The Influence of East African Community's Cargo Clearance Procedures on Trade Facilitation in Rwanda

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ABSTRACT

Trade facilitation is any process involved in the reduction in trading costs associated with enforcement, regulation, and administration of trade policies. This process intended to lower the related transaction costs for firms in global commerce thereby enabling continued growth in cross border trade in goods and service. Trade facilitation is a diverse and challenging subject with potential benefits for both private business people and governments at national, regional and international levels. Governments initiated a trade facilitation reform programme following complaints about widespread corruption and poor administrative practices. The reform programme included the implementation of single-point clearance and mechanism, the introduction of risk assessment procedures and the publication of customs nights and responsibilities in export clearance. The empirical literature indicates that, none of the study has been conducted in Rwanda to assess how the EAC custom union procedures improved the trade facilitation in Rwanda. To conduct this kind of study is very important because it helped to describe the extent at which cargo clearance procedures, tariff charges and other institution factors influence the trade facilitation in Rwanda. Rwanda is a land-locked country, facing tremendous difficulties in accessing major markets in the regional as well as in the rest of the world. These difficulties emanated from high transport costs owing to the fact that she has no direct access to the sea. Rwanda has been continually showing deficit in export and imports compared to other neighbouring partner states in EAC. Since there is no data about the procedures and systems applied by the individual partner around the boarders/Customs in Rwanda, the study therefore intended to analyze the influence of customs union on trade facilitation for Rwanda resulted from regional integration signed by the East Africa community.

The results from the survey show that 0.83% strongly disagreed, 2.51% disagreed, 0.83% was not sure, and 42.3% agreed that they appreciate the cargo clearance procedures at the customs and 53.53% strongly agreed. The results from the survey revealed that majority of the respondents appreciate the cargo clearance procedures. The results further revealed that, the few cases where there is delay in the clearance originates mainly on the description on the rules of the origin. This is because to some products it becomes hard to determine the proportion of imported material in the mixture of the manufactured products. The results from the survey revealed that before EAC, each country used different clearance documents with different way of clearing the goods and description of the goods, but ever since the establishment of the EAC, all countries use the documents and same description of the goods. This helps in simplifying the clearance procedures of the goods since every trader knows what is required. The Partner States agree to simplify their trade documentation and procedures in order to facilitate trade in goods within the Community. The results from the survey revealed that the level of bureaucracy in the clearance of goods is low as evidenced by the majority of the respondents. This helps in reducing the time traders spends at customs during clearing and hence enhancing trade within the member state.

Keywords: Trade Facilitation, Customs Union, and Cargo Clearance Procedures.

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I. INTRODUCTION

Trade facilitation is any process involved in the reduction in trading costs associated with enforcement, regulation, and administration of trade policies. This process intended to lower the related transaction costs for firms in global commerce thereby enabling continued growth in cross border trade in goods and service. Transportation charges, documentation requirements, clearance procedures and tariff charge are essential for trade facilitation. Moreover, the ability of countries to deliver goods and services in time and at low costs is a key determinant of their participation in the global economy [1].

The regional trade agreement among the East African Countries aims at improving the trade facilitation [2]. Negotiations in multilateral trade agreements provide opportunity to formalize trade facilitation initiatives within a broader framework of multiple trade increasing measures [3]. Trade facilitation is a diverse and challenging subject with potential benefits for both private business people and governments at national, regional and international levels [4]. It involves political, economic, business, administrative, technical, and technological, as well as financial issues.

The literature shows that countries globally face difference experiences in trade facilitation. In 1993, Jamaican government initiated a trade facilitation reform programme following complaints about widespread corruption and poor administrative practices. The reform programme included the implementation of single-point clearance and mechanism, the introduction of risk assessment procedures and the publication of customs nights and responsibilities in export clearance. A customs automation services was later introduced, and crown agent was contracted to implement the ICT software components for risk analysis, intelligence collection and data processing for valuation purposes. As a result of these initiatives between 1998 and 2001, customs revenue increased by 110 per cent [5].

The empirical literature indicates to the best of our knowledge, none of the study has been conducted in Rwanda to assess how the EAC custom union producers have improved the trade facilitation in Rwanda. To conduct kind of this study is important because it will describe the extent cargo clearance procedures, tariff charges and other institution factors influence the trade facilitation in Rwanda.

