



Summary of Discussions

UNCTAD-IsDB-TRLC Webinar

Promoting and Commercializing the Trans-Saharan Road Corridor (TSR)

Tuesday 15 December 2020

14:00-16:00 (Algeria, Chad, Niger, Nigeria, Switzerland, and Tunisia) /13:00-15:00 (Mali)
(with simultaneous interpretation French/English)

Organized in close collaboration with the Islamic Development Bank (IsDB) and the Trans-Saharan Road Liaison Committee (TRLC), the UNCTAD webinar brought together over 40 participants from CLRT member countries, namely Algeria, Chad, Mali, Niger, Nigeria, and Tunisia. Participants included representatives from the ministries of transport, trade, public works, finance, and foreign affairs, as well as delegates working within the permanent missions of Algeria, Chad, and Niger to the United Nations and other international organizations in Geneva. In addition to experts from UNCTAD and the IsDB, experts from other international and regional institutions also attended the meeting (e.g., AUDA-NEPAD, OPEC and BADEA).

Abstract

The number of participants and the quality of their interventions reflect the TSR corridor member countries' interest and commitment to seeing this road network transform to become a successful regional Economic Corridor, a prelude to harmonious regional integration. These countries' level of engagement to this important objective is further evidence by their massive investments in the TSR corridor road network. The IsDB and UNCTAD have reiterated their support to realizing the ambition of a TSR Economic Corridor while other institutions, such as NEPAD, have expressed their readiness to contribute and support important work.

UNCTAD presented the main findings and recommendations of its regional study on "Promoting and Commercializing the Trans-Saharan Road Corridor (TSR)". The study considers ways in which the TSR road network could transform and evolve to become a successful region Economic Corridor and puts recommendations forward with a view to establishing a suitable TSR corridor management mechanism. The study featured analytical work that underscored the growing importance of transport and trade corridors worldwide, the potential benefits of efficient economic corridors, as well as the various stages involved in the transition of a given road corridor towards an economic corridor status. The study allowed UNCTAD study to (i) review the current status and performance of the TSR corridor in terms of its physical infrastructure, regulations, policies; (ii) analyze the constraints, challenges, barriers faced by the TSR corridor; and (iii) highlight the problems of landlocked and transit countries of the corridor.

Noting that the six TSR countries had signed the African Continental Free Trade Agreement (ACFTA), UNCTAD's study featured a review of the economic outlook for the six TSR Corridor member countries as well as an assessment of their respective trade, including trade among themselves. In addition, the study considered the prospects for a potential increase in trade volumes among the six countries and assessed their transport and trade facilitation situation by applying the Transport and Trade Facilitation Assessment

tool. It also reviewed some country level logistics performance indicators (LPI and Doing Business) and identified potential that could help improve their respective performances.

UNCTAD's study also included a review of some of the best international practices in the field of managing, coordinating and commercializing transport corridor management, as well as the criteria and options for selecting and adapting a model for specific situations such as the TSR corridor. To this end, the positive experience of the Northern Transit Transport Corridor Authority in East Africa was presented.

Combining analytical work and a review of international experiences and good practices in the field of transport corridor commercialization and promotion, UNCTAD's study put forward a number of recommendations focusing on : (i) establishing a framework for cooperation between the TSR corridor member countries and an appropriate regional management mechanism/structure (CMM) for the TSR corridor to support effective coordination, operation, management, promotion and commercialization of the corridor and lay the groundwork for the establishment of an economic development corridor and the basis for future regional economic integration; (ii) setting out the key elements necessary for (a) an intergovernmental agreement (Memorandum of Understanding, MOU) establishing a mechanism for collaboration and cooperation between the TSR corridor member countries and (b) a sustainable management structure for the corridor, building on the existing TRLC. The present and the potential future role of the TRLC were also highlighted; (iii) a regional TSR economic corridor program/project and an action plan which preparation and implementation would require technical and financial support by TSR corridor member country governments, international funding institutions, and development partners (such as UNCTAD and IsDB).

Recalling the complex, multi-sector, multi-dimensional and multi-country nature of the measures and actions to be put in place, UNCTAD emphasized the need for careful planning and programming, as well as tight coordination and monitoring by TSR corridor member countries and international partners that support the realization of TSR corridor economic corridor ambition.

Participants expressed their satisfaction with work carried out by UNCTAD and agreed with the main findings, recommendations and the action plan put forward in the study. UNCTAD set out the next steps for finalizing the study report and its related documents and suggested a roadmap for the start of project on the TSR Economic Corridor, including identifying and preparing of the Economic Corridor Program. Once the projects and activities necessary to implement the TSR Economic Corridor Program have been identified (with UNCTAD assistance), IsDB will identify projects and priorities that could be funded and supported, including in cooperation with other development partners and financial institutions.

