



SAUTI TRADE INSIGHTS COVID-19 BULLETIN

HOW HAS CROSS-BORDER TRADE BEHAVIOUR
CHANGED DURING THE COVID-19 PANDEMIC?

AUGUST 2021

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SAUTI TRADE INSIGHTS

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The global COVID-19 pandemic continues to impact the trading activities of East African cross-border traders. While some progress has been made to combat the spread of the virus in the region, such as the rollout of vaccines, East Africa's traders are still navigating the social and economic challenges of the pandemic. Most notably, traders' safety concerns, cross-border movement restrictions, and intra-state lockdowns have had extremely disruptive impacts on those that rely on the movement of goods to sustain their livelihoods.

This COVID-19 bulletin aims to illustrate the changing state of trade in East Africa as traders adapt to the pandemic. Leveraging Sauti's East Africa's embeddedness with traders, we present the 2021 Q1/Q2 behavioural and user data from our regional network of trade and market information platforms.

For policymakers, solution designers, and researchers, traders' interactions with our platforms provides us with unique and far-reaching perspective into the business behaviour of traders in the East African community. When combined with Sauti's demographic data, we have unprecedented opportunities for higher-frequency analytics and drill-downs to identify specific opportunities for the trade facilitating community.

In addition to our usual reporting on Kenya, Rwanda, Tanzania, we have expanded this bulletin to include data from Ugandan traders. We find that in Kenya and Rwanda, trade to cross-border destinations increased from last quarter. However, the opposite was the case for Tanzania and Ugandan cross-border trade. Comparing the same periods to last year, we find that cross-border trade destinations is still below 2020 levels in Kenya and Rwanda, indicating that the pandemic is likely to have significant long-lasting effects in the vibrancy of the regions cross-border trade sector.

Additionally, while our [last report](#) highlighted the impact of the pandemic for women cross-border traders from Kenya, the insights from this report show that women's cross-border trade activities, as a proportion of all trade activities from women, increased between quarters.

Our insights suggest East African trade is far from recovery to pre-pandemic levels. Further, while vaccine inequality witnessed between developed and developing nations is an important global issue, East African states are also extremely vulnerable to vaccine inequality within-country. It is likely, then, that the rollout of the vaccine is likely to reach periphery and vulnerable populations – such as women cross-border traders – last.

While we note recent international vaccine donations to the members state of the African Union, we are mindful of the vaccine rollout campaigns, their heterogeneous reach within member states, and the limited time in the race against new COVID-19 variants. Throughout East Africa's recovery, we will continue to use our unique perspective and disaggregated data to inform interventions and research that can help mitigate and adapt to the pandemic's disruption to traders' in the region.

LANCE HADLEY

Chief Executive Officer

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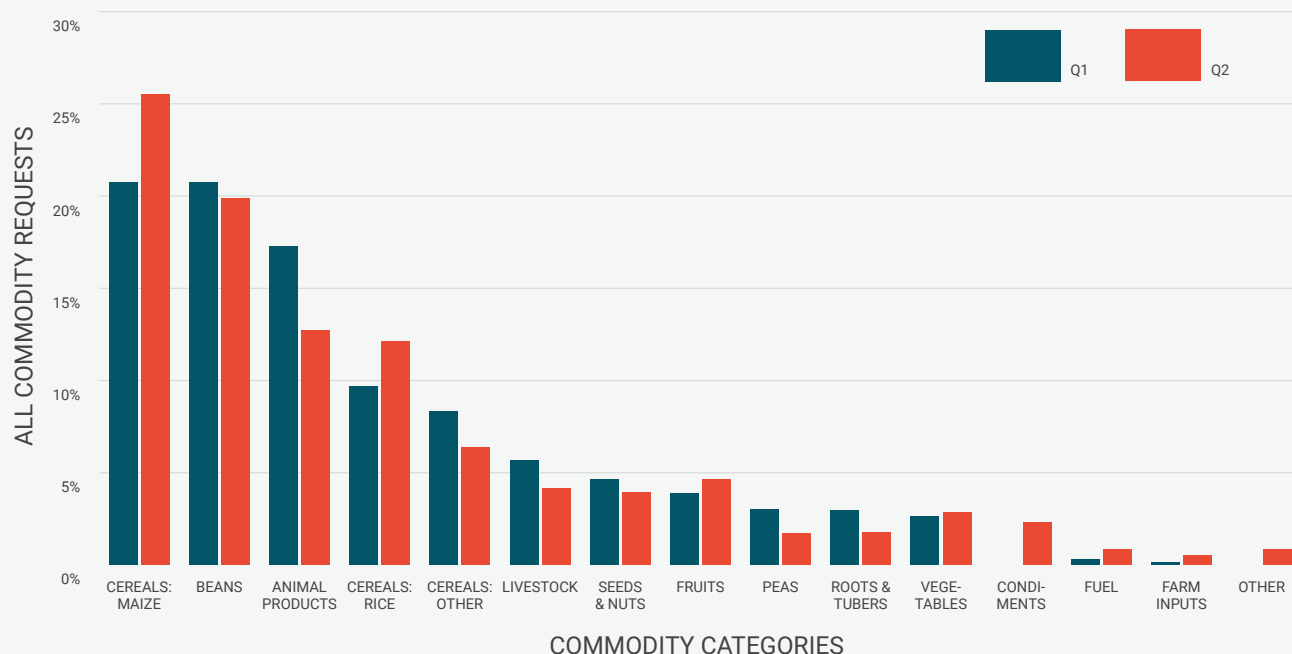
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SUMMARY OF FINDINGS

Q1/Q2 2021 AT A GLANCE

MOST POPULAR COMMODITIES IN EAST AFRICA, BY CATEGORIES Q1/Q2 2021

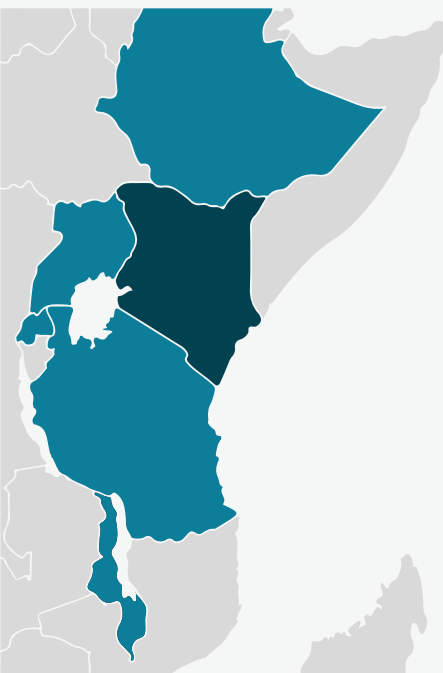


The most popular commodity categories of Q1 and Q2 were maize cereals (avg. 23.1%), followed by beans (avg. 20.3%).

Maize cereals rose the most between quarters from 20.71% to 25.5% of all commodity price requests, with rice increasing by 2.5 percentage points (pp) and fruits increasing by 0.8pp.

Animal products experienced the most notable drop in requests, with a 4.6pp decrease.

Other cereals (-1.9pp), livestock (-1.5pp), peas (-1.3pp) and roots and tubers (-1.2pp) price requests also decreased between Q1 and Q2 of 2021.



MOST POPULAR TRADE DESTINATIONS FOR KENYAN TRADERS

The majority (69.1%) of Kenyan traders have kept their business within the borders of Kenya during Q1/Q2 2021, with the next most popular trade destination being Uganda (14.7%), followed by Tanzania (7.5%). However, Tanzania saw a 6.2pp decrease over this period in 2021 compared to Q1/Q2 2020.

