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Introduction

Fahey (2008: 357) compares the commodity chain of minerals and other natural resources with a river that is constantly changing:

> A river responds to natural obstructions by carving new channels and reacts to anthropogenic diversions by following new paths to new destinations. A river also has periods of low flows and periods of floods. A calm river can facilitate commerce and development but a raging river can be destructive and deadly.

The same metaphor can be used to describe general regional patterns of cross-border trade, which change in reaction to outside incentives such as security (conflict and peace) or state policies (which have an effect on price). Similar to a river, it may find new paths to reach its destination, or may cease to go to a certain destination at all. This paper will describe the evolution of cross-border trade patterns between north-western Uganda, north-eastern Congo (DRC) and southern Sudan since the 1980s. More particularly, it pays attention to the trade between the north-eastern Congolese market of Ariwara, the north-western Ugandan town of Arua, and Yei/Juba in southern Sudan. There are dense contacts between these different areas, which constitute a *de facto* polity and economic zone. This polity and economic zone has, however, undergone profound changes since the 1980s, something that this paper aims to describe.

However, the river metaphor suggests that the flow of trade − i.e. the actions of the traders – is being influenced only by external events (such as conflict or peace agreements) and that this leaves the traders and the trading flows totally dependent on external forces, unable to influence the outcome of the trade. In other words, the river metaphor places power relations outside of the trading flow, i.e. it obscures relations of power and profit among the different traders. This paper seeks to pay particular attention to the power relations among the different national cross-border traders and will describe how, during the 1980s, the Ugandan traders held a central position in this trade, wielding significant power over other traders. Therefore, a central question is whether, in a regional cross-border trade that has profoundly changed, the Ugandan traders still hold this position.

The first section describes the general background of this cross-border trade. It describes how the three national areas (north-eastern DRC, north-western Uganda and southern Sudan) have strong similarities, and how this trade is strongly historically embedded − a process that culminated in a dense regional trade in the 1980s, which served as a blueprint for the cross-border trade during the following decades (Meagher 1990). This provides a good starting point with which to compare the following phases of cross-border trade. The second section describes the current pattern of trade between north-eastern Congo and north-western

Uganda, with particular attention to the trade between Ariwara and Arua, which is at the heart of the wider regional trade. The third section describes the trade with southern Sudan, which became intensive after the 2005 Sudanese Comprehensive Peace Agreement (CPA): after more than two decades of civil war, the area is a virgin market with high demand for a wide variety of goods, as a result of which there are considerable profits to be made. Through describing the trade between these three areas, and analysing specific goods that are so traded, this paper has two objectives: firstly, to describe how the trading flow – the 'river' – has changed; and secondly, to analyse whether Ugandan traders still hold a central power position in this regional trade. By doing this, this paper wants to offer deeper empirical understanding and some historical depth to a phenomenon – informal trade – which is often treated as a-historical.

Research for this paper was conducted during four months of field work in 2008,[1] while also drawing on data gathered during earlier periods of field work between 2005 and 2007. Interviews were not only conducted with traders who are active in cross-border trade, but also with the relevant government actors (such as the customs officials and security agencies) and the general population (consumers). Research was mainly conducted in the border town of Arua, but the traders were often accompanied to Ariwara market and to the Sudanese border points. Additional research was conducted in Ariwara. Interviews often dealt with sensitive issues such as bribes or the smuggling of illegal goods.

Background of the regional trade

North-western Uganda, north-eastern Congo and southern Sudan have several similarities that contributed to the development of cross-border trade in the area. Firstly, all these areas have, in varying degrees, been conflict-ridden during the last thirty years. This has provoked a strong movement of refugees in the area, playing a role in the development of the cross-border trade. During the different phases of conflict, the refugees of the different areas were always seeking refuge across the respective borders. When Idi Amin was ousted from power in 1979, the population of West Nile feared revenge and fled to eastern Congo and southern Sudan, where most of them remained until the mid-1980s (Gersony 1997: 72-4). Similarly, the civil wars in Sudan forced many Sudanese to flee to northern Uganda, where they were staying until recently: after the signing of the CPA in 2005, the Sudanese refugees slowly started to return home. Lastly, eastern Congolese fled to Uganda during the successive phases of conflict in their region.

Refugees played an important role in the development of parallel trade (Meagher 1990). Ugandan refugees were behind the development of Ariwara market, which started around the time of the 1979 war, when the high number of Ugandan refugees rapidly made this initially small market the regional centre for market activity, attracting traders from western and eastern Africa (Meagher 1990: 73). Ugandan refugees also travelled extensively between Zaire and Sudan, handling large quantities of goods and therefore having an important impact on marketing activities in southern Sudan. In brief, their 'fluidity of movement across borders made them an ideal matrix for the development of parallel trade' (Meagher 1990: 66).

Secondly, the cross-border trade is also eased by the ethnic interconnections between the different border areas: the main ethnic group of north-western Uganda, the Lugbara, also live across the border in north-eastern Congo. Other ethnic groups, such as the Kakwa, live on

[1] The field work was sponsored by the Crisis States Research Centre and the Institute of Development Policy and Management (University of Antwerp).

both sides of the Ugandan-Sudanese border. These different groups had already developed pre-colonial trading patterns: the Lugbara were trading with Congo for iron, while Egyptian trading delegations from Khartoum were trading with north-western Uganda from the late-1830s onwards. These trading contacts between Khartoum and northern Uganda were well established by the beginning of the colonial period (Meagher 1990: 66). Colonisation, and the introduction of borders, suddenly defined trade between these groups as illegal; but of course these trading patterns continued. In other words, cross-border trade in the region is not a new process, but something pre-dating the colonial period.

Thirdly, all three areas are 'peripheral' within their national states, as they are very distant from their respective capitals: this is particularly the case for north-eastern Congo and southern Sudan, for which Uganda is much closer than respectively Kinshasa and Khartoum. Economic relationships with (northern) Uganda are therefore much easier and closer than with their distant capitals. Also for those in northern Uganda, southern Sudan and eastern Congo are physically closer than Kampala. Moreover, these three areas are not only physically marginal areas, they also feel politically marginalised, as they have politically difficult relations with their respective capitals. Northern Uganda feels politically marginalised, and overwhelmingly supports the opposition. The difficult and hostile relationship between southern Sudan and Khartoum is widely known − the long civil war being cruel testimony of this. In this situation, all three areas feel they are not provided with the necessary means for development by their national government. Janet MacGaffey (1987; 1991), while analysing the 'real economy' of Zaire in the 1970s and 1980s, argued that the 'real economy' had a political meaning. She quoted De Soto in arguing that this economy is 'the people's spontaneous and creative response to the state's incapacity to satisfy the basic needs of the impoverished masses.' In other words, 'the populace breaks state laws and regulations which they reject as unacceptable' (MacGaffey 1991: 12) in order to survive in the light of the state's incapacity. Cross-border trade in the Uganda-DRC-Sudan border area is perceived in a similar light by the actors who participate in it: it is seen as an indigenous form of development that allows the population in these peripheral border areas to 'fend for themselves'. People in these different border areas have traditionally managed to negotiate different opportunities offered by the border in order to survive and/or build wealth for themselves. In this way, cross-border trade has played an important role as a 'coping economy' for the respective populations.[2]

