



WALVIS BAY
CORRIDOR
G R O U P

**ANNUAL
REVIEW
2011**

CONTENTS

01 Vision & Mission & Values

03 WBCG Accomplishments

09 Board of Directors as at 31 August 2011

11 Organisational Structure

12 The WBCG Team as at 31 August 2011

14 Chairman's Report

19 Chief Executive Officer's Report

27 Organisation Overview

• WBCG Members.....	27
• Marketing and Business Development.....	29
• WBCG Zambia.....	31
• WBCG South Africa.....	32
• Infrastructure Development.....	34
• Projects & Funding.....	34
• Cross Border Facilitation.....	39
• The Walvis Bay-Ndola-Lubumbashi Management Corridor.....	39
• The TransKalahari Corridor Secretariat.....	40
• Support Programmes.....	42
• Safe Trade and Transport Corridor Programme.....	42
• The WBCG HIV/AIDS Helpdesk.....	43

45 Walvis Bay Corridors & Statistics

<i>TransKalahari Corridor</i>	45
• Description	
• Statistics	
<i>TransCaprivi Corridor</i>	46
• Description	
• Statistics	
<i>TransCunene Corridor</i>	46
• Description	
• Statistics	

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

Values

- Commitment to co-operate
- Professional service delivery
- Integrity



WALVIS BAY
CORRIDOR
G R O U P

Accomplishments

- WBCG receives financial assistance from the Embassy of Finland for the funding of Enhancing the Trade and Transport Facilitation Capacity of Namibian Logistics Services Providers and a Follow up Mission to Finland.



- WBCG & North Star Alliance opens second Roadside Wellness Centre at Roads Authority Weighbridge in Katima Mulilo.



- Vehicle volumes through the Port of Walvis Bay rise to record level.



- The Port of Walvis Bay hits a record high with its productivity levels with 43 moves per hour.

◀ 2010

2011 ▶

- The Port of Walvis Bay launches the container terminal management system – NAVIS SPARC N4.

- The WBCG won third place for its “Innovative partnership in Service Delivery” at the CPSI All Africa Public Service Innovation Awards.



WALVIS BAY
CORRIDOR
GROUP

Accomplishments



- The Port of Walvis Bay deepens its container terminal to -14,4m.

◀ 2010

- TransNamib invest in the rehabilitation of the railway along the TransKalahari Corridor.

2011 ▶



WALVIS BAY
CORRIDOR
GROUP

Accomplishments

- The completion of the One-Stop-Border-Post at Kasumbalesa along the Walvis Bay-Ndola-Lubumbashi Development Corridor.



- NMT Agencies increases its Ro-Ro services from Europe to Walvis Bay.



- The launch of the first ever Customs Systems Interface and Connectivity in Southern Africa for the TransKalahari Corridor.

◀ 2010

2011 ▶



Mr G.A. Uirab
(Chairman)



WALVIS BAY
CORRIDOR
GROUP



Mr W.C. Dempsey
(Treasurer)

BOARD OF DIRECTORS

AS AT AUGUST 2011



Mr T.N. Shaanika



Mr G. Simataa



Mr N.M. Daniel



Mr H.I. //Garoeb



Mr C.R. Faure



Mr G.A.D. Oberholzer



Mr C.M. Funda



Mr N. Nghishekwa



Mr T.T. Haimbili



Mr A.T. Victor



Mr K. Grunschloss



Mrs M. Kirov

Organisational Structure



WBCG Team





CHAIRMAN'S REPORT

Strategic progress in 2010/11

The WBCG made great progress in delivering its growth strategy in 2010/11, and is well equipped to meet the significant challenges ahead. It has a clear set of strategic priorities, an exciting pipeline of growth projects, a sound Private Public Partnership and high quality service delivery to create value for clients along the corridors.

We remained keenly focused on our clients and their needs, generating value for them and for our members while positioning the Walvis Bay Corridors as the preferred trade route for Southern Africa.

We also continue to focus on growing market share and expanding our business in key geographic markets, with a special emphasis on Brazil, DRC and Zimbabwe.

Positioning WBCG for the future

As we moved further into 2011 the SADC economy is starting to show promising opportunities in certain industries and markets, and we remain intently focused on our clients so that we can continue to generate value for them while ensuring that we are well-positioned to take advantage of growth opportunities.

The WBCG anticipates that the long-term fundamentals of the demand for the Walvis Bay Corridors will remain strong, as a growing and increasingly prosperous SADC region develop its economy. More and better usage of the Walvis Bay Corridors will be crucial in the quest for sustainable improvement in our port and corridor productivity and efficiency as well as creating better economies of scale. With its regional market presence and private public partnership approach, the WBCG is well positioned to meet the demand for greater corridor usage and to take on the growing challenges of the SADC economy.

WBCG's growth ambitions are well founded, building on an attractive market, a proven track record and a scalable business model. However, we will continue to be patient in pursuing growth, aiming to pick the best opportunities at the right time.

