganda and Sudan to extend the rail line to Juba in Southern Sudan, as well as to implement road projects linking the two. In February 2008, Tanzania secured nearly US$700 million from the United States to build roads and other infrastructure. Egypt is presently engaged in privatization of infrastructure, among other sectors and has embraced build-operate-transfer (BOT) as a means of shifting the burden of infrastructure plans to the private sector. On the telecommunications front, Uganda, Kenya, Rwanda and Tanzania have opened up the telecommunications market to competition with the objective of bridging the digital divide between access in urban and rural areas and national and international relations, as well as reducing the cost of telephone services. However, use of mobile phones remains limited due to the high cost of purchase and making calls. Moreover, use remains concentrated in urban areas. Interventions such as tax reduction on the two cost items would contribute to expanded use and promotion and engendering of cross-border trade in NBI countries.

Outside of trans-boundary investments in roads, railways and telecommunications are feeder roads to fish landing sites. These feeder roads are singled out because they are of benefit to the peoples of the Nile Basin as a whole whether they are in Uganda, Kenya, Tanzania or the Democratic Republic of Congo. In a way a programme to upgrade trunk roads without concomitant improvement of feeder roads will not help rural communities and traders who depend on these roads.

Fish landing sites

Fish landing sites warrant attention due in part to the fact that fish coming from the lakes benefits the people of the Nile Basin but also a well managed landing site preserves the environment and the waters of the Nile. In **Uganda,** work is in progress to improve fish landing sites with financial assistance from the African Development Bank under the government's Beach Rehabilitation Programme. At least six landing sites are being upgraded in the districts of Busia, Bugiri, Mayuge and Kalangala. Once completed, each rehabilitated landing site will have a fish landing shade, a water supply system, a boat mending shade, a dry fish store, offices, toilets, a parking area and a full-time diesel-run generator[1]. The research team also saw electricity poles being erected along the feeder roads to Bukakata and Kasensero landing sites in Masaka and Rakai Districts respectively.

The EU has allocated 5.4 million Euros for the improvement of landing sites in Uganda, Kenya and Tanzania to be channeled through the Lake Victoria Fisheries Organization (an organ of the East African Community). The objective is to bring about a higher stand of hygiene and fish handling at selected landing sites where mainly Nile perch is landed. Sites have been selected in the three countries and work is beginning. Furthermore, 300 000 Euros have been allocated for the improvement of community facilities requested by communities themselves through their Beach Management Units (BMUs). Facilities include fish bandas, water supplies and those related to health.

The great challenge is whether there will be enough funding to cover the

1 Sunday Monitor, 7 September 2008.

numerous landing sites along the entire perimeter of Lake Victoria in the three states. The 5.4 million Euros allocated by the EU for improving landing sites average only 1.8 million Euros per country, while for community facilities the average is only 100,000 Euros per country.

A similar need exists for other lakes in the region (Lakes Kyoga, George, Edward, Albert, Kivu, Tanganyika, etc.).

Markets at border towns

Credit for the upgrading of Katuna border post (Uganda-Rwanda) and Mutukula border post (Uganda-Tanzania) has been obtained from the World Bank/IDA under the East Africa Trade and Facilitation Project (EATTFP) and tenders are now being invited[2]. Improvements on the Uganda side are juxtaposed with similar improvements on the Rwanda and Tanzania sides and include: i) construction of a customs building to accommodate customs personnel; ii) an immigration building for similar purposes; iii) a goods inspection shed; iv) a 3-km approach road, commercial providers' facilities, vehicle parking yard and a weigh bridge; and v) a fencing system for the entire complex.

What is missing are the much needed facilities such as improved market structures for traders, e.g. market stalls, platforms, etc, as well as social amenities including the all-important public toilet facilities. These need to be part and parcel of the improvement programme.

A similar improvement programme is needed for Bibia (Uganda-Sudan) and Mpondwe (Uganda-DRC) border posts. Busia (Uganda-Kenya) is much better and would need only minimal investments to maintain and upgrade the standards. The Bibia border post has been in the work plan for the Amuria district – a border district to Sudan but has never materialized due to financial constraint.

Fishery resources management

Sustainability of fisheries in the region, particularly along Lake Victoria,

2 The East African, 1-7 September 2008

requires a collective approach by the countries involved, as well as those at large which share in the benefits. The task is too huge for the countries individually. Law enforcement agencies need to be involved. In a recent newspaper article[3], Tanzania was reported to have mounted a coordinated national and inter-district patrol to curb illegal fishing. During the first quarter of 2007 alone, some 133 culprits were apprehended in Mwanza, Mara and Kigera with a wide range of illegal fishing gear including seine nets, monofilament nets and gill nets. Similar problems exist on the Kenyan side of the lake.

There is a coordinating mechanism already in place for the management of fisheries along Lake Victoria, the Lake Victoria Fisheries Organization (LVFO), which has drawn up a Fisheries Management Plan (FMP). The plan is currently being implemented through a project funded by the European Union. However, project funding is a short-term matter; the plan requires adequate, assured and sustained long-term funding.

Similar arrangements are needed for Lakes Kivu, Kyoga, Tanganyika, Nyasa, Albert/George/Edward, etc, for the long-term sustainability of the fishing industry in the Nile Basin countries.

4.5.4 Border policies and practices

Border policies and practices on free movement of people and services have a basis in treaties but are not well enforced. At border posts, harassment of traders is a major problem facing importers and exporters; entry visas do not appear to constitute a significant obstacle. For citizens of member countries of the EAC (Burundi, Kenya, Rwanda, Tanzania and Uganda) no visas are required for travel within the Community. For others in Nile Basin, they can be easily obtained. Also, cross-border trade is facilitated by documents issued by COMESA for citizens of its members. What needs to be done is sensitization of border customs and immigration officers and police and other security personnel about the importance and benefits of unimpeded cross-border trade for their own countries, so as to change their attitudes and disposition towards exporters and importers at border posts.