This cross-border trade happens largely outside the legal framework: official border crossings are seen as particularly expensive because of the high level of taxation, which reduces possible profits. Another reason is the many state services which try to extort bribes from the traders. For example, it is estimated that about thirty state services work on the borders in the north-eastern Congolese province of Ituri, although officially only four of these agencies are allowed to do so.[3] All these agencies are there for a reason: border points are seen as particularly profitable, and an important part of the border revenue always escapes state control as the different agents are engaged in bribing the different traders. This situation of course pushes the cross-border traders into illegality, as they try to avoid these border points. This is not only the case for north-eastern Congo, but also for southern Sudan and (to a lesser

[2] Pugh and Cooper (2004: 9) define this as 'economic activity undertaken by population groups that are using their asset-base to more or less maintain basic living standards or surviving by utilizing a dwindling asset-base to maintain minimum or below-minimum living standards'.

[3] The presidential decree of March 28, 2002 in theory only allows the following institutions : *Office de Douanes et Assises* (OFIDA), *Direction Générale de Migration* (DGM), *Office Congolais de Contrôle* (OCC) and *Service de l'hygiène aux frontières* (Radio Okapi, February 6, 2009).

extent) northern Uganda. Pugh and Cooper (2004: 9) therefore use the term 'shadow economy', whose 'objectives may be economic rather than military, but whose rationales depend on economic problems and opportunities brought about by the erosion of state authority'.[4] Since the regional trading patterns pre-date colonial and post-colonial state boundaries and 'thus reflect longstanding indigenous patterns that make more sense than formal trade channels', due to its largely informal nature the cross-border trade can more quickly adapt itself to external circumstances. In this context, informal cross-border trade is often regarded as:

> ..a normal market response to cumbersome, time-consuming export regulations and regional price distortions, and should be encouraged as a means to increase intra-regional trade (and 'regionalization'), meet local demand that is not being meant by national production and markets, and insure regional food security. (Little 2007: 2)

All these processes culminated in the early 1980s, which was a period of particularly intensive cross-border interaction, with the 1979 war pushing Ugandan refugees into eastern Congo, leading to the development of the market in Ariwara. This led to an intensive informal cross-border trade; and the functioning of the market of Arua, and the economy of Arua and West Nile in general, can not be understood without analysing Ariwara, just across the border (Meagher 1990). In Ariwara, Ugandans, Congolese and Sudanese came together to trade, establishing a triangular trade: the Zairois brought gold from the mines in north-eastern Zaire; with the income from the gold, they purchased manufactured goods or foodstuffs, brought by the Ugandan traders; the Sudanese brought dollars that were sold to buy foodstuffs, manufactured goods and particularly coffee, which was supplied by Zairian and Ugandan farmers, who smuggled their coffee to Zaire (Vwakyanakazi 1991). With the profits from the sale of their manufactured goods and foodstuffs originating in Kampala, Mombasa or Nairobi, the Ugandan traders purchased the gold and dollars, which were in turn sold in Kampala. In addition, Ugandan refugees were particularly active along the Sudanese-Congolese border, buying manufactured goods and foodstuffs in the Ariwara market, and selling them in southern Sudan, often in Yei (Meagher 1990: 74-5). Thus, Ugandans played a central role in this triangular cross-border trade: dominating the trading chain by selling the manufactured goods in Ariwara and selling the gold (originating from northern Zaire) in Kampala, with the result that the most profitable resource (gold) was not benefiting Zaire, but rather the Ugandan and other foreign traders. Vwakyanakazi (1991: 66) comes to a similar conclusion for the cross-border trade in North Kivu, where he finds a 'systematic pillage of the resources'.

Within the Ugandan border town of Arua, this has led to the emergence of a local business elite that managed to further accrue wealth for themselves. This Arua-based elite was involved in the trading circuits buying manufactured goods in Kampala, Nairobi and Mombasa, and then gold and dollars with their profits. At the same time it also allowed Ugandan farmers to sell their produce across the border, and many uneducated, unemployed young men with no access to land became active in the trans-border trade as a survival mechanism. While this second group was common across all borders, the first group was bigger and more profitable on the Ugandan side of the border, and particularly Arua. Thus, during the cross-border trade of the 1980s, the Ugandan traders held a dominant position: on the one hand, the Congolese were dependent on them for the import of basic manufactured

[4] Similarly, when the term 'smuggling' is used, it refers to actions which take place within this shadow economy, i.e. trade which is conducted outside the legal framework; or 'because they illegally cross national borders and evade tariffs, customs dues or regulations' (MacGaffey 1991: 19)

goods; and on the other hand for the export of gold. The Ugandans were the 'gatekeeper' for the trade in north-eastern Congo and reaped most of the profits from this trade.

Ugandan-Congolese cross-border trade with particular attention to Arua-Ariwara

The evolution of Ariwara market: Ariwara and the trade in manufactured goods

The relationship between the markets of Arua and Ariwara continues to be at the heart of the cross-border trade in the wider region: many of the goods that are being traded in Arua originate from Ariwara. However, compared with the situation twenty years ago, the importance of Ariwara has strongly declined. This has been the result of the fragmentation of the cross-border trade.

Firstly, since the 1980s, although Ariwara continues to be an important supply line in particular for a large area of north-eastern Congo (Radio Okapi, June 10, 2008; October 10, 2008), it has lost some of its regional importance because of the growth of other markets in eastern Congo − such as Beni (Vwakyanakazi 1991) and Butembo (Raeymaekers 2007) − that have come to play an increasingly important role in the regional trade.

Secondly, the consequent events in Sudan had a negative impact on the development of the market. During the 1980s, Sudanese traders came to Ariwara to buy coffee and sell dollars. The Sudanese civil war, with its increased violence in southern Sudan, had a negative impact on the participation of the Sudanese in the triangular trade: it simply was too dangerous for them to come to Congo. This was certainly the case for the trade in coffee: most of the demand in coffee originated from northern Sudan, which became impossible to reach because of the increased violence.[5] Paradoxically, the 2005 Sudanese Comprehensive Peace Agreement led to a decreased interest in the market. Many traders – both Ugandan and Congolese − have shifted to southern Sudan, as far greater profits can be made there. Most Sudanese do not come to Ariwara, but prefer instead to go directly to Kampala to buy their goods, as this is cheaper and easier. This is also related to the difficult direct access between Sudan and DRC; and the easier access to Kampala.

