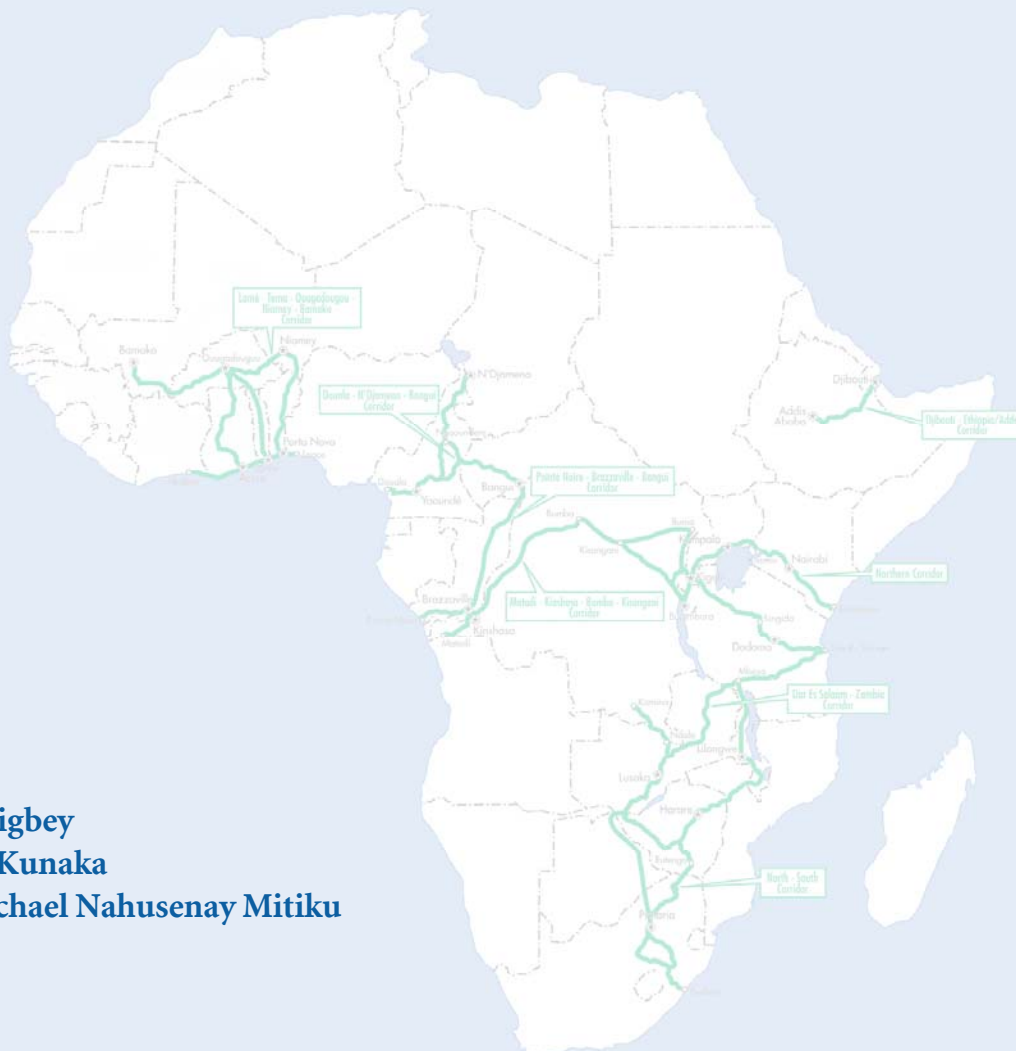




Institutional Arrangements for Transport Corridor Management in Sub-Saharan Africa



Yao Adzigbey
Charles Kunaka
Tesfamichael Nahusenay Mitiku



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October 2007

The SSATP is an international partnership to facilitate policy development and related capacity building in the transport sector in Sub-Saharan Africa.

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FOREWORD

This Working Paper builds on the outcomes of SSATP activities and on a consultative process that involved key transit corridor stakeholders, including Regional Economic Communities, existing corridor management institutions, transport operators, road and port administration agencies and customs. It is aimed at facilitating the establishment of efficient and sustainable corridor management arrangements in Sub-Saharan Africa.

The paper reviews current corridor management practices and experiences in Sub-Saharan Africa as well as emerging corridor management initiatives. It also takes into consideration sub-regional proposals on corridor institutions that have been developed by the Common Market for Eastern and Southern Africa (COMESA), Southern African Development Community (SADC) and Economic Community of West African States (ECOWAS). The reviews and assessment are used to propose several corridor management institutional arrangements to enhance transport and trade facilitation along transit corridors.

The review of existing corridors focuses particularly on the responsibilities of stakeholders and the legal instruments employed. The general emphasis is on assessing the structure effectiveness in addressing key constraints to the smooth movement of goods and passengers along transit corridors. The funding mechanisms of corridor institutions have also been reviewed with a focus on sustainability and the contributions of key stakeholders (governments or private sector). Consultations carried out during workshops and SSATP missions have strengthened the diagnostic and improved understanding of institutions' performance.

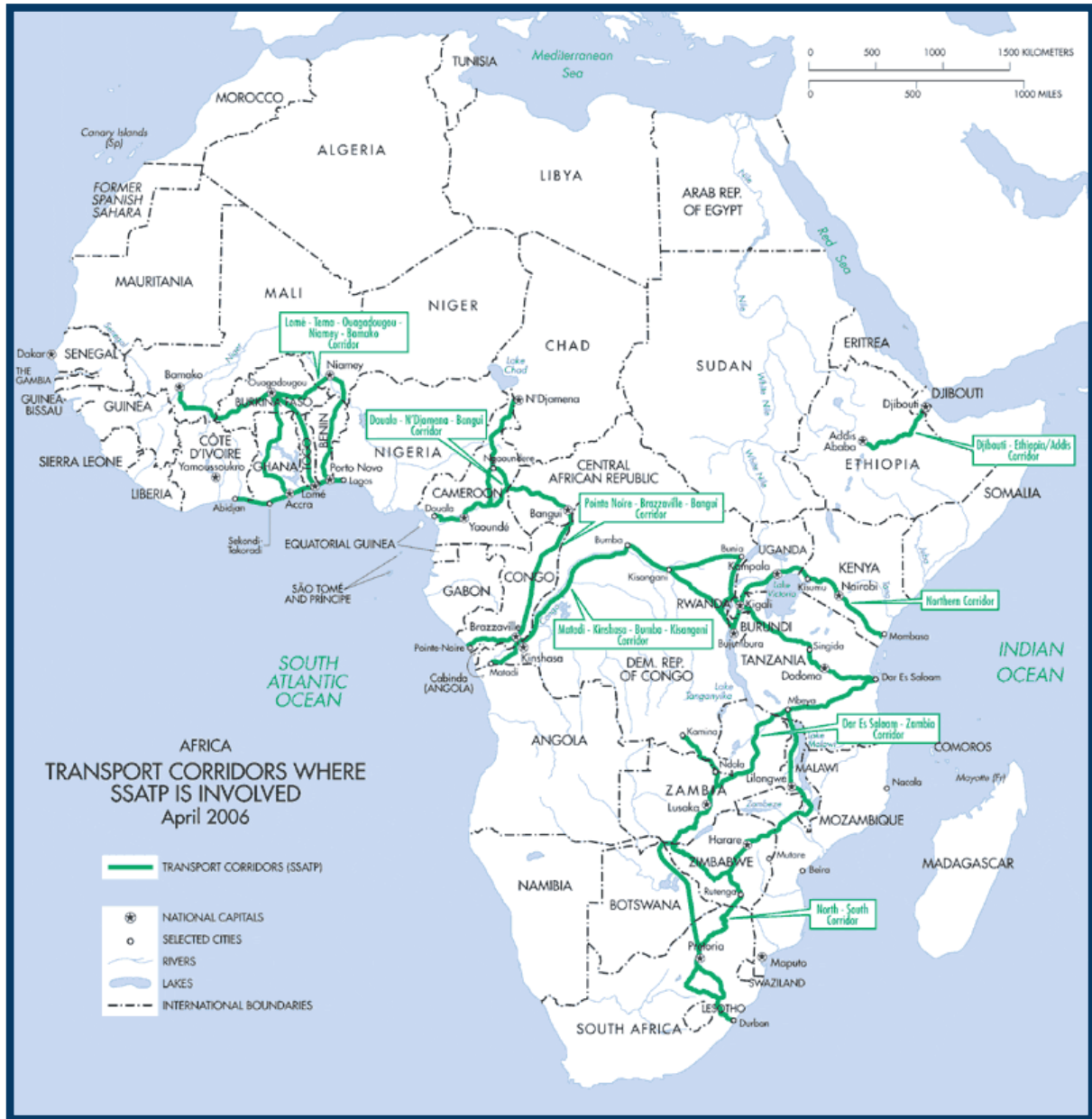
The paper makes a proposal on core functions of corridor management groups focusing on their advisory role in initiating and following up implementation of policies and laws related to transit transport and trade facilitation. Further, it provides for options to legally establish corridor groups and proposes a three layer organization with three distinct organs responsible for policy definition, coordination and group operations. It also stresses the need to promote public-private partnership (PPP) arrangements and participatory approaches as important success factors.

The findings and the concepts contained in this document have been reviewed by the Regional Economic Communities Transport Co-ordination Committee (REC-TCC) as well as by the individual existing corridor groups. The paper will be disseminated in countries through the REC-TCC.

I hope that the SSATP's stakeholders find this working paper useful in their endeavors to reduce transport costs along the major trade corridors.



Zaza Manitrana Ramandimbarison, SSATP Program Manager



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ABBREVIATIONS

ALCO	Abidjan-Lagos Corridor Organization
CCC	Corridor Coordination Committee
CCTTFA	Central Corridor Transit Transport Facilitation Agency
CEMAC	Communauté économique et monétaire de l'Afrique centrale
CICOS	<i>Commission internationale du Bassin Congo-Oubangui-Sangha</i>
COMESA	Common Market for Eastern and Southern Africa
CSO	Civil Society Organization
DRC	Democratic Republic of Congo
EAC	East African Community
EC	European Commission
ECCAS	Economic Community of Central African States
ECOWAS	Economic Community of West African States
FESARTA	Federation of East and Southern African Road Transport Association
GATT	General Agreement on Trade and Tariff
JRMG	Joint Route Management Group
KPA	Kenya Port Authority
MCC	Maputo Corridor Company
MCLI	Maputo Corridor Logistics Initiative
MDC	Maputo Development Corridor
MDG	Millennium Development Goals
NCC	National Corridor Committees
NCTA	Northern Corridor Transit Agreement
NCTTCA	Northern Corridor Transit Transport Coordination Authority
NEPAD	New Partnership for Africa's Development
PMAESA	Port Management Association of Eastern and Southern Africa
PMAWCA	Port Management Association of West and Central Africa
REC	Regional Economic Community
REC-TCC	REC Transport Coordinating Committee
SADC	Southern African Development Community
SDI	Spatial Development Initiatives
SSA	Sub-Saharan Africa
SSATP	Sub-Saharan Africa Transport Policy Program
TCC	Trans-Caprivi Corridor
TCuC	Trans-Cunene Corridor
TKC	Trans-Kalahari Corridor
TKCMC	Trans-Kalahari Corridor Management Committee
TRC	Tanzania Railways Corporation
UEMOA	<i>Union économique et monétaire ouest-africaine</i>
WBCG	Walvis Bay Corridor Group

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The Sub-Saharan Africa Transport Policy Program (SSATP) gratefully acknowledges the financial contribution and support of the European Commission, the Governments of Austria, Denmark, France, Ireland, Norway, Sweden, United Kingdom, and the World Bank.

The authors would like to acknowledge the valuable comments that were received from members of the Regional Economic Communities Transport Coordinating Committee (REC-TCC), Jean-François Marteau, Gael Raballand, NCTTCA, MCLI, WBCG, USAID-Southern Africa Trade Hub and FESARTA.

EXECUTIVE SUMMARY

Corridor efficiency is important to the competitiveness of most African economies, especially those that are landlocked. Corridors can be defined as a collection of routes linking several economic centers, countries and ports. While some are only road transport corridors, most of them include more than one mode of transport.

The SSATP places emphasis on the facilitation of inter-State trade along corridors. It particularly focuses on identifying impediments to the efficient movement of traffic and seeks to promote appropriate strategies for minimizing hurdles to such movement. This objective is also consistent with the Millennium Development Goals (MDGs) and the Almaty Plan of Action.

Some of the contributory factors to the problems faced along corridors can be traced to the absence of appropriate institutions able to coordinate, in a proactive manner, interventions to remove obstacles to movement. Corridors with corridor management institutions have sometimes shown significant improvements in their operations. The institutions have been instrumental in facilitating dialogue between corridor stakeholders and harmonizing procedures and documentation used in transport and transit operations along the corridor, resulting in reduced transit time and cost.

This concept paper reviews the legal and institutional options for establishing corridor management groups and proposes a framework for establishing such groups along all major transport corridors.

If the reasons for establishing corridor institutions are generally similar, the manner in which the existing institutions were established was not uniform. Examples of legal instruments include treaties (Northern Corridor), multilateral agreements (Central Corridor), Memoranda of Understanding (Trans Kalahari), Constitutions (Dar as Salaam) and company registration (Maputo). The instrument chosen has been influenced by the key drivers behind the establishment of the institution. Still, all the corridor management arrangements demonstrate the value of involving all stakeholders, both from the public and private sectors.

Some of the lessons have emerged from the existing corridor management arrangements:

- Corridor groups interventions are problem solving and the operational procedures should encourage this objective and retain flexibility necessary to be responsive.
- Working groups can be formed on an ad hoc basis to address specific issues and disbanded once the objective met.
- Corridor issues by their nature are often solved by interactions between many public entities and participatory processes should be fostered.

- Ownership and power sharing should be encouraged by the organizational design and operating procedures.
- The group organization should ensure public-private interaction at all levels.
- Most existing arrangements have been established with donor funding and their financial sustainability has remained a key challenge.
- In the end, tailoring the arrangement to the corridor context will be needed if ownership is to be secured.

A three-tier corridor management institution is proposed for regional transport corridors without any arrangement. The institutional hierarchy would comprise a stakeholders group, a core group and a secretariat.

A stakeholders group is proposed as the preferred option for the key consultative body. It would comprise representatives of customs, immigration, transport and logistics operators, rail and road agencies, port authorities, transport regulation and road safety agencies, ministries of health for each State and regional level institutions. The second tier would be an executive group made up of members nominated to represent specific constituencies as the main operational group. The core group can also establish such working groups as may be required to address specific issues. The stakeholders group and the core group would be supported by a secretariat—the main coordinating and technical body of a corridor group. A three member team of core staff is proposed as the minimum for a functional secretariat.

The funding of any proposed corridor management institution is an aspect that has to be carefully considered. Funding arrangements for existing corridor groups include membership fees, contributions by governments, traffic-based usage fees, or donor support. The sustainability of most corridor institutions is a challenge, though the traffic-based usage fee arrangement seems to be the most appropriate as it also places demands to deliver benefits to the shippers who ultimately meet the costs. It is envisaged that in the first instance membership contributions or donor funding would be necessary to establish a group.

Generally, the funding mechanism of a corridor group would be influenced by its legal instrument. Once established, the group would be able to develop an action plan and deliver some results making it possible to introduce a usage-based funding mechanism such as a tonnage levy. A usage fee would maintain pressure on the core group and the secretariat to deliver tangible benefits for corridor stakeholders to justify its funding. If it is introduced, the usage fee mode of collection must be simple to administer.

Corridor management arrangements should be designed to advocate modernization of border agencies, in particular Customs administrations. Focus could be on those aspects that negatively impact corridor efficiency such as institutional reforms, simplification of procedures, while promoting improvement in training and investment to upgrade information technology and border crossing facilities.

Given port hub and feeder service operations, and the existence of alternatives in port or overland routes, and mode choice, corridor management arrangements can be a way to improve efficiency through benchmarking and competition between corridors. Appropriate corridor performance indicators need to be put in place. It would also be necessary for corridor groups to have a forum where they exchange ideas.

1. INTRODUCTION

Transport corridors are a primary area of focus in infrastructure development and trade facilitation strategies to be pursued across Africa at both continental and sub-regional levels. African Union programs such as NEPAD and the regional economic communities all place priority on enhancing interconnectivity and facilitating trade by focusing on transport corridors as microcosms of integration and spatial development on the continent. Development agencies such as the World Bank and African Development Bank as well as the European Union are also increasingly funding corridor interventions. The Almaty Program of Action, relating to the particular needs and problems of landlocked developing countries, highlights the importance of a lack of direct access to the sea, aggravated by remoteness from the world markets and prohibitive transit costs and risks. These bottlenecks demand that assistance for improvement of transit transport facilities and services should be integrated into the overall economic development strategies of landlocked and transit developing countries.