3 Africanpress, 15 November 2007

Cross-border trade policies must be observed at all times to allow the smooth functioning of cross-border trade. Rwanda and Tanzania, both members of the East African Community, placed an embargo on the export of basic foodstuffs including beans and rice to the other member states. This means other member countries (Kenya, Burundi and Uganda) will experience an artificial shortage and must source the imports of these commodities from elsewhere at higher prices since the East African Customs Union maintains a common external tariff. Common markets are generally formed for trade creation, whereby specialization in production and trade is encouraged. The embargoes would therefore seem to run counter to the spirit and letter of the sub-region's common market. The short-term national food security justification is likely to undermine the long-term goal of that market. Moreover, the abruptness with which the embargoes were imposed caused losses to importers who had prepaid outstanding orders. These issues need to be sorted out at the highest policy-making levels.

5

Proposals for action

What can Nile Basin Countries do to address the challenges of mainstreaming men, women and youth in cross-border trade; adding value at all stages of the cross-border trade chain; strengthening market institutions and infrastructure; and improving border policies and practices; Policies and programs to address these challenges are in place; it is their effective implementation that is required. Any lessons learnt can then be fed back into the implementation as a way to enhance their effectiveness further. Under each challenge and based on the study findings, we make proposals for action.

5.1 Mainstream men, women and youth in cross-border trade

Based on the results of the study, we propose an integrated investment strategy that has three components to mainstream men, women and youth in cross-border trade in the Nile Basin Countries. We have respectively code-named these components as Basin Appropriate Technology (BAT), Granaries for the Nile Basin (GNB), and Basin Agricultural Commodity Exchange (BACE).

Basin Appropriate Technology component will mainstream men at farm through investing in appropriate technology that combines farming and post harvest handling techniques. Investing in technology that combines farming and post harvest handling, we shall use the fact that when food commodities produced for home consumption are commercialized, men will get more involved. They will produce more and the household will be more food secure. Commercialization creates more value at the farm level. It is envisaged that partnership with the private sector would yield maximum benefits. The worry that when food commodities produced for home consumption are commercialized, and so women will be pushed out, will be addressed through the Granaries for the Nile Basin component. Even when this is not achieved,

evidence suggests that both men and women consider household food security in the process of selling the agricultural produce.

Granaries for the Nile Basin will mainstream women in commercial food production at the farm, trade, export and import stages of the cross-border chain. It is envisaged to be composed of training in skills relevant to each stage; for example, at the farm stage simple skills of warehousing and bulking may be important yet at the other levels networking and coordination skills may be the most vital. The skills will be complemented by low cost credit to allow women implement the acquired skills and gain more experience that is vital for mainstreaming. This component will be implemented in partnership with non-government organizations, civil society and community-based organizations.

Basin Agricultural Commodity Exchange will mainstream the youth at all stages of the cross-border chain. The main element will be information – collecting and disseminating information on standards, quantity, quality, grades, prices through an appropriate technology. Short message technology or SMS using the telephone is one example. The participating institutions, which are centers of excellence in each of the Nile Basin countries will be facilitated to host and coordinate BACE.

5.2 Add value at all stages of the cross-border trade chain

To add value, the proposed integrated investment strategy to mainstream men, women and youth in cross-border trade in the Nile Basin Countries will be a great contribution. In addition, however, we propose some actions on the legality of trading in Nile perch bi-products; and on the cooperation of farmers, traders, exporters and importers with each other and across the chain. We propose that trading in Nile perch bi-products be legalized as a traded commodity to add value to it. We also propose that national governments explore possibilities of cooperation among farmers, traders, exporters and importers. This will allow them to address challenges of common interest and encourage them to specialize, thereby creating more value.

5.3 Strengthen market institutions and infrastructure

We propose that the Nile Basin countries consider cross boundary investments in the upgrading of landing sites; feeder roads that are considered to have benefits that are more trans-boundary than within country – for example, roads that lead to fish landing sites; and upgrade border market institutions and infrastructure. The extra benefit of upgrading feeder roads to fish landing sites will be the improvement of water transport, especially between Democratic Republic of Congo and Uganda, Uganda and Tanzania, Tanzania and Uganda and Tanzania and Rwanda.

5.4 Improve border policies and practices

We propose two actions to improve border policies and practices. First, we propose that a dialogue on the intended consequences of unilateral trade policy changes in terms of long term benefits of cross-border trade, food security and economic development be undertaken to avoid a repeat of the Tanzania and Rwandan embargos.

Second, we propose that the Nile Basin countries collectively sensitize customs and immigration officers and border security personnel on the importance and benefits of cross-border trade. The citizens of the Nile Basin countries should also be sensitized on their rights in terms of the existing arrangements for movement of people and goods. The situations where their rights are violated, and the channels for redress should be clearly and effectively communicated to the people.

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Part B

Integrated Investment Strategy to Mainstream Men, Women and Youth in Cross-Border Trade in the Nile Basin Countries

6

Executive Summary

Cross-border Trade in the Nile Basin Countries is now recognized as a driver for economic growth and improvement of livelihoods. Its role in promoting investments, creating employment, alleviating poverty, and achieving the shared socio-economic benefits is among the most promising paths of cooperative development in the Nile Basin that could potentially transform this region. Its benefits spread beyond the individual to the enterprise, the nation and the region. Peoples and countries in the Nile Basin would benefit from a wider revenue base for those engaged in exports, increased incomes for households that participate in cross-border trade, and food security as food moves from countries with surplus to countries with deficit.

