

FINAL REPORT

TRANSPORT AND TRADE FACILITATION: EAST AND SOUTHERN AFRICA

Review of Present Problems and Reform Initiatives

Volume I

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LIST OF ACRONYMS

ADB	African Development Bank
COMESA	Common Market for Eastern and Southern Africa
DANIDA	Danish International Development Agency
DeSCC	Dar es Salaam Corridor Committee
DRC	Democratic Republic of Congo
EAC	East African Community
ECOWAS	Economic Community of West African States
EU	European Union
FESARTA	Federation of South African Road Transport Associations
GoK	Government of the Republic of Kenya
GoT	Government of the United Republic of Tanzania
GoU	Government of the Republic of Uganda
GTZ	Deutsche Gesellschaft fur Technische Zusammenarbeit
IMO	International Maritime Organisation
JRMG	Joint Route Management Groups
KE	Kenya
KfW	Kreditanstalt fuer Wiederaufbau
KWT	Kuwait
N	No Development Partner
NEPAD	New Partnership for Africa's Development
NORAD	Norwegian Agency for Development
OPEC	Organisation of Petroleum Exporting Countries
PMAESA	Port Management Association of Eastern and Southern Africa
RCBG	Regional Customs Guarantee Scheme
REC	Regional Economic Community
RMG	Railway Management Groups
SADC	South African Development Community
SATCC-TU	Southern African Transport and Communications Commissions- Technical Unit
SAMSA	South African Maritime Safety Authority
SDI	Spatial Development Initiative
TCC	Trans Caprivi Corridor
TIR Convention	Convention on the International Transportation of Goods under cover of TIR Carnets
TKC MoU	Trans Kalahari Corridor Memorandum of Understanding
TKC	Trans Kalahari Corridor
TKCMC	Trans Kalahari Corridor Management Committee
TTCA	Transit Transport Coordination Authority of the Northern Corridor

TZ	Tanzania
UG	Uganda
USAID	United States Agency for International Development

1. BACKGROUND

- 1.1 Regional groupings in East and Southern Africa have launched noteworthy policy and institutional reforms aimed at improving the overall performance of their transport systems. To date, the actual impact of such reforms on individual corridors has been less noticeable. The lack of measurable impact poses several dangers. The first is to undermine confidence in the merit of individual reforms. This manifests in thinking which suggests that because results are minimal, reforms are themselves faulty. While understandable, such thinking ignores the more obvious reality that the fault lies in implementation, rather than in the design of reform. For the most part, reforms are based on international best practice and have demonstrated their merit elsewhere. However, capacity to ensure sufficient implementation and sustain adequate momentum has, more often than not, been a factor obstructing real impact.
- 1.2 The second danger is that the lack of results engenders a sense of hopelessness and futility among those responsible for resourcing and undertaking implementation. This prompts a tendency, especially among financiers, to channel resources into other areas deemed more likely to demonstrate real impacts. The result is to reduce resources available to the transport sector. Such a result should be avoided. It emphasizes the need for the whole region – and regional groupings – to follow through on reforms that have been embarked upon.
- 1.3 The World Bank recognises the imperative to assist Africa with its efforts at economic integration both internally and externally and is presently in the process of preparing assistance programmes for both Eastern and Southern Africa. To this end, the World Bank wishes to focus its resources and those of other potential financiers in the most cost-effective manner and ensure complementarity with ongoing initiatives.
- 1.4 Against this background, the World Bank has commissioned a review of:

- Recent studies and reports covering trade, transport and transit in East and Southern Africa along selected existing corridors. The scope of the study does not include potential corridors such as the Mtwara Corridor and the Angolan Corridors;
- Ongoing assistance programs in the field of trade, transport and transit; and
- Identified priorities to improve the facilitation of trade, transport and transit.

Corridors under review

- *Durban – Beit Bridge – Harare – Lusaka - Lubumbashi*
- *Maputo – Johannesburg*
- *Beira – Machipanga – Harare – Lusaka*
- *Nacala – Blantyre*
- *Dar es Salaam – Tunduma – Lusaka*
- *Dar es Salaam – Kigoma – Bujumbura – Bukavu**
- *Dar es Salaam – Isaka – Kigali-Goma**
- *Dar es Salaam – Mwanza – Kampala**
- *Mombasa – Kampala – Kigali – Bujumbura*
- *The Trans Kalahari corridor Walvis Bay to South Africa via Botswana*
- *The Trans Caprivi corridor between Walvis Bay and Zambia*
- *Djibouti - Addis Ababa - Sudan borders*

* These corridors constitute the Dar es Salaam central Corridor

2. METHODOLOGY AND OUTLINE OF REPORT

- 2.1 The assignment was designed as a desk exercise, utilizing past experience in the region, existing information, known sources etc, to identify, gather and then summarize available data. For an overview of the documentation reviewed, see **Annex A**.
- 2.2 In addition to studies and corridor-related documentation that was readily available from the consultant's library and the public domain, the consultant obtained reports from Regional Economic Communities (RECs), corridor institutions, financier agencies and other consultants supporting corridor initiatives.
- 2.3 Due to a number of shortcomings in respect of the available information (discussed in paragraph 3 below), the consultant conducted a number of

telephone interviews to supplement, update and verify information contained in the documentary database it compiled. For a list of stakeholders consulted, see **Annex B**.

2.4 The minimum expected outputs of the assignment are:

- A list of all relevant studies of interest with availability status and a short comment on the content (**Annex A**);
- A list of financier projects (ongoing or under preparation) related to transport or trade in the countries or at corridor level (**section 5 of Volume I**);
- Last known traffic flows (**section 6 of Volume I**);
- Overall present status of the infrastructure (**section 7 of Volume I**);
- Indication of the existence or not of a coordination/management committee, its composition (**section 8 of Volume I**); and
- Assessment of principal soft and hard issues (**section 9 of Volume I**).

2.5 In addition to the output listed above, **the assignment presents broader findings and conclusions in respect of the corridor development context that are also reported in section 10 of this report. All commentators commented on the broader findings and conclusions and their relevance as building blocks in institutionalising a process of co-operative and collective investment in corridor development. Commentators expressed the opinion that the issues raised in section 10 are fundamental and should be addressed with urgency a view to improving transport and transit facilitation along corridors.**

2.6 Sufficient information has been compiled to present, at a minimum, a trend in achievement (progress), soft issue gaps and infrastructure missing links. An indication of achievement is the response to the critical question of how far each corridor has progressed and how far are we away from being able to monitor impact, which, in turn, will highlight what is still missing and make it easier to prioritise corridors for the purposes of financing. **Accordingly, the results reported in this report should not be considered to be final but rather as a point of common departure (rolling baseline) towards the evolution of a comparative platform for consultation and planning between stakeholders. As such, the rolling baseline document will ultimately feed into individual corridor action plans (to be developed by the respective corridor management institutions) that will be updated periodically as and when better information becomes available.**

2.7 Because the information available on the different corridors is generally not presented in a manner conducive to easy comparison, we have had to introduce a level of “information transformation or recasting” to create a “first stab” baseline. This has required developing a framework of basic impact-related questions in respect of both soft and hard issues. Those questions have then been asked in respect of all the twelve corridors. It has been possible to elicit answers in respect of some issues. In some cases, the answers are almost a refrain of gaps and missing links across all twelve corridors. Those have been identified as the core gaps and missing links. In other cases, it has not been possible to elicit clear answers from the information available to us. Those areas have been flagged. Stakeholders will, in due course, provide information that will inform an update of the baseline. There are also instances where the information in different sources is in conflict. Particular attention has been focussed on those areas where responses have been received and, particularly, where the responses are consistent in identifying recurring gaps and missing links.

2.8 The following framework of questions was used to assess both soft and hard issues across corridors:

- In relation to “soft” issues:

- **Enabling environments:** To what extent do enabling frameworks support integrated transport? To what extent do enabling frameworks enable cross border activity (eg. cross-border road and rail operations) and investment (eg. cross-border concessions, such as the Maputo toll road and the envisaged Nacala railway concession)? To what extent do enabling frameworks enable or constrain port and railway market liberalization and the introduction of Public Private Partnerships (PPP)? To what extent is private participation in the road sector enabled or constrained? To what extent is private participation in border post development and management enabled or constrained? To what extent do enabling frameworks enable or constrain implementation of social programmes such as HIV/Aids programmes? To what extent do enabling frameworks introduce harmonised operational standards?
- **Corridor institutions:** To what extent is full stakeholder inclusivity (stakeholder coalition) accepted as the basis for corridor institutional development? To what extent do corridor states facilitate corridor development and management? Have corridor management institutions been established? Are they fully representative? Are the roles of such institutions clearly defined? Are they functioning? Is there a single institutional mechanism that coordinates planning, funding and monitoring across corridors? Is there a corridor action plan?
- **Transit facilitation:** To what extent do current customs procedures, documentation and controls inhibit the free flow of traffic and persons? To what extent are border-post cooperative practices in place to enhance customs efficiency?
- **Operations:** Is the condition of equipment conducive to efficient corridor operations? Are logistical systems in place to support efficient corridor operations? Are harmonized standards being implemented?
- In relation to “hard” issues:
 - What are the infrastructure missing links that inhibit the free flow of persons and goods on a corridor, for example in respect of:
 - Port infrastructure;
 - Road links;
 - Rail links;
 - Inter modal facilities;
 - Roadside facilities.

2.9 The report was developed in four layers, namely:

- **Matrices** providing raw data as drawn from available action plans and studies as well as interviews on each corridor. The matrices are, as a result of limited information, incomplete. Empty boxes denote a need for action planning or monitoring rather than “no need or missing link”. The matrices are dynamic documents and may be considered as a framework to facilitate action planning where it has not commenced. Continued updating of the matrices will consequentially influence the content of the follow-on layers presented in the report.
- **Regional Economic Community (REC) snapshots** presenting issues which are relevant to all assessed corridors within individual RECs and which should ideally be addressed at REC level. It is noted that certain corridors do not exclusively lie in the geographic area of only one REC and transcend RECs.
- **Corridor-specific snapshots** presenting an analysis of the information in the matrices and summarizing trends in progress and needs or missing links.

- **Overall conclusions and recommendations** that analyse the information contained in the matrices and corridor-specific snapshots. The matrices may be consulted to ascertain any detailed information that informs a conclusion or recommendation.
- 2.10 The report packages the four layers in two parts namely:
- The **Executive Summary (Volume I)** that contains the overall conclusions and recommendations; and
 - The **Corridor Assessment (Volume II)** that contains the remaining layers.
- 2.11 For the purpose of this report, the corridors are presented under the heading of the REC within which the greatest part of the corridor rolls out. Due recognition is given to the fact that some countries are members of more than one REC and that this presents challenges of coordination. Those challenges are addressed in the REC snapshots and overall conclusions and recommendations. Against this background, the following classification is proposed:
- EAST AFRICAN COMMUNITY (EAC)
 - Corridor snapshots and matrices:
 - Dar es Salaam – Kigoma – Bujumbura – Bukavu
 - Dar es Salaam – Isaka – Kigali-Goma
 - Dar es Salaam – Mwanza – Kampala
 - Mombasa – Kampala – Kigali – Bujumbura
 - COMMON MARKET FOR EASTERN AND SOUTHERN AFRICA (COMESA)
 - Corridor snapshot and matrix:
 - Djibouti - Addis Ababa - Sudan borders
 - SOUTHERN AFRICAN DEVELOPMENT COMMUNITY
 - Corridor snapshots and matrices
 - Durban – Beit Bridge – Harare – Lusaka – Lubumbashi
 - Maputo – Johannesburg
 - Beira – Machipanda – Harare – Lusaka
 - Nacala – Blantyre
 - Dar es Salaam – Tunduma – Lusaka
 - The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana
 - The Trans Caprivi Corridor between Walvis Bay and Zambia

3. THE DOCUMENTARY ENVIRONMENT: GENERAL COMMENT ON AVAILABLE INFORMATION

- 3.1 Whilst an attempt has been made in this report to establish a comparative platform (rolling baseline) for future stakeholder planning and consultation, the following shortcomings in the documentation reviewed may be noted:
- Overall, the rationale, scope and purpose of the studies differ and, as a result, there is no clearly identifiable comparative basis amongst corridors. Direct comparisons are not always possible, thus making it difficult to compare cross-corridor performance.
 - The studies do not contextualize corridor development, management and prioritisation with reference to global trade flows and market and shipping requirements.

- Corridor-specific data is limited. Available data is based in existing national database classifications not oriented to corridor approach and therefore not optimal to inform corridor decision-making.
- None of the studies reviewed presents a “total” corridor development and management model that provides the context or conceptual benchmark for any subsequent corridor-specific discussion.
- The documentation reviewed does not apply standardised corridor definitions: For example, the East African Corridors defined for purposes of the East African Road Network Project are not identical to the corridor definition used for the purposes of the review or other studies such as the USAID/REDSO costing study. As a result, this complicates any quantification of infrastructure and transit needs and concomitant cost.
- Overall, corridor-related “impact type” information is limited although there is more of such information on some corridors than others. For example, more information is available on the Mombasa, Dar es Salaam and remaining SADC corridors than, for example, on to the Djibouti- Addis Ababa- Sudan Corridor and the Trans Caprivi Corridor between Walvis Bay and Zambia.
- Some information, particularly impact-type information, appears to be outdated. For example, comments received indicate that the best real time information on transit traffic is available from the various ports.
- There is a serious concern about the validity of transport cost data collected. The premise and, consequently, validity of transport cost studies has been challenged by regional commentators. It has been stated that recent transport cost studies (SADC Regional Freight Corridor Study, USAID / RAPID and SATN-USAID REDSO) with the exception of the East African Studies which focus mainly on import cost and prices, assume that the direction of traffic has no impact on the rates. As a consequence, listed rates are equal for imports and exports, which is not true. Most, if not all, the flows are not balanced, and the rule is that the stronger flow attracts the higher rates. If a market is predominantly an import market, the import rates are higher than export rates. The question which arises is whether it is collected cost that are translated into prices and market rates which is generally regarded as being incorrect, or is it only one direction which has been considered and, if so, which one, the highest or the lowest?
- The focus of information differs between corridors. For example, the available information on the Mombasa and Dar es Salaam Corridors tends to focus predominantly on the hard issues and less on the soft issues. In contrast, the available information on the SADC corridors tends to focus more on the soft (facilitation) issues than on the infrastructure (hard) issues.
- Studies tend to have wide focus and most studies suffer from a lack of operational detail that prevents the formulation of very specific and focused interventions. As a result, studies tend to result in “macro level” recommendations which, while valid, are not sufficiently detailed to be translated into implementation actions that achieve major impact in improving system performance.
- A limited information base is used as a point of departure for most studies. In many cases, statistical information used in a particular study is adapted from the same information used in a different study where the information was generated for the purposes of a corridor having a slightly different definition. The impact of the deviations from corridor definitions is generally not acknowledged or tested.
- Monitoring reports mainly focus on process monitoring rather than impact monitoring. As such there is a tendency to record static information that is outdated even before it is disseminated.

4. CO-OPERATION FROM RECs, NATIONAL GOVERNMENTS, CORRIDOR INSTITUTIONS, FINANCIERS AND OTHERS: COMMENT ON CAPACITY

- 4.1 The information contained in this report represents the totality of what could be drawn from the documentation reviewed as supplemented and verified through interviews with various representatives of RECs, National Governments, existing corridor management institutions and financiers.
- 4.2 The fact that more information could not be obtained is not a reflection of the quality of cooperation received from the entities referred to. All entities and the RECs, in particular, displayed a high level of availability and cooperation in sharing information available to them. **We wish to extend our appreciation to the RECs for sharing their information and experience.**
- 4.3 It is, however, clear from our interaction with the RECs that they too suffer from limited availability of and access to real time corridor-related information. As a result, they have a vested interest in ensuring that this initiative to share, collect and establish corridor baseline information will be sustained as an ongoing initiative.
- 4.4 Setting an information baseline for the various corridors is essentially an activity that has to be informed by corridor users (particularly shippers) and operators who have intimate knowledge of corridor conditions and what is needed to enhance corridor efficiency. The chances of getting a comprehensive and more accurate corridor baseline are better if there is inclusive participation of stakeholders (shippers) in a particular corridor. This is an additional incentive to ensure that corridor management institutions are fully inclusive of corridor users and operators.
- 4.5 It is acknowledged, however, that these stakeholders are very busy and often have time constraints and therefore require the assistance of facilitators to help them set corridor baselines. As such, this initiative serves to kick-start the process of setting corridor baselines that will essentially be sustained by corridor management institutions assisted by facilitators, where necessary. The outcome of this initiative will not be a completed baseline but will, at least, record some progress compared to where we were before.
- 4.6 This type of initiative is not new particularly in the SADC region. SATCC and the EU undertook a similar initiative in 1998 with a view to establishing baseline information on progress made in implementing the SADC Transport, Communications and Meteorology Protocol as far as the establishment and implementation of enabling policy legal and regulatory environments in transport were concerned. A good start was made in this regard but unfortunately the initiative has not been sustained.

5. FINANCIER INVOLVEMENT

5.1 GENERAL ASSESSMENT

- 5.1.1 Whilst the documentation reviewed presents some information on ongoing or envisaged projects, it does not present comprehensive inventories. The following table presents the available information on projects that are corridor-specific as well as projects specific to corridor countries with a potential impact on corridor management and development. For purposes of this study, projects financed by the private sector have not been listed. For purposes of convenience, projects specific to a corridor country are repeated with regard to all corridors traversing a specific country.

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
Durban – Beit Bridge – Harare – Lusaka – Lubumbashi Corridor (DRC; South Africa; Zambia; Zimbabwe)	• World Bank	Zambia Railway Restructuring project. Ongoing up to 2004.	US\$ 31 million. Loan
	• USAID/ World Bank	Implementation of One-stop Border Post Chirundu and Between Zambia and DRC. Proposal to be submitted to financiers.	
	• World Bank	DRC Emergency Multisectoral Rehabilitation and Reconstruction project which includes general transportation rehabilitation and reconstruction. Ongoing up to 2005.	40% of budget allocated to transport and total project cost is US\$454 million. Emergency recovery loan
	• World Bank	DRC: Private Sector Development and Competitiveness Project. Ongoing	US\$ 123.83 million. 20% for general transport sector. Loan
	• World Bank	Zambia Road Sector Investor Programme Support Project. Roads Upgrading and Strengthening Road Authority Managerial capacity. Ongoing to 2004.	US\$ 460 million. 89% for roads sector. Loan
	• World Bank	Zambia: Project to Support ROADSIP (02). Ongoing	US\$ 600 million. Loan
	• World Bank	Zambia National HIV/ Aids Project. Ongoing to 2008.	US\$ 46 million. Adaptable loan.
	• World Bank	Zambia Regional Trade Facilitation Programme. Ongoing to 2011.	US\$ 45 million. Loan
	• World Bank	Zambia Railways Restructuring Project. Ongoing to 2004.	US\$ 31 million. Loan
	• World Bank	Zimbabwe Aids Project. To assist with national implementation of HIV/ AIDS programmes. Negotiations suspended due to country situation, but funds secured.	US\$ 45 million. Loan
	• World Bank	Zimbabwe Road Maintenance and Reform. Negotiations suspended due to country situation, but funds secured.	US\$ 100 million. Loan

¹ The terms financier and international cooperating partner (ICP) is used interchangeably in this report.