Growing our corridors

As we are growing our presence and awareness within the SADC region we believe that we also have to take our marketing efforts to other decision makers beyond the SADC region and abroad. The role of transport and logistics has become imminent within the SADC region as more and more commodities are being sought and transported by the giant economies within the globe. In line with this the WBCG has ventured into developing its international campaign and has done several marketing campaigns to the international transport and logistics fraternity. The year 2010/11 sounds the first information sharing event that we have done abroad, which took place in Antwerp, Belgium. The WBCG also participated in other international events in Brazil, such as the Intermodal South America and the largest transport event in the world, in Munich, Germany. The WBCG also formed part of a SADC delegation where the WBCG engaged with specific transport and logistics stakeholders in Rotterdam, Netherlands, through the Southern African Netherlands Chamber of Commerce. Through this international campaign the WBCG will continue working with our Embassies abroad and strengthen our dual role to become stronger ambassadors for growth, for the SADC region via the Walvis Bay Corridors.

This year has shown a decrease in volumes handled, which could be attributed to the after effects of the economic downturn, and specifically reductions in volumes along the TransCunene Corridor (TCuC). Both the TransCaprivi Corridor (TCC) and TransKalahari Corridor (TKC) has shown strong growth and is an indication that we are following the right approach towards corridor development and ensuring that Walvis Bay become a sure alternative trade route servicing the Southern African Region.

Corridor cargo volumes have reduced with 5% on tonnage between 2009/10 and 2010/11, showing a reduction from 467,954 to 442,488 tonnes on a year-to-year basis.

- Volumes on the TKC increased by 29 % from 12,389 to 16,031 tonnes
- Volumes on the TCC increased by more than 76 % from 121,713 to 214,498 tonnes.
- Volumes on the TCuC reduced by 36% from 333,852 to 211,959 tonnes.

Moving from the maturity of our regional corridors into the SADC region it has become very clear that we have to drive the development of our international corridor network between Walvis Bay and the rest of the globe, based on growth of global trade with the SADC region. It is for this reason that the emphasis on the international corridor linkage such as the Brazil linkage via Walvis Bay to the rest of the SADC region. As part of this strategy, the Shipping lines that are bound to international trade and developments play a vital role in the development of more shipping connections and a stronger international network in Walvis Bay. The WBCG therefore continuously work together with the shipping lines to broaden the trade lanes between Walvis Bay and the rest of the world. For this reason, I am happy to have the Container Liners Operators Forum as a new member to the WBCG, becoming part of a strong transport family, leading the Walvis Bay Corridors towards the preferred trade route in Southern Africa.

As we are growing our market share in the region from strength to strength is becoming more evident that our consistent market development in the region and abroad is starting to pay off. Although, capacity is one of the major challenges taking us into the future Walvis Bay has also become an attraction point for more service providers in the transport and logistics industry to partner with us going into the future. It is for this reason that we value the principle of Strategic Partnerships, not only to grow more imports and exports via the Walvis Bay Corridors, but also strengthening

our capacity in the complete supply chain and intermodal linkage of Walvis Bay to the region. The WBCG, has therefore joined efforts with the Imperial Group, Imperial Logistics in South Africa to jointly developed the linkage of Walvis Bay Corridors between the SADC region and the global transport and logistics network.

The recognition of the WBCG's work, attitude to growth, persistence to success, and unique private public participation has been received on various levels in the region, in the continent and further abroad from various regional and international institutions. This has also allowed us to strengthen our role, partnership and network with these institutions that mostly focus on the development of the SADC and continental economies.

In Command of Our Future

We are committed to creating a future filled with new opportunities and sustainable growth and development along the corridors. To accomplish this, in 2010 we took a step back and reviewed our total business—our markets, the full potential of our existing opportunities, and what new opportunities would be a good fit. We concluded, through our new five-year Strategic Plan that our base businesses were sound and have strong growth characteristics. But to maximize growth and grow faster than the market, we need to shift some of our focus. We must align our efforts, investments, and resources to the regions and markets where we can realize the greatest return. We've developed a strategic plan to do just that, and we began to implement these actions in 2010. The development of our new strategy has also allowed all members of the WBCG to renew their interest in the WBCG, and how to remain and strengthen their developmental role for the future.

We look forward to a bright future as a financially strong focused organization. I sincerely thank all of our associates for their commitment to service, to innovation, and to results. Although increasing transportation cost will continue to be a challenge, we are determined to execute our plans with excellence. Our goal is to continue our growth and

build upon what we have achieved in 2010. In closing, I'm excited about our prospects for the future, and I believe the Strategic Plan we have crafted in 2010 will allow us to continue to build upon our strong 2010 performance for years to come.