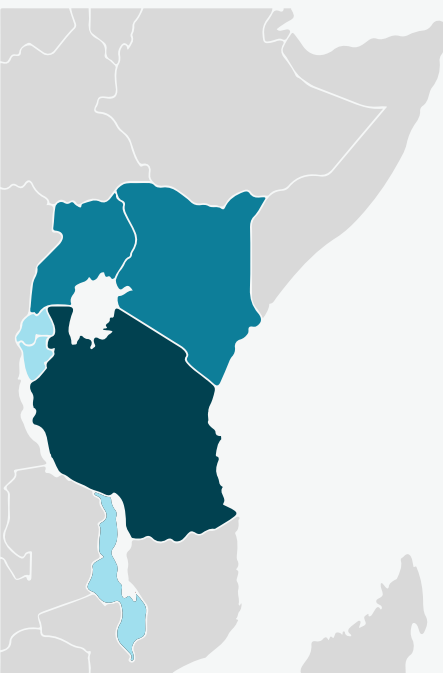
KENYA	UGANDA	TANZANIA	RWANDA	MALAWI	ETHIOPIA
69.1%	14.7%	7.5%	4.9%	1.9%	1.3%
CHANGE IN TRADE DESTINATIONS FROM Q1/Q2 OF 2020 AND 2021					
+17pp	-4pp	-6pp	-1pp	-2pp	+1pp



MOST POPULAR TRADE DESTINATIONS FOR RWANDAN TRADERS

A large majority of Rwandan traders (81.4%) have kept their business within the borders of Rwanda during Q1/Q2 2021. Kenya and Uganda are the next most popular trade destinations with 8.4% and 4.7% of Rwandan traders buying and selling goods in each of these cross-border countries, respectively. While Rwandan traders buying and selling in Rwanda has increased by 2.5pp from the same time period in Q1/Q2 2020, it has dropped in Uganda, Tanzania, and Burundi.

RWANDA	KENYA	UGANDA	TANZANIA	BURUNDI	ETHIOPIA
81.4%	8.4%	4.7%	4.3%	0.7%	0.2%
CHANGE IN TRADE DESTINATIONS FROM Q1/Q2 OF 2020 AND 2021					
+3pp	+5pp	-3pp	-0.1pp	-4pp	+0.2pp



MOST POPULAR TRADE DESTINATIONS FOR TANZANIAN TRADERS

The majority (82.6%) of Tanzanian traders have kept their business within the borders of Tanzania during Q1/Q2 2021, with the next most popular trade destination being in Kenya (8.7%), followed by Uganda (5.6%). However, Tanzanian traders buying and selling in Kenya has decreased by 9pp from this same time period in Q1/Q2 2020.

TANZANIA	KENYA	UGANDA	RWANDA	MALAWI	BURUNDI
82.6%	8.7%	5.6%	1.2%	1.0%	0.5%
CHANGE IN TRADE DESTINATIONS FROM Q1/Q2 OF 2020 AND 2021					
+18pp	-9pp	+2pp	+0.1pp	-7pp	-5pp



MOST POPULAR TRADE DESTINATIONS FOR UGANDAN TRADERS


The majority (78.2%) of Ugandan traders have kept their business within the borders of Uganda during Q1/Q2 2021, with the next most popular cross-border trade destination being Kenya (17.4%), followed by Tanzania (2.1%).


UGANDA	KENYA	TANZANIA	RWANDA	MALAWI	ETHIOPIA
78.2%	17.4%	2.1%	1.7%	0.3%	0.1%

MARKET LOCATIONS





CHANGE IN TRADE ACTIVITY IN 2021 FROM Q1 to Q2

LEGEND





Percentage point (pp)
 positive change Q2
 compared to Q1 2021

Percentage point (pp)
 negative change Q2
 compared to Q1 2021





DAR ES SALAAM, TZ

 +5.61pp Kenyan traders
 +2.45pp Rwandan traders
 +32.3pp Tanzanian traders
 +2.74pp Ugandan traders





IGANGA, UG

 -8.16pp Kenyan traders
 -12.31pp Rwandan traders
 -3.21pp Tanzanian traders
 -58.59pp Ugandan traders





IRINGA, UG

 +1.06pp Kenyan traders
 +21.43pp Rwandan traders
 -27.24pp Tanzanian traders
 -0.2pp Ugandan traders





KAMPALA, UG

 +1.96pp Kenyan traders
 +5.21pp Rwandan traders
 -3.96pp Tanzanian traders
 +40.59pp Ugandan traders




MOMBASA, KE

 +7.97pp Kenyan traders
 +5.06pp Rwandan traders
 +1.99pp Tanzanian traders
 +6.35pp Ugandan traders





MULINDI, RW

 +2.15pp Kenyan traders
 +2.65pp Rwandan traders
 +28.82pp Tanzanian traders
 -0.34pp Ugandan traders



NAIROBI, KE

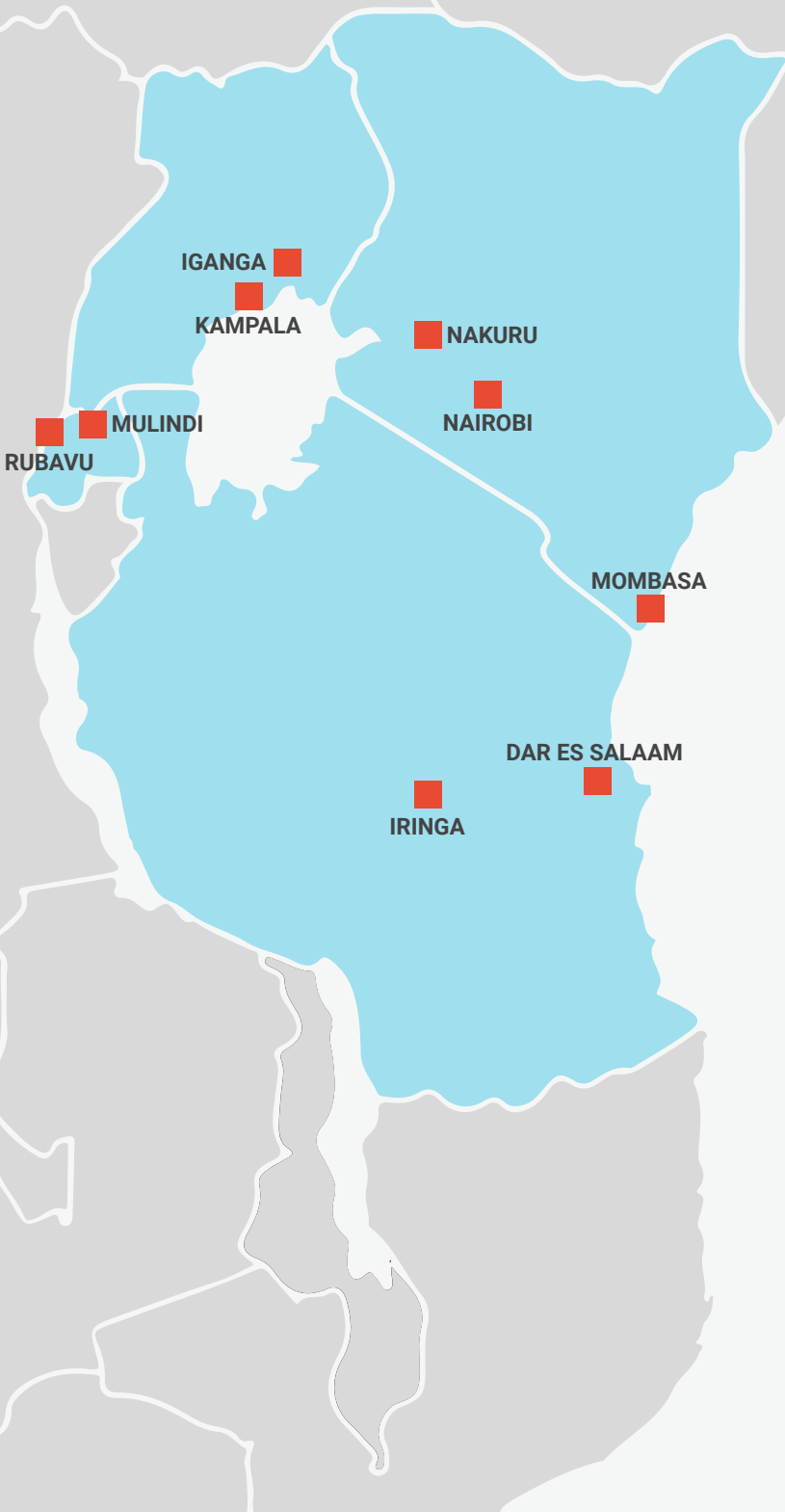
 +0.13pp Kenyan traders
 +10.10pp Rwandan traders
 -0.33pp Ugandan traders

NAKURU, KE

 -0.08pp Kenyan traders
 -9.88pp Rwandan traders
 +0.24pp Tanzanian traders
 +5.22pp Ugandan traders