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
Maputo – Johannesburg Corridor <i>(Mozambique; South Africa)</i>	<ul style="list-style-type: none"> World Bank 	Mozambican Ports and Railways Restructuring Project. Ongoing up to 2005.	US\$ 100 million. 58% for ports. 9% for general transportation. Loan
	<ul style="list-style-type: none"> World Bank 	Mozambique Development Corridor Support Network	US\$?
	<ul style="list-style-type: none"> World Bank/ USAID/ EU 	Mozambique Roads Reform Project: implementation of a decentralised roads funding and management system and routine and periodic maintenance. Ongoing up to 2003	US\$ 815 million
	<ul style="list-style-type: none"> World Bank 	Mozambique Economic Management and Private Sector Adjustment Credit Project. Ongoing to 2004	US\$ 120 million. 25% for transport. Structural adjustment loan
	<ul style="list-style-type: none"> World Bank 	Mozambique HIV/ Aids Programme. Ongoing to 2008	US\$ 64 million. Adaptable loan
	<ul style="list-style-type: none"> World Bank 	Mozambique Roads and Coastal Shipping Project. Closing on 30/6/2003.	US\$ 850 million. 93% for transportation. Loan
	<ul style="list-style-type: none"> World Bank 	Mozambique Roads and Bridges Rehabilitation. Ongoing to 2005.	US\$ 164 million. Adaptable loan
	<ul style="list-style-type: none"> SDI 	Support programme to deepen the industrial base in Maputo province through improved local infrastructure and services	
Beira – Machipanda – Harare – Lusaka Corridor <i>(Mozambique; Zambia; Zimbabwe)</i>	<ul style="list-style-type: none"> ADB 	Corridor-specific Project: Beira Corridor Road Traffic Safety Strategy. Ongoing	
	<ul style="list-style-type: none"> ADB 	HIV/Aids support	
	<ul style="list-style-type: none"> ADB 	Trade facilitation support	
	<ul style="list-style-type: none"> World Bank 	Mozambican Ports and Railways Restructuring Project. Ongoing up to 2005.	US\$ 100 million
	<ul style="list-style-type: none"> World Bank/ USAID/ EU 	Mozambique Roads Reform Project: implementation of a decentralised roads funding and management system and routine and periodic maintenance. Ongoing up to 2003	US\$ 815 million

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• World Bank	Mozambique Economic Management and Private Sector Adjustment Credit Project. Ongoing to 2004	US\$ 120 million. 25% for transport. Structural adjustment loan
	• World Bank	Mozambique HIV/ Aids Programme. Ongoing to 2008	US\$ 64 million. Adaptable loan
	• World Bank	Mozambique Development Corridor Support Network	US\$?
	• World Bank	Mozambique Roads and Coastal Shipping Project. Closing on 30/6/2003.	US\$ 850 million. 93% for transportation. Loan
	• World Bank	Mozambique Roads and Bridges Rehabilitation. Ongoing to 2005.	US\$ 164 million. Adaptable loan
	• World Bank	Zambia Road Sector Investor Programme Support Project. Roads Upgrading and Strengthening Road Authority Managerial capacity. Ongoing to 2004.	US\$ 460 million. 89% for roads sector. Loan
	• World Bank	Zambia: Project to Support ROADSIP (02). Ongoing	US\$ 600 million. Loan
	• World Bank	Zambia National HIV/ Aids Project. Ongoing to 2008.	US\$ 46 million. Adaptable loan.
	• World Bank	Zambia Regional Trade Facilitation Programme. Ongoing to 2011.	US\$ 45 million. Loan
	• World Bank	Zambia Railways Restructuring Project. Ongoing to 2004.	US\$ 31 million. Loan
	• World Bank	Zimbabwe Railways Restructuring. Project preparation is on hold due to country situation.	
	• World Bank	Zimbabwe Aids Project. To assist with national implementation of HIV/ AIDS programmes. Negotiations suspended due to country situation, but funds secured.	US\$ 45 million. Loan
	• World Bank	Zimbabwe Road Maintenance and Reform. Negotiations suspended due to country situation, but funds secured.	US\$ 100 million. Loan
	• SDI	Support programme to identify anchor projects and cluster platforms within the agricultural and mineral resource beneficiation	

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
Nacala – Blantyre Corridor (Mozambique; Malawi)	• EU	Corridor-specific Project: Feasibility Study for Rehabilitation of Portion of the Nacala Line and Prefeasibility for Upgrading of Nacala Port.	
	• World Bank	Corridor-specific Project: Corridor investment strategy for Malawi Government. Closing 06/2003	
	• World Bank	Mozambique Development Corridor Support Network	US\$?
	• World Bank	Malawi Road Maintenance and Rehabilitation project which includes institutional framework development capacity building, establishment of the National Construction Industry Council and sustainable periodic maintenance. Ongoing up to 2005	US\$ 39.5 million. Loan
	• World Bank	Malawi Regional Trade Facilitation Project. Ongoing to 2011	US\$ 45 million. Loan
	• World Bank	Malawi Road Safety Project. Ongoing	US\$ 40 million. Loan
	• World Bank	Mozambican Ports and Railways Restructuring Project. Ongoing up to 2005	US\$ 100 million. Loan
	• World Bank/ USAID/ EU	Mozambique Roads Reform Project: implementation of a decentralised roads funding and management system and routine and periodic maintenance. Ongoing up to 2003	US\$ 815 million
	• World Bank	Mozambique Economic Management and Private Sector Adjustment Credit Project. Ongoing to 2004	US\$ 120 million. 25% for transport. Structural adjustment loan
	• World Bank	Mozambique HIV/ Aids Programme. Ongoing to 2008	US\$ 64 million. Adaptable loan
	• World Bank	Mozambique Roads and Coastal Shipping Project. Closing on 30/6/2003.	US\$ 850 million. 93% for transportation. Loan
	• World Bank	Mozambique Roads and Bridges Rehabilitation. Ongoing to 2005.	US\$ 164 million. Adaptable loan
• SDI	Support programme to develop efficient seamless transport telecommunications and energy systems and fostering economic growth.		

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana <i>(Botswana; Namibia; South Africa)</i>	<ul style="list-style-type: none"> USAID 	Corridor-specific Project: Corridor Institution Building And Ongoing Transit Facilitation. Ongoing to 2004	
	<ul style="list-style-type: none"> EU 	Corridor-specific Project: TKC/ TCC Corridor Feasibility Study. Bids under consideration and contract to be awarded in June 2003	
	<ul style="list-style-type: none"> JICA 	Road Infrastructure Project. Completed.	
	<ul style="list-style-type: none"> SIDA 	Corridor-specific Project: HIV / Aids Helpdesk Project	
The Trans Caprivi Corridor between Walvis Bay and Zambia <i>(Angola; Namibia; Zambia)</i>	<ul style="list-style-type: none"> USAID 	Corridor-specific Project: Corridor Institution Building Project. Government of Namibia preparing proposal for submission to USAID during 2003	
	<ul style="list-style-type: none"> EU 	Corridor-specific Project: TKC/ TCC Corridor Feasibility Study. Bids under consideration and contract to be awarded in June 2003	
	<ul style="list-style-type: none"> SIDA 	Corridor-specific Project: Extension of TKC HIV/ Aids Helpdesk to TCC. Government of Namibia preparing proposal for submission to USAID during 2003	
	<ul style="list-style-type: none"> ADB/ KFW 	Bridge Construction Project (Livingston road). Construction underway.	
	<ul style="list-style-type: none"> USAID/ World Bank 	Feasibility Study for Establishment of One-Stop Border Post At Katima Mulilo. Government of Namibia preparing proposal to be submitted to USAID during 2003.	
Dar es Salaam – Tunduma – Lusaka Corridor <i>(Tanzania; Zambia)</i>	<ul style="list-style-type: none"> USAID 	Initial Corridor Institution Building. USAID considering further assistance.	
	<ul style="list-style-type: none"> World Bank 	Tanzania port and railway reforms.	
	<ul style="list-style-type: none"> World Bank 	Tanzania Integrated Roads Project to support infrastructure rehabilitation and maintenance policy and institutional reforms. Ongoing up to 2004.	US\$ 582.4 million. Loan
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA 5 th Dimension Credit FY02 Supplemental Release. Ongoing	US\$ 0.58 million. 13% for transportation
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA Reflow PSAC 1. Ongoing	US\$ 0.77 million. 13% for general transport
	<ul style="list-style-type: none"> World Bank 	Tanzanian Regional Trade Facilitation Project. Ongoing to 2011	US\$ 45 million. Loan
	<ul style="list-style-type: none"> World Bank 	Zambia Railway Restructuring Project. Ongoing to 2004	US\$ 31 million. Loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• World Bank	Zambia Road Sector Investor Programme Support Project. Roads upgrading and strengthening road authority managerial capacity. Ongoing to 2004.	US\$ 460 million. 89% for roads sector. Loan
	• World Bank	Zambia: Project to Support ROADSIP (02). Ongoing	US\$ 600 million. Loan
	• World Bank	Zambia National HIV/ Aids Project. Ongoing to 2008.	US\$ 46 million. Adaptable loan.
	• World Bank	Zambia Regional Trade Facilitation Programme. Ongoing to 2011.	US\$ 45 million. Loan
Mombasa – Kampala – Kigali – Bujumbura Corridor <i>(Burundi; Kenya; Rwanda; Uganda)</i>	• World Bank	Burundi Regional Trade Facilitation Project for Sub-Sahara which includes elements of cross-border trade facilitation such as insurances and import/export procedures. Ongoing up to 2011.	US\$ 15 million. Loan
	• World Bank	Burundi Multi sector HIV/ Aids assistance. Ongoing to 2006	US\$ 36.7 million. Loan
	• EU	Rehabilitation of Bujumbura – Gatumba road link. Proposal submitted.	US\$ 3 million
	• EU	Bitumenisation of Kirondo – Gasenyi road link. Proposal submitted	US\$ 12 million
	• ADB/ EU/ KFW	Periodic maintenance of Bukavu – Kamanyola road link. Proposal complete but not submitted to financiers	
	• World Bank	Kenya Regional Trade Facilitation Project for Sub-Sahara which includes elements of cross-border trade facilitation such as insurances and import/export procedures. Ongoing up to 2011.	US\$ 75 million. Loan
	• World Bank / IFC	Kenya Ports and Railway reform	
	• World Bank	Kenya Economic and Public Sector Reform Credit. Ongoing (no closing date)	US\$ 32 million. 15% for general transport. Loan
	• World Bank	Kenya Economic and Public Sector Reform Credit. Closing date 30 June 2003	US\$ 150 million. 15% for general transport. Loan
	• World Bank	Kenya Decentralised HIV/ Aids and Reproductive Health Project. Ongoing to 2005	US\$ 97.89 million. Loan
	• World Bank	Kenya HIV /Aids Disaster Programme. Ongoing to 2005	US\$ 50 million. Loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• World Bank	Kenya Roads Concessioning Study. Funds secured and study underway.	
	• World Bank / IFC	Roads Infrastructure: various Roads Projects including Nairobi – Mombasa Road Rehabilitation Project. Ongoing up to 2004.	US\$ 122 million. Loan
	• IDA	Kenya: Reconstruction / rehabilitation of Mombasa – Bachuma Gate road link. Proposal submitted	US\$ 45 million
	• IDA/ Danida	Kenya: Rehabilitation of Sultan Hamud – Nairobi. Proposal submitted.	US\$ 25 million
	• KFW	Kenya: Reconstruction of Malaba – Bugiri road link. Funds secured. Project completed.	US\$ 5 million
	• World Bank	Rwanda Multi sector HIV/ Aids assistance. Ongoing to 2008	US\$ 32 million. Loan
	• World Bank	Rwanda Transport Sector Project (supplemental credit) for infrastructure improvement and private sector development. Ongoing.	US\$ 45 million
	• World Bank	Rwanda Community Reintegration and Development. Closing date 30 June 2003	US\$ 5.2 million. 20% for transport. Loan
	• World Bank	Rwanda: Regional Trade Facilitation Project. Ongoing to 2011	US\$ 7.5 million. Loan
	• EU	Bitumenisation of Kigali – Nyamata – Nemba road link.	US\$ 20 million
	• World Bank	Uganda Regional Trade Facilitation Project. Ongoing to 2011	US\$ 60 million. Loan
	• World Bank	Uganda Privatisation and Utility Sector Reform Project (includes transport (railway concessioning)). Ongoing to 2006	US\$ 95.3 million. Loan
	• World Bank	Uganda Road Development Programme Project, Phase I. Ongoing up to 2004.	US\$ 119.94 million. Adaptable loan
	• World Bank	Uganda Road Development Programme Project, Phase II. Ongoing up to 2006.	US\$ 97 million. Adaptable loan
	• World Bank	Uganda Road Development Programme, Phase III. Ongoing (pipeline)	US\$ 113.6 million. Adaptable loan
	• World Bank	Uganda Road Sector Institutional Support Technical Assistance Project. Closing 31/12/2003	US\$ 33 million. Technical assistance loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• World Bank	Uganda HIV/Aids Control Project. Ongoing to 2006	US\$ 50 million. Adaptable loan
	• EU	EAC Region: Transit facilitation / roads infrastructure.	
	• ODA/ UNDP	EAC Region: Transit facilitation.	
	• World Bank	Transformation of Northern Corridor into Development Corridor: Feasibility Study. Under consideration.	US\$ 25 000
	• World Bank	Streamlining Transit Documentation And Procedures (COM-CD: Regional Bond Guarantee). Under consideration.	US\$ 150 000
	• World Bank	Establishment Of One Stop Border Posts. Under consideration.	US\$ 5 million
	• World Bank	Road Safety and HIV/ Aids Programme for Northern Corridor. Proposal under consideration	Estimated budget US\$ 1 million
	• ADB/ EU/ World Bank	Spot rehabilitation of Kisangani – Nia Nia road link. Proposal completed but financiers to be approached.	US\$ 6.3 million
	• ADB/ EU/ World Bank	Rehabilitation of earth road Komanda – Beni. Study completed but no proposal yet.	
	• EU/ USAID	EAC Region: Implementation of Harmonized Overloading Control Procedures Based on COMESA 8/10/16/24 Standard with Private Sector Participation. Proposal submitted to financiers	US\$ 0.5 million
	• World Bank	EAC Region: Axle load control. Under consideration.	US\$ 233 900
	• World Bank	EAC Region: Harmonised Road Transport Policy and Standards. Under consideration	US\$ 100 000
	• French AID	EAC Region: Pilot Cargo Tracking Initiative (SSATP Facilitation Audit). Project proposed and funds secured for Part I of the project ie. Pilot project implementation.	
	• USAID/ REDSO	EAC Region: Customs Fraud And Cargo Diversion Study and Implementation Strategy. Study completed but implementation strategy required.	Additional funds required for implementation strategy
	• French AID	EAC Region: Safety navigation study. Funds partially secured. Funds still required for planning, programming and implementation phase.	US\$ 0.2 million secured. US\$ 3.4 million still required.

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• ECA	Northern Corridor: Study to Develop Cargo and Transport Equipment Tracking System along Northern Corridor. Funds secured and project underway.	US\$ 0.25 million
	• ECA / World Bank	Northern Corridor: Feasibility Study for Vehicle / Cargo Tracking System. Funds secured (under consideration).	US\$ 45 000
	• ECA/ UNCTAD/ World Bank	Northern Corridor: Revision of Northern Corridor Transit Agreement. Proposal submitted. World Bank considering.	US\$ 55 000
	• World Bank	Northern Corridor: TTCA Secretariat. Transport Observatory and Database. Under consideration.	US\$ 65 000
	• World Bank	Northern Corridor: Establishment of Northern Corridor database. Proposal submitted. World Bank considering.	US\$ 1 million
	• World Bank	Northern Corridor: Support to Regional Stakeholder Associations. Under consideration.	US\$ 150 000
	• EU	Northern Corridor: Support to Transit Transport: Radio Communication System. Proposal submitted and EU considering.	US\$ 55 000
Dar es Salaam – Kigoma – Bujumbura – Bukavu Corridor <i>(Burundi; Rwanda; Tanzania)</i>	• World Bank	Burundi Regional Trade Facilitation Project for Sub-Sahara which includes elements of cross-border trade facilitation such as insurances and import/export procedures. Ongoing up to 2011.	US\$ 15 million. Loan
	• World Bank	Burundi Multi sector HIV/ Aids assistance. Ongoing to 2006	US\$ 36.7 million. Loan
	• World Bank	Rwanda: Transport Sector Project (supplemental credit) for Infrastructure Improvement and Private Sector Development. Ongoing.	US\$ 45 million
	• World Bank	Rwanda: Regional Trade Facilitation Project. Ongoing to 2011	US\$ 7.5 million. Loan
	• World Bank	Rwanda Community Reintegration and Development. Closing date 30 June 2003	US\$ 5.2 million. 20% for transport. Loan
	• World Bank	Tanzania port / railway reforms	
	• World Bank	Tanzanian Regional Trade Facilitation Project. Ongoing to 2011	US\$ 45 million. Loan
	• World Bank	Tanzania Integrated Roads Project to support infrastructure rehabilitation and maintenance policy and institutional reforms. Ongoing up to 2004.	US\$ 582.4 million. Loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA 5 th Dimension Credit FY02 Supplemental Release. Ongoing	US\$ 0.58 million. 13% for transportation
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA Reflow PSAC 1. Ongoing	US\$ 0.77 million. 13% for general transport
	<ul style="list-style-type: none"> SDI 	Support programme for central development corridor.	
Dar es Salaam – Isaka – Kigali – Goma Corridor <i>(DRC; Rwanda; Tanzania)</i>	<ul style="list-style-type: none"> World Bank 	DRC Emergency Multisectoral Rehabilitation and Reconstruction project which includes general transportation rehabilitation and reconstruction. Ongoing up to 2005.	40% of budget allocated to transport and total project cost is US\$454 million. Emergency recovery loan
	<ul style="list-style-type: none"> World Bank 	DRC: Private Sector Development and Competitiveness Project. Ongoing	US\$ 123.83 million. 20% for general transport sector. Loan
	<ul style="list-style-type: none"> EU/ World Bank 	DRC: Rehabilitation of Goma – Beni road link. Proposal completed but financiers to be approached.	US\$ 10.5 million
	<ul style="list-style-type: none"> World Bank 	Rwanda: Transport Sector Project (supplemental credit) for Infrastructure Improvement and Private Sector Development. Ongoing.	US\$ 45 million
	<ul style="list-style-type: none"> World Bank 	Rwanda: Regional Trade Facilitation Project. Ongoing to 2011	US\$ 7.5 million. Loan
	<ul style="list-style-type: none"> World Bank 	Rwanda Community Reintegration and Development. Closing date 30 June 2003	US\$ 5.2 million. 20% for transport. Loan
	<ul style="list-style-type: none"> EU/ ADB/ IDA 	Road infrastructure.	
	<ul style="list-style-type: none"> World Bank 	Tanzanian Regional Trade Facilitation Project. Ongoing to 2011	US\$ 45 million. Loan
	<ul style="list-style-type: none"> World Bank 	Tanzania port / railway reforms	
	<ul style="list-style-type: none"> World Bank 	Tanzania Integrated Roads Project to support infrastructure rehabilitation and maintenance policy and institutional reforms. Ongoing up to 2004.	US\$ 582.4 million. Loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA 5 th Dimension Credit FY02 Supplemental Release. Ongoing	US\$ 0.58 million. 13% for transportation
	<ul style="list-style-type: none"> World Bank 	Tanzania IDA Reflow PSAC 1. Ongoing	US\$ 0.77 million. 13% for general transport
	<ul style="list-style-type: none"> SDI 	Support programme for central development corridor.	
Dar es Salaam – Mwanza – Kampala Corridor <i>(Uganda; Tanzania)</i>	<ul style="list-style-type: none"> World Bank 	Uganda Regional Trade Facilitation Project. Ongoing to 2011	US\$ 60 million. Loan
	<ul style="list-style-type: none"> World Bank 	Uganda Privatisation and Utility Sector Reform Project (includes transport (railway concessioning)). Ongoing to 2006	US\$ 95.3 million. Loan
	<ul style="list-style-type: none"> World Bank 	Uganda Road Development Programme Project, Phase I. Ongoing up to 2004.	US\$ 119.94 million. Adaptable loan
	<ul style="list-style-type: none"> World Bank 	Uganda Road Development Programme Project, Phase II. Ongoing up to 2006.	US\$ 97 million. Adaptable loan
	<ul style="list-style-type: none"> World Bank 	Uganda Road Development Programme, Phase III. Ongoing (pipeline)	US\$ 113.6 million. Adaptable loan
	<ul style="list-style-type: none"> World Bank 	Uganda Road Sector Institutional Support Technical Assistance Project. Closing 31/12/2003	US\$ 33 million. Technical assistance loan
	<ul style="list-style-type: none"> World Bank 	Uganda HIV/Aids Control Project. Ongoing to 2006	US\$ 50 million. Adaptable loan
	<ul style="list-style-type: none"> EU/ ADB/ IDA 	Tanzania Road Infrastructure.	
	<ul style="list-style-type: none"> EU 	Tanzania Railway Rehabilitation.	
	<ul style="list-style-type: none"> World Bank 	Tanzania port / railway reforms	
	<ul style="list-style-type: none"> World Bank 	Tanzanian Regional Trade Facilitation Project. Ongoing to 2011	US\$ 45 million. Loan
	<ul style="list-style-type: none"> World Bank 	Tanzania Integrated Roads Project to support infrastructure rehabilitation and maintenance policy and institutional reforms. Ongoing up to 2004.	US\$ 582.4 million. Loan

