EdinBurg Peer-Reviewed Journals and Books Publishers
Journal of Finance and Accounting
Vol. 5||Issue 8||pp 51-67||November||2025
Email: info@edinburgjournals.org||ISSN: 2789-0201

Cross-Border Partnerships and Customs Procedures in Tackling Counterfeit Trade at the Namanga Customs Border Station in Kenya

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Accepted: 02 October 2025 || Published: 06 November 2025

Abstract

The purpose of the study was to determine the effect of cross-border partnerships and customs procedures in tackling counterfeit trade in the Namanga customs border station. This study adopted an explanatory research design, with a target population of 173 officials working at the Namanga customs border station in Kenya and Tanzania. A sample of 121 respondents was selected based on the Yamane formula. The data collection instrument for this study was a questionnaire. In order to assess the validity of the questionnaire in this study, the expert's judgment method was adopted. Data analysis in this study included the use of descriptive and inferential analysis. Regression of coefficients showed that EAC integration had a positive and significant effect on tackling counterfeit trade in Namanga customs border station (β=0.441, p=0.000). Further results showed that the Multisectoral partnership had a positive and significant effect on tackling counterfeit trade in the Namanga customs border station (β=0.190, p=0.006). According to the results, all the models had a p-value of 0.000, which was less than 0.05. This means that all the models were significant in explaining the moderating effect of customs procedures on the relationship between cross-border partnerships and tackling counterfeit trade in Namanga customs border station. The study concluded that there was a statistically significant relationship between EAC community regulation and tackling counterfeit trade in the Namanga customs border station. However, though the East African Community (EAC) aims to foster teamwork and cooperation among its member states, this goal has not been fully implemented. The study also concluded that there was a statistically significant relationship between multisectoral partnerships and tackling counterfeit trade at the Namanga customs border station. The study also concludes that customs procedures moderate the relationship between EAC community integration, public-private partnership, and tackling counterfeit trade in Namanga customs border station. The EAC should seek to create a unified economic space through initiatives like the Customs Union, Common Market, and a planned Monetary Union. The government should work with other countries by entering into bilateral trade agreements like EAC to ensure that they come up with new laws of intellectual property and counterfeit enforcement, and deterrence. Such agreements will ensure constructive dialogue on intellectual property rights within the international community to ensure equitable benefits for global and social growth.

EdinBurg Peer-Reviewed Journals and Books Publishers
Journal of Finance and Accounting
Vol. 5||Issue 8||pp 51-67||November||2025
Email: info@edinburgjournals.org||ISSN: 2789-0201

Keywords: *Cross-border partnerships, customs procedures, EAC integration, tackling counterfeit trade, Multisectoral partnership*

How to Cite: Mutethia, M. G., Gitonga, D., & Limo, P. (2025). Cross-Border Partnerships and Customs Procedures in Tackling Counterfeit Trade at the Namanga Customs Border Station in Kenya. *Journal of Finance and Accounting, 5*(8), 51-67.

1. Introduction

Globalization and the liberalization of international trade have significantly increased global trade flows (Kolcava, Nguyen & Bernauer, 2019). The downside of this overall positive development has been increased vulnerability to the import of counterfeit, pirated, and substandard goods (Lallerstedt, 2019). States with weak institutional capacity and high levels of corruption are particularly vulnerable to such illicit flows, with limited ability to monitor and control trade flows in general. As such, counterfeit products are becoming a major problem for consumers, innovators, and traders in Kenya and globally (Barasa, 2018). Counterfeit trade takes away revenues from firms and governments and feeds other criminal activities. Trade in fake goods, which infringe on trademarks and copyright, creates profits for organized crime gangs at the expense of companies and governments. It is seen as a significant economic threat that undermines innovation and hampers economic growth. Fakes of items like medical supplies, car parts, toys, food and cosmetics brands, and electrical goods carry a range of health and safety risks (Zhongming et al., 2019).

Counterfeit trade undermines the value of authentic products and the investments that legitimate businesses put into their brands. Such products are manufactured cheaply for sale at low prices, disregarding quality and standards, and end up hurting the market share of genuine products. On the other hand, the reputation of legitimate manufacturers is impacted negatively due to bad consumer experiences. Some manufacturers have had to restructure their operations due to the influx of counterfeit products in the country (Amankwah-Amoah, Boso & Kutsoati, 2022). Furthermore, many counterfeit products evade taxation, and in doing so, they appropriate portions of our national revenue. This leads to the loss of billions in government taxes every year, depriving the public sector of significant revenue to direct towards the delivery of public services such as education, health, and infrastructure (Yi, Yu, & Cheung, 2022). Counterfeit trade also undermines the concept of a free and open market, which is fundamental to improving competitiveness, increasing investment, creating jobs, and improving the economic situation of concerned nations (Anti-counterfeit Agency, 2018).

In many parts of the world, international, regional, and national law enforcement authorities have uncovered intricate links between this crime and other serious offences, including illicit drugs, money laundering, and corruption (van Uhm & Nijman, 2022). Some estimates put the counterfeit business at well in excess of $250 billion a year and hundreds of billions more, if pirated digital products and domestic counterfeit sales are included. Evidence suggests that criminal networks use similar routes and modus operandi to move counterfeit goods as they do to smuggle drugs, firearms, and people. Proceeds from other crimes also feed into the production and distribution of counterfeit goods. There have been reports of authorities uncovering operations where proceeds from drug trafficking were channeled into counterfeiting, and where profits from the sale of counterfeit goods were used to further criminals' other illicit operations (Antonopoulos et al., 2018).

