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Background

The meeting of SATCC Committee of Ministers was held in Zanzibar, Tanzania from 6 to 9 June 2000. This is a statutory meeting which is held every year to assess the progress achieved in the implementation of the Transport, Communications and Meteorology programmes and projects. The ECA/SRDC-SA staff member participated in the meeting as part of the technical support to RECs.

Representatives from all Member States except the Democratic Republic of Congo, Mauritius and Seychelles attended the meeting. Representatives from COMESA, OAU and ECA also participated in the meeting.

The Ministers deliberated on the annotated agenda prepared by the SATCC Committee of Senior Officials, which addressed substantive issues pertaining to (a) Implementation of the Protocol on Transport, Communications and Meteorology, (b) Director’s Report and (c) Staff and Administrative Matters.

Summary of the Proceedings

The report of the meeting was still not finalised when this report was being prepared. The summary of proceedings given below therefore only gives the assessed progress achieved in the implementation of the protocol, the development of transport and communications in the SADC region and cooperation programmes.

Progress on Protocol Implementation and Development of Transport and Communications

All countries except Zambia had ratified the Protocol. However, Zambia has demonstrated commitment to the Protocol, by proceeding with the implementation of many provisions of the Protocol. The countries that have already submitted complete micro-action plans (MICAPs) are Angola, Botswana, Malawi, Mauritius, Mozambique, Swaziland, Tanzania and Zimbabwe. Tanzania has submitted a comprehensive Protocol implementation progress report in 1999, based on its MICAPs. Namibia has also submitted a progress report although not based on its MICAPs since these still have to be developed.

SATCC-TU has been negotiating with various donors in order to secure financial resources for implementation of the Protocol. USAID assistance program may start in June 2000.

Many bilateral agreements have been established or are being negotiated on the basis of the contents of model agreements. Bilateral agreements among Botswana, South Africa, Malawi, Mozambique, Tanzania, Zambia and Zimbabwe are some of the examples of the use of the Model Agreement by the Member States.
Sub-sectoral Issues

Road Infrastructure

Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Tanzania and Zambia have set up roads boards. Malawi, Mozambique, Namibia, South Africa and Tanzania have also established autonomous road authorities or agencies.

The road design standards and specifications, approved in 1999 by the technical experts are being used in member States and will be due for review in two years time.

SATCC-TU will carry out a study with a view to creating a regional association of roads agencies. The study, which is financed by USAID, and executed with the assistance of the USA Federal Highway Administration (FHWA), is expected to commence in June 2000. USAID funding secured for this project includes support for the establishment of a Regional Technological Transfer Centre to work with, network and coordinate national efforts and centres. So far three technology transfer centres have been established in South Africa, Tanzania and Zimbabwe.

Border Post Legal Reform Package: As regards the establishment of a pilot "one-stop" border post at Chirundu, improvement to the physical infrastructure will be established under the ongoing JICA financed Chirundu Bridge construction project. The guidelines will be produced through the proposed technical assistance project to SATCC to be funded by the ADB.

Simplification and Standardisation of Transit Documents: A joint SATCC/SITCD Project proposal on Modernisation of Customs and Improvement of Trade Facilitation was prepared within the framework of implementing the respective Protocols, taking into account the work done by COMESA.

Harmonisation of Road Transit Charges: Preparation of a Harmonised Transit Charge Implementation Manual will be undertaken as a component of the joint SATCC/SITCD project proposal on Modernisation of Customs and Improvement of Trade Transit Traffic Facilitation. This is expected to also take into account related work by COMESA.

Regional Road Vehicle Insurance: A report on the establishment/strengthening of the regional vehicle insurance system was produced by a consultant under the guidance of a Steering Committee comprising SATCC-TU, COMESA Secretariat and some countries, where the Yellow Card system has been functioning. The study report examined the strengths and weaknesses of existing insurance systems and recommended an option to be adopted in SADC/COMESA countries. SATCC-TU in consultation with insurance companies and COMESA, will follow up the ongoing national consultations and expedite determination of appropriate recommendations for the action of the
insurance companies and, where necessary, governments.

