# Multi-year Expert Meeting on Transport, Trade Logistics and Trade Facilitation:

# Transport and logistics innovation towards the review of the Almaty Programme of Action in 2014

22-24 October 2013

# CENTRAL CORRIDOR TRANSIT TRANSPORT FACILITATION AGENCY (TTFA)

by

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## CENTRAL CORRIDOR TRANSIT TRANSPORT FACILITATION AGENCY (TTFA)

Multi-Year Expert Meeting on Transport, Trade Logistics and Trade Facilitation - 1st Session

Palais des Nations - Room XXVI - Geneva Geneva, 22-24 October 2013

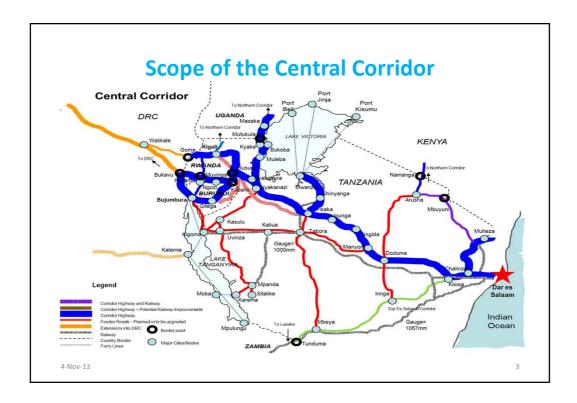
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#### Introduction

- About the TTFA & Scope of the Central Corridor
- The Port of Dar es Salaam & the Central Corridor
- Major Challenges at the Central Corridor
- Trade Facilitation Initiatives along the Central Corridor



#### The port of Dar es Salaam and the Central Corridor

- The port of Dar es Salaam is United Republic of Tanzania's main port, handling 95% of Tanzania's cargo. Other Ports are Tanga, and Lake Ports of Mwanza and Kigoma
- Dar es Salaam is also the main transit port for Burundi, Rwanda, Eastern DRC, as well as a viable alternative for landlocked Uganda.
- The port container terminal is operated under concession by the Tanzania International Container Services (TICTS) Company, in which global terminal operator Hutchison Port Holdings holds a majority of share. TICTS handles over 80% of Dar es Salaam Port's containerized cargo

# Overall Average Dwell Time at Dar Port – From Central Corridor Observatory Report Jan-June, 2013 TICTS Terminal

COUNTRY	JANUARY	FEBRUARY	MARCH	APRIL	MAY .	JUNE
TANZANIA	8	7	6	10	12	10
DRC	20	16	17	16	14	12
RWANDA	16	14	12	12	11	9
BURUNDI	16	15	14	15	12	10
UGANDA	12	14	13	13	13	10

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#### **Dwell Time at TPA Terminal**

COUNTRY	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE
TANZANIA	8	7	6	6	7	7
DRC	20	16	17	17	18	14
RWANDA	16	14	12	13	11	10
BURUNDI	16	15	14	14	13	10
UGANDA	19	14	13	17	34	13

#### **Challenges at the Central Corridor:**

- Poor railway system
- Harmonization of weighbridge tolerances
- Delay in submission of accurate documents by importers
- Need for improved Customer focus
- Poor peri-port infrastructure
- Integrated approach to setting of rules and regulations
- Incidences of overloading by truckers
- Multiple truck stoppages along the corridor

# Trade Facilitation Initiatives along the Central Corridor

- 1. Capacity Building Project for Control Authorities and Transit Transport Operators Along the Central Corridor
- Being piloted in Tanzania, Rwanda and Burundi
- Project financed by UNECA with technical support from UNCTAD and UNESCAP

## Corridor Performance Management and Monitoring:

- ❖ Application of UNCTAD/UNESCAP <u>Cross-border and Transit Transport</u> <u>Process Management Toolkit (CT-TPM)</u> along the Central Corridor
- UNCTAD has developed a <u>cluster methodology to use a collaborative structure called cluster to bring stakeholders involved in cross-border and transit transport in landlocked and transit developing countries together to discuss the issues of transit transport and coordinate their facilitation measures.</u>
- UNESCAP has developed the <u>Time /Cost- Distance methodology to find time and costs spent for each segment of transport process, through which to help identify, quantify and isolate bottlenecks to be addressed in transport process.</u>
- The Time/Cost- Distance methodology has also been used by other organizations/institutions to monitor the performance of some transport corridors and identify barriers in transport. It is now being piloted on the Central Corridor

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#### **CT-TPM Toolkit**

- The toolkit integrates the cluster concept, Time/Cost

   Distance methodology and experience applying the methodologies with practical guidelines for identifying barriers impeding cross-border and transit transport and solutions with the application of the UNCTAD/UNESCAP facilitation methodologies.
- Then it will provide an opportunity for the participating countries to follow the toolkit guidelines to seek collaborative solutions and monitoring of impact of the facilitation measures.

#### Main components of the project (1)

- Creating awareness of the CT-TPM Toolkit through national training workshops for each participating country (To be organized beginning of January 2014);
- Forming clusters in each of the participating countries with the involvement of the main stakeholders (**Done**);

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#### Main components of the project (2)

- Application of the Toolkit by national clusters with the assistance of supporting institutions/CDAs for identification of the bottlenecks along the selected transport corridors (Done, analysis & report writing ongoing);
- National cluster meetings and formulation of cluster action plans at national level (to follow the CDAs report);

#### Main components of the project (3)

- Cluster meetings at corridor level and formulation of cluster action plans at national level (to be organized in January, 2014);
- Preparation for the implementation of cluster action plans at national and corridor levels (to be organized).