Thirdly, Ariwara is trading relatively less in foodstuffs, which highlights the development of another important element in the cross-border trade: the increased importance of 'border markets'. The trade in foodstuffs, which was very important for Ariwara in the past, has now to some extent been taken over by markets located on border points. The main reason as to why these markets came into existence (or further developed) was the impact of the ongoing Congolese wars and insecurity, because of which Ugandans stopped entering Congo. Ugandans had always complained about harassment in Congo, but it was only when the Congolese conflict started that they no longer entered the country. On the other hand, many Congolese had fled towards the Ugandan border, where it was safer than in the interior. As a result of this, different markets developed at the border and existing border markets became much bigger. Congolese markets that are a bit further from the border, such as Ariwara, started losing business in goods that are also sold in these border markets. This is particularly the case for foodstuffs, in which the border markets have become specialised. Many border markets are located immediately adjacent to the Ugandan border (or in the no man's land between the two countries) and have a Congolese counterpart on the other side of the border. For example, 'Kampala market' in Vurra County (in Uganda) is some 20 kilometres from Arua, and is situated on the border with the DRC. On the Congolese side of this border there

[5] Small quantities of coffee continued to be collected in the Congolese-Sudanese border market of Baza, but this was only a fraction of the coffee that was being traded in the 1980s.

is a similar market called ‘Kinshasa market’. These border markets are major supply points for Uganda: from them, foodstuffs are smuggled into Uganda and then taken to different places throughout Uganda − such as Gulu, Lira, Arua, Kampala, Masaka or Soroti.[6]

Fourthly, in recent years the market has become simultaneously both less and more internationalised. On the one hand, the trade became less international: during the mid-80s, the flourishing cross-border trade attracted a range of international traders from, for example, Somalia, Kenya and Senegal (Meagher 1990). These traders were gradually pushed out of the trade due to the diminishing prices for gold (which had previously been central to their business) and the increased presence of the Ugandan state. From 1996 onwards, the Ugandan revenue authorities established themselves in Arua, which signified an increased state control at the borders, with fewer possibilities for smuggling, particularly for the foreign traders; and a number of Ugandan traders managed to link up with Ugandan state officials to protect their large-scale contraband trade and push out potential competitors (Titeca forthcoming). On the other hand, the cross-border trading activities became more international: from the mid-80s until the early-90s, traders active on the Arua-Ariwara axis started shifting their activities to the Far East (Dubai and Hong Kong). Traders collaborated in importing containers from these destinations and soon different traders had established themselves not only in the wider region (Burundi or Kenya), but also in the Far East. These changing destinations also brought a change in the nature of the traded goods. Initially, the traders mainly dealt in basic goods such as salt or soap, but soon expanded their activities to other goods, such as fuel or batteries. Their activities in the Far East also led to cheap manufactured goods such as Chinese motorcycles and generators becoming increasingly popular.

In summary, because of these dynamics, Ariwara has evolved into a market that mainly trades in manufactured goods and locally is nicknamed ‘Dubai’ because of the abundance of goods coming from there. The main current function of the market is its position as a starting/selling point for the cross-border trade of manufactured goods (such as batteries, plastic bags, *kithenke* (women’s wraps), sugar, petrol (Titeca 2006; Titeca and Vervisch 2008) or cigarettes) in the wider region.[7] Most of the goods from Ariwara are being smuggled into Uganda, which is facilitated by the weak and porous border between Uganda and the weak Congolese customs system (United Nations 2004: 24-5; Observatoire Gouvernance et Paix 2006: 57-65).

The ‘entrepôt’ Ariwara: sugar

Thus Ariwara mainly serves as a dispatching point for manufactured goods: the existence of this market enables and facilitates smuggling in the wider area by serving as a ‘depot, bulking and rediffusion point, and hide-outs’ (Roitman 1998: 304). This works in the following way: export goods arriving from Kampala or Kenya (which in turn are goods originating in international markets such as Dubai) are brought to Ariwara, from where they are traded to north-eastern Congo or Arua. From Arua, these goods are distributed to other places in Uganda and southern Sudan. This particularly concerns manufactured goods such as batteries,

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[6] In total, informal agricultural imports from DRC are estimated to be 8,9 million USD (Uganda Bureau of Statistics 2007).

[7] This does not mean that no foodstuffs at all are being traded in the market; it only signifies that their relative importance has declined, to the advantage of the mostly Ugandan border market. These dynamics nevertheless had a negative impact on the Ariwara market: before, people would go there to sell their food items, and also spend their money on manufactured goods. This is no longer the case. Ugandans – from various places such as Kampala or Mbarara – mainly come to Ariwara to buy manufactured goods such as *kithenke* or jeans.

cooking oil, cigarettes, small generators or *kithenke*; but this section will focus on sugar, as the trade in this commodity is exemplary for the trade in all manufactured goods in the area.

Most of the (traded and consumed) sugar in Arua is smuggled. Part of this smuggled sugar is Ugandan export sugar, which is produced near Kampala (Kinyara Sugar Works, Kakira and Sugar Corporation of Uganda, Lugazi), but exported to Congo/Ariwara. Part of this sugar is traded inside Congo, and part smuggled back into Uganda. Other export sugar follows a similar trade route: South African and Swaziland sugar is exported to Congo/Ariwara and then smuggled into Uganda. Sugar is bought in Ariwara at 70,000 UGX (US$33) (50kg bag), but resold in Uganda between 80,000 and 90,000 UGX (US$37-42).[8] This is cheaper than the rest of Uganda, where a 50kg bag costs between 96,000 and 98,000 UGX (US$45-46). This results in the situation in which sugar is much more expensive in its zone of production (southern Uganda) than in northern Uganda, where export sugar is smuggled into the country. Daily, about 40,000 kg of sugar is smuggled into Arua on bicycles by transporters who ferry the sugar in 50kg bags (Interviews, ICBT survery officers; Bank of Uganda officers). From Arua, sugar is distributed all over West Nile and northern Uganda: of the 40,000 kg, only about a quarter (10,000 kg) is for local consumption, while the remaining 30,000 kg is traded in the wider region.