These benefits, however, would not be optimal without mainstreaming men, women and youth in the cross-border trade process that involves farmers, traders, exporters and importers. There is indeed a broad agreement that any development response will be more equal, efficient and sustainable when men, women and youth are mainstreamed (FAO, 2003). To mainstream men, women and the youth is not to just bring them into the existing process, but to transform them or the chain to better reflect their needs and concerns.

This integrated investment strategy proposes to mainstream men, women and youth at all stages of the cross-border trade value chain through three components: Basin Appropriate Technology to mainstream men on the farm level through investing in appropriate technology that combines farming and post-harvest handling techniques; Granaries for the Nile Basin (GNB) that will mainstream women in commercial food production at the farm, trade, export and import stages of the cross-border chain; and Basin Agricultural Commodity Exchange (BACE) that will mainstream youth through information – collecting and disseminating information on standards, quantity, quality, grades, prices through an appropriate technology. Additional investments to add value across the chain, strengthen market institutions and infrastructure

and improve border policies and practices would improve cross-border trade irrespective of whether it is men, women or youth who are involved.

The investment strategy is coined from the results of a study to mainstream men, women and youth in cross-border trade. The findings indicated that the cross-border trade chain involves four main players - farmers, traders, exporters and importers. Women are more involved in production of agricultural commodities, less in fishing, less in trade, less in export, and relatively more in imports. In addition, lack of value addition across the chain, unfriendly border practices and inadequate border market institutions are challenges to cross-border trade.

7

Background

Cross-border Trade in the Nile Basin Countries is now recognized as a driver for economic growth and improvement of livelihoods. It is seen as one of the most promising pathways to achieve social and economic benefits and cooperation among the peoples and governments of the Nile Basin. Potentially it could transform the Nile Basin region with opening up of road, air and water transport between and within the countries. Farmers benefit from improved incomes from surplus produce that also ensures food security, traders, exporters and importers benefit from a vibrant trade across countries. Citizens of importing or deficient countries also benefit from low or stable prices and sustained supply of food. The benefits, therefore, spread beyond the individual to the enterprise, the nation and the region. However, for the benefits to accrue and become sustainable, men, women and youth need to be mainstreamed across all stages of the cross-border chain – at the farm, trade, export and import stages. To mainstream men, women and the youth is not to just bring them into the existing process, but to transform them or the chain to better reflect their needs and concerns. This integrated investment presents avenues to mainstream men, women and youth in cross-border trade in the Nile Basin countries. The strategy is coined from an investigation aimed to understand any gender differentials in cross-border trade and identify mechanisms to mainstream gender in cross-border trade with a focus on the Nile Basin countries.

The rationale for such an investment strategy is built based on the fact that the policies to mainstream men, women and youth, and strengthen cross-border trade exist in almost all countries of the Nile Basin. For example, Uganda has a gender policy that aims to redress imbalances arising from existing gender inequalities. Its trade policy of 'trading out of poverty' envisions strong farmer groups, promotion of value addition and empowerment of disadvantaged groups with emphasis on women, youths and people with disabilities. Kenya,

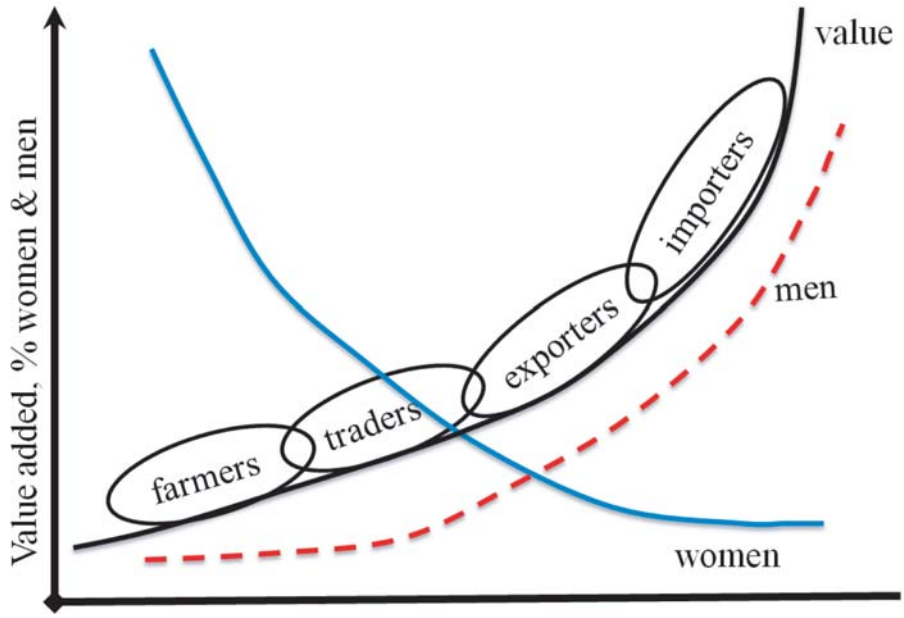
Rwanda, Tanzania and Sudan's policies have a similar spirit and tone. In addition, trans-boundary investments exist to address non-gender specific challenges of markets and infrastructure. Action is what is required to realize the benefits of cross-border trade through mainstreaming men, women and youth, and build on policies and trans-boundary investments to create the 'cross-border trade pie' and share the pie. It is with this background that we propose an integrated investment strategy to mainstream men, women and youth in cross-border trade in the Nile Basin Countries.

