AFRICA REGIONAL REPORT ON IMPROVING TRANSIT COOPERATION, TRADE AND TRADE FACILITATION FOR THE BENEFIT OF THE LANDLOCKED DEVELOPING COUNTRIES

CURRENT STATUS AND POLICY IMPLICATIONS
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ACKNOWLEDGEMENTS

This study was commissioned by the United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States (UN-OHRLLS). UN-OHRLLS gratefully acknowledges Dr. Robert M. Okello for preparing the report. The report was prepared under the overall guidance of Mr. Gyan Chandra Acharya, Under-Secretary-General and High Representative for Least Developed Countries, Landlocked Developing Countries and Small Islands Developing States. Mr. Sandagdorj Erdenebileg, Chief, Policy Development, Coordination and Reporting Service of the OHRLLS, and Ms. Gladys Mutangadura, Senior Economic Affairs Officer, supervised and guided the preparation and finalization of the report. Mr. Andre Nikwigize and Mr. Kennedy Chesoli provided valuable inputs through reviewing and commenting on earlier drafts of the report and Ms. Songyi Paik assisted in the editing and layout of the report.

The report benefited extensively from detailed comments from Mr. Bernard Dzawanda of COMESA, Mr. Maxwell Mkumba of SADC, Mr. Ashoke Maliki of ECOWAS, Mr. Toshihiko Osawa of WCO, Mr. Artur Bouten of UNECE and Ms. Nora Neufeld of WTO. The report also benefited extensively from detailed comments from the experts who participated in the Expert Group Meeting on Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of the LLDCs organized by the UN-OHRLLS that was held on 10 and 11 December 2015 at the UN Headquarters in New York.

The views expressed in this report do not necessarily reflect those of the United Nations.
ACRONYMS AND ABBREVIATIONS

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Description</th>
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<tbody>
<tr>
<td>ACP</td>
<td>Africa, Caribbean and Pacific Group of States</td>
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<td>AfDB</td>
<td>African Development Bank</td>
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<td>APoA</td>
<td>Almaty Programme of Action</td>
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<tr>
<td>ASYCUDA</td>
<td>Automated System for Customs Data</td>
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<td>AU</td>
<td>African Union</td>
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<td>AUC</td>
<td>African Union Commission</td>
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<td>CAP</td>
<td>Common African Position</td>
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<td>CCTTFA</td>
<td>Central Corridor Transit Transport Facilitation Agency Agreement</td>
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<td>CD-COM</td>
<td>COMESA Customs Declaration Document</td>
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<td>CEMAC</td>
<td>Economic and Monetary Community of Central Africa</td>
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<td>CEPGL</td>
<td>Community of the Great Lakes Countries</td>
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<td>CFTA</td>
<td>Continental Free Trade Area</td>
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<td>COMESA</td>
<td>Common Market for Eastern and Southern Africa</td>
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<td>DCC</td>
<td>Dar-es-Salaam Corridor Committee</td>
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<td>DCMC</td>
<td>Dar es Salaam Corridor Management Committee</td>
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<td>EAC</td>
<td>East African Community</td>
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<td>EALA</td>
<td>East African Legislative Assembly</td>
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<td>Economic Community of Central African States</td>
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<td>Economic Community of West African States</td>
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<td>EU</td>
<td>European Union</td>
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<td>FDI</td>
<td>Foreign Direct Investment</td>
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<td>FTA</td>
<td>Free Trade Area</td>
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<td>General Agreement on Trade and Tariffs</td>
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<td>ICA</td>
<td>Infrastructure Consortium for Africa</td>
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<td>ICAO</td>
<td>International Civil Aviation Organization</td>
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<td>ICCOSB</td>
<td>International Commission for the Congo-Oubangui-Sangha River Basin</td>
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<td>ICD</td>
<td>Inland Container Depots</td>
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<td>ICF</td>
<td>African Investment Climate Facility</td>
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<td>ICT</td>
<td>Information and Communications Technology</td>
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<td>IGAD</td>
<td>Intergovernmental Authority on Development</td>
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<td>IRTG</td>
<td>Improved Road Transport Governance</td>
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<td>ISRT</td>
<td>Inter-State Road Transit Convention</td>
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<td>KACITA</td>
<td>Kampala City Traders Association</td>
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<td>LAPSSET</td>
<td>Lamu Port – Southern Sudan – Ethiopia Corridor</td>
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<td>LLDCs</td>
<td>Landlocked Developing Countries</td>
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<td>LPA</td>
<td>Lagos Plan of Action</td>
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<td>Millennium Development Goals</td>
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<td>NCTA</td>
<td>Northern Corridor Transit Agreement</td>
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<td>NDC</td>
<td>Nacala Development Corridor</td>
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<td>NEPAD</td>
<td>New Partnership for Africa’s Development</td>
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<td>NEPAD Infrastructure Project Preparation Facility</td>
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<td>NSCMC</td>
<td>North-South Corridor Management Committee</td>
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<td>OAU</td>
<td>Organization of African Unity</td>
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<td>Acronym</td>
<td>Description</td>
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<tr>
<td>ODA</td>
<td>Official Development Assistance</td>
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<td>OECD</td>
<td>Organization for Economic Cooperation and Development</td>
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<td>OSBP</td>
<td>One-Stop Border Posts</td>
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<td>PAIDF</td>
<td>Pan-African Infrastructure Development Fund.</td>
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<td>PICI</td>
<td>Presidential Infrastructure Champion Initiative</td>
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<td>PIDA</td>
<td>Programme for Infrastructure Development in Africa</td>
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<td>PMAESA</td>
<td>Port Management Association of Eastern and Southern Africa</td>
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<td>PMAWCA</td>
<td>Port Management Association of West and Central Africa</td>
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<td>RECTCC</td>
<td>Regional Economic Communities Transport Coordination Committee</td>
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<td>RTCD</td>
<td>Road Transit Customs Declaration</td>
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<td>SACU</td>
<td>Southern African Customs Union Agreement</td>
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<td>SADC</td>
<td>Southern African Development Community</td>
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<td>SDG</td>
<td>Sustainable Development Goal.</td>
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<td>SGD</td>
<td>Single Goods Declaration</td>
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<td>SSATP</td>
<td>Sub-Saharan Africa Transport Policy Programme</td>
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<td>TAH</td>
<td>Trans-African Highways</td>
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<td>TCC</td>
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<td>TFF</td>
<td>Trade Facilitation Facility</td>
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<td>TMSA</td>
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<td>TTCA-NC</td>
<td>Transit Transport Coordination Authority of the Northern Corridor</td>
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<td>TTFA</td>
<td>Transport Facilitation Agency Agreement</td>
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<td>UN</td>
<td>United Nations</td>
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<td>UN-OHRLLS</td>
<td>United Nations Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries, and Small Island Developing States</td>
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<td>UNCTAD</td>
<td>United Nations Conference on Trade and Development</td>
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<td>UNECA</td>
<td>United Nations Economic Commission for Africa</td>
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<tr>
<td>VPoA</td>
<td>Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014 to 2024.</td>
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<td>WB</td>
<td>World Bank</td>
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<td>WBCG</td>
<td>Walvis Bay Corridor Group</td>
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<td>WCO</td>
<td>World Customs Organization</td>
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<tr>
<td>WEF</td>
<td>World Economic Forum</td>
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<td>WTO</td>
<td>World Trade Organization</td>
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EXECUTIVE SUMMARY

The Africa Region Report on Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of the Landlocked Developing Countries (LLDCs): Current Status and Policy Implications, presents a review of the status of transit issues in the region, key achievements and constraints, and recommendations of actions to realistically address transit issues for the successful participation of the LLDCs in international trade and for their overall development.

The Almaty Programme of Action (APoA) adopted in 2003 in Almaty, Kazakhstan was aimed at addressing the special needs of the LLDCs and was implemented over the period 2003-2013. The priority areas of the APoA included fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, international support measures, and implementation and review. The Second United Nations Conference on the LLDCs was organized in 2014 in Vienna, Austria to review implementation of the APoA. The outcome document of the Vienna Conference, the Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014 to 2024 (VPoA), was formulated as a successor programme to APoA.

The overarching goal of VPoA is to address the special development needs and challenges of LLDCs arising from landlockedness, remoteness and geographical constraints in a more coherent manner and thus contribute to sustainable and inclusive growth, eradication of poverty and ending extreme poverty. The six priority areas of the VPoA include: Fundamental transit policy issues; Infrastructure development and maintenance; International trade and trade facilitation; Regional integration and cooperation; Structural economic transformation; and Means of implementation. The Africa Regional Report focuses on the first three priorities of VPoA, and also considers means of implementation.

The review of the current status of the priority areas of the Vienna Programme of Action in Africa in general shows positive progress in addressing the special needs of LLDCs in Africa.

Legal Framework for Transit cooperation

In general, African countries have adopted the various international agreements relevant to trade and transit transport in their respective regions. However, the level of implementation varies significantly, especially among Regional Economic Communities (RECs). Furthermore, there are some new international legal instruments such as the WTO Trade Facilitation Agreement and other relevant United Nations Conventions that are important for enhancing transit cooperation that African countries should consider to ratify and implement. The report also notes that some of the reasons for lack of ratification of some international conventions by many African countries could be due to insufficient capacity to analyze the potential benefits.

Although the continent has made progress in implementing Protocols on Free Movement of Persons, Rights of Residence and Establishment within RECs as defined in Chapter VI of the Abuja Treaty (1991) continues to lag behind. Only ECOWAS has fully implemented these protocols, while EAC has also made significant progress.
Recommendations

- African countries in particular the LLDCs and transit countries should make efforts to ratify the WTO Trade Facilitation Agreement and file the necessary notifications to get technical assistance.
- African countries should consider ratifying and effectively implementing some relevant international conventions.
- International development partners (such as WTO, WCO, UN system organisations etc.) should provide necessary sensitization to countries and regional organizations and promote specific conventions, and where necessary provide technical assistance to enable the African countries to fully participate in the international convention.
- National coordination mechanisms such as national implementation committee should be established for implementation of relevant agreements and conventions, preferably at the highest possible political level.
- African countries should put special emphasis on implementing the REC Protocols on Free Movement of persons.

Transit Infrastructure Development

Infrastructure development and maintenance continue to be a top priority action in regional integration in Africa as a whole. The transformation of transport corridors into economic development corridors in Eastern and Southern Africa seems to have proved to improve the corridor performance and needs to be promoted in other regions of the continent. Private sector participation is becoming increasingly important in infrastructure development however, lack of bankable projects is a major constraint. Road transport continues to be the dominant mode in Africa. However, it is not always the most appropriate in particular for commodity trade of LLDCs. It is essential that the rail transport and oil/gas pipelines initiatives in the various corridors (e.g. West Africa Rail, East Africa Standard Gauge Rail, Lobito-Benguela Rail, etc.) be implemented as soon as possible to improve overall competitiveness of African LLDCs in international trade.

PIDA provides an agreed framework for coordination of infrastructure development in Africa and implementation of PIDA will require solid coordination structures and mobilization of all relevant funding sources, both public and private. Its successful implementation will depend on the initiatives of RECs, Member States and specialized agencies to develop infrastructure in Africa in accordance with the Continental AEC framework.

Recommendations

- There is need to provide LLDCs and their transit countries with comprehensive and long term capacity building support in order to help them develop bankable projects for sustainable infrastructure development.
- Continue to promote infrastructure development through Corridor Development Approach.
- LLDCs should consider wider collaboration with transit countries and develop alternate transit corridors.
- Adopt a regional approach in infrastructure development; multilateral and regional development banks and other development partners should consider supporting such regional infrastructure projects.
- Member States should strive to harmonize their national infrastructure plans with PIDA so as to benefit from synergies in technical and financing support from the regional framework.
- Promote the involvement of the leadership in the implementation of PIDA projects.
- Promote the involvement of private sector in infrastructure development.

**International trade, Trade Facilitation, Customs and Border Crossing Procedures**

Africa’s exports to the rest of the world are mainly natural resources (fuel oil and minerals), which are vulnerable to price volatility. On the other hand, Africa’s trade within itself is mostly in manufactured goods, thus it provides opportunity for expansion of trade within Africa through Regional Value Chains. In addition, Africa’s trade in services is also increasing, thus offers opportunity for Africa’s participation in the Global Value Chains.

The African LLDCs and transit countries have taken some significant steps to improve customs and border crossing procedures. Some of the initiatives that they have implemented include: simplification, standardization and harmonization of customs documentation requirements and procedures; the creation of one-stop border posts to avoid duplication of procedures; use of new technology and automation of customs procedures to reduce direct contact with officials; and establishment of inland clearance depots or dry ports to facilitate customs clearance procedures. Eastern and Southern Africa established a free trade area and the African continent is working towards establishing a Continental Free Trade Area. This will help in improving customs and border processing.

With the exception of Central Africa, all regions have initiated development of OSBP along the major transit corridors as well as on major trade borders between transit countries (e.g. Kenya-Tanzania border, and along Lagos-Abidjan Corridor). OSBP have improved the time taken at border points and more such OSBPs are in the development plans of RECs as well as at the Continental level in the framework of PIDA.

Similarly, many countries have established internal container depots and dry ports along the transit trade routes to improve customs operations, and the majority of African countries have adopted use of ICT systems in border management (ASYCUDA, Single Window, biometric ID Cards, etc.) to increase efficiency in border operations.

**Recommendations**

- There should be greater push towards customs union or Continental Free Trade Area in order to allow for freer and faster movement of goods in transit.
- Countries should make greater use of ICT systems (ASYCUDA, Single Windows, etc.) and OSBPs.
- There should be greater push towards customs union or CFTA in order to allow for freer and faster movement in transit.
- Greater efforts should be made to achieve Free Movement of persons.
- Establish or strengthen national trade facilitation committees.
- Explore the potential of air transport to enhance both intra-Africa trade and the continent’s trade with other regions of the world.
Means of Implementation

There has been a steady increase in the level of investment in African infrastructure development since adoption of PIDA in 2009 from different sources including national domestic resources, official development aid, resources from multilateral and regional development banks and private sector. African LLDCs and their regional organizations (Corridor Management, RECs, African Union, etc.) should ensure that the external support measures address Africa’s priorities. The relatively high and increasing level of public budget allocations to infrastructure development indicates that African governments are striving to implement development programmes agreed in the framework of PIDA.

Recommendations

- There is need to step up efforts to mobilize all sources of funding including domestic resources, ODA, south-south cooperation, and innovative sources of funding. It is important to make loans more affordable for the LLDCs.
- It is important for Aid-For-Trade or other forms of support to provide more support targeted towards project preparation of bankable projects.
- South-South and triangular cooperation is very important and needs to be strengthened.
- A stronger role of the private sector is crucial, including through public-private partnerships, in providing investment in transport infrastructure development and maintenance and through instruments like infrastructure bonds.
1. **INTRODUCTION**

1.1. Background

International development experts agree that landlocked countries are inherently disadvantaged in terms of social and economic development in large part due to their location relative to their coastal counterparts even in the same geographical region. Indeed, many of the developing countries are landlocked, thus they are termed Landlocked Developing Countries (LLDCs). In particular, in Africa, the trade-reducing effect of geographical location is significant as most LLDCs are commodity exporters for which high transportation costs constrain export development and reduce competitiveness and profitability. That situation has contributed to their relative poverty.

It is for this reason that the first United Nations Conference on Landlocked Developing Countries was held in 2003 in Almaty which adopted the Almaty Programme of Action: Addressing the Special Needs of Landlocked Developing Countries within a New Global Framework for Transit Transport Cooperation for Landlocked and Transit Developing Countries. The second Conference was held in Vienna in November 2014 as a follow-up to the first Conference.

The Almaty Programme of Action (APoA) reflected the strong commitment of all actors to address the special development needs and challenges faced by LLDCs and to promote their full and more effective integration into the global economy. These were to be pursued through the implementation of specific actions in the priority areas of fundamental transit policy issues, infrastructure development and maintenance, international trade and trade facilitation, international support measures, and implementation and review. The Vienna Conference was organized to review the progress under APoA at the time when the United Nations was discussing formulation of global Post-2015 Sustainable Development Agenda.

The review of APoA revealed that in general LLDCs and transit countries in Africa have initiated important policy reforms to address physical and non-physical aspects of transit transport and trade facilitation. For example: they had increased the harmonization of transport and transit policies, laws, procedures and practices with transit countries; a number of regional and sub-regional transit facilitation agreements had been concluded and adopted for implementation; some LLDCs and transit countries had developed supportive institutional frameworks, such as transport and trade facilitation bodies or coordination committees through regional trade agreements, free trade areas and customs unions; and border facilities and procedures had been streamlined and harmonized, leading to increased efficiency and fewer delays.

The review of APoA concluded that, despite the above progress made by the LLDCs during the ten-year implementation of the Almaty Programme (2003-2013), there was a need to further deepen the reforms, enhance efficiency and effectiveness, and ensure that the achievements are sustained. Therefore, further global support for LLDCs was still required.

The outcome document of the Vienna Conference, the Vienna Programme of Action for the Landlocked Developing Countries for the Decade 2014 to 2024 (VPoA), was therefore formulated as a successor programme to APoA. It aims to underscore the importance of partnerships between LLDCs and transit countries for the improvement and constant maintenance of their infrastructure connectivity, technical and administrative arrangements in their transport, customs and logistics systems, as well as promoting
an enabling legal environment and institutional arrangements. It also stresses the need to promote harmonization, simplification and standardization of rules and documentation, including the full and effective implementation of international conventions on customs, transit transport and bilateral, sub-regional and regional agreements.

The VPoA underscores that bilateral provisions should be no less favourable than what is provided for in the international conventions, standards and best practices. In this regard, it stresses that the cooperation on fundamental transit policies, laws and regulations between LLDCs and their transit neighbours is crucial for the effective and integrated solution to cross-border trade and transit transport problems. The Programme of Action also underlines that it is important to promote free movement of people between LLDCs and their transit neighbours through development and implementation of simplified and harmonized visa systems for drivers involved in international transport (freight and passengers).

The overarching goal of the VPoA is to address the special development needs and challenges of LLDCs arising from landlockedness, remoteness and geographical constraints in a more coherent manner and thus contribute to sustainable and inclusive growth, eradication of poverty and ending extreme poverty. Particular attention is therefore to be given to the development of efficient transit transport systems; enhancement of competitiveness and expansion of trade; structural transformation and the promotion of inclusive economic growth and sustainable development of the economies of LLDCs; and regional cooperation to ultimately help transform those countries into land-linked countries.

The VPoA has six priorities for action that include: Priority 1: Fundamental transit policy issues; Priority 2: Infrastructure development and maintenance; Priority 3: International trade and trade facilitation; Priority 4: Regional integration and cooperation; Priority 5: Structural economic transformation; and Priority 6: Means of implementation.

1.2. Context

Africa formulated NEPAD in 2001 as the framework for pursuing the achievement of MDGs at the regional level. Consequently, some of the key development challenges facing Africa, and in particular African LLDCs, were included in the APoA, but not explicitly enough in MDGs. That is why at the mid-term evaluation in 2005, Africa proposed the reflection of NEPAD priorities, including regional integration and infrastructure development, in the programme for the evaluation of implementation of MDGs in Africa, albeit post-facto.

This time around, VPoA was formulated before adoption of SDGs. Africa presented the Common African Position (CAP) in the dialogue leading to the formulation of the SDG’s and its concerns were accordingly adequately captured in both VPoA and SDGs. CAP was derived from the African Union Agenda 2063, the Continental framework for development in Africa in next the fifty years of African Unity (African Union Commission, 2014a). Of particular relevance to VPoA are Goals 9 and 10 of SDGs which address, respectively, the issues of: building resilient infrastructure, promoting inclusive industrialization and fostering innovation; and reducing inequality within and among countries (African Union Commission, 2014b).

Africa’s Agenda 2063 is a shared strategic framework for inclusive growth and sustainable development. It seeks to ensure Africa’s economic and technological transformation while continuing the Pan-African drive for self-determination, freedom, progress and collective prosperity. It is articulated as seven
Aspirations, with Aspiration 2 on “An Integrated Continent”, with Goal 9 focusing on “World Class Infrastructure”. Designed as a series of ten-year implementation plans, the first covers the period 2013-2023 and focuses on the following priority areas which address the needs of LLDCs: Integrated High Speed Train Network; Continental Free Trade Area; African Passport and free movement of people; the Yamoussoukro Decision on the Unification of African Air Space; Grand Inga Dam Project; Annual Consultative Platform for policy dialogue involving a wide range of stakeholders; and any other integrative initiatives that are in line with the spirit of Agenda 2063 (African Union Commission, 2015).

The Agenda 2063 will be implemented under NEPAD which continues to provide the framework for Africa’s integrated policy response and instrument for attaining the socio-economic objectives previously identified in the MDGs and now encapsulated in the framework of SDGs. The implementation of VPoA is indeed coincident to the first ten-year programme of Agenda 2063.

1.3. Scope of Africa Regional Report

In order to establish a baseline to monitor progress in the implementation of the priority areas of action within the ten years of VPoA, it is important to assess the status of transit issues in the regions with LLDCs, identify the major achievements made and obstacles still remaining to date, and make recommendations for improvement of transit transport for the accelerated development of the LLDCs during the period of implementation of VPoA.

It is against this background that OHRLLS is preparing the Africa Regional Report on “Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of the LLDCs: Current Status and Policy Implications”. The objectives of the report are to undertake a comprehensive review of the status of transit issues in the region; identify key successful cases and constraints; and make recommendations of actions to realistically address transit issues for the successful participation of the LLDCs in international trade and for their overall development. In this regard, it will focus on the first three priorities of VPoA, but also consider implementation modalities.

The Africa Regional Report covers the following 16 countries in Africa which are classified as LLDCs: Botswana, Burkina Faso, Burundi, Central African Republic, Chad, Ethiopia, Lesotho, Malawi, Mali, Niger, Rwanda, Swaziland, South Sudan, Uganda, Zambia, and Zimbabwe.