CORRIDOR (and Corridor States)	FINANCIER ¹	PROJECT (NATURE AND STATUS)	BUDGET AND NATURE OF FINANCING (LOAN / GRANT)
	• World Bank	Tanzania IDA 5 th Dimension Credit FY02 Supplemental Release. Ongoing	US\$ 0.58 million. 13% for transportation
	• World Bank	Tanzania IDA Reflow PSAC 1. Ongoing	US\$ 0.77 million. 13% for general transport
	• SDI	Support programme for central development corridor.	
Djibouti – Addis Ababa – Sudan border <i>(Ethiopia; Djibouti; Sudan)</i>	• World Bank	International Road Corridor Rehabilitation. Ongoing to 2004	US\$ 18 million. Loan
	• World Bank	International Road Corridor Rehabilitation. Ongoing from 2003. No closing date identified	US\$ 6.05 million. Loan
	• IDA	Roads Rehabilitation and Weighbridge Construction. Emergency assistance provided in anticipation of EU assistance.	
	• World Bank	Djibouti transport sector strategy including roads institutional reform and overall transport rehabilitation for Ethiopia.	
	• GTZ	Restructuring of the Ethiopian Roads Authority. Ongoing up to 2004.	DM 10 050 000
	• World Bank	Djibouti HIV/Aids/TB/ Malaria Control Project. Ongoing up to 2008.	US\$ 15 million. Loan

5.1.2 The following table presents the available information on regional financier projects that cut across corridors.

REGIONAL PROJECTS IMPACTING ON CORRIDORS		
• World Bank: Netherlands Consultancy Trust Fund	Customs Modernisation Handbook: Trade Facilitation and Transport Security: deadline for expressions of interest 30 June 2003	Grant received from the Netherlands Government
• World Bank: Netherlands Consultancy Trust Fund	Customs Modernisation Handbook: Chapter VIII: Transit and the Special Case of Landlocked Countries: deadline for expressions of interest 30 June 2003	Grant received from the Netherlands Government
• GTZ	Advisory Service for Private Business *(including transport operators). Ongoing up to December 2005.	Euro 11.2 million. Grant subject to matching grants
• World Bank	Regional Trade Facilitation Project. Ongoing up to 2004.	US\$ 6.15 million. Loan
• UNCTAD	ASYCUDA: Regional Harmonisation of Customs and Trade Statistics Systems (RHSTSS)	
• USAID	Road Traffic Safety Review. Project documents under preparation by COMESA/ECA. Date of submission to USAID unknown.	

• USAID	Southern Africa Transport Network: Comparative Transit Transport Cost Analysis.	Project completed.
• USAID	Comparative Transportation Cost Analysis in East Africa.	Project completed.
• GTZ	Vehicle and driver standards and limited road transport operator capacity building.	Project completed.
• World Bank	Sub-Sahara Structural Adjustment Credit. Ongoing	US\$ 26.6 million. 22% for transport. Structural adjustment loan

5.1.3 There are a number of dominant financiers with an involvement in all the corridors, namely, the EU, the World Bank and USAID. The ADB is also an emerging dominant financier. From a regional perspective, the EU is the dominant financier in the SADC region and has committed significant funding through its regional funding programme. USAID has also been a dominant financier in the SADC region, but, at present, has committed less funds than the EU. The EU and the World Bank have greater funding dominance in the EAC/COMESA regions. Traditionally, the EU has focused mainly on infrastructure projects but has recently shifted its focus to soft issues as, for example, in the case of the Trans Kalahari Corridor where it has committed funds to a TKC Corridor Feasibility Study that will be commencing during 2003. The World Bank has focussed mainly on infrastructure rehabilitation, roads, ports and railway sector reforms, trade facilitation and HIV/Aids control. It is understood that the World Bank is considering a shift in focus towards softer issues such as database development, border post reform and corridor institution building. USAID has traditionally focussed on the facilitation of soft barriers, such as border post reforms and corridor institution building. The ADB is targeting both hard and soft issues (transit facilitation, road traffic safety strategies).

5.1.4 In addition to these financiers, the Government of South Africa, through the Regional Spatial Development Initiatives (SDI) Support Programme, is currently assisting nine regional SDIs, including the Beira Development Corridor; Central Development Corridor; the Maputo Development Corridor; the Nacala Development Corridor and the Walvis Bay SDI.

5.1.5 The following table provides an overview of dominant financier involvement in the various corridors:

CORRIDOR	DOMINANT FINANCIERS
<i>Mombasa – Kampala – Kigali – Bujumbura Corridor</i>	<ul style="list-style-type: none"> • EU (transit facilitation / roads infrastructure) • ODA/ UNDP (transit facilitation) • USAID (transport costing; trade facilitation; customs fraud and cargo diversion) • World Bank / IFC (roads infrastructure / ports and railway reform) • World Bank (multi sector HIV/ Aids assistance in Kenya, Rwanda and Burundi) • World Bank (regional trade facilitation)
<i>Dar es Salaam – Kigoma – Bujumbura – Bukavu Corridor</i>	<ul style="list-style-type: none"> • ADB/ EU/ IDA/ World Bank (road infrastructure upgrading)/ • USAID (transport costing; trade facilitation; customs fraud and cargo diversion) • World Bank (port and railway reform; trade facilitation; HIV/Aids control)
<i>Dar es Salaam – Isaka – Kigali – Goma Corridor</i>	<ul style="list-style-type: none"> • EU/ ADB/ IDA (road infrastructure) • USAID (transport costing; trade

	<ul style="list-style-type: none"> facilitation) World Bank (road infrastructure/ port and railway reform; trade facilitation; DRC emergency rehabilitation and recovery; HIV / Aids control)
<i>Dar es Salaam – Mwanza – Kampala Corridor</i>	<ul style="list-style-type: none"> EU/ ADB/ IDA (road infrastructure) USAID (transport costing; trade facilitation) World Bank (road infrastructure/ port and railway reform; trade facilitation; DRC emergency rehabilitation and recovery; HIV / Aids control)
<i>Djibouti-Addis Ababa- Sudan Borders</i>	<ul style="list-style-type: none"> EU (road/ railway rehabilitation) World Bank (roads institutional reform; roads rehabilitation; HIV/Aids/TB/Malaria control) GTZ (roads institutional reform (Ethiopia))
<i>Durban – Beit Bridge – Harare – Lusaka – Lubumbashi Corridor</i>	<ul style="list-style-type: none"> World Bank (Zambian / Zimbabwean railway reform; regional trade facilitation; DRC private sector development and competitiveness and emergency recovery; HIV/Aids control (Zambia/ Zimbabwe); Zimbabwe road maintenance and reform) USAID (border post facilitation) GTZ (vehicle and driver standards and limited road transport operator capacity building)
<i>Maputo – Johannesburg Corridor</i>	<ul style="list-style-type: none"> World Bank (Mozambican ports and railways reform; HIV/Aids control; roads and bridges rehabilitation; coastal shipping) EU (roads reform) GTZ (vehicle and driver standards and limited road transport operator capacity building)
<i>Beira – Machipanda – Harare – Lusaka Corridor</i>	<ul style="list-style-type: none"> ADB (corridor road traffic safety strategy) World Bank (Mozambican ports and railways reform; HIV/Aids control; roads and bridges rehabilitation; coastal shipping) EU (roads reform) GTZ (vehicle and driver standards and limited road transport operator capacity building)
<i>Nacala – Blantyre Corridor</i>	<ul style="list-style-type: none"> EU (feasibility study for rehabilitation of portion of the Nacala line and prefeasibility for upgrading of Nacala port) World Bank (Mozambican ports and railways reform) World Bank (corridor investment strategy for Malawi Government) GTZ (vehicle and driver standards and limited road transport operator capacity building)
<i>The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana</i>	<ul style="list-style-type: none"> USAID (corridor institution building and ongoing transit facilitation)

	<ul style="list-style-type: none"> • EU (Corridor Feasibility Study) • JICA (road infrastructure (completed)) • SIDA (HIV / Aids helpdesk)
<i>The Trans Caprivi Corridor between Walvis Bay and Zambia</i>	<ul style="list-style-type: none"> • USAID (considering support for corridor institution building) • EU (Corridor Feasibility Study) • SIDA (proposal being prepared to extent application of TKC HIV /Aids helpdesk to TCC)
<i>Dar es Salaam – Tunduma – Lusaka Corridor</i>	<ul style="list-style-type: none"> • World Bank (roads and port / railway reforms in Tanzania and railway reform in Zambia; HIV/Aids control; trade facilitation) • USAID (initial corridor institution building. USAID considering further assistance)

5.1.6 Financier dominance creates the impression that single financiers are attending to all corridor development needs. This is not necessarily the case. Financier assistance does not necessarily follow a pattern of “total corridor” development. Looking across all financier assistance, it is evident that there are gaps in financier programmes that need to be filled. At the same time, there is a perception that there is “financier hogging” on various corridors, namely that a dominant financier monopolises development on a particular corridor and does not create space for other financiers to participate in corridor development.

5.1.7 In order to counteract this situation, there is an emerging trend to move away from traditional financier funding arrangements to financier consortia arrangements involving public (regional)-private (foreign) and private (regional)-private (foreign) partnerships. In other words, an attempt is being made to create a financier platform where financiers can collectively plan, allot priority assistance and monitor implementation. An example of an emerging financier platform is the SSATP Maputo meeting of July 2002 and the follow-up meeting in Kigali during May 2003. A further example in this regard is USAID RCSEA’s intended plan to level public (regional)-private (US) and private (regional)- private (US) partnerships in infrastructure investment through their Trade Development Agency. Examples given were a Texaco initiative to invest in Angola and an initiative to “privatise” a group of approximately six border posts in Zambia.

5.2 CONCLUSION

5.2.1 From the available information, it appears that there is no significant overlap in financing, but rather there are gaps in financier assistance.

5.2.2 Corridor states, RECs and financiers can through the collective cooperative decision-making platform re-orientate corridor approaches towards trade objectives and needs. At the practical level, this could be reflected in all decisions, documentation and jointly developed corridor performance indicators.

5.2.3 Financier agencies can also play a constructive role in this regard. For example, financier agencies, such as USAID and the World Bank, are increasingly linking assistance to the transport sector to their role in facilitating trade. USAID’s future programme is primarily focussed at improving the SADC region’s global competitiveness. Accordingly, their future assistance to the transport sector will aim at reducing production and transaction costs and improving the utilization of corridors.

5.2.4 Consideration could be given to broadening funding bases through the creation of financier consortia comprising public (regional)-private (foreign) and private (regional)- private (foreign) partnerships.

6. TRAFFIC FLOWS AND COSTING

6.1 GENERAL ASSESSMENT

6.1.1 The principal sources of information regarding transport costs, transit times and service frequencies are:

- the Southern Africa Transport Network: Comparative Transit Transport Cost Analysis: September 2001, USAID/REDSO;
- the SADC Regional Freight Transport Corridors, Commodities, Tonnages and Freight Rates per Mode, August 2001, USAID – RAPID; and
- the Comparative Cost of Transport: The Northern Tier Countries the Greater Horn of Africa, July 1997; and
- the Comparative Transportation Cost Analysis in East Africa, April 1997.

In addition valuable ports information is provided by PMAESA and the various ports authorities. This information is real-time information and traffic information is more accurate than that contained in the studies reviewed. Substantial information is available but the trend appears to keep more information on the maritime side of operations and less on the land side of port operations.

6.1.2 An overview of the latest available data on traffic flows and costing follows.

6.1.3 **Dar es Salaam – Kigoma – Bujumbura – Bukavu:** Information on service frequency, transit times and traffic volumes up to 2001 is available on the PMAESA website. Costing information needs to be updated on the basis of the latest statistics. Cost patterns favour this corridor for Rwanda and Burundi, but despite the cost competitive advantage, traffic is rerouted to the Northern Corridor because of overall better infrastructure.

6.1.4 **Dar es Salaam – Isaka – Kigali-Goma:** Information on service frequency, transit times and traffic volumes up to 2001 is available on the PMAESA website. Costing information needs to be updated on the basis of the latest statistics. Ranked as the most cost effective route for all cargo categories compared to other Central Corridor and Northern Corridor routes. Losing traffic to the Northern Corridor because of the latter's better quality infrastructure.

6.1.5 **Dar es Salaam – Mwanza – Kampala:** Information on service frequency, transit times and traffic volumes up to 2001 is available on the PMAESA website. Costing information needs to be updated on the basis of the latest statistics. Compared to other routes of the Central and Northern Corridors, it has the lowest freight rates for traffic to Uganda. However, container traffic to Uganda is transported mainly on the Mombasa-Kampala route because of lower cost and infrastructure reliability (the road between Dar es Salaam and Mwanza ports, particularly Dodoma- Issuno is in very poor condition).

6.1.6 **Mombasa – Kampala – Kigali – Bujumbura:** Information on service frequency, transit times and traffic volumes up to 2001 is available on the PMAESA website. Costing information needs to be updated on the basis of the latest statistics. Budgeted transit times for Mombasa-Kampala are about 12 days and 15 days for Rwanda and Burundi. Actual transit time by road from Mombasa to Kampala is about 4-5 days (compared to about 1 ½ days for a similar distance on the TKC corridor). Dwell times at the Mombasa port are about 12-14 days.

6.1.7 **Djibouti - Addis Ababa - Sudan border:** Information on service frequency, transit times and traffic volumes up to 2001 is available on the PMAESA website. Costing information needs to be updated on the basis of the latest statistics. This route is the cheapest of all road links in the horn of Africa. The lowest road transport costs are on the Djibouti-Addis Ababa- Galafi road link. Container transport costs are the highest in the region for both domestic and transit operations. General cargo costs are more expensive than at the port of Berbera, but cheaper

than Mombasa. Budgeted transit times are about 15 days. Reportedly, operators keep to budgeted times on the Djibouti-Addis Ababa-Galafi link, but not on the other road link.

6.1.8 **Durban – Beit Bridge – Harare – Lusaka – Lubumbashi:** Average transit times for Durban-Lusaka link: 180 hours for road and 240 hours for rail that translates into an average road speed: 12.6 km/ hour and an average road speed of 11.4 km/hour (statistics are not available for Lusaka- Lubumbashi link).

From a cost perspective, the corridor is not the most competitive. For example, in the SADC region, it has the second highest road transport and railway costs after the Dar es Salaam-Harare and Beira-Lubumbashi corridors respectively. As far as multi-modal costs are concerned, it ranks as the sixth most expensive corridor out of nine SADC corridors and sub-corridors.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road: DURBAN	LUBUMBASHI	2867	5150	0.128	5150	0.082	5150	0.060
	RETURN	2867	5150	0.128	5150	0.082	5150	0.060
Rail: DURBAN	LUBUMBASHI	2876	3115	0.077	3450	0.055	4954	0.048
	RETURN	2876	3115	0.077	3450	0.055	4954	0.048

Notwithstanding the cost advantage in comparison with other corridors, the corridor still shows the highest volumes. Current figures estimate the following volumes:

- Durban – Lusaka via Beit Bridge by road: 1 665 000 ton/annum;
- Durban – Lusaka via Beit Bridge by rail: 2 322 000 ton/annum;
- Durban – Lusaka via Plumtree by road: 701 000 ton/annum;
- Durban – Lusaka via Plumtree by rail: 1 172 000 ton/annum;

The corridor is listed as one of the three most important *SADC Road And Railway Corridors*.

6.1.9 **Maputo – Johannesburg:** The average transit time for the corridor for road is about 20 hours, whilst for rail it is 72 hours. This translates into an average road speed of 30.2 km/ hour and an average rail speed of 7.9 km/hour.

The corridor offers the cheapest road transport and the third cheapest railway transport of all the SADC corridors.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road:	JOHANNESBURG	599	625	0.075	625	0.047	625	0.035

MAPUTO	RETURN	599	625	0.075	625	0.047	625	0.035
Rail:	JOHANNESBURG	616	393	0.046	620	0.046	600	0.027
MAPUTO	RETURN	616	393	0.046	620	0.046	600	0.027

Despite cost attractiveness the corridor does not attract the highest volumes. Current figures estimate a volume of 132 000 ton/annum by road and 1 796 000 ton/annum by rail.

The corridor is not listed as one of three important road transport (sub) corridors in the SADC region. It is, however, listed as one of the three important railway corridors. In the case of dry cargo and bulk/ break bulk cargo, Maputo is second to Durban. However, Maputo has one of the lowest container capacities in the region.

- 6.1.10 **Beira – Machipanda – Harare – Lusaka:** The average transit time for the corridor for road is about 84 hours, whilst for rail it is 168 hours. This translates into an average road speed of 13.7 km/hour and an average rail speed of 11.9 km/hour.

In respect of road transport costs, the corridor ranks ninth out of the 16 corridors / sub-corridors reviewed in the *Southern Africa Transport Network: Comparative Transit Transport Cost Analysis*. As far as railway costs are concerned, it is the most expensive railway corridor of all the corridor reviewed in the study. With regard to multi modal costs, it ranks as the third most expensive corridor out of nine corridors reviewed in the same study.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road:	LUSAKA	1054	1800	0.122	3600	0.155	3800	0.120
BEIRA	RETURN	1054	1800	0.122	3600	0.155	3800	0.120
Rail:	LUSAKA	2027	1033	0.036	2021	0.045	N/A	N/A
BEIRA	RETURN	2027	1033	0.036	2021	0.045	N/A	N/A

Current figures estimate a volume of approximately 1 400 000 ton/annum by road and 618 000 ton/annum by rail.

The corridor is listed as one of the three important road transport (sub) corridors in the SADC region. It is, however, not listed as one of the three important railway corridors.

- 6.1.11 **Nacala – Blantyre:** The average transit time for the corridor by rail is about 96 hours and translates into an average rail speed of 10.5 km/hour. Statistics for road transport could be traced in the documentation reviewed.

In respect of road transport costs, the corridor ranks eleventh out of the 16 corridors / sub-corridors reviewed in the *Southern Africa Transport Network: Comparative Transit Transport Cost Analysis*. The report referred to does not provide data for Nacala railway costs. With regard to multi modal costs, it ranks as the cheapest corridor for container cost out of nine corridors reviewed in the same study. Current figures estimate a volume of approximately 153000 ton/annum by rail.

The corridor is not listed as one of the three important road or rail (sub) corridors in the SADC region.

- 6.1.12 **The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana:** The average transit time for the corridor for road is 96 hours that translates into an average speed of 14km/hour.