Detailed summary of discussions

1. Opening session

In her opening remarks, Ms. Frida Youssef (Chief, Transport Section, Trade Logistics Branch, UNCTAD) explained that the webinar was carried out under the framework of the technical assistance project funded by the IsDB and implemented by UNCTAD. The aim of the project is to promote and commercialize the Trans-Saharan Road Corridor (TSR) and enable its transformation and become a regional economic corridor. The webinar sought to: 1) relay the main findings of the regional study on the TSR commercialization and promotion that had been carried out by UNCTAD, 2) inform about the proposed TSR framework for regional cooperation, management mechanism/structure, and TSR Economic Corridor Development Program, and 3) gather key stakeholders' input and views with a view to finalizing the regional study, including its main conclusions and recommendations. Comments and feedback received will also help inform the way forward and an action plan that should be supported and implemented by the TSR corridor member countries, in collaboration with international development and financing partners.

Ms. Youssef reiterated that the TRLC member countries had invested heavily in the implementation of the TSR corridor road network. However, investments in physical connectivity infrastructure, while necessary, were not, in themselves, sufficient to transform the existing road corridor into an efficient regional logistics and economic corridor. Transport and trade facilitation measures and services which are equally important but often complex and difficult to implement were also required. She further noted that international experience revealed that better infrastructure, services, institutions, and management mechanisms were all required to improve transport and ensure greater market access, trade competitiveness as well as support employment and economic growth. By lowering transport costs, enhancing efficiency, and leveraging economies of scale, transit and transport corridors can enable greater regional integration and improve economic and social development prospects of countries serviced by such corridors.

Mr. Syed Husain Quadri (Acting Director, Country Strategy and Cooperation Department, IsDB) thanked the participants for their commitment to the objectives of the project and reiterated the purpose of the webinar while noting the advantages and opportunities for the sub-region's development that can be derived from a regional integration initiative such as the TSR corridor. Regional studies such as the one conducted by UNCTAD and focusing on the promotion and the commercialization of the TSR corridor as an economic corridor and that extends beyond transport and transit functions, can help to better appreciate the overall economic benefits and implications for beneficiary countries of improved connectivity, market access and trade competitiveness. He underscored the importance of the technical assistance project on TSR corridor for the IsDB and emphasized that it was part of its regional integration strategy that also involves strengthening transborder connectivity. He recalled the Banks' effort to improve competitiveness, trade integration, finance, and cooperation. In his view, a dedicated TSR corridor management mechanism will help to address the trade flows across the borders of the six countries through coordinated action and collaborative efforts. He argued that the strategic importance of corridors as drivers of economic growth, connectivity and social process was compelling and that the webinar was an important step that will allow for the regional study to be completed while reflecting insights and inputs received from participants. Feedback received will also ensure a well-articulated implementation process that is gradual and duly reflects the local conditions, needs and specificities of the six member countries. Once completed and validated, the main findings of the regional study and the proposals put forward by UNCTAD will open new opportunities and enable the identification of new projects that could attract the IsDB's support as well as that of other partners. In addition, by identifying such projects, it will be possible to identify the associated financing needs as well as the means and sources of funding that would help in addressing the challenges facing the TSR corridor.

Mr. Mohamed Ayadi (Secretary General, TRLC) thanked UNCTAD and the IsDB for their support and collaboration with the Committee and their commitment to promoting and commercializing the TSR corridor. He noted that the IsDB had supported the project since inception and had been funding relevant capacity building efforts. Special thanks were also extended to the six member countries of the TRLC for their positive response and participation in the webinar. He noted that transport corridors were a primary tool that can enable greater regional integration and that since 2017 the IsDB had been considering the merit of developing a TSR corridor that goes beyond a road network and transforms into an engine of economic growth and development. The current momentum brought about by the African Continental Free Trade Area (AfCFTA) should be seized. In Algeria, for example, the government has been politically and economically supporting the development of infrastructure projects including in the Sahara. An example that may signal the growing drive for transport-related development projects and the African focus of national policies

are the plans to develop a deep seaport in El Hamdania located 70 kilometers away from Algiers. He argued that the time was ripe for considering the potential for the TSR network to transition and become an efficient economic corridor. Mr. Ayadi recalled the 2009 study commissioned by the TRLC and which considered the trade potential among the six member countries. The study recommended that a corridor be set up and that the IsDB supports such initiative. He also called upon the representatives of the TRLC member countries responsible for infrastructure and transport to leverage their role as technical experts and inform their respective country leaders and policy makers of progress made in the TSR corridor developments and highlight its strategic economic potential with a view to attracting the necessary support and enabling the emergence of a successful regional TSR Economic Corridor.