RUBAVU, RW

 +0.25pp Kenyan traders
 -20.71pp Rwandan traders

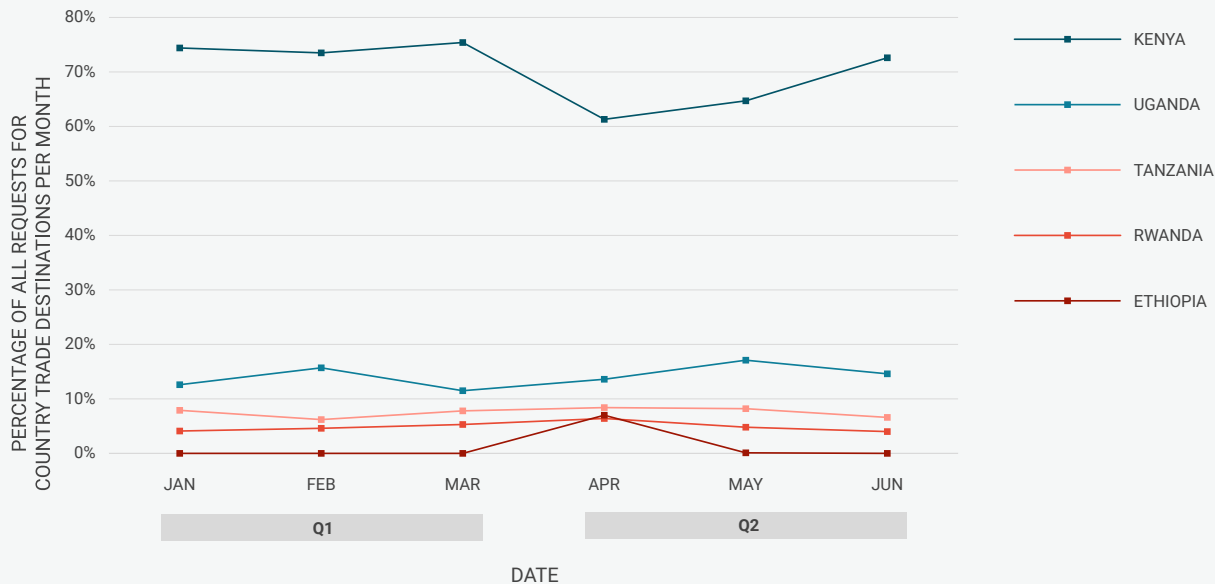


IMPACT OF COVID-19 PANDEMIC

CROSS-BORDER TRADE MOVEMENT



TRADE DESTINATIONS FOR KENYAN TRADERS IN Q1/Q2 2021

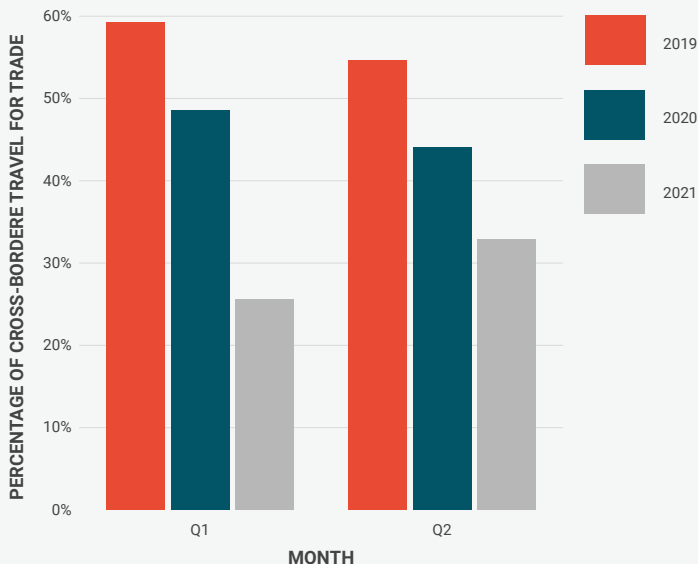


An average of 70.3% of Kenyan traders between Q1/Q2 of 2020 bought and sold goods within Kenya's local markets.

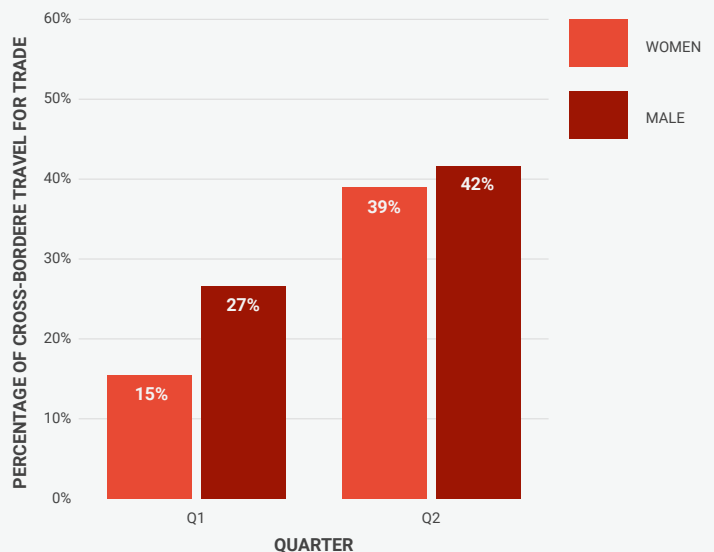
From March to April domestic trading decreased by 14.2pp, while trading to Ethiopia increased by 7.0pp over this period.

Cross-border trading was lower in 2021 in comparison to previous years. However, cross-border trading increased by 7.3pp between quarters. For both male (+15.0pp) and women (+23.6pp) traders, cross-border trading increased, as a proportion of all their trade activities, between Q1 and Q2.

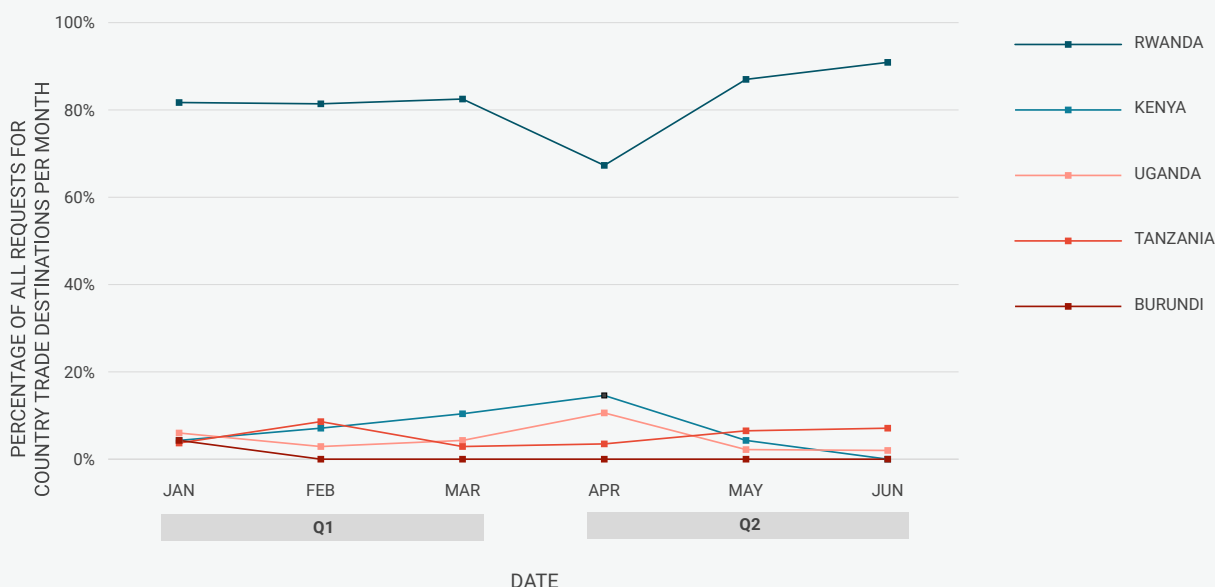
CROSS-BORDER TRADING FROM KENYA Q1/Q2 2019, 2020 & 2021