8

Methodology

The investment strategy it built on an analytical approach that envisions differential participation of men, women and youth along the value chain, and therefore provides a basis for action. The analytical approach in Figure 1 address four key issues: first, value is added along the cross-border chain with the least value on the farm and the highest at the import stage. Second, the participation of women is considered to be highest at points of the chain associated with low value addition and lowest at points associated with high value addition. Third, the participation of men is considered highest at points of the chain associated with high value addition and lowest at points associated with low value addition. And fourth, participation of youth is lowest at all points of the chain. Notice that in Figure 8.1, the x-axis represents time from the first stage of cross-border trade (at the farm) to the import stage (in importing country) and the y-axis represents value addition, the percentage of women, men and youth involved in cross-border trade.

Figure 8.1: Analytical approach to examine gender participation



Data to examine gender participation and identify strategies to mainstream gender was collected from a random sample of 160 farmers and fishers, 96 traders, 43 exporters and 22 importers. The guiding question to understand gender participation was "*in your opinion, between men and women, which group dominates … [farming in beans, trade in beans etc] in this community?*" Additional information was collected through observation and interviews with key informants such as business leaders involved in cross-border trade but not necessarily any of the four actors – farmers, traders, exporters and importers.

9

Findings

The main findings are presented in Figure 9.2a-d. Overall, men dominate commodity trade chains at all stages, women being largely confined to crop production (see Figure 9.2a). Women dominate crop production but as commodities move along the chain from farmers to traders and exporters, men get more involved and women opt out. However, at the import stage, women again get more involved but are still fewer than men. Although the pattern is similar, there are noticeable differences across specific agricultural commodities.

Figure 9a: Involvement of men & women in cross-border trade – agriculture commodities

Comparing maize (Figure 9.2b) and beans (Figure 9.2c), men are mostly involved in maize production at the farm level and they are almost absent in

bean production at the same level. The main reason, as reported, is because maize is considered a cash crop and beans is for home consumption. At the trade and export stages, men dominate for both crops and are on the increase but at the import stage men dominate and women get more involved. The stages at the farm, trade and export are mainly experiences from Uganda and the stage at import is mainly Kenya.

Figure 9b: Involvement of men & women in cross-border trade - Maize

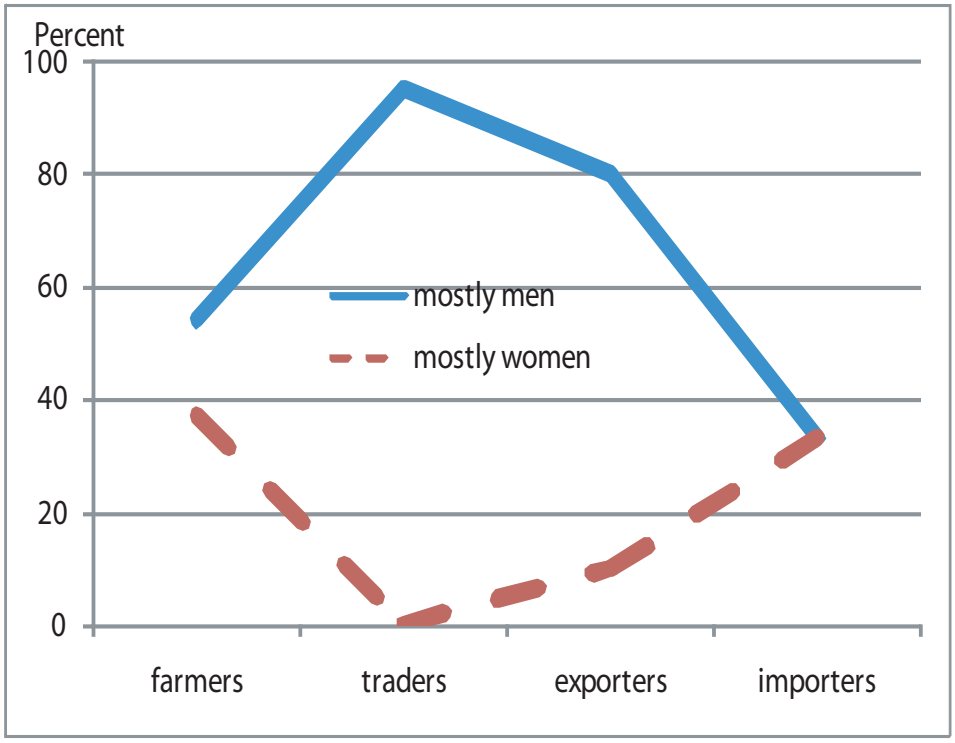
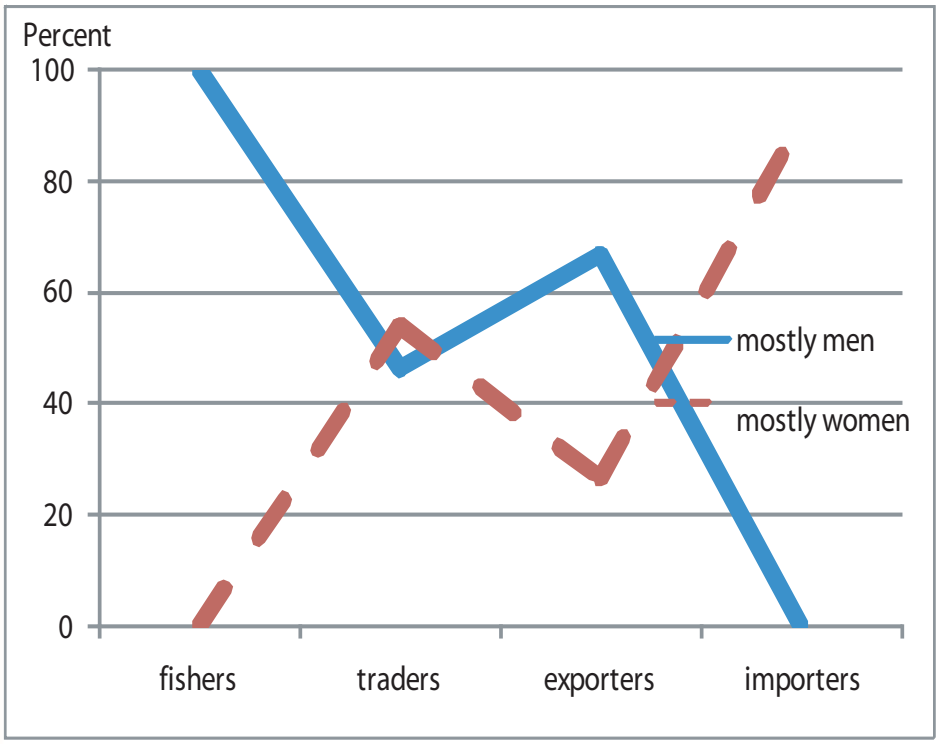