2. UNCTAD regional Study: highlights of main findings and conclusions

Mr. Abdelmoula Ghzala (International consultant, UNCTAD) recalled that corridors had long been recognized as useful tools that promote connectivity and regional integration, especially for landlocked countries, and that international organizations and financing institutions were increasingly supporting the corridor approach in developing countries. He remarked that the TSR corridor was one of the oldest transnational road corridors in Africa and one of the most complete. It links Algeria, Chad, Mali, Niger, Nigeria, and Tunisia and aims to enable greater sub-regional economic integration through greater connectivity and trade. This objective is in line with the goals of the African Union (AU) and the support strategies of the international development partners, UN agencies (such as UNCTAD) and international financial institutions such as the African Development Bank (AfDB) and IsDB.

Mr. Ghzala recalled the main objectives of the UNCTAD's regional study, namely, to put forward a set of recommendations advocating that a strategic cooperation framework for transport trade facilitation between the TSR corridor member countries be set up and that an appropriate management mechanism/structure for the corridor that is sustainable in the long term be identified. Another objective of the study is articulate a plan of action that will need to be supported and implemented by the relevant member countries' governments.

He noted that examples of effective corridors included the Great Mekong corridor the Almaty-Bishkek corridor and north south and east west corridor in Brazil i.e., within same country. It was further noted that improving the TSR corridor was a complex, multi-sector, multi-dimension, and multi-country (at national and regional levels) endeavor and that proper implementation of any action plan will need to be planned, sequenced, and prioritized. Adequate coordination is needed together with tight monitoring, evaluation and knowledge and best practice sharing. This requires a proper management and coordination scheme that integrates all aspects with a holistic vision and adequate planning, coordination of multiple actors, disciplines, sectors, and cross-cutting dimensions, and supported by appropriate monitoring and evaluation mechanisms.

The UNCTAD study reviewed some international experience and best practice for transport and trade corridor management, including the sustainable financing aspect of the management scheme. The experience presented encompasses different regions and sub-regions, different models of corridor management and different types of support. The review included several examples of corridors in Africa, their management models, the encountered constraints, and lessons learned. This review shows that the most successful multilateral corridor development programs have taken place within customs unions since these simplify the border-crossing procedures.

Therefore, and drawing upon best international practice in corridor management and economic corridor development and informed by the analytical work carried out as part of the regional study, UNCTAD is proposing that legal and institutional arrangements for the management of the TSR Corridor be elaborated and implemented. Applying a set criteria and guiding principles (i.e. corridor development objectives, activities of a corridor management system, organization of a corridor management system, funding of the corridor management scheme, and political will and commitment of countries, and readiness of a corridor management scheme) on how and what type of model to select for the institutional arrangements for the management of the TSR corridor, UNCTAD is proposing that such arrangements be articulated around three main components: (i) a Memorandum Of Understanding (MOU) between the TSR corridor countries establishing a Cooperation Framework and a Corridor Management Structure/Mechanism; (ii) a Cooperation Framework (CF) among the TSR corridor countries for trade and transport facilitation and other relevant aspects; (iii) a formal institutional Corridor Management Mechanism/Structure (CMM). These three components once adopted and enforced by the TSR corridor member countries would support its transition towards an economic corridor as well as support the ultimate broader objective of achieving greater regional integration. The details and proposed aspects to be covered under the MOU, the CF and the CMM are given in the study report (and provided also as stand-alone documents delivered under the UNCTAD regional study).

The CF would outline the long-term common targets/strategy for member countries and their development partners, particularly to increase effectiveness of facilitation measures and coordination among these measures, and to avoid inconsistency in facilitation efforts and conflict between different existing facilitation agreements (or measures). The framework would constitute an effective legal regime and give the long-term common targets for essential and critical issues for transit transport facilitation, particularly: road transport permits and traffic rights; visas for professional drivers and crew; temporary importation of road vehicles; road safety; insurance of vehicles; vehicle weights and dimensions; vehicle registration, and inspection certificates.

The institutional set up suggested for the CMM is a two-tier arrangement comprising an Oversight Committee (or Steering Committee) and a Permanent Executive Secretariat. The Oversight Committee would include high level representatives of ministries or national agencies responsible for transport, public works, trade, and customs. Representatives of port authorities, transport regulation and road safety agencies, as well as private sector (trucking industry, logistics operators, freight forwarders) could be added as the TSR governments may agree on.

The Oversight Committee would be supported by a Permanent Executive Secretariat—the main coordinating, managing and technical body of the CMM. The Secretariat would at a minimum have the following positions: (i) a secretary general; (ii) a transport and trade facilitation expert; (iii) an administrative assistant. The detailed key functions and responsibilities of the Executive Secretariat are given in the study report and stand-alone CMM document. To expedite establishing the proposed management mechanism for the TSR corridor, and for the sake of operational efficiency, it is suggested to build on the existing CLRT.

