

Corridor Development to enhance Hinterland Connectivity

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AFRICAN CORRIDOR
MANAGEMENT ALLIANCE



Outline of presentation

- African Trade Challenges
- Role of CMI's in Regional Integration
- Introduction: ACMA – Background & Objectives
- Case Study: WB Corridors
- Benefit of Corridor Development
- Conclusion



African Trade Challenges

Africa's success in global trade is largely affected by the performance of the transport and logistics industry including the Maritime Sector;

- Intra-African trade unfavorably low @ **13-15%** of total trade
- Stuck with infrastructure that follows historical trading routes
- Inefficient / expensive transportation restrict inter-regional trade
- High cost of trading with international market
- Landlocked countries are the most affected
- Substantial amount of time is lost at the borders- sea ports, airports & land border crossings
- Initiatives to address challenges – AfCFT
- Transport Corridors are key to unlock Africa's Potential



African Trade Challenges

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



Role of CMI's

Over 80% of World Trade is carried by sea - Effectiveness of Ports determined by connectivity to markets (road, rail, pipeline networks etc.) *CMI's Advocate for improved and efficient economic corridors through:*

- Promoting inland facilities beyond sea ports;
- Identifying impediments to the efficient movement of traffic and promote strategies to mitigate;
- Facilitating dialogue between corridor stakeholders to harmonize procedures and documentation;
- Engage national and regional bodies to focus on priority (economic) infrastructure;
- Act as a facilitation body between the public and the private sector;
- Business Development for private sector members



ACMA Background

- During the African Union summit of Heads of state in 2012 in Addis Ababa, Ethiopia the Heads of State and Government endorsed two critical initiatives;
 - *The action plan on boosting intra- Africa trade (BIAT)*
 - *A framework & road map to fast track the establishment of a continental free trade area (CFTA) for continental integration*
- UNECA & ADB & other development partners were specifically tasked to spearhead the implementation process of the above
- Against this background, UNECA through the ATPC initiated the establishment of strategic African Management Alliance for trade expansion & continental integration
- ACMA Board: *MCLI, NCTTCA, Dar Corridor, Central Corridor, ALCO, UMA(Arab Maghreb Union), WBCG*



ACMA Objectives

- Integrate CMI's under one umbrella
- Collaboration & information sharing amongst CMI's
- Promote regional and continental dialogue on Corridor Matters
- Exchange & promotion of best practices
- Inform policy formulation
- Identifying & responding to financial & technical needs of CMIs
- Monitoring, evaluation and peer review
- Ensuring coordination of corridor infrastructure & development at national, regional and continental level
- Include a supportive role to coordinated infrastructure & identifying funding options for possible joint infrastructure projects along the corridors



Namibia: History & Development



Infrastructure Development



PPP to Facilitate Trade



Ministry of Works and Transport



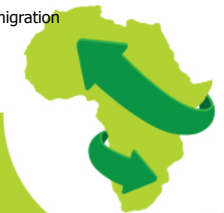
Ministry of Industrialization, Trade and SME Development