The limited production capacity of the Ugandan sugar factories, or technical problems in the latter, can provoke shortages of (Ugandan) sugar in Uganda – Uganda does not allow export sugar to be sold in Uganda in order to promote its national sugar industry. In case of shortages, export (South African and Swaziland) sugar is increasingly smuggled from the DRC into Uganda. For example, during a maintenance closure of one of the sugar factories in 2007, there was a major shortage of (Ugandan) sugar in Uganda. This provoked a major price increase all over Uganda, while the prices in Arua (and the whole of north-western Uganda) remained more or less stable because of the steady supply of sugar from the DRC. As a result, sugar was distributed from Arua to other areas of Uganda.

As most sugar in Arua is smuggled, mass confiscation by the revenue authorities does have an effect on the price. If the revenue authorities have very strict controls at the border, it is more difficult for sugar to pass through, which makes the price of sugar increase in the town. However, this produces only a slight price increase, as it is impossible for the authorities to control all smuggling routes: in Arua district alone, there are between 150 and 200 smuggling (‘*panya*’) roads. Prices will increase mainly when big trucks of smuggled sugar are confiscated: the even then only by 100-200 UGX, with the price still remaining below that in the rest of Uganda.

This illegal trade, based on the evasion of import/export taxes, is not only specific for sugar, but is exemplary for the general trade in manufactured goods (such as batteries, cooking oil or cigarettes) between Ariwara and Arua. In the Ariwara market, most of the profit is made by smuggling the goods tax-free into Uganda, where they can compete with goods for which the taxes have been paid. In Congo, taxes have to be paid to the local authorities, because of which fewer profits are made. Smuggling goods into Uganda is mainly done by Ugandan traders, who therefore reap most of the profits. Participation of the Congolese traders in this is limited, and if they do participate, it is in strict cooperation with Ugandan traders. Congolese traders are mainly used as facilitators for this regional smuggling economy − i.e. their names are used on the export papers. Of course, they are paid a fee for this, but the main profits are

[8] The following taxes are evaded: an import duty of 100 percent, an excess duty of 50 UGX per kg, VAT of 18 percent and withholding tax of 6 percent. Prices are for January-February 2008.

firmly in the hands of the Ugandans. In other words, although it passes through DRC, Ugandan traders manage to control this important trading chain: from its arrival in Kenya (Mombasa/Nairobi), to its intermediary 'storage' in Ariwara and finally when it is sold in Arua and the rest of Uganda. The bigger traders can even control the chain from the Far East. In sum, for the Congolese traders, Ariwara market is used to sell in retail and to sell to the Congolese interior, while Ugandan traders use the market as an *entrepôt* for smuggling goods into Uganda, where most profits are made.

Coffee and Gold

During the 1980s, coffee was smuggled from Uganda to Congo (and Ariwara in particular), as a much higher price was given for coffee in Congo (Vwakyanakazi 1991). For example, in 1988 the price in Ariwara was twice as much as that in Uganda (Meagher 1990). This profitable trade stopped after the liberalisation measures in Uganda in 1994. The Uganda Coffee Marketing Board was abolished, after which the Ugandan price became higher than the Congolese price. Consequently, Congolese coffee was traded from Congo to Uganda from 1994 onwards. The Ugandan government strongly supports its export of Ugandan coffee, and is therefore not very strict on such smuggling; and once the coffee enters Uganda, it is processed and exported as Ugandan coffee (Interview, Bank of Uganda official, February 13, 2008; agricultural market officer, February 20, 2008). However, this is detrimental for the DRC, as it is losing income in this way: in theory, the 'Office Zairois du Café' (OZACAF) has the monopoly on all export of coffee and should therefore buy the farmers' entire coffee crop. Nevertheless, on the Congolese side hardly any control is effectuated on the cross-border trade, as the procedures and documents for the export of coffee are not respected. But this is more a reflection of the incapacity of the state to do so, rather than a national concern about the loss of wealth. Congolese coffee farmers therefore generally prefer the neighbouring countries (not only Uganda, but also Rwanda and Burundi), which offer better prices. According to a Congolese report on cross-border trade, 'almost all coffee is traded on the black market' (Observatoire Gourvernance et Paix 2006: 45-6) of these neighbours. With regard to Uganda, either the coffee is smuggled across the border, or it is traded at a border market, with the buyer taking the coffee across the border. Particularly Paida market (on the border between Ugandan and DRC) in Nebbi is well-known for its trade in coffee. This process worsened after the conflict in north-eastern Congo. An International Crisis Group report (2008: 18) describes how coffee plantations and the local firm responsible for the commercialisation of coffee have been destroyed by local armed groups, forcing the local farmers and traders to sell their goods to Ugandan traders (with whom these armed groups collaborated) at prices determined by the armed groups. For example, the 2006 report of the UN panel of experts claims how the 'Front des Nationalistes Intégrationnistes' (FNI) led by Peter Karim illegally exported coffee and timber to Uganda in exchange for weapons and munitions (UN 2006).

There is a similar process ongoing with regard to gold. It is estimated that around 10 tonnes of gold leave the DRC per year, of which only 10 percent is as registered exports (DFID 2007: 17). Most of the gold therefore enters Uganda illegally: official Ugandan import statistics show little imported, and no transit, gold.[9] The proprietor of Uganda Commercial Impex Limited, a company which was awarded the 'Presidential Export Award', admitted that 'the

[9] This is disputed by the Government of Uganda's Porter Commission, which argues that the proportion of gold mined in Uganda is uncertain, as 90 percent of artisanal and small scale mining activities take place outside the government's legal framework (Fahey 2008; Republic of Uganda 2002). However, according to Fahey (2008), given Uganda's insignificant gold production, it is clear that the vast majority of Uganda's gold exports originate in Congo.

gold he buys is in effect smuggled out of DR Congo and does not have any official certification' (Weekly Observer, November 24, 2005). From the moment illegal Congolese gold enters Uganda it becomes 'legalised', as Ugandan traders do not ask for any documentation, and they 'treat gold as if it were a transit good, filling out customs forms and other documents required to make its export legal from Uganda and acceptable in the unregulated global market' (Human Rights Watch 2005: 106). By doing this, the traders take over the task of the customs agencies, which are rather lax in enforcing the regulations regarding the import and export of gold (Human Rights Watch 2005: 107-8). It is estimated that on average 30 kgs of gold leaves Ariwara market per week (100 kgs for Ituri region as a whole) (Tegera and Johnson 2007: 99).

On top of this, between 1998 and 2003 the Ugandan army took direct control over the gold trade in parts of eastern Congo, and their involvement in the extraction of natural resources such as gold has been widely documented (UN 2004; Human Rights Watch 2001, 2005; Reno 2002). After the Ugandan army left eastern Congo, it continued its involvement in the gold trade for some time through the use of proxies such as the *Forces Armées du Peuple Congolais* (FAPC) led by commander Jerôme Kakwavu, which was active in the area until the beginning of 2005 (Human Rights Watch 2005). In November 2005, the UN Security Council included Congolese and Ugandan nationals on its sanctions list for violating the Security Council's arms embargo and giving assistance to the FAPC − this assistance included a deep engagement in the gold trade. However, no sanction has been taken by the Congolese or Ugandan authorities against these individuals (Fahey 2008).