The report is organized as follows. Following this introduction, Section 2 presents an overview of the legal framework underlying developments in VPoA Priority 1: Fundamental Transit Transport Policies in Africa. Section 3 then covers the aspects of customs and border crossing procedures as part of the Priority 1 of the VPoA. The status of transit transport in Priority 2 on infrastructure development and maintenance is presented in Section 4, followed in Section 5 by international trade and trade facilitation issues (Priority 3). Section 6 reviews the current status of the means of implementation of the VPoA on the African continent. Section 7 presents the main conclusions and recommendations.
2. **LEGAL FRAMEWORK: INTERNATIONAL, REGIONAL AND BILATERAL AGREEMENTS**

The legal framework falls under Priority 1 - Fundamental Transit Policy Issues of the VPoA. The successful harmonization and implementation of the actions by the landlocked and transit countries would contribute to the achievement of the specific objectives articulated in VPoA Priority 1, namely: To reduce travel time along corridors with the aim of allowing transit cargo to move 300-400 kilometres per 24 hours; To significantly reduce the time spent at land borders; and To significantly improve intermodal connectivity with the aim of ensuring efficient transfers from rail to road and vice versa and from port to rail and/or road and vice versa.

Regional transit transport issues are managed under various corridor management arrangements, from intergovernmental agencies or authorities to committees. The relevant protocols are developed at sub-regional level by the respective RECs, and implementation is carried out in the individual member States by public agencies (e.g. infrastructure development and maintenance; customs and immigration processes; safety and security; vehicle axle load and gross weight limits; etc.). The overall continental policy is developed and agreed under AU/NEPAD, in accordance with the Principle of Subsidiarity adopted by the AU for implementation of regional programmes.

This section of the report contains updates of the institutional and legal frameworks in place for the region and sub-regions, including regional or sub-regional agreements, international conventions, etc.; progress in ratifying the agreements or conventions and benefits that LLDCs have been able to derive; the institutional reform (regional, sub-regional and national levels) that the countries have undertaken in order to improve transit transport corridors; and issues related to the management of transit systems, including the roles of the public and private sectors.

2.1. **International Legal Frameworks for Transit Transport in Africa**

Freedom of transit is essential for all landlocked countries in the world. Indeed, facilitation and freedom of movement of vessels have been subjects of international agreements since 17th. Century. Such instruments are designated as treaties, conventions, agreements, or as protocols, covenants, compacts, exchange of notes, memoranda of understanding, agreed minutes, letters, also known as “accords en forme simplifiée”, or agreements under simplified format. The word treaty is a generic term designating any treaty, agreement, convention, or other international instrument (SSATP, 2014a).

African countries have signed and, in some cases, ratified many of the international instruments on trade, transport and communications. To a large extent, these instruments formed the basis for drafting their own regional and sub-regional instruments. Table 1 highlights some of the international legal instruments on trade and transit transport.
Table 1. African Participation in International Agreements on Trade and Transit Transport

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<tr>
<th>Major Agreement</th>
<th>African States Parties</th>
<th>Impact on LLDCs</th>
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<tr>
<td><strong>General Agreements:</strong></td>
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<tr>
<td>(a) 1947 General Agreements on Tariffs and Trade (GATT)</td>
<td>All African States</td>
<td>Formed the basis for the development of free trade and the general, systematic reduction of Customs duties that followed its ratification.</td>
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<tr>
<td>(b) 1994 World Trade Organization Agreement (WTO)</td>
<td>All African States, except the following which are Observers Status: Algeria, the Comoros, Equatorial Guinea, Ethiopia, Liberia, Libya, São Tomé and Príncipe, the Seychelles, and Sudan.</td>
<td>Established for the development and monitoring of free trade in an open market economy. A new Draft Agreement on Trade Facilitation at 2013 meeting in Bali.</td>
</tr>
<tr>
<td>(c) 2013 WTO Trade Facilitation Agreement (TFA) and.</td>
<td>16 African Countries Submitted Category A Notifications (10 Dec. 2015): Botswana, Burundi, Côte d’Ivoire, Egypt, Gabon, Kenya, Mauritius, Morocco, Nigeria, Rwanda, Republic of Congo, Senegal, Seychelles, Tanzania, Tunisia, Uganda. 4 LLDCs Accepted the Protocol: Botswana, Niger, Togo.</td>
<td>Expediting movement, release and clearance of goods, including goods in transit, and improving customs cooperation; Special and Differential Treatment (SDT) measures and TFA Facility technical assistance for capacity development in Least Developed Countries (LDC).</td>
</tr>
<tr>
<td><strong>Rights of Transit and Landlocked Countries:</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>(a) 1965 New York Convention on Transit Trade of Landlocked Countries</td>
<td>Ratified or acceded to by Burkina Faso, Burundi, the Central African Republic, Chad, Lesotho, Malawi, Mali, Nigeria, Rwanda, Senegal, Swaziland, and Zambia. Cameroon, Sudan, and Uganda signed it in 1965 but did not ratify. 12 LLDCs, 4 Transit Countries</td>
<td>This is an update of the 1921 Barcelona Convention based on the principle that transit is a service to be rendered to others in the international interest, not a privilege to be the source of undue and excessive benefits, if not straight abuse of a controlling position (position dominante). Significantly, all African countries that ratified the Convention on Transit Trade to Landlocked Countries or acceded to it were landlocked except Senegal and Nigeria.</td>
</tr>
<tr>
<td>(b) The United Nations Convention on the Law of the Sea, commonly referred to as “UNCLOS” was first signed in December 1982 and came into force in November 1994</td>
<td>47 African countries are party to UNCLOS.</td>
<td>Article 125 provides for rights of transit across the territory of neighbouring States so as to obtain access to the sea. The convention states that the Landlocked States shall have the right to participate, on an equitable basis, in the exploitation of an appropriate part of the surplus of the living resources of the Exclusive Economic Zones of coastal States of the same subregion or region.</td>
</tr>
</tbody>
</table>
**Customs Conventions:**

<table>
<thead>
<tr>
<th>Convention</th>
<th>Parties and Signatories</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1950 Brussels Convention establishing the Customs Cooperation Council;</td>
<td>All African States are parties to the 1950 Brussels Convention. African States Contracting Parties to WCO: Algeria, Botswana, Cameroun, Cape Verde, Cote d’Ivoire, Egypt, Gabon, Kenya, Lesotho, Madagascar, Malawi, Mali, Mauritius, Morocco, Mozambique, Namibia, Niger, Nigeria, Rwanda, Senegal, Sierra Leone, South Africa, Sudan, Swaziland, Togo, Uganda, Zambia, and Zimbabwe. The Democratic Republic of the Congo signed the Convention in 2000 but did not ratify it. 10 LLDCs; 18 Transit.</td>
<td>Promotes trade facilitation and effective controls through legal provisions that detail the application of simple yet efficient procedures. Several revisions and amendments have been made, including Annexes for implementation.</td>
</tr>
<tr>
<td>1973 Kyoto Convention under World Customs Organization; Revised Kyoto</td>
<td>All African States are parties to the Revised Kyoto Convention (RKC).</td>
<td>Promo</td>
</tr>
</tbody>
</table>
Conventions on Air Transport:


(b) **The 2010 Beijing Convention on the Suppression of Unlawful Acts Relating to International Civil Aviation** Among the 25 signatories, eight are African States: Chad, The Gambia, Mali, Nigeria, Senegal, Cameroon, Zambia, and Uganda. This Convention has not yet been ratified. Aiming at promoting the safety and security of persons and property response to new types of threats jeopardizing air transport.

(c) **2011 Ninth Edition on Safeguarding International Civil Aviation against Acts of Unlawful Interference (Annex 17 to the Convention on International Civil Aviation).** All ICAO Member States To ensure the safety of the crew, passengers, personnel on the ground, and public in general in all matters regarding civil aviation. The air transport carriers of countries in Sub-Saharan Africa not complying with these rules are blacklisted

Source: SSATP, 2014a. Updated by author using various sources.

### 2.2. Legal Framework: Regional Agreements

The regional instruments which are relevant to transit transport facilitation and trade in Africa may be considered at two levels: Continental level under the auspices of the OAU/AU; or at sub-regional level under the relevant RECs. The legal instruments for transit transport in the Regional Economic Communities and relevant transit transport corridors are generally consistent with the international treaties and conventions, and in turn inform the instruments (protocols) for the operation of the transit transport corridors in each sub-region of Africa. In both cases, they represent natural cascades from the relevant international agreements summarized above. The following charts summarize the current status of implementation of the various regional and sub-regional agreements in Africa. Table 2 highlights some of the regional legal instruments on trade and transit transport.
Table 2. Africa Regional Treaties and Conventions on Facilitation of Transit Transport and Trade

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Impact on LLDCs</th>
</tr>
</thead>
<tbody>
<tr>
<td>1963 OAU Addis Ababa Charter</td>
<td>To promote international co-operation, co-ordinate and harmonize their general policies, especially in the fields of economic co-operation, including transport and communications.</td>
</tr>
<tr>
<td>1973 Addis Ababa Declaration on Cooperation, Development, and Economic Independence</td>
<td>Objectives: Developing infrastructure as the &quot;fundamental basis of development with priorities: Connecting road networks, especially for access to the sea and to the benefit of landlocked countries; Eliminating obstacles to traffic by simplifying Customs and police procedures and harmonizing legislation; Establishing African consortia of shipping lines; Taking joint positions on the matter of level of freight rates; Developing shippers’ council; Reinforcing cooperation between airlines, exchanging traffic rights, developing joint action on the selection of aircraft types, maintenance, and training.</td>
</tr>
<tr>
<td>1979 Monrovia Declaration</td>
<td>In pursuit of the objectives of the New International Economic Order, the OAU Council committed to implement completely the programme of the United Nations Transport and Communications Decade in Africa.’</td>
</tr>
<tr>
<td>’1980 Lagos Plan of Action and Final Act of Lagos</td>
<td>Called for the creation of an African Common Market by 2000, and in this regard assigned to the Regional Economic Communities the objective: “.. to reinforce effectively sectoral integration in transport.”</td>
</tr>
<tr>
<td>1991 Abuja Treaty Establishing the African Economic Community (AEC)</td>
<td>The policy objectives include: “To promote economic, social and cultural development as well as integration of African economies”, including in the area of trade and transport, “the harmonization of policies … and removal of obstacles to movement of persons, goods and services, with special measures for the landlocked countries”.</td>
</tr>
<tr>
<td>1993 African Maritime Transport Charter</td>
<td>Chapter VII on issues of Landlocked Countries. Transit Partner States agree to grant facilities and benefits to landlocked countries and to apply non-discriminatory administrative, fiscal and Customs measures. They agree to coordinate their policies of acquisition and use of land, river, air and maritime transport and port. They are encouraged to enter into bilateral and multilateral agreements on transit and to ratify those in force.</td>
</tr>
<tr>
<td>1999 Yamoussoukro Decision</td>
<td>Grants to the States party free exercise of the First, Second, Third, Fourth, and Fifth Freedoms on scheduled and non-scheduled passenger and freight services performed by an eligible airline.</td>
</tr>
<tr>
<td>2000 Constitutive Act of the African Union</td>
<td>Transformed OAU into AU. The objectives contained in the Constitutive Act, include to promote sustainable development at the economic, social and cultural levels as well as the integration of African economies.</td>
</tr>
<tr>
<td>2009 African Maritime Transport Charter</td>
<td>Update of the 1993 Charter and a call to include it in the national legislations. It calls for emphasis on cooperation between LLDC and Transit States, development of Multimodal Transport, Ports and ICT applications. Specifically, (Chapter VII on Landlocked countries): Transit Partner States agree to grant facilities and benefits to landlocked States and to apply nondiscriminatory administrative, fiscal, and customs measures; they agree to coordinate their policies of acquisition and uses of land, river, air and maritime transport, and</td>
</tr>
</tbody>
</table>
ports; they are encouraged to enter into bilateral and multilateral conventions on transit and to ratify those in force.

**2000 ACP-EU Partnership Agreement; Second Revision 2010.**

Several provisions relate to transit transport and trade: Article 84 - Special attention shall be paid to transport and communication infrastructure; Article 87 - Specific provisions and measures shall be established to support landlocked ACP States in their efforts to overcome their difficulties and the obstacles hampering their development; Article 41 - The Parties reiterate their commitment to the GATS (GATT); Article 42 - Maritime transport is the only transport mode specifically mentioned in the Agreement.

**2014 Inter-Governmental Agreement to Underpin the Trans-African Highway.**

Objectives: Contribute to the physical, political, economic and social integration and cohesion of Africa; Contribute to the facilitation of safe movement of goods and persons and reduction of transport cost on the Continent; Ensure road transport facilities between important areas of production and consumption on the Continent; and Set-up common minimum norms and standards for design and maintenance of the TAH network with all-weather roads of good quality.

Source: SSATP, 2014a. Updated by author using various sources.

### 2.3. Legal Framework: Sub-Regional and Bilateral Agreements

The international and regional legal frameworks summarized above find meaning in the operational framework of transit corridors agreements of the Member States. The key policy issues developed at the REC level for implementation at the national level on bilateral (and sometimes multilateral) basis are summarized in the tables 3, 4, and 5 by sub-region of Africa.

**Table 3. Legal Instruments for Developments in Main Corridors – East Africa**

<table>
<thead>
<tr>
<th>Legal Instrument</th>
<th>Distance from Anchor Port (km)</th>
<th>Key Transit Transport Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Central Corridor Transit Transport Facilitation Agency Agreement (TTFA) – 2006. Members: Tanzania, Burundi, Rwanda, DRC, Uganda.</strong></td>
<td>Dar-es-Salaam to: Kigali – 1400; Kampala – 1600;</td>
<td>The general provisions refer to a number of international programmes favouring landlocked countries and regional integration, including: (i) Almaty Programme of Action (ii) UN General Assembly Resolution 56/180 related to specific actions for landlocked</td>
</tr>
</tbody>
</table>
Bujumbura – 1450; Kigoma – 1,254.

(iii) Millennium Declaration which recognizes the special needs and problems of LLDCs
(iv) NEPAD
(v) COMESA

Specific Provisions for Right of Transit and Transit Facilitation.

Djibouti–Ethiopia Corridor Authority (Negotiations under COMESA.)
Members: Djibouti, Ethiopia, South Sudan, Sudan.

Djibouti to Addis Ababa:
Road – 900;
Rail – 780.

Multimodal Corridor (Road, Rail, Inland Waterways).

Lamu Port, South Sudan and Ethiopia Transport (LAPSSET) Corridor Development Authority 2012.
Members: Kenya, South Sudan, Ethiopia, Uganda

Multimodal Options (road, rail, pipeline, air, electricity).
Development Corridor Project US$ 30 billion.
Construction has commenced in Kenya: Lamu Port, road and railways.

Note: There are 5 LLDCs in the sub-region that include: Burundi, Ethiopia, Rwanda, South Sudan, and Uganda; and 6 Transit Countries that include: Djibouti, Eritrea, Kenya, Somalia, Sudan, Tanzania.
Source: Compiled by author using various sources.

Table 4. Legal Instruments for Developments in Main Corridors – Southern Africa

<table>
<thead>
<tr>
<th>Legal Instrument</th>
<th>Distance from Anchor Port (km)</th>
<th>Key Transit Transport Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dar-es-Salaam Corridor Committee (DCC). Joint Venture between Malawi, Tanzania and Zambia Managed under an Institutional Constitution 2008. DRC Associate member.</td>
<td><strong>Dar-es-Salaam to:</strong> Lusaka - 2000; Extensions to Copper Belt (Kitwe and Ndola) and Lubumbashi.</td>
<td>Objective to implement SADC Protocol on Transport, Communications and Meteorology. Improved corridor performance; one stop border posts under construction</td>
</tr>
<tr>
<td>Maputo Corridor Logistics Initiative (MCLI) Memorandum and Article of Association 2004 Members: Mozambique, South Africa, Swaziland.</td>
<td><strong>Maputo to:</strong> Johannesburg – 600.</td>
<td>Objective is to transform the Maputo Transport Corridor into a Development Corridor.</td>
</tr>
<tr>
<td>Corridor Management Committee</td>
<td>Route Details</td>
<td>Objectives and Principles</td>
</tr>
<tr>
<td>--------------------------------</td>
<td>---------------</td>
<td>---------------------------</td>
</tr>
<tr>
<td>North-South Corridor Management Committee (NSCMC) - 2009</td>
<td>Durban to: Gaborone; Harare; Lusaka - 2500</td>
<td>The development and management of the NSC is to be guided by the following agreed principles: <strong>Equal treatment</strong> – Laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons. <strong>Transparency</strong> – Laws, regulations, procedures and administrative measures on movement of goods and persons publicly available in a prompt, transparent and readily accessible manner. <strong>Harmonization</strong> – Laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons. <strong>Efficiency</strong> – Efficient and effective administration of transit traffic to facilitate the movement of goods and persons. <strong>Simplicity</strong> – Laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons. <strong>Consistency</strong> – Consistent application of all laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons. <strong>Mutual assistance</strong> – Cooperation and mutual assistance between respective authorities involved facilitation.</td>
</tr>
<tr>
<td>Trans-Kalahari Corridor Management Committee MOU 2003 Under Walvis Bay Management Group.</td>
<td>Walvis Bay to: Francistown - 1780; Gaborone – 1340; Johannesburg – 1900.</td>
<td>The objectives of the TKCMC are to: (i) Develop strategic partnerships between themselves and the private sector; (ii) Simplify and harmonize their Customs procedures, adopt a common transit procedure and introduce joint Customs control at borders points; (iii) Establish consultative committees composed of public and private sector stakeholders on the subject of joint Customs control; (iv) Ensure that revenue obtained from road users under road user charges are dedicated to the maintenance and operations of roads; (v) Offer equal access to each other’s transport markets; (vi) Adopt and implement harmonized standards in respect of vehicle characteristics, vehicle fitness, road signs, axle load, etc. (vii) Improve traffic safety by law enforcement and driver training and testing.</td>
</tr>
<tr>
<td>Trans-Caprivi Corridor Management Committee Under Walvis Bay Management Group.</td>
<td>Walvis Bay to: Lubumbashi – 2600; Lusaka – 2395; Livingstone – 1565; Ndola – 2500; Harare – 2515.</td>
<td>The key objectives of Walvis Bay Corridor (WBC) development are to: (i) Facilitate regional transport and trade and ensure full utilization of the port and corridor infrastructure assets; (ii) Position the port of Walvis Bay as the western gateway to SADC; Support regional integration.</td>
</tr>
</tbody>
</table>

Source: Compiled by author using various sources.
### Table 5. Legal Instruments for Development of Main Corridors – Central and West Africa

<table>
<thead>
<tr>
<th>Legal Instrument</th>
<th>Distance from Anchor Port (km)</th>
<th>Key Transit Transport Issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>Brazzaville Agreement creating the International Commission for the Congo-Oubangui-Sangha River Basin (ICCOSB)</td>
<td>N/A</td>
<td>Objectives:</td>
</tr>
<tr>
<td>Members: DRC, CAR, Congo Republic.</td>
<td></td>
<td>(i) To establish a uniform river regime based on freedom and equal treatment.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(ii) To equip and operate the rivers on basis of “a right to equitable and reasonable participation to the benefits derived from lasting use of rivers”</td>
</tr>
<tr>
<td>Treaty establishing Abidjan-Lagos Corridor Organization (ALCO) 2004</td>
<td></td>
<td>Coastal Corridor with feeder roads to Mali and Burkina Faso. Objectives:</td>
</tr>
<tr>
<td>Members: Côte d’Ivoire, Ghana, Togo, Benin, Nigeria</td>
<td></td>
<td>(i) Enhance intra-regional trade</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(ii) Improve access to landlocked countries to export markets</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(iii) Reduce cost and transit time</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(iv) Put in place more efficient trade and transport systems and enforce regional harmonized regulations in the sub-region.</td>
</tr>
<tr>
<td>Dakar – Bamako Corridor</td>
<td>Bamako - 1050</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td>Abidjan – Ouagadougou – Bamako – Niamey Corridor</td>
<td>Ouaga – 1250; Bamako – 1225;</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td></td>
<td>Niamey – 1700.</td>
<td></td>
</tr>
<tr>
<td>Tema - Ouagadougou – Bamako – Niamey Corridor</td>
<td>Ouaga – 1030; Bamako – 1962;</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td></td>
<td>Niamey – 1576.</td>
<td></td>
</tr>
<tr>
<td>Lome - Ouagadougou – Niamey – Bamako corridor</td>
<td>Ouaga – 986; Niamey – 1222;</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td>Cotonou – Niamey – Ouagadougou – Bamako Corridor</td>
<td>Niamey – 1031; Ouaga – 1200.</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td>Douala – Central African Republic – Tchad Corridor</td>
<td>1800</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
<tr>
<td>Pointe Noire – Central African Republic-Tchad Corridor</td>
<td>1800</td>
<td>Port Agreement; Transit Agreement; Road Transport Agreement</td>
</tr>
</tbody>
</table>

Note: The region has 9 Corridors with 5 LLDCs and 8 Transit Countries
Source: Compiled by author using various sources.
Recent literature on African integration argues that removing non-tariff barriers and implementing trade facilitation reforms in Africa will boost trade integration and growth (UNECA, 2016, UNECA 2015b). Such reforms include simplifying customs procedures, harmonizing the opening hours of border posts, introducing one-stop border posts and removing road blocks along intra-regional transport routes. Table 6 summarizes the status of implementation of various regional agreements on transit transport by RECs in Africa.