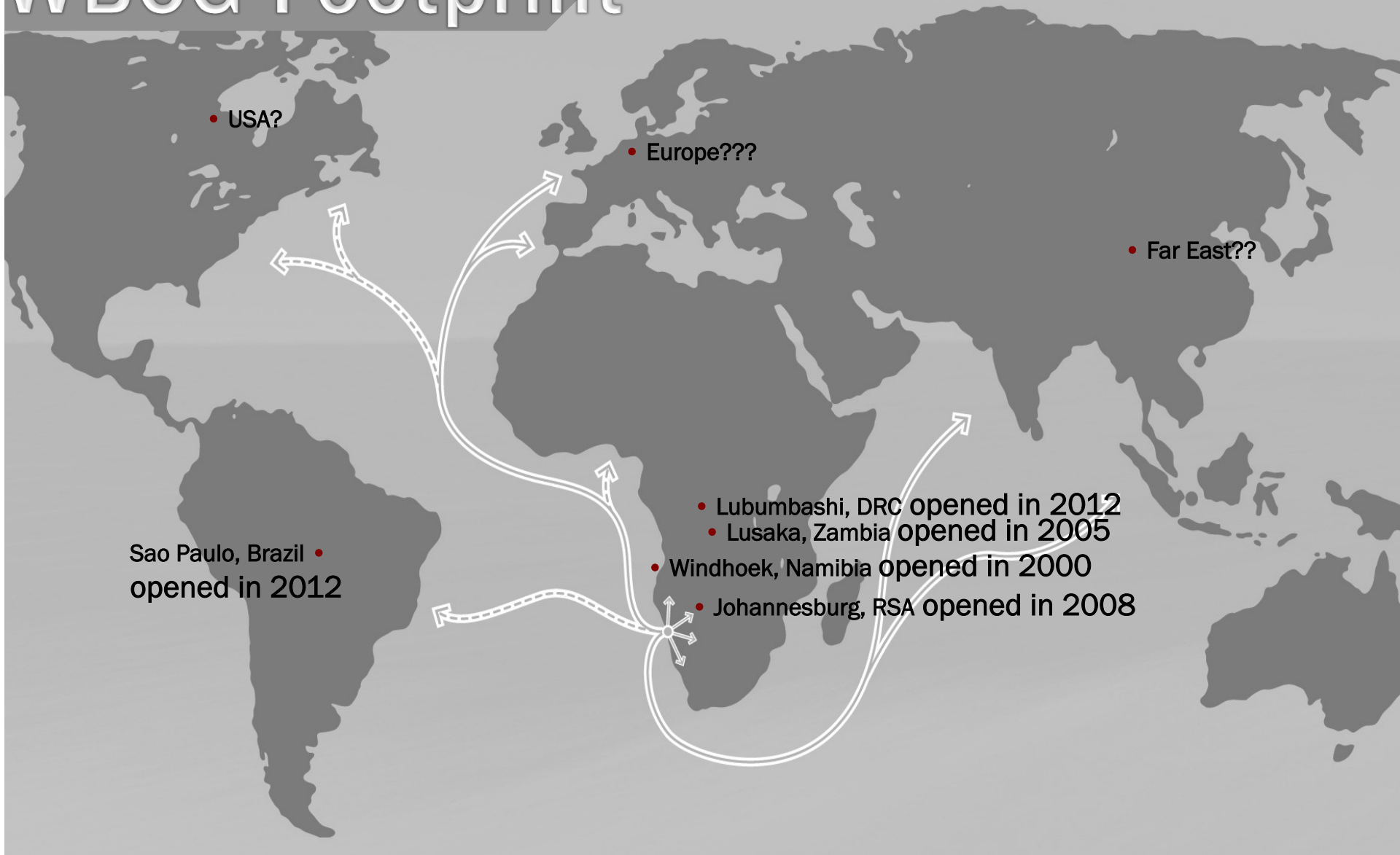
Ministry of Finance

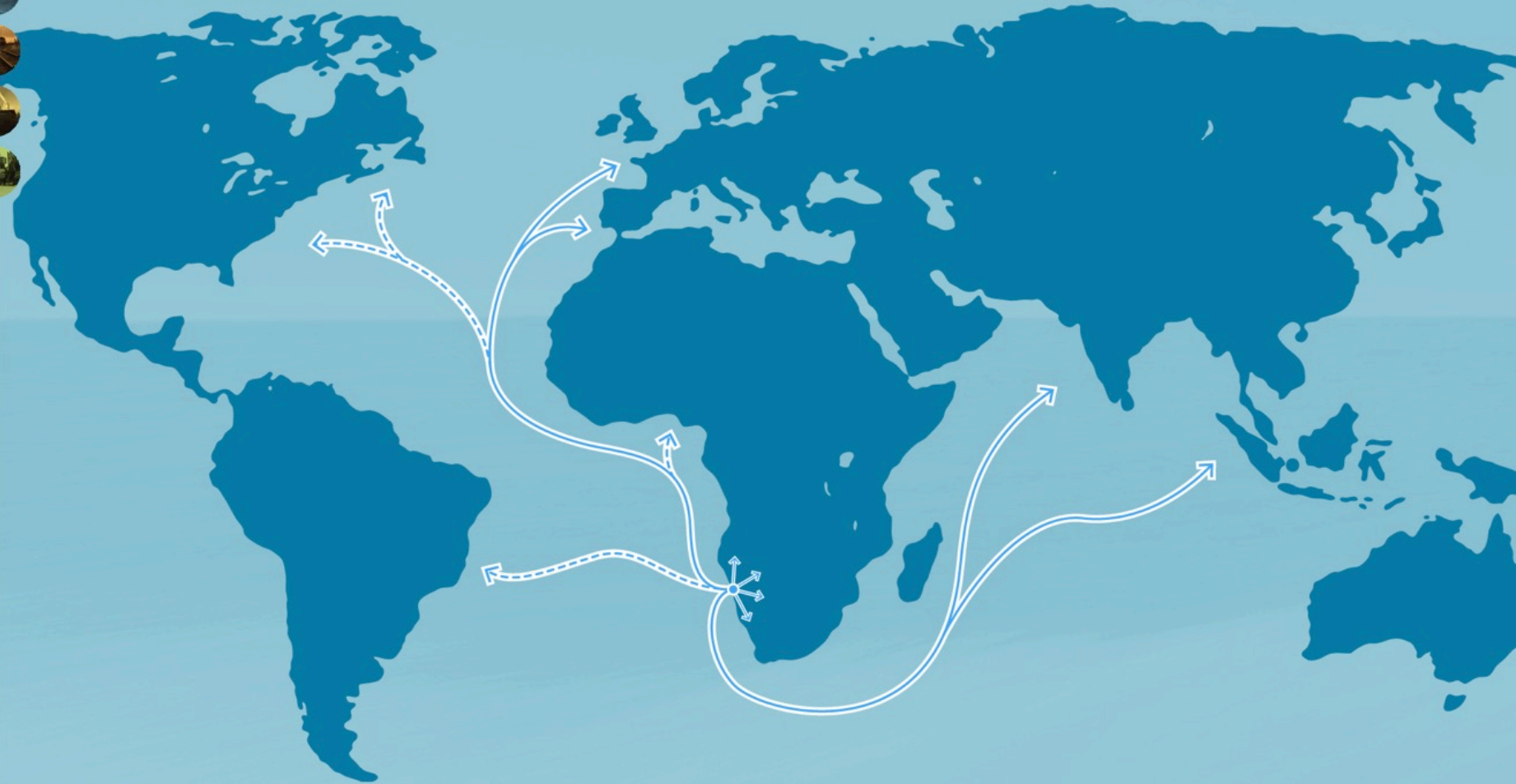


Ministry of Home Affairs and Immigration



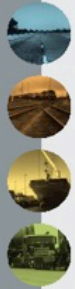
WBCG Footprint





STRATEGIC LOCATION & INTERNATIONAL SHIPPING LINKS

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



Walvis Bay Corridors

- **TRANS KALAHARI**

Botswana, SA, Zimbabwe

- **WALVIS BAY-NDOLA-**

LUBUMBASHI (AKA TRANS CAPRIVI)

Zambia, Zimbabwe, Malawi,

DRC

- **TRANS CUNENE**

Angola

- **TRANS ORANJE**

Northern Cape Province



Facilitating Regional PPP's

- Namibia
 - WBCG Section 21 Company
- Botswana/Namibia/South Africa
 - *Trans Kalahari Corridor Management Committee*
- DRC/Namibia/Zambia
 - *Walvis Bay-Ndola-Lubumbashi Development Corridor*
- Angola/Namibia
 - *TransCunene Corridor*
- Continental Africa
 - *African Corridor Management Alliance (ACMA)*



WBNLDC Background

- Tripartite agreement Namibia, Zambia and DRC
- WBCG Interim Secretariat - 2010
- Facilitate cross border trade and transit-transport cooperation
- Stimulate economic & social development
- Creating network between stakeholders
- Address bottlenecks along corridor = NTB's
- Establishing thematic working groups
- Ensure continued dialogue P/P



WBNLDC Interventions

- *Customs:*
 - Implementation of Asycuda World
 - Border closing times
 - Unauthorized clearing agents at borders
- *Transit fees & Visa's*
 - Differs amongst members
 - Recommendations to have unified fees
 - Exempt members from non-related transit fees
- *Infrastructure:*
 - Namibia & Zambia signed road transport agreement
 - Draft agreement with DRC
 - Harmonization of Axle load



Benefits of Effective Corridor Development

- Creating Alternative Trade Routes
- Access to new markets
- Enhance regional integration
- Emphasize on Safety, Security & Reliability
- Reduced supply chain costs
- Faster transit times
- Continues Improvement in Border Management
- Attract investment and new industries
- Enhance regional & continental competitiveness



Conclusion

- *To successfully develop the Hinterland connections on the African Continent, many stakeholders from the Private and Public sectors will have to work together.*
- *There are many associations and bodies playing a coordinating, advocacy and facilitation role.*
- *There are many areas and opportunities where PPP's will aid the development of Africa's intercontinental connection and improve African Trade.*



Plan & Execute Together!!!





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THANK YOU!!