According to Levi and Soudijn (2020), organized criminal groups are playing an increasing role in these activities and benefiting significantly from highly profitable counterfeiting and piracy operations, risking relatively light penalties in some jurisdictions. Along with insufficient screening of small parcels, other areas where policy gaps are facilitating counterfeit trade are inconsistent penalties on traffickers and the special rules governing free trade zones. Past OECD-EUIPO analysis has shown that free trade zones – where economic activity is driven by reduced taxes, customs controls, and lighter regulation – can unintentionally facilitate counterfeit trade (Chang, Iakovou & Shi, 2020). Nevertheless, policymakers are placing renewed emphasis on combating counterfeit and pirated trade. This has been paralleled by increased efforts by the private sector to raise awareness of this threat. In many countries, the absence of deterrent legislation encourages counterfeiters, since they have less fear of being apprehended and prosecuted than they would for other crimes. Counterfeiters engage in elaborate plans to disguise their activities. They establish fictitious businesses and front companies. They exploit border-control weaknesses and poor regulatory frameworks (Antonopoulos et al., 2018).

Global trade in counterfeit goods has risen steadily in the last few years (Organization for Economic Co-operation and Development (OECD), 2019). Counterfeit and pirated products come from many economies, with China appearing as the single largest producing market. Counterfeit and pirated goods from China, together with transshipped goods from China to Hong Kong, accounted for 75% of the value of counterfeit and pirated goods seized by U.S. Customs and Border Protection in 2021. China-based online markets AliExpress, Baidu Wangpan, DHGate, Pinduoduo, and Taobao also remain part of the notorious markets list, along with seven physical markets in China that increasingly use brick-and-mortar storefronts to support online sales of counterfeits (Hashemi, Huang & Shelley, 2022).

Counterfeit products are becoming a major problem to consumers, innovators and traders in Kenya. In Kenya, counterfeiting is the most prevalent form of illicit trade. It not only takes away the citizen's right to quality and genuine products but also puts lives at risk by infiltrating the market with substandard and, in many cases, highly dangerous goods. There have been reports of illicit food and beverage products causing illnesses, disability, and death. Case and point, counterfeit alcoholic products (Kenya Association of Manufacturers, 2023). Kenya's first experience with counterfeit was during the 'great Kenyan coffee crop disaster' recorded in 1979-1980, when a fake insecticide used by farmers to control a coffee disease in central Kenya wiped out the entire crop. Since then, cases of counterfeit goods within the Kenyan market have continued to be recorded across a wide range of products such as medicine, foodstuffs, electronic goods, clothes, and fertilizers (Kenya Institute for Public Policy Research and Analysis [KIPPRA], 2019).

According to the National Baseline Survey on Counterfeit and Other Forms of Illicit Trade in Kenya, released in 2020 by the Anti-Counterfeit Authority (ACA) (2020), the total value of illicit trade was KES 826 billion in 2018, a 14% increase from KES 726 billion in 2017. In terms of their GDP share, this represents an increase from 8.9% in 2017 to 9.3% in 2018. Currently, the ACA estimates that the numbers have hit more than KES 1 trillion so far. Kenya is currently losing between Sh85 billion and Sh100 billion annually to counterfeiting activities. In 2017, counterfeiting trade alone was worth Ksh 70 billion (US$913.8 million), rivaling tourism, tea, and coffee, the top export earners for the country. Kenya Association of Manufacturers (KAM)'s analysis indicates that about 30 per cent of counterfeit products in the

Kenyan market are produced in the country, while the rest emanate from imported goods (Kenya Association of Manufacturers, 2023).

1.1 Problem Statement

Trade is the key driver of Kenya's economy, dominated by three sectors: services, agriculture, and manufacturing. The country's economic growth has given rise to a growing middle class, and a high demand for consumer goods, which provides an opportunity for counterfeit trade to thrive. Counterfeit trade undermines the value of authentic products and the investments that legitimate businesses put into their brands. The reputation of legitimate manufacturers is impacted negatively due to bad consumer experiences (Amankwah-Amoah, Boso & Kutsoati, 2022).

Despite a decade of unprecedented legal and institutional efforts to control trade in counterfeit and contraband goods, it still remains a major problem for Kenya, and the country remains vulnerable to counterfeits. This is mainly because it has a long porous border with Somalia, Uganda, and Tanzania (across Lake Victoria), which reduces the ability to detect counterfeit smugglers. According to the Kenyan Anti-Counterfeit Authority (ACA), the practice of counterfeiting has been a thorny issue for entrepreneurs and consumers in Kenya for a long time. Relevant stakeholders, therefore, concur that the country still needs to do more to control and prevent counterfeit and other forms of illicit trade (Anti-counterfeit Agency, 2023).