II. PROBLEM STATEMENT

Rwanda is a land-locked country, facing tremendous difficulties in accessing major markets in the regional as well as in the rest of the world. These difficulties emanated from high transport costs owing to the fact that she has no direct access to the sea [6]. Dennis [7] stated that, customs unions over the world liberalize and promote cross border trade among the member states. EAC [8] shows that the balance of trade from shows that Rwanda is continually showing deficit in export and imports compared to other neighbouring partner states in EAC. Since there is no data about the procedures and systems applied by the individual partner around the boarders/Customs in Rwanda; the study therefore intended to analyse the influence of customs union on trade facilitation for Rwanda resulted from regional integration signed by the

East Africa community. The EAC African community implements its customs union protocol; it may have influenced the international level of trade, tax collections, increase of number of traders in the country, and improved the procedures and policies implementation in Rwanda or it may simply, have not managed to do so.

A. Objective of the Study

To analyse the influence of East African community's cargo clearance procedures on Trade facilitation in Rwanda

III. DEFINITION OF KEY CONCEPTS

A. Customs Union

According to Business dictionary [9], customs union refers to agreement between two or more usually neighbouring countries to remove trade barriers, and reduce or eliminate customs duty on mutual trade. Andriamananjara [10] defines a customs union (CU) is a form of trade agreement under which certain countries preferentially grant tariff free market access to each other's imports and agree to apply a common set of external tariffs to imports from the rest of the world. A customs union (unlike a free trade area) generally imposes a common external-tariff (CTF) on imports from non-member countries and (unlike a common market) generally does not allow free movement of capital and labour among member countries[11].

B. Trade Facilitation

According to Engman [12], trade facilitation looks at how procedures and controls governing the movement of goods across national borders can be improved to reduce associated cost burdens and maximize efficiency while safeguarding legitimate regulatory objectives. Business costs may be a direct function of collecting information and submitting declarations or an indirect consequence of border checks in the form of delays and associated time penalties, forgone business opportunities and reduced competitiveness.

IV. EMPIRICAL LITERATURE REVIEW

Using a Probit model, Holloway [13] estimates that each day saved in shipping time, due to faster customs clearance, is equivalent to about 0.5 percentage point reduction in advalorem tariffs. Kumar [14] Observes that 1 percentage reduction in the cost of maritime and air transport services in developing countries could increase global GDP by US \$ 7 billion. Wille [15] using both OLS regression and Probit models observe that a 10 percent decrease in the bilateral prices of phone calls is associated with 8 percent increase in bilateral trade-in gravity model.

Wilson [16] observe a \$ 377 billion increase in global trade manufacturing goods crossing from improvement in trade facilitation. Furthermore, they find that the response of exports to unilateral improvements in trade facilitation exceeds that of imports. The former study observed that trade facilitation improvements between the US Mexican borders would yield \$ 1.8 billion and \$ 1.4 both on per year in welfare gains to the Mexican and US economy, respectively. The later study estimated that a reduction in trade transactions costs of about 1% of the value of world trade would yield aggregate welfare gains of some \$ 40 Billion [14].

In addition to econometrics analyses Lewis [17] found that improvements in logistics services are necessary for the two countries to stay competitive in the market. Regional trade is impeded by high levels of administrative corruption and state culture, poor quality of physical infrastructure and related services, inefficient institutional arrangements, and non-tariff trade barriers [18].

Iwanow [19] identified five critical factors for effective participation in global network trade: price, speed-to-market, labour productivity, flexibility and product quality. Speed-tomarket crucially depends upon the quantity and quality of trade and trade-related institutions and infrastructure. Trade facilitation benefits trade and exports in particular. For example, UNCTAD [20] show that the dramatic growth of export from Mauritius from \$89 million in 1970 to \$2.8 billion in 2000 is partly attributed to trade facilitation measures, which reduced the cost and risk of exporting.

Lewis [17] examines the economic impact of trade facilitation and in particular the link between trade facilitation and the trade flows, government revenue and foreign direct investment. He emphasized the strong causal links between improvement in trade facilitation with trade flows and government revenue (mostly for developing countries by implementing customs modernization programmes those results in more efficient collection of trade taxes). Furthermore, [21] demonstrates that facilitated cross-border movement of goods would have positive effect on the ability of a country to attract foreign direct investment and better integrate in international production supply chain.

Grainger [22] asserts that, the link between trade facilitation and welfare effect has also been investigated in several studies using CGE models. The studies analyze the welfare effect of marginal reduction in trade transaction costs (TTCS). The benefits from trade facilitation can be particularly important for developing economies, where the removal of trade inefficiencies may be many times more beneficial to industries than the reduction or removal of tariff barriers.