Mr. Bisey Uirab
Chairman

CHIEF EXECUTIVE OFFICER'S REPORT

During 2010/11, we have continued our programme of facilitating the development of long-term transport infrastructure, providing capacity for future growth, contributing to improved productivity and serving the SADC region via operational lives, which may well extend to half a century. The progress we made in 2010/11 has established a solid foundation from which to move the Company forward.

WBCG's vision is to be a leading transport corridor in Southern Africa is progressing well. We have a simple and robust strategy to achieve this: we will continue to drive efficiencies on our corridors, deliver a suite of appropriate projects and pursue focused opportunities in the regional and international market.

In 2010/11, we demonstrated our determination to deliver the vision, making significant progress on all our strategic fronts.

Corridor growth

Trade volumes along the corridors have reduced from 467,954 to 442,488 tonnes, representing 5% on tonnage between 2009/2010 to 2010/2011. The main reason for the reduction in volumes are directly related to volume reduction on the TransCunene Corridor (TCuC), but significant growth has been experienced along the TransCaprivi Corridor (TCC) and steady growth is present along the TransKalahari Corridor (TKC).

We aim to create shareholder value by following a clear and convincing strategy for positive growth by continued innovation, cooperation and partnerships.

Like any successful organization, a foundation must evolve: experimenting, learning, growing to become more effective within a changing context.

The WBCG is very well positioned to sustain the momentum and continue to build on our developments in 2011 and we will continue to improve

our service delivery to the market, capitalizing on our advanced transport network, strong brand name, private public partnerships, team-work and synergies.

The WBCG is continuously been recognized nationally as an important role player in trade facilitation, and as such is represented at the National Trade Facilitation Committee.

Strategy

Our consistent strategy, applied over many years, has helped deliver a stronger market presence and created more awareness on the possibilities of the Walvis Bay Corridors. As we continue to execute our new Strategic Plan for the next five years, we remain focused on ensuring that we develop the Walvis Bay Corridors as the preferred trade route for Southern Africa.

An increasingly global business

The business today is the consequence of decisions and investments made over many years. When I first joined the Company in 2006, the WBCG had very little impact on the regional market and was also not well known regionally and internationally. This position has changed fundamentally. We are now able to trade successfully on a global basis and are developing our presence around the world. This brings us closer to customers and allows us access to more decision makers and new markets.

We continue to invest in improving our corridors, to integrate the regional markets via Namibia into our worldwide connections and to improve our service delivery and capabilities.

Prospects

The long-term driving application of our strategy has created a broad level of participation of members, service providers, other stakeholders and capabilities that ensures a wide range of options for future growth. The anticipated growth of cargo over the next decade is underpinned by

our marketing perseverance, which gives good visibility of the future, and a strong growth in revenue to our members, which enables us to grow our economy and capability that will enhance competitiveness.

However, we have access to the faster growing global markets and our large installed base allows us to benefit from an increasing emphasis on the services we can provide to our customers.

Zambia Office

Our footprint in Zambia has allowed us to strengthen the role of the WBCG in Zambia as well as increased role in the Katanga Province of the Democratic Republic of Congo. Walvis Bay has become a strong contender in the regional market as the preferred trade route for the Copperbelt region in Zambia as well as the Congolese market. Notwithstanding the fact that we only started this new trade route only seven years ago, it has become very prominent towards offering a shorter trade route for this market to the rest of the world. The Walvis Bay-Ndola-Lubumbashi Development Corridor trade route has developed from a mere trade route, which handled mostly vehicles to a established trade route where all kinds of commodity flows are being transported along this corridor, covering not only international trade, but also expanding intra regional trade between Namibia, Zambia, DRC, Zimbabwe and Malawi.

Gauteng Office

The Gauteng office of the Walvis Bay Corridor Group has been in existence for three years now. In this time there has been significant growth generated locally within the logistic sectors in terms of volumes being routed through Walvis Bay and the connecting corridors.

The WBCG, South Africa has been very active in the South African market with various promotion/presentation opportunities nationally installing our ideology to the market with positive reviews. The WBCG's ideology on corridor development has and is being widely welcomed across the SADC region and Africa as a whole.

The WBCG, South Africa has also been very active in one on one meetings with strategic and target audiences within the Freight Forwarding / Importers /Exporters and Shipping lines locally where we have grown long term relationships and thus been able to secure cargo flows on the various corridors.

Wellness Service

During the year under review the WBCG Helpdesk has been transformed into a Wellness Service division where various aspects such as TB, STI's etc has been incorporated under one umbrella to provide a more complete service to our membership profile. New funding opportunities have been solicited and new partnerships have been established with specific focus to move the attention of service provision from the traditional workplaces in the office to the mobile population of drivers along the corridors. The Wellness Service has therefore two supporting legs of service provision which is as follows;

- Workplace programs, which provide a service to all member companies on site at their fixed workplace, and;
- Mobile Clinics, provide a service to member companies who are moving along the corridor and specifically in Walvis Bay and KatimaMulilo as the two major mobile hubs.

