



WALVIS BAY
CORRIDOR
G R O U P

Annual Review
2008 — 2009

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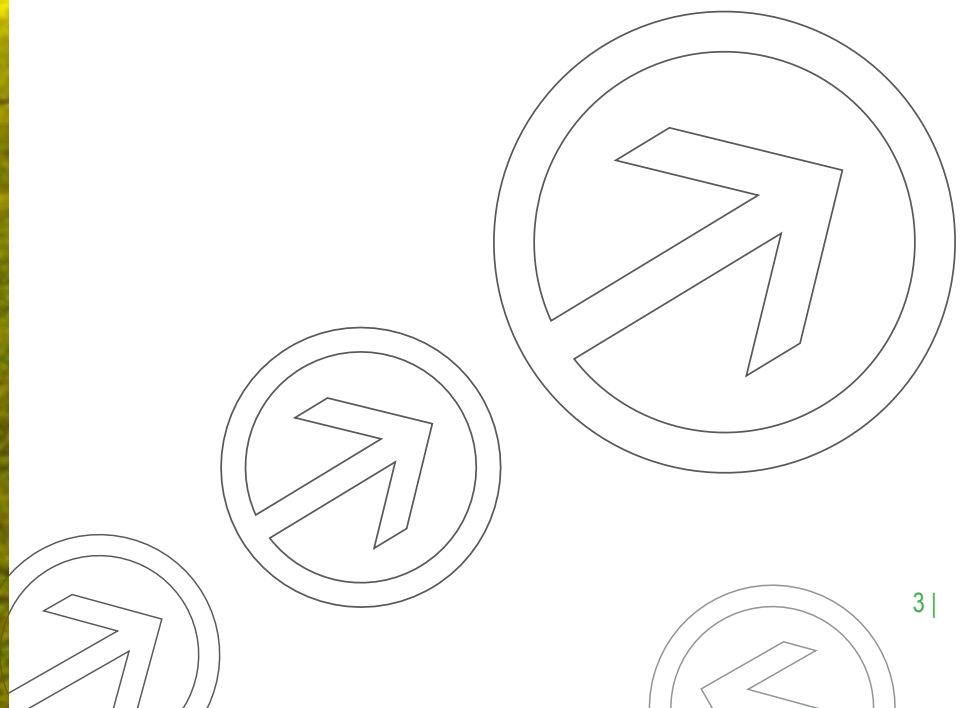
— Vision

We shall be the leading trade route for Southern Africa

— Mission

We are committed to:

- Facilitate and promote transport and trade along our secure and reliable corridors
- Provide “innovative” service offerings to our customers
- Consistently exceed our customers’ expectations
- Add value through our unique Public – Private – Partnership (PPP)
- Apply principles of good corporate governance



_Board of Directors



G. A. Uirab (Chairman)



W.J. du Toit (Vice Chairman)



W.J. Dempsey (Treasurer)



H. I. //Garob



F. !Gaoseb



E.N. Ikela



S.I. Kankondi



K.M. Kavekatora



N. Liebich



J.M. Mouton



N. Nghishekwa



W-J Prosser



T.N. Shaanika



WBCG Members

The WBCG members from the private sector are represented by:



Namibian Association of Freight Forwarders (NAFF) who aims to promote and encourage cooperation between forwarders, specifically in order to offer users of the Walvis Bay Corridors a one-stop service in terms of clearing, landing, forwarding, warehousing, shipping and/or freighting of goods.



Namibia Road Carriers' Association (Namroad) who acts as a broker for the Walvis Bay Corridor Group by sourcing sufficient vehicles from members as well as non-members to ensure enough road haulage capacity to service requirements for freight handled through the Port of Walvis Bay on the Walvis Bay Corridors. Namroad is also a member of the Federation of East and Southern African Road Transport Associations (FESARTA).



The Namibia Logistics Association (NLA) represents the Namibian logistics industry, namely small and large companies operating in road transport, freight forwarding, courier services, and customs clearing. During the year under review, the Namibian Association of Freight Forwarders (NAFF) and the Namibia Road Carriers' Association (Namroad) dissolved to form one logistics association, namely the NLA.



Walvis Bay Port Users' Association (WBP UA) represents all entities associated with cargo, freight and shipping activities in the Port of Walvis Bay.



Namibian Ports Authority (Namport) manages and promotes the Ports of Walvis Bay and Luderitz as the preferred links for

sea-borne trade with Namibia and the SADC countries.



TransNamib Holdings Ltd is the only rail service provider in Namibia and specializes in the transportation of bulk and containerized freight, utilizing a combination of rail and road transport to deliver its services.



Namibia Chamber of Commerce and Industry (NCCI) serves as the country's business chamber and therefore, serves as a convenient central point of enquiry for any potential Corridor user who wishes to gain insight into Namibia's business community.



Walvis Bay Municipality represents the social economic interests of the town of Walvis Bay, which is a tax haven for manufacturers, importers and exporters as its harbours both the Port of Walvis Bay and Export Processing Zone.



Roads Authority focuses on managing the national road network and on improving the standard of Namibian roads with a view to a safe and efficient road sector.

The WBCG members from the Public sector are represented by:



The Ministry of Home Affairs and Immigrations represented by the Department of Immigrations focuses on the activities and schedules of the immigration entry/exit points.



The Ministry of Works and Transport represented by the Department of Transport focuses on the maintenance



of the existing road infrastructure to avoid deterioration, upgrading road links to neighbouring countries and further development of port infrastructure, amongst others.



The Ministry of Finance represented by the Department of Customs and Excise deals with all Namibian customs and excise issues. Namibia is a member of the Southern African Customs Union (SACU), as are Botswana, Lesotho, South Africa and Swaziland.



The Ministry of Trade and Industry represented by the Namibia Investment Centre is Namibia's official investment promotion agency and first point of contact and investors. Its role is to attract, encourage and facilitate investment in Namibia. It offers a wide variety of services and investor incentives, and works closely with key ministries as well as service and regulatory bodies.

The WBCG also offers Associated Membership to individual companies who believe that the Walvis Bay Corridor Development initiative could add value to their business offering. During the year under review, the following associated members joined the WBCG:

- Vanguard Rigging (Pty) Ltd (South Africa)
- Africa Route Clearance Consultants (Pty) Ltd (South Africa)
- Inter Marketers Discount House/World Market Freight (Zambia)



_WBCG Team



WBCG Head Office

From Left to Right: Gilbert Boois (Manager: Projects & Funding), Agnetha Mouton (Marketing and Communications), Mbahupu (Hippy) Tjivikua (Project Manager: Safe Trade & Transport Corridors), Sophia van Wyk (Accountant), Johny M. Smith (Business Development Executive), Sylvia Maketo (Office Administrator), Samuel Taapopi (WBCG HIV/AIDS Helpdesk: Training Officer), Edward Shivute (WBCG HIV/AIDS Helpdesk: Project Coordinator)



WBCG South Africa - Zunaid Pochee
(Business Development Manager)



WBCG Zambia - Samuel Sandi
(TCC Cluster Project Coordinator)



WBCG Zambia - Vichaya Chungu
(Business Development Manager)



Chairman's Report 2008/09



Bisey Uirab
Chairman
WBCG

Despite the global economic downturn the Walvis Bay corridors remained to grow during the period under review, reaching new levels of enthusiasm. I can proudly report that significant progress has been made in implementing our current Strategic plan which is focusing on developing the Walvis Bay Corridors as the preferred trade route in Southern Africa. Developing business opportunities for the group remains the outmost core service of the Walvis Bay Corridor Group, but significant improvement has taken place on improving cross border facilitation as well as focusing on projects & funding for long term development and sustainability. Whilst key growth initiatives will continue to receive priority, a number of new initiatives have been identified for the year ahead to respond to the current economic environment.

The ongoing implementation of the Marketing Strategy has transformed the WBCG in significant ways. The benefits of greater integration between the various members and stakeholders have been felt in every area of the business, particularly in commercial offerings and operations. One of the most significant achievements during the year under review includes the launching of the second branch office for the Walvis Bay Corridor Group in Gauteng, South Africa. This strategic development remains of high importance for our business development campaign as many key logistics decisions for Southern Africa are still made within the Gauteng region of South Africa. Although the economic downturn has affected this market severely and not much growth has been recorded during the first year of operation, the WBCG has rather focused on the establishment of good working relationships with key strategic supply chain operators, shipping lines, manufacturers and other important logistics service providers in South Africa and Botswana.