**Table 6. Status of Implementation of Key Transit Transport Issues by Region**

<table>
<thead>
<tr>
<th>Issue for Harmonization</th>
<th>East Africa EAC COMESA</th>
<th>Southern Africa SADC</th>
<th>Central Africa ECCAS CEMAC</th>
<th>West Africa ECOWAS UEMOA</th>
</tr>
</thead>
<tbody>
<tr>
<td>Road Transit Charges</td>
<td>Harmonized Road Transit Charges with SADC</td>
<td>Harmonized Road Transit Charges with COMESA and EAC</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Carrier License and Transit Plates</td>
<td>COMESA Carrier License and Transit Plates</td>
<td></td>
<td>Inter-State Road Transport (TIE).</td>
<td></td>
</tr>
<tr>
<td>Third Party Motor Vehicle Insurance Schemes</td>
<td>Yellow Card (3rd. Party Insurance)</td>
<td>Yellow Card (of COMESA)</td>
<td>Orange Card</td>
<td>ECOWAS Brown Card insurance scheme (Convention A/P1/5/82) - ECOWAS &quot;Carte Brune&quot; (Brown Card) and CIMA Code</td>
</tr>
<tr>
<td>Road Customs Transit Declaration Document</td>
<td>COMESA Customs Declaration Document (CD-COM)</td>
<td>Single Administrative Document (SAD)</td>
<td></td>
<td>ECOWAS’ Interstate Road Transit Scheme (ISRT) – Convention A/P4/5/82 and Supplementary Convention A/SP.1/5/90</td>
</tr>
</tbody>
</table>
### Road check points

| Significant reduction | ECOWAS Interstate Road Transport (IST) – Convention A/P.2/5/82; Resolution C/RES.4/5/90 on reduction of number road check points in ECOWAS Member States. |

### Regional Customs Bond

| Customs Bond Guarantee Scheme - Harmonized with SADC | Customs Bond Guarantee Scheme - Harmonized with COMESA and EAC | Customs Agreements on Inter-State Road Transit (TRIE Convention) |

### Border Posts Operations

| 15 OSBP envisaged; 7 under development | Chirundu OSBP Pilot; Other OSBP Projects in NSC |

### ICT for Vehicle Tracking and Fleet Management

| Automated Systems for Customs Data (ASYCUDA) | ASYCUDA | ASYCUDA | ASYCUDA |

Source: UNECA, 2016. Updated by author using various sources.

### 2.4. Policy Implications

Many African countries are not parties to several international conventions which directly or indirectly could benefit them since many of the regional and sub-regional agreements are in fact directly derived from the relevant international conventions. For example, while the majority of countries have not acceded to the 1949 Geneva Convention on Road Traffic, the proposed 2014 Inter-Governmental Agreement to Underpin the Trans-African Highways is directly derived from the Geneva Convention. It is recommended that African countries review the various international conventions in order to harmonize with the applicable national legal frameworks and better integrate into the global system. The development of the Trans Asian Highways, an initiative crafted after the Trans African Highways, shows possibilities for Africa.

It is possible that many African countries have not acceded to some international conventions due to insufficient capacity to analyze the potential benefits. It is therefore recommended that the international development partners who are the secretariats of the international conventions (WTO, WCO, UNCTAD, UNECE etc.) provide necessary sensitization to countries and regional organizations and promote specific conventions, and where necessary provide technical assistance to enable the African countries to fully participate in the international convention.

It is noted that many African countries are slow to, and in some cases do not, implement conventions and agreements to which they are party. This may be due to structural weaknesses since implementation
at the national level often involves many state agencies as well as the private sector. It is therefore recommended that a national coordination mechanism be established for implementation of such agreements and conventions, preferably at the highest possible political level. For example, effective implementation of the WTO TFA requires the formation of national implementation committee in each implementing country. Similarly, the implementation of WCO Revised Kyoto Convention requires establishment of a single national focal point.

Some regional agreements are not implemented at all or only partially implemented several years after adoption. For example, the Protocol of Free Movement contained in the Abuja Treaty (1991) has only been fully implemented in ECOWAS and partially in EAC. However, some Member States do not routinely domesticate these regional agreements into local laws for implementation. This may be due to the fact that some RECs do not have mechanisms for enforcing implementation of regional agreements, thus resulting in slow or non-implementation in some Member States. Implementation becomes easier where such mechanisms exist, such as in EAC which has a Legislative Assembly with legal powers, or ECOWAS which is a Commission responsible for implementation of agreements through Supplementary Acts of the Authority. It is therefore recommended that the other RECs consider similar mechanisms to facilitate implementation of signed protocols.
3. CUSTOMS AND BORDER CROSSING PROCEDURES

3.1. Context

Harmonization of customs and border crossing policies, procedures and institutions, and modalities for their effective implementation is part of VPoA Priority 1 - Fundamental Transit Policy Issues. Borders are where migration and trade policies are enforced, and where State officials influence mobility. The operations at a border post involve a multitude of government agencies (Revenue Authority, Customs, Immigration, Security, Police, Ministry of Agriculture, Ministry of Health, Bureau of Standards, etc.) who carry out various document and goods controls, the calculation and collection of duties and taxes, security checks as well as immigration. The multiplicity of those agencies operating on both sides of the same border doubles the bureaucracy at border posts, which translates into congestion and delays (the waiting time for a container/truck to cross a border post in Africa can range from 3 minutes to 2.8 days). The cumbersome procedures entailed in customs processing can cost a consignment about US$ 185 for each day of delay.

While long distances and infrastructure constraints account for some disadvantages of African LLDCs in international trade, a significant component also arises from inefficiencies at the border and customs clearance procedures along the trade transit corridors. This section highlights some of the initiatives that have been undertaken in the region to improve customs and border crossing procedures.

3.2. One-Stop Border Posts (OSBP) and Joint Border Posts (JBP)

Border crossing formalities have been identified as major bottlenecks to transit transport throughout Africa. The development of OSBP/JBP along the transit corridors is being undertaken to complement the development of hard infrastructure spearheaded by NEPAD under PIDA (as discussed in Section 4). Called a One-Stop Border Post (OSBP) in East and Southern Africa, and a Joint Border Post (JBP) in West Africa, this is an arrangement where border officers from two adjacent countries use the same facility, processes and procedures, enabling them to jointly conduct cross-border management and security clearance. It is seen as a practical way to reduce duplication of procedures and reduce the clearance processing times. By reducing time lost, OSBP/JBP can also reduce the cost of transport for shippers and goods to consumers, thus accruing benefits across the national economic spectrum. Developing OSBPs will also help address the special needs of African landlocked countries.

OSBP was first piloted in Africa at the Chirundu border post between Zambia and Zimbabwe in 2009 as part of the programme of transit transport facilitation on the North-South Corridor and it was an immediate success (Box 1). Since then, several countries have initiated development of OSBP along the major transit corridors. Progress in the major sub-regions is summarized below. However, it should be noted that none has been planned or implemented in Central Africa region.

In Southern Africa, OSBP are developed within the framework of the SADC Guidelines for Coordinated Border Management Programme (CBM), which is premised on three pillars: Intra-Agency Cooperation, Inter-Agency Cooperation and International Cooperation (SADC, 2011). Intra-agency cooperation is aimed at improving relations and support within a particular border agency (e.g. Customs). Inter-agency cooperation takes a horizontal approach based on cooperation and coordination between offices of the different agencies at the border (local level), as well as among the provincial and headquarters offices of other agencies.
the agencies. On the other hand, international cooperation involves agencies of different countries and exists at the local, regional and bilateral/international level.

Further improvements have been made since 2012. Clearance times for commercial trucks have been reduced from five days to a single day with those cleared under the fast lane facility taking at most five hours at the border. The clearance time for passenger coaches has been halved from two hours to under one hour, thereby facilitating the movement of people, including small-scale traders in the region. Improved trade facilitation reforms have also helped raise government revenue through improved collection of import duties based on enhanced efficiency in border management.

**Box 1. Chirundu One Stop Border Post**

The Chirundu One Stop Border Post (OSBP) is a pilot trade facilitation project under the North South Corridor (NSC) Pilot Aid for Trade Programme initiated by the COMESA-EAC-SADC Tripartite. Launched in December 2009 through a Bilateral Agreement between Zimbabwe and Zambia, it is the first functioning OSBP in Africa. Its main objective is to facilitate trade by reducing the processing time at the border and hence reduce cross-border transactions which will enhance the region’s competitiveness.

After nearly three years in operation, waiting times have been significantly reduced; from average border crossing time between 72 and 120 hours before December 2009, to average 25 hours by June 2012. During the same period, the border post became much busier, with the number of vehicles increasing by 65%. Savings in time values of border delays at Chirundu have been estimated to be as high as US$ 600,000 per day – a saving which trickles down the entire business chain involving transporters, brokers, importers and consumers.

*Source: Trademark Southern Africa*

Following the successful outcome of the pilot project at Chirundu, the East African Community passed the OSBP Bill, 2012 which envisaged establishment of 15 common border posts within the 5 Partner States. In this regard, EAC together with the corridor authorities and their Member States have decided to convert all major border posts into OSBP, whether situated on a gateway corridor or on a purely regional route. Several OSBPs have since been developed and are operational in East Africa. These include: Malaba (Kenya – Uganda); Busia (Kenya –Uganda); Kagitumba (Rwanda) – Mirama Hills (Uganda); Taveta (Kenya) – Holili (Tanzania); Mutukula (Tanzania – Uganda); Kobero (Burundi) – Kabanga (Tanzania); Tunduma (Tanzania) – Nakonde (Zambia); Nemba (Burundi) – Gasenyi (Rwanda); Ruhwa (Rwanda – Burundi); and Elegu (Uganda) – Nimule (South Sudan). The results have been remarkable. In the Northern Corridor, for example, crossing time was reduced by 20 hours on the average; before reform, 49% of trucks spent more than 24 hours at the border (of which 13% over 48hrs.), and after the reform, all trucks passed in less than 6 hours (Hartmann, 2013).

The experience in West Africa region differs from those in Eastern and Southern Africa regions in that the process is entirely driven by ECOWAS and UEMOA, mainly because there are few operational corridor management institutions. Following ECOWAS Resolution No.2 relating to the implementation
of the Joint Border Posts Program of ECOWAS and UEMOA member states, ECOWAS and UEMOA initiated a joint programme since 2003 to build 11 JBPs in West Africa. Cinkansé on the border between Togo and Burkina Faso is the first to be built. An agreement with Mali was signed in 2008 to build the second JBP at Heremakono on the Burkina-Mali border. Detailed engineering designs have been prepared for seven other OSBPs at Noepe (Ghana-Togo); Seme-Krake (Nigeria-Benin); Malanville (Benin-Niger); Noe-Elubo (Ghana-Côte d’Ivoire); Paga (Ghana-Burkina Faso); Hillacondji-Sanveekondji (Bénin-Togo); and Kouramalé (Mali-Guinea). However, only the first three received funding so far. ECOWAS and UEMOA are searching for more funds for OSBPs.

Supplementary Act /SA.1/07/13 Relating to the establishment and Implementation of the Joint Border Posts Concept within Member States of the Economic Community of West African States was approved and signed in June, 2013. Presently, West Africa has adopted Juxtapost and One Single Country Facility JBP Model with a control zone designated as international/ Community territory (UEMOA) and operated by a concessionaire. The Cinkansé JBP on the Togo/Burkina Faso border uses a single common one country facility in Burkina Faso that has been defined legally as international territory. The completed Noepe JBP on the Ghana/Togo border uses a single common one facility in Togo that has been defined legally as international territory. Other JBPs for which funds has been secured are: Mfum JBP (Nigeria/ECOWAS and Cameroon/ECCAS) along Enugu-Bamenda Corridor; Trans-Gambia Corridor (Senegal – The Gambia); Border between Côte d’Ivoire - Guinea, and Border between Côte d’Ivoire – Liberia.

There are currently nine trans-African highways, some with missing road links (Figure 1), and 44 land transportation corridors linking economic centers, countries and ports. However, the density of the network remains relatively low, the efficiency of transportation logistics services is still poor, and the administrative and customs procedures are highly cumbersome on some parts of the road network.

In line with the Vision 2040 of the AU/NEPAD-led Program for Infrastructure Development in Africa (PIDA), the construction and operational effectiveness of potential One Stop Border Posts along the main corridors in Africa would be necessary. The transport programme links the major production and consumption centers, provides connectivity among the major cities, defines the best hub ports and railway routes, and opens the land-locked countries to improved regional and continental trade.
Visas are travel permits that enable a person to cross the border from one country to another. Issuance and inspection of visas can be time consuming, especially in Africa. In spite of the fact that one of the key Articles of the Abuja Treaty (1991) establishing the African Economic Community regards free movement of persons within and across RECs, the status of implementation varies among the major RECs as follows:

(i) **ECOWAS** has fully implemented this provision. Citizens of Member States of ECOWAS do not require a visa to enter the territory of another Member State. However, citizens of other African States require visas to enter ECOWAS region. Ghana in March 2016 announced that from July 2016 the country will introduce a new visa-on-arrival policy for citizens of African Union (AU) member states.
(ii) **EAC** has also made significant progress, allowing visa free movement among Member States. Furthermore, in the framework of the Northern Corridor Integration Project, citizens of Kenya, Rwanda and Uganda have been able to use their National Identity Cards, Voter Cards or Student Cards as travel documents between the three countries. The East Africa Tourist Visa (UNIVISA) has been introduced, allowing travelers to visit Kenya, Rwanda and Uganda using a single visa; the visa is valid for multiple trips over a 90 day period and costs US $100. Rwanda allows citizens of all African countries to obtain a visa on arrival.

(iii) **COMESA** has ratified the Visa Protocol and a number of Member States have attained the highest levels of implementation with Rwanda, Mauritius, Seychelles, Kenya, Malawi, Uganda and Zambia in the lead.

(iv) **SADC** - Most SADC Member States have concluded Bilateral Agreements waiving Visa requirements for each other’s nationals. In addition, several programmes aimed at the enhancement of intra-regional programmes are under implementation, including: SADC UNIVISA aimed at contributing to the regional tourism development by enabling non SADC nationals to enter multiple SADC Member States on one visa.

(v) **ECCAS** Protocol on the Free Movement of Persons contained in the ECCAS Treaty (1983) which obliges each Member State to promote and facilitate the free movement of the citizen, their residence and instalment in another country, has not yet been implemented despite many decisions by the Heads of State and Government of the Member States to do so. Thus, the countries continue to manage migration and mobility according their national laws and legislation which do not take into account or are in contradiction with the regional agreements.

Visa restrictions have broad economic consequences, notably for the tourism sector. However, its impact goes beyond tourism. Visa requirements also imply missed economic opportunities for intra-regional trade, and the local service economy (such as cross-country medical services or education). On the other hand, liberal and forward looking visa policy and implementation can boost a nation’s economy as exemplified by the case of Rwanda.

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### Box 2. Rwanda Immigration Policy and Use of ICT In Immigration and Border Management

Today, Rwanda has the continent’s most liberal migration policy. In an attempt to consolidate regional integration and trade as well as boost business and tourism, Rwanda has, as of January 1, 2013, allowed entry-visas for all African citizens arriving at its borders. Furthermore, Rwanda offers online visa requests and biometric border management through registration of facial image and fingerprints. This has led to a 24 per cent rise in tourism from African countries since the beginning of this year, a 50 per cent increase in trade with neighbouring countries last year, and a 73 per cent increase in trade with the Democratic Republic of Congo. For example, between Rwanda and DRC – on the border points of La Corniche and Poids Lourds – approximately 25,000 people cross each border point every day, some crossing more than four times per day. The average time of crossing is 15 seconds/30 seconds respectively for citizens and foreigners.
As a nation, Rwanda has embraced use of ICT in development. The use of Information Communication Technology (ICT) is increasingly becoming central in providing better and efficient services in both public and private institutions in Rwanda. From 2006 the Rwanda introduced an online entry visa to visitors and tourists, which significantly boosted the image of the country. The system also generates an automatic tracking/reference number which the applicant can use to monitor the status of the application. Within a period not exceeding 72 hours, the application is assessed for conformity with Rwandan entry regulations and it is either cleared, denied or more information is requested. This is a virtual office that works 24/7 without limitation of time zones.

With the use of online entry visa, the number of people applying to come to Rwanda per day has increased from less than 30 applicants per day in 2006 to over 200 in 2012. For instance, in 2012, over one million foreigners visited Rwanda and this was an increase from less than a million a few years back, according to Rwanda Development Board (RDB). The increase in the number of visitors has boosted the tourism sector where revenues have been going up each year, making tourism Rwanda’s leading foreign exchange earner compared to the popular traditional exports of coffee, tea and minerals. According to statistics from RDB, last year, tourism generated $281.8 million compared to $251.3 million that were generated in 2011. In terms of investment, Rwanda has seen sharp rises in both domestic and foreign direct investments over the past many years. In 2012 alone, investments increased to over $1.1 billion from $626 million in 2011. With the increase in investment and tourism receipts, Rwanda’s economy has continued to grow and this has formed a core base upon which poverty has been reduced from 56.7% in 2005/6 to 44.9% in 2010/11. This saw at least one million people get out of poverty.

Border management and control for smooth and better service to travelers, the Directorate General of Immigration and Emigration (DGIE) introduced a Border Management System in 2006 which has been upgraded twice, 2009 and 2012. The system is used at all major border posts and now it uses biometric solutions as recommended by International Civil Aviation Association (ICAO) best practice standards. Furthermore, in 2012, the DGIE introduced an Automated Passenger Clearance System (APCS), a self-service system at Kigali International Airport. The system has increased the efficiency and effectiveness of clearing arrival passengers at the airport because nationals who account to more than one third of all passengers do not queue before immigration officers but use self-clearance system. This leaves space for visitors, which in the process helps in speeding up clearance of all arrival passengers. The same will progressively be introduced to all major busy land borders with the aim to facilitate movements of border communities and visitors using land borders.

Source: UNCTAD, 2013
3.4. Automated Customs Operations

Most African countries have implemented the Automated System for Customs Data (ASYCUDA), an integrated customs management system for international trade and transport operations in a modern automated environment. With the technical support from UNCTAD, advanced software applications are designed and developed for customs administrations and the trade community to comply with international standards when fulfilling import, export and transit related procedures.

In Africa, ASYCUDA was first implemented in Mali and Mauritania in the early 1980s and has evolved through several versions of technological developments. ASYCUDA World is the latest version which is a Web based system where Customs and trader transactions are handled via internet and/or intranet, is accessible from anywhere in the world, and no client software is implemented. The experience of Zimbabwe in using ASYCUDA is representative of the impact of the system on customs management in Africa (Box 3).

Box 3. ASYCUDA in Zimbabwe

The ASYCUDA system has been adopted as the official Customs Computer System in the COMESA region and is being used by 19 member states. Zimbabwe started using the ASYCUDA system for all commercial transactions during the 1991/1992 period. ZIMRA is the first revenue authority in the COMESA region to migrate to ASYCUDA World and this has drawn a lot of interest from other countries within the region.

The ASYCUDA World system has brought about many benefits to the business world in that:

- Geographical boundaries as to the registration of entries have been removed
- Managers can supervise their office work whilst they are on vacation as long as they have internet connectivity
- Unlike ASYCUDA++, the system can use any type of laser printers
- Long term benefits to the business is the investment on advanced network and hardware technology
- The desire of the Authority is to go paperless hence there will not be any need to carry papers during commercial transactions. Once declaration has been registered onto the Customs server where supporting documents are electronically attached, processing starts there and then hence there will be faster clearance times
- Added security log in when biometrics are used

11 stations are already on ASYCUDA World and these are Beitbridge, Plumtree, Victoria Falls, Forbes, Harare Port, Bulawayo Port, Bulawayo Airport, Gweru, Masvingo, Mutare, and Harare International Airport. The system will soon be rolled over to four other border posts which are Kariba, Chirundu, Nyamapanda, and Kazungula; as well as to five inland stations which are Kwekwe, Kadoma, Chiredzi, Zvishavane, and Hwange.

Source: Government of Zimbabwe
3.5. Harmonizing Customs Administrations

As RECs move towards respective Customs Union in line with the Abuja Treaty (1991), the customs administrations will be further harmonized. For instance, the EAC Single Customs Territory is premised on the following pillars: Free circulation of goods; Revenue management systems; Port management systems; and Regional legal and institutional framework (East African Community, 2013). The EAC Summit in principle adopted, under the Single Customs Territory, the Destination Model of clearance of goods where assessment and collection of revenue is at the first point of entry and revenues are remitted to the destination Partner States.

3.6. Establishment of Inland Clearance Depots (ICD) or Dry Ports

The major objectives of Dry Ports and Inland Container Depots (ICD) are to bring port services closer to shippers in the hinterland through specialized rail service as well as decongesting the sea port. Their functions include transshipment, distribution, consolidation, storage, customs services, and possibly equipment maintenance.

Dry ports can be close to the sea port, such as Mombasa Dry Port in Kenya which is only 4 km from the Port of Mombasa; distant inland of the coastal country such as Isaka in Tanzania; or be located in the landlocked country itself, such as Kigali, Rwanda or Kampala, Uganda. The dry ports are run by State agencies or private operators. Generally, distant dry ports are the most common type of dry port that is found in Africa.

In both Burundi and Rwanda, customs clearance is not performed at the border but inland. In Rwanda, state-owned company Magasins Generaux du Rwanda (Magerwa) runs four small ICDs in Kigali, but in 2008 a private company, SDV Transami Rwanda, was allowed to open one as well. In Burundi, customs clearance is performed at a small ICD in Bujumbura.

Ugandan customs can be cleared either at the border or at small ICDs in Kampala. However, a new facility, Tororo Dry Port, is under consideration about 1 kilometre inside the border at Malaba. The facility will be developed and operated by Great Lakes Ports Ltd. of Kenya, which has plans to establish a cargo handling facility just outside the port of Mombasa, with the aim to pass all Uganda-bound imports from the port of Mombasa through this facility and then to the dry port, in order to facilitate a smoother process.

The final clearance stage is inside the LLDCs, which sometimes means cargo waits for days with the load still in the truck before it is cleared and released. Rwanda has introduced a system for accredited operators to clear goods at customs in Kigali within half a day instead of one to two days. Rwanda and Burundi do not currently perform customs clearance at the borders, and Ugandan cargo has the option of the border or inland, with a new dry port being constructed just nearby the Uganda/Kenya border at Malaba.

The main reasons behind creation of dry ports in East Africa were to reduce congestion at the main seaports, increase trade between the hinterland and the coast, as well as creating efficiency in services related to shipping. A press conference by Kampala City Traders Association (KACITA) indicated that the period of clearance and movement of goods from Mombasa sea port to Kampala in Uganda reduced from 15 days to only four days with completion of Malaba dry port.
In the Djibouti–Ethiopia Corridor, until recently, Ethiopian cargo was cleared directly at the Port of Djibouti by Ethiopian Customs, requiring no further inspections afterwards. In recent years Ethiopia has established two new dry ports, one at Semera near Djibouti to cater for cargo moving to the north of the country, and another at Mojo (73 kilometres east of Addis Ababa) for cargo moving to the south and west. Additional are being planned at Dire Dawa, Jijiga, Bahir Dar, and Woreta.