CROSS-BORDER TRADING FROM KENYA IN Q1/Q2 OF 2021



TRADE DESTINATIONS FOR RWANDAN TRADERS IN Q1/Q2 2021



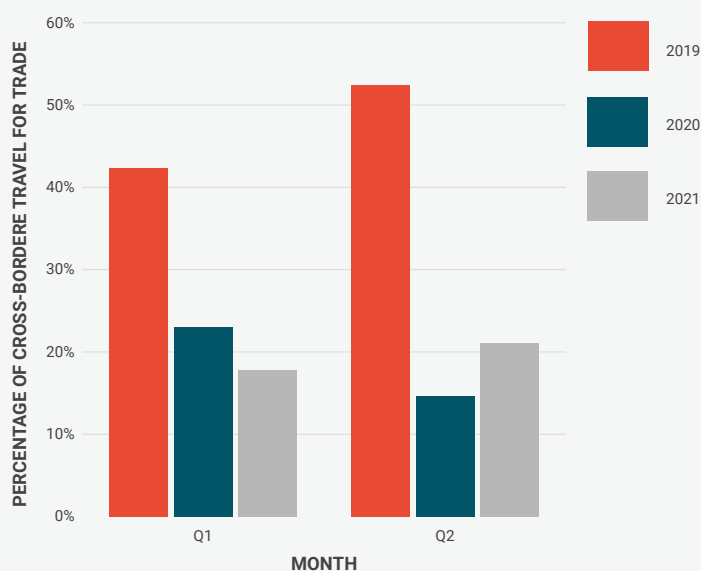
An average of 81.8% of Rwandan traders between Q1/Q2 of 2020 bought and sold goods within Rwanda's local markets.

Cross-border trading remained low in 2021,

with a 3.2pp increase to 21.1% in Q2.

However, in April cross-border trading from Rwanda increased as trading in domestic markets decreased by 15.2pp from March.

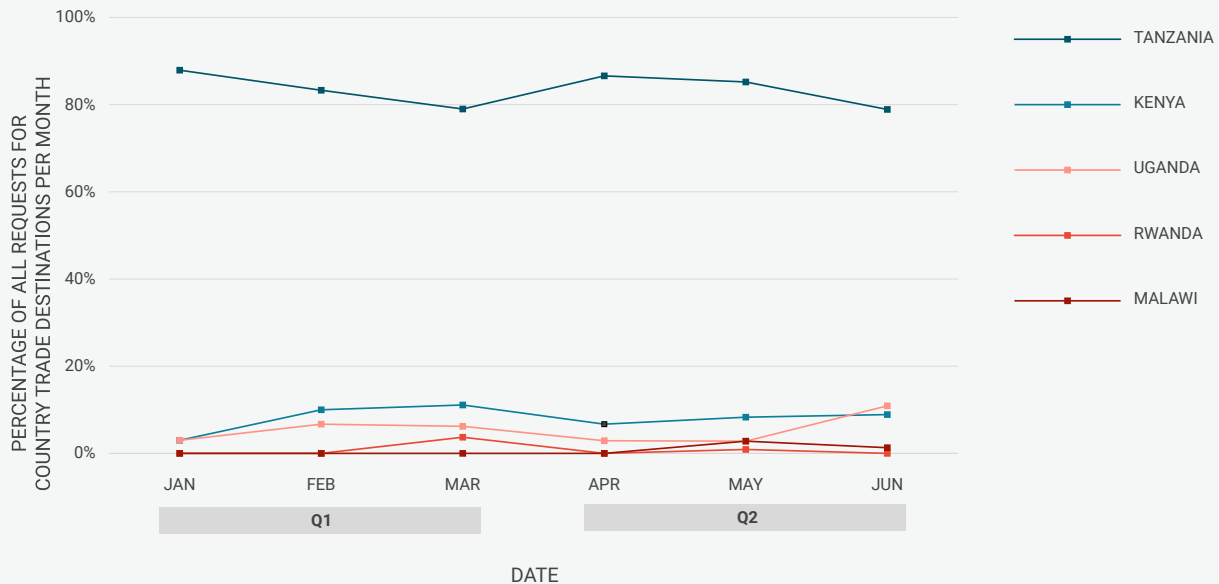
CROSS-BORDER TRADING FROM RWANDA IN Q1/Q2 2019, 2020 & 2021



Cross-border trading from Rwanda in 2021 was less than 2020 levels in Q1 (-5.2pp), but greater than 2020 levels in Q2 (+6.5pp).

Despite this increase between quarters in 2021, cross-border trading has not recovered to pre-COVID-19 levels, where cross-border trading in Q1 (42.3%) and Q2 (52.4%) of 2019 made up nearly half of all trading activity from Rwandan traders.

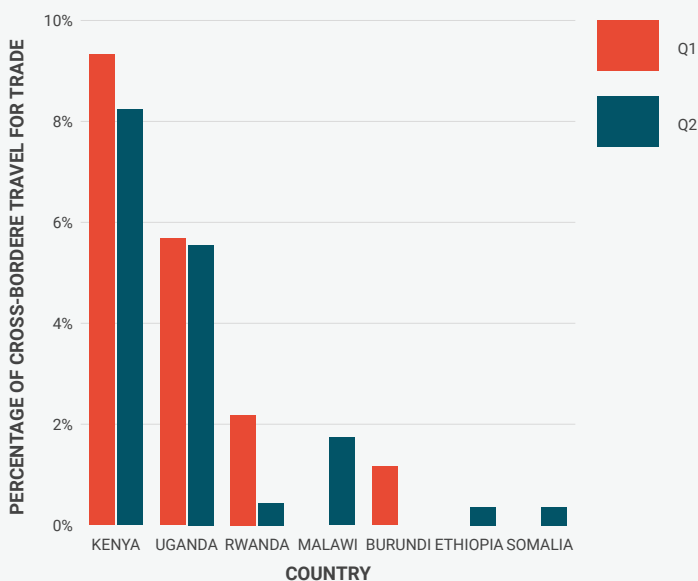
TRADE DESTINATIONS FOR TANZANIAN TRADERS IN Q1/Q2 2021



An average of 83.5% of Tanzanian traders between Q1/Q2 of 2020 bought and sold goods within Tanzania's local markets. Over the course of Q1 and Q2 trade destinations within and outside of Tanzania remained

relatively stable. Kenya was the second most popular market destination for Tanzanian traders in 2021. On average however, Kenya accounted for less than 10% of trade during both quarters.

CROSS-BORDER TRADING FROM TANZANIA IN Q1/Q2 2021

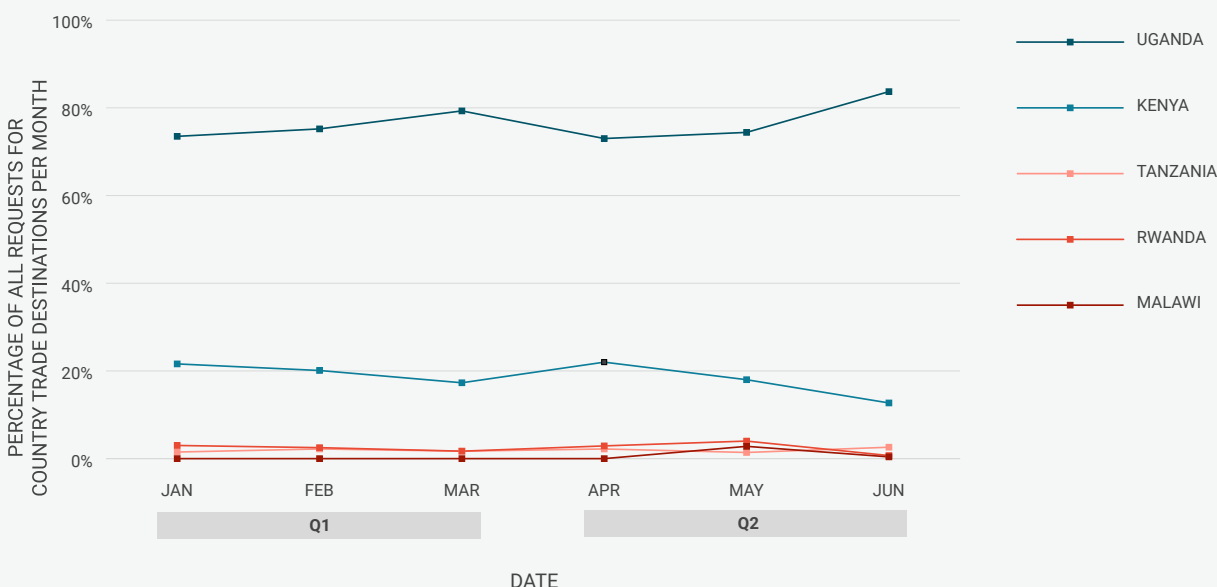


Cross-border trading from Tanzanian traders dropped between Q1 and Q2 2021 for most trade destinations, other than minor increases to Malawi, Ethiopia, and Somalia.