Corridor cargo volumes have grown with more than 94% on tonnage between 2007/8 and

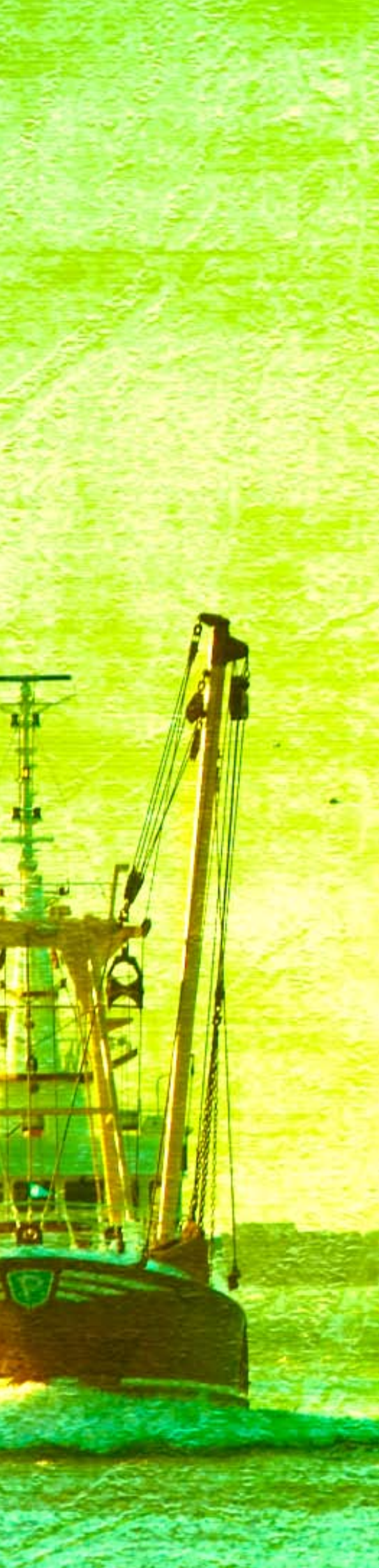
2008/9, showing an increase from 282,031 to 548,082 tonnes on a year to year basis.

- Volumes on the TransKalahari Corridor (TKC) increased by 3.7% from 5,857 to 6,074 tonnes
- Volumes on the TransCaprivi Corridor (TCC) increased by more than 66.6% from 48,627 to 80,998 tonnes.
- Volumes on the TransCunene (TCuC) increased by 102.6% from 227,548 to 461,011 tonnes.

During the period under review there has been a large increase in member's value through the corridor development and corridor revenue for the port, rail and road transporters. The road transporters have by far received the highest increase in revenue for new business along corridor as their income doubled from N\$ 80 million to N\$ 160 million during the last year. The revenue for the port has increased from 23 million to 43 million for the year while other port users such as freight forwarders increased their revenue from N\$ 10 million to N\$ 19 million. The revenue contribution for TransNamib grew from N\$ 9 million to 17 million from 2007/8 to 2008/9 which is an increase of 92%.

One of the cornerstone developments for cargo growth at the port and corridors is the increase of the number of international shipping connections to the Port of Walvis Bay which remains an integral part in reducing the logistics costs for our Walvis Bay Corridors. Our continuous marketing campaign in the region and internationally to convince shipping lines to call to the Port of Walvis Bay has paid off during the year under review. The increase in the number of shipping connections to Walvis Bay has alleviated the status of the Port of Walvis Bay and also ensured a more competitive tariff structure for the importers and exporters. These linkages have opened up the international corridors and in the long term will reduce the cost of doing business in the SADC region. The Walvis Bay corridors are now linked to the international arena via





direct shipping routes from North America, South America, The Far East, Europe as well as the Middle East.

The development of strategic partnerships with stakeholders to add value to our vision remains important and we will continue to pursue this interest to attract more capacity to the Walvis Bay Corridors. Stakeholder relationship building remains the most integral part of the growing into the future, therefore during the period under review we had several missions, information sessions, workshops and conferences to create awareness, share best practices, lobby on important matters, to improve the competitive position of the Walvis Bay Corridors.

The WBCG has been working together with the German Development Service (DED) to establish the Namibia Logistics Association, which is the amalgamation of the Namibia Association of Freight Forwarders (NAFF) & Namibia Road Carriers (NAMROAD). The Namibia Logistics Association is the new member of the WBCG, serving the interest of the road transporters and freight forwarders in Namibia. Through this new development it will provide more capacity from the private sector to improve services along the corridors.

Serving as a key and strategic organisation in the Namibian economy, the WBCG has successfully built up the importance of the transport sector towards economic development not only to Namibia, but also to our SADC countries and its people. The WBCG has focused on promoting Namibia as a gateway for SADC and sharing best practices at various regional and international platforms to enhance corridor development and reducing the cost of doing business on the African continent.

Another milestone achieved has been the involvement of the TransCaprivi Corridor Cluster into the Walvis Bay-Ndola-Lubumbashi Corridor Committee. For the past 4 years significant progress has been made with the development of the TransCaprivi cluster

as a private public partnership between Namibia and Zambia to serve as a trade bridge to address non-tariff barriers amongst the TransCaprivi route. During the period under review the Democratic Republic of Congo (DRC), Namibia and Zambia met twice to cement the relationship to ensure the new partnership on the Walvis Bay-Ndola-Lubumbashi Corridor Committee which serves as a forum to address the route from Walvis Bay up to the Katanga Province in the DRC. There has been a significant increase in the market share for cargoes to Lubumbashi, DRC and Zambia along the Walvis Bay-Ndola-Lubumbashi Corridor. This positive development has been a result of a strategic and persistent marketing approach to develop our interest in this market amongst various importers and exporters. An increase in the number of shipping calls at the Port of Walvis Bay, increase in road transport capacity and more logistics service providers on this route has also contributed to growth in this market. The TransCunene Corridor remains the strongest and busiest corridor as the Angolan economy continues to grow. Growth in the Angolan economy coupled with limited port and inland infrastructure still remains an opportunity for the Port of Walvis Bay to increase its volumes in the Angolan market.

Echoing the WBCG's vision of becoming the leading trade route in Southern Africa, and being committed to continuous improvement and constructively influencing its future, it is important that we focus on our strategic private and public partnership which remains our main asset in corridor development. Although we still face a host of challenges, ranging from the border crossings at Oshikango and Kasumbelsa respectively, building up of more capacity we have to continue finding effective solutions to grow our market in the SADC market.

The development of long term transport related infrastructure and capacity along the various Walvis Bay Corridors remain an



important and critical focus for the WBCG to ensure that we can sustain our growth in the medium to long term. The WBCG, currently through its list of twenty transport related projects continuously focus on promoting these projects to the relevant development agencies to get it to the level of feasibility. Other projects beyond the level of feasibility are being promoted at relevant regional and international arena to ensure development and implementation. I am proud to state that WBCG has been given the responsibility by the Ministry of Works & Transport to facilitate the development of an Integrated Transport Masterplan for Namibia for the next 30 years. The WBCG has also started with its Safe Trade and Transport Corridor Project which will look at the interventions required on matters of safety, security and HIV/AIDS along the TransCaprivi and TransKalahari Corridors.

As we successfully focus on the development of the Walvis Bay corridors, linking ourselves from Namibia to the SADC region we should not forget the importance of the bridge that we need to build to develop our international corridors. I believe that the time is right now to continue focusing on the international market, developing our relationships with shipping lines and other international logistics service providers to strengthen our competitive position at the Port of Walvis Bay and along the Walvis Bay Corridors. Strategic partnerships, international business opportunities and awareness creation in the international market will be a priority during the next year.

In many ways, the WBCG has moved with a very short period of times, and it continues to do so. Development and transformation of the WBCG is proceeding apace and a healthy balance exists between the responsibility of the public sector and operations of the private sector not only in Namibia, but also within corridor countries.

My appointment as Chairperson of the WBCG during the year under review places me in the fortunate position of being able to make a further contribution to our country's development. This role enables me to make a contribution not only to Namibia's economy, but also SADC's economic transformation as a member of a conglomerate which is committed to making a difference. Several people who have played key roles in the development of the WBCG retired from the company during the year. I wish to express on behalf of the board our sincerest appreciation for their huge contribution. The most prominent among them is Seby Kankondi who served as chairman of the board from 2004 to 2009 and Jerome Mouton who served on the board from 2000-2009. I am grateful to my other colleagues at the board, our members, and employees of the WBCG for their support, hard work and dedication this year as well as the continuous perseverance to make a success of this initiative. With the new business and prospects in place we continue to focus on our business strategy and look forward to a year of further good progress in 2010.