Arnold, Olivier and Arvis (2005) provide a definition of a corridor, based on infrastructural provisions and functions. From a physical perspective, they maintain that a corridor is defined as a collection of routes constructed from the transport networks of adjoining countries and bounded by gateways. Corridors can at times be multi-modal and include multiple border crossings. From an economic perspective they state that the function of a corridor is to promote both internal and external trade by providing more efficient transport and logistic services. The primary reason for designating these routes as part of a corridor is to focus attention on improving not only the routes but also the quality of transport and other logistic services in the corridor. The quality is measured in terms of transit time and cost for shipment of goods along the corridor. The reliability of a corridor is measured in terms of transit time and flexibility provided in terms of diversity of services offered on multimodal routes.

The Sub-Saharan Africa Transport Policy Program (SSATP) Long Term Development Plan (2004-2007) seeks, among other objectives, to promote inter-State trade along corridors. This stems from a realization that transportation along the corridors is hampered by numerous hurdles, including border delays, a proliferation of road checkpoints and other practices that increase monetary and time costs. Various initiatives have been designed to both monitor the performance of corridors and to eliminate the non-tariff barriers effect of the challenges faced. The objective is to enhance the efficiency and cost-effectiveness of the main transport corridors into landlocked countries. It has also been realized that corridors with corridor institutions have usually been better equipped to address challenges faced and to chart, in a proactive manner, strategies for continued improvement to their performance.

The formal designation of a specific set of routes as a corridor is generally part of an endeavor to focus effort on improving the quality of transport services to these routes. The term “management” may imply some amount of control over activities occurring along the corridor, but the complexity of a variety of demands and logistic services may limit the opportunities for exerting this control. Nevertheless, it is important to create a single point of coordination that can be best referred to as an instrument for consultation given the diversity of stakeholders and a large number of government agencies that oversee different activities within a corridor. This coordination requires a public-private partnership to address a wide range of problems including investment in infrastructure, regulation of transport and trade and facilitate private sector participation and professionalism in the logistics industry.

The objective of this paper is to provide a synthesis of the elements of institutional frameworks for the management of regional transport corridors currently existing in Africa. The paper also seeks to provide guiding principles for the establishment of Cross-Border Corridor management bodies. The establishment of efficient transit transport system through Cross-Border Corridor Management Groups can provide genuine partnerships between landlocked and transit developing countries based on mutual benefits deriving from the specific actions that major stakeholders may agree to undertake in the Almaty Program of Action for landlocked countries.

The paper is based on a review of existing corridor management arrangements, especially in Eastern and Southern Africa. The key elements were identified in consultation with members of the REC-TCC. The Secretariats of the corridor groups that already exist provided valuable insights into the operations, strengths and weaknesses of the various arrangements. Both the REC-TCC and the Secretariats reviewed an earlier draft at a workshop held in Nairobi in July 2006, followed by further comments provided during the SSATP Annual Meeting in Maseru.

2. REVIEW OF EXISTING CORRIDOR MANAGEMENT ARRANGEMENTS

Corridor management institutions are emerging as strategic institutions for promoting and developing the various transit corridors across Africa. The corridor institutions address all aspects of transport and transit of goods throughout a given corridor, typically based on an agreement signed by all participating countries and private sector stakeholders. Corridor agreements deal with a wide range of issues such as infrastructure, customs, bottlenecks and user charges. The institutional characteristics of some of the existing arrangements are discussed below.

2.1 Northern Corridor

The Northern Corridor comprises the transport facilities and infrastructure linking landlocked countries of East and Central Africa, namely: Burundi, Democratic Republic of Congo, Rwanda and Uganda to the sea port of Mombasa in Kenya. The corridor also serves Northern Tanzania, Southern Sudan and Ethiopia.

Utilization of this corridor by the landlocked States was initially covered by bilateral agreements between countries. However, it was realized that some provisions of the agreements were contradictory and there were numerous transit charges payable by corridor users. A decision was then made to negotiate a multilateral agreement, leading to the Northern Corridor Transit Agreement (NCTA). The NCTA signed in 1985 between Burundi, Kenya, Rwanda and Uganda sought to promote the use of the Corridor as an effective route for the surface transport of goods between the partner States. The Democratic Republic of Congo later joined the corridor group in 1987.

The NCTA covers transit issues along the corridor between the port of Mombasa and each of the other countries. It was negotiated to achieve the following main objectives:

- Promoting the use of the Northern Corridor for the surface transport of goods between the respective countries and the sea;
- Granting the member countries a right of transit in order to facilitate movement of goods through their respective territories; and
- Taking measures to expedite the movement of traffic and avoid unnecessary delays in the movement of goods; minimizing the evasion of customs duties and taxes; and simplifying and harmonizing documentation and procedures relating to the movement of goods in transit.

In order to meet the above objectives, a regional institution called the Northern Corridor Transit Transport Coordination Authority (NCTTCA) was established.

Institutional arrangements for the NCTTCA

The Northern Corridor Transit Agreement led to the establishment of the NCTTCA, which together with its various organs, is responsible for the implementation of the treaty.

The functions of the NCTTCA are as follows:

- To ascertain smooth and safe passage of cargo along the corridor;
- To reduce transportation costs along the corridor;
- To simplify cargo clearance procedures;
- To simplify customs documentation;
- To harmonize transport policies;
- To enhance co-operation among the member States;
- To facilitate trade among member States and between the member States and the rest of the world;
- To contribute to the sustainable development of the member States and poverty reduction;
- To promote the improvement of surface transport infrastructure; and
- To encourage the major transport service providers (including ports, railways, truckers, etc.) to provide cost effective services.

The NCTTCA has three main bodies working closely towards realizing the objectives of the Northern Corridor Transit Agreement. These are the Authority, its Executive Body and the Secretariat.

THE AUTHORITY: The Northern Corridor Authority is formed of a Council of Ministers responsible for transportation in the member countries. It is the highest policy organ and is responsible for overall policy direction.

THE EXECUTIVE BOARD: This is an inter-governmental committee comprising chief executives of ministries responsible for transport in the member States. The board assists the Authority in formulating strategies for transport and trade facilitation, infrastructure development, and harmonization of national and regional policies. The Chairs of the Authority and the Executive Board rotate among member States. The Executive Board meets twice a year.

THE PERMANENT SECRETARIAT: The Secretariat is responsible for coordinating the implementation of the NCTA and any other decisions or resolutions made by the Authority and Executive Board. The Secretariat, which is located in Mombasa, was set up in 1988.

The Secretariat is headed by an Executive Secretary, supported by three technical experts and other non-technical staff.

The technical experts are currently as follows:

- Customs Expert – who focuses on customs and trade facilitation;
- Highway Engineer – infrastructure development and management;
- Transport Economist – transport planning and policy development.

The experts' work based on technical programs follows priorities for corridor operations. To further facilitate the implementation of the technical programs, specialized committees are in the process of being established. So far two have been established, one for infrastructure development and management and another for customs and trade facilitation.

STAKEHOLDER CONSULTATION: The NCTTCA is increasingly involving corridor stakeholders, especially the private sector, in its activities. This was a way to recognize that public-private sector partnerships need to be integrated into the Authorities' transit and trade policies if regional economic development is to be realized, and more simply that corridor users (shippers and logistics operators) need to be heard beyond governmental or parastatal bodies. In this regard, a Public-Private-Partnership Committee, called the Northern Corridor Stakeholders' Consultative Forum, which brings together chief executives of public and private sector agencies has been established. The Stakeholders Consultative Forum meets periodically to review operational matters and to agree on practical solutions, which they then implement (between once and twice a year for over four years).

In addition, at national level, the Northern Corridor countries have National Trade and Transport Facilitation Committees. These committees identify interregional issues and take them to the regional Stakeholders Consultative Forum. Currently, the NCTA is being reviewed and could possibly formalize the public-private partnership arrangements.

Funding

When the NCTTCA was first established, all member countries used to make equal contributions to the Organization's Budget, but this mechanism did not prove efficient as arrears accumulated. However, over several years a funding mechanism was explored among member States that would make available to the Permanent Secretariat adequate resources to enable it to effectively analyze corridor efficiency, as well as facilitate and follow-up implementation of decisions of the NCTTCA, and Executive Board.

In December 2003 the Executive Board adopted a formula, which would apportion the annual budgets, for the next following financial years, as follows:

Burundi	10%
Democratic Republic of Congo	20%
Kenya	30%

Rwanda	15%
Uganda	25%

The payment mechanism was either by direct contribution (through Treasury) or by a tonnage levy. The levy is collected at the port of entry at Mombasa. Kenya is the only State that opted to pay from the Treasury.

With regard to cargo to and from non-member States (Tanzania, Sudan, Ethiopia) passing through the Mombasa port, it was agreed that the Secretariat would propose a levy rate, for the consideration of the Kenya government and the Kenya Ports Authority.

While not perfect, this process has improved funding safety for the NCTTCA, but is not yet confirmed on a permanent basis.

2.2 Central Corridor

The Central corridor comprises the Port of Dar es Salaam, the Dar es Salaam-Kigoma 1,254 kilometers long railway which interfaces with water transport on Lake Tanganyika to Bujumbura and DRC as well as a road route linking Dar es Salaam through Dodoma, Singida, Nzega and Lushunga to Rwanda and Burundi.

Institutional arrangements for the Central Corridor

Until 2006, trade facilitation along the Central Corridor was handled through bilateral agreements mainly between Tanzania and the landlocked countries. In 2006 Tanzania, Uganda, Rwanda, Burundi, and DRC signed a multilateral agreement to form the Central Corridor Transit Transport Facilitation Agency (CCTTFA). The CCTTFA is modeled along the lines of the NCTTCA. Its main objectives are to:

- i) ensure that the Central Corridor is efficient and cost-effective;
- ii) market the corridor with a view to increase its utilization;
- iii) support infrastructure planning and operations on the Corridor through proactive collection, processing and dissemination of traffic data, analysis of competitive corridors and business information;
- iv) promote sustainable maintenance of infrastructure;
- v) encourage the implementation of improved customs transit procedures and the implementation of joint customs controls and juxtaposed customs offices at land borders and seaports;
- vi) cooperate, where appropriate, with regional bodies with similar objectives.

The governing organs are an interstate council of ministers, an executive board, and a stakeholders consultative committee, supported by a permanent secretariat.

THE INTERSTATE COUNCIL OF MINISTERS is a multilateral organ responsible for coordinating policy issues of the CCTTFA. It gives the corridor its political drive and orientation, facilitates and effects inter-State harmonization of policy, legal and regulatory aspects that impinge on the corridor operations.

THE EXECUTIVE BOARD comprises the Permanent Secretaries of the ministries responsible for transport in each of the corridor countries and one representative from the private sector from each country. The private sector representatives are elected by the industry, the transport operators and Chambers of Commerce. The Board formulates the general principles and policies governing the CCTTFA. It also performs, among others, the corporate governance role and appoints the senior technical staff of the CCTTFA.

THE STAKEHOLDERS CONSULTATIVE COMMITTEE consists of all transport actors from the corridor countries. Any legal person, government organization or department, association representing the interests of statutory bodies or legal persons may apply for membership of the Committee. However, an effort is made such that all key stakeholders, namely, government departments dealing with transport matters, Customs, port authorities, port operators, terminal operators, shippers/manufacturers associations, shipping agencies associations, railway operators, railway holding companies, freight forwarding companies, road transport operators, marine (lake) transport operators, whether public or private participate as members of the committee.

The Stakeholders Consultative Committee is responsible for, inter alia:

- i) developing and implementing strategies designed to provide seamless transportation along the corridor;
- ii) developing performance targets for the corridor and monitoring its utilization and performance;
- iii) developing and implementing strategies to market the corridor;
- iv) undertaking research and recommending the appointment of senior staff by the Executive Board;
- v) establishing a Stakeholders Representative Group to oversee its affairs between meetings, and
- vi) appointing technical committees or working groups.

The **Stakeholders Representative Group** is a select group consisting of fifteen stakeholders nominated by the Consultative Committee, with three coming from the Committee Members from each corridor state. It is required that the private sector and all transport modes and the interests of all corridor states are adequately represented. The functions of the Group include coordinating corridor strategies and actions necessary to implement the work program of the Committee and to recommend actions to the Committee that will benefit the corridor as a whole. The Group establishes Technical Working Groups to deal with specific matters and to make recommendations as and when necessary.

The work of the CCTTFA is supported by a **Secretariat** headed by an Executive Secretary. The Secretariat is based in Dar es Salaam. Its key functions are to coordinate implementation of the decisions and resolutions and to provide the CCTTFA's governing bodies and working groups with technical advice. Among the technical staff of the Secretariat is a Customs expert, a civil engineer, a business officer and an accountant. In the current interim period, it is managed by the Tanzanian Railways Corporation through staff secondment.

Funding

The start-up costs of the CCTTFA Secretariat were provided by the African Development Bank. The AfDB funding is USD 1.8 million for three years, starting from January 2007. The grant amount available will reduce over time as it is expected that the corridor countries will fund the Secretariat. The agreed future funding mechanism is based on each country contributing equally using an agreed method and procedures for joint funding. It is also anticipated that development partners will continue to contribute. The financial model is such that the costs of attending meetings shall be borne individually by corridor members.

2.3 Dar es Salaam Corridor

The Dar es Salaam Corridor links the port of Dar es Salaam in Tanzania to Lusaka in Zambia and Lilongwe in Malawi. Key infrastructure along the corridor includes the port, the TAZARA railway line and the TANZAM highway.

There is a long history of formal corridor management on the Dar es Salaam Corridor. In the 1960s there was a transport coordinating committee on the corridor focusing essentially on the handling of metal exports from Zambia. The Committee operated as a single body bringing together users and providers of transport services. More recently, a broader corridor management committee was formed.

A Constitution to establish the Dar es Salaam Corridor Coordinating Committee was signed in October 2003 by Malawi and Tanzania stakeholders. Zambia is yet to sign the Constitution pending the Attorney General's approval, although a commitment to do so was made at a national stakeholders consultative workshop in March 2006. The Committee has existed in an interim capacity for some time. The Corridor Committee was principally based on the need to maintain the relative competitiveness of the route with other corridors. The Committee brings together industrial users, transport providers and some of the government agencies that promulgate policies affecting transport. It is therefore, designed to serve as a forum for the main users of the corridor to report on the transport services they receive and any problems they encounter. While initially many of the members were government agencies, membership has changed to include private or commercialized, government-owned enterprises.

Institutional arrangements for the Dar es Salaam Corridor

The key institutions of the corridor committee are discussed below.

THE CORRIDOR COORDINATING COMMITTEE: Pursuant to the Constitution, a corridor coordinating committee was created. Membership is any legal person, government organization or department, or association representing the interests of statutory bodies or legal persons from the countries served by the corridor. The Committee can form sub-committees and working groups to undertake specific functions on its behalf.

THE EXECUTIVE COMMITTEE: This Committee consists of a chairperson, a vice chairperson of the Corridor Coordinating Committee, and at least three but not more than five members nominated by the Corridor Committee.

The Dar es Salaam Corridor Coordinating Committee has two working groups, one for transport and the other for Customs. Members are appointed from the Coordinating Committee.

THE NATIONAL CORRIDOR COMMITTEES: There are National Corridor Committees in each member state to ensure effective national support to corridor activities. Membership is drawn from the country's representatives on the Corridor Coordinating Committee. The National Corridor Committee comprises a chairperson and a vice chairperson, one from a government organization or department and the other from the private sector. In the case of Malawi, the Department of Transport and the Malawi Chamber of Commerce are the two institutions providing this leadership. In Zambia, the Ministry of Communications and Transport is supposed to provide leadership whereas in Tanzania this role is played by the Department of Communications and Transport in the Ministry of Infrastructure Development and the Tanzania Ports Authority (TPA). The National Corridor Committees need to be more effective on the ground.

THE SECRETARIAT: The affairs of the Dar es Salaam Corridor Coordinating Committee are coordinated by a full-time secretariat to be based in Dar es Salaam. Such a secretariat is still to be formally established. In the interim, the TPA provides part-time secretariat services. It is a general perception that the absence of a full-time secretariat remains a constraint to the implementation of the committee's activities.

Funding

So far, corridor activities have been funded by the USAID Southern Africa Trade Hub. The Corridor Committee is still exploring the possible use of a tonnage levy. In 2004, a study dealt both with the institutional and financial sustainability of the corridor structures. The study made the point that the use of a tonnage-based levy would have to be linked to the benefits users would realize. Consequently, a two-phased approach was proposed, where in

the first instance some core functions and activities would be funded from member contributions, to be followed at a later stage by the introduction of tonnage-based contributions.

