

THE TRADE ACT, 2019

- 1.0** The Trade Act, 2019 was passed by Parliament on 8th August 2019 and assented into Law on 28th August 2019.
- 2.0** The review of the Trade Act, 2003 was in line with the approved Doing Business Reforms Roadmap. Government initiated the Doing Business Reforms Roadmap through the assistance of World Bank in 2014. The Roadmap advocates for efficiency and effectiveness of processes to facilitate investors thereby reducing the cost of doing business. The Roadmap therefore, includes three (3) key reforms which provided direction for the new Trade Act, 2019, and these include:
 - ❖ Abolishing Ex-Ante inspection of premises for trades that do not pose threat to public health and safety. On that note, inspections would be performed on a risk based system.
 - ❖ Moving from Ex-Ante Licensing for trades that do not have immediate health and safety concerns to Ex-Post checks.
 - ❖ Limiting the number of licences by moving from positive to negative listing approach.
- 3.0** The current Trade Act 2003, licences forty-six (46) business activities which all have to be inspected before issuance of license.
- 4.0** The new Trade Act, 2019 will only licence activities with health and safety concerns. As a result, the identified business to be licenced are eleven (11), and include: Fresh Produce; Takeaway; Funeral Parlour; Restaurant; Petrol Filling Station; Hair & Beauty Parlour; Cosmetic Shop; Agricultural Shop; Optician; Pharmacy and Gymnasium.
- 5.0** The remaining thirty-five (35) business activities, which do not have immediate health and safety concerns will be registered. In this regard, a Registered business can start operating immediately, without having to go through the inspection of

business premises process. However, one has to notify the Local Authority of their presence within 30 days of operation for monitoring. Examples of such business activities are amongst others: supermarket; department store; wholesale; general clothing; general dealer; cellphone shop; car wash; motor dealer; commercial hardware; household shop.

6.0 This process will reduce the time taken before trading. Further, businesses will be issued with Registration Certificate upon notification and payment of notification fee. The certificate can be used for tendering processes immediately.

7.0 OTHER PROVISIONS OF THE NEW TRADE ACT, 2019:

- ❖ Abolishment of Licensing Committees and introduction of issuance of both licences and registration certificates over the counter to reduce the turn-around time for the issuances of licences.
- ❖ The Director responsible for domestic trade to licence a trade or business through Local Authority in a Council area where the business activity is being carried out.
- ❖ The appointment of authorised officers to conduct routine inspections as may be necessary.
- ❖ The trading licence shall be valid for an indefinite period, subject to compliance with the terms and conditions of the licence and payment of an annual licence fee.
- ❖ Provision for reservation of certain trades or businesses to citizens or companies wholly owned by citizens and joint ventures where citizens have a minimum beneficial ownership of 51 percent of the joint venture.

- ❖ Establishment of the Regional Appeals Board. Appeals against the decisions of the Director will be made to the Regional Appeals Board and those against the decisions of the Board will be escalated to the Minister.

8.0 Implementation of the Trade Act, 2019 is expected to commence in April 2020, following finalization of the Trade Regulations.