Report of the Business Development Executive



Johnny Smith
BDE Report

The past year has been another active, but exciting year for the Walvis Bay Corridor Group focusing on attracting new business through the establishment of partnerships. For the year under review 2008/9 it was another year where cargo volumes kept on rising to new levels. The WBCG made substantial progress towards achieving its vision during the past year, as we continued to drive on determinedly into the SADC region to build our distinctive business. Our strength and stability entering 2009 are the result of a decade of pursuing our strategy and focusing the group tightly on the opportunities in the SADC market.

Corridor Growth

Trade volumes along the corridors have grown from 282,031 tonnes to 548,082 tonnes, representing more than 94% on tonnage between 2007/2008 to 2008/2009. The estimated growth in revenue for the transport sector along the Walvis Bay corridors amounted to an increase of N\$ 115,351,155, representing an increase from N\$ 125,960,737 in 2007/2008 to N\$ 241,311,894 in 2008/2009.

Marketing & Business Development

The WBCG has intensified its awareness campaign during the past year in the local market, trying to inform, educate and solicit interest on the Walvis Bay Corridor initiative and transport in general. This drive has been very successful during the past year in Namibia and we will focus on the regional and international market within the new financial year.

Another milestone for the WBCG has been the establishment of a second branch office for the WBCG in Gauteng, South Africa in September 2008. A Business Development Manager manage this office serving both the South African and Botswana markets. The

major objective of this office is to convince importers and exporters as well as other logistics service providers to utilise the Port of Walvis Bay and the TransKalahari Corridor route.

The WBCG together with the Namibian Port Authority scheduled various meetings with shipping lines to promote the Port of Walvis Bay as an alternative trade route into Southern Africa as well as a hub port along the West Coast Southern Africa.

As part of the WBCG's marketing strategy various Information sessions were held in Gaborone (Botswana), Lubumbashi (DRC), Lusaka (Zambia) and Johannesburg (South Africa). These sessions serves as an opportunity to provide updated information about the port and corridor developments to existing and potential clients. At the same time it also serves as a platform for Namibian logistics service providers to meet and network with potential clients in other markets and create business opportunities. This matchmaking exercise continuous to serve as an important link between existing infrastructure, opportunities and business potential in the region and beyond.

The WBCG participated in various trade fairs in Angola, Botswana, South Africa, Zambia and Zimbabwe during the past financial year to create awareness in the market. The WBCG presented the port and corridor opportunity during the following conferences and seminars in South Africa during the past year:

- Africa Ports & Harbours
- Africa Road Conference
- Railways and harbours conference
- SANTF Seminar - "Corridor Development in Southern Africa",

During the year under review the WBCG also received and met business people from countries such as Finland, Germany, Thailand and the USA to discuss business and investment opportunities.





The WBCG has continued to focus on its Strategic International Marketing campaign and hence has ventured into the opening up of the Brazilian market and looking at how Namibia, through the Port of Luderitz and the Port of Walvis Bay can serve as a bridge between Brazil and the SADC market. This international corridor put Namibia in an ideal situation to develop it as a hub between commodities moving between Brazil and SADC countries. With this linkage Namibia, via the Walvis Bay Corridors, could serve the two main economies trading with Brazil, which is Angola and South Africa. With our International Marketing campaign it is important to gauge interest, create awareness in the market, determine perception, understand the willingness to do business and develop trade links between Namibia and the rest of the world.

Stakeholder Relations

& Partnerships

Relationship building with Namibia clients, keeping them informed about developments, sharing information and establishing partnerships to develop business opportunities remain one of the most critical components of business development along the various corridors. The WBCG has once again this year focused on having critical and important meetings with member companies to define business potential, sharing information and providing input to increase market share along the corridors. Some of these member companies include road transporters, freight forwarders, government agencies and other WBCG stakeholders who provide an integral link towards corridor development. A few new member companies has become more prominent partnering with the WBCG to develop its market share along the corridors, while other member companies has started to look into entering the new markets such as the TransCaprivi Corridor. Continuous synchronisation and dialogue is being built between the South African and Zambian offices with the WBCG members in Namibia to ensure follow up on business opportunities

and feedback to clients. A much needed public forum in cooperation with Namport and Namibia Chamber of Commerce and Industry was held in Walvis Bay, focusing on the perspectives of growth along the Walvis Bay Corridors and how it impacts the businesses in Walvis Bay. This platform was created to ensure continuous dialogue between the various stakeholders in the port and corridor development and how it impacts other business sectors in development. The WBCG has continued with its undertaking to develop strategic partnerships to create more capacity in the transport and logistics sector in Namibia to serve various corridor routes. As part of this initiative the WBCG has had discussions and site visits from three giant logistics service providers, Value Logistics, Imperial Logistics and DHL International on how they could add value to improved logistics service provision and supply chain development along the Walvis Bay corridors. Strengthening of stakeholder relationships remain critical to the future development of the WBCG, therefore a lot of effort has been put into place during the year under focus on developing new relationships and cementing existing relationship with institutions such as the Swedish Trade Council, Namibia German Centre of Logistics, NEPAD Business Foundation and the Bank of Namibia who has prioritised the Transport sector as one of the most important sectors to accelerate economic growth for Namibia.

Trade Facilitation

& Logistics

During the year under review the WBCG has focused on the dynamics of major trading commodities along the various corridors to understand and review the logistics required to grow volumes for such commodities along the Walvis Bay Corridors. During this process various commodity traders, importers, exporters and other logistics providers were met to discuss the trade flows, capacity requirements and general logistical needs for such commodities. This strategic business development exercise, which is done from time to time, form part of the WBCG's strategy



to increase both import and export volumes along the Walvis Bay corridors.

In order to make the market more competitive in SADC it is important for the Walvis Bay Corridors, as an alternative route to reduce the cost of doing business in Southern Africa. UNECA and the WBCG hosted a joint Workshop on Trade Facilitation in February 2009, in Walvis Bay to share experiences on trade facilitation and corridor management programs across the eastern and southern Africa subregion as well to assess progress in the design and implementation of trade facilitation programmes and projects within the subregion. Cross border facilitation remains integral to the reduction in the cost of doing business in the SADC region and therefore the removal of barriers along the borders between Namibia and its neighbouring countries remain a critical focus on its agenda.

The TransKalahari Corridor Secretariat which is hosted by the WBCG has evolved into an important institution to address the cross border facilitation along the TransKalahari Corridor and during the year under review various stakeholder meetings, discussions and workshops took place to improve trade flows along this corridor route. The WBCG has managed to revive the Walvis Bay–Ndola-Lubumbashi Corridor Committee during the year under review as the Democratic Republic of Congo, Namibia and Zambia met in Lubumbashi and Walvis Bay respectively during the year under review. This private public partnership on transport and trade facilitation has been extended from the TransCaprivi Corridor Cluster which is a bilateral agreement between Namibia and Zambia into a trilateral agreement between DRC, Namibia and Zambia.

The TransCunene trade corridor still serves is the busiest Walvis Bay Corridor and due to the trade volumes passing this border it has become eminent that we address the delays and bottlenecks at this border. The WBCG has during the year undertaken a fact finding mission to identify some of the issues concerning the transport of goods between

Namibia and Angola across the Oshikango Border post.

Infrastructure & Project Development

The WBCG continued to build its campaign on promoting its current list of 20 infrastructure projects to donors and development agencies such as the Development Bank of Southern Africa, the National Planning Commission, the African Development Bank, Industrial Development Corporation of South Africa, United Nations Economic Commission for Africa (UNECA), International Finance Corporation (IFC), World bank and the European Investment Bank. Pursuant to this, the WBCG on invitation from the Korean Trade Council also presented its projects during the Global Project Plaza event in Seoul, Korea during April 2009. From these projects feasibility studies for the Port Expansion and Truck Stops along the corridors were done during the year under review while a feasibility study is in progress for the development of an alternative railway line connection between Botswana and Namibia linking to the Port of Walvis Bay. It is intended that this railway line would export coal from Botswana as well as linking containerized traffic from Botswana and Gauteng to Walvis Bay. Projects like the port expansion and improvements in National Highways giving emphasis on transport sector, particularly road and rail transport, can provide a developing economy like Namibia the necessary infrastructure backbone for accelerated economic growth.