2.4 Walvis Bay Corridor

The Walvis Bay Corridor consists of three trade routes linking the Port of Walvis Bay to neighboring countries. The three routes are known as: Trans-Kalahari Corridor (TKC); Trans-Caprivi Corridor (TCC) and Trans-Cunene Corridor (TCuC). The Trans-Kalahari Corridor is a highway connecting Walvis Bay to Johannesburg and Pretoria through Botswana. The Trans-Caprivi Corridor is a highway which branches off from the Trans-Kalahari Highway at Karibib and proceeds north-eastwards via Grootfontein to the Angolan border at Rundu, and then eastwards through the Caprivi strip to Katima Mulilo where a new bridge across the Zambezi River into Zambia onto DRC was opened in 2004. The Trans-Cunene Corridor consists of the northern part of the Namibian national highway from Otavi to Oshikango, and shares the same route as the Trans-Caprivi Highway from Walvis Bay to Otavi. From Oshikango, the road continues to Lubango in Angola. This section is presently being repaired following damage during the civil war. As the Namibia rail network is separated from its eastern and northern neighbors, all three corridors are only partly supported by rail connections. The Walvis Bay Corridor concept is a complete regional development approach as the Port of Walvis Bay serves as an entry/exit point for landlocked countries—Botswana, Zambia and Zimbabwe—and markets in the hinterland of the DRC and South Africa (Gauteng Region).

2.5 Institutions on the Walvis Bay Corridor

The Walvis Bay Corridor has two main classes of structures, those that deal with the corridor as a whole including its three arms, and those that relate to the individual arms. The general corridor institution is the Walvis Bay Corridor Group (WBCG) while only one institution, the Trans-Kalahari Corridor Management Committee, has so far been established for one of the arms of the corridor.

WBCG SECRETARIAT: In 2000, a public-private partnership body known as the Walvis Bay Corridor Group (WBCG) was established to coordinate and integrate the various public and private sector development efforts along the Walvis Bay Corridor. The WBCG is a Section 21 Company (non profit association) governed by a Board of Directors and with the following mission:

“To increase the utilization of the Walvis Bay Corridor and maximize the flow of traffic on the Corridor routes; this will be achieved by

- *engaging in marketing activities focusing on business development and on attracting Atlantic business from traditional routes;*
- *facilitating the provision of relevant enabling frameworks; and*

➤ *leading in capacity building exercises in the transport and transport corridor sector.*

The anticipated results are to the benefit of Corridor stakeholders, and the SADC region.”

The WBCG members include the Ministry of Works, Transport and Communication, the Namibia Department of Customs of the Ministry of Finance, the Investment Centre / Off-shore Development Company of the Ministry of Trade and Industry, the Namibian Ports Authority, TransNamib Holdings Ltd, the Municipality of Walvis Bay and a number of private sector groups such as the Namibian Association of Freight Forwarders, the Namibian Road Carriers Association and the Walvis Bay Port Users Association.

The WBCG sustains a lean three person Secretariat in Windhoek. Its task is to coordinate the corridor related activities of its members into an integrated corridor development approach. The Secretariat has separate program areas with focus on business development, transit facilitation and infrastructure development. In addition, it implements a number of capacity building and support programs for the members, such as an HIV/AIDS help desk and commercial training opportunities.

The Group therefore federates the Namibian stakeholders in an effort to promote their country's competitiveness for landlocked and neighboring countries access.

THE TRANS-KAHALARI CORRIDOR MANAGEMENT COMMITTEE: Initial business development efforts by the WBCG focused on the Trans-Kalahari Corridor, mainly to facilitate institutional cooperation between Namibia, Botswana and South Africa through the Trans-Kalahari Corridor Management Committee (TKCMC). A formal tri-lateral corridor agreement was signed by the Governments of Botswana, Namibia and South Africa in 2003. A Memorandum of Understanding (MoU) established the TKCMC. The WBCG currently serves as the Secretariat for the TKCMC. A similar Corridor Management Committee has been initiated for the Trans-Caprivi Corridor (Walvis Bay-Ndola-Lubumbashi Corridor Committee), while a similar approach is in preparation for the Trans-Cunene Corridor.

The TKCMC is composed of representatives of transport operators, infrastructure and transport authorities, port and Customs authorities, freight forwarders, and generally of all business and agencies interested in the corridor. However, the TKCMC is answerable to the contracting states which would normally be represented at the level of at least Director at TKCMC meetings.

According to the MoU (see Annex A), the objectives of the TKCMC are to:

- (i) Develop strategic partnerships between themselves and the private sector.
- (ii) Simplify and harmonize their Customs procedures, adopt a common transit procedure and introduce joint Customs control at border points.
- (iii) Establish consultative committees composed of public and private sector stakeholders on the subject of joint Customs control.

- (iv) Ensure that revenue obtained from road users under road users charges are dedicated to the maintenance and operation of roads.
- (v) Offer equal access to each other's transport markets.
- (vi) Adopt and implement harmonized standard in respect of vehicle characteristics, vehicle fitness, road signs, axle loads, etc.
- (vii) Improve traffic safety by law enforcement and driver training and testing.

In order for the committee to perform its work, the MoU provides for the establishment of an Operations Committee and Working Groups.

THE OPERATIONS COMMITTEE: The operations Committee consists of the Chairperson and Vice Chairperson of the TKCMC, and four to five representatives of the private and public sectors from different areas of interest or specialization. The Committee is supposed to undertake delegated functions of the TKCMC and report to the full TKCMC, its decisions and activities. However, the TKCMC has not as yet established this committee.

In support of the Operations Committee, Working Groups can be constituted to tackle issues in more detail and carry out more extensive consultations where necessary. The Working Groups include members of the TKCMC. Three working groups have already been established to work on Customs, transport and business development. The TKCMC also envisages the establishment of task teams to work on specific issues for a defined period of time.

THE NATIONAL CORRIDOR COMMITTEES: These committees exist in member states to follow up and monitor implementation of TKCMC programs and decisions. The role of the National Coordinators is to follow up decisions, recommendations and strategies with national authorities, institutions and other implementing agents. The National Corridor Committees, coordinated by one representative from the government and the private sector, work closely with the Secretariat and government bodies to push for implementation of the TKC programs.

THE CORRIDOR SECRETARIAT: The MoU provides for the establishment of a Secretariat to provide administrative and technical support to the parties. As noted above, the current secretariat of the TKCMC is the WBCG. However, the MoU envisaged a rotating secretariat. The role of the Secretariat as provided for in the MOU is to:

- a) Provide secretarial services to the TKCMC organs;
- b) Undertake research and data gathering, analysis and evaluation related to primarily the transport systems and their utilization;
- c) Provide support to the Working Groups and National Corridor Committees in terms of logistics, data and resources;
- d) Promote and market the activities of the corridor in member states, and the region so as to attract more users and supporters;

- e) Organize and participate in local and regional activities through workshops, seminars, conferences, trade, communication, transport and meteorological events; and
- f) Coordinate the TKC programs and activities within and across member states in collaboration with the National Corridor Committees, the Working Groups and other stakeholders.

Funding

The WBCG is funded through membership contributions from NAMPORT and the Walvis Bay Port operator, the latter meeting a significant proportion of the costs. The TKCMC is funded through equal contributions by the signatory states. A study on the sustainability of the corridor recommended a staggered funding regime moving from the current contributions by governments to payments by beneficiaries gaining from the work of the committee. There is agreement in principle to implement a tonnage levy system and the TKCMC is reviewing mechanisms for implementing such a system. Such a system is yet to be introduced.

2.6 Maputo Corridor

The Maputo Corridor connects the Port of Maputo in Mozambique to Gauteng, the industrial heartland of South Africa. It comprises a concessioned road, a railway line and since recently a gas pipeline. It has emerged as one of the most successful implementations of the Spatial Development Initiatives (SDI), concept developed in the mid-1990s by the South African Trade Department and the Development Bank of South Africa (DBSA).

The Maputo Development Corridor (MDC) was launched as an SDI in 1996 and the Maputo Corridor Company (MCC) was established as the legal corridor management entity to engage the public and private sector players in South Africa, especially at provincial level.

The aims and objectives of the Maputo Development Corridor when initially defined were:

- To rehabilitate, in partnership with the private sector, the primary infrastructure network along the Corridor, including road and rail links between South Africa and Maputo, the border post between the two neighbors, and Maputo Port.
- To maximize investment in the Corridor area using added opportunities that infrastructure rehabilitation would create.
- To maximize social development and employment opportunities, and increase participation of historically disadvantaged communities.
- To develop policies, strategies and frameworks to promote holistic, participatory and environmentally sustainable approaches to development.

However, the MCC was not functioning effectively in coordinating stakeholders and mainstream shippers. As a result, the corridor lacked a strategic planning focus and an action plan.

In early 2004, the Maputo Corridor Logistics Initiative (MCLI) was launched as a public-private sector partnership to create greater awareness on and foster better utilization of the corridor.

Institutions of the Maputo Corridor

The MCLI is incorporated in South Africa as a non profit (Section 21) organization with members from both South Africa and Mozambique. The legal instrument governing MCLI is the *Memorandum and Articles of Association*, corresponding to a company without a share capital, further practical governance being driven by the Constitution of MCLI.

The South African Department of Transport (DOT) has since become one of the key members. A memorandum of understanding is in place through which the DOT makes a contribution towards MCLI to assist the Province of Mpumalanga, which borders Mozambique. The MCLI and the DOT are now working to formally establish a public-private partnership corridor institutional framework at a trilateral level with Mozambique and Swaziland. The South African Government recognizes the role of the MCLI in its national freight logistics strategy in Mpumalanga Province.

The MCLI seeks to become a logistics stakeholders' coordinator, contributing to the objectives of the MDC. This will be achieved by working towards a logistics corridor based on a cost effective, continuous, reliable logistics route with positive returns for all stakeholders. It also aims to create a favorable climate for investment and new opportunities for communities along the Maputo Corridor. Its objectives are specifically to:

- coordinate the views of the investors, service providers and users to promote development and change to make the Maputo Development Corridor the first choice for the Maputo Corridor importers and exporters alike; and
- inform the market about the Corridor and promote the strategic benefits and opportunities offered by the Corridor.

The MCLI key areas of focus were early on identified: lack of sufficient rail capacity and border post constraints, especially the extension of the commercial cargo clearing time to eventually a 24 hour one stop border post. It seeks to promote greater utilization of the Corridor by current and future investors and users with the following activities:

- Coordinating initiatives and engaging the relevant authorities to contribute to the planning of service and infrastructure improvements;
- Organizing events, fact-finding missions, forums and meetings;
- Communicating progress and developments through electronic newsletters and the media;
- Promoting positive attitudes and perceptions towards the Maputo Development Corridor, and logistical benefits offered by the Corridor;

- Putting users in touch with service providers, and providing information on all aspects of how to utilize and benefit from the Corridor; and
- Developing a website, giving exposure to MCLI members as well as being a platform for all public communication.

THE BOARD OF DIRECTORS: The highest decision making body of the MCLI is the Board of Directors comprising nine Executive Directors and seven non-Executive Directors. The Executive Directors are predominantly private enterprises while the non-Executive Directors represent organized business in South Africa and Mozambique as well as the two countries investment agencies. Among other powers, the Board of Directors fulfils the following functions:

- Promote the objectives of MCLI;
- To provide policy direction by setting and reviewing specific directives and priorities for MCLI;
- To monitor implementation;
- To monitor the operating structure, finances and administration of MCLI;
- To determine and approve the operating and capital budgets of MCLI.

THE EXECUTIVE COMMITTEE: Below the Board of Directors is the Executive Committee comprising four members from the Board of Directors. The Committee is largely responsible for (i) the financial management of the company and (ii) giving direction to and monitoring the chief executive officer.

THE MCLI MEMBERSHIP: the membership is open to a wide range of interested stakeholders across South Africa, Mozambique and now Swaziland, with membership fees based on affordability and size of the organization.

THE MCLI STAFFING STRUCTURE: The structure comprises a chief executive officer, a chief operating officer (coordinator), two event administrators, a finance administrator, a personal assistant, an office trainee, and an information and communication technician. The chief executive officer is the public face of the MCLI.

THE FOCUS WORKGROUPS: The MCLI Board can establish committees to work on specific matters. The Focus Groups have been used to identify areas requiring targeted strategies. Four key groups have so far been successfully established with MCLI ensuring the facilitation, coordination, integration and communication related to:

- Border – for operational efficiencies at the border post, aiming at extended commercial cargo clearing hours, and the establishment of a one stop border to facilitate the efficient flow of goods and people.
- Rail – for railway capacity, operational efficiencies, and rolling stock.

- Institutional framework and marketing – to look into institutional matters and access to government funding, leading to the MoU between MCLI, National and Provincial Governments.
- Shipping – to deliberate on frequency of ship calls and measures to develop economies of scale, which dependant heavily on the removal of rail and border constraints.

Funding

The MCLI is a membership organization where members pay an annual membership fee. Its activities are funded through these fees as well as a contribution from the South African National Department of Transport (DoT). The Department of Transport, one of the nine foundation members, contributes significantly to the finances of MCLI. Its funding is therefore guaranteed as long as it continues to deliver benefits to its membership and the Department of Transport.

2.7 Abidjan-Lagos Corridor

The Lagos-Abidjan Corridor is the busiest passenger corridor in West Africa. It connects five countries—Côte d’Ivoire, Ghana, Togo, Benin and Nigeria—through the port cities of Abidjan, Accra, Lome, Cotonou and Lagos.

In West Africa as elsewhere in Sub-Saharan Africa, the major transport corridors are closely linked to the transmission of HIV/AIDS among truck drivers, sex workers and communities along transport corridors. Interventions often require a regional approach and in 2002 the World Bank made available a grant for a joint HIV/AIDS project in the Abidjan-Lagos Transport Corridor to the five countries.

The project has the following five components:

- (i) developing a framework for the coherent and coordinated implementation of HIV/AIDS policies in the corridor countries;
- (ii) Carrying out HIV/AIDS prevention programs for the targeted populations;
- (iii) Providing improved care and support services for the targeted population
- (iv) Building capacity of the key service providers; and
- (v) Addressing constraints to the smooth and timely flows of passengers and freight traffic in the corridor.

Right at the outset, stakeholders along the corridor recognized that specific institutional arrangements would have to be put in place in view of the regional dimensions of HIV/AIDS along the Abidjan-Lagos Corridor, and therefore created a corridor specific structure. Contrary to the other institutions described above, it is project specific and does not have a mandate for facilitation and development.

Institutions of the Abidjan-Lagos Corridor

THE GOVERNING BODY: The Governing Body of the project is composed of nominated representatives of all five countries, nominated by the highest political offices of the member countries. It was established by the five heads of State, through a joint declaration, and made responsible for the project. The Governing Body is responsible for overseeing: (a) the adoption of the work program and approval of annual plans; (b) the preparation and execution of the multi-country HIV/AIDS transport corridor strategy and plan of action; (c) the progress review of the implementation; and (d) the liaison with each member country's respective national HIV/AIDS programs.

THE EXECUTIVE SECRETARIAT: The Executive Secretariat is responsible for: (a) overall coordination and management; (b) preparation of quarterly progress reports; (c) coordination of the appraisal and approval of subprojects; and (d) the project monitoring and evaluation. The Executive Secretary reports to the President of the Governing Body. It is responsible for the daily coordination and facilitation of the project, implemented through both public and private sector partners. The Executive Secretariat is a small institution staffed with only core staff, including a transport specialist, an office assistant and a professional translator to cater for the two official languages (French and English) used among corridor member countries. Many of the functions for which the Secretariat is responsible, financial management and procurement review, are contracted out to a management consulting firm.

THE MANAGEMENT CONSULTING FIRM: The management consulting firm has staff with financial management, procurement, monitoring and evaluation skills. It is mainly responsible for: (a) financial management and disbursement of IDA funds; (b) procurement management; (c) monitoring and evaluation; and (d) participation in appraisal of community sub-projects.

THE INTER-COUNTRY ADVISORY COMMITTEE: The Committee established under the governing body has members selected from the five member countries, reports to the governing body. Members are both from the public and private sectors, half members being representatives of the non-public sector. The committee is responsible for: (a) provision of technical and policy advice to the Governing Body; (b) review of progress reports; and (c) identification of implementation issues and recommendation for their solutions.

THE SUB-PROJECTS TECHNICAL EVALUATION TEAM: The Executive Secretary can constitute a team to be responsible for review and approval of sub-projects submitted to the Executive Secretariat. The team can invite any technical experts that may be needed for its effective function, depending on the particular nature of sub-projects being reviewed.

The COMMUNITY-BASED BORDER HIV/AIDS COMMITTEES: HIV/AIDS committees with membership from local civil society and local public sector representatives are formed at border areas along the corridor to coordinate the local response to HIV/AIDS in the areas.