Figure 9c: Involvement of men & women in cross-border trade - Beans

Fish provides a different pattern. The fishers are exclusively men, and women get more involved at the trade stage, almost dominating, as importers. The pattern for fisher, trader and exporter reflect experiences mainly in Uganda, and the importer reflects the experiences mainly in Democratic Republic of Congo as fish moves from Uganda to Democratic Republic of Congo.

Figure 9d: Involvement of men & women in cross-border trade - Fish



The reasons for observed differentials in participation are varied. For the ***farmers***, men are less involved at the farm level in food commodities produced mainly for home consumption and more involved in food commodities produced for commercial purposes and other non-agricultural commodities. Women are more involved in the production for home consumption to safe-guard the family against hunger. Men dominate fishing because the task is physically straining and requires fishers to be away from home for long periods of time. For the ***traders***, men are more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are finance, domestic duties as the trade involves traveling long distances away from the family, power relations in the family and therefore not allowed by their husbands, and inadequate skills. For the ***exporters***, men are more involved in trade, women are less involved and the youth are absent. The main reasons for less involvement of women are inadequate experience and skills, domestic duties as it involves traveling long distances away from

the family, power relations in the family and therefore they are not allowed by their husbands and inadequate finances. And finally, for the ***importers*** women catch up with men and in some cases there are more women than men, and the youth are absent. The general picture is that at the import stage, women are many but are involved in small numbers. Although regarding both men and women, the commodities are for onward selling, the distinction is that many women do it to ensure that their families are food secure and they also in turn sell mainly to women vendors in their countries. Men mainly sell to factories which package, process or re-export the commodities.

Non-gender specific challenges in cross-border trade: Much as the study aimed at exploring gender differentials in cross-border trade chain participation, it also explored other challenges. These challenges were absence of value addition and inadequate infrastructure across the entire value chain; unpredictable cross-border trade policies and market institutions at border points.

10

Policy recommendation

The existing policies to which this particular issue is contributing are gender and youth empowerment policies, and trade policies. Uganda, Tanzania, Kenya, Rwanda and Sudan have specific gender and youth empowerment policies. The basic underlying objective is to redress imbalances arising from existing gender inequalities and ensure participation of both men and women in the development process. They also have trade policies that address value addition and one of the guiding principles is to develop domestic and regional trade. These two broad policies, if implemented simultaneously, are expected to ensure that men, women and youth are mainstreamed in the cross-border value chain. Their implementation is what is needed.

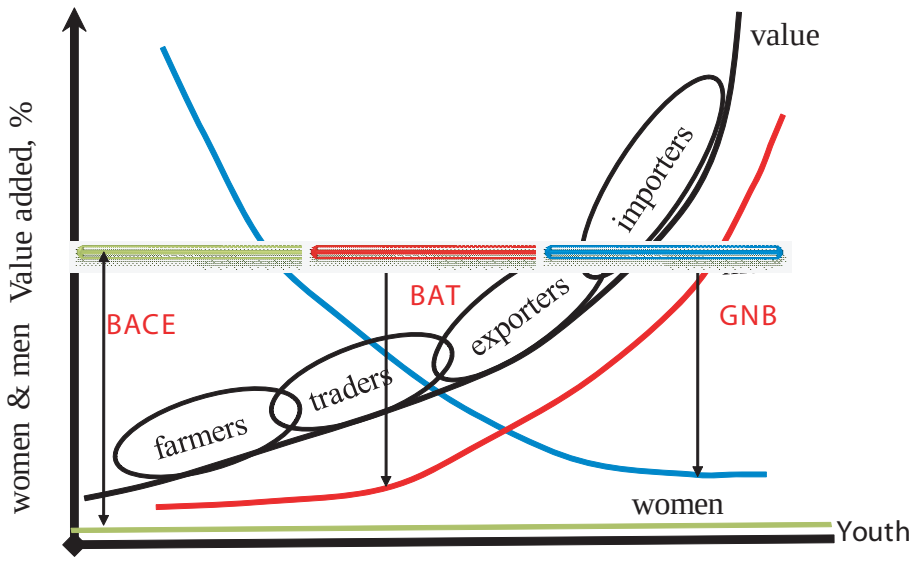
We also recommend improvements in the Nile Basin programs to improve infrastructure. Major programs to construct, rehabilitate and maintain main highways and railways and to promote telecommunication systems are under way in various Nile Basin countries domestically and across boundaries. An example is the Northern Corridor (trunk road linking Rwanda, Burundi and eastern DRC to Mombasa port on the Indian Ocean through Kenya and Uganda that is undergoing rehabilitation. The Rift Valley Railways (RVR) that plans to invest US$10 million per year over the next 5 years to revamp the Kenya-Uganda Railways from Mombasa is another. We recommend the Nile Basin countries to consider rural infrastructure such as feeder roads to major farming communities in commodities of importance for cross-border trade and to fish landing sites. The implementation strategies of the recommendations are provided in the implementation modalities.