2. **Railways**

Almost all the government owned railways are not in a sound financial position and are looking at various options for private sector participation in all or some of the railway activities.

Expeditious implementation of the provisions relating to the “level playing field” between rail and road modes will enable the member States to better attract private sector concessionaires or investors to their railways.

Member States are, in defining their national transport policies and railway concessioning, formulating options for survival and improvement of their railways system. With the ongoing reforms, more opportunities are emerging for the private sector participation in the provision and operation of railway infrastructure and services. The privately built (BOT) Beitbridge-Bulawayo railway link was commissioned and is operational. The Malawi railways was concessioned and the Mozambican railways of CFM (N) and the Limpopo and Goba lines of CFM (S) were, in May 2000, on the verge of concluding concessioning arrangements.

3. **Ports**

Some countries are experiencing a serious shortage of harbour pilots due their selecting more lucrative jobs in the international market. In order to redress this problem member States should develop a strategy for maritime careers from an entry level and optimally use the available regional resources in Tanzania.

Restructuring of the port subsector is ongoing in all the coastal Member States and further progress was made in South Africa (institutional reform of PORTNET) and Mozambique and Tanzania (privatisation of port terminals). In order to maximise benefits from these developments, cargo clearing procedures in the ports must be improved, especially by also taking advantage of developments in information technology.

4. **Civil Aviation Institutions**

The following progress has been achieved in this subsector:

South Africa, Tanzania and Zimbabwe have formed autonomous civil aviation authorities. Preparations and plans are underway to establish similar authorities in Angola, Botswana, Lesotho, Malawi, Mozambique and Namibia.

Angola, Malawi, Mauritius, Mozambique, Namibia, South Africa, Tanzania and Zambia have formed autonomous airport companies or agencies. Furthermore, South Africa and Tanzania have the private sector participating, respectively, through the acquisition of 20% shares of the Airport Company and a long term development and management lease of the Kilimanjaro International Airport.
With regard to airlines, Zambia liquidated its airline 6 years ago. South Africa sold 25% of its shares to a strategic partner – Swiss Air. Lesotho has privatised its airline. Swaziland has also privatised its airline and taken 60% of the shares of a new joint venture airline. Plans to privatise Air Botswana are also underway. Malawi, Mozambique and Tanzania are still investigating the modalities for privatising their respective national airlines.

5. Air Traffic Safety

In respect of integration of SADC air traffic services, the following was achieved:

A study on the "SADC Upper Airspace Control Centre (UACC)" was undertaken by a study team comprising representatives from Botswana, South Africa, Tanzania, Zambia, Zimbabwe, SATCC-TU and assisted by an ICAO Consultant. Since COMESA is pursuing implementation of a similar project, SATCC-TU and COMESA should cooperate in the development of the UACC concept.

As regards liberalisation of the air transport market, the SADC air transport liberalisation Task Team prepared a discussion paper which was considered by the Civil Aviation SCOM in April 2000. This paper took into account the position taken by the SADC Ministers responsible for civil aviation matters in Yamoussoukro in November 1999, that liberalisation should be implemented in five years. The Task Team and the Civil Aviation SCOM recommended that the SADC member States should accelerate its implementation and have it accomplished within two years in accordance with the Yamoussoukro Decision.

Telecommunications Restructuring

The following progress was achieved in this sub-sector:

Malawi has, from 31st May 2000, split its Posts and Telecommunications Corporation into two separate entities: The Malawi Telecoms Ltd and the Malawi Posts Corporation. The two new organisations will operate on commercial basis.

Lesotho has launched tenders for the privatisation of its telecommunications company. Almost all countries in SADC have a new policy and new legislation on telecommunications and almost all of them have set up their regulatory institutions. In Swaziland, some of the activities leading to reform are in progress, although yet to be completed. Information is not available from DRC.