It is suggested, as may be agreed by the member countries of TSR corridor, to rename the CLRT and give it a name that would relate to the economic corridor vision, the wider approach of trade, logistics, transport, and transit facilitation corridor as well as the function of corridor coordination and management. The new suggested name of the structure could be “Trans-Saharan Economic Corridor Coordination Committee” (Comité de Liaison et Coordination du Corridor Economique Transsaharien”, CLCCET). The existing legal statutes of the CLRT, if agreed by the member

countries, could be revised and amended. As highlighted in the existing statutes, these have not been ratified by the countries concerned. They were simply approved by the representative of each of the member countries on the Committee.

Mr. Ghzala commented that now was a good opportunity to revise the statutes, amend these and have them officially ratified by the TSR corridor member countries. It would also be a good opportunity to address the funding of the corridor management scheme on a sustainable basis. The existing CLRT secretariat, which would become the Executive Permanent Secretariat, would also need to be scaled up in terms of composition, staffing, competencies, and ICT capabilities.

The proposed corridor structure (especially the Permanent Secretariat and its activities) would need reliable sources of income to be able to finance the coordination functions, and the monitoring and related activities. Two critical aspects would have to be properly addressed: the overall sustainability of the corridor management scheme, and the financial sustainability without which the scheme would collapse. Any corridor management requires stable sources of funding to achieve its goals. These aspects would be laid out in the legal instrument defining the strategic cooperation framework and statutes of the corridor management structure.

Funding arrangements could initially include membership (countries, autonomous agencies, etc.) fees, contributions by governments, traffic-based usage fees (if feasible initially), and donor support (through trade and transport facilitation projects and/or programs). Experience shows that in the initial phase, membership contributions and/or donor funding are necessary to establish and support a corridor management structure.

A transition towards an economic corridor status requires going through number of stages and adopting specific measures. Accordingly, UNCTAD is also recommending that a TSR Economic Corridor Development Program be formulated together with an implementation plan that would need to be prepared and supported by member countries' governments and institutional partners, finance institutions and international development partners. A TSR Economic Corridor Development Program will aim to promote and commercialize the corridor, including by identifying priority projects, financial and resource requirements as well as sources of finance that will be required. In this respect and as shown by experience in other parts of the world and in Africa, continued support by international development partners, such as the IsDB, UNCTAD will be crucial.

The TSR Economic Development Program would be implemented in two (or three) phases. The objective of the initial phase could be to lay the ground for increased trade within the subregion and between the subregion and the rest of the world. The second (and third) phase would entail introducing investments and policies. This phase will aim to trigger and promote trade within the subregion and between the subregion and the rest of Africa and the world and support economic development along the corridor. This objective will be achieved by integrating customs systems and harmonizing customs regulations, improving infrastructure at border crossings, and modernizing them, joining and ratifying relevant conventions, and rehabilitating and reconstructing key road missing links as well as logistics systems and transport services.

It should be noted that the recommendations made in the UNCTAD study for improvements of the TSR corridor are intertwined and need to be implemented in the proposed sequences to ensure maximum impact. Unless there is an institutional arrangement that oversees their implementation, such coordinated plan of actions is unlikely to happen. Experience in different trade corridors shows that a proper corridor management scheme or mechanism can effectively

bring about the needed coordination. It can ensure that the trade facilitation measures implemented in one country are supported by comparable measures in other countries in the corridor. It can also ensure that the actions within any country are implemented within a holistic cooperation framework. The coordination that such a mechanism/scheme can bring is particularly important in the case of transport infrastructure, where investments of one country depend entirely for their success on the presence of comparable infrastructure in the neighboring countries along the corridor.

Mr. Ghzala clarified that the impact of the COVID-19 pandemic fell outside the scope of the study and that security issues in the Sahel region, while important, were not addressed in a great deal of detail in the study. Instead, the focus was on addressing the challenges faced by landlocked countries and the importance of transit transport when considering improvements to the TSR corridor. An overview of the economic outlook for each of the six TSR corridor member countries, including their individual and regional trade, was provided noting the current limited trade volumes and the potential for these to expand in the future through a mix of trade, transport and trade facilitation measures. The perspectives and the main products that are potentially marketable between the TSR corridor countries (and to the rest of Africa) were analyzed and discussed in a CLRT study of 2009. These were further reviewed and updated in the analytical work carried by UNCTAD under the TSR promotion and commercialization study. The main products recognized as advantageously marketable between the TSR countries are those exported by each country in significant quantities over several years between these countries.

Existing trade statistics underestimate however the total trade since there is some informal trade which is not captured by the statistics as is the case of informal trade between Algeria and Mali. One existing estimate indicates that the share of informal trade between Algeria and Mali is estimated at 40% (based on a 2009 study commissioned by the CLRT). It was noted therefore that any project that aims to promote the TSR corridor as an economic corridor, including by modernizing border crossings, should properly address the informal trade and the adequate integration of the population benefiting from the related activities into the mainstream regional economic development.

