

# The Mombasa (Northern) Corridor

Global Facilitation Partnership  
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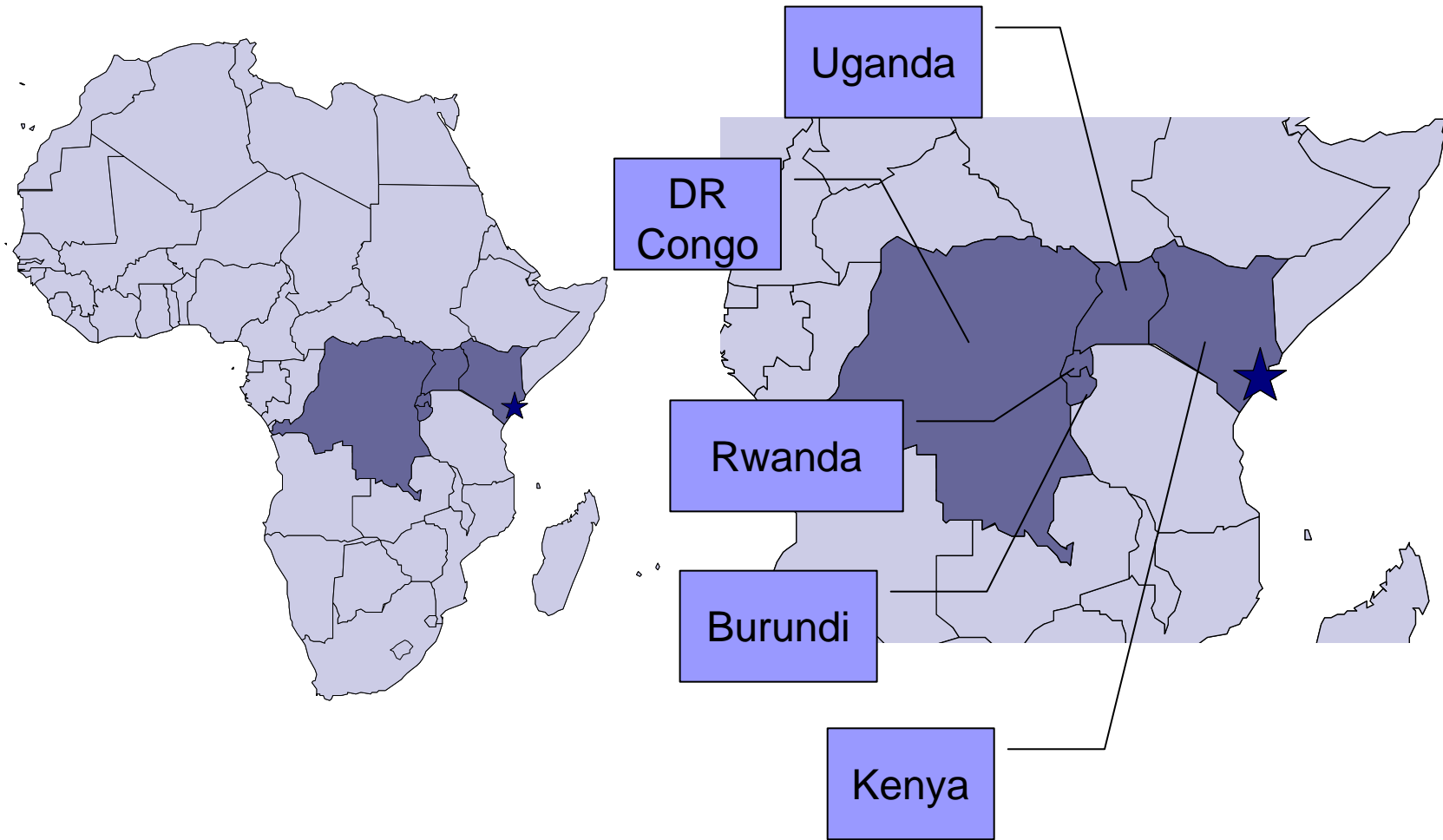
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# Summary

- Overview of the Mombasa Corridor
- Institutional arrangement on the Northern Corridor
- Transit procedures (Customs ICT systems, transit bonds, joint border posts)
- Corridor performance measurement
- Options for the other sub-regions/corridors