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#### **Expected Project Outputs**

- A diagnostic analysis based on the time cost model
- A One-Year action-plan including the <u>strategy</u> and <u>list of activities that will need to be implemented</u> <u>by the Cluster members</u> in its first year of development
- <u>Cluster meetings</u> at corridor level and formulation of cluster action plans at national level

#### 2. Central Corridor Transport Observatory Project Launched

#### **Definition**

- The Transport Observatory is a performancemonitoring tool for assessing the efficiency of the entire logistics chain of the Trade and Transport Corridor.
- The Central Corridor Transport Observatory is Web-based and will be automated
- A Transport Observatory software shall process the data and generate online reports.

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#### **Objectives of the Observatory system**

- The objective of the transport observatory along the Central Corridor is to monitor electronically the performance of the corridor and generate relevant performance indicators and reports on the central corridor.
- These indicators shall enable the:
- Identification of areas for improvement in relation to targets (or benchmarks);
- Providing key reliable information to policy makers in the region and facilitate formulation of policies that lead to better transit and trade facilitation and cooperation between TTFA member states:
- Measuring the effectiveness of programs designed to address problems/bottlenecks identified.

# 3. Building One Stop Inspection Stations (OSIS) along the Central Corridor

#### **ACHIEVING THE OSIS CONCEPT OBJECTIVES**

#### Reduce time & costs

Introduce an optimal number of OSIS at agreed locations to allow for simultaneous checks in a safe and controlled environment.

#### **Increase road safety**

- Requiring trucks to stop and park at secure sites located 12 hours apart
- ii. Reducing congestion arising from trucks parked along the roadside
- iii. Reducing the probability of accidents arising from tired drivers.

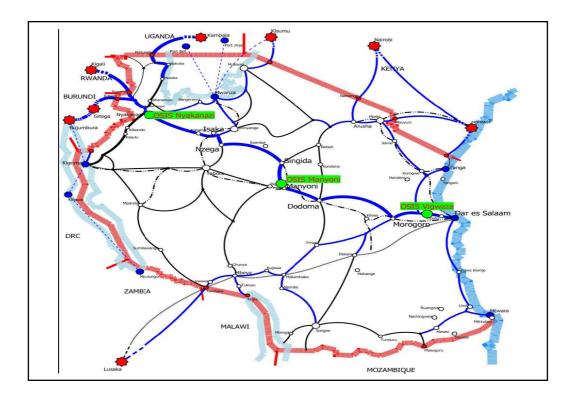
#### **One Stop Inspection Stations**

### 3 OSIS to be constructed at Vigwaza, Manyoni and Nyakanazi. Each OSIS to have:

- Administration block
- Weighbridge
- Lorry parking
- •Wellness Centre
- •Business centre (hotels, restaurants, banks/insurances, shops, garages, fuelling)
- •Segregated layout for safe traffic flows.

#### Staged implementation process:

- •1st stage Feasibility Study Finalised in April, 2013 with the support of TMEA
- •2<sup>nd</sup> Stage Design & Construction (Designs to begin in November 2013 and Construction to begin in 2014). With support from TMEA, World Bank & EU



### 4. CENTRAL ROAD SAFETY STUDY FOR COMMERCIAL FREIGHT

#### **Overall Study Aim**

- The overall of aim of the project is to increase road safety for commercial freight along the Central Corridor (for the portion Tanzania, Rwanda and Burundi – for now) through promoting cooperation between the road transport operators and the public authorities.
- This is in line with the UN Decade of action on road safety

### CENTRAL ROAD SAFETY STUDY FOR COMMERCIAL FREIGHT CONT..

#### **Specific Programme Objectives**

- Objective 1: Improve the professional qualifications of the truck drivers
- Objective 2: Promote dissemination of good practices among road transporters
- Objective 3: Minimise road hazards at the borders between Tanzania, Rwanda and Burundi

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#### **TANZANIA INTERMODAL & RAIL PROJECT**

- The Tanzania Intermodal and Rail Project financed with a WB loan to Tanzania if successfully implemented;
- will lead to a more rational allocation of freight between road and rail modes,
- an increase in port off-take capacity, as well as
- reducing the congestion of the port-city interface
- Some landlocked countries can pick up their cargo at Isaka dry port
- The Project, aims at improving the performance of Tanzania Railways Limited (TRL) management and operations in carrying out intermodal transport services along the Central Corridor

#### **Tanzania Intermodal & Rail Project Cont..**

- The strategy will focus on;
- increasing the <u>reliability of the current infrastructure</u> and rolling stock to meet the existing and emerging intermodal transport requirements
- In doing so, it will target the <u>capacity issues of the line</u> <u>and the equipment</u> (axle weight allowance, train length, procurement of rolling stock) and
- The <u>predictability of the service through strong</u>
  <u>regulation</u>, effectual contractual terms and conditions,
  and a binding Service Level Agreements mechanism
  (SLA) between the actors involved.

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### **Way Forward**

- Tanzania Government through its development blue print Big Results Now (BRN) developed recommendations across the supply chain of the central corridor and aspires to increase the capacity of the Port of Dar es Salaam to 5 million tons by 2015.
- Specifically; it recommends;
- increasing the Dar Port <u>throughput</u> from 12.1 million tons to 18 million tons by 2015;
- increasing <u>rail freight</u> from 0.2 in 2012 million tons to 3 million tons by 2015 and
- reducing <u>transit time</u> between Dar es Salaam Port and Rusumo border post from 3 days to 2.5 days by 2015.

