REPORT

PROGRESS IN IMPLEMENTATION OF INTERNATIONAL TRANSIT FACILITATION ON SELECTED CORRIDORS IN AFRICA
PROGRESS IN IMPLEMENTATION OF INTERNATIONAL TRANSIT FACILITATION ON SELECTED CORRIDORS IN AFRICA
PROGRESS IN IMPLEMENTATION OF INTERNATIONAL TRANSIT FACILITATION ON SELECTED CORRIDORS IN AFRICA

Introduction

As the title suggests, an assessment of progress in the implementation of international transit facilitation on selected corridors in Africa was to be based on the extent to which member States have complied with the provisions of transit facilitation clauses and/or protocols in conventions, agreements, treaties and other international or subregional memorandum of understanding dealing with the expedited movement of transit traffic. In the Eastern and Southern African subregion, all such treaties, conventions, etc. have been codified into what is commonly known as the COMESA Protocols on transport and communications. These are common acceptable policies, standards and procedures designed to facilitate the movement and operations of transit transport services among the member States.

Ideally, the extent to which a country has fully or substantially complied with or implemented the various provisions would tend to indicate the advanced state of transit facilitation in the country and vice versa. This may not always be the case as the analysis below and the findings of the mission would show.

While the detailed analysis is restricted to the four countries (Malawi, Mozambique, Tanzania and Zambia) to which the mission was carried out, Table 1 also gives a fuller picture of the state of implementation by other member States in the subregion.

Historical evidence seem to indicate that the implementation of protocol provisions has usually been uneven, with some countries usually setting the pace of implementation while others are usually slow to comply. As a consequence of this fact, the 14th meeting of the COMESA Transport and Communications Committee decided that each member State should create a national Multi-Disciplinary Working Group (MWG) to expedite the implementation of the provisions. It is rather unfortunate that neither Malawi, Mozambique, Tanzania and Zambia has established a MWG as yet.

With regards to the other provisions, the situation is as follows:

(i) Malawi and Zambia have adopted the Harmonized Road Transit Charges (RTC);
(ii) Malawi, Tanzania and Zambia have adopted the Road Customs Transit Document (RCTD);
(iii) All four countries - Malawi, Mozambique, Tanzania and Zambia have adopted the Axle Load Limits;
(iv) All four countries adhere to the Maximum Vehicle Length;

(v) With the exception of Mozambique, the other three countries (Malawi, Tanzania and Zambia) have adopted the COMESA Yellow Card (YC) and COMESA Carrier Licence (CCL);

(vi) None of the four countries has adopted the Coupon System - in fact only one country (Zimbabwe) out of the 16 COMESA member States has adopted the Coupon System of transit charges payment;

(vii) Malawi and Zambia have adopted the COMESA Transit Plates;

(viii) All four countries have adopted the High Frequency X-Band land mobile communications systems (HFX); and

(ix) Malawi, Tanzania and Zambia have implemented the Agreement on Telecommunications Network Inter-connectivity and Tariff Harmonization.

The overall assessment indicates that Malawi and Zambia have each implemented 75 per cent of the provisions, Tanzania 58 per cent and Mozambique only about 16 per cent. It should be emphasized that these global percentages do not necessarily reflect the operational conditions of international traffic facilitation on transit corridors in the individual country, but merely represent the extent to which official policy - legislative and administrative actions have been taken to formally indicate compliance with the specific provisions or requirements.

With the foregoing, the narrative which follows on the various transit corridors in each country should be read in the context of the above overall assessment. As such, a specific problem may occur on a corridor in a country which has fully complied with the COMESA agreement in that area and vice-versa. These are problems which are experienced from time to time by member countries due to one reason or another, irrespective of the compliance or otherwise with the common positions in the respective problem areas.
<table>
<thead>
<tr>
<th>Country</th>
<th>RTC</th>
<th>RCTD</th>
<th>Axle Load Limits</th>
<th>Max. Length 22.0m</th>
<th>YC</th>
<th>CCL</th>
<th>CS</th>
<th>COMESA Transit Plates</th>
<th>Overland Control</th>
<th>MWG</th>
<th>HFX</th>
<th>Telecom Int. Agr.</th>
<th>% Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Angola</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>8</td>
</tr>
<tr>
<td>Burundi</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>42</td>
</tr>
<tr>
<td>Eritrea</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>16</td>
</tr>
<tr>
<td>Ethiopia</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>67</td>
</tr>
<tr>
<td>Kenya</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>33</td>
</tr>
<tr>
<td>Malawi</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>75</td>
</tr>
<tr>
<td>Mozambique</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No(18)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>16</td>
</tr>
<tr>
<td>Namibia</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No(20)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Nil</td>
<td></td>
</tr>
<tr>
<td>Rwanda</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>42</td>
</tr>
<tr>
<td>Sudan</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>33</td>
</tr>
<tr>
<td>Swaziland</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>25</td>
</tr>
<tr>
<td>Tanzania</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>58</td>
</tr>
<tr>
<td>Uganda</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>Yes</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>50</td>
</tr>
<tr>
<td>Zaire</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>No(18)</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>25</td>
</tr>
<tr>
<td>Zambia</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>75</td>
</tr>
<tr>
<td>Zimbabwe</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>No</td>
<td>Yes</td>
<td>75</td>
</tr>
</tbody>
</table>