The Abidjan-Lagos Corridor Organization (ALCO) also makes use of several intermediary civil society organizations in establishing community-based border HIV/AIDS committees and giving the communities support in sub-project planning and implementation. The intermediary implementation partners also play a local facilitation role between the communities and the Executive Secretariat.

Funding

The Abidjan-Lagos HIV/AIDS project was the first World Bank grant-funded intervention designed to address HIV/AIDS from a regional perspective. It supports national programs in each of the corridor countries allowing a selective focus on vulnerable locations and populations across the borders of the five countries. It is expected that bilateral and multilateral development agencies will continue to finance HIV/AIDS activities along the corridor beyond the four-year implementation period of the project. However, to ensure commitment to the arrangements set up, contributions are made from the outset by each country to help cover a portion of operating and overhead costs.

2.8 Bilateral Arrangements in Corridor Management

Bilateral arrangements or agreements between neighboring states are still the most common forms of corridor management. These are found across Sub-Saharan Africa and were the first form of cooperation between the States of the Northern Corridor.

West Africa – bilateral, border crossing and region-wide agreements

In January 2005, the Heads of States of ECOWAS, as part of the implementation of the West African Regional Road Transport and Transit Facilitation Program made a decision to form Cross-Border Corridor Management Committees on identified corridors. Their main objective will be to monitor and coordinate activities relating to the implementation of the Inter-State Road Transport and Transit Facilitation Program, inter-state transit, to identify obstacles hampering the smooth flow of traffic along the corridor and make recommendations with a view to removing them. The committees comprise two representatives from the public and private sectors in each country.

The proposed corridor facilitation committees are established between two states on a bilateral basis, and part of a hierarchy of institutions that includes national facilitation committees and the regional economic communities, ECOWAS and UEMOA. The committees are advisory bodies responsible for making recommendations in relation to interstate transport, transit facilitation and trade policies on the routes they represent. Their recommendations are submitted to the national and regional facilitation committees. ECOWAS also adopted a model constitution for the creation of Cross Border Corridor Committees to guide their establishment.

Southern Africa – private sector lead border post interventions

In Southern Africa, the SADC Protocol on Transport, Communications and Meteorology provides for the establishment of Joint Route Management Groups (JRMGs) in respect of road transport. The initial focus of these committees was to develop bi-lateral transport agreements providing for extra-territorial recognition of road transport permits issued by national authorities based on reciprocity. Once this objective has been achieved the committees focus on other road transport and road traffic issues, such as the harmonization of permissible axle loads, border post procedures. These committees established as an inter-governmental initiative are mainly represented by governments, road transport operators and freight forwarders.

THE BEIT BRIDGE TASK TEAM: The Beit Bridge border post, between South Africa and Zimbabwe, is the busiest on the North-South Corridor. In February 2003, the border post became congested and traffic came to a standstill. A Task Team, comprising representatives from government and the private sector, was formed. The team drew up an action plan and was able to influence planning and procedures such that traffic flow returned to normal. In 2004, the Federation of East and Southern African Road Transport Associations (FESARTA) reconstituted the Task Team to make technical inputs to the JRMG between South Africa and Zimbabwe. The Task Team subsequently coordinated monitoring of the performance of the border crossing. The monitoring ended in June 2006.

THE CHIRUNDU BORDER POST: The Beit Bridge monitoring project experience has been transferred to Chirundu, the border post between Zambia and Zimbabwe. Again, FESARTA is leading the monitoring activity at the border posts, with support from the SSATP. Also taking place at Chirundu, is the process towards a Pilot one-stop border post, which is also receiving support from DFID through COMESA. There is already a Steering Committee in place for the one-stop process. As the stakeholders for the monitoring project and the pilot one-stop are the same, the efforts are underway to link the two processes. In fact, it is expected that the Beit Bridge Task Team and the Chirundu Steering Committee will all contribute to the establishment of a corridor-wide North-South Corridor Management Group.

2.9 Lessons from Existing Corridor Management Arrangements

The foregoing shows that there are different forms of corridor management institutions and arrangements ranging from private sector led arrangements operating as lobby groups to those that are State run authorities. Each of the existing bodies manifests the strengths and weaknesses of its founding instrument, working mechanism and funding arrangements. The salient strengths and weaknesses of the bodies are summarized in Box 1.

Box 1. Apparent Strengths and Weaknesses of Existing Corridor Management Groups

Northern Corridor: The Northern Corridor is an interstate body that has been particularly effective in driving the implementation of regional transit regimes at national level. Its status was clearly an important consideration with its funding mechanism. However, the very same status would appear to have engendered overtly political considerations in the TTCA decision making processes, which can slow down the pace of implementation of activities. Recent moves to involve the private sector are likely to improve the operational dynamics of the TTCA.

Central Corridor: The CCTTFA is a new entity largely based on arrangements that are similar to the TTCA. This instrument is clear on the role of the various stakeholders in achieving the expected results. The funding regime also helps to emphasize the critical role that donor funding can play in getting corridor institutions off the ground.

Dar es Salaam Corridor: This Corridor is the only one of the corridors reviewed that intends to have a body founded on a Constitution. This would appear to be a major constraint to getting the corridor body fully functional. Zambia, one of the main parties to the Constitution, is still to sign the document four years after it was negotiated. The approval process has taken a long time. The delayed signature of the Constitution by the state parties has however not completely prevented key stakeholders from developing an action plan and lobbying for reforms which could enhance corridor operations.

Walvis Bay Corridor: The Corridor Group is one of the most active and aggressive corridor bodies in Africa. It is business development oriented and has been able to commission various pieces of forward looking research and feasibility studies. The Group is dominated by a few large private sector stakeholders. It underscores the link between infrastructure development and the need to increase volumes to justify some of the investments that have been made or are being contemplated.

Maputo Corridor: The MCLI is very much similar to the WBCG. It is a very vibrant corridor body that has played a key role in concentrating energy on a few strategic issues that can help in unlocking the full potential of the corridor. However, after starting a predominantly private sector driven initiative, the MCLI is now part of a process to revive a Corridor Committee where the governments have a much stronger influence. While this is important, hopefully it will not slow the pace at which the private sector has been trying to drive issues.

Abidjan-Lagos Corridor: ALCO started off as a single issue corridor entity, with a high level of recognition. At the same time, it has a significant local level reach through NGOs. More recently, initiatives have started to broaden the range of issues tackled by ALCO, to include trade facilitation measures. These developments serve to underscore the importance of having a broad perspective on cross border issues as they relate to transit movements. The ALCO experience also brings to the fore the important contribution that donor funding can make to the initial establishment of multi-state corridor initiatives. It is not always the case that all countries would be willing to fund corridor based initiatives right from the beginning, before some of the benefits have been demonstrated.

3. LEGAL AND INSTITUTIONAL FRAMEWORKS

3.1 Core Functions of Corridor Management Groups

Proposed Mission

A transport corridor management group is a partnership of public and private stakeholders in all corridor countries established to facilitate the provision of efficient transport services along the length of the corridor and in its hinterland.

Corridor management groups/committees are advisory bodies principally responsible for facilitating transit traffic movement. The groups also initiate policy and laws related to transit transport and trade facilitation. In general the responsibilities of Cross-border corridor management groups may include:

- Facilitating removal of physical and non physical barriers to goods and persons transiting along corridors;
- Setting up stakeholders' network;
- Monitoring corridors' performance (observatories);
- Promoting corridors and business development along corridors; and
- Advocating for infrastructure improvement.

3.2 Legal Instruments for Corridor Management Institutions

Types of legal instruments

The review of existing corridor management institutions in Section 2 showed that a variety of legal instruments are used to formalize the groups. These are the instruments that define the objectives of the groups, the implementing authorities, the institutional arrangements and roles and responsibilities of the different parties.

In a review of legal instruments on transport and trade facilitation in Sub-Saharan Africa, Grosdidier de Matons (2004) outlines the following characteristics of the relevant legal instruments:

- a) They are international or written agreements between two or more sovereign or independent public law entities such as states or international organizations, intended to create rights and obligations between parties.
- b) They are governed by international law.
- c) They are designated as treaties, conventions, agreements, protocols, covenants, compacts, exchange of notes, memoranda of understanding, agreed minutes, letters, etc.

- d) They may be bilateral or multilateral. Bilateral treaties are contracts in which two parties balance their claims on a specific matter. Multilateral treaties set rules of law to be observed by all parties to the treaty, in their joint or individual interest.
- e) A treaty is a contract and must be interpreted as such. Enforcement of its terms and conditions by a government agency is more than the implementation of domestic law provisions.

Scope of corridor legal instruments

The scope of each legal instrument largely depends on the subject at hand. With respect to trade facilitation, there are already numerous international and regional treaties that form the basis of the terms of reference of any corridor group, regardless of the legal instrument employed to create it. Some of the key international treaties that have an effect on the scope of the corridor legal instruments include those on freedom of transit (Barcelona, 1921; GATT, 1947; New York, 1965; Brussels, 1950; Kyoto, 1973; Geneva, 1982). Based on the typical objectives and functions of corridor management groups, the main elements in their founding legal instruments are as outlined in Box 2.

Choice of legal instrument

The choice of a legal instrument is fundamental to the effectiveness of a corridor management group; it is also helpful to determine the cost associated with the establishment of corridor management arrangements. The choice of legal instrument will be influenced by key partners and depends on the desired level of interaction between public and private sector stakeholders.

Assessment of the legal instruments of the existing corridor management institutions shows many avenues: memorandum of understanding (MoU), transit agreement, memorandum and articles of association, bilateral or multilateral agreement and joint declaration. MoU are yet the type of instruments most often used. Nonetheless, the intention of the stakeholders could be contained in a simplified MoU, defining obligations corridor states and broadly setting the framework for the management arrangement. This option could be preferable, in particular at the initial stage, to allow changes informed by practical experience.

However, in all cases, the legal instruments to be adopted for the corridors should be harmonized with the legal regimes of the corridor countries. Most importantly, the legal document must be ratified by the responsible public bodies of corridor member states. Likewise, for new groups, the choice of legal instrument should be preceded by stakeholders' consultation, to orient the type of instrument to be chosen.

Box 2. Example of Table of Contents for a Corridor Management Group Legal Instrument

- a) **Preamble**
Sets out the context and guiding principles for the corridor group.
- b) **Definitions**
Definition of key terms as used in the document.
- c) **Establishment of policy, executive and operational organs and their legal powers**
Formal establishment of the policy organ, Core Group/Executive Committee and the Secretariat and their legal mandate.
- d) **Scope**
Areas addressed by the legal instruments.
- e) **Objectives**
The objectives of the instrument.
- f) **Membership and member responsibilities**
Identification of the competent authorities for purposes of implementing the instrument.
- g) **Activities and specific issues**
The definition of the key issues and instruments to be used in implementing the legal instrument such as:
 - Transit facilities and procedures
 - Customs procedures, Border post facilities, management and operating hours
 - Road infrastructure provision and maintenance
 - Other transport infrastructure, provision and maintenance
 - Road transport policy
 - Road traffic and road traffic law enforcement, Axle load controls
 - Transportation of hazardous materials
 - Road safety
 - Development opportunities along the transport corridor
- h) **Institutional issues**
Definition of the following:
 - Stakeholders
 - Relationships
 - Powers and responsibilities
 - Corridor management organs
 - Rules of procedure
 - Reporting lines
- i) **Financing mechanism**
Outline of how the corridor institutions will be funded.
- j) **Final provisions**
Definition of some fundamental provisions to bring the instrument into effect:
 - Entry into force
 - Amendments
- k) **Signatures**
(An example of a Memorandum of Understanding is given in Annex A and a sample Constitution in Annex B.

3.3 Governance Arrangements

Objective

The legal instrument establishing corridor management groups shall provide the framework for coordination of operational activities and set-out responsibilities of all parties. The governance arrangements proposed below serves as an instrument to set up transport corridor management groups. It deals mainly with organizational arrangements and operational practices.

Modes of operation

The mechanism for discharging responsibilities of corridor management groups include, but, may not be limited to:

- i) Monitoring performance of transport operation along the corridor;
- ii) Disseminating results of monitoring through conferences, publications and media at all levels (regional and local, television, radio and websites);
- iii) Sensitizing corridor member state authorities;
- iv) Supporting common/standard procedures and regulations development and implementation;
- v) Supporting capacity building initiatives of key institutions engaged in transport operations (Customs, clearing and forwarding agents, insurance companies, transport infrastructure management agencies, transport operators, etc.); and
- vi) Networking with international, regional, and local partners affiliated with transport corridor management.

Corridor management arrangement

Transport corridor management issues are diverse and involve several stakeholders. Thus the setting-up of an effective mechanism for corridor management should reflect the issues and ways of engaging key stakeholders from public and private sectors. The review of the existing corridor management arrangements in the previous section shows how the different options—public sector dominated, private sector dominated or a partnership of both—are functioning. Based on the lessons drawn from the existing arrangements and consultation with practitioners in corridor management this document intends to indicate a practicable configuration of corridor management groups.

Often, government services such as Customs or immigration were assumed to be solely responsible for the constraints along corridors. However, private sector entities involved in goods transit also contribute to the problem. For example, trucks that have undergone customs clearance procedures are stalled for days, due to the failure of transit agents or shippers, or the provision of required payments or bonds. Likewise, goods at ports are stranded due to the absence of documents required for clearance, supposed to be provided by the cargo owners. That is why, improving the efficiency of the public institutions alone or focusing only on

the issues associated to the private sector as a priority would not lead to a well performing transport corridor.

Creating a private sector driven pressure group, which by and large owns the transactions and is directly involved in the trucking of good and transport of passengers may help to influence the government institutions. Nonetheless, overcoming the problems on the private sector side requires the collaboration of both parties. On the other hand, the grouping of public authorities alone may lack the zeal of proactively addressing corridor management issues that could be achieved through the engagement of the private sector. Therefore, to bring about change in the way of thinking, and consistently and proactively improving the performance of transit corridors, the engagement of both public and private sector actors is essential.

In relation to composition, the analysis of the characteristics of the existing corridor institutions cited in the previous section indicates that five of the six corridor/border post management structures are founded on public-private partnership (PPP) arrangements, which affirms the benefits of establishing inclusive institutions.

The other factor, essential in the establishment of corridor management groups, is the classification of the functions to form the tiers/echelons within the structure. Corridor management groups could play an advisory or executive role. But, in both cases, despite the level of empowerment, the groups would be engaged in policy, coordination and operational matters. Thus, the classification of the tiers could be based on these three distinct categories of functions.

In this regard, the analysis of the existing corridor management arrangements shows that six of the nine corridor/border post group models are in practice based on a three-tier system: an umbrella body, a coordination committee, and a secretariat managing operational activities. The other three operates differently: i) the SADC model calls for a joint corridor management group, without explicitly identifying the tiers, ii) the Central corridor adopted a structure with four tiers (an umbrella organ—Interstate Council of Ministers, an executive board, a stakeholders consultative committee and a secretariat), and iii) the Beit Bridge task team has a coordination committee (border post facilitation committee) and an operational arm/secretariat.

In relation to sharing responsibilities, it is apparent that the three tasks of policy, coordination and operation have to be cascaded to the highest, middle and lower tiers, hierarchically.

On the other hand, regional and corridor level regulations and initiatives are mainly implemented by country stakeholders. Thus, it is important to look into ways of integrating country stakeholders in transit corridor management. The institutions directly involved in transit matters are assumed to undertake their regular duties, however, to ensure the mainstreaming of corridor management group actions and increase participation of stakeholders it would be helpful to establish a national level coordination/facilitation committee. Cognizant of this, the existing corridor arrangements have established national level trade facilitation committees to support the corridor coordination committees.

Regional Economic Communities (RECs) are mostly engaged in initiating and facilitating the establishment of corridor management groups. For example, the West African corridor management model designates the RECs as an umbrella body dealing with extra coordination committee issues.

Since 2005, the transport function of the RECs have been coordinated through the Regional Economic Communities Transport Coordination Committee (REC-TCC), consisting of representatives of all the RECs in Sub-Saharan Africa, recognized by the African Union. The REC-TCC is serving as an operational arm of the RECs and the SSATP and is playing an active role in the establishment of corridor groups and provision of technical advice.

Based on the above analysis, the following corridor management arrangements are proposed for reference purposes. The proposed option reflects the views of the REC-TCC meetings held in Nairobi, in July 2006 and in Maseru in October 2006. However, in every case the choice of a management model has to be responsive to the specific challenges of the corridor, and it is strongly recommended that the adoption of a corridor management arrangement system is undertaken in a participatory way.

Box 3. Overall Institutional Set-up

A policy organ

Council (if inter-government instrument), or AGM or constitutive assembly (if public private instrument). In the case of an inter government instrument, it would be essential to have adequate public-private consultation during the process of policy making.