In respect of road transport costs, the corridor ranks tenth out of the 16 corridors / sub-corridors reviewed in the *Southern Africa Transport Network: Comparative Transit Transport Cost Analysis*. The study provides no data with regard to multi modal costs for Walvis Bay-Johannesburg.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road: WALVIS BAY	JOHANNESBURG	2231	975	0.031	1812	0.037	1812	0.027
	RETURN	2231	975	0.031	1812	0.037	1812	0.027
Rail: WALVIS BAY	JOHANNESBURG	2566	1579	0.044	2773	0.049	2500	0.027
	RETURN	2566	1579	0.044	2773	0.049	2500	0.027

Current figures estimate a volume of approximately 44 000 ton/annum by road.

It is not listed as one of the three important road corridors.

- 6.1.13 **The Trans Caprivi corridor between Walvis Bay and Zambia:** The average transit time for the corridor for road is 72 hours that translates into an average speed of 20.3 km/hour. No transport costing information is available for the Namibia-Lusaka leg.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road: WALVIS BAY	LUSAKA	2100	1180	0.040	2360	0.051	1990	0.032
	RETURN	2100	1440	0.049	2875	0.062	2875	0.046
Rail: WALVIS BAY	LUSAKA	4052	3245	0.057	5690	0.064	6025	0.041
	RETURN	4052	3245	0.057	5690	0.064	6025	0.041

Current figures estimate a volume of approximately 80 000 ton/annum by road.

- 6.1.14 **Dar es Salaam – Tunduma – Lusaka:** The average road transit time for the corridor (Dar es Salaam- Lusaka) is approximately 168 hours that translates into an average speed of 11.7km / hour. Average rail transit time is approximately 192 hours that translates into an average rail speed of 10.6 km / hour. The average road transit speed for the Dar es Salaam- Lilongwe leg of the corridor is 18.7 km/hour. Recent information obtained from the National Statistical Office of Malawi and the Zambian Customs Register, however, suggests a speed of 31.6 km/hour.

Road transport costs on the corridor (Dar es Salaam to Harare via Lusaka) are the most expensive of all 16 corridors / sub-corridors reviewed in the *Southern Africa Transport*

Network: Comparative Transit Transport Cost Analysis. The study provides no data with regard to railway and multi modal costs. Anecdotal evidence suggest that sea freight from Dar es Salaam to Europe is generally more expensive than from Durban although the length of sea voyages from Dar es Salaam to Europe are comparable.

The following road/rail transport rates are provided in the *SADC Regional Freight Transport Corridors Report*:

ORIGIN	DESTINATION	Distance Road Kms	USD					
			14 Tons		22 Tons		30 Tons	
			6 Metre	\$/ton/km	12 metre	\$/ton/km	B/Bulk	\$/ton/km
Road: DAR ES SALAAM	LUSAKA	1985	1800	0.065	3600	0.082	3900	0.065
	RETURN	1985	1800	0.065	3600	0.082	3900	0.065
Rail: DAR ES SALAAM	LUSAKA	2036	1463	0.051	2926	0.065	3573	0.049
	RETURN	2036	1463	0.051	2926	0.065	3573	0.049

In the case of dry cargo, Dar es Salaam is second to Durban whilst in the case of bulk / break-bulk cargo, it ranks third after Maputo. As far as containers are concerned, Dar es Salaam ranks second to Durban.

Current figures estimate a volume of 100 000 ton/annum by road and 639 000 ton/annum by rail.

6.2 CONCLUSION

Based on the available information, the following corridor route rankings are proposed:

- 6.2.1 **Recency and presentation of traffic and cost information differs amongst the SADC, COMESA and EAC regions.** Information on SADC Corridor volumes and costing is the most recent (2001), whilst EAC/ COMESA information dates to 1997. EAC/ COMESA information is generally presented by way of strategic conclusions that are useful to inform corridor decision-making. The information, however, generally does not contain as much detailed statistics as in the case of SADC information.
- 6.2.2 **Top three SADC corridor road routes:** In the case of road transport, three corridors predominate and capture 80% of the road freight market: Beira-Lusaka corridor; Durban-Lusaka via Beit Bridge and Durban-Lusaka via Plumtree.
- 6.2.3 **Top three SADC corridor rail routes:** Maputo-Johannesburg corridor; Durban-Lusaka via Beit Bridge corridor; and Durban-Lusaka via Plumtree corridor.
- 6.2.4 **Top EAC corridor road routes:** Mombasa-Nairobi- Nakuru- Kisumu- Busia- Kampala- Masaka- Mbarara- Kigali- Bujumbura.
- 6.2.5 **Top EAC corridor rail route:** Mombasa- Malaba- Kampala- Kasese (It should be noted that the Kampala – Kasese line is current inactive and requires extensive rehabilitation).
- 6.2.6 **Top EAC corridor rail/road route:** Dar es Salaam- Isaka (rail)- Kigali- Goma (road).
- 6.2.7 **Port rankings based on volume:** Of all the regional ports, Durban has by far the largest capacity. It accounts for about 66% of total capacity in the case of dry cargo and bulk/ break-bulk cargo. Durban is followed by Maputo and Mombasa respectively in the case of dry cargo. For containers, Durban provides almost 80% of regional capacity followed by Mombasa, Dar es Salaam, Beira, Walvis Bay, Nacala and Maputo respectively. For bulk/break-bulk Durbanis

followed by Maputo, Dar es Salaam, Beira and Nacala respectively. The latest available figures are as follows:

- Durban. Dry cargo (9 359 000 tons); Containers (1 080 000 TEUs); Bulk/break-bulk (16 350 000 tons)
- Mombasa (1997 statistics do not provide breakdowns such as for SADC ports). Dry cargo (approximately 5 389 000 tons); Containers (250 000 TEUs); Bulk liquids (2880000 tons)
- Maputo. Dry cargo (6 250 000 tons); Containers (28 000 TEUs); Bulk/break-bulk (5810000 tons)
- Dar es Salaam. Dry cargo (4 200 000 tons); Containers (120 000 TEUs); Bulk/break-bulk (2 915 000 tons)
- Beira. Dry cargo (2 950 000 tons); Containers (60 000 TEUs); Bulk/break-bulk (22600000 tons)
- Walvis Bay. Dry cargo (3 300 000 tons); Containers (50 000 TEUs); Bulk/break-bulk (not applicable)
- Nacala. Dry cargo (1 600 000 tons); Containers (30 000 TEUs); Bulk/break-bulk (1075000 tons)

7. OVERALL PRESENT STATUS OF INFRASTRUCTURE

7.1 Mombasa – Kampala – Kigali – Bujumbura

Port: Port infrastructure is not in good condition and, in particular, there is a need to expand container terminal capacity and provide container berths. Port handling equipment is in poor condition and needs renewing.

Roads: The Northern Corridor road is generally in a better condition than the Central Corridor roads. This is also evident in the fact that the Northern Corridor is attracting DRC, Rwanda and Burundi traffic even though the central corridor routes are more indicated from a distance and linkage perspective. Certain sections of the roads require rehabilitation and these sections are also prioritised in NEPAD.

Railway: The railway track and equipment is generally in poor condition. NEPAD has identified a number of railway infrastructure missing links.

Inter modal facilities: No major problems in the condition of inter modal facilities are reported although it is indicated that there may be a need for new inter-modal facilities and roadside amenities but to date, no comprehensive corridor-based needs assessment has been undertaken.

7.2 Dar Es Salaam – Kigoma – Bujumbura – Bukavu

Port: Overall, Dar es Salaam port infrastructure is in fair condition. The Tanzania Harbours Authority has engaged in a number of capital improvements to the port facilities and the concessioning of the container terminal and improvements by THA have resulted in performance improvements.

A COMESA official has reported that the Kigoma port requires upgrading. The status of the proposal in this regard is uncertain.

Roads: It is reported that the road route between Dar es Salaam and Dodoma is in fair condition. After that, there are conditions of the roads that are poor and require rehabilitation. According to a COMESA official, the two principal missing links are the unpaved section of road between Dodoma and Issuno that requires upgrading and the Bujumbura-Bukavu road that requires rehabilitation. The status of the proposals in this regard is uncertain. COMESA also reports initiatives to negotiate a BoT type concession for the road link between Dar es Salaam and Dodoma. The status of this initiative is uncertain.

It appears that no comprehensive roads needs assessment has yet been undertaken in respect of Burundi and Rwanda.

Railway: NEPAD has identified a number of railway infrastructure missing links. These are listed in the matrix appended hereto. The World Bank is currently supporting the Tanzania Railway Concession process.

Inter modal facilities: Reportedly, the Isaka Transshipment Facility is in good condition. COMESA referred to the possibility of introducing a PPP for the Isaka Transshipment Facility. It is understood that this initiative has not progressed very far and is still at a conceptual stage.

7.3 Dar Es Salaam – Isaka – Kigali-Goma

Port: Overall, Dar es Salaam port infrastructure is in fair condition. The Tanzania Harbours Authority has engaged in a number of capital improvements to the port facilities and the concessioning of the container terminal and improvements by THA have resulted in performance improvements.

Roads: The EAC has submitted a detailed list of roads missing links and proposed budgets to the World Bank for consideration. Some of the major missing links are also prioritised under the NEPAD programme. According to a COMESA official, the two principal missing links are the upgrading of the unpaved section of road between Dodoma and Issuno. The status of the proposal in this regard is uncertain.

COMESA also reports initiatives to negotiate a BoT type concession for the road link between Dar es Salaam and Dodoma. The status of this initiative is uncertain.

It appears that no comprehensive needs assessment has yet been undertaken with regard to DRC road needs.

Railway: NEPAD has identified a number of railway infrastructure missing links. These are listed in the matrix appended hereto. The World Bank is currently supporting the TRC concessioning process.

Inter modal facilities: Reportedly, the Isaka Transshipment Facility is in good condition. COMESA referred to the possibility of introducing a PPP for the Isaka Transshipment Facility. It is understood that this initiative has not progressed very far and is still at a conceptual stage.

7.4 Dar Es Salaam – Mwanza – Kampala

Port: Overall, Dar es Salaam port infrastructure is in fair condition. The Tanzania Harbours Authority has engaged in a number of capital improvements to the port facilities and the concessioning of the container terminal and improvements by THA have resulted in performance improvements.

Roads: The EAC has submitted a detailed list of roads missing links and proposed budgets to the World Bank for consideration. Some of the major missing links are also prioritised under the NEPAD programme. According to a COMESA official, a principal missing link is the upgrading of the unpaved section of road between Dodoma and Issuno. The status of the proposal in this regard is uncertain.

COMESA also reports initiatives to negotiate a BoT type concession for the road link between Dar es Salaam and Dodoma. The status of this initiative is uncertain.

Railway: NEPAD has identified a number of railway infrastructure missing links. These are listed in the matrix appended hereto. The World Bank is currently supporting the TRC concessioning process.

Inter modal facilities: Reportedly, there may be a need for inter-modal facilities and roadside amenities but to date, no comprehensive corridor-based needs assessment has been undertaken.

COMESA referred to the possibility of introducing a PPP for the Isaka Transhipment Facility. It is understood that this initiative has not progressed very far and is still at a conceptual stage.

7.5 **Djibouti - Addis Ababa - Sudan Borders**

Port: Overall, port infrastructure is in good condition but under-utilised. Although NEPAD has identified the need for port handling equipment at the port of Djibouti, COMESA suggests that there is adequate port handling equipment.

Roads: The Djibouti-Addis Ababa road via Galafi is in good condition on the Ethiopian side. On the Djiboutian side rehabilitation work on the Dikhil-Galafi section is in its final stages. The Djibouti- Addis Ababa road through Dawenle practically runs alongside the railway line up to the Dire-Dawa where it joins the Assab- Addis Ababa road. It is a surfaced road from Djibouti to the border with Ethiopia, but within the Ethiopian territory it is an all-weather-unsurfaced road apart from a 56Km-surfaced section between Kulibi and Dire Dawa. Under the funding of the European Union, this road will completely be rehabilitated in the next two years. A comparative feasibility study on the route through Galafi has otherwise shown that after rehabilitation, this route will be more economical and allow easy access to the central region of Ethiopia (Addis Ababa), the current destination for all Ethiopia's major imports. The EU has provided a substantial assistance package for roads rehabilitation. The World Bank has also provided some "survival relief" for road works and some institutional reform.

Railway: From the documentation reviewed, it appears that the whole railway line requires substantial rehabilitation and equipment has to be renewed. The European Union is currently funding a 2-pronged project aimed at concessioning the railway line and, in parallel, modernizing infrastructure. It is anticipated that the concessionary will not be in place until 2005.

Inter modal facilities: The corridor is characterised by a lack of inter modal facilities. In particular, a dry port in Addis Ababa has been identified as a NEPAD priority.

7.6 Durban – Beit Bridge – Harare – Lusaka – Lubumbashi

Port: There is a serious capacity problem with current throughput largely above designed capacity resulting more or less permanent congestion to the point that almost all shipping lines have implemented congestion surcharges due to pre-berthing delays. Reportedly, an inventory and analysis of the adequacy of port infrastructure and equipment is under way in anticipation of the concessioning of port terminals scheduled to be awarded in October 2003.

Roads: It is reported that approximately 51% of the corridor's roads are in good condition; 17% are in fair condition and 22% are in poor condition. No indications are available for about 10% of the network. These statistics represent approximations and there is no comprehensive co-ordinated corridor-based roads needs assessment. ASANRA is still in the process of mobilising and has not yet undertaken such an initiative. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. It is reported that, generally, the condition of the corridor roads is satisfactory and some rehabilitation may be required. Improvement of the Chiringa- Kasumbulesa road section in Zambia has been identified as a priority, but a proposal still needs to be prepared in this regard.

Railway: SARA maintains a register of railway infrastructure needs. Overall, railway infrastructure and equipment outside of the DRC is adequate. Rehabilitation of the SNCC line (Kasumbulesa-Lubumbashi) is however viewed as a priority and a proposal in this regard is required.

Inter modal facilities: Reportedly, there may be a need for inter-modal facilities and roadside amenities particularly in the DRC but to date, no comprehensive corridor-based needs assessment has been undertaken.

7.7 Maputo – Johannesburg

Port: Although some port improvements have been effected, the general freight terminals and other common parts of the port have not been correctly maintained and are in poor condition. The piers need to be rehabilitated and the equipment renewed. The Coastal Shipping Terminal was rehabilitated a few years ago. Other key terminals (containers, sugar, citrus, coal) have already been concessioned to private operators. They have been partially rehabilitated by their private operators and their efficiency has substantially increased over the last few years. A new Aluminium terminal has been built as part of the Mozal project.

Roads: It is reported that 100% of the corridor's road is in good condition. This is not however verified through a comprehensive co-ordinated corridor-based roads needs assessment.

ASANRA is still in the process of mobilising and has not yet undertaken such an initiative. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. It is reported that, generally, the condition of the corridor roads is satisfactory and some rehabilitation may be required. Reportedly, there are some roads that require rehabilitation, but from the studies reviewed, there is no indication as to the priorities. Reportedly, no studies have yet been undertaken for these roads (Maputo- Ponta do Ouro road link; Maputo- Catembe bridge; Road upgrading between Maputo port and toll road commencement, road network in Maputo port, Bulembu road between Barberton (SA) and Piggs Peak (Swaziland)).

Railway: The Ressano-Garcia line is 100% operational. No major infrastructure gaps are reported. CFM has spent roughly US\$ 0.3 million on the line for restoration after the floods of 2000. Under the Ressano-Garcia Railway Concession Agreement, Spoornet, the concessionaire, assumes responsibility for maintenance of the line.

According to information received, there is a need for a rail connection to the Chibuto Titanium Smelter. It could not be ascertained whether any feasibility study has been undertaken.

Inter modal facilities: Reportedly, there may be a need for inter-modal facilities and roadside amenities but to date, no comprehensive corridor-based needs assessment has been undertaken.

7.8 Beira – Machipanda – Harare – Lusaka

Port: The port is experiencing a serious dredging backlog. It is not clear whether assistance is being received for dredging activities.

Port equipment is in adequate condition and according to some of the documentation reviewed is better maintained than at other Mozambican ports.

The container and general cargo terminals of the port of Beira are already operated under a concession agreement with Cornelder de Mozambique. CFM-EP, in a joint venture named BCCS, operates the cold-storage facility. There is no plan, for the time being, to concession the management of the entire port.

Roads: It is reported that approximately only 3% of the corridor's roads are in good condition; 26% are in fair condition and 43% are in poor condition. No indications are available for about 28% of the network. These statistics represent approximations and there is no comprehensive co-ordinated corridor-based roads needs assessment.

ASANRA is still in the process of mobilising and has not yet undertaken such an initiative. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. From the available statistics, it appears that major roads rehabilitation is required. There is reference to consideration being given to toll the Beira-Harare road. From the documentation reviewed, it is not clear whether there is any formal proposal in this regard.

Railway: SARA maintains a register of railway infrastructure needs. The Machipanda line is 100% operational, but, reportedly, requires rehabilitation. It is currently assessed as the slowest line in Mozambique with an average of 30 km/ hour for passengers and 11 km/ hour for freight. A concessioning process for the Machipanda line is currently underway.

Inter modal facilities: Reportedly, there may be a need for inter-modal facilities and roadside amenities but to date, no comprehensive corridor-based needs assessment has been undertaken.

7.9 Nacala – Blantyre

Port: The Nacala port requires infrastructure improvements to the container terminal, general cargo terminal and in respect of maritime services such as tugboat rehabilitation and installation of communication systems and cargo tracker systems. The concession for port management was approved in 2000 but financial closure has not yet been reached. The EU has expressed interest in supporting port and rail infrastructure upgrading and has commissioned pre-feasibility feasibility studies in this regard. Preliminary estimates suggest that port infrastructure investment required will be approximately USD 34 million.

Roads: Road EN8 from Ncala to Nampula is paved whilst the remainder of this road to Cuamba is gravel. The road is in serious disrepair. Rehabilitation of the paved section and the construction of various bridges on the gravel section is currently under way. It is reported that funding has been secured for rehabilitation of other roads but the funding source could not be ascertained. There is no comprehensive co-ordinated corridor-based roads needs assessment.

ASANRA is still in the process of mobilising and has not yet undertaken such an initiative. The various national roads authorities identify national roads needs but tend to do so in isolation of each other.

Railway: SARA maintains a register of railway infrastructure needs. 92% of the CFM line and about 60% the Malawi line are built to a standard capable of handling 20-ton axles at a speed of at least 60 km/hour. In order to bring the whole system to the same standard, the following needs are identified to date is:

- To upgrade the Cuamba-Entrelagos railway section to the same standard as the rest of the CFM line. The EU feasibility study is under way. Preliminary estimates suggest that an investment of USD 27 million will be required.
- To upgrade the Cuamba-Lichinga line to the same standard as the rest of the CFM line. The EU pre-feasibility study is under way. Preliminary estimates suggest that an investment of USD 14.5 million will be required.
- To upgrade various rail bridges on the Malawi line to handle 20 ton axles from Nacala to the Zambian border. From the documentation there is no indication as to whether feasibility studies have been undertaken for bridge upgrading.
- Extending the railway line from Mchinji in Malawi to Chipata. No feasibility study has been undertaken in this regard.

Inter modal facilities: Recently, a needs assessment supported by the World Bank was undertaken for the Malawi Government and highlighted the following inter modal facility needs:

- **Liwonde Logistics and Industrial Centre:** Terms of reference have been prepared, but a feasibility study is still required;
- **Chipata / Mchinji Cargo Centre:** Feasibility study is required.

No similar comprehensive needs assessment has been conducted on the Mozambican side.

7.10 **The Trans Kalahari Corridor Walvis Bay To South Africa Via Botswana**

Port: Port infrastructure is generally good and no major deficiencies are reported.

