

RWEKUUTA REUBEN (2010-M162-20007)

The Impact of the East African Customs Union on Intra-East African Trade: A Case Study of Trade between Kenya and Uganda.

The study sought to assess the impact of the East African Community (EAC) Customs Union framework on intra-regional trade between Kenya and Uganda. The study was guided by the following objectives; to analyse the nature of the operations of the EAC Customs Union framework; to examine the performance of the intra-regional trade between Kenya and Uganda; to examine factors critical and influential to a successful implementation of the EAC Customs Union framework; and to assess the contribution of the EAC Customs Union framework to the intra-regional trade between Kenya and Uganda. The study adopted a cross sectional design with a sample size of 33 respondents. Data were collected from both public and private officials, and traders using self-administered questionnaires and an interview guide. The findings on the nature of the operations of the EAC Customs Union framework revealed that Partner States in the EAC Customs Union advocated for a Single Customs Territory, supported elimination of NTBs and advocated for identical rules of origin among others. According to the findings on performance of the intra-regional trade between Kenya and Uganda, intra-regional trade among EAC Partner States continues to grow substantially since the commencement of the Customs Union which is an indication of the positive trends in EAC trade. From the findings on factors critical and influential to a successful implementation of the EAC Customs Union framework it was disclosed that commitment to unified trade laws, mutual recognition of product standards by member states and enforcement of governing laws and regulations by member states enhanced the successful implementation of the EAC Customs Union Framework. The findings on contribution of the EAC Customs Union framework to the intra-regional trade between Kenya and Uganda revealed that realisation of zero tariff rates on most of the goods originating and traded within the Community, removal of tariffs on most of the capital goods, agricultural inputs, medicines and medical equipment, raw materials and chemicals, protection of agricultural products and elimination of non-tariff barriers among others, had contributed to the EAC intra-regional trade between Kenya and Uganda.

Key Words: East African Customs Union, Intra-East African Trade Kenya, Uganda