During the year under review the WBCG presented the Walvis Bay Corridor opportunity at various conferences, including the Africa Infrastructure conference which took place in Washington, DC. The conference brought together more than 700 delegates in the transport, energy and security sectors. The WBCG also participated in a port development conference in Rotterdam to present the port development and expansion plan to potential international clientele. As part of its projects & funding portfolio, the WBCG continued



to serve as a bridge of information and stakeholder linkage which eventually allows and promote capacity building in the transport sector in various areas. One of these include the facilitation to various stakeholders for the Accolade Property Group who is the promoters of the Sungate Namibia project, a mixed use development project, along the Trans Kalahari Corridor, just opposite the Hosea Kutako International Airport. The WBCG has also worked together with Africa Union Financial Services, who is the company appointed by the Zambia government to develop a dry port for Zambia within the Port of Walvis Bay. It is seen that this dry port will add a lot of value in growing cargo volumes not only for the Zambian market, but also for the imports and exports for the Democratic Republic of the Congo. A lot of focus and attention has been put on developing and strengthening relationships with development agencies and other important stakeholders to create value and interest amongst the list of transport related projects which the WBCG promotes.

The German Development Service (DED) in cooperation with the Walvis Bay Corridor Group has assisted with the amalgamation of NAMROAD and NAFF to become the Namibia Logistics Association (NLA) at the end of January 2009. The newly established NLA will therefore become the new member of the WBCG representing both the freight forwarders, road transporters and other logistics service providers.

The WBCG has been appointed by the Ministry of Works and Transport to coordinate the development of an Integrated Transport Masterplan for Namibia for the next 30 years. The HIV/Helpdesk increased its membership base from twelve (12) to fourteen (14) members in 2009/10 and it also got recognition from the Ministry of Health and Social Services as a key stakeholder in regard to implementing workplace programmes in the transport sector as well as assisting in the drafting of a National Strategic Framework on HIV/AIDS. The HIV/AIDS Helpdesk improved management commitment amongst member

companies through more management sensitization sessions, presentations, and training during the reporting period. The HIV/AIDS Helpdesk trained and re-trained over 150 new and old peer educators, 35 peer educators from various transport companies participated in a basic counseling workshop and over 2,500 employees including truck drivers were reached with HIV/AIDS – Wellness related information through on-site awareness sessions during the period under review.

Conclusion

We are extremely proud for the improvement as far as record keeping and financial reporting is concerned. We had an exceptionally good audit report and comments from our auditors, PriceWaterhouseCoopers for the 2007/2008 financial year audit. We've invoiced our members for annual membership fees payable and we've received more than 97% of fees invoiced for the 2008/2009 financial year. As part of Organisational Development the WBCG is now in its second year of its performance management system and this has proved to serve as an important link to the performance of employees to date. Training and employee development remains fundamental to the growth and success of individuals and during the period under review executive management training and Project Management Training were provided to various staff members to advance their skills.

We have achieved excellent progress to date and while many changes and challenges lie ahead, I am confident we are set to reach our objectives to continue to improve service and grow our corridor business. For this, I would like to extend my thanks to our members, staff and other stakeholders for their tremendous efforts and to our customers who continue to choose the Walvis Bay Corridors as our gateway for the competitive advantages it offers.



Organisational overview

The Walvis Bay Corridor Group is a non-profit organization and a public private partnership, comprising of members from the public sector and from the private sector, who has been served with the mandate to focus on three key

areas, namely, business development, cross border facilitation and projects and funding in terms of maximizing the utilization of the Walvis Bay Corridors for the benefit of Namibia, the region and corridor stakeholders .

Marketing and Business Development

Business Development remains the cornerstone of the WBCG service delivery. During the past three years a strategic alignment has been achieved with respect to creating more awareness in the target markets of the Walvis Bay Corridors, as well as increasing our market share for transit traffic within the SADC countries.

Following this, during 2008/2009, the WBCG embarked on a number of strategic initiatives to enhance trade, expand capacity and grow our market share in the SADC region. The WBCG has also continued with its mission to develop strategic partnerships with logistics service providers in the region and internationally to create more capacity in the transport and logistics sector in Namibia to serve various corridor routes.

For the past year we have focused on a communications campaign to update and information local, regional and international clientele on the Walvis Bay Corridor opportunity. Through this we have intensified our marketing and communications drive with local, regional and international media and other stakeholders. The Walvis Bay Corridor Group guide still serve as a major marketing tool providing factual information on a broader scale to potential clients. The E-Corridor, which is published bi-monthly still serves as the primary means of communication on the corridor developments and achievements. The WBCG also revamped its website during the year under review to make it more user friendly, accessible and utilizing as a stronger marketing tool to our international clientele.

During the year under review, promotional activities were undertaken in Angola, Botswana, Gauteng, and Zambia with the

aim of creating awareness to utilize the Walvis Bay Corridors, namely the Trans Kalahari Corridor, the Trans Caprivi Corridor and the Trans Cunene Corridor through the Port of Walvis Bay, as an alternative trade route. This was conducted by way of information sessions whereby stakeholders who include road hauliers, freight forwarders, shipping line representatives, importers and exporters and government agencies were treated to presentations about the Walvis Bay Corridor opportunity. The Walvis Bay Corridor Group (WBCG) took part in exhibitions, trade fairs and trade missions with the aim of establishing new business opportunities and creating a stronger business presence within southern Africa and abroad, during the year under review. The WBCG also participated in various conferences to present the Walvis Bay Corridor opportunity to potential clients.

Our offices in South Africa and Zambia kept on focusing on personal selling within their respective markets through awareness creation, relationship building, marketing, presentations and follow ups.

Marketing support was also providing during the year under review to promote the WBCG HIV/AIDS Helpdesk, Safe Corridor Project and the TransKalahari Corridor Secretariat. The WBCG through its campaign of creating awareness on facilitating business opportunities continue to promote the Walvis Bay Corridor opportunity within the national, regional and international market.

WBCG in conjunction with NAMPORT successfully attracted more shipping lines to Walvis Bay and the port is served by the following shipping lines and routes connecting Walvis Bay to the major trade routes in the world:

“Reaping what we sow.”



- MAERSK – Sailing from and to Europe as well as from Far East to Walvis Bay
- MACS – Sailing from and to Europe
- GAL – Sailing from North America to Walvis Bay
- CMA CGM - Sailing to Walvis Bay from the Far East
- Mitsui OSK Lines - Sailing to Walvis Bay from the Far East
- Maruba Lines: Sailing from Walvis Bay to West African ports
- Canada State Africa Lines: Sailing to Walvis Bay from Canada and North America
- Mediterranean Shipping Company (MSC): Sailing to Walvis Bay from the Far East (via Durban)



WBCG Zambia

*“Reaping
what we
sow.”*

Walvis Bay Corridor Group in Zambia was established in 2005, to focus primarily on marketing and promoting the utilization of the Trans Caprivi Corridor, through the Port of Walvis Bay, in Zambia, DRC and Zimbabwe. Further, to facilitate trade along the Trans Caprivi Corridor (TCC) through strategic partnerships with the public and private sectors under the umbrella of the Joint TCC Cluster comprising members of the Republics of Namibia, Zambia and recently DRC.

Since the establishment of the Zambia office it witnessed remarkable average year-on-year growth of 20%, 157%, 63% and 56% in the periods 2005/06, 2006/07, 2007/8 and 2008/09 respectively. Continued support from member companies, the governments of Namibia and Zambia and importers and exporters in the market have all contributed towards these growing volumes.

During the year under review, global recession affected the import demands of many businesses. Many businesses cut down on their import orders with some mines such as Albidon Zambia (owners Munali Nickel mines) and Luanshya Copper Mines being placed under care and maintenance. Others resorted to sourcing raw materials from within the region as opposed to overseas markets in response to reduced sales locally. Despite these developments, traffic along the Trans Caprivi Corridor grew 56%. Monthly volumes were approximately 6750 tons with highest tonnage recorded in September 2008, a record 12,878 tons to Zambia and the DRC. In the past financial year, the Trans Caprivi Corridor successfully transported regular shipments of copper from Zambia to the port of Walvis Bay. A total of 7,348 tons and 1,848 tons of copper were exported from Zambia and DRC alone through Walvis Bay. Monthly average was 612 tons per month. This is an exciting development for the TCC which for many years has been challenged by unavailability of return loads to Namibia,

in turn contributing to uncompetitive road transport rates. The introduction of copper exports on the TCC has had the much anticipated effect of attracting more trucking companies operating on the route and hence lower transport rates.

Going without notice are increased imports of trucks, vehicles and equipment from the America's and Europe. An increasing number of registered car dealers in Zambia prefer Walvis Bay as a port of entry for purchases from the UK, USA and now Japan. Imports of frozen fish, chicken and meat are also on the rise to the DRC. Other new business include the import of raw materials such as ammonium nitrate and flocculent, used in mining activities on the Copperbelt and in the North Western Province. The American Embassy in Zambia contracted to import over 500 containers via Walvis Bay for construction of their new facility in Lusaka.