In Southern Africa, a number of dry port projects are under construction or in the planning stages to facilitate modal interface in the network. In the Nacala Development Corridor, the rail link from Mchinji (Malawi) to Chipata (Zambia) will have a cargo terminal to serve the adjacent part of Zambia with rail access through Malawi to the Mozambican seaports. A dry port at Dona Ana and a container terminal at Tete (Mozambique) are planned in conjunction with the rehabilitation of the Sena railway line to serve Malawi and eastern Zambia. Other dry ports are being planned for Lusaka, Kitwe and Ndola in Zambia, outside Dar-es-Salaam in Tanzania, at the Lebombo/Ressano Garcia border between South Africa and Mozambique, and at Walvis Bay in Namibia.

In the Trans-Kalahari Corridor Port of Walvis Bay, the Zambia ICD is now operational thanks to outsourced management; land has been granted by Government of Namibia for establishment of similar facilities for Botswana and Zimbabwe. At the Lobito Port in Angola, the project of the new dry port covers the construction of a containers storage area of about 80,000 cubic meters. Construction of all support buildings is also included in this project.

In Cameroon, Bolloré Africa Logistics, a private company, operates a dry port at Ngaoundere where they move cargo from the Port of Douala to the dry port for onward transportation by road to Chad. The operation is emerging as one of the most significant in Sub-Saharan Africa. Bolloré Africa Logistics currently manages 25 dry ports on the African continent. Nigeria has also embarked on the development of ICDs, including at Kano and Kaduna to serve Niger (Box 4).

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**Box 4. Inland Container Depot in Nigeria**

The Kaduna Inland Container Depot (ICD) has been declared as a port of origin and final destination by the government. This declaration is contained in a government gazette No. 60 Vol.102 of 26th of May 2015 titled Kaduna Dry Port Declaration Order, 2015. The gazette which was signed by the former Minister of Transport, Senator Idris Umar, has now upgraded the Inland Containers Nigeria Ltd (ICNL) Bonded Terminal, Kaduna to the status of a Dry Port of Origin and final destination.

The newly designated port with the capacity to handle 29,000 containers per annum, according to the gazette, shall be a Customs port in accordance with the provisions of the Customs and Exercise Management Act, Cap. C 45 Laws of the Federation of Nigeria, 2014. It is expected that the Kaduna Inland Dry Port would have all the pre-requisites of an international port including Customs, Immigration, port health officials and government security agencies.

The Inland Container Depot (ICD) and Container Freight Stations (CFS) were initiated by the Nigerian Shippers’ Council aimed to bring shipping services closer to the hinterlands and the landlocked neighbouring countries with the purpose of decongesting the ports. The other approved ICD/CFS in the country that are yet to be designated as port of origin and final destination are located...
in Ibadan, Kano, Jos, Aba, Funtua and Maiduguri.

*Source: Government of Nigeria*

### 3.7. Policy Implications

While there has been a consensus among African leaders and policymakers on the need to fast-track improvements in trade and regional integration, progress in facilitating the cross-border movements of goods and services has generally been slow. One approach to address these problems is the establishment of One Stop Border Post (OSBP) or Joint Border Post (JBP) systems. More OSBPs and JBPs should be built at all borders, including those between transit countries (e.g. on the Lagos–Abidjan Corridor).

ICDs/Dry Ports also greatly improve transit efficiency. It is recommended that more ICDs/Dry Ports be built along the corridors as necessary.

Significant advantage accrues from membership in a Customs Union as demonstrated by greater efficiencies in SACU countries (Botswana, Lesotho, Swaziland) in terms of ease of doing business measures as customs and border processing requirements are reduced in a Customs Union. With the establishment of expanded FTA in Eastern and Southern Africa, other LLDCs in this area would also benefit. This underscores the need to accelerate the process towards a Continental Free Trade Area (CFTA).

Visa restrictions have broad economic consequences, notably for the tourism sector. However, its impact goes beyond tourism (e.g. EAC UNIVISA, Rwanda Visa Policy, etc.) Visa requirements also imply missed economic opportunities for intra-regional trade, and the local service economy (such as cross-country medical services or education). On the other hand, liberal and forward looking visa policy and implementation can boost a nation’s economy as exemplified by the case of Rwanda. Implementation of the Abuja Treaty Protocol on Free Movement should be encouraged by AU Summit in pursuit of the Continental Passport programme.

Application of ICT systems in border management (ASYCUDA, Single Window, biometric ID Cards, etc.) increases efficiency in border operations. It is recommended that more use of ICT be required at all borders.
4. TRANSIT INFRASTRUCTURE DEVELOPMENT

4.1. Current Status

Transit infrastructure development falls under Priority 2 - Infrastructure Development and Management of VPoA. Specific objectives are: To significantly increase the quality of roads, including increasing the share of paved roads, by nationally appropriate standards; To expand and upgrade the railway infrastructure in landlocked developing countries, where applicable; and To complete missing links in the regional road and railway transit transport networks.

The infrastructure needs of LLDCs in Africa are analyzed in the framework of regional transit corridors which are evolving into economic development corridors and include several modes of transport, energy and ICT, as well as other major economic activities such as mining, industries and agriculture. The current status of infrastructure development in Africa is summarized below.

Road transport is the most dominant mode in Africa, followed by railways, air and inland waterways. While all African countries have roads and air transport, albeit of varying degrees, 17 African countries are without railways, five of which are the landlocked countries of Burundi, CAR, Chad, Lesotho and Niger. Similarly, the following five LLDCs do not have navigable waterways: Botswana, Burkina Faso, Ethiopia, Lesotho and Swaziland. Key regional developments are summarized in the charts that follow.

Table 7. Summary of African Road Network by Sub-Region in 2015

<table>
<thead>
<tr>
<th>Region</th>
<th>Total Length (km.)</th>
<th>Density (km/1000km²)</th>
<th>% Paved Roads</th>
</tr>
</thead>
<tbody>
<tr>
<td>Southern</td>
<td>1,055,682</td>
<td>17.58</td>
<td>21.05</td>
</tr>
<tr>
<td>Eastern</td>
<td>595,874</td>
<td>8.05</td>
<td>7.62</td>
</tr>
<tr>
<td>West</td>
<td>558,851</td>
<td>10.93</td>
<td>14.05</td>
</tr>
<tr>
<td>North</td>
<td>451,450</td>
<td>5.21</td>
<td>74.19</td>
</tr>
<tr>
<td>Central</td>
<td>141,287</td>
<td>4.68</td>
<td>8.5</td>
</tr>
<tr>
<td>Total</td>
<td>2,803,144</td>
<td>10.32</td>
<td>25.77</td>
</tr>
</tbody>
</table>

Source: UNECA, 2015c

At the Continental level, infrastructure development and maintenance has continued to be a core component of all regional development initiatives in Africa under the framework of the New Partnership for Africa’s Development (NEPAD) adopted by the African Union since 2002. Special focus is accorded to regional integration as a sine qua non for Africa’s inclusive growth and development. Africa also adopted the Continental Programme for Infrastructure Development in Africa (PIDA) - a strategy of corridor development for closing the infrastructure deficit through identifying and implementing priority projects. PIDA was approved in 2012 by the African Heads of State and Government during the 18th AU Summit in Addis Ababa. Focusing on transport, energy, ICT and trans-boundary water networks infrastructure, PIDA provides a strategic framework for boosting intra-regional trade, economic growth and development as well as employment creation and poverty reduction in Africa. This framework therefore will continue to guide infrastructure development in Africa under VPoA.
A total of 51 priority regional projects were identified in PIDA Priority Action Plan (PAP) and endorsed by the AU Summit in 2012 as the continental framework for prioritization of infrastructure development from 2012 to 2040. To emphasize the strategy of corridor development, PIDA includes 16 projects geared towards corridor development out of the 24 transport infrastructure projects in PAP. An additional level of prioritization was established within PIDA encompassing the Presidential Infrastructure Champion Initiative (PICI) which had been endorsed earlier by the AU Summit in 2011. PICI includes nine “priority of priorities” regional projects the implementation of which is promoted by the President of a specific African country as the Champion. The composition by sector and regional distribution of PAP Projects are summarized in Table 9 below.


<table>
<thead>
<tr>
<th>Region</th>
<th>2000</th>
<th></th>
<th>2006</th>
<th></th>
<th>2015</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Length (km)</td>
<td>Density (km/100km²)</td>
<td>Length (km)</td>
<td>Density (km/100km²)</td>
<td>Length (km)</td>
<td>Density (km/100km²)</td>
</tr>
<tr>
<td>Central</td>
<td>6376</td>
<td>3.83</td>
<td>13105</td>
<td>6.17</td>
<td>6287</td>
<td>4.68</td>
</tr>
<tr>
<td>Eastern</td>
<td>28440</td>
<td>6.59</td>
<td>28400</td>
<td>7.05</td>
<td>38316</td>
<td>8.05</td>
</tr>
<tr>
<td>North</td>
<td>191487</td>
<td>3.15</td>
<td>219391</td>
<td>3.74</td>
<td>334911</td>
<td>5.21</td>
</tr>
<tr>
<td>Southern</td>
<td>113153</td>
<td>13.35</td>
<td>120554</td>
<td>14.22</td>
<td>222241</td>
<td>17.58</td>
</tr>
<tr>
<td>West</td>
<td>93547</td>
<td>8.01</td>
<td>92281</td>
<td>8.51</td>
<td>76361</td>
<td>10.93</td>
</tr>
<tr>
<td>Total</td>
<td>433003</td>
<td>6.84</td>
<td>473731</td>
<td>7.61</td>
<td>768116</td>
<td>10.32</td>
</tr>
<tr>
<td>LLDCs</td>
<td>3.81</td>
<td>4.64</td>
<td>5.6</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Source: UNECA, 2015c

Table 9. Number and Cost of PAP Projects by Sector and Region

<table>
<thead>
<tr>
<th>Sector</th>
<th>Number of projects</th>
<th>Cost (US$ billions)</th>
<th>Region</th>
<th>Number of projects</th>
<th>Cost (US$ billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transport</td>
<td>24</td>
<td>25.400</td>
<td>Continental</td>
<td>7</td>
<td>3</td>
</tr>
<tr>
<td>Energy</td>
<td>15</td>
<td>40.300</td>
<td>North Africa</td>
<td>2</td>
<td>1.3</td>
</tr>
<tr>
<td>Water</td>
<td>9</td>
<td>1.700</td>
<td>West Africa</td>
<td>16</td>
<td>6.2</td>
</tr>
<tr>
<td>ICT</td>
<td>3</td>
<td>0.5</td>
<td>Central Africa</td>
<td>9</td>
<td>21.5</td>
</tr>
<tr>
<td>Southern Africa</td>
<td>6</td>
<td>12.6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>East Africa</td>
<td>11</td>
<td>23.3</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Total | 51 | 67.9 | Total | 51 | 67.9 |

Source: NEPAD Planning and Coordinating Agency
This section will therefore review infrastructure developments in the major transit transport corridors in the region since this is the primary area of focus in infrastructure development and trade facilitation strategies in Africa at both continental and sub-regional levels. Based on specific corridor developments, it will illustrate the progress made with specific examples of projects aimed at unlocking the LLDCs in Africa. The issue of resource requirements will be addressed under Priority 6 on Means of Implementation.

4.2. Overview of Recent Developments

Corridors can be defined as a collection of routes anchored at a sea port and linking the economic centres of several landlocked as well as coastal countries in a particular geographic region. While many of them are only road transport corridors, some include more than one mode of transport, and indeed are being transformed into what is called economic development corridors. As most trade moves along these corridors, improving corridor performance has emerged as a necessary ingredient for growth and integration of LLDCs into the regional and global economy. In Africa, this is recognized at the continental level. PIDA has accordingly identified 42 corridors that should form a core network for regional integration and global connectivity.

This section will review the development of corridors connecting the LLDCs to the ports in Eastern Africa; Southern Africa; Central Africa; and Western Africa.

4.2.1. Djibouti-Addis Ababa Multimodal Transport Corridor

Called the Djibouti Corridor in the context of COMESA, it is designated to serve landlocked Ethiopia and South Sudan. In addition to the existing road and rail, there are two major regional transport projects under implementation in this corridor: the Ethiopia - Djibouti Standard Gauge Railway and the Horn of Africa Pipeline. The railway project is part of the Dakar-Djibouti Road/Rail Corridor, one of the nine projects in the Presidential Infrastructure Champion Initiative (PICI) championed by the President of Senegal to complete the Dakar-Ndjamena Djibouti Trans African Highways (TAH 5 and TAH 6). The 710 km. electrified railway is planned to eventually connect to Kenya, South Sudan and Sudan. It is scheduled to start operating in 2016 and is expected to halve the travel time between Addis Ababa and Djibouti port. While the Ethiopian Railway Corporation is responsible for the new railways, a public-private partnership structure is envisioned for the rail operations and management.

In addition to the railway line, the project comprises the roll-out of six “smart corridor” modules, namely: Single electronic window; tracking of cargo, commercial vehicle (including vehicle weight), containers and freight train; and high visibility corridor efficiency monitoring. The project was partly financed by private capital from various sources as part of the ambitious national railways development programme in Ethiopia which aims to build a total of 5,000 km. of rail throughout the country.
As an integral part of the PICI Project on road/rail Dakar-Djibouti Corridor, the Corridor is expected to extend to the wider East and Central Africa region. In this regard, Ethiopia is also developing several national railway lines to link to Sudan, South Sudan and Kenya as alternate routes to Djibouti to ensure access to trade links. It is also worth noting that it may have some implications for the development of the Lamu Port - Southern Sudan - Ethiopia Transport (LAPSSET) Corridor, which has been delayed by conflict in South Sudan and insecurity in the North-East Kenya region bordering Somalia and Ethiopia.

At the current end of the Corridor, Addis Ababa City is developing sustainable transport systems which are environmentally friendly, socially accessible and economic. It has just launched the first light rail urban transport service in Sub-Saharan Africa. In addition, Addis Ababa is at advanced stage of developing a Bus Rapid Transport (BRT) System to be fully integrated with the Light Rail System.

The other notable development in the corridor is the Horn of Africa Pipeline. Ethiopia and Djibouti have signed an agreement for a $1.55 billion fuel pipeline with private developers for construction of the 550-kilometer (340-mile) pipeline to transport diesel, gasoline and jet fuel from the Port of Djibouti to Addis Ababa.

COMESA is in the process of establishing the Djibouti Corridor Authority as the management body responsible for coordination of the operations of the Corridor. The Agreement establishing the Authority has been negotiated by the four corridor States (Djibouti, Ethiopia, South Sudan and Sudan).
4.2.2. Northern Corridor

The Northern Corridor is a multimodal transport corridor linking the landlocked countries of Burundi, Rwanda, South Sudan and Uganda, and Eastern DRC to the Kenya Sea Port of Mombasa. The Corridor also serves Northern Tanzania, Somalia and Ethiopia. It is managed under the Northern Corridor Transit and Transport Agreement (NCTTA) by the Northern Corridor Transit and Transport Coordination Authority (NCTT-CA), a regional intergovernmental organization that is mandated to facilitate trade and transport in the Member States served by the Northern Corridor transport infrastructure.

The importance of the Corridor for the member states varies with their location as shown in Figure 3. It is the most important route for Uganda and South Sudan, while all other NCTTA member states depend more on the Central Corridor and the port of Dar-es-Salaam for their transit traffic. However, all Member States of NCTTA have agreed on the need to speed up the agreed priority projects of the Corridor under the Northern Corridor Integration Initiative. The key projects are shown in the Box 5.

Figure 3: Northern Corridor

Source: PMAESA, 2010

The current status of key infrastructure in this multi-modal corridor is detailed as follows.

Road – Is dominant and accounts for over 85% of freight; constitutes the eastern part of the Lagos-Mombasa Trans African Highway (TAH 8), running from Mombasa through Uganda to eastern DRC, Rwanda and Burundi, connecting with the Central Corridor in Northern Tanzania. The section Kampala – Jinja (Uganda) is included among the priority NEPAD projects to be promoted at the Africa regional level under the PIDA Dakar Agenda for Action (NPCA, 2014).
Box 5: Northern Corridor Integration Initiative – Infrastructure Projects

- **Standard Gauge Railways (SGR)** – To upgrade existing railways system in the Corridor, with extensions to all Member States of NCTTC; Mombasa-Nairobi section in Kenya already under construction.
- **ICT Infrastructure** – Launched One Network Area (ONA) for Voice, Internet, SMS, Data and Mobile Financial Services. This is part of the NEPAD Presidential Infrastructure Champions Initiative (PICI) ICT Broadband and Fibre Optic Connectivity Network in Africa, led by President Kagame of Rwanda.
- **Oil Refinery Development** – Kenya has signed up with Uganda; other Member States awaited.
- **Power Generation, Transmission and Inter-connectivity.**
- **Crude Oil Pipeline Development.**
- **Refined Petroleum Products Pipeline Development.**
- **Air Space Management** – To reduce airfares in the region.
- **Single Customs Territory** – Installation of Electronic Cargo Tracing Systems (ECTS) along the Corridor.

*Source: Northern Corridor Integration Projects, 2015*

Connection between Uganda and South Sudan has been upgraded with tarmac from Gulu (Uganda) to Nimule (South Sudan). However, overloaded freight vehicles and poor enforcement of axle load regulations further deteriorate the road network and reduce road life spans. Table 10 gives a summary for the Northern Corridor road conditions. It shows that two thirds of the road networks are paved.

**Table 10: Summary of the Northern Corridor Road Network (Km)**

<table>
<thead>
<tr>
<th>Country</th>
<th>Paved</th>
<th>Unpaved</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burundi</td>
<td>320</td>
<td>36</td>
<td>356</td>
</tr>
<tr>
<td>Congo D. R.</td>
<td>721</td>
<td>1920</td>
<td>2641</td>
</tr>
<tr>
<td>Kenya</td>
<td>1196</td>
<td>0</td>
<td>1196</td>
</tr>
<tr>
<td>Rwanda</td>
<td>814</td>
<td>0</td>
<td>814</td>
</tr>
<tr>
<td>South Sudan</td>
<td>Not available</td>
<td>Not available</td>
<td>Not available</td>
</tr>
<tr>
<td>Uganda*</td>
<td>1042</td>
<td>657</td>
<td>1669</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4093</td>
<td>2613</td>
<td>6706</td>
</tr>
<tr>
<td><strong>Percentage level</strong></td>
<td><strong>61%</strong></td>
<td><strong>39%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

*Note: Does not include Kampala-Karuma-Pakwach-Nebbi-Goli-Arua*

Source: PMAESA, 2010
Rail - Accounts for 15% of freight transport; it operates only between Kenya and Uganda. Kenya Railways and Uganda Railways are operated by Rift Valley Railways on a concession PPP arrangement. Plans are under way to upgrade the railways to Standard Gauge System and extend to Rwanda, Burundi, South Sudan and Eastern DRC. This is part of the Northern Corridor Initiative.

Pipeline – Currently, oil pipeline is limited to Kenya, with a pipe running from Mombasa to Nairobi, and extensions to Kisumu and Eldoret from where landlocked countries of Uganda, Rwanda, Burundi and East DRC access their fuel supplies. The Northern Corridor Initiative includes projects on pipeline development for crude and refined petroleum products from Uganda.

Inland Waterways - Lakes Victoria, Albert and Edward are used for transportation of goods inside and outside NC-Member States. A new project under the NEPAD PICI has undertaken pre-feasibility study for developing a Navigational Link from Lake Victoria to Mediterranean Sea via Kagera River, Lakes George, Edward and Albert in Uganda, on to Albert River Nile to Nimule, Juba and Khartoum into Egypt. The project is championed by the President of Egypt. Inland ports of Kisumu and Kampala on Lake Victoria are under redevelopment.

Dry Ports - Inland Container Depots (ICD) located at Nairobi, Kisumu and Eldoret enhance the services of Mombasa Port. Other ICDs have been established in Uganda, Rwanda and Burundi to facilitate customs operations.

One Stop Border Posts – In accordance with EAC Decision, several OSPBs have been constructed along the Corridor: Malaba (Kenya – Uganda); Busia (Kenya – Uganda); Kagitumba (Rwanda) – Mirama Hills (Uganda); Nemb (Rwanda) – Gasenyi (Burundi); Ruhwa (Rwanda – Burundi); and Elegu (Uganda) – Nimule (South Sudan).

Port - Mombasa is the gateway and anchor port to the Northern Corridor.

The improved facilitation measures taken have resulted in reduced time and therefore cost of transport for LLDCs in the Great Lakes Region, except from Mombasa to Goma and Mombasa to Kigali, which both went up slightly in 2014 from 2012. Mombasa-Juba recorded the steepest decrease compared to other destinations. The number of round trips made by transporters to Nairobi is the highest (8.9) because of its proximity to Mombasa (430 km). Round trips to Bujumbura and Goma are lowest (1.4) as they are located farthest from the port of Mombasa (Table 11).

Box 6. Port Community Charter
The Mombasa Port Community Charter (2014), is an initiative that commits parties both in the public and private sector to measures that will increase efficiency of the port and the Northern Corridor. The Northern Corridor Performance Dashboard which is hosted by NCTT-CA is part of the Monitoring and Evaluation Framework for the Charter. Monthly and quarterly reports from the Dashboard are disseminated to all the port community stakeholders and signatories to the port charter.