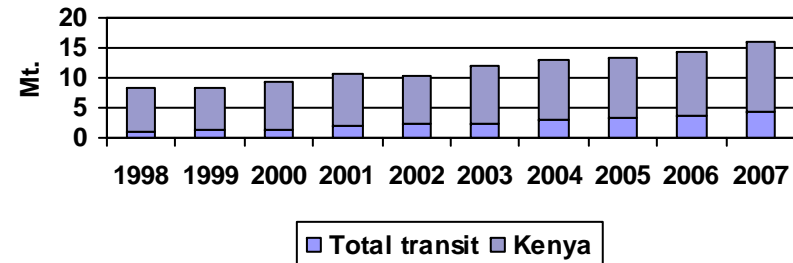
# The Mombasa Corridor



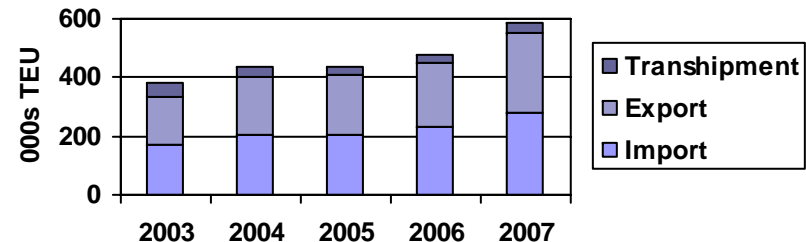
# The Mombasa Corridor: volumes

- Transit traffic now representing close to 30% of total port activity, almost 4.5 Mt.
- Doubled between 2002 and 2007, quadrupled between 1998 and 2007
- Uganda is 75% of total transit
- Container throughput growing at almost 10% per year
- Container throughput projected at one million TEU by 2015

Total throughput



Container throughput





# Challenges on the Mombasa Corridor

- Capacity constraints of the transport infrastructure
  - Port urgently need additional facilities
  - Road: rehabilitation required on some sections, but under way
  - Rail: capacity increase required
- Short term measures:
  - Improvement of efficiency through private sector participation in operations (rail), reduction of delays (computerisation of port & Customs, joint border posts initiatives, etc.)
- Long term vision:
  - Unlock economic potential of the Great Lakes region through adequate infrastructure and reduction of transport costs to guarantee competitive market access and attract private investment



# Institutional organisation

Treaty, Secretariat, Action  
Plan



# The Northern Corridor institution

- The Mombasa corridor has been formalised through an intergovernmental Treaty signed in 1986 by Kenya, Uganda, Rwanda, Burundi and DR Congo (NCTA)
- The Treaty has been revised in 2007
- The Treaty is establishing the Northern Corridor Transit Transport Coordination Authority, a Council of Ministers in charge of Transport and / or Roads



# The Northern Corridor Secretariat

- To support effective implementation of the NCTA, a Permanent Secretariat has been established, hosted by Kenya in Mombasa
- Hosting agreement with Host country
- Staff of around 15, including a seven-eight professionals
- Annual budget of 1M\$



# The Northern Corridor Secretariat

- Funding of the Secretariat is based on a mix of resources:
  - Direct remittances from the National Treasury of the Member States (originally equal shares, but since adjusted to respective size of the economies)
  - Levy on transit traffic through the Port of Mombasa (a few cents per ton)
- Development partners (USAID, World Bank, UN/ECA, AfDB, etc.) are also contributing by supporting specific activities and projects



# The Mombasa Corridor Action Plan

- A SWOT Analysis resulted in the adoption of an Action Plan (Vision, Mission and Strategic Objectives – SO):
  - S01: Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor;
  - S02: Harmonization and streamlining of policies and legal frameworks for transport and trade facilitation;
  - S03: Improved transport infrastructure and services relating to road, rail, pipeline, inland waterways, terminals and communication services;
  - S04: Enhanced knowledge management and performance monitoring.



# The Mombasa Corridor Action Plan

- The Strategic Action Plan defines five programmes designed to achieve the SO, each under the responsibility of a programme manager:
  - Private Sector Partnership Facilitation
  - Transit and Transport Policy Development
  - Customs and Trade Facilitation
  - Infrastructure Development and Management
  - Monitoring, Evaluation and Capacity Building



# The regional environment

- The Mombasa Corridor covers countries belonging to two Regional Economic Communities, but is an independent organisation:
  - EAC (East Africa Community)
  - COMESA
- The three share some common objectives, and action plans and programmes are coordinated through MOUs