The impact of customs union to trade facilitation has been the East African community effort in the implantation of its protocols signed. There is no consensus about the magnitude of procedures and systems applied by the individual partner state around the boarders/Customs. Its therefore not understandable how customs are united yet there is still differentiation in the implementation. This study first explores the theories used the impact of customs union to trade facilitation and thereafter presents the results of empirical studies conducted globally regionally and to Rwanda.

V. RESEARCH DESIGN

A research design involves a series of decisions regarding the way the research is expected to be conducted. According to Sounders [23], a research designs is an assemblage of conditions for specifying relationships among variables in a study. There are three basic designs: exploratory, descriptive, and explanatory. Exploratory research aims at finding out what is happening seeking new rights, asking questions and addressing phenomena in a new right [24]. On the other hand, descriptive research focuses on describing particular characteristics of a specific population. The major purpose of descriptive research is to provide a description of the state of exploration in studying a situation or a problem in order to explain the relationship between variables [25]. The design is explanatory because the regression model which assesses the influence of independent variables on dependent variable has been used.

VI. VARIABLES AND MEASUREMENT The variables and measurement are described in Table I.

TABLE I: TRADE FACILITATION MEASURING VARIABLES FOR RWANDA

Sn	Customs	Antivity	Measuring
311	Service	Activity	variable
1.	Cargo	Customs procedures	Number of
	clearance	flexibility (CP)	procedures
	procedures	Cargo clearance time (CC)	Processing time
		Customs documents	Number of
		CD	documents
		Verification of goods standards, (V)	Type of standard
	The tariff	Internal Tariff	Amount charged
	charges	External tariff	Amount charged
	Institutional factors	Corruption	Presence of corruption
	(Non-Tariff	Police road blocks	Number of blocks
	barriers-NTB)	Business attitude	Type of attitude
		Business language	Language used
		Resource adequacy	If adequate or not
	Export	Duty draw back-DD	Presence of DD
	promotion schemes –EP	Export processing zones- EPZ	Efficiency of EPZ
		Manufacturing under bond MU	Efficiency of MU
	Trade	Trade facilitation	Improvement of
	Facilitation	procedures	the procedures
			Changes of
		Revenue collected	revenue collected
	Revenue conected	Revenue conceleu	from imports and
			Export

VII. TARGET POPULATION

Population is the total number of possible units or elements that are included in the study as defined by Gray [26]. The populations were the importers, and exporters of Rwanda who trade within and across the East African Community Partner States. Others are the truck drivers those who do transportation of goods across the boarders in East African Community Partner States, customs officers at the boarders of Rwanda to neighbouring EAC Partner States and senior management in government institutions which are directly linked to trade and EAC activities. Such as Rwanda Revenue Authority (RRA), private sector federation (PSF), Rwanda Development Board (RDB) and Ministry of East African community MINEAC for Rwanda.

The study targeted 385 respondents of which exporters and importers were 325 from private sector federation through Ministry of commerce and investment promotion and 34 truck drivers from the Truck Drivers Association, 26 Customs Officers from 4 the border points of Rwanda to Each Partner States were selected these are: Gatuna and, Kagitumba border posts to Uganda, Rusumo border post to Tanzania, Kanyaru and Maraba border posts to Burundi, respectively. The study also organized unstructured interviews with senior officials from MINEAC, RRA RDB and PSF. The main motivation for involving policy makers in the study was due to the fact that they were responsible for the enforcement of various trade facilitation policies which aim to influence the smooth running of trade and hence trade facilitation. The data were collected from various respondents through different methods this was done to enrich the data base and hence form the understanding of trader's i.e., importers and exporters around EAC and establish the Impact of EAC Customs Union to facilitating trade especially for Rwanda. The participants showed keen interest in filling the questionnaire as 18 questionnaires were not filled in and 6 respondents were absent at the time of collecting the questionnaire thus bringing the total to 24 respondents. The interviews were done for 6 selected senior officials.

A. Background Information about the Respondents

For the findings to be considered significant, the study needs to identify the respondents questioned about their level of study, age, and experience [27]. This section analyses the bio characteristics of the respondents. It shows the gender, age, the education background, and the experience of the respondents.