That said, UNCTAD commented that it was not necessarily the volume of trade between the countries that mattered today, as this will develop over time when the TSR countries will respond to the needs of each other as well as to their own domestic economic development along the corridor. What mattered at this stage, was the volume of goods that transited between the TSR countries (or some of them) whether the goods were destined to/or originating from one of the member countries. What mattered as well was how effective and efficient was the transport and transit facilitation performance across the supply chain and logistics, especially in terms of time and cost. Some existing indicators and examples of international benchmarks (e.g., Logistics Performance Index (LPI) and Doing Business Index) together with insights gained from the use of the Trade and Transport Facilitation Assessment/Audit (TTFA) methodology to assess the TSR's logistical performance, highlight the varied performances among the six member countries and the need for action to improve their logistics performance. This assessment allowed UNCTAD to identify the logistical barriers and challenges along the TSR network, including connections to seaports. They also helped to ascertain potential measures/solutions for addressing these challenges.

Major investment efforts were made by all TSR member countries to develop the road infrastructure, thereby indicating the commitment of the member States. However, due to the

constraints along the corridor roads and the challenges hampering the overall corridor performance, transport costs and transit times along the corridor are too high by international standards and compared to other African sub-regions and groups of countries even with landlocked ones.

Several missing links remain and need to be completed. The road conditions are uneven between countries, and road maintenance policies and funding are lagging particularly in the three landlocked countries. Furthermore, the traffic on the main north-south axis is high on the sections in Algeria and Nigeria. Meanwhile, traffic on the connecting sections is low, except in Tunisia-Algeria segment.

Road safety remains a major challenge for all TSR corridor countries as enforcement of safety legislations is not strict. There remain issues to be addressed at the two main gateways of the north-south backbone of the TSR corridor, namely the port of Algiers and the port of Lagos. In addition to the well-known security issues in the Sahel region, problems at the different border crossings of the TSR corridor have to do with an excessively rigorous and narrow interpretation of the regulations which causes problems and delays. There is no ICT use for exchange of information and no proper risk management at the border posts. The fact also that Algeria is not part of the TIR convention creates additional challenges. There is a need to further develop dry ports and container depots. While several inland container depots are already under private management in Chad, Niger, and Mali, these initiatives are not generalized among the TSR countries.

In addition, the TSR corridor lacks harmonization of procedures and processes in support of corridor performance at the national and regional level. In particular lack of harmonization relates to: (i) institutional, legal, and regulatory context; (ii) disparity of transboundary issues such as axle loads, vehicle insurance and inspection; (iii) relevant conventions ratification and enforcement; (iv) addressing the landlocked and transit specificities, needs and requirements; (v) use of ICT, data collection, treatment and knowledge sharing; and (vi) overall economic corridor coordination and management, monitoring and evaluation, performance.

Therefore, to improve the TSR corridor performance, intervention action should span areas such as “hard” infrastructure (i.e., missing links, connectivity, logistics centers, border crossings modernization, etc.) as well as “soft” measures (i.e., regulations, policies, technological instruments, ICT, harmonization and simplification of information exchanges, conventions and agreements, institutional arrangements, capacity building and mechanisms for monitoring and evaluating corridor performance and impact).

3. The successful experience of a regional transit transport corridor

Mr. Aloys Rusagara Bayiro (Director, Policy and Transport Planning, Northern Corridor Transit and Transport Coordination Authority - NCTCA) explained that the Northern Corridor and its institutions were one of the oldest in Africa. The Northern Corridor is a multimodal transport network (rail, road, internal waterways, and pipelines) that links the landlocked countries of Rwanda, Uganda South Sudan, as well as the Democratic Republic of Congo with the port of Mombasa in Kenya.

He explained that the first corridor treaty was signed in 1985 and focused mainly on transit transport issues. Effective for a period of 10 years, the treaty initially brought together only four countries. The second agreement dealt with detailed trade facilitation issues and was also effective for 10 years. In 2007, this agreement was further enhanced to include new developments and involved 11 implementation protocols with related fields of application remaining relevant

today. These include many strategic aspects such as non-discriminatory use of maritime and port structures by the corridor member countries. Given the need to go through national parliaments' approval, ratification was not immediate (3-5 years depending on the country).

These agreements define their own purpose as well as the roles of the political bodies created under their framework. One such goal is to transform the Northern Corridor into an economic and social development corridor. The need to attract private sector investment and encourage sustainable development in member countries are also underscored. The current version of the Agreement will be amended soon to reflect recent developments, namely the advent of the AfCFTA. The aim is to further open the Northern Corridor to other countries and to include aspects relating to single window and customs system.