neighbouring countries constitutes a major economic activity for growth and development, the government's development and investment efforts since cessation of the war have been concentrated on the development of the transport and communications sectors so as to provide improved and competitive transit transport services to the neighbouring countries.

As a first step at the policy level, legislation has been passed whereby the Mozambican railways (CFM), ports, and telecommunications have all been commercialized by enabling full financial, operations and management decision-making powers to the companies by the government through special laws which clearly spell out the responsibilities of the various parties. It should be pointed out that the "privatization" (i.e. total sale) of these former government-owned enterprises is almost impossible in view of the enormous sunk cost, capital investment and assets which belong to the nation and are such that no private company or entrepreneur can afford to pay the market value for them. In effect, Mozambique is implementing commercialization, rather than privatization.

Realising the need for efficiency and based on the autonomy granted them, the railways and ports have taken steps to conclude contracts and agreements with other countries and companies to provide them services, operate some facilities or provide and maintain equipment. These include but are not limited to: (i) South African company to export coking coal via Maputo; (ii) HPC-Hamburg Port to rehabilitate cranes at Nacala port; (iii) information, knowledge and experience exchange between the CFM and the port of Leixoes (.................); (iv) elimination of customs checks of goods between Malawi and Mozambique; (v) transportation of limestone from Salamanga quarry to Matola cement factory; (vi) as well as bilateral agreements between CFM and Great Britain, Malawi, Germany and Spain on various aspects of cooperation in funding, rehabilitation and maintenance of various facilities.

With regards to infrastructure, the Biera-Machipanda (Zimbabwe border) railway line has been completed with the result that capacity has increased. Only some 77 km remain to be completed but spot rehabilitation of curves has continued with improved speed and reduced derailments.

The Southern line from Maputo to Goba (Swazi border) has also been rebuilt with resulting increase in capacity and reduced derailments. Capacity on the Limpopo line has also increase, following rehabilitation.

Funds are still being sought to start rehabilitation works on the line and bridge rebuilding on the Maputo - South Africa line estimated at about US$14 million.
With the rehabilitation of Dona Ana bridge on the Zambezi river, the Biera corridor has been restored for rail service into Malawi since December 1995. Mozambique is now making every effort to recapture the Malawi transit traffic which it lost to South Africa during rail disruption in the war. Agreement is being finalized to allow the running of through goods trains from Nacala direct into Malawi while mozambique is currently exploring funding sources to finance the construction of a railway line from the Moatize coal fields straight into Blantyre (Malawi) and connect to the Entre-Lagos-Nacala railway so as to use the enormous port facilities at Nacala. Such a project would truly unify and improve through rail services between the two countries (Malawi and Mozambique) - since they will both serve as a transit country to each other, as Mozambican traffic from Moatize will pass through Southern Malawian territory to link up with the Entre-Lagos Nacala railway to the port.

It is evident that both countries realise the mutual benefits to be derived from the facilitated movement of transit traffic through their individual territories and would do everything possible to achieve this aim.

The current practice is for Mozambique and Malawi to interchange only locomotives at the border while the freight wagons continue to destinations either way, but as indicated elsewhere, once arrangements are completed the entire trains will run from end to end.

There are currently no passenger train services between Mozambique and the neighbouring countries, except South Africa - perhaps due to capacity constraints and inadequate traffic.

THE PORT OF MAPUTO

The general situation at the port of Maputo and activities initiated and/or being contemplated to facilitate movement of traffic through the port are briefly described below.

The total annual capacity of the port is about 14 million metric tons, but utilization is only about 20 - 30%. In 1995 the port handled about 2 million tons, while 2.5 million and 3 million tons are estimated for 1996 and 1997, respectively.