While growth in fixed services (basic telephone) is about 17 percent, Cellular mobile services grew at 60 percent, and Internet host at 30 percent. The leapfrogging in cellular phones can be attributed to private entrepreneurship and to competition. As far as Internet services are concerned, private Internet Service Providers undertake service provision in the majority of cases, and most markets are opened to competition.

Provision of telecommunications services is still low compared to international standards. One way to accelerate progress is through institutional reform to attract investment and institute competition in the fixed network market as soon as possible.
To further support the ongoing reform process, the following key actions have been initiated at the level of the Telecommunications SCOM, Telecommunications Regulatory Association of Southern Africa (TRASA) and Southern Africa Telecommunications Association (SATA):

- A discussion paper on Information Technology was produced;
- A set of regulatory guidelines have been developed on interconnection and tariffs to facilitate promotion of competition;
- The development, by TRASA, of a draft regional radio frequency band plan is nearly complete;
- The agreement of national telecommunications operators in SATA to pursue a project to establish the SADC Regional Information Infrastructure (SRII).

7. **Postal Services**

The mail volumes continue to decline at a fairly high rate. Furthermore, the quality of service for expedited mail services (EMS) is extremely poor, particularly for the intra-SADC mail stream. It will only be possible to remedy this serious situation when track and trace system is established domestically, regionally and internationally.

The track and trace system is now in operation in Botswana, Mauritius, South Africa, Tanzania and Zimbabwe. The system will be installed and commissioned in Mozambique and Zambia shortly. It is further anticipated that before the end of 2000, the system will be in place in Lesotho and Malawi.

Progress has been made to establish the Southern Africa Postal Regulators Association (SAPRA). Specific measures are being taken at operational level to enhance and improve performance of the SADC postal enterprises in a liberalised environment.

**Preparation for a SADC Transport and Communications Investment Forum**

Preparations for the Forum are well advanced. The Forum Project document was finalised and submitted to Cooperating Partners. In the Project document, four Forum Tasks have been identified that will be carried out under the close guidance of the Forum Steering Committee.

The Forum is now planned for October/November 2000. The Cooperating Partners who have so far expressed readiness to assist are DBSA, ADB, USAID and EC. These have indicated that resources would be made available in time to enable achievement of the target date.

The preparation of a new package of Policy Action Programme (PAP) and Investment Programme (IP), to replace the current SADC Programme of Action (SPA), will be completed in conjunction with the preparation of the documents and projects to be submitted at the planned Investment Forum. Member States must supply information for this update without further delays.
Cooperation Programmes

ECA, ICAO, ITU, WMO provided support for carrying out some studies or activities respectively in the areas of road safety and corridor performance indicators, civil aviation, telecommunications, postal services and meteorology.

SATCC, COMESA and ECA/SRDC/SA formulated a cooperation programme on the development of efficient, safe coordinated transport was made. Implementation of this programme will be partly financed by ADB.

Observations Recommendations and Conclusions

Substantial progress has been made in the implementation of the protocols and various programmes in the SADC region using the modal approach. There is, therefore, a need to develop the integrated transport programme to ensure that inter-modal services are improved through the introduction of transport chains.

As can be seen from above, there still is a lot of duplication of effort by COMESA, SADC and to a certain extent ECA. Air transport issues should be addressed under the umbrella of the Yamoussoukro Declaration so that ownership of the programme by member States is enhanced.

The existing transit charges programme and the yellow card scheme should be consolidated and adopted by all so that inter-country trade and travel is enhanced. In this regard, some countries should be reminded that, for regional cooperation programmes to be realised, some sovereignty should be sacrificed.

In conclusion, the work of ECA should be streamlined to assist the RECs in developing joint programmes. In particular, optimal use should be made of the expertise in both RCID and the SRDCs in developing these programmes. Furthermore, it is hoped that the collaborative programme on performance indicators, road safety and HIV/AIDS along the transit corridors, drawn by COMESA, SATCC and ECA/SRDC-SA will set up the stage for developing future cooperation programmes.