Conclusion: Trade between Arua and Ariwara

Clearly Ugandan traders, as well as the Ugandan state, have a considerable importance in the regional cross-border trade between north-western Ugandan and north-eastern DRC. Firstly, it has shown how the role of the Ariwara market has changed over the years: it has mostly become a market for manufactured goods rather than foodstuffs. This is a particularly crucial point in the lucrative cross-border trade with Uganda: Ariwara market is used as a depot, from where goods are smuggled into Uganda. As these smuggled goods have not paid any Ugandan tax, they make far more profit. This is the most profitable function of Ariwara (i.e. more than local retail selling and wholesale selling to the Congolese interior), but the profits of this entrepôt economy are to a large extent monopolised by Ugandan traders. Secondly, Uganda benefits strongly from the trade in Congolese coffee and gold. Congolese coffee farmers and merchants receive more profit by selling their coffee in Uganda than in the DRC, which leads to major losses for the Congolese state. This is not a new phenomenon, but reflects earlier findings by Meagher (1990) and Vwakyanakazi (1991) on the cross-border trade in eastern Congo during the eighties. In other words, these practices are detrimental to the Congolese state and economy, but strongly beneficial to the Ugandan state and economy.[10]

Trade with Sudan after the Comprehensive Peace Agreement

The 2005 Comprehensive Peace Agreement (CPA) in Sudan had a profound impact on the regional cross-border trade. Because of the civil war, southern Sudan largely remained a

[10] This is contested by the Porter Commission report of the Government of Uganda. As Fahey (2008: 374) argues: 'The Government of Uganda's Porter Commission disputed this finding and asserted that the proportion of gold mined in Uganda is uncertain because production of gold in Uganda is not adequately recorded. The Porter Commission's assertion is borne out by estimates from the Ugandan Ministry of Energy and Mineral Development that 90 percent of artisanal and small scale mining activities in Uganda take place outside the government's legal framework.'. However, he continues by saying 'Still, given Uganda's insignificant gold production, it is clear that the vast majority of Uganda's gold exports originate in the Congo.'

virgin market for more than two decades (1983-2005), while the civil war lasted. The outbreak of peace has therefore created an enormous demand for a wide variety of goods. During the civil war, the area was cut off from the major trading routes. Moreover, following years of civil war and destruction of infrastructure, there was subsequently a large demand for all kinds of construction materials such as iron roofs, cement and timber. Lastly, it was impossible to conduct large-scale agriculture activities during the war, something which has only improving gradually since, creating a major demand for agricultural goods. This demand, combined with relatively underdeveloped links with the outside world, creates major profits in the trade with southern Sudan.

General regional trade with Southern Sudan

There are two possibilities in the trade with southern Sudan: goods can be bought in Kenya (Mombasa/Nairobi) and traded directly to Sudan; or goods can be bought in the DRC (Ariwara or the different border markets), smuggled into Uganda (Arua) and then traded to Sudan.

The first category of goods are bought either in Kampala or Kenya (Mombasa or Nairobi) and then sold in Sudan. For example, a carton of Ugandan soap is bought in Kampala and directly exported to Sudan: the buying price is 18,000 UGX and the selling price 33,000, which gives a gross profit of 83 percent, equivalent to US$7. A bale of second-hand shirts is bought at 280,000 in Kampala and sold at 500,000 UGX in Juba, giving a gross profit of 82%, or US$107.[11]

The second category of goods is bought in the DRC and then traded to Sudan via Uganda. This mainly concerns foodstuffs, with much of that which is consumed in north-western Uganda originating in north-eastern Congo. As explained above, these foodstuffs are no longer bought in Ariwara, but mainly in the border markets. Since the CPA, Ugandan traders do not only buy these for local consumption, but also to sell them in Sudan. 100 kg of beans are, for example, bought in the DRC at 100,000 UGX and sold in Juba at 170,000 UGX, giving a gross profit of 70 percent, or US$33. 100 kg of cassava is bought in the DRC at 30,000 UGX (US$14) and sold in Juba between 65,000 and 75,000 UGX (US$30-35) (see Annex 1). Many small-scale traders belong to this category. Whereas big Ugandan traders buy goods such as cigarettes or motorcycles in Kenya and then directly export these into Sudan, small-scale traders do not have the resources to go to Kenya, and so must buy these goods (such as motorcycles or cigarettes) in the Ariwara entrepôt in north-eastern DRC, and then smuggle them into Uganda, and thence to Sudan (see Annex 3).

The trading route for a third category of goods is a combination of the above. For example, traders who want to sell cars in southern Sudan often buy second-hand cars in Kampala. However, these cars do not go directly to Sudan, but first acquire a number plate in Congo, as this is much cheaper than buying a Ugandan plate. It is also much cheaper for Congolese cars to enter Sudan and leave Ugandan than Ugandan cars. This gives a net profit of between US$500 (Toyota Corolla) up to US$5,500 (Toyota Hylax Double Cabin) (see Annex 2).

From the above, it also becomes clear that many of the goods traded with southern Sudan originate in (north-eastern) DRC: foodstuffs and manufactured goods such as motorcycles or cigarettes are bought in Ariwara or the different border markets, then traded in Uganda/Arua, from where they are exported to southern Sudan (most often Yei or Juba). This is particularly

[11] January-February 2008 prices.

done by small-scale traders, for whom the price differentials across the different borders give major profits. The markets in Ariwara (and border markets), Arua and Juba are therefore strongly connected with each other and could be considered an economic polity.

Lastly, it has to be emphasised that Ugandan traders play a major role in the trade with southern Sudan. There are also many other nationalities involved in the trade with southern Sudan (Kenyan, Chinese, Indian, and so on), but Ugandans play a particularly important role in the small-scale trade. In northern Uganda, participation in the trade with southern Sudan is therefore perceived as a new *El Dorado*: everyone with the necessary means tries to benefit from the major profits in this regional trade. In north-western Uganda, many people are continuously on the move between Ariwara, Arua and Yei/Juba in order to benefit from the high profits in the trade. Other people go directly to southern Sudan in order to find profits, with many Ugandans involved there in the wider food business (restaurants, bars, retail selling, and so on). This became particularly clear during my field research: many of my initial contacts in Arua, who were active in the informal trade, gradually started moving to southern Sudan. Some of them stayed, others returned, others are constantly moving within the wider region. Therefore, the economic 'territory' (Stary 1997) of the population is the regional borderland rather than the national framework. In doing so, they create a 'de facto regional integration', which 'contradicts, through their practices, the state logic of colonial division' (Lambert 1994: 81).