The Northern Corridor's stakeholders have established bodies or organizations along the lines of those proposed for the TSR corridor and presented in the UNCTAD study. For the Northern Corridor, the Council of Ministers is the highest level, followed by specialized committees, at the second level. A Public Private Partnership Committee dealing with substantive issues of trade facilitation is also established and can escalate relevant issues to higher bodies for decision-making. Meanwhile, the Permanent Secretariat handles day to day operations and is manned by staff from each member country. The Northern Corridor has an observatory that widely available and that features 47 performance indicators that monitor the Corridor's performance by tracking trends and developments over the years (e.g., transport costs, delays, and transit times). It has been observed thanks to the Observatory that intra-regional trade increased in the sub-region.

4. Discussion

The secretary general of the CLRT (Mr. Ayadi) inquired about how to establish a system that accompanies the transition of the TSR network towards an economic corridor. He noted that while the CLRT member countries had demonstrated an ability to work together, the task ahead was going to be difficult. For example, there is a need for a joint maintenance system that would be owned by the corridor's member countries and that would prevent the deterioration of the road infrastructure. For example, countries such as Nigeria and Niger could consider establishing a common entity that would handle road infrastructure maintenance activities. In response, UNCTAD remarked that the answers to some of these questions lied in its recommendation for establishing a strategic cooperation framework that would serve as the basis for a legal, institutional and management structures that would support the TSR network in its transition.

Mr. Mourad Boukadoum (Permanent Mission of Algeria to the United Nations Office and other international organizations, Geneva) asked about the timeframe and resources required to transform the TSR network and ensure that it can morph into a well-performing economic corridor.

Ms. Lammari Nawel (Ministry of Finance, Algeria) questioned the relevance of using international benchmarks such the World Bank's LPI and Doing Business Index to determine the cross-border trade performance of the TSR corridor member countries. She suggested that further work be dedicated to addressing this aspect given the differences between countries. This may entail developing dedicated and tailored indicators and benchmarks that would better reflect the varying local conditions and the specificities of each country. UNCTAD shared this view and commented that these benchmarks were cited for illustration purposes only and that any country comparisons should be handled with care. It was also noted that much of the conclusions featured in the UNCTAD study and relating to the current state of play and the logistical performance of the TSR corridor, were informed by the additional analysis that relied on a well-known analytical tool

known as the TTFA (Trade and Transport Facilitation Assessment). The latter is a practical method used to identify the obstacles to the fluidity of trade supply chains.

Mr. Boualem Chettibi (Director General, Infrastructure, Ministry of Public Works, Algeria) commented that the road construction work on the Algiers-Ghardaïa segment was completed and that related figures cited in the report should be updated accordingly. He emphasized that the economic benefits and profitability of the TSR corridor were clearly established and that it was now time to focus on identifying and establishing relevant mechanisms and institutions that would oversee the management and operation of the TSR corridor as well as support its further strategic development. In his view, the TSR corridor is the solution to the logistical challenges (e.g., high transport costs and lack of access to sea transport that undermine trade competitiveness) faced by the six member countries, especially the three landlocked countries. With an estimated 35% of the value of goods traded being accounted for by transport costs, making effective use of the TSR corridor as a means of reducing costs, cutting transit times and delays, enhancing reliability of services, improving connectivity, and boosting trade competitiveness is crucial. Already, 90% of the TSR road network in Algeria, notes Mr. Chertibi, were operational while some retrofitting work was being carried out in the segments impacted by heavy vehicles' traffic, among other factors.

Mr. Chettibi remarked that the current new momentum arising from the AfCFTA and the African Union's commitment to infrastructure development in Africa, underscored the timeliness of this discussion on promoting and commercializing the TSR Corridor. In his view, representatives from the Trade and other relevant ministries should be involved with a view to addressing the underlying non-infrastructure related bottlenecks that may be undermining the intra sub-region trade expansion. He also informed that additional support emanating from the African Union relevant institutional mechanisms and financial resources could potentially be relied upon. He reported that a recent proposal was made at the first extraordinary session of the Union's specialized technical committee on transport infrastructure, energy, and tourism to maintain the TSR corridor as a continental project. While this proposal is yet to be validated by the heads of states in February 2021, there is a potential for more support to benefit the TSR corridor project and therefore help implement some of the recommendations put forward in the UNCTAD study. An example of such recommendations is the need to leverage international and continental institutions for more support and assistance. In his view, the recommendations put forward in the UNCTAD study are relevant and should be applied and executed. To this end, he suggested that the CLRT be directly involved in initiating the implementation of the first phase of the proposed TSR Economic Corridor Development Program and that members of the CLRT should inform and consult their respective governments on these developments. He suggested that this topic be featured on the agenda of the next meeting of the CLRT to be held in the course 2021. Mr. Ayadi recalled that the TSR network and the CLRT enjoyed an important political support since inception as the initiative was adopted under the auspices of the African Economic Commission and in the presence of ministers. He confirmed that none of the statutes of CLRT had been ratified by the CLRT member countries, but that Algeria agreed to a headquarters/host country agreement.