11

Strategy and implementation modalities

What can the Nile Basin Countries do and how? The thrust of the strategy is to mainstream men, women and youth. Additional investments to improve cross-border trade for the benefit of the peoples of the Nile Basin countries would include: value addition at all stages of the cross-border chain, strengthening of market institutions and infrastructure, and improving border policies and practices. However, the thrust of the strategy is an integrated investment strategy to mainstream men, women and youth in cross-border trade in the Nile Basin Countries. It has three components code-named: Basin Appropriate Technology (BAT), Granaries for the Nile Basin (GNB), and Basin Agricultural Commodity Exchange (BACE) for mainstreaming men, women and youth. The investment strategy is expected to enhance the participation in different ways of men, women and youth across the chain (see Figure 11.1). For example, the youth may not necessarily be traders but they can provide information to enable trade.

Figure 11.1: The effect of integrated investment strategy to mainstream men, women and youth



The Basin Appropriate Technology (BAT) component will mainstream men on the farm through investing in appropriate technology that combines farming and post-harvest handling techniques. Investing in technology that combines farming and post-harvest handling, we shall use the fact so that when food commodities produced for home consumption are commercialized, men will get more involved. They will produce more and the household will be more food secure. Commercialization creates more value at the farm level. It is envisaged that partnership with the private sector would yield maximum benefits. The worry that when food commodities produced for home consumption are commercialized, women will be pushed out will be addressed through the Granaries for the Nile Basin component. Even when this is not achieved, evidence suggests that both men and women consider household food security in the process of selling the agricultural produce.

The Granaries for the Nile Basin (GNB) will mainstream women in commercial food production at the farm, trade, export and import stages of the cross-border chain. It is envisaged to be composed of training in skills relevant to each stage, for example at the farm stage simple skills of warehousing and bulking may be important yet at the other levels networking and coordination skills may be the most vital. The skills will be complemented by low-cost credit to allow women implement the acquired skills and gain more experience that is vital for mainstreaming. This component will be implemented in partnership with non-government organizations, civil society and community-based organizations.

The Basin Agricultural Commodity Exchange (BACE) will mainstream the youth at all stages of the cross-border chain. The main element will be information – collecting and disseminating information on standards, quantity, quality, grades, and prices through an appropriate technology. Short message technology or SMS using the telephone is one example. The participating institutions, which are centers of excellence in each of the Nile Basin countries, will be facilitated to host and coordinate BACE.

The management and coordination of the investment strategy is envisaged to be a shared responsibility between the ministries of national governments, participating institutions, Nile Equatorial Lakes Coordination Unit (NELCU) and Eastern Nile Technical Regional Office (ENTRO), and the Nile Secretariat. We propose that the ministries of trade and agriculture be responsible for the country political oversight. The participating institutions oversee the in-country coordination of activities in a technical sense. The NELCU and ENTRO will be responsible for the coordination of six countries (Burundi, Democratic Republic of Congo, Kenya, Rwanda, Tanzania and Uganda) and three countries (Egypt, Ethiopia and Sudan) respectively. Finally, a position will be created at the Nile Secretariat to coordinate the investment across all the Nile Basin Countries.

Part C

Investment strategy to improve livelihoods of peoples in the Lakes Edward and Albert Basins

12

Background

The Nile Basin Initiative was formed in 1999 to forge and promote regional cooperation in social and economic development. This was meant to be achieved through exploitation of natural resources, environmental conservation, and, food and power production. The ultimate outcome would be alleviation of poverty, political stability and economic development. The Nile Basin countries developed a basin-wide framework to reduce poverty and promote sustainable economic development. The first programme is for technical assistance and capacity-building projects (shared vision programme) and the second consists of two subsidiary action programs: the Nile Equatorial Lakes Subsidiary Action Programme (NELSAP) for Burundi, Democratic Republic of Congo, Kenya, Rwanda, Tanzania and Uganda; and Eastern Nile Subsidiary Action Programme for Egypt, Ethiopia and Sudan.

Under NELSAP, a pilot project – Lakes Edward and Albert Fisheries (LEAF) – was designed to generate replicable experiences in the management of fisheries resources in a trans-boundary context and, based on the findings, design investment programs to reduce poverty and foster sustainable social and economic development through equitable utilization and benefit sharing from the common Nile Basin water resources. LEAF identified ten investment projects to address the challenges in the Lakes Edward, Albert and George. We chose to focus on improving livelihoods of the peoples in the lake basin and refine the investment strategy. The main motivating factor is that improved livelihood will pull the peoples out of poverty, allow equitable utilization and share the benefits of the common Nile Basin waters. The investment is designed to be implemented over a five-year period.

Social and economic studies conducted during the pilot project revealed that fishers experience low fish catches for most of the year yet incur significant post fish harvest losses. They fetch low prices since most of the fish is sold to

local traders and directly to consumers within communities at the lake shores. Fish marketing outside the fishing communities is minimal due in part to poor fish catch and to poor feeder roads to the shores. Other than fish, factors like poor education, disease and food availability fluctuation make livelihoods of the people in the lakes basin a little difficult.