Numerous studies have been conducted on counterfeit trade and cross-border partnerships. Crosbie et al. (2019) conducted a study on memoranda of understanding: a tobacco industry strategy to undermine illicit tobacco trade policies. The study put focused on the memorandum of understanding among transnational companies. Li and Pourakbar (2020) conducted a study on combating a strategic cross-border counterfeiter through a public-private partnership. The study adopted a desk research approach in conducting the study. Maina (2020) analyzed the factors affecting the detection of counterfeit goods at the Port of Mombasa. The study focused on a multiagency approach as a factor affecting the detection of counterfeit goods. This study addressed the gap by determining the effect of cross-border partnerships and customs procedures in tackling counterfeit trade at Namanga customs border station.

1.2 Specific Objectives

i. To determine the effect of EAC community integrations in tackling counterfeit trade in Namanga customs border station in Kenya
ii. To determine the effect of multisectoral partnerships in tackling counterfeit trade in Namanga customs border station in Kenya
iii. $_a$: Moderating effect of customs procedures and EAC community integrations in tackling counterfeit trade in Namanga customs border station in Kenya
$_b$: Moderating effect of customs procedures and multisectoral partnerships in tackling counterfeit trade in Namanga customs border station in Kenya

1.3 Research Hypotheses

$H0_1$: There is no significant relationship between EAC community integrations and tackling counterfeit trade in the Namanga customs border station in Kenya

$H0_2$: There is no significant relationship between multisectoral partnerships in tackling counterfeit trade in the Namanga customs border station in Kenya

$H0_{3a}$: There is no significant moderating effect of customs procedures and EAC community integrations in tackling counterfeit trade in Namanga customs border station in Kenya

$H0_{3b}$: There is no significant moderating effect of customs procedures and multisectoral partnerships in tackling counterfeit trade in Namanga customs border station in Kenya

2. Literature Review

2.1 Theoretical Review

2.1.1 Routine Activity Theory

Routine activity theory was developed by Cohen and Felson in 1979 (Pimple, 2016). It emanated from the rational choice theory, which holds that individuals' behaviours are motivated by the pursuit of pleasure or avoidance of pain (Newburn, 2017). The theory posits that three conditions must be present for a crime to occur, namely a motivated offender with criminal intentions, a target or vulnerable victim, and a lack of a capable guardian (Smith & Brooks, 2012), for example, a police officer who can intervene. In other words, there must be opportunities for crime to be committed by a willing offender. This theory sees crime as an event that happens as a result of the convergence of a motivated criminal, a suitable target, and the absence of a guard. Miller (2009) argues that routine activity is not a causal theory that seeks to explain why people commit a crime, but is a place-based theory that explains when people might decide to commit a crime. Although convergence of three elements of routine-based theory occurs at the micro level, Welsh, Braga & Bruinsma (2013) observe that it was placed at the macro level of society by its proponents. Cohen and Felson (1979) believed that changes in the structure of the patterns of daily activity of people in society can lead to an increase in crime rates (Branic, 2015). These activities could increase the number of motivated offenders or suitable targets or reduce the level of guardianship.

This theory can be used to explain why counterfeit trade is rampant in economies where corruption levels are high. Corruption increases opportunity for crime. What is needed, therefore, are many offenders with counterfeit trade intentions and the absence of law enforcement for the crime to thrive. For example, delaying cargo clearance unnecessarily at the border posts may increase the number of motivated offenders. The theory has undergone significant changes since 1979 as a result of contributions from various scholars. Fisher & Lab (2015) argue that the theory has been broadened to factor in offender decision-making process and situational factors such as changes in land use, which have moved people away from job location. The fourth condition of crime, handler, was also incorporated into the theory (Albertson & Fox, 2013). Felson (1979) defined handlers as people who exercise informal social control over potential offenders to prevent them from committing a crime.

This theory is relevant to the topic of this research because it explains that conditions such as the absence of proper customs procedures may create opportunities for counterfeit trade, which may want to smuggle goods through unofficial border posts. For KRA, the most important aspect of the theory is the guardian who includes customs officers, patrolling ports and borders to prevent smuggling of counterfeit goods. The presence of patrol officers as predicted by this theory, lowers the likelihood of smuggling by minimizing opportunities for individuals to import or export goods illegally into Kenyan territory, and that may reduce illegal smuggling of goods. This theory hence, anchors the variable customs procedures

2.1.2 Collaborative Advantage Theory

The theory of collaborative advantage has been developed through extensive research undertaken since 1989 (Osborne, 2015). Flynn and Wanna (2016) argue that the idea of collaborative advantage was first used by Macdonald and Human (1992). The theory holds that organizations can attain some outcomes that they cannot achieve on their own through collaboration or partnerships (Hans, Garmann & Richard, 2016). These outcomes are called collaborative advantages or rewards. These advantages may include resource and risk sharing, efficiency, and greater information flow. As a practice-based theory, collaborative advantage theory is applied in different ways. However, common themes in the theory include shared aims, interdependence, trust, communication, and accountability (Huxham & Vangen, 2013). The central argument made by the proponents of collaborative advantage theory is that there are some benefits received when organizations work together towards certain common goals (Johnsen & Ennals, 2012).

This theory is based on the assumption that organizations exist in nested arrangements and so they depend on each other in one way or the other (Brown & Lambert, 2012). According to Osborne (2015), although the main aim of collaboration among organizations is to yield benefits for the partners, they are more than just the deal. The cooperation offers the parties an option on the future, opening new doors and unforeseen opportunities. Foss andNielsen (2012) argue that successful collaboration involves creating new value together, not merely the exchange of information. In short, the theory emphasizes cooperation in areas of common problems such as smuggling that cuts across many states. It underscores the importance of cooperation in trying to solve issues of a global nature, such as smuggling, for organizations to achieve their roles in fighting crimes such as the smuggling of goods. Collaborative advantage theory also on partnerships, and for institutions like Kenya Revenue Authority, such partnerships can deter smuggling activities along its borders (Reitano et al, 2017).