Rwanda saw the greatest drop from Tanzanian traders in Q2 in comparison to Q1, with a 1.7pp decrease, followed by Burundi (-1.2pp) and Kenya (-1.1pp).

In contrast to this, cross-border trading from Tanzania to Malawi increased by 1.7pp from Q1 to Q2.

TRADE DESTINATIONS FOR UGANDAN TRADERS IN Q1/Q2 2021

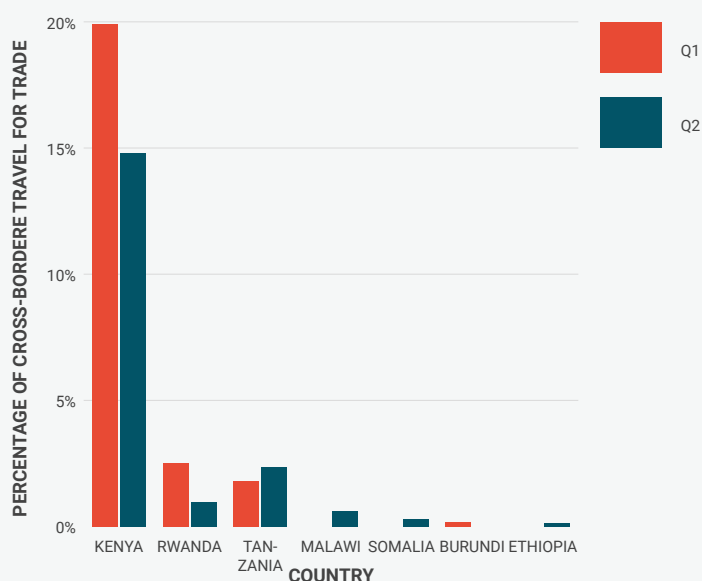


Most Ugandan traders in Q1/Q2 2021 traded in domestic markets, with local trade peaking at 83.7% in June. The second most popular trade destination in Q1/Q2 2021 was Kenya, with an average of 18.6% of Ugandan traders

buying and selling goods in Kenyan markets.

Trade to other cross-border destinations (Tanzania, Rwanda, and Malawi) over this time period remained relatively low.

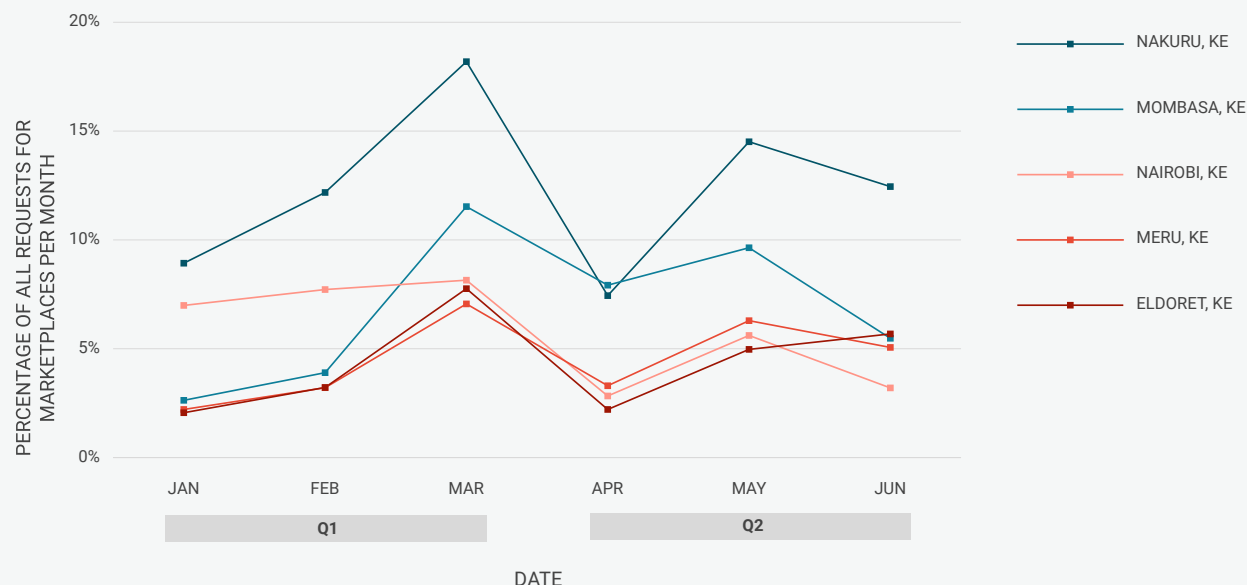
CROSS-BORDER TRADING FROM UGANDA IN Q1/Q2 2021



Cross-border trading from Ugandan traders decreased between Q1 and Q2 of 2021 in Kenya (-5.1pp), Rwanda (-1.5pp), and Burundi (-0.2pp).

However, cross-border trading to Tanzania (+0.6pp), Malawi (+0.6pp), Somalia (+0.3pp) and Ethiopia (+0.2pp) increased slightly over this time period.

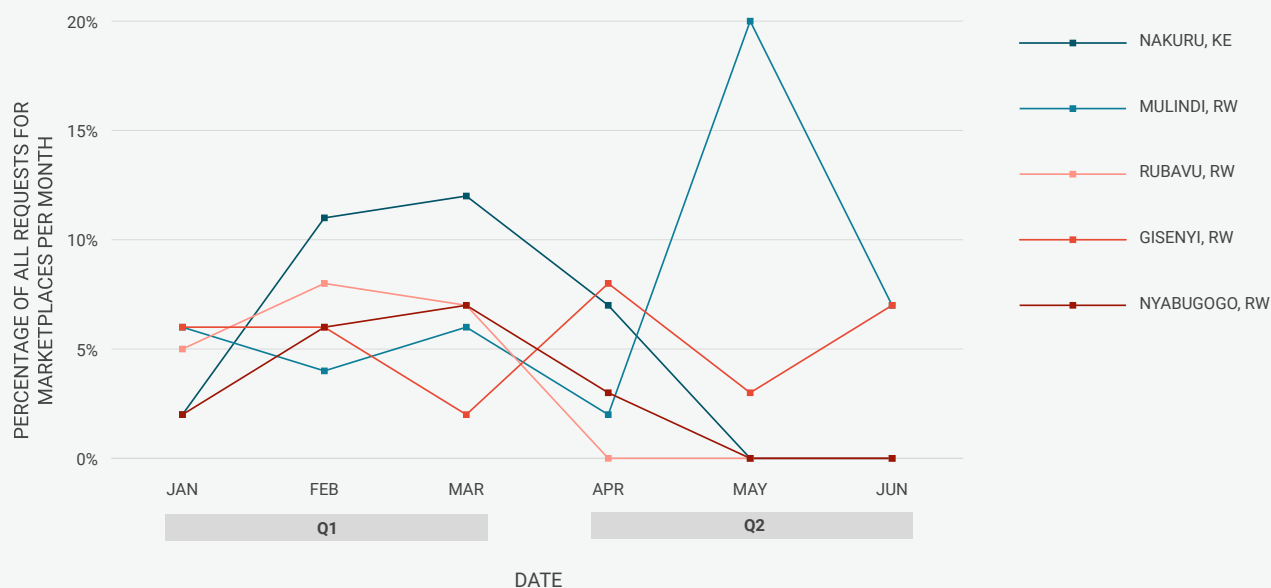
MARKET ACTIVITIES OF KENYAN TRADERS IN Q1/Q2 2021