With the exception of the general cargo terminal which is being operated by CFM, all the other terminals are being operated on contract or lease basis by private companies or contractors.
Under this arrangement, a South African company is operating the Citrus Terminal and exported 7.5 million cartons of fruits last year to Europe. Similarly, the Sugar Terminal has been leased by Manica, Swaziland and Zimbabwe sugar is handled on this terminal and about 300,000 to 400,000 tons are expected to be exported this year.

The coal and bulk cargo terminals have been leased to a South African company, Coal Tar Terminal Products (Pty) Limited. Mostly coking coal is exported through the terminal. The Matola terminal has a capacity of 3 million tons/year, but only about 40% capacity is being utilized. The dry dock at Maputo has been privatized in 1996.

A jetty for tankers is currently in service and up to three different products can be discharged or loaded simultaneously to achieve better turn-around time for vessels. Grain silos are currently under construction and should come into service after March 1997 for handling imported and trans-shipment grain.

The steel and general cargo terminals are operating full time, while the Container Terminal is being managed by a new company jointly established by Mozambique International Ports Services (MIPS), the Rinnies Group and P and O Australia Group. The terminal capacity is about 28,000 TEU and plans are to increase annual handling by an additional 5 - 10,000 TEU.

With the leasing and joint venture operating arrangement at the port and the rehabilitation of major sections of the railway lines and road network, the major problems facing transit transport services in Maputo is the lack of handling equipment, i.e. gantry cranes, fixed cranes (the existing ones are over forty years old, obsolete and almost impossible to maintain); tugs/pilot boats; dredger and dredging of approach channel and major rehabilitation of quays and other infrastructure including warehouses.

CFM is fully aware of the need to restructure and is planning to down-size, train, equip and automate operations to the extent possible. A critical review will be made of stevedore services by the end of 1996.

MALAWI

Malawi is a landlocked country which depends on transit transport services through Tanzania's port of Dar-es-Salaam in the North, Nacala and Biera ports of Mozambique in the East and South and various origins from South Africa.
In view of its landlocked position, the entire transport policies of the country have been designed to secure and maintain permanent transit facilities and services with neighbouring countries. As a result of this policy, Malawi now maintains four transit corridors for the export and import of its international traffic. Ideally, the shortest and therefore preferred corridor for Malawi would be the Nacala to Entrelagos, but due to the poor condition of a section of the CFM railway line, full advantage cannot be taken of the corridor's short distance and inherent low costs.

Malawi is both a member of COMESA and SADC and fully adheres to the various sub-regional transit conventions and protocols. In addition to the sub-regional accords, it has very specific and detailed transit facilitation and working arrangements with Mozambique and Tanzania. As a result, Malawi has approved and is currently implementing several of the transit transport provisions and protocols of COMESA. It should be noted that SADC has recently completed the drafting of its own transport protocols which are in most respects similar to the COMESA ones and once they have been approved by member States and come into force, Malawi would by implication be already complying with most of them.

Transit Transport Corridors and their Facilities

There are basically four major transit transport corridors serving Malawi's import and export traffic. These are briefly described below and consist of the Northern Corridor, the Eastern Corridor (Nacala), Southern Corridor I (Biera) and Southern Corridor II from South African via Harare (Zimbabwe).

Northern Corridor

The Northern Corridor is a multi-modal transport system which has been developed with donors assistance to strengthen the country's external trade route to the sea. It provides a competitive alternative route for Malawi's external traffic with approximately 1,200, 1,600 and 1,900 km to Mzuzu, Lilongwe and Blantyre, respectively from the port of Dar-es-Salaam (Tanzania). The multi-modality of the corridor results from the fact that it utilized three modes of transportation, namely: (i) rail from Dar-es-Salaam to Mbeya; (ii) road from Mbeya to Chilumba; and (iii) lake from Chilumba to Chipoka and road again from Chipoka to Blantyre and other destinations. Notwithstanding the many modes, the operator of the Northern Corridor, Malawi Cargo Centre provides a singly seamless service to shippers, thus, assuring security and efficiency through maximization of economies of scale from cheap rail and water transport modes and minimization of documentation, delays and/or losses frequently associated with multiple
transhipment of goods by different uni-modal operators. The
corridor handles about 15 to 20 per cent of all Malawi traffic.