We would like to thank our development partners, which are US Embassy, SFH, SADC secretariat through Global HIV/AIDS Fund, SIDA, Finnish Embassy, US Trade Hub, etc

Cross Border partnerships

Cross Border partnerships has laid the foundation for developing our markets in the neighbouring countries therefore the WBCG is working closely with the TransKalahari Corridor Secretariat (TKCS) to develop the corridor route from Walvis Bay via Botswana to Gauteng. The WBCG also participated during the development of the first Strategic Plan for the TransKalahari Secretariat during this past year.

The WBCG continue to drive the development of the TransCaprivi Corridor (TCC) also known as the Walvis Bay-Ndola-Lubumbashi Development Corridor (WBNLDC) while this corridor development has grown towards creating more value for countries such as DRC, Zambia, Zimbabwe and Malawi.

Safe Corridor Project

The WBCG through the Safe Corridors Project has undoubtedly become the trendsetter and the first corridor management institution in sub-Saharan Africa to vigorously address issues of road safety, road transport security and HIV/AIDS/Health/wellness in the transport sector. These are done against the backdrop of improving the competitiveness and the operating conditions of our corridors and thereby contribute to stimulating economic growth in southern Africa. Various stakeholder consultations were done in Botswana, Namibia and Zambia to address the various issues on road safety and transport security as recorded through the road assessment that was done when the project commenced along the TransKalahari and TransCaprivi Corridors.

Taking the WBCG beyond the borders

The WBCG has during the past year continued to develop its markets within SADC and further abroad to create awareness about the Walvis Bay opportunity, creating a stronger market presence, driving a more comprehensive network and attracting more capacity to grow the Walvis Bay Corridor initiative. These include presentations and participation in various national, regional, international conferences, workshops and information events to take the WBCG to the next level of global exposure and partnerships.

Regional and international campaigns has been continued during the past year where the WBCG opportunity as a Gateway for SADC have been well represented in countries such as Dubai, Belgium, Germany, Brazil, Netherlands. Other regional marketing efforts included the participation and presentation at the 1st& 2nd African Freight Forwarders Meeting in Kenya, Nairobi that was organised by the World Cargo Alliance

(WCA Family). The WBCG also presented at the Coaltrans Conference in Gaborone, Botswana, the Africa Ports & Harbours Congress in Johannesburg, South Africa, the Zimbabwe Trade Fair & Expo Conference, Bulawayo, Zimbabwe; as well as the Regional Freight Conference in Johannesburg, South Africa. The WBCG also had information sharing events in Botswana, DRC, South Africa, Zambia to inform our customers on the updates along the Walvis Bay Corridors.

The WBCG has also engaged with various International Embassies to create more awareness on the Walvis Bay Corridor opportunity such as the Embassy of Japan, Indonesia and Zimbabwe.

Projects & Funding

The portfolio of Projects and Funding, through the active support of the Safe Trade and Transport Corridors Project by SIDA, has towards this end secured funding for various projects from different development institutions to the tune of N\$14,926,950.00 for Trade Facilitation, N\$23,130,700.00 for Feasibility Studies, N\$5,260,000.00 for Capacity Building, N\$5,000,000.00 for Spatial Development Initiatives (SDI's), N\$569,500.00 for Business Development and Marketing, and N\$8,576,374.00 for HIV / AIDS Interventions. Various engagements were established and developed with the World Bank / SSATP, African Development Bank (AfDB), European Investment Bank (EIB), USAID SA Trade Hub, United Nations Economic Commission for Africa (UNECA), GIZ, Embassy of Finland, Global Fund / SADC Secretariat, US Embassy (PEPFAR), Regional Spatial Development Initiatives Program (RSDIP) / Development Bank of Southern Africa (DBSA), and JICA.

Guided by the new strategic plan the WBCG established a strategic partnership with Imperial Logistics who are one of the biggest Logistics Service providers in South Africa to develop the Walvis Bay Corridors.

This partnership will:

- Bring more capacity in terms of access to potential cargo owners
- Provide support to regional and international market development
- Provide for the development of associated facilities and infrastructure

- TNT
- Imperial Logistics
- Information event – Antwerp, Belgium
- Presentation at Munich Logistics Trade Fair, G
- SIDA
- World bank
- Presentation 2nd
- Transport Africa Awards 2011 – top 3 innovation awards
- Zimbabwe Trade officer – Zimbabwe High commission – Dry port
- Aid for Trade – Namibia Policy
- Commercial Counsellor, US Embassy
- Centre for Public Service Innovation Awards (CPSIA)
- Director General of NPC
- NEPAD conference
- WBCG Strategic session – 21-22 October 2010
- Worldbank
- SACU
- USTDA
- SA Trade Hub



Mr. Johnny M. Smith
Chief Executive Officer

ORGANISATIONAL OVERVIEW

Established in 2000, the Walvis Bay Corridor Group (WBCG) is a non-profit organisation and a public private partnership, comprising of members from both the public sector and from the private sector. The WBCG 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 utilisation of the Walvis Bay Corridors for the benefit of Namibia, in the region and corridor stakeholders.