In order to attain the Mombasa Port Community Charter objectives and promote compliance with vehicle load limits, NCTTCA, in conjunction with Kenya Transporters Association, Kenya Maritime Authority, and other stakeholders, initiated the Vehicle Load Control Charter (VLC). The self-regulatory VLC commits both public and private entities to observe vehicle load control regulations.
The Northern Corridor Transport Observatory Portal is a tool used to monitor and measure performance along the Corridor. The Transport Observatory generates performance reports based on factual data collected in order to support policy makers in making informed decisions relating to facilitation of trade and transport in the region. Most of the indicators point to an improved performance, especially on transit time and the time taken by various agencies and cargo handlers to complete their processes. For instance:

- Weighbridge crossing time at Mariakani weighbridge averages between 0.39 hours and 1.50 hours in the month of July and October 2014.
- The implementation of High speed weigh in motion at the weighbridge stations has ensured that only those vehicles that have failed the WIM test are diverted to the Static weighing scale.
- Transit time in Kenya from Mombasa to Malaba has reduced considerably from an average of 15 days to currently an average of 5 days.
- Port Dwell time has equally dropped from an overage of about 4.57 days in 2013 to less than 3 days in July 2014.
- Similarly, time for clearance at Document Processing Centre by Customs has tremendously reduced to below 2 hours which is an indication of speedy processing of documents by the Kenya Revenue Authority.
- From this report, it is observed that most of the time spent in transit is due to personal reasons (i.e. 20.6% of the total transit time). This means that the transporters are delaying at their own convenience.

*Source: NCTTCA*

### Table 11. Transport Cost per Route and per Mode

<table>
<thead>
<tr>
<th>Route</th>
<th>Distance (km)</th>
<th>Cost (US$) 2010</th>
<th>Cost (US$) 2012</th>
<th>Cost (US$) 2014</th>
<th>No. Roundtrips per Month</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mombasa-Nairobi</td>
<td>430</td>
<td>1300</td>
<td>1118</td>
<td>1023</td>
<td>8.9</td>
</tr>
<tr>
<td>Mombasa-Kampala</td>
<td>1170</td>
<td>3400</td>
<td>3070</td>
<td>2867</td>
<td>3.5</td>
</tr>
<tr>
<td>Mombasa-Kigali</td>
<td>1700</td>
<td>6500</td>
<td>4650</td>
<td>4833</td>
<td>2.3</td>
</tr>
<tr>
<td>Mombasa-Bujumbura</td>
<td>2000</td>
<td>8000</td>
<td>7000</td>
<td>6350</td>
<td>1.4</td>
</tr>
<tr>
<td>Mombasa-Goma</td>
<td>1880</td>
<td>9500</td>
<td>6500</td>
<td>6750</td>
<td>1.4</td>
</tr>
<tr>
<td>Mombasa-Juba</td>
<td>1750</td>
<td>9800</td>
<td>6250</td>
<td>4678</td>
<td>2.1</td>
</tr>
</tbody>
</table>

*Source: East Africa Community Road Transport Associations, Nov 2014*
The above results also reflect the generally good status of Corridor Road Network. The above positive results only form part of the overall improvement in the logistics chain for LLDCs transit. There have also been significant improvements in operations at Mombasa Port.

A new corridor originating at the Port of Lamu in Kenya into South Sudan and Ethiopia is under development and it is called Lamu, South Sudan and Ethiopia (LAPSSSET), it will link with the Northern Corridor, thus providing an alternative access for South Sudan. The corridor, which is included in PICI programme under the leadership of the President of Kenya, is also envisaged to eventually link to the Dakar – Djibouti corridor, thus providing alternative routes for Chad and Central African Republic as well.

4.2.3. Central Corridor

Anchored at the port of Dar-es-Salaam, the Central Corridor is governed by the Central Corridor Transit Transport Facilitation Agency Agreement (CCTTFA) between Tanzania, Burundi, DRC, Rwanda and Uganda, which was concluded in 2006. It comprises government and private sector representatives from the Member States. It is the most important route for Burundi, Rwanda and DRC for both imports and exports. While most of its traffic passes through this corridor, Rwanda also uses the Northern Corridor, which is the main route for Uganda.

The Central Corridor is a multi-modal transport corridor with the following major infrastructure.

**Port of Dar-es-Salaam** is the anchor and gateway for the Great Lakes countries.

**Roads** – Link Dar-Es-Salaam through Dodoma and Lusahunga to Rwanda and Burundi; some of the western sections are not paved.

**Rail** – Tanzania Railways runs from Dar-es-Salaam to Tabora, then branches eastwards to Kigoma on Lake Tanganyika, and northwards to Isaka and onwards to the Port of Mwanza.

**Inland Waterways** – Inland Port of Kigoma on Lake Tanganyika provides link to Bujumbura and DRC to the north, and to Mupulungu Port, Zambia to the South; the Port of Mwanza extends rail services on wagon ferries into Uganda’s Port Bell.

**Dry Port** – There is a dry port at Isaka, providing inter-modal operations between road and railways.

**One Stop Inspection Post (OSIP)** – This is a variation of OSBP, where all regulatory authorities involved in vehicle inspection along the Central Corridor will conduct their inspections jointly at one location in Nyakanazi in Kagera Region to handle vehicles of Uganda, Rwanda and Burundi. The station will combine in one location activities of the Tanzanian National Roads Agency [TANROADS], which controls the weighbridges; the police force, which checks the condition of vehicles; and the Tanzanian Revenue Authority [TRA], which carries out customs checks. It is expected that the station would reduce time and cost of transporting transit goods along the Central Corridor by only requiring transit trucks to stop at three locations along the Corridor.
The OSIP project will be a shared facility with an installed relevant ICT infrastructure to enable sharing of information. It is expected that the stations would reduce time and cost of transporting transit goods along the Central Corridor by only requiring transit trucks to stop at 3 locations along the central corridor. According to the “Big Results Now” [BRN] Initiative the project will reduce the number of official checks for Transit Trucks from 17 to 3 along the Central Corridor undertaking joint checks from the police, TANROADS and revenue authorities at all sites.

A project, dubbed the Central Corridor Acceleration Process was launched during the World Economic Forum in Davos in January, 2014 as a process for greater participation of private sector investment in regional integration development projects. The project is promoted by Tanzania and the landlocked neighbouring countries in partnership with the World Economic Forum. The following are the priority initiatives some of which are already under way (Table 12).
Table 12. Central Corridor Acceleration Programme

<table>
<thead>
<tr>
<th>Country</th>
<th>Mode</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burundi / Tanzania</td>
<td>Port</td>
<td>Port improvement at Kigoma and Bujumbura on Lake Tanganyika.</td>
</tr>
<tr>
<td>Burundi</td>
<td>Road</td>
<td>Rehabilitation of a road that links Ruhwa to Bujumbura, Rumonge and Mugina towns.</td>
</tr>
<tr>
<td>DRC</td>
<td>Rail</td>
<td>A railway that connects Kalemie to Kabalo and Kamina [1,500km] will be improved.</td>
</tr>
<tr>
<td>DRC</td>
<td>Port</td>
<td>Dredging, rehabilitation and modernization of the ports at Kalundu and Kalemie on Lake Tanganyika.</td>
</tr>
<tr>
<td>DRC</td>
<td>Road</td>
<td>Repairs of the road that links Bukavu to Kisangani [648km].</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Port</td>
<td>Improve port infrastructure in Dar es Salaam mainly taking in Berth 13 and 14.</td>
</tr>
<tr>
<td>Tanzania/ Burundi/ Rwanda</td>
<td>Rail</td>
<td>Construction of a 1,682km railway that links the city of Dar es Salaam to Isaka, Keza, Kigali, Gitega and Musongati. The scheme also includes a line linking Uvinza to Musongati, Mpanda and Karema and the upgrading to standard gauge of the Isaka to Mwanza railway [250km] and the portions that connect Tabora to Kigoma and Kaliua to Mpanda [411 and 212km respectively].</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Road</td>
<td>Road construction will take in the expressway that links the city of Dar es Salaam to Chalinze [100km] and the supporting route of Mlandizi-Bagamoyo [37km].</td>
</tr>
<tr>
<td>Rwanda</td>
<td>Road</td>
<td>Repair of the highway to Bugesera Airport and rehabilitation of Ngoma-Bugesera- Nyanza road. The roads connect Rwanda to the Central Corridor through Rusumo.</td>
</tr>
<tr>
<td>Tanzania</td>
<td>Air</td>
<td>Construction of a new airport at Msalato in Dodoma; upgrading of Mwanza Airport [to include a new passenger terminal]; facility expansion at Julius Nyerere International Airport and a new airport at Isaka. There will also be airport infrastructure improvement work at Kigoma [to include control tower, passenger terminal, and runway upgrading and support facilities]</td>
</tr>
<tr>
<td>Uganda</td>
<td>Road</td>
<td>Initiative will jack up the outlook of the roads that link Masaka to Kyotera and Mutukula to Kyotera.</td>
</tr>
<tr>
<td>Uganda</td>
<td>Port</td>
<td>The port facilities at Jinja, Lake Victoria, will be refurbished.</td>
</tr>
</tbody>
</table>

4.2.4. Southern Corridor (Dar es Salaam Corridor)

In addition to Central Corridor, the Dar es Salaam Port (DSM Port) also anchors the Southern Corridor (also referred to as Dar-es-Salaam Corridor) serving landlocked Malawi and Zambia as well as Southern DRC. The Corridor is managed by the Dar es Salaam Corridor Management Committee (DCMC) which provides overall management, strategy development and implementation oversight with a full time Secretariat.

Figure 5. Dar es Salaam Corridor

Source: Hartmann, 2013
The major infrastructure features of the corridor include:

**TANZAM Road** - Forms part of the Cairo-Cape Town Trans African Highway (TAH 4) providing direct link to landlocked Malawi and Zambia, and extensions from Kasama to the inland port of Mpolungu (Zambia) on Lake Tanganyika, providing further northwards link to Burundi, Rwanda and Eastern DRC. To the south, the road runs from Mbeya into Malawi at Songwe, along the lakeshore from Karonga to Chiweta and inland to Lilongwe. Major rehabilitation projects are under implementation in each country to upgrade the link.

**TAZAMA Oil Pipeline** – Runs from the Port to the Copper Belt Town of Ndola; renovations and upgrading of various sections are under progress.

**Dry Port** facilities for Malawi at Dar es Salaam Port and Mbeya.

**Border Posts** at Kasumulu (Tanzania) – Songwe (Malawi); Tunduma (Tanzania) – Nakonde (Zambia); and Kasumbelesa (Zambia) – DRC border.

Given its importance, the Expansion of the Port of Dar-es-Salaam is one of the PIDA/PAP projects. Building on the above Davos initiative, the Government has launched ‘Big Results, Now’ (BRN) to put the increased efficiency of the Port at the center of the national agenda as summarized in Box 7.

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**Box 7. Big Results, Now Results**

A total of about US$ 600 million has been mobilized from both bilateral and multilateral partners and civil works have begun on the upgrade of Dar es Salaam Port. Modernizing and expanding Dar es Salaam Port will reduce ship’s dwell time from the current nine to 10 days down to just five days by 2020.

Dar es Salaam Port has already seen significant growth in its throughput, growing from 7.4 million tons in 2007 to 12.1 million tons in 2012 and is projected to reach 18 million tons in 2015. On completion port capacity will double to 28 million tonnes by 2020. With a typical freight growth multiplier of twice GDP, this means that domestic transport demand will grow at an average of between 14-15% annually over the next few years.

The Dar es Salaam Port improvements have been accompanied by infrastructure and operational improvements on the two corridors served by the Port services. This is an example of trade facilitation resulting from a combination of infrastructure improvements and application of ICT.

Among the improvements going on at Dar es Salaam port is the implementation of Integrated Electronic Payment System (IePS) for all port dues and the Integrated Security System (ISS) to enhance security and installation of CCTV. The port in collaboration with other stakeholders is now operating 24/7. The new e-payment system is already operational and Tanzania Ports Authority (TPA) said it would stop using paper invoices effective immediately as it embraces electronic payment system to modernize port services. TPA is strengthening the e-payment system by involving more mobile telephone companies, banks and other providers such as Selcom Wireless and MaxMalipo.

*Source: Government of Tanzania, National Key Result Area 2013/14 – 2015/16 The Big Results Now! Roadmap, Tanzania Development Vision 2025*
A memorandum of understanding to expand the port was signed by Tanzania Ports Authority, TradeMark East Africa, the World Bank and the UK’s department for international development (DFID) in September 2015. The expansion project will double the capacity of the port to 28 million tonnes by 2020 and more than triple it to 34 million tonnes by 2025. The project will be carried out in two phases and cost an estimated $750m in total. The upgraded port will be suitable for bigger ships. Road and railway infrastructure outside of the port will also be improved.

4.2.5. Nacala Development Corridor

The Nacala Development Corridor (NDC) in Southern Africa is one of the first development corridors identified as a regional priority (see Figure 6). It is anchored in the Port of Nacala and links the railway systems of northern Mozambique and Malawi under a single management, creating a seamless, cost-efficient transportation system. The port is connected to Moatize coalfield in Mozambique's coal-rich Tete province by a rail line which runs for 900 km through land-locked Malawi.

Other infrastructure constituting the NDC include roads, electricity, telecommunication, and multifaceted transport and logistics infrastructure which serve mainly the landlocked neighbours Malawi and Zambia. The Sociedade de desenvolvimento do Corredor de Nacala (SDCN), part of Mozambican consortium group, is the major private sector player on the NDC, while the public sector is represented by the Department of Transport and Communications in Mozambique, Ministry of Transport, Public Works and Housing in Malawi, and the Ministry of Transport and Communications in Zambia.

Figure 6. Corridors of Southern Africa

Source: PMAESA, 2010
4.2.6. **Beira Corridor**

The Beira Corridor primarily and traditionally served Zimbabwe, a distance of 319 km from the port of Beira to the Zimbabwe border at Machipanda. A branch has been extended northwards to the coal basin of Moatize in eastern Mozambique, providing onwards link to Malawi, Zambia, Southern DRC and Northern Botswana, providing the shortest route by any regional port by about 500km. The land transport distance advantage could reduce transport costs for international trade by between US$30/t and US$50/t, compared to the longer route via Durban in South Africa, which could translate into as much as 10% of the average value of the goods passing through the port. This saving could be an enormous boost to international trade competitiveness of these LLDCs.

A new approach has been taken to turn the corridor into a development corridor. The Beira Agricultural Growth Corridor (BAGC) initiative is a partnership between the Government of Mozambique, the private sector and the international community and aims to stimulate a major increase in agricultural production in the Beira Corridor within Mozambique. Linked with the traditional agriculture base of Zimbabwe and Malawi, this would be an agriculture based development corridor. The status of major infrastructure components are as follows:

**Port** - Freight flows through the port are now being dominated by coal exports, which are causing congestion at the general cargo terminal. Road and rail access to the port terminals are poor, with insufficient capacity, particularly with increased growth of imports. The absence of a formal truck holding area and entry procedures at the port entrance causes congestion, delays and security/safety problems. Furthermore, siltation of the access channel also causes congestion in that larger vessels can only access port at high tide.

**Roads** – The main road routes within the Beira corridor are to Zimbabwe via Machipande (EN6) and to Malawi via Tete (En 102/103).

**Beira Railroad** (CFM Centro) is the oldest railway system in Mozambique. The railways network consists of the Machipanda line from Beira to Harare, Zimbabwe, and the Sena line connecting the port with the coal fields of Moatize (Tete).

**Oil Pipeline** - A 580 km pipeline connects Beira port to Msasa (Harare) in Zimbabwe. Companhia do Pipeline Moçambique-Zimbabwe, Lda (CPMZ), owns and operates the pipeline and there are plans to build a second pipeline.

**Inland Terminals** – ICDs have been established at Beira Port (include warehousing, customs facilities, and stuffing and de-stuffing of containers); Mutare (freight distribution and consolidation centre and has customs clearing facilities); and Harare (main intermodal road / rail terminal at Lochinvar with rail sidings, gantry cranes and warehousing facilities).

4.2.7. **Maputo Corridor**

The Maputo Corridor is a Development corridor comprised of road, rail and oil pipeline. It was designed as a Special Development Initiative (SDI) in 1996 between South Africa and Mozambique but later expanded to include the three landlocked countries of Swaziland, Botswana and Zimbabwe. It is managed by the Maputo Corridor Logistics Initiative (MCLI), a non-profit public-private partnership
without a share capital with members from both South Africa and Mozambique. The status of key infrastructure is as follows:

**Ports** - The Mozambican deep water ports of Maputo and Matola are managed by the Maputo Port Development Company (MPDC) under PPP arrangement with the Government of Mozambique. The Port of Maputo currently includes: General Cargo pier, cabotage terminal, container terminal, sugar terminal, petroleum terminal, molasses terminal. Matola has a coal terminal and a grain terminal.

**Roads** – Under PPP arrangement, Trans African Concessions (TRAC) is responsible for building, operating and maintaining the N4 highway until 2028. The N4 highway is the first major infrastructure project completed since the implementation of the Maputo Corridor agreement. The Greater Witwatersrand cities of Johannesburg and Ekurhuleni are connected to the Maputo Corridor via the N12 highway, which connects to the N4 near Witbank. The N4 also connects to Skilpadshek / Lobatse Border Post between Botswana and South Africa. The N4 becomes the EN4 in Mozambique and connects directly to the Ports of Maputo and Matola, thereby easing traffic congestion in the downtown Maputo area.

**Rail** – Three railway lines connect the Maputo port with its neighboring countries: the Ressano Garcia railway line provides a link with the border to South Africa; Limpopo line links Maputo port to Zimbabwe; and the Goba line connects Maputo to Swaziland.

**New ports** are also on the agenda: Macuse for coal exports from Moatize; deep water port at Techobanine, close to the South African border; and Palma north of Pemba. These new developments will provide additional links to the LLDCs in the sub-region.

### 4.2.8. North-South Corridor

The multi-modal North-South corridor is anchored at Durban Port and links the following LLDCs in Southern Africa: Lesotho, Malawi, Zimbabwe, Botswana, Zambia, Southern DRC and the Great Lakes Region of East Africa. It also interconnects to the western corridors anchored at Walvis Bay and Lobito ports. It is designed to be managed by the North-South Corridor Management Committee (NSCMC) yet to be set up by the seven Member States as a strategic partnership of the stakeholders of the public and private sectors and regional institutions for the primary purpose of promoting and facilitating the provision of safe and efficient movement and transport services along the length of the NSC and in its hinterland. The Corridor roads and rail networks link seamlessly with those of Walvis Bay corridors of South West Africa and Central Corridor. The Corridor forms an important segment of the Cairo-Cape Town Trans African Highway (TAH 4). The key infrastructure are:

**Port** – The corridor has the Durban port which is the busiest and biggest container port in Southern Africa. The Corridor links to all the other major ports in East and Southern Africa, including: Dar es Salaam, Nacala, Beira and Maputo.


Inland Ports - Lake Tanganyika completes the transport corridor link to the Great Lakes region through the ports of Mpulungu, Kigoma and Bujumbura.

One-Stop Border Posts – The first operational OSBP in Africa was opened at Chirundu between Zambia and Zimbabwe.

Power Generation and Transmission – Priority power generation and transmission projects including the Zambia-Tanzania-Kenya Interconnector construction is expected to trade 2,800 GW of electric power annually.

4.2.9. Walvis Bay Corridor Group (WBCG)

There are three corridors which are anchored at the Walvis Bay Port of Namibia serving three LLDCs in the Southern Africa region: Botswana, Zambia and Zimbabwe, as well as South-Western DRC. These are: Trans Caprivi Corridor and Trans Kalahari Corridor which link to North-South Corridor infrastructure; and the Trans Cunene Corridor which extends northwards into Angola. It is managed by the Walvis Bay Corridor Group, a public-private partnership body.

The major infrastructure components include the following:

Port of Walvis Bay - A regional hub port that serves the SADC region. The Container Terminal Information System and other management information systems were introduced to greatly enhance Port’s planning and operational efficiency.

Trans Caprivi Corridor (TCC) - Links Walvis Bay with Zambia and southeast DRC over a distance of 2,500 km. It also provides connections to Botswana and Zimbabwe. It further links to the Dar-es-Salaam Corridor at Kapiri Mposhi in Zambia, and thus extends transit infrastructure to the Indian Ocean. It consists of road and rail to Grootfontein in Namibia, then road onwards to Katima Mulilo border with Zambia.

Trans Kalahari Corridor (TKC) - Links Walvis Bay with Botswana and the industrial heartland of Gauteng, South Africa. The key infrastructure developments include: Trans Kalahari Highway (TKH) is 1,800 km long between Walvis Bay – Windhoek – Gaborone – Johannesburg/ Pretoria; and Trans-Kalahari Railway which runs parallel with TKH from Walvis Bay to Gobabis, through Windhoek. In 2014 a bilateral agreement was signed between Namibia and Botswana on the development of the complete railroad through a public-private partnership [PPP] based on a DBOOT contractual arrangement whereby developer undertakes the financing, design, construction, operation and maintenance of the project.

Trans Cunene Corridor (TCC) – This is a road and rail transport corridor from Walvis Bay through Grootfontein, branching north to Ondangwa. The road extends into Angola to Lubango, forming part of
the Tripoli – Cape Town Trans African Highway (TAH 3). There are plans for Angola to link this corridor with the Lobito – Beira Corridor, further integrating the regional transport network.

### 4.2.10. Lobito Corridor

The corridor runs from the western Port of Lobito, eastwards to the Luau-Dilolo border post between Angola and DRC, a stretch of 1344 km. The Lobito corridor is significant in a regional perspective as it provides a much shorter route to a port from the mineral rich areas in DRC and Zambia and is seen as a major development corridor in Southern Africa. The once vibrant corridor fell into disuse during the long civil war in Angola (1970-1990) as most of the rail and road infrastructure was destroyed. The multimodal Lobito Corridor in Angola comprises the port of Lobito, the Benguela Railways, roads, airport and logistics platforms. It connects to DRC and the Zambia Copper Belt.

**Port of Lobito** has been modernized and expanded with one container terminal, one mineral terminal and an oil terminal. The port will be expanded when the Benguela Railway is working at its full potential with completion of the connector railways into DRC and Zambia.

**Benguela Railways** – This is a main component in the Lobito Corridor. Though it is now rehabilitated from the Port of Lobito to the DRC border, minerals shipments have not yet resumed and the railways is currently used only for passenger transport.