In order to facilitate its operations, Malawi Cargo Center
(MCC) has two dedicated transit cargo facilities at Dar-es-Salaam
and Mbeya in Tanzania with voice and text radio communications
between the stations and other facilities in Malawi. The facilities
in Tanzania can be regarded as Inland Container Depots or Dry Ports
(ICD). The equipment and capacities at the various MCC facilities
are as follows:

(i) Dar-es-Salaam Dry Port;
   (a) Container stacking space of 5,317 m² with 50,000 TEU
       throughput per year;
   (b) A 35 tonne gantry crane which can handle 40 ft
       containers;
   (c) Dry cargo warehouse of 10,000 tonnes capacity with
       7,000 tonnes open storage space;
   (d) Workshop for servicing all equipment;
   (e) Staff and personnel houses, offices, etc.
   (f) Adequate rail siding for arranging block/unit
       trains;
   (g) Some 20,000 m³ of storage for diesel and petrol;
   (i) Other equipment include 16 3 tonne fork lifts,
       16x2.3 tonne pallet wagons, 20 tow tractors, 25
       various dimensional trailers and tank wagons.

(ii) Mbeya Dry Port
   (a) 1,968 m² container stacking area with 20,000 TEU
       throughput per year;
   (b) 35 tonne gantry crane;
   (c) 7,000 tonne constant capacity warehouse;
   (d) Staff housing, offices, workshop and siding;
   (e) About 3,800 m³ storage tanks for diesel, petrol and
       kerosine;
(f) Fork lifts, pallet wagons and tanker trucks.

(iii) Chilumba and Chipoka Lake Ports.

Similar equipment and facilities are available at the Chilumba and Chipoka ports, namely:

(a) 3,960 m² of container stacking space;
(b) A 35 tonne gantry crane;
(c) 5,000 tonne constant capacity dry cargo warehouses;
(d) Fork lifts, pallet wagons; etc.

In general, operations on the Northern Corridor are said to be quite efficient and satisfactory, especially on rail and road. The only problem being experienced on this corridor is that the purposely-built lake container vessels cannot be used because the draught on the lake has dropped to a point where the vessel cannot berth at the ports. A feasibility study is being carried out now to determine if dredging can restore use of the ports and vessels.

THE EASTERN CORRIDOR

The eastern corridor consists of facilities at the Port of Nacala, the Mozambique railway line (CPM) from Nacala to Entrelagos (605 km) and the Malawi railway from the Mozambican border to its Headquarters in Limbe about 398 km.

There is adequate, indeed excess capacity at the deep water port of Nacala which mostly serves Malawi and the 528 km of the railway line from Nacala to Caumba have been well rehabilitated with the result that train running speeds have been substantially increased and derailments have drastically reduce. However, the 77 km section of the line from Caumba to the Malawi border remains un-rehabilitated and is principally responsible for delays and problems being experienced on the corridor.

The above line section problem coupled with wagon shortage and long delays in transhipment of Malawi traffic through the port of Nacala has caused serious loss of confidence to importers/exporters, to the point where preference is now shifted to more expensive alternative transit corridors: Dar-es-Salaam, Biera and South Africa. The Malawi Railway is making every effort to woo back customers, but unless there is dramatic improvement in services, traffic may not return. Indeed, as a consequence of the.
poor service, a container ship which used to sail direct to Nacala has stopped its services.

The Ministry of Commerce believes that some of the causes of the problems result from the fact that Malawi railways has remained as a parastatal company for too long.

**Southern Corridor**

This corridor consists of parallel road and rail from the port of Biera (Mozambique) into the extreme Southern tip of Malawi at Marka with an approximate distance of 400 km., then continue in Malawi territory up to Blantyre, then to Lilongwe.

It should be mentioned that Malawi has no special facilities and enjoys no special advantages on this corridor in view of the fact that Biera mostly handles Zambian and Zimbabwean traffic. Malawian traffic on this corridor is rather insignificant and the use of this corridor has only been caused by the railway transport problems of the Nacala corridor1/. Thus, Malawi uses this corridor only as a last resort since Zambia and Zimbabwe large volume traffic tend to receive priority compared to the only occasional and usually shall volume of Malawi traffic on this corridor.

**Southern Corridor II**

This corridor consists of road and rail routes from several South African ports and cities through Zimbabwe and Zambia to Malawi. This was a dominant corridor for Malawi traffic prior to the introduction of multi-party politics in the country.

---

1/ Extremely poor condition of 77 km of rail line and lack of railway wagons which result in very serious delays.
Although a substantial percentage of Malawi imports continue to come through this corridor, this is mostly imports from South Africa rather than transit traffic. This is due to the fact that Malawi continues to maintain strong trade links with South Africa which were developed by the previous government.