However, this situation leads to strongly negative attitudes towards Ugandans in southern Sudan: the Sudanese feel the Ugandans are taking away their profit from the cross-border trade. As the Ugandans are particularly involved – and visible – in the small-scale and retail trade, Sudanese feel they are taking away their jobs and profit. Ugandans claim being particularly targeted by the Sudanese: there have been many reports of how Ugandan traders are being intimated, harassed and even raped (New Vision, August 2, September 7, 12, 18, 20, 25, 26, October 29, December 10, 2007). Many of my informants also had wounds and scars on their bodies, which they claimed were the result of mistreatment by the Sudanese security agencies − a claim that is mirrored in the press reports on the issue. According to the chairman of the Ugandan traders in Juba, in the first eight months of 2007, at least twenty Ugandans died in southern Sudan through harassment by Sudanese security personnel (New Vision, September 18, 2007). This situation led to the visit of a Ugandan government delegation to Juba (New Vision, September 26, 2007).

Conclusions

Thus, it can be shown that there is an economic polity in place in which there is an intensive trade in goods between north-eastern Congo, north-western Uganda and southern Sudan. It particularly involves Ugandan small-scale traders, who are moving constantly between the different borders in order to profit from the price differentials. That is to say, cross-border trade constitutes a veritable 'survival economy', with strong profits involved for the Ugandan small-scale traders. In this survival economy, small-scale traders are continuously looking to where possible profits can be made. This is also the case for the large-scale traders, who are similarly constantly exploiting the opportunities offered by the different borders: whereas before the CPA, West Nile traders were mainly using north-eastern Congo as an 'entrepôt' to smuggle goods back into Uganda, a similar process can now be seen in southern Sudan: goods are imported, a proportion of which are sold, while another part is smuggled back into Uganda. There is a common sentiment in north-western Uganda that development is provided through the intense regional informal cross-border trade rather than through the national government, which does not provide them with the necessary means for development. In this situation, the border is the most important ‘resource’ to provide development, and cross-border trade is seen as an indigenous way to provide development, in the light of an incapable and/or unwilling national government. In other words, the border economy can be seen as a regionalisation of the famous ‘*systeme D*’ in Mobutu’s Zaire, which allows the border population to ‘fend for itself’.

Secondly, the strong engagement (and corresponding profits) of the Ugandan traders in this cross-border trade leads to particularly negative attitudes and even violence against them. This is not only the case in southern Sudan, but also in eastern Congo.

The Sudan-DRC border

The question can be asked why goods from Ariwara are not taken directly to Sudan but first pass through Uganda. Why are these goods not directly going from Congo to Sudan, which could increase the profits for the Congolese? In Meagher (1990) and Mukohya (1991) it is described how there was a thriving trade in coffee between the DRC and Sudan in the late-80s. Moreover, similar ethnic groups (the Kakwa and Azande) live on both sides of the Congolese and Sudanese border, which should facilitate the trade. There also is little border control. However, direct trade between the DRC and Sudan is limited, as the large majority of goods passes via Uganda to Sudan. There are several reasons for this. Firstly, there was the major insecurity because of the (1998-2003) Congolese war and the (1983-2005) second Sudanese civil war. There also is the presence of many armed elements in the area (Schomerus 2008; Pax Christi Netherlands 2005; Daily Monitor, June 9, 2008; New Vision, December 13, 2007; Sunday Vision, June 3, 2006). All of this made trade difficult, if not impossible. Secondly, the road network between the DRC and Sudan is in a bad state, limiting the interaction. Marks (2007: 11), for example, describes how:

> ‘One of the biggest impediments to trade, whether unregulated or formal, is the condition of the roads. The road from Duru in DRC to Yambio in South Sudan is unpaved and so narrow that it scarcely permits motorcycle traffic in places.’

Thirdly, there have been tensions between the SPLA and Congolese troops on the border for many years. In 1998, the SPLA joined the *Rassemblement Congolais pour la Démocratie* (RCD), the main Rwanda-backed rebel group in its fight against the Congolese government. In early October 1998, this forced some 17,000 Sudanese refugees back to Yambio in southern Sudan following attacks of the SPLA on their settlements in Dungu in north-eastern Congo (Human Rights Watch 1999). It was these SPLA attacks in particular that soured the relationship with the Congolese: the local population reacted by forming local defence militias that stole weapons from the SPLA and attacked them (Marks 2007: 16). These tensions continue to this day, in particular around Kengezi base, which is in Congolese territory at the junction of the Ugandan, Sudanese and Congolese borders. The SPLA occupied the Kengzi base since the late-90s and even collected taxes there. On several occasions there has been fighting between the SPLA and the Congolese army, which led to the displacement of about 1,200 people. After pressure by the Congolese, an agreement was signed on the February 2, 2008, which solved the border tensions and led to the withdrawal of the SPLA, after more than ten years in Congolese territory (South Sudan Tribune, February 7, 2008). Nevertheless, recently there were again tensions between the Sudanese and Congolese: when MONUC arrived there for de-mining the area, the SPLA was still present on Congolese territory (Interview, area specialist, July 31, 2008). According to local informants, there continues to be a struggle around border-revenue collection, which has led to the closure of the border on several occasions, though this could not be verified.

All these factors (in particular infrastructure and insecurity) make large-scale direct trade between the two countries difficult; and only a small percentage of the small-scale trade, for example in motorcycles, is possible due to these difficult circumstances. The large majority of traders operate via Uganda.

Conclusions

In the introduction, it was argued that the evolution of the cross-border trade between north-eastern DRC, north-western Uganda and southern Sudan can be compared with a river, since it is constantly adapting to the changing circumstances. External circumstances such as security (conflict or peace) or price differences (as the result of different state policies) have a profound impact on the regional flow of cross-border trade. The article started by describing how this cross-border trade has several ‘layers’ in which it is embedded, building up from the pre-colonial in that the region is connected through the similar ethnic groups on the different sides of the border and has a long history of trade. Moreover, the different areas have similar political positions, as they are politically peripheral areas. This culminated in the 1980s in an intensive cross-border trade between the three countries (Meagher 1990). This did not mean that this regional trade remained stable: on the contrary, the trade has fundamentally changed in subsequent years, responding, like water in a river, to different external incentives. In this particularly fluid market environment, external factors have a strong impact on how this trade is conducted.