The WBCG members from the Private sector are represented by:



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.



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



Container Liners Operations Forum (CLOF) represents all entities associated with shipping activities.



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:



Ministry of Home Affairs

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.



Ministry of Works and Transport

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.



Ministry of Finance

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 of the WBCG include:

- Vanguard Rigging (Pty) Ltd (South Africa)
- Africa Route Clearance Consultants (Pty) Ltd (South Africa)
- Paccon Logistics (Pty) Ltd (South Africa)
- Africa Union Cargo (Pty) Ltd (Namibia)

Marketing and business development

In realising the WBCG's vision to be the leading trade route in southern Africa, a new strategic plan for 2010 – 2015 was developed, during the year under view. The core strategies derived from the strategic plan include to competitively position the WBCG through partnerships to increase balanced import/export cargo volumes; to effectively brand the Walvis Bay Corridors as the preferred trade route by all our customers; and to continue to be committed to provide adequate and cost effective capacity and efficient services.

During the year under review, in realising one of the strategic initiatives of the WBCG, we have continued with our task to develop strategic partnerships with logistics service providers in the region and internationally, and includes a Memorandum of Understanding (MoU)

which was signed with the Imperial Logistics Group aimed at increasing trucking capacity to efficiently serve the Walvis Bay Corridor trade routes using the Port of Walvis Bay.

Efforts aimed at enhancing and strengthening the relationship between the WBCG and its stakeholders were undertaken, during the year under review, through the development and implementation of a communications campaign. Communication tools and channels included media releases highlighting the accomplishments and undertakings of the WBCG and were distributed to the national, local and international media; the distribution of the bi-monthly electronic newsletter to all stakeholders of the WBCG; and the WBCG website which attracted more than 30% of visitors compared to the same period. The second edition of the WBCG handbook, namely "A Guide to the Walvis Bay Corridors", was published which is used as a promotional tool and consists of vital and comprehensive information pertaining to the Walvis Bay Corridors to support all marketing activities which includes information sessions, trade fairs, and business development initiatives, nationally, regionally and internationally.

During the year under review, initiatives aimed at enhancing the WBCG brand were undertaken, through signing of a mutual agreement between the WBCG and Cape Media Corporation who launched the Freight Into Africa project and includes free branding in the weekly electronic bulletin, printed magazine and speaking opportunities at associated events.

To further enhance stakeholder engagements and create increased awareness of the benefits of utilising the Walvis Bay Corridors, the WBCG embarked on a number of information sharing events in Angola, Botswana, Gauteng, Zambia and Zimbabwe. To add to the drive to create awareness, engagement with potential and existing stakeholders were extended to the international arena, by way of participation in various conferences through speaking opportunities and trade fairs in Brazil and in Europe.

Under the review period, the WBCG were amongst the winners who received an award for third place for its’ “Innovative partnership in service delivery” project, at the 2010 CPSI All Africa Public Service Innovation Awards ceremony held at the Kenyatta International Conference Centre (KICC) in Nairobi, Kenya. The Annual CPSI Public Service Innovation Awards recognize successful and effective service delivery projects and initiatives that have been achieved through the application of innovative approaches, methodologies and tools.

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 Zambia

The WBCG branch office in Zambia was established in 2005, to support the business development drive in the Zambian market and to provide quicker access to local logistics service providers along the Walvis Bay-Ndola-Lubumbashi Development Corridor (WBNLDC), also known as the Trans Caprivi Corridor, through the Port of Walvis Bay, including the DRC. The office also drives the facilitation of trade along the WBNLDC, through strategic partnerships with the public and private sectors under the umbrella of the Walvis Bay-Ndola-Lubumbashi Development Committee comprising members of the Republics of Namibia, Zambia and the DRC.

Since the establishment of the Zambia office it witnessed remarkable growth of cargo traffic by more than 76% with 214 498 tonnes. 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.

In support of the strategic initiative to effectively position the WBCG as the preferred trade route, during the year under review, to further increase cargo volumes and efficiency, business development efforts were aimed at sensitising key mining companies in the Copperbelt

about the benefits of using the WBNLDC, including speaking opportunities at the (Infrastructure Partnerships for African Development) IPAD Mining Conference in Lubumbashi which has led to the desired awareness from the importers and exporters. To further enhance the business confidence in utilising the WBNLDC by the mining companies, the MoU between the WBCG and Imperial Logistics, has had the much anticipated effect of increased trucking capacity along this route which provides an added advantage in the reduction of transport costs. During the year under review, apart from the increase in copper exports, which is destined for Europe and the Far East, left to be much desired is also the increased maize output in Zambia including various mineral ores in the DRC and the increasing equipment imports, project cargo and general goods from the America’s and Europe. Other business included the increase in vehicle imports from the UK to Zambia and frozen fish, chicken and meat to the DRC.