A Core Group

Board of Directors/ corridor management committee/ transport operations management core group (preferably with public and private stakeholders).

An Executive Secretariat

In addition, corridor states may establish national trade facilitation committees.

Box 4. Typical Governance Structure for a Corridor Group

A. Policy Organ

A.1 Composition

Preferably composed of key public and private sector representatives from each corridor state as well as regional level institutions.

A.2 Responsibility

The policy organ is the umbrella body for corridor management groups, providing strategic guidance and its main responsibilities may include:

- i) Review proposals to amend the constitution and submit to member states for approval
- ii) Endorse the nomination of core group members
- iii) Endorse long term business plan

B. Core Group

B.1 Composition

Core group members nominated by their constituency for fixed terms and endorsed by the policy organ. The core group may include:

- Representative(s) of governments from each corridor state
- Representative(s) of transport operators association from each corridor state
- Representative(s) of regional level institutions

The core group may establish working groups it deems necessary to address specific issues. The working group members can be from stakeholders in corridor countries and regional institutions. The Core group may also set up ad hoc advisory groups.

B.2 Responsibilities

Main responsibilities include, but are not limited to:

- Oversee the performance of the secretariat
- Advocate for improving the efficiency of transport operation, transit procedures, and maintenance and development of transport infrastructure
- Mobilize funds for the secretariat and corridor development related activities
- Actively market the corridor
- Create strategic partnerships with senior government officials and business leaders
- The core group may adopt its own administrative procedures

C Secretariat

The corridor management group may establish a lean secretariat to deal with operational activities. The core functions of the secretariat may include:

- Provide technical advice to the core group and working groups;
- Manage corridor monitoring activities and advocate for the implementation of outcomes;
- Advise stakeholders in addressing key issues hindering delivery of efficient transport services along the corridor;
- Market the corridor through dissemination of information at various for a;
- Undertake administrative and finance management functions;
- Establish productive working relationships with stakeholders, other corridors and institutions.

Location of the Secretariat

The policy organ determines the seat of the secretariat and any changes associated with location.

D National trade facilitation committees

The national committees shall be consisted of representatives from ministry of trade (foreign trade), ministry of transport, customs, immigration, transporters, chamber of commerce, transistors and others such as ministry of health as deemed necessary. The committee shall decide the host institution. The core function of the committee may include:

- i) facilitate the implementation of international and regional conventions and regulations, ii) initiate laws and regulation, iii) Coordinate inter-agency tasks, iv) serve as focal point for the corridor group, and v)advocate for improving the efficiency of transport operation, transit procedures and maintenance and development of transport infrastructure.

3.4 Performance Indicators

The use of performance indicators is important to the planning process. The indicators can support, guide, and justify decisions made by corridor groups, especially as high accountability and transparency are critical to success. They should be helpful in communicating to users and to policymakers the course of action that will improve the movement of goods and people. Important characteristics of indicators are that they should be measurable, efficient, able to be forecast, and easy to understand.

Arnold (2006) proposes assessing the performance of corridors at three levels: infrastructure, quality of services and shipment of goods. The infrastructure perspective assesses the physical capacity and levels of utilization of the system. It is particularly useful when considering investment to increase the capacity of corridor system components. Delays and cost of transport services are the major considerations when looking at the quality of services provided along a corridor. These are the key variables when assessing the impact of measures taken to facilitate trade along corridors. Ultimately, the impact of a corridor group is measured based on changes in these two dimensions. The shipment of goods perspective also relies on time and cost but with a focus on the supply chain.

The most critical indicators for corridor performance and hence for the effectiveness of corridor groups are based on the quality of service. The main inputs into such indicators are time and cost, which can help in identifying those components of a corridor that would offer the greatest savings if they were improved. Performance can be improved by reducing time and cost at specific points or along given links within the corridor. Related to these basic indicators, measures relating to the reliability of the corridor are also important. Reliability is the variation in transit time for a specific combination of services and between given points within the corridor. The greater the variation the harder it is to predict transit times and for users to coordinate related functions.

Based on the above, some of the key performance indicators for corridors include:

- traffic volumes
- transport cost
- turn around time of trucks and wagons
- Port dwell time
- border post transit times
- Variation of all the above times

As most corridors do not have data collection systems in place, it is important to undertake an initial baseline survey focusing on the key variables. The baseline survey can lay the ground for sustainable monitoring of corridor performance. Subsequently, it is also critical to put in place a sustainable data collection and analysis system. The various stakeholders involved in corridor management should commit themselves to provide data on a continuous basis.

4. OPTIONS FOR FUNDING CORRIDOR MANAGEMENT GROUPS

Corridor structures need reliable sources of income to be able to finance coordination functions, monitoring and related activities. The activities are often reflected in action plans prepared by the stakeholders. These generally aim at enhancing the performance of all players in the logistical chain. Implementation of the plans, at the end of the day, rests with the governments or the business community i.e. shippers, transporters, clearing agencies, port authority etc should they see the benefits of making a contribution.

There are two critical aspects to the sustainability of corridor management institutions. Firstly, there is institutional sustainability which depends on the type of legal entity that is established to manage a corridor, as was explored in Section 3. The second aspect and probably a bigger challenge, is financial sustainability. Any corridor group requires stable sources of funding to achieve its goals. This section outlines the main funding options that are available for corridor management.

4.1 Stakeholder Interests

The willingness of various parties to support the establishment of corridor management groups largely depends on the benefits that each will derive from a coordinated approach. The objective of establishing the corridor structures is to enhance the operational efficiency of corridors and reduce the cost of doing business. The economies of the member countries of a given corridor therefore stand to gain from any efficiency improvements.

Each category of stakeholders however, focuses on different factors for the performance of any corridor. In the majority of cases, corridor efficiency can be assessed in terms of time and money. The main stakeholders are the shippers, transporters, clearing agents, customs authorities, port and road authorities and the general population. The primary objectives and expectations of each category of stakeholders are summarized in the table below.

Stakeholder	Main Interests
a. Shippers	<ul style="list-style-type: none"> ▪ Consignment moved from origin to destination in the shortest possible time and at minimum cost ▪ Reduction in shipping costs ▪ Safe transportation and handling
b. Transporters	<ul style="list-style-type: none"> ▪ Reduction in turn round time ▪ Minimization of opportunity cost of tying up the truck on a particular route longer than absolutely necessary
c. Clearing & Forwarding Agencies	<ul style="list-style-type: none"> ▪ Reduction in operating costs ▪ Increased volumes of cargo handled ▪ Fast clearance process ▪ Reduction in cross-border charges ▪ Harmonization of documentation
d. Customs Authorities	<ul style="list-style-type: none"> ▪ Increased customs duty collection ▪ Harmonization of Customs documents ▪ Improved throughput ▪ Promoting overall economic development
e. Port Authorities	<ul style="list-style-type: none"> ▪ Improved cargo throughput ▪ Increased port utilization ▪ Enhancing port competitiveness
f. Road Authorities	<ul style="list-style-type: none"> ▪ Asset preservation through axle load control ▪ Infrastructure cost recovery ▪ Improving road safety
g. Security services	<ul style="list-style-type: none"> ▪ Control of illegal movement ▪ Control of illegal goods and substances ▪ Management of movement of plants and animals
h. Service providers	<ul style="list-style-type: none"> ▪ Increased traffic flows and therefore customers
i. Consumers.	<ul style="list-style-type: none"> ▪ Reduction in cost of goods
j. Health authorities	<ul style="list-style-type: none"> ▪ Control and management of diseases and infections associated with mobile populations (HIV/AIDS, sexually transmitted infections...)
k. Development partners	<ul style="list-style-type: none"> ▪ Increase trade, regional integration and poverty alleviation

4.2 Corridor Management Costs

Typically, the main costs associated with establishing corridor management groups would be the following:

- Secretariat office accommodation, salaries and benefits of secretariat staff;
- Stakeholder coordination meetings;
- Information dissemination;
- Corridor performance monitoring; and

- Studies and technical proposals to enhance corridor performance.

Generally, the expenses for running a corridor secretariat and other activities depend on the business plan adopted by the core group. At initial stage, the annual budget requirement for basic and regular activities such as salaries, administrative expenses, observatories, dissemination and regular meetings is estimated to be within the range of US\$500,000 to US\$1,000,000. However, as the activities of the group expand expenses may pick up by 3 to 5 fold.

4.3 Corridor Management Funding Options

Stakeholder concerns and interests are often reflected in the parties that decide to take the lead in establishing corridor groups. This is apparent in the origins and funding arrangements for the groups that were reviewed in Section 2. Clearly, there are several instruments used to finance existing corridor groups as summarized in the table below.

Corridor	Funding arrangements
Northern	Tonnage levy on imports collected at the port and budget allocation from the government. Both public and private sectors work closely in implementing the funding regime
Dar es Salaam	Membership fees based on equal contributions by committee members. The Tanzania Harbours Authority is the key coordinator for the group
Walvis Bay	Membership fees by group members and equal contributions by the signatories to the TKC MoU. NamPort and the private sector initiated the group
Maputo	Membership fees. The private sector has established a non profit company for the corridor. South Africa Department of Transport is providing most of the funding through a subsidy
Central	The African Development Bank grant for startup costs and equal state contributions thereafter. TRC seconded staff to get the corridor secretariat off the ground
Abidjan – Lagos	The World Bank grant as part of the funding for a project, given its health focus which would normally be a public sector responsibility

Based on the interests of the various stakeholders and the experiences of the corridor groups in existence, the main options for corridor funding are described below.

Secondment of staff or rotating secretariat

The secondment of staff by one of the stakeholders can be one of the cheaper steps to initiate coordinated corridor management. The Northern Corridor started off with a Secretariat that rotated between the relevant states. A state or institution may designate some of its staff to

manage business on a given corridor. Most states, especially in East and Southern Africa, already have identified corridor stakeholders that can play such a function.

The advantages of this option are:

- If there is rotation of the coordination function, the costs are spread among the member states or institutions.
- There is greater commitment to ensure success as sponsoring agencies would like to see their investments bear fruit.
- Partnerships can be consolidated through cost sharing and hence ownership.

However, the disadvantages of this option are:

- There can be a lack of stability and continuity in terms of staff and action plans (especially where a rotating secretariat is used).
- The coordinating unit, may, at any given moment, promote domestic programs that may be sub-optimal at corridor level.
- The economically powerful States or sponsoring institutions may have greater representation in the Secretariat and or corridor institutions and hence may have more clout in decision making in favor of their interests.

Membership contributions

The payment of contributions by stakeholders who choose to become members of a corridor management arrangement is one of the most common approaches to funding (Maputo, Dar es Salaam, and Trans-Kalahari). The corridor members can include government ministries, departments and parastatals bodies, the private sector or individuals. Port operators in particular, have traditionally shown a willingness to promote efficient corridor operations as it has an impact on port utilization and throughput.

The main advantage of this approach is that it shows the commitment of the stakeholders who are willing to make a contribution. It therefore exerts pressure towards the achievement of tangible benefits.

However, existing corridor groups funded through member contributions have shown that:

- Stakeholders with budgetary constraints usually fall behind in meeting their contributions to corridor organizations. Government ministries often have other competing demands that may have a higher priority.
- Private sector membership subscriptions can be unreliable especially when the benefits cannot be easily quantified and demonstrated.
- These systems usually provide more or less equal contributions unrelated to benefits expected.

Benefit-based contributions

This approach involves contributions from different stakeholders based on the benefits they derive from improved corridor performance. The main contributors would be the corridor champions, such as the port authorities and main shippers, with other stakeholders paying a percentage of the benefits they enjoy.

The advantages are similar to the membership contributory approach in that the key beneficiaries would largely foot the bill for improving corridor management. However, the main challenge would be to demonstrate to each stakeholder, the aspects of corridor improvement that can be attributed to the interventions by the corridor group. As a corridor is in reality a system with various players, which can affect the performance of the others, it would also be difficult to allocate benefits such that different stakeholders would contribute different levels of support.

Usage Levies

Clearly identified stakeholders in a corridor chain make business through the tonnage shipped along a corridor. These are the ones that derive benefit from improved trade facilitation and should therefore be the ones to collectively contribute to the funding corridor management institutions. A tonnage linked usage levy would ensure sustainability of the corridor management arrangement while maintaining pressure on the corridor group to continue delivering benefits. Their contributions should ideally reflect the proportion by which they benefit from handling the corridor tonnage. A levy, based on the tonnage and distance can be introduced based on a rate per ton-km. Such a levy can be collected at the port of entry or at some other intermediate point.

Given that most regions are trying to promote internal trade, it would also be important to raise funding from traffic that does not originate or end at the port. Such levies, again on a ton-km basis, can be collected by Customs at the international borders and transferred to the corridor management group.

The main advantage of the usage levy system is that it is directly linked to traffic volumes along the corridor. The more traffic there is and the more efficiently it is moved, the lower the levy and vice versa. However, the weakness is that it can become complex and will add to the cross border charges that some of the stakeholders are seeking to eliminate or at least minimize. Still, if it is linked to demonstrated benefits accruing to the stakeholders group in general and economies at large, this would be a sustainable way of generating funding for corridor management groups. The usage levy is the preferred mode of funding for corridor groups as it achieves the twin objectives of ensuring sustainability of the trade facilitation interventions as well as funding for the relevant corridor management institution.

Donor funding

Some of the existing corridor management groups were initially funded either by corridor champions or donors. Clearly, where corridor groups are new it might be necessary to obtain some initial funding from other sources until the stakeholders have reached a stage where they can appreciate the key benefits and are able to fund the activities themselves. Donor funding is not sustainable in the long term so the groups would need to establish some revenue streams using one of the other alternative approaches. The likely scenario is that donor funding would be used to establish and get any corridor intervention off the ground before other more sustainable funding streams can be tapped.

4.4 Funding Principles

The funding guiding principles as established in this section are as follows:

- a. Membership contributions are the simplest approach to funding corridor management interventions. However, they can be problematic as there is an element of unpredictability with regard to availability of funding from both the private and public sectors. Governments tend to have resource constraints competing and more urgent priorities that can make it difficult for them to honor their obligations in a timely manner.
- b. Some corridor institutions have been funded by donors in their formative stages. Donors tend to provide assistance where institutions demonstrate a commitment to sustain themselves after a brief period of initial support. Therefore, donor funding, in most instances, remains critical to meeting the startup costs of any corridor management arrangement before other more sustainable arrangements can be introduced.
- c. User levies, when directly related to the benefits derived from enhanced corridor management are the most recommended mode of meeting management costs. However, for sustainability, the user contributions have to be less than the derived benefits. It would be generally easier to justify levies where there is result-based budgeting with clear targets for deliverables. The mode of collection of any levy must be simple to administer so as not to impact negatively on corridor transport operations.

5. MULTI CORRIDOR MANAGEMENT

A number of transit and transport corridor arrangements are operational in Sub-Saharan Africa in an attempt to put in place an operational instrument to manage the trade routes for efficiency and cost effectiveness. While various corridor initiatives pursue a local development agenda, their overall objective is to contribute to the increased competitiveness and cost effectiveness of the Sub-Saharan region in the global economy. In the interest of the entire sub-region, this objective should be pursued through coordinated and collaborative efforts, rather than local and individual competitive efforts. In principle, the underlying objective for a broad approach to corridor management groups is to provide an instrument for networking as well as ensuring "healthy competition" and knowledge sharing about "best practices".

The establishment of multi-corridor management groups or associations is better coordinated by Regional Economic Communities. In the interim period, the REC-TCC could play a role in the establishment of the multi corridor groups. This section proposes principles that could be considered during the establishment of the groups/associations.

Comparisons between different corridor agencies could stimulate increased productivity. It is therefore necessary to define an appropriate mechanism to facilitate sharing of experiences and best practices in corridor development among the various corridor development initiatives. Based on interactive as well as collaborative approaches, mutual collaboration among the different corridor groups could be undertaken to:

- ensure that an open and consultative mechanism is maintained among corridors;
- facilitate mutually-beneficial business partnerships between members;
- map out other supporting institutions or mechanism in support of inter-regional corridor coordination or consultation, in order to avoid possible overlaps;
- determine resource requirements and recommend possible resource mobilization strategies.

The idea of establishing a regional mechanism for consultation and coordination was first presented by the Walvis Bay Corridor Group (WBCG) at a Regional Spatial Development Initiative Regional Coordination Committee (RESDIICC) meeting in Dar es-Salam in May 2005. In March 2006, the key players in regional transport made a resolution to develop a regional consultative mechanism for corridor management groups. It was then decided to develop an appropriate mechanism for inter-corridor exchange of best practices and experiences. It is expected that this development will result in an effective forum for sharing of ideas and dissemination of innovative approaches to enhancing the performance of regional corridors.