Zambia has begun building the 600 km North-Western Railways of Zambia from Chingola, Solwezi, Lumwana up to the Mwinilunga-Jimbe border post to connect with the Benguela Railway at Luena. This connectivity is important because it will ease importation and exportation of goods to and from Europe as well as importation of oil from Angola, which is constructing an oil refinery in Zambia to be completed over the next year. The setting up of a refinery company by Angola will benefit Zambia, especially North-Western and Copper Belt Provinces.

**Roads** - The Lobito Corridor also includes a significant road network from Lobito to Luau-Dilolo border post. The road also links with the road system in DRC at Kolwezi and a road from Luena (Angola) through Cazombo to Solwezi in Zambia. This forms part of Trans-African Highway (TAH 9) running from Lobito to Beira in Mozambique. The road runs parallel to the Benguela railway. However, the road construction is not yet completed. It is only rehabilitated from Lobito to Kuito in Bié Province. The approximate stretch of 710 km from Kuito to Luau on the DRC/Angolan border is still in a very poor condition.

**Catumbela Airport** is an international airport located in between Lobito and Benguela. A number of provincial airports along the corridor, including Benguela, Huambo, Kuito and Luena, have also been rehabilitated and modernized.

Logistics Platforms are being developed to facilitate improved utilization of the different transport systems in the Corridor in order make Lobito a continental logistic hub in South-Western Africa.
4.2.11. Douala – Bangui and Doula N’Djamena Corridors

The two landlocked countries of the Central African region, CAR and Chad, are served mainly by these two corridors anchored in the port of Douala in Cameroon, and to a lesser extent the port of Pointe Noire in Congo Republic serves CAR and the port of Lagos in Nigeria serves Chad. The two corridors - Douala – Bangui and Doula N’Djamena Corridors - are coincident between Douala to Garoua Boulai. Douala – Ndjamea Corridor is 1618 km while Douala – Bangui is 1472 km in length. Transit traffic is significant but not a dominant part of Port of Douala traffic. There is no significant competition between the corridors as they do not serve the same countries. However, there is some traffic from Nigeria to Chad via Maiduguri, and from Congo to CAR via Pointe Noire and River Congo/Oubangui, that could be seen as competition for transit traffic, especially for log exports from the CAR. Various segments of road and rail in both corridors have been rehabilitated and upgraded under the AfDB and World Bank-supported CEMAC Transit Transport Facilitation Programme on the Douala-Bangui and Douala-N’Djamena Corridors. The Programme aims at facilitation of trade and improved efficiency of transport logistics and infrastructure in the corridors. Unfortunately, the programme has been interrupted by the political instability in CAR as well as the insecurity in Chad and Northern Cameroon as a result of Boko Haram activities in the region.

The major infrastructures are:

- **Port** - Douala is the anchor port for both Corridors.
- **Rail** – Camrail provides very competitive transit transport for both CAR and Chad. The railway runs west from the port of Douala through Yaounde to Belabo where it turns north ending at Ngaoundere in central Cameroon. The service for CAR trade ends at Belabo, where it continues by road to Bangui through Garoua Boulai or Gamboula. The service for Ndjamea ends at Ngaoundere. Camrail plays an important role in Cameroon’s inter-country trade and in the international trade of the Economic and Monetary Community of Central Africa (CEMAC) region.
- **Road** – Conditions vary significantly. All transit roads in CAR are paved and generally in good condition. But much of the connecting routes in Cameroon is unpaved and in poor condition.
- **Oil Pipeline** - The 1,070-km Chad–Cameroon pipeline is the major transit pipeline in the region, transporting crude oil from the Doba oilfields in southern Chad to the coast of Cameroon where there is an offshore marine terminal near Kribi.

4.2.12. Pointe-Noire Corridor

The key infrastructures of Pointe-Noire Corridor are:

- **Port** – Pointe-Noire is managed by the Port Autonome de Pointe-Noire. It is the largest port of the Republic of the Congo
- **Rail** - Congo-Ocean Railway from Brazzaville to Pointe-Noire.
- **Inland Water** – River transport, especially for logs from the DRC and CAR. Transit cargo between Brazzaville and Bangui can be shipped on the Congo and Oubangui Rivers. However, the Oubangui River is navigable only eight months in the year because of low water levels in the dry season.
4.2.13. West African Corridors

The West African corridors form a network of more than 17,000 km in length consisting of several transit corridors and a coastal corridor. This network can be conceptualized as 13 interconnected transit corridors connecting five major ports (Dakar, Abidjan, Tema, Lomé, and Cotonou) to three landlocked countries (Mali, Burkina Faso, and Niger) (Figure 7). The lengths of these corridors range from approximately 990 km to 2,000 km, as shown in Table 13.

Table 13. West Africa Corridor Lengths

<table>
<thead>
<tr>
<th>Bamako Corridor</th>
<th>Length (km)</th>
<th>Ouagadougou Corridor</th>
<th>Length (km)</th>
<th>Niamey Corridor</th>
<th>Length (km)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dakar</td>
<td>1053</td>
<td>Abidjan</td>
<td>1232</td>
<td>Abidjan</td>
<td>1694</td>
</tr>
<tr>
<td>Abidjan</td>
<td>1236</td>
<td>Tema</td>
<td>1057</td>
<td>Tema</td>
<td>1576</td>
</tr>
<tr>
<td>Tema</td>
<td>1967</td>
<td>Lome</td>
<td>928</td>
<td>Lome</td>
<td>1222</td>
</tr>
<tr>
<td>Lome</td>
<td>1973</td>
<td>Cotonou</td>
<td>1200</td>
<td>Cotonou</td>
<td>1070</td>
</tr>
</tbody>
</table>


Figure 7. Corridors of Central and West Africa

Source: SSATP, 2013
These corridors are either competitive or supplementary to each other, depending on the circumstances. Normally they serve one coastal country and then compete for transit traffic to the landlocked countries. Because of the civil unrest in Côte d’Ivoire, and with the Port of Abidjan partially blocked, however, other corridors took on part of the traffic that would normally have moved through Abidjan. This demonstrates that alternative transit corridors can serve as a buffer in case of transit issues in the coastal countries. The Abidjan-Lagos Corridor Organization (ALCO) serves a different purpose, linking the coastal countries and has a more complicated role in the logistics system than the other corridors.

Unlike in Eastern and Southern Africa region, corridors in West and Central Africa regions are not managed by multilateral corridor institutions. The distinguishing characteristics among them are the infrastructure at the anchor ports, the availability of multi-modal transport options, and the quality of the road in each corridor. The operational constraints have been shown to be similar, such as the use of trucking cartels, road blocks and border crossing practices. This situation results in useful competition among the ports for the transit freight. The situation, however, is improving gradually as international trade corridors are being rehabilitated and many police checkpoints that were slowing down traffic have been reduced and, in the case of Cotonou-Niamey Corridor, removed.

The two railways which exist in the corridors, namely the Abidjan – Bobo Dioulasso and the Dakar-Bamako railways, are operated jointly on a bilateral basis by the landlocked country and the transit country. The West Africa Rail Network Project has commenced to develop railways linking Abidjan, Ouagadougou, Niamey and Cotonou, with possible integration of Lome. It includes extending the Abidjan - Bobo Dioulasso line to Ouagadougou; constructing new links between Ouagadougou and Niamey and from Niamey to Parakou, thus completing the line to Cotonou.

Dakar – Bamako Corridor is multimodal, road and rail; the road extends to Burkina Faso and Niger as part of the inter-connections among the corridors in the three LLDCs in the region. The corridor has the port of Dakar which is one of the largest deep-water seaports along the West African coast, which allows round-the-clock access to the port. It is managed by the Port Autonome de Dakar (PAD). Recent investments by Dubai Ports World have increased efficiencies in ships’ handling, waiting time at anchorage, and truck turn-around times. The corridor has two road routes in Mali with varying distances from Dakar: northern route (1400 km and the southern route (1200 km.). Rail services are provided by Transrail in PPP concession. It provides direct link from Dakar to Bamako and is not used for domestic freight transport, thus facilitating transit traffic.

Abidjan – Ouagadougou Corridor is multi-modal corridor (road and rail) and the major transit route for Burkina Faso. It has the port of Abidjan, road network Abidjan to Ouagadougou which is 1176 km and is generally in good condition. The railway component is operated by the Société Internationale de Transport Africain Par Rail [SITARAIL], under PPP concession arrangement. A recent investment in rolling stock has restored service capabilities to Burkina Faso by 30%.

Tema – Ouagadougou Corridor has Tema Port which is Ghana’s main gateway to international trade and the country’s most important port for transit traffic to the Sahelian landlocked countries. The Road distance between Tema and Ouagadougou is 1,057 kilometers: 881 km in Ghana; and 176 km in Burkina Faso. The road surface condition is classified in good/fair condition (82%). The road extends to Niamey in the East, and Bamako in the West.
Lomé – Ouagadougou Corridor has the Lomé Port operated by a state-owned company with financial and management autonomy and operates primarily as a landlord port. The port has a special Terminal du Sahel to provide support for transit goods bound for the Sahel (parking lot for trucks, accommodation for drivers and a dedicated service station). It has started requiring trucks to be weighed prior to leaving the terminal, for a fee, in order to implement the vehicle weight limits regulation of ECOWAS and UEMOA. Road is the only mode of transport, running directly from Lomé to Ouagadougou, with branches to Niamey to the east, and Bamako to the west. The Lomé-Ouagadougou section is 1,020 km long of varying surface conditions. A road inventory made in December 2010 noted that approximately one-third of the road was in good repair; 40% was in fair condition; and remaining quarter of the route, were described as in either a “poor” or “very poor” state (USAID and West Africa Trade Hub, 2012).

Cotonou – Niamey Corridor is part multi-modal corridor anchored at the Port of Cotonou. Road/rail (300km of road in Niger, 324km of road in Benin as far as Parakou, then 438km by rail) and Road (via Koupela) Road (via Birnin-Konni) 1060 km. The condition is generally good. Recent improvements in port management has reduced the length of stay for trucks in the port waiting for loading and offloading from an average of 104 hours in 2008 to average of 19 hours in 2012. Further improvement in customs clearance also resulted in average customs clearance times to decrease from four days in 2006 to two days in 2010.

Abidjan - Lagos Corridor is a coastal corridor which provides useful linkages among the five corridors serving the landlocked countries.

Lagos-Kano-Jibiya-Maradi/Niamey and Port Harcourt-Maiduguri–Ndjamena Corridors are new corridors under development by Nigeria to provide alternative routes for Niger and Chad.

### 4.3. Information and Communications Technologies (ICTs)

ICT is relatively more developed and the fastest growing infrastructure sector in Africa. Its development is largely driven by the private sector, with governments playing the facilitative role such as providing the necessary regulatory environment. It is for that reason that PIDA PAP includes only three ICT projects out of a total 51 priority regional projects for promoting regional integration in Africa; these are for capacity building, land interconnection infrastructure and internet exchange points. This component of PIDA will help establish an enabling environment for completing Africa’s terrestrial fibre-optic infrastructure and installing Internet Exchange Points in countries that now lack them. It will provide connection of each country to at least two different submarine cables to take advantage of the capacity newly established around Africa, interconnect countries and establish Internet Exchange Points.

In addition to PAP, the PICI programme also includes one regional ICT programme championed by the President of Rwanda. One component of the programme regards ICT Broadband and Fibre Optic Connectivity Network in Africa - UMOJANET, which is a cross-border terrestrial network that will connect African countries through broadband links. The second component is called UHURUNET, a submarine ring around the coastal countries linking Africa to the rest of the world. Phase One business plan of UMOJANET, which covers 12 countries in Eastern and Southern Africa and 12 in West and Central Africa, has been completed. Extension to Smart Africa Initiative was approved by AU Summit in 2014.
The SMART Africa Initiative aims to accelerate sustainable socio-economic development and usher Africa into the knowledge economy era through affordable access to Broadband and use of ICT. The SMART Africa Manifesto was adopted at the 2013 Transform Africa Summit in Rwanda under the theme “the future delivered, today”, included the following commitments: putting ICT at the centre of national socio-economic development agenda; improving access to ICT especially broadband; improving accountability, efficiency and openness through ICT; putting the private sector first; and leveraging ICT to promote sustainable development.

According to the latest ITU report, Measuring Information Society Report 2014, development in mobile technology has enabled Africa to make significant gains in the use of ICT in development. However, compared to the other regions of the world, Africa recorded the least progress between 2012 and 2013 and remained at the lowest level according to the ICT Development Index (IDI) which is a composite index combining several indicators into one benchmark measure that serves to monitor and compare developments in information and communication technology across countries. IDI essentially measures ICT accessibility, usage (subscriptions) and skills (capability of users).

According to Africa Bandwidth Maps, a total of 300,000 km of fibre optic was operational in Africa in 2010, with another 50,000 km under construction and 80,000 km planned. Often that infrastructure is underused or not fully interconnected and hampers the development of a dynamic regional network. The private sector will finance much of Africa’s international infrastructure needs where the required enabling policy and regulatory environment is in place, especially if the massive but almost entirely unrealized cost savings of fibre deployment by using so-called alternative infrastructure (road, rail, and power lines) can be realized. Land-use planning rules have also not yet been widely adopted to encourage or force the deployment of fibres or ducts on new transport or energy infrastructure.

4.4. Energy

4.4.1. Sources of Energy in Africa

For the purpose of this report, energy is considered in three categories according to its source: Non-renewable fossil fuel - oil, gas, coal, uranium, bio-mass (wood); Conventional Renewable – Hydro power, geo-thermal; and New – Solar, wind, bio-fuels. The continent is rich in exploitable energy resources to meet its needs. North and Western Africa contain the bulk of the oil and gas reserves, while Southern Africa holds most of the coal deposits. Vast hydropower potential, located throughout the interior of the continent, forms part of an extensive source of renewable energy. The region possesses some of the largest watercourses in the world—the Nile, the Congo, the Niger, Senegal, Volta, Orange and Zambezi river systems. In addition, geothermal resources can be found in the Red Sea Valley and the Rift Valley, and solar and wind energy could be particularly useful in areas far from national grids. Through cooperation and regional integration, the huge energy resources can be developed to deliver affordable energy for the benefit of the whole continent.

Infrastructure for oil and gas transportation in Africa has been covered under each corridor analysis as pipelines. Among African LLDCs, only Chad and South Sudan export crude oil; Chad is not a major player in the sector, while South Sudan has been disrupted by the ongoing civil war in the country. Uganda is actively exploring for oil but production has not yet begun. All other LLDCs are importers.
The energy source for electrical power generation varies by region. In Eastern and Southern Africa it is mainly from hydro-power generation: Ethiopia, Uganda, Burundi, Zambia, Zimbabwe, Swaziland and Lesotho; DRC may be added to this. South Africa mainly generates its electricity from coal. West African countries mainly use fuel oil and gas for electricity generation, with exception of Guinea, which has hydro. Ethiopia and DRC are in the process of building major dams for hydro-power generation, which should significantly contribute to energy supply for the rest of Africa, including North Africa. In addition, Ethiopia has also initiated pilot projects for wind turbines as well as geothermal generation.

4.4.2. Electric Power Transmission

With the uneven distribution of hydro-power potential in the continent, the African countries adopted the strategy of regional Power Pools to share available electrical power among all member States. A power pool is a group of regional power producers that operate their power systems jointly to their mutual benefits. Power Pools are centralized electricity markets which are organized in the framework of RECs in each Sub-region of Africa, notably: Southern Africa Power Pool (SAPP) under SADC; East African Power Pool (EAPP) under EAC; Central Africa Power Pool (CAPP) under ECCAS; West African Power Pool (WAPP) under ECOWAS; and Comite maghrebin de l’électricite (COMELAC) under UMA. Advantages of operating a power pool include: economies of scale; increased system reliability and security of supply; generation mix and optimization of resources (hydro or thermal); reduction in planning and operating reserves; rationalization of investments; increase in volume of electricity trade; balanced seasonal and load diversity; energy cost differentials for competition.
4.4.3. Energy Development Programme

According to the study conducted by AU in preparation of PIDA programme in energy development, only 39% of the African population has access to electricity, compared to 70-90% in other parts of the developing world. According to the African Development Bank (AfDB), Africa’s power connectivity is at 39 MW per million inhabitants, the lowest in any developing region. More than 30 African countries experience recurrent outages and load shedding, with opportunity costs amounting to as much as 2 per cent of the total annual value of the economy.

The modernization of Africa’s economies, coupled with social progress and a commitment to widening access to electricity, will boost energy demand in Africa by an average 5.7% annually through 2040 to 3,188 TWh, a 5.4-fold increase. PIDA therefore adopts a strategy of regional infrastructure to make possible the formation of large, competitive markets in place of the present collection of small, isolated, and inefficient ones. Regional infrastructure does this by providing lower-cost energy for agricultural, industrial, mining, and communications. Greater integration will lower fuel costs but require greater capital investment in large-scale hydropower plants.

African countries recognize the importance of energy in achieving the agreed regional development programmes. The current regional initiatives under PIDA include significant energy infrastructure components: 15 out of 51 PAP projects and 2 out of 9 PICI projects. In terms of investment value, energy projects in PAP account for US$ 40 billion of the US$ 68 billion projected over the medium term (Table 9) This covers hydropower generation, power interconnections, and gas and oil pipelines. The PIDA energy infrastructure plans call for the development of major hydroelectric projects to generate the electricity needed to meet forecasted increases in power demand resulting from increased consumption of households, industry, and agriculture, as well as wider access to electricity. The programme also includes transmission lines to connect the continent’s power pools and permit a large increase in interregional energy trade. These are of direct relevance to LLDCs in Africa (Figure 9 and Table 14).
Figure 9. PIDA PAP Energy Projects

Table 14. PIDA PAP ENERGY PROJECTS IN LLDCs

<table>
<thead>
<tr>
<th>Name</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nphamda-Nkuwa</td>
<td>To build a hydroelectric power plant with a capacity of 1,500 megawatts (MW) for export to the Southern African Power Pool market</td>
</tr>
<tr>
<td>Project Description</td>
<td>Details</td>
</tr>
<tr>
<td>------------------------------------------------------------------------------------</td>
<td>-----------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td><strong>Lesotho HWP Phase II - hydropower component</strong></td>
<td>To supply power to Lesotho and export power to South Africa</td>
</tr>
<tr>
<td><strong>Batoka (Zambia/Zimbabwe)</strong></td>
<td>To build a hydroelectric plant with a capacity of 1,600 MW to enable export of electricity, involving Zambia and Zimbabwe</td>
</tr>
<tr>
<td><strong>Ruzizi III (Burundi)</strong></td>
<td>To build a hydroelectric plant with a capacity of 145 MW to share power between Rwanda, Burundi and the DRC</td>
</tr>
<tr>
<td><strong>Uganda-Kenya Pipeline</strong></td>
<td>To establish a 300 km pipeline for a lower-cost mode of transport of petroleum products between Uganda and Kenya</td>
</tr>
<tr>
<td><strong>Great Millennium Renaissance Dam (Ethiopia)</strong></td>
<td>To build a 5,250 MW plant to supply the domestic market in Ethiopia and export electricity to the Eastern African Power Pool market</td>
</tr>
<tr>
<td><strong>North-South Power Transmission Corridor</strong></td>
<td>To establish a 8,000 km line from Egypt through Sudan, South Sudan, Ethiopia, Kenya, Malawi, Mozambique, Zambia and Zimbabwe to South Africa</td>
</tr>
<tr>
<td><strong>Inga Hydro Phase 1 (DRC)</strong></td>
<td>To build a 4,200 MW capacity run-of-the-river hydropower station on the Congo river with eight turbines in the DRC</td>
</tr>
<tr>
<td><strong>Central African Interconnection</strong></td>
<td>To establish a 3,800 km line from the DRC to South Africa through Angola, Gabon and Namibia to Equatorial Guinea, Cameroon and Chad</td>
</tr>
<tr>
<td><strong>Rusumo Falls (Burundi/Tanzania)</strong></td>
<td>To produce hydropower of 61 MW for Burundi, Rwanda and Tanzania</td>
</tr>
<tr>
<td><strong>Nigeria-Algeria Pipeline</strong></td>
<td>To establish a 4,100 km gas pipeline from Warri to Hassi R’Mel in Algeria for export to Europe involving Nigeria, Niger and Algeria</td>
</tr>
</tbody>
</table>

Source: SOFRECO, 2011

### 4.5. Policy Implications

Several distinctive features appear to be necessary conditions for a successful corridor, namely: a combination of public and private investments to improve infrastructure; an institutional framework to promote and facilitate coordination, a focus on operational efficiency of the logistics services and infrastructure; and a proven economic potential. The transformation of transport corridors into economic development corridors in Eastern and Southern Africa seem to improve the corridor performance as well. However, this requires establishment of a corridor management body in which all partner states are
represented, whether public or private. Other regions may wish to explore this approach, especially in cases where the anchor port serves a single corridor.

Private participation is becoming increasingly important in infrastructure development in Africa as the relative underdevelopment of infrastructure in most of the continent provides significant opportunities for further private investment. However, lack of bankable projects that are ready for financing, constrains investment. It is recommended that more resources should be allocated to Project Preparation Process in order to attract financing.

Reviewing the experience of a successful corridor can help us learn the optimal mix and trade-offs among these ingredients and enable replication of success on other corridors. The Maputo Corridor is widely regarded as one the successful corridors. It has experienced tremendous growth, attracted large industrial and transport investments, and strengthened ties between neighboring countries of South Africa and Mozambique (SSATP, 2014b). Perhaps Lobito-Benguela Corridor could consider more private sector participation in the revival programme.

All LLDCs need to collaborate with transit countries and develop alternate transit corridors. This is important in two aspects. First, it offers insurance for possible disruptions in one corridor, which may result from natural disasters (e.g. floods) or from blockage in the transit country (e.g. result of dispute or civil unrest). Secondly, existence of alternate routes introduces competition among the corridors resulting in enhanced efficiencies.

Road transport continues to be the dominant mode in Africa. It is essential that the rail transport initiatives in the various corridors (e.g. West African Rail, East Africa Standard Gauge Rail, Lobito-Benguela Rail) be implemented as soon as possible to improve overall competitiveness of African LLDCs in international trade.