B. Distribution of Respondents according to the Level of Education

The study sought to establish the education level of respondents. Table II shows the results. The question allowed the researcher to ensure how work with the qualified respondents by relating to the answers given by the respondents.

TABLE II: RESPONDENTS' ACADEMIC LEVELS Education level Frequency Percent 69.9 High school 223

79 21.8 Bachelors Masters 30 8.3 Total

Source: Survey Data 2016.

Table II shows the education level of the respondents, and this is very important to study because somebody with low level of education cannot easily know what trade facilitation all is about, neither can that person know the importance of customs union. So, for the study to achieve its objectives the respondents' level of understanding needed to be considered. Table II shows that of all respondents, at least 69.9% had finished high school, bachelors' degree holders while 21.8% and master's degree holders were 8.3%. The level of education presents the understanding of the problem understudy and henceforth allows the study to base on the provided information for drawing conclusion.

C. Distribution of the Respondents according to Years of Experience

This subsection shows the experience of respondents in their work. The answers were interpreted in frequency and in percentages. The asked question allowed the researcher to know if the respondents have experience on job in performing their work.

TABLE III: RESPONDENTS YEARS OF EXPERIENCE IN TRADE ACROSS EAC

Experience	Frequency	Percent
More than 5 years but less than 7 years	245	67.8
More than 7 years but less than 15 years	116	32.2
Total	361	100.0

Source: Survey Data 2016.

Table III indicates the respondents' experience in trade across the east African community (EAC) region that 67.8% have been trading in the region for around seven years while 32.2% also have been involved in trade for less than 15 years. For the period of the study, a big number of respondents had been in trade activity that means that they were able to know the changes taking place in the customs sector and how trade facilitation was conducted across the region.

D. Cargo Clearance

In order to enhance trade between the member states of the East African community, the member state developed policies and procedure in Cargo clearance. This was to ensure that traders within the member states do not take a lot of time in clearance of their cargo. In the table below, the respondents were asked whether they appreciate the cargo clearance procedures at the customs.

TABLE IV: CARGO CLEARANCE PROCEDURES

Response	Frequency	Percent
Strongly disagree	3	0.83
Disagree	9	2.51
Not sure	3	0.83
Agree	152	42.3
Strongly agree	192	53.53
Total	359	100.0

Source: Survey data 2016.

The results from the survey show that 0.83% strongly disagreed, 2.51% disagreed, 0.83% was not sure, and 42.3% agreed that they appreciate the cargo clearance procedures at the customs and 53.53% strongly agreed. The results from the survey revealed that majority of the respondents appreciate the cargo clearance procedures. This is evidenced by the respondents who argued that ever since the establishment of the customs union, it is taking the traders between 1–2 days to clear goods to clear goods at the customs as compared to 1-2 weeks that they were spending at the customs before the East African Customs Union. However, it is important to note that, the results provided contradicting views. The result in the Table IV shows that 3.34% of the respondents disagreed. A critical analysis about the views of the respondents revealed that although there is very big improvement in the clearance procedures at the customs after the implementation of EAC, there are still some few cases where there is a delay in the clearance of the goods. The results further revealed that, the few cases where there is delay in the clearance originates mainly on the description on the rule of the origin. This is because to some products it becomes hard to determine the proportion of imported material in the mixture of the manufactured products. Holloway [13] reported that faster customs clearance in each day reduces the advalorem tariffs of about 0.5%.

E. Customs Documentation

One of the main objectives of the East African Customs Union is to ensure common documentation of customs documents. This is aimed at achieving the following objectives: reducing the number and volume of documentation required in respect of trade among the partner states. Adopting common standards of trade documentation and procedures within the Community where international requirements do not suit the conditions prevailing among the Partner States. Regularly reviewing the procedures adopted in international trade and transport facilitation with a view to simplifying and adopting them for use by the Partner States. Collecting and disseminating information on trade and trade documentation; Promoting the development and adoption of common solutions to problems in trade facilitation among the Partner States. Kharel [28] argued that proper documentation would yield a cost savings of some 1.5 to 15% of the landed cost of an imported items.

TABLE V: CUSTOMS DOCUMENTATION

Response	Frequency	Percent
Strongly disagree	1	0.27
Disagree	4	1.14
Not sure	2	0.55
Agree	200	55.71
Strongly agree	152	42.33
Total	359	100.0

Source: Survey Data 2016.