Collaborative advantage theory is relevant to this research because it brings out the understanding that problems such as counterfeit trade can be tackled through working together with other agencies within and outside Kenya. For the Kenya Revenue Authority, it has to partner with agencies such as the World Customs Organisation and Interpol to manage some aspects of customs operations in cooperation with other nations. For example, KRA cooperates with both WCO and Interpol in customs matters, especially in high-value consignments and those originating from countries with high-risk probabilities. The agency also implements some of the frameworks developed by WCO, such as the SAFE framework, which provides guidelines on how ports should be managed in a coordinated manner. It also uses the WCO Customs Enforcement Network (CEN), a system used by customs administrations to gather data and information for intelligence purposes. The theory is important as it indicates that KRA needs to collaborate with other agencies, such as Interpol, to investigate cases of counterfeit trade. The theory is therefore relevant in addressing the cross-border partnerships variables.

2.2 Empirical Review

Ole-Sein (2024) focused on regional integration and free movement of persons and labour in the East African Community. The researcher purposively selected 110 cross-border traders and an additional 50 Government officials from the above-mentioned Government Departments and the East African Community. The respondents were selected based on their experience in the movement of persons across the borders of EAC member states, either as policymakers,

policy implementers, or individuals affected by the policies. The study established that the East African Community, through the Common Market, has made it easier for citizens of EAC member states to travel to other member states, as indicated by 70.9% of the respondents. Most of the respondents, 51.6% identified the abolition of visas and visa fees, as having the greatest effect in making the free movement of people easier. The study also found that because of the EAC integration, business licences are easily accessible to citizens of EAC member states. The study found that the acquisition of Work Permits by citizens of EAC member states remains a challenge, with 34.9% citing the high cost of documents, and 30.2% citing long, tedious processes.

Onyango (2022) focused on the role of digital diplomacy in regional integration: a Case Study of Kenya's Relations with Other East African Community Member States (2012–2020). The literature review identified that regional integration has levels for its full achievement. It starts with promoting free trade, then having a customs union, and later a common market is created. This will pave the way for an economic union, and finally, the governing entities of the member countries can settle on having a political union. It also confirmed that the main concept of shifting to digital diplomacy is because communication on social media platforms demystifies borders, it is a fast mode of communication that extends to multiple recipients, and it is also cheaper to engage the public since technology has infiltrated many parts of the East African region. The study adopted the theory of liberal institutionalism, and it employed both exploratory and descriptive research designs targeting government officials and journalists. A questionnaire was used as an interview guide for data collection. The data analysis confirmed the research hypotheses and revealed that Kenya's use of social media has impacted its relations with its EAC neighbours and how social media has had a positive impact on the way that bilateral relations are conducted between Kenya and other EAC states. Besides the ease and promptness in communication through social media, regulations have to be set to control the networks for security reasons and create trust among the users.

Crosbie, Bialous, and Glantz (2019) analyzed the transnational tobacco companies' (TTCs) memoranda of understanding (MoUs) on illicit trade and how they could undermine the WHO Framework Convention on Tobacco Control (FCTC) and the Protocol to Eliminate Illicit Trade in Tobacco Products. This study was conducted through a review of tobacco industry documents and websites, reports, news, and media items using standard snowball search methods. The study established that there is no evidence to support TTCs' claims that these MoUs reduce illicit trade. The terms of these MoUs are rarely made public. MoUs are non-transparent partnerships between government agencies and TTCs, violating FCTC Article 5.3 and the Protocol. MoUs are not legally binding, so they do not create an accountability system or penalties for non-compliance, rendering them ineffective at controlling illicit trade.

Li and Pourakbar (2020) studied how Customs and private enterprises can build a public-private partnership (PPP) to combat a strategic cross-border counterfeiter. The study modelled the problem as a three-stage game with three players: Customs, a legitimate OEM, and a counterfeiter. Customs and the OEM devise their own efforts in a PPP, while the OEM also sets the price of the genuine product. The counterfeiter decides whether to enter the market as a deceptive or non-deceptive player upon entry. The results first showed that when the penalty exceeds a certain threshold determined by the choices of Customs and the OEM, a PPP can deter counterfeits or, at a minimum, suppress deceptive counterfeiting. The study also found that when the penalty on the counterfeiter is too low, a PPP actually amplifies the market share

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Journal of Finance and Accounting
Vol. 5||Issue 8||pp 51-67||November||2025
Email: info@edinburgjournals.org||ISSN: 2789-0201

of a non-deceptive counterfeiter. Second, for deceptive counterfeits, a sufficiently high Customs inspection rate serves as the key for both Customs and the OEM to pursue a PPP. Combating non-deceptive counterfeits, however, requires a sufficiently high penalty. Third, in the scenario with no PPP, the OEM may use pricing to suppress deceptive counterfeiting where the functional quality of the counterfeit is poor or deceptive counterfeiting becomes too rampant. Fourth, there was a self-correcting mechanism in the absence of a PPP in terms of the quality of the counterfeit and the perceived proliferation of counterfeiting in the marketplace.