# Transit on the Northern Corridor

ICT, Customs bonds and joint  
border posts

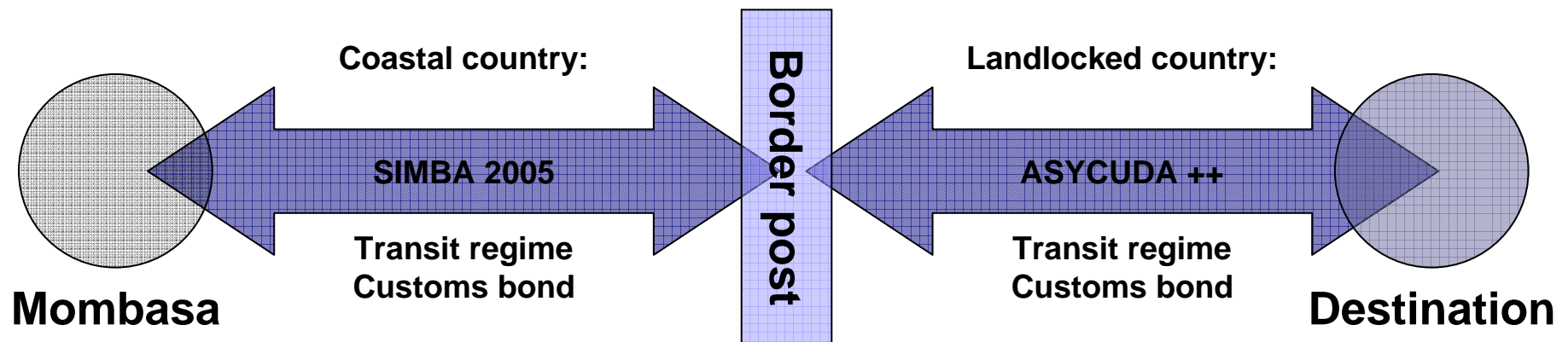


# Transit on the Northern Corridor

- The Customs systems in the region are:
  - SIMBA 2005 for Kenya (developed from GAINDE – Senegal)
  - ASYCUDA++ for (Uganda, Rwanda, Burundi)
  - ASYCUDA for DR Congo (migration to ASYCUDA++ planned)
- ASYCUDA++ and SIMBA enable:
  - Direct trader input through Internet
  - Automatic mobilisation and release of the Customs bond
  - Pilot interface SIMBA – ASYCUDA++ tested for the Malaba border

# Transit procedures

- Example of import to Kampala (Uganda) through Mombasa:
  - Goods cleared out of port with transit document
  - At the Kenya – Uganda border, joint inspection
  - New transit regime in Uganda up to Kampala
  - Final entry (import or warehousing) at destination





# Transit procedure

## ■ SIMBA 2005

- Transit entry T810 which is mobilising the Customs bond
- Transit transport document T812
- At exit border post, joint inspection, report captured in SIMBA by KRA
- C&F agent submits request with appropriate documents to release the bond

## ■ ASYCUDA++

- Transit entry IM8 mobilising the Customs bond
- Transit transport document T1
- At the end of transit, T1 validated, bond released by ASYCUDA++
- Final clearing at destination through an import or warehousing entry (IM4 or IM7)



# Transit procedure: border

- At the border, the goods are proceeding directly to the next country, without Customs check at the exit office
- On the entry office, the Customs agents from both countries are checking documents and seals
- Possibility for URA to access relevant transit entry in the KRA system



# Transit procedure: Customs bond

- The original intent was to have a single bond covering the whole transit, irrespective of the number of countries (similar to TIR convention)
- This was not implemented, and although release of bond is faster due to computerisation, multiplication of procedures is costly



# Transit procedure: Customs bond

- COMESA has designed a new instrument, the Regional Customs Transit Guarantee system (RCTG):
  - Single bond for the whole transit using a carnet system
  - ICT infrastructure to support tracking of carnets across Customs territories
- 200 trial runs Implemented on the Northern Corridor as a pilot



# Performance monitoring

Framework and data sources



# Performance monitoring

- Framework designed taking into account:
  - Survey-based observatories
    - Transport observatories in West Africa
    - Baseline survey of the Northern Corridor in 2003-2004
  - ICT development and cargo tracking



# Performance monitoring

- Framework defines three levels:
  - Corridor wide indicators
  - Country level indicators
  - Modes and Nodes indicators
- Several dimensions: volumes, time related (including uncertainty), price / cost related, quality / efficiency related



# Performance monitoring

	<b>Volume</b>	<b>Time</b>	<b>Price</b>	<b>Quality</b>
<b>Corridor</b>	Total transit	Total transit time	Total price	
<b>Country</b>	Border counts	Border crossing delays, etc.		Road network, Customs fraud, etc.
<b>Modes Nodes</b>	Port traffic, rail activity, etc.	Port dwell time	Tariffs	Fleet (rail, road), annual mileage, etc..



# Performance monitoring

- Sources of data
  - Dedicated surveys through forms (for instance for road transport)
  - Interviews with stakeholders
  - Existing indicators (port, rail, customs, police, ministries of transport, of roads, etc.)
  - IT data from transport operators, linked to track consignments over complete transport chains
- Further reference material: SSATP DP No7 just published



# Performance monitoring

- Advantages of mixing sources:
  - Range of indicators
  - Corridor wide indicators through identification of complete transport chains
    - Interaction between operators
    - Several modes, including multimodal transport chains
    - interactions between documentary and physical flows



# Performance monitoring: results

- New analysis which were not available prior to establishment of Transport Observatory:
  - Analysis of port dwell time according to mode of delivery
  - Clearing time at the port vs. advance declaration
  - Impact of routing through a transit yard
  - And many others...



# Contacts

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