Trade Facilitation and Logistics Programme

Land Borders

- Land borders are the biggest nodes on a transport corridor. The processes at border posts are critical to the distribution of passengers and freight to other destinations within the region.

Routes

- Routes are the passage that take freighters and passengers to various destinations and the level of service on a route can also have an economic impact on road transporters in terms of wear and tear, time spent on a route and other indirect costs.

Ports

- The level of preclearance that takes place at the ports and level of congestion can have an impact on lead-time for importers and exporters

Trade Facilitation

The overarching goal of this program is to help make intra African trade flows at all levels (bilaterally, regionally, and continentally) faster, cheaper and more predictable, whilst ensuring its safety and security.

The indicators considered the requirements by the Common Market for Eastern and Southern Africa (COMESA), South African Development Community SADC, East African Community (EAC), Economic Community of West African States (ECOWAS), in line with the World Trade Organization (WTO) Trade Facilitation Agreement (TFA), which the member states are signatory to and therefore Align with the AfCFTA Protocol on Trade in Goods.
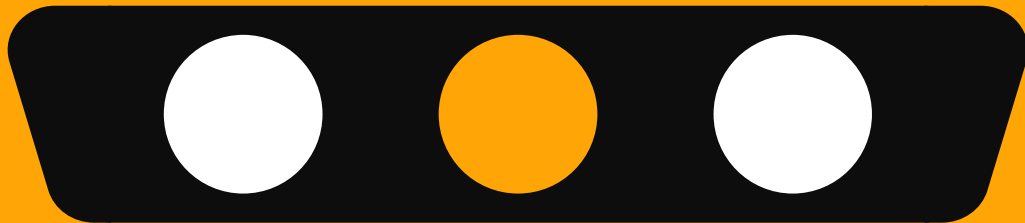
Traffic Light System

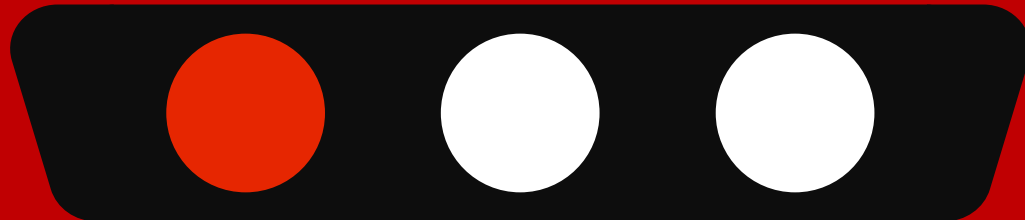A tool created to rank the performance of border crossings using the traffic light colours: green, yellow and red.
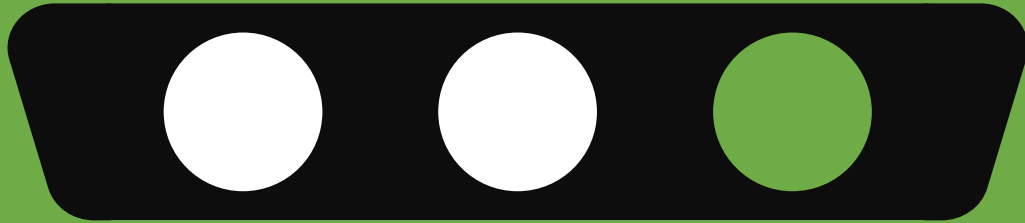
Green – Satisfactory
Green indicates that the border's performance is excellent

Yellow – Concern
Yellow indicates that the border's performance is acceptable, but corrective action is required

Red – Critical
Red indicated that the border has issues that require more attention.

i. **Health and safety:** This was created to assist in the surveillance of cross border diseases, due to the fact that with the movement of people comes the movement of communicable diseases.

ii. **Customs and Border Operations:** This evaluates the existing rules and procedures against the trade facilitation elements such as Bond Acquittal Processes, Transit Guarantees, Computerised border crossing formalities procedures.

iii. **Transport and Safety:** This looks at the driver requirements, corridor infrastructure such as insurance, permits, vehicle weight loads.

iv. **Infrastructure:** This looks at the designated and available physical infrastructure at the border for use by freighters and passengers.

v. **Informal Cross-Border Traders Processes (ICBT Processes):** The ICBT category is a special category looking at border efficiencies when it comes to processes regarding Informal Cross-Border Traders. The first indicator developed under this category is Simplified Trade Regimes and the level of implementation. The other indicators will be informed by the UNECA's guidance under the work underway with ECOWAS.

vi. **Electronic Data Exchanges**
The level of Electronic Data Exchanges between Border Agencies

Achievements

Updating the TLS portal is underway with Knowledge Management Division. So far while awaiting resources a mock up is being worked on which will be used while awaiting resources to upgrade with Assyst.

Key learning/s

The establishment of OSBPs is anchored on four key pillars, namely:
Legal and Institutional Framework
Simplified and Harmonized Procedures
ICT and Data Exchange systems – the most inadequate
Optimal and appropriate hard Infrastructure

Next steps

Intellectual Property protection

Resourcing the TLS through partners using a fee model due to the new make up of the TLS as a Trade Facilitation Platform

AUDA-NEPAD
AFRICAN UNION DEVELOPMENT AGENCY

Border Inter-Agency Cooperation

Building capacity by increasing Internet Connectivity for more border agencies and developing sustainable platforms to ensure that , One Stop Border Post (OSBP) become more efficient.

Futher to the interventions above AUDA-NEPAD is also focusing on ensuring that change management forms part of the interventions.

Achievements

- A concept note on Internet Connectivity towards promoting cross-border inter-Agency cooperation is underway in draft form, with ongoing consultations with stakeholders

- Proof of concept for Internet Connectivity towards promoting cross-border inter-Agency cooperation in Zambia for Chirundu Border Posts. A roadmap was developed with Government of Zambia and Private Sector Partners.

- An approval to proceed has been given by the Government of Zambia to proceed with the Proof of Concept

- AUDA-NEPAD has been given a go ahead on exploring means for the sustainability plan

- Support to roll out the proof of concept has been offered by LIQUID Intelligent Technologies and Fibrecom

Challenges

Financial challenges to execute the work.

Key learnings

A good understanding of the empowering provisions on Coordinated Border Management – if it is at cabinet level or legislative level.

The case of Zambia has taught us that the country is utilising the collaboration with AUDA-NEPAD in Border Inter-Agency Cooperation to prepare for this, since it passed at cabinet level and waiting for legislation

A good understanding of the legal instruments on e-government because Border Inter-Agency Cooperation is being aligned to the empowering provisions in e-government

Logistics

Border Markets – Private Sector business expansion in border markets to create hubs and spokes networks

Distribution is a key component of logistics and is characterized by distribution hubs and centers. Border markets also operate as business outlets for local business communities and encourage transformation of border areas into distribution hubs for trade and cross-border cooperation.

The EU is making ongoing efforts to establish border markets within COMESA through the European Development Funds. AUDA-NEPAD aims to encourage private sector players to expand their business operations to border markets.

Internet connectivity will add value to the idea of border markets by making it easier for suppliers to manage their inventory and anticipate demand, in a way that both customers and vendors could benefit from a restructured border market, which consists of both physical and virtual components.

Promotion of port along trade corridor

AUDA-NEPAD's regional integration approach takes the corridor approach, and the trade facilitation program started within the North South Corridor, which is anchored by the Port of Durban, Port of Dar-es-Salaam, Port of Beira, and Port of Nacala.

This area of work will kick off with SADC and COMESA, port operators, and private sectors (port users - importers and exporters) to promote the usage of specific ports by private sectors.