Nel (2019) focused on multi-sector stakeholder partnerships as a mechanism for creating public value. The United Nations (UN) Sustainable Development Goals (SDGs) 2030 agenda of 17 "Goals to Transform Our World" was adopted in 2017. The aim of these goals, as an extension of the Millennium Development Goals (MDGs), is to facilitate the attainment of universal, inclusive, and indivisible growth and development. The agenda calls for action by all countries to improve the lives of people everywhere. Goal 17 aims to revitalise the global partnership for sustainable development. To this end, the UN (n.d.) claims MSPs are crucial to leverage the inter-linkages between the SDGs to enhance their effectiveness and impact and accelerate progress in achieving the Goals. The article conceptualises MSPs as a means to achieve public value. The research approach is based on applying unobtrusive research techniques conducted by means of a literature study.

In addition, Civcir Panshak and Ozdeser (2021) focused on a multi-sectoral balance of payments constrained growth approach with intermediate imports. The paper explicitly incorporates the effects of intermediate imports and relative prices into the analysis. We employ the autoregressive distributed lag econometric procedure for the analysis. The outcome of the study shows that the Multi-Sectoral Balance of Payments Constrained Growth model correctly predicts Nigeria's growth path. It was found that manufactured export is one of the main determinants of the intermediate import demand function. Considerable reliance on this type of import to produce final exports could reduce the gains from trade, thus adversely affecting the GDP growth of the economy, compatible with the BoP constrained growth model in the long run.

2.3 Conceptual Framework

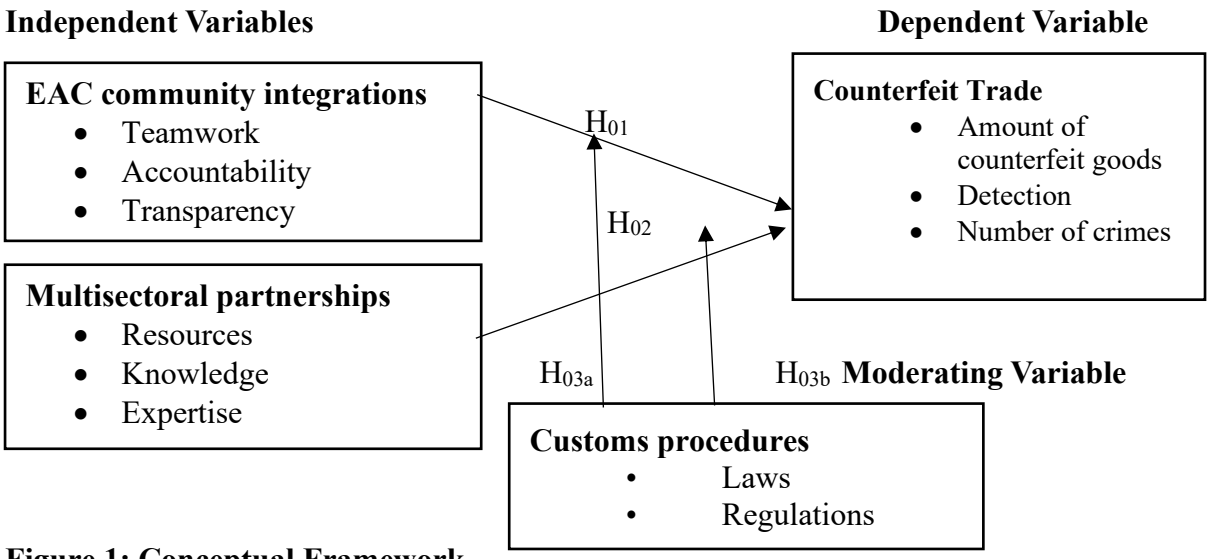

Figure 1: Conceptual Framework

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3. Methodology

This study used an explanatory research design. This study targeted 173 officials who included 7 managers, 16 supervisors, and 150 customs officers working at the Namanga customs border station in Kenya (KRA, 2019). The Namanaga Border post is selected since it serves as the symbol for East Africa Integration and has also been highlighted as having a high level of smuggling of counterfeit goods, such as cigarettes. The study sample size was 121. In selecting the respondents from the target population, the study used a simple random sampling technique. Simple random sampling was considered as most accurate since it gives equal chances for all the members of the target population to be selected, hence eliminating bias and ensuring that trustworthy responses are provided. The data collection instrument for this study used a questionnaire. The questionnaire consisted of closed-ended questions in the form of a Likert scale. The respondents were required to tick the appropriate boxes to indicate their level of agreement with the statements regarding the study variables. Data analysis in this study included the use of descriptive and inferential analysis. The descriptive statistics to be included were the frequencies, percentages, the mean, and the standard deviation. The inferential analysis methods that were applied included correlation analysis and multiple linear regression analysis. The correlation analysis was used to show the direction of the association between the independent variables and the dependent variable. The multiple regression analysis was applied to assess the relationship between the independent variables and the dependent variable.

4. Results and Discussion

4.1 Descriptive Statistics Analysis

Descriptive analysis was done for all the independent, moderating and dependent variables as shown below. To interpret the study results objectively, where 5= Strongly Agree, 4= Agree, 3= Undecided, 2= Disagree, 1=Strongly Disagree.