Roads: ASANRA is still in the process of mobilising and has not yet undertaken a coordinated comprehensive corridor needs assessment. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. Overall, it is reported that the road condition is good. The latest information suggests that 73% of the road is in good condition and 27% is in fair condition. The Coast 2 Coast study identifies the roadway and facilities and the Lobatse border between South Africa and Botswana as requiring urgent rehabilitation. There is no indication as to whether a feasibility study has been undertaken in this regard.

On the Botswana leg of the corridor there are numerous reports of domestic animals intruding on the road and compromising road safety. Recommendations have been made to install roadside fencing, but this has raised certain environmental concerns. The matter requires further investigation.

Inter modal facilities: No comprehensive needs assessment and feasibility studies have been undertaken in this regard, but the Coast 2 Coast study reports a general lack of food supply outlets, ablution facilities and vehicle support / repair service centres.

7.11 **The Trans Caprivi Corridor Between Walvis Bay And Zambia**

Port: Port infrastructure is generally good and no major deficiencies are reported.

Roads: ASANRA is still in the process of mobilising and has not yet undertaken a coordinated comprehensive corridor needs assessment. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. Overall, it is reported that the road condition is good. The latest information suggests that 65% of the road is in good condition, 20% is in fair condition and 15% in poor condition.

Inter modal facilities: No comprehensive needs assessment and feasibility has been undertaken in this regard, but the Coast 2 Coast study reports a general lack of food supply outlets, ablution facilities and vehicle support / repair service centres.

7.12 Dar Es Salaam – Tunduma – Lusaka

Port: Overall, port infrastructure is in fair condition. The Tanzania Harbours Authority has engaged in a number of capital improvements to the port facilities and the concessioning of the container terminal and improvements by THA have resulted in performance improvements.

Roads: ASANRA is still in the process of mobilising and has not yet undertaken a coordinated comprehensive corridor needs assessment. The various national roads authorities identify national roads needs but tend to do so in isolation of each other. According to a recent USAID funded report on the Dar es Salaam Corridor Transport Coordinating Committee (2002), significant improvements have been made to corridor road links, although this information appears to be at odds with the *USAID/REDSO Southern Africa Transport Network: Comparative Transport Transit Cost Analysis Study* which records 13% of roads in good condition, 21% in fair condition and 34% in poor condition.

Railway: SARA maintains a register of railway infrastructure needs. The permanent way of the TAZARA line was recently rehabilitated and ballast added. Planning for the concessioning of the TAZARA rail has advanced but has not yet reached conclusion. Zambia Railways is generally in poor shape with much of the track suffering from poor alignment and severe speed restrictions. The Zambia Railways Concession Agreement has been signed but operations been delayed pending finalization of the enabling legal framework to support concession. Contract negotiations for the award of a contract for the preparation of railway legislation are underway with the World Bank.

The SNCC lines, although all operational, are in very poor condition and require rehabilitation. It could not be ascertained whether any feasibility study has been concluded in the regard.

Inter modal facilities: No comprehensive needs assessment and feasibility has been undertaken in this regard, but some stakeholders report a general lack of food supply outlets, ablution facilities and vehicle support / repair service centres.

8. CORRIDOR INSTITUTIONS

- 8.1 The establishment of corridor institutions is an evolutionary process that differs from corridor to corridor. Currently, there are functional corridor-dedicated institutions with public private participation on only 3 of the corridors reviewed, namely the Mombasa Corridor, the Dar es Salaam – Malawi Corridor and the Trans Kalahari Corridor. A Corridor Management Secretariat has been established on the Beira Corridor and SATCC has also established a corridor project office. An inception meeting to establish a core corridor institution for the Trans Caprivi Corridor was held in the second half of 2002 but this initiative is still at a very early stage. On other corridors, such as the Dar es Salaam Central Corridors and the Ethiopia-Djibouti Corridor, various bilateral agreements and treaties have been concluded that call for the establishment of consultative for a that may serve as precursors for the establishment of corridor-dedicated institutions. In the SADC region, a number of Joint Route Management Groups for road transport (JRMGs) and Railway Management Groups (RMGs) have been established under the provisions of the SADC Protocol on Transport, Communications and

Meteorology. Some of these groups are functioning well and provide fora for operational coordination. These groups are generally modal-specific, but already provide a useful stakeholder basis from which intermodal, trade-sensitive corridor institutions can evolve.

- 8.2 On the Mombasa Corridor (Northern Corridor), the **Transit Transport Coordination Authority (TTCA)** was established in February 1985 upon signature of the Northern Corridor Transit Agreement (NCTA) concluded between Burundi, Kenya, Rwanda and Uganda. The agreement became effective in September 1986 following ratification by all the contracting states. The DRC joined the TTCA in 1987 when acceded to the NCTA. Since its establishment, the TTCA has focussed on the reduction of transport costs on the corridor and facilitation of trade and traffic. As such, it has coordinated a number of initiatives that have reportedly resulted in improved corridor efficiency.

The TTCA facilitated the establishment of the Northern Corridor Stakeholders Consultative Forum in September 2000. The Forum is a public/private initiative with a focus on solving operational bottlenecks along the corridor. The Forum comprises a wide range of corridor interest groups, in particular, corridor operators. Until recently, shipper participation in the Forum was virtually non-existent and, as a result, corridor agendas were dominated almost exclusively by operator concerns. As a result, corridor strategic planning has focused more on operator concerns with less attention being paid to shipper concerns. The TTCA/ Forum, however, is making a considerable effort to reverse this position. A significant achievement, in this regard, has been the formation of the Kenyan Shippers Council. The TTCA/Forum is also spearheading the establishment of shippers councils in the landlocked countries.

It is reported that the TTCA currently functions under a very limited budget financed by direct contributions from member states and the levy on transit cargo collected at the Mombasa port. Notwithstanding budgetary shortcomings, the TTCA has set a baseline for the preparation of corridor action plans. At this stage, the corridor action plans prepared by the TTCA focus on needs assessment and lack a total strategic approach to corridor planning. In particular, the focus is on roads infrastructure needs. The plans reviewed are not cast as rolling corridor business or action plans. performance monitoring reporting is very limited.

This is underscored by the fact that, as yet, there is no sustainable corridor monitoring system in place.

Good example: *The Northern Corridor has shown most progress in developing corridor action plans. The plans tend to focus on roads and are as such still in embryonic form but serve as an example to be emulated*

- 8.3 The **Trans Kalahari Corridor** was formally established in 1998 following the completion of the highway linking Botswana, Namibia and South Africa. The mere identification of the corridor has not resulted in significant beneficial impacts for the business sectors of the 3 corridor states. There are still numerous soft barriers constraining corridor efficiency. During 2001, a core of public and private sector stakeholders prompted USAID/RCSA to fund the preparation of a regional cooperation framework for the TKC. This core group became known as the Trans Kalahari Corridor Management Committee (TKCMC). Essentially, it comprised representation of Government transport officials, road transport operators and freight forwarders. The Committee championed the development of a corridor agreement in the form of a Memorandum of Understanding (MoU) to be signed by the Governments of the corridor states and tried to serve as a clearing-house for operational constraints. The Walvis Bay Corridor Group, a private sector interest group promoting the Walvis Bay port corridor, volunteered to act as secretariat for the TKCMC. USAID provided seminal funding for the establishment and mobilization of the TKCMC. The draft TKC MoU has been approved in principle by all countries and signature thereof is imminent. The MoU provides for a rotating secretariat and it is envisaged that the Walvis Bay Corridor Group will continue serving as secretariat in the phase after signature.

The TKC institutional development started up well but, at a later stage, lost some of its initial momentum that has contributed to the delay in finalizing and signing the TKC MoU. In the case of the TKC, private sector participation was

Lesson learnt: *Corridor institutional initiative should, as early as possible in the mobilization phase, be as inclusive of public and private interests as possible. In particular, shipper interests have to be very well represented.*

limited almost exclusively to road transport operators and freight forwarders. The corridor agenda was therefore dominated by operator interests with very little focus on total corridor needs and what is required for effective and efficient linkages to global markets that is the contribution that shippers can make.

Moreover, the corridor institution should, as far as possible, be a partnership forum and not one that is reduced to either Government and/or private sector "bashing". Whilst it is the role of the private sector to monitor public sector performance, it also needs to be acknowledged that Governments can not do everything at once and that problems, for example relating to enabling environments, have to be addressed as a national concern and cannot always be accelerated at a purely corridor level. For example, a case in point is border-post reforms. Whilst it is possible to simplify procedures and documentation and test application through pilot projects as has been done on the TKC corridor, it is not possible to introduce joint controls with extra-territorial impact without changing the laws of the countries concerned. In this regard it should be noted that South Africa has changed its laws but Botswana and Namibia are required to do likewise before border-post joint controls can be implemented fully.

Private sector insensitivity to the way Governments introduce policy, legal and regulatory reforms may elicit a hardening of attitudes and negatively influence public sector views on private sector participation in corridor development. As indicated earlier, this can be avoided by ensuring maximum inclusivity, particularly of shippers, who have a common interest with Government and particularly with customs authorities to ensure the free flow of goods and persons.

To date, the TKCMC has not prepared a comprehensive corridor action plan although this process is reportedly underway. Moreover, corridor performance indicators are also under preparation. Corridor monitoring is very limited and, as yet, there is no corridor monitoring system in place.

- 8.4 The **Dar es Salaam- Tunduma- Lusaka- Harare- Beit Bridge- Durban Corridor** is currently served by the **Transport Coordinating Committee** established approximately 20 years ago. At its core, TCC brought together industrial users, transport providers and some of the government agencies which promulgate policies affecting the corridor, notably customs. Its original purpose was to focus on the efficient movement of copper exports along the TAZARA railway to the port of Dar. The TCC has served as a forum for the main users of the corridor to report on the transport services they have received during the quarter and any problems they have encountered. Transport providers, who encompass the entire logistics chain for the corridor, report on their success in addressing those problems brought to the committee in previous meetings.

Good example: *The TCC is a pro-active private inclusive, home-grown, needs driven corridor institution worthy of emulation*

Over time, the TCC's composition and functioning have changed in response to shifting needs. More recently, the institution has been constrained in meeting the demands of a comprehensive corridor management and marketing approach. The limited government membership has been recognized as one of its principal deficiencies. Since the adoption of the SADC Protocol on Transport, Communications and Meteorology in 1996, it has been realized that the TCC does not fully meet the requirements of a comprehensive stakeholder-based corridor institution as envisaged in Art 3.5. Additionally, its present structure did not support follow up and implementation within the national spheres of each state, limiting its impact.

Given these realities, TCC members have begun to increasingly question its relevance. During 2000, the TCC approved the proposal that a corridor institution be established in terms of article 3.5 of the SADC Protocol on Transport, Communications and Meteorology in 1996. To this end, a draft constitution formalizing the public-private partnership has been prepared and is in the process of being adopted. Once the envisaged corridor institution (the Dar es Salaam Corridor Committee [DeSCC]) is established, the rationale for the TCC will disappear and it can disband.

The DeSCC is a proposed public/private partnership to promote economic development along the corridor and its hinterland. At this stage, it acknowledges the interest of four corridor states namely, DRC, Malawi, Tanzania and Zambia. Institutionally, the DeSCC represents a radical departure from the TCC. A core feature is the permanent secretariat staffed by a small team of professionals. They serve the corridor with marketing, transport planning and information management expertise. The Secretariat will be in regular contact with members in order to support planning, collect data and disseminate operational information. It can function as an operations planning and marketing arm for the Corridor as a whole. These secretariat services will be the core of the “value-added” to be gained from membership of the DeSCC.

The constitution permits the committee to appoint an executive committee (“Exco”) consisting of the chairman, vice-chairman and at least three, but no more than five other members. The appointment of an Exco is not obligatory, but is an option should the scope of the activities that the DeSCC is engaged in require it. The main committee may delegate any of its functions to the Exco. The Exco can, therefore, be empowered to act on behalf of the main committee between meetings and to deal with *ad hoc* approvals that may be required to support the ongoing functioning of the Secretariat. The qualifications and experience of the Secretariat staff will be crucial to its efficiency. For this reason, the Secretariat should be headed by an executive director who has the ability to support members in developing responsive and affordable services improving the corridor’s competitive position.

As a government – business partnership, the DeSCC will aim to exploit commercial opportunities through improved performance of the corridor and transport sub-systems. The Committee’s bi-annual meetings will provide a forum for reviewing progress and planning activity for the corridor. Some of the potential functional areas in which the DeSCC can be active with support from its Secretariat are:

- To improve logistics on the Corridor;
- To act as a customer centre for the Dar Corridor;
- To provide a forum for constant monitoring and improvement of the total transport system and effective co-ordination between the operating systems and national policies and regulation.

The activities of the Committee will be financed through membership fees.

9. ASSESSMENT OF PRINCIPAL SOFT AND HARD ISSUES

9.1 SOFT ISSUES

9.1.1 ENABLING ENVIRONMENT: PROGRESS

9.1.1.1 Progress has to be measured on a country basis and aggregated per corridor. Clearly, this is not an exact science but the output can provide sufficient indication of trends. Progress, across all corridors, is most evident in relation to the establishment of enabling environments although there are some noteworthy gaps that need to be addressed.

9.1.1.2 All the corridor states, possibly with the exception of the DRC, Angola, Burundi, Rwanda, Ethiopia and Djibouti have reached a critical mass of progress in relation to enabling policy, legal and regulatory frameworks. This does not necessarily mean that all the corridor states have achieved perfection in this regard, but they have all advanced beyond the drawing board stage. They have adopted sufficient and appropriate policy objectives and enacted sufficient and appropriate legislation to give effect to principal policy objectives. That has put them in a position to move forward with corridor implementation. In other words, they have done enough to provide a platform for further corridor implementation. What they still need to do now is to fill gaps and take corrective action.

9.1.1.3 The following table provides an aggregated overview of progress made by corridor states in creating enabling policy legal and regulatory frameworks.

COUNTRY	POLICY	LAWS	REGULATORS
Burundi	3	4	4
Kenya	3	3	3
Rwanda	3	4	4
Tanzania	2	3	3
Uganda	2	3	3
Djibouti	4	4	4
Ethiopia	3	3	4
Angola	3	4	4
Botswana	2	3	3
DRC	4	4	4
Malawi	2	2	3
Mozambique	2	3	3
Namibia	2	2	3
South Africa	2	2	2
Zambia	2	3	3
Zimbabwe	2	3	3

HIGHLIGHT WORTHY OF EMULATION: South Africa was the first and, to date, only country to enact legislation in December 2002 to enable implementation of joint, one-stop and juxtaposed border posts. The enactment is a relatively simple amendment of the Customs and Excise Act, 1964. The Commissioner for Customs and Excise is, notwithstanding any provision in any other Act, and in accordance with any international agreement, empowered, amongst others:

- To establish by rule- joint, one-stop and juxtaposed border posts.
- To allow officers of the competent customs authority of the adjoining country to perform duties and exercise powers in South Africa.
- To deem a place in an adjoining country to be a place of entry for South Africa and allow South African officers to perform duties and exercise powers in the adjoining country.

1. Policy completed; reform legislation enacted and implemented; regulators mobilised.
2. Policy requires revision (minor gaps); draft legislation prepared; regulatory framework enacted, but regulators not mobilised.
3. Policy framework inadequate; draft legislation under preparation; regulatory framework under preparation.

4. Policy framework inexistent; no draft legislation under preparation; no regulatory framework under preparation.

9.1.1.4 Based on this assessment, various bands of progress can be identified. For example:

- **Countries that have achieved a good “critical” mass in creating enabling environments to enable and sustain implementation:** Namibia, South Africa;
- **Countries that have achieved an adequate “critical” mass to enable continued implementation:** Botswana, Kenya, Malawi, Mozambique, Tanzania, Uganda, Zambia, Zimbabwe;
- **Countries that have not yet achieved an enabling environment “critical” mass:** Angola, Burundi, Rwanda, Djibouti, DRC, Ethiopia

9.1.1.5 Progress in creating enabling environments is also not spread evenly in respect of the various sectors within a corridor. Within the sectors, there are a number of examples of comprehensive follow through, but many actions are assessed as being in process. The following table ranks the 9 sector indicators per corridor. **(Key: 1= highest ranking reflecting the highest level of progress assessed; subsequent numbers in numerical order respectively reflect decreasing levels of progress assessed):**

SECTOR RANKINGS PER CORRIDOR												
SECTOR	DUR – LUM	JBG – MAP	BEI – LUS	NAC – BLA	DAR – LUS	DAR – BUK	DAR – GOM	DAR – KAM	MOM – BUJ	TKC	TCC	DJI – SUD
Institutional	3	4	3	1	3	4	3	5	2	3	5	6
Roads	4	2	2	2	2	3	4	2	4	5	2	4
Road Transport	1	1	3	3	5	5	4	5	1	1	2	3
Road Traffic	5	5	5	5	4	2	4	3	3	6	5	6
Railway	5	3	4	4	4	4	4	4	5	N/A	N/A	4
Maritime	2	3	4	5	1	2	2	3	5	2	2	4
Inland Waterways	N/A	N/A	N/A	2	N/A	4	N/A	4	5	N/A	N/A	N/A
Transit reforms	5	5	6	6	6	6	6	6	6	4	6	6

9.1.1.6 Assessed across all the corridors, the sectors rank as follows in decreasing levels of progress achieved:

- Road transport reform;
- Roads reform;
- Maritime reform;
- Infrastructure needs assessment;
- Road traffic reforms;
- Railway reforms;
- Inland waterway reforms; and
- Transit reforms.

9.1.1.7 Across all corridors, progress is least evident in relation to the soft issues other than enabling environments, namely corridor institutions, transit facilitation and operations. The least impact

is recorded with regard to these issues. Even where there is evidence of satisfactory advancement in corridor institutional development (eg. Mombasa – Bujumbura, the Dar es Salaam corridors and the TKC) impact of transit facilitation and operational aspects remains low. The EAC corridors record the most progress in relation to preparation of corridor action plans. The focus of the action plans is predominantly on infrastructure and, particularly, roads. Those corridor plans need to be amplified to give prominence to soft issue planning and performance indicators. However, they serve as very useful points of departure in the development of fully-fledged corridor action plans.

9.1.1.8 Incomplete national reforms are constraining corridor implementation. There are various macro-level issues that impact on corridor implementation such as border post reform, vehicle overloading control reform and road user charging reform that need to be addressed at the national level. For as long as these reforms are not introduced, corridor implementation remains constrained. Some corridor committees have in the past tried to champion policy, legal and regulatory reforms from the corridor level. This approach, for example, was evident in the initial phases of the Trans-Kalahari corridor development where corridor-specific border post, road user charging, vehicle overloading control and road traffic reforms were mooted. Governments are generally not receptive to corridor-specific reforms. In particular, South Africa has voiced its concern in this regard. It supports the position of countrywide legislative / regulatory reform with the possibility of testing the implementation of reforms through corridor-specific pilot projects.