To enhance the relationship between the WBCG and the media, a media brief was hosted in aimed at intensifying the media on the developments and achievements of the Walvis Bay Corridors, with emphasis on the WBNLDC.

WBCG South Africa

The WBCG in Gauteng, South Africa was officially opened in September 2009 to ensure a bigger footprint in the Gauteng market with the aim of increasing business presence within the Botswana, South African and Zimbabwean market along the TransKalahari Corridor (TKC).

Since the WBCG has entered the Botswana, South African and Zimbabwean market, the year under review has recorded a significant cargo growth of 29% with 16 031 tonnes. 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.

To further support the strategic initiative to increase volumes and efficiency, during the year under review, the focus was directed at increasing awareness of the Walvis Bay Corridors among the mining houses in Botswana, South Africa, and Zimbabwe including the automotive and project cargo to further contribute to the growth of the TKC.

During the year under review, the TKC has experienced a remarkable growth with cargo volumes to Zimbabwe through the Port of Walvis Bay with the increase in the importation of vehicles from Europe and the US.

The Gauteng office has also participated in various workshops, conferences, sessions and other forums in Botswana, South Africa and Zimbabwe to create awareness and exposure in these

Infrastructure Development

Projects and funding

The WBCG has established a portfolio for projects and funding to identify, formulate and manage Corridor projects. During the year under review the portfolio of Projects and Funding has continued to present the current list of projects to various donor organisations 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. The following accomplishments can be highlighted, during the year under review:

- ***Economic Benefit Study along designated Walvis Bay Corridors***

Corridors are economic growth areas where public sector investment can spur business investment and economic development. To clearly define and establish the real and latent economic potential of the Port of Walvis Bay and corridor projects for Namibia and the region, an Economic Benefit Study was undertaken, with the financial assistance of the Embassy of Finland. Two stakeholder workshops were held with relevant stakeholders in Windhoek and Walvis Bay aimed at presenting the report. The final report has been disseminated to the relevant stakeholders.

- ***The Trans Caprivi Corridor (TCC) Rail Project Feasibility Study/ Construction***

The Under Secretary: Transport at the Ministry of Works and Transport (MWT) informed the WBCG that the Namibian Cabinet recently endorsed the study findings and recommendations of the TCC Railway project and accordingly instructed the MWT to make budgetary provisions for the construction of the TCC Railway during the next financial year of 2011/2012.

- **Port of Walvis Bay expansion & development plan**

The evaluation of the financing tender has been concluded and the tender committee recommendations have since been approved by the Namport board. The Economic Market Study funded by KfW has since been completed. Deepening of berths 1 and 2 to 14 m as well as the dredging of the port entry channel to 14.6 m has since been completed. Construction is expected to start during 2012.

- **Trans Kalahari Railway**

The Director: Railway Affairs at the Ministry of Works and Transport (MWT) informed the WBCG that although the two Governments of Botswana and Namibia has since received the final report of the pre – feasibility from CPCS Transcomthe, the two governments are yet to pronounce their position on the preferred routing for the impending TransKalahari Rail.

- **The establishment of freight villages / logistics industrial parks along corridors**

Based on a support letter provided by the WBCG, Econogistics secured funding from the South African Department of Trade and Industry (DTI) / Development Bank of Southern Africa (DBSA) during the year under review for a feasibility study and development of a business plan for a Logistics Activity / Freight Village Precinct in the Grootfontein / Tsumeb / Otavi triangular area in Namibia.

- **Divundu Bridge**

The Roads Authority (RA) informed the WBCG that construction works on the strengthening and widening of the Divundu Bridge facility is well on track and that completion is estimated to be around April 2012. This will result in the expansion of current capacity of 60 tonnes to 120 tonnes, as well as having dual lanes that will ensure increased traffic along the Walvis Bay – Ndola – Lubumbashi Development Corridor (aka Trans Caprivi Corridor).

- **WBCG Business Model Review Study and Validation Workshop**

The WBCG underwent a re-evaluation of the core business model aimed at the future sustainability of the WBCG. The goal of this study is to assess the current needs and interest of its members, the services it should perform, its organizational structure and its sustainability. This study was commissioned to review what has been developed and accomplished during the first decade and to do this re-evaluation of the business model going into the second decade of the WBCG's existence. This study was commissioned through the assistance of UNECA.

- **Transport Master Plan of Namibia**

Funding valued at 570,000 Euros has been secured through the European Investment Bank (EIB) from the EU- Africa Infrastructure Trust Fund to support a 12 – month study towards Namibia's integrated transport master plan involving all four modes of transport. The EIB informed the WBCG and MWT that 17 companies of the 22 respondents to the Expression of Interest (EOI) were technically compliant of which 8 companies were eventually shortlisted. The WBCG and MWT representatives were invited by EIB to Luxembourg at the end of 2011 to attend a tender evaluation meeting to adjudicate the final tender bids.