In terms of creating awareness, a breakfast meeting was hosted in conjunction with the Lusaka Press Club on 5th December 2009 aimed at intensifying the media on the developments and achievements of the Walvis Bay Corridors, with emphasis on the TCC.

Following appointment in January 2008 of a Project Co-ordinator (tasked to co-ordinate the Zambia, Namibia and soon-to-be-formed DRC clusters), WBCG has among other things, successfully engaged the DRC in tripartite meetings to discuss trade facilitation on the Walvis Bay-Livingstone-Ndola-Lubumbashi Corridors. A Memorandum of Understanding has since been drafted and awaits consideration and approval by senior government officials and respective Ministers responsible for Transport. The Project Co-ordinator is responsible to deal with all matters relating to trade facilitation and stake holder building with the public and private sector.



WBCG South Africa

The Walvis Bay Corridor Group (WBCG) in Gauteng, South Africa was officially opened, on 16 September 2009, by the Honourable Jeffrey Thamsanqa Radebe, Minister of Transport, South Africa, with the aim of increasing business presence within the Botswana and South African market along the Trans Kalahari Corridor.

Since the WBCG has entered the South African market, the WBCG has established a comprehensive data-base of all the Strategic and Logistics providers within the Gauteng area. The WBCG has also established good working relationships with key strategic supply chain operators, shipping lines, manufacturers, government officials and government agencies. Relationship building, networking and awareness creation is a major focus for the WBCG office in Gauteng to maintain a close working relationship with clients. The Gauteng office has also participated in various workshops, conferences, sessions and other forums in Botswana and South Africa to create awareness and exposure in these markets.

The WBCG has strategically developed itself within the South African and Botswana market during that last year as it has created a good working platform with clients in the South Africa and Botswana in terms of service offerings. A comprehensive data base of clients in both South Africa and Botswana has been developed which is being used as a stepping stone to entice interest amongst the TransKalahari Corridor route.





*“20 Projects
- growing
from the
ground
up.”*

Projects and Support Services

Projects

During the year under review the portfolio of Projects and Funding has continued to present the current list of 20 projects to various donor organizations and other development agencies to obtain support for the infrastructure and support programs intended for the long term sustainability of the WBCG and all its stakeholders. Most of these projects are still at the concept level and we need to progress in doing feasibility studies for these projects. Feasibility studies will determine the viability of the projects and at the same time attract investors to implement these projects. The list of projects is as follows:

• Walvis Bay corridor transit facilitation

This project includes the development of simplified procedures and administration to facilitate a more enhanced and faster service at cross border facilities. It also includes the simplification of procedures and interrelationships between various agencies at the borders along the three main corridors.

• Rail head / dry port development

The WBCG has engaged the African Development Bank through the Middle Income Country (MIC) Trust Fund based on their revised funding guidelines to consider funding the feasibility studies for the dry port development. It is envisaged that the funding proposal on the feasibility study for dry port development will be submitted by the end of quarter three in 2009.

• Railway track upgrade & rail links

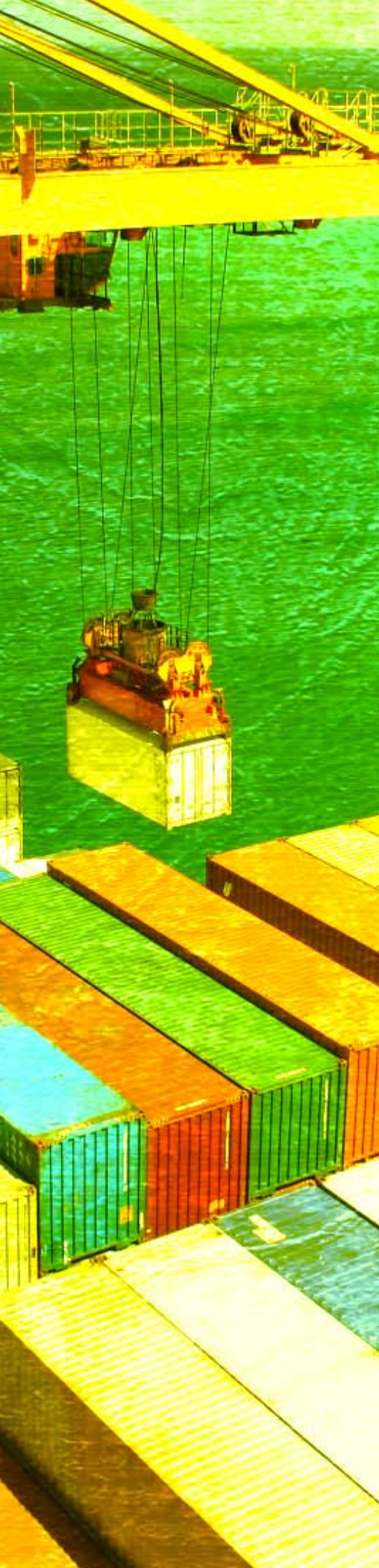
To promote intermodal transport along the various Walvis Bay Corridors it is important to pursue the upgrading of existing railway tracks. These include the construction of three strategic local links between Okahandja-Otjiwarongo on the TransCaprivi Corridor and TransCunene Corridors at Grootfontein and at Tsumeb. Also on the route between the Okahandja-Windhoek bypass to the Gobabis line for the TransKalahari Corridor.

The Namibian government is currently in the process of constructing the last 60 km of the railway line towards Angola along the Trans Cunene Corridor. It is envisaged that this railway line will be extended for 2km into Angola to create necessary infrastructure in Angola and alleviate the congestion at the border. The WBCG is working closely with the Division of Railway Affairs within the Ministry of Works and Transport as well as the national rail operator, TransNamib, on the implementation of this final infrastructure of the northern railway extension towards the Angolan border.

• Port of Walvis Bay expansion & development plan

JICA funded detailed financial and geotechnical feasibility study including (Front End Engineering Design) which is currently in full swing of which the financial study has been concluded and only the detailed technical design is still to be completed. It is envisaged that the full study will be completed by 31 December 2009. Environmental Impact Assessment (EIA) studies are also currently under way. Project implementation /





construction is expected to start third quarter 2010. The WBCG is working closely with the Project Manager: Strategic Expansion of the Walvis Bay Container Terminal at the Namibian Ports Authority to ensure timely implementation of this strategically important project.

• **TransKalahari Railway**

The Namibian and Botswana governments with support from the World Bank recently awarded a tender to Canadian consultants to conduct a pre-feasibility study on the Trans Kalahari Railway that is expected to be completed by 31 December 2009. The WBCG is working closely with the designated consultants and already provided the consultants with reports on past studies and relevant documentation that will assist them to expedite the completion of the pre-feasibility study.

• **TransCaprivi Corridor Infrastructure Project**

This project involves a project development analysis and preparation stage which would enable infrastructure development along the TransCaprivi Corridor of three main components of expansion such as the Tsumeb railhead, track rehabilitation between Tsumeb and Kranzberg, and a truck port at Tsumeb. The development of such infrastructure along the TransCaprivi Corridor is integral to support the growth in cargo handling along this route.

• **TransCaprivi Railway**

The Zambian Ministry of Communications and Transport applied in 2008 for World Bank / PPIAF funding for a pre-feasibility study to extend the railway line from Livingstone via Kazungula Border to Katima Mulilo. The application is still receiving active attention. On the other hand the Namibian Ministry of Works and Transport funded a pre-feasibility

study for the Namibian link from Grootfontein to Katima Mulilo that is due by the consultants to the Namibian government.

• **Windhoek – Luanda Corridor Project**

The Roads Authority has started with the construction of the Windhoek – Luanda Corridor from Tsumeb – Katwitwi at the border with Angola. Additional budget provisions has also been made by the Ministry of Works & Transport to focus on other parts of this important and strategic corridor link between Namibia and Angola.

• **TransCunene Corridor Development**

The WBCG and SADC are planning to stage a consultative meeting between Namibian and Angolan authorities and other relevant transport sector stakeholders in to establish the much needed Namibia – Angola Forum that has the potential to gradually transform into a formalised corridor management institution. The WBCG formed part of a Infrastructure Projects Finance Conference held in Johannesburg, South Africa on 06 – 07 July 2009 where Transport Infrastructure in Northern Namibia for Supply into Southern Angola was presented and discussed. The chief aim of the presentation was to reflect on recent, current and future developments pertaining the Northern railway extension towards the Angolan border and that it is anticipated to extend the railway line for 2km into Angola to create the necessary infrastructure and alleviate the delays at the border.