9.1.2 GAPS: ENABLING ENVIRONMENT

It is recommended that corridor states, at various critical phases of reform, need to continue or accelerate reforms with high corridor impact, namely:

- **Integrated transport:** although corridor states generally expressly acknowledge the need for integrated transport policy and an integrated corridor approach, none of the states reviewed has a comprehensive integrated transport policy that addresses intra and inter-modal synergy, competition and optimal utilization of modes. *Need identified in assessment. Not expressly prioritised. No financier identified yet.*
- **Cross-border investment (potential for high impact returns for relatively low financing):** all the corridor states reviewed need a (guiding) legal framework to empower a responsible Minister to conclude agreements with other states with a view to enabling joint tendering; processing; evaluation and awarding of tenders; the creation of juristic persons with joint public shareholding from different states; and joint operations. SADC has developed Model Legislative Provisions on Investment in Transport that could serve as a useful model in this regard. *Need identified in assessment. Not expressly prioritised. No financier identified yet.*
- **Transit facilitation (potential for high impact returns for relatively low financing):** with the exception of South Africa, no other corridor state has legislation to enable border-post reforms, such as the introduction of joint controls that may include one-stop border-post operations. *Need prioritised by all RECs and bilaterally by South Africa, Mozambique, Botswana and Namibia. NEPAD only prioritises this activity for Mombasa corridor; Beira corridor and Dar-Malawi-Zambia corridor. No financier has been identified but it is intended to approach USAID, EU and ADB.*
- **Maritime (potential for high impact returns for relatively low financing):** The coastal states all have maritime legislation in place but require assistance to implement international conventions on maritime safety and pollution control. (NEPAD has prioritised the following:
 - *Advisory services for maritime affairs for all SADC coastal states. Assist with implementation of international conventions on maritime, safety and pollution*

control. US\$ 1.8 million; initiated by SAMSA and IMO technical unit; proposal submitted to EU;

- *Regional strategy for ship waste reception facilities; ECOWAS, Eastern and Southern Africa; Develop options for development and oversight of regional ship waste capacity in compliance with MARPOL convention; US\$ 1.5 million; no financiers yet;*
- *Maritime safety and facilitation of maritime traffic; ECOWAS and East / Southern Africa; assist to establish maritime safety administration; update maritime legislation; promote and disseminate IMO instruments; model legislation; capacity building. US\$ 3.6 million; RECs and IMO to finalise project document and seek additional financing);*
- **Ports and railways (potential for high impact returns for relatively low financing):** the majority of corridor countries reviewed do not have legislation to enable market liberalization and the introduction of Public Private Partnerships (PPP) in the ports and railway sectors. Even where countries have adopted reform legislation (eg. South Africa [ports and railway], Namibia [ports]) the frameworks are incomplete and may require revision. *Prioritised by NEPAD/ RECs. World Bank/IFC have committed funding for Kenya, Uganda, Tanzania, Zambia.*
- **Inland Waterways (potential for high impact returns for relatively low financing):** Overall, the Kenyan, Ugandan and Tanzanian inland waterways legislation is outdated and requires a major overhaul. A particular deficiency is that the current Inland waterways legislation has a very weak safety focus. *EAC priority. Financier unknown.*
- **Roads (potential for high impact returns for relatively low financing):** all corridor states also require legal framework to authorise levying and collection of harmonized road transit charges. *Need identified in assessment. Not expressly prioritised. No financier identified yet.*
- **Road transport (potential for high impact returns for relatively low financing):** all corridor states, possibly with the exception of Malawi, Tanzania and Zimbabwe reviewed need comprehensive legal frameworks to enable decriminalisation of overloading offences, the introduction of administrative penalties. All corridor states need a legal framework to enable the establishment of PPPs in weighbridge operation and management. *Need prioritised by NEPAD, all RECS and TTCA. TTCA proposal submitted to World Bank but no commitment as yet. Estimated NEPAD budget is US\$5 million for implementation on at least 2 routes.*
- **Road traffic (potential for high impact returns for relatively low financing):** the majority of corridor states reviewed need legal frameworks to enable implementation of harmonized vehicle and driver standards. *Needs prioritised by RECS and countries. No financier identified yet* .It should be noted that the reciprocal recognition of driving licences has largely been achieved on the Northern Corridor through the COMESA facilitation instrument and in the SADC region through the SADC Protocol on Transport, Communications and Meteorology.
- **Regulatory framework (potential for high impact returns for relatively low financing):** all corridor states reviewed with the exception of South Africa and Namibia (ports) need regulatory frameworks for ports and railways. Tanzania has established a multi-sectoral regulator. A number of countries (Zambia, Uganda, Kenya, Malawi) are in the process of developing regulatory frameworks. All corridor states require regulatory

capacity building. *Needs prioritised by RECS and countries. Part of ongoing support – World Bank-Uganda, Kenya, Tanzania. Not clear if part of ongoing World Bank assistance as far as Mozambique is concerned. For others, no financier identified yet.*

9.1.3 GAPS: TRANSIT FACILITATION

9.1.3.1 **Harmonized customs documentation and procedures:** there is a potential for high impact returns with relatively low investment with regard to implementation of joint border post controls and procedures at border posts with good infrastructural bases. Beit Bridge border post is a case in point. Corridor states other than Zimbabwe, Zambia, Tanzania and Namibia need to complete implementation of the COMESA/SADC CD Customs Declaration document. Botswana has made some good progress towards implementation, but hasn't completed the process. Arrangements, such as those provided for in the Convention on the International Transportation of Goods under cover of TIR Carnets (TIR Convention) may serve as useful guidelines and provide an opportunity to promote intra-regional cooperation on the basis of lessons learnt from strategies foreign trading partners.

9.1.3.2 **Regional Customs Guarantee Scheme (RCBG):** Both COMESA and SADC have accepted the principle of implementing the RCBG. Implementation is required in the majority of corridor states. Reportedly, five member countries have already implemented it, but verification is required in this regard.

NEPAD has prioritised implementation of the COMESA/ SADC uniform custom document and bond guarantee scheme; short-term technical and financial support to facilitate stakeholder consultation and consensus and training and establish monitoring system; US\$ 3 million for at least 4 corridors in Eastern and Southern Africa: possible financiers, USAID, EU, WB, AfDB.

9.1.3.3 **Establishment of one-stop border posts:** the EAC (TTCA) has proposed the following border posts for conversion to one-stop border posts: Malaba (Kenya / Uganda border); Busia (Kenya / Uganda border); Gatuna (Uganda / Rwanda border); Mpondwe (Uganda / DRC border); Kagitumba (Uganda / Rwanda border); Ishasha (Uganda / DRC border); Gisenyi (Rwanda / DRC border); Cyangugu (Rwanda / DRC border) and Akanyaru (Rwanda / Burundi border). SADC has proposed conversion of the border posts along the Trans Kalahari Corridor, the Trans Caprivi Corridor and the Komatiport / Ressano Garcia border post.

NEPAD has prioritised establishing one-stop border posts; US\$ 2 million; Northern / Beira and Dar Es Salaam- Lusaka corridor: no financier has yet been identified.

9.1.3.4 **Border-post capacity strengthening for border-posts that will not be converted to one-stop border-posts in the short to medium term:** border-posts on all corridors need capacity strengthening to support implementation of improved border-post controls (eg. Beit Bridge) and joint border-post controls. *Assessment prioritises need. No financier identified yet.*

9.1.4 GAPS: OPERATIONS

9.1.4.1 Ports

- To fill impact information gaps for ports (performance indicators) with particular reference to external / internal trade and commodity information to respond to the globalisation of production. Current corridor approaches are not responsive to trade expansion needs (globalisation and global competitiveness). *Assessment prioritises the need. No financier identified yet.*
- To benchmark regional ports against international ports to assist port managers to evaluate their ports competitive strength in the region, internationally and set targets for improvement.

- To support the Nacala Port Concessioning Process. No financier identified yet, but the EU is considered a possible financier.

9.1.4.2 Railway

- To assist all corridor states to improve inter-activity between SPRINT and ACIS systems to improve reliability of railway cargo tracking systems. *RECS prioritise need. UNCTAD provided assistance. EU has financed thus far.*
- To assist corridor states to develop railway inter-networking arrangements. *RECs have prioritised need. No financier has been identified yet.*
- To assist with the revision of the EAC Tripartite Railways Agreement to allow for a privatised environment. The assessment *prioritises need. No financier has been identified but this may be possible under World Bank/IFC assistance for railway reform.*

9.1.4.3 Road transport

- To assist with instilling professionalism of road transport operators (specific recommendation for the Dar es Salaam corridors, although relevant for all corridors). *RECs have prioritised need. No financier identified yet. Possible funding may be secured through USAID STRENGTH programme.*
- To conclude road transportation agreements with Angola, DRC, Rwanda and Burundi to entrench common carrier / single permit arrangements. The assessment *prioritises need. No financier identified yet.*
- To assist Zambia, Djibouti and Ethiopia to implement the road transportation agreement already concluded. The assessment *prioritises need. No financier identified yet.*
- To strengthen capacity to implement an administrative system of vehicle overloading control. *(NEPAD/ RECS and corridor states have prioritised implementation of overload road control along road corridors (Model legislation, guidelines, technical assistance) in SADC and COMESA (as well as UEMOA, ECOWAS, IGAD and ECCAS); US\$ 5 million; NEPAD + RECs: No financier identified yet);*
- To assist with introduction of harmonised third party insurance. *RECS have prioritised need. No financier identified yet.*

9.1.4.4 Road traffic

- To assist all corridor states to implement harmonised commercial vehicles and driver standards. *RECS have prioritised need. No financier identified yet.*
- To assist corridor states to prepare a corridor-specific road safety implementation strategy including an HIV/ Aids strategy. *RECS have prioritised need. ADB supporting Beira Corridor road traffic strategy. No financier identified yet for other corridors.*

9.1.4.5 Inland waterways

- To assist Corridor States to strengthen the safety dimension of inland waterways legislation and operations. *NEPAD/ RECS have prioritised need. No financier identified yet.*

9.1.4.6 Integrated transport

- To assist corridor states to audit current recommendations on road/rail competition and implement appropriate recommendations in this regard. *The assessment prioritises need. No financier identified yet.*

9.2 HARD ISSUES

There is a trend in the SADC corridors to focus more on “soft issue” reforms and less on infrastructure. The COMESA corridors and, particularly, those linking the EAC countries, tend to have a stronger infrastructure focus and a slightly lower “soft issue” reform focus. SADC went through the first two decades with a focus on developing infrastructure and the rehabilitation of “weak” as opposed to “missing” links, it could be that the other REC are going through that phase now. Definitions of missing links are determined by supply of transport infrastructure (based on politics at times) on the assumption that the demand will grow. In an era where PPP is a favoured strategy, the economic justification of “missing” links lies in a regional assessment of projects. Until and unless there is a regional transport market, projects will continue to be assessed within national borders and may be found not to be feasible. Transit countries may see no benefit so there is need to lay the foundation, including full infrastructure cost recovery regimes, which in turn will change how projects are planned and executed.

As far as hard issues are concerned, some progress is evident in relation to infrastructure gains along some corridors such as Durban – Lubumbashi; Johannesburg – Maputo; Mombasa – Bujumbura and the Trans Kalahari Corridor (TKC). Infrastructure deficiencies are more evident on the remaining corridors.

9.2.1 MISSING LINKS: PORT INFRASTRUCTURE

- Expansion of Mombasa port container terminal and the conversion of berths 11-14 to container berths and renewal of Mombasa port handling equipment. *NEPAD/EAC have set this priority. It is intended that financing will be obtained from Government, local investors and private operators. No funding commitment has yet been secured.*
- Upgrading of Kigoma port. *COMESA has indicated that this may be a priority. It could not be ascertained as to whether there is a formal proposal in this regard.*
- Improvement of transit cargo facilities at the Dar es Salaam port. *EAC has set the priority and a proposal has been submitted. No financier has yet been identified.*
- Maputo port improvements. *SADC has identified this priority. It is envisaged that further port improvements will be undertaken under the port concession with possible World Bank supplementary assistance.*
- Upgrading of the Nacala port. *The Government of Mozambique, NEPAD and SADC have identified this priority. Proposals have been submitted in this regard. The EU is currently funding a pre-feasibility study in this regard.*
- Handling equipment for port of Djibouti. *NEPAD has identified this priority. A proposal has been submitted. No financier has yet committed funds, but NEPAD views the EU as*

a possible financier. COMESA has commented that the handling equipment is in adequate condition.

- Dredging of the Beira port. It is understood that the EU is considering assistance in this regard.
- Extension of container facilities at the Durban port. No financier has yet committed funds, but this matter is being addressed as part of the concessioning process underway.

9.2.2 MISSING LINKS: ROAD

- To assist with the rehabilitation of EAC roads in accordance with the EAC needs assessment already submitted to the World Bank
- To continue with rehabilitation of the Djibouti corridor roads with World Bank and EU funding (already committed)
- To assist ASANRA to prepare a comprehensive corridor-based roads needs assessment. *The assessment identifies this priority. No proposal has yet been submitted. USAID remains a possible financier having contributed to the establishment of ASANRA.*

9.2.3 MISSING LINKS: RAIL

- To assist with rehabilitation of the Kenyan, Ugandan and Tanzanian railway lines. *EAC and NEPAD have set this priority. World Bank funds have already been secured for this initiative.*
- To assist with the rehabilitation / restructuring of Zimbabwe Railway. *A proposal has been submitted to the World Bank, but project design is on hold due to the country situation.*
- To assist with the rehabilitation / restructuring of Zambia Railways. *World Bank funding has been secured.*
- To assist with rehabilitation of the Nacala line (Cuamba – Entre Lagos). *The Government of Mozambique and NEPAD have set this priority. OPIC has provided partial funding. Negotiations are under way with RSA commercial banks to secure supplementary funding. EU is currently funding a feasibility study and may consider additional funding.*
- To assist with rehabilitation of the SNCC line Kasumbulesa – Lumbumbashi (DRC). *SARA has identified this priority. The status of a proposal in this regard needs to be verified. No financier has yet been identified.*
- To assist with construction of a possible rail connection to the Chibuto Titanium Smelter in Mozambique. *SARA has set this priority. No proposal has been prepared or submitted. No financier has been identified.*

9.2.4 GAPS: INTER MODAL

- To assist all corridor states to conduct a comprehensive needs assessment. *The assessment identifies this priority. No proposal has been prepared or submitted. No financier has been identified.*
- To assist development of a proposal for the introduction of a PPP for the Isaka Transshipment Facility. *COMESA has raised this as a possible priority. The status of a proposal in this regard has to be verified. It is unknown whether a financier has been identified.*
- To assist with construction of a dry port at Addis Ababa. *NEPAD/ COMESA have set this priority. A proposal has been prepared and is to be submitted to the EU possible for funding under the Railway Rehabilitation Study.*

9.2.5 GAPS: BORDER POST FACILITIES

To assist with the upgrading of border posts facilities.

- EAC / NEPAD have identified a number of border posts for conversion to one stop border post that also require upgrading (Malaba (Kenya/ Uganda border); Busia (Kenya/ Uganda border); Gatuna (Uganda/ Rwanda border); Mpondwe (Uganda/ DRC border); Kagitumba (Uganda/ Rwanda border); Ishasha (Uganda / DRC border); Gisenyi (Rwanda/ DRC border); Cyanguu (Rwanda/ DRC border); and Akanyaru (Rwanda/ Burundi border).
- USAID has held explanatory talks with the Government of Zambia to consider a public-private partnership in privatising border post management of about six border posts and its neighbouring countries. These border posts also require upgrading. No firm proposal has yet been submitted in this regard.
- The Government of Namibia envisages that a new / upgraded border post facility may be required at Katima Mulilo on the Trans Caprivi Corridor after completion of the bridge on the road to Livingston. No proposal has been prepared in this regard.

9.2.6 CONSOLIDATED CORRIDOR NEEDS (GAPS AND MISSING LINKS)

A detailed list of corridor-specific links is provided in volume 2 of the report. The following table provides a synoptic “rolled up” overview of corridor needs.

CORRIDOR	SOFT/ HARD NEED
Mombasa – Kampala – Kigali – Bujumbura	Very high need for transit facilitation with high infrastructure need: road; rail and port rehabilitation
Dar es Salaam – Kigoma – Bujumbura – Bukavu	Very high need for road infrastructure rehabilitation and also high need for transit facilitation
Dar es Salaam – Isaka – Kigali-Goma	Very high need for road and rail infrastructure rehabilitation and also high need for transit facilitation
Dar es Salaam – Mwanza – Kampala	Very high need for road rehabilitation and also high need for transit facilitation
Djibouti - Addis Ababa - Sudan borders	Very high need for road and rail rehabilitation and also very high need for transit facilitation
Durban – Beit Bridge – Harare – Lusaka – Lubumbashi	High need for transit facilitation and lower need for infrastructure (Chiringa-Kasumbalesa road rehabilitation)
Maputo – Johannesburg	High transit facilitation need and lower infrastructure need

CORRIDOR	SOFT/ HARD NEED
	(routine maintenance under road and rail concessions)
Beira – Machipanda – Harare – Lusaka	Very high transit facilitation need and high infrastructure need (port, rail and road)
Nacala – Blantyre	Very high need transit facilitation needs and very high need for port / rail infrastructure rehabilitation
The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana	High transit facilitation need and low infrastructure need
The Trans Caprivi Corridor between Walvis Bay and Zambia	High transit facilitation need with low infrastructure need (border post facility construction once bridge on Livingston road is completed. May have to change location of border post to one end of bridge).
Dar es Salaam – Tunduma – Lusaka	High transit facilitation need but lower infrastructure need: improvement of the Iringa road section (Dar-Lusaka) and construction of the Isoka –Muyombe- Chama road (Malawi-Zambia)

9.2.7 INITIATIVES WITH A POTENTIAL FOR QUICK HIGH VISIBILITY RETURNS WITH RELATIVELY LOW INVESTMENT

The following initiatives are flagged as initiatives with a potential for quick high visibility returns with relatively low input and financing required. They have been selected because they represent non-controversial work in progress that needs to be rounded off. Moreover, there is a high degree of consensus as to the outcome of the initiatives and there are approved regional models / tested precedents to apply in finalising the activities.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
Mombasa – Kampala – Kigali – Bujumbura	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To revise the Northern Corridor Transit Agreement, amongst others, to include Tanzania insofar as it is served by the Port of Mombasa. • To strengthen TTCA capacity. • To assist with the formation of regional associations with an interest in transport. • To review private sector profile with a view to strengthening shipper participation. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with preparation of enabling border post reform legislation. <p>Operations</p> <ul style="list-style-type: none"> • To fill impact information gaps for Mombasa port and maintain a unified information system amongst the

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<p>regional ports.</p> <ul style="list-style-type: none"> • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Inter modal Facilities</p> <p>To complete a comprehensive inter modal needs assessment.</p>
<p>Dar es Salaam – Kigoma – Bujumbura – Bukavu</p>	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To conclude a regional corridor agreement. • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with preparation of the enabling border post reform legislation. • To assist with preparation of a short-term strategy to enhance border post cooperation in anticipation of the establishment of one-stop border posts. <p>Operations</p> <ul style="list-style-type: none"> • To fill impact information gaps for Dar es Salaam port and maintain a unified information system amongst the regional ports. • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • Verify the status of the proposal for the Kigoma port upgrading. • To verify the status of the proposal for the upgrading of the Dodoma- Issuno section and the rehabilitation of the Bujumbura-Bukavu roads. • To verify the status of the initiative to concession the Dar es Salaam- Dodoma road link under a BoT-type arrangement and assistance may be required to take

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<p>the negotiation process further.</p> <ul style="list-style-type: none"> • To undertake a roads needs assessment for Burundi and Rwanda. <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To assist with completion of a comprehensive needs assessment. • To assist with development of a proposal for the introduction of a PPP with regard to the Isaka Transshipment Facility.
<p>Dar es Salaam – Isaka – Kigali-Goma</p>	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To conclude a regional corridor agreement. • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with preparation of the enabling border post reform legislation. • To assist with preparation of a short-term strategy to enhance border post cooperation in anticipation of the establishment of one-stop border posts. <p>Operations</p> <ul style="list-style-type: none"> • To fill impact information gaps for Dar es Salaam port and maintain a unified information system amongst the regional ports. • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • The status of the proposal for the upgrading of the Dodoma- Issuno section and the rehabilitation of the Bujumbura-Bukavu roads needs to be verified.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<ul style="list-style-type: none"> • To verify the status of the initiative to concession the Dar es Salaam- Dodoma road link under a BoT-type arrangements and assistance may be required to take the negotiation process further. • To assist undertaking a DRC roads needs assessment. <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To assist with completion of a comprehensive needs assessment. • To assist with development of a proposal for the introduction of a PPP with regard to the Isaka Transhipment Facility.
Dar es Salaam – Mwanza – Kampala	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To conclude a regional corridor agreement. • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with preparation of the enabling border post reform legislation. • To assist with preparation of a short-term strategy to enhance border post cooperation in anticipation of the establishment of one-stop border posts. <p>Operations</p> <ul style="list-style-type: none"> • To fill impact information gaps for Dar es Salaam port and maintain a unified information system amongst the regional ports. • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • To verify the status of the proposal for the upgrading of the Dodoma- Issuno section and the rehabilitation of the Bujumbura-Bukavu roads.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<ul style="list-style-type: none"> • To verify the status of the initiative to concession the Dar es Salaam- Dodoma road link under a BoT-type arrangements and assistance may be required to take the negotiation process further. <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To assist in the completion of a comprehensive needs assessment. • To assist in the development of a proposal for the introduction of a PPP with regard to the Isaka Transshipment Facility.
Djibouti - Addis Ababa - Sudan borders	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with the preparation of Djibouti, Ethiopia and Sudan enabling border post reform legislation. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Djibouti port performance. • To provide assistance to implement the Bilateral Road Transportation Agreement between Ethiopia and Djibouti. • To assist all corridor states to finalise the enabling framework for vehicle overloading control. • To assist corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <p>Roads</p> <ul style="list-style-type: none"> • To verify roads needs. • To implement the Bilateral Road Transportation