4.1.1 Descriptive Analysis for EAC Community Integrations

Descriptive analysis results for EAC Community Integrations were presented in Table 1.

Table 1: Descriptive Analysis for EAC Community Integrations

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std.dev
There is teamwork among EAC member countries at the border posts	39.20%	27.80%	5.20%	14.40%	13.40%	2.35	1.46
Every country among the EAC is accountable to its role at the border posts	11.30%	4.10%	21.60%	45.40%	17.50%	3.54	1.17
There is transparency among EAC member countries at the borders	7.20%	7.20%	20.60%	43.30%	21.60%	3.65	1.12
The EAC member countries practice professionalism at the borders	16.50%	8.20%	18.60%	39.20%	17.50%	3.33	1.32
The EAC member countries are loyal and committed to EAC ideals at the border posts	43.30%	11.30%	19.60%	16.50%	9.30%	2.37	1.42

The results showed that majority of the respondents who were 67.0% disagreed with the statement that there is teamwork among EAC member countries at the border posts (mean=2.35, std.dev=1.46). This shows that there is no enhanced teamwork amongst EAC member countries. Outcomes also showed that majority of the respondents who were 62.9% agreed with the statement that every country in the EAC is accountable for its role at the border posts (mean=3.54, std.dev=1.17). This shows that every country knows their role at the border.

Further results showed that majority of the respondents who were 64.9% agreed with the statement that there is transparency among EAC member countries at the borders (mean=2.65, std.dev=1.12). This implies that transparency has been enhanced at the border. Further results showed that majority of the respondents who were 56.7% agreed with the statement that the EAC member countries practice professionalism at the borders (mean=3.33, std.dev=1.32). This denotes that there is professionalism at the border. Outcomes also showed that majority of the respondents who were 54.6% agreed with the statement that EAC member countries are loyal and committed to EAC ideals at the border posts (mean=2.37, std.dev=1.42). This denotes that EAC member countries are committed to One-Stop Border Posts (OSBPs) to streamline trade and the movement of goods and people.

4.1.2 Descriptive Analysis for Multi-Sectoral Partnerships

Descriptive analysis results for Multi-Sectoral Partnerships were presented in Table 2.

Table 2: Descriptive Analysis for Multi-Sectoral Partnerships

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std.dev
The government has adopted multisectoral partnerships at the border stations	10.30%	18.60%	10.30%	43.30%	17.50%	3.39	1.26
By partnering with other sectors, the customs department at the borders has been able to scale up its operations	3.10%	17.50%	13.40%	45.40%	20.60%	3.63	1.09
The impact of partnering with other sectors at customs border is higher than when the station works alone	11.30%	12.40%	8.20%	44.30%	23.70%	3.57	1.29
We are able to leverage on resources needed when we partner with other sectors	5.20%	17.50%	4.10%	35.10%	38.10%	3.84	1.26
The combined knowledge, expertise and strength of each sector helps us achieve better results	9.30%	8.20%	7.20%	47.40%	27.80%	3.76	1.21

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The results showed that majority of the respondents who were 60.8% agreed with the statement that the government has adopted multisectoral partnerships at the border stations (mean=3.39, std.dev=1.26). This denotes that EAC countries have adopted multisectoral partnerships at the border stations.

Further results showed that the majority of the respondents who were 66.0% agreed with the statement that by partnering with other sectors, the customs department at the borders has been able to scale up its operations (mean=3.63, std.dev=1.09). This denotes that most customs at the border to partner with other sectors. In addition, results showed that the majority of the respondents who were 68.0% agreed with the statement that the government has adopted multisectoral partnerships at the border stations (mean=3.57, std.dev=1.29). This denotes that there is collaboration between different sectors at the border. Further results showed that the majority of the respondents who were 73.2% agreed with the statement that they to leverage resources needed when they partner with other sectors (mean=3.84, std.dev=1.26). In addition, results showed that the majority of the respondents who were 75.2% agreed with the statement that the combined knowledge, expertise, and strength of each sector help them achieve better results (mean=3.76, std.dev=1.21). Combined knowledge boosts business productivity, which help the firms enhance their performance.

4.1.3 Descriptive Analysis for Customs Procedures

Descriptive analysis results for customs procedures were presented in Table 3.

Table 3: Descriptive Analysis for Customs Procedures

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std.dev
The government plays a critical role in ensuring there is an effective IPR protection regime in place which is useful at the stations	4.10%	18.60%	4.10%	46.40%	26.80%	3.73	1.17
There are regulations about the import and export of prohibited goods at the borders	6.20%	7.20%	15.50%	51.50%	19.60%	3.71	1.06
The customs laws have well defined list of restricted goods that are banned from entering the country through the border posts	10.30%	14.40%	18.60%	46.40%	10.30%	3.32	1.16
There are regulations under which goods are imported free of import duties	7.20%	16.50%	14.40%	28.90%	33.00%	3.64	1.29
The customs laws are clearly understood by all parties involved in the transit of goods at the border posts	14.40%	4.10%	6.20%	47.40%	27.80%	3.70	1.32

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Email: info@edinburgjournals.org||ISSN: 2789-0201

The results showed that majority of the respondents who were 73.2% agreed with the statement that the government plays a critical role in ensuring there is an effective IPR protection regime in place, which is useful at the stations (mean=3.73, std.dev=1.17). This denotes that strong IPR protection is only effective if there are mechanisms in place to enforce the rights. Further results showed that majority of the respondents who were 71.1% agreed with the statement that there are regulations about the import and export of prohibited goods at the borders (mean=3.71, std.dev=1.06). This denotes that there are regulations on the import and export of prohibited goods at the borders.