• **The establishment of freight villages in Namibia**

The WBCG is actively working work a strategic partner to fast track the implementation of corridor infrastructure and support projects like this.





- **The establishment of truck stops along corridors**

The feasibility study on the truck stops concept was completed during May 2009 by the Worcester Polytechnic Institute and includes the design, model and required facilities of a full service truck stop. The WBCG received overwhelming support and interest from the petroleum and transport industry following a media release on this topic. The WBCG is currently in the process of sensitizing the relevant industries and local authorities to elicit the interest of potential private sector investors.

- **Marina Development: Port of Walvis Bay**

WBCG has not actively engaged this project since it is viewed as a mid – to long term project dependent on other mandatory and priority projects within the Port of Walvis Bay.

- **Develop the Port of Walvis Bay as a oil supply base and ship repair hub**

WBCG has not actively engaged this project since it is viewed as a mid – to long term project dependent on other mandatory and priority projects within the Port of Walvis Bay.

- **The development of a dedicated fishing quay at the Port of Walvis Bay**

WBCG has not actively engaged this project since it is viewed as a mid – to long term project dependent on other mandatory and priority projects within the Port of Walvis Bay.

- **The development of fuel facilities at the Port of Luderitz**

WBCG has not actively engaged this project since it is viewed as a mid – to long term

project dependent on other mandatory and priority projects within the Port of Luderitz.

- **Okavango River Bridge**

The WBCG has facilitated through the Development Bank of Namibia and Road Fund Administration funding to the Roads Authority for the reinforcement (strengthening) and widening of the bridge structure. The tender for this project has been re-advertised and it is expected that the construction would start in November 2009.

- **Transit Information System**

The WBCG managed to secure funding from the newly established Namibia – German Centre for Logistics (NGCL) to fund the software component required to retrieve trade related information from the port and customs information. The system design and development costs will be funded by the NGCL whereas the WBCG will continue to secure funding for the system implementation that is currently slated for the first quarter of 2010.

- **Trade Facilitation**

Based on discussions and recommendations at the Joint UNECA – WBCG Workshop and Study Tour on Trade Facilitation held in Walvis Bay on 24 – 26 February 2009 the WBCG submitted a funding proposal to the African Trade Policy Centre (ATPC) within the United Nations Economic Commission for Africa (UNECA) during March 2009 on the following program components:

- Study Tour of potential importers and exporters from designated SADC countries to Walvis Bay and Walvis Bay Corridors to the tune of US\$ 52,720
- Study Tour of WBCG members to the designated SADC markets i.e. DRC,





Angola, Zambia, Botswana, Zimbabwe and South Africa to the tune of US\$ 64,980

- Study on the Enhancement of WBCG Business Model to lessen the dependence of external funding, to the tune of US\$ 25,000

• Capacity & Institutional Building for Project Development & Funding

In view of the Country Strategy Paper Dialogue and subsequent meetings, the WBCG submitted a funding proposal on the sustainability of the Projects & Funding portfolio to the AfDB through the Namibian Ministry of Works and Transport and via the Namibian Ministry of Finance respectively. The Ministry of Works and Transport already endorsed their support for this project and also requested support letters from the governments of DRC and Zambia to endorse their support in view of the trilateral MoU instrument for the Walvis Bay – Ndola – Lubumbashi Corridor Management Committee.

• Transport Master Plan of Namibia

The Ministry of Works and Transport recently mandated the WBCG, to be assisted by the National Planning Commission, to drive the process of establishing an integrated transport master plan for Namibia involving all modes of transport. This mandate involves the drafting of Terms of Reference (ToR) to appointment the Consultants that will undertake a study to develop such transport master plan in consultation with all the relevant transport stakeholders, regional councils, local authorities and the general public at large. The following has already been undertaken by the WBCG:

- a. Facilitate setup of Technical Committee*
- b. Facilitate invitations for First Technical Committee Meeting*
- c. Facilitate Drafting of Terms of Reference (ToR)*

- d. Facilitate invitations for Second Technical Committee Meeting and review of ToR*
- e. Facilitate invitations for Third Technical Committee Meeting and review of ToR*
- f. Solicit final input from all relevant stakeholders to finalize the ToR for submission to Steering Committee*
- g. Facilitate follow up with Steering Committee for ToR ratification*
- h. Solicit funding from relevant Development Finance Institutions to fund the study*
- i. Facilitate recruitment of Consultants to conduct the transport master plan study*
- j. Facilitate monitoring of the implementation of the transport master plan study*

Donor funding from GTZ for the HIV/AIDS Helpdesk has been increased during the past year to become the biggest contributor to the Helpdesk, while the rest of the funding for the Helpdesk was received from SIDA. Other donor funding include the funding of the Safe Trade and Transport Corridor Project which is funded by the Swedish International Development Agency. Funding for WBCG projects and activities were paid through membership fees.





Safe Trade and Transport Corridor Programme

The Safe Trade & Transport Corridors Project also coined “Safecorridors” is designed to improve the overall operating conditions of the Walvis Bay corridors in Southern Africa and thereby contribute to stimulating economic growth, poverty reduction and the alleviation of the impact and the effects of HIV/AIDS and other STIs in the SADC region.

A significant milestone in the project has also been the amendment and the extension to the contract. The validity of the Agreement has now been prolonged for another 12 months, which means that the Project is now valid until 31 December 2012. However, in all other aspects the original agreement between Sida and WBCG signed on 15 June 2007 remains and continue to be valid. This extension has been mainly necessitated by the delays in the entire project. We are pleased to note that we have received the second disbursement to the tune of SEK 3,000,000. This disbursement will expedite the progress of the project as well as the timely execution of the relevant activities and components.

For the period under review, the Governments of Botswana, Namibia and Zambia through their Ministries of Transport have endorsed the project and have in turn pledged their support towards the successful project implementation. Central to this project is collaboration with the relevant road safety agencies and traffic police in the countries concerned. Such engagement has been ongoing and the WBCG is working with the Botswana-, Namibia- and Zambian Police. Other agencies on board are the Motor Vehicle Accident Fund (MVA Fund) of Namibia, National Road Safety Council of Namibia (NRSC), Roads Authority of Namibia, Road Transport and Safety Agency of Zambia, Road Development Agency of Zambia (RDA),

Global Road Safety Partnership (GRSP), Walvis Bay and Swakopmund Municipal Police, and the City of Windhoek City Police. Other strategic partners such as Namport and the Namibia Logistics Association (NLA) are well engaged in this project.

WBCG was also key to the drafting, formulation and development of the Road Safety Strategy for Namibia which was initiated by the NRSC of Namibia. This important strategy document entails ensuring that road safety goals and strategies as enshrined in Vision 2030 and National Development Programme III (NDP III) are well considered. The strategy sets a realistic goal to reduce traffic accident fatalities and injuries by 50% from 13.8 to no more than 6.9 fatalities per population of 100 000 by the year 2030.

In 2008, the North Star Foundation, which is a public-private partnership establishing a network of roadside clinics at major truck stops and border crossings in Africa, commissioned a KAPB survey on the establishment of the Wellness Center in Walvis Bay. The survey confirmed that Walvis Bay is a strategic location for such a center and consequently a center was established with funding to the tune of CDN \$ 38,000.00 from the Canadian International Development Agency (CIDA). The Namibian Health Authorities have pledged their support towards the center and have ultimately endorsed the center to operate. Various key and strategic stakeholders such as the Erongo Regional Council, Ministry of Fisheries, Mission to Seafarers and Walvis Bay peer educators' forum are party to this project.

WBCG is also pleased to report that SweRoad, a leading Swedish consulting firm in road safety has now been appointed as the Consultants in Road Safety until the end of the Project.

All in all, we are very proud to report that the Project has finally taken off and that the various components of the project are now being realized.





WBCG HIV/AIDS help desk

HIV/AIDS prevalence is considered to be high in the transport sector especially among workers who are regularly in transit, such as truck drivers, which poses a threat to all business operations. The WBCG HIV/AIDS Helpdesk provides support and implementation of comprehensive workplace programmes within Group member companies, and thereby the WBCG HIV/AIDS Help Desk is fully committed to support the prevention of HIV/AIDS and contribute to reduced infection rates.