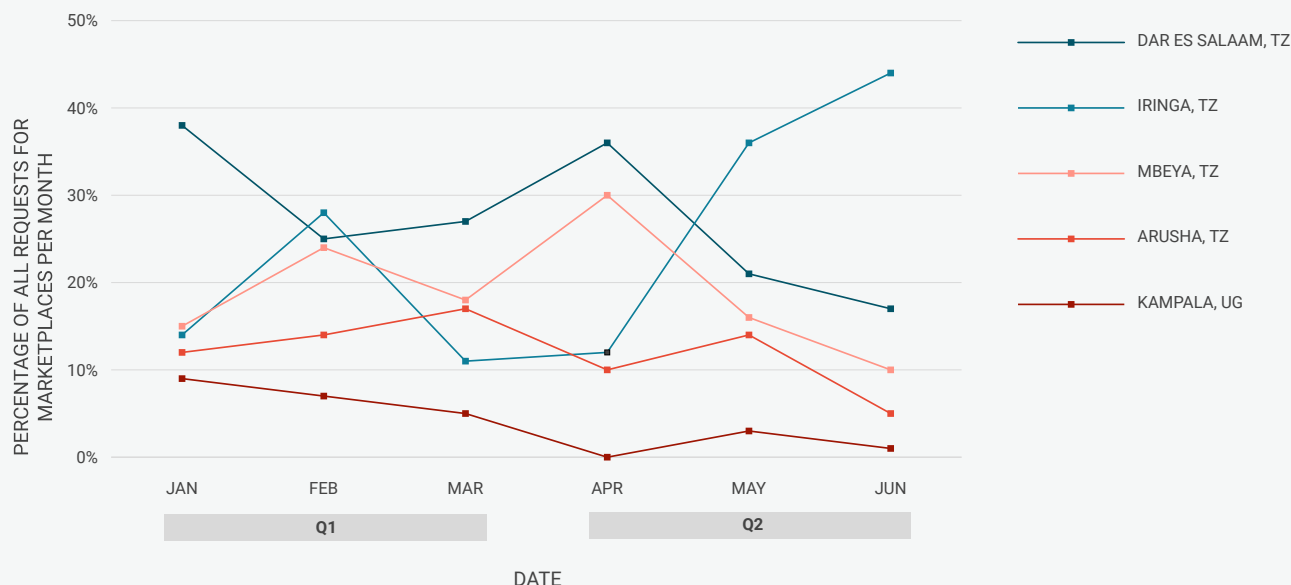
Nakuru has had the highest Kenyan trader activity so far in 2021, comprising an average of 12.3% of all trade activity over the course of both Q1 and Q2. Despite this, after a peak in March (18.2%) Nakuru saw a 10.8pp drop to 7.4% in April, before rising back to 14.5% of Kenyan trade in May.

For Rwandan traders, market activity has been more volatile throughout Q1 and Q2 of 2021. While more Rwandan traders were visiting Nakuru in Q1 (avg. 8.2%), Mulindi had the highest average of trade over both Q1 and Q2 (7.6%), due to a peak in trading of 20.5% in May.

MARKET ACTIVITIES OF RWANDAN TRADERS IN Q1/Q2 2021



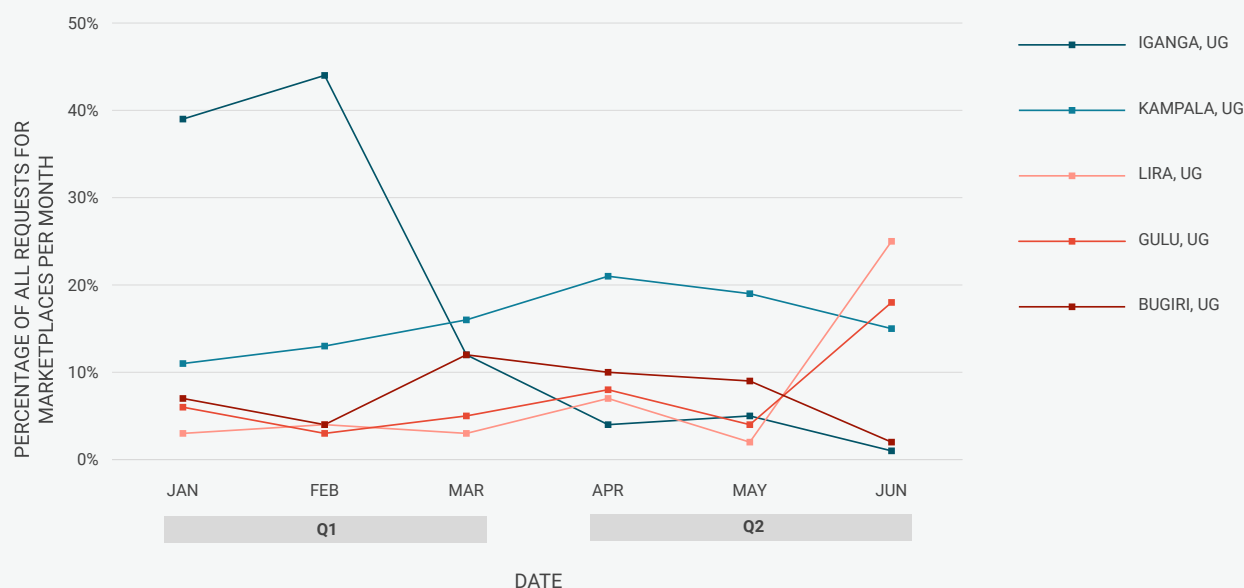
MARKET ACTIVITIES OF TANZANIAN TRADERS IN Q1/Q2 2021



Dar es Salaam had the highest Tanzanian trader activity in Q1 and Q2 of 2021 (avg. 27.5%). This was followed by Iringa, with an average of 24.0% of Tanzanian trade activity. Tanzanian trade activity in Kampala, Arusha, and Dar es Salaam has, however, declined between Q1 and Q2 of 2021.

Despite having the highest Ugandan trader activity so far in 2021 (avg. 17.4%), Iganga experienced a significant decrease in trade activity from Q1 to Q2 (-28.4pp). Following Iganga, the next most popular market for Ugandan traders in Q1 and Q2 of 2021 was Kampala (avg. 15.8%).