PIDA provides an agreed framework for coordination of infrastructure development in Africa. Furthermore, a corridor approach has been adopted for implementation of priority projects. Member States should therefore strive to harmonize their national infrastructure plans with PIDA so as to benefit from synergies in technical and financing support from the regional framework.

Implementation of PIDA will require solid coordination structures and mobilization of all relevant funding sources, both public and private. PIDA attaches more importance to member states to drive delivery of projects, as well as acknowledging the important role of the Regional Economic Communities and the NEPAD Planning and Coordinating Agency. Its implementation will therefore depend on the initiatives of RECs, Member States and all relevant stakeholders to develop infrastructure in Africa in accordance with the Continental African Economic Community framework.

TAH is a key aspect of the above Continental African Economic Community Framework. Accordingly, TAH segments in each Member State should form the anchor of the national programme in order to ensure its timely completion. Lessons should be drawn from the experience in Asia with the Trans Asian Highway programme.

Leadership matters in regional infrastructure development. The progress achieved by PIC1 demonstrates the importance of political leadership in implementation of regional infrastructure projects. More PIDA projects should be incorporated into PIC1 in order to increase rate of implementation.
5. INTERNATIONAL TRADE AND TRADE FACILITATION

5.1. Context

The VPoA Priority 3 covers International Trade and Trade Facilitation. The VPoA notes that there is a need to significantly increase the value added and manufactured component, as appropriate, of the exports of LLDCs as well as to boost these countries’ share of intra-regional trade. In this regard, the Programme recommends that trading partners grant better market access for goods from LLDCs, in accordance with WTO rules.

Regarding international trade, the specific objectives are: To significantly increase the participation of LLDC in global trade, with a focus on substantially increasing exports; To significantly increase the value added and manufactured component, as appropriate, of the exports of LLDC, with the objective of substantially diversifying their markets and products; To further strengthen economic and financial ties between LLDC and other countries in the same region so as to gradually and consistently increase the share of LLDC in intraregional trade; To invite Member States to consider the specific needs and challenges of LLDC in all international trade negotiations.

In terms of trade facilitation, the specific objectives in the VPoA include: To significantly simplify and streamline border crossing procedures with the aim of reducing port and border delays; To improve transit facilities and their efficiency with the aim of reducing transaction costs; and To ensure that all transit regulations, formalities and procedures for traffic in transit are published and updated in accordance with the World Trade Organization Agreement on Trade Facilitation.

International trade is one of the key sectors for economic development, along with infrastructure and production. Indeed, Africa’s development strategy of regional integration is premised on the promotion of trade among African countries as a driver of development through economies of scale and complementarities, given that Africa is made up of many countries some of which are small or landlocked. Adequate transit transport infrastructure and efficient services lower trade costs; and lower trade costs increase trade flows which in turn demand for more transit services, thus stimulating overall economic growth.

Trade costs in Africa are higher than in all the other regions of the world and constitute a serious impediment to trade and economic growth. Despite Africa’s determination to dismantle trade restrictions in order to create a common market within the framework of regional and sub-regional agreements, some barriers to intra-regional trade development still remain. The causes are many and include poor transport infrastructure and services which result in high costs of transportation; cumbersome customs procedures; unwarranted roadblocks; high cost of information and communication services; poor and inadequate payment mechanisms; costs associated to preferential trade (rules of origin, etc.); and generally inefficient movement of goods across borders. As a result, the export costs for LLDCs are generally higher than for transit countries (Figure 10).
The Economic Report on Africa 2015 shows Africa’s economic growth continued to increase, rising from 3.7% in 2013 to 3.9% in 2014. This growth was underpinned, in large part, by growth in diversified trade and investment ties with emerging economies. The growth in Africa’s global trade started at the turn of the 21st century following strong demand for commodities, especially fuels, from emerging economies, particularly China. From 2002 to 2012: exports of goods increased by 334%; exports of services by 169%; imports of goods by 321%; and import of services by 276% (Figure 11). The impressive performance showed quick recovery from the global financial crisis in 2008-2009.

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In spite of the impressive growth in total trade, the share of Africa’s trade in total world trade has remained relatively marginal, compared to other regions. Africa’s share in the global exports increased marginally from 4.99% in 1970 to 5.99% in 1980, but has continued the downward trend since then. It was 3.3% in 2010 and 3.3% in 2013 (Table 15).

**Table 15. Global Merchandise Trade Shares by Major Region (%)**

<table>
<thead>
<tr>
<th>Region</th>
<th>Exports of goods</th>
<th>Imports of goods</th>
</tr>
</thead>
</table>
| Europe                             | 45.3  | 45.9  | 36.3  | 44.4  | 45.0  | 35.8  | ↓
| Asia                               | 26.0  | 26.1  | 31.5  | 23.6  | 23.5  | 31.8  | ↑
| North America                      | 18.0  | 15.8  | 13.2  | 21.3  | 22.4  | 17.4  | ↓
| Middle East                        | 3.5   | 4.1   | 7.4   | 3.3   | 2.8   | 4.2   | ↑
| Commonwealth of Independent States | 1.5   | 2.6   | 4.3   | 1.2   | 1.7   | 3.1   | ↑
| South and Central America          | 3.0   | 3.0   | 4.0   | 3.3   | 2.5   | 4.2   | ↑
| **Africa**                         | 2.5   | 2.4   | 3.3   | 2.6   | 2.2   | 3.4   | ↑

Source: UNECA, Africa Trade Policy Centre
Trade within Africa itself is also relatively low compared to trade within other regions of the World, and has remained stable in the range 10-12% over recent years. Within Africa itself, the intensity of intra-regional trade varies among the RECs, but none of them trades more than 20% of its total trade with its regional partners. EAC and SADC regions record relatively higher shares of intra-regional trade compared to other regions. These two regions contain 11 out of the 16 LLDCs in Africa. At the other hand, UMA (no LLDC) and ECCAS (2 LLDCs) considerably lag behind (Figure 12).

**Figure 12. Share of Intra-Regional Trade by REC, 2013 (%)**

![Graph showing share of intra-regional trade by REC, 2013 (%)](image)

Source: UNECA, Africa Trade Policy Centre

It is important to note that Africa’s exports to the rest of the world are mainly natural resources (fuel oil and minerals) thus they are vulnerable to commodity price volatility. Africa’s trade within itself is mostly manufactured goods - This is good as it provides opportunity for expansion of trade within Africa through Regional Value Chains. Africa’s trade in services is also increasing – This offers opportunity for Africa’s participation in the Global Value Chains.

### 5.3. Trade Facilitation Measures

Trade facilitation refers to the simplification and harmonization of international trade procedures covering the activities, practices and formalities involved in collecting, presenting, communicating and processing data required for the movement of goods in international trade. Measures covered by the Trade Facilitation Agreement include expediting the movement, release and clearance of goods, including goods in transit, and creating provisions for effective customs cooperation.
The importance of trade facilitation stems from the fact that global trade has grown rapidly in recent years because of the progressive reduction of tariffs and quotas as a result of trade liberalisation. This implies that more goods are crossing borders and having to comply with customs formalities, putting a strain on the resources of customs officials and other government officials. Improved trade facilitation can significantly lower trade costs, especially by reducing time, and bring about significant increases in the volume of trade (imports and exports) that may be even greater than the direct gains from trade policy reform.

Trade Facilitation is relevant in the context of regional integration because it supports regional integration as many of the measures relate to cross-border procedures; measures related to customs procedures tend to increase the efficiency of revenue collection and are therefore typically associated with increases in revenue; and the potential gain from land transport infrastructure and port efficiency is considerably larger than for increasing efficiency of customs procedures. In simple terms, trade facilitation can be conceptualized as the simplification of the trade interface between partners. This trade interface is composed of a broad range of traders’ compliance to government rules, authoritative enforcement of these rules (including taxes), exchange of information, financing, insurance, ICT and legal services, transport, handling, measurement, and storage. This implies that governmental intervention of these aspects of trade interface affect the magnitude of trade transaction costs.

Trade facilitation measures can be considered at four levels: global in the context of WTO; continental at Africa level; regional at the REC level; and bilateral at the national level. Trade activities of LLDCs take place along transit corridors which are governed by trade facilitation activities of RECs.

African countries and Regional Economic Communities (RECs), to a varying degree, are implementing some trade facilitation measures aligned to those of WTO articles on TFA. Most of the RECs are implementing several initiatives including:

- Customs - regional customs guarantee schemes, harmonized customs documents, customs information sharing, interconnectivity of customs systems, introduction of Single Customs Territory, and Authorized Economic Operators (AEOs).
- Integrated/coordinated border management - (One Stop Border Posts (OSBPs), harmonization and extension of working hours.
- Transit transport - harmonized road transit charges, Carrier’s License Schemes, Third Party insurance schemes, harmonized axle load limits.
- Information technology - national and regional Single Windows, regional cargo tracking.

**Institutional Arrangements for trade facilitation**

Various institutional arrangements have been established to oversee activities/initiatives in the management of trade facilitation in Africa at the sub-regional level. In particular, corridor management bodies have been set up to promote and develop the various transit corridors across the continent. It has been observed that corridors with corridor institutions are generally better equipped to address challenges - such as investment in infrastructure, regulation of transport and trade, private sector participation, and professionalism in the logistics industry - than those without an institutional arrangement.

Regional coordination is ensured by the Regional Economic Communities through various fora, including the continental level Regional Economic Communities Transport Coordination Committee.
Discussions are also underway to create the Africa Corridor Management Alliance (ACMA). Given that all corridors are anchored at maritime ports, the Port Management Association of Eastern and Southern Africa (PMAESA) and the Port Management Association of West and Central Africa (PMAWCA), also have a particularly important role in coordinating port operations that affect corridor performances in their respective regions. A National Facilitation Committee is set up in each country to ensure implementation. Thus, it can be argued that Africa is already moving towards setting up the institutional arrangements to coordinate transit transport.

At the national level, WTO provision on Trade Facilitation Agreement calls on each Member State to establish and maintain a national committee on trade facilitation or designate an existing mechanism to facilitate both domestic coordination and implementation of provisions of the WTO Agreement. The concept of National Committee on Trade Facilitation is not new in Africa. As far back as 1994, the Economic Community of West African States (ECOWAS) adopted decision A/DEC.3/8/94, establishing National Committees for transport related issues, comprising of representatives of transport authorities, police, customs, road transport associations, and the Presidency, among others. These National Committees had a scope which included facilitation.

ECOWAS Decision A/DEC.9/01/05 of January 2005 reorganized the institutional framework for the implementation of its facilitation programme by establishing three organs, namely: National Facilitation Committees; Cross Border Management Committees; and a Regional Inter-State Road Transport and Transit Facilitation Committee. The National Facilitation Committees expand the membership of the previously defined Committees by adding more representatives from the private sector, such as: forwarding agents, customs agents, Port authorities, and chambers of commerce and industry (ECOWAS, EU, UEMOA, 2008).

**Selected National Actions – Single Window**

Single Windows are being introduced across Africa, spearheaded mostly by national revenue authorities. Examples of African countries that have effective Single Window systems include Senegal (Customs Computer System - GAINDE 2000), Ghana (Ghana Community Network Services Ltd. - GCNet), Tunisia (Tunisia TradeNet), Cameroon (GUCE), and Mauritius, among others.

Single Window systems are under construction in Kenya, Burkina Faso, Libya, Morocco and the Republic of Congo. Mali and Cote d’Ivoire are also developing Single Window Systems. Countries such as Rwanda and Uganda have also launched Single Window projects. The cost and complexity of setting a Single Window system may explain why some African countries are lagging behind. The benefits, though, are known to far outweigh the costs. Ghana, for instance, saw customs revenue grow by 49% after introducing GCNet, its electronic data interchange system for customs procedures. Ghana, Madagascar, Mauritius are all using adapted versions of TradeNet (the national Single Window environment). The ASYCUDA system has a provision for controlled or selected access by other border agencies, which will permit these agencies to access data pertaining to their mandated area.

It is worth noting that Zimbabwe is using local expertise to develop its Single Window, underscoring the availability of expertise within Africa that could be harnessed locally or across the continent. It is equally significant to note that the Kenyan Single Window system was developed with the support of Senegalese expertise. The lesson, therefore, to be highlighted is that African countries need to recognize and fully harness the available expertise on the continent.
Uganda is another African country that is using information technology in its custom processes and tax administration. It migrated from the use of ASYCUDA + to ASYCUDA ++ and now to ASYCUDA World, which allows access by other stakeholders (Single Window), declarations to be made from around the world, and electronic client feedback.

**Role of Private Sector in Trade Facilitation in Africa - Investment Climate Facility for Africa (ICF)**

The Investment Climate Facility for Africa (ICF) is a public-private initiative through which development partners, international and domestic corporations as well as NGOs, collaborate with African governments and regional organizations, to improve the investment climate at the national, regional, and continental levels. Specifically regarding intra-African trade, improving Africa's import and export environment as well as improving and simplifying administration in order to facilitate cross-border trade, is one of the three strategic pillars of ICF. One such way in which ICF achieves this is through partnerships with African Governments to introduce single-window systems, which provide the platform for submitting and processing documents that are required to clear import, export and transit cargo. In this regard, ICF has supported several countries in Africa, including LLDCs (Ethiopia, Burkina Faso, Rwanda) and transit countries (Kenya, Senegal, Tanzania) as summarized in Table 16. The case of the Port of Dakar which serves the three LLDCs in West Africa (Mali, Niger and Burkina Faso) is illustrated in Box 8.

**Table 16. ICF Trade Facilitation Projects**

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Expected Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>Senegal – Paperless Trade and Customs Modernization Project</td>
<td>Cargo dwell times for imports have been reduced substantially from 17 days to 3 days. Derived private sector savings in 2014 alone to total almost US$ 42m. vis-à-vis combined ICF and Government of Senegal total investment of US$ 11m.</td>
</tr>
</tbody>
</table>
| Burkina Faso – Facilitation of Custom Procedures | · Reduce time to undertake pre-clearance process from 15 days to 3 days  
· Reduce documents required for import from 10 to 7  
· Reduce documents required for export from 10 to 3 |
| Ethiopia – Single Window | · Produce private sector savings amounting to US$ 794m within first two years of operations.  
· Increase trade volume by US$ 1.3b and revenue by US$ 172m within first two years of operations.  
· Reduce clearance document preparation time by 80%. |
| Kenya – National Electronic Single Window | · Reduce cargo dwell time at seaports from 8 days to 3 days  
· Reduce cargo dwell time at airports from 5 days to 1 day  
· Reduce cargo dwell at key border posts from 2 days to 1 day |
| Tanzania – Modernization of Customs Administration | · Reduce the average time for clearing goods at the port of Dares Salaam from 5 days to 1 day for export goods, and from 9 days to 5 days for import goods.  
· Reduce the time to lodge and issue Customs release orders at the port of Dar es Salaam from 4 days to 1 day |

Source: ICF, Factsheet on Trade Facilitation Projects in Africa
Box 8. Senegal – Modernization of Customs Authority

ICF worked with the Government of Senegal on two projects to improve trade facilitation in the country. The first was support to GAINDE 2000 to introduce an electronic paperless administration system for cargo preclearance. The project has enabled all the main Customs offices to now operate on GAINDE’s common electronic trade data platform. These are: Dakar Port Nord, Dakar Port Sud, Dakar Petrole, Dakar Airport and five secondary Customs Offices. All together, they process more than 90% of customs declarations in Senegal. 100% of the customs declarations are registered within the system.

The second was the Senegal Modernization of the Customs Authority project which streamlined, automated and digitized the customs clearance processes, and integrated the entire customs clearance system into a common electronic trade data platform.

As a result of these projects significant reductions in time have been registered for the following processes:
- Registration for customs declaration from 2 days to 15 minutes;
- Customs pre-clearance process from 2 days to 7 hours;
- Customs clearance for exports from 14 days to 1 day;
- Imports clearance from 18 days to 1 day;
- Goods removal from 3 days to 2 days.

The decision by the government to make electronic documents and electronic signatures legally binding further strengthened the paperless trade process. These projects highlight the main goal of trade facilitation, which is to reduce the transaction costs and complexity of regional and international trade for businesses, and improve the trading environment in a country, while maintaining efficient and effective levels of government oversight.

Source: ICF. ICF Projects, Senegal, Modernization of Customs Authority. Website

Implementation of WTO Agreement on Trade Facilitation in Africa

Section 3 on customs and border crossing procedures, and Section 4 on infrastructure development have covered the specific objectives of significantly simplifying and streamlining of border crossing procedures with the aim of reducing port and border delays, and to improve transit facilities and their efficiency. Regarding the third objective, to ensure that all transit regulations, formalities and procedures for traffic in transit are published and updated in accordance with the World Trade Organization Agreement on Trade Facilitation, a total of 16 African Member States had filed Category A Notifications as of 7 December 2015. Some LLDCs and transit countries are among those who have already ratified the agreement. As of 16 March 2016, a total of 71 countries worldwide had ratified the agreement of which 12 are African countries including 5 LLDCs.
5.4. Policy Implications

It is important to note that Africa’s exports to the rest of the world are mainly natural resources (fuel oil and minerals), which are vulnerable to price volatility. On the other hand, Africa’s trade within itself is mostly in manufactured goods, thus it provides opportunity for expansion of trade within Africa through Regional Value Chains. In addition, Africa’s trade in services is also increasing, thus offers opportunity for Africa’s participation in the Global Value Chains.

Overall, African countries are already stepping up efforts to facilitate trade - especially intra-Africa trade in the context of the Continental Free Trade Area. Indeed, trade facilitation is one of the clusters in African Union’s Action Plan on Boosting Intra-African Trade, and the renewed attention to trade facilitation is expected to consolidate ongoing efforts by Regional Economic Communities and their member States, whose activities are largely consistent with the WTO provisions.

Empirical studies typically suggest that the benefits of trade facilitation are likely to exceed the related costs, and indeed African countries have realized this and are starting to implement trade facilitation measures to remove barriers to trade. It is encouraging to note that senior customs officials are championing key elements of trade facilitation at the continental level – through the AU Sub-Committee of Directors General of Customs. It is envisaged that this could strengthen national advocacy and eventually lead to concrete results.

It has also been observed that many trade facilitation initiatives on the continent are funded by development partners (USAID, DFID, ICF, etc.) even though beneficiary countries do not necessarily lack resources. There are opportunities here for African countries, working in partnership with development partners such as the African Development Bank, Investment Climate Facility and others, to develop and experiment with innovative means to finance trade facilitation reforms and infrastructure, using public private partnerships (PPPs), ICT solutions, etc. There has been encouraging evidence of this in countries such as Senegal, Tanzania, Mozambique and Ghana.

Trade facilitation measures in the coastal and transit countries also have spill-over impact to the hinterland countries. Cognizant of these potential benefits, several African countries have initiated programmes to modernise their customs at the ports of entry and along transit corridors along the guidelines of the Revised Kyoto Convention (RKC) of the World Customs Organization. The benefits of such initiatives are evident. At the Port of Dakar, which serves Mali, Niger and Burkina Faso, significant efficiencies have been gained. Improved trade facilitation reforms have also helped raise government revenue through improved collection of import duties based on enhanced efficiency in port management. These initiatives should be incorporated into the programmes of RECs in order to extend their implementation.

Finally, the potentials of air transport to enhance both intra-Africa trade and the continent’s trade with other regions of the world should be further developed. The geography of African LLDCs, coupled with inadequacy of land transport infrastructure and services, provides an added incentive to exploit the use and efficiency of air transport in the continent. This is particularly relevant with regard to the enhancement of intra-Africa trade.
6. MEANS OF IMPLEMENTATION

Priority 6: Means of Implementation, regards mobilization of adequate technical and financial resources, from both domestic and external sources, for effective implementation of the Programme of Action. The LLDCs and transit countries are directly responsible for the required actions, but will draw on the support from the international development partners, regional organizations, the private sector and other relevant stakeholders. Naturally, resource requirements will be greatest for infrastructure development, followed by trade facilitation, and technical and financial support to strengthen the capacity of the LLDCs and transit countries to ratify and effectively implement the legal instruments. Given the fact that the actions required to address all the priority areas are indeed linked, the interventions of all implementing partners tend to cut across all the priority areas of action. This section will therefore focus on the sources of support to implement the VPoA.

6.1. Global Support

Within the United Nations System, UN-OHRLLS continues to spearhead the overall coordination, supported by the United Nations Regional Commissions in the respective regions, notably UNECA in Africa. In this regard, all international development initiatives, such as Financing for Development (Addis Ababa Action Agenda 2015) and the 2030 Agenda for Sustainable Development Agenda, include special provisions for LLDCs. The implementation of the VPoA would also require individual and concerted efforts by the organizations and bodies of the United Nations system, relevant international organizations, such as the World Bank, the regional development banks, the World Trade Organization, the World Customs Organization, the common funds for commodities, regional economic integration organizations and other relevant regional and sub-regional organizations. These organizations are invited to give priority to requests for technical assistance and capacity-building support from LLDCs in the implementation of the VPoA in a well-coordinated and coherent manner, within their respective mandates.

Specifically with regard to WTO, developing countries realize that the implementation of the TFA could bring significant opportunities in terms of supporting a reduction of trade-related costs; however, they are also cognizant of the cost of implementation of the TFA, not only in monetary terms, but also in terms of institutional reforms and technical assistance needs. At the same time, it is clear that trade facilitation has surged as one of the priorities of the Aid for Trade initiative, for partners and donors alike.

6.2. Mobilization of Resources

The resource requirements to close the infrastructure gap for sustainable development in Africa is variously estimated at US $90-100 billion per year for the next several years (World Bank Report, 2011). Realizing that this is a level unlikely to be achieved African countries on their own, PIDA concentrates on programmes with a regional impact estimated to require a total of US $360 billion from 2010 to 2040, with the short term component Priority Action Plan (PAP) costing US $68 billion through 2020. This is an average investment of about US $7.5 billion annually, less than 1% of aggregate GDP of Africa (African Development Bank, 2013b). Besides investment in infrastructure, resources would also be required to address related activities such as capacity building, project preparation and other forms of facilitation.
There are many sources from which resources may be mobilized from internal and external sources. These may be categorized as: national government domestic budget allocations, private sector and other domestic sources, regional development banks, international development finance institutions, traditional Official Development Assistance (ODA) from OECD countries and non-traditional ODA (BRICS, Arab Development Funds, etc.).