During the year under review, the WBCG HIV/AIDS Helpdesk achievements can be highlighted as follows:

- The Help Desk increased its membership base from twelve (12) to fourteen (14) members in 2009.
- Truckers Health and Information Toolkit officially launched by the Hon. Helmut Angula – Minister of Works and Transport in 2009.
- Workplace Programme Mini-Audit conducted in 2009 to determine impact of HIV/AIDS interventions since last audit in 2007 for all member companies.
- Help Desk regarded highly and acknowledged by the Ministry of Health and Social Services as a key stakeholder in regard to implementing workplace programmes in the transport sector, hence the invitation to assist in the development of the National Strategic Framework on HIV/AIDS.
- The Help Desk became the sole beneficiary of the “Driving for Change Training Toolkit on HIV/AIDS for the transport sector in SADC. Training on the utilization of the toolkit was conducted in Switzerland, Geneva in 2008.
- Successfully collaborated with the Oshikoto Regional Council in hosting the World AIDS Day in Tsumeb - 2008
- Improved management commitment as more management sensitization sessions, presentations/trainings was conducted during the reporting period.
- Quarterly Help Desk Steering Committee Meetings conducted.
- VCT and Prevalence/Wellness Screening conducted with six (6) transport companies to date. High participation rates recorded hence the majority of employees now know their HIV status.
- The help desk signed Workplace Programme Development Agreements with (6) transport companies.
- Another agreement/MOU was signed with the Social Marketing Association to share human and financial resources.
- Condom dispensers procured and distributed to all member companies to ensure a proper condom distribution system.
- Specific HIV/AIDS awareness sessions are continuously conducted with truck drivers during the early mornings (06:30-08:00)
- Help Desk trained and re-trained over 150 new and old peer educators during the period under review.
- 35 peer educators from various transport companies participated in a Basic Counseling Workshop in Windhoek.
- Over 2500 employees including truck drivers were reached with HIV/AIDS – Wellness related information through on-site awareness sessions.
- Over 150 000 male condoms and 50 000 females condoms were distributed during the period under review.
- Peer Educators Support Group Forums conducted bi-monthly in all regions
- The desk produced a documentary on HIV/AIDS and the Transport Sector in collaboration with the Namibia Broadcasting Corporation (NBC)
- The American Cultural Centre formed a partnership and as a result donated 500 Namibia Live CDs with various HIV/AIDS messages for truck drivers.
- Conducted backstopping missions to all member companies to provide support in terms of monitoring and evaluation of Workplace Interventions.





_Co-operation between WBCG & DED (German Development Service)

As part of the WBCG's drive to create more capacity in the transport and logistics sector, it identified three initiatives which aimed at strengthening the representational structure of the logistics industry in Namibia, empowering small and medium enterprises within the road transport industry and develop a freight exchange platform.

With technical assistance from DED, the first project "Strengthening the Representational Structure of the Logistics Sector" was set up, whereby a DED technical advisor was contracted to facilitate the establishment of a National Logistics Association for Namibia.

The establishment of a unified association aims at overcoming current structural weaknesses and offers benefits such as a stronger voice through improved critical mass; affordable independent executive capacity; affordable member services, including training & capacity building, group benefits; representation of players of all sizes (including SMEs); and an open structure promoting business cooperation.

From DED perspective, the establishment of a unified association enables the formal integration of small & medium-sized enterprises (SMEs) within the logistics industry, thus granting them a collective voice, visibility and empowerment platform. This, in turn, can lead to their improved competitiveness and income- and employment-generating potential. A detailed business plan was drafted, operational and financial feasibility.

Three existing associations, Namibia Road Carriers Association (NAMROAD), Namibia Association of Freight Forwarders (NAFF) and the Namibia Logistics Network (NLN) agreed to form the 'Namibia Logistics Association' (NLA).

DED has committed both financial and technical assistance towards the establishment of the NLA.

NLA has become operational at the beginning of 2009 and plays a pivotal role in shaping public sector policies affecting the industry, improving service capacities in the market and regulating industry practices.

Subsequent to this, a truck driver training project was launched under the WBCG / DED Public Private Partnership (PPP) Agreement. This pilot involves the training of 10 presently unemployed individuals to become truck drivers and find employment in the growing logistics sector. Aside to the financial and technical assistance from DED, three other parties are involved, namely 'Men on the Side of the Road' as project sponsor and main interface to the unemployed trainees; EMS Driver Academy as project sponsor responsible for the execution of the training programme; and Jowells Transport Namibia as project sponsor responsible for offering internships (as one of 3 transport companies) for trainees to gain first practical experience.

While this pilot project will have a tremendous impact on the lives of 10 unemployed Namibians in the short-term, the long-term objective is to pave a path to the successful development of human capacities within the road-transport sector, especially since this sector has been significantly affected by the HIV/AIDS epidemic.



Cross Border Facilitation The TCC (TransCaprivi Corridor) Cluster

Four TCC cluster meetings and one Joint Cluster meeting were held during the period under review. Two TCC cluster meetings were held in Lusaka, Zambia, two in Windhoek, Namibia and One Joint Cluster meeting was held in Walvis Bay Namibia. The purpose of these meetings were to discuss progress made in addressing the bottlenecks along the Trans-Caprivi Corridor with a view to improve smooth trade which would in turn contribute to economic growth of the countries along the TCC.

The outcome of these meetings can be highlighted as follows, during the year under review:

- One-Stop-Border-Post: The Government of the Republic of Zambia has enacted a One-Stop-Border-Post legal framework which would provide for agreements with neighbouring states on the implementation of one-stop border processing arrangements. Namibia is actively working on the OSBP legal framework.
- Immigration The two immigration departments of Namibia and Zambia will meet in October 2009 to draft a Charter on the visa waiver for the transporters.
- Transit Information System (TIS): The WBCG secured funding to implement the TIS.
- Final clearance at Katima Mulilo: Plans are underway to upgrade Katima Mulilo border post into a full customs post.

- Treatment of overload violation: The Namibian Roads Authority to abolish the treatment of overload as criminal offence by November 2009.
- 5% tolerance on GVM: The Zambia Road Development Agency has engaged the Norwegian Public Roads Administration (NPRA) to carry out bridge capacity rating on the road network in Zambia before implementing a 5% tolerance on GVM.
- Veterinary: The Ministry of Agriculture is to recruit more staff at its Walvis Bay office by the second quarter of 2010.
- Zimba/Livingstone Road: 30km-Phase 1 - The works are expected to be completed by November 2009. Phase 2- A contract for the second phase was signed in May 2009. The completion period is 18 months.
- Kafue/Mazabuka Road: The works on the Kafue/Mazabuka road are complete.
- Livingstone and Kazungula Weighbridges: The two weighbridges are operational.

Development of the WBNLMC (Walvis Bay- Ndola - Lubumbashi Corridor Management Committee) MOU

Three meetings involving the Governments of the Democratic Republic of Congo (DRC), Republic of Namibia and Republic of Zambia were held during the period under review. The





meetings were aimed at drawing up an action plan to resolve bottlenecks at Kasumbalesa border post and along the entire corridor, and drafting a memorandum of understanding to establish a WBNLMC. The first meeting was held from 22nd to 24th September 2008 in Lubumbashi DRC, second meeting in Chingola Zambia from 12th to 14th November 2008, and the third meeting from 14th to 15th April 2009 in Walvis Bay Namibia.

The MOU establishing the WBNLMC is aimed at facilitating trade along the corridor, movement of persons and goods, regional and international transport; stimulate economic and social development in the territories of the contracting parties, transform the corridor into a development corridor, offer safe, fast and competitive transport and transit services that secure regional trade. The Walvis Bay Corridor Group will be the interim secretariat of the WBNLMC.

The next meeting for senior government of officials to finalise the MOU will be held in Kinshasa DRC followed by a meeting of Ministers responsible for transport at which the agreement will be signed in November/December 2009, in Livingstone Zambia.

Dissemination of best practices in Sub-Saharan African

Best practices along the corridor were shared with regional bodies to showcase that investment in the TCC Cluster has led to the establishment of an effective and sustainable mechanism for corridor coordination of trade and transit facilitation. This was done at the following international meetings: (i) UNECA/WBCG Trade facilitation Meeting 24th to 26th February 2009, (ii) North-South Corridor Conference 6th to 7th April 2009, Lusaka, Zambia; and (iii) Southern African Development Community (SADC) – Western Corridor Cluster Meeting 21st to 22nd April 2009, Gaborone, Botswana. (iv) Lusaka

Zambia July 2009. The dissemination of information on the operation of Walvis Bay Corridor Group (WBCG) and new shipping lines connecting the Port of Walvis Bay were shared.