Firstly, it is clear that volatility and risk (or political security and conflict) have a major impact on the trade. Conflict and insecurity in the DRC forced the trade to shift from Ariwara to markets at the border points. These border markets can be seen as a response of the traders to the difficult circumstances of the trade in Congo, and is an example of how cross-border ‘traders have always adapted themselves to new constraints to continue their activities’ (Lambert 1994: 84). Conflict and insecurity also had a profound impact on the trade with southern Sudan: whereas the civil war made trade impossible, the CPA led to a flourishing trade with southern Sudan (particularly Juba, and to a lesser extent Yei), in which considerable profits are made, and which as a result may be considered as the centre of the regional cross-border trade. For example, the trading flow of Congolese foodstuffs is no longer limited to Uganda, but now is principally directed towards southern Sudan, where there is a huge demand and similar profits for these goods. In other words, traders continuously change their trading practices to places where most profit is to be found. This *population flottante* (‘floating population’) (Roitman 1998) take their goods to southern Sudan, where they also offer their services − with large-scale traders not only exporting there goods there, but are now also able to use southern Sudan as a basis for their smuggling activities into Uganda.

Secondly, it is clear that changing state policies also have a major impact on the trade: it was shown how, after coffee was liberalised in Uganda, it was being traded from Congo to Uganda, but also the other way around.

Thirdly, poor infrastructure also has a major impact. Trade between the different areas is particularly difficult because of the poor road network and access. Direct trade between Sudan and Congo is very difficult, and forces this trade to pass through Uganda. This also makes market intelligence more difficult: for traders going to southern Sudan, it is hard to know the exact supply/demand dynamics at play, because transport takes several days. This is also related with other factors: right after the signing of the CPA, there were few people involved in the trade with southern Sudan. Relatively few people were aware of the profits involved, and the security situation in southern Sudan was not ideal yet. The first traders who were involved would make big profits and would travel to southern Sudan as often as possible. After a while, more and more people became involved. This was particularly the case from mid-2007 onwards. This had several reasons: most obviously, because more people heard about it and the profits involved; but also because the security situation improved strongly. The bigger number of people involved, however, led to declining profits, and uncertainty as to the profit range that may be expected on going to southern Sudan. The importance of these external events leads Peter Little (2007), in a study on unofficial cross-border trade in eastern Africa, to the conclusion that the improvement of infrastructure, security and communication is crucial for informal cross-border trade.

The river metaphor only highlights the influence of external events, making it appear that the traders are unable to influence the outcome of the trade, thereby obscuring the relations of power and profit within the trade, or how cross-border informal trade is a 'site of power' (Nordstrom 2004). It is particularly important to understand the relative power of the Ugandan traders. Already during the 1980s, Ugandan traders were occupying a central place, monopolising and jealously guarding the trade and the trading contacts (Meagher 1990). In doing so, they managed to accumulate wealth and establish a powerful trading position in the area. They further entrenched their position through associating themselves with government officials, which made it more difficult for foreign traders to engage in this cross-border trade. Moreover, the conflicts in southern Sudan and north-eastern Congo limited the trading possibilities of the Sudanese and Congolese traders. In sum, the cross-border trade during the 1980s not only served as a blueprint for the trading routes, but also for the power relations in this trade: the Ugandan traders continued to reap strong benefits from the Ariwara market, by smuggling goods back into Uganda (where they can be sold for higher profits); and the powerful position of the Ugandan traders is also related with the position of the Ugandan state in this regional cross-border trade. The relative security and stability of Uganda plays an important role in Uganda's important trading position, as it offers a more stable trading environment than the DRC or Sudan. Moreover, it offers easier access to import/export points such as Mombasa. This explains, for example, why Sudanese traders prefer to go directly to Kampala rather than Ariwara in north-eastern Congo, which runs against the informal regionalist argument in which traders prefer to trade within their own cross-border region rather than with distant capitals. Although Kampala is more distant in *absolute* terms, this is not the case in *relative* terms: transport facilities within Ugandan (to Kampala) are better developed than within Sudan or the DRC, and the policy framework is more predictable and transparent. These factors mitigate the extra cost of the longer distance, as well as the cheaper buying price in Kampala.

Most importantly, Uganda offers an available market and favourable prices in certain important goods such as gold or coffee. For example, Uganda withdrew the central bank's monopoly in buying precious metals in 1994, scrapped high export duties and made the regulations for trading companies more flexible (Liberti 2005). Moreover, although gold imported into Uganda should be legally declared, in practice unofficial trade in gold is 'likely facilitated by the lax enforcement of regulations at the Uganda-Congo border posts' (Human Rights Watch 2005: 108). A similar situation can be seen for coffee, for which Uganda offers favourable prices and an available market in comparison with its neighbouring countries such as the DRC. Lax border controls at the Ugandan-Congolese border are therefore not against Uganda's national interest, as coffee is Uganda's most important export product. For example, in 2007 coffee was the main smuggled agricultural commodity into Uganda, for an estimated US$2.9 million (Uganda Bureau of Statistics 2007: 25; 2008: 30).

In her work on the 'shadows of war', in which extra-legal economic networks play an important role, Caroline Nordstrom (2004: 73) talks about power in the following way:

> Because power is reproduced not only in the institutional centres of power brokers but also in the many social and ideological relations that make up daily life for a population at large, the processes constituting power are full of competing and conflicting forces. (…) These relations of power are in large part subjectively enacted and are at best only partially recognized.

The cross-border trade between north-western Uganda, north-eastern Congo and southern Sudan is therefore an important 'site of power': power is not only enacted through institutional inter-state relationships, but also through day-to-day trading practices between the different regions. However, in this region these 'relations of power' do have a concrete effect, as the relative power of the Ugandan traders (and Ugandan state) in this cross-border trade is not uncontested: at regular intervals, tensions erupt between the Congolese and Sudanese on the one hand and the Ugandan traders on the other. For example, in October 2009, all Congolese coffee was blocked from entering Uganda by the Congolese authorities. In this way, they wanted to stop the outflow of coffee from Congolese territory (Radio Okapi, October 21, 2009). Similarly, because of the involvement of Ugandan army officials in mineral exploitation in Congo (UN 2004; Human Rights Watch 2001, 2005; Reno 2002), there are strongly negative attitudes towards Ugandans buying timber in Congo: Ugandan timber dealers claimed they were being specifically targeted and mistreated by the Congolese. At certain points in time, Ugandan timber dealers were even expelled from Congolese territory. For example, in November 2005 an order was issued in which all Ugandans engaged in cutting trees had to leave the country; and no timber dealers could any longer enter the country. All timber bought by Ugandans was confiscated, with the Congolese accusing the Ugandans of stealing their timber (Allafrica, November 21, 2005). Because of these incidents, it is very difficult for Ugandan traders to directly engage themselves in the timber trade, which is only possible through working with Congolese intermediaries. Lastly, the Sudanese have a general feeling that they are unable to profit from the trading opportunities of CPA, because of the central role of the Ugandans. This leads to rather difficult conditions for the Ugandans to operate in, and they are particularly prone to abuse.