The Infrastructure Consortium for Africa (ICA) was set up in 2005 as a forum for coordinating financing NEPAD infrastructure programme. Under the leadership of the African Development Bank (AfDB), ICA is a consortium of G-7 countries in partnership with South Africa, African Development Bank, Development Bank of Southern Africa, European Commission, European Investment Bank, and the World Bank Group. In its role as facilitator for NEPAD infrastructure financing, ICA has succeeded in mobilizing significant amounts from its members as well as non-members.

It is working to improve the co-ordination of activities among members, as well as between members and other significant sources of infrastructure finance, including China, India, Arab/Islamic financiers (who form the ICA’s Arab Coordinating Group), African regional development banks and the private sector. ICA report for 2014 summarizes the external financing flows into African infrastructure development as shown in Figure 13, and Table 17 summarizes the flows in 2013 and 2014 (ICA, 2014).

It should be highlighted that a large share of sub-Saharan Africa’s infrastructure investment is domestically financed, driven primarily by central government budget allocation. Public sector budgets are critical as they establish the strategic framework within which support through external financing ought to be coordinated. Other new sources of domestic funding are emerging in Africa, for instance: sovereign bonds issued by South Africa, Angola, Cote d’Ivoire, Gabon, Ghana, Kenya, Namibia, Nigeria, Rwanda, Senegal, Seychelles and Zambia; local government bonds (City of Lagos); and utility companies investments (Morocco Railways high-speed rail infrastructure, Namibia’s Namport contribution towards development of the container terminal at Walvis Bay.


<table>
<thead>
<tr>
<th>Source</th>
<th>2013</th>
<th>2014</th>
<th>2013</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>US$ Billion</td>
<td>% Total</td>
<td>US$ Billion</td>
<td>% Total</td>
</tr>
<tr>
<td>Total</td>
<td>99.6</td>
<td>100.0</td>
<td>74.5</td>
<td>100.0</td>
</tr>
<tr>
<td>National Government</td>
<td>46.7</td>
<td>46.9</td>
<td>34.5</td>
<td>45.9</td>
</tr>
<tr>
<td>ICA Members</td>
<td>25.3</td>
<td>25.4</td>
<td>18.8</td>
<td>25.2</td>
</tr>
<tr>
<td>Non-ICA Members</td>
<td>18.9</td>
<td>17.7</td>
<td>9.1</td>
<td>12.2</td>
</tr>
<tr>
<td>Private Sector</td>
<td>8.8</td>
<td>8.8</td>
<td>12.0</td>
<td>16.4</td>
</tr>
</tbody>
</table>

Source: ICA, 2014
The composition of external financing is changing. The dominance of ODA in infrastructure financing declined as private investment increased and China became a major bilateral source. The most striking feature of this surge is the changing share of financing offered by traditional and non-traditional partners and private sector sources, posing great opportunities as well as challenges for sub-Saharan Africa. This funding increase has benefitted a wide range of sub-Saharan African countries. Other sources of finance include remittances, Public-Private Partnerships, regional capital markets, infrastructure funds and South-south and triangular cooperation such as with Brazil.

A major challenge to infrastructure development that has arisen is the paucity of “bankable” projects. That is, whereas the needs for infrastructure have been recognized and projects have been identified, these have not been defined and developed to the level where financing decisions can be made. In other words, there is great need for project preparation. In this regard, ICA has initiated dialogue by setting up a Project Preparation Facilities Network (PPFN) with the aim of better coordinating schemes and their potential financiers during the difficult early development stage.

The ICA hosted a two-day inaugural meeting of the Project Preparation Facilities Network (PPFN) in Tunis on 17-18 June 2015. Representatives at the meeting included those from Africa50 Infrastructure

Figure 13. Reported and Identified Sources of External Financing Flows into African Infrastructure, 2014

Source: ICA, 2014
Fund, European Union-African Infrastructure Trust Fund (EU-AITF), IFC InfraVentures, DBSA, NEPAD Business Foundation, COMESA’s Project Preparation and Implementation Unit (PPIU), ECOWAS’ Project Preparation and Development Unit (PPDU), PublicPrivate Infrastructure Advisory Facility (PIIAF), Sustainable Energy Fund for Africa (SEFA), African Water Facility (AWF) and the African Development Bank. They deliberated over the establishment of, designed a work plan on areas of co-operation and a road map for the future and agreed on areas of collaboration and co-operation, including sharing case studies and best practice, and sharing information on project pipelines to assess opportunities for co-financing.

6.3. African Development Bank (AfDB)

As the major regional Development Finance Institution, AfDB has assumed a leading role in all aspects of African development. In addition to championing international support geared to financing infrastructure development under NEPAD, AfDB puts focus on transport and trade facilitation. In this regard, the Bank adopted a two-thronged strategy: the first being a “hard” dimension directly linked to tangible infrastructure, namely, roads, ports, highways and telecommunications; and the second being a “soft” dimension related to transparency, customs management, the business environment and other institutional aspects that may be intangible (AfDB, 2011).

Trade and Transport Facilitation is a key cross-cutting element of the AfDB’s Regional Integration Strategy (2014-2023). The Bank’s trade and transport facilitation activities seek to build and cement focused partnerships, and to align and co-ordinate Bank interventions with key stakeholders, including multilateral and bilateral donors; regional organizations, especially the RECs; regional DFIs; African Member States; Research institutions; Advocacy groups, and the private sector. The Bank also ensures that the operations of the projects it supports are aligned to relevant international standards and conventions, notably, the Agreement on Trade Facilitation, and the principles of the Revised Kyoto Convention.

The AfDB has a comprehensive portfolio of trade and transport facilitation (TTF) projects. Selected examples include: Kazungula Bridge Project (connecting Zambia-Botswana with a focus on OSBP construction and operationalisation); Nacala Road Corridor (including IPPF feasibility studies on possible construction of OSBP at Malawi/Zambia and Malawi/Mozambique borders); Arusha-Namanga-Athi River Corridor (with a focus on OSBP operationalization enhancing knowledge in modern customs practices and revision of the Customs Management Act etc.); Lomé-Ouagadougou corridor road rehabilitation and transport project, etc.

AfDB has various financing instruments available to support trade-related activities. The Bank’s project loans and grants generally support trade facilitation as a component of larger regional transport infrastructure projects. For example, the Africa Trade Fund (AfTra) is designed to be a responsive technical assistance facility for African countries and RECs to benefit more from regional and international market opportunities. AfTra was designed with the intentions of aligning its goals inter alia with the WTO trade facilitation framework. It aims to assist low-income countries to develop trade-related skills, regulatory regimes and infrastructure in order to enhance their trade performance and competitiveness. Mobilizing additional multi-donor resources under the AfTra would help the Bank to scale up interventions to help implement the TFA.
The AfDB support to the expansion of the Walvis Bay Container Terminal (US $338 million) includes a grant of US$ 1.5 million to improve logistics services and trade facilitation and could potentially be structured to help with implementation of Namibia’s commitments under the TFA. The port of Walvis Bay: serves as a gateway to some of SADC’s landlocked countries and links with at least three major transit corridors in the region, serving 7 countries.

Annual average transshipment traffic growth rate at Walvis Bay is measured at 55% between 2006 and 2012 while transit road traffic is estimated to grow by 25% on average between 2006 and 2012. The removal of bottlenecks and corridor-based customs reforms by customs administrations in the region could go a long way in making the port an attractive option for the region. It is possible for Namibia to link the expansion of Walvis Bay Port with the various regional and TFA measures in order to position itself as one of the more competitive ports in the region.

Source: Kingombe C. AfDB, 2014. Implementing the WTO Trade Facilitation Agreement in Africa: The Role of the AfDB

### 6.4. Aid for Trade

Aid for Trade (AfT) is aimed at helping developing countries, in particular the least developed ones, to build the supply-side capacity and trade related infrastructure they need to benefit from trade opening. AfT is part of ODA related to improving countries’ capacity to trade and is categorized according to the following six areas: trade policy and regulation; trade development; trade-related infrastructure; building productive capacity; trade-related adjustment; and other trade-related needs. This can include support for building new transport, energy or telecommunications infrastructure; investments in agriculture, fisheries and services; as well as assistance in managing any balance of payments shortfalls due to changes in the world trading environment.

The WTO Ministerial Conference in Bali in 2013 produced a ministerial decision which reiterated the need for Aid for Trade and continued the mandate to pursue actions, but without making any specific commitments. In 2013 global Aid for Trade flows reached their record-high levels, with commitments totaling USD 55.4 billion and disbursements reaching USD 41.6 billion. The sectoral composition of Aid for Trade disbursements to Africa is broadly in line with worldwide trends. The bulk of Aid for Trade funds is channeled towards trade-related infrastructure (54% in the 2011-2013 period) and productive capacities (44%); trade policy and regulations account for a further 3% of disbursements, whereas a negligible share of the funds is earmarked for trade-related adjustment. In other words, at the peak of Aid for Trade disbursements to the region in 2013 Africa received USD 8.5 billion for trade-related infrastructure, USD 6.8 billion for productive capacities, USD 490 million for trade policy and regulation, and finally USD 1 million for trade adjustment. More Aid for Trade resources are required to support the LLDCs and transit countries to build their trade related infrastructure and enhance trade facilitation.
6.5. Private Sector

In addition to foreign direct investment, the private sector also has a critical role to play in the implementation of the VPoA, for example through building and strengthening productive capacity, export growth, technology transfer on mutually agreed terms, diffusion of productive know-how, managerial skill and capital, creation of wealth, the opening up of new markets for high-value added products and services and employment generation. In the framework of PIDA, the private sector stakeholder participation includes Continental Business Network (CBN) on Infrastructure Financing and the PIDA Business Working Group (BWG).

PIDA Business Working Group

The African Strategic Infrastructure Initiative was launched at the World Economic Forum on Africa in Addis Ababa, in May 2012 as a mechanism for implementation of PIDA PAP. The Initiative is led by the World Economic Forum in partnership with the African Development Bank, and is supported and guided by the African Union Commission and the NEPAD Agency. The Initiative aims to: help the public sector to benefit from objective, transparent and informed input from the private sector to prioritize and systematically select projects for acceleration from PIDA, including a pilot project; develop innovative ideas and informative publications on project acceleration (including enablement and capacity building), transnational infrastructure programme management and early stage project financing to improve infrastructure delivery in Africa; provide a model to be replicated across Africa, creating an enabling environment for private sector involvement in infrastructure development, with a core focus on accelerating the implementation of PIDA PAP.

The Business Working Group (BWG) was established in order to integrate private sector input regarding the direction and acceleration of these infrastructure mega programmes, and to ensure a coordinated business voice to prioritize and accelerate implementation of the PIDA programmes. Currently the BWG consists of more than 40 public institutions and private companies and it was recognized and endorsed at the 20th Assembly of the African Union Heads of State in January 2013.

The Initiative has been structured into two phases, with the first focusing on “Project Prioritization and Pilot Selection”; the second focuses on “Pilot Project Acceleration”. Key outcomes of Phase I included the evaluation of the 51 PIDA programmes from which 16 programmes were shortlisted for potential acceleration. Heads of state and business representatives agreed to accelerate the Central Corridor as the pilot project, due to its significant potential for Africa to unlock landlocked countries and support secondary markets, and as it benefitted from strong political support. Phase II, focused on pilot project acceleration, was initiated in June 2014. The Central Corridor served as the pilot, with an integrated multimodal transport programme across five countries, Tanzania, Burundi, Rwanda, Uganda and the Democratic Republic of Congo (DRC), and an investment need of approximately $18 billion.

The Initiative has facilitated the mobilization of much needed technical resources, sponsored by the DBSA, to complete required project packaging exercises of the stage 1 projects in preparation for their showcasing and market sounding during a presidential roundtable and Investors’ Forum in March 2015 in Dar es Salaam. The NEPAD Agency will continue the work and replicate the acceleration for other pilots, using the tools and processes created over the past years, adapting and enhancing them as they systematically progress through the remaining PIDA programmes.
Continental Business Network (CBN)

Launched in June 2015, CBN is a high-level advocacy and investment platform for increased private sector participation in PIDA financing, investment and implementation, and more generally as a forum for addressing challenges and opportunities relating to the development of Africa’s infrastructure. The CBN is an exclusive Infrastructure Investment Advisory platform for African Heads of State providing thought leadership and engagement on a range of strategic issues like policy, investment risk rating(s), project structuring and specifically the existing constraints to the implementation of PIDA. The Network comprises leading African and global business and finance bodies as well as regional and international organisations, including AfDB.

The CBN will enable African governments and their partners to engage the private sector on specific regional and cross-border projects, so that the private sector can explain market requirements for project development, risk mitigation, and access to private finance, and suggest specific solutions.

6.6. Policy Implications

Towards sustainable infrastructure. There has been a steady increase in the level of investment in African infrastructure development since adoption of PIDA in 2009. The public budget allocations to infrastructure development under PIDA indicate that African governments are striving to implement development programmes agreed in the framework of PIDA supplemented by other domestic sources such as infrastructure bonds, infrastructure funds and the private sector.

The first major step towards project implementation is its readiness for financing. This has been identified as constraint to investment in infrastructure projects in Africa. Project preparation for large infrastructure projects are costly, typically amounting to approximately 10% of total project cost. More support should be given to existing project preparation facilities in Africa in order to accelerate implementation of PIDA.
7. **CONCLUSIONS AND RECOMMENDATIONS**

The analysis of the current status of the priority areas of the VPoA that are necessary for improving transit transport and trade facilitation in Africa in general shows positive progress in addressing the special needs of LLDCs in Africa. These are highlighted below under each priority area.

7.1. **Legal Framework - International, Regional and Bilateral Agreements**

In general, African countries have adopted the various international agreements relevant to trade and transit transport in their respective regions. However, the level of implementation varies significantly, especially among RECs. Specifically, there are new legal frameworks of relevance to African LLDCs which are still pending ratification and/or implementation:

- **2013 WTO Trade Facilitation Agreement (TFA) and Protocol of Amendment** – countries that have not yet done so are encouraged to ratify and submit their requirements for technical assistance as stipulated.
- **2014 Inter-Governmental Agreement to Underpin the Trans-African Highway** - Endorsed by the AU Summit but not yet implemented. Action should be taken by AU to move the process forward for completion of the missing links in the TAH Network.

The implementation of Protocols on Free Movement of Persons, Rights of Residence and Establishment within RECs as defined in Chapter VI of the Abuja Treaty (1991) continues to lag behind. Only ECOWAS has fully implemented these protocols, while EAC has also made significant progress. Other RECs are encouraged to speed up the process of implementation.

It is possible that many African countries have not acceded to some international conventions due to insufficient capacity to analyze the potential benefits. It is recommended that the international development partners (WTO, WCO, UNCTAD, UNECE, etc.) provide necessary sensitization to countries and regional organizations and promote specific conventions, and where necessary provide technical assistance to enable the African countries to fully participate in the international convention. In the same vein, it is recommended that a national coordination mechanism be established for implementation of such agreements and conventions, preferably at the highest possible political level. For example, WTO TFA requires the formation of national implementation committee in each implementing country. Similarly, the implementation of WCO Revised Kyoto Convention requires establishment of a single national focal point.

7.2. **Customs and Border Crossing Procedures - Harmonization of Policies, Procedures and Institutions, and Modalities for Their Effective Implementation**

Critical solutions to transit trade bottlenecks that could bring immediate benefits to both landlocked and coastal developing countries include improved transit system to simplify, standardize and harmonize customs documentation requirements and procedures; the creation of one-stop border posts to avoid
duplication of procedures; use of new technology and automation of customs procedures to reduce direct contact with officials; and establishment of inland clearance depots or dry ports to facilitate customs clearance procedures. The African LLDCs and transit countries have taken some significant steps in this direction, at the national level, regionally as well as internationally:

- Significant advantage accrues from membership in a Customs Union as demonstrated by greater efficiencies in SACU countries (Botswana, Lesotho, Swaziland) in terms of ease of doing business measures as customs and border processing requirements. With the establishment of expanded Free Trade Area in Eastern and Southern Africa, other LLDCs in this area would also benefit. This points to a need to accelerate the process towards Continental Free Trade Area. Other RECs are encouraged to advance along similar lines in accordance with plans for the Continental Free Trade Area.

- Except for Central Africa, all regions have initiated development of OSBP along the major transit corridors as well as on major trade borders between transit countries (e.g. Kenya-Tanzania border, and along Lagos-Abidjan Corridor). More such OSBPs are in the development plans of RECs as well as at the Continental level in the framework of PIDA.

- Similarly, many countries have established ICDs and Dry Ports along the transit trade routes to improve customs operations, and the majority of African countries have adopted use of ICT systems in border management (ASYCUDA, Single Window, biometric ID Cards, etc.) to increase efficiency in border operations. It is recommended that more use of ICT be installed at all borders. Countries which have not established these facilities for border operations should be supported to do so.

- Visa restrictions have broad economic consequences, notably for the tourism sector. Liberal and forward looking visa policy and implementation can boost a nation’s economy as exemplified by the case of Rwanda. Implementation of the Abuja Treaty Protocol on Free Movement should be encouraged by AU Summit in pursuit of the Continental Passport programme.

### 7.3. Infrastructure Development and Management

Infrastructure development and maintenance continue to top the priority action in regional integration in Africa as a whole. In the context of the VPoA, the following are the key points:

- The transformation of transport corridors into economic development corridors in Eastern and Southern Africa seem to improve the corridor performance as well. Other regions may wish to explore this approach, especially in cases where the anchor port serves a single corridor.

- Private sector participation is becoming increasingly important in infrastructure development in Africa as the relative underdevelopment of infrastructure in most of the continent provides significant opportunities for further private investment. Investment commitments from emerging financiers are unprecedented, both in scale and the focus on large infrastructure projects. However, lack of projects ready for financing constrains investment. It is recommended that more resources should be allocated to Project Preparation Process in order to attract financing.
Reviewing the experience of a successful corridor can help in replication in other corridors. The Maputo Corridor is widely regarded as one the successful corridors. Perhaps Lobito-Benguela Corridor could consider more private sector participation in its revival programme.

All LLDCs need to collaborate with transit countries and develop alternate transit corridors. This is important in two aspects. First, it offers insurance for possible disruptions in one corridor, which may result from natural disasters (e.g. floods) or from blockage in the transit country (e.g. result of dispute or civil unrest). Secondly, existence of alternate routes introduces competition among the corridors resulting in enhanced efficiencies.

Road transport continues to be the dominant mode in Africa. It is essential that the rail transport initiatives in the various corridors (e.g. West African Rail, East Africa Standard Gauge Rail, Lobito-Benguela Rail, etc.) be implemented as soon as possible to improve overall competitiveness of African LLDCs in international trade.

PIDA provides an agreed framework for coordination of infrastructure development in Africa. Member States should therefore strive to harmonize their national infrastructure plans with PIDA so as to benefit from technical and financing support from the continental framework.

Implementation of PIDA will require solid coordination structures and mobilization of all relevant funding sources, both public and private. Its implementation will therefore depend on the initiatives of RECs, Member States and specialized agencies to develop infrastructure in Africa in accordance with the Continental AEC framework.

TAH is a key aspect of the above Continental AEC Framework. Accordingly, TAH segments in each Member State should form the anchor of the national programme in order to ensure its timely completion. Lessons should be drawn from the experience in Asia with the Trans Asian Highway programme.

Leadership matters. More PIDA projects should be incorporated into PICI which is driven by political leadership in order to increase rate of implementation.

7.4. International Trade and Trade Facilitation:

It is important to note that Africa’s exports to the rest of the world are mainly natural resources (fuel oil and minerals), which are vulnerable to price volatility. On the other hand, Africa’s trade within itself is mostly in manufactured goods, thus it provides opportunity for expansion of trade within Africa through Regional Value Chains. In addition, Africa’s trade in services is also increasing, thus offers opportunity for Africa’s participation in the Global Value Chains. Specifically:

Overall, African countries are already stepping up efforts to facilitate trade, especially intra-Africa trade in the context of the Continental Free Trade Area. RECs should consolidate ongoing efforts with their member States to ensure that their activities are largely consistent with the WTO provisions.

Empirical studies typically suggest that the benefits of trade facilitation are likely to exceed the related costs, and indeed African countries have realized this and are starting to implement trade
facilitation measures to remove barriers to trade. It is encouraging to note that senior customs officials are championing key elements of trade facilitation at the continental level – through the AU Sub-Committee of Directors General of Customs. It is envisaged that this could strengthen national advocacy and eventually lead to concrete results.

- Trade facilitation measures in the coastal and transit countries also have spill-over impact to the hinterland countries. Cognizant of these potential benefits, several African countries have initiated programmes to modernise their customs at the ports of entry and along transit corridors along the guidelines of the Revised Kyoto Convention (RKC) of the World Customs Organization. These initiatives should be incorporated into the programmes of RECs in order to extend their implementation.

- Finally, the geography of African LLDCs, coupled with inadequacy of land transport infrastructure and services, provides an added incentive to exploit the use and efficiency of air transport in the continent. This is particularly relevant with regard to the enhancement of intra-Africa trade. It is therefore recommended that the potentials of air transport to enhance both intra-Africa trade and the continent’s trade with other regions of the world should be further developed.

### 7.5. Means of Implementation

It is the responsibility of African LLDCs and their regional organizations (Corridor Management, RECs, AUC, etc.) to ensure that the external support measures address Africa’s priorities. There has been a steady increase in the level of investment in African infrastructure development since adoption of PIDA in 2009. The relatively high and increasing level of public budget allocations to infrastructure development indicates that African governments are striving to implement development programmes agreed in the framework of PIDA.

The first major step towards project implementation is its readiness for financing. This has been identified as constraint to investment in infrastructure projects in Africa. Project preparation for large infrastructure projects are costly, typically amounting to approximately 10% of total project cost. More support should be given to existing project preparation facilities in Africa in order to accelerate implementation of PIDA.
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