CONCLUSION AND OBSERVATION

Notwithstanding its landlocked geographical position, Malawi is well served by transit corridors from north, east and south and there exist good cooperation at the policy level with the transit countries and at the operations level with TAZARA and CFM railways and road transport enterprises providing services to Malawi.

Cooperation is particularly good with CFM and Malawi Railways, where a Joint Review Board of a permanent Operations Committee meets often to review and resolve operational problems and is chaired by the General Manager of the railway in whose territory the Review Board meets. Cooperation is similarly very good with the Government of Tanzania where TAZARA and two Malawi dry ports are available in Tanzanian territory at Dar-es-Salaam and Mbeya. There is also through road transport from Dar-es-Salaam to various destinations in Malawi.

The existence of the Association of Malawi Clearing and Forwarding Agents enables the resolution or discussions of most problems with the government before they become major hindrance to the movement of transit traffic.

Mozambique is still exploring prospects of constructing a railway branch line from Moatize into Malawi to link up with the Malawi Railway so as to export substantial quantities of coking coal via the port of Nacala. Malawi intends to support and give full cooperation for this project which is being considered as a sub-regional (SATCC) project.

The governments of Mozambique and Malawi are conscious of the mutual interest and benefit of the Nacala corridor and are fully committed to ensuring that the corridor becomes more efficient and will henceforth consider all activities - policy, infrastructure, operations, etc. in their entirety on the corridor so as to arrive at rational solutions.
TANZANIA

In Tanzania, the mission mainly examined operations on two corridors, viz: TAZARA and road transport operations to the South (Malawi, Zambia and South Eastern Zaire) and the Central Corridor providing rail and road services to Burundi, Rwanda and Uganda.

With specific regards to the Southern corridor, TAZARA is jointly operated by Zambia and Tanzania through direct train services from Zambia to the port of Dar-es-Salaam and vice-versa. Most of TAZARA's traffic consists of copper from Zambia as well as container traffic destined to Malawi but discharged at the dry port in Mbeya from where they are trucked into Malawi. Some Zambia traffic is also moved by road from Dar-es-Salaam.

As indicated elsewhere in this report, the designed capacity of TAZARA is 5 million tons per year but the railway is barely carrying 50 per cent of this capacity, due mainly to lack of locomotives and wagons. Indeed, some 810 loaded wagons of copper were standing in Zambia for lack of locomotives to transport them to Dar-es-Salaam. The lack of locomotives, shortage of wagons and other equipment was also reported by the TAZARA office in Lusaka. The primary reason for the troubles of TAZARA is said to result from lack of money to carry out necessary maintenance to and purchase of new equipment as many of the major users owe TAZARA substantial sums which must be remitted in foreign currency and which they say their Central Banks do not have.

TAZARA is currently facing the problem of commercialization in that the company must down-size in order to be efficient but it cannot down-size because it has no resource to compensate the staff who must be retrenched. Other problems include:

(i) high road tolls and road tax on fuel used by locomotives;
(ii) increase competition from other modes;
(iii) failure to do advance planning and budgeting due to lack of resources.

Efforts are currently in progress in both Tanzania and Zambia to restructure TAZARA and it is probable that China might return to take over the operation of the railway on a temporary.

---

Tanzania Harbours Authority (Ports)

Information from the Tanzania Harbour Authority (THA) which operates the port of Dar-es-Salaam and other ports in Tanzania indicate that capacity was not an issue as there has been a general traffic decline - only about 50% of the current capacity of 4.5 million tons of general cargo and 6 million tons bulk petroleum products per annum is being used.

There is overall coordination through Joint Group Meetings with the Malawian Northern Corridor at which policy, operational, procedural and other problems are jointly reviewed and resolved.

While the issue of concessional status of MCC (Malawi Cargo Centre) had been resolved, the problem of uncoordinated border closing time between Tanzania and Malawi has not yet been resolved and is not a particularly pressing issue now due to the decline in traffic, nevertheless, a permanent solution should be found. A possible major reason for the decline of Malawi traffic via Dar-es-Salaam is the fact that the lake transport mode of this corridor is non-operational and accounts for the higher costs of transport now.

Special measures have been jointly taken by THA and TAZARA by offering special concessional rates to Malawi and Zambia traffic in an effort to win back lost traffic or at least stem any further decline.

On the issue of the Belbase in Dar-es-Salaam, THA informed the mission that the facilities in Dar-es-Salaam were currently available as a dry port for lease on commercial or concessional basis to anyone including Rwanda and Burundi. The Kigoma facilities were on lease to AMI and therefore no individual or enterprise was excluded from leasing the facilities in Dar-es-Salaam.