The multi-corridor arrangements lay the ground for the establishment of a multinational corporate entity, owned by member states preferably through public-private partnership owning, and leading the management and operation of transport infrastructure and services in the corridor network. With the medium-term objectives of the African Action Plan and the NEPAD initiative, more especially by strengthening the integration of Africa, at least at regional level, the multi-Corridor Group can become an important driver of regional cooperation and coordination in transport corridor development, management and marketing seeking to establish an international best practice in Sub-Sahara Africa.

The multi-corridor management or arrangements can bridge the RECs and national boundaries and:

- establish a mechanism to exchange experiences and good practices within a network of corridors. Data a various corridors could be collected periodically and the results used to benchmark the performance of each corridor and to assess the effectiveness of the initiatives that would have been undertaken. In addition, attitudinal surveys could be developed to obtain users opinions as to the success of efforts to improve performance. The efforts may not only provide a basis for assessing performance and evaluating the impacts of various initiatives but, equally provide a greater level of transparency;
- promote mutually-beneficial business partnerships by encouraging competition between and within modes; and
- encourage the creation of umbrella group for corridor management arrangements, possibly at regional or continental level (such as a Federation of Corridor Management Groups).

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ANNEX A

Example of a Corridor Memorandum of Understanding

The Trans-Kalahari Corridor

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

PREAMBLE

The Governments of the Republics of Botswana, Namibia and South Africa (hereinafter referred to jointly as “the Contracting Parties” and in the singular as “a Contracting Party”)

COMMITTED to the common vision of the New Partnership for Africa’s Development (NEPAD) to eradicate poverty and place their countries both individually and collectively on a path of sustainable growth and development;

COMMITTED to achieve the transport objectives of NEPAD that include implementing the integrated and seamless movement of goods and persons on the Trans-Kalahari Corridor (hereinafter referred to as “the TKC”) with a view to reducing transportation costs and transit times in order to increase the competitiveness of goods produced in the Southern African Development Community for distribution in regional and international markets;

RECOGNIZING that the development and management of the TKC and the achievement of the integrated and seamless movement of goods and persons on the TKC is a collective effort that should be pursued for the common benefit of the Contracting Parties and the other Member States of the Southern African Development Community;

CONSCIOUS that control measures applied by them affect the movement of goods and persons on the TKC and committing themselves to review and apply such control measures on the basis of the following principles:

- Equal treatment: The Contracting Parties shall implement the TKC Memorandum of Understanding and apply laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons on the TKC so as to ensure the equal treatment of all stakeholders on the TKC;
- Transparency: The Contracting Parties shall make all laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons on the TKC publicly available in a prompt, transparent and readily accessible manner;

- Harmonization: The Contracting Parties shall endeavour, as far as practically possible, to harmonize all laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons on the TKC;
- Efficiency: The Contracting Parties shall ensure the efficient and effective administration of transit traffic to facilitate the movement of goods and persons on the TKC;
- Simplicity: The Contracting Parties shall endeavour to ensure the simplification of all laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons on the TKC;
- Consistency: The Contracting Parties shall ensure the consistent application of all laws, regulations, procedures and administrative measures pertaining to the movement of goods and persons on the TKC; and
- Mutual assistance: The Contracting Parties shall endeavour to ensure cooperation and mutual assistance between their respective authorities that are involved in the facilitation of the movement of goods and persons on the TKC;

RECOGNIZING that broad-based public and private capital investment, in particular, transport and logistics-related infrastructure and service provision is required to support the development of the TKC;

WISHING to promote the effective and integrated management of the TKC through the establishment of a strategic partnership between public and private sector stakeholders;

RECOGNISING that a Contracting Party may wish to establish national representative entities to support the management, development and marketing of the TKC;

MINDFUL of their obligations and commitments under other agreements to which they are party and, in particular

- the Protocol on Transport, Communications and Meteorology of the Southern African Development Community (hereinafter referred to as “the SADC Protocol on Transport, Communications and Meteorology”);
- Part 3 and Annexes II and IV of the Protocol on Trade of the Southern African Development Community (hereinafter referred to as “the SADC Protocol on Trade”); and
- the Memorandum of Understanding on Road Transportation in the Common Customs Area Pursuant to the Customs Union Agreement between the Governments of Botswana, Lesotho, Namibia, South Africa and Swaziland (hereinafter referred to as “the SACU Memorandum of Understanding on Road Transportation”);

MINDFUL that the implementation of this Memorandum of Understanding furthers the implementation of the SADC Protocol on Transport, Communications and Meteorology, the SADC protocol on Trade and the SACU Memorandum of Understanding on Road Transportation and will be an ongoing process that will require amplification and extension as consensus develops and as it is extended to other inter-modal areas of cooperation;

AND MINDFUL of the need to ensure a balance between the facilitation of the movement of people and goods and adequate levels of crime prevention and maintenance of security;

HAVE AGREED as follows:

CHAPTER 1

DEFINITIONS, SCOPE, OBJECTIVES AND STRATEGIC PARTNERSHIPS

ARTICLE 1.1

DEFINITIONS

“Border post” means designated places of entry or exit between the territories of the Republics of Botswana, Namibia and South Africa;

“Customs authorities” means the government authorities or agencies of the respective Contracting Parties that are responsible for the administration of the customs laws of such Contracting Parties and that also have the responsibility for the application of other laws relating to the importation, transit or exportation of goods;

“Customs procedures” means the procedures and mechanisms applied to ensure compliance with the laws and regulations relating to the collection of import and export duties and taxes and the importation, transit and exportation of goods;

“Dangerous goods” means the commodities, substances and goods in respect of which the carriage by road is prohibited or authorized only on certain conditions by the respective road traffic laws of the Contracting Parties;

“Joint customs controls” means

- (a) the carrying out of the formalities of the exporting customs authority together with the formalities of the importing customs authority in a juxtaposed customs office; or
- (b) the simultaneous examination of goods, persons or means of transport for either import or export controls by officers of both the importing and exporting customs authorities;

“Unified customs offices” means the establishment of joint customs offices at common borders, either in one building or in separate buildings located in the same area within the territory of either customs authority;

“Memorandum of Understanding” means this Memorandum of Understanding and includes any annex, amendment or addition thereof that forms an integral part of this Memorandum of Understanding;

“Pre-clearance” means the carrying out of formalities of an importing customs authority at a location removed from the immediate vicinity of a border post prior to the departure of goods, or means of transport from the territory of the exporting customs authority;

“TKC” means the Trans-Kalahari Corridor that stretches from:

- (a) Pretoria in the Gauteng Province of South Africa through Rustenburg and Zeerust in the North-west Province of South Africa;
- (b) through Lobatse, Kanye and Mamuno in Botswana; and
- (c) through Gobabis and Windhoek to Walvis Bay including the Port of Walvis Bay in Namibia.

“TKCMC” means the Trans-Kalahari Corridor Management Committee established by Article 6.1 of this Memorandum of Understanding;

“Transit procedures” means the procedures and mechanisms applied to ensure the transit of goods across the territory of one or more Contracting Parties, when the passage across such territory or territories, with or without transshipment, warehousing, breaking bulk or change in the mode of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of one or more Contracting Parties across whose territory the traffic passes; and

“Vehicle” means any mechanically propelled road vehicle, including an articulated vehicle, a trailer or a semi-trailer, that is constructed or adapted for the carriage of goods or the conveyance of persons.

ARTICLE 1.2

SCOPE

1. This Memorandum of Understanding shall apply to the movement of goods and persons on the TKC.
2. The Contracting Parties shall review the scope and provisions of this Memorandum of Understanding to encourage the development of integrated transportation services and facilities on the TKC.

ARTICLE 1.3

OBJECTIVES

The objectives of this Memorandum of Understanding are –

- (a) to facilitate the movement of goods and persons on the TKC by simplifying and harmonizing the requirements and controls that govern the movement of goods and persons with a view to reducing transportation costs and transit times;
- (b) to establish effective consensus-building mechanisms -
 - (i) to secure and monitor the implementation of this Memorandum of Understanding; and
 - (ii) to expand and extend the content and implementation requirements of this Memorandum of Understanding through the development of annexes; and
- (c) to establish, in accordance with Chapter 6 of this Memorandum of Understanding, an appropriate financially self-sustaining institutional structure to oversee, guide, coordinate and facilitate the implementation of this Memorandum of Understanding.

ARTICLE 1.4

COMPETENT AUTHORITY

For the purpose of implementation of this Memorandum of Understanding, the competent authorities of the Contracting Parties shall be their respective Ministries and Departments responsible for transport, traffic, customs and immigration and safety and security.

ARTICLE 1.5
STRATEGIC PARTNERSHIPS

1. The Contracting Parties shall develop strategic partnerships between themselves and with the private sector to secure the implementation of this Memorandum of Understanding and, to this end, they shall establish effective and efficient coordination mechanisms between -
 - (a) themselves and their respective Ministries and Departments; and
 - (b) themselves and other relevant stakeholders of the TKCMC.
2. The Contracting Parties shall make all requirements that govern the movement of goods and persons on the TKC publicly available through an accessible medium, and inform each other and the other stakeholders of changes to such requirements.
3. For purposes of this Article, other stakeholders include representatives of -
 - (a) private sector
 - (b) civil society
 - (c) non-governmental organisations

CHAPTER 2
CUSTOMS PROCEDURES, JOINT CUSTOMS CONTROLS AND BORDER POST
MANAGEMENT, BORDER POST BUSINESS HOURS AND BORDER POST FACILITIES

ARTICLE 2.1
CUSTOMS PROCEDURES

1. The Contracting Parties shall -
 - (a) pursuant to Article 14 of the SADC Protocol on Trade, take such measures as are necessary to simplify and harmonize their respective customs procedures; and
 - (b) pursuant to Annex IV of the SADC Protocol on Trade, adopt a common transit procedure to govern the movement of goods on the TKC.
2. In order to give effect to paragraph 1, the Contracting Parties shall -
 - (a) accede to the International Convention on the Simplification and Harmonization of Customs Procedures, 1999, and be guided by the provisions of that Convention in preparing an annex on the simplification and harmonization of their customs procedures that specifically addresses the use of electronic data interchange between their respective customs authorities and the promotion of pre-clearance mechanisms; and
 - (b) prepare an annex on a common transit procedure based on international best practices.

3. The Contracting Parties shall implement the annexes referred to in paragraph 2 within twenty-four (24) months after the entry into force of this Memorandum of Understanding.

ARTICLE 2.2

JOINT CUSTOMS CONTROLS AND BORDER POST MANAGEMENT

1. Pursuant to Article 3.3 of the SADC Protocol on Transport, Communications and Meteorology, the Contracting Parties shall introduce joint customs controls on the TKC with due acknowledgement:
 - (a) that the Defense, Police, Security and other State Agencies responsible for national border integrity are entitled to perform statutory functions relating to crime detection and prevention within border posts and border line protection and control as may be permitted by domestic law;
 - (b) that the activities of all State Agencies responsible for national border integrity shall be coordinated where necessary and executed with sensitivity to the objectives of this Memorandum of Understanding;
 - (c) that all facilities, equipment and personnel necessary for the control of the movement of goods and people will be located so as to ensure full compliance with national information, security and physical security requirements and establish *locus standi* for criminal prosecution purposes;
 - (d) that all ports of entry must have a clear boundary / perimeter and be adequately fenced in with adequate control on both sides of the border for reasons of security and the ability to control the port of entry;
2. In order to give effect to paragraph 1, the Contracting Parties shall endeavour to conclude border post management agreements between themselves within twelve (12) months after the entry into force of this Memorandum of Understanding and attach such agreements as annexes to this Memorandum of Understanding. In the case of the conclusion of a bilateral agreement, the two negotiating Contracting Parties shall consult with and afford the third Contracting Party the opportunity to make submissions during the negotiation process.
3. The agreements contemplated in paragraph 2 may, subject to the provisions of paragraph 1, provide, amongst others, for-
 - (a) the designation of areas by the Contracting Parties in which joint customs controls may be carried out;
 - (b) the identification of offices and premises situated in the territories of either of the Contracting Parties in which the designated areas referred to in sub-paragraph (a) must be situated;
 - (c) the compliance of the areas, offices and premises referred to in sub-paragraphs (a) and (b) with the standards prescribed by the Contracting Parties and the provision of adequate security around the facilities for the reception of goods, persons and vehicles;
 - (d) the appointment of officers of the Contracting Parties and their accommodation for purposes of joint customs controls;

- (e) the exercising of powers and the performance of duties by officers of the Contracting Parties in the designated areas referred to in sub-paragraph (a);
 - (f) the appointment of officers of a Contracting Party as agents for the other Contracting Parties;
 - (g) the establishment of offices in each other's territories and the accommodation therein of customs officers of the other Contracting Party for the purpose of pre-clearance of goods and vehicles;
 - (h) the establishment of intergovernmental joint committees at the areas referred to in sub-paragraph (a) consisting of representatives of every Ministry or Department of the Contracting Parties involved in border functions for the purpose of overseeing the carrying out of joint customs controls; and
 - (i) the establishment of consultative committees at the areas referred to in sub-paragraph (a) consisting of the relevant public and private sector stakeholders to serve as a forum for consultation and communication on issues related to border post operations.
4. The Contracting Parties shall, where practicable, consider extending their cooperation at border posts to other control services such as immigration, safety and security, and sanitary and phytosanitary inspections.

ARTICLE 2.3 BORDER POST BUSINESS HOURS

1. The Contracting Parties shall -
- (a) pursuant to Article 7 of Annex II of the SADC Protocol on Trade, harmonize the business hours of border posts; and
 - (b) extend the business hours of border posts to facilitate the movement of goods and persons where this is justified by the level of commercial traffic.
2. In order to give effect to paragraph 1, the Contracting Parties shall, as an interim measure, prepare an annex setting out the rationale and time-scales for the incremental extension of border post business hours with the objective of introducing 24 hour operations where this is justified by the level of commercial traffic within 12 months after the entry into force of this Memorandum of Understanding.

ARTICLE 2.4 BORDER POST FACILITIES

Pursuant to Article 3.3 of the SADC Protocol on Transport, Communications and Meteorology and with reference to Article 2.2 of this Memorandum of Understanding, the Contracting Parties shall provide adequate and well-maintained border post facilities that meet the requirements of border post users, supported by, amongst others –

- (a) promoting adequate domestic accommodation and supporting community services and amenities for border post officials;

- (b) outsourcing the management of border post facilities and the performance of non-core functions, where appropriate, to the private sector to enable officials to focus more intensively on core control functions; and
- (c) promoting appropriate private investment in the provision of border post facilities or the improvement of facilities.

CHAPTER 3

ROADS AND ROAD TRANSPORT

ARTICLE 3.1

ROAD FUNDING AND MAINTENANCE

1. The Contracting Parties shall -
 - (a) pursuant to Article 4.6 of the SADC Protocol on Transport, Communications and Meteorology, develop and implement harmonized and non-discriminatory cross-border road user charging systems;
 - (b) pursuant to Article 4.5 of the SADC Protocol on Transport, Communications and Meteorology, ensure that revenues obtained from road users under cross-border road user charges are regarded as dedicated for the upgrading, maintenance and operation of roads provided such a dedicated road fund has been established and in existence; and
 - (c) ensure that the road infrastructure on the TKC is maintained in an adequate condition that responds to the needs of road users and facilitates the movement of goods.
2. The Contracting Parties shall prepare annexes on –
 - (a) cross-border road user charging systems as well as measures to facilitate the payment, collection and disbursement of cross-border road user charges; and
 - (b) mechanisms to jointly measure and monitor the adequacy of the road infrastructure on the TKC.
3. The Contracting Parties shall implement the annexes referred to in paragraph 2 within twelve (12) months after the entry into force of this Memorandum of Understanding.

ARTICLE 3.2

ROAD TRANSPORT POLICY

The Contracting Parties agree to –

- (a) maintain the existing rights resulting from the SACU Memorandum of Understanding on Road Transportation that governs mutual access to each other's transport markets; and
- (b) implement the provisions of Chapter 5 of the SADC Protocol on Transport, Communications and Meteorology insofar as the SACU Memorandum of Understanding on Road Transportation does not give effect to the provisions of Chapter 5.

CHAPTER 4 ROAD TRAFFIC

ARTICLE 4.1

GENERAL COMMITMENT TO HARMONIZE ROAD TRAFFIC LAWS

1. Pursuant to Articles 6.3, 6.4, 6.5, 6.6 and 6.11 of the SADC Protocol on Transport, Communications and Meteorology, the Contracting Parties shall adopt and implement harmonized standards in respect of -
 - (a) vehicle fitness and equipment on or in respect of vehicles;
 - (b) vehicle dimensions, combinations and projections;
 - (c) loads on goods and passenger vehicles;
 - (d) traffic signs including traffic signals, road signs and markings;
 - (e) speed limits; and
 - (f) driving hours.
2. In order to give effect to paragraph 1, the Contracting Parties shall prepare an annex specifying the technical requirements that shall apply to drivers and vehicles used in undertaking the movement of goods.
3. The Contracting Parties shall implement the annex referred to in paragraph 2 in respect of the issues listed in paragraph 1(a) to (e) within 12 months after the entry into force of this Memorandum of Understanding.