MARKET ACTIVITIES OF UGANDAN TRADERS IN Q1/Q2 2021

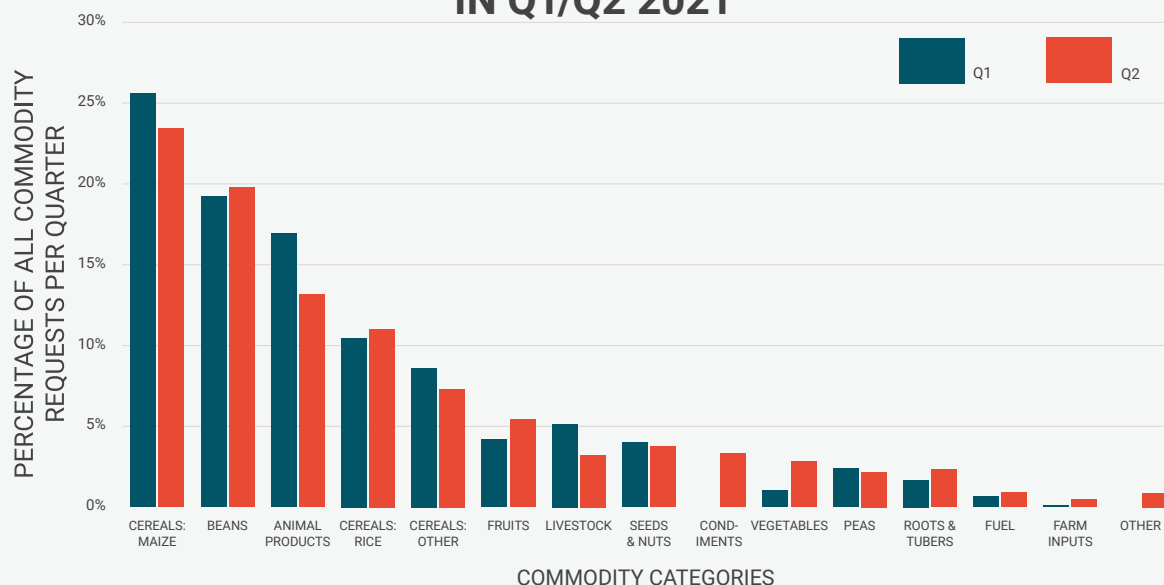


IMPACT OF COVID-19 PANDEMIC

TRADED COMMODITIES



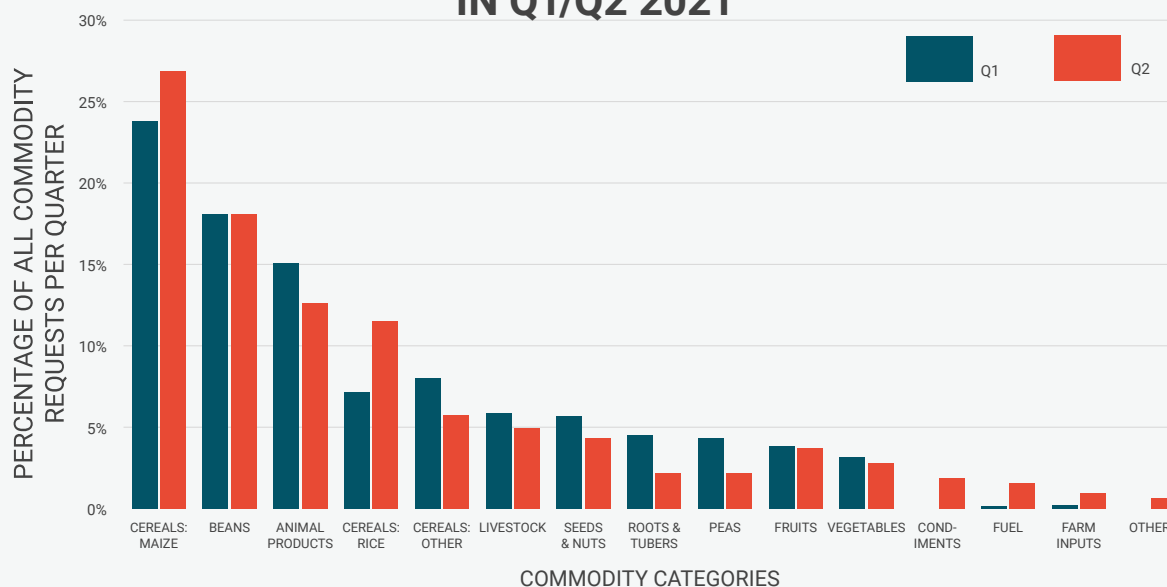
COMMODITY CATEGORIES REQUESTED BY WOMEN TRADERS IN Q1/Q2 2021



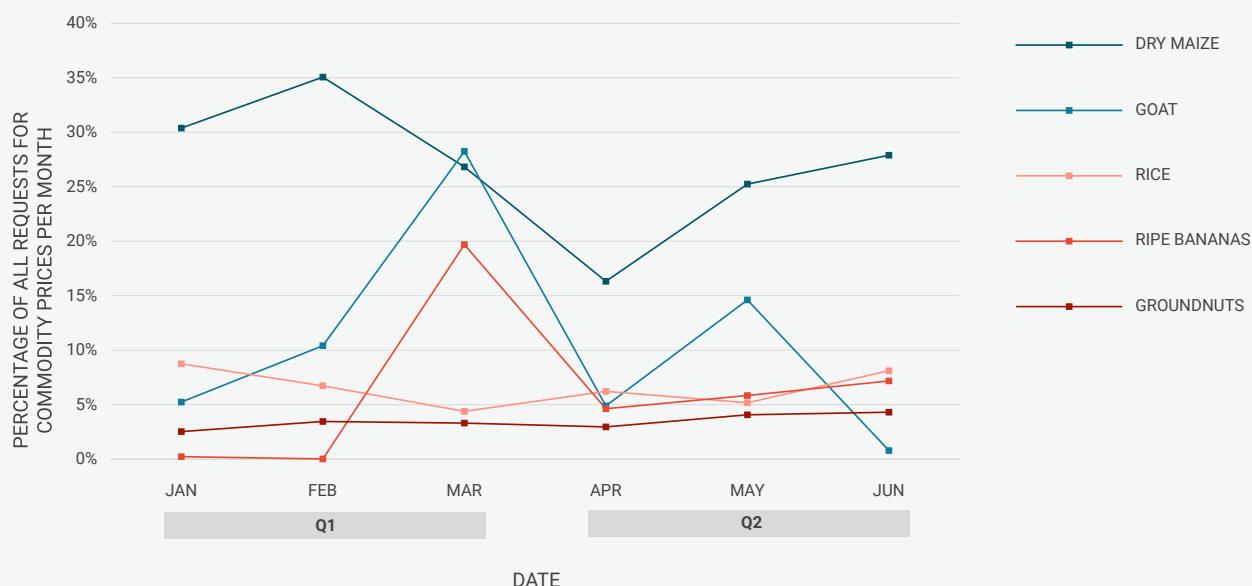
For women traders in East Africa, the most popular commodity categories were maize cereals (25.6%), animal products (16.9%), and beans (19.2%) in Q1. During Q2, price requests for maize cereals (-2.2pp) and animal products (-3.8pp) decreased.

Similarly, the top three traded commodities for male traders were maize cereals (avg. 25.3%), beans (avg. 18.1%) and animal products (avg. 13.9%). Animal products saw a 2.5pp decrease between quarters, while maize cereals increased by 3.0pp.

COMMODITY CATEGORIES REQUESTED BY MALE TRADERS IN Q1/Q2 2021



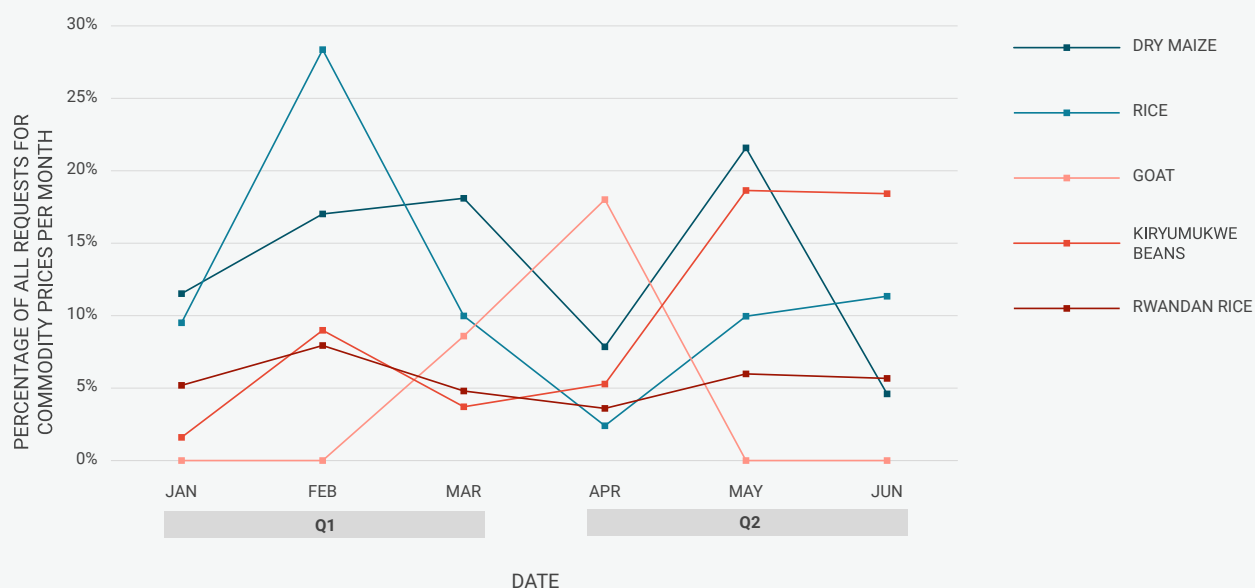
CHANGE OF COMMODITIES REQUESTED IN KENYA IN Q1/Q2 2021