- **World Bank / SSATP Trade Facilitation Corridor Facilitation Program**

SSATP obtained a Trade Facilitation Facility from the World Bank / Trade Facilitation Facility of US\$4.1 million to finance a Corridor Facilitation Program over a period of two years starting June 2011. The aim is to identify and prioritize interventions to reduce trade costs along key transport corridors in Sub – Saharan Africa. The Walvis Bay Corridors were selected among 7 other corridors in sub – Saharan Africa to establish a corridor transport observatory on the model developed for the Northern Corridor. During the year under review, SSATP launched the expression of interest in the market to position a transport expert in the WBCG over a two year period with a view to establish a corridor

transport observatory along the TCC (a.k.a. WBNLDC) and TCuC. The establishment of transport observatories along the two designated corridors will be preceded by baseline survey.

- ***Spatial Development Initiatives (SDI)***

The impending MoU between WBCG and MTI is currently under review by the Ministry of Justice and will be signed eventually. WBCG however informed the Regional Spatial Development Initiative Programme (RSDIP) that whilst we are eagerly awaiting the outcome of the MoU we can continue with scoping studies along the WBNLDC, where we have a clear mandate from the three contracting member states, Zambia, DRC and Namibia to spearhead business development, trade facilitation and spatial development initiatives (SDI). The WBCG is currently concluding the review of the Terms of Reference with RSDIP, for consultants who will undertake the scoping studies.

- ***Broader Cooperation between WBCG and Embassy of Finland***

The WBCG concluded funding discussions between the WBCG and Embassy of Finland. The funding entails three areas, Training and Development for SME transport and logistics service providers; Transport and Trade Facilitation; and Follow up Mission to Finland including participation at Transport and Logistics Expo in Finland. All things being equal the Finnish Embassy confirmed during a meeting on 22 July 2011 that the signing ceremony could coincide with the Round Table Discussion that took place on 29 September 2011.

- ***Capacity Building along Walvis Bay – Ndola – Lubumbashi Development Corridor***

Having complied with all the requirements of the African Development Bank (AfDB) pertaining the funding application process the WBCG is now only awaiting final approval and disbursement of the funds from AfDB.

- ***State of Logistics in Namibia***

Based on discussions between WBCG, Imperial Logistics and CSIR the WBCG submitted a funding proposal to various development finance institutions that will be co-financed by Imperial Logistics. The World Bank expressed their interest pending a formal request from the Ministry of Finance.

- ***Trade Information System (TIS)***

An MoU is yet to be signed among WBCG, NGCL, Namport, Ministry of Finance and National Planning Commission as the primary stakeholders committing the relevant data owners as far as data provision is concerned and signing off on the final technical specifications.



Cross Border Facilitation

The Walvis Bay-Ndola-Lubumbashi Development Corridor Committee

The Memorandum of Understanding (MoU) signed between the Governments of the DRC, Namibia and Zambia, establishing the WBNLDC Committee 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 WBCG serves as the interim secretariat.

During the year under a review a Walvis Bay-Ndola-Lubumbashi Development Corridor Committee meeting was held to review the progress made in addressing the bottlenecks along the WBNLDC with a view to improve smooth trade which would in turn contribute to the economic growth of the three countries.

During the year under review, remarkable progress has been accomplished which includes the construction of a new border facility at Kasumbalesa on the Zambian side, which contributed, significantly to the reduction in congestion and the time spent at the border. The rehabilitation of the Divundu Bridge which connects Namibia to Zambia has commenced and is aimed at strengthening the bridge to accommodate cargo of more than 60 tonnes and to double the lanes of the bridge, which will add significant value in attracting increased project cargo using this route.

The WBCG was mandated by the three corridor member states to spearhead economic development activities along the WBNLDC aimed at mobilizing investment resources for the development of transportation, infrastructure, facilities and services in coordination with other economic sectors along the corridor.

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.

In pursuit of enhancing the smooth flow of trade along the TKC, the following accomplishments can be highlighted, during the review period:

- Accreditation of Authorised Economic Operators (AEO)/Preferred Trader Scheme: A draft TKC (AEO) policy framework has been developed and includes the Preferred Trader requirements and defined benefits to eligible traders.
- Information Communication Technology (ICT) systems interface and connectivity: A pilot 'Cloud' Computing solution between the Botswana (Mamuno) and the Namibian (TransKalahari) Border Posts has been implemented, which allows for electronic data interchange.
- Client Service Charter: The Client Service Charter has been developed and launched, undertaking and committing to service standards and good governance.
- Risk Management System: Assessment of risks associated with corridor completed. National consultations on Integrated Risk Management system being considered.

