Enhancing African Trade Through Hinterland Connectivity (Corridor Development)

Presented by:
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Walvis Bay Corridor Group
PRESENTATION OVERVIEW

1. African Trade Challenges
2. Corridor Development
3. Namibia History & Development
4. Example of PPP in Corridor Development – Walvis Bay Corridor Group
5. Benefit of Corridor Development
6. Conclusion
AFRICAN TRADE CHALLENGES

➢ Stuck with infrastructure that follows historical trading routes

➢ Inefficient / expensive transportation restrict inter-regional trade

➢ Reliant on neighboring countries

➢ High cost of trading with international market

➢ Intra-African trade low 13-15% of total trade

➢ Initiatives to address challenges - AfCFTA

➢ Transport Corridors are key to unlock Africa’s Potential
CHALLENGES LANDLOCKED COUNTRIES

- 1/3 landlocked
- Long distances to int’l markets
- Cumbersome border crossing
- Depended on maritime countries for trade
- Higher cost of transport
- Lower volumes of trade
- Higher average cost of trade
CORRIDOR DEVELOPMENT

- Efficient corridors extends beyond better provision of Transport infrastructure.
- Non-tariff barriers restricts regional economic integration
- Optimization requires coordination of multiple stakeholders to be successful.
- Merging the Public and Private sectors is crucial.
- Corridor Management Institutions play this role.
CONSIDERATIONS IN CORRIDOR DEVELOPMENT

➢ Role of Public sector
➢ Role of private sector
➢ Common objectives
➢ Vision
➢ Level of flexibility
➢ Realization of objectives
➢ Implementation (*Intention must become action*)
ROLE OF CORRIDOR MANAGEMENT INSTITUTIONS

➢ Improve efficiency and effectiveness of economic corridors.

➢ Facilitate dialogue between corridor stakeholders to harmonize procedures and documentation.

➢ A facilitation body between the public and the private sector.

➢ Focus on trade facilitation, infrastructure development, business development and economic development.
BENEFIT OF CORRIDOR DEVELOPMENT
“Customer perspective”

➢ Creating Alternative Trade Routes
➢ Access to new markets
➢ Safe, Secure & Reliable route
➢ Reduced supply chain costs
➢ Faster transit times
➢ Ease of doing business
➢ Continues Improvement
➢ Enhance competitiveness
Infrastructure Development
We are

Ministry of Works and Transport

Ministry of Industrialization, Trade and SME Development

Ministry of Finance

Ministry of Home Affairs and Immigration

A Public Private Partnership initiative
WBCG SERVICE PROFILE

➢ Business Development
➢ Trade / Cross border facilitation
➢ Infrastructure development
➢ Create network between stakeholders
➢ Serve as facilitation center
➢ Wellness service
➢ Spatial Development Initiatives
➢ Namibia Logistics Hub
WBCG Business Development Offices

- Lusaka, Zambia opened in 2005
- Johannesburg, RSA opened in 2008
- Sao Paulo, Brazil opened in 2012
- Lubumbashi, DRC opened in 2012
- Windhoek, Namibia opened in 2000
- Europe??
- USA?
- Far East??

Footprint
STRATECIG LOCATION & INTERNATIONAL SHIPPING LINKS

- Strategic location
- Gateway to West coast of Africa
- International Shipping connections
- Main economic centres in the world
Walvis Bay Corridors

- **TRANS KALAHARI**
  Botswana, SA, Zimbabwe

- **WALVIS BAY-NDOLA-LUBUMBASHI (AKA TRANS CAPRIVI)**
  Zambia, Zimbabwe, Malawi, DRC

- **TRANS CUNENE**
  Angola

- **TRANS ORANJE**
  Northern Cape Province
REGIONAL & CONTINENTAL PROGRAMS

Namibia (WBCG)
Section 21 Company

Botswana/Namibia/South Africa
TransKalahari Corridor Management Committee

DRC/Namibia/Zambia
Walvis Bay-Ndola-Lubumbashi Development Corridor

Angola/Namibia
TransCunene Corridor

Continental Africa
African Corridor Management Alliance (ACMA)
WALVIS BAY-NDOLA-LUBUMBASHI DEVELOPMENT CORRIDOR

➢ Tripartite agreement Namibia, Zambia and DRC
➢ WBCG Interim Secretariat
➢ Facilitate cross border trade and transit-transport cooperation
➢ Stimulate economic & social development
➢ Creating network between stakeholders
➢ Address bottlenecks along corridor = NTB’s
➢ Establishing thematic working groups
➢ Ensure continued dialogue P/P
WBNLDC INTERVENTIONS

➢ Customs:
  • Implementation of Asycuda World
  • Border closing times
  • Unauthorized clearing agents at borders

➢ Transit fees & Visa’s
  • Differs amongst members
  • Recommendations to have unified fees
  • Exempt members from non-related transit fees

➢ Infrastructure:
  • Namibia & Zambia signed road transport agreement
  • Draft agreement with DRC
  • Harmonization of Axle load
WELLNESS SERVICE

➢ Facilitates and supports fight against HIV/Aids
➢ Provision of general wellness interventions

Workplace Wellness  Wellness Centres  Mobile Clinics
# DONOR SUPPORT

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<tr>
<th>Development Partner</th>
<th>Duration</th>
<th>Project Value U$</th>
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<td>Global Fund Grant</td>
<td>2018 - 2020</td>
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<td>SFH /USAID</td>
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<td>GIZ Transport</td>
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<td>Employee Wellness Services</td>
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<td><strong>Total</strong></td>
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NEW CONTAINER TERMINAL

Project Description

- Commenced 2014
- 40 HA new Port Land
- Add 600 m of quay length;
- 750,000 TEU p.a. capacity;
- Ship-to-Shore Cranes
- Includes Cruise Terminal
- Completion = 2019
STATUS AS AT SEPTEMBER 2014
CONCLUSION

To successfully develop the Hinterland connections on the African Continent, many stakeholders from the Private and Public sectors will have to work together.

There are many associations and bodies playing a coordinating, advocacy and facilitation role.

There are many areas and opportunities where PPP’s will aid the development of Africa’s intercontinental connection and improve African Trade.
PLAN PROPERLY – EXECUTE TOGETHER
THANK YOU FOR YOUR KIND ATTENTION

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