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<p>Agreement with regard to road transit charging and vehicle overloading control.</p> <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To complete a comprehensive needs assessment in this regard. • To conduct a feasibility study for the establishment of a dry port at Addis Ababa.
<p>Durban – Beit Bridge – Harare – Lusaka – Lubumbashi</p>	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To conclude a regional corridor agreement. • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist with development of a mobilisation strategy for implementation of a one-stop border post at Chirundu. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Durban port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To provide assistance to Zambia to implement the single permit system. • To assist all corridor states to introduce further road transport liberalisation in accordance with the SADC Protocol. • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <p>Roads</p>

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment. <p><i>Inter modal Facilities</i></p> <ul style="list-style-type: none"> • To assist the corridor states to complete a comprehensive needs assessment.
Maputo – Johannesburg	<p>Corridor institutional arrangements and business/ logistics plan</p> <ul style="list-style-type: none"> • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit Facilitation</p> <ul style="list-style-type: none"> • To assist Mozambique to prepare the enabling one-stop border post legislation that could also used to legalise the pre-clearance arrangement. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Maputo port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To assist South Africa and Mozambique to introduce further road transport liberalisation in accordance with the SADC Protocol. • To assist South Africa and Mozambique to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridges. <p><i>Inter modal Facilities:</i></p> <ul style="list-style-type: none"> • To assist the corridor states complete a comprehensive needs assessment.
Beira – Machipanda – Harare – Lusaka	<p>Corridor Institutional Arrangements and Business / Logistics Planning</p>

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<ul style="list-style-type: none"> • To conclude a regional corridor agreement. • To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p>Transit Facilitation</p> <ul style="list-style-type: none"> • To assist in verification as whether there is a need to develop a more detailed situation report on the Machipanda border post. • To assist Mozambique to prepare the enabling one-stop border post legislation. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Beira port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To assist the countries to conclude road transport agreements and introduce single road permits. • To assist the countries to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridges. • To assist with the dredging of the Beira port <p>Railway</p> <ul style="list-style-type: none"> • To verify what assistance is required to take the concessioning process further. <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To assist the corridor states to complete a comprehensive needs assessment.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
Nacala – Blantyre	<p data-bbox="727 222 1338 275">Corridor Institutional Arrangements and Business / Logistics Planning</p> <ul data-bbox="727 317 1383 617" style="list-style-type: none"> <li data-bbox="727 317 1383 369">• To assist Zambia to formally integrate into the formal structures of the corridor. <li data-bbox="727 426 1383 478">• To review the Corridor MoU with a view to finalising a corridor definition most acceptable to the parties. <li data-bbox="727 535 1383 617">• To facilitate establishment of a corridor-based management institution with appropriate representation of shippers. <p data-bbox="727 667 948 695">Transit Facilitation</p> <ul data-bbox="727 737 1383 789" style="list-style-type: none"> <li data-bbox="727 737 1383 789">• To assist Mozambique/ Malawi to prepare the enabling one-stop border post legislation. <p data-bbox="727 835 857 863">Operations</p> <ul data-bbox="727 905 1383 1310" style="list-style-type: none"> <li data-bbox="727 905 1383 987">• To fill information gaps with regard to Nacala port performance including internal / external trade and commodity information. <li data-bbox="727 1043 1383 1096">• To assist with implementation of international conventions on maritime safety and pollution control. <li data-bbox="727 1152 1383 1205">• To provide assistance to Zambia to implement the single permit system. <li data-bbox="727 1262 1383 1310">• To assist the countries to implement harmonised commercial vehicles and driver standards. <p data-bbox="727 1360 889 1388">Infrastructure</p> <ul data-bbox="727 1440 1383 1522" style="list-style-type: none"> <li data-bbox="727 1440 1383 1522">• To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridges. <p data-bbox="727 1572 792 1600">Ports</p> <ul data-bbox="727 1652 1383 1705" style="list-style-type: none"> <li data-bbox="727 1652 1383 1705">• To facilitate finalisation of the Ports Concession Agreement <p data-bbox="727 1755 977 1782"><i>Inter modal Facilities</i></p> <ul data-bbox="727 1835 1383 1887" style="list-style-type: none"> <li data-bbox="727 1835 1383 1887">• To assist the corridor states to complete a comprehensive needs assessment.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
<p>The Trans Kalahari Corridor Walvis Bay to South Africa via Botswana</p>	<p>Corridor Institutional Arrangements and Business / Logistics Planning</p> <ul style="list-style-type: none"> • To assist corridor states to sign the MoU. This activity is currently supported by USAID. • To complete the revitalisation of the TKCMC and its technical working groups by broadening their composition to include shippers. This activity is currently supported by USAID. <p>Transit Facilitation</p> <ul style="list-style-type: none"> • To assist Namibia / Botswana to prepare the enabling one-stop border post legislation. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Walvis Bay port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To assist the countries to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridge upgrading. <p>Inter modal Facilities</p> <ul style="list-style-type: none"> • To assist the corridor states to complete a comprehensive needs assessment.
<p>The Trans Caprivi Corridor between Walvis Bay and Zambia</p>	<p>Corridor Institutional Arrangements and Business / Logistics Planning</p> <ul style="list-style-type: none"> • To assist corridor states to conclude a corridor agreement. • To assist corridor states to mobilise the Corridor Management Committee.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<p>Transit Facilitation</p> <ul style="list-style-type: none"> • To assist Namibia / Zambia to prepare the enabling one-stop border post legislation corridor states be assisted to complete a comprehensive needs assessment. <p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Walvis Bay port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To assist the countries to harmonise commercial vehicles and driver standards. • To assist Namibia to assess on how to expand services of the HIV / Aids helpdesk to the trans Caprivi corridor. <p>Infrastructure</p> <ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridge upgrading. <p>Inter modal facilities</p> <ul style="list-style-type: none"> • To assist the corridor states to complete a comprehensive needs assessment.
Dar es Salaam – Tunduma – Lusaka	<p>Corridor institutional arrangements and business/logistic planning</p> <ul style="list-style-type: none"> • To provide assistance to finalize and adopt the draft Constitution. • To provide assistance to mobilize the secretariat to be established under the new Constitution so that it can commence monitoring corridor performance on the basis of indicators identified in its business plan. <p>Transit facilitation</p> <ul style="list-style-type: none"> • To assist Malawi, Tanzania and Zambia to prepare the enabling border post reform legislation.

CORRIDOR	RAPID HIGH YIELD INITIATIVES
	<p>Operations</p> <ul style="list-style-type: none"> • To fill information gaps with regard to Dar es Salaam port performance including internal / external trade and commodity information. • To assist with implementation of international conventions on maritime safety and pollution control. • To provide assistance to Malawi, Zambia and Tanzania to implement single road transport permits and mobilize the joint route management groups established under bilateral road transport agreements. • To assist all corridor states to introduce further road transport liberalisation in accordance with the SADC Protocol. • To assist all corridor states to harmonise commercial vehicles and driver standards. <p>Infrastructure</p> <ul style="list-style-type: none"> • To assist ASANRA to complete a comprehensive roads needs assessment including the need for weighbridges and weighbridge upgrading. <p>Inter modal Facilities:</p> <ul style="list-style-type: none"> • To assist the corridor states to complete a comprehensive needs assessment in this regard.

10. FINDINGS AND RECOMMENDATIONS FUNDAMENTAL TO TAKING THE PROCESS FURTHER

The findings and recommendations discussed below are discussed with reference to two main questions, namely:

- What is the most appropriate institutional framework to facilitate and promote coordinated corridor planning, funding and performance monitoring and how should the capacity of role players be enhanced?
- What are the next steps required after submission of the final report to facilitate prioritisation of commitment and investment and to enrich and sustain the monitoring process?

10.1 WHAT IS THE MOST APPROPRIATE INSTITUTIONAL FRAMEWORK TO FACILITATE AND PROMOTE COORDINATED CORRIDOR PLANNING, FUNDING AND PERFORMANCE MONITORING AND HOW SHOULD CAPACITY OF INDIVIDUAL ROLE PLAYERS BE ENHANCED?

The principal issues to be discussed are:

- Definition of the roles of the various role players;
- Corridor institutional structures; and
- Areas where capacity of individual role players may be enhanced.

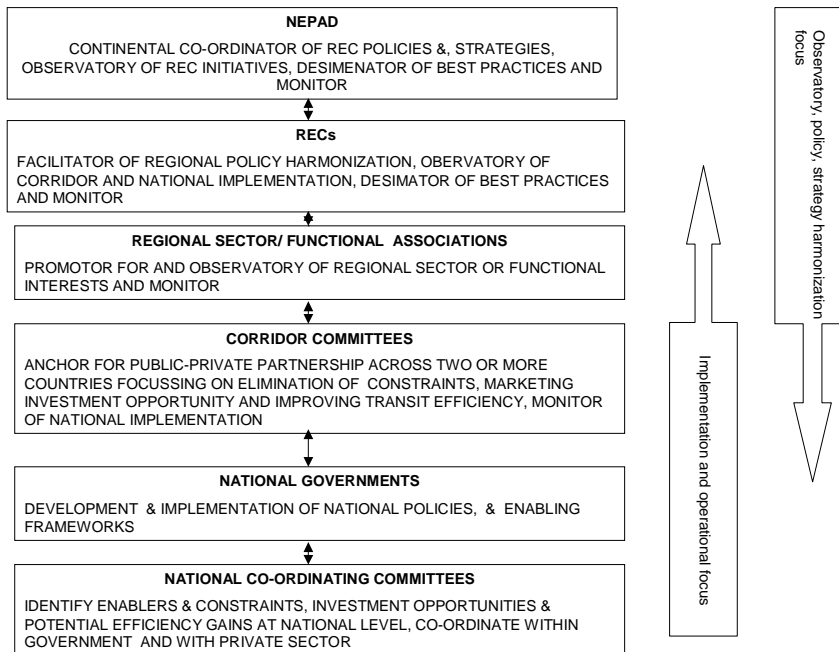
In discussing these three issues, the role of the private sector is also considered.

10.1.1 Definition of the roles of the various role players

There are a number of role players at the national, regional and continental level with a direct interest in corridor development and management, namely: NEPAD; REC; Regional Sector / Functional Associations; Corridor Committees; National Governments; and National Co-ordinating Committees. The necessity of involving all these role players in some or other way is not disputed. However, it is clear that their relative role in respect of proximity to implementation differs. As a result, there is a need to clarify and circumscribe their relative roles. The discussion below is not intended to inhibit the mandate of any of the institutions discussed below, but rather to highlight their relative role in respect of the functioning of transit corridors.

Diagram 1 presents a synoptic snapshot of the roles of the respective roleplayers.

Diagram 1: Institutional Framework



It is evident that continental and regional institutions such as NEPAD, the RECs and Regional Associations (representing the interest of specific sectors or interest groups) are, due to the geographic width of their constituency and mandate, ideally placed to develop parasol

harmonized policies and to serve as observatories of implementation by institutions frameworks with a closer proximity to the implementation of enabling frameworks and operational performance. In their role as promoters of harmonized policies and strategies, these institutions may serve to:

- Market a co-ordinated broad vision intra-continentally and internationally. The value of synergy between individual development initiatives towards overall economic growth and trade efficiency (intra-continental and internationally) should be attractive to governments, investors and traders (both local and international) alike. One commentator suggested that RECs should market the collective harmony and efficiency associated with developments in their geographic region. This suggestion builds on an analogy that harmonized standards of the European Union engender confidence in investors and trading partners.
- Monitor implementation and operational efficiencies by disseminating and facilitating an exchange of information, facilitating peer review and distilling good practices. This provides an opportunity to highlight capacity savings; the current membership overlap between RECs calls for a focus delineation avoiding duplication of effort whilst building on the strengths of individual RECs. For example, COMESA currently has a strong focus of assisting landlocked countries; in fact, of the three RECs considered in this assignment it pays most attention to the reality of land-locked states, both in this treaty and its programme composition. In keeping with this role, consideration could be given to assisting COMESA in taking a more directive role with regard to the feeder corridors in the COMESA region. Whilst the EAC could play a more prominent role with regard to the Mombasa – Kampala and the Dar es Salaam – Burundi – Rwanda corridors. SADC and EAC could retain the role of directing corridor activities of their respective port member states
- Facilitate the development of a prioritised menu of reform needs and investment opportunities and assist, where required, with the solicitation of investment. It should be noted that comment received, suggest that RECs should not serve as “gatekeepers” to investment and assistance to corridors; it was suggested that RECs have an important contribution in facilitating prioritisation, collective “branding” and solicitation of investment and assistance. It is noted that one of the most successful corridors, the Maputo Development Corridor initiated and worked relatively independently from SADC. This fact should, however, not signal that there is no role for RECs to play in respect of corridors. The efficiency of individual corridors have an impact not only on the countries involved on the corridor but also on those whom the corridor serve and who offer parallel transport systems. Moreover, should corridors operate in complete isolation of RECs, the benefits of regional integration, optimisation of resources and peer review may be undermined.

NEPAD is ideally placed to, principally, co-ordinate programmes amongst RECs, whereas the RECs are well placed to play a similar role in relation to national and corridor institutions. Moreover, the participation of the private sector in the activities of RECs is progressively facilitated with SADC taking the lead in requiring consultative structures and arrangements with the private sector at national, corridor and REC level. The suggested role of NEPAD and RECs calls for a strengthening of their capacity monitor, disseminate real time data on a regular basis and to conduct analysis in signalling trends in reforms. See the discussion below regarding the development of a real time and accessible data base.

Regional Associations such as SARA, ASANRA, FESARTA, PMAESA, regional chambers of commerce, etc. serve as an ideal counterpart to RECs as private sector promoters of harmonization and observatories of implementation. Notable shortcomings in their effectiveness in this role include insufficient funding to serve as a useful repository of operational data and to provide capacity support to embryonic national associations. A balanced private sector view is also compromised by the absence of, in some cases, regional shipper’s councils.

Although corridor institutions represent the interest of two or more countries, they contrast with the multilateral institutions discussed above insofar as they are dedicated towards operational

efficiency along the corridor. Corridor committees are not implementers of policy reforms but, they serve as reliable detectors of constraints and inefficiencies. The detected constraints and inefficiencies should be reported both to the national and regional level for a harmonized strategy from the RECs/ Regional Associations and corrective measures at the national level. A more detailed discussion on corridor institutional frameworks is presented below.

Corridor states will be the primary drivers and implementers of reform on the home front and have a proactive role to create the enabling environment through the preparation of integrated transport and modal reform policy frameworks supported by enabling legal frameworks and implementation strategies that also address an integrated corridor approach. Progressively, national governments develop policies and strategies in a co-ordinated fashion within government and in partnership with the private sector. In the SADC region, the establishment of national co-ordinating structures is mandatory. Not all private sector constituencies, eg. users, however, are participating effectively due to their past exclusion from such processes. National associations require strengthening to improve their advocacy role. Such capacity enhancement will also benefit their effective participation in corridor committees and regional associations.

It is evident that the institutional framework has two distinct focuses, i.e. a regional / continental observatory focus and a corridor/ national operational and implementation focus. Moreover, the framework represents a value-adding chain of institutions, which interactively enhance the efficiencies in national, corridor, regional and continental spheres and collectively increase the overall brand value.

10.1.2 ***Appropriate Corridor Institutional Structures***

Some of the comments received emphasized that corridor development should be integrated in the broader Spatial Development Initiative (SDI) concept. This concept is premised on the understanding that corridor development activity will take place in a broader economic context. In other words, it seeks a sensible integration between transport and economics.

Some of the current corridor development initiatives have developed as SDI driven intervention with a dominant economic focus, whilst others are evolving from a more transport and trade facilitation orientated focus. In the case of the latter, in particular in the SADC region, sector specific Joint Route Management Groups (JRMGs) for road and rail transport served as building blocks for integrated corridor committees.

A question raised was, what comes first: chicken or egg, transport and transit facilitation corridor committees or broader SDI structures? This question may be debated at length, however, it is inescapable that efficiency of transport and transit facilitation is an essential catalyst of wider economic activity and, if corridor committees have success in improving such efficiency, it remains academic how they evolved, as the follow-on impact of their success would benefit a broader SDI approach; provided the evolution takes place within the context of appropriate economic awareness. Likewise, where broader SDI structures exist, the role of a focused integrated transport and transit facilitation corridor committee may be assumed by the SDI structure through a dedicated sub-committee.

It is contended that the appropriate composition, agenda and functioning of the committee is the essential deciding factor in determining its effectiveness. Thus, the discussion below, present pointers on these issues rather than presenting a blue print of a corridor committee institutional framework.

With the exception of the Trans Caprivi Corridor, all the corridors have some institutional arrangements in place, although these differ in design, degree of stakeholder inclusivity and overall effectiveness. For example, there are corridor institutions for the Mombasa (Northern) Corridor, the Dar es Salaam- Tunduma- Lusaka Corridor and the Trans Kalahari Corridor. In addition, the Trans Kalahari Corridor is also currently served by an operational JRMG between South Africa and Namibia. SDI arrangements are in place for the Maputo Corridor, the Beira Corridor, the Nacala Corridor and the Central Corridor. The Maputo Corridor is also currently served by the South Africa-Mozambique JRMG. The Bilateral Agreement on the

Use of the Port and Goods Transit, 2002 between Djibouti and Ethiopia provides, amongst others, for the creation of a Corridor Secretariat combined with public and private sector interests. The Secretariat has not yet been formally established and facilitation is, currently, conducted independently by the public and private sectors. The private sector has, in anticipation of taking up its role in the envisaged Secretariat, formed a joint business council that includes representation of the Djibouti and Ethiopian Chambers of Business. As far as the Trans Caprivi Corridor is concerned, officials of the corridor states have held exploratory talks and are in the process of drawing up terms of reference for the establishment of a corridor institution.

10.1.3 *Pointers for corridor institutions*

The list of pointers below are not exhaustive but were detected in the course of the desk analysis and in commentary received. Collectively, they highlight that the design of appropriate corridor institutions should be responsive to the corridor function ("**form follows function**") and accommodated optimal inclusivity.