Tanzania and Malawi have decided to conduct a joint study on ways and means of improving utilization of the corridor and UNCTAD would be requested to assist in the study.

A study of restructuring and commercialization of the THA is being carried out by a German Consultancy firm "Kienbaum Development Services GmbH".
Malawi Cargo Center (Dar-es-Salaam Office)

The MCC in Dar-es-Salaam generally confirmed the information that was obtained in Lilongwe, i.e. traffic was down due to draught which had adversely affected agriculture production and lake transportation, a decrease in donor assistance following the political change in Malawi and an increase in the balance of payments which forced curtailment of imports. The economy was just starting to pick up again and an increase was expected in traffic.

The problems being encountered by MCC relate to lack of facilitation with regards to: clearance procedures at the port and at Mbeya involving too many forward and backward movements and multiple check-points; customs bond guarantee and refund, where it takes up to two months for bond refunds to be effected after evidence of completed transactions have been submitted. These problems exist despite the fact that legislation was passed streamlining these procedures. The issues have and are being discussed and the implementation of new procedures would soon facilitate traffic movement on the corridor.

Tanzania Shippers' Council (TSC)

The Tanzania Shippers Council which was revived in 1991 had been dormant for 17 years since its establishment in 1972 at the initiative of Governments. It is totally independent but works very closely with various ministries in protecting shippers' interests through negotiations, discussions and consultations with carriers on freight and other related charges for sea and land cargo movements.

Its activities have included but have not been limited to interventions, investigations and resolution of high port tariffs; false container and other demurrage charges; delays in and non-refund of shippers deposits as well as advising the government, railways and Harbours Authorities of the economic effects of their policies and actions on international trade.

Some current practices which the TSC is looking into are: surcharges to the shippers when delays to vessels are due to poor port operations; a 3 per cent tax on exports and 1½ pre-shipment inspection fees, all of which have a negative effect on the economy.
Tanzania Forwarding and Freight Association (TAFFA)

This Association provides services to importers and exporters by utilizing the approved sub-regional Road Customs Transit Document (RCTD) and Port Declaration Disposal Order (PDDO), which enable them to clear and load customers freight.

While their services contribute to and facilitate transit services, they currently face the following problems: (i) a very steep increase of bond in amounts of 200 million shilling which very few agents can afford; (ii) a new 200,000 shilling bond per trip by trucks which is very difficult to recover once the trip is completed, yet another bond must be executed before another trip is undertaken, while the government is still holding on to truckers money, resulting in lost trips and business as efforts are wasted to recover the deposit; (iii) lack of container handling equipment at the port (gantry cranes, front/side loaders, fork lifts, etc.) which causes long delays and possible corruption.

The road condition/infrastructure is very poor, especially on the Dodoma to Burundi/Rwanda/Uganda border areas, compounded by the fact that the Tanzania government charges double the established COMESA tolls. Local administrators frequently put up road blocks without notice or cause with serious disruption to transit traffic.

Board of External Trade (BET)

The Tanzania Board of External Trade was established about 10 years ago as a trade promotion and facilitation organization. The major work of the Board was carried out by the Trade Facilitation Committee which actually reviewed and simplified documents and procedures of trade.

Following the completion of the simplification of documents and procedures, the work of the BET is now largely with the Secretariat which works closely with TAFPA to ensure that all transit services are not only efficient but continue to enjoy preferential treatment from the various state agencies and services.

In furtherance of its trade facilitation objectives, the Automatic System for Customs Data Administration (ASYCUDA), which applies to both incoming and outgoing traffic, would soon be implemented and this would eliminate the forward/backward movements of traffic at the ports.
**Tanzania Railway Corporation (TRC)**

TRC provides railway traffic transit services to Burundi, Rwanda and Eastern Zaire via Kigoma. Traffic averages about 1.6 million tons per annum of which only 100,000 tons is transit and the rest is for Tanzania, with average distance of 1,100 km. TRC acknowledges that services are not as efficient as they would like them to be due to lack of coordination between railway and lake transport which is operated by ARNOLAC. This lack of coordination is a result of the small capacity and long turn-around times of the lake vessels, consequently cargo remains too long at Kigoma almost making it a warehouse for Burundi and Rwanda traffic.

Rwanda traffic through Dar-es-Salaam has usually been very little about 14,000 tons, dropping to only 3,000 tons this year. Unless Rwanda concludes a firm agreement to use the Isaka terminal for her exports and imports, Tanzania will see no reason to make permanent arrangements for Rwanda traffic on the central corridor. At the moment, the Central Corridor is only an alternative, not the primary route for Rwanda traffic.