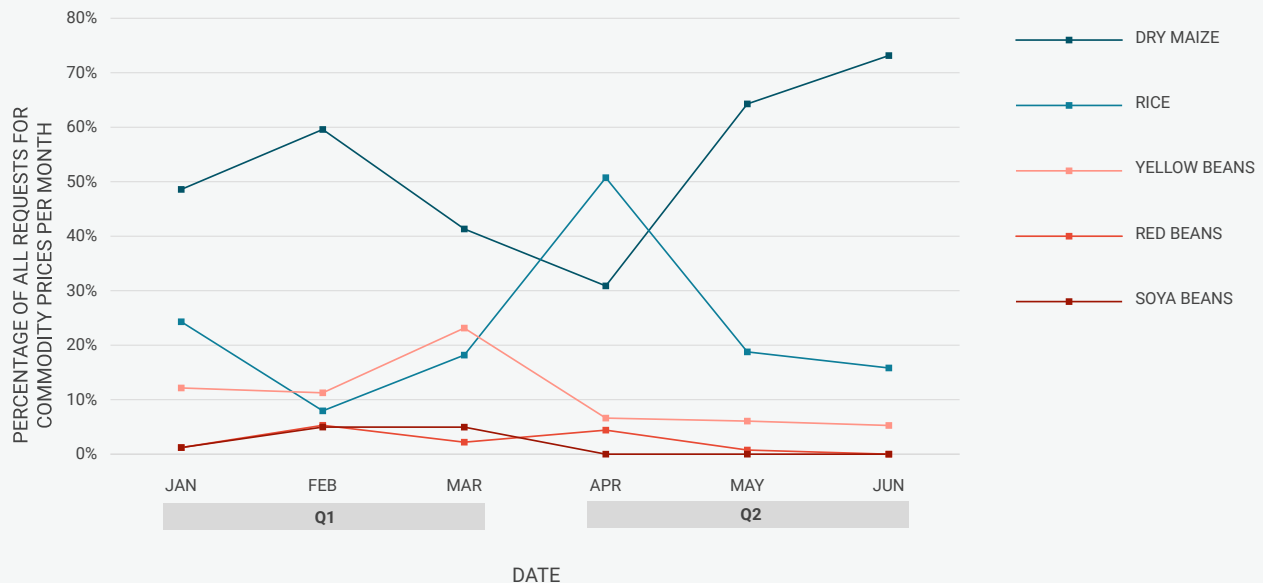
The most popular commodity for Kenyan traders over 2021 was dry maize (avg. 27.0%), peaking in February at 35.1%. With the exception of groundnuts (+0.7pp), all other commodity requests in Kenya declined from Q1 to Q2.

The most popular commodity for Rwandan traders was dry maize (avg. 13.5%), performing higher in Q1 (avg. 15.6%) in comparison to Q2 (avg. 11.4%). Dry maize, rice, and Rwandan rice were all more popular in Rwanda during Q1 than during Q2.

CHANGE OF COMMODITIES REQUESTED IN RWANDA IN Q1/Q2 2021



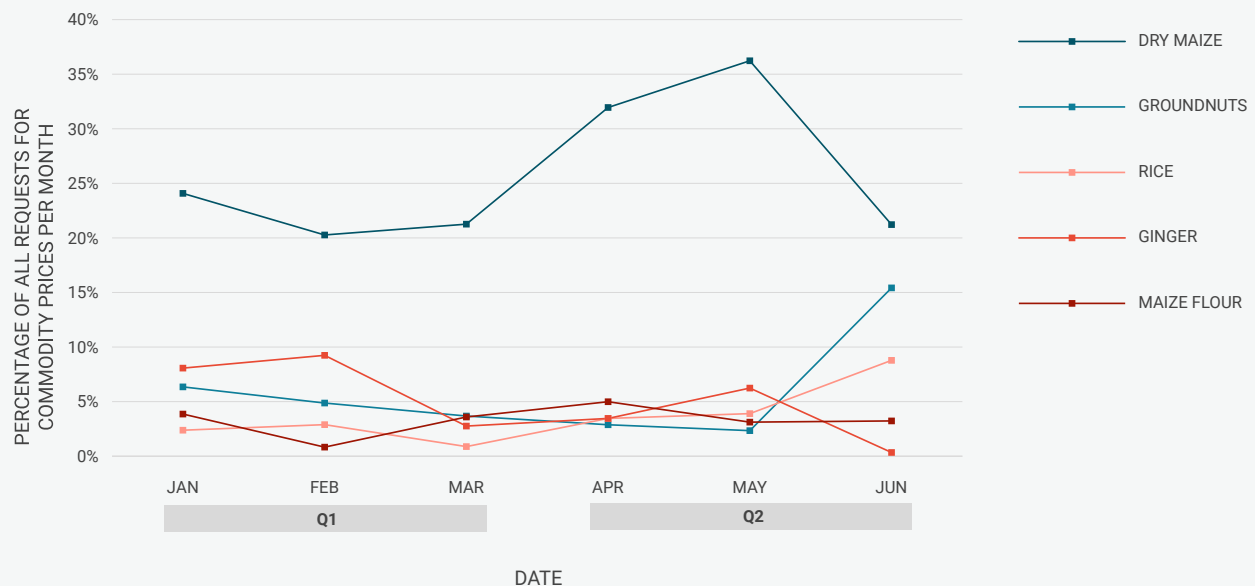
CHANGE OF COMMODITIES REQUESTED IN TANZANIA IN Q1/Q2 2021



The most popular commodity for Tanzanian traders over 2021 was dry maize (avg. 52.8%), peaking in June at 73.2%. The majority of commodities were more popular during Q1 in comparison to Q2, including yellow beans, red beans, and soya beans.

The most popular commodity for Ugandan traders was dry maize (avg. 25.8%), performing higher in Q2 (+7.9pp). With the exception of ginger, which saw a 3.4pp decrease, all other commodities proved to be more popular in Uganda in Q2.

CHANGE OF COMMODITIES REQUESTED IN UGANDA IN Q1/Q2 2021



TECHNICAL DETAILS

DATA SAMPLES

Data is sourced from user session behaviour on Sauti East Africa's mobile-based trade and market information. Session data is enriched with demographic survey data provided by users. All data is given as a percentage of comparative sessions or users, with represented information requests weighted by user and by option set. This weighting standardises the impact of high frequency users and maximises the accurate representation of each user's behaviour.

SUMMARY OF FINDINGS

Most Popular Commodities in East Africa, by Categories Q1/Q2 2021 | Sample: 13,958 sessions

Most Popular Trade Destinations for Kenyan Traders | Sample: 13,454 sessions

Most Popular Trade Destinations for Rwandan Traders | Sample: 2,415 sessions

Most Popular Trade Destinations for Tanzanian Traders | Sample: 644 sessions

Most Popular Trade Destinations for Ugandan Traders | Sample: 2,394 sessions

Market Locations Change in Trade Activity in 2021 from Q1 to Q2 | Kenyan Sample: 2,666 sessions, Rwandan Sample: 160 sessions, Tanzanian Sample: 253 sessions, Ugandan Sample: 937 sessions

CROSS-BORDER TRADE MOVEMENT

Trade Destinations for Kenyan Traders in Q1/Q2 2021 | Sample: 11,149 sessions

Cross-Border Trading from Kenya in 2019, 2020 & 2021 | Sample: 14,546 sessions

Cross-Border Trading from Kenya in Q1/Q2 of 2021 | Women Sample: 906 sessions, Male Sample: 3,354 sessions

Trade Destinations for Rwandan Traders in Q1/Q2 2021 | Sample: 887 sessions

Cross-Border Trading from Rwanda in 2019, 2020 & 2021 | Sample: 2,723 sessions

Trade Destinations for Tanzanian Traders in Q1/Q2 2021 | Sample: 440 sessions

Cross-Border Trading from Tanzania in Q1/Q2 2021 | Sample: 440 sessions

Trade Destinations for Ugandan Traders in Q1/Q2 2021 | Sample: 2,394 sessions

Cross-Border Trading from Uganda in Q1/Q2 2021 | Sample: 2,394 sessions

Market Activities of Kenyan Traders in Q1/Q2 2021 | Sample: 11,871 sessions

Market Activities of Rwandan Traders in Q1/Q2 2021 | Sample: 982 sessions

Market Activities of Tanzanian Traders in Q1/Q2 2021 | Sample: 433 sessions

Market Activities of Ugandan Traders in Q1/Q2 2021 | Sample: 2,311 sessions

TECHNICAL DETAILS

DATA SAMPLES

TRADED COMMODITIES

Commodity Categories Requested by Women Traders in Q1/Q2 2021 | Sample: 4,737

Commodity Categories Requested by Male Traders in Q1/Q2 2021 | Sample: 6,275

Change of Commodities Requested in Kenya in Q1/Q2 2021 | Sample: 9,670 sessions

Change of Commodities Requested in Rwanda in Q1/Q2 2021 | Sample: 768 sessions

Change of Commodities Requested in Tanzania in Q1/Q2 2021 | Sample: 384 sessions

Change of Commodities Requested in Uganda in Q1/Q2 2021 | Sample: 1,973 sessions

KENYA
Dial *384*35#

RWANDA
Dial *801*35#

TANZANIA
Dial *149*46*1#

UGANDA
Dial *284*111#

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ABOUT SAUTI

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