There are no translations available.

Despite the adoption, on 15 September 2021, of an <u>operational procedure manual</u> for joint border operations, the establishment of a Joint (bilateral) Border Post Committee to facilitate the coordination of operations between the border agencies of Kenya and Ethiopia and the launch of a community outreach program to promote trade of local communities at the border, the Moyale One Stop Border Post (OSBP)

still suffers from unharmonised procedures and remains largely underutilised. According to a recent

article

published on Business Daily, rather than facilitating trade, the facility has turned with time into an impediment to the movement of people, preventing the two countries to reap the socio-economic benefits that the OSBP was supposed to deliver in terms of integration of their economies and of the communities living in proximity of the border post.

The cultural interactions that used to be there are reported as no longer existent. In addition, the rising price of commodities that are typically exchanged across this border post has caused a reduction of trade through the OSBP because of the high distance of the production and consumption sites in the two countries.

Already a report presented in May 2022 by the Ministry of Transport of Ethiopia to the Parliament pointed out a that trade volumes in Moyale were growing modestly. The situation now, with the rapidly increasing fuel prices, has become even worse as this increase has escalated transport costs sharply along the corridor linking Nairobi to Addis Ababa. Price of goods sourced from Kenya to Ethiopia, in particular, became uncompetitive, the precarious security conditions in the Ethiopian side of the border further acting as an impediment to trade between the two countries.

The article notes that Ethiopia heavily relies on Kenya for glass and plastic bottles for beer and bottled water, while Kenya imports products such as cement, aluminium, lubricants and finished leather products among others.

The Moyale OSBP was built as a part of a 329 million USD project funded by the African Development Bank for the construction of a road linking Kenya's and Ethiopia's capital cities through this border post. Moyale is currently the only land border post between the two countries, that are also the biggest economies in the Horn of Africa and the only OSBP that Kenya has in place with a non-EAC (East Africa Community) country.