TRC believes that its overall efficiency is hampered by the fact that it is still a parastatal, only attempting to operate on commercial basis, without the right tools and resources.

**ZAMBIA**

The clearing and forwarding agencies interviewed indicated that the major problems they faced were delays due to inadequate railway capacity resulting from low availability of motive power, freight wagons and other appropriate rolling stock from TAZARA. While safety was usually good, the speed on the rail was generally slow.

Documentation was fairly streamlined and no difficulties were encountered with railway freight documents.

With regards to other problems faced by the forwarding agents, the following were specifically highlighted:

(i) Road freight rates are too high and this is mainly due to the fact that governments do not apply or adhere to the axle-load and toll charges established by COMESA - invariably most governments tend to charge too much.

(ii) Poor or lack of facilitation and facilities at the Chirundu road border post, where trucks are parked across the river on the Zimbabwe side, then the drivers cross
the bridge on foot to clear customs on the Zambian side of the river, then cross back to clear customs on the Zimbabwe side before their vehicles are driven across the bridge for customs inspection on the Zambia side.

(iii) Lack of good facilities on the Zambia side for goods inspection.

(iv) Several documents must be prepared and presented at border post, as waybills or other shipping documents issued at point of origin are deemed inadequate.

(v) Problems with recovery of posted bonds when customs officials allow self-clearance by importers who frequently pay less duties than the posted bonds by clearing/forwarding agents.

(vi) High incidence of corruption at borders and between borders and destination in Lusaka as many vehicles with containers completely disappear or arrive without their contents or half empty and the C&F\(^1\) agents are usually totally liable.

(vii) Grossly inadequate transport and communications facilities en-route to the point that C&F agents cannot keep track of the movement of their freight between border posts and Lusaka.

(viii) Lack of handling equipment (cranes, gantry, forklifts, etc.) at customs clearing yards and TAZARA terminal in town, necessitating the hiring of these by the C&F agents.

With regard to facilities and equipment on the TAZARA railway, the mission was informed that while the design capacity of the railway is 5 million tons per year, the railway was only carrying about 1.3 million tons per year due to low traffic and low availability of equipment.

\(^3/\) C&F = Clearing and Forwarding
Under ideal conditions, five pairs of goods trains can be operated daily in both directions, but currently only 50% was being achieved, i.e. 2½ pairs each direction daily. With respect to passenger services, there are five pairs of trains per week in both directions, two of which are express trains running from Lusaka to Dar-es-Salaam while three are regional or national, running from each direction only up to the border. There are also passenger services to South Eastern Zaire.

Notwithstanding the fact that from the outset, TAZARA was a "political railway" and it would take time to completely privatize it, its operations are currently largely on commercial basis with little interference by the government due to reduced influence on Board appointments.

The rail track is in fairly good condition, yet some if not most of the rolling stock needs heavy overhaul since they have been in service for very long period. Some 270 wagons said to have been manufactured in Zimbabwe have had to be demobilized due to serious defects, and lack of spare parts for locomotive repairs has reduced locomotive available and as a result about 25% of the Dar-es-Salaam to Lusaka traffic is hauled by road trucks. The railway running time is said to be average, ranging from 38 hours for passenger trains to 50 hours for freight trains from Lusaka to Kapiri Mposi.
OFFICIALS MET

COMESA: MR. S. NGWENYA, Sr. Transport Expert

MR. B. DEFALQUE, Sr. UNCTAD Information Resource Specialist, ACIS

Government Z: MR. MOSES MBUMBA, Sr. Transport Economist, MCT

MR. MWANDILA, Sr. Planning Officer, MCT

Zambia Custom: MS. HILDA D. HAKETA, Sr. Customs Collector

Clearing & Forwarding: MR. KENNEDY NGOMA, Project & Traffic Manager, AMI (International Maritime Agency)

MR. SMART MWITWA, General Manager

MS. VALERIE SESIA, Managing Director, Customized Clearing and Forwarding Ltd. & Chairperson, Zambia Customs and Forwarding Agents Association

MULPOC: MS. S. A. OCHOLA, OIC, Lusaka, MULPOC

MS. F. KABI, Sr. EAO, Lusaka, MULPOC

TAZARA: MR. M. MAWERE, Area Manager

MR. K. D. MPETA, Sr. Marketing Officer

MR. G. P. NTIKIRE, Traffic Manager
MOZAMBIQUE

UNDP
1. MS. MARIAM PANGAH, Asst. Resident Representative
2. MS. CAROLINE SAMO GUDO, Prog. Asst.