To address the livelihoods of peoples in the lake basin, the investment strategy aims to improve the earnings of fishing communities through alternative income sources, enhance food security, increase the educational achievements, and improve access to health services. It is expected that at the end of the project, earnings would have improved, education levels and access to public health services would have improved and food supply made sufficient and affordable.

13

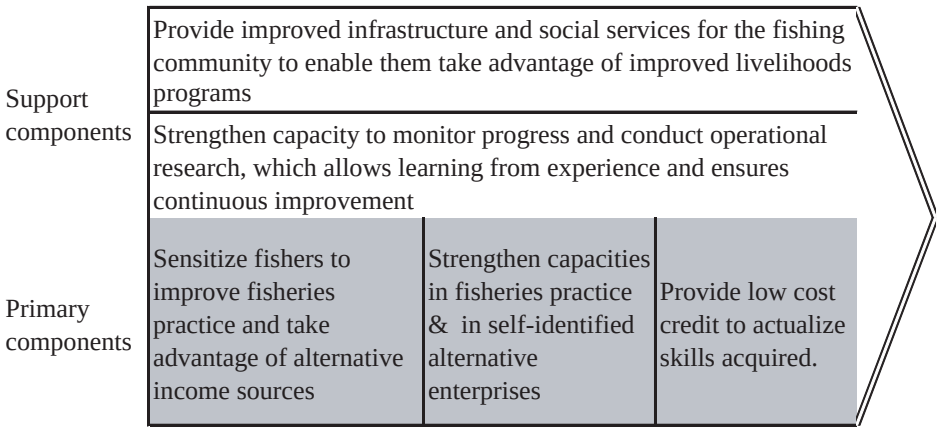
The strategy

The investment strategy has five components which are presented in a value chain framework similar to the one proposed by Michael Porter, with three primary components and two supporting components (see Figure 1). The primary components must be carried out to ensure the success of the investment strategy and the support components ensure that the primary components yield the expected outcomes. The primary components will be undertaken in sequence but the supporting components need not be implemented in sequence. The main primary component will be to strengthen capacities in fisheries practice and in self-identified alternative non-fish enterprises for the fishers and the community. This will involve investments in fish and non-fish enterprises that have the potential to improve the welfare of the people living in the project area. The biggest budgetary allocation to the primary components will be reserved for this component

The second component in the primary category will involve actualizing the skills gained through provision of low cost credit to the residents so that they can undertake enterprises that have the potential to improve their livelihood.

The third component in this category will involve the sensitization of fishers and fishing communities to improve fisheries practice and take advantage of alternative income sources. The sensitization will take the form of empowerment seminars and workshops that will be geared to supporting the residents in the implementation of their enterprises. However, this component will take a small percentage of the financial resources that will be required to deliver this project with the largest part of the funding going to supporting the identified enterprises and the infrastructure of these enterprises.

Figure 13.1: Components of an investment strategy to improve livelihoods in the Lakes Edward and Albert basins

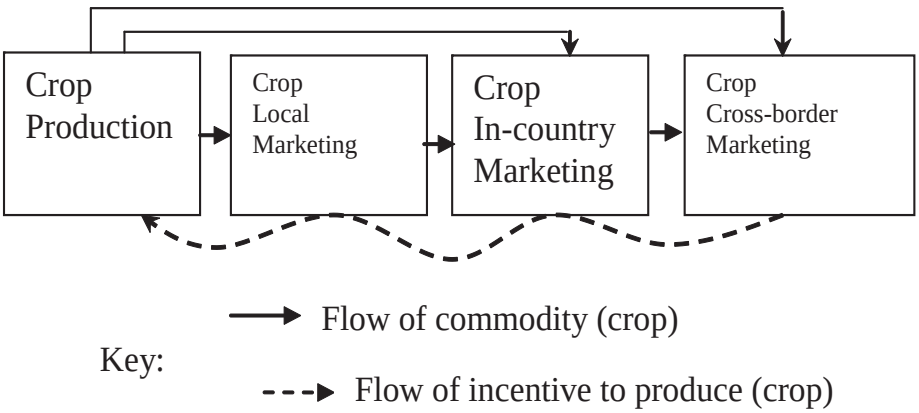


The support components are intended to support the primary components of the chain and are applicable for all the three primary components. The support components are to provide improved infrastructure and social services for the fishing community to enable them take advantage of improved livelihoods programs. In particular investment in roads and navigation across Lakes Edward, Albert and George are critical to ensure access to markets. For example, the trunk roads in Uganda connecting border districts to Kenya, Rwanda and Tanzania are in a reasonable state. Improving navigation across the lakes to connect DRC to Uganda and improving roads within the communities in Uganda and DRC will link the community to the trunk roads. With improved livelihoods – as a result of the chain primary components and improvement in infrastructure - , the peoples in the lake basins will also take advantage of the social services. The second support component is to strengthen capacity to monitor progress and conduct operational research, which allows learning from experience and ensures continuous improvement as new knowledge is added to the process. Each component is further examined in turn.