In sum, this paper has analysed the intensive trade between north-eastern Congo, southern Sudan and north-western Uganda. The blueprint of this trade can be found in the mid-1980s, when the Ugandan traders occupied an important position in this trade. This regional trade has evolved considerably since then due to particular external incentives. For example, the 2005 Sudanese Comprehensive Peace Agreement had a profound impact, which was intensified due to the major demand in Sudan. In the light of this regional trade, a DFID report (2007: 36) on the trade in natural resources in the Great Lakes area argues how eastern Congo is 'de facto part of the east African polity and economic zone', as many goods are traded to its eastern neighbours, in this case Uganda. Similarly, it can be argued that southern Sudanese markets are part of this economic polity, as many goods are imported from Uganda and north-eastern Congo. However, the idea of this region as an 'economic polity' is contradicted by the major tensions between the different participants in this trade. Crucial in understanding this is the fact that this regional trade is not only influenced by external events, but also by relationships of power: the unequal relationships and different profits of these respective participants have created different problems. The Ugandan traders, who are at the heart of this regional trade and reap most profits, are under severe pressure in north-eastern Congo and southern Sudan.

Annex 1: Regional food item trade: food items sold in Arua market and their price in Juba

Prices Feb 2008 (UGX)	Origin	Buying price	Selling price Arua	Various costs (Arua)	Juba price	Various costs Arua - Juba
Beans (100 kg)	January – October: DRC (Kokai) November-February: Lira (Uganda)	100,000 (both Congo and Lira)	130,000	Transport DRC: 10,000/ bag; clearance DRC 1,000 / bag. Transport Lira: 14,000 (1 to 5 bags), 12,000 (5 and above). Clearance 500 shillings per bag. Handling costs: 1,000	170,000.	Transport: 12,000; Clearance Juba 3,000.; Handling Arua 1,000; handling Sudan 3,000. Various bribes in Sudan, which fluctuate.
Groundnuts (100 kg)	Odramachaku (Ugandan-DRC border market)	130,000	Wholesale: 180,000 Retail: 2,000 / kg	Transport Odramachacku: 5.000 Handling: 2,000	270,000.	Transport: 12,000; Handling Arua 1,000; Handling Juba 3,000; clearance Juba 3,000. Various bribes in Sudan, which fluctuate.
Sweet Potatoes (100 kg)	Vurra (‘Kampala’ border market = Uganda – DRC border market)	32,000	Wholesale: 38,000 Retail: 2,000-2,500 (heap)	Transport: 4.000 Handling: 2,000	75,000.	Transport: 12,000; Handling Arua 1,000; Handling Juba 3,000; Clearance Juba 3,000 Various bribes in Sudan, which fluctuate.
Irish Potatoes (100 kg)	Vurra (‘Kampala’ border market)	60,000	Wholesale: 85,000 Retail: 1,000 – 3,000 (heap)	Transport: 4.000 Handling: 2,000	140,000.	Transport: 12,000; Handling Arua 1,000; Handling Juba 3,000 Clearance Juba 3,000. Various bribes in Sudan, which fluctuate.

Fresh cassava (100 kg)	Vurra ('Kampala' border market)	30,000	38,000	Transport: 4.000 Handling: 2,000	65,000-78,000.	Transport: 12,000; Handling Arua 1,000; Handling Juba 3,000; Clearance Juba 3,000. Various bribes in Sudan, which fluctuate.
Matooke (branch)	Vurra ('Kampala' border market)	2,500 – 6,000	Wholesale: 5,000-14,000 Retail: 1,200 for small bundle	Transport: 500 – 1,000	18,000-22,000	Transport: 3,000, clearance: 300-500; handling: 200-500. Various bribes in Sudan, which fluctuate.
Tomatoes (basin)	Vurra (Kampala border market); Kampala (town)	Vurra : 16,000 Kampala box (3 and a half basins) : 80,000	Vurra : 18,000 ; Kampala : 40,000 (better quality)	Transport Kampala : 12.000 (box)	60,000 (box)	Transport Juba : 18,000 ; Clearance Juba 3,000 ; Handling Arua 1,000; Handling Juba 3,000. Various bribes in Sudan, which fluctuate.

Source: Fieldwork 2008.

Annex 2: Prices of car smuggling in February 2008 (US$)

	Kampala price	Juba price (Congolese number plate)	Gross profit	Approximate Net Profit	Approximate Net Profit %
Toyota Hice	7,500	11,500	4,000	2,200	29 %
Prado Landcruiser	11,500	13,500	2,000	900	8 %
Toyota Corolla	3,000	4,500	1,500	400	13 %
Sahara Pickup	4,500	7,500	3,000	1,900	42 %
Isuzu Tipper Juston Forward	11,500	15,000	3,500	2,300	20 %
Tipper Forward	12,500	17,500	5,000	3,900	31 %
Tipper Baloonface	14,500	19,500	5,000	3,900	27 %
Toyota Hilux Double Cabin	8,500	15,000	6,500	5,400	64 %
Pajero short chassis	4,500	6,500	2,000	900	20 %

Source: Fieldwork 2008. Prices in US$.

Indication of costs:
Hiring driver: US$400 (US$300 for driver + US$100 for feeding and lodging)
Congolese number plate: US$500
Other costs (including fuel, clearance and bribes): US$200
Total costs: US$1,100.

Annex 3: Motorcycles

Prices in USD	Congolese price (US$)	Ugandan price (UGX) (inc. Ugandan number plate)	Sudanese price (US$)	Gross profit (US$)	Gross %
Goldland	new model: 820 old model: 500	1,500,000	1,000 680	180 180	22% 36%
Ssenke Tembo	new model: 620 old model:520	1,300,000	860 610	240 90	39% 17%
Ssenke Simba	530	1,500,000	710	180	34%
Linking	520	1,300,000	690	170	33%
Hiying	500	1,100,000	690	190	38%
Rumba	510	1,200,000	690	180	35%
TVS	1100	2,200,000	1,400	300	27%
Lenguma	510	1,200,000	690	180	35%

Source: Fieldwork 2008. Prices February 2008.

The different additional costs include amongst others: fuel (30,000-50,000 UGX), lodging in Juba (50 SP per night for a secure room), bribes on the road in the DRC (about 10,000 UGX), on the road in Sudan (about 20,000 UGX), the motorcycle driver (35,000 UGX), entrance fee Juba market (35 SP), assembling the motorcycle in Ariwara (10,000 UGX).

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