In Table V, the respondents were asked on whether the customs documents are uniform and simple to use. The results from the survey show that 0.27% strongly disagreed, 1.14% disagreed, 0.55% were not sure 55.71% strongly agreed that the document is uniform and simple to use and 42.33% strongly agreed. The results from the survey show that majority of the respondents agreed that customs documents are uniform and simple understand. The results from the survey revealed that before EAC, each country used different clearance documents with different way of clearing the goods and description of the goods, but ever since the establishment of the EAC, all countries use the documents and same description of the goods. This helps in simplifying the clearance procedures of the goods since every trader knows what is required. The Partner States agree to simplify their trade documentation and procedures in order to facilitate trade in goods within the Community. Subject to the provisions of Article 6 of the East African Community, the Partner States agree to design and standardize their trade information and documentation in accordance with internationally accepted standards, taking into account the use of electronic data processing systems in order to ensure the efficient and effective application of the provisions of the East African community protocol.

F. Verification of Goods

The verification of goods is another component in the clearance of goods at the customers. Before the cargo is cleared to leave the customs, they must be verified to ensure their accuracy and to ensure whether they are eligible for taxes or they are duty free goods.

TABLE VI: VERIFICATION OF GOODS

Response	Frequency	Percent
Strongly disagree	20	5.57
Disagree	50	13.93
not sure	13	3.62
Agree	125	34.82
strongly agree	151	42.06
Total	359	100.0

Source: Survey Data 2016.

The time taken to verify the goods may affect the movement of goods. The results in Table VI show the information on whether the verification of goods at customs is fast. The result show that 5.57% strongly disagreed, 13.93% disagreed, 3.63% were not sure, 34.82% agreed and 42.06% strongly agreed. The results revealed that majority of respondents agreed that verification of goods at customs is fast. The results from survey revealed that the EAC provides various customs procedures like free port, clearance on truck, blue channel gold and post clearance that enable the traders to verify the documents and make a fast clearance. The results from the survey revealed that ever since the establishment of the free port zone it takes one day for the verification of the goods at the customs. Kugonza & Nsubuga [29] found that verification of goods ensures the goods' quality before importing or exporting them to EAC members' estates.

TABLE VII: THE TIME TAKEN TO VERIFY THE GOODS

Response	Frequency	Percent	
Very Low	85	23.68	
Low	120	33.43	
Medium	50	13.93	
High	80	22.28	
Very high	24	6.68	
Total	359	100.0	

Source: Survey data 2016.

The results from the survey show that 23.68% of the respondents indicated that the level of bureaucracy is very low, 33.43% indicated low, 13.93% indicate medium, 22.28% indicated that it is high and 6.68% indicated it is very high. The results from the survey revealed that the level of bureaucracy in the clearance of goods is low as evidenced by the majority of the respondents. This helps in reducing the time traders spends at customs during clearing and hence enhancing trade within the member state. A critique of the information provided revealed that bureaucracy is mainly caused by many roadblocks on the way most especially on the Tanzania side and delay in the decision making mainly caused by the differences in the description of the goods.

G. Transit/Police Check Points

The study observed that, since 2008 all transit/police check points and procedure of providing convoys or escorts for goods in transit had been removed but this is in theory because practically 6 check points are numbered from Dar es salaam port to Kigali this has greatly affected the transit goods. This shows that there is a reduction in check points from 10 before the East African Community. The remaining six only verify the port documents and checking the weights of the vehicle. This has helped to reduce the number of hours the vehicles are spending on the check points. Kafeero [30] found that delays at roadblocks is the one of the challenges in the EAC customs.

H. Revenue Authority Digital Data Exchange

The study confirmed that Rwanda started, the RADDEx (Revenue Authority Digital Data Exchange) as an effort to facilitate trade. Revenue Authorities throughout the region should also introduce computerized system and methods of ICT for benefiting all stakeholders and making the work more efficient, productive, and accurate. This also has been very helpful to traders since they are not taking long to the customs hence trade facilitation. Peterson [31] suggested that single electronic customs window promotes the regulatory transparency.

I. Reduce Clearance Time and Cost of Cargo

Rwanda established Risk Management Teams to prepare importers profile and cargo documents in advance. The communication channels have been put in place to reduce clearance time and cost of cargo at border posts. To enable trade to incur less costs and hence trade facilitation. The study analyzed the days taken for clearance of consignment from Dar es Salaam to Kigali being 28 days. These days have reduced to a greater extent since before it was 52 days. The clearance time from Rusumo to Kigali is now 8 days instead of 29 days before this means that the challenge is dealt with through the number of days are still very high. Poor clearance procedure is the problem to Most African countries as reported by Adeniji [32] who conducted his study in Nigeria and Finland.