ARTICLE 4.2

ROAD TRAFFIC LAW ENFORCEMENT

1. Pursuant to Article 6.13 of the SADC Protocol on Transport, Communications and Meteorology, the Contracting Parties shall –
 - (a) develop coordinated strategies for road traffic control and road traffic law enforcement;
 - (b) develop a common schedule of road traffic related offences and penalties as well as documents used by law enforcers;
 - (c) continue with and promote the joint training of road traffic law enforcement officials as far as practically possible; and
 - (d) develop harmonized standards in respect of road traffic law enforcement equipment and schedule regular inspections to monitor the accuracy and calibration of such equipment.
2. In order to give effect to paragraph 1, the Contracting Parties shall prepare an annex that contains a road traffic control and road traffic law enforcement plan that may include the scheduling of joint road traffic law enforcement actions.

3. The Contracting Parties shall implement the annex referred to in paragraph 2 within 12 months after the entry into force of this Memorandum of Understanding.

ARTICLE 4.3 LOADS ON VEHICLES

1. Pursuant to Articles 6.6 and 6.7 of the SADC Protocol on Transport, Communications and Meteorology, the Contracting Parties shall -
 - (a) encourage voluntary compliance with legal load limits and, to this end, agree to facilitate partnerships between the public and private sector;
 - (b) take all necessary steps to implement appropriate control measures to combat corrupt practices in road traffic and transport law enforcement and, specifically, in the management of vehicle loading;
 - (c) encourage broad-based private sector investment in the provision and operation of weighing stations: Provided that private investment may not be undertaken by road transport operators in an individual capacity;
 - (d) monitor the adequacy of overloading control and their network of weighing stations; and
 - (e) ensure coordination between themselves and their respective Ministries and Departments, including border post authorities, to combat overloading.
2. In order to give effect to paragraph 1, the Contracting Parties shall prepare an annex that contains an overloading control strategy that focuses, amongst others, on the location, hours of operation, staffing and calibration of weighing stations and the mutual recognition of weighbridge certificates.
3. The Contracting Parties shall implement the annex referred to in paragraph 2 within 12 months after the entry into force of this Memorandum of Understanding.

ARTICLE 4.4 DRIVER TRAINING AND TESTING

1. The Contracting Parties shall –
 - (a) pursuant to Article 6.9 of the SADC Protocol on Transport, Communications and Meteorology, develop and implement harmonized standards with regard to the training and testing of professional and public drivers; and
 - (b) develop strategies to combat the spread of Sexually Transmitted Infections (STIs) and the Human Immunodeficiency Virus (HIV) on the TKC.
2. In order to give effect to paragraph 1(a), the Contracting Parties shall prepare an annex specifying the training and testing standards applicable to professional and public drivers and shall implement such annex within 24 months after the entry into force of this Memorandum of Understanding.
3. The strategies contemplated in paragraph 1(b) shall be developed in consultation with the relevant health authorities and community organizations and may provide, amongst others, for

the establishment of strategically located centres on the TKC to increase awareness of and provide basic medical services on the TKC.

ARTICLE 4.5

TRANSPORTATION OF HAZARDOUS SUBSTANCES AND DANGEROUS GOODS

1. The Contracting Parties -
 - (a) pursuant to Article 6.7 of the SADC Protocol on Transport, Communications and Meteorology, agree that the provisions of the Basel Convention on the Transboundary Movements of Hazardous Substances and their Disposal, 1989, shall govern the transportation of hazardous substances on the TKC and, to this end, they shall incorporate the provisions of the Basel Convention on the Transboundary Movements of Hazardous Substances and their Disposal, 1989, in their respective national laws; and
 - (b) shall adopt harmonized standards for the transportation of dangerous goods on the TKC.
2. In order to give effect to paragraph 1, the Contracting Parties shall -
 - (a) be guided by the provisions of the Basel Convention on the Trans-boundary Movements of Hazardous Substances and their Disposal, 1989, in preparing an annex that governs the transportation of hazardous substances on the TKC; and
 - (b) prepare an annex specifying the requirements that shall apply to the transportation of dangerous goods on the TKC.
3. The Contracting Parties shall implement the annexes referred to in paragraph 2 within 12 months after the entry into force of this Memorandum of Understanding.

ARTICLE 4.6

ROAD TRAFFIC SAFETY

1. Pursuant to Articles 6.12, 6.14 and 6.15 of the SADC Protocol on Transport, Communications and Meteorology, the Contracting Parties shall adopt and implement a road traffic safety and incident management plan –
 - (a) to improve road traffic safety by focussing, amongst others, on mechanisms to prevent animals from straying on to the road infrastructure, and on the introduction of appropriate emergency communications systems; and
 - (b) to manage incidents, including environmental incidents.
2. The road traffic safety and incident management plan referred to in paragraph 1 shall be attached as an annex.
3. The Contracting Parties shall implement the annex referred to in paragraph 2 within at least 12 months after the entry into force of this Memorandum of Understanding.

CHAPTER 5
COMMERCIAL OPPORTUNITIES AND BUSINESS DEVELOPMENT

ARTICLE 5.1
COMMERCIAL OPPORTUNITIES

The Contracting Parties shall –

- (a) identify transport and logistics-related commercial opportunities and needs along the TKC; and
- (b) ascertain the technical, commercial and economic viability of the opportunities contemplated in sub-paragraph (a).

ARTICLE 5.2
BUSINESS DEVELOPMENT

The Contracting Parties shall jointly develop a strategy for marketing the TKC.

CHAPTER 6
INSTITUTIONAL

ARTICLE 6.1
ESTABLISHMENT OF TKCMC

1. The Contracting Parties, acting pursuant to Article 3.5 of the SADC Protocol on Transport, Communications and Meteorology, hereby establish the TKCMC.
2. The TKCMC shall, pursuant to Article 3.5 of the SADC Protocol on Transport, Communications and Meteorology include adequate representation by-
 - (a) all modal transport operators servicing the TKC including multimodal transport operators;
 - (b) transport and infrastructure authorities with responsibilities in respect of the provision and management of transport and related infrastructure along the TKC;
 - (c) port authorities;
 - (d) customs authorities;
 - (e) freight forwarding and clearing agents servicing the TKC;
 - (f) trade and industry authorities and bodies;
 - (g) financial and insurance institutions, industrialists and developers;
 - (h) immigration authorities with responsibilities in respect of the TKC;
 - (i) law enforcement authorities including representatives of Police, Safety and Security, Defense and other State Agencies responsible for national border integrity with responsibilities in respect of the TKC;
 - (j) tourism groups;
 - (k) users of TKC systems and facilities; and

- (l) any other stakeholders.
- 3. The TKCMC shall be chaired by an official mandated by the Ministry or Department responsible for transport of the same Contracting Party that is responsible for providing secretariat services to the TKCMC pursuant to Article 6.2 of this Memorandum of Understanding.
- 4. The Contracting Parties shall ensure that they are represented on the TKCMC by officials at least at the rank of Director or equivalent.
- 5. The Contracting Parties shall introduce mechanisms to ensure the financial sustainability required by the TKCMC and the Secretariat to execute the functions contemplated in Article 6.3.

**ARTICLE 6.2
SECRETARIAT**

- 1. The Contracting Parties may review the location of the Secretariat annually and, after consultation with the TKCMC, may decide to rotate the Secretariat.
- 2. The provision of secretariat services to the TKCMC shall at least entail -
 - (a) supporting the Contracting Parties with the implementation of the provisions of this Memorandum of Understanding;
 - (b) monitoring compliance by the Contracting Parties with their obligations in terms of this Memorandum of Understanding;
 - (c) assisting the TKCMC with the execution of its functions listed in Article 6.3; and
 - (d) providing secretariat and administrative support to the TKCMC including maintaining an updated list of all TKCMC members.

**ARTICLE 6.3
FUNCTIONS**

The TKCMC –

- (a) shall monitor the performance of the TKC and, to this end, they shall develop an annex that, amongst others, deals with -
 - (i) performance indicators to be applied to the TKC such as trade and traffic flows, container volumes, adequacy of facilities, processing times at border posts and average point-to-point transit times;
 - (ii) the frequency with which performance monitoring shall take place; and
 - (iii) the dissemination of performance monitoring results;
- (b) shall develop an implementation plan that -
 - (i) specifies the actions required to implement the provisions of this Memorandum of Understanding within the prescribed periods;
 - (ii) allocates responsibility for implementing the provisions of this Memorandum of Understanding; and
 - (iii) identifies the resources required for implementing the provisions of this Memorandum of Understanding;

- (c) shall, collectively and individually, on a quarterly basis -
 - (i) assess progress made with the implementation of this Memorandum of Understanding on the basis of the implementation plan referred to in sub-paragraph (b); and
 - (ii) develop measures to expedite the implementation of this Memorandum of Understanding;
- (d) shall assist and advise the Contracting Parties in implementing this Memorandum of Understanding;
- (e) shall, in the case of government policy and regulatory matters, make recommendations to the Contracting Parties for decision;
- (f) shall exchange information pertaining to the TKC, and for that purpose shall develop and implement a TKC information system that-
 - (i) records and provides data for the planning, development, implementation and monitoring of the TKC;
 - (ii) facilitates business contacts; and
 - (iii) provides information to consumers and the public-
 - (1) to enable them to monitor service provision;
 - (2) to inform infrastructure and services investment-related decisions; and
 - (3) for research purposes;
- (g) may make recommendations to the Contracting Parties to amend this Memorandum of Understanding;
- (h) may establish an Operations Committee and any other additional committees and working groups under its control and supervision, as the need arises, to assist it in the execution of its functions;
- (i) may appoint experts to assist it in the execution of its functions;
- (j) may address any issue pertaining to the TKC; and
- (k) may execute such other functions deemed necessary to ensure the proper implementation of this Memorandum of Understanding and as directed by the Contracting Parties.

ARTICLE 6.4
OPERATIONS COMMITTEE

1. The Operations Committee refer to in Article 6.3 (g) consists of:
 - (a) the Chairperson of the TKCMC;
 - (b) two officials each representing one of the Competent Authorities of different signatory states than the one represented by the Chairperson; and
 - (c) not more than three members nominated by the Contracting Parties representative of the private sector in the signatory states.
2. The TKCMC may, through a unanimous decision, delegate any of its functions to the Operations Committee.

ARTICLE 6.5
RULES OF PROCEDURE

1. The TKCMC shall meet at least twice per year.
2. A quorum for the meetings of-
 - (a) the TKCMC shall be-
 - (i) an official from each of the Contracting Parties or an alternate official designated as such by a Ministry or Department responsible for transport, as the case may be; and
 - (ii) one private sector stakeholder from each of the Contracting Parties.
 - (b) the Operations Committee shall be-
 - (i) an official from each of any two Contracting Parties or an alternate official designated as such by a Ministry or Department responsible for transport, as the case may be; and
 - (ii) one private sector stakeholder from each of any two of the Contracting Parties.
3. For the purposes of taking decisions in the TKCMC on corridor operations matters each country delegation shall be required to present a consolidated public-private sector country position and all decisions shall be taken by consensus amongst all country delegations.
4. Regional private sector associations will be encouraged to participate in meetings of the TKCMC and their recommendations shall be taken into account.
5. The TKCMC shall within one month after entry into force of this Memorandum of Understanding adopt additional rules of procedure required for its functioning.

ARTICLE 6.6
REPORTING

1. The TKCMC shall submit a report on an annual basis to the Ministers responsible for transport, trade, customs, immigration, safety and security and maintenance of national border integrity of the Contracting Parties and the private sector associations represented on the TKCMC on-
 - (a) progress made with the implementation of this Memorandum of Understanding;
 - (b) progress made with the development of annexes;
 - (c) compliance with the implementation plan prepared in terms of Article 6.3;
 - (d) constraints encountered with the implementation of this Memorandum of Understanding; and
 - (e) the need to expand the scope of this Memorandum of Understanding in pursuit of promoting inter-modal cooperation on the TKC.
2. Copies of the report contemplated in paragraph 1 shall be transmitted to the Southern African Development Community Committee of Ministers, through the Southern Africa Transport and Communications Commission Technical Unit, and the Southern African Customs Union Transport Liaison Committee.

CHAPTER 7 FINAL PROVISIONS

ARTICLE 7.1

ENTRY INTO FORCE AND WITHDRAWAL

1. This Memorandum of Understanding shall enter into force on the date on which each party has notified the others in writing, through diplomatic channel, of its compliance with the constitutional requirements necessary for the implementation of this agreement.
2. The date of entry into force shall be the date of the last notification.
3. If a Contracting Party wishes to withdraw from this Memorandum of Understanding that Contracting Party shall give written notice thereof to all other Contracting Parties. If, after consultations, the Contracting Parties fail to agree on the date and conditions of withdrawal, this Memorandum of Understanding shall remain in force until six months from the date of such notification and shall then cease to apply to the withdrawing Contracting Party.

ARTICLE 7.2

AMENDMENT OF MEMORANDUM OF UNDERSTANDING AND INCLUSION AND AMENDMENT OF ANNEXES

1. Any Contracting Party or the TKCMC may propose an amendment to this Memorandum of Understanding and, in that case, such proposal shall be transmitted to the Contracting Parties and they shall strive to reach consensus with regard to such proposal.
2. Any Contracting Party or the TKCMC may propose the inclusion of a new annex or an amendment of an existing annex to this Memorandum of Understanding and such new and amended annex shall form an integral part of this Memorandum of Understanding.
3. In the case of a proposal to include a new annex or amend an existing annex to this Memorandum of Understanding, the TKCMC shall agree on the proposal by a unanimous decision and recommend to the Contracting Parties for approval.

ARTICLE 7.3

RELATIONSHIP WITH OTHER INTERNATIONAL AGREEMENTS

This Memorandum of Understanding shall not alter in any way the rights and obligations of any Contracting Party under any bilateral or multilateral agreement to which such a Contracting Party is also party at the time of the signing of this Memorandum of Understanding.

ARTICLE 7.4

APPLICATION OF OTHER MEASURES

1. No provision of this Memorandum of Understanding shall preclude the application of prohibitions or restrictions relating to the importation, exportation or transit of goods, imposed for reasons of public order and, in particular, public safety, morality or health, or for the protection of the environment.

2. Emergency measures that a Contracting Party may introduce as a result of particular circumstances, shall be proportionate to the reasons that gave rise to their introduction and shall be suspended or abrogated when these reasons no longer exist.
3. A Contracting Party that intends to introduce emergency measures pursuant to paragraph 2 shall inform the other Contracting Parties and the TKCMC, in writing, of such intention or as soon as practically possible after the introduction of such measures.

**ARTICLE 7.5
IMPLEMENTATION**

The Contracting Parties shall have the primary responsibility for implementing the provisions of this Memorandum of Understanding and shall take all necessary measures to give effect to such provisions, including their observance, by subsidiary levels of government.

**ARTICLE 7.6
SETTLEMENT OF DISPUTES**

In the event of any dispute arising between the Contracting Parties as to the interpretation, application or performance of this understanding, such dispute shall be settled amicably through consultation and negotiation between the Contracting Parties through diplomatic channels.

IN WITNESS WHEREOF, WE, the undersigned, being duly authorized thereto, have signed this Memorandum of Understanding.

DONE in triplicate at.....

on this day of

FOR THE REPUBLIC OF BOTSWANA

FOR THE REPUBLIC OF NAMIBIA

FOR THE REPUBLIC OF SOUTH AFRICA

ANNEX B

Example of a Corridor Constitution

PREAMBLE

We the undersigned, being representatives authorized to sign this constitution on behalf of the respective members;

Committed to the common vision of the New Partnership for Africa's Development (NEPAD) to eradicate poverty and place our countries both individually and collectively on a path of sustainable growth and development;

Recognising international or regional agreement/protocols/treaties calling on Member States to establish institutional frameworks involving transport modes to promote inter and intra-modal cooperation between stakeholders and to support the development of regional development corridors facilitating unimpeded access and travel between the territories of the Member States; and calling on Member States to promote the establishment of cross-border multimodal Corridor Committees comprising the public and private sector stakeholders in the Member States whose territories are traversed by such corridors;

Desiring to -

- a) facilitate the seamless, efficient and cost-effective flow of goods, persons and services between the port of PORT and the markets of CountryA, CountryB, CountryC,... and CountryZ.
- b) build an inclusive public-private partnership through the PORT Corridor Committee and its national structures;
- c) provide a forum for interaction between business and government;

Intending to

- a) adopt, annually, an action oriented work programme to support speedy and effective implementation of goals;
- b) provide value-added services to Members; and
- c) operate an efficient, responsive and results-oriented secretariat;

Hereby agree to adopt the following Constitution.

