4 Barriers to trade: the case of Kenya

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4.1 Introduction

International trade is the exchange of capital, goods and services across international borders or territories. Even though the WTO advocates trade opening, many WTO members do not liberalize every sector of the economy and, instead, maintain certain barriers to trade. Many of these barriers take the form of non-tariff barriers (NTBs), i.e. discriminatory non-tariff measures (NTMs) imposed by governments to favour domestic over foreign suppliers (Ncitia and Gourdon, 2013). Barriers can also take the form of procedural obstacles, i.e. obstacles related to the process of application of an NTM rather than the measure itself.

The United Nations Conference on Trade and Development (UNCTAD) (2010) describes NTMs as policy measures other than ordinary customs tariffs that can potentially have an economic effect on international trade in goods, changing quantities traded, prices, or both. The classification of NTMs includes import measures such as sanitary and phytosanitary (SPS) measures and technical barriers to trade (TBTs), and export-related measures. The process of applying NTMs can also hamper trade among trading partners in different ways.

This chapter investigates barriers to trade in the form of procedural obstacles in Kenya and examines how those obstacles affect traders who may be either Kenyans or other traders carrying goods in transit within the East African Community (EAC), which comprises Burundi, Kenya, Rwanda, Tanzania and Uganda.

Using the survey method, this study investigates the procedural obstacles that businesses in Kenya experience. Traders responding to surveys can identify not only formal policy itself but also whether the policy was arbitrary, inconsistent,

* The author thanks participants in the WCP Annual Conference 2013 for their comments on an earlier draft of this chapter. The contents of this chapter are the sole responsibility of the author and are not meant to represent the position or opinions of the WTO or its members.