- **Corridor inclusivity:** Corridor institutions should embody public-private partnerships that are optimally representative of corridor roleplayers. As indicated above, even those that already have corridor management institutions, have to revisit the composition profile of the institutions to ensure adequate shipper representation. It is easy to establish a corridor institution, but if its composition is not fully inclusive of the right type of stakeholder (eg. shippers) the institution will not be able to catalyse corridor impact. For example whilst the TKC Corridor Management Committee represents progress, it is not an optimal stakeholder coalition. The role of shippers is very limited. Hence, institutional development, is distracting stakeholders' attention away from catalysing impact on the soft barriers.
- **Private sector to champion corridor committees:** The comments received overwhelmingly support the view that the private sector should be the driver and champion of corridor institutions. Establishing those committees will have long term beneficial spin offs because they will remain relevant and necessary even after the enabling environment is in place and sector reforms have been completed. Operational efficiency gains are, ultimately, the main objective of corridor committees and the private sector is best placed to sustain the process of monitoring and inducing improved efficiency gains.
- **Constitution format appears to respond best to inclusivity:** Achieving institutional inclusivity is more important than the format of corridor agreements (MoU or constitution or treaty). However, we have found that formulation of a constitution appears to be more representative of the concept of an equal status and inclusive public-private partnership, whereas an inter-governmental Memorandum of Understanding does not sufficiently recognise the equal partnership and may not adequately address the long-term objectives of the committee (after governments have introduced enabling frameworks).
- **Permanence of secretariat support:** Although corridor committees should not evolve in cumbersome bureaucracies or market dominating cartels, trends indicate that those who have support of a full-time secretariat or professional corridor manager show success in their ability to develop action / business plans, market the corridors for investment purposes and responsiveness to operational constraints; it is noted that the SDI initiatives provide for a full-time project manager. In view of the fact that participants in corridor committees usually have other full-time responsibilities, the capacity of the group may be effectively enhanced by a secretariat or project manager.
- **Clear operational focus:** A commentator has expressed the view that some committees have developed without clear purpose because their objectives and functional profiles are defined too broadly or vaguely. Corridor institutions should therefore have dominant operational focuses. They will serve as anchors across two or more countries focusing on elimination of constraints, marketing investment opportunities, improving transit efficiencies and monitoring national implementation. In this regard we note the SDI

methodology of encouraging corridor institutions to develop business/action plans as a start up activity with a view to focusing effort and enhancing ownership of the process.

- **Fast tracking the introduction of Public Private Partnerships (PPP):** Although, the corridor committees are essential in terms of the long-term management of the corridors, in cases where establishment of such committees is taking too long or where the committees have lost corridor focus, consideration should be given to introducing additional high impact catalysts such as the introduction of Public Private Partnerships (PPP) of infrastructure and services to introduce a shift in demand determination and operational efficiency considerations. Private infrastructure operators and service providers may have a greater urgency to accommodate shippers' needs. Although the establishment of corridor management committees have contributed to a greater awareness in respect of the constraints on transport and transit efficiency, in some cases their institutionalisation is taking far too long, thus detracting the focus from corridor development. Moreover, in other cases, such committees have not shown much success in resolving operational constraints. In fact some (eg. TKC) have become wound up in bureaucratic process with little logistical and trade demand response. The participation of shippers or traders on such committees appears to be a glaring omission; in some cases it may be concluded that these committees are services provider and / or government driven. Due to the membership deficiencies of these committees, their implementation success has been limited as a result of protracted bureaucratic processes and limited sensitivity to global trade demand and patterns.

*(NEPAD has prioritised strengthening stakeholder associations for trade facilitation in SADC / COMESA, ECOWAS, IGAD and ECCAS; US\$ 8 million: **possible financiers, USAID, WB/ PPIAF**) No commitment yet.*

10.2 WHAT ARE THE NEXT STEPS REQUIRED AFTER SUBMISSION OF THE FINAL REPORT TO FACILITATE PRIORITISATION OF COMMITMENT AND INVESTMENT AND TO ENRICH AND SUSTAIN THE MONITORING PROCESS?

Flowing from the submission of this Final Report three key actions should follow.

- Dissemination and application of the report. It is recommended that the report be disseminated to NEPAD, RECs, Corridor Committees and ICPs for discussion at a round table meeting where validation of the report may be facilitated, collective priorities determined and preliminary funding commitment can be made.
- Sustaining and enrichment of the coordinated planning and monitoring process.

Insofar as this Report only represents a contributing element to the last action, all commentators expressed an expectation that the process of integrated planning, co-ordination and implementation would be sustained and progressively improved. This assignment detected two key elements that would add significant value to the aforementioned process, they are:

- A co-ordinating platform involving NEPAD, RECs, Corridor Committees and international co-operating partners; and
- A model cross-cutting database housing information sourced from various repositories such as RECs, regional associations and corridor committees.

10.2.1 **A co-ordinated planning platform**

A stakeholder platform (NEPAD, RECs corridor institutions and ICPs) to facilitate and promote coordinated corridor planning, funding and performance monitoring should be considered. Some ICPs, such as USAID, have reported that the stakeholder platform facilitated through the SSATP meeting in Maputo in June 2002, is a worthwhile venture and should be pursued.

Once the core platform is in place and stable, consideration could be given to linking up with other RECs ultimately providing a continental cooperative platform supporting a wider range of implementation than just corridors. In view of the expected evolution of this platform, it is recommended that the initiative be facilitated by NEPAD with capacity assistance support from ICPs. NEPAD is well-placed to serve as nodal point for such a co-ordinating platform and to facilitate cross- REC and corridor comparison and co-ordination.

Such an initiative could enhance introduction of an integrated corridor approach that is currently absent. At country level there appears to be adequate awareness of and commitment to a corridor approach as evidenced in the broad SADC and COMESA regional commitment and the documentation reviewed. This commitment is, however, not carried over to the technical level with sufficient impact. Some "corridor sceptics" raised the point that the potential benefits of a corridor approach have not "hit officials in the face". Governments tend to view corridor development as an add-on to their existing functions, even when a particular corridor initiative is publicly prioritised. Moreover, in some cases, Governments appear to be "in competition" with the private sector rather than complementing each other's roles in corridor development.

Concern was expressed that the platform should not take the format of a broad stakeholder consultative event but must be focussed at integrating the programmes of the individual RECs and corridor committees. Thus, it is envisaged as a round table event where RECs, corridor committees and ICPs collectively consider an integrated response to investment and capacity assistance needs.

The meeting envisaged for validation of this report and facilitating prioritisation and funding commitment should ideally also serve to formalize the co-ordinated platform arrangement.

10.2.2 ***A cross-cutting model data base***

The overwhelming feedback has been that we need a monitoring process that ensures the connection between the sources /repositories of information and supports an ongoing stable, reliable and predictable information exchange. Performance monitoring is still very limited and, as yet, there is no fully operational corridor monitoring system in place. It has been noted that the USAID RAPID Project has been tasked to monitor the performance of the Trans-Kalahari and TAZARA corridors through quarterly reports to be submitted by the corridor committee stakeholders. This has however, not yet commenced.

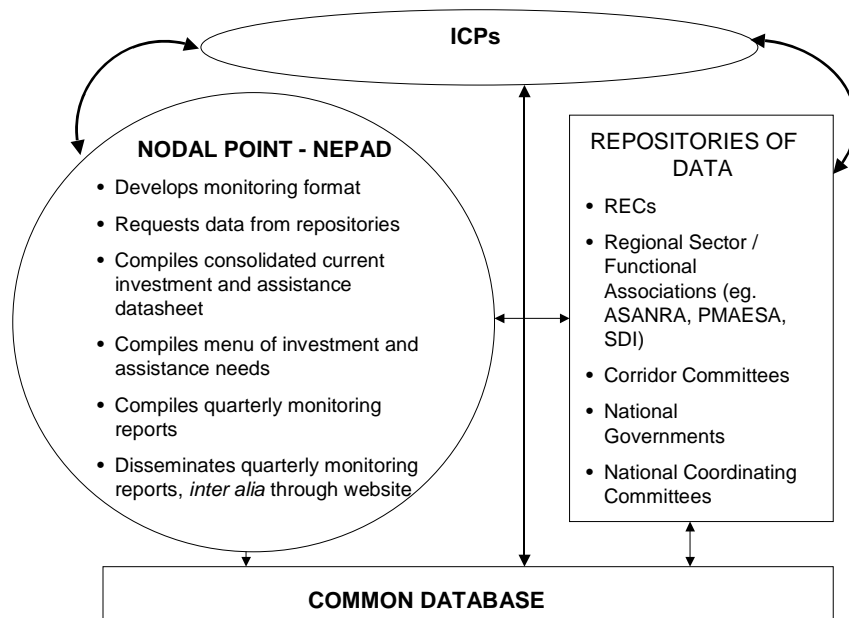
The limited performance monitoring that is taking place tends to measure process rather than impact. Clearly, it is difficult to measure impact before the enabling environments have been put into place. For example, it is difficult to measure the lowering of border post costs if the environment, which enables the private sector to become involved in border post management, is incomplete. This means that we must continue measuring processes aimed at creating environments until we are ready to measure operational impact. The corridor's potential competitiveness can only be ascertained once an appropriate impact performance-monitoring regime is in place.

Past studies are useful but the information is outdated and has limitations. Ideally there is a need to for regular data updates and trend analysis that interprets information gathered. There are various repositories of very useful and relevant information (eg PMAESA, some JRMGs). What is lacking is a nodal point where a model database accommodating cross-REC and cross-corridor data on investment and capacity needs, reform progress, trade patterns and transport and trade facilitation efficiency can be housed. Such data should be current and therefore be updated on a quarterly basis. Ownership of the database should vest with all participating repositories of source information and be widely disseminated through vehicles such as a "monitoring database" website. The regular updating of the data will facilitate ongoing enrichment of the database and validation of the information contained therein. In view of NEPAD role of continental observatory, it may be well placed to serve as nodal point for the model database.

Participation of existing repositories of information such as the RECs, corridor committees and regional associations will not present an add-on but would fold into their already existing functional profile. The assignment of a nodal point to consolidate and package the data comparatively will add value to the harmonization, implementation, operations and monitoring undertaken by each of the participating repositories. The value of the co-ordinated approach lies in the ability to draw on the collective strengths of the various RECs, corridor committees, Governments and regional associations. The nodal point will, on behalf of the stakeholder platform, have to identify its information needs and develop the appropriate electronic submission forms to elicit the required information from roleplayers. In particular, the challenge will be to know what information to request and how the request will be couched to facilitate prioritisation of investment and funding. This will, for example, also entail annual submission of corridor action/business plans.

It is recommended that consideration be given to developing a model database to assist with corridor performance monitoring. As such, the database needs to be multi-purpose and responsive to planning needs of national Governments, RECs and international financiers. RECS have prioritised collective corridor database development. Diagram 2 below illustrates the relative role of repositories, the nodal point and supporting financiers to the development of a model database.

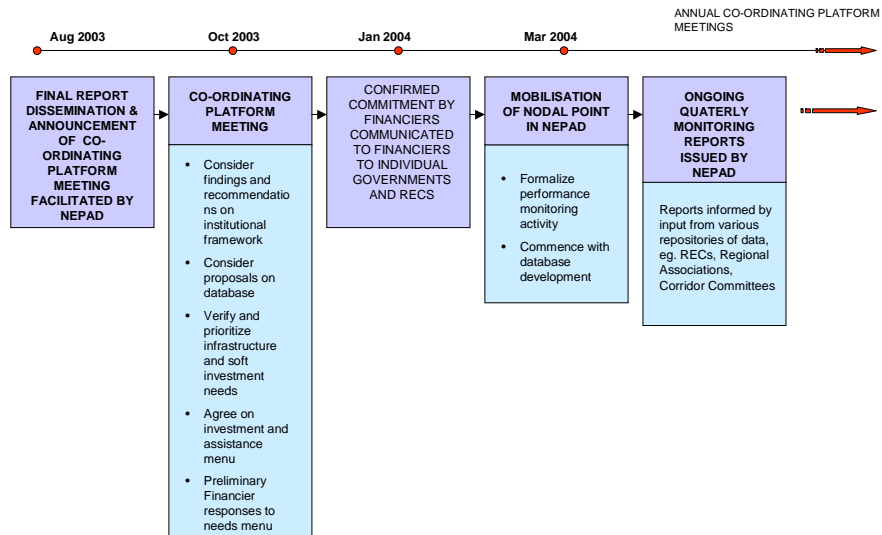
Diagram 2: Database Development



10.2.3 Summary of process to follow

It is recommended that the actions to follow the submission of this report follow the process depicted in Diagram 3 below.

Diagram 3: Process Milestones



ANNEX A

BIBLIOGRAPHY

CORRIDOR FEASIBILITY STUDIES:

- **Coast 2 Coast, Development and Transport Study, Volume 1 – Transport.** This report contains a feasibility study for the development of the Coast 2 Coast corridor that represents an integration of the Trans-Kalahari and Maputo corridor. As such, the report provides a useful snapshot of corridor conditions in relation to soft and hard issues and provides a list of recommendations to overcome corridor constraints. The report does not, however, purport to present a corridor approach or provide a blueprint for generic corridor development. The report provides some incidental information on transport costing, but there is very little comparative benchmarking.
- **Coast 2 Coast, Development and Transport Study, Volume 2 – Development and Marketing**
- **Dar es Salaam Corridor: Transport Co-ordinating Committee, Trip Report and Recommendations, USAID – RCSA, May 2002.** This report focuses on the institutional needs of the Dar corridor and presents the case for the establishment of the Dar es Salaam Corridor Committee. The report sketches the institutional development of the corridor and presents an annotated version of the draft constitution for envisaged Dar es Salaam Corridor Committee.
- **Nacala Corridor Inception Report, PPIAF / World Bank, August 2002.** This report presents a corridor investment strategy. In presenting the strategy, a comprehensive analysis is conducted of corridor conditions in relation to soft and hard issues, but with particular reference to Malawi. The report sketches the policy, legal, regulatory, institutional, economic and developmental dimensions of the corridor. The report provides a valuable update on corridor conditions, but is not intended to serve as a base line information document for the corridor.
- **KPMG Study relating to the Institutional and Management Reform of the Nacala Corridor, Final Report, Volume 1, 1998.** The report presents an overview from the Mozambican perspective of port and railway privatisation activity required as a means of catalysing the corridor development. The report focuses almost exclusively on the privatisation activity and provides no broader information on corridor approaches. Some traffic flow and volume data is provided, but the information is too generic and outdated to be of any use for the setting of the baseline document.

CORRIDOR AGREEMENTS / CONSTITUTIONS / MOUs:

- **Northern Corridor Transit Agreement**
- **Memorandum of Understanding between the Governments of the Republics of Botswana, Namibia and South Africa on the Development and Management of the Trans-Kalahari Corridor.** The latest version of the MoU was consulted. It is understood that some minor changes are being effected to link up the provisions relating to private sector participation with SADC Treaty Commitments in this regard.
- **Draft constitution of the Dar es Salaam Corridor Committee**
- **Historical perspectives and the current situation pertaining to Transport Co-ordination Authority (TTCA) of the Northern Corridor.** This document provides a very useful snapshot of the TTCA institutional constraints and clearly defines institutional strengthening needs.

CORRIDOR COST ANALYSES:

- **Comparative Transport Cost Analysis in East Africa, April 1997, USAID / REDSO / ESA.** This document is currently the only comprehensive cost analysis for the EAC countries. Compared to the SADC costing analysis, it provides more strategic direction for corridor

planners but fewer comparative baselines. Moreover, the information is outdated in some respects and requires updating.

- **Comparative Costs of Transport: The Northern Tier Countries the Greater Horn of Africa, Gordon J. Anyango, July 1997.** This document provides some costing baseline information for, amongst others, Ethiopia, Djibuto and Sudan. Compared to the SADC report, this reports provides fewer comparative baselines. The information needs to be updated.
- **SADC Regional Freight Transport Corridors, Commodities, Tonnages and Freight Rates per Mode, August 2001, USAID – RAPID.** This report provides statistics detailing tonnages moving per mode and freight rates charged. The document provides some updated information but is prefaced by the warning that given the difficulty of collecting reliable genius data, it is foreseen that the statistics may require revision. No information is provided for the Nacala Corridor.
- **Southern Africa Transport Network: Comparative Transit Transport Cost Analysis, September 2001, USAID / REDSO / ESA.** This document currently serves as a principal source of information for SADC corridor costing. The document attempts to create baselines for cost comparisons across corridors. Moreover, the SADC and COMESA studies appear to have different premises. The SADC study appears to have a stronger corridor focus than the COMESA study and attempts to present baseline information on a corridor basis. At the same time, the COMESA study appears to have processed findings to a greater extent into strategic planning pointers.

CORRIDOR NEEDS ASSESSMENTS:

- **Condition of Northern Corridor Roads and Projects Data.** This document provides a detailed breakdown of EAC roads needs. As such, it is an important document because it provides and illustration of what a seminal corridor action plan could look like.
- **TTCA Infrastructure Projects Submitted for Consideration by NEPAD.** This document follows the same pattern of the other TTCA needs assessments and details projects required.
- **TTCA Axle Load Program.** This document provides a progress report on implementation by EAC countries on the axle load control programme and identifies needs to take the implementation process further. As such, this document could also be an input to the broader Northern Corridor Action Plan that will have to be prepared as a single comprehensive document.
- **Measures for the enhancement of Transport and Transit Facilitation along the Northern Corridor, A discussion paper for submission to the World Bank, October 2002.** This document provides a progress report and identifies gaps in relation to corridor soft issues. This document could also form part of a broader corridor action plan.
- **Review of the implementation status of the Trans-Africa Highways and the Missing Links, Draft Report, African Development Bank, November 2002.** This document provides a progress report with regard to implementation of roads infrastructure and, as such, also serves as part of the broader corridor action plan.

CORRIDOR MARKETING AND INVESTMENT STRATEGIES:

- **Nacala Development Corridor, The New Untapped Investment Frontier in Southern Africa, Investment Opportunities in Malawi, November 2002.** This document presents an investment strategy for the Nacala corridor prepared for the Malawian Government. As such, it could serve as a modal for other corridor marketing strategies. The document is also useful in that it provides a thorough country position and progress report on implementation in relation to both corridor soft and hard issues.
- **Reaping the benefits of the Trans Kalahari Corridor: RAPID USAID, 2002.** This is a very brief draft document that is supposed to serve as an input to a broader corridor marketing

strategy. The document is couched in marketing language but does not provide any additional baseline information.

- **SADC Transport Investment Forum: Transport Investment Opportunities in an Emerging Market, the Development Bank of Southern Africa, Windhoek, Namibia, February 2001.** This document was presented at an investors conference and serves to introduce investors to the Southern African corridors and list potential investment opportunities. The document is generic in nature.

REPORTS AND STUDIES:

- **Eastern and Southern Africa proposed Trade and Transport Facilitation Project, Aide-Memoire, February 2003**
- **SADC Sectoral Report, Transport, Communications and Meteorology, 2001 – 2002**
- **2002 Comprehensive Report on U.S. Trade and Investment Policy Toward Sub-Saharan Africa and Implementation of the African Growth and Opportunity Act, May 2002**
- **Review of progress in the development of transit transport systems in Eastern and Southern Africa, UNCTAD, July 2001**

CONFERENCE REPORTS:

- **EU-SADC Transport Conference Report, Status of SADC Protocol Implementation, the Austrian Ministry of Foreign Affairs and the EU, 15-17 October 1998**

MINUTES AND RECORDS OF MEETINGS:

- **Dar es Salaam Corridor Stakeholder's Meeting, Summary Record and Attachments, December 2002**
- **Report of the 22nd meeting of the Executive Board**

ANNEX B

TELEPHONE INTERVIEWS

ANNEX B

Telephone interviews were conducted with the following persons:

Mr S. Silo: SATCC-TU

Mr L. Bingandadi: USAID RCSA

Mr W. Goeieman: SADC Secretariat

Mr SMAK Kaombwe: RAPID Project: USAID RCSA

Ms Theresa Jeremias: Mozambique Ministry of Transport and Communications

Mr Josphat Sassia: World Bank Office, Nairobi

Mr Amos Marawa: COMESA

Mr Gilbert Maeti: COMESA

Mr Johan Cloete: Namibia RFA

Mr Phillip Amunyela: Namibian Ministry of Transport