In addition, results showed that majority of the respondents who were 56.7% agreed with the statement that the customs laws have well well-defined list of restricted goods that are banned from entering the country through the border posts (mean=3.32, std.dev=1.16). Further results showed that majority of the respondents who were 61.9% agreed with the statement that there are regulations under which goods are imported free of import duties (mean=3.64, std.dev=1.29). This denotes that there are regulations and the custom borders that helps EAC member countries to import goods freely. In addition, results showed that majority of the respondents who were 75.2% agreed with the statement that the customs laws are clearly understood by all parties involved in the transit of goods at the border posts (mean=3.70, std.dev=1.32). This denotes that EAC member countries clearly understand the customs laws.

4.1.4 Descriptive Analysis for Tackling Counterfeit Goods

Descriptive analysis results for Tackling Counterfeit Goods are presented in Table 4.

Table 4: Descriptive Analysis for Tackling Counterfeit Goods

Statement	Strongly disagree	Disagree	Neutral	Agree	Strongly agree	Mean	Std.dev
We have been able to significantly reduce the amount of counterfeit goods passing through the Borders	6.20%	15.50%	6.20%	42.30%	29.90%	3.74	1.22
The detection of counterfeit goods at the Border station has improved	4.10%	18.60%	6.20%	41.20%	29.90%	3.74	1.19
The loss incurred as a result of importation and exportation of counterfeit goods through the border has been reduced significantly	52.60%	12.40%	11.30%	22.70%	1.00%	2.07	1.28
There has been reduction in the number of crimes associated with importation and exportation of counterfeit trade	10.30%	7.20%	2.10%	73.20%	7.20%	3.60	1.08
The customs department at the borders has been able to recover taxes lost as a result of counterfeit trade	4.10%	12.40%	22.70%	43.30%	17.50%	3.58	1.05

The results showed that majority of the respondents who were 72.2% agreed with the statement that they have been able to significantly reduce the amount of counterfeit goods passing through the borders (mean=3.74, std.dev=1.22). This denotes that the counterfeit goods have been decreasing. Further results showed that majority of the respondents who were 71.1% agreed with the statement the detection of counterfeit goods at the Border station has improved (mean=3.74, std dev=1.19). This denotes that the detection of counterfeit goods has been enhanced at the border. In addition, results showed that majority of the respondents who were 80.4% disagreed with the statement that the loss incurred as a result of importation and exportation of counterfeit goods through the border has been reduced (mean=3.60, std.dev=1.08). This denotes that losses incurred at the customs borders have been minimised. Further results showed that the majority of the respondents who were 65.0% agreed with the statement that the customs department at the borders has been able to recover taxes lost as a result of counterfeit trade (mean=2.07, std.dev=1.28). This denotes that the customs department is not able to recover from lost taxes.

4.2 Correlation Analysis

Correlation analysis seems to establish the strength of the relationship between cross-border partnerships and customs procedures in tackling counterfeit trade in Namanga customs border station.

Table 5: Correlation Analysis

		Tackling counterfeit trade	EAC integration	Multisectoral partnership
Tackling counterfeit trade	Pearson Correlation	1		
EAC Integration	Pearson Correlation	.801**	1	
	Sig. (2-tailed)	0.000		
Multisectoral partnership	Pearson Correlation	.638**	.530**	1
	Sig. (2-tailed)	0.000	0.000	

The results showed that EAC Integration has a positive and significant effect on tackling counterfeit trade (r=0.801, p=0.000). The outcomes also displayed that multi-sectoral partnerships have a positive and significant effect on tackling counterfeit trade (r=0.638, p=0.000).

EdinBurg Peer-Reviewed Journals and Books Publishers
Journal of Finance and Accounting
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4.3 Regression Analysis

4.3.1 Regression Results before moderation

Regression of coefficient results are presented in Table 6.

Table 6: Regression of Coefficient

	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
(Constant)	0.174	0.245		0.71	0.48
EAC Integration	0.441	0.070	0.451	6.252	0.000
Multisectoral partnership	0.190	0.067	0.181	2.815	0.006
Intergovernmental organization	0.271	0.076	0.223	3.554	0.001
Public Private Partnerships	0.173	0.061	0.203	2.836	0.006

Regression of coefficients showed that EAC integration had a positive and significant effect on tackling counterfeit trade in Namanga customs border station (β=0.451, p=0.000). Further results showed that the Multisectoral partnership had a positive and significant effect on tackling counterfeit trade in the Namanga customs border station (β=0.181, p=0.006).