Mr. Mohamed Jamal Elifa (Ministry of Trade, Tunisia) noted that an economic corridor was a huge project that involved cross-cutting aspects. He wondered how the project was going to be financed and about the alternative sources and modalities of finance that could be tapped, including government, the private sector, and governmental organizations.

Mr. Mustafa Sakr (AUDA NEPAD FOCAL Point for Presidential Infrastructure Champion Initiative (PICI) commented that the TSR network was part of the PICI which is now planning to enforce the high-level political support to accelerate the implementation of cross border infrastructure

projects. In this context, he expressed interest in including the PICI Secretariat as a member of the proposed management structure of the TSR corridor. He maintained that this would help to bring all the challenges and the proposed policy actions to the attention of heads of state and government of the PICI and to share experience among member states.

Mr. Mohamed Talha (Permanent Mission of Chad to the United Nations Office and other international organizations in Geneva) noted that the webinar was instructive and informative and that learning from the positive experience of another corridor in the region was useful. He argued that with Chad being landlocked and facing high transport costs and delays, the TSR corridor was very important for the country and its regional and international connectivity. He underscored the challenge faced by low-income countries with limited resources in ensuring an optimal allocation of resources among highly strategic and urgent competing national priorities (e.g., infrastructure development, transport, agriculture, health, etc.). Mr. Talha wondered how best to articulate an approach that advocates transport infrastructure development while, at the same time, considering other competing needs. He wondered about the financing means and their sources and how best these could be leveraged whether at the continental level or internationally.

UNCTAD noted that all countries especially developing countries with low income faced the need to make strategic choices given the limited financing and ability to borrow. Therefore, prioritization at national governmental level was important. In its recommendations, UNCTAD proposed that a dedicated TSR Economic Corridor Program be developed in stages to allow for such prioritization and strategic sequencing of actions. The specifics of which actions to take and in which sequence will be further detailed when the proposed Program is elaborated and implemented. It was further clarified that the proposed corridor management structure/mechanism (CMM) will be responsible for coordinating the actions and initiatives relating to the TSR economic corridor. The CMM will not be making strategic decisions pertaining to budget allocations among competing national priorities. Instead, these decisions will be handled at higher institutional level by relevant ministries and institutions.

Echoing this message and referring to the experience of the Northern Corridor, Mr. Rusagara Bayiro explained that infrastructure development and prioritization decisions were handled a higher political level. The NCTTCA roles is to highlight the role of transport infrastructure and to recommend that it be developed given its strategic importance for countries. In some cases, countries allocate dedicated shares to infrastructure investment (e.g., 30% of the national budget for infrastructure development in some cases). Others emphasize the institutionalization efforts to promote the profitability of the existing infrastructure. Infrastructure maintenance is an important element in any such decisions as reflected in the establishment of a PPP Committee (e.g., avoiding excessive loads).

Mr. Hocine Amichi (Ministry of Foreign Affairs, Algeria) commented that promoting trade, infrastructure development, transport facilitation and economic development can be challenging especially in the context of the COVID-19 pandemic. He enquired about the process and implications of upgrading the current CLRT under the proposed corridor management structure. In this respect, UNCTAD reiterated the view that the CLRT could serve as the starting point or the basis and that there was no need to re-invent the wheel. TSR member countries can build on the achievements and the institutional strength of the current CLRT by amending its internal statutes and regulations and making them fit for purpose. The current CLRT can already help to implement certain aspects of the various recommendations such as for example, the MOU. Specific tasks may include ensuring the finalization and adoption of the MOU as well as finalizing the document for the strategic cooperation framework cooperation.

Mr. Ebere (Federal Ministry of Works, Nigeria) asked whether specific studies relating to challenges facing the trade and infrastructure of each country had been carried out. UNCTAD commented that the study has considered the various challenges and specificities at country level by applying the TTF Assessment tool. While some of these challenges have been identified further study of these aspects will be required when the TSR Economic Corridor Program (and related projects) are elaborated in the future. Under such a program there will be an assessment of issues at country level as well as at regional/corridor level. For example, the road network missing links and port upgrades and improvements would be handled at the country level (i.e., investment decisions at country level) while regional and more common and cross-cutting aspects that relate to facilitation, regulation, and other agreements would be addressed at the sub-regional/corridor level.

Conclusion and next steps

UNCTAD presented the main findings of the regional study on “Promoting and Commercializing the Trans-Saharan Road Corridor”. The study was carried out by UNCTAD and funded by the IsDB. The presentation relayed the findings of the analytical part of the study as well as the main conclusions and recommendations intended to enable the commercialization of the TSR corridor and its transformation into a well-performing economic corridor.