J. Customs Management System

There is operating weighbridges in the Rwanda but to some EAC partner states there are weighbridges to their customs. During the study, the interview with senior managers at RRA was done to the assistant commission in charge of customs. He disclosed to the researcher that plans to buy weighbridges by these other countries are in process depending on the previous meetings they had at major entry and exit posts operating weighbridges are paramount to customs management system and scanner functions to avoid repeat of weighing the cargo at destination post. The Use of x-ray mobile scanners at all major border entries and customs inland port has been another method of trade facilitation. The cargos are scanned and are immediately released without any other customs formalities being undertaken and hence trade facilitation. Adeniji [32] asserted that scanner technology is more effective way of inspection than physical inspection.

K. Decentralized Export Entry Processes

The results revealed that Rwanda Customs Departments decentralized its Export entry processes and all exit border posts in order to reduce on the business transaction costs. They issue both simplified and major certificates of origin procedures. Customs officers at each border post avoid unnecessary tedious movements of exporters to customs RRA head office by offering all the required services in one office. The study noticed that all these decentralizations are only practiced by the only country Rwanda to other member country's sides of the broader it is another story. This means that trade facilitation cannot be effective with a single entry of customs it also depends on the other side and this was a reason to why the study looked at the whole community with impact to single entry. UNCTAD [20] asserted that the export structure of the EAC has changed because of the community's regional integration.

L. Improved Collaboration of Border Agencies

During the study, it was observed that Strong collaboration of border agencies through EAC customs union is streamlined. Border procedures and attributions of each government agency operating from border post are described. This was an observation from the study. This kind of organization helped to reduce calls for interventions in the movement of transit cargo. The establishment of one stop boarder post (OSBP) and electronic single window (ESW) has been helpful to the implementation of broader agencies collaboration. This equipment's have been installed to all boarders of Rwanda to facilitate trade and for efficient implementation of (ESW) Electronic Single Window the study observed each partner states has deployed customs officer to Mombasa port and Dar es Salaam port to reduce the number of days it may take for a consignment to reach to Kigali. Peterson [31] asserted that the use of online single window systems reduces the paperwork and improve transparency.

M. Electronic Cargo Tracking System (ECTS)

Rwandan customs office in its implementation of customs union to trade facilitation it has introduced Electronic Cargo Tracking System (ECTS). This system is helping monitoring transit cargo from the departure office to the destination office within the EAC partner states to Rwanda. The study observed that all revenue authorities around EAC Partner States. Have introduced the system and hence trade is doing to conducted smoothly. The system enables the transit operators to execute custom bonds from countries where they are based to guarantee custom duties on goods in transit in other EAC Partner States. This enables the customs to collect more tax and yet the traders have not had it difficult to conduct their businesses. It helps the trader in sense that it does not require the trade to travel hence trade is facilitated. Wilson, Mann, Woo, Assanie and Choi [33] asserted that electronic cargo tracking system is one of the indicators of trade facilitation within the Asia-Pacific Economic Cooperation. Other indicators mentioned were customs, standards and conformance, and business mobility.

N. Pre-Payment System

It was observed that there is a very strong and wellestablished pre-payment scheme, which allows traders to pay duties and taxes in advance and get clearance facilitation at Customs on arrival of goods. Importers were only filling the forms online and submit them to the Business Analyst at customs for approval and for opening separate account on the system. The importer was notified when to deposit a lump sum amount of money to the account. The system keeps deducting liable duties and taxes on any importation made by the importer only and fewer formalities hence trade facilitation. This system gave two advantages: firstly, the government receives its revenues well in time and secondly, the importer is relieved of time wasted while quacking at the

VIII. CONCLUSION

The findings indicate that there is a big change on the goods from the East African Community countries, particularly in Rwanda after its participation in the customs union due to trade facilitation practices. The findings further show that, Rwandan economy has increased and the level of investments in the country has also increased significantly. It is the researchers view that if the country can continue in this trend of trade increment after 5 years' period the country will be in good position economically. It will reduce the country's dependence on foreign aid or debts in financing its own budget. It has been discovered that international trade of Rwanda increased to a great extent after joining the EAC customs union. Customs and trade challenges have also been presented by the study considering different opinions from both groups of respondents i.e., truck drivers and traders from private sector federation.

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