4.3.2 Regression after Moderation

Table 7: Coefficients of Regression for the Moderating Effect of Customs Procedures

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
	Customs procedures	0.170	0.069	0.149	2.448	0.016
	X1.M	0.065	0.03	0.391	2.123	0.037
	X2.M	-0.033	0.112	-0.182	-0.294	0.769

As per the findings, customs procedures had a positive and significant effect on tackling counterfeit goods (β= 0.149, p=0.016). This implies that customs procedures enhance tackling of counterfeit goods. Further, the coefficient for the interaction term between EAC community regulation and customs procedures (X_1*M) was 0.391, and the p-value was 0.037. This means that there was a statistically significant moderating effect of customs procedures on the relationship between EAC community regulation and the tackling of counterfeit goods. The results also revealed that there was no statistically significant moderating effect of customs procedures on the relationship between multisectoral partnership and tackling of counterfeit goods, as the p-value for the interaction terms for multisectoral partnership and tackling of customs procedures (X_2*M) was p=0.769>0.05.

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Journal of Finance and Accounting
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4.4 Hypothesis Testing

The null hypothesis (H_{01}) was that there is no significant effect of EAC community regulation on tackling counterfeit trade in Namanga customs border station. Results showed that the t calculated of EAC community regulation was 6.252, which was greater than t critical (1.96). Regression of coefficients showed that EAC integration had a positive and significant effect on tackling counterfeit trade in Namanga customs border station (β=0.451, p=0.000). Therefore null hypothesis was rejected, and the study concluded that there was a statistically significant relationship between EAC community regulation and tackling counterfeit trade in Namanga customs border station.

The null hypothesis (H_{02}) was that there is no significant effect of multi-sectoral partnerships on tackling counterfeit trade in Namanga customs border station. Results showed that the t calculated of multi-sectoral partnerships was 2.815, which was greater than t critical (1.96). Further results showed that the Multisectoral partnership had a positive and significant effect on tackling counterfeit trade in Namanga customs border station (β=0.181, p=0.006). Therefore, null hypothesis was rejected, and the study concluded that there was a statistically significant relationship between multi-sectoral partnerships and tackling counterfeit trade in Namanga customs border station.

The third hypothesis showed that there is no significant moderating effect of customs procedures on the relationship between cross-border partnerships and tackling counterfeit trade in the Namanga customs border station. The R-squared improved from 0.756 to 0.819. Results showed that the t calculated of EAC integration* customs procedures was 2.123, which was greater than t critical (1.96). Further, the coefficient for the interaction term between EAC community regulation and customs procedures (X_1*M) was 0.391, and the p-value was 0.037. This denotes that there was a statistically significant moderating effect of customs procedures on the relationship between EAC community regulation and tackling of counterfeit goods. In addition to the calculated value of multi-sectoral partnership* customs procedures was -0.294, which is less than the critical (1.96). Further, the coefficient for the interaction term between multi-sectoral partnership and customs procedures (X2*M) was 0.182, and the p-value was 0.769. Therefore, the researcher failed to reject the null hypothesis. This denotes that there was no statistically significant moderating effect of customs procedures on the relationship between multi-sectoral partnership and tackling of counterfeit goods.

5. Conclusion

The study concluded that there was a statistically significant relationship between EAC community regulation and tackling counterfeit trade in the Namanga customs border station. However, though the East African Community (EAC) aims to foster teamwork and cooperation among its member states, this goal has not been fully implemented. Further upholding ethical standards, maintaining competence, and ensuring respectful and fair interactions with travelers and other stakeholders helps in dealing with counterfeit goods.

The study also concluded that there was a statistically significant relationship between multisectoral partnerships and tackling counterfeit trade at the Namanga customs border station. By collaborating with other sectors, the customs department at the borders has been able to scale up its operations, leading to improved trade security, efficiency, and effective enforcement, while also benefiting the trade community with faster customs clearance and lower costs. Further, partnering with other sectors allows organizations to access and leverage

resources they might not otherwise have, leading to cost savings, increased efficiency, and expanded reach, ultimately amplifying their impact and fostering innovation.

The study also concludes that customs procedures moderate the relationship between EAC community integration, public-private partnership, and tackling counterfeit trade in Namanga customs border station. The study also concluded that governments play a crucial role in establishing and enforcing effective Intellectual Property Rights (IPR) protection regimes, fostering innovation and economic growth by ensuring creators and inventors can benefit from their work.

6. Recommendations

Routine activity theory explains that conditions such as the absence of proper customs procedures may create opportunities for counterfeit trade, which may want to smuggle goods through unofficial border posts. However, the theory is not clear on the specific customs procedures. The current study recommends adding to this theory by specifying that EAC community integrations, multispectral partnerships, intergovernmental organizations, and public-private partnerships would be the specific procedures that would help in tackling the counterfeit trade.

The EAC should create a unified economic space through initiatives like the Customs Union, Common Market, and a planned Monetary Union. This will foster teamwork at the border. Border officials ought to maintain integrity, impartiality, and avoid corruption or abuse of power as a way of upholding professionalism. The government should work with other countries by entering into bilateral trade agreements like EAC to ensure that they come up with new laws of intellectual property and counterfeit enforcement, and deterrence. Such agreements will ensure constructive dialogue on intellectual property rights within the international community to ensure equitable benefits for global and social growth.

Governments should strongly embrace the multi-sectoral partnerships. By pooling resources (funding, expertise, infrastructure), partnerships can achieve more than individual organizations could on their own, especially in tackling the pervasive and persistent global problem of product counterfeiting. In addition, Public-Private Partnerships (PPPs) are crucial in combating counterfeit goods by leveraging the strengths of both government and private sector entities through collaborative efforts in areas like intelligence sharing, joint enforcement, and prosecution, and thus should not be ignored by the governments.

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