1. Definitions

"Border post" means designated places of entry or exit between the territories of the CountryA, CountryB, CountryC,... and CountryZ;

"Constitution" means this Constitution and includes any schedule, amendment or addition thereof that forms an integral part of this Constitution;

"Corridor State" means CountryA, CountryB, CountryC,... and CountryZ;

"Customs authorities" means the government authorities or agencies of the respective Contracting Parties that are responsible for the administration of the customs laws of such Contracting Parties and that also have the responsibility for the application of other laws relating to the importation, transit or exportation of goods;

“**Customs procedures**” means the procedures and mechanisms applied to ensure compliance with the laws and regulations relating to the collection of import and export duties and taxes and the importation, transit and exportation of goods;

“**Dangerous goods**” means the commodities, substances and goods in respect of which the carriage by road is prohibited or authorized only on certain conditions by the respective road traffic laws of the Contracting Parties;

“**Group**” refers to the corridor management group, which could alternatively be called corridor management committee.

“**Joint customs controls**” means –

- (a) the carrying out of the formalities of the exporting customs authority together with the formalities of the importing customs authority in a juxtaposed customs office; or
- (b) the simultaneous examination of goods, persons or means of transport for either import or export controls by officers of both the importing and exporting customs authorities;

“**Member**” means a member of the Committee listed in the Second Schedule;

“**PC**” means the PORT Corridor that stretches from:

- (d) PORT in the Country A through PlaceA and PlaceB in the CountryA;
- (e) through PlaceC, PlaceD and PlaceE in CountryB; and
- (f) through PlaceF and PlaceG to PlaceH including PlaceI in CountryC.

“**PCMC**” means the PORT Corridor Management Group/Committee established by Article 6.1 of this Constitution;

“**Port**” means the name given to the Corridor to which this Constitution applies;

“**Representative**” means a person chosen to represent a member on the Committee;

“**Transit procedures**” means the procedures and mechanisms applied to ensure the transit of goods across the territory of one or more Contracting Parties, when the passage across such territory or territories, with or without transshipment, warehousing, breaking bulk or change in the mode of transport, is only a portion of a complete journey beginning and terminating beyond the frontier of one or more Contracting Parties across whose territory the traffic passes; and

“**Vehicle**” means any mechanically propelled road vehicle, including an articulated vehicle, a trailer or a semi-trailer, that is constructed or adapted for the carriage of goods or the conveyance of persons.

2. Establishment of the Group/Committee

- a) The Port Corridor Management Group/Committee (PCMC) is hereby established.
- b) The PCMC is a partnership of public and private stakeholders in all corridor Member States facilitating the provision of efficient transport services along the length of the corridor and its hinterland.

- c) The Members of the Group hereby confirm their commitment to collectively and individually pursue the objectives set out in Article 5.

3. Legal Status

- a) The Group shall be a legal person, with power to enter into contracts, to acquire, own or dispose of movable and immovable property and to sue and be sued.
- b) For this purpose, the chairperson is authorized to perform, on behalf of the group, all acts necessary to incorporate the group as a not-for-profit body corporate in the state where the Secretariat established its seat as contemplated in Article 13.

4. Scope

- a) This Constitution shall apply to the movement of goods and persons on the PC as defined in the first schedule.
- b) The schedule may be reviewed by two-third of the members of the Group.

5. Objectives of the Group

- a) to set up a forum to examine ways and means of simplifying the formalities, procedure and documents so as to reduce delays and costs associated with various transport and administrative bottlenecks used in the transport and trade sectors (objective – facilitation);
- b) to inventory existing regulations, documents , transit licensing, harmonized road user charges, maximum permissible axle load limits, overload controls and propose projects and practices to government decision-makers (objective – regulation);
- c) to establish a network of stakeholders from service providers, road authorities, customs, regulatory, policy makers to oversee the implementation of agreed instruments and facilitate technological development in relation to transport and trade (objective – development);
- d) to awaken the interest of stakeholders in the transport sector in the methods and benefits of facilitation in the sector (objective – information and training).
- e) To establish benchmarks and target performance indicators and strive:
- i) To develop and implement strategies designed to market the corridor and provide seamless transportation along the corridor;
 - ii) To monitor the utilization of the corridor and to develop and implement strategies to attract more traffic to the corridor;
 - iii) To adopt an annual work program;
 - iv) To appoint working groups;
 - v) To undertake research or to have research undertaken;
 - vi) To appoint the Executive Director of the Secretariat and other staff through an open, competitive recruitment process;
 - vii) To determine the conditions of service and benefits of Members of the Secretariat;
 - viii) To consider and approve the annual budget of the Secretariat; and
 - ix) To appoint experts to assist with the performance of its functions.
 - x) The Group must adopt an annual work program at its first meeting of the year. The annual work program must -
 - Set out the Group's goals for the forthcoming year;
 - Outline the activities to be undertaken to achieve the approved goals;
 - Allocate responsibility for each activity;

- Set time scales for each activity;
- Outline the budgetary and resource implications for each activity; and
- Identify the performance indicators applicable to each goal and activity.

6. Members of the Group

- a) The Members of the Group are the bodies that have subscribed to this Constitution as listed in the Second Schedule.
- b) Any –
 - i) Legal person;
 - ii) Government organization or department; or
 - iii) Association representing the interests of statutory bodies or legal persons, may apply for Membership of the Group.
- c) There shall be an initial signing of this constitution at a signing ceremony. In order for the constitution to be effective 50 per cent of the bodies listed in the Second Schedule must sign it.
- d) Founding Members shall be those who shall have signed the Constitution by and at the first Group meeting after the signing ceremony.
- e) Any person, government organization or Association can make an electronic or written application, such as may be prescribed from time to time, to become a member of the Group and subscribes to the objects of the Committee shall be and become a member of the Group.
- f) Without limiting the power of PCMC to prescribe the form of application for membership, such form shall in any event contain an undertaking by the applicant that upon admission to membership, the provisions of this Constitution and any Rules that may be in force from time to time shall bind such applicant.
- g) The application shall be submitted to the Executive, who shall have the power to:
 - i) Admit the applicant to membership, subject to such terms and conditions as it may determine.
 - ii) Reject such application without assigning any reason therefore and without hearing the applicant.
- h) Any admission to membership shall only become effective when the application has accepted and signed, electronic or other wise, the conditions applicable to membership of PCMC as well as paid in full the prescribed subscription fee and any other amounts which may be payable on becoming a member, as may be determined from time to time by PCMC.
- i) All members' names shall be recorded in the Second Schedule.

7. Roles and Duties of Members

Through signature of this Constitution, a Member of the group undertakes –

- a) To actively pursue the objectives of the Committee listed in Article 5;
- b) To give other Members reasonable notice of any intended action that may significantly affect the operational performance of the corridor transport system, and where applicable, consult other Members before implementing such action;
- c) To appoint a person or persons with adequate operational knowledge about the corridor to represent such member within the Group and its working groups/committees and to take all reasonable steps to ensure continuity in its representation;
- d) To ensure that its representative is diligent in attending meetings and in participating in activities of the Group, where applicable;

8. Activities and specific issues

The Group members shall develop and facilitate the adoption and implementation of measures on -

- i) Customs procedures;
- ii) Joint customs controls and border-post management;
- iii) Border post business hours;
- iv) Border post facilities
- v) Road funding and maintenance;
- vi) Road transport policy;
- vii) Harmonisation of road traffic laws;
- viii) Road traffic law enforcement
- ix) Loads on vehicles;
- x) Driver training and testing;
- xi) Transportation of hazardous substances and dangerous goods
- xii) Road traffic safety;
- xiii) Commercial opportunities and business development;

9. Institutional issues

The institutions of the PCMC shall be i) Constituent Assembly, the policy organ, ii) Core Group, the executive committee/body, and iii) Secretariat.

10. Constituent Assembly (CA)

- a) Membership
 - i) The constituent assembly is composed of all Representatives.
 - ii) It shall be responsible for -
 - Reviewing proposals to amend the constitution and submit to corridor member states for approval;
 - Endorsing the nomination of Core Group members;
 - Endorsing the corridor business plan;
 - Approving corridor management annual report;
 - Approving administrative procedures governing the operations of core group.
- b) Chairperson and Vice-Chairperson
 - i) The Chairperson and Vice-Chairperson of the assembly shall rotate among the nationals of the corridor states in the manner set by the assembly.
 - ii) The Chairperson and Vice-Chairperson each serve a term of one year. A person may be re-elected for a subsequent term as the Chairperson or Vice-Chairperson as the case may be, provided he or she qualifies in terms of the rotation schedule set out.
 - iii) The assembly will establish a committee for the nomination of the Chairperson and Vice-Chairperson. The Chairperson and Vice-Chairperson are elected through a simple majority vote. A nominee must be the person appointed as the representative of a Member of the assembly. A nomination is only valid if it is seconded. The election committee must ensure that nominees qualify to be elected in terms of the rotation schedule set out and willing to take on the specified responsibilities.

- iv) If the person elected as Chairperson is the nominated representative of a government organization or a parastatal body, the Vice-Chairperson must be elected among the nominated representatives of private bodies or vice-versa.
 - v) The Chairperson and Vice-Chairperson may resign at any time. The Chairperson or Vice-Chairperson vacates office if a Member withdraws its appointment of the Chairperson or Vice-Chairperson as its nominated representative on the assembly or its membership of the assembly. If the position of Chairperson or Vice-Chairperson falls vacant, a replacement must be elected in the manner set out in paragraph (iii) to serve the remainder of the term. The provisions of paragraphs (i) and (iv) apply to the election of the replacement.
 - vi) The assembly may decide unanimously to delegate any of its functions to the Chairperson. The Chairperson may only perform a function delegated by the Committee with the prior agreement of the Vice-Chairperson.
- c) Meetings of the Constituent Assembly shall be conducted as follows -
- i) As the case may be the CA meeting will take place each year. Venue of CA meeting rotates between member countries; exceptionally, the Chairperson may decide to convene a meeting at a venue other than that designated in this paragraph.
 - ii) Meetings are convened by the Secretariat acting in consultation with the Chairperson, through the dispatch of a notice containing a draft agenda and the minutes of the previous meeting, if applicable. Notice of a meeting must be given at least one month prior to the proposed date thereof.
 - iii) A quorum for meetings of the Committee is two thirds of the Members. Each Member has one vote.
 - iv) Decisions of the Committee are taken by majority vote.

11. Core Group

- a) Core Group members are nominated by their constituency every two years and endorsed by the CA. The Core Group will be constituted as follows:
 - i) One representative of governments from each corridor state;
 - ii) One representative of transport operators association from each corridor states;
 - iii) One each representatives of regional level institutions
- b) The chairperson of the Core Group is elected by the members of the core group. The office term is two years; however, a person may be re-elected for a subsequent term as the Chairperson as the case may be, provided he or she is the member of the core group. The chief executive officer of the Secretariat will attend meetings of the Core Group as a non voting member.
- c) The Core Group shall meet at least twice a year. Additional meetings can be called by the chairperson. The core group will adopt its internal administrative procedures.
- d) The responsibilities of the Core Group are -
 - i) Approve work plans
 - ii) Review annual progress reports and submit to the CA;
 - iii) Establish working groups/committees;
 - iv) Nominate the chief executive officer;
 - v) Oversee the performance of the secretariat;
 - vi) Advocate for improving the efficiency of transport operation, customs and transit procedures, maintenance and development of transport infrastructure;

- vii) Mobilize funds for the secretariat and corridor development related activities
- viii) Actively market the corridor in order to attract investment, improve international and domestic traffic levels and promote national and regional economic growth;
- ix) Create strategic, high level partnership between senior government officials and business leaders.

12. Working groups/committees

- a) The Core Group may designate chairpersons and members of working groups from among its members. As it is deemed necessary the core group may nominate committee members from key stakeholders in corridor countries and regional institutions. The Core Group may set up an ad-hoc advisory group from its constituency.
- b) Initially the Core Group may consider establishing two working groups: i) Transport working group dealing with transport infrastructure management, transport services delivery, ports operations, axle load control, road tolls, vehicle inspection , road safety, HIV/AIDS prevention and ii) Customs committee dealing with customs issues, immigration, insurances, forwarding

13. Secretariat

- a) The key functions of the Secretariat are -
 - i) Organize CA and core group meetings and stakeholders workshops;
 - ii) Provide technical advice to the core group and working groups;
 - iii) Manage corridor monitoring/observatory activities;
 - iv) Develop and manage corridor performance related data base and disseminate monitoring outcomes; Respond to requests from business, Ministries responsible for trade and industry, Chambers of Commerce and other organizations involved in industrial development and investment promotion regarding the facilities, cost, delivery time to various markets, security and reliability of the route as needed for them to effectively market the corridor and spur economic development based in part on the quality of the transport system;
 - v) Assist transport service providers to develop cost and service packages offering competitive rates and services and an integrated tariff structure to customers. Share technical and operational knowledge amongst service providers and harmonize service quality;
 - vi) Market the corridor through dissemination of information, publication of a newsletter and a website, participation in exhibitions and trade fairs and by undertaking marketing visits;
 - vii) Undertake or cause the undertaking of research on own initiative or as directed by the core group or the working group;
 - viii) Appoint and manage consultants;
 - ix) Prepare recommendations of annual Membership dues and any other sources of funding;
 - x) Prepare work plans, annual budget and progress reports and submit to the core group;
 - xi) Undertake administrative and finance management functions and other activities instructed by the core group;
 - xii) Establish productive working relationships with other regional corridors and institutions.

- b) The Secretariat shall at a minimum have the following positions -
 - i) 1 Chief executive officer
 - ii) 1 Transport and trade facilitation expert (for corridors serving three or more countries)
 - iii) 1 Administrative assistant
 - iv) The Chief Executive Officer may, with the approval of the Core Group, appoint such persons as members of the Secretariat as are required for the proper discharge of its functions.
- c) Any Member may, to support the work of the Secretariat, second a person in its employ to serve as a full- or part-time Member of the Secretariat, subject to such conditions as the Chief Executive Officer may determine with the approval of the Core Group. Members are encouraged to make in-kind contributions to the initial setup of the Secretariat, such as equipment and travel costs.
- d) Secretariat location
The constituent assembly determines the seat of the secretariat and any changes associated with location.

14. National Corridor Committees

- a) A national corridor committee is established in each state.
- b) The Members of a national corridor committee are members of the Committee from that State and other interested stakeholders.
- c) The Chairperson and Deputy Chairperson of a national corridor committee are the respective national corridor coordinators.
- d) National corridor committees meet at least four times each year.
- e) The Chairperson ensures that a secretary is designated to keep minutes of a meeting.
- f) The functions of National Corridor Committees are –
 - i) To develop and implement national strategies designed to provide seamless transportation along the corridor;
 - ii) To provide national strategies and actions necessary to implement the work program of the committee;
 - iii) To develop performance targets for the portions of the corridor falling within the national territory and to monitor performance;
 - iv) To develop and implement national strategies to develop the region and to market the corridor;
 - v) To facilitate the implementation of international and regional conventions and regulations , and
 - vi) To recommend actions to the committee that will benefit the corridor as a whole.

15. Financing

- a) The Group is financed from membership dues payable annually by Members and/or from any other method the Group deems fit.
- b) The Secretariat must prepare a schedule of the Membership fees due from each member. The Secretariat must submit the annual budget, including the recommended Membership dues, to the Group for approval.
- c) The Group may receive grants, donations and bequests in kind.

- d) The expenses of attending meetings, other than those of staff members of the Secretariat are borne individually by Members.

16. Interpretation

A decision of the Group is the final interpretation of this Constitution.

17. Entry into force

- a) This Constitution enters into force upon signature thereof by half the members of the Group listed in the Second Schedule.
- b) The original signed copy of this Constitution is deposited with the Secretariat. The Secretariat must transmit certified copies of the Constitution to all Members.

18. Dissolution

The Group may be dissolved by a decision approved by three quarters majority of the Members. The decision determines the disposal of the assets and liabilities of the Group in accordance with the laws of the host country.

19. Amendments

- a) Any member may propose an amendment of this Constitution by submitting a written proposal to the Secretariat.
- b) A proposal for amendment must be discussed at the first meeting held after the receipt of such proposal.
- c) Assuming a quorum is met, a proposal for amendment is adopted by three quarters of members present and voting.

Signatures
Signed by Members listed below at Place X

Organization	Signature
Date	
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