The TransKalahari Corridor Secretariat (TKCS)

The TKCS oversees the day to day administration and operations of the agreement under the Trans Kalahari Corridor Management Committee (TKCMC) leadership, who serves as the transmission belt for the regulation and oversight of the development and implementation of seamless cross border trade/transport/passenger facilitation measures that enhance growth of corridor business, along the Trans Kalahari Corridor (TKC). The Secretariat was established on March 1, 2007 and is hosted by the WBCG. The Secretariat is jointly funded by Botswana, Namibia and South Africa, and is responsible for implementing and agreed action plan to realize the Trans Kalahari Memorandum of Understanding (MOU). The MOU spells out the three government's commitment to effectively address and improve crucial issues for cross-border transport and trade.

During the year under review, the following ongoing initiatives in terms of cross border facilitation, along the TKC, can be highlighted as follows:

- Establish One Stop Border Post between Trans Kalahari & Mamuno Border Posts: Feasibility study and presentation to Governments and private sectors in Botswana and Namibia completed. Creation of National committees agreed with Lead Agencies identified, including ongoing National Consultations and the scheduling of bilateral meetings.
- Information Communication Technology (ICT) systems interface and connectivity: Phase I – viewing of information on





each Customs system launched. Phase II – Information exchange Work Plan developed – Benchmark research underway.

- Accreditation / Authorised Economic Operators(AEO): Draft Accreditation/AEO system developed and being discussed by Public Agencies with initial consultation of private sector. National, internal and external consultations underway. Work plan developed and being discussed with clearly set timelines.
- Client Service Charter: Draft Client Service Charter developed with initial consultation of Private Sector. National, internal and external consultations underway. Work plan developed and being discussed with clearly set timelines.
- Risk Management System: Assessment of risks associated with corridor completed. National consultations on Integrated Risk Management system being considered.
- Fencing of Corridor: Environmental Impact Assessment Study completed and report adopted for fencing. Tenders documents finalized to implement fencing.
- Standardisation of Weighbridge Equipment: Programme to replace old equipment in place and/or construction of new facility underway in Botswana and Namibia. Land being acquired to expand border infrastructure in Botswana, including weighbridge. Replacement of Pioneer Gate weighbridge part of integrated border infrastructure being designed in Botswana. Topographic and Geotechnical surveys are underway. Preparations for construction of weighbridge facility on the Namibian side is at advance stage.
- Establishment of Corridor Performance Monitoring System (CPMS): Proposal of a sustainable system has been identified. Study report completed and adopted by the Committee and implementation to take place in October 2009.
- Roll out of Cross Border Overload Control system (CBOCS): Namibia launched a pilot on the TKC part of Namibia. Botswana and South Africa still to develop a roll out plan.

• Trans Kalahari Rail Line (TKRL):

A feasibility study is underway to provide a rail link connection from Gobabis in Namibia up until eastern Botswana.

• Establishment of Wellness Centres:

A Wellness Centre was established in Walvis Bay, during the year under review where the TKC commences.



Walvis Bay Corridors



Trans Kalahari Corridor Description

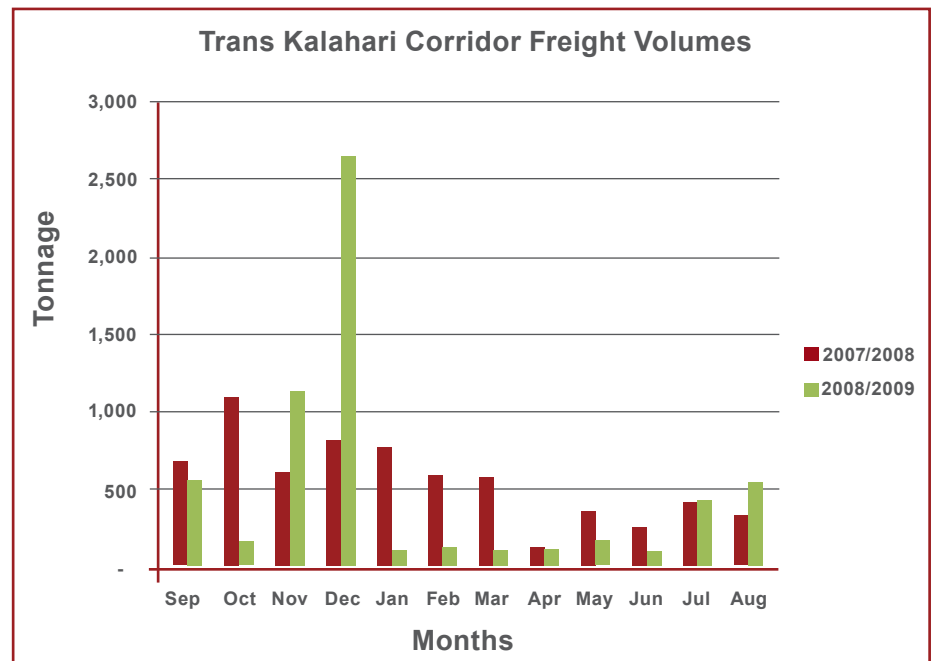
The Trans Kalahari Corridor comprises a tared road linking the Port of Walvis Bay with Botswana and Gauteng, South Africa. The Corridor stretches over 1900 km along Walvis Bay – Windhoek – Gaborone – Johannesburg/

Pretoria. It is supported by a railway line from the Port of Walvis Bay to Gobabis (via Windhoek), where transshipment facilities are available, and continues from Lobatse in Botswana.



TransKalahari Corridor

Statistics



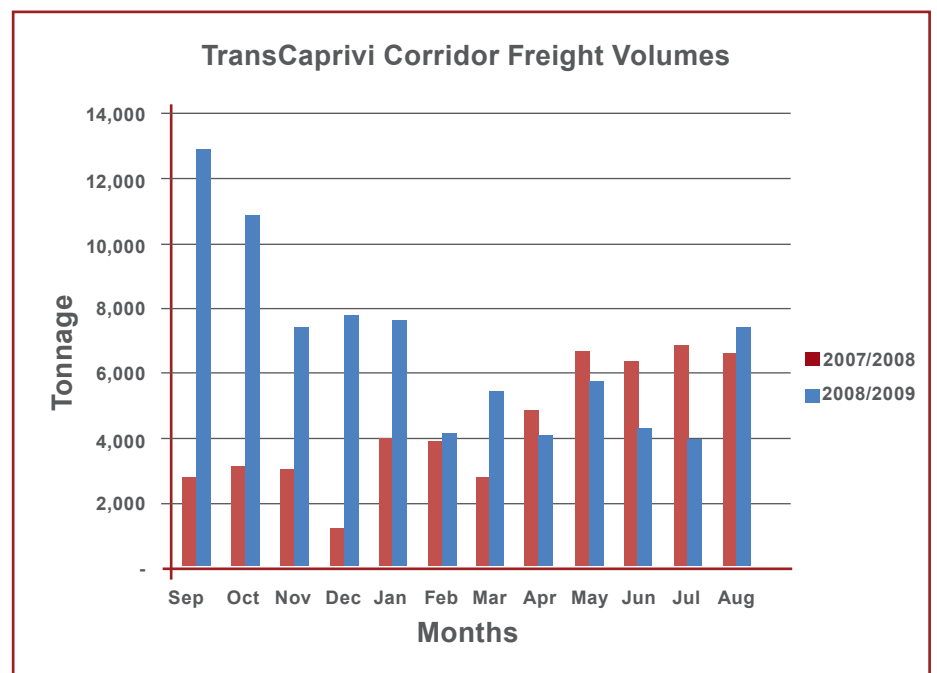
TransCaprivi Corridor Description

The Trans Caprivi Corridor links the Port of Walvis Bay with Zambia, the southern Democratic Republic of Congo (DRC) and Zimbabwe. The Corridor runs via the former Caprivi Strip in north-eastern Namibia and enters Zambia via the Katima Mulilo bridge,

which was completed in 2004. The Corridor stretches over 2,500 km and is supported by a railway line between Walvis Bay and Grootfontein, where transshipment facilities are available. The railway line resumes in Livingstone, Zambia.



TransCaprivi Corridor



TransCunene Corridor Description

The Trans Cunene Corridor links the Port of Walvis Bay with southern Angola up to Lubango, over a distance of 1,600 km. The Corridor and infrastructure is supported by the northern railway line, which presently extends

from the Port of Walvis Bay to Ondangwa (the Nehale Station). The construction of the line from Ondangwa to Oshikango has been completed.



TransCunene Corridor

Statistics