Underpinned by analytical work and a review of international experience and good practice in the field of corridor operation and management, the UNCTAD regional study recommends that the following be developed and implemented, namely: 1) a cooperation framework (CF) that facilitates transport and trade between the TSR corridor member countries be established, 2) an adequate regional corridor management mechanism/structure (CMM) that is sustainable and able to promote and commercialize the corridor, 3) actions and measures to improve the operational performance of the corridor and enable its transformation towards a well-functioning economic corridor that generates economic value and social gains for the corridor member countries, and, 3) an action plan operationalizing the TSR Economic Corridor Program.

The findings of the study and the discussions confirmed the relevance and importance of a TSR economic corridor. There was a consensus at the meeting that the time was ripe for the TSR network to step into its full potential and act as a catalyst for regional integration, trade expansion, economic growth, and social progress. The momentum generated by developments at the continental level, in particular the adoption of the AfCFTA and insights gained from international best practice and experience in the field of corridor management and economic corridor development across regions, all provide evidence of the feasibility and the merit of supporting the development of the TSR Economic Corridor and the institutionalization of its management by setting up an adequate corridor management mechanism. Meeting participants and the CLRT members are encouraged to convey the key messages emerging from the webinar to their relevant ministries and authorities to further galvanize the political will and prepare for the implementation of an RTS Economic Corridor Program. As for the Northern Corridor Transit and Transport Coordination Authority (NCTTCA) and as deemed appropriate, its representative confirmed the availability of the NCTTCA and its willingness to continue to share its experience and good practices relating to the institutionalization of the corridor and its management.

UNCTAD set out the next steps for implementing the various recommendations put forward in the study while emphasizing the need for a phased approach and reiterating the catalytical role of member countries and international development partners and financing institutions. The

important role of the CLRT as the basis for the new management structure and the need to build upon its established rules and achievements has also been underscored. The CLRT has an important role to play in driving action and implementing relevant measures and decisions. Member countries and technical experts participating in the CLRT activities and meetings should inform policy and decision-makers in their respective countries of these developments and seek to attract the necessary political support to advancing the work towards the main objective of promoting and commercializing the TSR corridor.

The IsDB, the African Union, UNCTAD as well as other development and institutional partners (as deemed appropriate) should continue to support the TSR Corridor Economic Development initiative. In this regard, the IsDB noted its continued commitment to supporting the TSR corridor project and that once the projects and activities necessary for the implementation of the TSR Economic Corridor Program have been identified (with UNCTAD assistance), the IsDB will determine those that could be financed and supported, including in cooperation with other development partners and financial institutions.

As to UNCTAD, the next steps include the following:

- Amend and revise the draft study to reflect feedback and comments received during the webinar. Relevant data will be updated by reflecting most recent figures.
- Request specific data and input from the CLRT committee members and relevant authorities in the six member countries to complete its analysis and finalize the study.
- Provides participants with copies of the presentations delivered at the webinar, an executive summary of the study, a summary of discussions as well as the list of participants.
- Share with participants and other relevant stakeholders from the six member countries the revised and final version of the report together with the draft texts of the proposed MOU, Strategic Framework and Management Mechanisms to gather feedback and input and in preparation for the validation meeting that will be held in the course of 2021 (online if travel restrictions remain effective).

List of Participants and Invitees

Ms. M. Abba (Ministry of Commerce, Algeria)
Mr. H. Abdou (Direction of Trade, Mali)
Mr. H. Amichi (Ministry of Foreign Affairs, Algeria)
Mr. A. Amine (Ministry of Public Works, Niger)
Mr. H. Ammar (Ministry of Transport, Tunisia)
Ms. Attab (Ministry of Public Works, Algeria)
Mr. M. Ayadi (CLRT, Algeria)
Mr. O. Belkacem (OPEC Fund for International Development, Austria)
Ms. H. Benamara (UNCTAD, Geneva)
Mr. Y. Ben Romdhan (Ministry of Transport, Tunisia)
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Mr. S. Dan Issa (Ministry of Transport, Niger)
Mr. A. Daou (Ministry of Public Works, Mali)
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Mr. I. Drine (Islamic Development Bank, Jeddah)
Mr. Ebere (Federal Ministry of Works, Nigeria)
Mr. M.J. El IFA (Ministry of Commerce, Tunisia)
Mr. O. Elfeel (Arab Bank for Economic Development in Africa - BADEA, Egypt)
Mr. A. Ghzala (UNCTAD consultant, Washington D.C.)
Mr. M. Guessmi (Ministry of Equipment, Housing and Land Planning, Tunisia)
Mr. S. Hamidi (Ministry of Trade, Algeria)
Mr. Hamadouche (Ministry of Transport, Algeria)
Mr. D. Kherfi (SETS/Technical Studies Enterprise of Setif, Algeria)
Mr. M. Khoukhi (Ministry of Transport, Algeria)
Mr. M. Lallia (Ministry of Post and Telecommunications, Algeria)
Ms. N. Lammari Nawal (Ministry of Finance, Algeria)
Mr. F. Noitora (Ministry of Transport, Chad)
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