- One Stop Border Post (OSBP): Following the feasibility study, a draft Bill and Bilateral Agreement between Botswana and Namibia on the implementation of the OSBP is currently under consideration by the respective Attorney General's Chambers.
- Standardisation of Weighbridge Equipment & harmonization of weighbridge procedures to combat overloading and eliminate weighing discrepancies: A dedicated weighbridge will be constructed at Gobabis in Namibia. Botswana introduced transitional weighbridge procedures in an effort to minimize discrepancies between Mamuno and Pioneer Gate Border Posts, pending the replacement of the ageing weighbridge at Pioneer Gate.



Support Programmes

Safe Trade And Transport Corridor Programme

The WBCG through the Safe Corridors Project, a joint initiative between the WBCG and SIDA, has become the first corridor management institution in sub-Saharan Africa to vigorously address issues of road safety, road transport security and HIV/AIDS/Health/Wellness in the transport sector aimed at improving the competitiveness and the operating conditions of the Walvis Bay Corridors and thereby contributing to stimulating the economic growth, poverty reduction, including addressing wellness issues of the mobile population and the border community along the corridors.

Following the Road Safety Assessments and Security Assessments which has been conducted along the TKC and WBNLDC, various activities, under the review period, commenced with various stakeholder consultations tasked with road safety in Namibia, Botswana and Zambia which included the Botswana Police Service as the strategic partner to this project. This has led to the significant improvement of law enforcement on the TKC in Botswana.

Under the review period, local consultants on road transport security and road safety conducted multi-sectoral project visits so as to follow up on issues emanating from the 2009/2010 assessments and action plans.

In pursuit of Road Transport Security action plan, a significant milestone, under the review period, was the establishment of truck stops along the WBNLDC and the TKC. Following various consultations with local authorities to discuss the planning of such facilities and to avail land, potential developers were consulted and positive outcomes were discussed.

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.

In pursuit of the HIV/AIDS Helpdesk's vision to create complete HIV/AIDS awareness and response capacity within the WBCG member companies, during the year under review, the WBCG HIV/AIDS Helpdesk facilitated and implemented the following activities:

- Workplace and corridor-based workplace HIV/AIDS programmes for 16 companies and logistics members;
- Conducted Management trainings and presentations on Wellness Programme Management in the workplace and to secure sustained commitment;
- Capacity Building Trainings for Transport Workers e.g. Peer Education trainings.
- Creating general awareness on HIV prevention for key affected populations
- Development and Distribution of Behavior Change and Communication materials for truck drivers
- Conducting on-site Wellness Screening Campaigns to determine baseline on Prevalence rates amongst transport workers in Namibia.
- Male and Female condom distribution and at all companies
- WBCG HIV/AIDS Steering Committee Meetings Conducted

Accomplishments, under the review period, are highlighted as follows:

- Adequate funding was secured for the WBCG HIV/AIDS Helpdesk for the next 2-3 years;
- Senior management commitment secured from at least 16 transport companies;
- Improved collaborations and relationships with development partners such as USAID and GIZ;
- Enhanced collaborations with Ministry of Health and Social Services, Ministry of Works and Transport and other key strategic partners;
- Three (3) more companies joined the WBCG Wellness Service in 2011 namely, Nampost, Van der Walt Transport and Blaauws Transport;
- 16 out of 17 current members are currently implementing comprehensive Workplace Programmes;
- Quarterly Steering Committee Meetings conducted;
- Peer Educators trained during the period under review, was 201 employees;
- Employees from the Ministries of Finance and Works and Transport are now also benefiting from the wellness capacity building trainings.



WALVIS BAY CORRIDORS & STATISTICS

Trans Kalahari Corridor

Description

The Trans Kalahari Corridor comprises a tarred road linking the Port of Walvis Bay with Botswana Gauteng, South Africa and Zimbabwe. 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.

Walvis Bay-Ndola-Lubumbashi Development Corridor (A.K.A Thetrans Caprivi Corridor)

DESCRIPTION

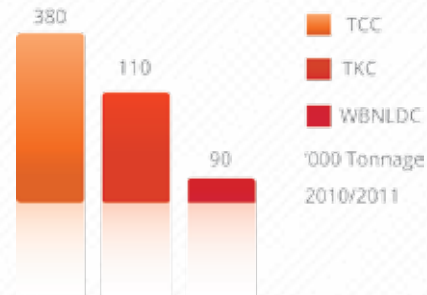
The WBNLDC links the Port of Walvis Bay with Zambia, the southern Democratic Republic of Congo (DRC) and Zimbabwe. The Corridor runs via the former Caprivi Strip in north-eastern Namibia and enters Zambia via the Katima Mulilo bridge, which was completed in 2004. The Corridor stretches over 2,500 km and is supported by a railway line between Walvis Bay and Grootfontein, where transshipment facilities are available. The railway line resumes in Livingstone, Zambia.

Trans Cunene 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.

Statistics for Walvis Bay Corridors 2010/2011





WALVIS BAY
CORRIDOR
G R O U P

T. (+264 61) 251 669

F. (+264 61) 251 683

E. marketing@wbcg.com.na

www.wbcg.com.na