MINISTRY OF WORKS & HOUSING
1. MR. TIAGO MASSINGUE, Coordinator - Planning, Studies & Projects engineering

TELECOM
1. MR. JOAO JORGE, Director Telecom

CFM
1. MR. MARIO A. DIMANDE, President & Chairman of the Board
2. MS. ESCOLASTICA DA GRACA SOARES, Director of Planning
3. CAPT. PAULO AUADE, Director of Port

COOPERATION FRANCHISE
1. BERNARD CHATELIN, Coordinator of ROCS project

SATCC
1. MR. JOAO DAVID MABOMBO, Road Specialist
2. MR. D. S. MHANGO, Planning Officer
3. MR. ARTHUR NEMAKONDE, Statistician

MTC
1. MR. ANTONIO PINTO, Deputy National Director of International Relations
2. MR. W. M. HUNDU, Deputy Director, Postal Services
MALAWI

UNDP
1. MR. AUGUSTINE BOBE, Sr. Programme Officer

MT&C
1. MR. D. C. W. KAMBAUWA
2. MR. T. M. KAUNDA, Chief Transport Planning Officer
3. MR. T. MAKUNJE, Director of Roads
4. MR. JOHN K. PHIRI, Fire Superintendent - Civil Aviation
5. MR. R. D. MALIPA, Principal Telecom Engineer

MALAWI CARGO CENTRES
1. MR. STALLARD B. MPATA, General Manager

MINISTRY OF COMMERCE & INDUSTRY
1. MR. FRANCIS MBILIZI, Deputy Secretary, Ministry of Commerce and Industry

MARINE DEPARTMENT
1. MR. MSOWOYA, A. D. B., Marine Department Official

POSTAL SERVICES
1. MR. W. M. LUNDU, Deputy Director - Postal Lilongwe
2. MR. KADAWATI, Deputy Principal, P&T College, Blantyre
3. MR. T. J. K. MKWAMBA, Principal, P&T Training Centre, Blantyre
AMI (AGENCE, MARITIME INTERNATIONALE)

1. MR. EVERSON BANDAWE, Manager, Ships Agency, Blantyre

MALAWI RAILWAYS

1. MR. HARRY THINDWA, Assistant General Manager, Blantyre
2. MR. MAXWELL MLENGA, Chief Traffic Manager

MINISTRY OF ECON. PLANNING

1. MR. JONES KADOMO NYASULU, Transport & Energy Planning Section
2. MR. KEDRON CHISALE, Transport & Energy Planning Section
3. MR. J. C. K. MHANGO, Chief Planning & Development Economist
TANZANIA

MINISTRY OF COMMUNICATIONS AND TRANSPORT (MOCT)
1. DR. B. B. RUFUNJO, Director of Transport
2. MR. KIRENGA NDEMINO, Expert Surface Transport Section
3. MR. JUSTUS R. B. BLAZI, Head Shipping/Registrar of Ships

TANZANIA TRUCK OWNERS ASSOCIATION (TTOA)
1. MR. MAJID SEIF, Chairman TTOA
2. MR. SEIF A. SEIF, Executive Member

TANZANIA HARBOURS AUTHORITY
1. MR. GLADSON URIOH, Planning Officer

TANZANIA SHIPPERS' COUNCIL
1. MR. U. F. S. KOMOLA, Secretary General

TANZANIA FREIGHT FORWARDERS ASSOCIATION
1. DR. MEDARD M. MUTUNGI, CHAIRMAN
2. MR. L. PETER, Secretary of the Association

TAZARA
1. MR. CHARLES D. PHIRI, Manager of Planning & Research

MINISTRY OF WORKS (MOW)
1. MR. THEODO MBAGALA, Director of Planning & Research
2. MR. SIZYA A. S. Acting Chief Engineer, Safety
BOARD OF EXTERNAL TRADE

1. MR. E. TAWATA, Sr. Trade Facilitation Expert
2. MR. K. S. MWASHA, Acting Director of Research and Planning

TANZANIA RAILWAYS (TR)

1. MR. LINFORD MBOMA, Director General

MALAWI CARGO CENTRES LTD. (MCC) TANZANIA

1. MR. PASCAL CHIKAONDA, Manager
2. MR. STALLARD B. MPATA, General Manager

TANZANIA TELECOMMUNICATIONS CO. LTD.

1. MR. FADHIL J. MANONGI, Chief Economists