Component 1: Strengthen capacities in fisheries practice and in self-identified alternative non-fish enterprises for the fishers and the community

The areas of focus of this component will be to develop the entire value chain of the enterprises chosen through infrastructure support and value addition. Examples of alternative non-fish enterprises identified in the pilot phase include: crop farming, livestock rearing, merchandise trade, provision of services, and transportation business especially navigation across the lakes. This will involve several steps. First, fit communities into the chain; second, improve methods of handling; third, methods of processing; fourth, marketing and fifth, book keeping. Crop farming provides an example. Crop farming should be seen as a process with each stage feeding into another and having strong back and forth feeds. In figure 14.2, there are two processes being shown. The first is the flow of commodity. It flows from production to the local market, to the markets either the country and to markets across the borders. It is possible to get to various markets either directly or indirectly through other markets. The second, which is very important but often ignored, is the incentive to produce. When what is produced is sold, the incentive to produce is enhanced – ultimately putting more money in the communities and the ripple effect is felt. It is now the development of infrastructure to market these commodities that is a critical support component. The process as shown in figure 13.2 will be the basis for strengthening capacities in enterprises.

Figure 13.2: Crop farming as a set of processes



It is proposed to select 16 pilot communities which the project would support to adopt alternative income activities on a commercial basis.

Component 2: provide low cost credit to actualize skills gained

Lack of capital and poor access to credit were identified as limiting factors for investment in fisheries and in alternative income-generating enterprises during the LEAF pilot phase. In addition, the community savings and credit schemes (SACCOS), which are more accessible, were undeveloped and unfunded. The third component will address this problem by supporting community savings and credit schemes within the fishing communities. It is envisaged that partnership with the Civil Society Organizations (CSO), Community Based Organizations (CBO) and Non-governmental organizations (NGO) engaged in micro-credit will be sought.

Component 3: to sensitize fishers and fishing communities to improve fisheries practice and take advantage of alternative income sources

The component involves Lake Basin wide sensitization of the fishers and the fishing community of the importance of good fisheries practices and the need for alternative sources of income. The intention is to focus on additional benefits of improved fishing practices in terms of higher earnings within the fisheries activities and to portray alternative income opportunities as viable in the Basin context. The issues will highlight sustainable exploitation of the fisheries resources to improve and sustain the gains and diversification into alternative income sources, to relieve the pressure for all the fish stocks and take advantage of income opportunities elsewhere. The activities will involve identification of channels for sensitization, production of awareness materials, and actual sensitization. This component will be implemented in partnership with the Civil Society Organizations (CSO), Community Based Organizations (CBO) and Non-governmental organizations (NGO).

Component 4: provide infrastructure and improved social services

Under the leadership of the Nile Equatorial Lakes Subsidiary Action Programme and the management of the investment programme, linkages will be developed within government institutions, development partners and NGOs to develop infrastructure and social services for the fishing communities such as roads, navigation across the lakes, schools, community centers and health facilities. This is to support components 1, 2 and 3. Again, the example used in component 1 is illustrative.

Markets were identified to be less developed in this area, markets outside the area were inaccessible due to road and navigation infrastructure and low production. Investment in these is critical to the components 1, 2 and 3, otherwise improvements in livelihoods of the communities will not happen as anticipated. In addition, market information will be important.

Social services such as schools and health facilities are a mandate of government institutions and not the fisheries department. Coordination is therefore important to avoid duplication, conflicts and maximize synergies.

Component 5: Strengthen capacity to monitor progress and conduct operational research

The component to strengthen capacity to monitor progress and conduct operational research is vital for the success of components 1, 2, 3 and 4. When communities monitor progress and assess their performance objectively, they learn from their own successes and failures. When the operational research is part of the investment, it enables continuous learning and improvement. It is proposed that the Participating Institutions in Uganda and Democratic Republic of Congo undertake to develop training programs in monitoring and evaluation for community members, undertake operational research and dialogue with the communities using the research evidence.

14

Management and coordination

The management and coordination of the investment strategy is envisaged to be a shared responsibility between the communities, local governments, ministries of national governments, participating institutions, and Nile Equatorial Lakes Coordination Unit (NELCU). It is proposed that communities take a role in self-monitoring and appraisal, the local governments provide the political and technical support at district or province level, the ministries concerned in Uganda and DRC provide country political oversight, and the participating institutions provide technical oversight in a trans-boundary fashion and undertake operational research. It is proposed that a position be created at NELCU to coordinate the investment across the two countries.

The investment will be implemented to cover the areas under LEAF Project, namely the 9 Districts in Uganda and 2 Provinces in DRC within the Lakes Edward and Albert basins (see table 1).

Table 14.1: Provinces and districts under the proposed investment

	Uganda (Districts)	**DRC (Provinces)**
Lake Edward	Bushenyi	North Kivu
	Kanungu	
	Kasese,	
	Rukungiri	
Lake Albert	Bundibugyo	Orientale
	Hoima	
	Kibaale	
	Buliisa	
	Nebbi	

Strategy budget[4]

4 A detailed budget for all the activities under each of the components will be developed at project proposal level and can be done for all the other projects

Component/Activity	Cost (US$)
Component 1: Strengthen capacities in fisheries practice and in self-identified alternative non-fish enterprises for the fishers and the community	500,000
Component 2: provide low cost credit to actualize skills gained	345,000
Component 1: to sensitize fishers and fishing communities to improve fisheries practice and take advantage of alternative income sources	61,000
Component 4: provide improved social services	75,000
Component 5: Strengthen capacity to monitor progress and conduct operational research	210,000
Overall coordination and management	1,467,600
Total	2,658,600

Annexes

Participants at the Participating Institution /Stakeholder Meeting

Name	Institution
Sarah Ssewanyana	EPRC
Frederick Mugisha	EPRC
David Ebiru	EPRC
Evarist Twimukye	EPRC
Madina Guloba	EPRC
Lawrence Bategeka	EPRC
Hellen Natu	Nile Basin/SDBS
Peter Nabende	Nile Basin/SDBS
Tamene Tiruneh	Nile Basin/SDBS
John Bampabwire	Nile Basin/SDBS
Mwita Rukandema	Consultant